

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

November 11-12, 2009

Austin, Texas

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Carol A. Felkel
Secretary to the Board of Regents
January 11, 2010

MINUTES
U. T. System Board of Regents
Audit, Compliance, and Management Review Committee
November 11, 2009

The members of the Audit, Compliance, and Management Review Committee of the Board of Regents of The University of Texas System convened at 4:05 p.m. on Wednesday, November 11, 2009, in the Board Meeting Room on the 9th Floor of Ashbel Smith Hall, The University of Texas System, 201 West Seventh Street, Austin, Texas, with the following participation:

Attendance

Regent Hicks, presiding
Vice Chairman Foster
Regent Longoria
Regent Stillwell

Also present were Vice Chairman McHugh, Regent Dannenbaum, Regent Gary, Regent Meijer, and Executive Director Martinez.

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

1. **U. T. System: Report on the Medical Billing Compliance work plan for Fiscal Year 2010**

Committee Meeting Information

Presenter(s): Mr. Lawrence Plutko, Systemwide Compliance Officer; Dr. CJ Wolf, Assistant Systemwide Compliance Officer

Status: Reported

2. **U. T. System: Report on the U. T. Systemwide Compliance Academy**

Committee Meeting Information

Presenter(s): Mr. Lawrence Plutko, Systemwide Compliance Officer

Status: Reported

3. U. T. System Board of Regents: Report on results of the audits of funds managed by The University of Texas Investment Management Company (UTIMCO)

Committee Meeting Information

Presenter(s): Mr. Tom Wagner and Mr. George Scott, Deloitte & Touche

Status: Reported

Discussion at meeting:

Mr. Wagner said all the audit opinions were unqualified, no material adjustments were necessary, and there were no amounts identified that management elected not to book into the books and records of the funds. He reported full and complete cooperation from the UTIMCO management team and he noted assistance in this external audit was provided by Mr. Chaffin's group.

Mr. Wagner spoke specifically about the section of the report on accounting policies and said the process that UTIMCO management follows to estimate each fund's value at the end of the year is on par with the most sophisticated asset management firms that Deloitte audits. UTIMCO uses the information received from underlying managers, performs due diligence on those managers to make sure they (UTIMCO) are comfortable with the controls in the underlying funds, and reviews the fund's information, including audited annual financial statements on the investments to understand why a fund is performing the way it is. Mr. Wagner said UTIMCO appears to be investing in funds that use good audit firms and that provided Deloitte a level of comfort.

Mr. Wagner introduced Mr. Scott who will be the advisory partner for Deloitte on the UTIMCO audit team. Since Deloitte has been conducting this audit for three years, Regent Longoria asked if there were efficiencies in time and cost. Mr. Wagner estimated that Deloitte's fee this year was \$600,000 (\$60,000 less than last year).

4. U. T. System Board of Regents: Approval of the U. T. Systemwide Annual Internal Audit Plan for Fiscal Year 2010

Committee Meeting Information

Presenter(s): Mr. Charles Chaffin, Chief Audit Executive

Status: Approved

Motion: Made by Vice Chairman Foster, seconded by Regent Longoria, and carried unanimously

Discussion at meeting:

Vice Chairman Foster asked how the budget of 125,000 hours compares with other years and Mr. Chaffin responded the number is about the same. Mr. Chaffin noted that a detailed risk assessment process is conducted each year and the information technology portion of the budget is increasing.

5. **U. T. System: Report on the Systemwide internal audit activities, including the preliminary results of the Presidential travel, entertainment, and housing expense audits and audits of financial controls at the institutional police departments; and Internal Audit Department reports for U. T. Health Science Center – San Antonio and U. T. El Paso**

Committee Meeting Information

Presenter(s): Mr. Charles Chaffin, Chief Audit Executive; Ms. Carla Cashio, Assistant Vice President for Internal Audit and Consulting Services, U. T. Health Science Center – San Antonio; Mr. William Peters, Director of Auditing and Consulting Services, U. T. El Paso
Status: Reported

Discussion at meeting:

Committee Chairman Hicks asked Ms. Cashio if there were failures in addition to the reported successes in the audit program at U. T. Health Science Center – San Antonio. Ms. Cashio acknowledged there have been missteps and said the failures provide lessons learned.

Mr. Chaffin said it is hard to find and keep auditors who are qualified in information technology (IT) and Regent Longoria asked how external auditing firms handle the challenge. Mr. Chaffin said outside auditors have same problem and he commented that auditing IT is so specialized that it requires several auditors with different areas of expertise. He noted that U. T. M. D. Anderson Cancer Center has outsourced the IT audit function to a large firm, and that arrangement has been successful. Regent Longoria asked if that approach would work elsewhere in the U. T. System and Mr. Chaffin said it will be taken into consideration, but realistically, U. T. El Paso and U. T. Pan American, for example, either need to grow their own IT auditors or his office can provide support.

In response to a question from Vice Chairman Foster about which university offers a specialization in information technology in the State of Texas, Mr. Peters answered it is Southern Methodist University.

6. **U. T. System: Report on the progress and preliminary results of the audits of the Fiscal Year 2009 U. T. System Administration and institutional Annual Financial Reports**

Committee Meeting Information

Presenter(s): Mr. Charles Chaffin, Chief Audit Executive
Status: Reported

Discussion at meeting:

Mr. Chaffin noted the following:

- *Mr. Mike Peppers, Audit Director at U. T. M. D. Anderson Cancer Center, received the Professional Contribution Award.*
- *Finalizing audits of president's travel and entertainment -- he said his office conducted the audits at U. T. Southwestern Medical Center – Dallas, U. T. Medical Branch – Galveston, and U. T. El Paso and all three reports stated that expenses were appropriate and reasonable.*
- *These performance metrics of the Audit Office have been developed and will be measured:*
 - percentage completion of audit plan*
 - how are audit committees being served*
 - customer service*
 - quality of audit staff*

Regent Stillwell asked how resources are allocated after 125,000 hours and Mr. Chaffin said an opportunity to perform audits at request of management is built into the audit plan. He said the audit committees adjust their institutional audit plans on a quarterly basis and there is an option to shift resources, such as auditors with a needed area of expertise, from one institution to another as needed.

Vice Chairman Foster asked what is a certified ethical hacker and Mr. Chaffin said that is a person who can ethically and legally break into a computer system.

RECESS TO EXECUTIVE SESSION

At 4:50 p.m., the Committee recessed to Executive Session pursuant to *Texas Government Code* Section 551.074 to consider the matter listed on the Executive Session agenda as follows:

Personnel Matters Relating to Appointment, Employment, Evaluation, Assignment, Duties, Discipline, or Dismissal of Officers or Employees –
Texas Government Code Section 551.074

U. T. System: Discussion with institutional auditors and compliance officers concerning evaluation and duties of individual U. T. System Administration and institutional employees involved in internal audit and compliance functions

RECONVENE IN OPEN SESSION

The Executive Session ended at 5:00 p.m., and the Committee reconvened in Open Session to consider agenda items and adjourn. No action was taken on items discussed in Executive Session.

ADJOURNMENT

Committee Chairman Hicks adjourned the meeting at 5:02 p.m.

MINUTES
U. T. System Board of Regents
Finance and Planning Committee
November 11, 2009

The members of the Finance and Planning Committee of the Board of Regents of The University of Texas System convened at 1:05 p.m. on Wednesday, November 11, 2009, in the Board Meeting Room on the 9th Floor of Ashbel Smith Hall, The University of Texas System, 201 West Seventh Street, Austin, Texas, with the following participation:

Attendance

Vice Chairman Foster, presiding
Regent Gary
Regent Powell
Regent Stillwell

Also present were Chairman Huffines, Vice Chairman McHugh, Regent Dannenbaum, Regent Hicks, Regent Longoria, Regent Meijer, and General Counsel to the Board Frederick.

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

1. **U. T. System: Discussion and appropriate action related to approval of Docket No. 140**

Committee Meeting Information

Presenter(s): Dr. Scott C. Kelley, Executive Vice Chancellor for Business Affairs

Status: Discussed

Discussion at meeting:

Committee Chairman Foster noted that there was an error in the dollar amount of \$2.35 million for the 4350 LOCKHILL SELMA, LLC, lease of office space to U. T. San Antonio in Docket Item 1 on Docket Page 23. The correct amount is \$1,629,048 for the initial 66-month term, which includes the base rent and U. T. San Antonio's share of operating expenses and tenant finish out costs.

Vice Chairman Foster also mentioned two large contracts in the Docket for the Committee's attention:

- *Item 4 on Page 30 regarding the U. T. Medical Branch – Galveston \$734 million contract with the Correctional Managed Health Care Committee*
- *Items 3 - 7 on Pages 2 - 4 relating to grant contracts with five school districts to provide services for the U. T. System Institute for Public School Initiatives*

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

Committee Meeting Information

Presenter(s): Dr. Scott C. Kelley, Executive Vice Chancellor for Business Affairs
Status: Reported

Discussion at meeting:

Dr. Kelley spent a few minutes talking about the Other Post-Employment Benefits (OPEB). Several years ago, the Governmental Accounting Standards Board (GASB) pronounced there is a liability (a debt) represented by the OPEB benefits that needs to be paid, but that is not reflected on the books. That liability represents the fact that if the U. T. System were to shut down, retirees would need to be paid benefits.

Dr. Kelley said that beginning in 2008, it was decided that \$400-\$500 million a year over 20-30 years would be added to the balance sheet to grow the liability over time. While he is comfortable with this reporting, he said the liability dampens what looks like a solid operating return, and he is considering how other institutions deal with the matter.

Regent Gary asked how the rating agencies view this matter and Dr. Kelley responded the agencies assumed the liability was there; in fact, including it in the financial statements was received positively by the rating agencies.

Mr. Randy Wallace, Associate Vice Chancellor - Controller and Chief Budget Officer, added that the OPEB liability is only recorded at the U. T. System Administration level, not at the institutional level.

3. U. T. System Board of Regents: The University of Texas Investment Management Company (UTIMCO) Performance Summary Report and Investment Reports for the fiscal year and quarter ended August 31, 2009

Committee Meeting Information

Presenter(s): Mr. Bruce Zimmerman, Chief Executive Officer and Chief Investment Officer, UTIMCO
Status: Reported

Discussion at meeting:

Mr. Zimmerman said the Permanent University Fund (PUF) will be just above \$10 billion for the month of October; total investments will be slightly above \$21 billion by the end of October. He said for the month of September, the General Endowment Fund (GEF) was up 3.3% and the ITF was up 3.4%. For October, it looks like endowments will be slightly above 1% in the endowments and 50 basis points in the ITF, bringing year-to-date totals of 16.2% for endowments and 19.4% for the ITF.

Dr. Shine asked how UTIMCO's performance compared with Yale and Harvard. Mr. Zimmerman said UTIMCO was 12/20 among its peers; the range was (17%) - (27%) and UTIMCO was (22%) for the year by the end of June 2009 but (13%) as of August. He spoke about reasons for the substantial difference between June and August and said UTIMCO invests almost exclusively in public real estate investment trusts (REITs) whereas its peers invest in private real estate. He noted that last year, public REIT markets tanked, but private real estate does not get marked down as quickly. He also mentioned UTIMCO has been taking money out of public equities and going more senior in the capital structure.

Committee Chairman Foster said the matter of ratings with peers is more than just about investment returns and he added that UTIMCO has done a good job of managing liquidity. He said peer institutions have gotten in trouble from a liquidity standpoint. Mr. Zimmerman said the average illiquidity among peers was 35%, but UTIMCO was at 24% illiquidity as of June 30. Chairman Huffines said he believes Stanford University was trying to sell private equity funds, and he asked Mr. Zimmerman if he had any follow-up on the sale. Mr. Zimmerman said nothing has been announced publicly and he speculated on the value of the transaction.

Vice Chairman McHugh said she appreciates UTIMCO's service to its client, the U. T. System Board of Regents, and she noted that service is more conservative than its peers. Mr. Zimmerman agreed that the UTIMCO portfolio is less risky than most of its peers.

Regent Gary asked if the long-term strategy is still prudent or are tweaks needed, and Mr. Zimmerman said he is comfortable with the long-term strategy, which, he said, has less than 25-30% of assets in public equities. Mr. Zimmerman said over time, more assets will be in real assets, a good cushion of assets will be maintained in investment grade fixed income, and less will be in credit related fixed income over time. He said we are in an uncertain and volatile time that will last for awhile, and personally, he thinks we need to work out any debt at least over the intermediate term.

4. U. T. System: Overview of U. T. System debt programs

Committee Meeting Information

Presenter(s): *Mr. Philip R. Aldridge, Vice Chancellor for Finance and Business Development*
Status: *Reported*

Discussion at meeting:

Mr. Aldridge said the Office of Finance manages \$6 billion in debt outstanding.

Chairman Huffines asked about the amortization schedule for the Permanent University Fund (PUF) and Mr. Aldridge said it averages about 20 years.

Mr. Huffines said about 5% of the PUF debt will be retired each year and

Mr. Aldridge agreed, saying it is somewhat self-correcting over time and the book value, hopefully, will continue to go up. Mr. Aldridge said the PUF is in good shape now.

Regent Gary commended Mr. Aldridge on maintaining the Triple A rating, especially in light of a growing capital program. Regent Dannenbaum asked what goes into servicing debt calculations and Mr. Aldridge answered that he looks as quantitatively as possible, looking at the prospective six years' forecast and balances that by looking backward to see if an institution has met its forecast in the past. He also looks at whether the forecast looks realistic.

ADJOURNMENT

Committee Chairman Foster adjourned the meeting at 2:15 p.m.

MINUTES
U. T. System Board of Regents
Academic Affairs Committee
November 11, 2009

The members of the Academic Affairs Committee of the Board of Regents of The University of Texas System convened at 10:10 a.m. on Wednesday, November 11, 2009, in the Board Meeting Room on the 9th Floor of Ashbel Smith Hall, The University of Texas System, 201 West Seventh Street, Austin, Texas, with the following participation:

Attendance

Regent Longoria, presiding
Vice Chairman McHugh
Vice Chairman Foster
Regent Stillwell

Also present were Chairman Huffines (for Item 5), Regent Dannenbaum (for Item 5), Regent Gary (for Item 5), Regent Hicks, Regent Meijer (for Item 5), Regent Powell (for Item 5), and General Counsel to the Board Frederick.

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

1. **U. T. Austin: Authorization to lease approximately five acres out of Survey No. 632 and the William Little Survey in Port Aransas, Nueces County, Texas, together with all improvements, to the Port Aransas Independent School District for the operation and maintenance of athletic facilities; and finding of public purpose**

Committee Meeting Information

Presenter(s): Ms. Florence Mayne, Executive Director of Real Estate; President William Powers, Jr., U. T. Austin

Status: Approved

Motion: Made by Vice Chairman McHugh, seconded by Regent Foster, and carried unanimously

2. **U. T. Tyler: Authorization to purchase real property and improvements located at 2611 Old Omen Road, Tyler, Smith County, Texas, from the Estate of Ruth G. Thompson for a purchase price not to exceed the fair market value as established by an independent appraisal for campus expansion needs and initial use as office space for sponsored research projects**

Committee Meeting Information

Presenter(s): Ms. Florence Mayne, Executive Director of Real Estate; President Rodney H. Mabry, U. T. Tyler

Status: Approved

Motion: Made by Regent Stillwell, seconded by Vice Chairman McHugh,, and carried unanimously

Discussion at meeting:

Ms. Mayne said the negotiated purchase price of \$117,500 is below the appraised value.

3. **U. T. Austin: Authorization for additional use of the Mike A. Myers Stadium and Soccer Field by the Austin Aztex FC soccer organization to hold the Austin Cup soccer tournaments**

Committee Meeting Information

Presenter(s): President William Powers, Jr., U. T. Austin

Status: Approved

Motion: Made by Regent Stillwell, seconded by Vice Chairman McHugh, and carried unanimously

Discussion at meeting:

President Powers said the soccer tournament last year was successful and some revenue was generated. He said the proposed events are a good use of the stadium and a good outreach to the Hispanic community in Austin, and the institution might come back to the Board in the future for blanket approval to hold these events.

4. **U. T. Austin: Authorization to establish M.A. and Ph.D. degree programs in Religious Studies**

Committee Meeting Information

Presenter(s): President William Powers, Jr., U. T. Austin

Status: Approved

Motion: Made by Vice Chairman Foster, seconded by Vice Chairman McHugh, and carried unanimously

5. U. T. Brownsville: Report on Satisfactory Academic Progress Policy

Committee Meeting Information

Presenter(s): *President Juliet García, U. T. Brownsville*

Status: *Reported*

Discussion at meeting:

President García spoke about the explosive growth of the Hispanic population in the U.S. and how U. T. Brownsville, as a regional university, is educating students who come largely from the Rio Grande Valley. She explained the children in area schools meet all the federal criteria for students at risk.

She then described a fundamental change implemented in 2007 in the institution's core policy regarding the manner in which a student's satisfactory academic progress (SAP) toward a degree is measured. Dr. García said the SAP policy is mandated by federal funding for financial aid. She said 60% of U. T. Brownsville students qualify for federal Pell dollars.

Saying that students are held accountable for their performance, she spoke about the application and impact of SAP standards, which focuses on the 20% of students who were not maintaining a SAP. She described the work of a faculty committee that studied how to compress time to graduation and, as a result of the findings, academic SAP was aligned with financial aid eligibility. If a student did not meet the standards, the student would be placed on probation during which time the student could receive financial assistance for one more semester. If the student does not bring up his/her GPA to 2.0 or a completion rate of 70% of the hours for the semester while on probation, the student would be suspended during which time a student may not enroll in classes. She continued to explain how students can again meet SAP guidelines.

She said to help students meet the revised SAP standards, the institution installed new initiatives, including

- *a commitment to improve student access to academic advising*
- *a communication campaign to inform students of the new standards*
- *a redesigned freshman orientation to make such orientation mandatory and to include relevant topics such as study skills, time management, and academic expectations; expanded tutoring and on-campus jobs; and realignment of all scholarships with the new SAP standards.*

Dr. García briefly spoke about the negative results of the revised standards, including a loss of funding from suspended students. To recover some of the operating costs, there was a hiring freeze of new faculty and spending on maintenance and operation accounts was reduced, among other measures. She said there is more administrative work as well. The positive impact of the more rigorous standards includes an increase in the number of semester credit hours completed and a reduction in the number of semester credit hours failed. Also, faculty report more students are attending class and keeping up with assignments.

She said there are early signs that time to graduation will decrease and students will accumulate less debt. She said a clear signal has been sent to graduating students in area high schools, and the institution is experimenting with additional initiatives such as linking courses and expanding learning communities.

Committee Chairman Longoria commended President García for her forward thinking and courage in initiating this program for the long-term investment in the quality of education of the people in South Texas despite some short-term negative financial impact. She called on Executive Vice Chancellor Prior for comments. Dr. Prior said it was known before the program began that there would be an initial reduction in enrollment and a decline in revenues, but the entire community worked together to make the program a success. He noted that Dr. García has been invited to speak to the Texas Higher Education Coordinating Board about the experience and challenges, and others might emulate the program.

Chancellor Cigarroa noted the input from faculty and students in this endeavor.

6. U. T. System: Discussions on academic leadership matters related to distance education

Committee Meeting Information

Presenter(s): Executive Vice Chancellor for Academic Affairs David B. Prior; President William Powers, Jr., U. T. Austin; President Diana S. Natalicio, U. T. El Paso; President Rodney H. Mabry, U. T. Tyler

Status: Discussed

Future actions:

1. Dr. Prior invited Regents to make suggestions for future academic leadership discussion topics.
2. Regent Dannenbaum said the laboratory components of engineering and science courses cannot be offered online and he asked the presidents to think about the integrity issue of proctors monitoring exams

Discussion at meeting:

Dr. Prior's presentation to the Committee is set forth on Pages 8 - 13.

President Powers spoke to the following points:

- *He reviewed examples of distance education offered by U. T. Austin, including cooperative programs with other U. T. System institutions.*
- *U. T. Austin has 133,000 distance education students.*
- *The institution is not a large user of the UT TeleCampus.*
- *Goals:*
 - enhance the educational process and take the educational process off campus to those students who cannot come to the Austin campus*
 - get education more efficiently produced at an affordable cost if possible without just bringing down the cost of degrees; he cautioned that higher education in the state should not replicate the University of Phoenix model*
- *The value of learning communities and use of technology to improve the delivery of education that a student might not otherwise learn*
- *offer high-level, specialized courses that other universities might not be able to offer*

Chairman Huffines asked what peer universities are doing in this regard and President Powers said he is gathering such information. He noted other universities in the country are offering high-level, specialized courses.

President Natalicio provided a handout as set forth on Pages 14 - 20, and she spoke about the following points:

- *The initial adoption of distance education by some faculty has transformed into the institution's strategic plan, driving the institution's agenda forward.*
- *U. T. El Paso offers individual courses and programs in distance education that have helped maintain the continuity of education for students who are not able to come to the campus or who have disruptions in their lives, such as deployed military personnel.*
- *The bachelor's completion program is offered in an online version to help students collect credits from multiple institutions and finish their degrees; 700 degrees have been awarded in the past several years; a short version will be offered through the UT TeleCampus.*
- *U. T. El Paso is providing technical assistance to the local community college in designing dual credit courses for online use.*

- *Since online courses in nursing are rapidly becoming more available, the competition for clinical sites in El Paso and the like has implications for nursing programs and U. T. El Paso is cooperating with Texas Tech University on this issue.*

President Mabry then commented on the following points:

- *U. T. Tyler offers an online Ph.D. degree in nursing.*
- *The institution participates in some UT TeleCampus courses.*
- *Interactive television is used in classrooms on institution's different campuses; podcasting, capture technology, and a blackboard portal are used.*

Committee Chairman Longoria asked how students enrolled in the online degree in nursing satisfy the clinical component and Dr. Mabry replied there is clinical instruction offered in hospitals. Vice Chairman McHugh asked if these online degrees will satisfy the state's need for more nurses and Dr. Mabry replied that at U. T. Tyler, the use of interactive television works well for classroom instruction and those students receive the same pass rates as students who take classes on campus. As requested by Vice Chairman McHugh, Dr. Shine explained that the equivalent of the University of Phoenix nursing education is available in Texas and there is a Texas Tech study, which seems to indicate that nurses who are supervised by bachelor's trained nurses in the clinical arena perform well. He added there has been a change in the precept area where a master's or bachelor's trained nurse can supervise nurses in the clinical programs but he acknowledged that these factors might be a constraint to the online nursing degree programs. Dr. Natalicio cautioned that the for-profit universities, which are demand-driven, will crowd the clinical sites in ways that will be problematic for the U. T. System institutions and she noted that as the U. T. System moves into offering more nursing programs online, there will be even more demand on the clinical sites and ways to manage that matter need to be considered.

Regent Longoria asked if there are some disciplines that are more effectively delivered online and President García said the online educational technology master's degree offered by U. T. Brownsville has been successful, and she noted students might not set foot on campus until graduation. Regent Longoria asked President Powers about offering online courses without watering down the brand and President Powers said while it might be appropriate elsewhere, U. T. Austin would be reluctant to grant a degree to a student who had not been on campus because learning communities are important and the use of distance learning and technology can be used to supplement courses. He said the breadth and depth of a degree program is important at U. T. Austin and while one or two courses could be taken online, a general studies degree program is not offered, even on campus.

Chairman Huffines asked the presidents a question about how the faculty feels about online education and where does the faculty envision online education 10 years from now? President Daniel said the response of faculty at U. T. Dallas is highly variable

and dependent on the discipline, noting that (physical) universities still play a role in education because students learn much more by being a student on campus. He encouraged strategic investment in online education, particularly in certificate and professional programs and even some master's degree programs. He said the important question is how much money can be saved in the delivery, and in his experience, he said almost none because labor is intense. He said the efficiencies in learning to graduate students successfully can, however, be enhanced by the use of technology.

President Spaniolo, U. T. Arlington, speculated that distance education in the future will be pervasive with technology as a significant component in most higher education classes. He said there is a demand for more options to get advanced education; options that are diverse and affordable. Interim President Sorber spoke about how technology is changing fast, citing the example of a grant to U. T. Pan American from AT&T to work on delivering courseware to cell phones. Dr. Mabry said that technology provides new markets, adding options to the traditional market catered to by U. T. Austin. He thinks every course in the future will be a hybrid course and the great savings will come in buildings because students can do some of their studying online at their convenience.

Committee Chairman Longoria recommended forward thinking by the presidents in the use of technology to be ahead of the curve with their competitors. Regent Dannenbaum said the laboratory components of engineering and science courses cannot be offered online and he asked the presidents to think about the integrity issue of proctors monitoring exams.

ADJOURNMENT

Committee Chairman Longoria adjourned the meeting at 11:30 a.m.

Leadership Conversations 6

Distance education and online learning

David Prior, President Powers, President Natalicio, President Mabry

November 2009

8



THE UNIVERSITY of TEXAS SYSTEM
Nine Universities. Six Health Institutions. Unlimited Possibilities.

Board of Regents'
Meeting
Academic Affairs
Committee



THE UNIVERSITY of TEXAS SYSTEM
Nine Universities. Six Health Institutions. Unlimited Possibilities.

Leadership Conversations

- Leadership Conversations
 - Share ideas, concepts, opportunities, and challenges
 - Time for interaction - Regents and academic presidents
 - Short lead presentations by three presidents
 - Open discussion
- New topics welcome from both Regents and presidents
- Some future topics
 - Continuous improvement practices
 - Cost containment strategies
 - Faculty hiring opportunity
 - What do metrics mean? How do we benchmark ourselves?



THE UNIVERSITY of TEXAS SYSTEM
Nine Universities. Six Health Institutions. Unlimited Possibilities.

Distance education and online learning

- Some definitions
 - Distance education
 - Process to create and provide access to learning when the source of information and learners are separated by time or distance or both
 - Online learning
 - Learning that takes place partially or entirely over the Internet
 - o Learning conducted totally online as a substitute or alternative to face-to-face learning
 - o Blended/hybrid online components combined with face-to-face instruction
 - Technology mediated instruction (California State University)
 - All forms of instruction enhanced by the use of electronic and/or computer based technology – includes distance education and computer assisted face-to-face instruction



THE UNIVERSITY of TEXAS SYSTEM
Nine Universities. Six Health Institutions. Unlimited Possibilities.

Distance education and online learning, cont.

The Chancellor's vision

“We must create environments that foster and incentivize innovations in our educational curriculum towards enhancing student success, including information technology and distance education to also augment student success.”

- 1996: Information technology study by Anderson Consulting
 - Develop a technical and applications infrastructure to support distance education
- 1998: UT TeleCampus
 - Provide a distance education infrastructure, faculty training, student support services, marketing, and a portal to distribute courses developed on campuses
- 2006: U. T. System Strategic Plan
 - Engage a strategic vision that will guide participating campuses as well as UT TeleCampus
- 2009: UT TeleCampus Shared Service Alliance
 - Campuses work together to set mutually agreeable and beneficial goals, while focusing on new opportunities in new educational arenas based upon a shared Strategic Plan and Business Plan with UT TeleCampus supporting the activities of the Alliance



THE UNIVERSITY of TEXAS SYSTEM
Nine Universities. Six Health Institutions. Unlimited Possibilities.

Distance education and online learning, cont.

- Distance education is embedded in all 15 institutions
- Every student in the U. T. System will experience technology mediated instruction
- Access and time to degree are facilitated
- Examples of approaches and technology include:
 - Blackboard course management and development system
 - Simulations through interactive technology
 - Asynchronous access to digital libraries and instructional support
 - Podcasting in support of lectures
 - Hybrid courses (face-to-face and online learning)
 - Incentivize new methods of teaching using technology



THE UNIVERSITY of TEXAS SYSTEM
Nine Universities. Six Health Institutions. Unlimited Possibilities.

Distance education and online learning, cont.

Current and future developments at U. T. System academic campuses:

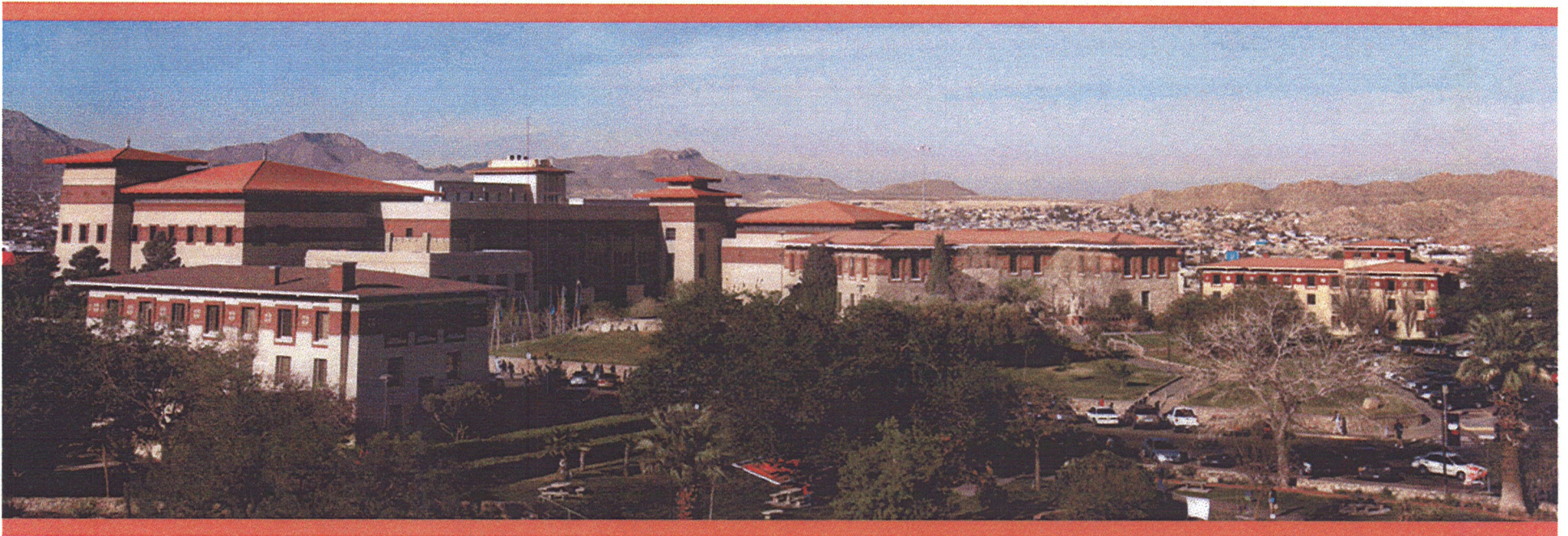
Transforming Undergraduate Education Initiative

- Digital algebra coach
- Building immersive instructional experiences and learning communities in Second Life
- Can game play teach student nurses to save lives?

UT TeleCampus Shared Service Alliance

- The Baccalaureate Completion (BAC) Program
fully online bachelors degrees – launch Fall 2010
U. T. Arlington, U. T. Brownsville, U. T. El Paso, U. T. Permian Basin, and U. T. Tyler

Distance Learning at UTEP From Educational Innovation to Strategic Value



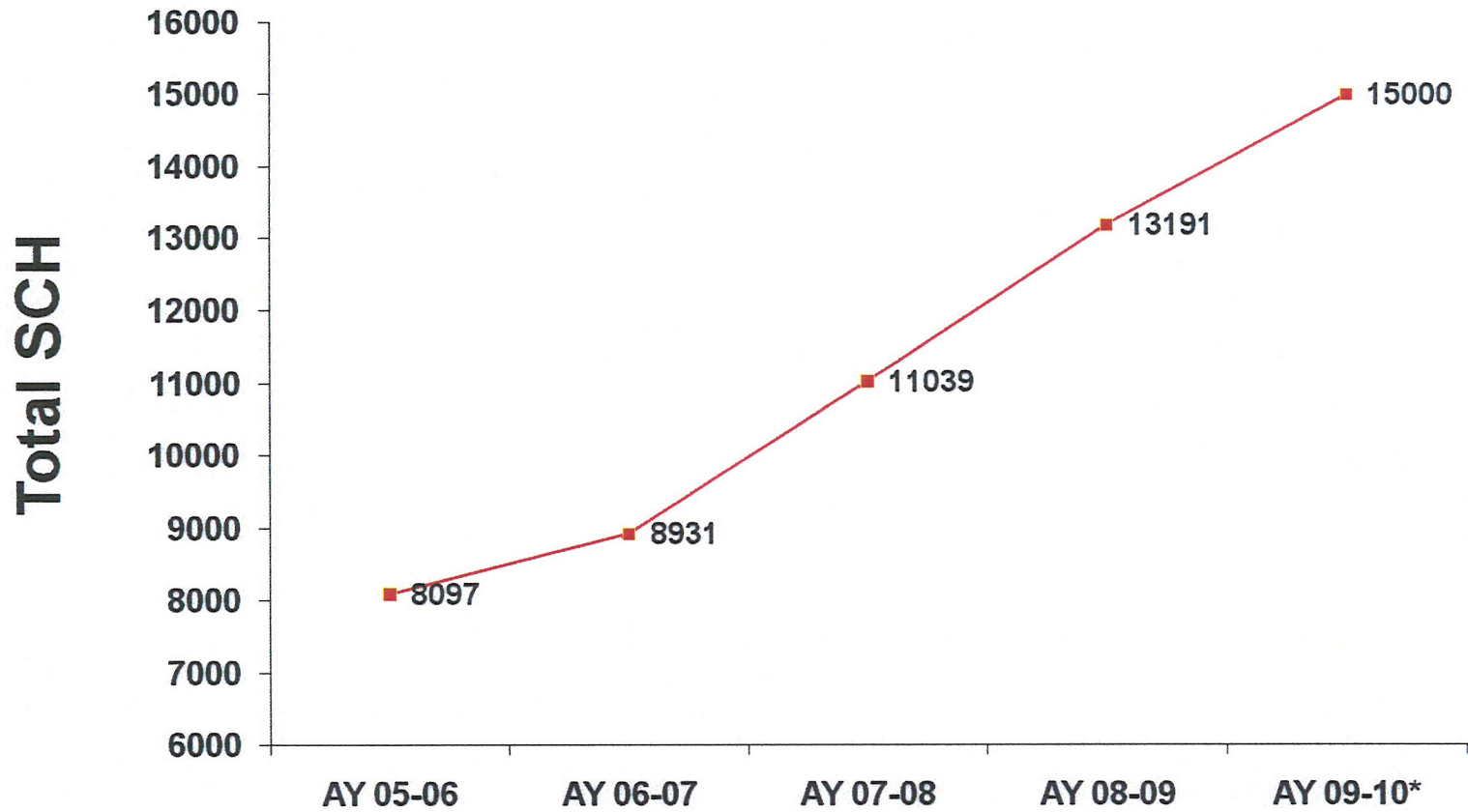
Existing Programs and Certificates



- Existing Online Programs :
 - MFA in Creative Writing.
 - M.Ed in Early Childhood and Bilingual Education.
 - RN-BSN Program.
 - MSN - Nurse Clinician Educator.

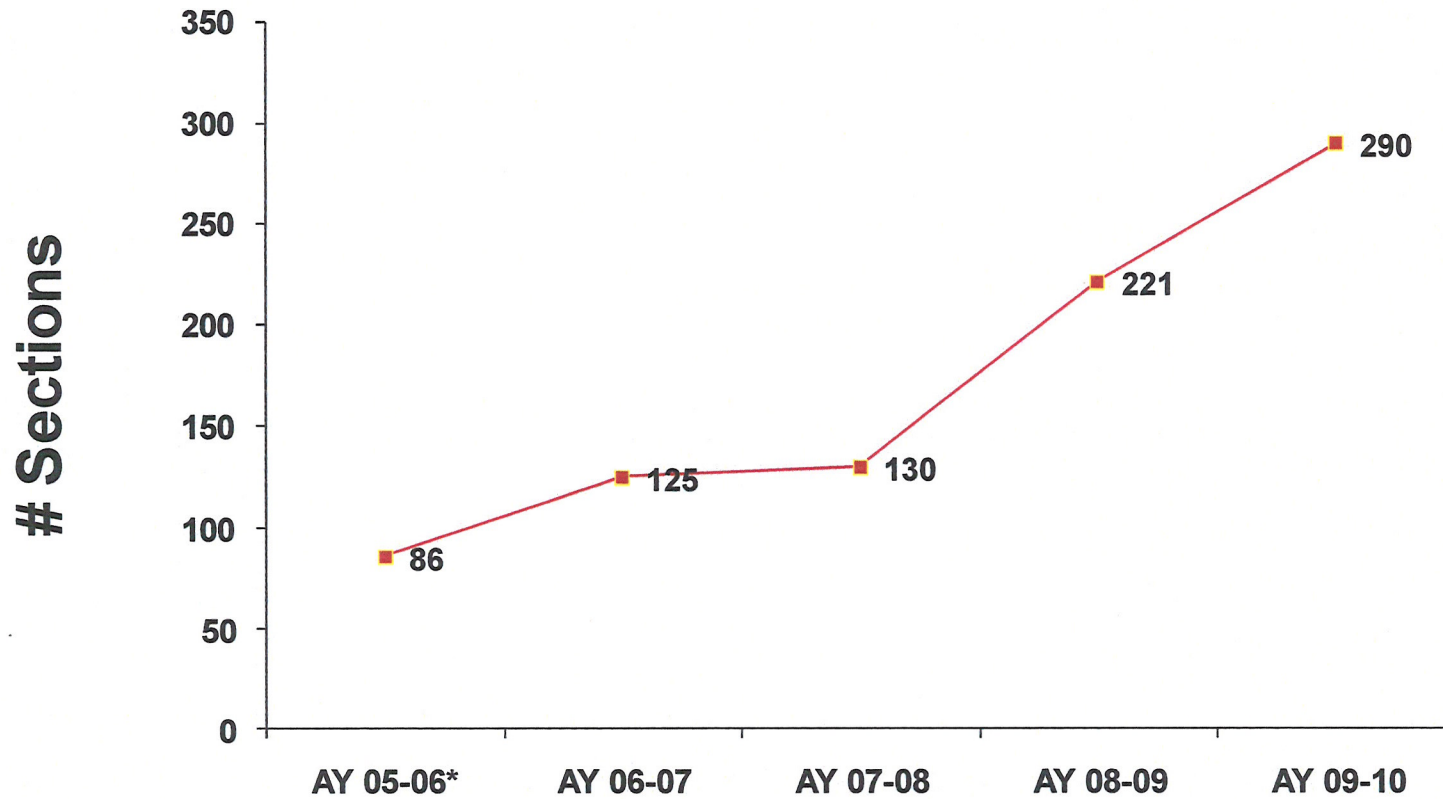
- Existing Online Certificates :
 - Nurse Clinician Educator Graduate Certificate.
 - Alternative Teacher Certificate Program.
 - Border Studies Certificate.

Student Credit Hour Growth



* Projected

Growth in Course Sections



Programs under development



- Programs under development for online delivery :
 - M.S.N. in Nursing Administration.
 - M.A in Leadership Studies.
 - Certificate in Systems Engineering.
 - Certificate in Translation Studies.
 - **Bachelor of Multidisciplinary Studies** (Bachelors completion degree)
 - conventional format – 16 week –beginning Spring 2010
 - accelerated – 7 week – beginning Summer 2010

BMS students



BMS student profile:

- Average age = 34 years
- 55% female
- El Paso County residents
- 60+% transfer credits from prior enrollment at other institutions

Since the inception of the program in 2004, UTEP has awarded more than 700 BMS degrees.

Growing demand to move BMS degree from conventional to online format.

Strategic Partnerships



- **UT TeleCampus**

- Supported initial online course development at UTEP.
- Continued partnership for delivery of new programs and the current BA completion degree.

- **EPCC**

- Complementary course offerings at Ft. Bliss: EPCC offers lower-division and UTEP offers upper-division and graduate.
- EPCC provides all dual-credit courses in area K-12 schools
- UTEP provides technical assistance to EPCC to enhance online dual-credit course offerings and online lower-division core curriculum, with focus on Ft. Bliss enrollments.

- **UT Permian Basin**

- Partnership focused on developing and sharing online courses for completion degrees at each institution.

MINUTES
U. T. System Board of Regents
Health Affairs Committee
November 11, 2009

The members of the Health Affairs Committee of the Board of Regents of The University of Texas System convened at 3:10 p.m. on Wednesday, November 11, 2009, in the Board Meeting Room on the 9th Floor of Ashbel Smith Hall, The University of Texas System, 201 West Seventh Street, Austin, Texas, with the following participation:

Attendance

Vice Chairman McHugh, presiding
Regent Dannenbaum
Regent Longoria
Regent Powell

Also present were Vice Chairman Foster, Regent Hicks, Regent Meijer, Regent Stillwell, and General Counsel to the Board Frederick.

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

1. **U. T. System Board of Regents: Authorization to enter into amended and restated license agreements between the U. T. System Board of Regents and M. D. Anderson Physicians Network and between the U. T. System Board of Regents and M. D. Anderson Services Corporation relating to the use of certain trademarks of U. T. M. D. Anderson Cancer Center**

Committee Meeting Information

Presenter(s): *Kenneth I. Shine, M.D., Executive Vice Chancellor for Health Affairs; Mr. Barry Burgdorf, Vice Chancellor and General Counsel*

Status: *Approved*

Motion: *Made by Regent Longoria, seconded by Regent Dannenbaum, and carried unanimously*

Discussion at meeting:

Regent Dannenbaum asked if the item also applies to foreign affiliations and Mr. Burgdorf, Dr. Shine, and Mr. Dan Fontaine, Senior Vice President for Business Affairs at U. T. M. D. Anderson Cancer Center, responded affirmatively.

2. U. T. M. D. Anderson Cancer Center: Discussion and appropriate action regarding the sale of U. T. M. D. Anderson Cancer Center's interest in P.E.T.Net Houston, LLC, to PETNET Solutions, a wholly-owned subsidiary of Siemens Medical Solutions USA, Inc., for a negotiated price based on the fair market value to be determined by an independent business valuation expert

Committee Meeting Information

Presenter(s): Kenneth I. Shine, M.D., Executive Vice Chancellor for Health Affairs; Raymond N. DuBois, M.D., Provost and Executive Vice President, and Mr. Dan Fontaine, Senior Vice President for Business Affairs, U. T. M. D. Anderson Cancer Center

Status: Approved

Motion: Made by Regent Powell, seconded by Regent Dannenbaum, and carried unanimously

Discussion at meeting:

Dr. Shine said the institution's valuation in the share of this activity is subject to some discussion and the recommendation includes the possible hiring of an accounting firm that would do due diligence to determine what U. T. M. D. Anderson Cancer Center's 49% interest would be worth. Regent Dannenbaum asked a question about the liability of medical services delivery if Siemens were to close this operation down. Mr. Fontaine explained that the institution originally got into the business to establish a ready and reliable supply (of radioisotopes) but the time is right to liquidate because the institution remains the landlord of the business. Mr. Fontaine added that although there are multiple sources of radioisotopes available, the institution included in the negotiations with Siemens assurances of a steady supply of radioisotopes from Siemens and has, in fact, signed a long-term agreement. He noted the institution will probably have its own cyclotron in the future and Dr. DuBois said a cyclotron is being installed on the South Campus. Regent Dannenbaum was reassured that there are multiple sources for production and purchase of the product if the business with Siemens were to close.

3. U. T. System: Discussion of federal health care legislation and its impact on the U. T. System health institutions

Committee Meeting Information

Presenter(s): Kenneth I. Shine, M.D., Executive Vice Chancellor for Health Affairs; health presidents

Status: Discussed

Future actions:

1. Regent Dannenbaum said if there is a net demand for more physicians, there might be pressure to create more or larger medical schools and he asked the presidents to think of the answer.
2. Regent Powell encouraged staff to think about the unintended consequences of the impact of the health care bill to the overall economy.

Discussion at meeting:

Dr. Shine noted the following regarding the status of federal health care activity:

- *House of Representatives has passed the health care reform bill; final approval is subject to filibuster.*
- *He thinks there will be a bill that will increase insurance coverage for a substantial number of people, will increase Medicaid, and coverage will be increased because it will be mandated. The bad news is there will be a decrease in disproportionate share funding (DSH) and Medicaid upper payment limit (UPL).*
- *The coverage would not apply to undocumented individuals.*
- *There will be some kind of subsidy for individuals with low incomes, an insurance exchange whereby individuals can get information, and an increased commitment to comparative effectiveness research (e.g., randomized trials, what treatments work).*
- *The challenge is there will not be a sufficient number of physicians.*
- *There does not seem to be anything in the bill to control health care costs.*

President Podolsky, U. T. Southwestern Medical Center – Dallas, spoke about pricing out the impact of proposed components of health care reform. He said the increased coverage for patients through 2014 is projected to result in a positive margin and then if DSH goes away, there will be a modest negative margin because of some of the incoming funds. He also spoke about the potential impact of health care reform on Parkland Hospital, noting that the ability of the hospital to continue to provide quality service impacts U. T. Southwestern. Dr. Podolsky also spoke about an unintended consequence of expanded coverage that there might be reduced access to health care if, in the absence of a cadre of primary care physicians, patients go to the emergency room, just where you do not want to be driving health care costs in the future.

President Henrich, U. T. Health Science Center – San Antonio, talked about the opening of a new ambulatory care facility and the Cancer Therapy and Research Center (CTRC) and he predicted the net/net will be neutral, with the number of new patients who will have some form of insurance offsetting those who do not. He noted the 21% decrease of Medicare reimbursement to physicians currently in place that might be mitigated as in past years.

President Calhoun, U. T. Health Science Center – Tyler, said other advanced countries generally have broad health care coverage and contain costs to some degree. He said that will be an issue the U.S. will have to face and he predicted

there will be new models of payment. He suggested the U. T. System can be a stronger player in integrating physicians in hospitals to work toward a common goal by aligning incentives with faculty. He said the challenges will be

- *to figure out how to deliver care effectively to the large number of eligible people, particularly those in rural areas*
- *decreased reimbursements in the future*
- *for a small institution, how to allocate resources between developing primary care and chronic care programs.*

President Kaiser said he does not think reimbursements to hospitals will be increased and that is of concern to U. T. Health Science Center – Houston. He briefly discussed the future of DSH reimbursement that will depend on the number of individuals who become uninsured. Dr. Kaiser said no one is talking about the matter of cost controls in health care reform that might well be based on an economic argument and he noted that other countries, specifically Taiwan and Switzerland, have passed universal health care on the basis of a moral standpoint to cover all citizens. He mentioned that in other countries, individuals carry a card that has medical and billing records on a chip.

President Callender said the normal streams of reimbursement for U. T. Medical Branch – Galveston are being cut and the new streams of reimbursement will not offset the cuts. He mentioned the experience the institution has had with cost controls that will help the institution progress.

Dr. DuBois noted there will not be a lack of cancer patients for the next two or three decades. He said that reimbursements at U. T. M. D. Anderson Cancer Center will be less in the future and the institution will need to adapt. An institute for cancer care excellence has been established to review the changing area of health care, including bundling of care. He noted the institution enjoys the diagnosis-related group (DRG) exemption.

Dr. Shine summarized the discussion as follows:

- *Medicaid issue is a wild card because it has to be a state plan.*
- *People covered by Medicaid might not come to U. T. System institutions.*
- *Quality effectiveness will be discussed later (see Minutes of the Special Health Affairs Committee meeting).*

Regent Dannenbaum asked about the projected need for additional physicians and wondered if there is a need to increase the number of medical students in the pipeline and increase assets to accommodate these needs. President Podolsky

agreed there will be a need for more physicians and this will be an issue for the state going forward, but he said classes of medical students in some U. T. System institutions are already some of the largest in the country.

Dr. Shine described the need to increase delivery models, such as bundling of services and model health care homes; expand the roles of health care providers, such as nurses, primary care providers, and physician assistants; attract residents to stay in Texas for their residencies, and attract primary care physicians to the workforce by paying them better.

To answer Regent Dannenbaum's question about these issues at U. T. M. D. Anderson Cancer Center, Dr. DuBois said the institution is increasing the number of radiation oncology residencies but there is little room to increase the number of trainees at all levels. Regent Dannenbaum said if there is a net demand for more physicians, there might be pressure to create more or larger medical schools and he asked the presidents to think of the answer. Dr. Shine said it might be premature, but he agreed. President Callender said the shortening of the education pipeline by shortening the curricula for health professionals is also being considered to redistribute the workforce and Dr. Shine commented that this topic is planned to be discussed with the academic presidents in a brainstorming session. Executive Vice Chancellor Shine remarked that the presidents, though trained and accomplished in traditional values of medicine, are thinking outside the box.

Dr. Shine summarized by saying that no matter what happens in the health care bill, reimbursements will be under pressure sometime in the future and the U. T. System health professionals are looking at ways to control costs, manage delivery models, and change the organizational structure. Regent Powell encouraged staff to think about the unintended consequences of the impact of the health care bill to the overall economy.

4. U. T. System: Quarterly report on health matters, including a report on the U. T. System Health Services Working Group, established to facilitate discussion of anticipated changes in health care, and recent conferences

Committee Meeting Information

Presenter(s): Kenneth I. Shine, M.D., Executive Vice Chancellor for Health Affairs

Status: Reported

Discussion at meeting:

Dr. Shine noted there was \$8 billion in the economic stimulus package for the NIH and \$136 million has been awarded the U. T. System health institutions from competitive bidding for those funds; an increase in the U. T. System's share of the NIH budget to 10% (from 3% in 2007).

ADJOURNMENT

Committee Chairman McHugh adjourned the meeting at 4:02 p.m.

MINUTES
U. T. System Board of Regents
Special Health Affairs Committee Meeting
November 12, 2009

The members of the Health Affairs Committee of the Board of Regents of The University of Texas System convened at 8:05 a.m. on Thursday, November 12, 2009, in the Board Meeting Room on the 9th Floor of Ashbel Smith Hall, The University of Texas System, 201 West Seventh Street, Austin, Texas, with the following participation:

Attendance

Vice Chairman McHugh, presiding
Regent Dannenbaum
Regent Longoria
Regent Powell

Also present were Chairman Huffines, Vice Chairman Foster, Regent Hicks, Regent Meijer, Regent Stillwell, and General Counsel to the Board Frederick.

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

U. T. System: Report on efforts and activities related to patient safety and clinical effectiveness at U. T. System health institutions

Committee Meeting Information

Presenter(s): *Kenneth I. Shine, M.D., Executive Vice Chancellor for Health Affairs; Sherry Martin, M.Ed., MT (ASCP) SC, former professor at U. T. M. D. Anderson Cancer Center and current Health Care Quality Manager, Martin Consultants; Eric J. Thomas, M.D., M.P.H., Associate Professor of General Internal Medicine, U. T. Health Science Center – Houston; health presidents as indicated*

Status: *Reported*

Follow-up action: *Vice Chairman McHugh would like the presidents to report back to the Board on patient safety and effectiveness, perhaps via quarterly reports at the meetings of the Health Affairs Committee and at the December retreat.*

Discussion at meeting:

Dr. Shine spoke about the overall quality of health care in America. He said that 10 years ago, the Institute of Medicine issued a report titled "To Err is Human" that reported between 48,000 and 98,000 patients a year might be dying in hospitals as a result of medical errors. A subsequent study reported only 55% of patients receive optimum care for a particular interaction with the health care system.

Dr. Shine spoke about the following points:

- *U. T. System is committed to continually improve the quality of patient care.*
- *The federal government and insurers will pay for performance in pay-for-performance initiatives, which are pilot projects at this time.*

- *notion that payors should not pay for preventable errors; Medicare has identified procedures that it will not pay for, such as leaving instruments in a patient*
- *need to continually evaluate the quality of care*
- *the Board's*
 - support of the Chancellor's Health Fellows program (there are five Fellows, two of whom will present to the Committee today)*
 - approval of over \$3 million in projects in patient safety -- Dr. Thomas chairs the steering committee that is responsible for the allocation of funds for those projects*
 - approval of \$700,000 for continuing education programs.*

The presentation by Dr. Thomas on patient safety activities is set forth on Pages 6 - 14. Dr. Thomas was the first Chancellor's Health Fellow. He said all health physicians have committed medical errors; such errors are frequent and common. Copies of a [Compendium of Projects](#) completed by the first class in the Physician Quality and Safety Academy conducted by Dr. Thomas was placed around the meeting table and is on file in the Office of the Board of Regents.

In response to a question from Regent Dannenbaum about the morbidity and mortality (M&M) conference, Dr. Thomas said the M&M conference is changing as part of the educational reform to look at all factors that contribute to the quality of a patient's care, rather than focusing on what a resident did wrong. Dr. Thomas said he has not yet talked with the lawyers at Memorial Hermann Hospital regarding any pushback from lawyers vis-à-vis disclosure, but he does not expect any problems as doctors are already disclosing matters related to patient safety. He suggested it is more a matter of better conducting the business of disclosure.

Ms. Martin's presentation on the Clinical Safety and Effectiveness Program is set forth on Pages 15 - 24. Dr. Shine noted the importance of changing the culture in the institutions. Chancellor Cigarroa recommended incorporating this program in all appropriate undergraduate and resident training courses and Dr. Shine said the U. T. Academy of Health Science Education is developing such a curriculum that may be used across the U. T. System institutions.

Regent Dannebaum asked about enforcement of the 80-hour rule and Dr. Thomas said the matter comes up in the reduction of work hours and the increased number of shift changes and handoffs of information from resident to resident. He said the matter is being reviewed to reduce the number of mistakes made during those handoffs to make it safe for patients.

Chairman Huffines asked if U. T. is a leader in the country in patient safety and effectiveness training, and Dr. Shine said there other institutions and hospitals that have made strong commitments in this area, but the U. T. System is the only "system" taking a system approach whereby multiple institutions in academia are interested in learning from each other and 'scaling up' to do good work in the same

area. He said the University of California has also expressed interest in the matter and Ms. Martin said U. T. System's course in patient safety and effectiveness training has been credited as the best in the world.

Dr. Shine then showed a video presentation on winners of a competition in patient safety at the U. T. System health institutions. The video is on file in the Office of the Board of Regents.

Executive Vice Chancellor Shine asked the presidents for comments on future efforts in patient safety and the quality of patient care. Committee Chairman McHugh asked the presidents to also comment on how they will institutionalize improvements in this area.

Dr. Kaiser, U. T. Health Science Center – Houston

- Patient safety is now being thought of in different terms.
- Continuing education in patient safety and effectiveness is important.
- The Systemwide initiative has helped to call attention to the matter.
- Memorial Hermann Hospital System is concerned about the quality of patient care and safety.
- More and more physicians are interested in participating in these courses.
- The matter of disclosure is an area of focus now.
- Reporting of 'near misses' can be an important learning tool.

Dr. Podolsky, U. T. Southwestern Medical Center – Dallas

- A task force recommended the appointment of a Chief Quality Officer to elevate the profile of this matter as an institutional agenda; an appointment will be made in the next few days.
- Efforts are underway to embed improvements to patient care on the campus and a parallel academic effort is underway to benefit from the knowledge gained in patient care.
- The Systemwide effort will be great synergy and he hopes to contribute to the effort.
- An important message lies in the prioritizing of resources for this initiative, which is even more important than a new facility.

Dr. Shine commented that more faculty need to be recruited to conduct academic programs in this area and with the Board's approval of \$5 million in Science and Technology Acquisition and Retention Program (STARs) money, Rising Stars will be recruited, such as faculty who excel in data analysis and in comparative and effectiveness research.

Dr. Calhoun, U. T. Health Science Center – Tyler

- The institution is starting to recruit faculty for the Rising STARs program.
- The opportunity to learn from others is helping in patient care e.g., medical assistance teams have been put in place at the U. T. System health institutions; these teams can call on greater medical resources than in the past and enhance patient care.

- *Residents are involved in the quality improvement activities.*
- *Bring nonphysician, non-care elements of the institution into, for instance, the compliance activities and involving the chief financial officer to help incorporate this matter into the culture of the organization.*

Dr. Henrich, U. T. Health Science Center – San Antonio

- *In the past, physicians, nurses, and social workers worked in their own silo but today, medicine is a team sport.*
- *A center for patient effectiveness and safety has been established.*
- *He appointed a task force on interdisciplinary education to facilitate people learning together and sharing a common ground. He will present tangible results to the Board in the future.*

Dr. Callender, U. T. Medical Branch – Galveston

- *agreed with Vice Chairman McHugh that leveraging the results of successful projects for dramatic improvements is the challenge*
- *suggests looking at one-on-one interactions between health provider and patient more holistically*
- *recognized Dr. Shine for his leadership to successfully pursue better outcomes, better service, better quality*

Raymond DuBois, M.D., Ph.D., Provost and Executive Vice President, U. T. M. D. Anderson Cancer Center (in the absence of President Mendelsohn)

- *These practices are embedded in the culture of the institution i.e., in the multidisciplinary teams and clinics.*
- *A new institute of cancer care excellence established.*
- *An outcomes research department is to be established.*

Dr. Shine summarized some of the issues as follows:

- *U. T. M. D. Anderson Cancer Center, the number one cancer hospital in the world, has been a strong supporter of this initiative of improving care.*
- *Faculty at the U. T. System is being positioned to compete for federal funds in comparative effectiveness.*
- *He and the presidents will continue to press hard to control costs without losing site of quality.*
- *U. T. System health institutions will continue to work in education, in reporting both outcomes and errors, and in three Statewide initiatives: health homes for children and those with chronic illnesses, improving neonatal intensive care M&M, and improving through point-of-care and emergency room care.*

Committee Chairman McHugh asked Dr. Shine to report back on a regular basis on the status of patient safety and effectiveness, perhaps via quarterly reports at the meetings of the Health Affairs Committee and at the December retreat.

She asked Chancellor Cigarroa and Regent Meijer for comments. Dr. Cigarroa said he supports the mission for the U. T. System to be recognized nationally as a system of health institutions that provide the safest and highest quality of care. He

said he is excited to invoke this in the curricula of medical students and graduate medical residents, and he noted the significant number of students that would be affected. Vice Chairman McHugh said that since the U. T. System educates three quarters of the health care professionals in Texas, there are opportunities to share quality and safety improvements that will help set the State of Texas ahead of any other state. Dr. Shine said there is real leadership in this field among the physicians.

Regent Meijer, a fourth year medical student at U. T. Southwestern Medical Center – Dallas, said physicians often justify a medical procedure on the basis of “that is how I was taught,” and he recommended that instead, the U. T. System establish evidence-based medicine that is based on proof of the best medical procedures. He suggested that this approach will trickle down in the curriculum to residents to demonstrate better quality and cost-effective medicine.

Committee Chairman McHugh presented certificates of appreciation from the Regents to the Chancellors' Health Fellows, Dr. Thomas and Ms. Martin.

ADJOURNMENT

Committee Chairman McHugh adjourned the special called meeting at 9:27 a.m.

U. T. System Patient Safety Activities

Eric J. Thomas, MD, MPH

Professor of Medicine

University of Texas Medical School at Houston

U. T. Memorial Hermann Center for Healthcare Quality and Safety

November 2009



THE UNIVERSITY of TEXAS

HEALTH SCIENCE CENTER AT HOUSTON

Center for Healthcare Quality and Safety

In cooperation with Memorial Hermann Hospital System

U. T. System Patient Safety Activities

- On January 17, 2008, Dr. Shine sent an email with the following charge for the U. T. System Patient Safety Committee which I chair:
 - “ ...consult together about the role of a consultant on disclosure on all of our campuses, the need and/or organization of a repository for errors under the federal law [Patient Safety Organization], the opportunity for a competitive grants program to support patient safety and/or clinical effectiveness programs System wide. You would coordinate with Sharon Martin as she expands the educational programs for the various campuses.”
- In Spring and Fall of 2008, the Regents approved \$3.625 million for these activities

U. T. System Patient Safety Activities

- Disclosure

- After issuing an RFP, we hired RMF Strategies (consulting arm on the Harvard malpractice insurer) to conduct disclosure training at all health campuses

- Institution-wide grand rounds
 - In-depth training of about 20 disclosure coaches at each campus
 - Pre/post-assessment of training and one year follow-up

U. T. System Patient Safety Activities

- Patient Safety Grants
 - Research (3 awards of \$100,000 each)
 - Education (4 awards \$50-125,000 each)
 - Clinical collaboratives (one \$60,000 award)
- Projects began Summer 2009 after review by experts outside the U. T. System
- Funds are available for two more cycles of applications

U. T. System Patient Safety Activities Grant Awards

Education:

- Patterson (UTHSCSA): An Innovative Elective: Medicine Reconciliation in a Community Based HIV/AIDS clinic
- Stevens (UTHSCSA): Interprofessional Clinical Education to Enhance Teamwork and Patient Safety
- Quinn (UTMDACC): Linking Outcomes of Care to the ACGME/ABMS Competencies: a Matrix Solution
- Nolan (UTHSCSA): Disclosing Unintended Outcomes/Medical Errors

Clinical Collaborative:

- Patterson (UTHSCSA): Controlling Multidrug Resistant Pathogens in the U. T. System

U. T. System Patient Safety Activities Grant Awards, cont.

Research:

- Amarassingham (UTSW): Electronic Risk Scoring System for Reducing Heart Failure Readmissions
- Kao (UTHSCH): Checklists, Patient Safety, and Surgical Care
- Bernstam (UTHSCH): Preventing Inpatient Errors by Improving Nurse-Doctor Communication by Telephone

U. T. System Patient Safety Activities

- Patient Safety Organization (PSO)
 - PSOs convey federal protection against discovery of caregiver initiated reports of medical errors and help organizations analyze and learn from their errors
 - Federal rules issued one year ago, we submitted comments/questions
 - Would be difficult for U. T. System to be its own PSO
 - Will consider joining a PSO, depending upon costs and services provided

U. T. System Patient Safety Activities Committee Members

- Patricia Bergen, MD
Professor of Surgery
U. T. Southwestern Medical School at Dallas
 - Todd Johnson, PhD
School of Health Information Sciences
U. T. Health Science Center Houston
 - Matt Masek, JD
U. T. M. D. Anderson Cancer Center
 - Bruce Meyer, MD
Professor of Obstetrics and Gynecology
U. T. Southwestern Medical School at Dallas
 - Jan Patterson, MD
Professor of Medicine
U. T. Health Science Center San Antonio
 - Sandra Fly
U. T. Health Science Center Tyler
 - Debora Simmons, RN
U. T. M. D. Anderson Cancer Center
 - William M. Sage, MD, JD
Vice Provost for Health Affairs
James R. Dougherty Chair for Faculty Excellence in Law
U. T. Austin
 - Catherine R. Thompson, BSN, MPH
Healthcare Risk Manager
Office of Legal Affairs & Institutional Compliance
U. T. Health Science Center Houston
 - Eric J Thomas, MD, MPH (Chair)
Professor of Medicine
U. T. Health Science Center Houston
- Staff:
- Lannis Temple
Attorney, Health Law Section
Office of General Counsel / U. T. System
 - Melodie Krane
Senior Attorney & Deputy Plan Administrator
Office of General Counsel / U. T. System

U. T. System Patient Safety Activities

- Impact and future activities
 - Impact of Clinical Safety & Effectiveness course at UTHSC - Houston
 - Apply for funding to study the disclosure training as an alternative to the traditional medical malpractice system
 - U. T. - Memorial Hermann Center for Healthcare Quality and Safety
 - Papers in JAMA, Pediatrics, Archives of Internal Medicine
 - Three new NIH grants in last six months, Six ongoing federal grants
 - www.utpatientsafety.org

University of Texas Clinical Safety and Effectiveness Program

First-Year Evaluation

Sherry Martin, Chancellor's Health Fellow in
Clinical Safety and Effectiveness

November 2009

University of Texas Clinical Safety and Effectiveness Program

Goal:

- To integrate quality and safety concepts into the way we do our work everyday and enhance organizational knowledge through disseminated successful practices across the U. T. System
 - The Clinical Safety and Effectiveness (CS&E) quality improvement course
 - Annual conference and recognition event
 - University of Texas CS&E Fellowship Core

CS&E Quality Improvement Course

The purpose of the CS&E course is to establish a critical mass of clinicians able to lead improvement efforts and serve as faculty for the course to make improvement practices part of daily operations

- Project-based course
- Projects must align with organizational strategies

CSE Course Content

- Eight-day course (64 hours over five months) to teach theory and techniques of:
 - Quality improvement – clinical outcomes and delivery processes; consequences of variation
 - Process and outcome measurements
 - Data management and systems
 - Patient safety
 - Cost effectiveness
 - Teams and team work
 - Health services research methods
 - Health policy and economics

CSE Course Implementation First Year Results

- Fully implemented at U. T. M. D. Anderson Cancer Center, UTHSC Houston and UTHSC San Antonio
 - 421 graduates
- UT Southwestern Medical Center at Dallas is enrolling a winter 2010 class
- UTMB Galveston was ready to implement before hurricane
- UTHSC Tyler appointed a new delegate to lead the effort
- All campuses have course graduates
- Physician participation averaged 50 percent

University of Texas CS&E Annual Conference and Recognition Event

- Goals:
 - Transfer learning and applicable best practices across the U. T. System health institutions
 - Recognize exceptional individual and team improvement efforts
 - Develop ideas and concepts to drive Systemwide improvement initiatives

First Year Conference Results

- 60 abstracts submitted; 55 accepted
- 205 participants
 - 64 percent physicians
 - 21 percent nurses, pharmacists, technologists
- “Met my expectations” – 96 percent
- “Do you intend to make a change or apply the information learned?” – 86 percent
- Established two new System collaboratives

Course/Conference Results

Quality Pays!

The return-on-investment for the projects presented at the conference are:

- \$2.5 million in project savings/revenue realized
- \$11 million projected savings/revenue if even 50 percent of the projections are realized

U. T. System Fellowship Program

- Selected on the basis of:
 - Extraordinary demonstration of the use of improvement methods and tools
 - Initiated improvement projects beyond course
 - Established departmental improvement programs
 - Served as faculty for the course
- Inducted 13 Fellows from all six U. T. System health institutions

Conference President's Forum

- **Identified the following improvement initiatives to pursue:**
 - Education of students and residents in quality and patient safety
 - Patient Safety Organization
 - Outcome measure reporting
 - Rationalization of data – assistance from the Business School and Health Economics
 - Patient throughput
 - Neonatal health
 - Chronic care delivery model
 - Comparative effectiveness research

MINUTES
U. T. System Board of Regents
Facilities Planning and Construction Committee
November 11, 2009

The members of the Facilities Planning and Construction Committee (FPCC) of the Board of Regents of The University of Texas System convened at 2:20 p.m. on Wednesday, November 11, 2009, in the Board Meeting Room on the 9th Floor of Ashbel Smith Hall, The University of Texas System, 201 West Seventh Street, Austin, Texas, with the following participation:

Attendance

Regent Gary, presiding (except for Item 8 as noted under Item 8)
Regent Dannenbaum
Regent Hicks
Regent Powell

Also present were Chairman Huffines (for Items 6 – 10), Vice Chairman McHugh, Regent Meijer, and General Counsel to the Board Frederick.

In accordance with a notice being duly posted with the Secretary of State and there being a quorum present, Committee Chairman Gary called the meeting to order. The PowerPoint presentation concerning all items is set forth on Pages 6 – 40.

1. U. T. System: Fiscal Year 2009 Energy Utility Task Force Report

Committee Meeting Information

Presenter(s): Mr. David Dixon, Executive Director of Program Management, Facilities Planning and Construction

Status: Reported

Future action: Provide data on rates of return on energy investments

Discussion at meeting:

Regent Dannebaum asked if a direct supply of energy can be bought and Mr. Dixon replied that many U. T. System institutions worked with the General Land Office to arrange for competitive rates. Mr. Dixon and Vice Chancellor Aldridge said there is not a one-for-one swap with, for example, West Texas Lands. Regent Powell asked if there is a return on investments, and Mr. Dixon answered that projects have acceptable rates of return. He and Executive Vice Chancellor Kelley said they will provide the data.

2. **U. T. Dallas: Renovation of 17217 Waterview Parkway - Amendment of the FY 2010-2015 Capital Improvement Program to include project; approval of total project cost; authorization of institutional management; appropriation of funds; and resolution regarding parity debt (Final Board approval)**

Committee Meeting Information

Presenter(s): Mr. David Dixon, Executive Director of Program Management, Facilities Planning and Construction

Status: Approved

Motion: Made, seconded, and carried unanimously

3. **U. T. Dallas: Shell Space and Infrastructure Build-out Projects - Amendment of the FY 2010-2015 Capital Improvement Program to include project; approval of total project cost; authorization of institutional management; appropriation of funds; and resolution regarding parity debt (Final Board approval)**

Committee Meeting Information

Presenter(s): Mr. David Dixon, Executive Director of Program Management, Facilities Planning and Construction

Status: Approved

Motion: Made, seconded, and carried unanimously

4. **U. T. Dallas: Student Housing Living/Learning Center, Phase II - Amendment of the FY 2010-2015 Capital Improvement Program to include project (Preliminary Board approval)**

Committee Meeting Information

Presenter(s): Mr. David Dixon, Executive Director of Program Management, Facilities Planning and Construction

Status: Approved

Motion: Made, seconded, and carried unanimously

5. **U. T. El Paso: University Parking Garage II - Amendment of the FY 2010-2015 Capital Improvement Program to include project (Preliminary Board approval)**

Committee Meeting Information

Presenter(s): Mr. David Dixon, Executive Director of Program Management, Facilities Planning and Construction

Status: Approved

Motion: Made, seconded, and carried unanimously

6. **U. T. Permian Basin: Residence Hall - Amendment of the FY 2010-2015 Capital Improvement Program to include project (Preliminary Board approval)**

Committee Meeting Information

Presenter(s): Mr. David Dixon, Executive Director of Program Management, Facilities Planning and Construction

Status: Approved

Motion: Made, seconded, and carried unanimously

7. **U. T. Health Science Center – Houston: Library, Equipment, Repair and Rehabilitation (LERR10) - University Center Tower Isolation Switch - Amendment of the FY 2010-2015 Capital Improvement Program to include project; approval of total project cost; approval to reallocate approved funding; and authorization of expenditure (Final Board approval)**

Committee Meeting Information

Presenter(s): Mr. David Dixon, Executive Director of Program Management, Facilities Planning and Construction

Status: Approved

Motion: Made, seconded, and carried unanimously

8. **U. T. Southwestern Medical Center – Dallas: Clinical Campus Phase 2: Amendment of the FY 2010-2015 Capital Improvement Program to increase the total project cost; revise the funding sources; appropriate partial funding for relocation and demolition work; and redesignate as the New University Hospital (Preliminary Board approval)**

Committee Meeting Information

Presenter(s): Mr. David Dixon, Executive Director of Program Management, Facilities Planning and Construction

Status: Approved with Regent Gary abstaining from discussion and vote due to his preexisting interest in real property at 5225 Maple near the proposed hospital site

Motion: Made by Regent Hicks, seconded by Regent Dannenbaum, and carried unanimously

Discussion at meeting:

Regent Powell acted as FPCC Chair for discussion and vote on this item to avoid a conflict of interest for Committee Chairman Gary who disclosed that he has a preexisting interest in real property at 5225 Maple near the proposed hospital site.

Regent Hicks asked how much of the gift funding has been raised and Executive Vice Chancellor Shine said there have been unrestricted gifts to cover a substantial portion of the project and funds can be raised specifically for the project. Dr. Shine

added that the building will provide a significant naming opportunity. Dr. Kelley clarified that when this project is brought back for design development, policy states that any funding listed as gifts must be in hand or the pledges signed.

President Podolsky said that since the Board approved acquisition of the St. Paul University Hospital five years ago:

- the University has gained experience in operating a hospital and has taken a hospital that was substantially in the negative operating margin into the positive in the last year
- appropriate programs from an academic hospital have grown and driven the educational and translational research program
- more admissions are under the institution's faculty as opposed to under community physicians. He agreed this proposal is economical and in line with the mission of the institution, which is teaching and research.

Regent Dannenbaum asked who will be able to admit patients to the new hospital and President Podolsky replied no change has been formulated in the current structure but that discussion will be ongoing.

9. **U. T. Arlington: Special Events Center - Amendment of the FY 2010-2015 Capital Improvement Program to increase the total project cost; approval of design development; approval to revise the funding sources; appropriation of funds and authorization of expenditure; approval of evaluation of alternative energy economic feasibility; and resolution regarding parity debt (Final Board approval)**

Committee Meeting Information

Presenter(s): Mr. David Dixon, Executive Director of Program Management, Facilities Planning and Construction

Status: Approved

Motion: Made by Regent Dannenbaum, seconded by Regent Powell, and carried unanimously

10. **U. T. Dallas: Campus Services and Bookstore Building - Amendment of the FY 2010-2015 Capital Improvement Program to increase the total project cost; approval to revise the funding sources; approval of design development; appropriation of funds and authorization of expenditure; approval of evaluation of alternative energy economic feasibility; and resolution regarding parity debt (Final Board approval)**

Committee Meeting Information

Presenter(s): Mr. David Dixon, Executive Director of Program Management, Facilities Planning and Construction

Status: Approved

Motion: Regent Hicks moved to defer the item and Regent Powell seconded the motion, which carried.

Future action: The item was deferred to revise the design and colors of the panels before bringing the project back to the Board.

Discussion at meeting:

Chairman Huffines expressed concern primarily about the colors of the proposed panels, but also about the design in terms of compatibility with the rest of the campus and Mr. Dixon explained that the panels are relatively inexpensive and easy to change.

Regent Powell said the design and colors are inappropriate for the campus and he would like to see a long-lasting material used. Regent Dannenbaum expressed concerns about the safety of the design and said he had asked the Office of Facilities Planning and Construction to provide more information regarding wind and impact resistance of the design especially with regard to shattering glass. Regent Hicks wondered how the faculty and students reacted to the design and President Daniel said the students drove the design. He suggested the project be deferred to allow time for a redesign.

Regent Hicks moved to defer the item and Regent Powell seconded the motion. Regent Meijer asked if the facility should be more than a bookstore since many students purchase books online and Mr. Dixon explained the design contains other elements including a technology center but he said the design will be reviewed for that matter.

ADJOURNMENT

Committee Chairman Gary adjourned the meeting at 3:00 p.m.

Facilities Planning and Construction Committee
November 2009

Agenda Items

Office of Facilities Planning and Construction



THE UNIVERSITY of TEXAS SYSTEM
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The University of Texas System

Fiscal Year 2009 Energy Utility Task Force Report



Energy Utility Task Force (EUTF)

- February 2001: Board of Regents creates EUTF to evaluate and recommend strategies for UT System institutions to reduce energy consumption and cost
- November 2001: BOR endorsed goals of 5%-10% reduction in energy use per square foot for FY2006, 10%-15% reduction for FY2011
- 2002: Energy Management Plans completed by each institution
- 2005: Governor's Office issued Executive Order RP-49 requiring each state agency to develop a plan for conserving energy, with quarterly reporting (campus reports available online in the Publications section of the U. T. System Web site under "Reports to the State of Texas")

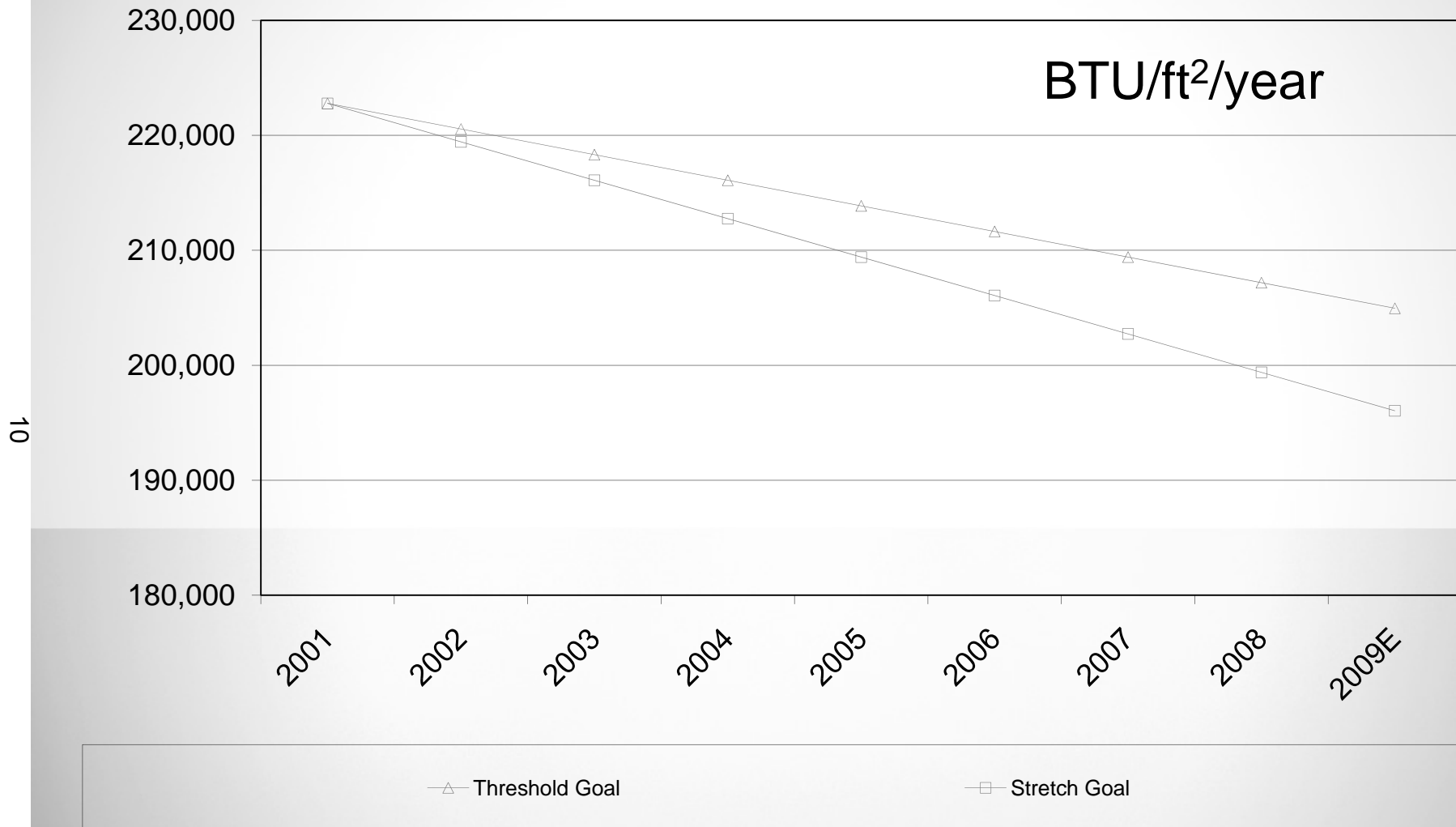


Improving Energy Efficiency - Examples

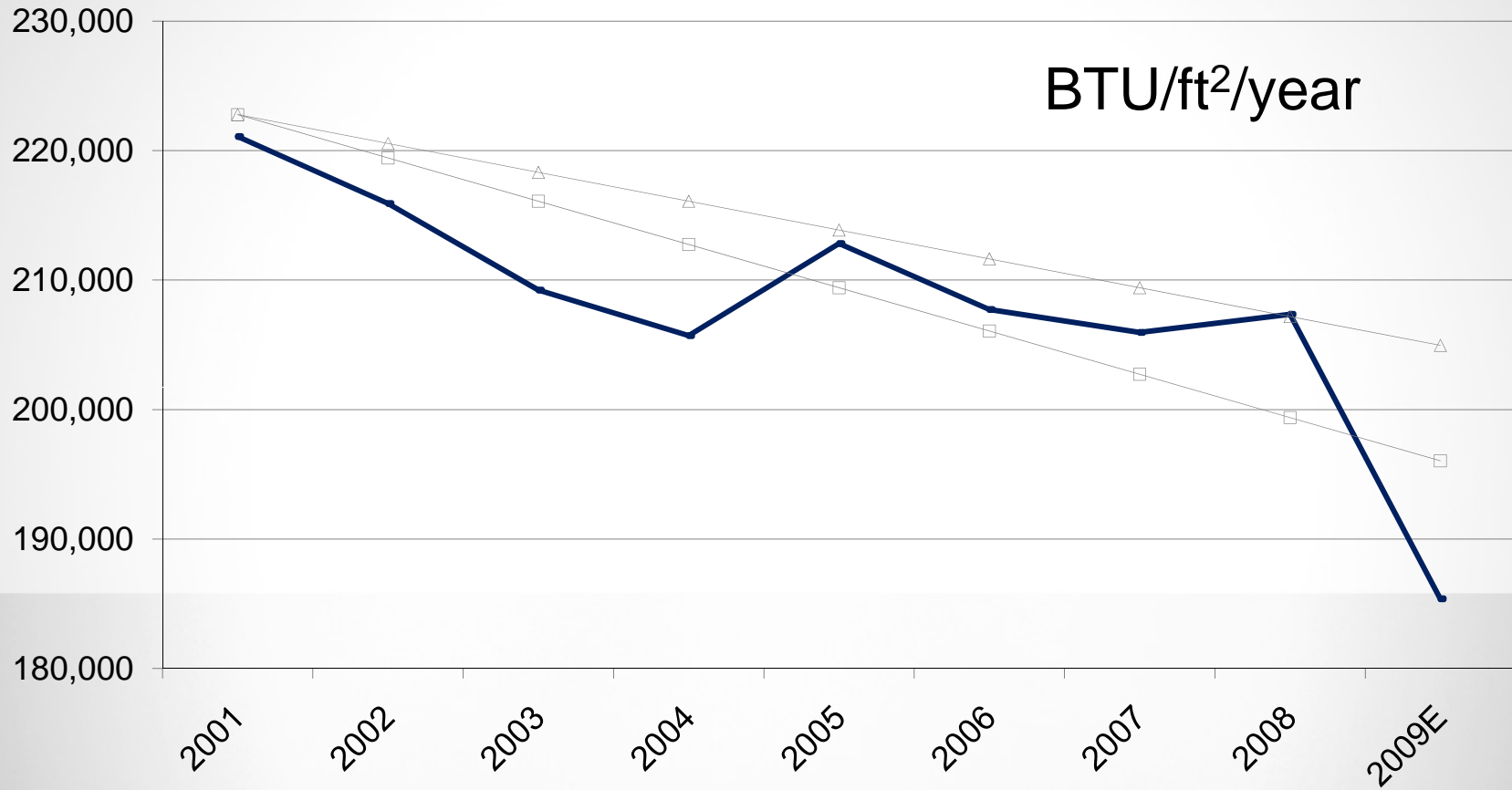
- Energy audits and performance contracts
- Lighting and motor retrofits, variable frequency drives
- Long-term procurement agreements in coordination with UT System and General Land Office
- Chilling station upgrades and chilled water storage
- Steam trap upgrades
- Improved metering and controls
- Fleet fuel management
- Retro-Commissioning of complex building systems
- High-efficiency building standards



Energy Utilization Index (EUI)



Energy Utilization Index (EUI)



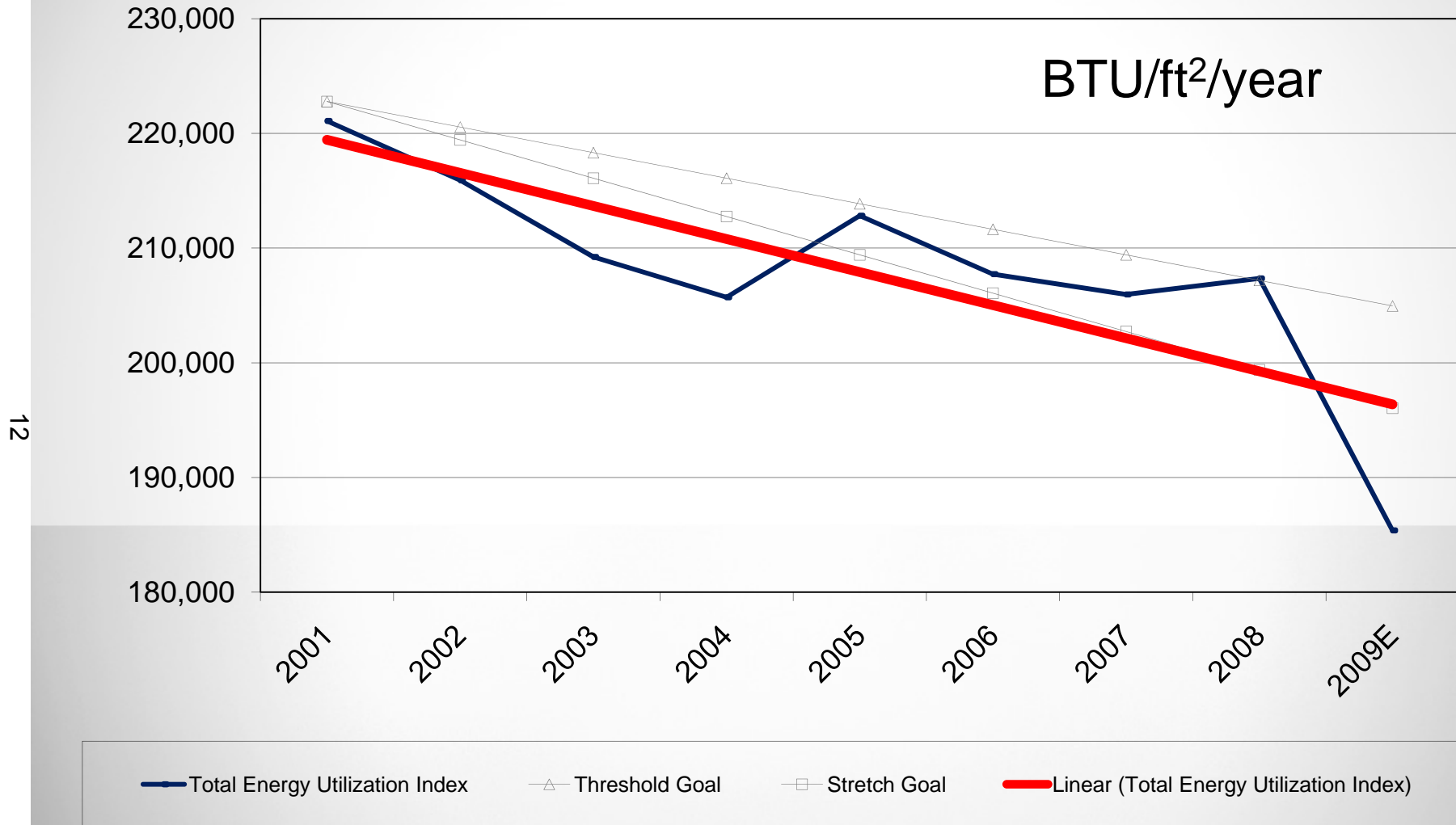
— Total Energy Utilization Index

—△— Threshold Goal

—□— Stretch Goal



Energy Utilization Index (EUI)



FY 2009 EUTF Headlines

- Current FY 2009 estimates show a 16% reduction from baseline levels
- The cumulative reduction in energy consumption per square foot since 2001 has saved the System \$142 million
- While energy consumption has declined on a per square foot basis since 2001, the cost of energy has increased
 - Electricity: from \$0.057 to \$0.082/Kwh
 - Natural Gas: from \$5.95 to \$8.05/Mcf
- Total inventory has increased by 42% and includes more high-energy-use space (research, engineering, healthcare)
- Total Energy Costs have increased from \$149M to \$259M

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14

Consideration of Project Additions to the FY 2010-2015 Capital Improvement Program



CIP ADDITIONS

- 5 Academic Projects

- U. T. Dallas Renovation of 17217 Waterview Parkway \$5,500,000
- U. T. Dallas Shell Space and Infrastructure Build-out Projects \$5,500,000
- U. T. Dallas Student Housing Living/Learning Center, Phase II \$31,000,000
- U. T. El Paso University Parking Garage II \$12,000,000
- U. T. Permian Basin Residence Hall \$26,500,000

- 1 Health Project

- U. T. H. S. C. – Houston University Center Tower Isolation Switch -0-
(Funding Transfer Only)



U.T. Dallas

Renovation of 17217 Waterview Parkway

- Project includes interior renovation of existing office building to modify space to meet the needs of the campus and bring it up to current codes and standards
- Institutional Management
- Total Project Cost is \$5,500,000 with funding from Revenue Financing System Bond Proceeds

Modification to FY 2010-2015 CIP



U.T. Dallas

Shell Space and Infrastructure Build-out Projects

- Includes build-out of several shell spaces in the Natural Science and Engineering Research Laboratory and the mechanical engineering machine shop in the Waterview Science and Technology Center; also includes campus infrastructure improvements
- Institutional Management
- Total Project Cost is \$5,500,000 with funding from Revenue Financing System Bond Proceeds

Modification to FY 2010-2015 CIP



U.T. Dallas

Student Housing Living/Learning Center, Phase II

- Project includes construction of a new facility with approximately 150,000 gross square feet to house 400 students as well as classrooms, gathering spaces and offices to support living and learning communities
- Reserved for use by incoming freshman students
- Total Project Cost is \$31,000,000 with funding from Revenue Financing System Bond Proceeds

Modification to FY 2010-2015 CIP



U.T. El Paso

University Parking Garage II

- Project includes construction of a new multistory facility containing approximately 770 parking spaces to serve the southeast quadrant of the campus
- Total Project Cost is \$12,000,000 with funding of \$5,000,000 from Revenue Financing System Bond Proceeds and \$7,000,000 from Unexpended Plant Funds

Modification to FY 2010-2015 CIP



U.T. Permian Basin Residence Hall

- Project includes construction of a new facility to provide 300 beds and student support service areas
- Amenities include multipurpose lobbies, study rooms, a mail room, laundry room and media room
- Total Project Cost is \$26,500,000 with funding from Revenue Financing System Bond Proceeds

Modification to FY 2010-2015 CIP



U.T. Health Science Center - Houston LERR10 High Voltage Electrical Isolation Switch at University Center Tower

- Funds to be used for design services on a high voltage isolation switch to isolate electrical service at University Center Tower (UCT) from other buildings in the Texas Medical Center area; will minimize the impact on other buildings in the event of a high water incident at UCT
- Transfer funding from two existing LERR09 projects as approved by the Board in August 2009
- Total Project Cost is \$282,000 with funding from Permanent University Fund Bond Proceeds

Modification to FY 2010-2015 CIP



CIP Additions

• 5 Academic Projects	\$ 80,500,000
• 1 Health Project	\$ <u> -0-</u>
• Total Change in CIP	\$ 80,500,000

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Consideration of Modifications to the FY 2010-2015 Capital Improvement Program

23



U. T. Southwestern Medical Center – Dallas Clinical Campus Phase 2

Justification – Revise project scope from a 224-bed addition to St. Paul University Hospital, to a new full-service state-of-the-art tertiary hospital with 424 beds that will provide needed patient care, clinical trials and medical education

Operational Occupancy – April 2015

Action – Increase Total Project Cost to \$800,000,000 with funding of \$400,000,000 from Revenue Financing System Bond Proceeds, \$200,000,000 from Gifts and \$200,000,000 from Designated Funds; re-designate project as the New University Hospital; and appropriate partial funding for renovation and demolition work associated with the new hospital

Modification to FY 2010-2015 CIP



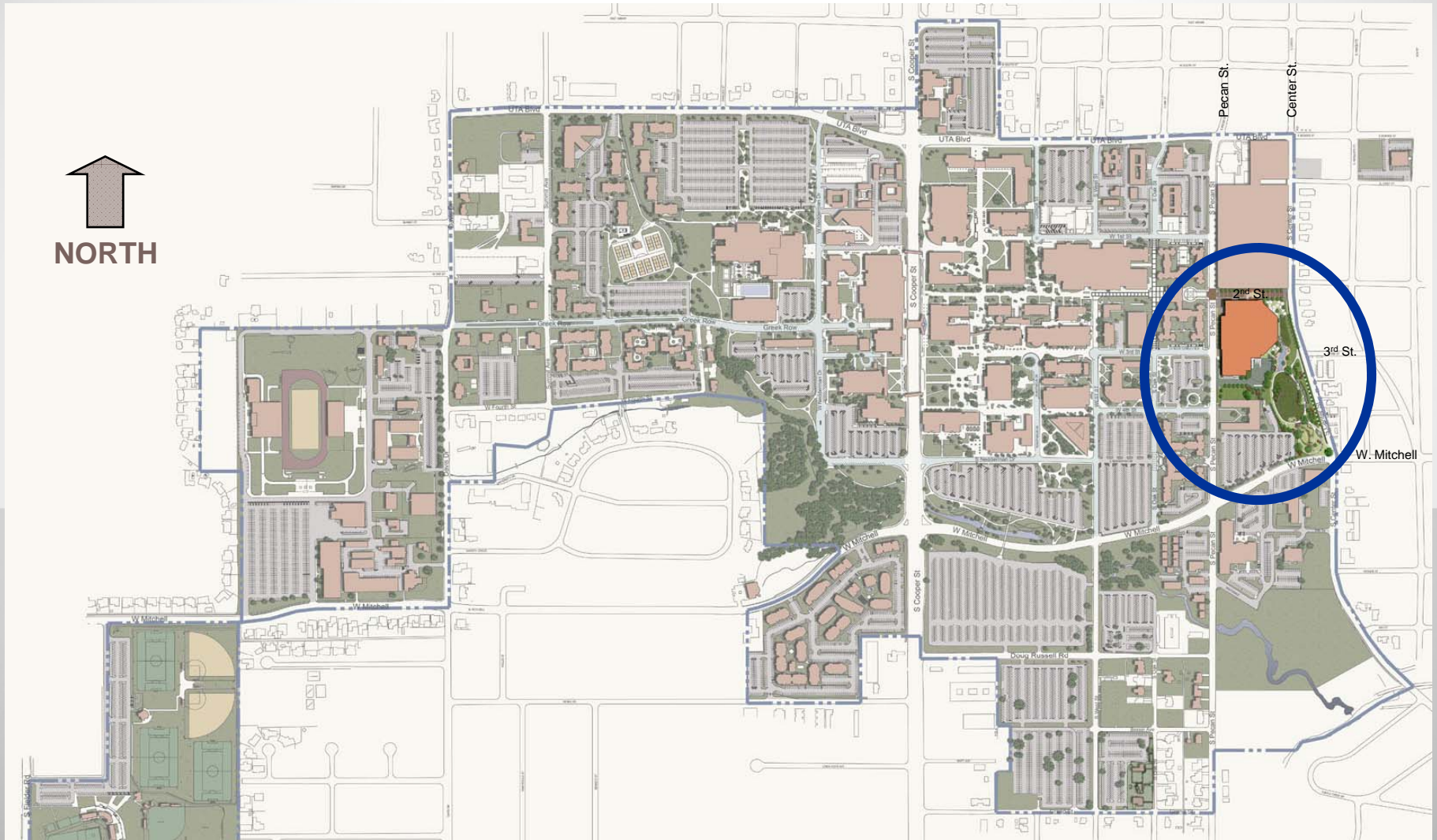
Consideration of Design Development

- U.T. Arlington
Special Events Center
- U.T. Dallas
Campus Services and Bookstore

25



U. T. Arlington Special Events Center



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Campus Plan

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U. T. Arlington Special Events Center



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U. T. Arlington Special Events Center

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View from Northwest

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U. T. Arlington Special Events Center



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View from North

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U. T. Arlington Special Events Center

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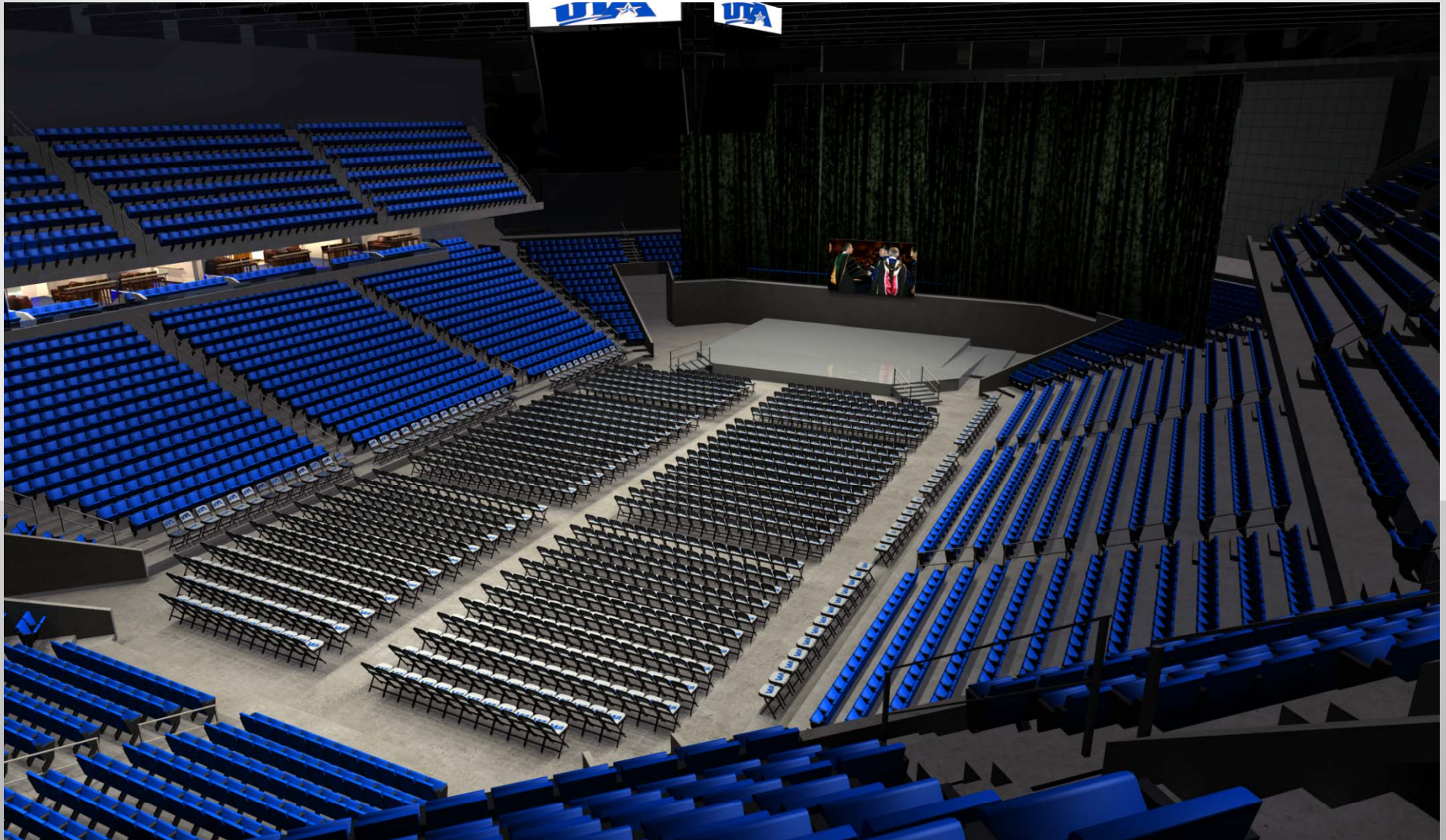


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View from Southeast

25

U. T. Arlington Special Events Center



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Arena - Graduation

26

U. T. Arlington Special Events Center



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Arena - Basketball

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U. T. Arlington Special Events Center

Total Project Cost is \$78,000,000 with funding of \$68,000,000 from Revenue Financing System Bond Proceeds and \$10,000,000 from Unexpended Plant Funds

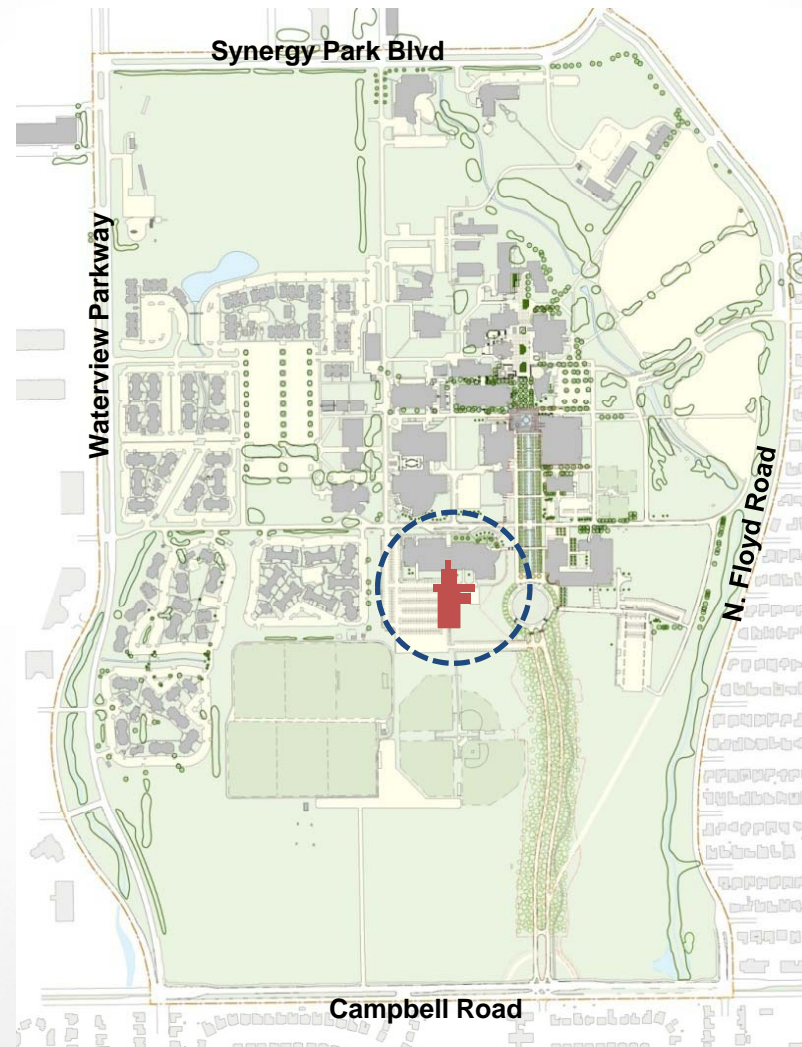
- Investment Metrics:

- Will host approximately 41 U.T. Arlington athletic events and 25 other University-related activities in 2012
- Will earn over \$1.0 million during the first year of operations from non-University event bookings, generating 30% net revenue
- Will lease a minimum of 20% of bookable facility time to non-University entities to drive income generation and support student recruitment and community involvement

33



U. T. Dallas Campus Services and Bookstore Building



34

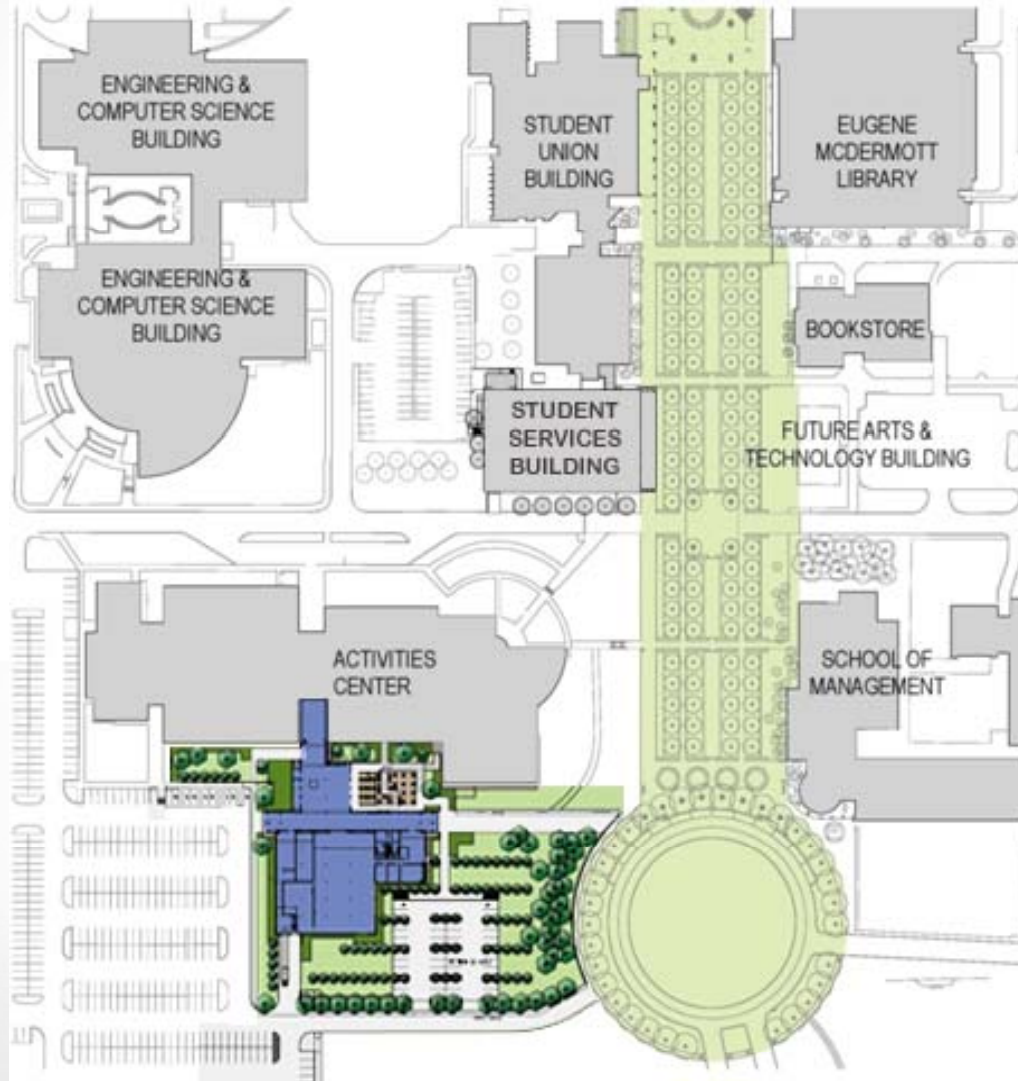


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Campus Plan

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U. T. Dallas Campus Services and Bookstore Building



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U. T. Dallas Campus Services and Bookstore Building

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U. T. Dallas Campus Services and Bookstore Building



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View from Southeast

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U. T. Dallas Campus Services and Bookstore Building



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View from Southeast at Night

33

U. T. Dallas

Campus Services and Bookstore Building

Total Project Cost is \$9,450,000 with funding of \$8,250,000 from Revenue Financing System Bond Proceeds and \$1,200,000 from Unexpended Plant Funds

- Investment Metrics:
 - Support the University's Strategic Plan Imperative of adding 5,000 full-time equivalent students
 - Strengthen the relationship to the surrounding community by creating another venue which will attract community members to the University campus

Modification to FY 2010-2015 CIP



U. T. System FY 2010-2015 Capital Improvement Program

CIP Additions	\$ 80,500,000
CIP Modifications including DD	\$ 445,200,000
Substantially Complete Projects	<u>\$(295,737,000)</u>
Total Change in CIP	\$ 229,963,000

This represents a 2.8% increase for a total of \$8.5 billion



MINUTES
U. T. System Board of Regents
Student, Faculty, and Staff Campus Life Committee
November 12, 2009

The members of the Student, Faculty, and Staff Campus Life Committee of the Board of Regents of The University of Texas System convened at 9:35 a.m. on Thursday, November 12, 2009, in the Board Meeting Room on the 9th Floor of Ashbel Smith Hall, The University of Texas System, 201 West Seventh Street, Austin, Texas, with the following participation:

Attendance

Regent Dannenbaum, presiding
Regent Gary
Regent Hicks
Regent Stillwell

Also present were Vice Chairman McHugh; Vice Chairman Foster; Regent Longoria; Regent Meijer; Regent Powell; Dr. Dan Formanowicz, Chair, Faculty Advisory Council (FAC); Mr. Bradley Carpenter, Chair, Student Advisory Council (SAC); Mr. Joel Helmke, Chair, Employee Advisory Council (EAC); and General Counsel to the Board Frederick.

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

**U. T. System: Annual Meeting with Officers of the U. T. System
Employee Advisory Council**

Committee Meeting Information

Presenter(s): *Mr. Michael Swindle, Past Chair; Ms. Danielle Fournier, Vice Chair*
Status: *Reported*

Discussion at meeting:

In response to Ms. Fournier's presentation that two U. T. System institutions do not yet have a staff council, Executive Vice Chancellor Shine said that U. T. M. D. Anderson Cancer Center has diversity councils, and the President is considering the merits of a staff council. Dr. Shine added that he has had preliminary discussions about U. T. Southwestern Medical Center – Dallas adopting a staff council.

Mr. Dan Stewart, Associate Vice Chancellor for Employee Benefits and Services, talked about the Wellness Programs at U. T. System Administration and the U. T. System institutions. Committee Chairman Dannenbaum asked about premiums for employees who smoke and Mr. Stewart said the State of Texas will not allow a

differentiation in the premium; however, an institution can offer incentives, such as counseling programs. He said the effort is to encourage people to adopt healthy lifestyles.

In response to a question from Regent Gary about costs, Mr. Stewart said health care premiums at the U. T. System have seen 0-6% increases and the U. T. System has lower rates and better coverage than most entities.

Regent Hicks asked what percent of employees participate in wellness programs and Mr. Stewart said no figure is available but participation is increasing. Regent Dannenbaum and Mr. Stewart discussed the successful electronic newsletter about health matters sent from the U. T. System Office of Employee Benefits.

ADJOURNMENT

Committee Chairman Dannenbaum adjourned the meeting at 10:27 a.m.