

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

November 14, 2013

Austin, Texas

Minutes of Committee meetings are taken as a convenience for research purposes and may be verified by recordings kept in the Office of the Board of Regents or webcasts available online on the Board website.



Carol A. Felkel  
Secretary to the Board of Regents  
February 25, 2014



**SCHEDULE OF EVENTS  
FOR  
BOARD OF REGENTS' MEETING**

**November 14, 2013  
Austin, Texas**

*U. T. System Administration, Ashbel Smith Hall, 9th Floor, 201 West Seventh Street  
Office of the Board of Regents: 512.499.4402*

Audit, Compliance, and Management Review Committee .....	8:30 a.m.
Finance and Planning Committee .....	9:15 a.m.
Academic Affairs Committee .....	10:00 a.m.
Health Affairs Committee .....	10:45 a.m.
Executive Session (working lunch) .....	11:45 a.m.
Facilities Planning and Construction Committee .....	1:00 p.m.
Meeting of the Board - Open Session .....	1:45 p.m.
Break .....	2:45 p.m.
Meeting of the Board <i>with the Employee Advisory Council</i> .....	3:00 p.m.
Technology Transfer and Research Committee .....	4:00 p.m.
Adjourn .....	4:45 p.m.

Secretary's Note: The meeting was originally scheduled to take place over two days, November 13-14, 2013, but was rescheduled for one day only; November 14, 2013.

MINUTES  
U. T. System Board of Regents  
Audit, Compliance, and Management Review Committee  
November 14, 2013

The members of the Audit, Compliance, and Management Review Committee of the Board of Regents of The University of Texas System convened at 8:35 a.m. on Thursday, November 14, 2013, in the Conference Room (Executive Session) and in the Board Meeting Room (Open Session) on the 9th Floor of Ashbel Smith Hall, The University of Texas System, 201 West Seventh Street, Austin, Texas, with the following participation:

Attendance

Chairman Pejovich, presiding  
Vice Chairman Hicks  
Regent Hall  
Regent Hildebrand  
Regent Stillwell

Also present were Chairman Foster, Vice Chairman Powell, Regent Horne, and General Counsel Frederick.

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

RECESS TO EXECUTIVE SESSION (ASH 9 Conference Room)

At 8:37 a.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 the Chief Audit Executive concerning personnel matters relating to appointment, employment, evaluation, assignment, duties, discipline, or dismissal of individual System Administration and institutional officers or employees involved in internal audit functions**

RECONVENE IN OPEN SESSION (ASH 9 Board Meeting Room)

The Executive Session ended at 8:43 a.m., and the Committee reconvened in Open Session at 8:45 a.m. in the Board Meeting Room. No action was taken on the item discussed in Executive Session.

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

**Committee Meeting Information**

**Presenter(s):** Chairman Pejovich  
**Status:** Reported

*There were no items referred from the Consent Agenda.*

2. **U. T. System: Update on the implementation of initiatives to address recommendations from the Report on the Strategic Assessment of the U. T. System Internal Audit Services performed by Deloitte**

**Committee Meeting Information**

**Presenter(s):** Mr. J. Michael Peppers, Chief Audit Executive  
**Status:** Reported/Discussed

3. **U. T. System: Report on the Systemwide internal audit activities, including results of the executive travel and entertainment, laptop encryption and IT inventory, and practice plan audits, and update on the Systemwide internal audit of development activities**

**Committee Meeting Information**

**Presenter(s):** Mr. J. Michael Peppers, Chief Audit Executive  
**Status:** Reported/Discussed

4. **U. T. System: Annual Report on Information Security Compliance Enhancements across the U. T. System and on security of the U. T. Research Cyberinfrastructure**

**Committee Meeting Information**

**Presenter(s):** Mr. Lawrence Plutko, Systemwide Compliance Officer; Mr. Lewis Watkins, Chief Information Security Officer  
**Status:** Reported/Discussed

**Discussion at meeting:**

*Committee Chairman Pejovich asked why U. T. Dallas was at 0.0% under “Funding by Institution” on Slide 10, and Mr. Watkins explained that this meant that the projects in which U. T. Dallas was involved either did not require funding or were projects under the gray portion of the graph representing “Multi-Institutional Projects.” These were projects that were not dedicated specifically to U. T. Dallas, but still benefitted all the institutions (such as software licenses used by all the institutions, but only dedicated to a single institution initially).*

*Chancellor Cigarroa said he sensed a change in culture with the information security compliance enhancements, but wanted to know if when an incident does occur, it is being used as a teaching opportunity and a learning opportunity for the other information security officers. Mr. Watkins responded that they were taking advantage of those opportunities, especially when first-time or unusual incidents occur. He explained that usually a conference call takes place to give proper discussion to the matter, and that there are quarterly meetings of the information security officers, followed by a day of training or continuing education informed by incidents that may have occurred.*

## ADJOURNMENT

Committee Chairman Pejovich adjourned the meeting at 9:12 a.m.

MINUTES  
U. T. System Board of Regents  
Finance and Planning Committee  
November 14, 2013

The members of the Finance and Planning Committee of the Board of Regents of The University of Texas System convened at 9:15 a.m. on Thursday, November 14, 2013, 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

Chairman Hildebrand, presiding  
Vice Chairman Powell  
Regent Cranberg  
Regent Hall  
Regent Pejovich

Also present were Chairman Foster, Vice Chairman Hicks, Regent Horne, Regent Stillwell, 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 Hildebrand called the meeting to order in open session.

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

<b>Committee Meeting Information</b> <i>Presenter(s): Committee Chairman Hildebrand</i> <i>Status: Reported</i>
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*There were no items referred from the Consent Agenda.*

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

<b>Committee Meeting Information</b> <i>Presenter(s): Dr. Scott C. Kelley, Executive Vice Chancellor for Business Affairs</i> <i>Status: Reported/Discussed</i>
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**Discussion at meeting:**

*Dr. Kelley presented the report, and announced an overall solid performance for 2013.*

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, 2013**

**Committee Meeting Information**

**Presenter(s):** Ms. Cathy Iberg, President and Deputy Chief Investment Officer, UTIMCO  
**Status:** Reported/Discussed

4. **U. T. System Board of Regents: Approval of revisions to the amended and restated University of Texas Investment Management Company (UTIMCO) Compensation Program**

**Committee Meeting Information**

**Presenter(s):** Dr. Scott C. Kelley, Executive Vice Chancellor for Business Affairs  
**Status:** Approved  
**Motion:** Made by Vice Chairman Powell, seconded by Regent Cranberg, and carried unanimously

*Secretary's Note:* Appendix C was editorially amended following the Board meeting to reflect a correction to the Target for the Portfolio Manager. The corrected Appendix C is attached to the Board Minutes.

5. **U. T. System Board of Regents: Approval of the Annual Budget for FY 2014, including the capital expenditures budget, invoiced external investment manager fees, and other external direct charges to the Funds, and the Annual Fee and Allocation Schedule for The University of Texas Investment Management Company (UTIMCO)**

**Committee Meeting Information**

**Presenter(s):** Dr. Scott C. Kelley, Executive Vice Chancellor for Business Affairs  
**Status:** Approved  
**Motion:** Made, seconded, and carried unanimously

**Discussion at meeting:**

*Committee Chairman Hildebrand asked what the overall budget represented in terms of a basis fee or a management fee, and Dr. Kelley answered that the management fee is \$32 million on \$20 billion, or about 8 basis points. He and Regent Hildebrand agreed that those numbers appear efficient.*

6. **U. T. System Board of Regents: Report on the Opportune LLP External Review and Assessment of University Lands, recommendations from the University Lands Advisory Committee, and approval of an additional \$1,350,000 of Permanent University Funds**

**Committee Meeting Information**

**Presenter(s):** Dr. Scott C. Kelley, Executive Vice Chancellor for Business Affairs; Mr. Jim Benson, Executive Director, University Lands

**Status:** Approved

**Motion:** Made by Regent Cranberg, seconded by Vice Chairman Powell, and carried unanimously

**Follow-up action:** Consult frequently with the University Lands Advisory Committee

**Discussion at meeting:**

*The slide presentation made at the meeting is attached on Pages 5 - 13.*

*Mr. Benson introduced the Opportune LLP team, including*

- *Mr. David Baggett, Managing Partner*
- *Mr. James Fisher, Director*
- *Ms. Lynell Rogeri, Director*

*Mr. Baggett emphasized the importance of these investments, and said there would have to be more capital expenditures and oversight. He stated that he believed these projects could add significant value to the University Lands in the near future.*

*Regent Stillwell commented on the importance of the University Lands Advisory Committee, and suggested that the Committee be contacted weekly, if not daily for additional input.*

*Regent Cranberg expressed interest in the opportunities at hand and commented that one day the University Lands oil and gas reserves could become even larger and greater in value than the Permanent University Fund (PUF). He added that he believes there is an excellent opportunity for potential interaction between University Lands and the academic institutions, in which petroleum or geological expertise could be expanded at the academic institutions, and the academic institutions could in turn use their expertise to add value to the University Lands program.*

*Dr. Kelley commented that based on current projections, optimistically 96% of the reserves remain in the ground at present.*

*Committee Chairman Hildebrand said he did not think it was possible to overstate the potential value of this opportunity, adding that this could be a game changer for the U. T. System.*



## ADJOURNMENT

Committee Chairman Hildebrand adjourned the meeting at 9:51 a.m.

# University Lands Review and Assessment

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Dr. Scott Kelley, Executive Vice Chancellor for Business Affairs

Mr. Jim Benson, Executive Director - University Lands

U. T. System Board of Regents' Meeting

Finance and Planning Committee

November 2013

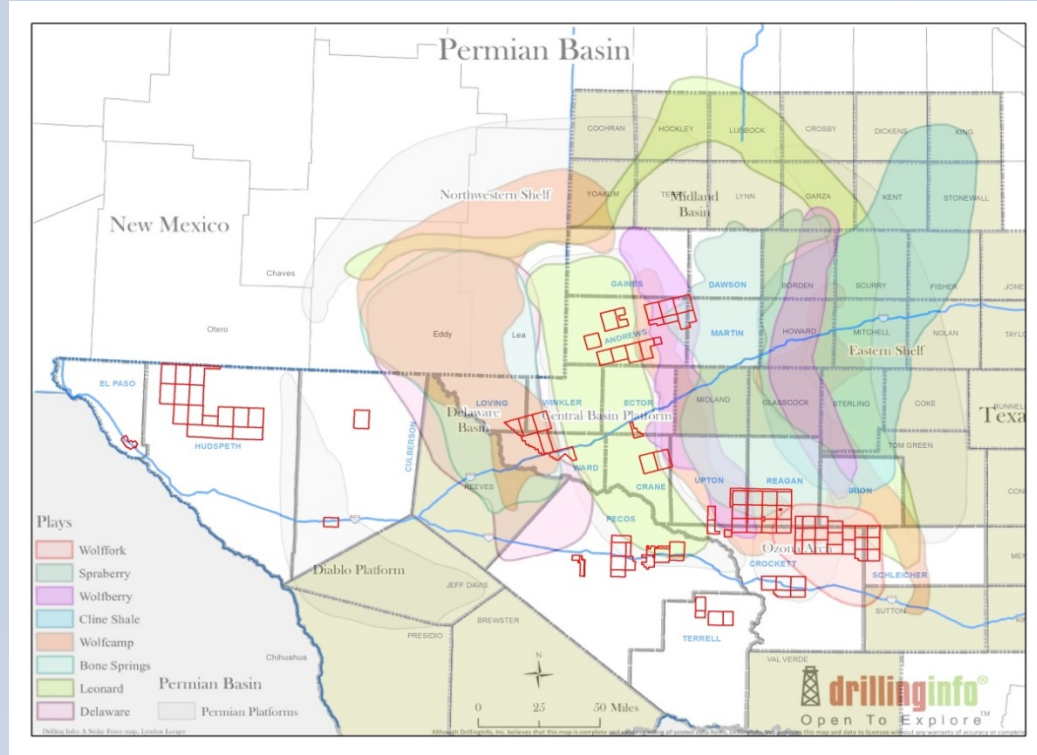


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# Permanent University Fund (PUF) Lands



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# University Lands Review and Assessment

- Request for Proposal issued January 2013
- Opportune LLP selected as the consultant to:
  - Report on the current status of the Office of University Lands
  - Suggest value-added opportunities
  - Compare University Lands compensation to industry
  - Report to Advisory Committee and incorporate feedback



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# University Lands Advisory Committee

- Advisory Committee announced February 2013
  - to serve as a resource to the U. T. System Board of Regents, the Board for Lease of University Lands; and the U. T. System Administration; and
  - ∞ – to provide expertise and value-added recommendations to University Lands staff to improve PUF Lands management
  - Advisory Committee members:

Jon Brumley

Robert Rowling

Donald Evans

R. H. “Steve” Stevens

Printice Gary



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# Short-Term Activities

## Grow the Core Business

- Lease repatriation
- Reservoir management – development plans
- Improved oil and gas audits
- Technology assessment
- Enhanced lease terms
- Hedging strategy
- Funding for mid-term opportunities

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# Core Challenges

## Maintain the Business

- Compensation
- Manpower
- Succession planning
- Budget
- Technology
- Structure

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# Mid-Term Opportunities

## Grow the Business

- Water infrastructure
- Take-in-kind oil and gas
- Non-operated working interests
- Participate in midstream infrastructure
- Strategic acquisitions and divestitures
- University research and development

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# Next Steps

- Fund competitive compensation plan
- Develop new hire plan
- Develop lease repatriation targets
- Improve reservoir management – development agreements
- Redevelop audit program and strategy

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# Next Steps (cont.)

- Enhance lease terms
- Explore hedge strategy
- Technology assessment
- Evaluate mid-term value-added opportunities
- Other ideas

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MINUTES  
U. T. System Board of Regents  
Academic Affairs Committee  
November 14, 2013

The members of the Academic Affairs Committee of the Board of Regents of The University of Texas System convened at 9:59 a.m. on Thursday, November 14, 2013, 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

Chairman Hicks, presiding  
Regent Aliseda  
Regent Cranberg  
Regent Pejovich  
Regent Stillwell

Also present were Chairman Foster (for Items 4-7), Vice Chairman Powell (for Items 4-7), Regent Hildebrand (for Items 4-7), Regent Horne, and General Counsel Frederick.

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 in open session.

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

<b>Committee Meeting Information</b> <i>Presenter(s): Chairman Hicks</i> <i>Status: Reported</i>
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*There were no items referred from the Consent Agenda.*

2. **U. T. Pan American: Approval of acceptance of gift of outdoor art of a bronze statue**

<b>Committee Meeting Information</b> <i>Presenter(s): President Robert S. Nelsen, U. T. Pan American</i> <i>Status: Approved</i> <i>Motion: Made by Regent Aliseda, seconded by Regent Stillwell, and carried unanimously</i>
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**3. U. T. Permian Basin: Approval of acceptance of gift of outdoor art of a bronze sculpture**

**Committee Meeting Information**

**Presenter(s):** President W. David Watts, U. T. Permian Basin

**Status:** Approved

**Motion:** Made by Regent Stillwell, seconded by Regent Aliseda, and carried unanimously

**4. U. T. Tyler: Approval to establish a Doctor of Pharmacy**

**Committee Meeting Information**

**Presenter(s):** President Rodney H. Mabry, U. T. Tyler

**Status:** Approved

**Motion:** Made by Regent Pejovich, seconded by Regent Stillwell, and carried unanimously

**5. U. T. System Board of Regents: Approval of \$3.23 million from the Available University Fund (AUF) to support the proposed transition budget for the initial planning and development of the new University of Texas in South Texas**

**Committee Meeting Information**

**Presenter(s):** Dr. Pedro Reyes, Executive Vice Chancellor for Academic Affairs

**Status:** Approved

**Motion:** Made by Regent Aliseda, seconded by Regent Stillwell, and carried unanimously

**6. U. T. Brownsville: Discussion and appropriate action related to ratification of actions related to governance and operations of Texas Southmost College as a unit of U. T. Brownsville for purposes of compliance with governance accreditation principles of the Southern Association of Colleges and Schools (SACS)**

**Committee Meeting Information**

**Presenter(s):** President Juliet V. García, U. T. Brownsville; Dr. Pedro Reyes, Executive Vice Chancellor for Academic Affairs

**Status:** Approved

**Motion:** Made by Regent Stillwell, seconded by Regent Aliseda, and carried unanimously

**Discussion at meeting:**

*Dr. Reyes said he had had a conference call with the leadership of Texas Southmost College (TSC), including the Chairman of TSC, the President of TSC, and the CFO. During the conference call, Regent Aliseda; Mr. Randy Wallace, Associate Vice Chancellor,*

Controller and Chief Budget Officer; and Dr. Reyes listened to the testimony of the TSC leadership and posed several questions, asking if TSC was following State and federal guidelines in terms of hiring and making policy decisions. Dr. Reyes also asked if TSC had a balanced budget and enough cash reserves to manage the College. He reported the leadership at TSC answered in the affirmative to all questions.

Regent Stillwell commented that a long-held concern at U. T. System has been whether or not TSC could ever gain independence. He went on to say that he was pleased by the progress that has been made.

Board Chairman Foster asked if the Board of Regents still has responsibility for the oversight of TSC governance and does the Board also have enough cooperation and a strong relationship with the TSC leadership to assure the Board really does have a role in the governance of TSC. President García assured him that everyone is at the table and working towards the same goal. Accreditation is at the top of the list of desired goals, and teams have been established to work specifically on the goal of separate accreditation. She went on to state that if when the SACS committee visits the campus in Spring 2014, and TSC is in fact found to be in compliance and in good standing, the College could be separately accredited by June 2014. However, if TSC is found to be lacking, accreditation could be postponed until December 2014.

Committee Chairman Hicks asked if the continued relationship comes at any cost to U. T. System, and Dr. Reyes answered that it does not.

**7. U. T. System: Update on the Science and Technology Acquisition and Retention (STARs) program at the U. T. System academic institutions**

**Committee Meeting Information**

**Presenter(s):** Dr. Dale Klein, Associate Vice Chancellor for Research; Dr. Pedro Reyes, Executive Vice Chancellor for Academic Affairs; institutional academic presidents  
**Status:** Reported/Discussed

**Discussion at meeting:**

Dr. Reyes commented on the high caliber of the Science and Technology Acquisition and Retention (STARs) program, and its enormous success. Each of the academic institution presidents and Chancellor Cigarroa likewise commented on how impressive and successful the program has been.

Committee Chairman Hicks commented on what a gift it is to students at the U. T. System institutions to have such talent available to them.

Vice Chairman Powell asked if there is a similar program at any other university system in the U.S. comparable in size and quality to the STARs program, and Dr. Reyes and Dr. Klein responded that there is not.

*Regent Hildebrand asked if, without the STARs program, the institutions would have received any portion of the approximately \$580 million in research grants that have been awarded thus far as a part of the program, and Dr. Klein explained that it depended on how many positions these institutions would have been hiring for instead. He said that the STARs program allowed the institutions to continue hiring, but at a very high level, and to bring in the best researchers in the country.*

*Regent Hildebrand then asked that if more money was allocated to the STARs program, would the program be at saturation in terms of being able to hire additional researchers, and Dr. Klein replied that if there was more money the institution presidents would hire more faculty. The additional funds would also provide matching equipment dollars so that the institutions could provide special equipment to entice some of these phenomenal candidates to the program.*

**8. U. T. System: Discussion on pathways to student success (Deferred)**

<b>Committee Meeting Information</b>
<b>Status:</b> <i>Deferred</i>

*This item was deferred due to time constraints.*

**ADJOURNMENT**

Committee Chairman Hicks adjourned the meeting at 10:29 a.m.

MINUTES  
U. T. System Board of Regents  
Health Affairs Committee  
November 14, 2013

The members of the Health Affairs Committee of the Board of Regents of The University of Texas System convened at 10:42 a.m. on Thursday, November 14, 2013, 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

Chairman Stillwell, presiding  
Regent Aliseda  
Regent Hildebrand  
Regent Pejovich  
Vice Chairman Powell

Also present were Chairman Foster, Vice Chairman Hicks, Regent Cranberg, Regent Horne, and General Counsel Frederick.

In accordance with a notice being duly posted with the Secretary of State and there being a quorum present, Committee Chairman Stillwell called the meeting to order in open session. He welcomed Executive Vice Chancellor for Health Affairs Raymond S. Greenberg, M.D., Ph.D., to his first meeting of the Health Affairs Committee.

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

***Committee Meeting Information***

***Presenter(s):*** Committee Chairman Stillwell  
***Status:*** Reported

*There were no items referred from the Consent Agenda.*

2. **U. T. System: Report on the Science and Technology Acquisition and Retention (STARs) Program at the U. T. System health institutions**

***Committee Meeting Information***

***Presenter(s):*** Dr. Patricia D. Hurn, Vice Chancellor for Research and Innovation; institutional health presidents  
***Status:*** Reported/Discussed

## Discussion at meeting:

Chancellor Cigarroa commented on the success of the STARs (Science and Technology Acquisition and Retention) program, and he spoke about the Board's interest in allowing some flexibility for translational science as well as teaching. He asked Dr. Hurn how Permanent University Funds (PUF) were being utilized for the program. Dr. Hurn explained that the STARs are externally reviewed, and once an individual is approved, there are capital assets that have to be acquired for these individuals. She stated that PUF funds are primarily used to meet those demands.

Committee Chairman Stillwell asked if the PUF funds were used in part for salary supplements as well as for acquiring special equipment, and Dr. Hurn replied that the PUF funds were used just for equipment and construction costs.

Regent Hildebrand asked if the funding for the STARs academic program (see Item 7 on Page 3 of the Academic Affairs Committee Minutes) is separate from the STARs health program, and Dr. Hurn answered in the affirmative. He likewise questioned if there was to be more funding, would the health institution presidents hire more STARs, and the health institution presidents answered that they definitely would.

Chancellor Cigarroa asked Executive Vice Chancellor Kelley if more money should be allocated to these programs, or if the current allocations were appropriate. Dr. Kelley responded that the PUF funds only represent a small piece of the overall cost of recruitment, and such funds are not inexhaustible. He did state that there is some room to expand the program.

Regent Cranberg asked if it was helpful to distinguish between teaching STARs and researchers. Dr. Hurn said that teaching STARs opens doors for teaching, apart from research. She commented that it was the Board, in fact, that had been eager to recruit outstanding teachers as well as researchers.

3. **U. T. System: Approval of \$8.6 million from the Permanent University Fund (PUF) and \$900,000 from the Available University Fund (AUF) to be deployed over Fiscal Years 2014 and 2015 to support a new U. T. System Research Core Infrastructure, including the implementation of a pilot project on a core to advance the study of proteomics across health institutions and the purchase of a U. T. Systemwide license for Research Core Management Software**

### **Committee Meeting Information**

**Presenter(s):** Dr. Patricia D. Hurn, Vice Chancellor for Research and Innovation

**Status:** Approved

**Motion:** Made by Regent Hildebrand, seconded by Regent Aliseda, and carried unanimously



**Discussion at meeting:**

*Chancellor Cigarroa asked if there would be an opportunity for the academic campuses to participate as well in the U. T. System Research Core Infrastructure pilot project, and Dr. Hurn replied that there would definitely be an opportunity for the academic institutions to participate, and that the academic institution researchers would also have access to the new facilities and equipment that are a part of the program.*

4. **U. T. M. D. Anderson Cancer Center: Request to a) approve contract with Epic Systems Corporation for the provision of electronic health record (EHR) software, implementation, and maintenance and support services; b) appropriate funds and authorize expenditure of \$60,716,900 from local Hospital Revenues for the initial term; and c) following the initial term, appropriate funds and authorize expenditure for maintenance and subscription fees of approximately \$5,600,000 per year with a projected growth rate of 3% annually thereafter**

**Committee Meeting Information**

**Presenter(s):** Ronald A. DePinho, M.D., President, U. T. M. D. Anderson Cancer Center

**Status:** Approved

**Motion:** Made by Regent Hildebrand, seconded by Regent Aliseda, and carried unanimously

5. **U. T. System: Quarterly report on health matters of interest to the U. T. System, including a discussion on patient safety**

**Committee Meeting Information**

**Presenter(s):** Raymond S. Greenberg, M.D., Ph.D., Executive Vice Chancellor for Health Affairs; institutional health presidents; Eric Thomas, M.D., Professor of Medicine and Associate Dean for Healthcare Quality, U. T. Health Science Center - Houston; Jan E. Patterson, M.D., Professor of Medicine, U. T. Health Science Center - San Antonio

**Status:** Reported/Discussed

**Discussion at meeting:**

*Dr. Greenberg spoke about the following points:*

- *The first annual FreshAir Conference recently held in Austin, where faculty engaged with members of the private sector in discussions about how to commercialize research.*
- *A number of recent accomplishments at the health institutions:*
  - *U. T. M. D. Anderson Cancer Center recently had its \$50 million National Cancer Institute Comprehensive Core Grant renewed.*

- *The NIH awarded two and renewed two Clinical and Translational Science Awards (CTSA) at the U. T. System health institutions.*
- *Cheryl Perry, Ph.D., Professor and Regional Dean of the U. T. Health Science Center - Houston School of Public Health at the Austin Regional Campus, was awarded a \$20 million grant from the FDA focused on spurring research to better inform regulation on tobacco products.*
- *U. T. Health Science Center - San Antonio successfully underwent review for reaccreditation. Dr. Greenberg mentioned that the State Legislature has made funds available to expand residency opportunities in the State.*
- *The Institute of Medicine, the most prestigious medical organization in the country, elected three U. T. System health institution faculty to their ranks.*

*Dr. Greenberg then introduced Dr. Thomas, who presented a report on patient safety.*

*President Henrich then introduced Dr. Patterson, Associate Dean for Quality and Lifelong Learning, and Director of the Center for Patient Safety and Health Policy at U. T. Health Science Center - San Antonio. Dr. Patterson gave a report on patient safety, and presented a video produced by U. T. Southwestern Medical Center about sepsis and efforts to combat it.*

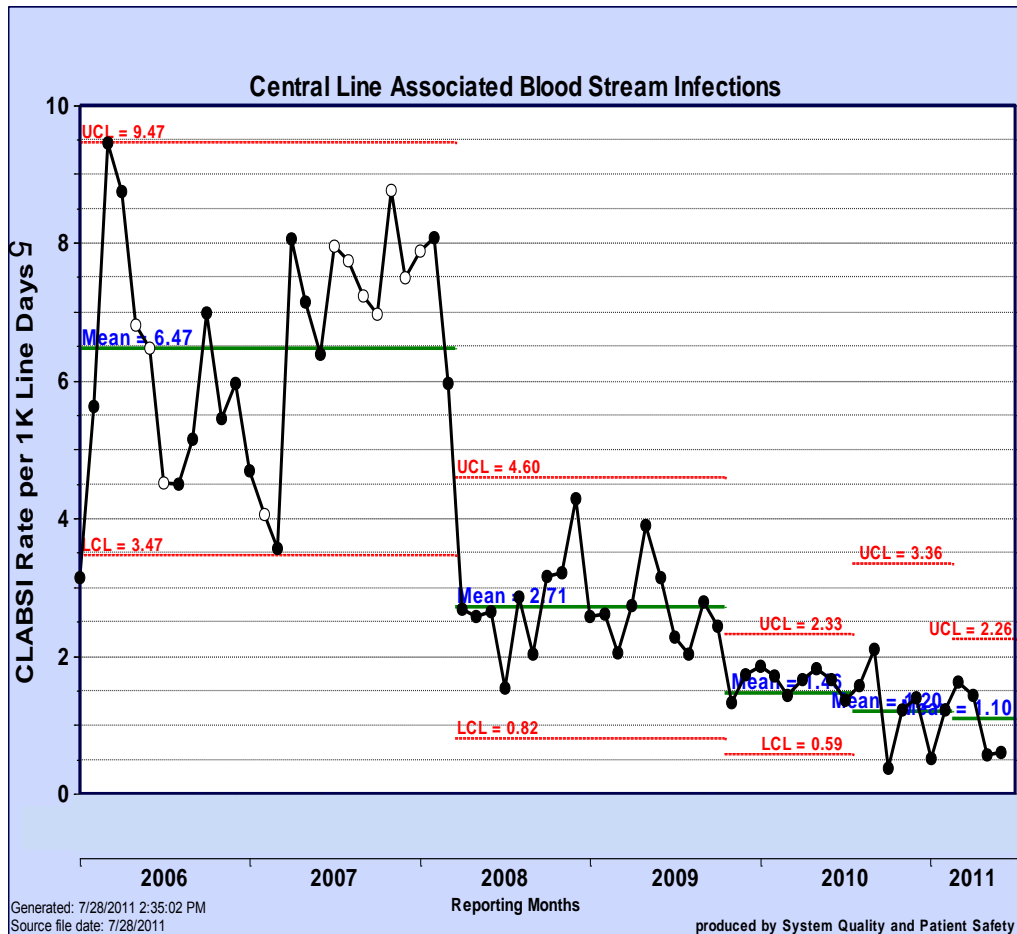
*The health institution presidents and Gregory Fitz, M.D., Dean of Medicine at U. T. Southwestern Medical Center, offered their thoughts and spoke about the initiatives at their respective campuses regarding patient safety. President Colasurdo, U. T. Health Science Center - Houston, distributed the handout set forth on Pages 5 - 7 to accompany his remarks.*

## ADJOURNMENT

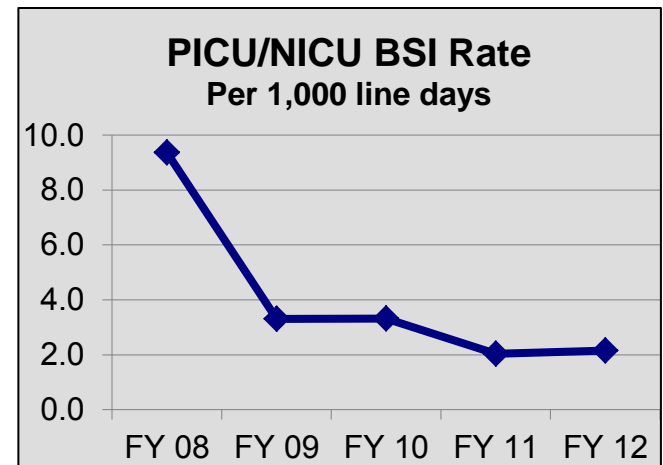
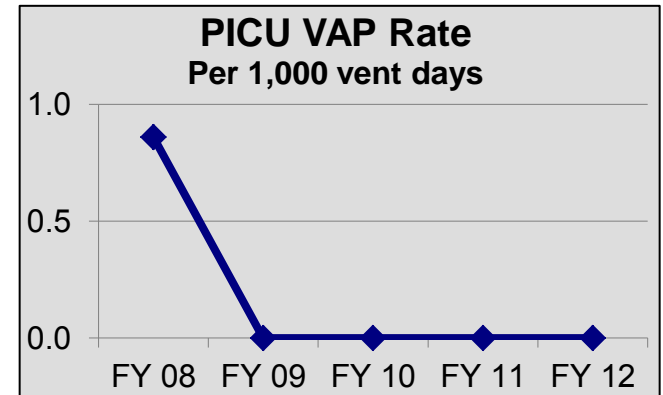
Committee Chairman Stillwell adjourned the meeting at 11:50 a.m.

# Improving Patient Care - TMC Campus

## Memorial Hermann Hospital



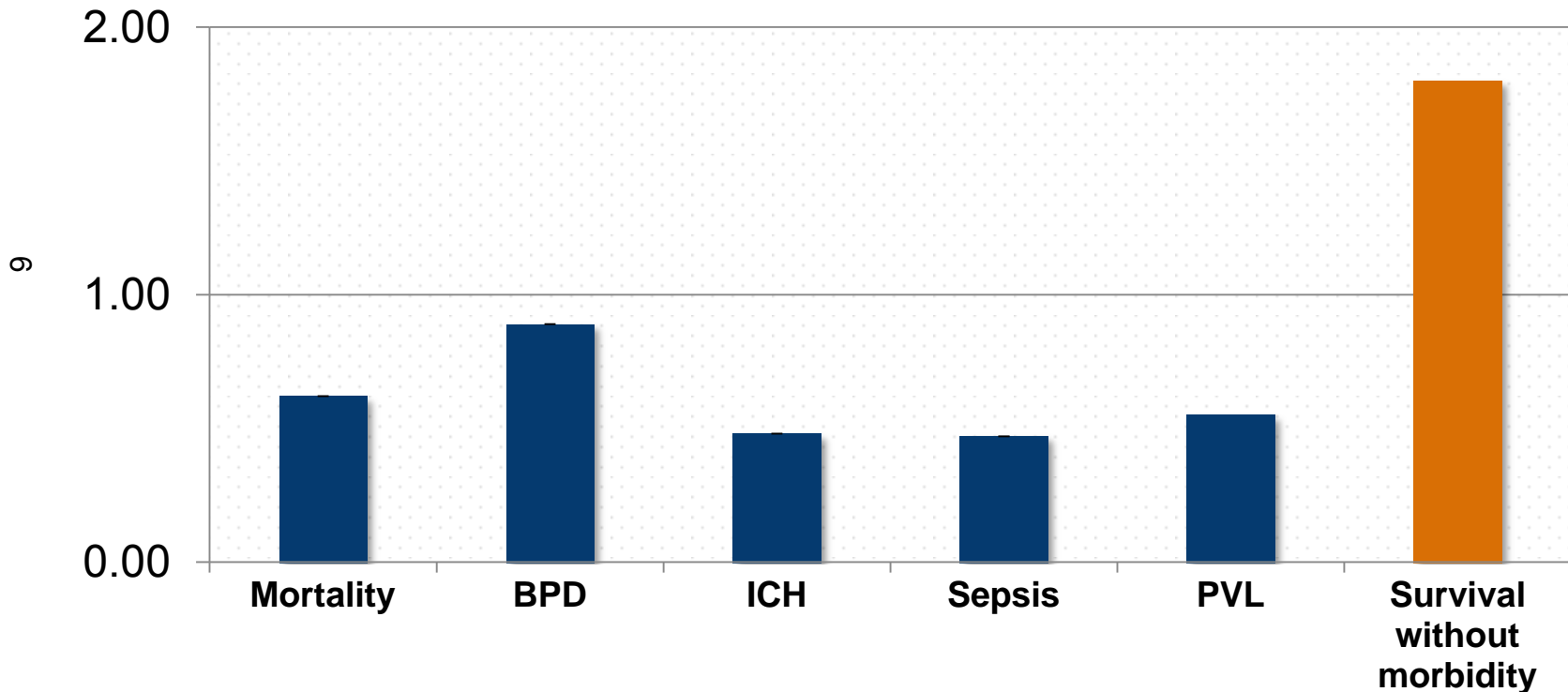
## Children's Memorial Hermann Hospital



# Pure Research - Reliable Data

## *UTHealth/CMHH NICU vs NIH Network Centers*

Odds Ratio: 2010-2012

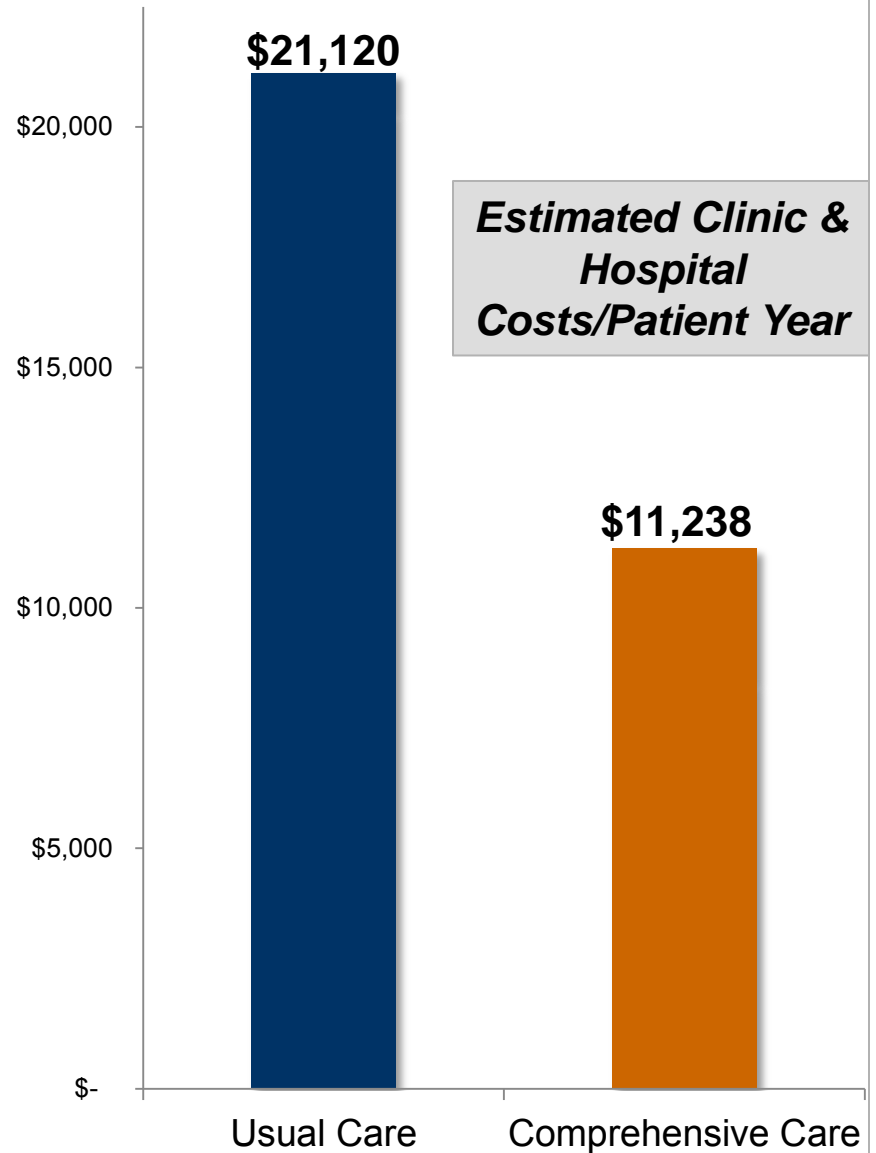
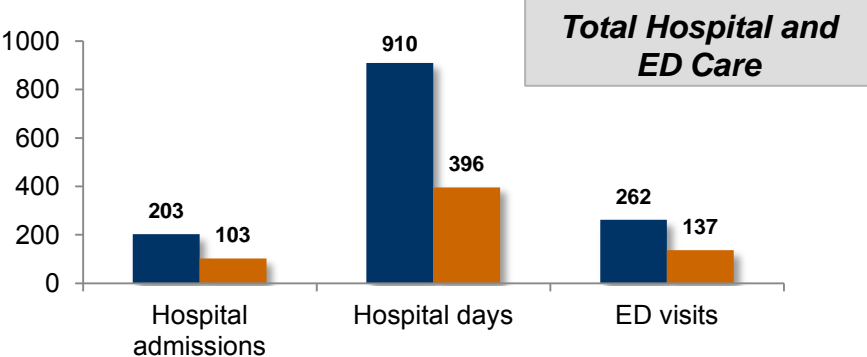
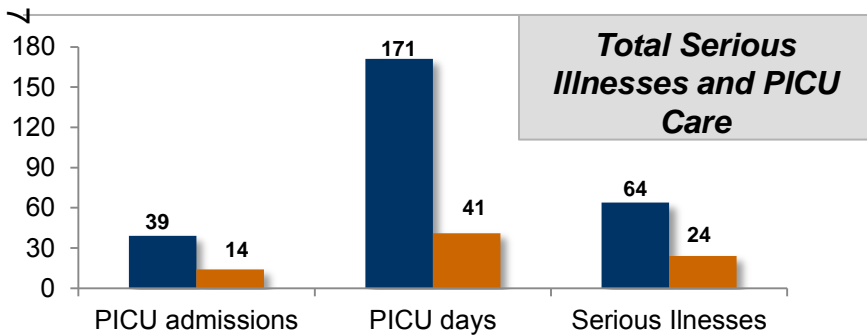
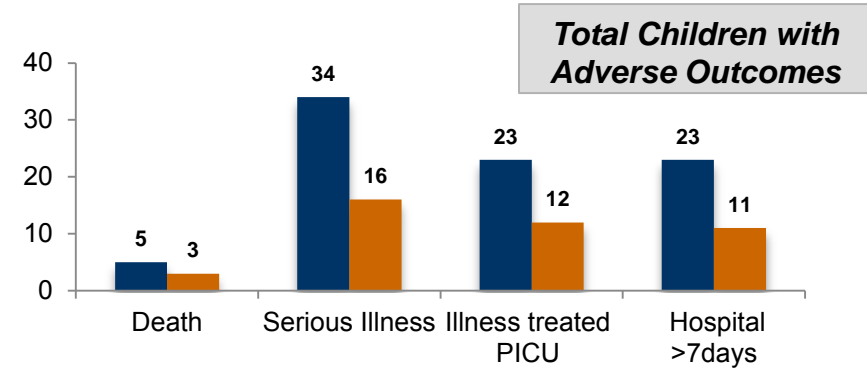


\*BPD not included

# Healthcare Delivery

## Comprehensive Care vs. Usual Care

Comprehensive Care Usual Care



MINUTES  
U. T. System Board of Regents  
Facilities Planning and Construction Committee  
November 14, 2013

The members of the Facilities Planning and Construction Committee of the Board of Regents of The University of Texas System convened at 1:15 p.m. on Thursday, November 14, 2013, 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

Chairman Cranberg, presiding  
Vice Chairman Hicks  
Regent Aliseda  
Regent Powell  
Regent Stillwell

Also present were Chairman Foster, Regent Hall (for Items 3 - 11), Regent Hildebrand, Regent Horne, Regent Pejovich, and General Counsel Frederick.

In accordance with a notice being duly posted with the Secretary of State and there being a quorum present, Committee Chairman Cranberg called the meeting to order in open session. The PowerPoint presentation concerning all items is set forth on Pages 6 - 56.

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

<b>Committee Meeting Information</b> <i>Presenter(s): Committee Chairman Cranberg</i> <i>Status: Reported</i>
---

*There were no items referred from the Consent Agenda.*

2. **U. T. System: Fiscal Year 2013 Energy Utility Task Force Report**

<b>Committee Meeting Information</b> <i>Presenter(s): Mr. Michael O'Donnell, Associate Vice Chancellor for Facilities Planning and Construction</i> <i>Status: Reported/Discussed</i> <i>Follow-up action: Frequently review energy needs to continue to gain efficiencies</i>
---

**Discussion at meeting:**

*See Slides 2 - 13 on Pages 7 - 18 for this report.*

Regarding Slide 11 (see Page 16), Committee Chairman Cranberg noted that the cost of gas to U. T. System has decreased from \$8 to \$2 or \$3 per million btu, which he said indicated the need for a consistent, ongoing review of energy needs to continue to gain efficiencies. Mr. O'Donnell replied that the gas forecast shown was relatively conservative.

### **3. U. T. System: Update on Space Utilization Efficiency**

#### **Committee Meeting Information**

**Presenter(s):** Mr. Michael O'Donnell, Associate Vice Chancellor for Facilities Planning and Construction, and Mr. Stephen Harris, Director of Facilities Space Initiatives, Office of Facilities Planning and Construction

**Status:** Reported/Discussed

**Follow-up Action:** Mr. Harris will research how including all the U. T. Arlington online and blended learning students in calculations would affect ultimate classroom efficiency.

#### **Discussion at meeting:**

See Slides 14 - 21 on Pages 19 - 26 for this report.

Vice Chairman Powell asked whether or not including all the U. T. Arlington online and blended learning students in calculations would affect ultimate classroom efficiency, and Mr. Harris said he would research the question, and return to the Committee with an answer.

Committee Chairman Cranberg asked why 17% of the space in the report was designated for teaching, but only 5-6% dedicated as classroom space, noting that teaching space uses are up to three times the classroom space. Mr. Harris replied that based on the Texas Higher Education Coordinating Board data, and the utilization reports received, the 5-6% represents scheduled classes per the Registrar or Provost's Office for any of the institutions. In terms of reports that the institutions deliver to the Coordinating Board that are incorporated into their overall metric, other spaces are designated for teaching, but are not regularly scheduled as classroom spaces during the semester. In other words, the regularly scheduled classroom space is a smaller number than the space that is being used overall to advance teaching at the institution.

Regent Cranberg confirmed that there is no utilization metric for the space encompassed by the 17%, and Mr. Harris said that was correct, and that for the next report, the plan is to begin defining that 17% and to show it divided by the space types that it represents to create a more complete or comprehensive statement on utilization. Regent Cranberg stated that this was a matter of great significance in terms of correctly determining what an increase in efficiency would mean for enrollment, and that he looked forward to further reports on the subject.

4. **U. T. System: Update on progress of the new University of Texas in South Texas Campus Master Plan Engagement**

**Committee Meeting Information**

**Presenter(s):** Mr. Michael O'Donnell, Associate Vice Chancellor for Facilities Planning and Construction

**Status:** Reported/Discussed

**Follow-up action:** Vice Chairman Powell requested information on the firm selected to provide the architectural services when such information becomes available.

**Discussion at meeting:**

Vice Chairman Powell requested information on the firm selected to provide the architectural services when such information becomes available.

5. **U. T. Austin: Tennis Center Replacement Facility - Amendment of the FY 2014-2019 Capital Improvement Program to include project (Preliminary Board approval)**

**Committee Meeting Information**

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

**Status:** Approved

**Motion:** Made by Vice Chairman Powell, seconded by Regent Aliseda, and carried unanimously

**Discussion at meeting:**

President Powers said that even though few NCAA matches would take place at the new tennis facility, he anticipated that it would get a lot of use by Recreational Sports teams.

Board Chairman Foster asked how this facility compares to the one it would replace, and President Powers stated that they would be similar.

6. **U. T. San Antonio: Recreation Center Pool Reconstruction - Amendment of the FY 2014-2019 Capital Improvement Program to include project; approval of total project cost; appropriation of funds; authorization of institutional management; and resolution regarding parity debt (Final Board approval)**

**Committee Meeting Information**

**Presenter(s):** Mr. Michael O'Donnell, Associate Vice Chancellor for Facilities Planning and Construction

**Status:** Approved

**Motion:** Made by Vice Chairman Powell, seconded by Regent Aliseda, and carried unanimously



**Discussion at meeting:**

*Regent Pejovich asked if there is a cap on the percentage of student fees that can be used to fund capital projects, be it legislative or internal. Executive Vice Chancellor Kelley replied that there was not, as far as he knew, but such limits have to be approved by the Board.*

**7. U. T. Health Science Center - San Antonio: South Texas Medical Academic Building - Amendment of the FY 2014-2019 Capital Improvement Program to include project (Preliminary Board approval)**

***Committee Meeting Information***

**Presenter(s):** *President William L. Henrich, M.D., President, U. T. Health Science Center - San Antonio*

**Status:** *Approved*

**Motion:** *Made by Vice Chairman Powell, seconded by Regent Aliseda, and carried unanimously*

**8. U. T. Arlington: Baseball and Softball Facility Improvements - Approval of design development; authorization of institutional management; appropriation of funds and authorization of expenditure; and resolution regarding parity debt (Final Board approval)**

***Committee Meeting Information***

**Presenter(s):** *Mr. Michael O'Donnell, Associate Vice Chancellor for Facilities Planning and Construction*

**Status:** *Approved*

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

**9. U. T. Permian Basin: Residence and Dining Hall - Amendment of the FY 2014-2019 Capital Improvement Program to increase total project cost; approval of design development; appropriation of funds and authorization of expenditure; and resolution regarding parity debt (Final Board approval)**

***Committee Meeting Information***

**Presenter(s):** *Mr. Michael O'Donnell, Associate Vice Chancellor for Facilities Planning and Construction*

**Status:** *Approved*

**Motion:** *Made by Vice Chairman Powell, seconded by Regent Aliseda, and carried unanimously*

10. **U. T. Austin: Belo Center for New Media - Amendment of the FY 2014-2019 Capital Improvement Program to increase total project cost; and appropriation of funds and authorization of expenditure (Final Board approval)**

***Committee Meeting Information***

***Presenter(s):*** Mr. Michael O'Donnell, Associate Vice Chancellor for Facilities Planning and Construction

***Status:*** Approved

***Motion:*** Made, seconded by Vice Chairman Powell, and carried unanimously

11. **U. T. Austin: FY11 Fire Life Safety and ITS Renovations - Amendment of the FY 2014-2019 Capital Improvement Program to increase total project cost; and appropriation of funds and authorization of expenditure (Final Board approval)**

***Committee Meeting Information***

***Presenter(s):*** Mr. Michael O'Donnell, Associate Vice Chancellor for Facilities Planning and Construction

***Status:*** Approved

***Motion:*** Made, seconded by Vice Chairman Powell, and carried unanimously

ADJOURNMENT

Committee Chairman Cranberg adjourned the meeting at 1:56 p.m.

# Agenda Items

Mr. Michael O'Donnell, Associate Vice Chancellor  
for Facilities Planning and Construction

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Facilities Planning and Construction Committee  
U. T. System Board of Regents' Meeting  
November 2013



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# U. T. System

## Fiscal Year 2013 Energy Utility Task Force Report

7



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# U. T. System Energy Utility Task Force (EUTF)

- February 2001: The Board of Regents created EUTF to recommend strategies for reducing energy consumption and cost
- November 2001: The Board endorsed goals of 10%-15% reduction in energy by FY 2011



# U. T. System

## Energy Utility Task Force (EUTF) (cont.)

- November 2002: Energy Management Plans completed by institutions and serve as roadmap for accomplishing goals
- 2005: Governor's Office issued Executive Order RP-49 requiring each State agency to develop an energy conservation plan



# U. T. System

## Energy Utility Task Force (EUTF) (cont.)

- November 2011: U. T. System institutions exceeded energy goals with an 18% reduction from 2001 baseline levels
- The Board extended 2001 baseline energy reduction goals an additional 5%-10% for FY 2021

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# U. T. System

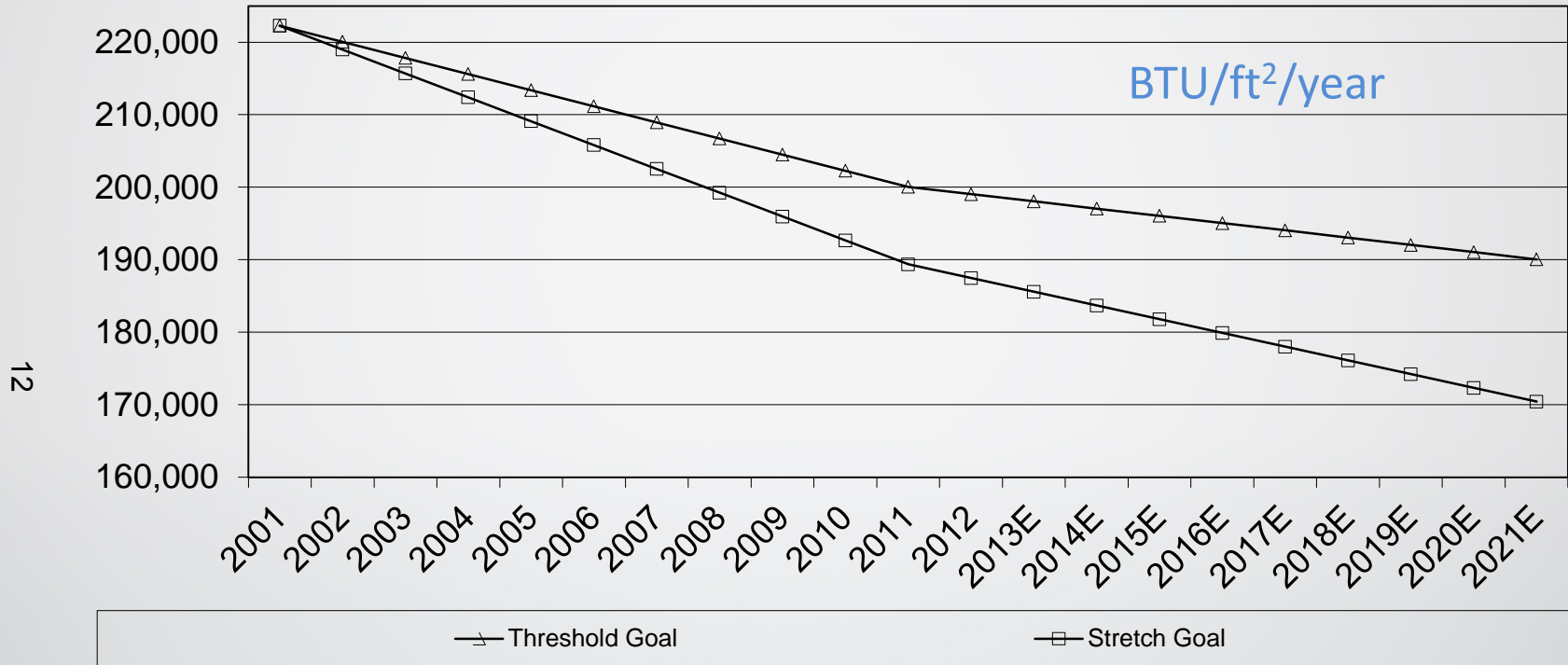
## Energy Efficiency - Examples

- Energy audits and performance contracts
- Retro-commissioning of complex buildings
- ↳ • Lighting and motor retrofits
- Variable speed drives
- Reduced air changes for lab-fume hoods





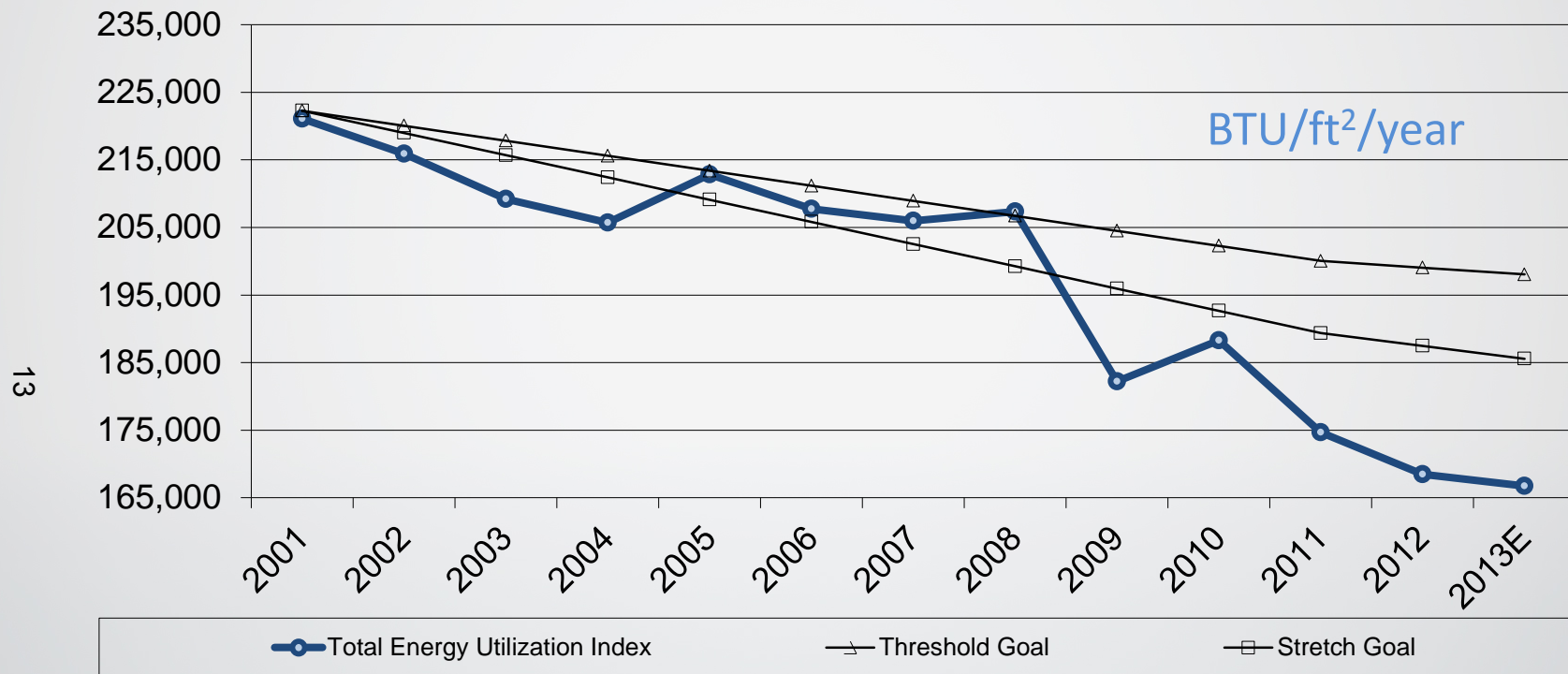
# Future Energy Reduction Goals



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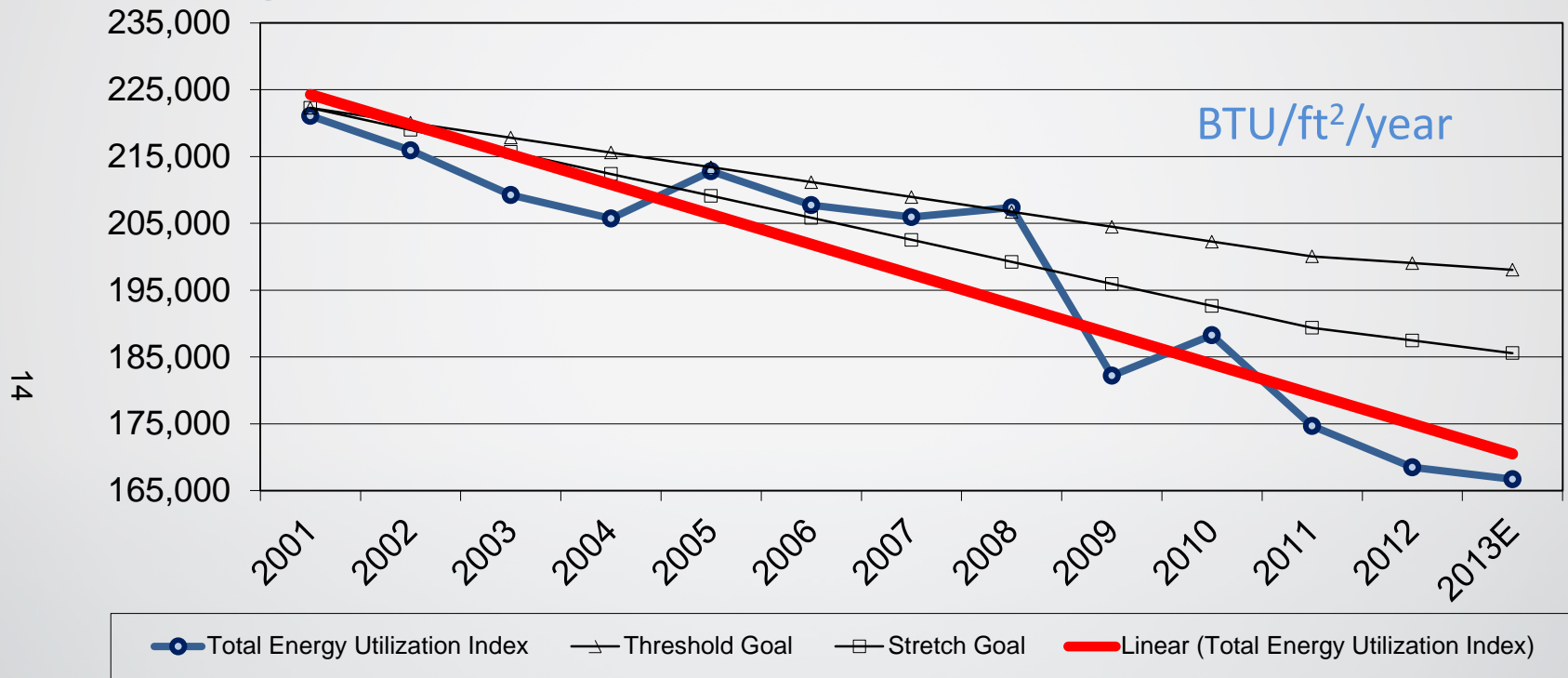
# Energy Utilization Index (EUI)



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# Energy Utilization Index (EUI) (cont.)



# U. T. System

## FY 2013 EUTF Headlines

- Current FY 2013 estimates - 25% energy reduction from baseline levels
- Cumulative reduction in energy consumption per square foot since 2001 saved U. T. System \$417 million

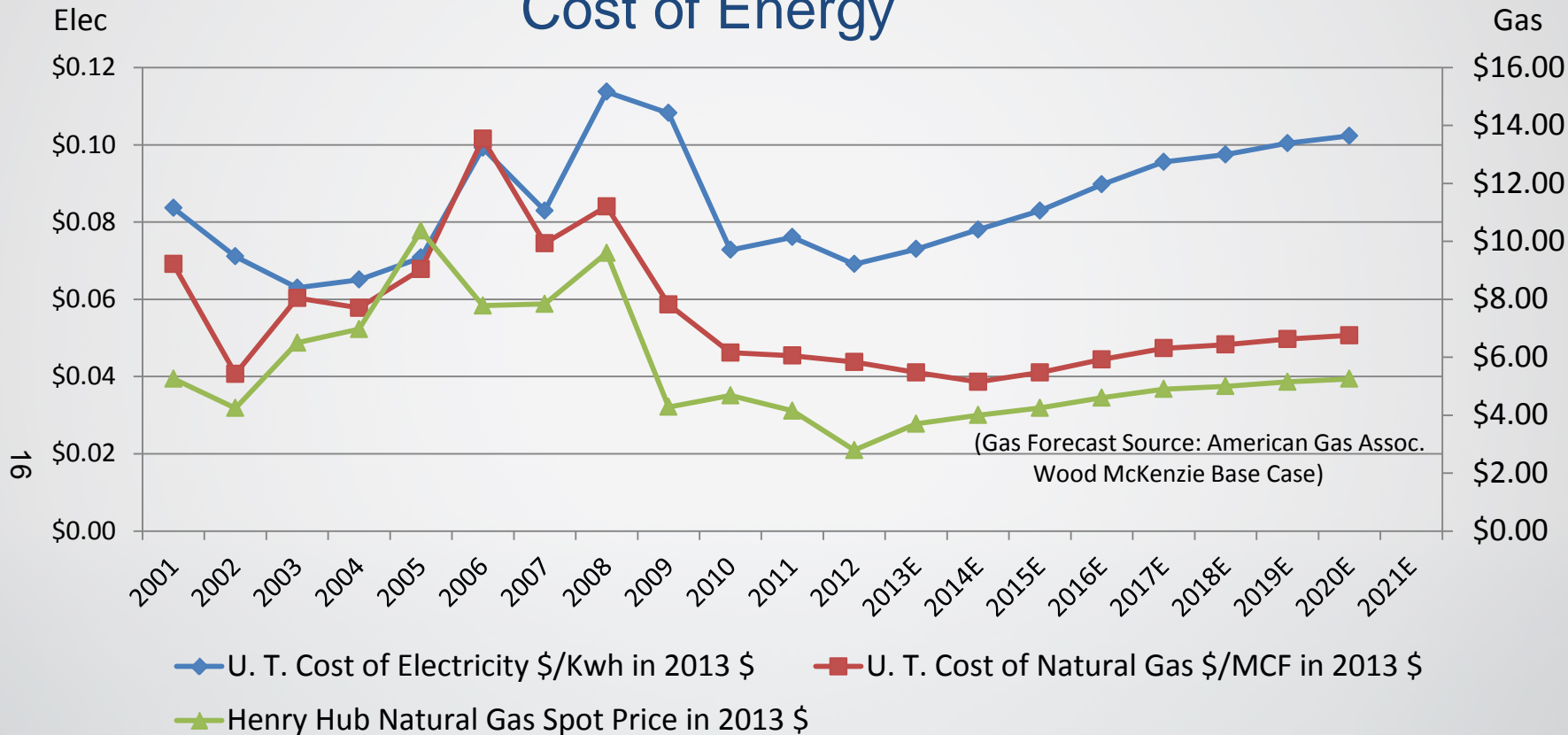
15



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# Cost of Energy



# U. T. System

## FY 2013 EUTF Headlines (cont.)

- Total inventory has increased by 66% and includes more high-energy-use space (research, engineering, and health care)
- Total Annual Energy Costs have increased from \$149 million to \$234 million

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# U. T. System

## Future Energy Reduction Goals

- Most low-cost energy reduction projects and systems are installed
- Priority should be given to energy efficiency recapitalization projects with lowest life cycle costs and best net present value

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# Space Utilization Efficiency

## Progress Report on Space Utilization Efficiency

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Presented by: Michael O'Donnell  
Associate Vice Chancellor for Facilities Planning and Construction  
Stephen Harris  
Director of Facilities Space Initiatives



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# Framework Action Plan

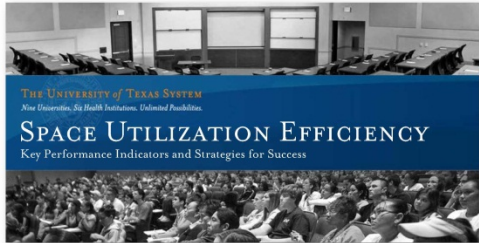
Section 4.D.1: Develop criteria to assess and improve academic, research, and administrative space utilization and strategies, including productivity indices, and review of space utilization policies.

Responsible Parties	Goals/Metrics (Best Estimates)*	Timeline (Best Estimates)*
<ul style="list-style-type: none"> <li>• EVC for Business Affairs</li> <li>• EVC for Academic Affairs</li> <li>• EVC for Health Affairs</li> <li>• Institution Presidents</li> </ul>	A. Criteria developed and instituted by each campus	Fall 2012
	B. Better space utilization (indices and criteria established), expanded classroom access, research success, and clinical capacity	February 2013 (Progress report to Regents)

\*Upon adoption of the Framework Action Plan by the Board of Regents, the goals, metrics, and timelines will be further developed, enhanced and modified.



# Space Utilization Efficiency Report



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**SPACE UTILIZATION EFFICIENCY**  
 Key Performance Indicators and Strategies for Success

DRAFT REPORT: 12/19/2012

NOTE: Portions of this draft are based on preliminary, uncertified data which will be updated before publication of the final report.

Category	UTD		UTLS		UTPR		UTR		UTS		UTW	
	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012
Classroom	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Classroom (Avg)	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Classroom (Max)	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Classroom (Min)	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Classroom (Std Dev)	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Classroom (Range)	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Classroom (Total)	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Classroom (Avg)	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Classroom (Max)	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Classroom (Min)	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Classroom (Std Dev)	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Classroom (Range)	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Classroom (Total)	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

UT System Space Utilization Efficiency 12

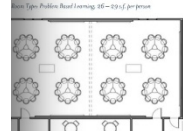
The challenging goal challenge: UT System Systematic Programmatic Research for Advancing Research Through the University of Texas System - Action Plan which directs our leadership to develop institution-specific systems and guide the following better space utilization, regarding classroom rooms, research centers, and clinical spaces. This effort is intended as facilities improvements to increase space utilization and to better inform management decision-making while enhancing and protecting our capital investments. The proposed impact of our programs on institutional space utilization efficiency is now required as a key component of the business plan needed to justify our capital programs.

Site Source: UT Dallas annual (2011) - Building and Room Report and the (2011) - Facilities Space Inventory Report

UT System Space Utilization Efficiency 13

High scores of the system in place cover a wide range of business correlations between the system in place and the three core ability to fulfill these missions.

UT System	UTD	UTLS	UTPR	UTR	UTS	UTW
Classroom	100%	100%	100%	100%	100%	100%
Classroom (Avg)	100%	100%	100%	100%	100%	100%
Classroom (Max)	100%	100%	100%	100%	100%	100%
Classroom (Min)	100%	100%	100%	100%	100%	100%
Classroom (Std Dev)	100%	100%	100%	100%	100%	100%
Classroom (Range)	100%	100%	100%	100%	100%	100%
Classroom (Total)	100%	100%	100%	100%	100%	100%
Classroom (Avg)	100%	100%	100%	100%	100%	100%
Classroom (Max)	100%	100%	100%	100%	100%	100%
Classroom (Min)	100%	100%	100%	100%	100%	100%
Classroom (Std Dev)	100%	100%	100%	100%	100%	100%
Classroom (Range)	100%	100%	100%	100%	100%	100%
Classroom (Total)	100%	100%	100%	100%	100%	100%



UT Dallas University, which has been the "Central Classroom" facility, 2011 December 2011

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## UT DALLAS

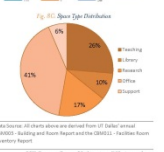
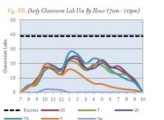
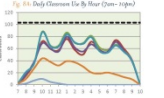
Category	Value
Primary Mission	Academic
Classroom	100%
Classroom (Avg)	100%
Classroom (Max)	100%
Classroom (Min)	100%
Classroom (Std Dev)	100%
Classroom (Range)	100%
Classroom (Total)	100%
Classroom (Avg)	100%
Classroom (Max)	100%
Classroom (Min)	100%
Classroom (Std Dev)	100%
Classroom (Range)	100%
Classroom (Total)	100%

These efficiencies will likely be offset by the need for more research space for new faculty members who are more active in externally funded research. The expansion in student populations will also require a commensurate increase in faculty and staff. Therefore, it is assumed that growth in students, faculty, and staff will require proportional growth in space.

The University physical plant has undergone significant change in the last several years. This process of change places additional responsibilities on faculty and administrative resources (over and above what faculty are asked to do in teaching, research and service). The institution has managed an increasing student and faculty population, renovation of older physical structures, renovation into new teaching research facilities, all while providing improved student services, improved course and degree offerings, and increased research productivity. Average growth (in long-term) is 10 percentage points in one year as a result of a combination of overall/distributed management of scheduling and classroom management. Classroom utilization is more uniformly distributed (over the day and distribution over the week). We have taken a longer-term view in strategically planning utilization of future plant resources.

### Key Challenges and Opportunities

UT Dallas is strategically moving to be a nationally competitive public research university with an overall enrollment on fall semester of 45,000 to 50,000 students. Additionally, while the University is experiencing a transition from non-traditional to more traditional student population the University continues to report that it will provide services across the full spectrum of time (Monday through Saturday, 7:00AM to 7:00PM). This expansion of course and degree offerings at UT Dallas will require new academic buildings, classrooms, and research space. Currently, UT Dallas has about a 200 gross square feet of academic, classroom, and research space. Although growth may produce increases of total and, hence, lower square feet per student or faculty member.



UT System Space Utilization Efficiency 15



UT System Space Utilization Efficiency 17



UT Dallas University, which has been the "Central Classroom" facility, 2011 December 2011

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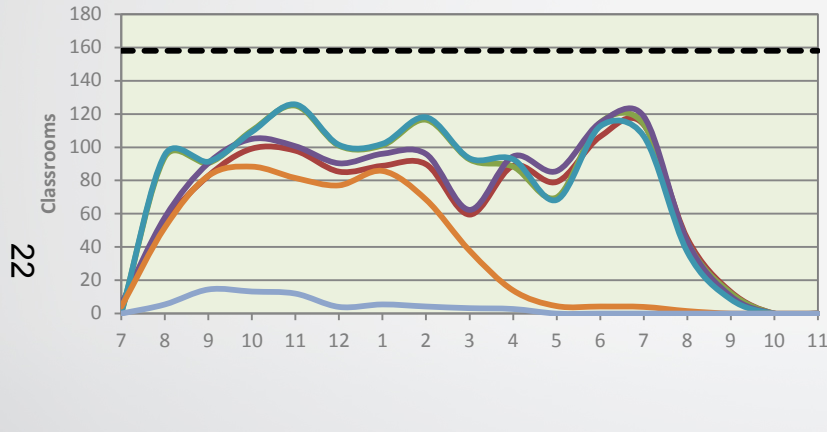
UT Dallas University, which has been the "Central Classroom" facility, 2011 December 2011



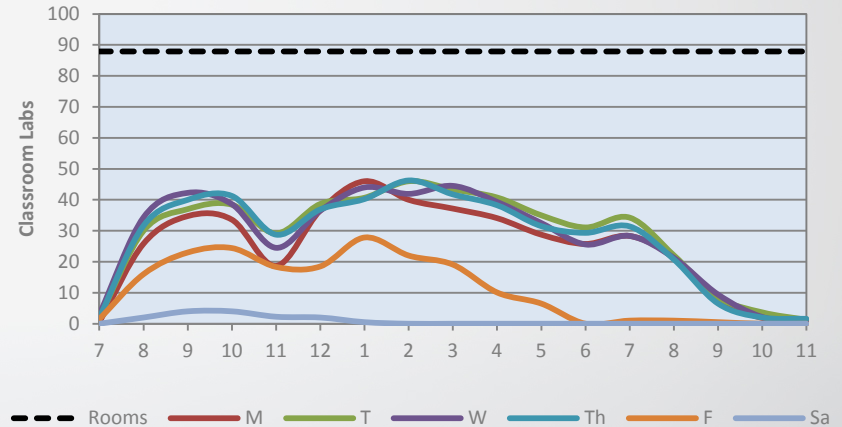
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# Application of Existing Data



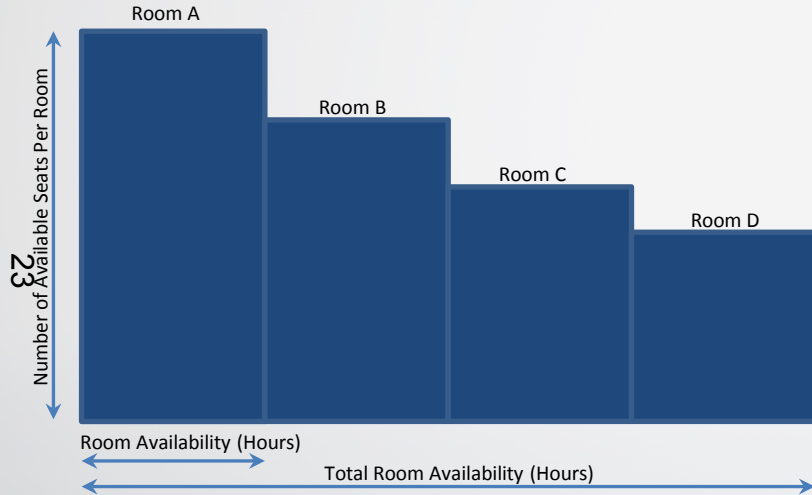
*Daily Classroom Use By Hour (7am - 10pm)*



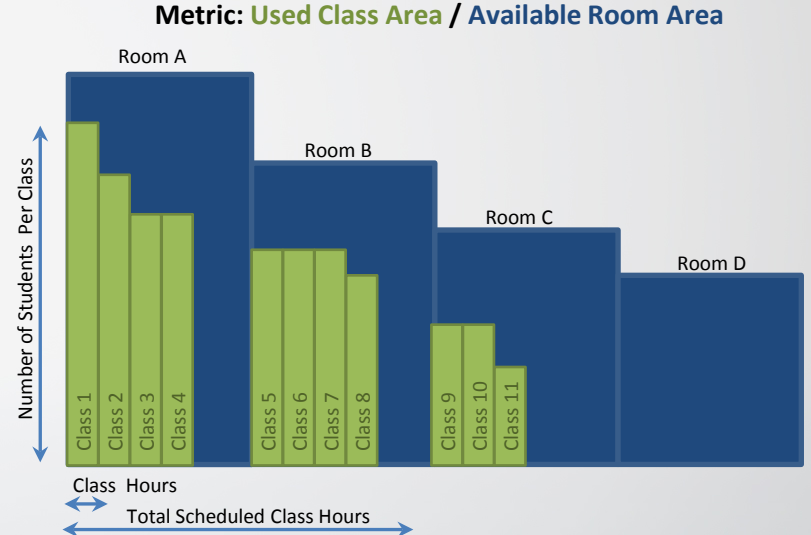
*Daily Classroom Lab Use By Hour (7am - 10pm)*



# New Metrics



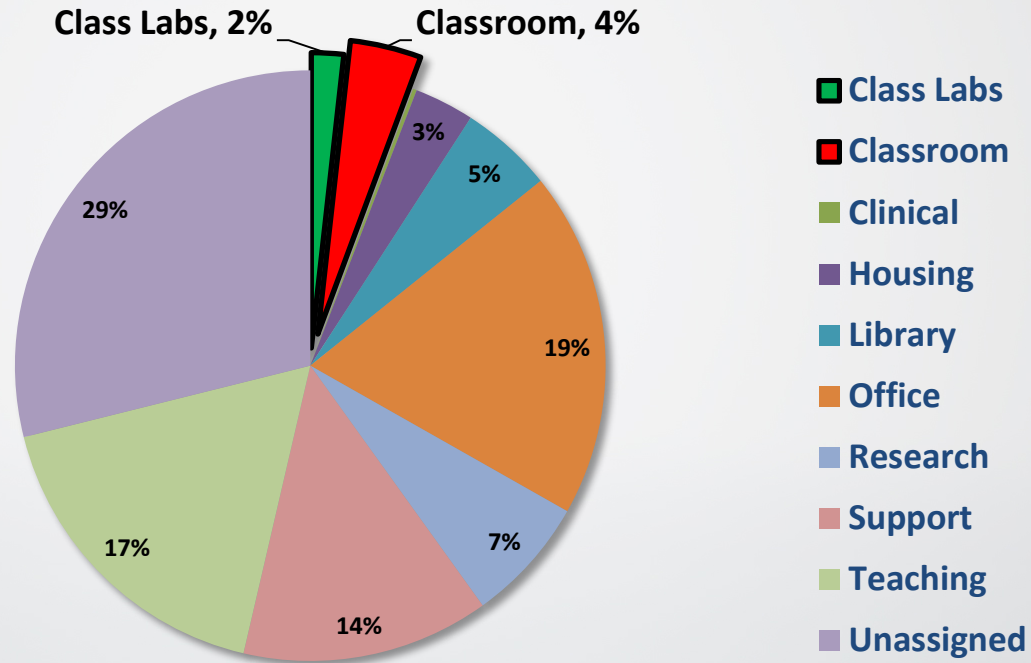
*Room Capacity Over Scheduled Time*



*Room Use Over Time Superimposed Over the Available Room Capacity Over Time*



# Space Use By Type



# Basis for Costs vs. Revenue Analysis

## Current Utilization at 72 Hours/Week

Institution	Classroom Efficiency	Class Lab Efficiency
U. T. Arlington	47.02%	22.69%
U. T. Austin	42.20%	27.82%
U. T. Dallas	56.81%	35.40%
U. T. El Paso	44.28%	28.65%
U. T. Pan American	42.02%	27.39%
U. T. Brownsville	33.46%	15.86%
U. T. Permian Basin	48.11%	19.56%
U. T. San Antonio	53.52%	32.17%
U. T. Tyler	38.92%	18.24%

## Additional Students Accommodated within Existing Space with 5% Increase in Utilization

Class Sections (3 hours/Sec)	Class Students (35/Sec)	Class Lab Sections (3 hours/Sec)	Class Lab Students (20/Sec)
195	6,825	178	3,560
540	18,900	273	5,460
123	4,305	58	1,160
178	6,230	136	2,720
158	5,530	110	2,200
104	3,640	140	2,800
30	1,050	28	560
189	6,615	133	2,660
60	2,100	62	1,240

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# Path Forward

- Further refine the new Classroom/Class Lab metric, track, analyze, and report on trends by institution – February 2014 FPCC Meeting
- Develop other space metrics/analytic techniques to complement available data sources and institution-specific practices
- Develop space evaluation techniques consistent with new learning environment strategies and incorporate into future business plans
- Explore opportunities and challenges associated with expanding instruction schedules to 72 hours per week
- Recommend transition to a new System Task Force on Facility Planning for the 21<sup>st</sup> Century

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# The University of Texas in South Texas

## Update on Progress of Campus Master Plan Engagement

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# The University of Texas in South Texas Master Planning and Comprehensive Architectural Services

- Approval to issue RFQ received 8/22/2013
- Master Planner RFQ posted 8/30/2013
- Nine RFQ responses received, evaluated 9/26/2013
- Executive-level Selection Committee evaluates and short list developed 10/4/2013
- Interviews held with four short-listed teams 10/28/2013
- Most qualified team recommended to Executive Vice Chancellor for Business Affairs 11/1/2013

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# The University of Texas in South Texas Master Planning and Comprehensive Architectural Services (cont.)

## Next Steps

- Initiate negotiations with Most Qualified firm
- Recommendation to the Board of Regents by the end of November
- Execute contract
- Architectural team begins interfacing with campus and System working-teams in January 2014

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# The University of Texas in South Texas

## Abbreviated List of Anticipated Services

- Provide assessments of existing facilities
- Recommendations and support for campuses' consolidation, synergies, land acquisition
- Support Academic Education work teams, including benchmarking, online hybrid- and project-based learning, space utilization, etc.
- Support Medical Education work teams and accreditation
- Provide recommendations on maximizing regional economic impact, and Rio Grande Valley stakeholder engagement
- Campus master planning
- Technology, utility, infrastructure, and transportation planning

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# U. T. System FY 2014-2019 Capital Improvement Program

CIP Total as of November 1, 2013	\$ 6,497,009,458
CIP New Construction Additions	\$ 69,000,000
CIP R&R Construction Additions	\$ 5,950,000
DD Approvals/TPC Modifications	\$ 15,350,000
Total Change in CIP	\$ 90,300,000
Projects removed from CIP this quarter	\$ (100,705,000)
CIP Total after today's meeting	\$ 6,486,604,458
CIP Total - November 2011	\$ 6.3 billion
CIP Total - November 2012	\$ 6.1 billion

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# Consideration of Project Additions to the FY 2014-2019 Capital Improvement Program

- Two (2) Academic Projects

- UTAUS Tennis Center Replacement Facility \$15.00M
- UTSA Recreation Center Pool Reconstruction \$ 5.95M

- One (1) Health PUF Project

- UTHSCSA South Texas Medical Academic Building \$54.00M

32



# U. T. Austin

## Tennis Center Replacement Facility

33

Presented by William Powers  
President



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# U. T. Austin

## Tennis Center Replacement Facility

- 12 outdoor tennis courts, grandstands, locker rooms, offices, and support facilities
- Continue support of U. T. Tennis by replacing Penick-Allison Tennis Center following demolition for the Dell Medical School buildings
- Replace U. T. Tennis center with a similar facility

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# U. T. Austin

## Tennis Center Replacement Facility (cont.)

- \$15,000,000 Total Project Cost
  - Auxiliary Enterprises Balances
- 122,350 GSF, \$122.60/GSF
- Comparable facilities costs \$210/GSF

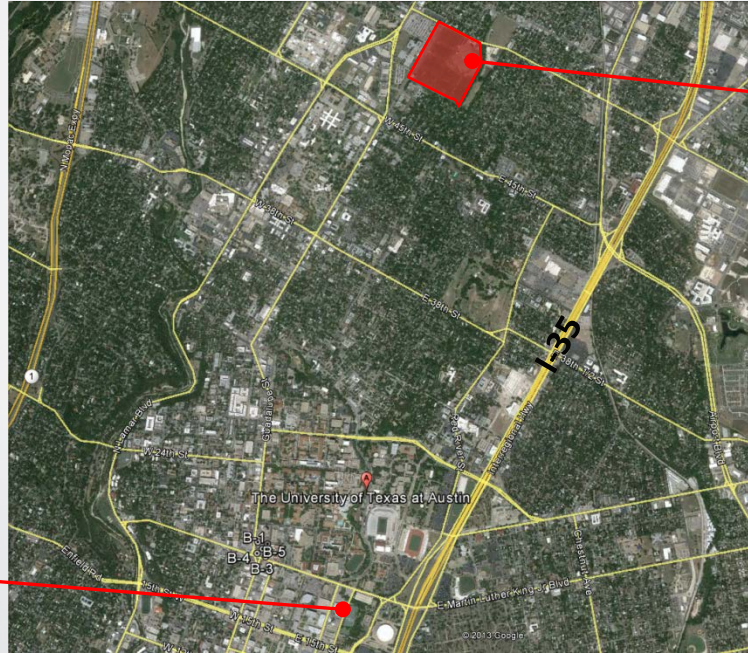
35





# U. T. Austin Tennis Center Replacement Facility (cont.)

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Whitaker Fields

Existing Penick-  
Allison Tennis  
Center



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# U. T. San Antonio

## Recreation Center Pool Reconstruction

- Reconstruct and restore functionality to swimming pool; add small wet classroom and changing building
- Institutional Management
- \$5.95M Total Project Cost
  - \$3.65M RFS
  - \$2.30M Auxiliary Enterprises Balances

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# U. T. Health Science Center - San Antonio

## South Texas Medical Academic Building

38

Presented by William L. Henrich, M.D., M.A.C.P.  
President



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# U. T. Health Science Center - San Antonio

## South Texas Medical Academic Building

- 88,000 GSF facility equipped with modern classroom space, auditorium, clinical skills center, pre-clinical M.D. labs, administrative space and a gross anatomy teaching facility to support an interprofessional, collaborative educational experience
- Funding of \$54,000,000 from Permanent University Fund (PUF) Bond Proceeds
- 39 Contributes to the Chancellor's goal of expanding medical education and research programs in South Texas as outlined in the Framework for Advancing Excellence throughout the U. T. System
- Creates an independent Medical School for the Lower Rio Grande Valley (LRGV) as outlined in Senate Bill 98 from the 81<sup>st</sup> Legislature and Senate Bill 24 from the 83<sup>rd</sup> Legislative session



# U. T. Health Science Center - San Antonio

## South Texas Medical Academic Building (cont.)

### Continuing Shortage of Skilled Health Care Professionals

- Texas ranks 2<sup>nd</sup> nationally in Physicians Retained from Undergraduate Medical Education, graduate physicians are highly likely to stay and practice medicine in South Texas where there is a critical shortage
- A new auditorium will enable the school to offer continuing education programs to the local medical community
- Will conform to new accreditation standards that focus on integrating basic sciences at all levels and providing flexible classroom space to develop critical thinking and problem solving skills
- Will enable the Rio Grande Valley Medical School to foster an interprofessional education system that enhances interactions between faculty and students thereby enhancing the overall educational experience
- Will potentially generate over \$6.8 million in new revenues due to increased enrollment levels



# U. T. Health Science Center - San Antonio

## South Texas Medical Academic Building (cont.)

### Building Facilitates Current Teaching Methods

- Collaborative learning environments allows classes to break into small groups within the same classroom
- Includes blended, online and distance learning that serve to increase the effectiveness of education, reach out to community members, and reduce educational costs
- Ideas that foster and reinforce collaborative learning will be incorporated in the design
- Takes advantage of the current advanced electronic technology for teaching including high-speed distance learning connections to the U. T. Health Science Center - San Antonio campus, video capture of lectures that may be downloaded on personal electronic devices and sophisticated computerized testing

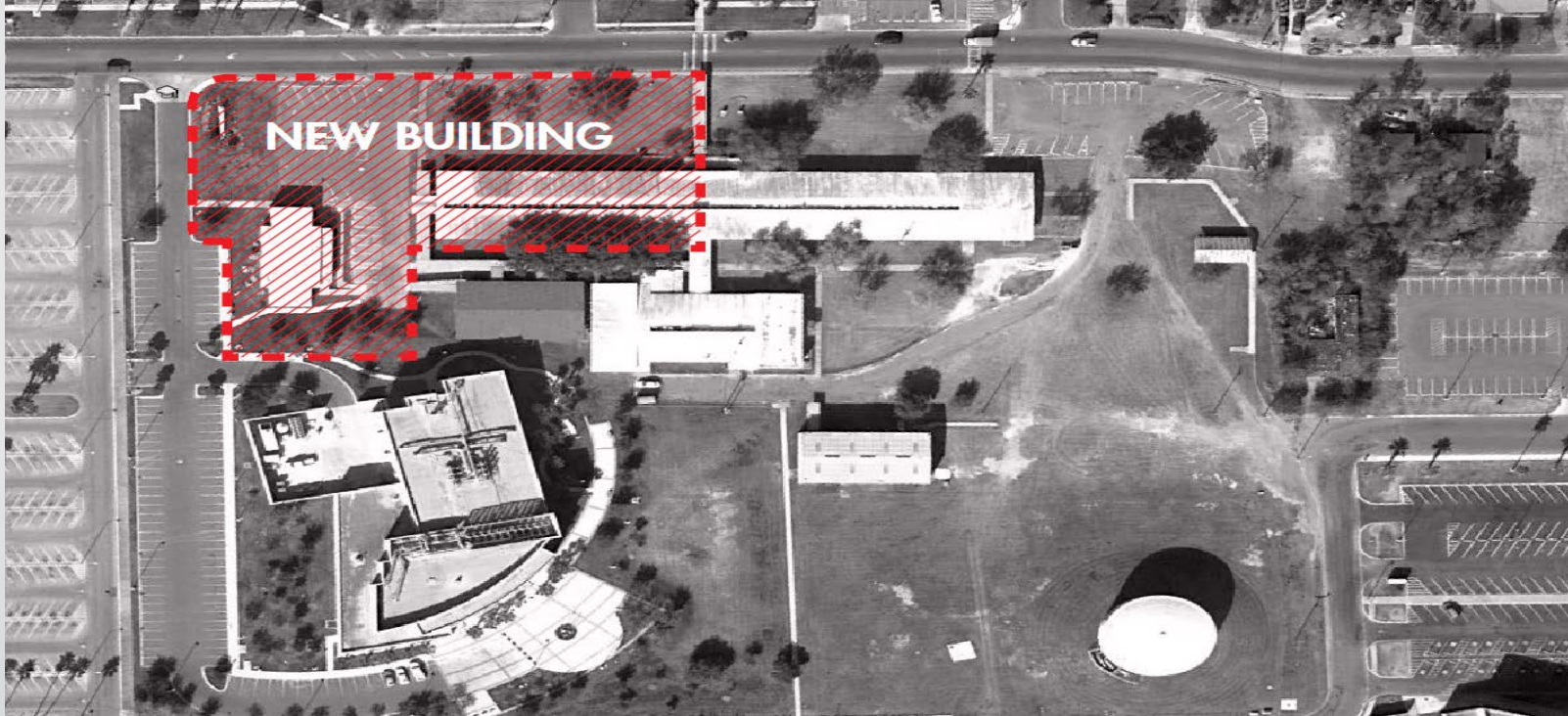
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# U. T. Health Science Center - San Antonio South Texas Medical Academic Building (cont.)



42



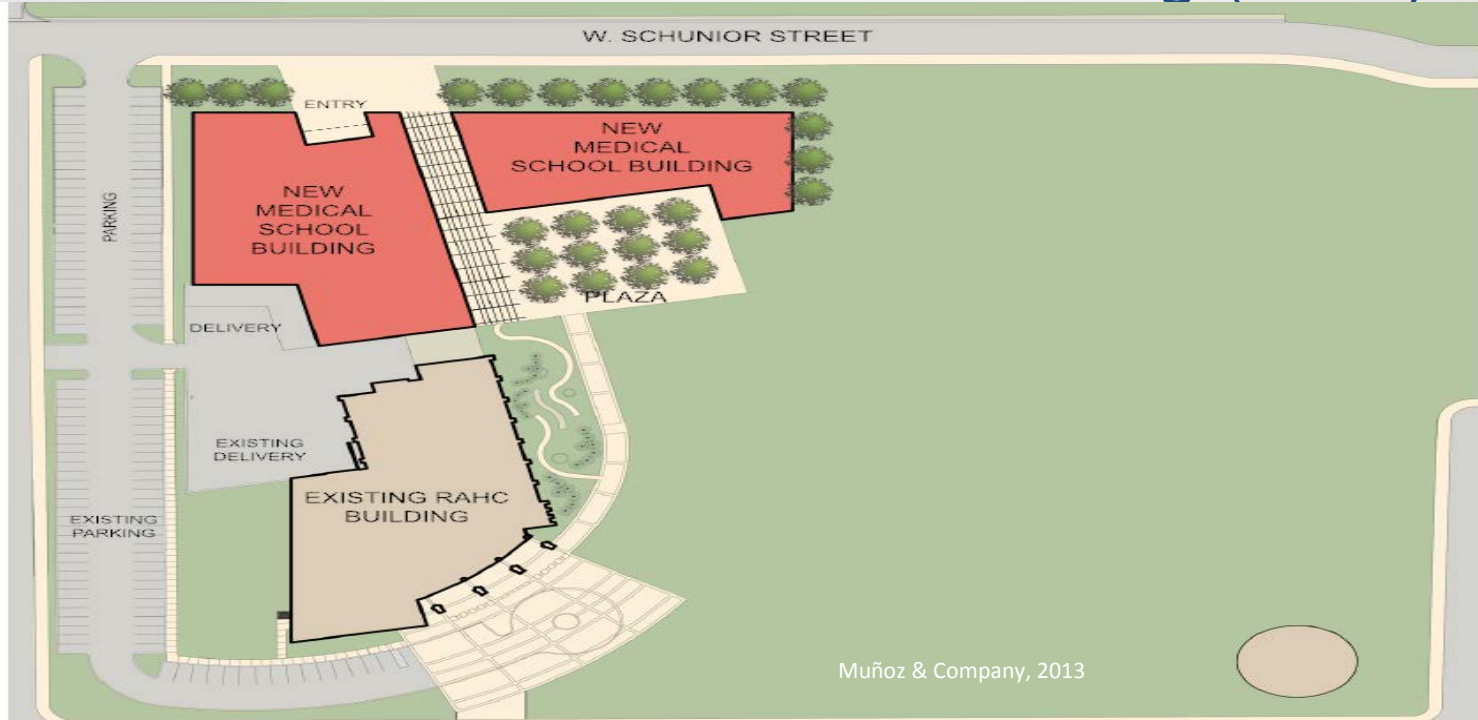
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## Proposed Site

# U. T. Health Science Center - San Antonio South Texas Medical Academic Building (cont.)

43



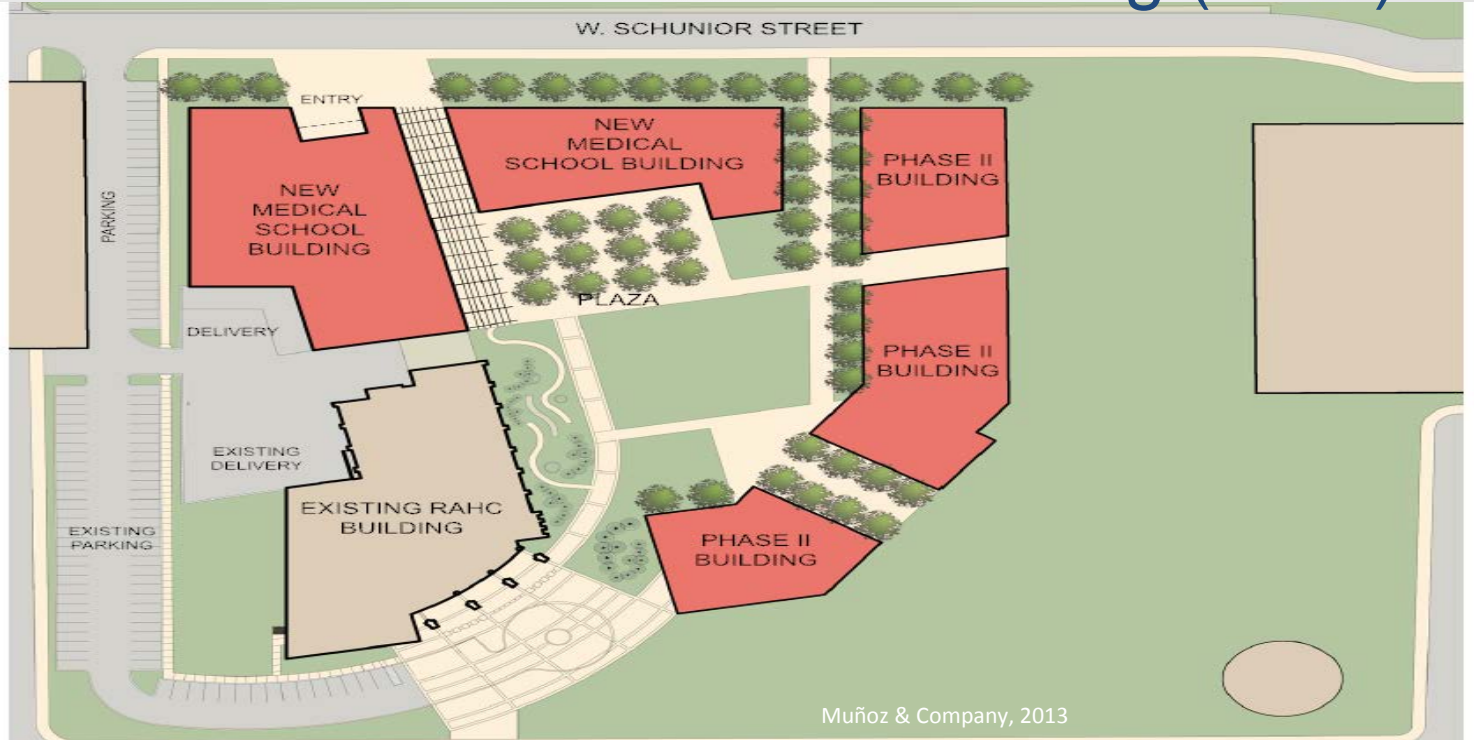
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## Phase 1-Conceptual Site Plan



# U. T. Health Science Center - San Antonio South Texas Medical Academic Building (cont.)



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## Phase 2-Conceptual Site Plan

# Consideration of Design Development Approval

- Two Academic Projects
  - UTA Baseball and Softball Facility Improvements
  - UTPB Residence and Dining Hall

45



# U. T. Arlington

## Baseball and Softball Facility Improvements

46



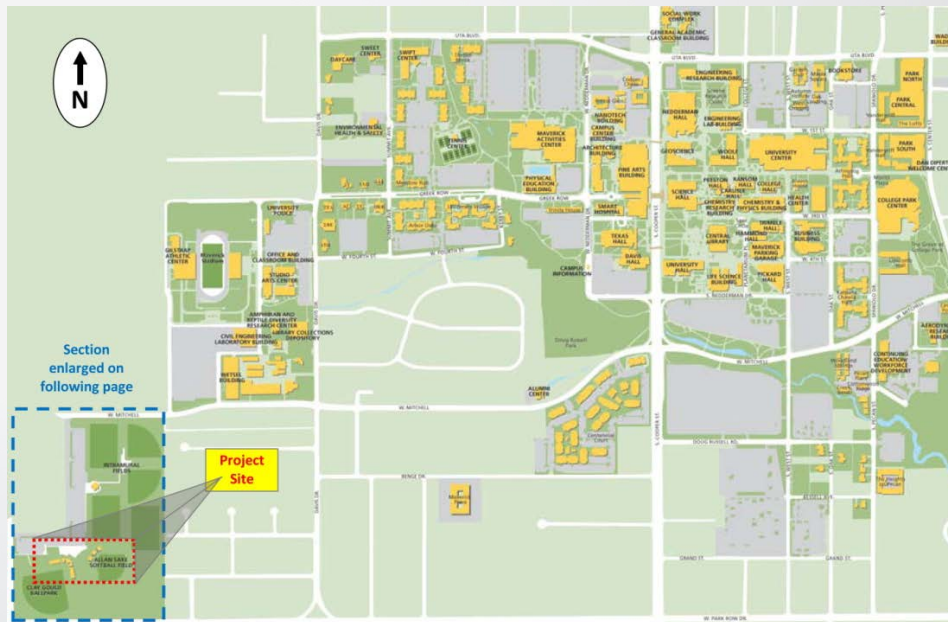
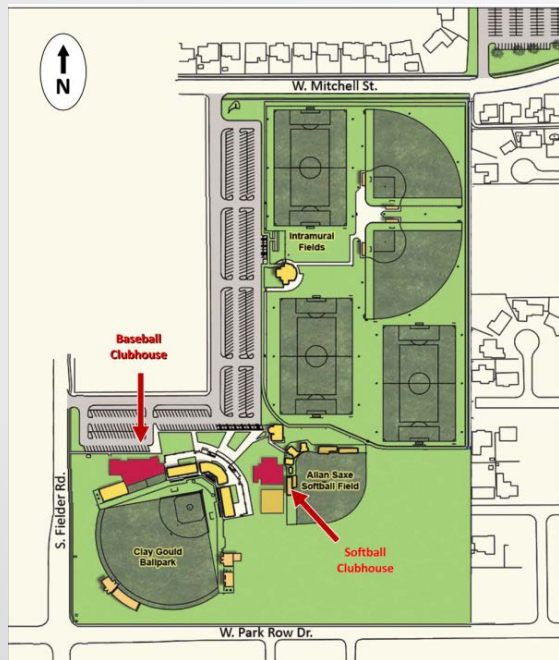
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# U. T. Arlington Baseball and Softball Facility Improvements

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## Campus and Site Plans

# U. T. Arlington Baseball and Softball Facility Improvements (cont.)

48



Softball Field House

Baseball Field House



# U. T. Arlington

## Baseball and Softball Facility Improvements (cont.)

- \$5,500,000 Total Project Cost
  - RFS
  - To be repaid from auxiliary revenues

49



# U. T. Permian Basin

50

## Residence and Dining Hall



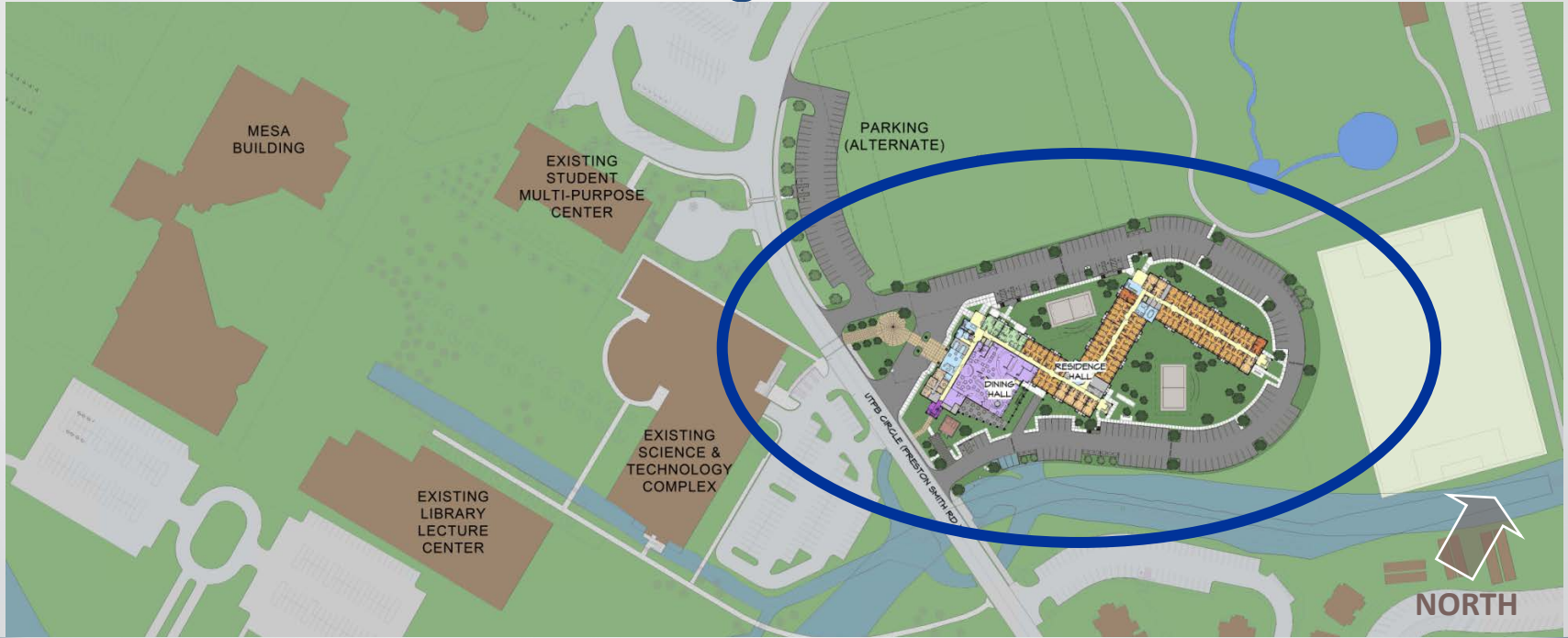
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# U. T. Permian Basin Residence and Dining Hall

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## Campus Plan



# U. T. Permian Basin Residence and Dining Hall (cont.)



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## Site Plan

# U. T. Permian Basin Residence and Dining Hall (cont.)



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## View at Front Entrance

# U. T. Permian Basin Residence and Dining Hall (cont.)

- \$35,750,000 Total Project Cost
  - RFS
  - To be repaid from rental income

54



# U. T. Austin

## Belo Center for New Media

- Additional funding for construction of a bridge to connect the new Belo Center for New Media and the Jesse H. Jones Communication Center Building A (CMA) and Building B (CMB); Completes 100% of CMA renovation and 80% of CMB renovation
- \$75,765,000 Total Project Cost
  - \$30,094,000 RFS
  - \$22,956,000 Gifts
  - \$15,120,000 Unexpended Plant Funds
  - \$ 7,595,000 Designated Funds

55



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# U. T. Austin

## FY 11 Fire Life Safety and ITS Renovations

- Proposed increase of \$2,100,000 for new fire alarms in Main, Parlin, Calhoun and Homer Rainey Hall, and ITS infrastructure upgrades in Main
- \$15,300,000 Total Project Cost
  - \$11,271,428 PUF
  - \$ 3,342,000 AUF
  - \$ 686,572 Designated Tuition

56



MINUTES  
U. T. System Board of Regents  
Technology Transfer and Research Committee  
November 14, 2013

The members of the Technology Transfer and Research Committee of the Board of Regents of The University of Texas System convened at 3:15 p.m. on Thursday, November 14, 2013, 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

Chairman Hall, presiding  
Regent Aliseda  
Regent Cranberg  
Regent Hildebrand

Absent

Vice Chairman Hicks

Also present were Regent Pejovich (for Items 1 - 2), Regent Horne, and General Counsel Frederick.

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

**1. U. T. System: Update on the U. T. Horizon Fund portfolio**

***Committee Meeting Information***

***Presenter(s):*** Mr. Bryan T. Allinson, Executive Director of Technology Commercialization

***Status:*** Reported/Discussed

***Follow-up action:*** Dr. Hurn offered to develop a proposal for data warehousing and analytics of current research being performed at U. T. System.

**Discussion at meeting:**

*In response to a question by Regent Cranberg about plans for ongoing reporting on the retrospective model for the entire U. T. Horizon Fund portfolio, Mr. Allinson replied that an ongoing portfolio is maintained, and includes investments with all 11 companies to date. With respect to the backtesting model, Mr. Allinson remarked that such testing would take place on an annual basis once sufficient data has been accrued. Backtesting was last completed for Calendar Year 2012, and review of Calendar Year 2013 will commence soon. Regent Cranberg asked if it is possible, at such an early stage, to start maintaining a mark-to-market on the funds that have been invested to keep tabs on how those investments are doing, and Mr. Allinson explained the plan to mark investments to market.*

*Committee Chairman Hall asked about the pipeline for prospective co-investment ideas, and Mr. Allinson explained the process, which is both historical, looking at past trends, and futuristic, following where the markets are headed.*

*In reply to a question from Committee Chairman Hall about an industry standard in the venture capital world for how much time it takes to monetize an investment, Mr. Allinson said that while typical venture capital funds operate for a period of about 10 years, the range for realizations of U. T. System's investments is five to seven years.*

*Mr. Allinson also commented on the value of university Intellectual Property (IP), saying that world-class research conducted usually over long periods at universities and often funded by capital from the federal government or from industry, presents a company with an opportunity for market exclusivity that can be an asset to create financial and economic value.*

*In reply to questions from Chancellor Cigarroa about ways to disseminate information about the types of research being conducted by U. T. System faculty, Vice Chancellor Hurn said that at the recent FreshAir conference, she learned that industry has no real depth of understanding of the types and stages of research being conducted at U. T. System institutions. She proposed an appraisal of the research pipeline be done, with assistance of the U. T. System Productivity Dashboard, to establish a data warehouse so that clear, meaningful information can be made available both internally to U. T. System institutions to promote collaboration and amalgamation of research, and to the public/industry.*

*Dr. Klein spoke about consortiums at U. T. Austin that exchange that type of information, and Mr. Allinson added that through such a database, the U. T. System could be a game changer in altering the perception in the research community that major players are located only on the East Coast or the West Coast; major players on the Gulf Coast would benefit Texas.*

*Committee Chairman Hall emphasized the need for a systematic, well-thought-out approach to IP research in the U. T. System, lest opportunities be missed.*

*Regent Cranberg commented on similar discussions held by the Task Force on Engineering Education for the 21st Century concerning collaboration with industry, IP protection, and how to obtain greater academic research funding from industry. He suggested additional metrics be obtained for IP that is not necessarily put forth for monetary gain (royalty income), but for the sake of collaboration or societal benefit. Dr. Hurn agreed such metrics were necessary, and she added that many industry partners have shown interest in collaborating in the precompetitive space, where research being performed is not yet considered IP. Again, she stated that it was important to figure out how to not only quantify, but to drive those collaborations between academia and industry.*

*Regent Cranberg gave an example of a privately-held patent for which U. T. could take credit because a U. T. scientist has contributed to a discovery that benefits society as a whole. Mr. Allinson agreed that proper metrics are needed to track non-patentable technologies or technologies where patents are held by private industry.*

*Mr. Allinson suggested that universities strengthen their patents to make them more attractive and valuable to industry, and Dr. Hurn offered to develop a proposal for data warehousing and analytics of current research being performed at U. T. System.*

**2. U. T. System: Report on Technology Commercialization Metrics for Fiscal Year 2012**

**Committee Meeting Information**

**Presenter(s):** Mr. Bryan T. Allinson, Executive Director of Technology Commercialization; Dr. Patricia D. Hurn, Vice Chancellor for Research and Innovation; Dr. Dale Klein, Associate Vice Chancellor for Research

**Status:** Reported/Discussed

**Follow-up action:** Regent Cranberg asked if the Board could have a similar ranking of privately funded research or industry-sponsored research in dollar amounts as for various academic institutions and systems shown in Slide 5.

**Discussion at meeting:**

Regent Hildebrand asked how the University of California (U. C.) System's technology commercialization programs differed from U. T. System's program, and Chancellor Cigarroa commented on the greater number of Tier One research universities in the State of California and in the U. C. System. Mr. Allinson added that the U. C. System is generally a much larger enterprise and has been running its program for longer. Regent Hildebrand referenced that the U. C. System is first in research grants, and the U. T. System is second. Chancellor Cigarroa commented that there is significantly more venture capital angel funding in California than in Texas. He added the Texas FreshAIR initiative at U. T. System is addressing this matter.

Regent Cranberg suggested the U. T. System could actually be more productive per dollar of research expenditures than the U. C. System in certain categories, and Dr. Hurn stated that size and maturity of the program matter, but relationships are also a significant component. She said efforts will continue to interest Texas-based industries in partnering and advancing with U. T. System's research portfolios.

Executive Vice Chancellor Reyes pointed out that most of the U. C. System institutions have medical institutions within the academic institutions, thus their budgets are larger, and Dr. Hurn suggested the U. C. institutional structure might make collaboration inherently easier. Dr. Klein commented on the entrepreneurial spirit in California and the availability of investor funds for startups, but said it is easier to do business in Texas.

Regent Cranberg asked if the Board could have a similar ranking of privately funded research or industry-sponsored research in dollar amounts as for various academic institutions and systems shown in Slide 5, and Mr. Allinson responded that he would gather that data for the Board.

**3. U. T. System: Report on the recent Texas FreshAIR (Academia-Industry Roundtable) meeting**

**Committee Meeting Information**

**Presenter(s):** Dr. Patricia D. Hurn, Vice Chancellor for Research and Innovation

**Status:** Reported/Discussed



4. **U. T. Brownsville: Report on the status of the Center for Advanced Radio Astronomy (CARA) and South Texas Spacecraft Tracking and Astronomical Research into Giga-hertz Astrophysical Transient Emission (STARGATE)**

***Committee Meeting Information***

***Presenter(s):*** *President Juliet V. García; Dr. Fredrick A. Jenet, Professor of Physics and Astronomy; Mr. Louis Dartez and Mr. Jose Martinez, graduate students from U. T. Brownsville*

***Status:*** *Reported/Discussed*

ADJOURNMENT

Committee Chairman Hall adjourned the meeting at 4:20 p.m.