

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

February 5-6, 2014

Austin, Texas

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/s/ Carol A. Felkel
Secretary to the Board of Regents
December 8, 2014

MINUTES
U. T. System Board of Regents
Finance and Planning Committee
February 5, 2014

The members of the Finance and Planning Committee of the Board of Regents of The University of Texas System convened at 9:29 a.m. on Wednesday, February 5, 2014, 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 Aliseda, Regent Horne, Regent Stillwell, General Counsel Frederick, 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.

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 Hildebrand
Status: Reported

There were no items referred from the Consent Agenda.

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

Committee Meeting Information
Presenter(s): Dr. Scott C. Kelley, Executive Vice Chancellor for Business Affairs
Status: Reported/Discussed
Follow-up Action: Dr. Kelley will gather information concerning how U. T. System ranks in terms of Composite Financial Interest (CFI) performance compared with peer institutions to include in this report.

Discussion at meeting:

Committee Chairman Hildebrand asked Dr. Kelley if he believed the Composite Financial Index (CFI) was the most encompassing metric, and therefore, the most relevant or important when reviewing the financial health of the U. T. System and the U. T. System

institutions. Dr. Kelley answered that the CFI was a good indicator of financial stability at a given time in a host of areas. He added that cash and operating performance are also important indicators of financial health.

Regent Hildebrand asked if there was a benchmark study and how U. T. System measures against the CFI of other state institutions. Dr. Kelley explained that nationally, U. T. System was likely in the upper quartile of public institutions, and Vice Chairman Powell suggested the rankings be made a part of this report. Dr. Kelley said information on U. T. System's peers will be gathered for the Key Financial Indicators report.

3. U. T. System: Report on the Analysis of Financial Condition for Fiscal Year 2013

Committee Meeting Information

Presenter(s): Mr. Randy Wallace, Associate Vice Chancellor, Controller, and Chief Budget Officer

Status: Reported/Discussed

4. U. T. System: Approval of the Fiscal Year 2015 Budget Preparation Policies and Calendar for budget operations

Committee Meeting Information

Presenter(s): Mr. Randy Wallace, Associate Vice Chancellor, Controller, and Chief Budget Officer

Status: Approved

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

Discussion at meeting:

Committee Chairman Hildebrand asked how this budget preparation policy differed from current policy, and Mr. Wallace explained that there was no substantive change, other than the fact that this will be the second fiscal year that annual evaluations are required.

Also in reply to another question from Regent Hildebrand, Mr. Wallace explained that there was a slight difference in the timeline. In 2013, budget policy was approved in May and budgets were approved in August. This year, budget policy is being requested for approval in February; the budget will be prepared during March, April, and May 2014; June and July will be dedicated to legislative requests; and the budget will be submitted for approval in August as usual.

5. **U. T. System Board of Regents: The University of Texas Investment Management Company (UTIMCO) Performance Summary Report and Investment Reports for the quarter ended November 30, 2013**

Committee Meeting Information

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

Discussion at meeting:

Mr. Zimmerman said the endowments and the Intermediate Term Fund (ITF) were up in December 2013, but it looks like they will be down by the same amount in January 2014.

He then discussed the objectives of UTIMCO's investment strategy following a presentation set forth on Pages 5 - 14. He said this discussion resulted from UTIMCO Board Director Ardon Moore's questions:

1. *Do we have the right investment strategy?*
2. *Does our client (the Board of Regents) understand and support our investment strategy?*
3. *And if we are off strategy (off the targets), where and why?*

Regent Cranberg and Mr. Zimmerman discussed the matter of West Texas Lands distributions in terms of revenues/value and distribution amounts/rates within the parameters of policy and the law.

Board Chairman Foster commented on the issue of the forward sale that the Board of Regents wisely decided not to do a few years ago. He said that UTIMCO's profit target is based on the historical distribution rates plus inflation, and that over the last three years, the Board had been distributing more than that. Thus, he said, the Board of Regents needs to either instruct UTIMCO to take greater risk and increase the target or to be more conservative in distributions lest the asset is diminished.

Regent Stillwell reminded the Board of Regents that UTIMCO is still operating under the "de-risk" instructions introduced in mid-2009 as a reaction to the 2008-2009 financial and economic crisis. He suggested it might be time for the Board to review the investment strategy guidelines, and that it might be helpful for UTIMCO to come to the Board of Regents with its own recommendations as well. Mr. Zimmerman explained the defensive strategy, saying UTIMCO has taken a "less risk, more defensive" strategy than many other endowments. Vice Chairman Powell said the increase in insurance to diminish risk was at the direction of the Board of Regents as was the cautious recommendation at that time to increase the amount of distributions to assist the U. T. System institutions.

Committee Chairman Hildebrand asked if there was adequate liquidity, and Mr. Zimmerman responded those figures are calculated frequently and the U. T. System is overly liquid. Mr. Zimmerman explained the policy and said that half of the endowment

could be monetized within 90 days, with nearly two-thirds in a year. Executive Vice Chancellor Kelley said he is comfortable with the status of liquidity, and Regent Hildebrand said it is important to keep in mind the risks associated with the mark and liquidity, and he noted that the fee structure gets more expensive.

In response to a question from Regent Hildebrand, Mr. Zimmerman explained a decrease in the distribution amount for 2013 (shown on Slide 5 on Page 10) is based on a 10-year average.

Regent Hall noted his risk position, saying he is not interested in swings in the endowment portfolio, and he noted his support for strong liquidity. Regent Stillwell commented on the aging infrastructure across the U. T. System institutions that will need to be addressed in the next few years.

6. U. T. System Board of Regents: Adoption of Resolution amending the Permanent University Fund Commercial Paper Note Program and repealing the Permanent University Fund Flexible Rate Note Program and authorization for officers of U. T. System to complete all transactions related thereto

Committee Meeting Information

Presenter(s): Mr. Terry Hull, Associate Vice Chancellor for Finance

Status: Approved

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

7. U. T. System: Report on the Fiscal Year 2013 Annual Financial Report, including the report on the U. T. System Annual Financial Report Audit, and audits of U. T. M. D. Anderson Cancer Center, U. T. Southwestern Medical Center, U. T. Medical Branch - Galveston, and U. T. Health Science Center - Tyler financial statements and for funds managed by The University of Texas Investment Management Company (UTIMCO)

Committee Meeting Information

Presenter(s): Mr. Randy Wallace, Associate Vice Chancellor, Controller, and Chief Budget Officer; Ms. Tracey Cooley, Deloitte & Touche; Mr. J. Michael Peppers, Chief Audit Executive

Status: Reported/Discussed

Discussion at meeting:

This item was for consideration during a joint meeting of this Committee and the Audit, Compliance, and Management Review Committee (see Committee Minutes for the Joint Meeting).

ADJOURNMENT

Committee Chairman Hildebrand adjourned the meeting at 10:39 a.m.



UTIMCO Performance Summary

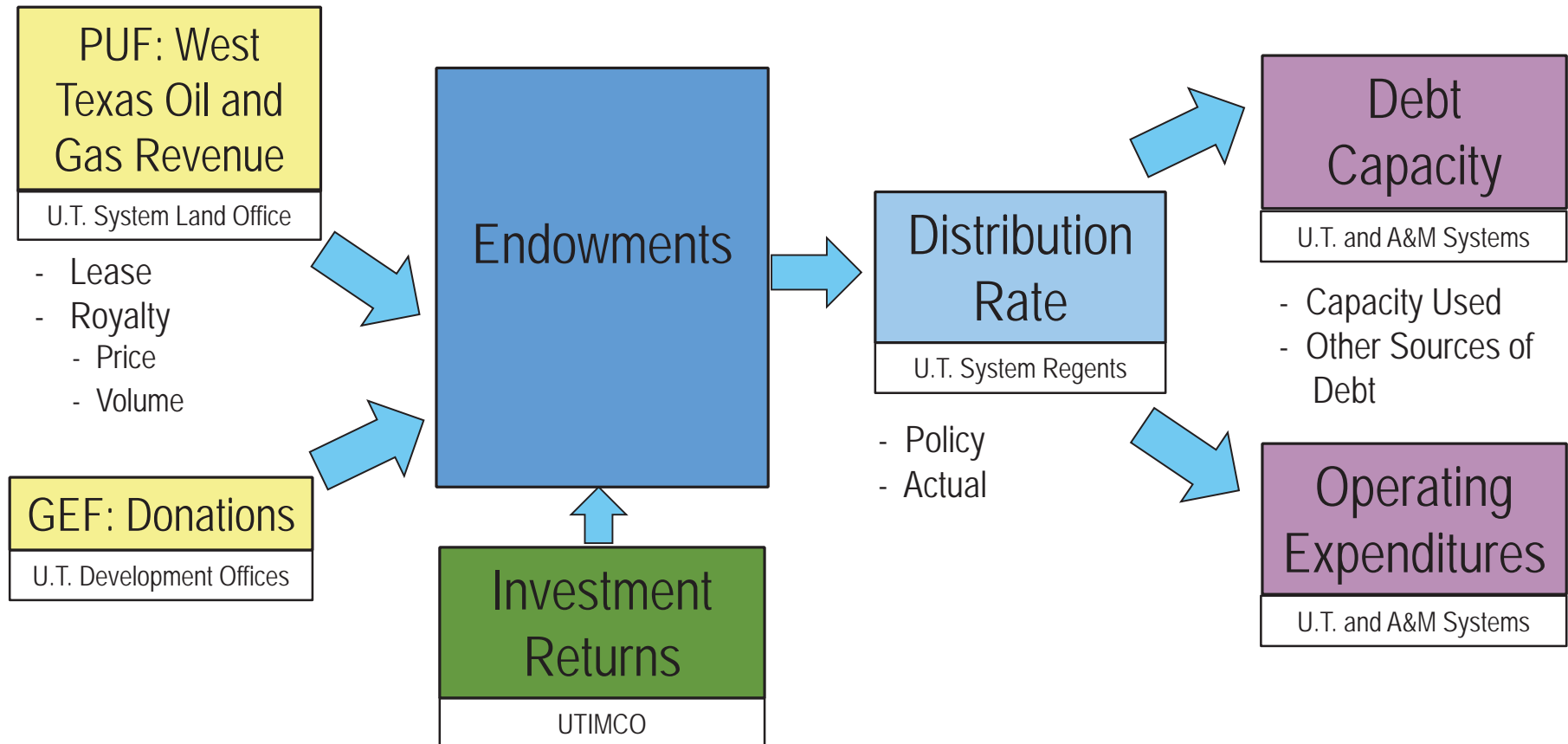
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Mr. Bruce Zimmerman, Chief Executive Officer
and Chief Investment Officer

U. T. System Board of Regents' Meeting
Finance and Planning Committee
February 2014



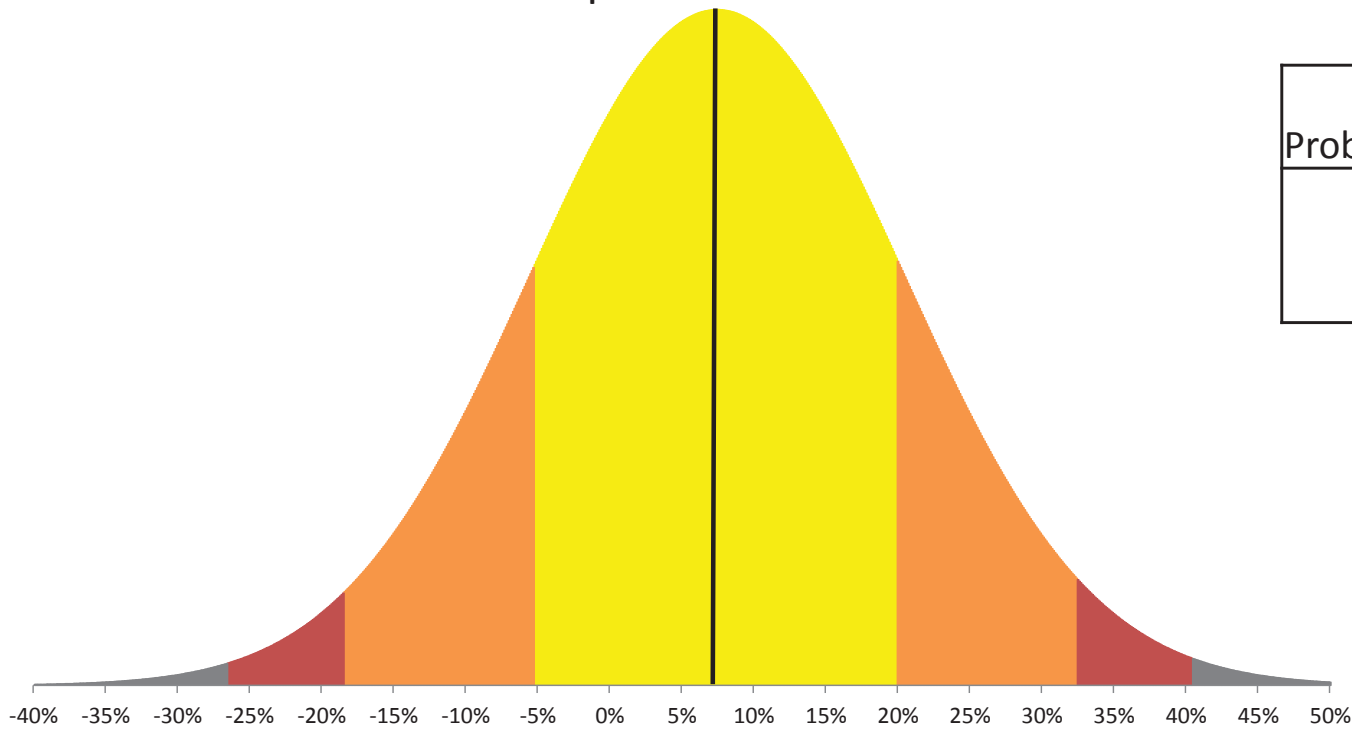
Endowment Variables





Projected Returns and Risk

Expected Returns: 7.4%

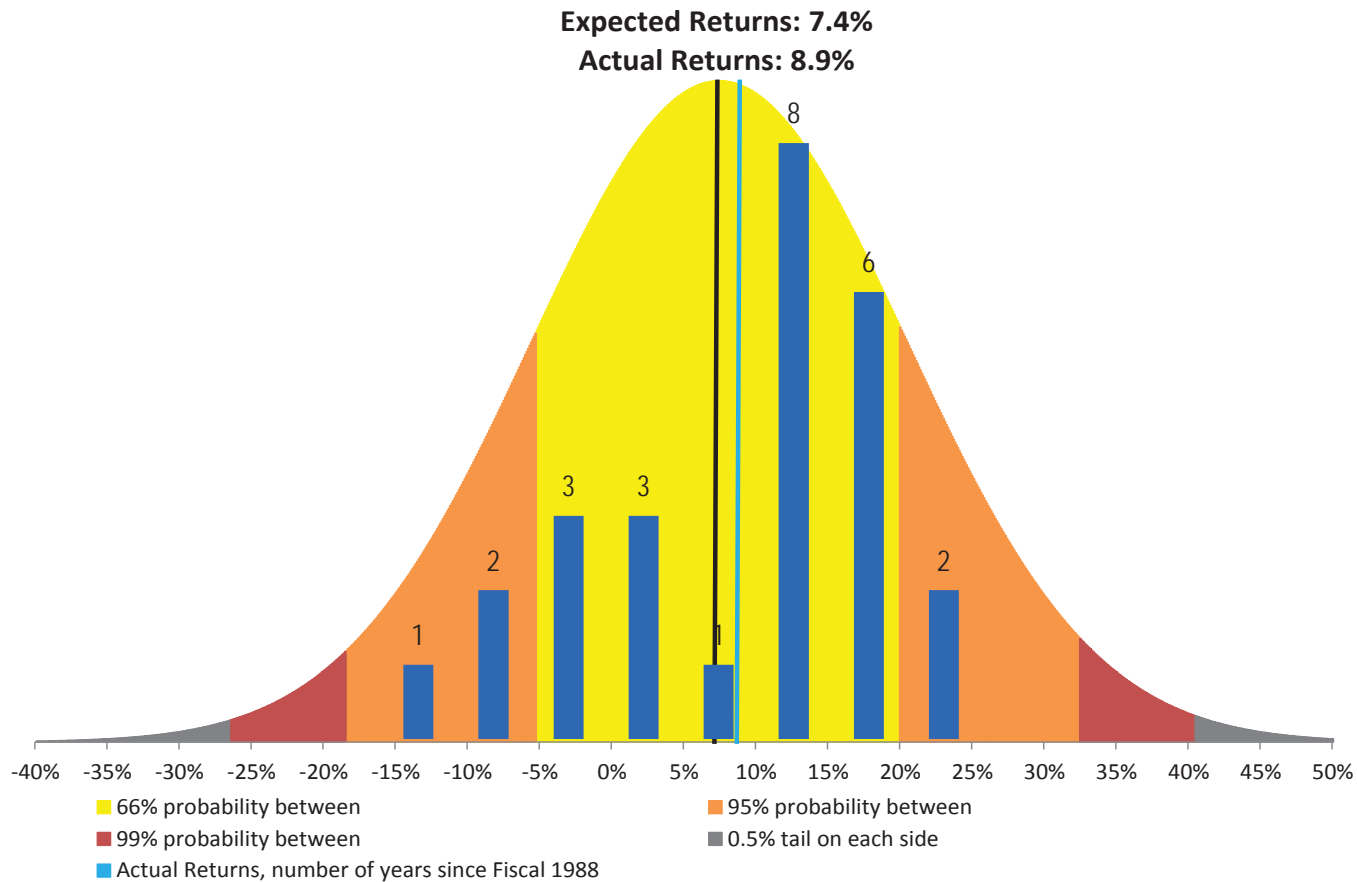


Probability	Returns between	
	Low	High
66%	(5.2%)	19.9%
95%	(18.4%)	32.5%
99%	(26.5%)	40.5%

■ 66% probability between ■ 95% probability between ■ 99% probability between ■ 0.5% tail on each side



Projected and Actual Returns





Future Returns May be Lower

- UTIMCO uses longer term return assumptions to construct the Policy Portfolio
- A number of thoughtful investment organizations are forecasting lower returns over the next few years
 - Continued debt overhang
 - Recent bullish stock markets
- The 7.4% Expected Return, using nearer term asset class forecasts, results in 6%-7% expected return



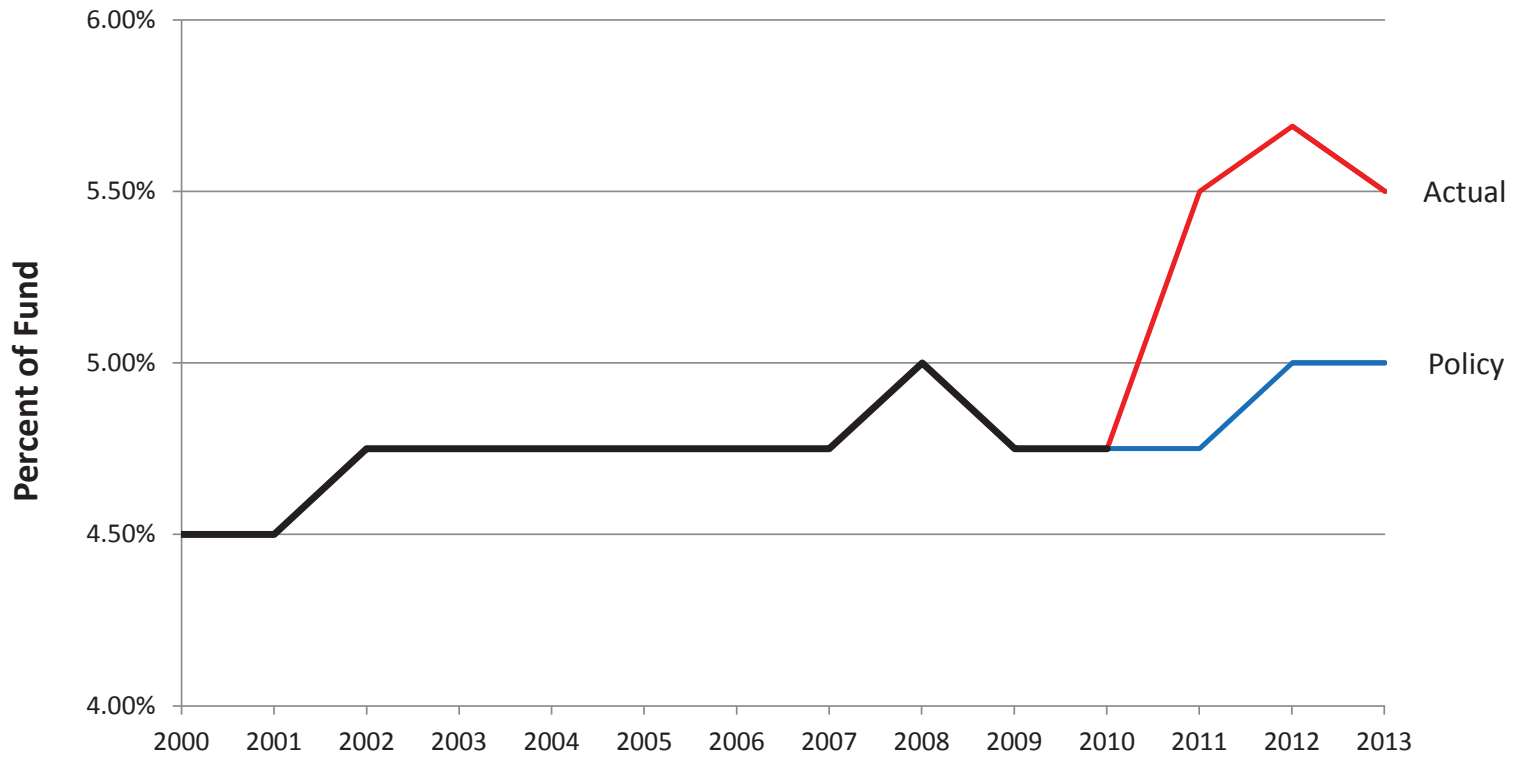
Purchasing Power Parity

Trailing Ten Year Average as of February 28,

	2008	2009	2010	2011	2012	2013
Investment Returns	8.12%	3.61%	4.89%	6.61%	7.30%	9.02%
Less Inflation	-2.72%	-2.58%	-2.47%	-2.33%	-2.50%	-2.40%
Real Returns	5.40%	1.03%	2.42%	4.28%	4.80%	6.62%
Less Distributions	-4.26%	-4.40%	-4.39%	-4.64%	-4.62%	-4.56%
Purchasing Parity <u>Pre</u> - West Texas Revenue	1.14%	(3.37%)	(1.97%)	(.36%)	0.18%	2.06%
West Texas Revenue	1.67%	2.07%	2.25%	2.65%	3.39%	3.83%
Purchasing Parity <u>Post</u> - West Texas Revenue	2.81%	(1.30%)	0.28%	2.29%	3.57%	5.89%

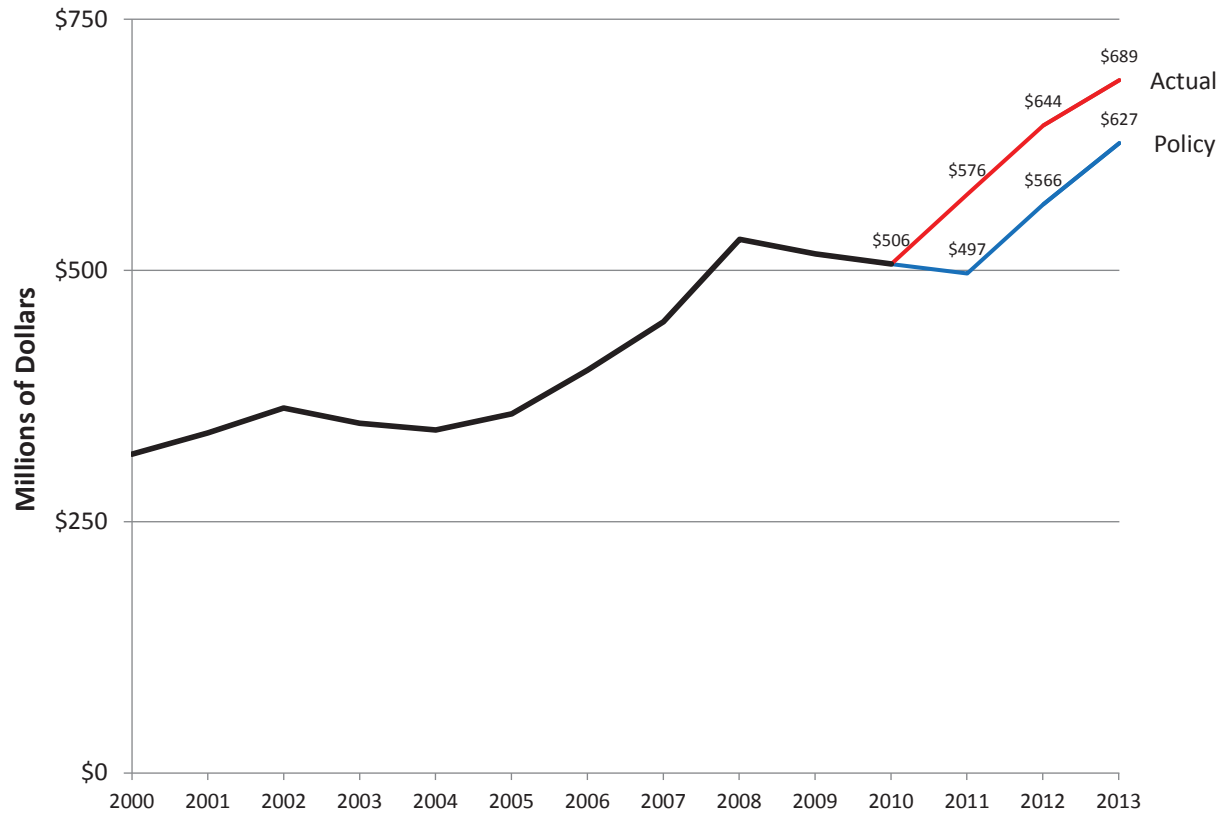


PUF Distribution Policy and Actual Percentage



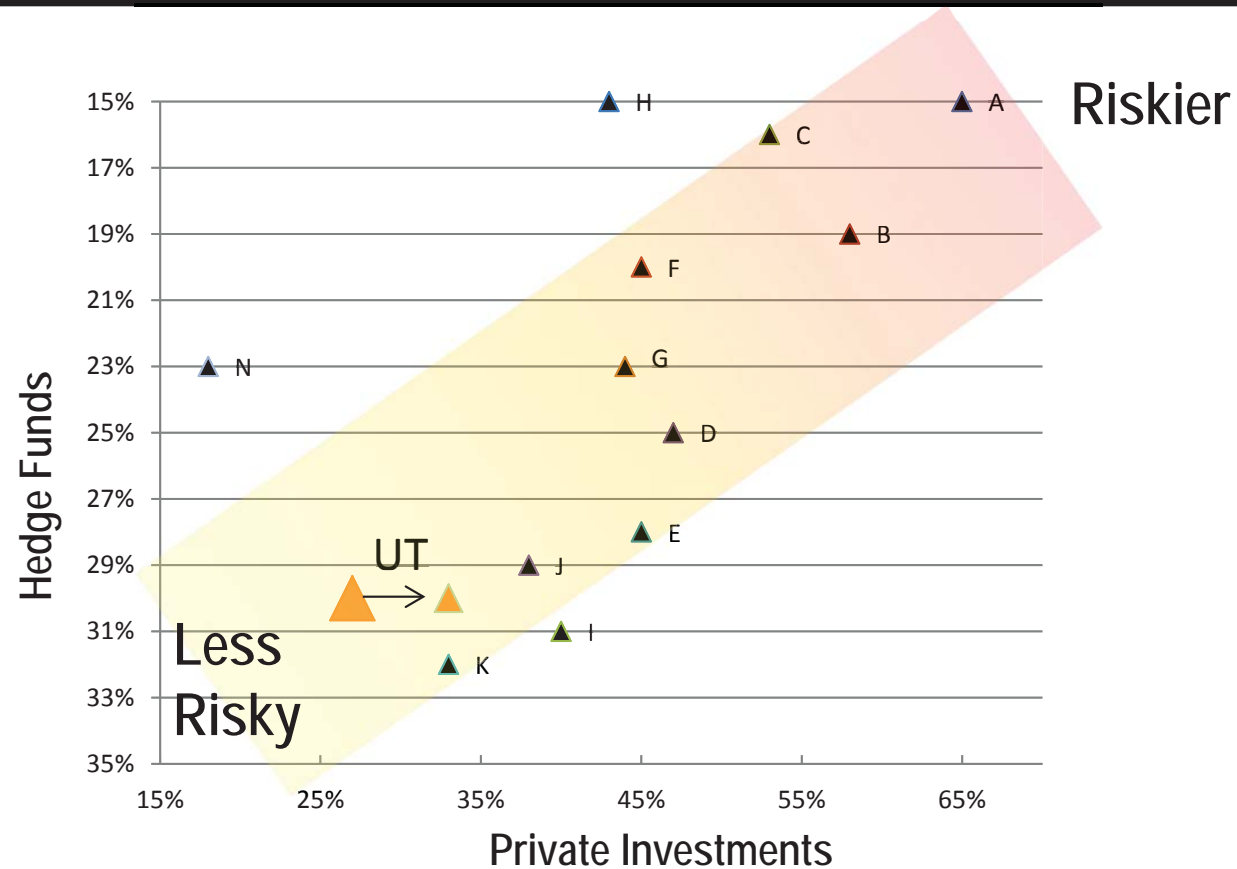


PUF Distributions Policy and Actual Dollars





Qualitative Risk Measurement





Tactical Allocation

As of October 31, 2013

Major Tactical Asset Positions

Gold	3.1%
Developed Country Public Equity	0.7%
Commodities	(1.3%)
Natural Resources-Related Public Equities	(0.8%)
Emerging Market Public Equity	(1.6%)
<u>"Insurance" Costs</u>	13bps

MINUTES
U. T. System Board of Regents
Joint Meeting of the Audit, Compliance, and Management Review Committee
and the Finance and Planning Committee
February 5, 2014

The members of the Audit, Compliance, and Management Review Committee and the Finance and Planning Committee of the Board of Regents of The University of Texas System convened at 10:39 a.m. on Wednesday, February 5, 2014, 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 Hildebrand, presiding
Vice Chairman Hicks
Vice Chairman Powell
Regent Cranberg
Regent Hall
Regent Pejovich
Regent Stillwell

Also present were Chairman Foster, Regent Aliseda, Regent Horne, 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, Finance and Planning Committee Chairman Hildebrand called the joint meeting to order.

U. T. System: Report on the Fiscal Year 2013 Annual Financial Report, including the report on the U. T. System Annual Financial Report Audit, and audits of U. T. M. D. Anderson Cancer Center, U. T. Southwestern Medical Center, U. T. Medical Branch - Galveston, and U. T. Health Science Center - Tyler financial statements and for funds managed by The University of Texas Investment Management Company (UTIMCO)

Joint Committee Meeting Information

Presenter(s): Mr. Randy Wallace, Associate Vice Chancellor, Controller, and Chief Budget Officer; Mr. George Scott, Ms. Tracey Cooley, and Ms. Reem Samra, Deloitte & Touche LLP; Mr. J. Michael Peppers, Chief Audit Executive

Status: Reported/Discussed

Discussion at meeting:

Regent Hall asked about the Net Position Misclassification on Slide 13 of Deloitte's presentation, and Ms. Cooley explained the audit adjustment to correct the classification of nonexpendable and expendable portions of an endowment. Mr. Wallace said the amount was small, but some historical endowments are being reviewed to identify and fix possible further corrections.

Mr. Wallace explained quasi-endowments and the procedure by which donor funds are processed to endowments in reply to questions from Regent Hall.

Regent Hildebrand and Mr. Wallace discussed the reporting of liability for other post-employment benefits (OPEB) (Slide 6 of Mr. Wallace's presentation).

Regent Pejovich asked if the control issues with the PeopleSoft conversion had been corrected, and Ms. Cooley answered they had. Regent Pejovich encouraged members of the Audit, Compliance, and Management Review Committee to review the Additional Considerations; Benefits from the Audits slide (Slide 16 of Deloitte's presentation), especially when considering renewal of Deloitte's contract for the next two years.

ADJOURNMENT

Finance Committee Chairman Hildebrand adjourned the joint meeting at 11:07 a.m.

MINUTES
U. T. System Board of Regents
Audit, Compliance, and Management Review Committee
February 5, 2014

The members of the Audit, Compliance, and Management Review Committee of the Board of Regents of The University of Texas System convened at 11:08 a.m. on Wednesday, February 5, 2014, 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 Pejovich, presiding
Vice Chairman Hicks
Regent Hall
Regent Hildebrand
Regent Stillwell

Also present were Chairman Foster, Vice Chairman Powell (for Item 1), Regent Aliseda, 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. She congratulated Mr. Peppers on his appointment as Vice Chairman of Finance of the Executive Committee of the Global Board of The Institute of Internal Auditors for 2014-2015.

- 1. U. T. System: Report on the Fiscal Year 2013 Annual Financial Report, including the report on the U. T. System Annual Financial Report Audit, and audits of U. T. M. D. Anderson Cancer Center, U. T. Southwestern Medical Center, U. T. Medical Branch - Galveston, and U. T. Health Science Center - Tyler financial statements and for funds managed by The University of Texas Investment Management Company (UTIMCO)**

Committee Meeting Information

Presenter(s): Mr. Randy Wallace, Associate Vice Chancellor, Controller, and Chief Budget Officer; Mr. George Scott, Ms. Tracey Cooley, and Mr. Reem Samra, Deloitte & Touche LLP; Mr. J. Michael Peppers, Chief Audit Executive

Status: Reported/Discussed

This item was for consideration during a joint meeting of this Committee and the Finance and Planning Committee (see Committee Minutes for the Joint Meeting).

2. **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 Pejovich

Status: Reported

There were no items referred from the Consent Agenda.

3. **U. T. System Board of Regents: Approval to renew the contract with Deloitte & Touche LLP to provide financial auditing services for Fiscal Years 2014 and 2015**

Committee Meeting Information

Presenter(s): Mr. J. Michael Peppers, Chief Audit Executive

Status: Approved

Motion: Made by Regent Hall, duly seconded, and carried unanimously

Discussion at meeting:

Regent Hall made the following motion, which was duly seconded and carried unanimously:

I move that the Committee approve renewing the contract with Deloitte & Touche to provide independent financial auditing services for the audit of the U. T. System, U. T. M. D. Anderson Cancer Center, U. T. Southwestern Medical Center, U. T. Medical Branch - Galveston, U. T. Health Science Center - Tyler financial statements and the funds managed by The University of Texas Investment Management Company (UTIMCO) for two additional years, Fiscal Years 2014 and 2015, as authorized by the current contract, if approved by the Texas State Auditor.

I further move that authority to oversee negotiations with Deloitte & Touche and to approve a final negotiated contract price be delegated to Audit, Compliance, and Management Review Committee Chairman Pejovich, in coordination with Chancellor Cigarroa.

It is further recommended that the Chancellor be authorized to approve the allocation of funding in a reasonable amount, as he determines necessary for the assessment process, from Available University Funds, except for the audit at U. T. Health Science Center - Tyler, which will be paid with institutional funds.

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

Committee Meeting Information

Presenter(s): Mr. J. Michael Peppers, Chief Audit Executive

Status: Reported/Discussed

Discussion at meeting:

Committee Chairman Pejovich asked who was conducting the external assessment audit of the U. T. System institutions and the U. T. System Audit Office, and Mr. Peppers said it was Pricewaterhouse Coopers, beginning this month (February) to be completed by August. A summary of the report will be provided to the Committee.

Regent Stillwell asked what was driving the overhaul, if there was a need for additional hirings to make the implementation a success, and how changes would be implemented internally. Mr. Peppers explained that the impetus was the Committee's and Board's engagement about 18 months ago of Deloitte to conduct an internal activities audit.

Committee Chairman Pejovich added the audit was intended to address the overall reporting structure, authority at the campus level, authority at the System level, campus communication with System, how campus audit teams communicate with campus leadership, and how to ensure that current structures and practices are in place/strengthened. Mr. Peppers confirmed that these were all priorities of the review: governance, organizational structure, and reporting.

Regent Pejovich then asked how the review had been received thus far by campus audit groups and by campus leadership. Mr. Peppers stated that his meetings with campus leadership and campus audit groups have been positive and all parties are receptive to best practices. He spoke about some restructuring of staff in his office, and he indicated more could be done at the System level to support the institutional audit teams.

Mr. Peppers explained that the upcoming external assessment would reveal any need for additional audit staff at the institutions. In further reply to a question from Regent Stillwell, Mr. Peppers said there could be future additional budget considerations at the institutions.

RECESS TO EXECUTIVE SESSION

At 11:32 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

The Executive Session ended at 11:55 a.m., and the Committee reconvened in Open Session at 11:56 a.m. No action was taken on the item discussed in Executive Session.

ADJOURNMENT

Committee Chairman Pejovich adjourned the meeting at 11:56 a.m.

MINUTES
U. T. System Board of Regents
Health Affairs Committee
February 5, 2014

The members of the Health Affairs Committee of the Board of Regents of The University of Texas System convened at 12:34 p.m. on Wednesday, February 5, 2014, 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 Stillwell, presiding
Vice Chairman Powell
Regent Aliseda
Regent Hildebrand
Regent Pejovich

Also present were Chairman Foster, Vice Chairman Hicks, Regent Cranberg, Regent Hall, Regent Horne, 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 Stillwell called the meeting to order.

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. Health Science Center - San Antonio: Approval of preliminary authority for a Doctor of Medicine at The University of Texas Rio Grande Valley**

Committee Meeting Information

Presenter(s): William L. Henrich, M.D., President, U. T. Health Science Center - San Antonio;
Raymond S. Greenberg, M.D., Ph.D., Executive Vice Chancellor for Health Affairs
Status: Approved
Motion: Approved by Vice Chairman Powell, seconded by Regent Pejovich, and carried unanimously

3. U. T. M. D. Anderson Cancer Center: Request to a) approve engagement with an outside firm to serve as the external transformation team through Phase 1A of the Oncology Expert Advisor project; and b) approve funds and authorize expenditure of an amount not to exceed \$15,000,000 from restricted gift funds

Committee Meeting Information

Presenter(s): Mr. R. Dan Fontaine, Sr., Vice President for Business Affairs, U. T. M. D. Anderson Cancer Center

Status: Approved

Motion: Approved by Regent Hildebrand, seconded by Vice Chairman Powell, and carried unanimously

Discussion at meeting:

In response to questions from Regent Stillwell about the types of people and firms being considered for the Oncology Expert Advisor (OEA) contract, Mr. Fontaine explained that technical teams might be from computer companies, such as IBM or Oracle, while other consultants might be from management consulting companies engaged in the digital world, such as Pricewaterhouse Coopers (PWC) and Accenture. He said presentations had already been made by both PWC and IBM. Mr. Fontaine added that one criterion in determining viable vendors was the degree of medical staff, and in particular oncology staff, available and the medical expertise to bridge the gap between the biological and digital fields.

Vice Chairman Powell commented on the importance of “big data” and how U. T. M. D. Anderson Cancer Center is utilizing that data. He asked President DePinho to comment. Dr. DePinho said that big data was an important component of a whole workflow and analysis stream at the institution, beginning with patients coming in, structuring the flow of their information and biospecimens through the system, and standardizing the information in a way that allows for efficient ingestion of that data. That information is interfaced with world knowledge into a large data warehouse space, which provides all types of data in a searchable format that can also be subjected to analysis. He said U. T. M. D. Anderson now has the ability to ingest structured and unstructured data from the one million patients it has seen since 1944. The database will also house information from medical textbooks and research, such as genomic and imaging data, that can be searched in seconds.

All of this data will be subject to analytical tools such as how many patients have had leukemia, what were their treatments and their outcomes, and how does that compare to data from the rest of the world. The data can also be searched to help drive efficiencies in business operations, and improve safety and quality of care. The OEA will interface the big data with cognitive computing capability to help drive patient care.

Regent Hildebrand asked why the institution was electing to use a third party professional advising group to help build the database instead of building a team in-house that would be responsible for its upkeep and development. Mr. Fontaine explained that U. T. M. D. Anderson would likely be doing both, and he spoke of the benefits of engaging a third party to help determine scalability and regulatory issues within the necessary timeframe.

Working with a third party would allow U. T. M. D. Anderson to build expertise in-house. He mentioned a timing issue to seize an opportunity with IBM, if that firm were selected. Regent Hildebrand emphasized the need for an in-house team to build internal capacity. President DePinho explained that expertise from various groups is needed at this stage of the project.

Regent Stillwell asked for a rough timeline for the rollout of the project, and Mr. Fontaine answered that the institution estimated an 18 - 36 month trajectory.

4. U. T. System: Request to reclassify the \$3 million Revenue Cycle Loan Program to the Revenue Cycle Grant Program

Committee Meeting Information

Presenter(s): Raymond S. Greenberg, M.D., Ph.D., Executive Vice Chancellor for Health Affairs

Status: Approved

Motion: Approved by Regent Hildebrand, seconded by Vice Chairman Powell, carried unanimously

5. U. T. M. D. Anderson Cancer Center: Introduction of recipient of the Breakthrough Prize in Life Sciences award for T-Cell Research and remarks by James Allison, Ph.D., Chair of the Department of Immunology

Committee Meeting Information

Presenter(s): Ronald A. DePinho, M.D., President, and James Allison, Ph.D., Chair, Department of Immunology, U. T. M. D. Anderson Cancer Center

Status: Reported/Discussed

Discussion at meeting:

Dr. Allison responded to questions from Regent Hall about how the convergence of engineering and biology helps to accelerate experiments and from Regent Cranberg about the number of patients who should be, or are, receiving the treatment and about the barriers to more rapid adoption of this new therapy.

ADJOURNMENT

Committee Chairman Stillwell adjourned the meeting at 1:23 p.m.

MINUTES
U. T. System Board of Regents
Technology Transfer and Research Committee
February 5, 2014

The members of the Technology Transfer and Research Committee of the Board of Regents of The University of Texas System convened at 1:30 p.m. on Wednesday, February 5, 2014, 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
Vice Chairman Hicks
Regent Aliseda
Regent Cranberg
Regent Hildebrand

Also present were Chairman Foster, Regent Horne, Regent Stillwell, 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.

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

Committee Meeting Information
Presenter(s): Mr. Bryan Allinson, Executive Director of Technology Commercialization
Status: Reported/Discussed

Discussion at meeting:

Committee Chairman Hall asked how many companies or opportunities were being evaluated, and Mr. Allinson replied that about 150 start-up companies were being tracked. He spoke about the role of The University of Texas Investment Management Company (UTIMCO) in managing a database and equity investments and noted the institutional Offices of Technology Commercialization communicate other opportunities.

2. U. T. System: Report on proposed Innovation Framework to strengthen and advance industry and commercialization paths for the U. T. System institutions

Committee Meeting Information
Presenter(s): Dr. Patricia Hurn, Vice Chancellor for Research and Innovation
Status: Reported/Discussed

Discussion at meeting:

Committee Chairman Hall asked Dr. Hurn to provide more information about an inventory of research being performed at U. T. System institutions and about the challenges of connecting institutional researchers and private sector partners. Dr. Hurn explained that while there are many processes and pieces of data, there is not a comprehensive inventory of research being conducted across the U. T. System. She said a strong technology, carefully developed with the institutions, was needed to utilize existing data and to make that information accessible to faculty, industry stakeholders, and others. She explained that a data warehouse would facilitate connections in a systematic way for institutional researchers with like interests to find each other and collaborate on projects, and for outsiders, such as industry, to find researchers.

Dr. Stephanie Huie, Vice Chancellor for Strategic Initiatives, spoke about a centralized data resource that would help to bring data collection from the academic and health institutions together and be accessible and beneficial.

Regent Hildebrand emphasized the need for U. T. System staff to know about research being conducted across the U. T. System and to act as a clearinghouse for that data collection, and Dr. Hurn spoke about data that exists in various databases within and outside the U. T. System that could be accessed and made available. She and Chancellor Cigarroa spoke about the challenges of developing a simple, centralized information source. Regent Hall commented on the opportunity for a Systemwide approach to data collection and recommended looking to some of U. T. System's aspirational peers for examples of best practices to make the data warehouse happen quickly.

Dr. Hurn answered a question from Regent Stillwell about whether confidentiality matters might complicate access to research information by saying there are not many circumstances where confidentiality is an issue since a lot of information has to be identified for private, state, and federal funding purposes. She indicated the U. T. System Productivity Dashboard might help to monitor the matter in the future.

Regent Cranberg asked if there would be an effort to quantify the resources devoted to the different research projects to readily identify which projects involved a significant investment and which ones involved smaller investments, keeping in mind particularly institutionally sponsored research where there is not the same kind of grant database or accounting framework available. Dr. Hurn said more thought would be given to that point.

3. U. T. System: Report on Academic Analytics and SciVal, online information tools for publications and research funding

Committee Meeting Information

Presenter(s): Dr. Stephanie Huie, Vice Chancellor for Strategic Initiatives; Dr. Patricia Hurn, Vice Chancellor for Research and Innovation

Status: Reported/Discussed

Follow-up action: Regent Hall asked for information on the impact of SciVal on the campuses and on the number of students involved in the research component.

Discussion at meeting:

Regent Horne asked if students aspiring to be researchers would have access to information on research projects being conducted Systemwide, and Dr. Huie and Dr. Hurn answered that the SciVal portal is currently public and students do have access. She suggested it might be a good matter to bring before the U. T. System Student Advisory Council for more systematic distribution of information.

In reply to a question from Regent Hildebrand, Dr. Huie discussed SciVal's work and the search features of the SciVal portal. Regent Hildebrand then asked about partnering with SciVal to create the comprehensive data collection system for the entire U. T. System (as discussed in Item 2 above) since SciVal is already in the business. Dr. Hurn responded that conversations with SciVal had already commenced and discussions with Academic Analytics were planned; however, further discussions were still needed regarding the best approach. Dr. Klein, Associate Vice Chancellor for Research, spoke about another program with similar capabilities.

Vice Chairman Hicks suggested that in those discussions, a request be made for a module that facilitates participation by students in research projects as mentioned by Regent Horne, and Regent Cranberg recommended an effort be made to access and recognize private sector sources of research funding.

Committee Chairman Hall commented that company search engines are a large expense for the U. T. System, and he asked how the institutions report on an annual basis the effectiveness and use of those services. Dr. Hurn responded that a SciVal users group meets monthly and has been tasked with tracking the impact of SciVal on the campuses, along with examining whether or not it brings in revenues for research and/or more industry partners. Dr. Hurn said she will pursue that information.

Regent Hall also asked for information on the number of students involved in the research component, noting that would be valuable information and another way to compare the U. T. System against its peers.

4. **U. T. System: Report on novel programs in education for innovation and entrepreneurship**

Committee Meeting Information

Presenter(s): *President Ricardo Romo and Dr. Cory Hallam, Chief Commercialization Officer and Director of the Center for Innovation and Technology Entrepreneurship, U. T. San Antonio; Dr. Patricia Hurn, Vice Chancellor for Research and Innovation; and Dr. Stanley Watowich, Associate Professor in the Department of Biochemistry and Molecular Biology, U. T. Medical Branch - Galveston*

Status: *Reported/Discussed*

Discussion at meeting:

Vice Chairman Hicks asked about incentivizing participation of students in innovative programs, and Dr. Hallam said that providing quick funding as a grant was important to get the initiatives moving forward. He spoke about ways to expand the commercial enterprise.

In reply to a question from Regent Horne, Dr. Hallam spoke about the many opportunities at U. T. System institutions for educating students about commercialization, and Mr. Allinson spoke about several student projects that have been commercially successful.

ADJOURNMENT

Committee Chairman Hall adjourned the meeting at 2:34 p.m.

MINUTES
U. T. System Board of Regents
Facilities Planning and Construction Committee
February 5, 2014

The members of the Facilities Planning and Construction Committee of the Board of Regents of The University of Texas System convened at 2:39 p.m. on Wednesday, February 5, 2014, 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
Vice Chairman Powell
Regent Aliseda
Regent Stillwell

Also present were Chairman Foster, Regent Hildebrand, Regent Horne, Regent Pejovich, and Associate General Counsel Rabon.

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. The PowerPoint presentation concerning all items is set forth on Pages 7 - 61.

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

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

There were no items referred from the Consent Agenda.

2. **U. T. System: Update on Space Utilization Efficiency**

Committee Meeting Information <i>Presenter(s): Mr. David Dixon, Executive Director of Program Management, and Mr. Stephen Harris, Director of Facilities Space Initiatives, Office of Facilities Planning and Construction; President David E. Daniel, U. T. Dallas; President Diana S. Natalicio, U. T. El Paso</i> <i>Status: Reported/Discussed</i> <i>Follow-up action: Chairman Foster asked for a copy of the Space Utilization Efficiency report.</i>
--

Discussion at meeting:

See the *Space Utilization Efficiency* report on Pages 8 - 12 of the attached PowerPoint.

Mr. Harris noted that the most significant change in space utilization was in laboratory space at U. T. El Paso (Slide 5 on Page 11). In response to a question from Committee Chairman Cranberg about why that metric had risen dramatically, Mr. Harris explained his assumption that this was due to an increase in laboratory space offered by a new (chemistry and computer science) building. President Natalicio commented on how the exercise of defining space and understanding space utilization led to enhancing students experiences, and she added that student enrollment in STEM (Science, Technology, Engineering, and Mathematics) fields at U. T. El Paso was growing. Regent Cranberg congratulated Dr. Natalicio on achieving a new benchmark for laboratory utilization that was better than any in the U. T. System.

Regent Cranberg asked about the use of specialized laboratories, some of which have substantial equipment and low space utilization, and he suggested that such under-utilization might be countered by attracting use for research outside of the university community. President Daniel agreed and added that the growth of project-based learning in place of formal instruction would go far to counter underutilization in that the spaces and equipment could be used for research or by students in their time outside of class to work on various projects. Regent Cranberg asked if such usage metrics should be captured, and President Daniel suggested that alternatively, reports be collected on the usage of rooms to provide a better understanding of how rooms are being used.

Mr. Harris spoke about the work ahead for the Task Force on Facility Planning for the 21st Century (Slide 10 on Page 16).

Committee Chairman Cranberg commented that at the last Committee meeting, he had asked how many additional students U. T. System would be able to accommodate if all the institutions had the same usage metrics for efficiency as U. T. Dallas. The difference was 7,000 students, or roughly a 3.5% increase from current total levels, which would represent \$1 - \$1.5 billion of facility investment. He noted this data in the interest of continuing improvement.

3. U. T. Austin: Texas Advanced Computing Center Office Building - 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 Hicks, seconded by Regent Stillwell, and carried unanimously

4. **U. T. Austin: Townes Hall HVAC Renovation - Amendment of the FY 2014-2019 Capital Improvement Program to include project; approval of total project cost; appropriation of funds; and authorization of institutional management (Final Board approval)**

Committee Meeting Information

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

Status: Approved

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

5. **U. T. Dallas: Campus Upgrades and Renovations - 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. David Dixon, Executive Director of Program Management, Office of Facilities Planning and Construction

Status: Approved

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

6. **U. T. Southwestern Medical Center: Radiation Therapy Building - Amendment of the FY 2014-2019 Capital Improvement Program to include project (Preliminary Board approval)**

Committee Meeting Information

Presenter(s): President Daniel K. Podolsky, M.D., U. T. Southwestern Medical Center

Status: Approved

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

7. **U. T. Austin: Dell Medical School - Phase I - Amendment of the FY 2014-2019 Capital Improvement Program to revise funding sources; 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. David Dixon, Executive Director of Program Management, Office of Facilities Planning and Construction

Status: Approved

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

Follow-up actions: Mr. Dixon stated that he would provide information on cost comparisons per square foot with the U. T. Health Science Center - San Antonio South Texas Medical Academic Building (Item 9) and also on student density with the South Texas medical school.

Discussion at meeting:

In response to a question from Chancellor Cigarroa, Mr. Dixon stated that the substantial completion date for the Dell Medical School is May/June 2015, and medical students would begin matriculating in September 2016. Committee Chairman Cranberg asked when the design phase of the project would be completed, and Mr. Dixon responded the notice to proceed for construction of the buildings would be March 2014, and the design would be completed in Summer 2014.

Regent Hildebrand highlighted the large project cost and asked how it compared to the cost of construction for other medical schools. Mr. Dixon responded that the dollar per square foot figure for the medical school building itself was between \$612 and \$620. He added that this figure was close to the dollar per square foot figure for the U. T. Health Science Center - San Antonio South Texas Medical Academic Building. Mr. Dixon stated the design team visited numerous other institutions and building sites and worked closely with the construction team to ensure that appropriate metrics were being used to produce cost-effective, commercial grade buildings. He also stated that the Medical Office Building was cost-effective at about \$220 per square foot. Mr. Dixon explained that the Research Building would come at a higher cost of around \$594 per square foot due to the infrastructure and materials required to construct high caliber research space that would attract world-class researchers. Following the meeting, Mr. Dixon provided a copy of these cost comparisons.

Committee Chairman Cranberg asked why the U. T. Health Science Center - San Antonio South Texas Medical Academic Building was comparable in terms of dollars per square foot with the Dell Medical School Building, but was expected to serve more than twice as many medical students. Mr. Dixon stated that he would provide that information.

8. U. T. Tyler: College of Pharmacy Building - Amendment of the FY 2014-2019 Capital Improvement Program to increase total project cost; approval to revise funding sources; 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. David Dixon, Executive Director of Program Management, Office of Facilities Planning and Construction

Status: Approved

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

Discussion at meeting:

In response to a question from Vice Chairman Powell, Mr. Dixon said the cost was \$442 per square foot without shell space, or \$485 per square foot if fully built out.

9. **U. T. Health Science Center - San Antonio: South Texas Medical Academic Building - Approval of design development; and appropriation of funds and authorization of expenditure (Final Board approval)**

Committee Meeting Information

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

Status: Approved

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

Discussion at meeting:

In reply to a question from Board Chairman Foster, Mr. Dixon answered that this would be the first building of the new medical school in South Texas and would not replace an existing structure.

Committee Chairman Cranberg asked about significant new or innovative elements to the building construction that would aid modern instruction methods, and Mr. Dixon enumerated several elements, including facilities constructed for team-based learning, high-end audiovisual equipment and capacities, and tools for digital anatomy instruction, making the building a true standard for 21st century teaching. Executive Vice Chancellor Greenberg spoke about the design plans for anatomy education through simulation technology and online learning (flipped classroom); the building will be a national hallmark for modern medical education.

In reply to a question from Regent Cranberg who noted the U. T. System is building two new medical schools at the same time, Executive Vice Chancellor Greenberg spoke about the collaboration between the U. T. Austin Dell Medical School and the South Texas Medical School, including in terms of curricula and best practices. Kenneth I. Shine, M.D., former Executive Vice Chancellor and Special Advisor to the Chancellor, was in attendance and elaborated on the collaboration that had taken place and on several of the key innovative elements of both buildings.

10. **U. T. Dallas: Campus Landscape Enhancement Project Phase II - Amendment of the FY 2014-2019 Capital Improvement Program to increase total project cost; and appropriation of funds (Final Board approval)**

Committee Meeting Information

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

Status: Approved

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

Discussion at meeting:

Committee Chairman Cranberg noted he had recently visited the campus and he spoke in support of the project.

11. **U. T. El Paso: Campus Transformation Project - Amendment of the FY 2014-2019 Capital Improvement Program to increase total project cost; approval to revise funding sources; and appropriation of funds and authorization of expenditure; and resolution regarding parity debt (Final Board approval)**

Committee Meeting Information

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

Status: *Approved*

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

Discussion at meeting:

Mr. Dixon noted that approval of this item is based on the additional recommendation that President Natalicio be authorized to execute any documents necessary to effect the receipt of grant funds from the Texas Department of Transportation (TxDOT) following approval of the documents by the Chancellor, the Executive Vice Chancellor for Academic Affairs, and the Vice Chancellor and General Counsel.

ADJOURNMENT

Committee Chairman Cranberg adjourned the meeting at 3:40 p.m.

Agenda Items

Mr. Dave Dixon, Executive Director for Program Management, Facilities Planning and Construction

Facilities Planning and Construction Committee
U. T. System Board of Regents' Meeting
February 2014



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Update on Space Utilization Efficiency

Presented by: Dave Dixon
Executive Director for Program Management
Stephen Harris
Director of Facilities Space Initiatives



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Framework Action Plan

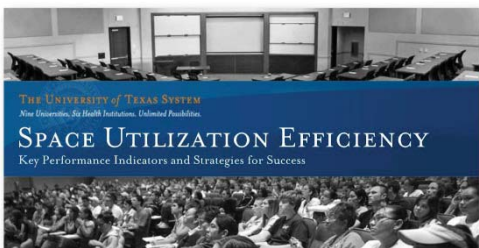
Section 4.D.1: Develop criteria to assess and improve academic, research, and administrative space utilization and strategies, including productivity indices, and review of space utilization policies.

Responsible Parties	Goals/Metrics (Best Estimates)*	Timeline (Best Estimates)*
<ul style="list-style-type: none"> • EVC for Business Affairs • EVC for Academic Affairs • EVC for Health Affairs • Institution Presidents 	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)
	C. Initiation of Task Force on Facility Planning for the 21 st Century and commencement of analysis by associated working groups	February 2014 (Progress report to Regents)

* In support of the Framework Action Plan adopted by the Board of Regents, the goals, metrics, and timelines will be further refined.



Space Utilization Efficiency Report



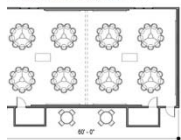
DRAFT REPORT: 12/19/2012

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

high usage of the system to place over a wide range of utilization conditions between the system to place and the system or their ability to fulfill their mission.

UT System	UT Dallas	UT Austin	UT El Paso	UT Permian Basin	UT Rio Grande	UT San Antonio	UT San Marcos	UT Tyler	UTW
Classroom	100%	100%	100%	100%	100%	100%	100%	100%	100%
Library	100%	100%	100%	100%	100%	100%	100%	100%	100%
Office	100%	100%	100%	100%	100%	100%	100%	100%	100%
Research	100%	100%	100%	100%	100%	100%	100%	100%	100%
Student Center	100%	100%	100%	100%	100%	100%	100%	100%	100%
Faculty Office	100%	100%	100%	100%	100%	100%	100%	100%	100%
Administrative	100%	100%	100%	100%	100%	100%	100%	100%	100%
Other	100%	100%	100%	100%	100%	100%	100%	100%	100%

Basic Type Public Room Layout: 10-19 of per person

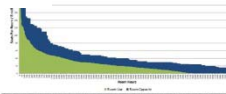


High Space Use People which helps to measure and visualize the relationship between the current proposed space scenario. Ratio of Room Use to Availability - 43%

Department	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Administrative	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Classroom	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Faculty Office	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Library	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Office	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Other	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Research	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Student Center	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Faculty Office	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Administrative	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Other	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

UT System Space Utilization Efficiency 1 (c)

In addressing these challenges, UT System Chancellor Francisco Cisneros's launched the Advancing Excellence Through the History of True Space - Action Plan which directs our leadership in strategic investments specific to research, teaching, and clinical expertise. This effort is intended to facilitate improvements in research space utilization and to better inform management decision-making while evaluating and prioritizing new capital investments. The projected impact of new projects on an institution's space utilization efficiency is now required as a key component of the business plans needed to justify new capital projects.



UT System Space Utilization Efficiency 1 (d)

UT DALLAS

Classroom	100%
Library	100%
Office	100%
Research	100%
Student Center	100%
Faculty Office	100%
Administrative	100%
Other	100%

Key Challenges and Opportunities

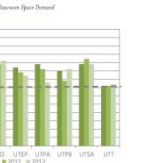
UT Dallas is strategically moving to be a nationally competitive public research university with an enrollment enrollment at full capacity of 45,000 to 50,000 students. Additionally, while the University is experiencing a transition from non-traditional to more traditional student population the University continues to expect that it will provide services across the full range of use (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 scale and, lower square feet per student or faculty member.

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 used and those who faculty are asked to do in teaching, research and service. The institution has managed an increasing student and faculty population, renovation of older physical resources, and transition into new teaching research facilities, all while providing improved student services, improved course and degree offerings, and increased research productivity. Average percent full has grown up 10 percentage points in one year as a result of a combination of centrally distributed management of scheduling and classroom management. Classroom utilization is more uniformly distributed times of day and distribution over the week. We have taken a longer-term view in strategically planning utilization of future plant resources.



UT System Space Utilization Efficiency 1 (e)



UT System Space Utilization Efficiency 1 (f)

UT System Space Utilization Efficiency 1 (g)

UT System Space Utilization Efficiency 1 (h)

UT System Space Utilization Efficiency 1 (i)

UT System Space Utilization Efficiency 1 (j)

UT System Space Utilization Efficiency 1 (k)

UT System Space Utilization Efficiency 1 (l)

UT System Space Utilization Efficiency 1 (m)

UT System Space Utilization Efficiency 1 (n)

UT System Space Utilization Efficiency 1 (o)

UT System Space Utilization Efficiency 1 (p)



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Fall 2012 – Fall 2013 Data

2012 Classroom Timeslot Utilization

Name	Rooms	Section Hours	Available Timeslots	Timeslot Usage
U.T. Arlington	163	5,517.98	11,736	47.02%
U.T. Austin	450	13,674.00	32,400	42.20%
U.T. Brownsville	87	3,517.03	6,264	56.15%
U.T. Dallas	103	4,213.08	7,416	56.81%
U.T. El Paso	149	4,750.32	10,728	44.28%
U.T. Pan American	132	3,994.38	9,504	42.03%
U.T. Permian Basin	25	866.50	1,800	48.14%
U.T. San Antonio	158	6,089.18	11,376	53.53%
U.T. Tyler	50	1,400.58	3,600	38.91%

2012 Class Laboratory Timeslot Utilization

Rooms	Section Hours	Available Timeslots	Timeslot Usage
149	2,434.25	10,728	22.69%
228	4,567.00	16,416	27.82%
117	2,787.08	8,424	33.09%
49	1,249.50	3,528	35.42%
114	2,351.67	8,208	28.65%
92	1,814.27	6,624	27.39%
24	338.50	1,728	19.59%
111	2,571.17	7,992	32.17%
52	683.50	3,744	18.26%

2012 Misc Metrics

THECB SUE	Enrollment	Buildings	GSF
183	33,239	133	4,364,430
159	52,186	574	20,552,661
168	8,146	69	1,437,080
200	19,727	100	3,404,034
167	22,728	79	2,769,011
183	19,302	72	2,449,283
184	4,021	52	650,756
200	30,474	115	3,711,459
150	6,858	34	1,184,215

2013 Classroom Timeslot Utilization

Name	Rooms	Section Hours	Available Timeslots	Timeslot Usage
U.T. Arlington	165	5,555.58	11,880	46.76%
U.T. Austin	459	13,856.25	33,048	41.93%
U.T. Brownsville	41	1,829.58	2,952	61.98%
U.T. Dallas	108	4,483.58	7,776	57.66%
U.T. El Paso	134	4,524.83	9,648	46.90%
U.T. Pan American	134	4,152.90	9,648	43.04%
U.T. Permian Basin	23	828.50	1,656	50.03%
U.T. San Antonio	161	5,945.92	11,592	51.29%
U.T. Tyler	45	1,258.58	3,240	38.85%

2013 Class Laboratory Timeslot Utilization

Rooms	Section Hours	Available Timeslots	Timeslot Usage
149	2,388.38	10,728	22.26%
208	4,215.50	14,976	28.15%
42	889.42	3,024	29.41%
58	1,594.67	4,176	38.19%
129	4,678.42	9,288	50.37%
91	2,256.17	6,552	34.43%
24	376.50	1,728	21.79%
118	2,672.33	8,496	31.45%
55	760.00	3,960	19.19%

2013 Misc Metrics

THECB SUE	Enrollment	Buildings	GSF
183	33,337	136	6,527,645
159	52,076	554	24,575,380
184	8,624	24	856,596
200	21,174	140	4,862,837
192	23,003	79	5,221,330
183	20,074	70	2,420,650
167	5,169	55	1,134,533
192	28,725	121	5,275,494
150	7,364	35	1,193,695



Fall 2012 – Fall 2013 Comparisons

Classrooms

Name	Section Hours	Timeslot Usage *
U. T. Arlington	38	-0.25%
U. T. Austin	182	-0.28%
U. T. Brownsville	-1,687	5.83%
U. T. Dallas	271	0.85%
U. T. El Paso	-225	2.62%
U. T. Pan American	159	1.02%
U. T. Permian Basin	-38	1.89%
U. T. San Antonio	-143	-2.23%
U. T. Tyler	-142	-0.06%

Class Laboratories

Section Hours	Timeslot Usage *
-46	-0.43%
-352	0.33%
-1,898	-3.67%
345	2.77%
2,327	21.72%
442	7.05%
38	2.20%
101	-0.72%
77	0.94%

Miscellaneous

THECB SUE Score	Enrollment	Total GSF
0	0.29%	2,163,215
0	-0.21%	4,022,719
16	5.87%	-580,484
0	7.34%	1,458,803
25	1.21%	2,452,319
0	4.00%	-28,633
-17	28.55%	483,777
-8	-5.74%	1,564,035
0	7.38%	9,480

* SUE report updates will continue to track against a 72-hour week.



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David E. Daniel

President, U. T. Dallas

- U. T. Dallas expects a 20% enrollment increase with incoming freshman class
 - Number of full-time students continues to increase
- Most significant space need continues to be instructional labs
- Campus has adopted a 90-hour week (6 days x 15 hours) to address scheduling needs
 - 95% of class lab scheduling is managed centrally, not by department
- U. T. Dallas faculty and students have accepted necessity of evening and night courses



Diana Natalicio

President, U. T. El Paso

- U. T. El Paso has implemented a space management analytics system
 - Greatly heightened campus awareness of space utilization issues
 - Classes scheduled across 16 hours/day, Monday-Friday, with recent growth in both Saturday and Sunday class offerings



Diana Natalicio

President, U. T. El Paso (cont.)

- Management of space goes well beyond square footage considerations
 - Input from deans, department chairs, faculty, and students
 - Focus on specific teaching/learning needs, campus traffic patterns, and a variety of human factors
- High demand for classroom labs in science, engineering, and health sciences continues to present major space management challenges



Task Force on Facility Planning for the 21st Century

- Planning considerations for the 21st Century campus
- Optimal use of existing and future space
- Facility construction cost optimization
- Consideration of alternate delivery methodologies



Path Forward

- Transition to Task Force on Facility Planning for the 21st Century
 - Develop appropriate working groups to support the Task Force
- Further refine the new Classroom/Class Lab metric and track, analyze, and regularly report on trends by institution
- Develop other space metrics/analytic techniques to complement available data sources, especially related to blended and online learning, and to open/collaborative teaching
- Fully explore opportunities and challenges associated with expanding instruction to 72-hour per week schedules



Path Forward (cont.)

- Review Business Plan requirements and develop and incorporate space evaluation techniques consistent with new learning environment strategies
- Review investment metrics especially related to sustainability and energy cost trends



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

CIP Total as of February 1, 2014	\$ 6,435,454,458
CIP New Construction Additions	\$ 72,000,000
CIP R&R Construction Additions	\$ 18,000,000
DD Approvals/TPC Modifications	\$ 18,000,000
Total Change in CIP	\$ 108,000,000
Projects removed from CIP this quarter	\$ (53,809,200)
CIP Total after today's meeting	\$ 6,489,645,258
CIP Total - February 2012	\$6.3 billion
CIP Total - February 2013	\$6.1 billion



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

- Three (3) Academic Projects
 - UTAUS TACC Office Building \$20 M
 - UTAUS Townes Hall HVAC Renovation \$10 M
 - UTD Campus Upgrades and Renovations \$ 8 M
- One (1) Health Project
 - UTSWMC Radiation Therapy Building \$52 M



U. T. Austin

Texas Advanced Computing Center
Office Building (TACC)

Presented by Mr. William Powers, Jr.
President



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U. T. Austin

Texas Advanced Computing Center Office Building

- Project Description
 - New construction of 39,000 GSF
 - Three-level office building at Pickle Research Campus



U. T. Austin

Texas Advanced Computing Center Office Building (cont.)

- Background
 - TACC contributes significant monies to U. T. System through research grants, gifts and support to researchers
 - TACC has outgrown existing office space



U. T. Austin

Texas Advanced Computing Center Office Building (cont.)

- Strategic Goals
 - Allow TACC to expand staff from 127 to 150
 - Create a high-end visualization lab for use by researchers



U. T. Austin

Texas Advanced Computing Center Office Building (cont.)

- \$20,000,000 Total Project Cost
 - \$10,000,000 PUF
 - \$10,000,000 Gifts

Total Project Cost	GSF	Cost/GSF
\$20,000,000	39,000	\$513



U. T. Austin

Texas Advanced Computing Center Office Building (cont.)



Project location adjacent to existing TACC offices

Pickle Research Campus



U. T. Austin

Townes Hall HVAC Renovation

- Replace air handling units, chilled water pumps, general exhaust fans, building electrical switchgear, electrical distribution panels, emergency system panels, and electrical grounding systems
- Institutional Management
- \$10,000,000 Total Project Cost
 - Designated Funds



U. T. Dallas

Campus Upgrades and Renovations

- Convert and update existing space into modern, fully-functional modular laboratories, as well as offices and support spaces
- Institutional Management
- \$8,000,000 Total Project Cost
 - RFS



U. T. Southwestern Medical Center

Radiation Therapy Building

Presented by Dr. Daniel Podolsky
President



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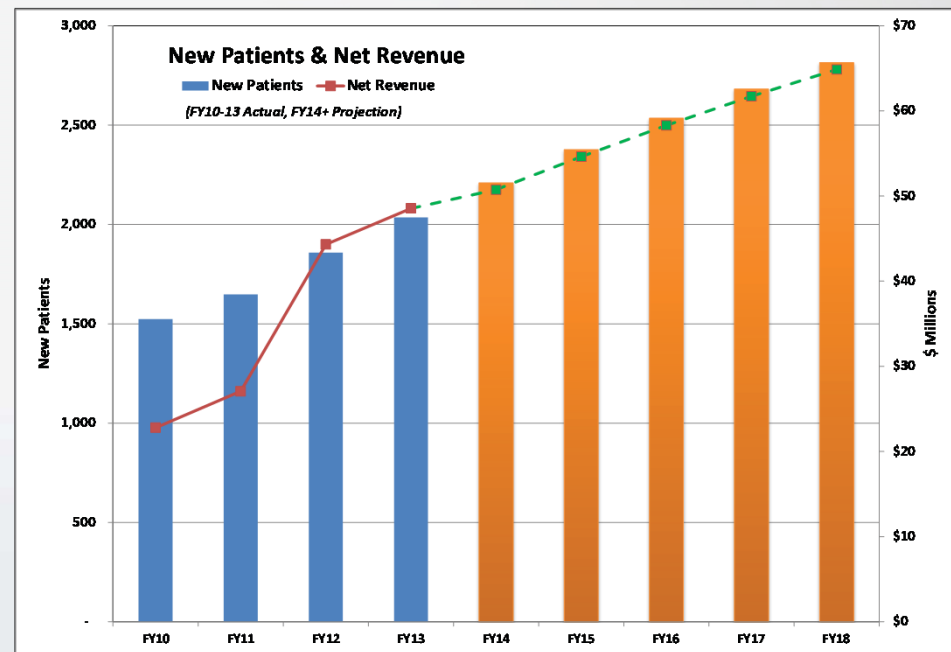
U. T. Southwestern Medical Center Radiation Therapy Building

- The National Cancer Institute designated Simmons Cancer Center continues to be a focus area and differentiating factor in care at UTSWMC
- Conventional radiation therapy facilities are nearing capacity. To meet demand, UTSWMC plans to build a new state-of-the-art facility
 - Opens in FY17 with seven linear accelerators (four net new, 11 total at UTSWMC)
 - Design accommodates expansion to 13 vaults
 - UTSWMC contracted with Advanced Particle Therapy to run a proton therapy facility. The conventional radiation building will be next to the proton facility
 - With the expansion, Radiation Oncology will vacate the West Campus site, supporting the master plan



U. T. Southwestern Medical Center Radiation Therapy Building (cont.)

- New Simmons Cancer Center radiation therapy patients grew 13% annually over the past five years
- Continued growth is projected



U. T. Southwestern Medical Center Radiation Therapy Building (cont.)

- 62,900 GSF clinical building
- Innovative space including radiation therapy services, outpatient services, and academic/faculty offices
- Adjacent to Dallas Proton Center



U. T. Southwestern Medical Center Radiation Therapy Building (cont.)

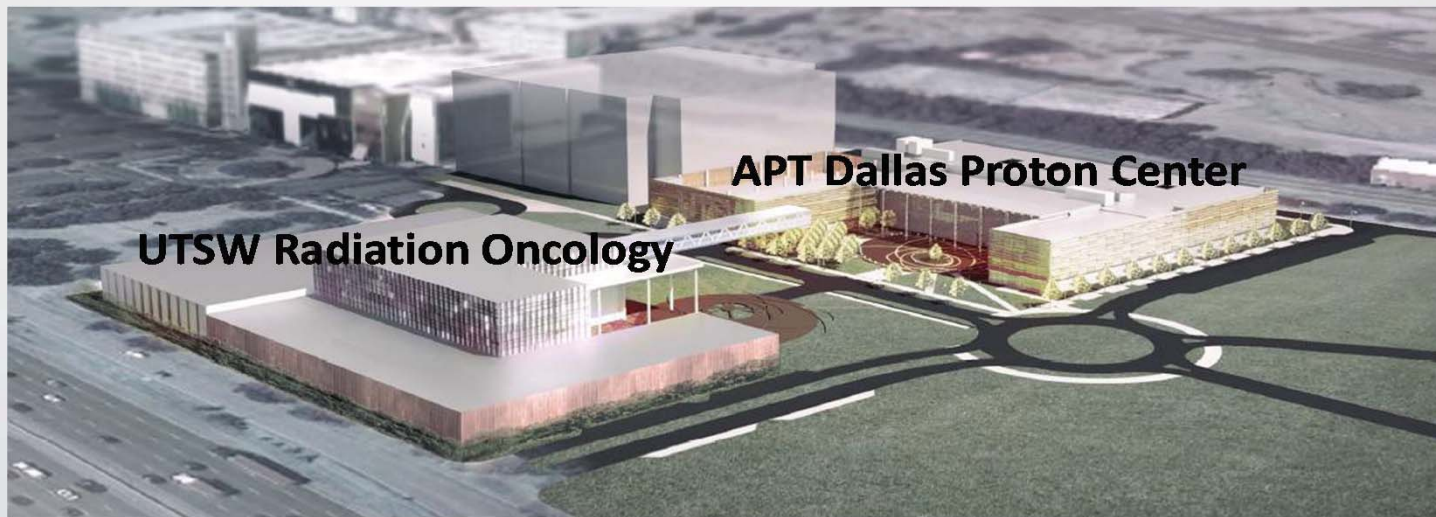
- \$52,000,000 Total Project Cost
 - \$40,000,000 RFS
 - \$12,000,000 Hospital Revenues

		Building	
	Total Cost	GSF	Cost/GSF
Building	\$40,000,000	62,900	\$636
Equipment	\$12,000,000		
Total	\$52,000,000		

Note: Land cost TBD



U. T. Southwestern Medical Center Radiation Therapy Building (cont.)



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Conceptual Rendering

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Consideration of Design Development Approval

- Two (2) Academic Projects
 - UTAUS Dell Medical School - Phase I
 - UTT College of Pharmacy Building
- One (1) Health Project
 - UTHSCSA South Texas Medical Academic Building



U. T. Austin

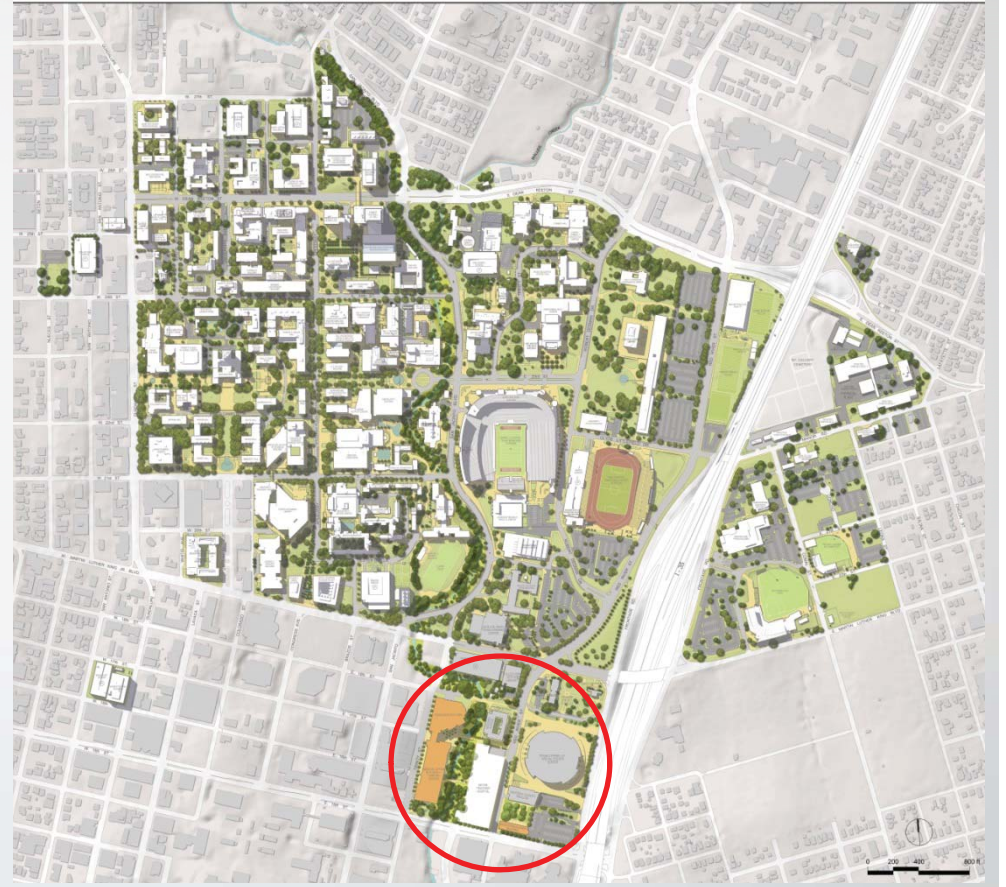
Dell Medical School - Phase 1



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U. T. Austin Dell Medical School - Phase I



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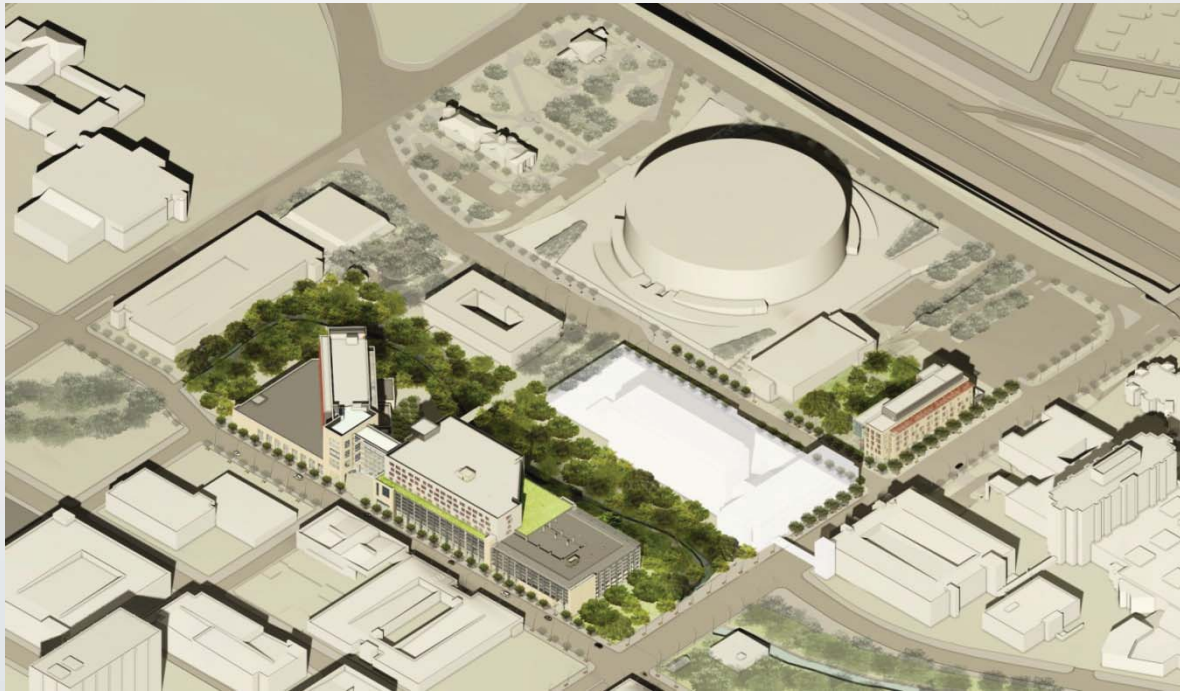
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Campus Map

U. T. Austin Dell Medical School - Phase I (cont.)



U. T. Austin Dell Medical School - Phase I (cont.)



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Aerial View

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U. T. Austin Dell Medical School - Phase I (cont.)



U. T. Austin Dell Medical School - Phase I (cont.)



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View from 15th Street

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U. T. Austin Dell Medical School - Phase I (cont.)

- \$334,500,000 Total Project Cost
 - \$334,000,000 RFS
 - \$ 250,000 Available University Fund
 - \$ 250,000 Unexpended Plant Funds



U. T. Tyler

College of Pharmacy Building



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U. T. Tyler College of Pharmacy Building



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Campus Plan 38

U. T. Tyler College of Pharmacy Building (cont.)



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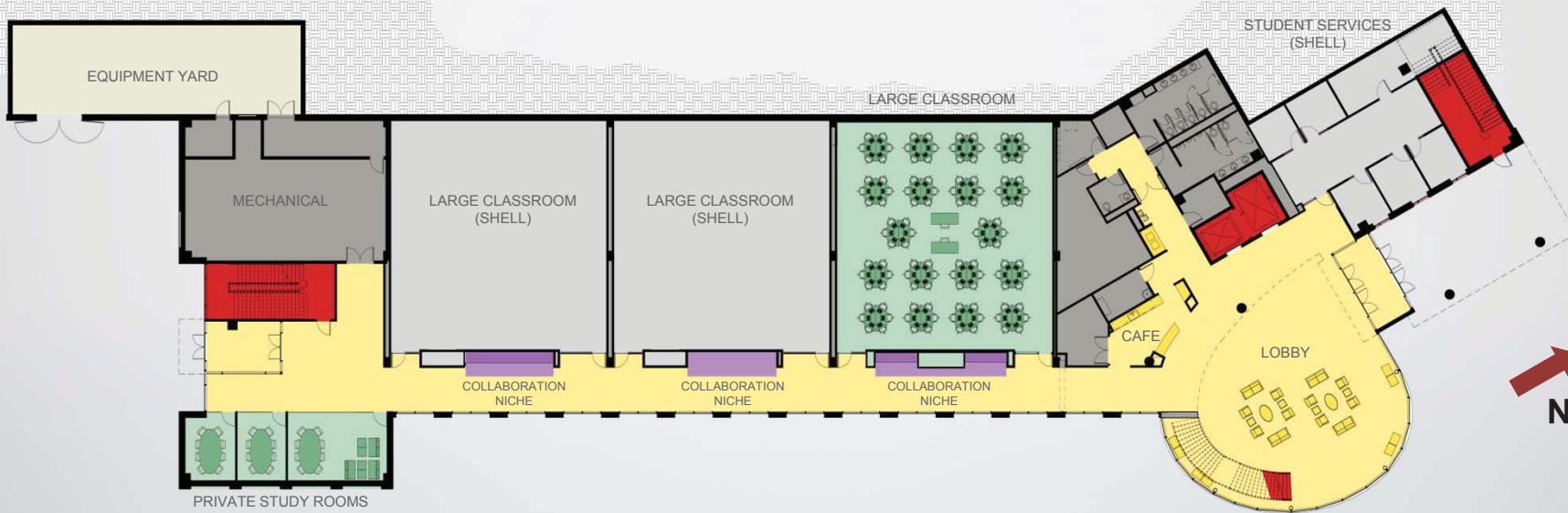
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Site Plan 39

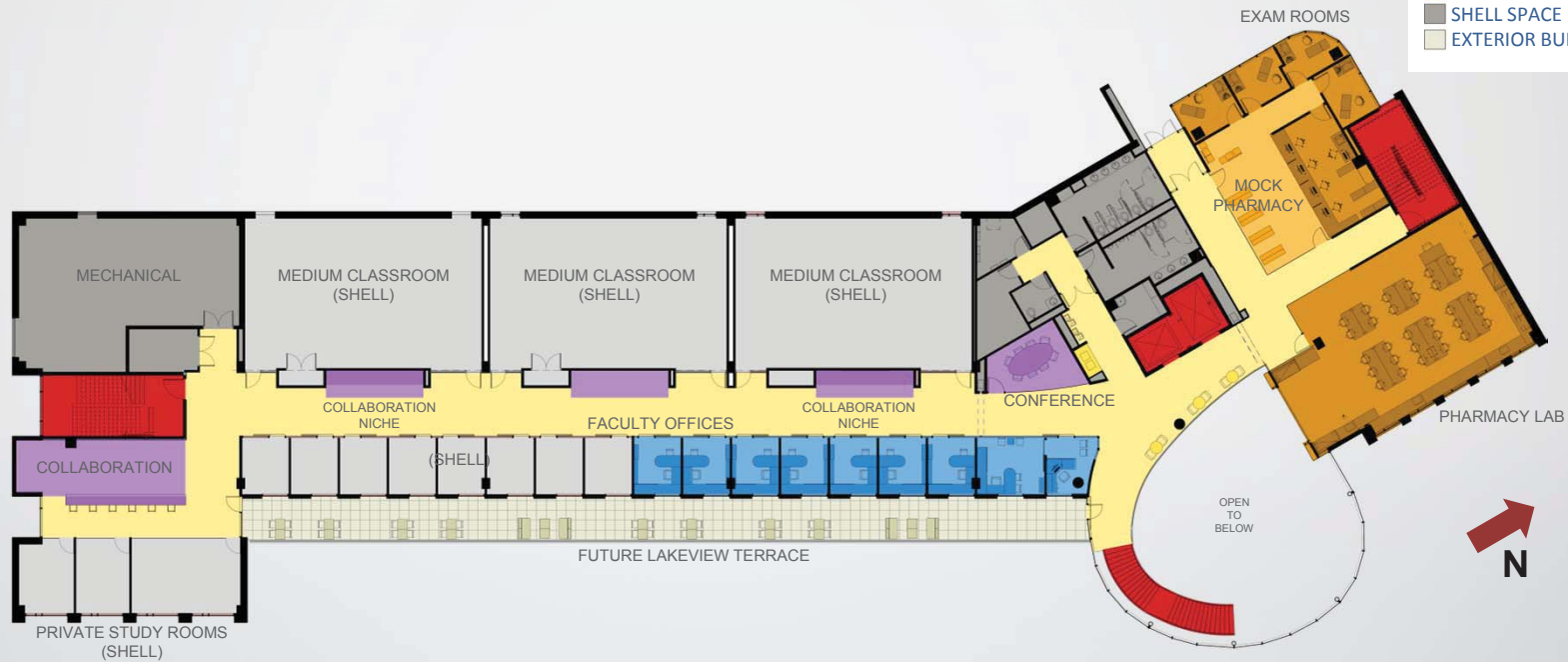
U. T. Tyler College of Pharmacy Building (cont.)

- LOBBY / CIRCULATION
- VERTICAL CIRCULATION
- CLASSROOM
- OPEN OFFICE
- PRIVATE OFFICE
- COLLABORATION
- OPEN LAB
- SUPPORT LAB
- SHELL SPACE
- EXTERIOR BUILDING SUPPORT



U. T. Tyler College of Pharmacy Building (cont.)

- LOBBY / CIRCULATION
- VERTICAL CIRCULATION
- CLASSROOM
- OPEN OFFICE
- PRIVATE OFFICE
- COLLABORATION
- OPEN LAB
- SUPPORT LAB
- SHELL SPACE
- EXTERIOR BUILDING SUPPORT



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U. T. Tyler College of Pharmacy Building (cont.)



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View from Lake 42

U. T. Tyler College of Pharmacy Building (cont.)



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View from Lake 43

U. T. Tyler College of Pharmacy Building (cont.)



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View from West 44

U. T. Tyler College of Pharmacy Building (cont.)

- \$26,500,000 Total Project Cost
 - \$22,500,000 RFS
 - \$ 4,000,000 Gifts



U. T. Health Science Center - San Antonio

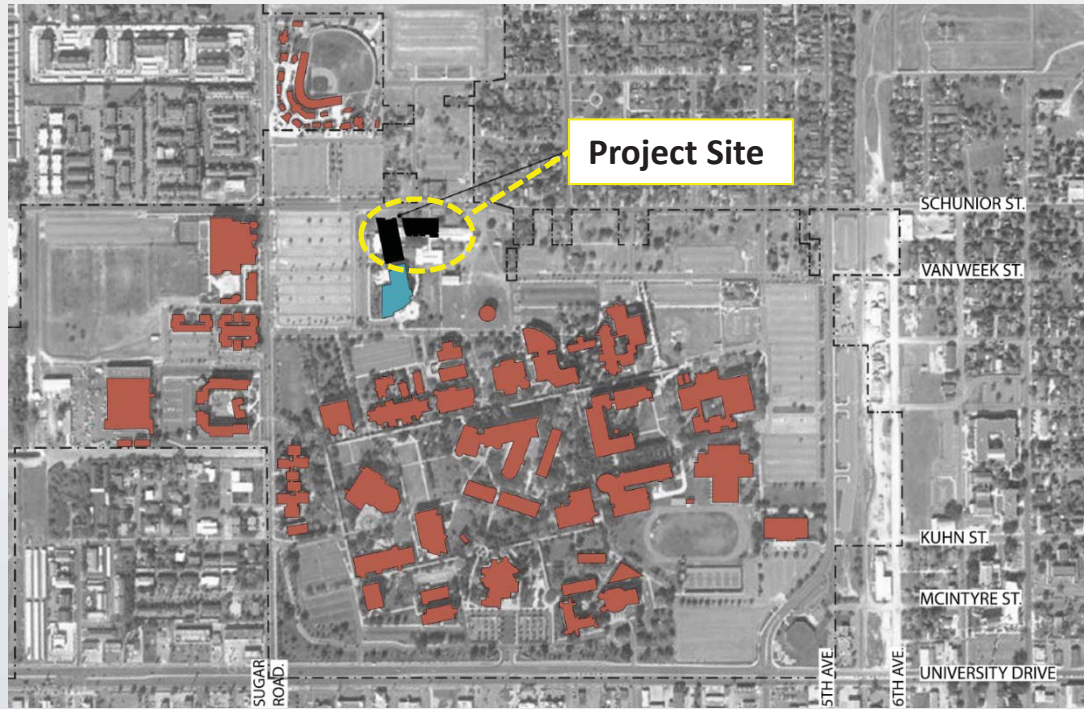
South Texas Medical Academic Building



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U. T. Health Science Center - San Antonio South Texas Medical Academic Building



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Proposed Site

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



Proposed



Future Proposed Phases

3rd St.



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Proposed Site/Future Phases

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



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Site Plan with First Floor Plan

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



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View from East to Courtyard

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



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View from North

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



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View from South 52

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

- \$54,000,000 Total Project Cost
 - PUF



U. T. Dallas

Campus Landscape Enhancement Phase II

- Increase in cost for expanded scope to build out east/west and north/south pedestrian access to dormitory complex, new Callier Richardson Expansion, and Bioengineering and Science Building
- \$20,000,000 Total Project Cost
 - \$10,000,000 Gifts
 - \$10,000,000 Unexpended Plant Funds



U. T. El Paso

Campus Transformation Project

- Increase in TPC for expanded scope and costs related to replacing all underground utilities infrastructure in the project area
- \$34,000,000 Total Project Cost
 - \$16,000,000 RFS
 - \$10,000,000 PUF
 - \$ 8,000,000 Grants (TxDOT)



MINUTES
U. T. System Board of Regents
Academic Affairs Committee
February 5, 2014

The members of the Academic Affairs Committee of the Board of Regents of The University of Texas System convened at 3:47 p.m. on Wednesday, February 5, 2014, 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 Hicks, presiding
Regent Aliseda
Regent Cranberg
Regent Pejovich
Regent Stillwell

Also present were Chairman Foster, Vice Chairman Powell, Regent Hall, Regent Hildebrand, Regent Horne, and Associate General Counsel Rabon.

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

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

There were no items referred from the Consent Agenda.

2. **U. T. System: Authorization of \$14 million of Permanent University Funds a) for a new Shared Services Initiative to create and implement a Student Information System (SIS) at U. T. Rio Grande Valley; b) to implement a SIS as a second business unit at U. T. Permian Basin; c) to expand the UTShare Human Resource and Finance enterprise system to include and support U. T. Rio Grande Valley; and d) to provide basic campus and implementation support to U. T. Rio Grande Valley and U. T. Permian Basin**

Committee Meeting Information <i>Presenter(s): Dr. Pedro Reyes, Executive Vice Chancellor for Academic Affairs</i> <i>Status: Approved</i> <i>Motion: Made, seconded, and carried unanimously</i>

3. **U. T. System Board of Regents: Approval to create the University College at U. T. Tyler and amendment of Regents' Rules and Regulations, Rule 40601, Section 1.12 to add Subsection (g) to include the University College**

Committee Meeting Information

Presenter(s): President Rodney H. Mabry, U. T. Tyler; Dr. Pedro Reyes, Executive Vice Chancellor for Academic Affairs

Status: Approved

Motion: Made, seconded, and carried unanimously

4. **U. T. Tyler: Update on the Patriots Applying Technology for Success and Savings (PATSS)**

Committee Meeting Information

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

Status: Reported/Discussed

Discussion at meeting:

Regent Pejovich said it will be interesting to watch how the program will reduce the length of time needed to earn a degree, as well as any change in learning outcomes. She congratulated U. T. Tyler on its recent commendations for having one of the best online graduate nursing programs.

5. **U. T. System: Request to retain low-producing degree programs at U. T. San Antonio**

Committee Meeting Information

Presenter(s): President Ricardo Romo, U. T. San Antonio; Dr. Pedro Reyes, Executive Vice Chancellor for Academic Affairs

Status: Approved

Motion: Made, seconded, and carried unanimously

6. **U. T. System: Quarterly report on academic matters of interest to the U. T. System, including a discussion on research in computational sciences**

Committee Meeting Information

Presenter(s): Dr. Pedro Reyes, Executive Vice Chancellor for Academic Affairs; President William Powers, Jr. and Dr. J. Tinsley Oden, Associate Vice President for Research and Director of the Institute for Computational Engineering and Science (ICES), U. T. Austin

Status: Reported/Discussed

Discussion at meeting:

Dr. Oden responded to questions from Regent Cranberg about the complexity, acceleration, and automation of scientific hypotheses by explaining how methods are being developed to help scientists. Dr. Oden said he is involved in this type of research at ICES.

With future growth and costs in mind, Regent Hildebrand asked if U. T. Austin has or will have the necessary computational power, ability, and infrastructure to satisfy the requirements of the computational science program. Dr. Oden responded that if U. T. Austin desires to be competitive and innovative in this area, it will be expensive. He added that there will be other challenges besides financing, such as technological issues. President Powers also commented on the computational resources and infrastructure that will be needed in the future.

ADJOURNMENT

Committee Chairman Hicks adjourned the meeting at 4:41 p.m.