

Meeting No. 1,247

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

Pages 1 - 208

August 21 - 22, 2024

Austin, Texas

MEETING NO. 1,247

WEDNESDAY, AUGUST 21, 2024.-- The members of the Board of Regents of The University of Texas System convened at 1:00 p.m. on Wednesday, August 21, 2024, in the Board Room, Second Floor, The University of Texas System Building, 210 West Seventh Street, Austin, Texas, with the below meeting participation:

ATTENDANCE.--

Present

Chairman Eltife
Vice Chairman Longoria
Vice Chairman Weaver (arrived at 1:55 p.m.)
Regent Crain
Regent Gauntt
Regent Jiles
Regent Perez
Regent Stedman
Regent Warren
Regent Dragun, Student Regent, nonvoting

CONVENE THE BOARD IN OPEN SESSION TO ALLOW FOR PUBLIC HEARING.-- At 1:00 p.m., in accordance with a notice being duly posted with the Secretary of State and there being a quorum present, Chairman Eltife called the meeting to order in Open Session.

WELCOME TO NEW STUDENT REGENT ANTHONY JOHN DRAGUN.--Chairman Eltife welcomed new Student Regent Dragun to his first regular meeting.

[Secretary's Note: On June 1, 2024, Governor Greg Abbott appointed Mr. Anthony John Dragun, Midland, Texas, as Student Regent to the Board of Regents of The University of Texas System to serve for a term from June 1, 2024 to May 31, 2025.]

The Board also recognized the performance of U. T. Athletes at the recent summer Olympic games and Chairman Eltife made the following remarks before sharing a video.

Remarks by Chairman Eltife

At the 2024 Paris Olympic Games, athletes from U. T. institutions didn't just compete—they shined on the world stage, showcasing extraordinary talent and determination. A total of 40 world class athletes from five U. T. institutions, representing 16 countries, competed in the Summer Games.

Among them, 15 U. T. competitors earned a total of 21 medals, including nine gold medals.

We are incredibly proud of our athletes—these accomplishments reflect a lifetime of hard work, sacrifice, training, and mental focus.

PUBLIC HEARING OPPORTUNITY, PURSUANT TO *TEXAS EDUCATION CODE* SECTION 54.0513, REGARDING PROPOSED CHANGE IN TUITION AND FEE RATES FOR THE DOCTOR OF PHARMACY DEGREE PROGRAM AT U. T. TYLER AND FOR THE SCHOOL OF BEHAVIORAL HEALTH SCIENCES AT U. T. HEALTH SCIENCE CENTER - HOUSTON

Chairman Eltife noted that two items to be heard later today during the Academic Affairs Committee and the Health Affairs Committee regarding proposed tuition and fee rates for the Doctor of Pharmacy degree program at U. T. Tyler and for the School of Behavioral Health Sciences at U. T. Health Science Center - Houston were posted for public hearing, as required by state law, but no individuals had signed up to speak.

Chairman Eltife then called on Mr. Haseeb Abdullah, a member of the public, who submitted a request to speak to the Board regarding Item 4 on the agenda for Thursday related to updates to The University of Texas System Commitment to Freedom of Speech and Expression. Chairman Eltife noted the Board would consider action on the item tomorrow, but the public comment was presented today to accommodate Mr. Abdullah's schedule.

COMMITTEE MEETINGS.--The Board convened in Open Session for Standing Committee meetings from 1:09 p.m. – 2:51 p.m.

CONVENE THE BOARD IN OPEN SESSION TO RECESS TO EXECUTIVE SESSION PURSUANT TO TEXAS GOVERNMENT CODE, CHAPTER 551.-- At 2:51 p.m., in accordance with a notice being duly posted with the Secretary of State and there being a quorum present, Chairman Eltife called the meeting to order in Open Session.

RECONVENE THE BOARD IN OPEN SESSION FOR POSSIBLE ACTION ON EXECUTIVE SESSION ITEMS.-- At 4:17 p.m., in accordance with a notice being duly posted with the Secretary of State and there being a quorum present, Chairman Eltife called the meeting to order in Open Session.

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

No action was taken on this item.

- 2a. U. T. System Academic Institutions: Discussion and appropriate action regarding proposed negotiated gifts, including potential naming features

Regent Perez made the following motion:

I move that the U. T. System Board of Regents authorize Chancellor Milliken, Vice Chancellor Safady, and the Presidents of U. T. Austin, U. T. Permian Basin, and U. T. Health Science Center - Houston to conclude negotiations necessary to finalize, approve, and accept gifts and to finalize and execute any agreements related to gift-associated namings consistent with the terms and conditions outlined and recommended in Executive Session.

The motion was seconded by Regent Jiles and carried unanimously.

- 2b. U. T. System Health Institutions: Discussion and appropriate action regarding proposed negotiated gifts, including potential naming features

See related Item 2a for action taken in Open Session.

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

No action was taken on this item.

- 3b. U. T. System Board of Regents: Discussion and appropriate action regarding legal issues concerning pending legal claims by and against U. T. System

No action was taken on this item.

ADJOURNMENT.--There being no further business, the meeting was adjourned at 4:17 p.m. to reconvene on August 22, 2024.

THURSDAY, AUGUST 22, 2024.-- The members of the Board of Regents of The University of Texas System reconvened at 9:00 a.m. on Thursday, August 22, 2024, in the Board Room, Second Floor, The University of Texas System Building, 210 West Seventh Street, Austin, Texas, with the below meeting participation:

ATTENDANCE.--

Present

Chairman Eltife
Vice Chairman Longoria
Vice Chairman Weaver
Regent Crain
Regent Gauntt
Regent Jiles
Regent Perez
Regent Stedman
Regent Warren
Regent Dragun, Student Regent, nonvoting

CONVENE THE BOARD IN OPEN SESSION TO CONSIDER AGENDA ITEMS.--At 9:00 a.m., in accordance with a notice being duly posted with the Secretary of State and there being a quorum present, Chairman Eltife called the meeting to order in Open Session to consider action on the following items.

STANDING COMMITTEE RECOMMENDATIONS AND REPORTS TO THE BOARD.--

At 9:05 a.m., Chairman Eltife announced the Board would hear the reports and recommendations of the Standing Committees, which are set forth on Pages 6 - 87.

Noting that there are no action items for the Audit, Compliance, and Risk Management Committee, Chairman Eltife acknowledged receipt of the institutions' certification forms stating that all institutions and U. T. System Administration are in compliance with *Texas Education Code* Section 51.3525. He further requested that the General Counsel to the Board, Stacey Napier, ensure all the appropriate Texas Higher Education Coordination Board forms be completed.

REPORT OF THE AUDIT, COMPLIANCE, AND RISK MANAGEMENT COMMITTEE
(Page 6).--Unless otherwise indicated, the actions set forth in the Minute Orders
that follow were recommended and approved by the Board in Open Session.

1. U. T. System Board of Regents: Discussion and appropriate action regarding Consent Agenda items, if any, assigned for Committee consideration

There were no items referred from the Consent Agenda.

2. U. T. System: Report on the results of the Fiscal Year 2023 U. T. Systemwide Endowment Compliance Program

This item was for consideration only by the Committee.

3. U. T. System Board of Regents: Report regarding compliance with Texas Education Code Section 51.3525

This item was for consideration only by the Committee.

4. U. T. System: Discussion of Systemwide internal audit activities, including updates on the Systemwide Cancer Prevention and Research Institute of Texas (CPRIT) grants assurance work, the chief administrator travel, entertainment, and university residence maintenance expenses engagement, and the Fiscal Year 2024 Annual Audit Plan status

This item was for consideration only by the Committee.

REPORT OF THE FINANCE AND PLANNING COMMITTEE (Pages 7 - 31).--
Unless otherwise indicated, the actions set forth in the Minute Orders that follow were recommended and approved by the Board in Open Session.

1. U. T. System Board of Regents: Discussion and appropriate action regarding Consent Agenda items, if any, assigned for Committee consideration

There were no items referred from the Consent Agenda.

2. U. T. System: Financial Status Presentation and Monthly Financial Report

This item was for consideration only by the Committee.

3. U. T. System Board of Regents: Equipment financing authorization for Fiscal Year 2025 and resolution regarding parity debt

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Business Affairs that the U. T. System Board of Regents

- a. approve an aggregate amount of \$326,200,000 of Revenue Financing System Equipment Financing for FY 2025 as allocated to those U. T. System institutions listed in the table at the end of this item; and
- b. resolve in accordance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System that
 - parity debt shall be issued to pay the cost of equipment including costs incurred prior to the issuance of such parity debt;
 - sufficient funds will be available to meet the financial obligations of the U. T. System, including sufficient Pledged Revenues as defined in the Master Resolution to satisfy the Annual Debt Service Requirements of the Financing System, and to meet all financial obligations of the U. T. System Board of Regents relating to the Financing System;
 - the U. T. System institutions, 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. System Board of Regents of tax-exempt parity debt in the aggregate amount of \$326,200,000 for the purchase of equipment; and

- this resolution satisfies the official intent requirements set forth in Section 1.150-2 of Title 26 of the *Code of Federal Regulations* that evidences the Board's intention to reimburse project expenditures with bond proceeds.

BACKGROUND INFORMATION

On April 14, 1994, the U. T. System Board of Regents approved the use of Revenue Financing System debt for equipment purchases in accordance with the Guidelines Governing Administration of the Revenue Financing System. Equipment financing is used for the purchase of equipment in lieu of more costly vendor financing. The guidelines specify that the equipment to be financed must have a useful life of at least three years. The debt is amortized four times a year with full amortization period not to exceed 10 years.

This agenda item requests approval of an aggregate amount of \$326,200,000 for equipment financing for Fiscal Year 2025. On August 24, 2023, the U. T. System Board of Regents approved a total of \$319,781,000 of equipment financing for Fiscal Year 2024. On February 22, 2024, the U. T. System Board of Regents approved an additional \$10,000,000 of equipment financing for Fiscal Year 2024. Through July 31, 2024, \$85,207,000 of equipment financing has been utilized for Fiscal Year 2024.

Further details on the equipment to be financed and leverage ratios for individual institutions may be found on the following page.

**U. T. SYSTEM EQUIPMENT FINANCING - INSTITUTION REQUESTS
FY 2025**

Institution	\$ Amount of Request	Description of Expected Capital Equipment	Spendable Cash & Inv. to Total Debt (x) *	Unrestricted Cash & Inv. to Total Debt (x) *
U. T. Austin	19,000,000	TV Production and video display equipment for Athletics; MRI & Monitoring System and C-Arm Machine	3.1	
U. T. Dallas	5,000,000	General purpose equipment supporting University's instruction, research, and business operations	2.2	
U. T. Rio Grande Valley	8,000,000	Equipment for security, instruction and research activities; campus PC/IT equipment replacement	4.3	
U. T. San Antonio	19,200,000	Athletic, technology, research, and start-up lab equipment; Buena Vista Theater equipment	2.3	
U. T. Southwestern Medical Center	30,000,000	Information resource projects; clinical and hospital equipment		0.7
U. T. Medical Branch - Galveston	60,000,000	Clinical, IT infrastructure, research-related, and facility-related equipment		0.8
U. T. Health Science Center - Houston	35,000,000	Clinical equipment		4.3
U. T. Health Science Center - San Antonio	90,000,000	Implementation of tech systems; Outpatient surgical center equipment and lab equipment		1.3
U. T. M. D. Anderson Cancer Center	60,000,000	Medical, diagnostic, research, vehicles, information systems, and technology equipment		11.1
Total	\$326,200,000			

* Spendable Cash & Inv. to Total Debt ratios and Unrestricted Cash & Inv. to Total Debt ratios are based on FY2023 Analysis of Financial Condition (February 2024). The calculation excludes TRB debt service.

U. T. System Office of Finance, July 10, 2024

4. U. T. System Board of Regents: Adoption of a Resolution authorizing the issuance, sale, and delivery of Permanent University Fund Bonds and authorization to complete all related transactions

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Business Affairs that the U. T. System Board of Regents

- a. adopt a Resolution, substantially in the form previously approved by the U. T. System Board of Regents, authorizing the issuance, sale, and delivery of Board of Regents of The University of Texas System Permanent University Fund (PUF) Bonds in one or more installments in an aggregate principal amount not to exceed \$975 million to be used to refund certain outstanding PUF Bonds, to refund PUF Commercial Paper Notes, to provide new money to fund construction and acquisition costs, and to pay the costs of issuance; and
- b. authorize appropriate officers and employees of U. T. System as set forth in the Resolution to take any and all actions necessary to carry out the intentions of the U. T. System Board of Regents within the limitations and procedures specified therein; to make certain covenants and agreements in connection therewith; and to resolve other matters incident and related to the issuance, sale, security, and delivery of such bonds.

BACKGROUND INFORMATION

On August 24, 2023, the Board of Regents adopted a resolution authorizing the issuance of PUF Bonds in an amount not to exceed \$975 million for Fiscal Year 2024. Adoption of this Resolution would provide \$975 million of authorization for similar purposes for Fiscal Year 2025. Approval of this item does not allocate additional PUF debt for capital projects.

Adoption of this Resolution would authorize the advance or current refunding of a portion of certain outstanding PUF Bonds provided that an advance refunding exceeds a minimum 3% present value debt service savings threshold. An advance refunding involves issuing bonds to refund outstanding bonds more than 90 days in advance of the call date, whereas a current refunding involves issuing bonds to refund outstanding bonds within 90 days of the call date. Refunding bonds are issued at lower interest rates thereby producing debt service savings. Adoption of this Resolution would provide the flexibility to select the particular bonds to be refunded depending on market conditions at the time of pricing. The Resolution provides that additional PUF Bonds may be refunded if such refunding is determined to be in the best interest of the U. T. System.

The Resolution would also authorize the current refunding of all or a portion of the PUF Commercial Paper Notes. The PUF Commercial Paper Note program is used to provide interim financing for PUF projects approved by the Board. Adoption of the Resolution would permit the interim financing provided through the Notes to be replaced with long-term financing. The Resolution would also authorize the issuance of bonds to provide new money to fund the capital costs of eligible projects.

The Resolution would also authorize the appropriate officers and employees of the U. T. System to refund outstanding PUF Bonds pursuant to a tender program and to use lawfully available funds to defease outstanding PUF Bonds when economically advantageous.

The proposed Resolution has been reviewed by outside bond counsel and the U. T. System Office of General Counsel.

Note: The Resolution is on file in the Office of the Board of Regents.

5. U. T. System Board of Regents: Adoption of a Supplemental Resolution authorizing the issuance, sale, and delivery of Revenue Financing System Bonds and authorization to complete all related transactions

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Business Affairs that the U. T. System Board of Regents

- a. adopt a Supplemental Resolution, substantially in the form previously approved by the U. T. System Board of Regents, authorizing the issuance, sale, and delivery of Board of Regents of The University of Texas System Revenue Financing System (RFS) Bonds in one or more installments in an aggregate principal amount not to exceed \$975 million to be used to refund certain outstanding RFS Bonds, to refund RFS Commercial Paper Notes, to provide new money to fund construction and acquisition costs of projects in the Capital Improvement Program, and to pay the costs of issuance; and
- b. authorize appropriate officers and employees of U. T. System as set forth in the Supplemental Resolution to take any and all actions necessary to carry out the intentions of the U. T. System Board of Regents within the limitations and procedures specified therein; to make certain covenants and agreements in connection therewith; and to resolve other matters incident and related to the issuance, sale, security, and delivery of such RFS Bonds.

BACKGROUND INFORMATION

On May 9, 2024, the Board of Regents adopted the 40th Supplemental Resolution authorizing the issuance of additional RFS Bonds in an amount not to exceed \$975 million. Adoption of this 41st Supplemental Resolution would provide \$975 million of authority to finance additional projects approved by the Board of Regents under the same provisions as the prior resolution.

Adoption of the Supplemental Resolution would authorize the advance or current refunding of a portion of certain outstanding RFS Bonds provided that an advance refunding exceeds a minimum 3% present value debt service savings threshold. An advance refunding involves issuing bonds to refund outstanding bonds more than 90 days in advance of the call date whereas a current refunding involves issuing bonds to refund outstanding bonds within 90 days of the call date. Refunding bonds are issued at lower interest rates thereby producing debt service savings. Adoption of this Supplemental Resolution will provide the flexibility to select the particular bonds to be refunded depending on market conditions at the time of pricing.

The Supplemental Resolution would also authorize the current refunding of all or a portion of the RFS Commercial Paper Notes. The RFS Commercial Paper Note program is used to provide interim financing for RFS projects approved by the Board. Adoption of the Supplemental Resolution will permit the interim financing provided through the Notes to be replaced with long-term financing. The Supplemental Resolution would also authorize the issuance of bonds to provide new money to fund the capital costs of eligible projects.

The Supplemental Resolution would also authorize the appropriate officers and employees of the U. T. System to refund outstanding RFS Bonds pursuant to a tender program and to use lawfully available funds to defease outstanding RFS Bonds when economically advantageous.

The proposed Supplemental Resolution has been reviewed by outside bond counsel and the U. T. System Office of General Counsel.

Note: The Resolution is on file in the Office of the Board of Regents.

6. U. T. System Board of Regents: Adoption of resolutions authorizing certain bond enhancement agreements for Revenue Financing System debt and Permanent University Fund debt and ratification of Regents' Rule 70202

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Business Affairs that the U. T. System Board of Regents

- a. adopt resolutions substantially in the form previously approved by the U. T. System Board of Regents (the Resolutions) authorizing appropriate officers of the U. T. System to enter into bond enhancement agreements related to its Revenue Financing System (RFS) and Permanent University Fund (PUF) debt programs in accordance with the U. T. System Interest Rate Swap Policy and to take any and all actions necessary to carry out the intentions of the U. T. System Board of Regents; and
- b. ratify the U. T. System Interest Rate Swap Policy as set forth in Regents' Rule 70202 on the following pages.

BACKGROUND INFORMATION

Texas Education Code Section 65.461 provides specific authority to the U. T. System Board of Regents to enter into "bond enhancement agreements," which include interest rate swaps and related agreements in connection with administration of the U. T. System's RFS and PUF debt programs.

On August 24, 2023, the Board approved bond enhancement agreement resolutions for FY2024. Approval of this item would authorize the execution of bond enhancement agreement transactions related to RFS and PUF debt in accordance with the U. T. System Interest Rate Swap Policy for FY2025. The determination to utilize bond enhancement agreements will be made based on market conditions at the time of pricing the related debt issuance. The Chancellor and the Chairman of the Board's Finance and Planning Committee will be informed in advance of any proposed transactions to be undertaken pursuant to the resolutions.

The U. T. System Interest Rate Swap Policy was approved by the Board of Regents as a Regental Policy on February 13, 2003, and was incorporated into the *Regents' Rules and Regulations*, Rule 70202, on December 10, 2004. The Rule was most recently amended on August 23, 2023. Section 1371.056(l) of the *Texas Government Code* requires that while an interest rate management agreement transaction is outstanding, the governing body of the issuer shall review and ratify or modify its related risk management policy at least biennially.

Note: The Resolutions are on file in the Office of the Board of Regents.

1. Title

Interest Rate Swap Policy

2. Rule and Regulation

- Sec. 1 Authority. *Texas Education Code*, [Chapter 55](#), including Section [55.13](#), *Texas Education Code*, [Chapter 65](#), including Section [65.461](#), and *Texas Government Code*, [Chapter 1371](#), including Section [1371.056](#), authorize the Board of Regents (Board) of The University of Texas System (U. T. System) to enter into interest rate management agreements and bond enhancement agreements (collectively “swaps”).
- Sec. 2 Purpose. This policy will govern the use of swaps in connection with the U. T. System’s management of its debt programs, including the Permanent University Fund and Revenue Financing System debt programs. By using swaps in a prudent manner, the U. T. System can increase the U. T. System’s financial flexibility, provide opportunities for interest rate savings, allow the U. T. System to actively manage asset and liability interest rate risk, take advantage of market opportunities to lower the overall cost of debt, balance interest rate risk, or hedge other exposures. The use of swaps must be tied directly to U. T. System debt instruments. The U. T. System shall not enter into swaps for speculative purposes.
- Sec. 3 Legality/Approval. Prior to entering into a swap, the U. T. System must receive approval from the Board of Regents (which may include a delegation of authority to an Authorized Representative to enter into one or more swaps) and any required approvals from the Texas Attorney General and the Texas Bond Review Board. The U. T. System will also secure an opinion acceptable to the Authorized Representative from legal counsel that the swap is a legal, valid, and binding obligation of the U. T. System and that entering into the swap complies with applicable State and federal laws.
- Sec. 4 Form of Agreements. Each interest rate swap shall contain terms and conditions as set forth in the International Swaps and Derivatives Association, Inc. (ISDA) Master Agreement, as amended, and such other terms and conditions including schedules, credit support annexes, and confirmations as deemed necessary by an Authorized Representative.

- Sec. 5 Methods of Procuring Swaps. Swaps can be procured via competitive bids or on a negotiated basis with counterparties or its credit support providers having credit ratings of ‘A’ or ‘A2’ or better from Standard & Poor’s or Moody’s, respectively.
- 5.1 Competitive. The competitive bid should include a minimum of three firms. An Authorized Representative may allow a firm or firms not submitting the bid that produces the lowest cost to match the lowest bid and be awarded a specified percentage of the notional amount of the swap.
- 5.2 Negotiated. An Authorized Representative may procure swaps by negotiated methods in the following situations:
- (a) A determination is made by an Authorized Representative that due to the complexity of a particular swap, a negotiated bid would result in the most favorable pricing;
- (b) A determination is made by an Authorized Representative that, in light of the facts and circumstances, a negotiated bid will promote the U. T. System’s interests by encouraging and rewarding innovation; or
- (c) A determination is made by an Authorized Representative that a competitive bid would likely create market pricing effects that would be detrimental to the interests of the U. T. System.
- Sec. 6 Counterparty Risk. Counterparty risk is the risk of a failure by one of the U. T. System’s swap counterparties to perform as required under a swap. To mitigate this risk, the U. T. System will 1) diversify its exposure among highly rated swap counterparties satisfying the rating criteria set forth in Section 5 above; 2) require collateralization as set forth below; and 3) include an optional termination event if the counterparty (or its credit support provider, if applicable) is downgraded below a second (lower) threshold.
- 6.1 Value Owed by Counterparty. To limit and diversify the U. T. System’s counterparty risk and to monitor credit exposure to each counterparty, the U. T. System may not enter into a swap with an otherwise qualified counterparty

unless the cumulative mark-to-market value owed by the counterparty (and its credit support provider, if applicable) to the U. T. System shall be less than or equal to the applicable threshold amount set forth in Section 6.3 below.

6.2 Calculation of Value Owed. The value owed shall be the sum of all mark-to-market values between the subject counterparty and the U. T. System regardless of the type of swap, net of collateral posted by the counterparty. Collateral will consist of cash, U.S. Treasury securities, and Federal Agency securities guaranteed unconditionally by the full faith and credit of the U.S. Government. Collateral shall be deposited with a third party trustee acceptable to U. T. System or as mutually agreed upon between U. T. System and each counterparty.

6.3 Threshold Amounts Based on Credit Rating. Specific threshold amounts by counterparty are based on the cumulative mark-to-market value of the swap(s) and the credit rating of the counterparty or its credit support provider. The threshold amounts are as follows:

(a) AAA / Aaa	\$30 million
(b) AA+ / Aa1	\$25 million
(c) AA / Aa2	\$20 million
(d) AA- / Aa3	\$15 million
(e) A+ / A1	\$10 million
(f) A / A2	\$ 5 million

6.4 Downgraded Rating. If the credit rating of a counterparty or its credit support provider is downgraded such that the cumulative mark-to-market value of all swaps between such counterparty and the U. T. System exceeds the maximum permitted by this policy, the counterparty must post collateral or provide other credit enhancement that is satisfactory to the U. T. System and ensures compliance with this policy.

Sec. 7 Termination Risk. The U. T. System shall consider the merits of including a provision that permits optional termination at any time over the term of the swap (elective termination right). In general, exercising the right to optionally terminate a swap should produce a benefit to the U. T. System, either through

receipt of a payment from a termination, or if a termination payment is made by the U. T. System, a conversion to a more beneficial debt instrument or credit relationship. It is possible that a termination payment by the U. T. System may be required in the event of termination of a swap due to a counterparty default or following a decrease in credit rating.

- Sec. 8 Amortization Risk. The amortization schedules of the debt and associated swap should be closely matched for the duration of the swap. Mismatched amortization schedules can result in a less than satisfactory hedge and create unnecessary risk. In no circumstance may (i) the notional amount of a swap exceed the principal amount of the related debt at any time, or (ii) the term of a swap extend beyond the final maturity date of the related debt instrument, or in the case of a refunding transaction, beyond the final maturity date of the refunding bonds.
- Sec. 9 Basis Risk. Basis risk arises as a result of movement in the underlying variable rate indices that may not be in tandem, creating a cost differential that could result in a net cash outflow from the U. T. System. Basis risk can also result from the use of floating, but different, indices. To mitigate basis risk, any index used as part of a swap shall be a recognized market index, including but not limited to the Securities Industry and Financial Markets Association (SIFMA) Municipal Swap Index, the Effective Federal Funds Rate (EFFR), or the Secured Overnight Financing Rate (SOFR).
- Sec. 10 Tax Risk. Tax risk is the risk that tax laws will change, resulting in a change in the marginal tax rates on swaps and their underlying assets. Tax risk is present in all tax-exempt debt issuances. The U. T. System Office of Finance will continually monitor and evaluate tax risk.
- Sec. 11 Interest Rate Risk. Interest rate risk is the risk that costs associated with variable rate exposure increase as a result of changes in market interest rates. Additional interest rate risk can be created by entering into certain types of swaps. The U. T. System Office of Finance will incorporate the impact of each swap on the overall debt portfolio.
- Sec. 12 Reporting.

- 12.1 The U. T. System Office of Finance staff will report to the Board within 30 days of completion of any swap transaction.
- 12.2 The Annual Financial Report prepared by the U. T. System and presented to the Board of Regents will discuss the status of all swaps. The report shall include a list of all swaps with notional value and interest rates, a list of counterparties (and credit support providers, if applicable) and their respective credit ratings, and other key terms.
- Sec. 13 **Qualified Independent Representative.** In connection with Commodities Futures Trading Commission Rule 23.450(b)(1), an Authorized Representative will select a qualified independent representative (QIR) to advise the U. T. System Office of Finance on derivative transactions, and U. T. System Office of Finance staff will monitor the performance of such QIR on an ongoing basis. The U. T. System Office of Finance will consult with the QIR prior to entering into or modifying any derivative transactions.

3. Definitions

Authorized Representative – includes the Executive Vice Chancellor for Business Affairs, the Vice Chancellor and General Counsel, the Associate Vice Chancellor for Finance, and the Assistant Vice Chancellor for Finance.

Counterparty – a participant in a swap who exchanges payments based on interest rates or other criteria with another counterparty.

Counterparty Long-Term Debt Rating – lowest prevailing rating from Standard & Poor's / Moody's.

Effective Federal Funds Rate (EFFR) – The effective federal funds rate is calculated and published by the New York Federal Reserve Bank based on domestic unsecured borrowings in U.S. dollars by depository institutions. It is a commonly used benchmark for swaps.

Hedge – a transaction entered into to reduce exposure to market fluctuations.

Interest Rate Swap – a swap in which two parties agree to exchange future net cash flows based on predetermined interest rates or indices

calculated on an agreed notional amount. An interest rate swap is not a debt instrument and there is no exchange of principal.

ISDA Master Agreement – the International Swaps and Derivatives Association, Inc. (ISDA), is the global trade association for the derivatives industry. The ISDA Master Agreement is the basic governing document that serves as a framework for all interest rate swaps and certain other types of swaps between two counterparties. It is a standard form used throughout the industry. It is typically negotiated once, prior to the first swap transaction, and remains in force for all subsequent swap transactions.

Mark-to-Market – calculation of the value of a financial instrument (like an interest rate swap) based on the current market rates or prices of the underlying indices.

Maximum cumulative mark-to-market – value of swaps owed to the U. T. System by counterparty (net of collateral posted).

Notional Amount – the size of the swap and the dollar amount used to calculate interest payments.

SIFMA Index – the principal benchmark for floating rate payments for tax-exempt issuers. The index is a national rate based on a market basket of high-grade, seven-day, tax-exempt variable rate bond issues.

Secured Overnight Financing Rate (SOFR) - the Secured Overnight Financing Rate (SOFR) is a broad measure of the cost of borrowing cash overnight collateralized by Treasury securities. It is a commonly used benchmark for swaps to replace LIBOR.

4. Relevant Federal and State Statutes

Texas Education Code, [Chapter 55](#) – Financing Permanent Improvements

Texas Education Code, [Chapter 65](#) – Administration of The University of Texas System

Texas Government Code, [Chapter 1371](#) – Obligations for Certain Public Improvements

5. Relevant System Policies, Procedures, and Forms

None

6. Who Should Know

Administrators

7. System Administration Office(s) Responsible for Rule

Office of Business Affairs

8. Dates Approved or Amended

[Regents' Rules Revision History](#)

9. Contact Information

Questions or comments regarding this Rule should be directed to:

- bor@utsystem.edu

7. U. T. System Board of Regents: Approval of the Annual Budget for Fiscal Year 2025, including the capital expenditures budget and other external direct charges to the Funds, and the Annual Fee and Allocation Schedule for The University of Texas/Texas A&M Investment Management Company (UTIMCO)

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor and the Executive Vice Chancellor for Business Affairs concur in the recommendation of The University of Texas/Texas A&M Investment Management Company (UTIMCO) Board of Directors that the U. T. System Board of Regents approve the proposed Annual Budget for the year ending August 31, 2025, as set forth below, which includes the capital expenditures budget and other external direct charges to the Funds, and the Annual Fee and Allocation Schedule as set forth following the proposed budget.

BACKGROUND INFORMATION

The proposed Total Budgeted Costs consist of \$80.3 million (12.0% increase over FY 2024 budget) for UTIMCO Services and \$9.0 million (8.6% increase from FY 2024 budget) for Fund Direct Costs (external non-investment manager services such as custodial, legal, audit, and consulting services). These Total Budgeted Costs represent only a portion of total investment costs as they exclude external manager fees. The proposed Total Budgeted Costs were approved by the UTIMCO Board on June 20, 2024.

The increase in UTIMCO Services is due primarily to increased personnel expenses (fixed costs such as salaries and benefits as well as variable performance compensation), as well as higher costs for information technology systems, services, data, and security.

The proposed capital expenditures budget is \$645,000.

The proposed Annual Fee and Allocation Schedule shows the allocation of the proposed budgeted expenses among U. T. System funds. The fees are to be paid quarterly.

UTIMCO recommends that \$12.0 million of cash reserves be distributed back to U. T. System per the Master Investment Management Services Agreement (IMSA) between the U. T. System Board of Regents and UTIMCO.

UTIMCO developed a new, five-year Strategic Plan for the years 2025 - 2029, which was presented to the UTIMCO Board in June 2024. The Strategic Plan lays out priority focus areas for UTIMCO as it manages projected growth of the Endowments, the Intermediate Term Fund, and the Short Term Fund, which are expected to total

\$100 billion by the end of 2029. The plan projects resources required to meet these objectives and benchmarks UTIMCO's projected annual budget (11-12 basis points of assets under management) against peer institutions, which generally spend 15-25 basis points annually.

The U. T. System Office of Business Affairs has prepared a memorandum for the purpose of reviewing budgeted expenses, which is included as a part of this Agenda Item following the proposed Budget and the Fee and Allocation Schedule.

[Secretary's Note: At the request of the Office of Finance, Table 1 on Page 2 of the Fiscal Year 2025 Review of UTIMCO Services Budget and Other Direct Costs to Funds Budget memorandum has been replaced to include corrected percentages.]



UTIMCO FY 2025 Budget

Mr. Richard Hall, President, Chief Executive Officer and Chief Investment Officer
U. T. System Board of Regents Meeting
Finance and Planning Committee
August 2024



FY 2025 Budget vs. FY 2024 Budget

	FY 2024	FY 2025		FY 2025 Budget Proposed v FY 2024 Budget		
	Budget	Proposed Budget	% of Total Budget	Projected in 2025 Strategic Plan	\$	%
UTIMCO Personnel Costs:						
Salaries	24,680,045	27,248,025	31%	27,248,025	2,567,980	10.4%
Performance Compensation	21,055,462	25,942,695	29%	25,942,695	4,887,233	23.2%
Benefits & Taxes	8,710,966	8,387,046	9%	8,387,046	(323,920)	-3.7%
Total UTIMCO Personnel Costs (1)	\$ 54,446,473	\$ 61,577,766	69%	\$ 61,577,766	\$ 7,131,293	13.1%
Other UTIMCO Costs:						
Data & Subscriptions	6,996,348	7,493,040	8%	7,493,040	496,692	7.1%
Travel	1,330,000	1,500,000	2%	1,500,000	170,000	12.8%
Lease Expense & Lease Asset Amortization	3,198,407	3,403,990	4%	3,403,990	205,583	6.4%
Depreciation	1,850,000	1,825,000	2%	1,825,000	(25,000)	-1.4%
Other Costs (2)	3,857,440	4,489,604	5%	4,489,604	632,164	16.4%
Total Other UTIMCO Costs:	\$ 17,232,195	\$ 18,711,634	21%	\$ 18,711,634	\$ 1,479,439	8.6%
Total UTIMCO Services Costs:	\$ 71,678,668	\$ 80,289,400	90%	\$ 80,289,400	\$ 8,610,732	12.0%
Bps of AUM	9.59	10.12		10.12		
Direct Fund Costs:						
Custodian Fees	4,984,000	5,409,000	6%	5,409,000	425,000	8.5%
Other (3)	3,333,799	3,623,234	4%	3,623,234	289,435	8.7%
Total Direct Fund Costs	\$ 8,317,799	\$ 9,032,234	10%	\$ 9,032,234	\$ 714,435	8.6%
Grand Total UTIMCO Budget:	\$ 79,996,467	\$ 89,321,634		\$ 89,321,634	\$ 9,325,167	11.7%
Bps of AUM	10.70	11.26		11.26		
AUM projected (\$ billion)	\$75	\$79		\$79		
UTIMCO Headcount	133	133		133		

NOTES:

- (1) FY25 Budgeted Total Personnel Costs increased by \$7.1M or 13.1% from the FY24 Budget primarily as the result of an increase in salaries related to normal merit raises, market catch-up raises, and promotions. Additionally, performance compensation increased primarily as a result of the proposed compensation plan changes.
- (2) Budgeted Other UTIMCO Costs increased by 8.6% from FY24 to FY25 primarily as a result of an increase in Data & Subscriptions, IT Consulting and Contract Services, Travel, and Lease costs.
- (3) Other Direct Fund Costs include: Fund Auditors/Accounting fees (\$928k), Legal Fees (\$1.62M), Tax Consultants (\$399k), Background Searches (\$358k), and Consultants (\$287k).



Annual Fee and Allocation Schedule

UTIMCO Management Fee and Direct Budgeted Investment Expenses Annual Fee and Allocation Schedule For the fiscal year ending August 31, 2025

<u>Proposed Budget</u>	<u>Fund Name</u>						Separate Funds	Debt Proceeds	Total
	PUF	PHF	LTF	GEF	ITF	STF			
<u>Market Value 4/30/24 (\$ millions)</u>	35,011			23,857	8,935	4,981	194	620	73,598
<u>UTIMCO Management Fee</u>									
Dollars	41,458,522			28,250,434	10,580,443				80,289,400
Basis Points	11.8			11.8	11.8				10.9
<u>Direct Expenses to the Fund, Excluding UT System Direct Expenses to the Fund</u>									
Dollars	4,525,045	27,128	30,128	3,105,955	1,343,978				9,032,234
Basis Points	1.3	0.2	0.0	1.3	1.5				1.2



UTIMCO Strategic Plan 2025-2029

Goal: Alignment on priorities and resources requirements between UTIMCO, UTIMCO Board, and Board of Regents

	Budget Request FY 2025	5-Year Strategic Plan Projected Budget (to be approved annually by Board)				CAGR 2025-29
		FY 2026	FY 2027	FY 2028	FY 2029	
UTIMCO Personnel Costs:						
Base Salary	27,248,025	29,951,987	32,399,406	34,184,439	34,753,216	6%
Performance Comp	25,942,695	31,210,892	33,820,582	35,284,583	36,294,946	9%
Benefits and Taxes	8,387,046	9,238,906	9,843,341	10,241,394	10,573,443	6%
Total UTIMCO Personnel Costs	\$ 61,577,766	\$ 70,401,786	\$ 76,063,329	\$ 79,710,416	\$ 81,621,606	7%
Other UTIMCO Costs:						
Data & Subscriptions	7,493,040	8,331,529	9,061,695	9,867,531	10,764,006	9%
Travel & Meetings	1,661,940	1,819,622	1,992,707	2,182,720	2,391,336	10%
Lease & Lease Asset Amortization	3,403,990	3,451,239	3,476,637	3,412,327	3,532,467	1%
Depreciation	1,825,000	1,825,000	1,825,000	1,825,000	1,825,000	0%
Other Costs	4,327,664	3,744,094	3,672,422	4,266,153	4,148,935	-1%
- Contract Svcs & Maint	2,626,128	2,086,874	2,026,162	2,066,178	1,950,196	-7%
- Hiring, Relo, Mercer Comp	634,524	592,088	530,372	1,029,387	969,162	11%
- Legal	405,000	370,000	385,000	401,000	418,000	1%
- Other / Miscellaneous	662,012	695,131	730,889	769,588	811,577	5%
Total Other UTIMCO Costs	18,711,634	19,171,483	20,028,462	21,553,732	22,661,745	5%
Y-O-Y Increase (%)	9%	2%	4%	8%	5%	
Total UTIMCO Costs	\$ 80,289,400	\$ 89,573,269	\$ 96,091,791	\$ 101,264,148	\$ 104,283,350	7%
Y-O-Y Increase (%)	12%	12%	7%	5%	3%	
Bps of AUM	10.12	10.67	10.82	10.77	10.48	
Direct Fund Costs						
Custodian Fees	5,409,000	5,679,450	5,963,423	6,261,594	6,574,673	5%
Other	3,623,234	3,833,363	4,056,698	4,294,366	4,547,500	6%
Total Fund Costs	\$ 9,032,234	\$ 9,512,813	\$ 10,020,120	\$ 10,555,959	\$ 11,122,174	5%
Y-O-Y Increase (%)	9%	5%	5%	5%	5%	
Bps of AUM	1.14	1.13	1.13	1.12	1.12	
Grand Total UTIMCO Budget	\$ 89,321,634	\$ 99,086,082	\$ 106,111,911	\$ 111,820,107	\$ 115,405,524	7%
Y-O-Y Increase (%)	12%	11%	7%	5%	3%	
Bps of AUM	11.26	11.81	11.95	11.90	11.60	
Projected AUM (\$B)	\$79	\$84	\$89	\$94	\$100	

Projected 2029 AUM: \$100B

Five priority focus areas:

- Talent
- Technology platforms
- Data
- Investment design and performance
- Liquidity and leverage optimization

Five-year budget forecast

11-12 bps cost vs. Peers at 15-25

Reviewed annually with UTIMCO Board

Appendix





Cost Benchmarking

UTIMCO cost ratios compare favorably to large Endowment & Foundation peers and Outsourced Chief Investment Officers (CIOs)

- Historical operating cost ratio (total budget in bps of AUM) ranges from **30% to 70% of peers**
- Budget per FTE ranges from **50%-70% of most comparable⁺ peers**

	UTIMCO	Cambridge > \$5 B Peers	Endowments					Foundations					Outsourced CIOs and FoFs			
			A	B	C	D	E	AA	BB	CC	DD	EE	1	2	3	4
Budget Year	2023		2023	2023	2023	2023	2023	2022	2022	2022	2022	2022	2023	2023	2023	2023
Budget Year AUM (\$ billion)	~\$72		> \$35	> \$35	> \$35	> \$35	~\$14	~\$18	~\$14	~\$14	~\$9	~\$9	~\$40	~\$27	~\$20	~\$17
Est. Budget (\$ million)	\$76		\$100		\$68		\$34	\$30	\$19	\$19	\$16	\$16	\$100	\$63	\$70	\$60
Est. Budget (bps of AUM)	10.6	15.1	18.0		17.0		24.6	16.8	13.4	13.7	17.7	18.4	25.0	23.5	35.0	35.0
Efficiency as % of UTIMCO		70%	59%		62%		43%	63%	79%	77%	60%	58%	42%	45%	30%	30%
Team Composition																
Investments	56		29	19	23	24	18						20	50	40	19
Support & Control (ex-ISS)*	50		50	18	30	22	22						200	40	36	24
Information Services & Security	28		27	3	5	4	3						30	40	6	4
Total FTE	134		106	40	58	50	43						250	130	80	45
AUM / FTE (\$ million)	\$537		\$525	\$1,100	\$691	\$706	\$322						\$160	\$208	\$250	\$378
AUM / Investor (\$ billion)	\$1,286		\$1,921	\$2,316	\$1,743	\$1,471	\$770						\$2,000	\$540	\$500	\$895
Budget / FTE (\$ million)	\$0.57		\$0.95		\$1.18		\$0.79						\$0.40	\$0.49	\$0.88	\$1.32
UTIMCO Budget / FTE vs. Peer			60%		48%		72%						142%	117%	65%	43%
Operating Metrics																
% of Total FTEs																
Investments	42%		27%	48%	40%	48%	42%						8%	38%	50%	42%
Support & Control (ex-ISS)*	37%		47%	45%	52%	44%	51%						80%	31%	45%	53%
Info Services & Security**	21%		25%	8%	9%	8%	7%						12%	31%	8%	9%

Sources: UTIMCO research; Cambridge Associates Investment Office Oversight Costs Survey (April 2023); Charles Skorina and FoundationMark (2022).

Total budget includes UTIMCO costs as well as direct Fund costs. AUM includes assets across PUF, GEF, ITF, and STF.

+ OCIOs 1 and 2 have significant non-investment client support functions.

* Support & Control (ex-ISS) includes operations, accounting and reporting; legal and compliance; corporate accounting; HR; and administration.

** Info Services & Security for several endowment peers is provided by university client.

8. U. T. System Board of Regents: The University of Texas/Texas A&M Investment Management Company (UTIMCO) Update

This item was for consideration only by the Committee.

9. U. T. Health Science Center - Houston: Discussion and appropriate action regarding the development and construction of an Ambulatory Surgery Center (ASC) within U. T. Health Science Center - Houston's and U. T. Physicians' multi-specialty clinic at Bellaire Station, 6500 W. Loop South, Bellaire, TX 77401; including a) an increase in the allocation and authorization of expenditure of institutional funds for U. T. Health Science Center - Houston's portion of the project from \$35,000,000 to \$54,200,000; b) an increase in the allocation and authorization to finance capital expenditures for U. T. Health Science Center - Houston's portion of the project from \$15,000,000 to \$31,750,000; c) resolution regarding parity debt; and d) reaffirmation of finding of public purpose

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs, the Executive Vice Chancellor for Business Affairs, and the institutional president that the U. T. System Board of Regents

- a. authorize expenditure by U. T. Health Science Center - Houston of up to \$54,200,000 from unrestricted institutional funds for U. T. Health Science Center - Houston's proportionate share of the project costs (construction, equipment, working capital, etc.) with the understanding that no state-appropriated funds or tuition revenues will be used;
- b. authorize up to \$31,750,000 for U. T. Health Science Center - Houston to finance capital costs related to constructing the ambulatory surgery center;
- c. make the findings required under Section 5 of the Amended and Restated Master Resolution establishing the Revenue Financing System relating to the issuance of parity debt on behalf of U. T. Health Science Center - Houston in an estimated amount of \$31,750,000 and that this action satisfies the official intent requirements set forth in Section 1.150-2 of the *Code of Federal Regulations*; and
- d. reaffirm the finding of public purpose made by the Board on February 23, 2023, by finding that the project continues to provide adequate consideration to U. T. Health Science Center - Houston and the State of Texas in exchange for U. T. Health Science Center - Houston's capital and other contributions.

BACKGROUND INFORMATION

On February 23, 2023, the U. T. System Board of Regents authorized U. T. Health Science Center - Houston, together with Surgical Care Affiliates, LLC, a Delaware limited liability company, and/or its affiliate (SCA), to develop and construct an ambulatory surgery center in U. T. Health Science Center - Houston's and U. T. Physicians' multi-specialty clinic at Bellaire Station, 6500 W. Loop South, Bellaire, TX 77401 and authorized the expenditure of up to \$35,000,000 of institutional funds for U. T. Health Science Center - Houston's portion of the project costs. Approval of this item would increase the expenditure authorization of institutional funds from \$35,000,000 to \$54,200,000 to accommodate a larger project than originally contemplated.

On May 9, 2024, the U. T. System Board of Regents authorized up to \$15,000,000 of Revenue Financing System debt to finance U. T. Health Science Center - Houston's portion of the project's capital costs. Approval of this item would increase the Revenue Financing System authorization from \$15,000,000 to \$31,750,000. The debt is expected to be repaid with clinical revenue. Annual debt service is estimated at \$3,910,000. The institution's Scorecard Rating of 3.5 at fiscal year-end 2023 is below the maximum threshold of 6.0 and demonstrates that the institution has the financial capacity to satisfy its direct obligations related to parity debt. The institution therefore requests that the Board resolve in accordance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System that:

- a. parity debt shall be issued to fund all or a portion of the project, including any 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 RFS Master Resolution to satisfy the Annual Debt Service Requirements of the Financing System, and to meet all financial obligations of the U. T. System Board of Regents relating to the Financing System;
- c. U. T. Health Science Center - Houston, which is a "Member" as such term is used in the RFS Master Resolution, possesses the financial capacity to satisfy its direct obligation as defined in the Master Resolution relating to the issuance by the U. T. System Board of Regents of parity debt in an aggregate amount of \$31,750,000; and
- d. this resolution satisfies the official intent requirements set forth in Section 1.150-2 of the *Code of Federal Regulations* that evidences the Board's intention to reimburse project expenditures with bond proceeds.

The project continues to support the public mission and serve the public purposes appropriate to the functions of U. T. Health Science Center - Houston by enhancing its ability to a) deliver and manage high quality health care services to its patients through alternate delivery settings; b) own and operate surgical facilities in partnership with other clinical partners who share U. T. Health Science Center - Houston's mission of providing quality healthcare services across the entire care continuum; c) offer U. T. Health Science Center - Houston faculty and learners additional training opportunities in the advancement of their educational experience; and d) meet its financial objectives necessary to the fulfillment of its tripartite missions of clinical care, education, and research. All proper and necessary safeguards and controls by U. T. Health Science Center - Houston to ensure the project continues to be in furtherance of the public purposes remain in place. Finally, the consideration and other benefits received by U. T. Health Science Center - Houston and the public remain adequate in exchange for the institution's participation and capital contributions.

REPORT OF THE ACADEMIC AFFAIRS COMMITTEE (Pages 32 - 57).-- Unless otherwise indicated, the actions set forth in the Minute Orders that follow were recommended and approved by the Board in Open Session.

1. U. T. System Board of Regents: Discussion and appropriate action regarding Consent Agenda items, if any, referred for Committee consideration

There were no items referred from the Consent Agenda.

2. U. T. Austin: Presentation on Department of Defense (DOD) Microelectronics Manufacturing Center grant funding awarded to U. T. Austin

This item was for consideration only by the Committee.

3. U. T. System: Discussion and appropriate action regarding proposed Third Agreement of Cooperation in Higher Education and Research with The National Council of Humanities, Sciences and Technologies (CONAHCYT) of Mexico; allocation of \$11.35 million in Available University Funds (AUF) to continue support of the Agreement; and finding that the expenditure of AUF for this purpose is appropriate

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs, and the Executive Vice Chancellor for Business Affairs that the U. T. System Board of Regents

- a. approve the U. T. System's Third Agreement with The National Council of Humanities, Sciences and Technologies (CONAHCYT) as described on the following page.
- b. authorize \$11.35 million in Available University Funds (AUF) to continue the support of the agreement with CONAHCYT through Fiscal Year 2030; and
- c. find that expenditure of AUF for this purpose is appropriate under the U. T. System's responsibilities to coordinate the activities of the U. T. System institutions participating in the program, including support and maintenance of the participation of U. T. Austin in the program, with the intent that the expenditure will benefit a broad number of U. T. System institutions.

BACKGROUND INFORMATION

A Memorandum of Understanding (MOU) was executed on August 25, 2015, establishing the basis for programs of cooperation between U. T. System and CONAHCYT (then known as The National Council of Science and Technology (CONACYT)) to promote and strengthen relations between both countries in regard to higher education and research. Using the MOU as a platform, the Agreement of Cooperation in Higher Education and Research represents the initial funded series of jointly-funded educational and research programs. On May 12, 2016, the Board of Regents authorized \$5 million in AUF to support that agreement for four years, followed by another \$5 million AUF allocation approved on November 24, 2019. On August 24, 2023 the Board of Regents approved the Second Amendment which extended this arrangement through December 31, 2025. The programs supported through this Agreement include Mexican Ph.D. student education at U. T. System institutions, exchange of postdoctoral fellows, exchange of non-degree students and faculty, and collaborative research projects. The proposed funding provides continued program and administration support. The partnership with CONAHCYT is a U. T. System Administration program administered through an office located on the U. T. San Antonio campus known as the ConTex Office. The office functions under contract with U. T. System Administration through the Office of Academic Affairs. U. T. System Administration reimburses U. T. San Antonio with the allocated AUF based on invoices submitted or other appropriate means. The allocation of AUF will also be used to reimburse U. T. Austin for expenses related to U. T. Austin's participation in the program. Funds provided by CONAHCYT are used to reimburse the cost of institutional participation for those U. T. System institutions choosing to participate. Most U. T. System institutions have previously participated individually in educational programs funded by CONAHCYT.

Advance notice of this proposed System initiative funded with AUF was provided to the Legislative Budget Board as required by Rider 7, Page III-78 of the current General Appropriations Act.

SUMMARY OF TERMS OF AGREEMENT

This will be the third Agreement of Cooperation in Research and Higher Education between CONAHCYT and U. T. System. This agreement is for a five-year term, supersedes the Second Agreement with CONAHCYT, and will renew automatically unless terminated by either party. The agreement renews and continues the relationship allowing the parties to undertake activities of cooperation in humanistic and scientific research, technological development and innovation, based on joint initiatives, projects and programs including joint support of doctoral graduate programs for Mexican students who have been selected as awardees of the CONHACYT doctoral scholarship and who are admitted to a doctoral program at a U. T. institution. As part of the collaboration, CONAHCYT will provide a scholarship that will include a monthly stipend, tuition scholarship, and annual support for health insurance for the first four years of the students' doctoral study. During the students' fifth year of study, U. T. System agrees to provide comparable funding support.

Additionally, U. T. System will continue supporting the ConTex office, including its operations, which are administered through an office located at U. T. San Antonio, to implement the agreement and ensure the success of the doctoral students.

4. U. T. System: Approval of \$695,000 in Available University Funds (AUF) to support the U. T. System Legislative Fellowship Program; and finding that the expenditure of AUF for this purpose is appropriate

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and the Executive Vice Chancellor for Business Affairs that the U. T. System Board of Regents:

1. authorize \$695,000 in Available University Funds (AUF) to support the U. T. System Legislative Fellowship Program during the 89th Texas Legislative Session; and
2. find that expenditure of AUF for this purpose is appropriate under the U. T. System's responsibilities to coordinate the activities of the U. T. institutions participating in the program with the intent that the expenditure will benefit students of a broad number of U. T. institutions.

BACKGROUND INFORMATION

During the 88th Texas Legislative Session in 2023, U. T. System piloted a Legislative Fellowship Program serving 42 undergraduate, graduate, and law students from seven of the then-eight academic institutions and five Stephen F. Austin State University students. Students interned in 33 legislative offices, committees, and state agencies, elevating the visibility of the U. T. System and its institutions while providing students with valuable leadership and professional experience. Based on the success of the 2023 pilot and the continued interest from students, institutions, and legislative offices and agencies, the program is proposed to be continued for the 89th Texas Legislative Session in 2025.

The pilot program was funded from a non-recurring source for which Board approval was not required. Funding from the AUF, which requires Board action, is requested to continue the program.

Advance notice of this proposed System initiative funded with AUF was provided to the Legislative Budget Board as required by Rider 7, Page III-78 of the current *General Appropriations Act*.

Funding Details

For many U. T. System students and their families, participation in a semester away program in Austin is cost-prohibitive because students must relinquish jobs or graduate assistantships while also funding the extra cost of living in Austin, the fifth most expensive city in the U.S.

Funds will 1) increase program accessibility by providing financial support for scholarships/fellowships; 2) increase program excellence through adequate staffing, including a dedicated full time staff member; and 3) expand programming, resulting in a robust experience for participants.

The proposed use of funds is as follows:

\$510,000 Student Funding

- Undergraduate Fellowships (up to \$10,000 per full time intern)
- Graduate Fellowships (up to \$10,000 per full time intern or \$5,000 per part time intern)
- Access to U. T. Austin Campus Resources (bus, health and mental health services, and gym for non-U. T. Austin students)

\$150,000 Staffing

- FTE (Austin-based) to ensure smooth program operations, manage day-to-day operations, and grow public service-learning opportunities at the state level
- PTE (Austin-based) to provide data analytics and/or administrative support

\$35,000 Programmatic Costs

- Orientation and professional development activities, networking events, leadership speaker series, and graduation

5. U. T. El Paso: Discussion and appropriate action regarding approval of an update to the Campus Master Plan

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and the institutional president that the U. T. System Board of Regents approve an update to the Campus Master Plan for U. T. El Paso.

BACKGROUND INFORMATION

President Wilson will present a proposed Campus Master Plan that will support U. T. El Paso's programs based on analysis of projected space needs and building conditions using the PowerPoint presentation set forth on the following pages. The updated plan integrates U. T. El Paso's 2030 Strategic Plan, Strategic Enrollment Plan, Campus Space Studies, Facilities Condition Index, Capital Expenditure Plan, and multiple utility studies. While new facilities are anticipated in the plan, emphasis was placed on evaluating all buildings to assess their condition and functional use, on determining alignment with current and future needs, and on improving the facilities' condition through cost-effective maintenance and removal of some infrastructure beyond its useful life. This plan also focuses on creating a process for the University to continuously inform and more frequently update the plan to accommodate future needs.

The proposed Master Plan establishes a road map for the next 10 years, detailing how the campus can address short-term and long-term needs. The plan is arranged into three different phases to address near-term, long-term, and priority building renewals.

Portions of the near-term roadmap are currently underway with the construction of the Advance Manufacturing & Aerospace Center and Texas Western Hall. Planning has also begun on the construction of new student housing, a Student Success Center, and the replacement and renovation of the Union Complex.

The plan reinforces the natural and architectural beauty of the campus as a Bhutanese-inspired oasis surrounded by the Franklin Mountains and the cities of El Paso and Ciudad Juarez.



THE UNIVERSITY OF TEXAS AT EL PASO

2024 CAMPUS MASTER PLAN

Dr. Heather Wilson, President

U. T. System Board of Regents Meeting
Academic Affairs Committee
August 2024



The University of
Texas System

U.T. EL PASO 2024 CAMPUS MASTER PLAN

Planning Inputs

2030 Strategic Plan

Strategic Enrollment Plan

Space Analysis + Projections

Comprehensive Building Review

Facilities Condition Index

Utility Studies (2006 + 2021)



The University of Texas System

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U.T. EL PASO 2024 CAMPUS MASTER PLAN

Parameters

Enrollment Growth Up to 30,000 students	110,000 GSF
Research Growth Up to \$200M in research expenditures	115,000 GSF
Housing Growth 1,000 additional beds	450,000 GSF
Community Engagement Larger, more frequent events	105,000 GSF





Long-term Property Acquisition



The University of Texas System



Campus Overview

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The University of Texas System



Advanced Manufacturing & Aerospace Center

Minutes - 42



Advanced Manufacturing & Aerospace Center



The University of
Texas System



Texas Western Hall

Minutes - 44



The University of Texas System



Texas Western Hall



The University of Texas System



Landscape Restoration



Student Success Building

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Student Union



New Student Housing

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Major Issue: Maintenance and Repair

- As of Fiscal Year 2023, deferred maintenance is \$341 million.
- UTEP's facilities condition index is 15.64%, one of the highest in the State.





Facility Condition



Keys To Infrastructure Transformation

- Increase intensity of space use in both classrooms and labs
- Eliminate at least 5% of old infrastructure not worth maintaining
- Review/update charge structure of outside users, and budget percentage of revenue for maintenance and repair (M&R)
- Facilities overhead collected from research must go to facilities
- Gradually increase M&R budget to 2% of replacement cost
- Propose PUF and legislative capital improvement projects that are well justified and mission essential

Next Steps

- Manage current construction on cost/schedule
- Student fee vote on Union renewal
- Legislative request prioritizes Student Success building to move functions out of Union
- Cost-effective student housing – traditional dorm
- PUF request to start M&R recovery
- Work with community on Sun Bowl

6. U. T. Tyler: Discussion and appropriate action regarding tuition and fees for the U. T. Tyler Doctor of Pharmacy degree program

During the Committee Meeting on Wednesday, Committee Chairman Jiles noted that earlier in the day, as required by state law, the Board provided an opportunity for public comment regarding the proposed changes related to designated tuition, but no individuals signed up to speak.

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Business Affairs, and the Vice Chancellor and General Counsel that the U. T. System Board of Regents approve the proposed change in tuition and fee rates for the Doctor of Pharmacy degree program at The University of Texas at Tyler for Fiscal Year 2025, as recommended by the institutional president.

BACKGROUND INFORMATION

The enabling legislation creating the Fisch College of Pharmacy at U. T. Tyler did not authorize formula funding for the program. As a result, on November 14, 2013, the U. T. System Board of Regents approved establishment of the Doctor of Pharmacy program as a self-supporting program and tuition was initially set at a market rate higher than U. T. Tyler's standard published rates. On June 10, 2023, Governor Greg Abbott signed 88(R) H.B. 1794, which made the U. T. Tyler Fisch College of Pharmacy eligible for formula funding by repealing Section 76.026(c) of the *Texas Education Code*, which established the school's ineligibility for such funding. Accordingly, U. T. Tyler is requesting approval to switch from the previous flat-market rate for the program to a new formula-funded rate. All mandatory fees will also be charged. To meet statutory requirements for formula funding eligibility, U. T. Tyler is required to charge tuition based on its published doctoral rates. Eligibility for formula funding will result in a decrease in tuition for resident students. An overview of the institution's tuition proposal for the Doctor of Pharmacy degree program for Fiscal Year 2025 is on the following page.

A public hearing opportunity regarding the proposed change to designated tuition will be provided before the full Board prior to consideration of this item during the Committee meeting.

**The University of Texas at Tyler Ben and Maytee Fisch College of Pharmacy
Tuition and Fee Proposal Plan Fall 2024
(Fiscal Year 2025)**

SUMMARY OF TUITION		
	Current Tuition	Proposed Doctor of Pharmacy (Pharm.D.) Program Tuition 2024 -25
Ben and Maytee Fisch College of Pharmacy		
Doctor of Pharmacy (Pharm.D.) Program 36 Semester Credit Hours (SCH) Resident	\$25,006	\$14,760
Doctor of Pharmacy (Pharm.D.) Program 36 Semester Credit Hours (SCH) Non-Resident	\$25,006	\$32,724

DETAILS OF PROPOSED RESIDENT TUITION (NEW)		
Ben and Maytee Fisch College of Pharmacy Doctor of Pharmacy (Pharm.D.) Program		
Statutory Authority	Current Rate	Proposed 2024-25
Statutory-54.051		\$50
Designated-54.0513		\$360
Tuition Total per SCH		\$410
Market Rate Tuition (per year)	\$ 25,006	
TOTAL Annual Tuition @ 36 SCH	\$ 25,006	\$14,760

DETAILS OF PROPOSED NON-RESIDENT TUITION (NEW)		
Ben and Maytee Fisch College of Pharmacy Doctor of Pharmacy (Pharm.D.) Program		
Statutory Authority	Current Rate	Proposed 2024-25
Statutory-54.051		\$460
Designated-54.0513		\$449
Tuition Total per SCH		\$909
Market Rate Tuition (per year)	\$ 25,006	
TOTAL Annual Tuition @ 36 SCH	\$ 25,006	\$32,724

7. U. T. Austin: Request to approve the honorific naming of the Center for Electrochemistry as the Allen J. Bard Center for Electrochemistry

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs, the Vice Chancellor for External Relations, Communications, and Advancement Services, and the institutional president that the U. T. System Board of Regents approve the honorific naming of the Center for Electrochemistry as the Allen J. Bard Center for Electrochemistry to recognize the long history of significant thought leadership by the late Dr. Allen J. Bard.

BACKGROUND INFORMATION

The Center for Electrochemistry was established in 2006 to foster collaborative research programs in the electrochemical sciences. Located in Robert A. Welch Hall, the Center's mission is to advance research and solve fundamental and applied problems related to the transfer of electrons or ions at interfaces. It offers a strong coupling between fundamental electrochemistry and materials science and fields that are a foundation for widespread applications in diverse areas such as energy and health. The Center has more than 250 faculty, staff, and student researchers spanning the chemistry, materials, and engineering aspects of electrochemical science.

Dr. Allen J. Bard, who passed away on February 11, 2024, was a faculty member at The University of Texas at Austin for nearly 65 years. Often referred to as the "father of modern electrochemistry," Dr. Bard made global contributions to science, including developing scanning electrochemical microscopy, discovering single-electron electrochemiluminescence, pioneering the photoelectrochemistry and fuel-forming reactions on semiconductor electrodes, and leading the field in analytical single-entry detection methods.

Dr. Bard received many of science's most prestigious awards, including the American Chemistry Society's 2002 Priestley Medal, the 2008 Wolf Prize in Chemistry, a 2011 U.S. National Medal of Science, and the 2019 King Faisal International Prize in Science, among many other honors. An author of more than 1,000 academic papers, Dr. Bard co-wrote three books, secured more than 30 patents, and trained over 75 doctoral students and 150 postdoctoral researchers.

This naming proposal is consistent with the Regents' *Rules and Regulations*, Rule 80307, relating to honorific namings to recognize extraordinary contributions. While Rule 80307 generally requires that namings for faculty occur at least five years after the individual's retirement or death, this naming is considered appropriate based on the fact that Dr. Bard was one of the most significant scientists in his field and the naming will bring great distinction to the Center for Electrochemistry and continue his important legacy at U. T. Austin. There is a desire to honor him now due to his exceptional importance to U. T. Austin and to electrochemistry.

REPORT OF THE HEALTH AFFAIRS COMMITTEE (Pages 58 - 74).-- Unless otherwise indicated, the actions set forth in the Minute Orders that follow were recommended and approved by the Board in Open Session.

1. U. T. System Board of Regents: Discussion and appropriate action regarding Consent Agenda items, if any, assigned for Committee consideration

There were no items assigned for review by this Committee.

2. U. T. Health Science Center - Houston: Approval to establish a Doctor of Philosophy (Ph.D.) in Cognitive and Behavioral Sciences degree program

The Board approved the following recommendation:

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs and the institutional president that authorization, pursuant to Regents' *Rules and Regulations*, Rule 40307, related to academic program approval standards, be granted to

- a. establish a Doctor of Philosophy (Ph.D.) in Cognitive and Behavioral Sciences degree program; and
- b. submit the proposal to the Texas Higher Education Coordinating Board for review and appropriate action.

BACKGROUND INFORMATION

Program Description

On November 17, 2022, the U. T. System Board of Regents approved the new School of Behavioral Health Sciences (SBHS) and now seeks to establish new degree programs.

The Doctor of Philosophy (Ph.D.) in Cognitive and Behavioral Sciences (CaBS) will be the first degree program in Texas to integrate psychology, psychiatry, neuroscience, computation science, biochemistry, and genetics to understand how the brain regulates behavior. Comprising 80 semester credit hours, the program will be dedicated to understanding how the central nervous system influences human behavior across the lifespan, including health, disease, typical and atypical development, and will aim to explore the fundamental principles underlying behavior. Students will receive training in experimental design, research techniques, and data analysis, with research emphasis in physiological underpinnings of learning, memory, decision-making, motivation, emotion, service delivery, and treatment effectiveness.

Training in experimental design and research will be conducted through three required 10-week tutorial laboratory rotations with CaBS faculty by observing ongoing research and selecting faculty advisor(s) by the end of the summer of Year 1. In consultation with faculty advisors, students will select the research areas that best support their educational programs. Tutorials are specific to the unique research being conducted in each lab, and are different from, and will precede the formal and hands-on research courses required in Years 2 through 4. Once a 32-credit hour threshold is met, students will develop a prospectus for dissertation with the primary mentor faculty advisor and be continuously enrolled in a collaborative forum to critically evaluate new and landmark key publications, and conduct research until successfully completing and defending the doctoral dissertation.

This unique educational experience is expected to attract a substantial talent pool to meet expanding research and development needs in behavioral health and enhance student learning opportunities and research-related careers.

Need and Student Demand

Given the growing need and complexity of behavioral health disorders, research must necessarily inform new treatments and treatment delivery systems. The Ph.D. in CaBS program is intended to address the student demand and unmet behavioral health research needs in the state of Texas and nation. The U.S. Bureau of Labor Statistics projects employment in the medical sciences (this includes both life sciences and behavioral sciences) to grow 10% from 2022 to 2032. A labor analysis from the Texas Workforce Commission (TWC) has shown that employment for Scientific Research and Development Services grew 50% from 2019 to 2022 and is expected to continue to grow through 2030.

Student demand for the proposed Ph.D. in CaBS program can be estimated by the number of students graduating with a bachelor's degree that overlaps with the main area of the program. In Texas, there are at least two undergraduate degree programs that may directly feed into the proposed CaBS program based on student data provided by the universities – Rice University and U. T. Dallas. In Academic Year 2020-2021, a reported 43 students earned a Bachelor of Arts in Cognitive Sciences from Rice University, 23 earned a Bachelor of Science in Cognitive Science from U. T. Dallas, and 13 cognitive science majors earned their Master of Science degrees from U. T. Dallas.

Graduates will be trained to enter the workforce in industry and academia, to establish new research or education programs in cognitive and behavioral science, to work in clinical organizations to assist in development of bench-to-bedside treatments, to analyze complex behavioral health data, and to advance patient care by translating research into application.

The table below summarizes the five-year projected enrollment for the Ph.D. in CaBS.

Enrollment	Year 1	Year 2	Year 3	Year 4	Year 5
Full-Time					
In-state	8	8	17	28	32
Total New Students		10	12	12	12
Attrition Headcount		1	1	1	1
Graduates				7	9
Cumulative Headcount	8	17	28	32	34

Given the substantial growth in this field of study, TWC labor analysis, and Bureau of Labor Statistics demand, enrollment is conservatively projected at eight in Year 1 and leveling off with 34 students in Year 5 due to anticipated space constraints.

Program Quality

The Ph.D. in Cognitive and Behavioral Sciences program is projected to have four core faculty, with plans to hire an additional core faculty member in Fall 2027. For the past five years, the core faculty have a combined total of 226 peer-reviewed faculty publications and other scholarly and creative accomplishments. Total federal grant dollars awarded for the past five years are over \$28 million. Total state and institutional grant dollars awarded for the past five years are \$12,564,748.

The program will have five support faculty, with plans to hire an additional support faculty member in Fall 2027.

There is no Ph.D. program in Texas comparable to the proposed program that aims to educate the next generation of scientists to meet the bench-to-treatment development demand for breakthrough advancements specifically in behavioral science and mental health. Accordingly, the Ph.D. in CaBS program may be able to attract more students to seek graduate training in Texas, helping to expand the economic base in research-related behavioral health careers.

Revenue and Expenses

The table below summarizes the five-year projection of revenues and expenses.

Projected Enrollment	5-Year Total
Number of Students Used for Formula Funding Calculation	28
Expenses	5-Year Total
<i>Faculty</i>	
Salaries	\$1,086,903
Benefits	\$184,773
<i>Graduate Students</i>	
TA Salaries	\$281,250
TA Benefits	\$80,930
GRA Salaries	\$310,077
GRA Benefits	\$88,288
<i>Staff & Administration</i>	
Graduate Coordinator Salary	\$137,500
Administrative Staff Salaries	\$125,962
Staff Benefits	\$73,226
<i>Other Expenses</i>	
Operating Infrastructure: Instructional technology, supplies, materials, and program administration	\$220,000
Total Expenses	\$2,588,909
Revenue	5-Year Total
<i>From Student Enrollment</i>	
Formula Funding	\$813,000
Tuition and Fees	\$1,475,243
<i>From Institutional Funds</i>	
Institutional Support	\$200,000
<i>From Grant Funds</i>	
Grant Funds	\$175,000
Total Revenue	\$2,663,243

Coordinating Board Criteria

The proposed program meets all applicable Coordinating Board criteria for new doctoral degree programs.

3. U. T. Health Science Center - Houston: Approval to establish a Doctor of Philosophy (Ph.D.) in Clinical Psychology degree program

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs and the institutional president that authorization, pursuant to Regents' *Rules and Regulations*, Rule 40307, related to academic program approval standards, be granted to

- a. establish a Doctor of Philosophy (Ph.D.) in Clinical Psychology degree program; and
- b. submit the proposal to the Texas Higher Education Coordinating Board for review and appropriate action.

BACKGROUND INFORMATION

Program Description

On November 17, 2022, the U. T. System Board of Regents approved the new School of Behavioral Health Sciences (SBHS) and now seeks to establish new degree programs.

The Doctor of Philosophy (Ph.D.) in Clinical Psychology is a multi-purpose degree to prepare graduates to serve as licensed clinical psychologists in practice, research, and teaching professions, often in an academic setting. This comprehensive program requires 98 semester credit hours and utilizes a scientist-practitioner model to prepare graduates for professional practice by offering scientific didactic education and practical experience working in supervised practicum placements in outpatient and inpatient clinical settings (practicum experiences). Students will collaborate with dedicated research mentors on faculty research projects, publications to build their research portfolios, and a dissertation that places emphasis on research that contributes significantly to the field. This is accomplished through a comprehensive curriculum that includes advanced statistics, literature reviews, data analysis and interpretation, and research methods. In accordance with American Psychological Association (APA) accreditation standards, the program also requires students to complete a one-year APA-accredited or Association of Psychology Postdoctoral and Internship Centers member doctoral internship in clinical psychology.

The proposed Ph.D. in Clinical Psychology is designed to meet the Standards of Accreditation outlined by the APA and licensure requirements for the state of Texas. To be eligible for licensure, students must complete practicum experiences over the course of the program. The degree plan and program requirements, which include

expectations that students engage in research and direct clinical services, allow students to focus on areas of interest and specialization while also developing the professional competencies necessary for entry-level clinical practice as health service psychologists. Students will complete year-long practicum beginning in Year 2, first at the in-house general Psychology teaching clinic at SBHS, and in later years in other clinics where qualified licensed psychologists are present to supervise. These experiences are designed to provide direct experience in providing services to patients while receiving careful training and supervision in evidenced-based practices in both intervention and assessment. In the last year, students will enter internship training at an accredited program. Internship is a required part of the doctoral program. The proposed Ph.D. program will also require students to collaborate with faculty on research projects, publications, and successfully propose, complete, and defend a doctoral dissertation with emphasis on research that contributes significantly to the field of psychology.

Need and Student Demand

The Ph.D. in Clinical Psychology degree program is designed to create a robust pipeline of mental health providers to help close the gap and meet Texans' behavioral health needs.

In 2018, there were 5,960 registered mental health providers in the three-county area (Harris, Fort Bend, Montgomery) from which the bulk of UTHealth Houston patients come, which is one provider for every 988 residents. Moreover, according to a recent report by Mental Health America, a national nonprofit dedicated to the promotion of mental health, well-being, and illness-prevention, the most current overall ranking of Texas is 50th (last among US states), based on a ranking system that "...indicates how much access to mental health care exists within a state ... measures include access to insurance, access to treatment, quality and cost of insurance, access to special education, and workforce availability." According to a study by the APA covering years 2015-2030, if current health service utilization patterns continue, by the year 2030 Texas is projected to experience a shortage of 2,690 FTEs. Texas is consistently found to be among the lowest states in access to mental health care, with a growing need in multiple employment settings and for multiple populations, such as those affected by severe mental illness, trauma, and substance use disorders, and those who are underserved minorities and/or rural.

Data from the National Center for Education Statistics shows that from 2017 to 2021 the number of clinical psychology programs offering bachelors' graduates to the number of doctoral graduates has increased significantly in Texas, suggesting a demand for doctoral psychology programs. In the U.S., there is a smaller relative increase in bachelors' graduates in psychology, but no increase in the number of graduates from doctoral programs, suggesting that the demand for graduate training in psychology is not being met, especially in Texas.

There are 14 universities in Texas currently offering APA accredited Clinical Psychology Ph.D. programs, including: U. T. Southwestern Medical Center; U. T. Austin; University of North Texas, Denton, TX; Sam Houston State University, Huntsville, TX; Texas Tech University, Lubbock, TX; and Texas A&M University, College Station, TX. According to aggregate programming information available from each university website, the estimated ratio of new students to total applicants for the Ph.D. in Clinical Psychology statewide for Texas is 74 to 1,612 annually.

The table below summarizes the five-year projected enrollment for the Ph.D. in Clinical Psychology.

Enrollment	Year 1	Year 2	Year 3	Year 4	Year 5
Full-Time					
In-state	5	5	9	14	19
Total New Students		5	6	6	6
Attrition Headcount		1	1	1	1
Graduates					5
Cumulative Headcount	5	9	14	19	19

Given that established Ph.D. in Clinical Psychology programs in Texas have an acceptance rate of only between 2% and 10%, a large unmet demand of qualified applicants exists to drive enrollment. In year three, projected student enrollment increases to nine students, which is within the average admission range of six to 10 students at Texas accredited programs, based on information provided at the university websites listed in the above paragraph. By years four and five, above average student admissions are projected.

Program Quality

The Ph.D. in Clinical Psychology program grows out of the programs and resources of the Louis A. Faillace, M.D., Department of Psychiatry and Behavioral Sciences at the John P. and Kathrine G. McGovern Medical School, which includes more than 30 psychologists. The department is home to the APA accredited Doctoral Psychology Internship program. Most of the faculty psychologists are already actively involved in training psychology interns (equivalent to 3rd or 4th year medical residents), postdoctoral fellows (research and clinical Ph.D. fellows in Psychology), and practicum students (psychology graduate students from other programs seeking clinical training home programs cannot provide). In particular, faculty have clinical and research specialties in areas such as substance use disorders, trauma, pediatric psychology, child, adolescent and family psychology, forensic psychology, eating disorders, severe mental illness, mood disorders, community psychology, and autism. The faculty's specialties attract psychology interns each year to apply to the internship program and are likewise expected to draw applicants to the doctoral program. Their extensive experience in training will provide a strong basis for developing the new program.

Across the planned masters and doctoral degree programs in SBHS, team training from academic scholars with complementary expertise will provide synergy within the SBHS across degree programs, students, and faculty. Rather than being siloed within specific disciplines, students and faculty within the SBHS will cross programs, research experiences, and field work to facilitate broad multi-disciplinary skill development in preparation for emerging approaches in behavioral/medical health in which teams of clinical practitioners and scientists work in collaborative settings to provide comprehensive transitional care across the lifespan.

The program is projected to have four dedicated core faculty (unique to the Ph.D. program and different from the Psy.D. in Clinical Psychology Program proposed in Health Affairs Committee Item 4), with plans to hire an additional core faculty member in Spring 2026. For the past five years, the core faculty have a combined total of 150 peer-reviewed faculty publications and other scholarly and creative accomplishments, over \$6 million in total federal grant dollars awarded, and over \$6.8 million in total state and institutional grant dollars. The program will have 17 support faculty, with plans to hire an additional support faculty member in Fall 2026. The support faculty will overlap partially (not fully) with the Psy.D. in Clinical Psychology program because the Psy.D. and Ph.D. programs will share several foundation courses in the first two years, prior to moving forward individual elective courses and mentored on-site clinical practicums.

Revenue and Expenses

The table below summarizes the five-year projection of revenues and expenses.

Projected Enrollment	5-Year Total
Number of Students Used for Formula Funding Calculation	14
Expenses	5-Year Total
<i>Faculty</i>	
Salaries	\$670,572
Benefits	\$187,760
<i>Graduate Students</i>	
TA Salaries	\$105,468
TA Benefits	\$29,631
GRA Salaries	\$195,312
GRA Benefits	\$54,687
<i>Staff & Administration</i>	
Graduate Coordinator Salary	\$137,500
Administrative Staff Salaries	\$60,964
Staff Benefits	\$51,474
<i>Other Expenses</i>	
Operating Infrastructure: Instructional technology, supplies, materials, and program administration	\$200,000
Total Expenses	\$1,693,368

Revenue	5-Year Total
<i>From Student Enrollment</i>	
Formula Funding	\$405,000
Tuition and Fees	\$818,202
<i>From Institutional Funds</i>	
Institutional Support	\$250,000
<i>From Grant Funds</i>	
Grant Funds	\$250,000
Total Revenue	\$1,723,202

Coordinating Board Criteria

The proposed program meets all applicable Coordinating Board criteria for new doctoral degree programs.

4. U. T. Health Science Center - Houston: Approval to establish a Doctor of Psychology (Psy.D.) in Clinical Psychology degree program

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs and the institutional president that authorization, pursuant to Regents' *Rules and Regulations*, Rule 40307, related to academic program approval standards, be granted to

- a. establish a Doctor of Psychology (Psy.D.) in Clinical Psychology degree program; and
- b. submit the proposal to the Texas Higher Education Coordinating Board for review and appropriate action.

BACKGROUND INFORMATION

Program Description

On November 17, 2022, the U. T. System Board of Regents approved the new School of Behavioral Health Sciences (SBHS) and now seeks to establish new degree programs.

The Doctor of Psychology (Psy.D.) in Clinical Psychology emphasizes clinical application and training to prepare graduates to serve as licensed clinical psychologists, often working in direct clinical settings. This comprehensive program requires 98 semester credit hours and utilizes a practitioner-scientist model to prepare graduates for independent professional practice by offering scientific

didactic education and practical experience working in supervised practicum placements in outpatient and inpatient clinical settings (practicum experiences). Students also collaborate with dedicated research mentors on an applied dissertation that focuses on improving clinical approaches and interventions that occur with patient interactions. This is accomplished through a comprehensive curriculum where students review scientific literature and studies to aid them in advancing their clinical work. In accordance with American Psychological Association (APA) accreditation standards, the program also requires students to complete a one-year APA-accredited or Association of Psychology Postdoctoral and Internship Centers member doctoral internship in clinical psychology.

The proposed Psy.D. in Clinical Psychology is designed to meet the Standards of Accreditation outlined by the APA and licensure requirements for the state of Texas. To be eligible for licensure, students must complete practicum experiences over the course of the program. The degree plan and program requirements, which include expectations that students engage in research and direct clinical services, allow students to focus on areas of interest and specialization while also developing the professional competencies necessary for entry-level clinical practice as health service psychologists engaging directly in professional service delivery. Students will complete year-long practicum experiences beginning in Year 2, first at the in-house general Psychology teaching clinic at SBHS, and in later years in other clinics where qualified licensed psychologists are present to supervise. These experiences are designed to provide direct experience in providing services to patients while receiving careful training and supervision in evidenced based practices in both intervention and assessment. In the last year, students will enter internship training at an accredited program, which is a required part of the doctoral program. The proposed Psy.D. program will require students to successfully propose, complete, and defend a doctoral dissertation to achieve research competence to improve clinical approaches and patient interactions.

Need and Student Demand

The Psy.D. in Clinical Psychology degree program is designed to create a robust pipeline of clinical mental health providers to help meet Texans' behavioral health needs.

In 2018, there were 5,960 registered mental health providers in the three-county area (Harris, Fort Bend, Montgomery) from which the bulk of UTHHealth Houston patients come, which is one provider for every 988 residents. Moreover, according to a recent report by Mental Health America, a national nonprofit dedicated to the promotion of mental health, well-being, and illness-prevention, the most current overall ranking of Texas is 50th (last among US states), based on a ranking system that "...indicates how much access to mental health care exists within a state ... measures include access to insurance, access to treatment, quality and cost of insurance, access to special education, and workforce availability." According to a

study by the APA covering years 2015-2030, if current health service utilization patterns continue, by 2030 the national demand for psychologists is expected to be 101,120 FTEs, an increase of 5,940 FTEs (6%) from 2015, with a projected shortage of 2,690 FTEs.

Currently, our research indicates there are three accredited Psy.D. programs in Texas: University of Houston-Clear Lake, Our Lady of the Lake University, and Baylor University. Therefore, opportunities in Texas for potential graduate students to be admitted to Psy.D. programs in Clinical Psychology is inherently limited.

The table below summarizes the five-year projected enrollment for the Psy.D. in Clinical Psychology.

Enrollment	Year 1	Year 2	Year 3	Year 4	Year 5
Full-Time					
In-state	8	8	15	22	29
Total New Students	8	8	8	8	8
Attrition Headcount		1	1	1	1
Graduates					7
Cumulative Headcount	8	15	22	29	29

Given that established Psy.D. in Clinical Psychology programs in Texas have an acceptance rate of approximately 3%-10% (based on available data from the Psy.D. program university websites), a large unmet demand of qualified applicants exists to drive enrollment. Projected student enrollment of 8 per year is within the average admission range at the three above-listed Psy.D. programs (2 to 8 students annually, based on information available at each university website).

Program Quality

The Psy.D. in Clinical Psychology program grows out of the programs and resources of the Louis A. Faillace, M.D., Department of Psychiatry and Behavioral Sciences at the John P. and Kathrine G. McGovern Medical School, which includes more than 30 psychologists. The department is home to the APA accredited Doctoral Psychology Internship program. Most of the faculty psychologists are already actively involved in training psychology interns (equivalent to 3rd or 4th year medical residents), postdoctoral fellows (research and clinical Ph.D. fellows in Psychology), and practicum students (psychology graduate students from other programs seeking clinical training home programs cannot provide). In particular, faculty have clinical and research specialties in important areas such as substance use disorders, trauma, pediatric psychology, child, adolescent and family psychology, forensic psychology, eating disorders, severe mental illness, mood disorders, community psychology, and autism. The faculty’s specialties attract psychology interns each year to apply to the internship program and are likewise expected to draw applicants to the doctoral program. Their extensive experience in training will provide a strong basis for developing the new program.

Across the planned masters and doctoral degree programs in SBHS, team training from academic scholars with complementary expertise will provide synergy within the SBHS across degree programs, students, and faculty. Rather than being siloed within specific disciplines, students and faculty within the SBHS will cross programs, research experiences, and field work to facilitate broad multi-disciplinary skill development in preparation for emerging approaches in behavioral/medical health in which teams of clinical practitioners and scientists work in collaborative settings to provide comprehensive transitional care across the lifespan.

The Psy.D. in Clinical Psychology program is projected to have four dedicated core faculty (unique from the Ph.D. in Clinical Psychology program proposed in Health Affairs Committee Item 3, which has four different core faculty), with plans to hire an additional core faculty member in Spring 2026. For the past five years, the core faculty have a combined total of 188 peer-reviewed faculty publications and other scholarly and creative accomplishments, over \$26 million in total federal grant dollars awarded, and \$943,660 in total state and institutional grant dollars awarded. The program will have 17 support faculty, with plans to hire an additional support faculty member in Fall 2026. The support faculty will overlap partially (not fully) with the Ph.D. in Clinical Psychology program because the Psy.D. and Ph.D. programs will share several foundation courses in the first two years, prior to moving forward to individual elective courses and mentored on-site clinical practicums.

Revenue and Expenses

The table below summarizes the five-year projection of revenues and expenses.

Projected Enrollment	5-Year Total
Number of Students Used for Formula Funding Calculation	22
Expenses	5-Year Total
<i>Faculty</i>	
Salaries	\$866,658
Benefits	\$147,331
<i>Graduate Students</i>	
TA Salaries	\$263,672
TA Benefits	\$73,828
GRA Salaries	\$117,188
GRA Benefits	\$32,814
<i>Staff & Administration</i>	
Graduate Coordinator Salary	\$137,500
Administrative Staff Salaries	\$171,257
Staff Benefits	\$86,452
SCC Operating Benefits	

<i>Other Expenses</i>	
Operating Infrastructure: Instructional technology, supplies, materials, and program administration	\$235,000
Total Expenses	\$2,131,700
Revenue	5-Year Total
<i>From Student Enrollment</i>	
Formula Funding	\$639,000
Tuition and Fees	\$1,363,670
<i>From Institutional Funds</i>	
Institutional Support	\$250,000
<i>From Grant Funds</i>	
Grant Funds	\$150,000
Total Revenue	\$2,402,670

Coordinating Board Criteria

The proposed program meets all applicable Coordinating Board criteria for new doctoral degree programs.

5. U. T. Health Science Center - Houston: Discussion and appropriate action regarding tuition and fee proposals for Fiscal Years 2025 through 2029 for the newly created School of Behavioral Health Sciences

During the Committee Meeting on Wednesday, Committee Chairman Crain noted that earlier in the day, as required by state law, the Board provided an opportunity for public comment regarding the proposed changes related to designated tuition, but no individuals signed up to speak.

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs, the Executive Vice Chancellor for Business Affairs, and the Vice Chancellor and General Counsel that the U. T. System Board of Regents approve the proposed tuition and fee rates for the newly created School of Behavioral Health Sciences, as recommended by the institution president, for Fiscal Years 2025 through 2029, as set forth on the following page.

BACKGROUND INFORMATION

The School of Behavioral Health Sciences was formally approved by the U. T. System Board of Regents on November 17, 2022. The School of Behavioral Health Sciences plans to admit its first student cohort in Fall 2025 pending final approval of new degree programs by the Texas Higher Education Coordinating Board. As a

newly approved school, the tuition revenue will provide ongoing support to critical academic capital projects, academic program growth and development, recruitment and retention of qualified teaching faculty, administrative services to support student success, maintenance and operations, and technology infrastructure required to support students through their academic programs.

On August 24, 2023, the U. T. System Board of Regents approved tuition and fee proposals for Fiscal Years 2024 through 2028 for the five health institutions, including the UTHealth Houston schools. This tuition and fee proposal was similarly developed to align with the institution's strategic planning, development, and growth, and in conjunction with a consultative process with broad student engagement.

A public hearing opportunity regarding the proposed changes to designated tuition will be provided before the full Board prior to consideration of this item during the Committee meeting

**The University of Texas Health Science Center at Houston (UTHealth Houston)
School of Behavioral Health Sciences (SBHS)
Tuition and Fee Five-Year Proposal Plans
Fall 2024 (FY2025) – Fall 2028 (FY2029)**

**DETAILS OF RESIDENT TUITION, NON-RESIDENT TUITION,
MANDATORY AND OTHER FEE INCREASES**

PROPOSED RESIDENT TUITION (all degree programs)

Statutory Authority	Proposed 2024-25	Proposed 2025-26	Proposed 2026-27	Proposed 2027-28	Proposed 2028-98
Statutory-TEC* 54.051	\$0	\$50	\$50	\$50	\$50
Designated-TEC 54.0513	\$0	\$250	\$260	\$270	\$280
Differential-TEC 54.008	\$0	\$50	\$50	\$50	\$50
Tuition total per SCH		\$350	\$360	\$370	\$380
TOTAL Tuition @ 30 SCH	\$0	\$10,500	\$10,800	\$11,100	\$11,400

Mandatory Fees at UTHealth Houston are administrative fees assessed to all enrolled students across all UTHealth Houston schools in support of university student services. These fees are not proposed at the school level and not included in the school tuition and fee proposal. SBHS students will be assessed these approved mandatory fees.

* Texas Education Code

PROPOSED NON-RESIDENT TUITION (all degree programs)

Statutory Authority	Proposed 2024-25	Proposed 2025-26	Proposed 2026-27	Proposed 2027-28	Proposed 2028-98
Statutory- TEC 54.051	\$0	\$460	\$460	\$460	\$460
Designated-TEC 54.0513	\$0	\$300	\$310	\$320	\$330
Differential-TEC 54.008	\$0	\$460	\$460	\$460	\$460
Tuition total per SCH		\$1,220	\$1,230	\$1,240	\$1,250
TOTAL Tuition @ 30 SCH	\$0	\$36,600	\$36,900	\$37,200	\$37,500

Mandatory Fees at UTHealth Houston are administrative fees assessed to all enrolled students across all UTHealth Houston schools in support of university student services. These fees are not proposed at the school level and not included in the school tuition and fee proposal. SBHS students will be assessed these approved mandatory fees.

6. U. T. System: Approval to distribute a portion of The University of Texas System Professional Medical Liability Benefit Plan premium returns and approve rates for the Plan

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor concurs in the recommendation of The University of Texas System Professional Medical Liability Benefit Plan (Plan) Management Committee, chaired by the Vice Chancellor and General Counsel and comprised of the Chair, the Executive Vice Chancellor for Health Affairs, the Executive Vice Chancellor for Business Affairs, and the Executive Vice Chancellor for Academic Affairs, after consultation with Milliman, Inc., actuary for the Plan, that

- a. overall premium rates remain unchanged; and
- b. \$6 million in premiums be returned to the participating U. T. institutions based on a methodology that considers each institution's losses.

The proposed distribution of \$6 million is set forth as Exhibit 1.

BACKGROUND INFORMATION

The Plan Management Committee (Committee) has consistently recommended significant reductions in total Plan assets to bring the reserve levels to those generally accepted by the industry. The Committee continues balancing Plan revenue from premiums charged and investment income with adequate capitalization from which to pay Plan claims, reserves for future claims, and administrative expenses. As part of this effort, Plan premiums were significantly reduced for several years immediately following tort reform adoption, and since 2007, the premium rates have either been reduced or unchanged. However, Plan premiums are adjusted annually for institutional loss experience.

For the coming year, the Committee recommends maintaining overall premiums at the current rates. Based on Plan investment income and efficient management of claims, the Committee recommends a return to the contributing institutions of \$6 million. The combination of unchanged rates along with these distributions should still allow for adequate capitalization of the Plan.

The methodology for distribution of \$6 million to participating institutions considers the proportion of each institution's payment into the Plan, as well as each institution's loss experience. Thus, those institutions with higher claims receive lower distributions.

Since there are remaining funds previously designated for U. T. System efforts in patient safety enhancements through collaborative projects, as identified by the Executive Vice Chancellor for Health Affairs, no additional funds are recommended for such purposes for this fiscal year.

Exhibit 1
The University of Texas System Professional Medical Liability Benefit Plan
Proposed Distribution of Plan Returns
 FY 2024

<i>Institution</i>	<i>Premium Paid</i>	<i>Claims Expense</i>	<i>Net Contribution Amount</i>	<i>Rebate based on Net Contribution</i>
	<i>2022-2024 (3 year)</i>	<i>2022-2024 (3 year)</i>	<i>3 Yr. (Premium - Expenses)</i>	<i>FY 2024</i>
UT Arlington	10,231.00	-	10,231.00	2,340
UT Austin	933,613.61	611,002.68	322,610.93	73,800
UT Dallas	7,460.00	-	7,460.00	1,707
UT El Paso	10,613.70	-	10,613.70	2,428
UT Permian Basin	2,655.00	-	2,655.00	607
UT Rio Grande Valley	1,180,900.35	170,026.19	1,010,874.16	231,246
UT San Antonio	3,671.00	-	3,671.00	840
UT Tyler	1,292,596.45	477,121.08	815,475.37	186,546
Stephen F Austin	555.00	-	555.00	127
UTSWMC	9,087,044.68	4,005,270.06	5,081,774.62	1,162,499
UTMB	5,443,123.51	1,749,793.74	3,693,329.77	844,881
UTHSCH	12,438,194.89	5,358,096.57	7,080,098.32	1,619,633
UTHSCSA	5,835,657.74	1,076,998.53	4,758,659.21	1,088,584
UTMDACC	4,488,053.61	1,057,528.81	3,430,524.80	784,762
Subtotal	40,734,370.54	14,505,837.66	26,228,532.88	6,000,000
TOTAL DISTRIBUTION FY 2024				\$ 6,000,000
TOTAL DISTRIBUTION FY 2022-2024				\$ 20,000,000

REPORT OF THE FACILITIES PLANNING AND CONSTRUCTION COMMITTEE
(Pages 75 - 87).--Unless otherwise indicated, the actions set forth in the Minute Orders that follow were recommended and approved in Open Session.

1. U. T. System Board of Regents: Discussion and appropriate action regarding Consent Agenda items, if any, assigned for Committee consideration

There were no items assigned for review by this Committee.

2. U. T. Austin: Main Building Exterior Restoration and Landscaping - Approval of design development; and appropriation of funds and authorization of expenditure

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Business Affairs, and the institutional president that the U. T. System Board of Regents approve the recommendations for the Main Building Exterior Restoration and Landscaping project at The University of Texas at Austin as follows:

- a. approve design development plans; and
- b. appropriate funds and authorize expenditure of \$70,000,000 with funding of \$26,000,000 from Permanent University Fund (PUF) Bond Proceeds, \$26,000,000 from Gifts, and \$18,000,000 from Available University Fund (AUF).

BACKGROUND INFORMATION

Previous Actions

On November 17, 2022, the Board approved the project for Definition Phase. On February 22, 2024, the project was included in the CIP with a total project cost of \$70,000,000 with funding of \$26,000,000 from PUF Bond Proceeds, \$26,000,000 from Gifts, and \$18,000,000 from AUF.

Project Description

The U. T. Austin Main Building, standing at the heart of the historic 40 acres upon which the campus began, is the most iconic building on the university's campus. Designed by Paul Cret and completed in 1937, the building has not undergone any significant renovations of the building exterior. Due to higher than estimated costs, the scope of this request is reduced to restoration of the exterior of the Main Building

to its original appearance, including exterior tower lighting, cleaning and repair of masonry, restoration of metal windows and spandrels, waterproofing of the tower observation deck, and gilding of decorative elements, as well as restoration of the clock.

As future funding is identified, U. T. Austin will seek appropriate approval to progress with landscape and grounds redevelopment of the area directly adjacent to the Main Building, and targeted interior rehabilitation to support an enhanced visitor experience including lobbies, restrooms, elevators, lighting, 27th and 29th floor renovations, and wayfinding signage.

**The University of Texas at Austin
Main Building Exterior Restoration and Landscaping**

Project Information

Project Number	102-1450
CIP Project Type	Repair and Rehabilitation
Facility Type	Office, High Rise
Historically Significant	Yes
Architecturally Significant	Yes
Management Type	Institutional Management
Institution’s Project Advocate	Brent Stringfellow, Associate Vice President, Campus Operations
Project Delivery Method	Construction Manager-at-Risk
Gross Square Feet (GSF)	326,230

Project Funding

	<u>Current</u>
Permanent University Fund Bond Proceeds	\$26,000,000
Available University Fund	18,000,000
Gifts ¹	<u>26,000,000</u>
Total Project Cost	\$70,000,000

¹ Gifts are not fully collected at this time however, U. T. Austin has the operating reserves to cover any shortfall.

Project Cost Detail

	Cost
Building Cost	\$56,385,000
Site Development	100,000
Furniture and Moveable Equipment	-
Institutionally Managed Work	1,920,000
Architectural/Design Services	4,500,000
Project Management	1,750,000
Insurance	1,900,000
Other Professional Fees	1,620,000
Project Contingency	1,225,000
Other Costs	600,000
Total Project Cost	\$70,000,000

The University of Texas at Austin
Main Building Exterior Restoration and Landscaping
(continued)

Project Milestones

Definition Phase Approval	November 2022
Addition to CIP	February 2024
Design Development Approval	August 2024
Construction Notice to Proceed	August 2024
Substantial Completion	August 2027
Final Completion	September 2027

3. U. T. Dallas: Naveen Jindal School of Management Phase III - Approval of design development; appropriation of funds and authorization of expenditure; and resolution regarding parity debt

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Business Affairs, and the institutional president that the U. T. System Board of Regents approve the recommendations for the Naveen Jindal School of Management Phase III project at The University of Texas at Dallas as follows:

- a. approve design development plans;
- b. appropriate funds and authorize expenditure of \$98,000,000 from Revenue Financing System (RFS) Bond Proceeds; and
- c. resolve in accordance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System that parity debt shall be issued to pay the project's cost, including any costs prior to the issuance of such parity debt; sufficient funds will be available to meet the financial obligations of the U. T. System, including sufficient Pledged Revenues as defined in the Master Resolution to satisfy the Annual Debt Service Requirements of the Financing System, and to meet all financial obligations of the U. T. System Board of Regents relating to the Financing System; and U. T. Dallas, which is a "Member" as such term is used in the Master Resolution, possesses the financial capacity to satisfy its direct obligation as defined in the Master Resolution relating to the issuance by the U. T. System Board of Regents of tax-exempt parity debt in the aggregate amount of \$98,000,000.

BACKGROUND INFORMATION

Debt Service

The \$98,000,000 in RFS debt will be repaid from designated tuition. Annual debt service on the \$98,000,000 in RFS debt is expected to be \$5.5 million. The institution's Scorecard Rating of 2.4 at fiscal year-end 2023 is below the maximum threshold of 6.0 and demonstrates that the institution has the financial capacity to satisfy its direct obligations related to parity debt.

Previous Actions

On June 20, 2023, the Chancellor approved this project for Definition Phase. On May 9, 2024, the project was included in the CIP with a total project cost of \$98,000,000 from RFS Bond Proceeds.

Project Description

The Naveen Jindal School of Management (JSOM), with current enrollment of over 10,000 students, projects 30% growth in students and faculty over the next five years. The three-story building will support that growth by providing additional classrooms, meeting rooms, study areas, testing areas, and faculty offices. The proposed project will be constructed on an existing parking lot and will provide a direct connection to the existing JSOM buildings, will provide dedicated spaces to support JSOM student programs, activities, and executive education programs, and will provide outdoor private event space to serve faculty and staff.

Exterior improvements will include landscaping, irrigation, bicycle storage, lighting, sidewalks, and crosswalks. The project will also include infrastructure improvements for telecom and other utilities.

The University of Texas at Dallas Naveen Jindal School of Management Phase III

Project Information

Project Number	302-1468
CIP Project Type	New Construction
Facility Type	Classroom, General
Management Type	Office of Capital Projects
Institution's Project Advocate	Hasan Pirkul, Dean, Naveen Jindal School of Management
Project Delivery Method	Construction Manager-at-Risk
Gross Square Feet (GSF)	125,000

The University of Texas at Dallas
Naveen Jindal School of Management, Phase III
 (continued)

Project Funding

Revenue Financing System Bond Proceeds ¹	<u>Current</u> <u>\$98,000,000</u>
Total Project Cost	<u>\$98,000,000</u>

¹ Revenue Financing System (RFS) Bond Proceeds to be repaid from Designated Tuition

Project Cost Detail

	Cost
Building Cost	\$72,286,351
Fixed Equipment	1,617,125
Site Development	4,338,037
Furniture and Moveable Equipment	2,500,000
Institutionally Managed Work	3,108,923
Architectural/Design Services	5,846,524
Project Management	2,000,000
CIP Support Services	25,000
Insurance	1,593,000
Other Professional Fees	1,745,990
Project Contingency	2,939,050
Other Costs	-
Total Project Cost	\$98,000,000

Building Cost per GSF Benchmarks (escalated to midpoint of construction)

Naveen Jindal School of Management, Phase III	\$578		
Texas Higher Education Coordinating Board Average - Classroom, General	\$636		
	Low Quartile	Median	High Quartile
Other U. T. System Projects	\$475	\$573	\$607
Other National Projects	\$570	\$762	\$1,007

Investment Metrics

- Increase undergraduate enrollment from 5,564 to 8,000 students per year by 2029
- Increase graduate enrollment from 4,740 to 6,000 students per year by 2029

The University of Texas at Dallas
Naveen Jindal School of Management, Phase III
(continued)

Project Milestones

Definition Phase Approval	June 2023
Addition to CIP	May 2024
Design Development Approval	August 2024
Construction Notice to Proceed	September 2024
Substantial Completion	April 2026
Final Completion	June 2026

Basis of Design

The planned building life expectancy includes the following elements:

- Enclosure: 50 years
- Building Systems: 25 years
- Interior Construction: 25 years

4. U. T. Medical Branch - Galveston: Infrastructure and Research Space Upgrade for Research Buildings - Phase 2B - Amendment of the current Capital Improvement Program to include Phase 2B of the project; approval of total project cost; and appropriation of funds

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs, the Executive Vice Chancellor for Business Affairs, and the institutional president that the U. T. System Board of Regents amend the current Capital Improvement Program (CIP) to include the Infrastructure and Research Space Upgrade for Research Buildings - Phase 2B project at The University of Texas Medical Branch - Galveston as follows:

- a. amend the current CIP and approve a total project cost of \$33,502,479 for Phase 2B; and
- b. appropriate funds of \$33,502,479 from Permanent University Fund (PUF) Bond Proceeds for Phase 2B.

BACKGROUND INFORMATION

Previous Actions

On March 29, 2022, the Chancellor approved this project for Definition Phase. On November 17, 2022, Phase 1 of the Infrastructure and Research Space Upgrade for Research Buildings project was included in the CIP with a total project cost of \$16,520,000 from PUF Bond Proceeds. On February 17, 2023, the president approved design development for Phase 1. On August 24, 2023, Phase 2A of the project was included in the CIP with a total project cost of \$69,035,356 with funding of \$59,897,111 from Capital Construction Assistance Project Bond Proceeds and \$9,138,245 from PUF Bond Proceeds. On June 25, 2024, the president approved design development for Phase 2A.

Project Description

The proposed Phase 2B portion of the project will upgrade and replace critical infrastructure in the Research Building 6 and renovate interior space to comply with current codes. The infrastructure upgrade includes the removal and replacement of the entire roofing system, replacement of chilled and heating hot water pumps, piping risers, building controls, electrical switchgear distribution equipment, and all sanitary waste and vent systems. Interior renovation includes the demolition and buildout of Level 04 to support administrative functions and the construction of new restroom stacks on Levels 05 and 06 to comply with current plumbing code requirements.

The previously approved Phase 2A renovations to the Medical Research Building include removal and replacement of the roofing system, replacement of all chilled water pumps, heating hot water pumps, piping risers, and building controls. The project will also replace the electrical switchgear distribution equipment, and sanitary waste and vent systems and is expected to begin construction this quarter.

Phase 1 of the project is nearing completion to build-out shell space on the fourth and fifth floors of the Research Building 17 for the newly established Institute for Drug Discovery. The space will include a chemical wet lab with 24 fume hoods, lab support spaces including a nuclear magnetic resonance magnet, offices, both open and closed collaboration spaces, and mechanical space to support research labs.

This proposed Phase 2B Repair and Rehabilitation project has been approved by U. T. System staff and meets the criteria for inclusion in the CIP. Design development plans and authorization of expenditure of funding will be presented to the President for approval at a later date. Pursuant to U. T. System Policy 199, the institution has delegated authority of institutional management of construction projects.

**The University of Texas Medical Branch at Galveston
Infrastructure and Research Space Upgrade for Research Buildings - Phase 2B**

Project Information

Project Number 601-1401
 CIP Project Type Repair and Rehabilitation
 Facility Type Laboratory, Medical/Healthcare
 Management Type Institutional Management
 Institution’s Project Advocate Steve LeBlanc, Vice President, Business Operations and Facilities
 Project Delivery Method Competitive Sealed Proposals - Phase 2B
 Gross Square Feet (GSF) 197,600

Project Funding

	<u>Current</u> <u>Phases 1 and 2A</u>	<u>Proposed</u> <u>Phase 2B</u>
Permanent University Fund Bond Proceeds	\$25,658,245	\$33,502,479
Capital Construction Asst. Project Bond Proceeds	<u>59,897,111</u>	<u>-</u>
Total Project Cost	\$85,555,356	\$33,502,479
Total Project Cost All Phases		<u>119,057,835</u>

Project Cost Detail

	Phase 2B Cost
Building Cost	\$24,000,000
Fixed Equipment	750,000
Furniture and Moveable Equipment	2,612,699
Institutionally Managed Work	-
Architectural/Design Services	2,185,500
Project Management	836,755
Insurance	509,391
Other Professional Fees	1,100,000
Project Contingency	1,508,134
Total Project Cost	\$33,502,479

Project Planning

Definition Phase Completed Yes
 Owner’s Project Requirements Yes
 Basis of Design Yes
 Schematic Design Yes
 Detailed Cost Estimate Yes

Phase 2B Project Milestones

Definition Phase Approval March 2022
 Addition to CIP August 2024
 Design Development Approval September 2024
 Construction Notice to Proceed January 2025
 Substantial Completion November 2026
 Final Completion January 2027

5. U. T. Medical Branch - Galveston: John Sealy Hospital and Emergency Room Building MEP Mitigation - Amendment of the current Capital Improvement Program to increase total project cost; approval to revise funding sources; and appropriation of funds

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs, the Executive Vice Chancellor for Business Affairs, and the institutional president that the U. T. System Board of Regents amend the current Capital Improvement Program (CIP) and approve the recommendations for the John Sealy Hospital and Emergency Room Building MEP Mitigation project at the University of Texas Medical Branch at Galveston as follows:

- a. amend the current CIP to increase the total project cost from \$15,211,819 to \$19,461,504;
- b. revise funding sources to include Hospital Revenues; and
- c. appropriate funds of \$4,249,685 from Hospital Revenues.

BACKGROUND INFORMATION

Previous Actions

On May 5, 2022, the Chancellor approved the John Sealy Hospital UTMB MEP Elevation project for Definition Phase. On January 3, 2023, the Assistant Vice Chancellor for Capital Projects approved the project name change to the John Sealy Hospital and Emergency Room Building MEP Mitigation project. On February 23, 2023, the project was included in the CIP with a total project cost of \$15,211,819 with funding from Grants. On October 10, 2023, the president approved design development plans.

Project Description

The proposed increase in scope for both buildings is due to the requirement for elevation and mitigation of additional critical systems to ensure business continuity. In both the John Sealy Hospital and the Emergency Room (ER) Building, medical vacuum pumps, air receivers, and oxygen lines need to be elevated. Additionally in the ER Building, the chilled water system, heated water system, and associated controls must also be elevated.

The original project will install essential mechanical, electrical, and plumbing (MEP) equipment from the first floor of each building to a mechanical space on a floor twenty feet or more above mean sea level. The project will demolish and dispose of remaining decommissioned equipment from the first floors, cut, cap, and abandon in

place all existing utility connections, and seal penetrations between floors to maintain required life safety conditions.

This project will reduce deferred maintenance backlog and aligns with the Campus Master Plan by mitigating flood risk for critical infrastructure required to support the university's clinical mission. Mitigating flood risk will improve resiliency against adverse weather conditions and ensure business continuity to serve patients.

**The University of Texas Medical Branch at Galveston
John Sealy Hospital and Emergency Room Building MEP Mitigation**

Project Information

Project Number	601-1409
CIP Project Type	Repair and Rehabilitation
Facility Type	Utilities/Infrastructure
Management Type	Institutional Management
Institution’s Project Advocates	Steve LeBlanc, Vice President of Business Operations and Facilities Russell Rodecap, Associate Vice President of Property Services
Project Delivery Method	Competitive Sealed Proposals
Gross Square Feet (GSF)	11,855

Project Funding

	<u>Current</u>	<u>Proposed</u>
Grants ¹	\$15,211,819	\$15,211,819
Hospital Revenues	<u>-</u>	<u>4,249,685</u>
Total Project Cost	\$15,211,819	\$19,461,504

¹ Development Grant from The Texas General Land Office

Project Cost Detail

	Cost
Building Cost	\$16,163,921
Architectural/Design Services	1,166,200
Project Management	701,000
Insurance	506,000
Other Professional Fees	424,383
Project Contingency	500,000
Total Project Cost	\$19,461,504

Project Milestones

Definition Phase Approval	May 2022
Addition to CIP	February 2023
Design Development Approval	October 2023
Construction Notice to Proceed	March 2024
Substantial Completion	August 2025
Final Completion	December 2025

6. U. T. M. D. Anderson Cancer Center: MD Anderson Sugar Land - Amendment of the current Capital Improvement Program to include project

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs, the Executive Vice Chancellor for Business Affairs, and the institutional president that the U. T. System Board of Regents amend the current Capital Improvement Program (CIP) to include the MD Anderson Sugar Land project at The University of Texas M. D. Anderson Cancer Center.

BACKGROUND INFORMATION

Previous Actions

On February 10, 2022, the Chancellor approved this project for Definition Phase with an anticipated total project cost of \$482,000,000. On May 23, 2024, the Chancellor approved an increased anticipated total project cost to \$627,000,000.

Project Description

The proposed MD Anderson Sugar Land project is part of a series of planned regional expansions. This ambulatory healthcare facility will provide multidisciplinary clinical, surgical, imaging, procedural and therapeutic, and outpatient cancer care services in the Sugar Land region. The project includes the development of approximately 31 acres of land along Interstate Highway 69 frontage road and University Boulevard in Sugar Land, Fort Bend County, Texas, on property acquired by U. T. M. D. Anderson Cancer Center, as approved by the Board on February 25, 2021.

The five-story building will include space for comprehensive cancer center services for adult patients with cancer diagnoses and low to medium acuity needs. Inpatients will not be seen in the facility at the completion of this project, but the project is being designed to accommodate a future inpatient tower addition and a parking garage. The facility will include radiation oncology, medical oncology services, infusion therapy services, surgical services with recovery rooms, associated pharmacy services, oncology-specific diagnostic imaging services, interventional radiology, endoscopy, vascular access, laboratory medicine services, and other related services of a comprehensive cancer center. Approximately 12,000 gross square feet (GSF) of the anticipated 474,000 GSF building will remain shelled for future use as additional recovery rooms.

The scope of the project includes the construction of a building utility plant and site developments such as drainage, surface parking, lighting, and landscaping.

This proposed project has been approved by U. T. System staff and meets the criteria for inclusion in the CIP. Design development plans and authorization of expenditure of funding will be presented to the Board for approval at a later date. Pursuant to U. T. System Policy 199, effective June 26, 2024, the institution has delegated authority for institutional management of construction projects.

**The University of Texas M. D. Anderson Cancer Center
MD Anderson Sugar Land**

Project Information

Project Number	703-1396
CIP Project Type	New Construction
Facility Type	Healthcare Facility, Hospital
Management Type	Institutional Management
Institution’s Project Advocate	Rosanna Morris, Chief Operating Officer
Project Delivery Method	Design/Build
Gross Square Feet (GSF)	474,218
Shell Space (GSF)	11,591

Project Funding

Revenue Financing System Bond Proceeds ¹	<u>Proposed</u> \$300,000,000
Hospital Revenues	<u>\$477,000,000</u>
Total Project Cost	\$777,000,000

¹ Revenue Financing System (RFS) Bond Proceeds to be repaid from Hospital Revenues

Project Cost Detail

	Cost
Building Cost	\$438,000,000
Fixed Equipment	150,000,000
Site Development	28,000,000
Furniture and Moveable Equipment	20,150,000
Institutionally Managed Work	-
Architectural/Design Services	24,000,000
Project Management	11,500,000
CIP Support Services	-
Insurance	15,200,000
Other Professional Fees	14,500,000
Project Contingency	71,000,000
Other Costs	4,650,000
Total Project Cost	\$777,000,000

**The University of Texas M. D. Anderson Cancer Center
MD Anderson Sugar Land**
(continued)

Building Cost per GSF Benchmarks (escalated to midpoint of construction)

M. D. Anderson Sugar Land	\$924		
Texas Higher Education Coordinating Board Average - Healthcare Facility, Hospital	\$799		
	Low Quartile	Median	High Quartile
Other U. T. System Projects	\$687	\$878	\$911
Other National Projects	\$779	\$1,310	\$2,483

Investment Metrics

- Provide cancer care in close proximity to Sugar Land patients by 2029

Project Planning

Definition Phase Completed	Yes
Owner’s Project Requirements	Yes
Basis of Design	Yes
Schematic Design	Yes
Detailed Cost Estimate	Yes

Project Milestones

Definition Phase Approval	February 2022
Addition to CIP	August 2024
Design Development Approval	November 2024
Construction Notice to Proceed	February 2025
Substantial Completion	March 2028
Final Completion	September 2028

Basis of Design

The planned building life expectancy includes the following elements:

- Enclosure: 30 years
- Building Systems: 30 years
- Interior Construction: 15 years

APPROVAL OF STANDING COMMITTEE RECOMMENDATIONS AND REPORTS TO THE BOARD.--At 9:05 a.m., the Board voted and unanimously approved the Standing Committee recommendations.

AGENDA ITEMS

1. U. T. System Board of Regents: Approval of Consent Agenda and consideration of any item referred to the full Board

Chairman Eltife noted the following related to the Consent Agenda:

- Please note we have several abstentions due to financial interests, as follows: Vice Chairman Longoria and Regents Jiles and Stedman will abstain from discussion and vote on Consent Agenda Item 16, I will abstain from discussion and vote on Item 47, and Regent Jiles will abstain from discussion and vote on Item 58.
- Consent Agenda Item 6 requests approval for amendments to the Investment Policy Statements for the Permanent University Fund, the General Endowment Fund, the Intermediate Term Fund, the Permanent Health Fund, and the Long Term Fund; the Liquidity Policy, and the Derivative Investment Policy.
- Item 7 requests approval for the revisions to the amended and restated University of Texas/Texas A&M Investment Management Company (UTIMCO) Compensation Program.
- Under Item 11, U. T. System recommends approval of allocation of \$10 million to U. T. Permian Basin from the Internal Lending Program.
- Under Item 29, U. T. Austin requests approval of terms of employment with Head Baseball Coach Jim Schlossnagle.
- Under Item 30, U. T. Austin provides a report concerning the name change for the Limited Liability Company holding the Professional Services and Intellectual Property Agreement for Head Football Coach Steve Sarkisian and requests approval of conforming nonsubstantive changes to the current Employment Agreement for Coach Sarkisian and the related Professional Services and Intellectual Property Agreement.
- For Item 33, U. T. Dallas requests approval to purchase approximately 1,200 works of Japanese art from the Montgomery Collection of Japanese antiquities in Lugano, Switzerland, for addition to the permanent collection of The Crow Museum of Asian Art.

Chairman Eltife called on Regent Crain, who commented on the timely and special features of the collection acquisition.

- Under Item 44, U. T. San Antonio requests approval of terms of employment with Head Men's Basketball Coach James Austin Claunch.
- Stephen F. Austin State University requests formal approval for athletic conference membership in the Southland Conference under Item 49.
- Under Item 63, U. T. Health Science Center - Houston requests authorization to purchase land improved with a commercial office building for use as a clinical and medical office building, including in part for an Ambulatory Surgery Center, for which additional funding for development and construction was requested and approved under FAPC Item 9.

Vice Chairman Longoria moved approval of the Consent Agenda, which was seconded by Regent Crain. The Board then approved the Consent Agenda, which is set forth on Pages 129 - 208.

In approving the Consent Agenda, the Board expressly authorized that any contracts or other documents or instruments approved therein may be executed by officials of the University of Texas System or respective U. T. institution involved, as appropriate.

2. U. T. System Board of Regents: Discussion and appropriate action regarding proposed appointment to the University Lands Advisory Board (ULAB)

The Board approved the following recommendation:

RECOMMENDATION

Chairman Eltife recommended reappointment of Dee Kelly, Jr. to the University Lands Advisory Board (ULAB) for a term expiring on August 22, 2027.

BACKGROUND INFORMATION

On March 19, 2018, the Board of Regents approved changes to the membership structure for the University Lands Advisory Board (ULAB), effective immediately, as follows:

- five members appointed by The University of Texas System Board of Regents;
- three members appointed by The Texas A&M University System Board of Regents;
and
- the Commissioner of the General Land Office.

Further, at least two of the members appointed by the U. T. System Board and at least one of the members appointed by the A&M System Board must be current Regents, with the ULAB Chairman to be named by the U. T. System Board. In addition, at least three of the members appointed by the U. T. System Board and at least two of the members appointed by the A&M System Board must have industry experience.

3. U. T. System: Report from the U. T. System Employee Advisory Council

Ms. Tilly Clark, representing the U. T. System Employee Advisory Council (EAC), met with the Board of Regents to discuss the Council's work and planned activities, as summarized on the following page.

BACKGROUND INFORMATION

The U. T. System Employee Advisory Council was established in August 2000 to provide a vehicle for communication and to facilitate the flow of ideas and information between and among the Board of Regents, U. T. System Administration, and the U. T. institutions. The EAC functions to define, analyze, and make recommendations on employee issues to the U. T. System Administration, the Chancellor, and the Board of Regents.

EMPLOYEE ADVISORY COUNCIL EXECUTIVE OFFICERS:

Chair:

Ms. Tilly Clark,
Director of Presidential Affairs – Office of the President,
U. T. Medical Branch - Galveston

Vice Chair:

Mr. Jason A. Duca, MHA,
Scientific Project Director, STRIDE
U. T. M. D. Anderson Cancer Center

Secretary:

Ms. Laura Rademacher, MEd,
Program Manager for Student Affairs and Career Development,
U. T. Health Science Center - Houston

The University of Texas System Employee Advisory Council (EAC) Summary

The EAC held three separate in-person meetings in Fiscal Year 2024. EAC core tasks focused on development of a campaign to foster enhanced partnerships with key U. T. System organizations and raising awareness of the EAC throughout the System. The goals of this campaign aimed to improve communication amongst U. T. System organizations, identify shared interests, and promote EAC member leadership development and stakeholder engagement.

During the fall semester, the EAC conducted an extensive data collection initiative among its members to identify opportunities to enhance the effectiveness of EAC efforts towards positive change. The insights gained from this data inspired implementation of a multi-faceted campaign centered on four key areas: Assessment, Awareness, Collaboration, and Networking.

1. **Assessment:** A committee was established to focus on strategic future planning and to review the EAC's previous work. Surveys were designed to gather insights from new, current, and outgoing EAC members, aiming to enhance the overall EAC experience based on their feedback.
2. **Awareness:** As part of the campaign, we have strategically updated and redesigned the digital resources associated with the EAC, enhancing the tools employees can use to connect with the EAC. Furthermore, we are incorporating videos to elevate the EAC experience and emphasize the Council's value and achievements.
3. **Collaboration:** The EAC developed a committee to identify strategies to improve communication and collaboration among stakeholders. Importantly, the EAC recognizes that issues can sometimes be interconnected: faculty issues impact staff and students, staff concerns affect faculty and students, and student issues reverberate across both faculty and staff. The committee primarily focused its efforts on establishing and improving the EAC's connection and relationships with the institutional Staff Councils, the institutional Chief Human Resources Officers (CHRO), the U. T. System Faculty Advisory Council (FAC) and the U. T. System Students Advisory Council (SAC). EAC members proactively engaged with these groups to raise awareness about the work of the EAC and gather information on collaboration opportunities. So far, the collaboration committee has convened all U. T. institution staff council chairs as well as all U. T. CHROs and had 100% attendance for both meetings.
4. **Networking:** The EAC established a new U. T. System Networking initiative aimed to foster collaboration, share best practices, and facilitate professional development opportunities across the U. T. institutions. The primary objective is to create a platform for employees in similar positions across U. T. institutions to come together virtually, engage in meaningful dialogue about the latest developments and challenges within their field, and leverage each other's expertise to enhance their respective roles and functions within the

U. T. System. So far, the EAC has convened a pilot group for the U. T. institution President's Executive Assistants, which has achieved a 73% attendance rate and a 100% satisfaction rate for improving working relationships, processes, professional development, and best practices.

These strategic initiatives leverage varied perspectives and expertise, which are anticipated to lead to more effective decision-making and enhanced institutional support and success.

RECESS TO EXECUTIVE SESSION.--At 9:15 a.m., the Board recessed to Executive Session, pursuant to *Texas Government Code* Section 551.074 to consider the matters listed on the Executive Session agenda.

RECONVENE THE BOARD IN OPEN SESSION TO CONSIDER ACTION, IF ANY, ON EXECUTIVE SESSION ITEMS AND TO CONSIDER OPEN SESSION ITEMS.-- At 10:46 a.m., in accordance with a notice being duly posted with the Secretary of State and there being a quorum present, Chairman Eltife called the meeting to order in Open Session.

- 1a. U. T. System: Discussion and appropriate action regarding individual personnel matters relating to appointment, employment, evaluation, compensation, assignment, and duties of presidents (academic and health institutions including interim presidents); U. T. System Administration officers (Executive Vice Chancellors and Vice Chancellors); other officers reporting directly to the Board (Chancellor, General Counsel to the Board, and Chief Audit Executive); Board members; and U. T. System and institutional employees

No action was taken on this item.

- 1b. U. T. System: Discussion and appropriate action regarding individual personnel matters relating to appointment, employment, evaluation, compensation, assignment, and duties of presidents (academic and health institutions including interim presidents); U. T. System Administration officers (Executive Vice Chancellors and Vice Chancellors); other officers reporting directly to the Board (such as Chancellor, General Counsel to the Board, and Chief Audit Executive); U. T. System and institutional employees, and related personnel aspects of the operating budget for Fiscal Year 2025

No action was taken on this item.

- 1c. U. T. System: Discussion and appropriate action concerning individual personnel matters relating to appointment, employment, evaluation, compensation, assignment, and duties of U. T. System and institutional employees including employees covered by Regents' Rules and Regulations, Rule 20204, regarding compensation for highly compensated employees, and Rule 20203, regarding compensation for key executives

No action was taken on this item.

- 1d. U. T. Tyler: Discussion with president regarding assignment and duties, including individual responsibilities regarding collaboration in behavioral health expansion in East Texas

No action was taken on this item.

- 1e. U. T. Tyler: Consideration, discussion, and appropriate action regarding recommendation of Faculty Hearing Tribunal concerning termination of Mickie Mwanzia Koster, Ph.D., a tenured faculty member

Regent Jiles made the following motion:

Based upon the evidentiary record from the faculty tribunal hearing regarding the termination of Mickie Koster, Ph.D., a tenured faculty member at The University of Texas at Tyler, as provided to the U. T. System Board of Regents, I move that the Board

1. accept the faculty tribunal's May 20, 2024 findings in their entirety, and;
2. accept the conclusion of the tribunal that the greater weight of the credible evidence of Dr. Koster's actions taken together constitute good cause for the termination of her tenured faculty appointment at U. T. Tyler.

I further move that the Board determine that good cause exists to terminate Dr. Koster's employment and vote to terminate her from the U. T. Tyler faculty effective immediately.

Finally, I move that the Board direct the General Counsel to the Board to prepare a document noting the reasons for the Board's actions regarding these findings, conclusions, and recommendation of termination and communicate them to Dr. Koster.

The motion was seconded by Regent Perez and carried unanimously.

- 1f. U. T. San Antonio and U. T. Health Science Center - San Antonio: Discussion and appropriate action including individual personnel issues related to strategic alignment

See related Open Session Item 9 for action taken in Open Session.

- 2a. U. T. System Academic Institutions: Discussion and appropriate action regarding proposed negotiated gifts, including potential naming features

No action was taken on this item.

- 2b. U. T. System Health Institutions: Discussion and appropriate action regarding proposed negotiated gifts, including potential naming features

No action was taken on this item.

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

No action was taken on this item.

- 3b. U. T. System Board of Regents: Discussion and appropriate action regarding legal issues concerning pending legal claims by and against U. T. System

No action was taken on this item.

- 3c. U. T. System Board of Regents: Discussion and appropriate action regarding pending litigation styled *Bobby Bellard, et al. v. University of Texas MD Anderson Cancer Center, et al.*

Regent Stedman made the following motion:

I move the U. T. System Board of Regents delegate to the Vice Chancellor and General Counsel the authority to settle litigation styled *Bobby Bellard, et al. v. University of Texas MD Anderson Cancer Center et al.* within the parameters recommended in Executive Session following consultation and approval by the institutional president, the Chancellor, and the Executive Vice Chancellor for Health Affairs.

The motion was seconded by Regent Warren and carried unanimously.

- 3d. U. T. Tyler: Discussion and appropriate action regarding legal issues associated with a proposed transaction with Oceans Acquisition, Inc., a Delaware corporation, and/or its affiliate(s) (Oceans) pursuant to which (a) The Health Science Center at U. T. Tyler and Oceans, as members of a to-be-formed and yet-to-be-named limited liability company (JointCo, LLC) will jointly own, develop, and operate certain behavioral health facilities in East Texas to be managed by Oceans pursuant to one or more management agreements, (b) The Health Science Center at U. T. Tyler will enter into a series of related agreements relating to the formation and operation of JointCo, LLC, including (i) a lease and sublease arrangement for the development of a new inpatient behavioral health facility in East Texas (the New Facility), (ii) a contribution agreement pursuant to which The Health Science Center at U. T. Tyler will make certain commitments to JointCo, LLC, including a commitment to cover certain costs, fees, and expenses relating to the opening of the New Facility, (iii) a trademark license agreement permitting JointCo, LLC to use the UT Health East Texas name and logo, (iv) an agreement to provide professional services to the behavioral health facilities that are part of JointCo, LLC, and (v) academic affiliation and clinical rotation agreements that will support the academic operations of U. T. Tyler (collectively as to (a) and (b), the Proposed Transaction), (c) delegation of authority to the institutional president to execute related documents and take other action necessary, and (d) a finding of public purpose

Regent Crain made the following motion:

I move that the U. T. System Board of Regents take the following actions on behalf of U. T. Tyler:

- a. approve the proposed formation of a yet-to-be-named limited liability company (JointCo, LLC) whereby The Health Science Center at U. T. Tyler and Oceans Acquisitions, Inc. (Oceans) will jointly own, develop, and operate behavioral health facilities in East Texas to be managed by Oceans pursuant to one or more management agreements, on terms and in accordance with parameters outlined in Executive Session;
- b. authorize The Health Science Center at U. T. Tyler to enter into a series of related agreements for the formation and operation of JointCo, LLC, on terms and in accordance with parameters outlined in Executive Session, including
 - (i) a lease and sublease arrangement for the development of a new inpatient behavioral health facility in East Texas (the New Facility),
 - (ii) a contribution agreement pursuant to which The Health Science Center at U. T. Tyler will make certain commitments to JointCo, LLC, including a commitment to cover certain costs, fees, and expenses relating to the opening of the New Facility,
 - (iii) a trademark license agreement permitting JointCo, LLC to use the UT Health East Texas name and logo,

(iv) an agreement to provide professional services to the behavioral health facilities that are part of JointCo, LLC; and

- c. authorize the President of U. T. Tyler to execute all documents, instruments, and other agreements and to take all further action deemed necessary to carry out the purpose and intent of the foregoing actions, following review and approval by the Chancellor, the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Health Affairs, the Executive Vice Chancellor for Business Affairs, and the Vice Chancellor and General Counsel.

The Board is also asked to make a finding that:

1. the transaction and The Health Science Center at U. T. Tyler's engagement with Oceans Acquisitions, Inc. supports the public mission of and serves public purposes appropriate to the functions of The Health Science Center at U. T. Tyler;
2. the transaction is structured with adequate safeguards and controls in place through The Health Science Center at U. T. Tyler's reserved powers, dissolution rights, and other rights to ensure the public purposes will continue to be met on an ongoing basis; and
3. the transaction provides adequate consideration and benefits to The Health Science Center at U. T. Tyler, the residents of East Texas and the State of Texas in exchange for The Health Science Center at U. T. Tyler capital and other contributions.

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

4. Deliberations Regarding the Purchase, Exchange, Lease, Sale, or Value of Real Property – Section 551.072

No action was taken on this item.

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

No action was taken on this item.

AGENDA ITEMS (continued)

4. U. T. System: Discussion and appropriate action related to updates to The University of Texas System Commitment to Freedom of Speech and Expression

Following brief comments by Chancellor Milliken, the Board approved the following recommendation:

RECOMMENDATION

The U. T. System Board of Regents is asked to consider adopting additional elements originating with the University of Chicago's Kalven Committee Report on the University's Role in Political and Social Action as set forth below.

The University of Texas System Commitment to Freedom of Speech and Expression

Because The University of Texas System (UT System) is committed to free and open inquiry in all matters, it guarantees all members of the UT System the broadest possible latitude to speak, write, listen, challenge, and learn. Except insofar as limitations on that freedom are necessary to the functioning of the UT System, the UT System and the UT institutions fully respect and support the freedom of all members of the UT System community "to discuss any problem that presents itself."

Of course, the ideas of different members of the UT System community will often and quite naturally conflict. But it is not the proper role of the UT System or the UT institutions to attempt to shield individuals from ideas and opinions they find unwelcome, disagreeable, or even deeply offensive.

Nor is it the role of the UT System or UT institutions to adopt positions based on political or social passions or pressures. Institutions should not, in their official capacity, issue or express positions on issues of the day, however appealing they may be to some members of the university community. This has no bearing, of course, on freedom of speech of individuals in the university community, and only relates to official university statements, functions, ceremonies, and publications.

Although the The UT System greatly values civility, and although all members of the UT System community share in the responsibility for maintaining a climate of mutual respect, concerns about civility and mutual respect can never be used as a justification for closing off discussion of ideas, however offensive or disagreeable those ideas may be to some members of the UT System community.

The freedom to debate and discuss the merits of competing ideas does not, of course, mean that individuals may say whatever they wish, wherever they wish. UT institutions may restrict speech and expression that violates the law, that falsely defames a specific individual, that constitutes a genuine threat or harassment, that unjustifiably invades substantial privacy or confidentiality interests, or that is otherwise directly incompatible with the functioning of any UT institution. In addition,

the UT institutions may reasonably regulate the time, place, and manner of speech and expression to ensure that it does not disrupt the ordinary activities of the institution. But these are narrow exceptions to the general principle of freedom of speech and expression, and it is vitally important that these exceptions never be used in a manner that is inconsistent with the UT System commitment to a completely free and open discussion of ideas.

In a word, the fundamental commitment is to the principle that debate or deliberation may not be suppressed because the ideas put forth are thought by some or even by most individual members of the UT System community to be offensive, unwise, immoral, or wrong-headed. It is for the individual members of the UT System community, not for the UT System or the UT institutions, to make those judgments for themselves, and to act on those judgments not by seeking to suppress speech, but by openly and vigorously contesting the ideas that they oppose. Indeed, fostering the ability of individual members of the UT System community to engage in such debate and deliberation in an effective and responsible manner is an essential part of the educational mission of the UT System and the UT institutions.

As a corollary to the commitment to protect and promote free speech and expression, members of the UT System community must also act in conformity with the principle of free speech and expression. Although members of the UT System community are free to criticize and contest the views expressed on campus, and to criticize and contest speakers who are invited to express their views on campus, they may not obstruct or otherwise interfere with the freedom of others to express views they reject or even loathe. To this end, the UT System and the UT institutions have a solemn responsibility not only to promote a lively and fearless freedom of debate and deliberation, but also to protect that freedom when others attempt to restrict it.

BACKGROUND INFORMATION

On November 17, 2022, the U. T. System Board of Regents approved The University of Texas System Commitment to Freedom of Speech and Expression, reflecting its agreement with principles set forth originally by the University of Chicago. In approving the U. T. System Commitment, the Board formally endorsed and acknowledged the long-standing commitment of the U. T. System to these principles with the expectation that the Commitment will serve to continue to protect the freedom of speech and expression on campuses in a way that promotes free and open inquiry and provides transparency regarding the U. T. System commitment to the promotion and protection of free speech and expression within the U. T. System community.

The Chicago Statement on Free Speech articulates a commitment to free and open inquiry in all matters and guarantees members of the university community broad latitude to speak, write, listen, and learn. The Chicago Statement recognizes that there must, at times, be restrictions on speech, as long as such restrictions are not used in a manner inconsistent with the law and free and open discussion of

ideas. Over 80 institutions and faculty bodies have adopted or endorsed the Chicago Statement or a substantially similar statement. The Kalven Report set forth principles in support of institutional neutrality on political and social issues of the day to ensure that the university would be home to diverse and sometimes conflicting ideas, not a participant in those issues.

5. U. T. System Board of Regents: Discussion and appropriate action regarding proposed revision to Regents' *Rules and Regulations*, Rule 20601 (Aircraft Use), regarding use of donor aircraft

The Board approved the following recommendation:

RECOMMENDATION

It is recommended that the U. T. System Board of Regents consider the following revisions to Regents' *Rules and Regulations*, Rule 20601 (Aircraft Use):

...

Sec. 12 Minimum Number of Pilots. With the exception of helicopter flights, two pilots are required for all flights used in conjunction with official University business. This Section is applicable to U. T. System aircraft, leased aircraft, chartered flights, ~~privately~~ employee-owned or -leased aircraft, and ~~donor aircraft~~ Donor Aircraft.

...

Sec. 15 Record Keeping and Reports. The approved reservation requests forms and post-flight passenger manifests will serve as the official record of flights.

15.1 The U. T. System Office of the Controller shall prepare and submit the following reports:

(a) Travel Log. In accordance with *Texas Government Code Section 2205.039*, the passenger manifests for the month will be sent to TxDOT each month following the month in which travel occurred.

(b) Reports to the Board. ~~Passenger manifests for U. T. System aircraft, TxDOT aircraft flown on behalf of U. T. System, privately owned aircraft, and leased and charter aircraft, including donor or chartered aircraft paid for by outside entities on behalf of the University,~~ Passenger manifests for U. T. System aircraft and TxDOT aircraft, employee-owned or -leased aircraft, leased and charter aircraft, and Donor Aircraft flown on behalf of the U. T. System, except for Donor Aircraft provided by a supporting foundation to a U. T. System

institution, will be sent to the General Counsel to the Board twice a year in April and October for distribution to the Board's Finance and Planning Committee for review. For Donor Aircraft ~~donor aircraft~~, passenger and donor names may be omitted consistent with State law, but will be provided, upon request, to the Board, to the Chancellor, the appropriate Executive Vice Chancellor, the Vice Chancellor for External Relations, Communications and Advancement Services, the Vice Chancellor and General Counsel, and/or the General Counsel to the Board.

Sec. 16 ~~Leased and Privately~~ Employee-Owned or -Leased Aircraft. No U. T. System employee may operate ~~leased or privately owned~~ aircraft owned or leased in the employee's personal capacity in conjunction with official University business unless authorized in writing by the Chancellor or designee.

...

Sec. 18 Donor Aircraft.

18.1 Usage. Approval to use Donor Aircraft, including the acceptance of a gift of the use of a passenger seat on a noncommercial flight within the definition of Donor Aircraft, in the scope and conduct or furtherance of official University business is conditioned upon the confirmation of the following requirements prior to the acceptance of flight:

- (a) Use of Donor Aircraft must be approved in writing and in advance by the Chancellor or designee following submission of a request using a Donor Aircraft Request for Approval form. In evaluating whether to allow the use of a Donor Aircraft, an individual should first assure that such use does not create a conflict of interest under Regents' [Rule 30104](#). For such travel by U. T. System Administration employees, officers, and institutional presidents, any potential conflict of interest shall be evaluated by the U. T. System Vice Chancellor and General Counsel or designee prior to approval of the use. For other institution employees, the conflict of interest analysis may be performed by the institution's legal counsel and/or ethics advisor. In addition to the conflict of interest review, the Chancellor or designee shall review and approve such proposed travel by U. T. System institutional Presidents and System Administration employees. Presidents shall review and approve such proposed travel of their employees. In

every instance, the decision to approve shall be based upon the totality of the circumstances. The reviewing parties may request additional information to assist them in review. Use of Donor Aircraft provided by a supporting foundation to a U. T. System institution can instead be reviewed for compliance with the Regents' Rules and approved pursuant to contracts and memoranda of understanding between the institution and the supporting foundation.

- (b) U. T. System insurance requirements must be met with a minimum of \$1,000,000 per seat/passenger.
- (c) With the exception of helicopters, Donor Aircraft must be multiengine turboprop or jet.
- (d) With the exception of helicopter flights, each flight must have 2 current and qualified pilots.
- (e) The aircraft owner may not serve as pilot or copilot.
- (f) No passenger may enter the cockpit or distract pilots during flight, takeoff, or landing.
- (g) Students must be accompanied by a University staff member for the duration of any flight.
- (h) Donor is not a registered lobbyist.
- (i) Donor flight information (date of flight, aircraft tail number, origin/destination) along with a passenger list and emergency contact for each must be maintained by a responsible University individual on the ground.

18.2 Reporting. For each ~~donor~~ Donor Aircraft flight, the following will be provided, if applicable:

- (a) Donor Aircraft Request for Approval form will be forwarded to U. T. System Aircraft Operations prior to departure.
- (b) Detailed flight information will be reported as required by ~~Section 17.1~~ of this Rule.

...

3. Definitions

Donor Aircraft – aircraft and crew, or individual passenger seat on aircraft, provided at reduced or no cost to transport passengers or cargo to/from a predetermined departure location to a specific destination, including any aircraft and crew provided by a supporting foundation to a U.T. System institution at reduced or no cost. Donor Aircraft does not include a reduced or no cost airline ticket on a noncharter commercial airline flight.

BACKGROUND INFORMATION

Regents' Rule 20601 sets forth required procedures for use of aircraft for non-commercial flights in furtherance of U. T. business, including required approval and reporting processes for the use of Donor Aircraft. The proposed revisions are recommended to prevent the currently prescribed processes from becoming cumbersome as use of Donor Aircraft from institution-supporting foundations becomes more routine.

The proposed revisions allow for an exception to the standard approval and reporting processes for use of aircraft donated by an institution-supporting foundation. The proposed revisions also clarify terminology used in the Rule.

The proposed revisions do not impact the full-time equivalent (FTE) employee count Systemwide and are budget-neutral. The proposed Rules change was reviewed by the institutional presidents and representatives of the Student Advisory Council, the Faculty Advisory Council, and the Employee Advisory Council.

6. U. T. System: Discussion and appropriate action regarding establishment of the Regents' Strategic Research Fund and allocation and expenditure of \$25 million in Available University Funds (AUF); and finding that the expenditure of AUF for this purpose is appropriate

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor and the Executive Vice Chancellors for Academic Affairs, Health Affairs, and Business Affairs recommend that the U. T. System Board of Regents:

- a. establish the Regents' Strategic Research Fund in support of the goal adopted by Regents in August 2023 to accelerate the U. T. System's national research prominence and the state's economy and to enhance the U. T. System's global research competitiveness;

- b. authorize the allocation of \$25 million of Available University Funds (AUF) for the Regents' Strategic Research Fund in furtherance of the U. T. System Administration's responsibility to provide oversight and coordination of the activities of the U. T. System; and
- c. find that expenditure of AUF for the purpose of providing oversight and coordination of the activities of the U. T. System is appropriate and that the expenditure benefits a broad number of U. T. System institutions.

BACKGROUND INFORMATION

On August 24, 2023, the U. T. System Board of Regents adopted and implemented a goal for U. T. System to boost its national research prominence and the state's economy and to enhance the U. T. System's global research competitiveness by establishing the U. T. System Regents' Research Excellence Program (RREP) to support the four emerging research institutions within the U. T. System. The RREP provides recurring funding for faculty and postdoctoral researcher salaries and benefits to accelerate the rate of growth of high-quality research by the U. T. System. The RREP also will establish U. T. System communities of practice to allow participating faculty to actively collaborate with faculty at other U. T. System institutions.

To further this goal, the Regents' Strategic Research Fund (Fund) is now proposed. The Fund will provide the support required to continue to develop capabilities that align with current or emerging state or federal priorities, to advance research programs from prominence to preeminence, and to support collaborative engagement with industry and agencies, while enhancing the competitiveness of Texas and its research universities. This Fund, in combination with other investment funds, aims to ensure that the U. T. System and U. T. institutions achieve national research prominence at the highest levels, in areas of critical need and importance, and to continue to help drive the state's innovation economy.

Since August 2004, the U. T. System Board of Regents has approved allocations for the Science and Technology Acquisition and Retention (STARs) program designed to help U. T. System institutions attract and retain the best qualified faculty by funding research start-up costs, including research equipment and laboratory renovations. In addition, the RREP provides the support needed to enhance the pace of faculty hiring. While the STARs and RREP programs have been, and will continue to be, instrumental in helping U. T. institutions attract and retain high-quality faculty, while providing resources to enable the startup of their research programs,

additional funds made available through the proposed Fund are needed to provide more flexible, targeted, on-demand support in areas where there is an opportunity to take nascent research strengths and elevate those capabilities to national prominence, exploit state, national, and global research investment trends, and accelerate innovative collaborations.

Advance notice of this proposed System initiative funded with AUF was provided to the Legislative Budget Board as required by Rider 7, Page III-78 of the current *General Appropriations Act*.

7. U. T. System: Discussion and appropriate action regarding a) the nonpersonnel aspects of the operating budgets for Fiscal Year 2025, including Permanent University Fund Bond Proceeds allocations for Library, Equipment, Repair and Rehabilitation Projects and for the Faculty Science and Technology Acquisition and Retention program, and b) finding that expenditure of the Available University Fund is appropriate

Chairman Eltife acknowledged receipt of written testimony from James Hescock, a member of the public, related to Items 7 and 8, specifically regarding the U. T. Tyler operating budget, noting copies had been distributed to the Board.

The Chairman then called on Vice Chancellor Derrick Horton for a presentation on the budget for Fiscal Year 2025 using the PowerPoint on Pages 108 - 122. In response to a question from Regent Perez, Mr. Horton confirmed LERR and STAR funds are available to Stephen F. Austin University. Vice Chairman Longoria then made the following motion:

I move approval of the U. T. System Operating Budgets for Fiscal Year 2025, including matters related to the compensation and conditions of employment for those individuals requiring Board approval, including those as recommended to and considered by the Board in Executive Session.

I also move approval of the nonpersonnel aspects of the U. T. System Operating Budgets for Fiscal Year 2025, including allocation of Educational and General Funds; Auxiliary Enterprises; Grants and Contracts; Designated Funds; Restricted Current Funds; Medical, Dental, Nursing, and Allied Health Faculty Services and Research and Development Plans; and the Available University Fund as contained in the recommendations presented to the Board.

Approval of the budget also includes the appropriation of

1. PUF Bond Proceeds in the amount of \$41.2 million to fund Library, Equipment, Repair and Rehabilitation Projects for Fiscal Year 2025;
2. \$35.8 million of PUF Bond Proceeds for the Science and Technology Acquisition and Retention program, also known as the Faculty STARs program for Fiscal Year 2025, to provide additional funding to build and

enhance research infrastructure to attract and retain the best qualified faculty, with authority delegated to the Chancellor or his designee to transfer funding from Faculty STARS to the Rising STARS program; and

3. \$20 million from the Internal Lending Program or other available sources to be provided directly to institutions to fund new campus programs upon allocation by the Chancellor.

I further move that the Board make a finding that expenditure of AUF for the purpose of providing operational support to the U. T. institutions and identified in the U. T. System Administration Operating Budget for Fiscal Year 2025 as Direct Campus Support is appropriate under the U. T. System's responsibilities to oversee and coordinate the activities and operations of the U. T. institutions, with the intent that expenditures will benefit all academic and health institutions.

Finally, I move that all subsequent budget actions be governed by the Budget Rules and Procedures approved February 22, 2024, and that the Chancellor be authorized to make editorial corrections and other non-substantive changes to the U. T. System Operating Budgets for Fiscal Year 2025, with subsequent adjustments and any material changes reported to the Board of Regents through the Consent Agenda to the extent required by the Budget Rules and Procedures.

The motion was seconded by Regent Jiles and carried unanimously.

RECOMMENDATION

Chancellor Milliken, with the concurrence of the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Business Affairs, the Executive Vice Chancellor for Health Affairs, and the presidents of the U. T. institutions, recommends

- a) approval of the nonpersonnel aspects of the U. T. System Operating Budgets for Fiscal Year 2025, including Educational and General Funds, Auxiliary Enterprises, Grants and Contracts, Designated Funds, Restricted Current Funds, and Medical, Dental, Nursing, and Allied Health Faculty Services, Research and Development Plans;
- b) that the Chancellor be authorized to make editorial corrections to the approved budget and that subsequent adjustments be reported to the U. T. System Board of Regents through the Consent Agenda subject to the requirements of the Budget Rules and Procedures;
- c) allocation of Permanent University Fund (PUF) Bond Proceeds in the amount of \$41.2 million directly to the institutions and U. T. System Administration to fund Library, Equipment, Repair and Rehabilitation (LERR) Projects for Fiscal Year 2025;

d) allocation of PUF Bond Proceeds in the amount of \$35.8 million to provide additional funding to build and enhance research infrastructure to attract and retain the best qualified faculty through the Faculty Science and Technology Acquisition and Retention (STARs) program. Funding authorized may be used by institutions in either the Faculty STARs or the related Rising STARs programs to take advantage of recruitment and retention opportunities presented by the institutions;

e) find that expenditure of Available University Fund (AUF) for the purpose of providing operational support to the U. T. System institutions and identified in the U. T. System Administration Operating Budget for Fiscal Year 2025 as Direct Campus Support is appropriate under the U. T. System's responsibilities to oversee and coordinate the activities and operations of the U. T. institutions, with the intent that expenditures will benefit all academic and health institutions.

BACKGROUND INFORMATION

Executive Vice Chancellor Jonathan Pruitt and Associate Vice Chancellor Derek Horton will present the following recommended items:

Fiscal Year 2025 Operating Budgets

Allocations from PUF Bond Proceeds

- Fiscal Year 2025 LERR Budget
- Fiscal Year 2025 STARs program, including Rising STARs

Budget materials titled "Operating Budget Summaries and Reserve Allocations for Library, Equipment, Repair and Rehabilitation and Faculty STARs" will be available online at <https://utsystem.edu/offices/budget-and-planning/operating-budget-summaries>.

Included in the U. T. System Administration Operating Budget for Fiscal Year 2025 is a \$75.4 million allocation of AUF for Direct Campus Support to provide assistance to U. T. academic institutions.

The appropriation of PUF Bond Proceeds for LERR and STARs will be presented in the Fiscal Year 2025 LERR Budget and is subject to the budget rules and expenditure guidelines adopted therein. The allocation of LERR funds to the U. T. institutions is based on formulas developed by the U. T. System Offices of Academic and Health Affairs with lists of projects equivalent to available funding submitted by the institutions and reviewed by U. T. System Administration staff.

The PUF Bond Proceeds appropriated as indicated above must be spent in accordance with Article VII, Section 18 of the Texas Constitution. PUF Bond Proceeds may only be used for acquiring land either with or without permanent improvements, constructing and equipping buildings or other permanent improvements, major repair and rehabilitation of buildings and other permanent improvements, acquiring capital equipment, and acquiring library books and library materials.

Executive Vice Chancellor Jonathan Pruitt has determined that for the distribution of ILP for amounts included in the U. T. System Administration Operating Budget based on Board approval of this item, revenues generated through the ILP will exceed amounts needed to maintain a sufficient interest rate buffer to meet principal and interest due on external debt and to provide necessary liquidity.

The University of Texas System

Fiscal Year 2025 Annual Operating Budget

Jonathan Pruitt
Executive Vice Chancellor for Business Affairs

U. T. System Board of Regents Meeting
August 2024

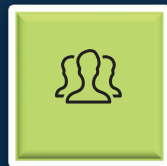


About The University of Texas System

Size, scale, and diversity of the U. T. System exceeds all other higher education systems in the state.



FY 2024 budget was three times the size of next largest Texas system



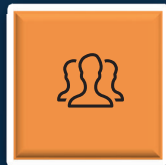
122,000 faculty, staff, and medical professionals – one of the largest employers in Texas



Research expenditures in FY 2023 of \$4.3 billion – largest in the state and second largest in the country



Continues to carry AAA credit rating with each of three credit rating agencies; Moody's, Standard & Poor's, and Fitch



More than 10.8 million patient visits in 2023



256,783 students – producing more than 1/3 of bachelor degrees and more than 1/2 of medical degrees in Texas



67,050 graduates in 2023 – more than any other system in Texas



Receives a patent every 1.6 days; invention disclosure every 10.7 hours

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Introduction to the FY 2025 Annual Operating Budget

The Fiscal Year 2025 Annual Operating Budget:

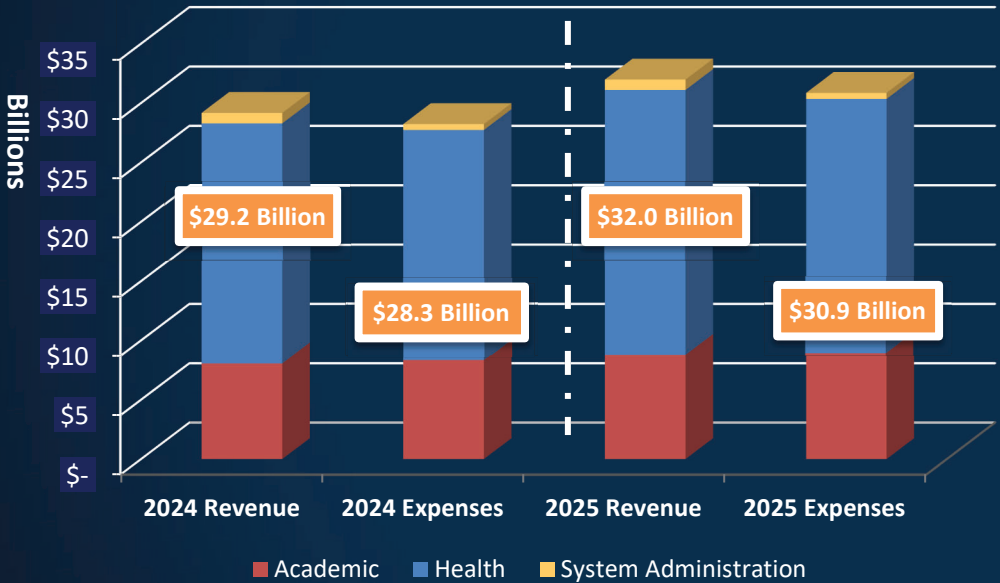
- Growth in health care activities
- Focus on faculty and staff compensation
- Growth projected in sponsored programs from federal, local and private sources
- Forecasted increase in gift support for operations
- Increased levels continue for investment income
- Increase in direct campus support for insurance and information technology

The Budget request is presented in four sections:

- Systemwide
- System Administration
- Library, Equipment, Repair and Rehabilitation (LERR)
- Faculty Science and Technology Acquisition and Retention Program (STARs)

Budget Highlights

Total Budgeted Revenue and Expenses FY 2024 and FY 2025



Minutes - 111

Budgeted Revenue

FY 2025 - \$32.0 billion
 \$2.8 billion more than FY 2024
 9.6% more than FY 2024

Major Drivers (in millions)

- Sales & Services of Hospital & Clinics - \$1.3 billion
- Federal Sponsored Programs - \$495 million
- Local and Private Sponsored Programs - \$260 million
- Net Investment Income - \$185 million

Budgeted Expenses

FY 2025 - \$30.9 billion
 \$2.6 billion more than FY 2024
 9.3% more than FY 2024

Major Drivers (in millions)

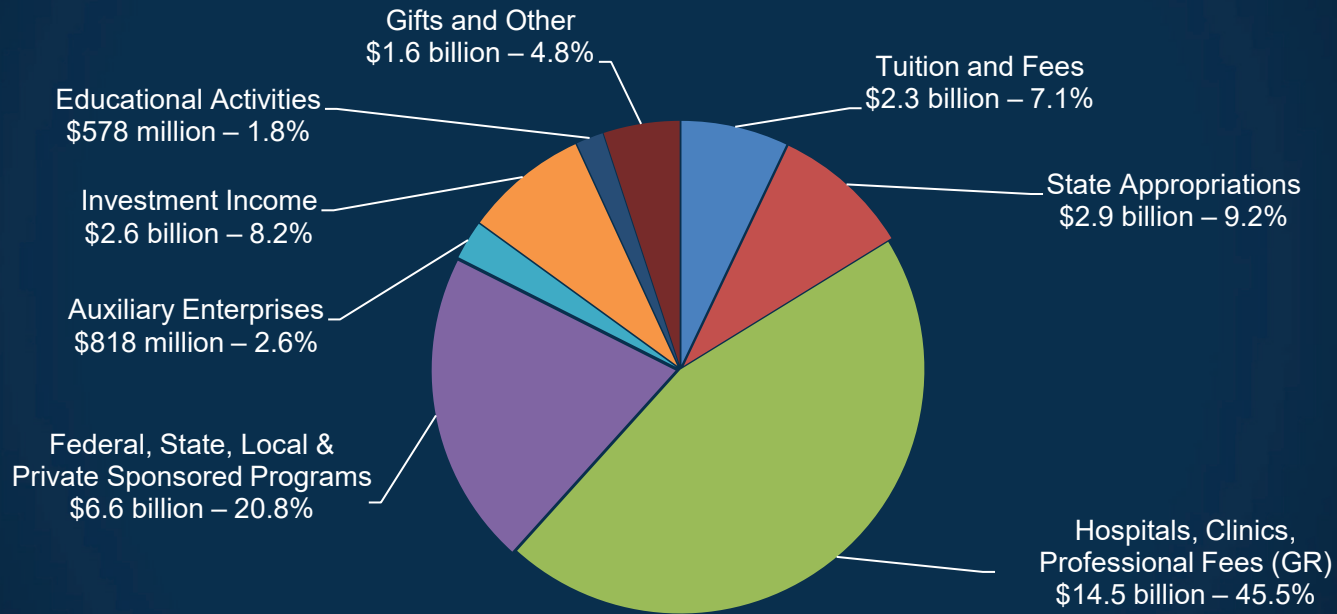
- Personnel Costs - \$1.6 billion
- Operations, Maintenance, and Travel - \$787 million
- Scholarships and Fellowships - \$151 million



FY 2025 Budgeted Revenue

(Academic/Health Institutions and System Administration)

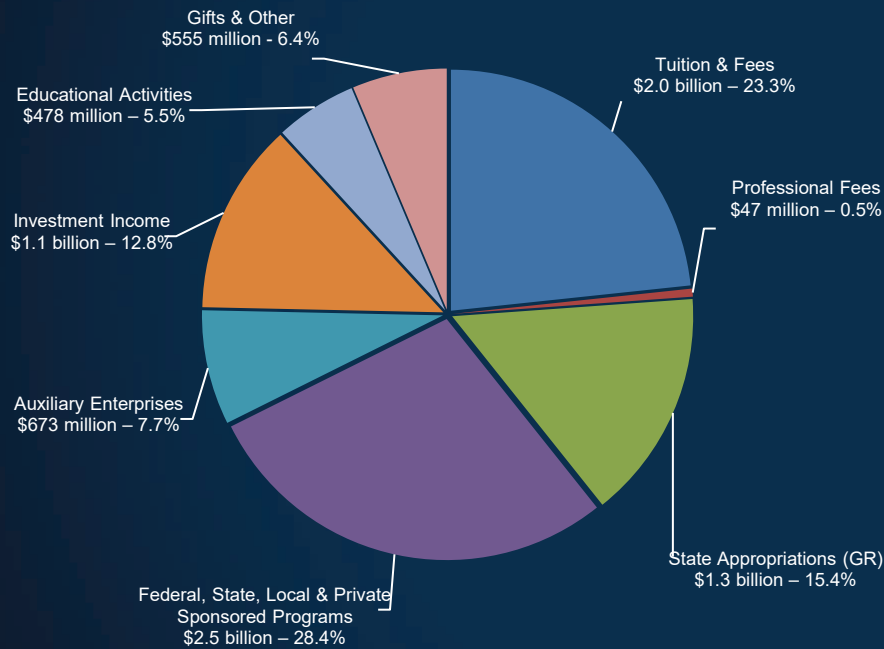
FY 2025 Budgeted Revenue: \$32.0 billion



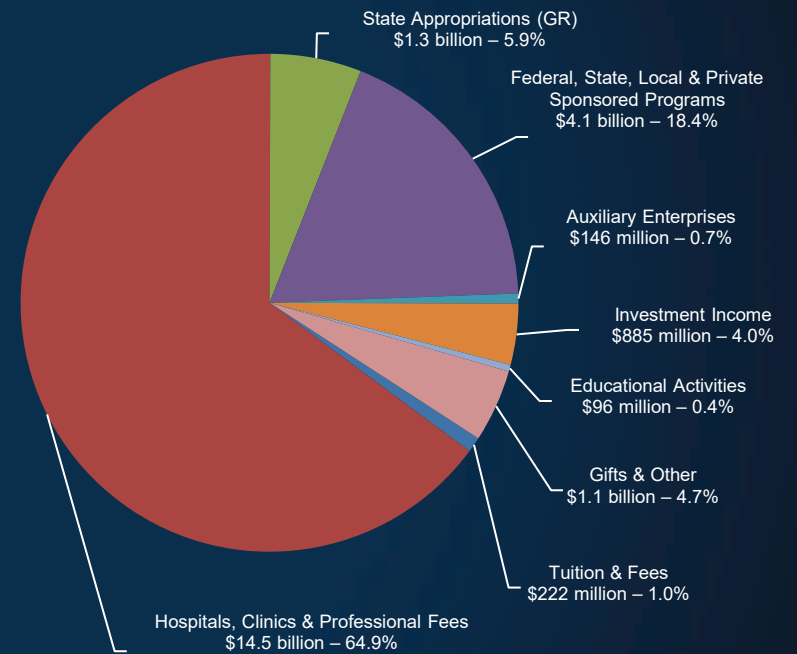
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FY 2025 Budgeted Revenue

Academic Institutions - \$8.7 billion



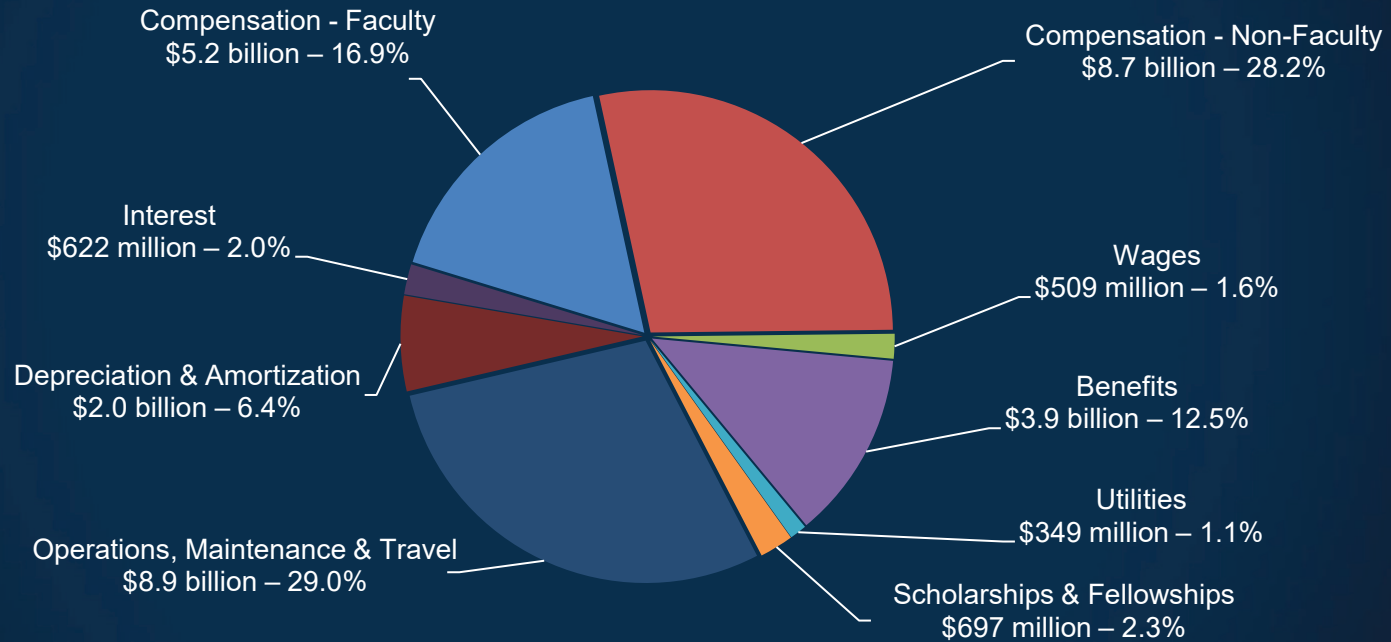
Health Institutions - \$22.3 billion



FY 2025 Budgeted Expenses - Natural Classification

(Academic/Health Institutions and System Administration)

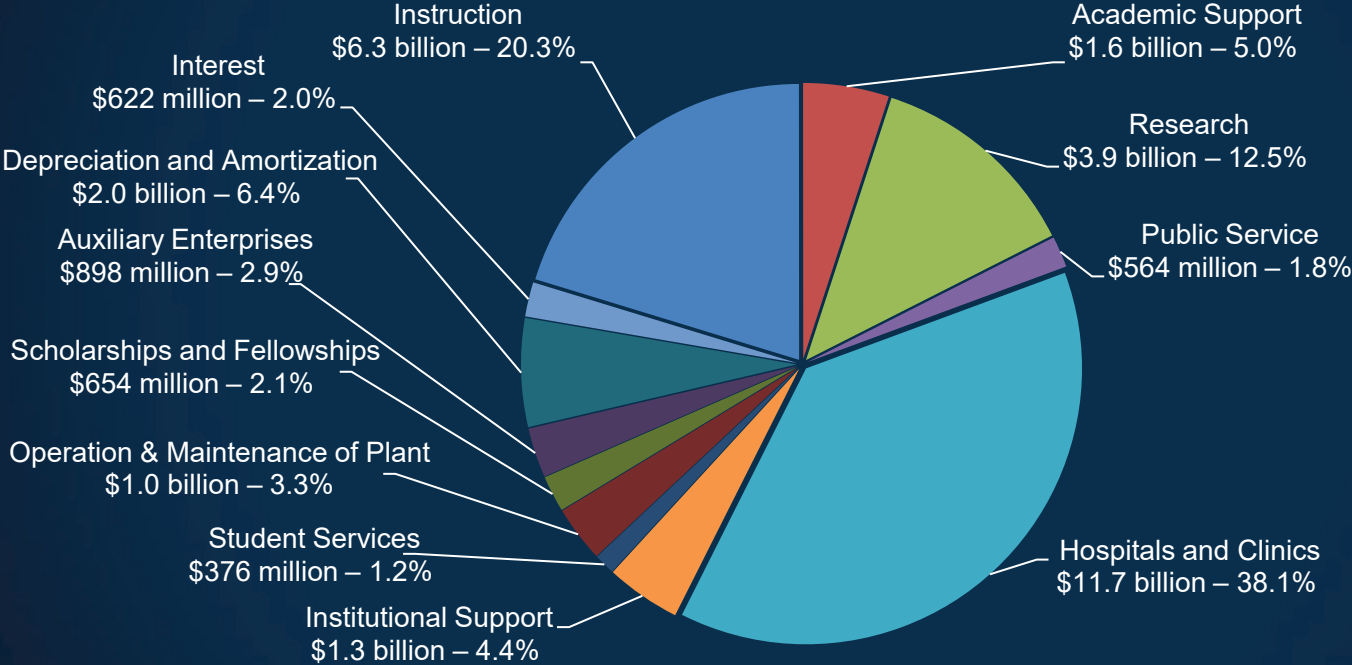
FY 2025 Budgeted Expenses: \$30.9 billion



FY 2025 Budgeted Expenses - Functional Classification

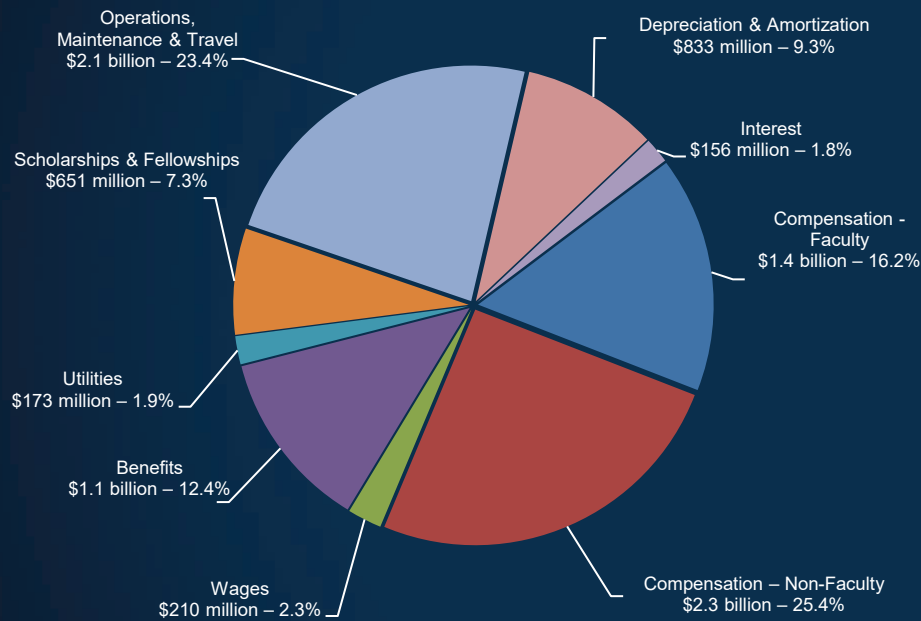
(Academic/Health Institutions and System Administration)

FY 2025 Budgeted Expenses: \$30.9 billion

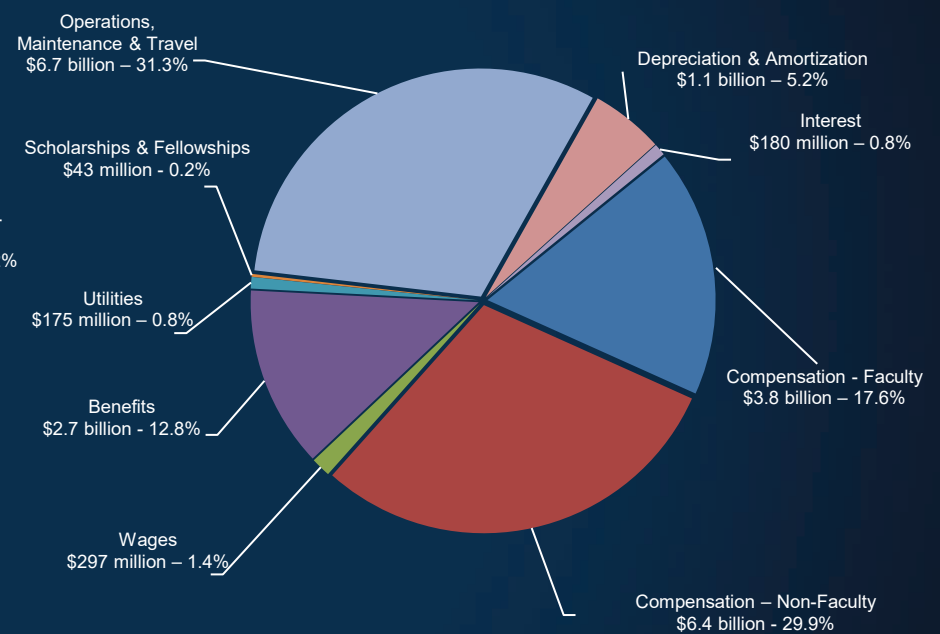


FY 2025 Budgeted Expenses

Academic Institutions - \$8.9 billion



Health Institutions - \$21.4 billion

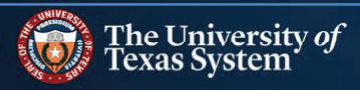


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U. T. System Academic Institutions - FY 2024-2025 Budget *(\$ millions)*

	FY 2024 Revenue	FY 2024 Expenses	FY 2024 Margin	FY 2024 Margin Ratio	FY 2025 Revenue	FY 2025 Expenses	FY 2025 Margin	FY 2025 Margin Ratio
U. T. Arlington	\$ 856.3	\$ 823.4	\$ 33.0	3.8%	\$ 920.8	\$ 870.8	\$ 50.0	5.4%
U. T. Austin	3,820.5	3,574.3	246.2	6.4%	4,272.5	3,942.8	329.7	7.7%
U. T. Dallas	913.7	803.8	110.0	12.0%	938.7	845.9	92.8	9.9%
U. T. El Paso	564.4	527.8	36.7	6.5%	621.2	589.6	31.6	5.1%
U. T. Permian Basin	100.2	104.2	(4.0)	(4.0)%	104.5	100.3	4.2	4.0%
U. T. Rio Grande Valley	669.9	639.8	30.1	4.5%	680.4	666.7	13.7	2.0%
U. T. San Antonio	722.5	684.8	37.7	5.2%	792.2	694.0	98.2	12.4%
Stephen F. Austin State University	232.9	225.5	7.4	3.2%	218.4	211.0	7.3	3.4%
U. T. Tyler	177.3	174.9	2.4	1.3%	193.5	180.4	13.1	6.8%
TOTAL	\$ 8,057.7	\$ 7,558.5	\$ 499.5	6.2%	\$ 8,742.2	\$ 8,101.5	\$ 640.7	7.3%

Minutes - 117



Expenses are adjusted net of depreciation and amortization.

U. T. System Health Institutions - FY 2024-2025 Budget *(\$ millions)*

	FY 2024 Revenue	FY 2024 Adjusted Expenses	FY 2024 Margin	FY 2024 Margin Ratio	FY 2025 Revenue	FY 2025 Adjusted Expenses	FY 2025 Margin	FY 2025 Margin Ratio
U. T. Southwestern Medical Center	\$ 4,896.9	\$ 4,583.7	\$ 313.2	6.4%	\$ 5,534.2	\$ 5,192.0	\$ 342.2	6.2%
U. T. Medical Branch - Galveston	3,178.1	2,955.4	222.7	7.0%	3,330.1	3,142.3	187.9	5.6%
U. T. Health Science Center - Houston	2,494.9	2,403.3	91.6	3.7%	2,702.9	2,572.5	130.4	4.8%
U. T. Health Science Center - San Antonio	1,398.8	1,382.4	16.4	1.2%	1,671.6	1,625.3	46.3	2.8%
U. T. M. D. Anderson Cancer Center	7,856.1	6,618.1	1,237.9	15.8%	8,647.9	7,356.7	1,291.2	14.9%
U. T. Health Science Center - Tyler	402.3	380.9	21.4	5.3%	438.7	416.0	22.6	5.2%
TOTAL	\$ 20,227.1	\$ 18,323.8	\$ 1,903.2	9.4%	\$ 22,325.4	\$ 20,304.8	\$ 2,020.6	9.1%

Minutes - 118



Expenses are adjusted net of depreciation and amortization.

U. T. System Office of Budget and Planning

U. T. System Administration: Budget Summary *(\$ millions)*

	FY 2024 Budget	FY 2025 Budget	FY 24-25 Change
U. T. System Administration (AUF)	\$ 58.7	\$ 61.1	4.1%
Direct Campus Support (AUF)	71.5	76.4	6.8%
Service Departments and Other Non-AUF*	67.7	76.4	12.8%
TOTAL **	\$197.9	\$213.9	8.1%

* The University Lands FTE count does not include the 1/3 supporting Texas A&M University.

** Budget does not include PUF Debt or Capital Construction Assistance Projects (CCAP) Interest (All Institutions) or Depreciation (Net of Capital Outlay). Also excluded are Lone Star Stroke, TX Child Mental Health Care Consortium (TCMHCC), Laredo Multi-Institution Center (MIC), self-insurance funds, federal Medicare-related reimbursements, U. T. System Building debt service, and certain Systemwide software licenses centrally negotiated and reimbursed by the institutions.

U. T. System Administration: FTE Count Summary

	FY 2024 FTEs	FY 2025 FTEs	FY 24-25 Change
U. T. System Administration (AUF)	227.7	225.5	(2.3)
Direct Campus Support (AUF)*	11.2	18.2	7.0
Service Departments and Other Non-AUF**	228.6	223.7	(4.9)
TOTAL***	467.5	467.4	(0.2)

* FTEs supporting capital projects shifted to Direct Campus Support from AUF (4.9) and Service Departments (2.1) reducing costs billed to institutions.
 ** The University Lands FTE count does not include the 1/3 supporting Texas A&M University.
 *** FTE count summary does not include FTEs supporting Lone Star Stroke, TCMHCC, and Laredo MIC.

Minutes - 120



U. T. Systemwide Operations Budget Summary

	FY 2024 Budget	FTEs	FY 2025 Proposed	FTEs	\$ Increase (Decrease)	% Change
U. T. System Administration Operations (AUF)	\$58,720,988	227.7	\$61,100,200	225.5	\$2,379,212	4.1%
U. T. System Administration Service Departments and Other Non-AUF Operations	67,701,927	228.6	76,388,193	223.7	8,686,266	12.8%
Direct Campus Support (AUF)	71,518,345	11.2	76,396,700	18.2	4,878,355	6.8%
Lone Star Stroke/TCMHCC/Laredo MIC/TRC4 (GR funded)	30,058,949	14.1	8,073,068	16.8	(21,985,881)	(73.1%)
Systemwide Software Licenses*	29,356,293	–	30,849,680	–	1,493,387	5.1%
EGWP Medicare Part D (federally funded)**	36,538,333	–	41,000,000	–	4,461,667	12.2%
UTSB/CCAP/PUF Debt Interest (all institutions)***	263,431,513	–	285,100,742	–	21,669,229	8.2%
Depreciation	10,849,010	–	11,026,037	–	177,027	1.6%
U. T. Systemwide Operations****	\$ 568,175,358	481.6	\$ 589,934,620	484.2	\$ 21,759,262	3.8%

* Includes Systemwide software licenses such as Microsoft, Incommon, and Oracle along with institution assessments supporting the U. T. Austin Digital Library.
 ** Federal support through the Employee Group Waiver Program (EGWP) to partially offset claims activity associated with offering Medicare Part D retiree prescription drug coverage.
 *** Depreciation budget is net of the capital outlay and capitalized lease budget adjustment.
 **** Excludes budgeted self-insurance claims activity.

NOTE: The Board will be asked to approve the budget and FTEs related to University Lands. 2/3 of the overall University Lands budget is represented above. The Board will also be approving the portion (1/3 of the overall University Lands budget) that supports Texas A&M University.



FY 2025

Library,
Equipment,
Repair and
Rehabilitation
(LERR) Budget

\$41,200,000



Faculty Science
and Technology
Acquisition and
Retention
(STARs) Program

\$35,800,000



8. U. T. System: Discussion and appropriate action regarding personnel aspects of the U. T. System Administration and institutional operating budgets for Fiscal Year 2025

Following the motion made by Vice Chairman Longoria as noted under Item 7, the Board approved the following recommendation, including the proposed compensation for the institutional presidents and System Administration executive officers, as set forth on the following pages.

RECOMMENDATION

Chancellor Milliken, with the concurrence of the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Health Affairs, the Executive Vice Chancellor for Business Affairs, and the presidents of the U. T. institutions, recommends that approval be granted regarding personnel aspects of the U. T. System Administration and U. T. institution operating budgets for Fiscal Year 2025 as included in the previous Agenda Item.

See also the Executive Session items related to the individual personnel aspects of the U. T. System Operating Budgets.

THE UNIVERSITY OF TEXAS SYSTEM

Compensation - Academic Institution Presidents

Recommended Salary Rates Effective September 1, 2024 for Fiscal Year Ending August 31, 2025

	Approved 2024	Recommended 2025	Dollar Increase	Percentage Increase
ACADEMIC INSTITUTION PRESIDENTS				
U. T. Arlington				
<i>Jennifer Cowley</i>				
Salary Rate	\$ 615,000	645,750	30,750	5.00%
Total Compensation	\$ 615,000	645,750	30,750	5.00%
U. T. Austin				
<i>Jay Hartzell¹</i>				
Salary Rate	\$ 1,432,730	1,454,221	21,491	1.50%
Total Compensation	\$ 1,432,730	1,454,221	21,491	1.50%
U. T. Dallas				
<i>Richard C. Benson</i>				
Salary Rate	\$ 645,420	658,328	12,908	2.00%
Total Compensation	\$ 645,420	658,328	12,908	2.00%
U. T. El Paso				
<i>Heather Wilson</i>				
Salary Rate	\$ 622,856	653,999	31,143	5.00%
Total Compensation	\$ 622,856	653,999	31,143	5.00%
U. T. Permian Basin				
<i>Sandra Woodley</i>				
Salary Rate	\$ 475,997	490,277	14,280	3.00%
Total Compensation	\$ 475,997	490,277	14,280	3.00%
U. T. Rio Grande Valley				
<i>Guy H. Bailey</i>				
Salary Rate	\$ 764,697	787,638	22,941	3.00%
Total Compensation	\$ 764,697	787,638	22,941	3.00%
U. T. San Antonio				
<i>T. Taylor Eighmy</i>				
Salary Rate	\$ 700,301	735,316	35,015	5.00%
Total Compensation	\$ 700,301	735,316	35,015	5.00%
Stephen F. Austin State University				
<i>Neal Weaver³</i>				
Salary Rate	\$ 525,000	525,000	-	0.00%
One-Time Transitional Expense	30,000	-	(30,000)	-100.00%
Total Compensation	\$ 555,000	525,000	-	0.00%
U. T. Tyler				
<i>Julie Philley²</i>				
Salary Rate	\$ 800,000	800,000	-	0.00%
Incentive Compensation	300,000	300,000	-	0.00%
Total Compensation	\$ 1,100,000	1,100,000	-	0.00%

Note: All Presidents are paid up to \$65,945 from General Revenue with the difference paid from other institutional fund sources

¹Has Professor Appointment that provides \$65,945 in additional salary

²President of U. T. Tyler and U. T. Health Science Center - Tyler, effective as of 6/1/2024

³New Hire, effective as of 5/13/2024

THE UNIVERSITY OF TEXAS SYSTEM

Compensation - Health Institution Presidents

Recommended Salary Rates Effective September 1, 2024 for Fiscal Year Ending August 31, 2025

	Approved 2024	Recommended 2025	Dollar Increase	Percentage Increase
HEALTH INSTITUTION PRESIDENTS				
U. T. Medical Branch - Galveston				
<i>Jochen Reiser</i>				
Salary Rate	\$ 1,350,000	1,700,000	350,000	
Deferred Compensation ³	200,000	200,000	-	
Total Compensation	\$ 1,550,000	1,900,000	350,000	23%
U. T. Health Science Center - Houston				
<i>Giuseppe Colasurdo</i>				
Salary Rate	1,904,890	1,923,939	19,049	1.00%
Deferred Compensation	\$ -	-	-	0.00%
Total Compensation	\$ 1,904,890	1,923,939	19,049	1.00%
U. T. Health Science Center - San Antonio				
<i>Robert Hromas¹</i>				
Salary Rate	1,570,786	1,602,202	31,416	2.00%
Deferred Compensation ²	-	-	-	0.00%
Total Compensation	\$ 1,570,786	1,602,202	31,416	2.00%
U. T. Southwestern Medical Center				
<i>Daniel K. Podolsky</i>				
Salary Rate	3,147,704	3,242,135	94,431	3.00%
Deferred Compensation	-	-	-	0.00%
Total Compensation	\$ 3,147,704	3,242,135	94,431	3.00%
U. T. M. D. Anderson Cancer Center				
<i>Peter Pisters</i>				
Salary Rate	3,099,841	3,188,283	88,442	2.85%
Deferred Compensation ³	732,630	759,162	26,532	3.62%
Total Compensation	\$ 3,832,471	3,947,445	114,974	3.00%

Note: All Presidents are paid up to \$65,945 from General Revenue with the difference paid from other institutional fund sources.

¹Acting President, effective 2/19/2024

²Participates in Three-Year Plan offered through UT-HSC San Antonio at \$179,520 annually. Vests 10/31/2025

³New Three-Year Plan to begin 8/15/2023. Vests 8/2/2026

⁴New Five-Year Plan to begin 9/1/2022. Vests 8/31/2027

THE UNIVERSITY OF TEXAS SYSTEM

Compensation - Executive Officers U. T. System Administration

Recommended Salary Rates Effective September 1, 2024 for Fiscal Year Ending August 31, 2025

	Approved 2024	Recommended 2025	Dollar Increase	Percentage Increase
EXECUTIVE OFFICERS				
Chancellor				
<i>James B. Milliken</i>				
Salary Rate	\$ 1,022,626	1,147,626		
Total Compensation	\$ 1,022,626	1,147,626	125,000	
Executive Vice Chancellor for Academic Affairs				
<i>Archie Holmes, Jr</i>				
Salary Rate	\$ 505,071	520,223	15,152	3.0%
Total Compensation	\$ 505,071	520,223	15,152	3.0%
Executive Vice Chancellor for Business Affairs				
<i>Jonathan Pruitt</i>				
Salary Rate	\$ 692,933	727,580	34,647	5.0%
Total Compensation	\$ 692,933	727,580	34,647	5.0%
Executive Vice Chancellor for Health Affairs				
<i>John Zerwas</i>				
Salary Rate	\$ 788,573	812,230	23,657	3.0%
Total Compensation	\$ 788,573	812,230	23,657	3.0%
Vice Chancellor for Health Affairs				
<i>David Lakey</i>				
Salary Rate	\$ 586,305	603,894	17,589	3.0%
Total Compensation	\$ 586,305	603,894	17,589	3.0%
Vice Chancellor for Governmental Relations				
<i>Julia Rathgeber¹</i>				
Salary Rate	\$ 435,000	448,050	13,050	3.0%
Total Compensation	\$ 435,000	448,050	13,050	3.0%

¹New Hire, effective 2/1/2024

THE UNIVERSITY OF TEXAS SYSTEM

Compensation - Executive Officers U. T. System Administration

Recommended Salary Rates Effective September 1, 2024 for Fiscal Year Ending August 31, 2025

	Approved 2024	Recommended 2025	Dollar Increase	Percentage Increase
Vice Chancellor for External Relations				
<i>Randa S. Safady</i>				
Salary Rate	\$ 524,497	561,212	36,715	7.0%
Total Compensation	\$ 524,497	561,212	36,715	7.0%
Vice Chancellor and General Counsel				
<i>Daniel H. Sharporn</i>				
Salary Rate	\$ 443,658	514,643	70,985	16.0%
Total Compensation	\$ 443,658	514,643	70,985	16.0%
General Counsel to the Board of Regents				
<i>Stacey Napier</i>				
Salary Rate	\$ 498,842	513,807	14,965	3.0%
Total Compensation	\$ 498,842	513,807	14,965	3.0%
Chief Audit Executive				
<i>J. Michael Peppers</i>				
Salary Rate	\$ 427,118	439,932	12,814	3.0%
Total Compensation	\$ 427,118	439,932	12,814	3.0%

9. U. T. San Antonio and U. T. Health Science Center - San Antonio: Discussion and appropriate action regarding strategic alignment

Chairman Eltife called on Chancellor Milliken for comments on this additional item posted with the Secretary of State. Chairman Eltife and Vice Chairman Weaver made comments in support of the proposed integration of U. T. San Antonio and U. T. Health Science Center - San Antonio into one unified institution. Vice Chairman Weaver then made the following motion:

I move that the U. T. System Board of Regents authorize the Chancellor, the President of U. T. San Antonio and the Acting President of U. T. Health Science Center - San Antonio to take any and all actions necessary, consistent with all relevant requirements of state and federal governmental agencies and accreditation bodies, to integrate the two institutions into a single university by 2025. The Chancellor shall provide periodic updates to the Board on progress and shall seek any necessary further authorization from the Board and relevant accreditation entities required to finalize the alignment of these two institutions. I further move that the U. T. System Board of Regents act to state its intent to name President Taylor Eighmy as President of the new restructured university at the time of its final approval.

The motion was seconded by Regent Jiles and carried unanimously.

ADJOURNMENT.--There being no further business, the meeting was adjourned at 11:13 p.m.

/s/
Tina E. Montemayor
Secretary to the Board of Regents
August 22, 2024



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AUDIT, COMPLIANCE, AND RISK MANAGEMENT COMMITTEE

No items for Consent Agenda

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| 7. | Other Fiscal Matters - U. T. System Board of Regents: Revisions to the amended and restated The University of Texas/Texas A&M Investment Management Company (UTIMCO) Compensation Program | 143 |
| 8. | Contract (funds going out) - U. T. System: Amendment to Agreement with Aramark Refreshment Services, LLC, to supply and maintain prepared meals in vending machines | 146 |

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FACILITIES PLANNING AND CONSTRUCTION COMMITTEE

No items for Consent Agenda

MEETING OF THE BOARD

1. Minutes - U. T. System Board of Regents: Approval of Minutes of the regular meeting held May 8-9, 2024

2. Resolution - U. T. System Board of Regents: Adoption of resolution regarding the list of Key Management Personnel authorized to negotiate, execute, and administer classified government contracts (Managerial Group)

To comply with the Department of Defense National Industrial Security Program Operating Manual (NISPOM) requirements, it is recommended that the Board of Regents approve the revised resolution set forth below regarding exclusion of individuals from the list of Key Management Personnel (KMP) authorized to negotiate, execute, and administer classified government contracts. The revisions reflect the appointment of a new Chief Information Security Officer and a new Student Regent, as well as the recent retirement of the Director of Police.

A Resolution amending the Managerial Group list was last adopted by the Board of Regents on July 27, 2023.

NISPOM defines KMP as "all entity officials who either hold majority interest or stock in, or have direct or indirect authority to influence or decide issues affecting the management or operations of, the entity or classified contract performance." The Manual requires that the Senior Management Official (SMO), Facility Security Officer (FSO), and the Insider Threat Program Senior Official (ITPSO) must always be designated as part of the Managerial Group and be cleared at the level of the Facility Clearance. Other officials or KMPs, as determined by the Defense Counterintelligence and Security Agency (DCSA), must be granted Personal Security Clearances or be formally excluded by name from access to classified material.

RESOLUTION

BE IT RESOLVED:

- a. That those persons occupying the following positions at The University of Texas System and The University of Texas at Austin shall be known as the Managerial Group, having the authority and responsibility for the negotiation, execution, and administration of Department of Defense (DoD) or User Agency contracts, as described in 32 CFR Part 117, "National Industrial Security Program Operating Manual" (NISPOM):

James B. Milliken, J.D., Chancellor, The University of Texas System
Jay Hartzell, Ph.D., President, The University of Texas at Austin
Sharon L. Wood, Ph.D., Provost, The University of Texas at Austin
Daniel T. Jaffe, Ph.D., Vice President for Research, The University of Texas
at Austin
Seth J. Wilk, Army Futures Command Director, The University of Texas
at Austin

Francis J. Landry III, Facility Security Officer (FSO), The University of Texas System/Security Manager, Applied Research Labs, The University of Texas at Austin

Patrick H. Vetter, Insider Threat Program Senior Official (ITPSO), The University of Texas System/Assistant Security Director, Applied Research Labs, The University of Texas at Austin

Brandon H. Norwat, Associate Director, Science and Security, The University of Texas at Austin

James R. (Trey) Atchley III, Chief Inquiry Officer and Chief Research Security Officer, The University of Texas System

George E. Finney, Chief Information Security Officer, The University of Texas System

~~Helen T. Mohrmann, Chief Information Security Officer, The University of Texas System~~

~~Michael J. Heidingsfield, Director of Police, The University of Texas System~~

The Chief Executive Officer (i.e., the Chancellor) is the highest ranking member of the Managerial Group. The Chancellor and the members of the Managerial Group have been processed, or will be processed, for a personnel security clearance for access to classified information to the level of the facility security clearance granted to this institution, as provided for in the NISPOM.

The Managerial Group is hereby delegated all of the Board's duties and responsibilities pertaining to the protection of classified information under classified contracts of the DoD or User Agencies of the NISPOM awarded to U. T. System, including U. T. Austin.

- b. That the following named members of the U. T. System Board of Regents shall not require, shall not have, and can be effectively excluded from access to all classified information in the possession of U. T. System, including U. T. Austin, and do not occupy positions that would enable them to affect adversely the policies and practices of the U. T. System, including U. T. Austin, in the performance of classified contracts for the Department of Defense or User Agencies of the NISPOM awarded to the U. T. System, including U. T. Austin, and need not be processed for a personnel security clearance:

Members of the U. T. System Board of Regents:

Kevin P. Eltife, Chairman

Janiece Longoria, Vice Chairman

James C. "Rad" Weaver, Vice Chairman

Christina Melton Crain

Robert Paul Gauntt

Jodie Lee Jiles

Nolan E. Perez, M.D.

Stuart W. Stedman

Kelcy L. Warren

Anthony John Dragun, Student Regent from June 1, 2024 to May 31, 2025 (nonvoting)

~~John Michael Austin, Student Regent from June 1, 2023 to May 31, 2024 (nonvoting)~~

3. Approval of Dual Position of Honor, Trust, or Profit - **U. T. System**: Appointment by Governor Abbott and the Texas Higher Education Coordinating Board of John M. Zerwas, M.D., FASA, Executive Vice Chancellor for Health Affairs, to the Healthcare Workforce Task Force

The following item has been approved by the Chancellor in accordance with Regents' *Rules and Regulations*, Rule 30103.

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 System and that there is no conflict between holding this position and the appointment with the System.

The Board is also asked to find that holding this position is of benefit to the State of Texas and The University of Texas System and that there is no conflict between the position and the System.

Name:	John M. Zerwas, M.D., FASA
Title:	Executive Vice Chancellor for Health Affairs
Position:	Inaugural member of the Healthcare Workforce Task Force
Period:	June 7, 2024, for a term to expire at the pleasure of the Governor
Compensation:	None
Description:	Governor Abbott and the Texas Higher Education Coordinating Board appointed Dr. Zerwas to the newly created Healthcare Workforce Task Force to address healthcare workforce shortages in Texas to meet the demands of our growing state and provide students with the skills they need to succeed.

AUDIT, COMPLIANCE, AND RISK MANAGEMENT COMMITTEE

No items for Consent Agenda

FINANCE AND PLANNING COMMITTEE

4. Other Fiscal Matters - U. T. System Board of Regents: Approval of funding of space renovations for U. T. Rio Grande Valley's Physical Therapy program; and resolution regarding parity debt

The Executive Vice Chancellor for Business Affairs recommends approval of this item authorizing funding of \$8,600,000 from Revenue Financing System (RFS) bond proceeds for U. T. Rio Grande Valley to remodel existing space on the Edinburg campus to accommodate the new Doctor of Physical Therapy program. The debt is expected to be repaid with local designated funds. Annual debt service is estimated at \$480,000. The institution's Scorecard Rating of 4.4 at the fiscal year-end 2023 is below the maximum threshold of 6.0 and demonstrates that the institution has the financial capacity to satisfy its direct obligations related to parity debt. The institution therefore requests that the Board resolve in accordance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System that:

- parity debt shall be issued to fund all or a portion of the project's cost, including any costs prior to the issuance of such parity debt;
- sufficient funds will be available to meet the financial obligations of the U. T. System, including sufficient Pledged Revenues as defined in the RFS Master Resolution to satisfy the Annual Debt Service Requirements of the Financing System, and to meet all financial obligations of the U. T. System Board of Regents relating to the Financing System;
- U. T. Rio Grande Valley, which is a "Member" as such term is used in the RFS Master Resolution, possesses the financial capacity to satisfy its direct obligation as defined in the Master Resolution relating to the issuance by the U. T. System Board of Regents of parity debt in an aggregate amount of \$8,600,000; and
- this resolution satisfies the official intent requirements set forth in Section 1.150-2 of the *Code of Federal Regulations* that evidences the Board's intention to reimburse project expenditures with bond proceeds.

5. Other Fiscal Matters - U. T. System Board of Regents: Approval of funding of space renovations for U. T. Rio Grande Valley's School of Podiatric Medicine; and resolution regarding parity debt

The Executive Vice Chancellor for Business Affairs recommends approval of this item authorizing funding of \$5,520,000 from Revenue Financing System (RFS) bond proceeds for U. T. Rio Grande Valley to renovate existing space within the current Harlingen Clinic Education Building to support the School of Podiatric Medicine program. The debt is expected to be repaid with local designated funds. Annual debt service is estimated at \$307,000. The institution's Scorecard Rating of 4.4 at the fiscal year-end 2023 is below the maximum threshold of 6.0 and demonstrates that the institution has the financial capacity to satisfy its direct obligations related to parity debt. The institution therefore requests that the Board resolve in accordance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System that:

- parity debt shall be issued to fund all or a portion of the project's cost, including any costs prior to the issuance of such parity debt;
- sufficient funds will be available to meet the financial obligations of the U. T. System, including sufficient Pledged Revenues as defined in the RFS Master Resolution to satisfy the Annual Debt Service Requirements of the Financing System, and to meet all financial obligations of the U. T. System Board of Regents relating to the Financing System;
- U. T. Rio Grande Valley, which is a "Member" as such term is used in the RFS Master Resolution, possesses the financial capacity to satisfy its direct obligation as defined in the Master Resolution relating to the issuance by the U. T. System Board of Regents of parity debt in an aggregate amount of \$5,520,000; and
- this resolution satisfies the official intent requirements set forth in Section 1.150-2 of the *Code of Federal Regulations* that evidences the Board's intention to reimburse project expenditures with bond proceeds.

6. Other Fiscal Matters - U. T. System Board of Regents: Amendments to the Investment Policy Statements for the Permanent University Fund, the General Endowment Fund, the Intermediate Term Fund, the Permanent Health Fund, and the Long Term Fund; the Liquidity Policy, and the Derivative Investment Policy

The Chancellor and the Executive Vice Chancellor for Business Affairs concur in the recommendation of the Board of Directors of The University of Texas/Texas A&M Investment Management Company (UTIMCO) that the U. T. System Board of Regents approve the proposed amendments to the following Investment Policy Statements, the Liquidity Policy, and the Derivative Investment Policy as set forth in congressional style in Appendices A-G.

- a. Permanent University Fund (PUF)
- b. General Endowment Fund (GEF)
- c. Intermediate Term Fund (ITF)
- d. Long Term Fund (LTF)
- e. Permanent Health Fund (PHF)
- f. Liquidity Policy
- g. Derivative Investment Policy

The Master Investment Management Services Agreement (IMSA) between the U. T. System Board of Regents and UTIMCO requires that UTIMCO review the current Investment Policies for each Fund at least annually. The review includes long-term investment return expectations and expected risk levels, Asset Class allocation targets and ranges for each eligible Asset Class, expected returns for each Asset Class and Fund, designated performance benchmarks for each Asset Class, and such other matters as the U. T. System Board or its staff designees may request.

The amended PUF, GEF, PHF, LTF and ITF Investment Policy Statements, the Liquidity Policy, and the Derivatives Investment Policy were approved by the UTIMCO Board on June 20, 2024.

All policies are included in the materials with the proposed tracked changes.

The **Investment Policy Statements** of the Permanent University Fund (PUF), General Endowment Fund (GEF), Permanent Health Fund (PHF), Long Term Fund (LTF), and Intermediate Term Fund (ITF) are being amended to reflect the proposed changes effective September 1, 2024.

The proposed changes to the **PUF Investment Policy Statement** (Appendix A) are as follows:

Pages 4, 8: moves the portable alpha paragraph into its own section entitled “Cross Asset Strategies” and limits application of portable alpha strategies to the Developed Public Equity, Emerging Markets Public Equity, and Long Treasuries asset classes; the definition of portable alpha strategies otherwise remains unchanged.

Page 5: clarifies that active extension strategies involve the use of leverage and include offsetting long and short exposures and that such strategies are permitted in Developed Public Equity and Emerging Markets Public Equity asset classes, provided that these strategies target a combined market sensitivity, defined by beta to the relevant benchmark, of approximately 1.0.

Page 9: clarifies that leverage or margin may not be used unless authorized by the UTIMCO Board or by approved policies, conforming this provision to a similar provision regarding short sales.

Pages 11, 14 (Exhibit A): moves leverage reference into the Policy from Exhibit A and continues to provide that leverage is permitted up to 110% of net asset value; this section further clarifies what constitutes leverage for purposes of the 110% calculation.

Other pages contain various non-substantive, wordsmithing changes, including changing “Chairman” to “Chair,” changing “immediately” to “promptly,” and moving the Performance Measurement section to the section of the Policy where that item is more clearly addressed.

The **GEF Investment Policy Statement** (Appendix B) will include the same changes as the PUF.

The **ITF Investment Policy Statement** (Appendix C) will include the same changes as the PUF, except as follows:

Pages 7, 11 (Exhibit A): moves leverage reference into the Policy from Exhibit A and continues to provide that leverage is permitted up to 105% of net asset value; this section further clarifies what constitutes leverage for purposes of the 105% calculation.

Page 11 (Exhibit A): increases the allocation target range maximum to +10.0% for Developed Public Equity, Total Public Equity, and Total Global Equity.

Recommended changes to the **LTF Investment Policy Statement** (Appendix D) are as follows:

Page 6: lowers quarterly redemption “soft limit” gate from 5% to 2.5%.

Other pages contain various non-substantive, wordsmithing changes, including making the definition of "Cash" consistent with the Liquidity Policy, and moving sections regarding compliance and Performance Measurement to sections of the Policy where those items are more logically addressed.

The **PHF Investment Policy Statement** (Appendix E) will include the same changes as the LTF, except that the quarterly redemption "soft limit" gate on Page 6 remains at 5%.

Exhibits A of the PUF, GEF, and ITF, and Exhibits B of the LTF and PHF Investment Policy Statements have been amended to remove China from the IGFI benchmark and, where applicable (all but ITF), change that Cambridge benchmarks are measured against the median.

Recommended changes to the **Liquidity Policy** (Appendix F) are as follows:

Page 1, 2: updates definition of cash to include currencies, clarifies that holdings may include all money market funds within rating thresholds, and permits repurchase agreement and reverse repurchase agreement counterparties to include another entity or agency of the State of Texas.

Page 2: moves U. T. System reporting requirement to Reporting section on page 5; language is otherwise materially unchanged.

Page 3: removes ability to alter the liquidity status of an investment through derivatives.

Page 3: temporarily increases illiquidity limit from 75% to 80% when S&P declines by 25% or more within a rolling one-year period and reverts to 75% no later than 18 months after the 75% illiquidity threshold was first breached.

Page 3, 4, 5: removes repetitive language indicating that exceeding illiquidity limits requires prior approval, and clarifies that approval is required from the Investment Risk Committee after consultation with the U. T. System Office of Business Affairs; language and requirements are otherwise unchanged.

Page 4: updates Documentation and Controls section to limit authority for determining liquidity categories to Senior Managing Directors, and reflects current reporting and testing protocols.

Recommended changes to the **Derivative Investment Policy** (Appendix G) are as follows:

Page 1 (Scope): clarifies that commingled investment vehicles are governed by their respective agreements.

Page 4: clarifies Chief Investment Officer and Chief Compliance Officer duties in the event of noncompliance, and changes “immediately” to “promptly.”

Page 6 (Exhibit A): clarifies Agency Agreement definition.

Page 9, 10 (Exhibit B): delegates authority to enter into Derivative Investments that manage or hedge equity exposure to style factors, as well as Derivative Investments intended to bring portfolio beta closer to the portfolio target, and removes modeling paragraph, which has been moved to internal procedures.

Other pages contain various non-substantive, wordsmithing changes, including clarifying the scope of the Policy, changing “immediately” to “promptly,” changing “Chairman” to “Chair,” and removing repetitive language regarding the objective of the Policy.

The **Short Term Fund Investment Policy Statement**, and the **Separately Invested Funds Investment Policy Statement** were reviewed but no changes were made.

7. Other Fiscal Matters - U. T. System Board of Regents: Revisions to the amended and restated The University of Texas/Texas A&M Investment Management Company (UTIMCO) Compensation Program

The Chancellor and the Executive Vice Chancellor for Business Affairs concur in the recommendation of The University of Texas/Texas A&M Investment Management Company Board of Directors (UTIMCO Board) that the U. T. System Board of Regents (U. T. System Board) approve the amended and restated UTIMCO Compensation Program (Plan) effective July 1, 2024, as set forth in congressional style in Appendix H. The Plan was approved by the UTIMCO Board on June 20, 2024, and amends and restates the UTIMCO Compensation Program that was approved by the U. T. System Board on August 20, 2020 (Prior Plan).

The Plan consists of two elements: base salary and an annual performance plan. The UTIMCO Board has the discretion to interpret the Plan, adopt such rules and regulations it deems necessary to carry out the Plan, and amend the Plan. Mr. Hall will review the recommended changes to the Plan.

The proposed changes (Appendix H) are as follows:

Section 1 has been changed to reflect a new effective date of July 1, 2024.

Section 5.3(c) has been clarified to reflect that a Participant ceases to be a participant in the Plan immediately following the employee's last day of employment.

Sections 5.8(a)(1)a and b have been revised to provide for new methodology for calculating the Entity Performance of the Total Endowment Assets (TEA) and the Intermediate Term Fund (ITF).

Section 5.8(a)(1)c has been revised to provide a calculation methodology for calculating a subset of an asset class.

Section 5.8(a)(2)c has been revised to provide that the Peer Group component will be measured based on one-year and three-year historical performance, measured independently and each accounting for 50% of the Peer Group performance award.

Section 5.9(a) has been revised to provide for a two-year rolling “phase-in” for Entity Performance for the TEA and the ITF when calculating three-year historical performance.

Section 5.9(b) has been revised to provide for a two-year rolling “phase-in” for Asset Class Performance when calculating three-year historical performance.

Section 5.9(e) has been revised to provide that Plan Participants who become eligible for Asset Class Performance Awards will inherit the historical three-year performance cycle of that asset class, or subset of that asset class, rather than be “phased in” to the asset class performance cycle over a 36-month period. Likewise, Plan Participants who are removed from responsibility for an asset class, or a subset of an asset class, will have no portion of the historical three-year performance cycle applied to their asset class performance award after responsibility for that asset class, or a subset of that asset class, has been removed.

Section 7.1 has been revised to state that the Board has the authority to provide an increase in performance awards up to 5% of the maximum Award Opportunity, rather than 5% of the earned Performance Awards.

Section 7.9(a) has been revised to reflect that the Compensation Program supersedes prior versions of the plan, except as provided in Sections 5.8 and 5.9.

In Sections 8.17 and 8.34, the definitions of ITF Policy Portfolio Return and TEA Policy Portfolio Return have been omitted as no longer applicable given the changes to Section 5.8(a).

In Section 8.18, a new definition of Net Asset Value (NAV) has been added.

Appendix A has been updated based on Table 1 adjustments to use the Eligible Position of Managing Director Investments as an example, rather than using the CEO, and to reflect proposed Plan design changes.

Table 1 has been changed as follows:

1. increased the Qualitative Weightings and decreased the Quantitative Weightings for several Eligible Positions;
2. increased the maximum Award Opportunities for several Eligible Positions;
3. consolidated several Eligible Positions into similar eligible position categories; and
4. added one additional Eligible Positions of Chief Human Resources Officer.

Table 2 has been changed as follows:

1. removed Maximum Performance Standard for the Entity: Benchmark Total Endowment Funds (TEA);
2. removed Maximum Performance Standard for the Entity: Benchmark Intermediate Term Funds (ITF);
3. changed and/or added the threshold and maximum Performance Standards for several Asset Classes; and
4. added footnote to document that any Asset Class not included in Table 2 would be proportionately counted in Entity Performance and would have a Maximum Performance Standard of 0 bps.

Table 3 has been changed to align the Eligible Positions with Table 1 as follows:

1. revised eligible positions consistent with Table 1; and
2. removed certain eligible positions.

8. Contract (funds going out) - U. T. System: Amendment to Agreement with Aramark Refreshment Services, LLC, to supply and maintain prepared meals in vending machines

Agency: Aramark Refreshment Services, LLC

Funds: \$250,000 over the term of the Agreement, including renewals

Period: July 23, 2024 through June 30, 2025; with two one-year renewal options

Description: Aramark Refreshment Services, LLC, will supply and maintain prepared meals for vending machines at the U. T. System Administration Building.

Board approval for this Agreement is sought in accordance with *Texas Government Code* Section 2203.005(a), which requires governing board approval of such vending machine placement agreements, and in accordance with U. T. Systemwide Policy UTS 130 pertaining to Vending Machine Contracts.

9. Contract (funds going out) - U. T. System: Amendment to Agreement with Grant Thornton, LLP, to provide technical accounting services related to Governmental Accounting Standards Board (GASB)

Agency: Grant Thornton, LLP

Funds: Estimated \$2,300,000 over the term of the contract, inclusive of optional renewals

Period: August 7, 2023 through August 31, 2025

Description: Grant Thornton, LLP, will continue to provide technical accounting services related to Governmental Accounting Standards Board (GASB) pronouncements and other related authoritative accounting guidance applicable to State governments and the higher education sector.

The initial Agreement dated September 24, 2021, the First Amendment effective March 18, 2022, and the Second Amendment effective June 1, 2022, did not require Board approval as the total contract amount was below U. T. System's delegated approval threshold. The Third Amendment, effective September 16, 2022, received Board approval on May 4, 2023, as expenditures under the Agreement were expected to reach \$1,000,000, which was the U. T. System's delegated approval threshold at the time. A Fourth Amendment was effective August 7, 2023, increased the contract value to \$1,950,000, requiring Board approval as the increase is more than 25% of the contract value previously approved by the Board. A Fifth Amendment extends the contract term through August 31, 2025, and increases the contract value to \$2,230,000.

10. Request for Budget Change - **U. T. System**: Transfer \$308,453,000 from the U. T. System share of the special one-time supplemental AUF allocation made by the U. T. System Board of Regents on November 16, 2023, to Unexpended Plant Funds for future capital project uses (RBC No. 13261) -- amendment to the FY 2024 budget

11. Other Fiscal Matters - **U. T. System**: Approval for an allocation of \$10,000,000 to U. T. Permian Basin from funds generated through the U. T. System Internal Lending Program to support institutional operations

The Chancellor, with the concurrence of the Executive Vice Chancellor for Academic Affairs and the Executive Vice Chancellor for Business Affairs, recommends approval of an allocation of \$10,000,000 to U. T. Permian Basin from funds generated through the U. T. System Internal Lending Program (ILP) to support institutional operations.

BACKGROUND INFORMATION

Executive Vice Chancellor Pruitt has determined that, following the allocation of ILP funds based on Board approval of this item, revenues generated through the internal lending program will exceed amounts needed to maintain a sufficient interest rate buffer, to meet principal and interest due on external debt, and to provide necessary liquidity.

ACADEMIC AFFAIRS COMMITTEE

12. Lease - U. T. System: Authorization to lease approximately 25,944 rentable square feet of office space located at 15 Smith Road, Midland, Midland County, Texas, from The Old Gulf Building, LLC, for mission and administrative use by the Office of University Lands

Description: Authorization to lease approximately 25,944 rentable square feet of office space located at 15 Smith Road, Midland, Midland County, Texas, from The Old Gulf Building, LLC, for mission and administrative use by the Office of University Lands.

Lessor: The Old Gulf Building, LLC, a Texas limited liability company

Term: The term of the lease will be for approximately 84 months, and any partial month, from the lease commencement date, which is estimated to be September 1, 2024. Lessor will also have the option to extend the term of the lease for two renewal periods of 60 months each. Lessee may have the option to terminate the lease after 60 months from the lease commencement date.

Lease Cost: Estimated base rent for the initial term and potential renewal terms is approximately \$12,790,392.

Base Rent over the initial lease year will be \$25.00 per square foot annually with \$0.50 annual increases thereafter. The base rent for the first potential renewal period will start at the lesser of \$28.50 per square foot annually or fair market value, with \$0.50 annual increases thereafter. The base rent for the second potential renewal period will start at the lesser of \$31.00 per square foot annually or fair market value, with \$0.50 annual increases thereafter. Tenant will be responsible for any future operating expenses over the base year of 2024 (which is approximately \$12.00 per square foot). Assuming 3% annual operating expense increases, estimated operating expenses during the initial term will be approximately \$206,243 and estimated operating expenses for the renewal periods will be approximately \$1,276,173. All utility charges and janitorial expenses for the premises are included in the base rent for the lease, subject to increases above the base year. Tenant will also be provided with approximately 60 covered parking spaces, for an additional parking fee of approximately \$39,600 per year.

Tenant Improvements: U. T. will contribute up to approximately \$500,000 towards improvements to the leased space.

Total Cost: The total estimated lease expense over the initial lease term and potential renewal periods is approximately \$15,446,008, which includes base rent, all operating expenses, proposed tenant improvement paid by University Lands, potential parking expenses, and all additional costs outlined above.

13. Contract (funds going out) - U. T. Arlington: Amendment to Agreement with Turning Tech Intermediate, Inc., dba Echo 360, to provide audiovisual recordings of lectures and events

Agency: Turning Tech Intermediate, Inc., dba Echo 360

Funds: \$2,782,800 over the life of the contract

Period: December 30, 2023 through December 29, 2026

Description: Second Amendment to renew the Agreement for three years and add 10,000 users. Echo 360 provides cloud-based software that enables the automated audiovisual recording of lectures and events in classrooms and other campus venues. It allows U. T. Arlington to make audiovisual recordings available online for virtual attendance to classes and events.

The original contract was competitively procured and approved by the Board of Regents on August 15, 2019, for the amount of \$1,500,000. The First Amendment added automatic speech recognition and provided for three additional one-year renewals. The annual cost increase is due to the addition of automatic speech recognition capabilities and the additional 10,000 users.

14. Request for Budget Change - U. T. Arlington: New award of tenure appointments

The following personnel actions involving new award of tenure appointments have been administratively approved by the Chancellor and the Executive Vice Chancellor for Academic Affairs. The personnel actions have been included in the FY 2025 Annual Operating Budget and are consistent with the Regents' *Rules and Regulations*, Rule 31007.

College, Department, and Name	From	To
College of Architecture, Planning and Public Affairs		
Architecture		
David Franco	New Hire	Associate Professor (T)
Charles MacBride	Assistant Professor	Associate Professor (T)
Landscape Architecture		
Joowon Im	Assistant Professor	Associate Professor (T)
Public Affairs and Planning		
Deden Rukmana	New Hire	Professor (T)
Jiwon Suh	Assistant Professor	Associate Professor (T)

College, Department, and Name	From	To
College of Business		
Information Systems and Operations Management Jayarajan Samuel	Assistant Professor	Associate Professor (T)
College of Education		
Curriculum and Instruction Candace Lafferty	Assistant Professor	Associate Professor (T)
John Romig	Assistant Professor	Associate Professor (T)
College of Engineering		
Bioengineering Justyn Jaworski	Assistant Professor	Associate Professor (T)
Civil Engineering Habib Ahmari	Assistant Professor	Associate Professor (T)
Michelle Hummel	Assistant Professor	Associate Professor (T)
Pengfei Li	Assistant Professor	Associate Professor (T)
Computer Science and Engineering Shirin Nilizadeh	Assistant Professor	Associate Professor (T)
Industrial Manufacturing and Systems Engineering Shuchi Deb	Assistant Professor	Associate Professor (T)
Yuan Zhou	Assistant Professor	Associate Professor (T)
Material Science Engineering Ye Cao	Assistant Professor	Associate Professor (T)
Mechanical and Aerospace Engineering Nora Ameri	Assistant Professor	Associate Professor (T)
Shuo Wang	Assistant Professor	Associate Professor (T)
College of Liberal Arts		
Art and Art History Justin Ginsberg	Assistant Professor	Associate Professor (T)
Communication Grace Brannon	Assistant Professor	Associate Professor (T)
Mengqi Zhan	Assistant Professor	Associate Professor (T)
Linguistics and TESOL Andrew Hippisley	New Hire	Professor (T)
Political Science Bai Linh Hoang	Assistant Professor	Associate Professor (T)

College, Department, and Name	From	To
College of Nursing and Health Innovation		
Kinesiology		
Ann Amuta-Jimenez	New Hire	Associate Professor (T)
Kyrah Brown	Assistant Professor	Associate Professor (T)
Daniel Trott	Assistant Professor	Associate Professor (T)
Nursing		
Jessica Smith	Assistant Professor	Associate Professor (T)
Tanya Sudia	New Hire	Professor (T)
College of Science		
Biology		
Cara Boutte	Assistant Professor	Associate Professor (T)
Luke Frishkoff	Assistant Professor	Associate Professor (T)
Earth and Environmental Sciences		
Behzad Ghanbarian	New Hire	Associate Professor (T)
Math		
Souvik Roy	Assistant Professor	Associate Professor (T)
Physics		
Nevin Weinberg	Associate Professor	Professor (T)
Psychology		
Hunter Ball	Assistant Professor	Associate Professor (T)
Stephen Lomber	New Hire	Professor (T)
School of Social Work		
Social Work		
Tonya Hansel	New Hire	Professor (T)
Catherine LaBrenz	Assistant Professor	Associate Professor (T)
Melissa Lewis	New Hire	Professor (T)
Dana Litt	New Hire	Professor (T)
Jennifer O'Brien	New Hire	Associate Professor (T)
Kathleen Preble	New Hire	Associate Professor (T)
Kathy Siepker	Assistant Professor	Associate Professor (T)
Michelle Washburn	Assistant Professor	Associate Professor (T)

15. Contract (funds going out) - U. T. Austin: Capital Metropolitan Transportation Authority to provide transportation to and from the University for students, faculty, and staff

Agency: Capital Metropolitan Transportation Authority

Funds: \$22,700,000

Period: September 1, 2024 through August 8, 2027

Description: Under the Agreement, Capital Metropolitan Transportation Authority will provide transportation services for U. T. Austin students, faculty, and staff.

16. Contract (funds going out) - U. T. Austin: Amendment to Agreement with Amazon Web Services, Inc., to provide campus-wide cloud computing services

Agency: Amazon Web Services, Inc.

Funds: \$45,000,000

Period: August 1, 2024 through August 1, 2034

Description: Under this Fifth Amendment, Amazon Web Services will continue to provide campus-wide cloud computing services. The Fifth Amendment adds funds to the Agreement and increases the term dates. The Agreement was procured pursuant to a Best Value Determination.

The initial Agreement effective November 12, 2019; the First Amendment effective April 30, 2021; the Second Amendment effective June 29, 2021; the Third Amendment effective November 5, 2021; and the Fourth Amendment, effective June 5, 2024, did not require Board approval as the total contract amount was below the institution's delegated approval threshold of \$5,000,000.

17. Contract (funds going out) - U. T. Austin: Amendment to Agreement with Grep Texas, LLC., dba Greystar, to provide property management services to U. T. Austin

Agency: Grep Texas, LLC., dba Greystar

Funds: \$11,920,000, over the full contract term

Period: August 1, 2024 through August 4, 2026

Description: Grep Texas, LLC., dba Greystar, provides property management services to U. T. Austin at the Lake Austin Boulevard Apartments, located at 2600 Lake Austin Boulevard, to include leasing and maintenance requirements. The initial Agreement had a term of August 5, 2022 through August 4, 2024, and the First Amendment was effective September 1, 2023. The initial Agreement and First Amendment did not require Board approval as the value did not exceed the institution's delegated authority threshold of \$5,000,000. This Second Amendment extends the term for an additional two years, through August 4, 2026, and increases the contract value to \$11,920,000. The Agreement was acquired based on a sole source justification.

18. Contract (funds going out) - U. T. Austin: Amendment to Agreement with Sumaj Staffing to provide temporary staffing services to support the Division of Student Affairs, University Housing and Dining

Agency: Sumaj Staffing

Funds: \$6,000,000

Period: June 20, 2024 through September 30, 2024

Description: Sumaj Staffing will continue to provide temporary staffing services to support the Division of Student Affairs' University Housing and Dining food service operations.

The initial Agreement had a term of September 16, 2022 through September 15, 2023, and a total value of \$950,000. The First and Second Amendments extended the term dates and added additional funds, giving the current Agreement a value of \$5,000,000, and a termination date of April 30, 2024.

The initial Agreement and the first two Amendments did not require Board approval as the value did not exceed the institution's delegated authority threshold of \$5,000,000. Upon approval and execution of this Third Amendment, the total contract value will increase to \$6,000,000 and the termination date will extend to September 30, 2024. The Agreement was procured pursuant to a Best Value Determination.

19. Contract (funds going out) - U. T. Austin: Amendment to Agreement with the Texas Center for Child and Family Studies to provide funding to support statewide programs for families with adopted persons

Agency: Texas Center for Child and Family Studies

Funds: \$9,195,743

Period: From the date of execution of the Agreement through August 31, 2025

Description: The 88th Texas Legislature appropriated \$12,000,000 to U. T. Austin’s Center for Societal Impact in the Steve Hicks School of Social Work to create programs for adopted persons. Through this Agreement, U. T. Austin has provided funding to the Texas Center for Child and Family Studies, the largest statewide membership organization for child welfare services in Texas, to support statewide programs for families with adopted persons, to provide critical post-adoption resources, and to deliver statewide training and technical assistance to community organizations.

The initial Agreement had a term of October 3, 2023 through August 31, 2024, and a value of \$4,601,723, and did not require Board approval. This First Amendment increases the contract value to \$9,195,746 and extends the term date. The Agreement was procured pursuant to an Exclusive Acquisition Justification in 2023.

20. Contract (funds coming in and going out) - U. T. Austin: Amendment to Academic and Educational Experience Director Services Agreement with Ascension Seton, The University of Texas at Austin on behalf of the Dell Medical School, and ESP Payroll Services, PA

Agency: Ascension Seton (Seton) and ESP Payroll Services, PA (ESP)

Funds: \$2,000,000 for this Ninth Amendment, for a total contract value of \$12,562,500

Period: July 1, 2024 through June 30, 2025

Description: Physicians or other pertinent personnel employed by or under contract with ESP Payroll Services, PA, dedicate a portion of their professional time to providing academic services for the Dell Medical School's Emergency Medicine Residency and Pediatric Emergency Medicine Fellowship programs. Seton Family of Hospitals pays U. T. Austin an amount to cover the cost of services to be provided by ESP, and U. T. Austin pays ESP for the services rendered, up to 20% of which will be subject to a satisfactory performance evaluation by the Department Chair.

The initial Agreement, which was approved by the Board of Regents on November 10, 2016, was for a term beginning October 1, 2016 through September 30, 2018, during which time Seton paid \$969,808 per year to U. T. Austin, and U. T. Austin paid that amount to ESP in turn, for a total of \$1,939,616. The First Amendment did not increase the contract value and did not require Board approval. The Second Amendment, which was approved by the Board on November 15, 2018, was for a term beginning October 1, 2018 through September 30, 2019, with one automatic renewal period of 12 months, and increased the annual payments to \$1,009,008, for a total additional amount of \$2,018,016. The Third and Fourth Amendments did not require Board approval. The Fifth Amendment, which was approved by the Board on August 19, 2021, extended the term by one year until June 30, 2022, and increased the total contract value by \$1,845,103, for a total contract value of \$5,802,735. The Sixth Amendment did not require Board approval. The Seventh Amendment extended the term by one year and the total contract value increased to \$8,450,000. The Eighth Amendment had a term of October 1, 2023 through June 30, 2024 and added \$2,112,500 to the Agreement, increasing the total value to \$10,562,500. The Eighth Agreement did not require Board approval as the increase did not exceed 25% of the value previously approved by the Board. This Ninth Amendment extends the Agreement one additional year and adds \$2,000,000 to the total value of the Agreement; increasing the total value to \$12,562,500. The initial Agreement was procured via an Exclusive Acquisition Justification Best Value.

21. Foreign Contract - U. T. Austin: Data Sharing Agreement with City, University of London, to allow exchange of data between the universities

Agency: City, University of London

Funds: None

Period: August 23, 2024 through March 27, 2027

Description: This Data Sharing Agreement governs the sharing of personal student data to facilitate the administration of the student exchange program between U. T. Austin and City, University London, in accordance with the United Kingdom General Data Protection Regulation Legislation and the United Kingdom Data Protection Act of 2018.

22. Foreign Contract - U. T. Austin: Data Sharing Agreement with Universitat de Politècnica de València to allow exchange of data between the universities

Agency: Universitat de Politècnica de València

Funds: None

Period: August 23, 2024 through October 16, 2025

Description: U. T. Austin and Universitat de Politècnica de València, a public university in Portugal, have entered into a Student Exchange and Program Agreement (Affiliation Agreement).

In conjunction with the Affiliation Agreement, and to facilitate the administration of the student exchange program, Universitat de Politècnica de València requires U. T. Austin, on behalf of its Cockrell School of Engineering and School of Architecture, to enter into a Data Sharing Agreement to govern the sharing of personal student data in accordance with the European Union's General Data Protection Regulation Legislation.

23. Foreign Contract (funds going out) - U. T. Austin: Purchase of materials from the Science and Technology Facilities Council of the United Kingdom Research and Innovation

Agency: Science and Technology Facilities Council of the United Kingdom Research and Innovation, a part of the government of the United Kingdom

Funds: \$44,000

Description: Request for approval to purchase a compact, pixelated high-energy detector system for research to develop adaptive robot-assisted imaging systems for nuclear medicine applications for work to be completed by the Cockrell School of Engineering's Mechanical Engineering Department.

24. Foreign Contract (funds going out) - U. T. Austin: Sponsorship Agreement with Benue State University

Agency: Benue State University, a public university in Nigeria

Funds: \$10,000

Period: July 27, 2024 through October 1, 2024

Description: U. T. Austin's College of Liberal Arts' Department of History will provide sponsorship funds to Benue State University in the amount of \$10,000. These funds will support an international conference to be held in Nigeria entitled "Water Bodies and Development in Africa." Under the Agreement, sponsorship funds will be used for various conference-related charges. In exchange for the sponsorship, U. T. Austin will receive acknowledgment in all conference publicity announcements and publications relating to the conference as well as complimentary copies of the publications and/or abstracts distributed during the event.

25. Foreign Contract (funds going out) - U. T. Austin: Sponsorship Agreement with Nova School of Business and Economics

Agency: Nova School of Business and Economics, a public university in Lisbon, Portugal

Funds: \$1,250

Period: June 14, 2024 through August 23, 2024

Description: U. T. Austin is sponsoring an international conference hosted by Nova School of Business and Economics. The “20th Symposium on Statistical Challenges in Electronic Commerce Research” focuses on topics of econometric analyses, machine learning algorithms, and statistical inference techniques. In exchange for the sponsorship, U. T. Austin will receive access to the materials presented as well as name recognition for the McCombs School of Business.

26. Foreign Contract (funds coming in and going out) - U. T. Austin: Art Loan Agreement with National Library of Colombia and Fundación Gabo

Agency: National Library of Colombia and Fundación Gabo

Funds: Initial expense of \$55,000 to be reimbursed by National Library of Colombia and Fundación Gabo

Period: March 11, 2025 through August 16, 2025

Description: U. T. Austin’s Harry Ransom Center will loan to the National Library of Colombia and Fundación Gabo, a public entity in Colombia, 89 pieces of art, writings, and other materials related to Gabriel García Márquez. These materials will be displayed in an exhibition entitled “Gabriel García Márquez: The Making of a Global Writer,” from April 29, 2025 through August 2, 2025.

U. T. Austin will pay certain shipping expenses, which will be reimbursed by the National Library of Colombia and Fundación Gabo.

27. Request for Budget Change - U. T. Austin: Tenure Appointments -- amendments to the FY 2024 budget

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

College, Department, and Name	From	To	RBC #
Dell Medical School			
Medicine			
Paul Mueller	New Hire	Professor (T)	13177
Psychiatry			
Young Kim	New Hire	Professor (T)	13178
College of Natural Sciences			
Molecular Biosciences			
Kenneth Keiler	New Hire	Professor (T)	13179

28. Request for Budget Change - U. T. Austin: New award of tenure appointments

The following personnel actions involving new award of tenure appointments have been administratively approved by the Chancellor and the Executive Vice Chancellor for Academic Affairs. The personnel actions have been included in the FY 2025 Annual Operating Budget and are consistent with the Regents' *Rules and Regulations*, Rule 31007.

College, Department, and Name	From	To
School of Architecture		
Architecture		
Aleksandra Jaeschke	Assistant Professor	Associate Professor (T)
Katherine Lieberknecht	Assistant Professor	Associate Professor (T)
McCombs School of Business		
Accounting		
Eric Chan	Assistant Professor	Associate Professor (T)
Finance		
Mindy Xiaolan	Assistant Professor	Associate Professor (T)
Information, Risk, and Operations Management		
Jared Murray	Assistant Professor	Associate Professor (T)

College, Department, and Name	From	To
School of Civic Leadership		
Civic Leadership Carola Binder	New Hire	Associate Professor (T)
Moody College of Communication		
Journalism and Media Samuel Woolley	Assistant Professor	Associate Professor (T)
Speech, Language, and Hearing Sciences Spencer Smith	Assistant Professor	Associate Professor (T)
College of Education		
Curriculum and Instruction Denise Davila	Assistant Professor	Associate Professor (T)
Carlos Nicolas Gómez Marchant	Assistant Professor	Associate Professor (T)
Educational Leadership and Policy Joshua Childs	Assistant Professor	Associate Professor (T)
Denisa Gandara	Assistant Professor	Associate Professor (T)
Educational Psychology Hyeon-Ah Kang	Assistant Professor	Associate Professor (T)
Katherine Muenks	Assistant Professor	Associate Professor (T)
Special Education Peng Peng	Assistant Professor	Associate Professor (T)
Natasha Strassfeld	Assistant Professor	Associate Professor (T)
Cockrell School of Engineering		
Aerospace Engineering and Engineering Mechanics Jingyi Chen	Assistant Professor	Associate Professor (T)
Takashi Tanaka	Assistant Professor	Associate Professor (T)
Biomedical Engineering Sapun Parekh	Assistant Professor	Associate Professor (T)
Chemical Engineering Adrienne Rosales	Assistant Professor	Associate Professor (T)
Electrical and Computer Engineering Edison Thomaz	Assistant Professor	Associate Professor (T)

College, Department, and Name	From	To
Mechanical Engineering		
Nicholas Fey	Assistant Professor	Associate Professor (T)
Yuanyue Liu	Assistant Professor	Associate Professor (T)
Filippo Mangolini	Assistant Professor	Associate Professor (T)
College of Fine Arts		
Music		
Joel Braun	Associate Professor	Associate Professor (T)
Omar Thomas	Assistant Professor	Associate Professor (T)
Theatre and Dance		
Raquel Barreto	Associate Professor	Associate Professor (T)
Jackson School of Geosciences		
Earth and Planetary Sciences		
Nicola Tisato	Assistant Professor	Associate Professor (T)
College of Liberal Arts		
African and African Diaspora Studies		
Abimbola Adelokun	Assistant Professor	Associate Professor (T)
Anthropology		
Aaron Sandel	Assistant Professor	Associate Professor (T)
James Slotta	Assistant Professor	Associate Professor (T)
Economics		
Christoph Boehm	Assistant Professor	Associate Professor (T)
Nitya Pandalai-Nayar	Assistant Professor	Associate Professor (T)
English		
Ana Schwartz	Assistant Professor	Associate Professor (T)
Government		
Tiffany Barnes	New Hire	Professor (T)
Jesse Johnson	New Hire	Associate Professor (T)
History		
Carlos Blanton	New Hire	Professor (T)
Joshua Frens-String	Assistant Professor	Associate Professor (T)
Middle Eastern Studies		
Samy Ayoub	Assistant Professor	Associate Professor (T)

College, Department, and Name	From	To
Psychology		
Kaya De Barbaro	Assistant Professor	Associate Professor (T)
Andrew Gaudet	Assistant Professor	Associate Professor (T)
Robbe Goris	Assistant Professor	Associate Professor (T)
Rhetoric and Writing		
Vox Jo Hsu	Assistant Professor	Associate Professor (T)
Sociology		
Lauren Gaydosh	Assistant Professor	Associate Professor (T)
Women's, Gender, and Sexuality Studies		
Ann Cvetkovich	New Hire	Professor (T)
Dell Medical School		
Psychiatry		
Joseph Dunsmoor	Assistant Professor	Associate Professor (T)
College of Natural Sciences		
Astronomy		
Brendan Bowler	Assistant Professor	Associate Professor (T)
Caroline Morley	Assistant Professor	Associate Professor (T)
Computer Science		
Alexander Huth	Assistant Professor	Associate Professor (T)
Integrative Biology		
Justin Havird	Assistant Professor	Associate Professor (T)
Marine Science		
Robert Griffitt	New Hire	Professor (T)
Molecular Biosciences		
Can Cenik	Assistant Professor	Associate Professor (T)
Daniel Dickinson	Assistant Professor	Associate Professor (T)
Nutritional Sciences		
Ryan Gray	Assistant Professor	Associate Professor (T)
Physics		
Aaron Zimmerman	Assistant Professor	Associate Professor (T)
Statistics and Data Sciences		
Abhra Sarkar	Assistant Professor	Associate Professor (T)

College, Department, and Name	From	To
School of Nursing		
Nursing		
Ashley Henneghan	Assistant Professor	Associate Professor (T)
College of Pharmacy		
Pharmacy		
Laura Fonken	Assistant Professor	Associate Professor (T)
Grace Lee	Assistant Professor	Associate Professor (T)
Lyndon B. Johnson School of Public Affairs		
Public Affairs		
Anna Gunderson	New Hire	Associate Professor (T)
School of Social Work		
Social Work		
Mary-Ellen Brown	New Hire	Associate Professor (T)
Kasey Claborn	Assistant Professor	Associate Professor (T)

29. Employment Agreement - U. T. Austin: Approval of terms of Employment Agreement for new Head Baseball Coach Jim Schlossnagle

The following terms of the Employment Agreement for new Head Baseball Coach Jim Schlossnagle have been approved by the Chancellor, the Executive Vice Chancellor for Academic Affairs, and the Vice Chancellor and General Counsel and are recommended for approval by the U. T. System Board of Regents. The terms of the Agreement were previously reviewed pursuant to Regents' *Rules and Regulations*, Rule 10501, Section 2.2.12(a). If the terms are approved, total annual compensation will be in excess of \$1 million. The Agreement references the Constitution and Bylaws of the National Collegiate Athletic Association, any intercollegiate athletic conference of which The University of Texas at Austin is a member, the Regents' *Rules and Regulations*, and the policies of The University of Texas at Austin. A violation of the provisions of such constitution, bylaws, rules, regulations, or policies may be grounds for suspension without pay and/or dismissal.

Proposed: **Guaranteed compensation:**

Annual Salary
 Contract Year 1 (June 25, 2024 - June 30, 2025): \$1,000,000
 Contract Year 2 (July 1, 2025 - June 30, 2026): \$1,000,000
 Contract Year 3 (July 1, 2026 - June 30, 2027): \$2,680,000
 Contract Year 4 (July 1, 2027 - June 30, 2028): \$2,680,000
 Contract Year 5 (July 1, 2028 - June 30, 2029): \$2,680,000
 Contract Year 6 (July 1, 2029 - June 30, 2030): \$2,680,000
 Contract Year 7 (July 1, 2030 - June 30, 2031): \$2,680,000

Automobile: One dealer car

Club membership: In accordance with Athletics Department's policies and procedures, and based on availability and business need

Relocation and Temporary Housing Allowance: \$40,000

Tickets available upon request for use in accordance with Athletics Department's policies and procedures:

- (a) Up to 16 tickets to all home regular season and postseason baseball games; and
- (b) Up to eight tickets for away regular season and postseason baseball games; and
- (c) Up to two tickets for home games for all other sports

Nonguaranteed compensation:

Sports Camps and Clinics: In accordance with Athletics Department's policies and procedures and as determined by the Vice President and Athletics Director

Incentives:

Performance incentives: maximum of \$500,000 annually:

- (1) Conference Champion (not to exceed \$100,000):
 - (a) \$50,000 in any contract year in which the team participates in the Regular Season Conference Championship Game; and
 - (b) \$50,000 in any contract year in which team wins the Conference Tournament Championship; and
- (2) The highest of the following NCAA Division I Baseball Tournament Championship achievements (not cumulative – not to exceed \$300,000):
 - (a) \$50,000 in any contract year in which the team participates in the NCAA Division I Regional Baseball Tournament; or
 - (b) \$100,000 in any contract year in which the team advances to the NCAA Division I Super Regional Baseball Series; or
 - (c) \$150,000 in any contract year in which the team advances to the NCAA Division I College Baseball World Series; or
 - (d) \$200,000 in any contract year in which the team advances to the NCAA Division I College Baseball World Series Championship Series; or
 - (e) \$300,000 in any contract year in which the team wins the NCAA Division I Baseball National Championship; and
- (3) Coaching Recognition (not to exceed \$100,000):
 - (a) \$50,000 in any contract year in which Coach is named Conference Coach of the Year (Coaches' Vote); and
 - (b) \$50,000 in any contract year in which Coach is named National Coach of the Year (Coaches' Association)

Source of Funds: Intercollegiate Athletics

Period: June 25, 2024 through June 30, 2031

30. Employment Agreement - U. T. Austin: Report for the Record concerning Change of Name for Limited Liability Company holding the Professional Services and Intellectual Property Agreement for Head Football Coach Steve Sarkisian and approval of conforming nonsubstantive changes to the current Employment Agreement for Coach Sarkisian and the related Professional Services and Intellectual Property Agreement

On February 25, 2021, the U. T. System Board of Regents approved the terms of an Employment Agreement with Head Football Coach Sarkisian and a related Professional Services and License Agreement with a to-be-named Limited Liability Company (LLC). On February 22, 2024, the Board of Regents approved changes to the terms of the Employment Agreement and to the Professional Services and Intellectual Property Agreement with Sark Enterprises, Inc. The Board is now asked to approve Second Amendments to the Employment Agreement and the Professional Services and Intellectual Property Agreement to update references to the entity that performs services and receives funds under the Professional Services Agreement from Sark Enterprises, Inc. to Fourth and Short, Inc. The requested changes have been reviewed by the Chancellor, the Executive Vice Chancellor for Academic Affairs, and the Vice Chancellor and General Counsel and are recommended for approval by the Board.

There are no additional proposed changes to the terms of the Employment Agreement or the Professional Services and Intellectual Property Agreement, and the amendments recommended for approval do not change the term of the Agreements or the terms of approved compensation, including the source of funds (Intercollegiate Athletics) and the contract end date (December 31, 2030).

31. Sale of Surplus Property - U. T. Austin: Authorization for the Center for Energy and Environmental Resources to sell equipment

The following sale of surplus property has been administratively approved by the Executive Vice Chancellor for Academic Affairs. A sale in the amount of \$100,000 or more requires approval through the Consent Agenda by the U. T. System Board of Regents to comply with Regents' *Rules and Regulations*, Rule 80201.

Item to be Sold: High-Temperature Two-Stage Skid Asset

Amount: \$125,000

Purchaser: Brigham Young University

Explanation: U. T. Austin will sell a high-temperature two-stage skid asset owned by the Center for Energy and Environmental Resources, currently housed at the Pickle Research Center. The equipment was purchased on October 10, 2011, for \$577,958.67. Disposal of the equipment is necessary to clear space for facility upgrades associated with a recently awarded Department of Energy grant. The equipment is not useful to U. T. Austin faculty.

Method of Sale: Negotiated Bid

32. Contract (funds going out) - U. T. Dallas: Attain Consulting Group LLC, dba Attain Partners, to provide implementation services via a campus-wide enterprise Customer Relationship Management (CRM) system

Agency: Attain Consulting Group LLC, dba Attain Partners

Funds: \$3,573,372

Period: April 15, 2024 through July 15, 2025

Description: U. T. Dallas seeks to implement an enterprise Customer Relationship Management (CRM) solution providing a 360-degree view of all student interactions and engagement with faculty and staff over the complete student life cycle, from prospective applicant through alumnus/a. This implementation includes integration with other systems and migration of data from other platforms currently used on campus and centralizes student and alumni information and communications. This campus-wide implementation will enhance reporting and analysis to enable U. T. Dallas to support strategic enrollment impacts of shaping recruitment, onboarding new students, improving retention and student success, and decreasing time to graduation. This Agreement was competitively bid.

33. Purchase Order - U. T. Dallas: Purchase from Mr. Jeffrey Montgomery of Artworks for The Crow Museum of Asian Art

Agency: Mr. Jeffrey Montgomery

Funds: \$3,553,350

Source of Funds: Unrestricted investment earnings

Description: Purchase of approximately 1,200 works of Japanese art from the Montgomery Collection of Japanese antiquities in Lugano, Switzerland, for addition to the permanent collection of The Crow Museum of Asian Art of the University of Texas at Dallas.

34. Request for Budget Change - U. T. Dallas: New award of tenure appointments

The following personnel actions involving new award of tenure appointments have been administratively approved by the Chancellor and the Executive Vice Chancellor for Academic Affairs. The personnel actions have been included in the FY 2025 Annual Operating Budget and are consistent with the Regents' *Rules and Regulations*, Rule 31007.

College, Department, and Name	From	To
Harry W. Bass Jr. School of Arts, Humanities, and Technology		
Arts, Technology, and Emerging Communication		
Hong-An Wu	Assistant Professor	Associate Professor (T)
History		
Whitney Stewart	Assistant Professor	Associate Professor (T)
Literature		
Erin Greer	Assistant Professor	Associate Professor (T)
School of Behavioral and Brain Sciences		
Dean		
Adam Woods	New Hire	Professor (T)
School of Economic, Political and Policy Sciences		
Economics		
Darwin (Trey) Miller	Associate Professor	Associate Professor (T)
Public and Nonprofit Management		
Elizabeth Searing	Assistant Professor	Associate Professor (T)
Erik Jonsson School of Engineering and Computer Science		
Computer Science		
Shuang Hao	Assistant Professor	Associate Professor (T)
Wei Yang	Assistant Professor	Associate Professor (T)
Electrical and Computer Engineering		
Ifana Mahbub	Assistant Professor	Associate Professor (T)

College, Department, and Name	From	To
Mechanical Engineering		
Rodrigo Bernal Montoya	Assistant Professor	Associate Professor (T)
Nandika D'Souza	New Hire	Professor (T)
Justin Koeln	Assistant Professor	Associate Professor (T)
Yue Zhou	Assistant Professor	Associate Professor (T)
Naveen Jindal School of Management		
Finance		
Alejandro Rivera Mesias	Assistant Professor	Associate Professor (T)
Simon Siegenthaler	Assistant Professor	Associate Professor (T)
Luis Felipe Varas Greene	New Hire	Associate Professor (T)
Information Systems		
Radha Mookerjee	Assistant Professor	Associate Professor (T)
Marketing		
Tongil Kim	Assistant Professor	Associate Professor (T)
Operations Management		
Guihua Wang	Assistant Professor	Associate Professor (T)
Yining Wang	Associate Professor	Associate Professor (T)
School of Natural Sciences and Mathematics		
Biological Sciences		
Nicole DeNisco	Assistant Professor	Associate Professor (T)
Mathematical Sciences		
Carlos Arreche Aguayo	Assistant Professor	Associate Professor (T)
Xiwei Tang	New Hire	Associate Professor (T)
Nathan Williams	Assistant Professor	Associate Professor (T)
Physics		
Michael Kolodrubetz	Assistant Professor	Associate Professor (T)
Kaloyan Penev	Assistant Professor	Associate Professor (T)
Bei Zeng	New Hire	Professor (T)

35. Gift - U. T. Dallas: Authorization to accept the gift of sculpture entitled “Enlightened One” by Liu Yonggang to be placed outside the Edith and Peter O’Donnell Jr. Athenaeum

Description:

U. T. Dallas is requesting approval to accept a gift of outdoor art from Trammell S. Crow of a sculpture to be placed outside the northwest corner of the Edith and Peter O’Donnell Jr. Athenaeum. A three-dimensional “character,” Enlightened One is a sculptural exploration of written language. The 18-foot-tall sculpture is almost readable as the Chinese character 佛 (fo), which means “enlightened one,” but the strong lines of the character forged from columns of steel are a blend of several types of script. These calligraphic lines are also softened in places, positioned as if intertwined limbs of two beings. Other written languages also play a role in the artist’s exploration, including inscriptions on ancient oracle bones, seal script, and scripts from his native Mongolia.

Made of painted steel and weighing nearly 2,000 pounds, Enlightened One stands 18.4 feet tall, 10.5 feet wide and 6.6 feet deep. The donor estimates the sculpture’s retail value at \$150,000, without entering into a formal appraisal process.

Artist Liu Yonggang was born in 1964 in Genhe City, Inner Mongolia. He graduated from Central Academy of Fine Arts in 1986 and the Art Department of Nuremberg College of Fine Arts in Germany in 1997 before serving as a visiting professor at the China Academy of Art in 2012. Yonggang has won numerous international awards, including the 2017 Silver Award “Liu Kaiqu” prize, and currently resides in Beijing, Huizhou, and Berlin.

Originally commissioned by Trammell S. Crow for the Trammell Crow Public Sculpture Garden at the Crow Museum of Asian Art’s downtown Dallas location, the sculpture was a beloved icon in the Dallas Arts District. Bringing the piece into U. T. Dallas’ permanent art collection will further the connection between the museum’s original facility and its forthcoming space on campus while serving as a visible gateway to U. T. Dallas’s new arts complex.

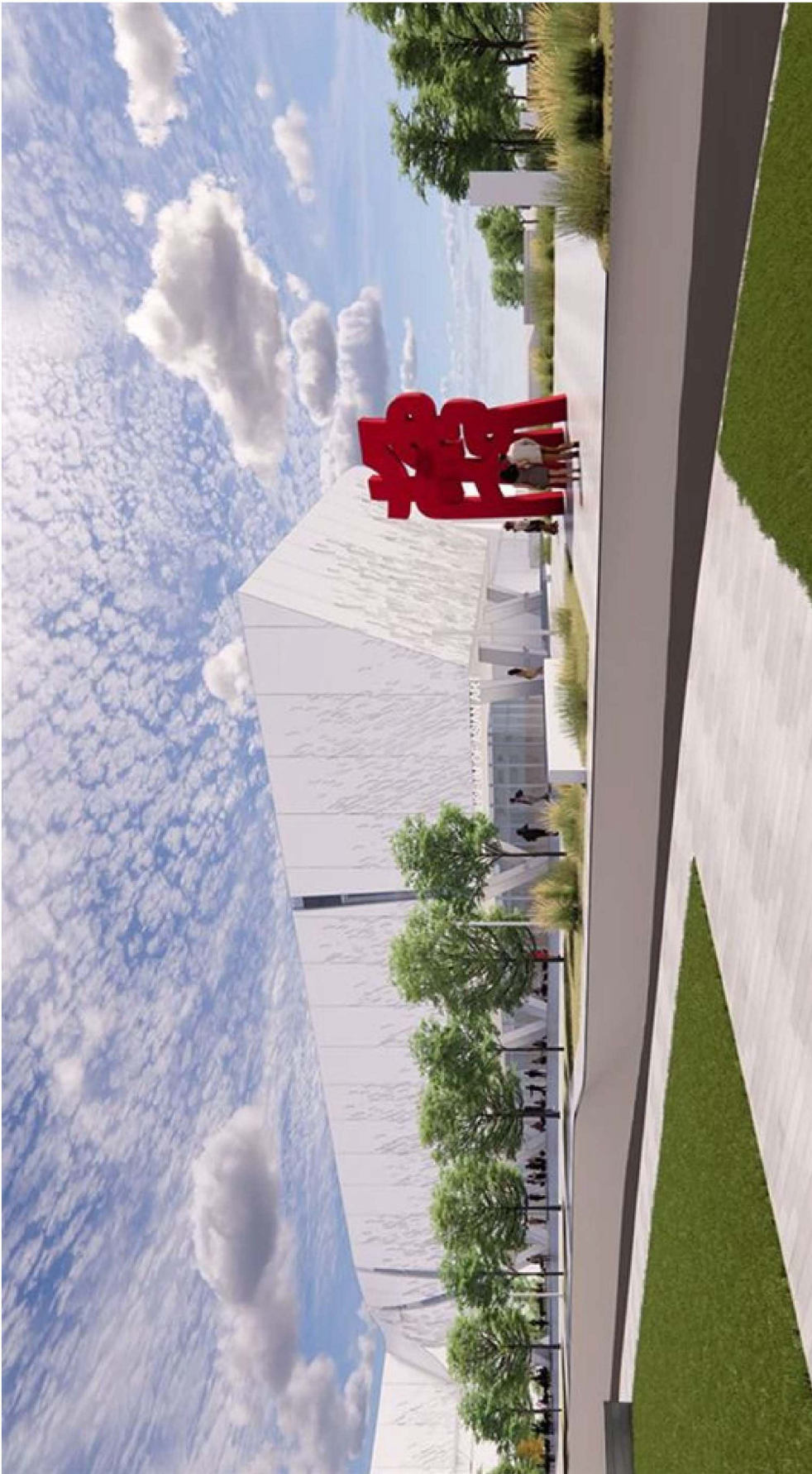
This sculpture will be one of the initial art pieces installed across the O’Donnell Athenaeum. Designed to enhance the plaza areas and engage the community, such pieces will extend traditional gallery space outdoors and greet visitors as they come to campus.

Acceptance of this sculpture also aligns with the university’s campus master plan, as well as the current strategic plan with a theme structured around enriching the arts at U. T. Dallas.

Donor: Trammell S. Crow is the founder of EarthX, the largest annual exposition and forum showcasing the latest initiatives, discoveries, research, policies, and corporate practices serving to re-shape the future. EarthX's signature event has become the largest annual environmental event in the world, growing to include over 177,000 attendees, 2,000 environmental leaders, 700 exhibitors and 450 speakers in 2019. He also founded the *In This Together* Campaign and co-authored *In This Together* which focuses on inspiring environmental leadership across sectors and party lines.

Prior to assuming his present responsibilities, Crow was formerly the president of the Crow Museum of Asian Art from 1998-2018. He also held various other positions within the Crow family businesses. He began his career as a warehouse leasing agent in Denver. He transferred to Houston, developed residential subdivisions, and leased retail space. By 1985, he managed the Dallas Communications Complex, the Studios at Las Colinas, INFOMART, and the Dallas/Fort Worth Teleport. From 1986 to 1993, Crow was chief executive officer of Trammell Crow International, overseeing the Brussels International Trade Mart (the largest in Europe) and developing additional trade marts in Asia.

Value: Donor estimates the cost of the sculpture is \$150,000. U. T. Dallas has allocated \$52,363 to cover expenses related to acceptance of the gift, including but not limited to, transport from the downtown Dallas site, and installation at the Athenaeum. Ongoing maintenance of the sculpture will be funded by the university's arts conservation funds.



36. Request for Budget Change - U. T. El Paso: Transfer \$3,281,000 from Road Shows and Special Events Revenue to Road Shows and Special Events Maintenance and operations to adjust budget related to increased concert and stadium event activities (RBC No. 13267) -- amendment to the FY 2024 budget

37. Request for Budget Change - U. T. El Paso: New award of tenure appointments

The following personnel actions involving new award of tenure appointments have been administratively approved by the Chancellor and the Executive Vice Chancellor for Academic Affairs. The personnel actions have been included in the FY 2025 Annual Operating Budget and are consistent with the Regents' *Rules and Regulations*, Rule 31007.

College, Department, and Name	From	To
College of Education		
Counseling, Special Educational and Educational Psychology Anjanette Todd	Assistant Professor	Associate Professor (T)
Educational Leadership and Foundations Erin Doran	New Hire	Associate Professor (T)
Teacher Education Daniel Heiman	Assistant Professor	Associate Professor (T)
College of Engineering		
Aerospace and Mechanical Engineering Md Mahamudur Rahman	Assistant Professor	Associate Professor (T)
Computer Science Deepak Tosh	Assistant Professor	Associate Professor (T)
Industrial, Manufacturing and Systems Engineering Amit Lopes	Assistant Professor	Associate Professor (T)
Metallurgy, Materials, and Biomedical Engineering Pedro Cortes	New Hire	Professor (T)
College of Health Sciences		
Kinesiology Jeffrey D. Eggleston	Assistant Professor	Associate Professor (T)

College, Department, and Name	From	To
College of Liberal Arts		
Art Department		
J Angel Cabrales	Assistant Professor	Associate Professor (T)
Heather G. Kaplan	Assistant Professor	Associate Professor (T)
Jessica L. Tolbert	Assistant Professor	Associate Professor (T)
Communication		
Carlos A. Tarin	Assistant Professor	Associate Professor (T)
Criminal Justice and Security Studies		
Caitlyn N. Muniz	Assistant Professor	Associate Professor (T)
English		
Elisabet Takehana	New Hire	Associate Professor (T)
History		
Leslie Waters	Assistant Professor	Associate Professor (T)
Music		
Brian E. Jarvis	Assistant Professor	Associate Professor (T)
Political Science and Public Administration		
Ljubinka Andonoska	Assistant Professor	Associate Professor (T)
Psychology		
April G. Thomas	Assistant Professor	Associate Professor (T)
College of Science		
Biological Sciences		
Kendall Hirschi	New Hire	Professor (T)
Sourav Roy	Assistant Professor	Associate Professor (T)
Chemistry and Biochemistry		
Sreeprasad T. Sreenivasan	Assistant Professor	Associate Professor (T)
Earth, Environmental and Resource Sciences		
Hind Al-Abadleh	New Hire	Professor (T)
Hugo A. Gutierrez-Jurado	Assistant Professor	Associate Professor (T)
Hernan A. Moreno Ramirez	Assistant Professor	Associate Professor (T)
Jason W. Ricketts	Assistant Professor	Associate Professor (T)
Physics		
Harikrishnan S. Nair	Assistant Professor	Associate Professor (T)

College, Department, and Name	From	To
School of Pharmacy		
Pharmaceutical Sciences		
Ian A. Mendez	Assistant Professor	Associate Professor (T)
Woody L. Hunt College of Business		
Economics and Finance		
Chia-Chun Chiang	Assistant Professor	Associate Professor (T)

38. Request for Budget Change - U. T. Permian Basin: New award of tenure appointments

The following personnel actions involving new award of tenure appointments have been administratively approved by the Chancellor and the Executive Vice Chancellor for Academic Affairs. The personnel actions have been included in the FY 2025 Annual Operating Budget and are consistent with the Regents' *Rules and Regulations*, Rule 31007.

College, Department, and Name	From	To
College of Arts and Sciences		
Department of Communication		
Jeremy Cox	Assistant Professor	Associate Professor (T)
Rachel Harlow	Associate Professor	Professor (T)
Department of Geosciences		
Miles Henderson	Assistant Professor	Associate Professor (T)
Mohamed Zobaa	Assistant Professor	Associate Professor (T)
College of Business		
Department of Management, Marketing and Industrial Technology		
Pinyarat Sirisomboonsuk	Assistant Professor	Associate Professor (T)
Moratza Zare	Assistant Professor	Associate Professor (T)

39. Request for Budget Change - U. T. Rio Grande Valley: New award of tenure appointments

The following personnel actions involving new award of tenure appointments have been administratively approved by the Chancellor and the Executive Vice Chancellor for Academic Affairs. The personnel actions have been included in the FY 2025 Annual Operating Budget and are consistent with the Regents' *Rules and Regulations*, Rule 31007.

College, Department, and Name	From	To
Robert C. Vackar College of Business and Entrepreneurship		
Economics		
Jean-Baptiste Tondji	Assistant Professor	Associate Professor (T)
Information Systems		
Xuan Wang	Assistant Professor	Associate Professor (T)
Finance		
Nam Nguyen	Assistant Professor	Associate Professor (T)
College of Education and P-16 Integration		
Teaching and Learning		
Paul Badendorst	Assistant Professor	Associate Professor (T)
Bilingual and Literacy Studies		
Xiaodi Zhou	Assistant Professor	Associate Professor (T)
College of Fine Arts		
School of Art and Design		
Gina Palacios	Assistant Professor	Associate Professor (T)
College of Health Professions		
Health and Biomedical Sciences		
Tracia Forman	Assistant Professor	Associate Professor (T)
Alejandro Lopez-Juarez	Assistant Professor	Associate Professor (T)
Physical Therapy		
George Davies	New Hire	Professor (T)
Alex Zuo	New Hire	Professor (T)
College of Liberal Arts		
Sociology		
Katarzyna Sepielak	Assistant Professor	Associate Professor (T)
Literatures and Cultural Studies		
Andre Fleck	New Hire	Professor (T)
Barbara Zimbalist	New Hire	Professor (T)

College, Department, and Name	From	To
College of Sciences		
School of Integrative Biological and Chemical Sciences		
Debasish Bandyopadhyay	Assistant Professor	Associate Professor (T)
Physics and Astronomy		
Hyeongjun Kim	Assistant Professor	Associate Professor (T)
School of Integrative Biological and Chemical Sciences		
Nirakar Sahoo	Assistant Professor	Associate Professor (T)
Pushpa Soti	Assistant Professor	Associate Professor (T)
School of Earth, Environmental, and Marine Sciences		
Veerachandra Yemmireddy	Assistant Professor	Associate Professor (T)
Roldan Valverde	New Hire	Professor (T)
College of Engineering and Computer Science		
Computer Science		
Marziehossadat Ayati	Assistant Professor	Associate Professor (T)

40. Lease - U. T. Rio Grande Valley: Authorization to lease approximately 89,893 rentable square feet of space located at 80 Fort Brown Road, Brownsville, Cameron County, Texas, on the Texas Southmost College campus, from the Texas Southmost College District, for mission uses, including administrative, office, classroom, and laboratory uses

Description: Lease of space for a total of approximately 89,893 square feet located in various buildings and suites on the Texas Southmost College campus located at 80 Fort Brown Road, Brownsville, Cameron County, Texas, for administrative, office, classroom, and laboratory uses.

On August 25, 2022, the Board of Regents approved a lease by the institution of approximately 157,842 square feet of space at this location; U. T. Rio Grande Valley is currently occupying a portion of the space in holdover status relating to that prior lease. U. T. Rio Grande Valley plans to continue to periodically reduce the size of the leased area during the term as it relocates to other, more conducive space to better serve the institution's long-term needs.

Lessor: Texas Southmost College District

Term: The lease term for each of the spaces shall be for two years, projected to begin on September 1, 2024, and to expire on August 31, 2026. The original lease of space commenced on September 1, 2013, shortly after the dissolution of the affiliation between U. T. Brownsville and Texas Southmost College District.

Lease Cost: Not to exceed fair market value as established by an independent appraisal. Appraisal is confidential pursuant to *Texas Education Code* Section 51.951. The Lease is a full-service gross lease with Lessor responsible for operating expenses including janitorial services.

41. Contract (funds going out) - U. T. San Antonio: Global Education Ventures, Srl. (GEV) to provide support for Urbino Italy Study Abroad Program

Agency: Global Education Ventures, Srl. (GEV)

Funds: Approximately \$20,000,000 (current Euro value) in possible total cost to U. T. San Antonio for the initial term and the two optional renewal terms. Payments are anticipated to be "pass-through" payments with each student that desires to participate in each semester's study abroad program paying U. T. San Antonio, and U. T. San Antonio utilizing the funds to pay GEV.

Period: April 1, 2024 through August 31, 2030; with two additional 24-month renewal periods upon the mutual written agreement of the parties.

Description: The Agreement secures room and board, academic space, office space, and various as-requested academic services on an as-needed, indefinite quantity, per semester basis, all to support U. T. San Antonio's study abroad program in Urbino Italy. Services will be secured for each necessary semester through template Order Forms to be executed between GEV and U. T. San Antonio as established in and in accordance with the terms of the Agreement. The facilities and services will be provided primarily on the campus of the University of Urbino, in Urbino Italy. GEV is the University of Urbino's contracted facility management provider, and the Agreement specifically requires GEV to maintain this contractual relationship.

42. Contracts (funds going out) - U. T. San Antonio: The Pounds Group LLC, dba Sullivan Contracting Services; Noble Texas Builders, LLC; J.T. Vaughn Construction, LLC; and Skanska USA Building Inc. to provide job order contracting services for minor construction projects

Agencies: 1. The Pounds Group LLC, dba Sullivan Contracting Services
 2. Noble Texas Builders, LLC
 3. J.T. Vaughn Construction, LLC
 4. Skanska USA Building Inc.

Funds: Possible fees of up to \$12,500,000 for each agreement for the entire term, including all renewal terms. Total fees may increase or decrease depending on volume of construction projects. Each job order issued under each Agreement will be independently evaluated and executed.

Period: February 1, 2024 through February 1, 2026; with two additional one-year renewal options, with each renewal option being at U. T. San Antonio's discretion

Description: The Agreement secures as-needed, indefinite quantity job order contracting services to support U. T. San Antonio's minor construction and renovation projects.

43. Request for Budget Change - U. T. San Antonio: New award of tenure appointments

The following personnel actions involving new award of tenure appointments have been administratively approved by the Chancellor and the Executive Vice Chancellor for Academic Affairs. The personnel actions have been included in the FY 2025 Annual Operating Budget and are consistent with the Regents' *Rules and Regulations*, Rule 31007.

College, Department, and Name	From	To
College of Education and Human Development		
Department of Counseling		
Claudia Interiano-Shiverdecker	Assistant Professor	Associate Professor (T)
Devon Romero	Assistant Professor	Associate Professor (T)
Priscilla Prasath	Assistant Professor	Associate Professor (T)
Peggy Ceballos	New Hire	Professor (T)
Department of Educational Leadership and Policy Studies		
Vanessa Sansone	Assistant Professor	Associate Professor (T)
Department of Interdisciplinary Learning and Teaching		
Idalia Nunez	New Hire	Associate Professor (T)

College, Department, and Name	From	To
College of Liberal and Fine Arts		
Department of Anthropology		
Fernando Campos	Assistant Professor	Associate Professor (T)
Eva Wikberg	Assistant Professor	Associate Professor (T)
Department of Modern Languages and Literatures		
Pablo Requena	Assistant Professor	Associate Professor (T)
Interdisciplinary School for Engagement in the Humanities and Social Sciences		
Emilie Amrein	New Hire	Professor (T)
College of Sciences		
Department of Computer Science		
Wei Wang	Assistant Professor	Associate Professor (T)
Department of Neuroscience, Developmental and Regenerative Biology		
Lindsey Macpherson	Assistant Professor	Associate Professor (T)
College for Health, Community and Policy		
Department of Criminology and Criminal Justice		
Cashen Boccio	Assistant Professor	Associate Professor (T)
Chantal Fahmy	Assistant Professor	Associate Professor (T)
Department of Demography		
Ying Huang	Assistant Professor	Associate Professor (T)
Department of Public Administration		
Maria Veronica Elias	Assistant Professor	Associate Professor (T)
Department of Psychology		
Willie Hale	Assistant Professor	Associate Professor (T)
Alan Meca	Assistant Professor	Associate Professor (T)
Nora Charles	New Hire	Associate Professor (T)

College, Department, and Name	From	To
Klesse College of Engineering and Integrated Design		
Department of Biomedical and Chemical Engineering		
Gary Jacobs	Assistant Professor	Associate Professor (T)
Esteban Urena-Benavides	Assistant Professor	Associate Professor (T)
School of Civil & Environmental Engineering, and Construction Management		
Ibukun Awolusi	Assistant Professor	Associate Professor (T)
Sandeep Langar	Assistant Professor	Associate Professor (T)
Department of Mechanical Engineering		
David Restrepo	Assistant Professor	Associate Professor (T)
Brendy Rincon Troconis	Assistant Professor	Associate Professor (T)
Department of Electrical and Computer Engineering		
Diana Huffaker	New Hire	Professor (T)
Alvarez College of Business		
Department of Management		
Xiaohong (Violet) Xu	Assistant Professor	Associate Professor (T)
Department of Management Science and Statistics		
Muge Yayla-Kullu	New Hire	Associate Professor (T)

44. Employment Agreement - U. T. San Antonio: Approval of terms of Employment Agreement for new Head Men's Basketball Coach James Austin Claunch

The following terms of the Employment Agreement for new Head Men's Basketball Coach James Austin Claunch have been approved by the Chancellor, the Executive Vice Chancellor for Academic Affairs, and the Vice Chancellor and General Counsel and are recommended for approval by the U. T. System Board of Regents. If the terms are approved, the possible annual compensation could be in excess of \$1 million. The Agreement references the Constitution and Bylaws of the National Collegiate Athletic Association, any intercollegiate athletic conference of which The University of Texas at San Antonio is a member, the Regents' *Rules and Regulations*, and the policies of The University of Texas at San Antonio. A violation of the provisions of such constitution, bylaws, rules, regulations, or policies may be grounds for suspension without pay and/or dismissal.

Proposed: **Guaranteed compensation:**

Base Salary: \$400,000 annually

Supplemental Compensation: \$150,000 annually (for participation in media and fundraising events)

Automobile: Courtesy automobile or (if unable to secure a courtesy automobile) a \$500 monthly allowance (\$6,000 annually)

Country Club Membership: One membership at a country club to be determined by U. T. San Antonio, at a total annual value not to exceed \$12,000

Spouse travel: Reimbursed when engaged in official functions on behalf of U. T. San Antonio, subject to U. T. San Antonio policies and prior approval

Tickets: Annually up to eight season tickets for all home sports as well as men's basketball postseason games

Moving Expenses: Relocation allowance of up to \$20,000 according to U. T. San Antonio policies (including transitional housing); voluntary separation within one year requires repayment

Transitional Housing: If requested, transitional housing reimbursement for up to one month consistent with the Travel Reimbursement rates promulgated by the Texas Comptroller's Office, not to exceed a maximum of \$150 per night without prior written approval of the University (up to \$4,650)

Nonguaranteed compensation:

Summer Basketball Camps: Estimated annual compensation of \$2,000 resulting from a percentage of the net proceeds for services related to basketball campus sponsored by U. T. San Antonio, with such percentage to be determined by the Athletic Director using fair and reasonable judgment each camp

Team Program Incentives (maximum of \$500,000 annually):

- (a) \$50,000 in any contract year if Team achieves Conference record of 0.500 or above winning percentage; and
- (b) \$25,000 in any contract year if Team achieves 20 NCAA Division I wins, or \$50,000 in any contract year if Team achieves 25 NCAA Division I wins; and
- (c) \$50,000 in any contract year if Team wins Conference Regular Season Championship; and
- (d) \$50,000 in any contract year if Team wins Conference Tournament Championship; and
- (e) \$50,000 in any contract year if Team receives NCAA Tournament At-large Berth; and
- (f) \$25,000 in any contract year if Team wins NCAA First Four round game; and
- (g) \$50,000 in any contract year for each NCAA Tournament game win (excluding First Four round); and
- (h) \$25,000 in any contract year if Coach is named Conference Coach of the Year; and
- (i) \$100,000 in any contract year if Coach is named National Coach of the Year; and
- (j) \$50,000 in any contract year if Team is ranked in Top 25 in final AP poll

Liquidated damages for early resignation:

- (a) Resignation prior to March 31, 2025: 100% of remaining Base Salary
- (b) Resignation prior to March 31, 2026: 75% of remaining Base Salary
- (c) Resignation prior to March 31, 2027: 50% of remaining Base Salary
- (d) Resignation prior to March 31, 2028: 25% of remaining Base Salary
- (e) Resignation after March 31, 2028: None

Source of Funds: Intercollegiate Athletics

Period: April 9, 2024 through March 31, 2029

45. Lease - U. T. San Antonio: Authorization to lease approximately 26,228 rentable square feet of warehouse and office space located at 7310 Silent Sunrise, San Antonio, Bexar County, Texas, from Velocis Leon Creek JV, LP, for mission purposes, including the temporary storage of exhibits, artifacts, and archives

- Description: Authorization to lease approximately 26,228 rentable square feet of warehouse and office space located at 7310 Silent Sunrise, San Antonio, Bexar County, Texas, from Velocis Leon Creek JV, LP, for mission purposes, including the temporary storage of exhibits, artifacts, and archives.
- Lessor: Velocis Leon Creek, JV, LP, a Texas limited partnership
- Term: The term of the lease will be for 60-62 months and any partial month, which will commence on the date the Leased Premises is delivered to Lessee. Lessee will also have the option to further extend the term of the lease for one renewal period of approximately 24 months at fair market rent. The base rent may be abated for the initial two months following the commencement date.
- Lease Cost: Base Rent over the initial period will be approximately \$10.00 per square foot annually for the first lease year and then will increase by 3.5% annually thereafter.
- The base rent for the potential renewal period will be at the then fair market value. Lessee will be responsible for any additional operating expense, which is initially estimated to be approximately \$2.15 per square foot. Assuming 3% annual operating expense increases, the operating expenses during the initial period are estimated to be approximately \$299,383 and for the renewal period are estimated to be approximately \$132,705. Lessee will be responsible to pay utility charges and for janitorial service, which costs are estimated to be approximately \$131,140 per year and may be paid directly to the utility company and janitorial provider for the Lessee's premises.
- Tenant Improvements: The institution will contribute approximately \$130 per square foot, estimated to be \$3,409,640 towards improvements to the leased space. U. T. San Antonio may remove from the Leased Premises at any time, any and all improvements installed and paid for by the institution, including mechanical and HVAC equipment.
- Total Cost: The total estimated lease expense over the initial lease term and potential renewal period is approximately \$6,886,936, which includes estimated rent, estimated operating expenses, taxes, and insurance, and tenant improvement expenses.

46. Purchase - U. T. San Antonio: Authorization to purchase approximately 2.195 acres of land improved with a commercial office building and a parking garage located at 700 North Saint Mary's Street, San Antonio, Bexar County, Texas, from 1 Riverwalk LLC, for future campus expansion and to market and lease space in the building to to-be-determined tenants; and resolution regarding parity debt

Description: Authorization to purchase approximately 2.195 acres of land improved with approximately 264,900 rentable square feet of space in an 18-story office building an approximately 550-space parking garage located at 700 North Saint Mary's Street, in downtown San Antonio, Bexar County, Texas.

The facility was built in 1981, and most of the space was extensively retrofitted between 2014 and 2019. Approximately 30,000 rentable square feet of space consists of older second-generation space or vacant space in a basic shell condition.

The property is adjacent to the San Antonio Riverwalk. The North Saint Mary's Street bridge over the San Antonio River provides easy access from the subject property to U. T. San Antonio's Southwest Campus, which houses a portion of the institution's college of Liberal and Fine Arts. Both properties abut the bridge on opposite banks of the river. The subject property will further strengthen the institution's presence in San Antonio's downtown arts district.

Seller: 1 Riverwalk LLC, a Texas limited liability company, and successors or assigns.

Leases: The building is currently approximately 26% leased to third party tenants. The institution will acquire the facility subject to the existing leases.

In addition, the institution may lease space in the facility to other, to-be-determined lessees. U. T. San Antonio may hire brokers, consultants, project managers, designers and contractors to market, lease and build out space. The institution seeks authority to amend and extend existing leases, as well as to enter into new future leases with related lessees or unrelated lessees in accordance with Regents' Rule 70301 (Matters Relating to Interests in Real Property). U. T. San Antonio will seek requisite Board authorization for such future lease renewals, lease amendments, and new leases with a total cost or monetary value greater than the institution's delegated authority threshold.

Purchase Price and Rental Rates: The purchase price shall not exceed fair market value as determined by independent appraisal; appraisal confidential pursuant to *Texas Education Code* Section 51.951. Amendments and extensions of existing leases and new future leases will be at terms, including concessions, tenant improvements packages, and rents consistent with the market.

Use: The property will be used for campus expansion, including primarily mission uses. U. T. San Antonio anticipates its immediate mission use will be for academic programs.

Source of Funds: Revenue Financing System debt to be repaid out of institutional funds. The institution’s Scorecard Rating of 3.3 at fiscal year-end 2023 is below the maximum threshold of 6.0 and demonstrates that the institution has the financial capacity to satisfy its direct obligations related to parity debt.

In approving this item, the Board will be making the findings required under Section 5 of the Amended and Restated Master Resolution establishing the Revenue Financing System relating to the issuance of parity debt on behalf of U. T. San Antonio in an aggregate amount not to exceed fair market value as established by independent appraisal, and this action satisfies the official intent requirements set forth in Section 1.150-2 of the *Code of Federal Regulations*.

47. Contract (funds coming in) - **Stephen F. Austin State University**: Coca-Cola Southwest Beverages-Arca Continental to provide exclusive beverage vending and pouring rights

Agency: Coca-Cola Southwest Beverages-Arca Continental

Funds: Approximate value of funds coming in, including estimated royalties, total \$1,400,000

Period: September 1, 2024 through August 31, 2029

Description: Exclusive Beverage vending, pouring rights provider for Stephen F. Austin State University, which includes sponsorships and marketing opportunities. Pursuant to *Texas Education Code* Section 51.945, students were provided an opportunity to comment prior to determination that the beverage vending and pouring rights provider should be selected. Board approval for this Agreement is sought in accordance with *Texas Government Code* Section 2203.005(a), which requires governing board approval of vending machine placement agreements, and The University of Texas Systemwide Policy UTS 130 pertaining to Vending Machine Contracts. This contract was competitively bid.

48. Request for Budget Change - Stephen F. Austin State University: New award of tenure appointments

The following personnel actions involving new award of tenure appointments have been administratively approved by the Chancellor and the Executive Vice Chancellor for Academic Affairs. The personnel actions have been included in the FY 2025 Annual Operating Budget and are consistent with the Regents' *Rules and Regulations*, Rule 31007.

College, Department, and Name	From	To
Rusche College of Business		
Economics and Finance		
Rebecca Davis	Assistant Professor	Associate Professor (T)
Management and Marketing		
Wenjing Li	Assistant Professor	Associate Professor (T)
Schlief School of Accountancy		
Jose Vega	Assistant Professor	Associate Professor (T)
Perkins College of Education		
Kinesiology and Health Sciences		
Mihae Bae	Assistant Professor	Associate Professor (T)
Education Studies		
Amber Wagnon	Associate Professor	Associate Professor (T)
Summer Koltanski	Assistant Professor	Associate Professor (T)
Sarah Straub	Associate Professor	Associate Professor (T)
College of Liberal and Applied Arts		
Government		
Spencer Willardson	Assistant Professor	Associate Professor (T)
College of Sciences and Mathematics		
Geology		
Julie Bloxson	Assistant Professor	Associate Professor (T)
Liane Stevens	Assistant Professor	Associate Professor (T)
Biology		
Jason Bruck	Assistant Professor	Associate Professor (T)
Carmen Montana-Schalk	Assistant Professor	Associate Professor (T)

49. Other Matters - **Stephen F. Austin State University**: Formal approval to conclude negotiations and authorize execution of necessary document(s) for athletic conference membership in the Southland Conference

The Chancellor, the Executive Vice Chancellor for Academic Affairs, and the Vice Chancellor and General Counsel support the request that the institutional president be delegated authority to conclude negotiations and execute necessary document(s) for membership in the Southland Conference (Southland), with significant terms as outlined below:

1. Stephen F. Austin will join Southland on July 1, 2024.
2. The Southland Conference waived the one-time entrance fee of \$250,000.
3. Stephen F. Austin will be responsible for annual Southland membership dues of \$56,000 beginning on July 1, 2024.
4. Stephen F. Austin will be responsible for paying of the institution's withdrawal fee from the Western Athletic Conference, not to exceed \$2,000,000. Stephen F. Austin will recoup this withdrawal fee via significantly reduced athletic team travel savings.

The change in conference members was reviewed in May 2024 following the process provided for certain time-sensitive athletics matters as allowed by Regents' Rule 10501, Subsection 2.2.13, upon determination of special circumstances.

Stephen F. Austin has determined that Southland is the most suitable conference as it is geographically and financially advantageous to an enhanced student-athlete experience through in-state, natural rivalries within the institution's primary recruiting base, some of which still exist from the 34 years of prior membership in the Southland. Membership in the Southland is also expected to facilitate parents' attendance and to support student-athletes academically through reduced travel time.

50. Request for Budget Change - U. T. Tyler: New award of tenure appointments

The following personnel actions involving new award of tenure appointments have been administratively approved by the Chancellor and the Executive Vice Chancellor for Academic Affairs. The personnel actions have been included in the FY 2025 Annual Operating Budget and are consistent with the Regents' *Rules and Regulations*, Rule 31007.

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>
College of Arts and Sciences		
Art and Art History Christopher Stewart	New Hire	Professor (T)
Communication Brent Yergensen	Associate Professor	Associate Professor (T)
Mathematics Madeline Dawsey Joseph Vandehey	Assistant Professor Assistant Professor	Associate Professor (T) Associate Professor (T)
College of Education and Psychology		
Psychology and Counseling Lauren Kirby Adam McGuire	Assistant Professor Assistant Professor	Associate Professor (T) Associate Professor (T)
School of Education Christopher Thomas	Assistant Professor	Associate Professor (T)
Soules College of Business		
Human Resources Development Shinee Jeong Poonam Kumar	New Hire New Hire	Associate Professor (T) Associate Professor (T)
College of Engineering		
Electrical and Computer Engineering Prabha Sundaravadivel	Assistant Professor	Associate Professor (T)
Fisch College of Pharmacy		
Pharmaceutical Sciences May Abdelaziz	Assistant Professor	Associate Professor (T)
School of Health Professions		
Public Health Hosik Min Gilbert Ramirez	New Hire New Hire	Associate Professor (T) Professor (T)
School of Medicine		
Cellular and Molecular Biology Xia Guo Guoqing Qian	Assistant Professor Assistant Professor	Associate Professor (T) Associate Professor (T)

51. Employment Agreement - U. T. Tyler: Approval of terms of Employment Agreement with Julie V. Philley, M.D., as President of The University of Texas at Tyler

The following agreement has been approved by the Chancellor and Executive Vice Chancellor for Academic Affairs, has been signed by Dr. Philley, and is recommended for approval by the U. T. System Board of Regents. Terms of employment under this agreement are subject to Regents' *Rules and Regulations*, Rules 10501 and 20201, and *Texas Education Code* Section 51.948.

Item: President

Funds: \$1,100,000 annually

Period: Beginning June 1, 2024

Description: Agreement for employment of Dr. Julie V. Philley, as President of The University of Texas at Tyler. The President reports to the Chancellor and shall hold office without fixed term, subject to the pleasure of the Chancellor following input by the Executive Vice Chancellor for Academic Affairs and approval by the Board of Regents. The employment agreement is on the following pages.



The University of Texas System

OFFICE OF THE CHANCELLOR
210 WEST SEVENTH STREET
AUSTIN, TX 78701
512.499.4201
UTSYSTEM.EOU

May 8, 2024

Julie V. Philley, M.D.
Executive Vice President of Health Affairs and Vice Provost
The University of Texas at Tyler
3900 University Blvd.
Tyler, Texas 75799

Dear Julie:

On behalf of the Board of Regents of The University of Texas System, I am pleased to offer you the position of President of The University of Texas at Tyler, effective June 1, 2024. Your total annual compensation will be \$ 1,100,000, payable in monthly installments. You will be eligible for annual increases in salary upon the recommendation of the Chancellor to the Board of Regents, beginning in August 2025.

You will not be compensated for your position as Professor of Medicine while President. If you transition to full-time faculty in the future, your compensation will equal the average academic rate of the three then-most highly compensated, full-time, tenured faculty members in the Department of Medicine. You will also be entitled to faculty development leave consistent with Regents' policy and Texas law.

State law also entitles you to applicable fringe benefits. These benefits include State-paid OASI, longevity pay, workers' compensation liability, insurance coverage, retirement, insurance premium sharing, and paid leave. Information about these benefits and any others offered by the UT System will be transmitted under separate cover.

Under Regents' Rules, presidents of UT institutions are selected by the Board of Regents and serve without a fixed term, subject to the approval of the Chancellor and the Board. Your performance as President of UTI will be evaluated annually, and you will be asked to present your vision and goals for UTT to the Board within 12 to 18

Julie V. Philley, M.D.

May 8, 2024

Page 2

months of taking office. I look forward to working with you as President of The University of Texas at Tyer.

Please sign and date this letter and return it to my office if these terms are agreeable. If you have any questions, please let me know.

Sincerely,
[Signature]

James B. Milliken
Chancellor

Accepted:

[Signature]
.....
Julie V. Philley, M.D.

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) atg

- cc: Archie Holmes, Executive Vice Chancellor for Academic Affairs
- John Zerwas, Executive Vice Chancellor for Health Affairs
- Jonathan Pruitt, Executive Vice Chancellor for Business Affairs
- Dwain Morris, Executive Vice President of Administration, Chief Business Officer
- Stacey Napier, General Counsel to the Board of Regents

HEALTH AFFAIRS COMMITTEE

52. Contract (funds coming in) - U. T. Southwestern Medical Center: To provide information technology services to Southwestern Health Resources Clinically Integrated Network

Agency: Southwestern Health Resources Clinically Integrated Network, a not-for-profit corporation

Funds: \$37,418,535

Period: September 1, 2024 through August 31, 2029

Description: U. T. Southwestern Medical Center will provide information technology services to Southwestern Health Resources Clinically Integrated Network.

53. Contract (funds coming in) - U. T. Southwestern Medical Center: To provide professional and technical services to support the operations of UT Southwestern Moncrief Cancer Center

Agency: UT Southwestern Moncrief Cancer Center, a not-for-profit corporation

Funds: \$37,388,474, over the full contract term, including renewal options

Period: September 1, 2024 through August 31, 2027; with the option to renew for two additional one-year terms

Description: U. T. Southwestern Medical Center will provide professional and technical services to UT Southwestern Moncrief Cancer Center (MCI). MCI will reimburse U. T. Southwestern Medical Center for the cost of leasing employees. These services and leased employees will support the general operations of MCI.

54. Contract (funds coming in) - U. T. Southwestern Medical Center: Memorandum of Understanding for Children's Health Systems of Texas to reimburse U. T. Southwestern Medical Center for certain expenses related to the development of Child and Adolescent Population Health Program

Agency: Children's Health Systems of Texas

Funds: \$7,051,362

Period: July 1, 2024 through June 30, 2029

Description: Pursuant to a Memorandum of Understanding, Children's Health Systems of Texas (Children's) will reimburse U. T. Southwestern Medical Center for certain expenses related to the development of Child and Adolescent Population Health Program being developed at U. T. Southwestern Medical Center. This Agreement falls under the Joint Pediatric Enterprise, and funds will help cover the cost of program development, including faculty and staff recruitment, and expenditures required to build out the new program within the Peter O'Donnell Jr. School of Public Health. Children's will reimburse U. T. Southwestern Medical Center \$5,000,000 over the contract term for programmatic costs and U. T. Southwestern Medical Center commits to internally fund the program for the remaining \$2,050,000.

55. Contract (funds coming in) - U. T. Southwestern Medical Center: Amendment to Agreement to provide personnel to perform onsite Neurosurgery Physician Services to the United States Department of Veterans Affairs

Agency: United States Department of Veterans Affairs

Funds: \$10,957,998

Period: March 1, 2024 through February 28, 2025, with no remaining renewals

Description: U. T. Southwestern Medical Center will continue to provide personnel to perform onsite Neurosurgery Physician Services to the United States Department of Veterans Affairs.

The initial Agreement was effective March 1, 2020 through February 28, 2021, with a contract value of \$2,191,511 and four one-year renewal options. Three of the four options have been exercised and the current contract value is \$8,766,044. The subsequent Amendments beyond the institution's delegated approval threshold were not previously presented to the Board for approval because of an inadvertent administrative error. This Agreement exercises the final renewal option and increases the contract value to \$10,957,988.

56. Contract (funds going out) - U. T. Southwestern Medical Center: Amendment to Agreement with Hill International, Inc., to provide project management services

Agency: Hill International, Inc.

Funds: \$10,000,000, over the full contract term, including renewal options

Period: July 1, 2023 through June 30, 2025; with the option to renew for two additional one-year terms

Description: Hill International, Inc., will provide project management and construction support services on a per-project basis for required capital improvement projects. This First Amendment seeks to increase the total contract value to \$10,000,000. The initial Agreement was within the institution's contractual delegated authority and did not require Board approval. The Agreement was competitively bid.

57. Request for Budget Change - U. T. Southwestern Medical Center: New award of tenure appointments

The following personnel actions involving new award of tenure appointments have been administratively approved by the Chancellor and the Executive Vice Chancellor for Health Affairs. The personnel actions have been included in the FY 2025 Annual Operating Budget and are consistent with the Regents' *Rules and Regulations*, Rule 31007.

College, Department, and Name	From	To
College of Biophysics		
Biophysics		
Jan Erzberger	Assistant Professor (T)	Associate Professor (T)
College of Immunology		
Immunology		
Tiffany Reese	Assistant Professor (T)	Associate Professor (T)
College of Internal Medicine		
Internal Medicine		
David Greenberg	Professor	Professor (T)
Lyda Hill Department of Bioinformatics		
Bioinformatics		
Reto Fiolka	Assistant Professor (T)	Associate Professor (T)
Milo Lin	Assistant Professor (T)	Associate Professor (T)
Albert Montillo	Assistant Professor (T)	Associate Professor (T)

College, Department, and Name	From	To
College of Molecular Biology		
Molecular Biology		
Ping Mu	Assistant Professor (T)	Associate Professor (T)
College of Neuroscience		
Neuroscience		
Brad Pfeiffer	Assistant Professor (T)	Associate Professor (T)
Lenora Volk	Assistant Professor (T)	Associate Professor (T)
Wei Xu	Assistant Professor (T)	Associate Professor (T)
College of Pathology		
Pathology		
Srinivas Malladi	Assistant Professor (T)	Associate Professor (T)
College of Pediatrics		
Pediatrics		
Lina Chalak	Professor	Professor (T)
Andrew Koh	Associate Professor	Professor (T)
College of Psychiatry		
Psychiatry		
Shawn McClintock	Professor	Professor (T)
College of Radiation Oncology		
Radiation Oncology		
Anthony Davis	Assistant Professor (T)	Associate Professor (T)

58. Lease - U. T. Southwestern Medical Center: Authorization to lease approximately 10,991 rentable square feet of space located at 1125 East Campbell Road, Richardson, Dallas County, Texas, from SRC Campbell Glen Owner, LP, for mission uses, including ophthalmology and medical office use

Description: Authorization to lease approximately 10,991 rentable square feet of space located at 1125 East Campbell Road, Richardson, Dallas County, Texas, from SRC Campbell Glen Owner, LP, a Delaware limited partnership, for ophthalmology and medical office use.

Lessor: SRC Campbell Glen Owner, LP, a Delaware limited partnership

Term: The term of the lease will be for approximately 120 months, plus a partial month if applicable, which will commence on the delivery date of the proposed space. Lessee will also have the option to further extend the term of the lease for two renewal periods of approximately 60 months each.

Lease Cost: Base rent will be approximately \$20.00 per square foot annually for the first year and then will increase by \$0.50 per square foot annually thereafter. The base rent, operating expense and tax expense will be abated entirely for a total of nine months, structured as the abatement of rent occurring the first three full months at the beginning of the first, second and third lease years.

The base rent for the potential renewal periods will be at the then fair market value. Lessee will be responsible for annual operating expenses as additional rent, which are initially estimated to be approximately \$6.69 per square foot. Assuming 3% annual operating expense increases, the operating expenses during the initial term are estimated to be approximately \$842,937 and during the two renewal terms are estimated to be approximately \$1,132,837. Lessee will also be provided with up to forty-four unreserved parking spaces at no additional charge, with the option to have three of the parking spaces as covered reserved spaces initially at \$35.00 per space per month.

Tenant Improvements: The Lessor will contribute a tenant improvement allowance of approximately \$73.00 per square foot, which is estimated to be approximately \$802,343. Additionally, the institution estimates that it will contribute approximately \$127.00 per square foot, or approximately \$1,395,857 towards improvements to the leased space.

Total Cost: The institution’s total estimated lease expense over the initial lease term and potential renewal periods is approximately \$8,611,571, which includes the estimated amounts for rent, operating expenses, abated rent, its share of the proposed tenant improvement expense, and potential parking fees.

59. Request for Budget Change - U. T. Medical Branch - Galveston: Tenure Appointments -- amendment to the FY 2024 budget

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

College, Department, and Name	From	To	RBC #
School of Medicine			
Internal Medicine			
Salim Hayek	New Hire	Professor (T)	13183
Sanja Sever	New Hire	Professor (T)	13148
Internal Medicine - Geriatrics			
Alan Landay	New Hire	Professor (T)	13155

60. Request for Budget Change - U. T. Medical Branch - Galveston: New award of tenure appointments

The following personnel actions involving new award of tenure appointments have been administratively approved by the Chancellor and the Executive Vice Chancellor for Health Affairs. The personnel actions have been included in the FY 2025 Annual Operating Budget and are consistent with the Regents' *Rules and Regulations*, Rule 31007.

College, Department, and Name	From	To
John Sealy School of Medicine		
Neurology Agenor Limon	Associate Professor	Associate Professor (T)
Obstetrics and Gynecology Brandie Taylor	Professor	Professor (T)
Biochemistry and Molecular Biology Matthieu Gagnon	Assistant Professor	Associate Professor (T)
Pathology Rong Fang	Associate Professor	Associate Professor (T)
School of Health Professions		
Nutrition Sciences and Health Behavior Crystal Douglas	Associate Professor	Associate Professor (T)
Clinical Laboratory Sciences Jose Salazar	Associate Professor	Professor (T)
Respiratory Care Brian Walsh	Associate Professor	Professor (T)

61. Lease - U. T. Medical Branch - Galveston: Authorization to extend the lease of approximately 62,312 square feet of space in a building located at 20740 Gulf Freeway, Webster, Harris County, Texas, from Clear Lake Center, L.P., for mission purposes, including operation and administrative use

Description: Authorization to extend the lease of approximately 62,312 square feet of space in a building located at 20740 Gulf Freeway, Webster, Harris County, Texas, from Clear Lake Center, L.P. for mission purposes, including operation and administrative use.

Lessor: Clear Lake Center, L.P., a Texas Limited Partnership or successors and/or assigns

Term: The term of the lease is for 60 months, which commenced on September 1, 2023, and will expire on August 31, 2028. Additionally, Lessee has two five-year renewal options. The multiple leases within the building initially commenced between 2009 and 2012 but did not require Board authorization at that time as the total lease costs was within the institution's delegated authority. On February 27, 2019, the Board approved additional extensions of the leases through August 31, 2023. On August 23, 2023, the Board approved a five-year lease extension through August 31, 2028, but after further negotiations with the Lessor, U. T. Medical Branch - Galveston was able to secure two additional five-year renewal options that require further Board approval. All separate leases in the building were consolidated into one lease.

Lease Cost: The term is estimated to include approximately \$6,055,000 in base rent and operating expenses. The proposed two additional five-year renewal options are estimated to cost approximately \$14,887,532 in base rent and operating expenses.

Tenant Improvements: U. T. Medical Branch - Galveston will contribute approximately \$3,500,000 towards improvements to the lease space.

Total Cost: The estimated total lease cost, which includes all previous lease years, the current lease term, potential renewal terms, and tenant improvement costs is estimated to be approximately \$53,392,326, which exceeds the prior Board approved amount of \$39,082,214 by approximately \$14,310,112.

62. Request for Budget Change - U. T. Health Science Center - Houston: New award of tenure appointments

The following personnel actions involving new award of tenure appointments have been administratively approved by the Chancellor and the Executive Vice Chancellor for Health Affairs. The personnel actions have been included in the FY 2025 Annual Operating Budget and are consistent with the Regents' *Rules and Regulations*, Rule 31007.

College, Department, and Name	From	To
McGovern Medical School		
Anesthesiology Wei Cao	Professor	Professor (T)
Family and Community Medicine Thomas Northrup	Associate Professor	Professor (T)
Integrative Biology and Pharmacology Andrew Pickering	Associate Professor	Associate Professor (T)
Internal Medicine (Gastroenterology) Brooks Cash	Professor	Professor (T)
Faraz Bishehsari	Professor	Professor (T)
Institute of Molecular Medicine Melissa Aldrich	Associate Professor	Associate Professor (T)
Microbiology and Molecular Genetics Bo Hu	Assistant Professor	Associate Professor (T)
Jose Christian Perez	Associate Professor	Associate Professor (T)
Yoonkyung Oh	Assistant Professor	Associate Professor (T)
Neurobiology and Anatomy Fabricio Do Monte	Assistant Professor	Associate Professor (T)
Neurology Bhanu Priya Ganesh	Assistant Professor	Associate Professor (T)
John Mosher	Professor	Professor (T)
Anjail Sharrief	Associate Professor	Professor (T)
Neurosurgery Devin McBride	Assistant Professor	Associate Professor (T)
Xuefang Sophie Ren	Assistant Professor	Associate Professor (T)
Ji Young Yoo	Assistant Professor	Associate Professor (T)
Pediatrics - Children's Learning Institute April Crawford	Associate Professor	Professor (T)
Manish Shah	Associate Professor	Associate Professor (T)

College, Department, and Name	From	To
School of Dentistry		
Diagnostic and Biomedical Sciences		
Daniel A. Harrington	Assistant Professor	Associate Professor (T)
Robert D. Spears	Professor	Professor (T)
Oral and Maxillofacial Surgery		
James C. Melville	Associate Professor	Professor (T)
Orthodontics		
Wanida Ono	Associate Professor	Professor (T)
School of Public Health		
Health Promotion and Behavioral Sciences		
Laura Aubree Shay	Assistant Professor	Associate Professor (T)

63. Purchase - U. T. Health Science Center - Houston: Authorization to purchase approximately 11.401 acres of land improved with a commercial office building and a parking garage located at 6500 West Loop South, Bellaire, Harris County, Texas, from CCI Bellaire I LP, for future campus expansion and use as a clinical and medical office building and to market and lease space in the building to to-be-determined tenants; and resolution regarding parity debt

Description: Authorization to purchase approximately 11.401 acres of land improved with approximately 364,113 rentable square feet of space in a 5-story office building including surface parking and a structured parking garage with a combined total of approximately 1094 parking spaces at 6500 West Loop South, Bellaire, Harris County, Texas.

The facility was built in approximately 1975, and until 2020 was used primarily by AT&T. U. T. Health Science Center - Houston anticipates initially using the property to augment its outpatient clinical services through UT Physicians. In addition, the institution may lease space in the facility to unrelated lessees.

Seller: CCI Bellaire I LP, a Texas limited partnership, and its successors or assigns. The Seller is an affiliate of Capital Commercial Investments, Inc.

Leases: The facility is currently approximately 58% leased. UT Physicians currently leases portions of two floors for medical office and clinical uses, and a third-party leases one floor for office use. The institution will acquire the facility subject to the existing leases.

U. T. Health Science Center - Houston may lease additional space in the building to UT Physicians or other affiliated entities, and build out the space, including in part for an ambulatory surgical center, as approved by the Board on February 23, 2023. In addition, U. T. Health Science Center - Houston may lease space in the facility to other, to-be-determined lessees. The institution may hire brokers, consultants, project managers, designers and contractors to market, lease and build out space. The institution seeks authority to amend and extend existing leases, as well as to enter into new future leases with related lessees or unrelated lessees in accordance with Regents' Rule 70301 (Matters Relating to Interests in Real Property). U. T. Health Science Center - Houston will seek requisite Board authorization for such future lease renewals, lease amendments, and new leases with a total cost or monetary value greater than the institution's delegated authority threshold.

Purchase Price and Rental Rates: The purchase price shall not exceed fair market value as determined by independent appraisal; appraisal confidential pursuant to *Texas Education Code* Section 51.951. Amendments and extensions of existing leases and new future leases will be at terms, including concessions, tenant improvement packages, and rents consistent with the market.

Source of Funds: Revenue Financing System debt to be repaid out of institutional funds. The institution's Scorecard Rating of 3.5 at fiscal year-end 2023 is below the maximum threshold of 6.0 and demonstrates that the institution has the financial capacity to satisfy its direct obligations related to parity debt.

In approving this item, the Board will be making the findings required under Section 5 of the Amended and Restated Master Resolution establishing the Revenue Financing System relating to the issuance of parity debt on behalf of U. T. Health Science Center - Houston in an aggregate amount not to exceed fair market value as established by independent appraisal, and this action satisfies the official intent requirements set forth in Section 1.150-2 of the *Code of Federal Regulations*.

64. Request for Budget Change - U. T. Health Science Center - San Antonio: Tenure Appointments -- amendment to the FY 2024 budget

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

College, Department, and Name	From	To	RBC #
Long School of Medicine			
Biochemistry and Structural Biology			
Anna Malkova	New Hire	Professor (T)	13142
Medicine- Gastroenterology			
Prabhleen Chahal	New Hire	Professor (T)	13143
Medicine and Population Health Science			
Simon Andrew Gayther	New Hire	Professor (T)	13144
Medicine			
Matthew Dacso	New Hire	Professor (T)	13156
OB-Gyn			
Kate Gayther	New Hire	Associate Professor (T)	13158
Orthopedics			
Lawrence Lavery	New Hire	Professor (T)	13184
Pathology and Laboratory Medicine			
Linh Thuy Phung	New Hire	Professor (T)	13157
Population Health Sciences			
Rebeca Wong	New Hire	Professor (T)	13182
UT School of Public Health			
Quantitative and Qualitative Health Sciences			
Erika Thompson	New Hire	Associate Professor (T)	13180

65. Request for Budget Change - U. T. Health Science Center - San Antonio: New award of tenure appointments

The following personnel actions involving new award of tenure appointments have been administratively approved by the Chancellor and the Executive Vice Chancellor for Health Affairs. The personnel actions have been included in the FY 2025 Annual Operating Budget and are consistent with the Regents' *Rules and Regulations*, Rule 31007.

College, Department, and Name	From	To
School of Medicine		
Biochemistry and Structural Biology		
David Libich	Assistant Professor	Associate Professor (T)
Medicine		
Anand Prasad	Professor	Professor (T)
Josephine Taverna	Assistant Professor	Associate Professor (T)
Molecular Medicine		
Masahiro Morita	Assistant Professor	Associate Professor (T)
Ophthalmology		
Jeong-Hyeon Sohn	Associate Professor	Professor (T)
Pathology and Laboratory Medicine		
Kevin Bieniek	Assistant Professor	Associate Professor (T)
Population Health Sciences		
Claudia Satizabal	Associate Professor	Associate Professor (T)
Siyuan Zheng	Assistant Professor	Associate Professor (T)
Psychiatry and Behavioral Sciences		
Cindy McGeary	Associate Professor	Professor (T)
Radiology		
Mohamad Habes	Assistant Professor	Associate Professor (T)
Urology		
Sylvia Botros-Brey	Associate Professor	Professor (T)
School of Health Professions		
Speech Language Pathology		
Rocio Norman	Assistant Professor	Associate Professor (T)
Physical Therapy		
Gustavo Almeida	Assistant Professor	Associate Professor (T)
Sandeep Subramanian	Assistant Professor	Associate Professor (T)

66. Contract (funds going out) - U. T. M. D. Anderson Cancer Center: Amendment to Agreement with Engineered Air Balance Co., Inc., to provide facility testing, adjusting, and balancing services

Agency: Engineered Air Balance Co., Inc.

Funds: The total contract value, including the renewal periods, is estimated to be \$20,000,000, although the maximum amount is indeterminable at this time.

Period: May 20, 2024 through October 2, 2025; with two remaining renewals of 12 months each

Description: Under this Agreement, Engineered Air Balance Co., Inc., will function as a general contractor to provide facility testing, adjusting and balancing services related to new construction projects, facility renovation projects, re-commissioning of existing systems, or facility system assessments to ensure that all systems are complete and functioning in accordance with the project construction documents at the onset of substantial completion, and that U. T. M. D. Anderson Cancer Center's construction contractor has provided U. T. M. D. Anderson Cancer Center's facility staff with adequate system documentation and training prior to U. T. M. D. Anderson Cancer Center's acceptance of substantial completion of a given project. Services are on a nonexclusive, indefinite quantity basis, and there is no minimum amount of work required.

This First Amendment, effective as of May 20, 2024, increases the cap amount to \$20,000,000. There are two remaining renewals of twelve months each. The initial Agreement was competitively bid. The initial Agreement, effective as of October 3, 2022, did not require Board approval as the anticipated contract value was within the institution's delegated approval threshold. The contract value is now estimated to be \$20,000,000, although the maximum amount is indeterminable at this time.

67. Contract (funds going out) - U. T. M. D. Anderson Cancer Center: Amendment to Agreement with Linbeck Group, LLC, to provide job order contracting services

Agency: Linbeck Group, LLC

Funds: The total contract value, including the renewal periods, is estimated to be \$70,000,000, although the maximum amount is indeterminable at this time.

Period: January 1, 2024 through December 31, 2025; with no remaining renewals

Description: Under this job order contracting Agreement, Linbeck Group, LLC (Linbeck), will function as a general contractor to provide general and specific construction services for projects on a per-project basis. Linbeck will provide all material, labor, equipment, and services necessary for completion of each project. Services are on a nonexclusive, indefinite quantity basis, and there is no minimum amount of work required.

The First Amendment, effective January 1, 2024, extends the term to December 31, 2025. There are no remaining renewals. The initial Agreement, effective December 1, 2021, was competitively bid. The initial Agreement did not require Board approval as the anticipated contract value was within the institution's delegated approval threshold. The total contract value is estimated to be \$70,000,000, although the maximum amount is undeterminable at this time.

68. Request for Budget Change - U. T. M. D. Anderson Cancer Center: New award of tenure appointments

The following personnel actions involving new award of tenure appointments have been administratively approved by the Chancellor and the Executive Vice Chancellor for Health Affairs. The personnel actions have been included in the FY 2025 Annual Operating Budget and are consistent with the Regents' *Rules and Regulations*, Rule 31007.

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>
Department of Genitourinary Medical Oncology		
Ana Aparicio	Professor	Professor (T)
Sangeeta Goswami	Assistant Professor	Associate Professor (T)
Guocan Wang	Assistant Professor	Associate Professor (T)
Department of General Internal Medicine		
Edwin J. Ostrin	Assistant Professor	Associate Professor (T)
Department of Health Disparities Research		
Scherezade K. Mama	Assistant Professor	Associate Professor (T)
Department of Leukemia		
Ghayas C. Issa	Assistant Professor	Associate Professor (T)
Department of Experimental Therapeutics		
Sara Zanivan	New Hire	Assistant Professor (T)
Department of Investigational Cancer Therapeutics		
Jordi Rodon	Associate Professor	Professor (T)
Department of Hematopoietic Biology and Malignancy		
Deepa Sampath	Associate Professor	Professor (T)
Department of Plastic Surgery		
Peirong Yu	Professor	Professor (T)
Department of Melanoma		
Jennifer L. McQuade	Associate Professor	Associate Professor (T)

College, Department, and Name	From	To
Department of Anesthesia and Perioperative Medicine Juan Cata	Associate Professor	Professor (T)
Department of Stem Cell Transplantation May Daher	Assistant Professor	Associate Professor (T)
Department of Thoracic Head and Neck Renata Ferrarotto	Professor	Professor (T)
Department of Surgical Oncology Naruhiko Ikoma	Assistant Professor	Associate Professor (T)
Department of Imaging Physics Jia Wu	Assistant Professor	Associate Professor (T)
Department of Breast Medical Oncology Clinton Yam	Assistant Professor	Associate Professor (T)
Department of Cancer Biology Oren Rom	New Hire	Associate Professor (T)
Department of Translational Molecular Pathology Wantong Yao	Assistant Professor	Associate Professor (T)
Department of Lymphoma Myeloma Paolo Strati	Assistant Professor	Associate Professor (T)

FACILITIES PLANNING AND CONSTRUCTION COMMITTEE

No items for Consent Agenda