

Meeting No. 934

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

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November 15-16, 2000

Tyler, Texas

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 OF
 THE UNIVERSITY OF TEXAS SYSTEM
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MEETING NO. 934

WEDNESDAY, NOVEMBER 15, 2000.--The members of the Board of Regents of The University of Texas System convened at 12:00 p.m. on Wednesday, November 15, 2000, in the Constellation Ballroom 2, Sheraton Hotel, 5701 South Broadway, Tyler, Texas, with the following in attendance:

ATTENDANCE.--

Present

Vice-Chairman Loeffler, presiding
Vice-Chairman Clements
Regent Hunt
Regent Miller
Regent Oxford
Regent Riter
Regent Romero
Regent Sanchez

Absent

*Chairman Evans

Counsel and Secretary Frederick

In the absence of Chairman Evans, Vice-Chairman Loeffler announced a quorum present and called the meeting to order.

RECESS TO EXECUTIVE SESSION.--At 12:00 p.m., the Board recessed to convene in Executive Session pursuant to Texas Government Code Section 551.074 to consider personnel matters as listed on the Executive Session agenda.

RECONVENE.--At 1:10 p.m., the Board reconvened in open session for action on the personnel matters listed on the Executive Session agenda.

*Chairman Evans was excused due to a previous commitment.

EXECUTIVE SESSION OF THE BOARD OF REGENTS

Vice-Chairman Loeffler reported that the Board met in Executive Session to discuss matters in accordance with Texas Government Code Section 551.074. In response to an inquiry from Vice-Chairman Loeffler regarding the wishes of the Board, the following action was taken:

U. T. System: Public Release of the Name of the Finalist Candidate [Mr. Robert Daniel (R. D.) Burck] for the Position of Chancellor in Accordance with Texas Government Code Section 552.123

Vice-Chairman Clements moved that, in compliance with Texas Government Code Section 552.123, which requires that the name or names of any finalist or finalists for the position of a chief executive officer of an institution of higher education be publicly released 21 days in advance of any final action, Mr. Robert Daniel (R. D.) Burck, Interim Chancellor of The University of Texas System and former Executive Vice Chancellor for Business Affairs, be announced as the finalist candidate for Chancellor of The University of Texas System.

The motion was seconded by Regent Riter and approved without objection.

ANNUAL MEETING WITH REPRESENTATIVES OF THE U. T. SYSTEM FACULTY ADVISORY COUNCIL.--On behalf of the Board, Vice-Chairman Loeffler welcomed the Executive Committee of The University of Texas System Faculty Advisory Council (FAC) to the annual meeting with the Board and asked Chair Betty Travis to make the appropriate introductions and to begin the discussion per the [agenda](#) which was before the Board and is on file in the Office of the Board of Regents.

PARTICIPANTS

Chair: Dr. Betty Travis
Professor, Division of Mathematics and Statistics
The University of Texas at San Antonio

Past-Chair: Dr. Joel Dunnington
Associate Professor, Department of Diagnostic Radiology
The University of Texas M. D. Anderson Cancer Center

Chair-Elect: Dr. Jerry McLarty
Professor, Department of Epidemiology Biomathematics
The University of Texas Health Center at Tyler

Secretary: Dr. Terese Verklan
Associate Professor, School of Nursing
The University of Texas Health Science Center at Houston

Health Affairs Committee Chairs:

Dr. Richard Rahr
Professor, Physician Assistant Studies
The University of Texas Medical Branch at Galveston

[Dr. Kevin Oeffinger was not in attendance
Associate Professor, Department of Family Practice and Community Medicine
The University of Texas Southwestern Medical Center at Dallas]

Academic Affairs Committee Chairs:

Ms. Martha Hilley
Professor, School of Music
The University of Texas at Austin

Dr. Corbett Gaulden
Associate Professor, School of Business
The University of Texas of the Permian Basin

Governance Committee Chairs:

Dr. Robert Nelsen
Associate Professor, School of Arts and Humanities
The University of Texas at Dallas

Ms. Cheryl Staats
Assistant Professor, Department of Acute Nursing Care
The University of Texas Health Science Center at San Antonio

Faculty Quality Committee Chairs:

Dr. James Bartlett
Professor, School of Human Development
The University of Texas at Dallas

[Dr. Patrick Davis was not in attendance
Professor, College of Pharmacy
The University of Texas at Austin]

AGENDA AND DISCUSSION

Accountability

Ms. Martha Hilley thanked Regent Charles Miller, Chairman of the Academic Affairs Committee, for the time he spent discussing the issues of accountability with the Faculty Advisory Council (FAC), such as programs to assess student learning. Regent Miller commended the FAC for their constructive responsiveness and noted that a valuable dialog resulted from their discussions.

Dr. Corbett Gaulden outlined FAC plans to review current assessment at each institution.

Feasibility Study/Fields of Study

Dr. Robert Nelsen distributed a memorandum dated September 1, 2000, from the Texas Higher Education Coordinating Board related to a feasibility study on fields of study. He expressed concern that the Coordinating Board had not consulted faculty on the study curriculum and specifically discussed issues related to a guideline that “the educational welfare and success of students will be emphasized rather than the interests of disciplines, administrative units or institutions” and a requirement that “courses with the same name and number offered by different institutions have the same curricular content.” He noted that faculty need to be accountable to students to ensure they receive the best possible education. Vice-Chairman Loeffler asked the U. T. System, including the FAC, to come up with a response to the Coordinating Board and Regent Miller suggested this issue be addressed as part of the deregulation initiative.

Faculty Satisfaction Survey

Dr. James Bartlett spoke about a new faculty satisfaction survey. In response to Dr. Bartlett’s report that women are generally less happy with their jobs than men, Regent Raul Romero, Chairman of the U. T. Board of Regents’ Special Committee on Minorities and Women, asked the FAC to watch particularly women’s responses to the survey.

Employee Group Insurance

Discussion centered on current health insurance coverage and premiums for family members of U. T. employees, specifically that the State does not fully cover insurance for spouse and family members and that premiums are very high. Dr. Joel Dunnington noted health benefits could be considered as a retention factor for faculty.

Chancellor-Elect Burck informed the Board that he would report tomorrow on a proposal to the 77th Texas Legislature to keep health insurance premiums at the current levels.

Vice-Chairman Loeffler noted that Mr. Marvin Crenshaw, Group Sales Representative for Medical Air Services Association, Southlake, Texas, was scheduled to speak to the Board at this time related to health insurance benefits for U. T. faculty but was not able to be present. In lieu thereof, Mr. Crenshaw will be offered the opportunity to provide his comments in writing to the Board of Regents. Dr. Dunnington noted that The University of Texas M. D. Anderson Cancer Center endorsed this type of benefit for faculty especially while they are traveling overseas.

TOUR OF THE UNIVERSITY OF TEXAS HEALTH CENTER AT TYLER AND RECESS.--Vice-Chairman Loeffler announced that the Board would tour the campus of The University of Texas Health Center at Tyler and then recess to reconvene in Open Session on Thursday, November 16, at 8:30 a.m. in Room 119, Biomedical Research Building, U. T. Health Center - Tyler, in Tyler, Texas.

THURSDAY, NOVEMBER 16, 2000.--The members of the Board of Regents of The University of Texas System reconvened at 8:30 a.m. on Thursday, November 16, 2000, in Room 119, Biomedical Research Building, U. T. Health Center - Tyler, in Tyler, Texas, with the following in attendance:

ATTENDANCE.--

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

Counsel and Secretary Frederick

Vice-Chairman Loeffler announced a quorum present and called the meeting to order.

WELCOME BY RONALD F. GARVEY, M.D., PRESIDENT OF THE UNIVERSITY OF TEXAS HEALTH CENTER AT TYLER.--Vice-Chairman Loeffler stated that the Board was pleased to be meeting at The University of Texas Health Center at Tyler and expressed appreciation to Regent Riter and President Garvey for the leadership and research they provide the community of East Texas. He then called on President Garvey, who, on behalf of the faculty, staff, and students of the institution welcomed the members of the Board and other guests to the campus.

INTRODUCTION OF NEW MEMBERS OF THE UNIVERSITY OF TEXAS SYSTEM FAMILY.--Vice-Chairman Loeffler extended a warm welcome to the following new members of The University of Texas System family:

- Chancellor-Elect R. D. Burck, The University of Texas System and his wife, Penny

*Chairman Evans and Regent Oxford were excused due to previous commitments.

- Mr. Cullen M. Godfrey, Vice Chancellor and General Counsel, The University of Texas System
- Dr. James T. Willerson, Interim President, The University of Texas Health Science Center at Houston
- Dr. Francisco G. Cigarroa, President, The University of Texas Health Science Center at San Antonio

U. T. BOARD OF REGENTS: APPROVAL OF MINUTES OF REGULAR MEETING HELD AUGUST 9-10, 2000, AND SPECIAL MEETINGS HELD OCTOBER 2 AND 10, 2000.--The Minutes of the regular meeting of the Board of Regents of The University of Texas System held on August 9-10, 2000, in Austin, Texas, were approved as distributed by the Counsel and Secretary to the Board. The official copy of these Minutes is recorded in the Permanent Minutes, Volume XLVII, Pages 976 - 1275.

The Board also approved the Minutes of the special meetings of the Board of Regents of The University of Texas System held on October 2 and 10, 2000, in Austin, Texas, as distributed by the Counsel and Secretary to the Board. The official copy of these Minutes is recorded in the Permanent Minutes, Volume XLVIII, Pages 1 - 7.

SPECIAL ITEMS

1. U. T. Board of Regents - Regents' Rules and Regulations, Part One: Amendments to Chapter I, Section 3 (Chairman of the Board), Section 7 (Committees and Other Appointments), Section 8 (Procedure), and Section 9 (Documents Executed on Behalf of the Board) and Chapter III, Section 1 (Appointments)

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

- a. Chapter I was amended as follows:
 - 1) Section 3, Subsection 3.2, regarding the duties of the Chairman, was amended to read as set forth on Page 8.

- 3.23 Except for the Executive Committee, which shall be composed of the Chairman and the two Vice-Chairmen, the Chairman shall appoint the standing committees of the Board and such special committees as the Board may authorize.
- 3.24 The Chairman shall appoint ad hoc committees as necessary to address special issues.
- 3.25 The Chairman shall be an ex officio member of all committees of the Board.

- 2) Section 7, Subsection 7.4, regarding special committees, was deleted.
- 3) Section 8, Subsection 8.2, Subdivision 8.26, regarding reports at Board meetings, was amended to read as follows:

8.26 Reports of special and ad hoc committees.

- 4) Section 9, Subsections 9.2 and 9.3, relating to documents executed on behalf of the Board, were amended to read as follows:

9.2 Delegation of Authority to Execute and Deliver Contracts, Agreements, and Documents.--

...

9.22 All contracts or agreements, including purchase orders and vouchers, with a cost or monetary value to the U. T. System Administration or the component institution of more than \$1,000,000 must be approved by the Executive Committee of the Board or approved by the Board via the docket or the agenda except the following, which do not require prior approval by the Executive Committee of the Board or the Board regardless of the contract amount:

...

9.223 Contracts or agreements for the purchase of replacement equipment or licensing of replacement software.

...

9.226 Purchases of new equipment or licensing of new software identified specifically in the institutional budget approved by the Board.

...

9.228 Agreements with administrators employed by the U. T. System or a component institution, so long as such agreements fully comply with the requirements of Texas Education Code Section 51.946 including the requirement to make a finding that the agreement is in the best interest of the U. T. System or the component institution.

...

9.29 The following contracts and agreements must be approved by the Board via the docket or the agenda, regardless of the contract amount:

...

9.293 Agreements with a Chancellor, a president, a former Chancellor or president, an Executive Vice Chancellor, or a Vice Chancellor, subject to the provisions of Texas Education Code Section 51.946 or Texas Government Code Section 618.001 et seq.

9.3 Prior Approval and Reporting.--Actions taken pursuant to delegated authority must receive the prior approval of, or be reported to, the Board only as specifically required in these Rules and Regulations, the policies of the Board, or any special instructions or guidelines issued as provided in these Rules and Regulations.

b. Chapter III, Section 1, Subsection 1.2 was amended to read as follows:

1.2 All appointments shall be on the basis of merit and shall comply with the provisions of Texas Education Code Section 51.946 which requires that any agreement with higher education administrators be executed only after a finding that the agreement is in the best interest of the U. T. System or the component institution. Authority to make such findings is delegated to the president or chief business officer of the institution and to the Chancellor for employees not covered by Subdivision 9.293, Chapter I of these Rules.

2. U. T. Board of Regents - Regents' Rules and Regulations, Part One: Approval to Amend Chapter VIII, Section 2 (Display of Flags)

The Board amended the Regents' Rules and Regulations, Part One, Chapter VIII, Section 2 to read as set forth below to require the flag of the United States and the flag of the State of Texas to be raised, lowered, displayed, and flown at half-mast at The University of Texas System and the component institutions in compliance with applicable federal and state statutes:

Sec. 2. Display of Flags.--The flag of the United States and the flag of the State of Texas shall be flown at the System and at the component institutions on each regular school day as required by the Texas Education Code Section 1.003. The flags shall be raised, lowered, and displayed as required by Title 4 United States Code Sections 5 through 9 and by Texas Revised Civil Statutes Annotated Article 6139c and may be placed at half-mast only as permitted or required by such statutory provisions.

3. U. T. Board of Regents - Regents' Rules and Regulations, Part One: Amendments to Chapter II, Section 5 (Executive Vice Chancellor for Business Affairs), Section 6 (Executive Vice Chancellor for Academic Affairs), and Deletion of Section 10 (Vice Chancellor for Information Technology and Distance Education)

The Board amended the Regents' Rules and Regulations, Part One, Chapter II as follows:

a. Section 5, Subsection 5.2, Subdivision 5.2(10), relating to the duties and responsibilities of the Executive Vice Chancellor for Business Affairs, was amended to read as set forth below:

5.2(10) Managing the operations of the offices listed below through such internal administrative organization as he/she deems to be appropriate:

Office of the Associate Vice Chancellor for Business Affairs
Office of Historically Underutilized Business Development
Office of the Director of Police
Office of the Assistant Vice Chancellor and Controller
Budget Office

Office of Business and Administrative Services
 Director of Accounting regarding System Administration
 accounts
 Office of the Assistant Vice Chancellor for Finance
 Office of the Assistant Vice Chancellor for Facilities Planning and
 Construction
 Real Estate Office
 West Texas Operations
 University Lands Accounting Office
 Surface Interests
 Oil, Gas & Mineral Interests
 Office of Human Resources
 Office of Employee Group Insurance
 Office of Information Resources
 Office of Information Technology

- b. Section 6, Subsection 6.2, Subdivision 6.27, relating to the duties and responsibilities of the Executive Vice Chancellor for Academic Affairs, was amended and current Subdivision 6.27 was renumbered as 6.28 as set forth below:

- . . .
- 6.27 Supervising and directing the operations of the UT TeleCampus, including coordination of all activities related to a virtual campus and assessment of distance education effectiveness in the U. T. System.
- 6.28 Performing such other duties as may be assigned by the Chancellor.

- c. Section 10, relating to the Vice Chancellor for Information Technology and Distance Education, was deleted and Sections 11 through 15 were renumbered as Sections 10 through 14.

These amendments to the Regents' Rules and Regulations, Part One, Chapter II, reflect the administrative reporting responsibilities and other changes made through a reorganization of the management of distance education and information technology programs within The University of Texas System. The position of Vice Chancellor for Information Technology and Distance Education was eliminated and the UT TeleCampus, which is the centralized support center for all distance education and on-line degree programs within the U. T. System, now reports to the Executive Vice Chancellor for Academic Affairs. A variety of other information technology initiatives will be managed through a proposed Office of Information Technology that will report to the Executive Vice Chancellor for Business Affairs.

4. U. T. Board of Regents and U. T. Austin: Approval to Abolish the U. T. Austin College of Business Administration Foundation as an Internal Foundation and Authorization to Amend the Regents' Rules and Regulations, Part One, Chapter VII, Section 4, Subsection 4.3, Subdivision 4.33, Relating to Internal Foundations

The College of Business Administration Foundation at The University of Texas at Austin was created by resolution of the U. T. Board of Regents on May 29, 1953, as an internal entity designed to provide financial support for the College “in addition to regular budgetary provisions.” Further, an external foundation for the benefit of the College of Business Administration was chartered as a nonprofit educational corporation in 1977 and was named “The Business School Foundation - The University of Texas at Austin.” The Foundation was chartered “for the purposes of supporting the educational undertakings of the College by furthering education, research, and financial assistance to deserving students and of accepting donations for particular objectives to accomplish such purposes and of cooperating with the advancement of the general welfare of the University as a whole.” Thus, the College has functioned with both internal and external private sector support entities.

Based on recent developments, including the renaming of the School of Business (formerly College of Business Administration and Graduate School of Business) as the Red McCombs School of Business and the fact that fundraising is an integral part of the School’s activities, the School requests that the internal foundation be abolished. The external entity, “The Business School Foundation - The University of Texas at Austin,” will be retained and will continue to function in accordance with the Memorandum of Understanding between the U. T. Board of Regents and the Foundation that was approved by the Board on April 12, 1984.

In accordance therewith, the Board:

- a. Approved the abolishment of the U. T. Austin College of Business Administration Foundation as an internal foundation
- b. Amended the Regents’ Rules and Regulations, Part One, Chapter VII, Section 4, Subsection 4.3, Subdivision 4.33, relating to internal foundations, to delete reference to the U. T. Austin College of Business Administration Foundation.

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

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

On behalf of The University of Texas Investment Management Company (UTIMCO), Regent Hunt, an officer of the UTIMCO Board, summarized the Report on Investments for The University of Texas System for the fiscal year ended August 31, 2000, for the Permanent University Fund, Permanent Health Fund, Long Term Fund, Short Intermediate Term Fund, and Separately Invested Assets.

Report by Regent Hunt on Behalf of UTIMCO

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

Pages 16 - 20 contain the Summary Reports on Investments for the fiscal year ended August 31, 2000. During the year, UTIMCO converted the Permanent University Fund (PUF) to the same total return based asset allocation currently in use for the Permanent Health Fund (PHF) and the Long Term Fund (LTF). This conversion required that UTIMCO realign portfolio managers to create substantially identical asset allocations and underlying portfolios across all three endowment funds. Net returns on all three endowment funds exceeded the neutral policy portfolio return for the year. The LTF outperformed the neutral policy portfolio by the largest margin at 5.78%. The neutral policy portfolio return, or the benchmark return, is the neutrally weighted average index return for the various asset classes in the endowment portfolio. In general, U. S. small cap stocks, nonmarketable alternative equities and UTIMCO's adoption of an inflation hedging asset class contributed most to the outperformance.

Item a on Page 16 presents the summary report for Permanent University Fund (PUF) Investments. PUF Investments began the year with a market value of \$7.5 billion. During the year, contributions of mineral income from PUF Lands equaled \$83.1 million, up 53% from the prior fiscal year. Total investment return was \$1,215.1 million. The PUF distributed \$297.6 million

to the Available University Fund (AUF) during the year. This amount represented the PUF distribution to the AUF for the fiscal year ended August 31, 2000, as approved by the U. T. Board of Regents at its February 10, 2000 meeting. PUF market value ended the year at \$8.5 billion.

Year-end asset allocation was 78% broadly defined equities, 17% fixed income, and 5% money market funds versus an unconstrained neutral allocation of 80% equities, 20% fixed income, and 0% money market funds. Within equities, year-end allocation was 23% U. S. large and mid cap stocks, 10% U. S. small cap stocks, 17% non-U. S. equities, 20% alternative equities, and 8% inflation hedging assets. The high percentage in money market funds reflects the amount held at year-end to fund the September 1, 2000, AUF distribution for the fiscal year ending August 31, 2001.

Total net investment return for the year was 16.53% versus the neutral policy portfolio return of 14.81%. The domestic and international fixed income portfolios posted a combined net total return of 4.57% for the year versus 7.56% for the Lehman Aggregate Bond Index and a negative return of 5.86% for the Salomon non-U. S. World Government Bond Index. Equities, as an asset class, posted higher relative returns with the S&P 500 Index and Russell 3000 Index posting returns of 16.31% and 20.63%, respectively. The PUF's equity portfolios (including non-U. S. portfolios) produced a net return of 15.14%. Finally, alternative equities produced a 44.41% net return for the year. The inflation hedging asset class was implemented during the year and posted a 29.61% net return for eight months.

Item b on Page 17 reports summary activity for the Permanent Health Fund (PHF). The PHF was funded on August 30, 1999, with contributions in the amount of \$890 million. During the year, additional contributions totaling \$25 million were received from The University of North Texas Health Science Center at Fort Worth.

Year-end asset allocation was 82% broadly defined equities and 18% fixed income. Within equities, U. S. large and mid cap equities, U. S. small cap equities and non-U. S. equities were slightly overweighted at 32%, 12% and 20%, respectively, of total assets. Inflation hedging assets were neutral at 7.5%. Alternative equities were underweighted at 10% versus a neutral weighting of 25%. The nonmarketable portion of the alternative equity asset class will take several years to become fully funded. Total net investment return for the year was 16.09% versus the neutral policy portfolio return of 14.81%. The PHF market value ended the year at \$1.0 billion.

Item c on Page 18 reports summary activity for the Long Term Fund (LTF). During the year, net contributions totaled \$118.9 million representing a 40% increase over the prior fiscal year. Investment return was \$547.1 million. Distributions to the more than 5,000 endowments and other accounts underlying the LTF totaled \$115.2 million; an increase of 13.5% versus the prior year. The annual payout rate was recently increased by 14%, effective May 31, 2000, from \$.215 to \$.245 per unit. The LTF market value ended the year at \$3.1 billion.

Year-end asset allocation was 82% broadly defined equities, 17% fixed income, and 1% money market funds. Within equities, U. S. large and mid cap equities, U. S. small cap equities and non-U. S. equities were slightly overweighted at 28%, 10% and 18%, respectively, of total assets. Alternative equities were underweighted at 19% versus a neutral weighting of 25%. Inflation hedging assets were neutrally weighted at 7.3%. Total net investment return for the year was 20.59% versus the neutral policy portfolio return of 14.81%.

Item d on Page 19 presents summary activity for the Short Intermediate Term Fund. During the year, the Fund had net contributions of \$81.6 million. It earned \$107.9 million in total return and incurred expenses of \$500 thousand. Distributions to the U. T. System component institutions equaled \$114.0 million, resulting in an unchanged Fund value of \$1.8 billion at year-end. Total return on the Fund was 5.87% for the year versus the Fund's performance benchmark of 5.90%.

Item e on Page 20 presents book and market value of cash, fixed income, equity and other securities held in funds outside of internal investment pools. Total cash and equivalents, consisting primarily of component operating funds held in the Dreyfus money market fund, decreased by \$56 million to \$849 million during the fourth quarter. Asset values for the remaining asset classes were fixed income securities: \$95 million versus \$81 million at previous quarter-end; equities: \$113 million versus \$88 million at previous quarter-end; and other investments of \$25 million versus \$7 million at previous quarter-end.

a. PERMANENT UNIVERSITY FUND

Summary Investment Report at August 31, 2000.

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

	FY98-99	FY99-00				
	Full Year	1 st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Year-to-date
Beginning Net Assets	6517.1	7,465.6	7,697.9	7,924.8	7,910.9	7,465.6
PUF Lands Receipts (2)	54.3	18.6	19.0	22.6	22.9	83.1
Investment Return (3)	1,158.1	279.3	430.1	(18.0)	523.7	1,215.1
Expenses (3)			(2.4)	(6.9)	(4.6)	(13.9)
Distributions to AUF (3)	(263.9)	(65.6)	(219.8)	(11.6)	(0.6)	(297.6)
Ending Net Assets	7,465.6	7,697.9	7,924.8	7,910.9	8,452.3	8,452.3
AUF Distribution:						
From PUF Investments (3)	263.9	65.6	219.8	11.6	0.6	297.6
From Surface Income	9.5	1.5	2.1	0.9	1.5	6.0
Total	273.4	67.1	221.9	12.5	2.1	303.6

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

- (1) General - The Investment Summary Report excludes PUF Lands mineral and surface interests with estimated August 31, 2000 values of \$877.9 million and \$156.4 million, respectively.
- (2) PUF Land Receipts - As of August 31, 2000: 1,244,727 acres under lease; 515,612 producing acres; 3,299 active leases; and 2,041 producing leases.
- (3) Restatements - The Investment Summary Report was restated to a presentation which is consistent with the reporting of other endowment funds managed by UTIMCO. With the passage of the PUF's constitutional amendment, distributions to the AUF will be from the total investment return of the PUF. Total investment return includes investment income, realized and unrealized gains. The PUF's constitutional amendment also provided that expenses of managing the PUF lands and investments shall be paid by the PUF. Second quarter has been restated due to a change in the effective date of the amendment from original assumption of January 1, 2000 to actual effective date of November 29, 1999.

b. PERMANENT HEALTH FUND

Summary Investment Report at August 31, 2000

PERMANENT HEALTH FUND
SUMMARY REPORT
(\$ millions)

	FY98-99	FY99-00				
	Full Year	1 st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Year-to-date
Beginning Net Assets		890.3	918.2	965.3	956.5	890.3
Contributions	890.0 (1)		10.0	10.0	5.0	25.0
Investment Return	0.3	38.5	47.9	(7.9)	65.3	143.8
Expenses		(0.6)	(0.7)	(0.6)		(1.9)
Distributions (Payout)		(10.0)	(10.1)	(10.3)	(10.2)	(40.6)
Ending Net Assets	890.3	918.2	965.3	956.5	1,016.6	1,016.6
Net Asset Value per Unit	1.000284	1.031672	1.072895	1.052204	1.112525	1.112525
No. of Units (End of Period)	890,000,000	890,000,000	899,692,999	909,013,576	913,765,506	913,765,506
Distribution Rate per Unit		0.01125	0.01125	0.01125	0.01125	0.045

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

(1) Funded 8/30/99

c. LONG TERM FUND

Summary Investment Report at August 31,2000

LONG TERM FUND
SUMMARY REPORT
(\$ millions)

	FY98-99	FY99-00				
	Full Year	1 st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Year-to-date
Beginning Net Assets	2,147.7	2,602.3	2,755.6	2,967.0	2,971.0	2,602.3
Net Contributions	85.0	23.1	27.5	57.9	10.4	118.9
Investment Return	482.5	158.2	214.1	(20.9)	195.7	547.1
Receipt of Funds from System for UTIMCO Fee	2.2	0.5	0.5	0.5	0.4	1.9
Expenses	(8.3)	(1.9)	(3.8)		(1.5)	(9.6)
Distributions (Payout)	(101.5)	(26.4)	(26.7)	(30.9)	(31.2)	(115.2)
Distribution of Gain on Participant Withdrawals	(5.3)	(0.2)	(0.2)	(0.2)	(8.6)	(9.2)
Ending Net Assets	2,602.3	2,755.6	2,967.0	2,971.0	3,136.2	3,136.2
Net Asset Value per Unit	5.347	5.612	5.983	5.877	6.198	6.198
No. of Units (End of Period)	486,701,841	490,996,364	495,867,447	505,503,979	506,024,547	506,024,547
Distribution Rate per Unit	0.210	0.05375	0.05375	0.06125	0.06125	0.230

Report prepared in accordance with Sec. 57.0032 of the Texas Education Code.

d. SHORT INTERMEDIATE TERM FUND

Summary Investment Report at August 31, 2000

SHORT INTERMEDIATE TERM FUND
SUMMARY REPORT
(\$ millions)

	FY98-99	FY99-00				
	Full Year	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Year-to-Date
Beginning Net Assets	1,809.6	1,769.4	1,903.3	1,886.6	1,879.1	1,769.4
Contributions (Net of Withdrawals)	13.2	143.9	9.7	(7.5)	(64.5)	81.6
Investment Return	53.4	16.7	2.5	29.2	59.5	107.9
Expenses	(0.5)	(0.1)	(0.2)	(0 . 1)	(0.1)	(0.5)
Distributions of Income	(106.3)	(26.6)	(28.7)	(29.1)	(29.6)	(414.0)
Ending Net Assets	1,769.4	1,903.3	1,886.6	1,879.1	1,844.4	1,844.4
Net Asset Value per Unit	9.895	9.841	9.705	9.704	9.858	9.858
No. of Units (End of Period)	178,813,160	193,409,210	194,396,131	193,632,061	187,089,202	187,089,202

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

e. SEPARATELY INVESTED ASSETS

Summary Investment Report at August 31, 2000

SEPARATELY INVESTED ASSETS
SUMMARY REPORT
(\$ thousands)

ASSET TYPES	FUND TYPE												TOTAL	
	CURRENT PURPOSE DESIGNATED		RESTRICTED		ENDOWMENT & SIMILAR FUNDS		ANNUITY & LIFE INCOME FUNDS		AGENCY FUNDS		OPERATING FUNDS			
	BOOK	MARKET	BOOK	MARKET	BOOK	MARKET	BOOK	MARKET	BOOK	MARKET	BOOK	MARKET	BOOK	MARKET
Cash & Equivalents:														
Beginning value 6/1/00	4,145	4,145	1,307	1,307	24,442	24,442	227	227	3	3	875,517	875,517	905,641	905,641
Increase/(Decrease)	119	119	877	877	7,578	7,578	107	107	.	.	(64,898)	(64,898)	(56,217)	(56,217)
Ending value 8/3 1/00	4,264	4,264	2,184	2,184	32,020	32,020	334	334	3	3	810,619	810,619	849,424	849,424
Debt Securities:														
Beginning value 6/1/00	-	.	17	15	53,754	50,891	9,491	9,288	.	.	20,373	20,359	83,632	80,553
Increase/(Decrease)	.	.	-	-	245	1,413	6,110	6,419	.	.	5,269	6,139	11,624	13,971
Ending value 8/3 1/00	-	.	17	15	53,999	52,304	15,601	15,707	.	.	25,642	26,498	95,259	94,524
Equity Securities:														
Beginning value 6/1/00	42	7,161	2,394	2,601	21,899	38,863	4,623	5,887	.	.	37,299	33,769	66,257	88,281
Increase/(Decrease)		1,393	5	(43)	1,709	1,199	11,148	11,244	.	.	24,353	10,714	37,215	24,507
Ending value 8/3 1/00	42	8,554	2,399	2,558	23,608	40,062	15,771	17,131	.	.	61,652	44,483	103,472	112,788
Other:														
Beginning value 6/1/00	.	.			481	481	7,311	6,998	.	.	-	-	7,792	7,479
Increase/(Decrease)	20,000	20,000	2,866	2,866	100	100	(5,801)	(5,467)	.	.	-	-	17,165	17,499
Ending value 8/3 1/00	20,000	20,000	2,866	2,866	581	581	1,510	1,531	.	.	-	-	24,957	24,978

Report prepared in accordance with Sec. 5 1.0032 of the Texas Education Code.
Details of individual assets by account **furnished** upon request.

2. Permanent University Fund: Report on Investments for the Fiscal Year Ended August 31, 2000

The University of Texas Investment Management Company (UTIMCO) presented the annual report on Permanent University Fund Investments for the fiscal year ended August 31, 2000, which includes the annual audited financial statements and additional schedules as required by Section 66.05 of the Texas Education Code for the fiscal year ended August 31, 2000.

Upon motion of Regent Hunt, duly seconded, the Board approved this report and directed its distribution to the Governor, members of the Legislature, and other State Officials as required by Section 66.05 of the Texas Education Code.

3. U. T. Board of Regents: Approval of Amended and Restated Investment Management Services Agreement with The University of Texas Investment Management Company (UTIMCO)

Upon recommendation of the Board of Directors of The University of Texas Investment Management Company (UTIMCO), the Board approved the Amended and Restated Investment Management Services Agreement, effective November 16, 2000, as set forth in its entirety on Pages 22 - 36. Revisions to the Agreement, originally dated March 1, 1996, and amended on June 2, 1997, November 12, 1998, and September 1, 1999, conform certain sections with recent amendments to constitutional provisions governing the Permanent University Fund and to The University of Texas System's Regental policies.

AMENDED AND RESTATED INVESTMENT MANAGEMENT SERVICES AGREEMENT

This Amended and Restated Investment Management Services Agreement (this “Agreement”) by and between the Board of Regents (the “U. T. Board”) of The University of Texas System (the “U. T. System”) and The University of Texas Investment Management Company (“UTIMCO”), a Texas nonprofit corporation, is effective November 16, 2000, (the “Effective Date”) and amends and restates that certain Investment Management Services Agreement by and between the U. T. Board and UTIMCO, effective March 1, 1996, as amended by the first amendment effective June 2, 1997, the second amendment effective November 12, 1998, and the third amendment effective September 1, 1999.

RECITALS

WHEREAS, the U. T. Board, pursuant to the Constitution and statutes of the State of Texas, is responsible for the investment of the Permanent University Fund, the local and institutional funds of the U. T. System and the funds of various trusts and foundations for which it serves as trustee, all of which funds are under the control and management of the U. T. Board; and

WHEREAS, Section 66.08, Texas Education Code, as amended, authorizes the U. T. Board, subject to certain conditions, to enter into a contract with a nonprofit corporation for the corporation to invest funds under the control and management of the U. T. Board, as designated by the U. T. Board; and

WHEREAS, UTIMCO has been organized under the laws of the State of Texas, including the Texas Nonprofit Corporation Act, Article 1396-1.01 et seq., Vernon’s Texas Civil Statutes, for the express purpose of investing funds under the control and management of the U. T. Board, as designated by the U. T. Board, in accordance with the laws of the State of Texas; and

WHEREAS, the U. T. Board desires to enter into this Agreement with UTIMCO in order to provide for UTIMCO to invest certain designated funds under the control and management of the U. T. Board; and

WHEREAS, UTIMCO desires to enter into this Agreement with the U. T. Board and to invest certain designated funds under the control and management of the U. T. Board; and

WHEREAS, all conditions precedent to the execution and delivery of this Agreement have been fully satisfied and fulfilled, including, without limitations, the conditions established by Section 66.08, Texas Education Code, as amended;

NOW THEREFORE, for and in consideration of the premises and the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

AGREEMENT

Section 1. Definitions.

Accounts shall mean those funds for which the U. T. Board has responsibility, namely (a) the Permanent University Fund, excluding PUF Lands, (b) the Permanent Health Fund, (c) the U. T. Board Accounts and (d) the U. T. Board Trust Accounts.

Available University Fund or **AUF** shall mean the fund that consists of the distributions made to it from the total return on all investment assets of the Permanent University Fund, including the net income attributable to the surface of PUF Lands, all as provided by Article VII, Section 18 of the Texas Constitution.

Affiliate shall mean an entity directly or indirectly controlling, controlled by, or under common control with UTIMCO, including an entity with whom UTIMCO has an express or implied agreement regarding the direct or indirect purchase of investments by each from the other.

Claims shall mean all claims, lawsuits, causes of action and other legal actions and proceedings of whatever nature brought against (whether by way of direct action, counter claim, cross action, or impleader) any Indemnified Party and all requests or demands for indemnification made by any third party upon any Indemnified Party, even if groundless, false or fraudulent, so long as the claim, lawsuit, cause of action, other legal action or proceeding, request or demand is alleged or determined, directly or indirectly, to arise out of, result from, relate to or be based upon, in whole or in part, the duties, activities, acts or omissions of any person arising under this Agreement.

Custodian or **Custodians** shall mean a commercial bank, trust company or other entity selected by UTIMCO to hold and safekeep physical securities representing investment assets of any Account and to perform the other functions listed in Section 5 hereof. The primary Custodian as of the effective date of this Agreement is Mellon Trust of Medford, Massachusetts. Substitute or additional Custodians may be appointed by UTIMCO from time to time.

Indemnified Parties shall mean UTIMCO and any of its officers, directors, employees and agents.

Investment Policies shall mean the written investment policies relating to the PUF, PHF, LTF, SIF, SITF and the STF which may be amended from time to time by UTIMCO with the consent and approval of the U. T. Board.

Long Term Fund or **LTF** shall mean the long-term pooled investment fund previously established by the U. T. Board for the collective investment of all endowment and other long-term funds of component institutions of the U. T. System.

Losses shall mean losses, costs, damages, expenses, judgments and liabilities of whatever nature (including, but not limited to, attorneys', accountants' and other professionals' fees, litigation and court costs and expenses, amounts paid in settlement, amounts paid to discharge judgments and amounts payable by an Indemnified Party to any other person under any arrangement providing for indemnification of that person) directly or indirectly resulting from, arising out of or relating to one or more Claims.

Permanent Health Fund or **PHF** shall mean collectively the permanent funds for health-related institutions established pursuant to Chapter 63, Texas Education Code for which the U. T. Board is an administrator.

Permanent University Fund or **PUF** shall mean the constitutional fund known by that name and established pursuant to Article VII, Section 11 of the Texas Constitution.

Permanent University Fund Lands or **PUF Lands** shall mean approximately 2.1 million acres of land located in 24 Texas counties, primarily in West Texas, and constituting a part of the Permanent University Fund.

Separately Invested Funds or **SIFs** shall mean U. T. System Funds or U. T. Board Trust accounts which by election of the U. T. Board or by requirement of the trust indenture or donative instrument are invested separately and apart from other U. T. System Funds and the PUF.

Short Intermediate Term Fund or **SITF** shall mean the short intermediate term pooled investment fund previously established by the U. T. Board for the collective investment of funds (other than endowment and other long-term funds, including the Permanent University Fund) of the component institutions of the U. T. System.

Short Term Fund or **STF** shall mean the money market mutual fund or funds approved by UTIMCO from time to time as an investment for U. T. System Funds.

U. T. Board Accounts shall mean the investment assets of the U. T. System, consisting of the Long Term Fund, the Short Intermediate Term Fund, the Short Term Fund and the Separately Invested Funds.

U. T. Board Trust Accounts shall mean the assets of charitable remainder trusts, foundations and other separately invested funds for which the U. T. Board serves as trustee on behalf of itself and other co-beneficiaries.

U. T. System Funds shall mean all funds under the control and management of the U. T. Board, other than the Permanent University Fund, the Permanent Health Fund and the U. T. Board Trust Accounts.

Section 2. Delegation of Investment Authority.

The U. T. Board hereby appoints UTIMCO as its investment manager with complete authority to act for the Board in the investment of the Accounts, subject, however, to such limitations and restrictions as are set forth in the Investment Policies. UTIMCO shall furnish the U. T. Board with continuous investment management services and shall invest and reinvest the assets of the Accounts in such ways and at such times as are believed by UTIMCO to be consistent with the Investment Policies and Section 4 hereof. UTIMCO shall be responsible for overall management of the U. T. Board's investment affairs and shall manage each Account as a discretionary account.

Section 3. Description of Investment Management Services.

During the term of this Agreement, UTIMCO shall provide the following services in conjunction with the investment of the Accounts:

- a) **Investment Policies:**
UTIMCO shall review current investment policies for each Account and recommend any amendments for approval by the U. T. Board. Such review shall include distribution (spending) guidelines, long-term investment return expectations and expected risk levels, asset allocation targets and ranges for each eligible asset class, expected returns for each asset class and fund, and designated performance benchmarks for each asset class.
- b) **Investment Management:**
UTIMCO shall oversee the investment management process. Such oversight shall include the development of an investment outlook based on global economic and capital market forecasts, the rebalancing of allocations to each asset class within ranges in response to changes in the investment outlook, and the selection of a combination of portfolio managers to construct portfolios designed to generate the expected returns of each asset class.
- c) **Investment Performance:**
UTIMCO shall monitor and report on investment performance for the PUF and U. T. Board accounts. Such responsibilities shall include the calculation and evaluation of performance of asset classes and individual portfolios, against established benchmarks over various periods of time, the periodic review of performance benchmarks, the reporting of investment performance of Separately Invested Assets

and U. T. Board Trust Accounts as requested by the U. T. Board, and the reporting to regulatory agencies and others regarding investments under management to the extent required by applicable law.

d) **Operations:**

UTIMCO shall execute such operational responsibilities as the purchase and sale of investments, settlement of all trades (to the extent such trades are not settled by Custodian or brokers), the accounting for all transactions at the portfolio level in accordance with generally accepted accounting principles, the preparation and delivery of periodic financial reports on all funds; and the maintenance of complete books and records (internally or through contract with the designated Custodian for the assets under management) reflecting transactions and balances of the Accounts.

e) **Books and Records:**

UTIMCO shall maintain the books and records for each Account on the basis of a fiscal year ending August 31st (or such other fiscal year as the U. T. Board may establish from time to time), and shall keep full separate records of all transactions with respect to each Account. The books and records of the Accounts and all records concerning UTIMCO's operations shall be available during normal business hours for inspection by an authorized representative of U. T. System. UTIMCO shall provide full audit access to auditors representing the U. T. Board or the State Auditor, including access to any and all information concerning the operations of UTIMCO.

f) **Other Services:**

UTIMCO shall perform other investment management services to include attending meetings of the U. T. Board and making such reports as the U. T. Board may request from time to time, rendering services to promoters of private equity investments in which UTIMCO has decided to invest, attending meetings of governing bodies of companies in which UTIMCO's managed Accounts have invested, voting of securities (or proxies with respect thereto) held as investments of the Accounts; providing U. T. System component institutions with annual endowment reports reflecting, among other things, changes in the investment value of such component's endowment and distributions made to such component to support the activities for which the endowment was established; providing charitable trust administration services such as portfolio management, annual tax return preparation, annual trust reporting to donors and remittance of quarterly distributions; providing annual reporting of investment transactions and balances and distributing funds to authorized beneficiaries on foundation accounts; effecting distributions directly or through the Custodian to U. T. System component institutions or other named beneficiaries from the Accounts; supporting and maintaining on-line account information system for endowment accounts; and any other services necessary to provide investment management of the Accounts.

Section 4. Investment Manager as Fiduciary.

UTIMCO acknowledges that it will be acting as a fiduciary with respect to managing the investments of the Accounts subject to the Investment Policies and applicable law. The U. T. Board recognizes that all investment transactions involve a variety of significant potential risks, including, without limitation, market risk, liquidity risk, credit risk, cash flow risk, operational risk and counterparty risk. The U. T. Board agrees that (i) UTIMCO will not be liable for any losses incurred in the Accounts as a result of investments made pursuant to the Investment Policies, and (ii) UTIMCO will not be liable for actions of co-fiduciaries. The Board also acknowledges that UTIMCO shall not be liable for, and, to the fullest extent authorized by the Constitution and laws of the State of Texas, agrees to hold UTIMCO harmless from the consequences of any action taken or omitted to be taken by the U. T. System or any of its employees or agents prior to March 1, 1996.

Section 5. Custody of Assets.

UTIMCO shall use custodians for safekeeping, settlement of security purchases, sales, collection of income and other duties as more fully described in the existing custody agreement between the U. T. Board and the Custodian, which agreement, together with the U. T. Board's rights, duties and obligations thereunder, has been assigned to UTIMCO. In addition, UTIMCO may from time to time use a brokerage firm to settle security sales on behalf of the Board and may invest in a regulated mutual fund, externally managed commingled funds, or other investments in which assets are held outside of the bank custody relationship. Any physical certificates not held in safekeeping with a Custodian shall be held in safekeeping at a local bank as designated by UTIMCO.

Section 6. Use of Unaffiliated Investment Managers.

UTIMCO shall be entitled to use unaffiliated investment advisors to invest all or part of the Accounts and to perform other duties as more fully described in existing investment advisory agreements between the U. T. Board and such investment advisors, which agreements, together with the U. T. Board's rights, duties and obligations thereunder, have been assigned to UTIMCO.

Section 7. Investment Management Fees; Direct Expenses.

For services performed hereunder, UTIMCO shall be compensated in the amounts and in the manner set forth below:

- a) **Annual Budget and Management Fee:**
UTIMCO shall submit to the U. T. Board its proposed annual budget for the following fiscal year (an "Annual Budget") within the time frame specified by the Board. The Annual Budget shall include all estimated expenses associated with the management of the Accounts. The Annual Budget shall also include an annual UTIMCO management fee (an "Annual UTIMCO Management Fee") which shall include all operating expenses associated with the general management of the Accounts, including, without limitation, salaries, benefits and performance compensation of portfolio management and support personnel, expenses for consulting services, office space lease expenses, office furniture and equipment expenses, professional, legal, payroll, and other general services expenses, travel, insurance, capital expenditures, and other miscellaneous expenses incurred by UTIMCO in connection with the performance of its obligations hereunder.

At the same time that UTIMCO submits its Annual Budget, it shall also submit to the U. T. Board an allocation formula for charging the Annual Budget to the Accounts. The Annual Budget and the allocation formula shall be approved or disapproved by the U. T. Board at its next regular meeting. The U. T. Board will not unreasonably withhold approval of the Annual Budget or the allocation formula. Any such Budget or formula that is disapproved shall be promptly revised by UTIMCO and resubmitted to the U. T. Board for approval.

On or before the first day of each fiscal quarter, UTIMCO shall be entitled to charge each Account with its allocable share (determined in accordance with the allocation formula then in effect) of one-fourth of the amount of the Annual UTIMCO Management Fee to pay UTIMCO's operating expenses for the succeeding fiscal quarter. UTIMCO shall be entitled, with the approval of the U. T. Board, to revise the Annual UTIMCO Management Fee and allocation formula at any time during a fiscal year. Any statements for partial quarters at the beginning or end of this Agreement shall be prorated to reflect the actual time services were rendered during such partial quarters.

UTIMCO is hereby authorized to pay from each Account direct expenses incurred for portfolio management, custodian, auditing, and other services which are performed by external vendors specifically for each Account.

- b) **Directors Fees:**
Members of UTIMCO management, with the approval of the UTIMCO Board, may serve as directors of companies in which UTIMCO has directly invested Account assets. In such event, any and all compensation paid to UTIMCO management for their services as directors shall be endorsed over to UTIMCO and considered a part of UTIMCO's fee income. Furthermore, UTIMCO Board approval of UTIMCO

management's services as directors of investee companies shall be conditioned upon the extension of UTIMCO's Directors and Officers Insurance Policy coverage to UTIMCO management's services as directors of investee companies.

c) **Fees for Services Rendered:**

Members of UTIMCO management may perform services for which UTIMCO receives a fee ("Service Fees") from investment promoters or investee companies in consideration of the UTIMCO staff's private investment activities and/or investment origination activities. Such Service Fees shall be considered additional fee income to UTIMCO. UTIMCO may also receive commitment fees, standby fees and other similar fees ("Capital Fees") accruing or inuring to the capital invested on behalf of the Accounts managed by UTIMCO. Such Capital Fees shall be credited to the Accounts from which such investments are funded.

d) **Miscellaneous Fees:**

UTIMCO management may perform specialized services for accounts that are separately invested for which UTIMCO receives a fee from the account. These fees primarily relate to maintenance of computer programs for the separately invested accounts. Such Miscellaneous Fees shall be considered additional fee income to UTIMCO.

Section 8. Brokerage Commissions.

The U. T. Board acknowledges and agrees that the investment management fees provided for in Section 6 are in addition to any compensation that may be due to a broker or dealer in effecting and executing transactions on behalf of UTIMCO. UTIMCO is hereby authorized and empowered, with full and absolute discretion, to issue instructions in accordance with the Investment Policies to such unaffiliated brokerage firms as may be selected by UTIMCO for the execution of orders for the purchase, sale, exchange and general investment of the Accounts; provided that UTIMCO shall not select a brokerage firm that is an Affiliate of UTIMCO. All orders for Account transactions shall be placed in such markets and through such brokers as UTIMCO determines will offer the most favorable price, execution and commission cost of each order. The U. T. Board acknowledges and agrees that UTIMCO, from time to time and in accordance with applicable law, may pay commissions to brokers that are higher than those that might be obtainable elsewhere in order to obtain from such brokers research and other services expected to enhance the long-term value of the Accounts.

Section 9. Valuation of Account Assets.

The valuation of the account shall be determined in accordance with the investment policies approved by the U. T. Board for the account.

Section 10. Representations and Warranties of Parties.

U. T. Board.

- A. The U. T. Board (a) is duly established and validly existing under the laws of the State of Texas and is an agency of the State of Texas, (b) has all power and authority and all material government licenses, authorizations, consents and approvals required to carry on its business as now conducted, and (c) has full power and authority to execute, deliver and perform this Agreement.
- B. The execution, delivery and performance by the U. T. Board of this Agreement have been duly authorized by all necessary action and do not contravene, or result in the violation of or constitute a default under, any provision of applicable law or regulation, or any order, rule or regulation of any court, governmental agency or instrumentality or any agreement, resolution or instrument to which the U. T. Board is a party or by which it or any of its property is bound.
- C. No authorization, consent, approval, permit, license, or exemption of, or filing or registration with, any court or governmental department, commission, board, bureau, agency or instrumentality that has not been obtained or issued is or will be necessary for the valid execution, delivery or performance by the U. T. Board of this Agreement.
- D. This Agreement constitutes a valid and binding agreement of the U. T. Board.
- E. There is no action, suit or proceeding pending or, to the knowledge of the U. T. Board, threatened against or affecting the U. T. Board or the U. T. System, or relating to this Agreement, in any court or before or by any governmental department, agency or instrumentality which, if adversely determined, would materially affect the ability or authority of the U. T. Board to enter into, and perform its obligations under, this Agreement, or which in any manner questions the validity or enforceability of this Agreement.
- F. The U. T. Board has approved:
 - (1) the Articles of Incorporation and Bylaws of UTIMCO;
 - (2) the Investment Policies;
 - (3) the Audit and Ethics Committee of UTIMCO; and
 - (4) the Code of Ethics of UTIMCO.

- G. The U. T. Board has been provided with the opportunity to ask questions of, and it has received answers thereto satisfactory to it from, UTIMCO and its representatives regarding this Agreement and has obtained all additional information requested by it of UTIMCO and its representatives prior to entering into this Agreement.

UTIMCO.

- A. UTIMCO (a) is duly organized and validly existing as a Texas nonprofit corporation under the laws of the State of Texas, particularly the Texas Nonprofit Corporation Act, Article 1396-1.01 et seq., Vernon's Texas Civil Statutes, (b) has all corporate power and authority and all material government licenses, authorizations, consents and approvals required to carry on its business as now conducted, and (c) has full power and authority to execute, deliver and perform this Agreement.
- B. The execution, delivery and performance by UTIMCO of this Agreement have been duly authorized by all necessary action by UTIMCO and do not contravene, or result in the violation of or constitute a default under, any provision of applicable law or regulation, or any order, rule or regulation of any court, governmental agency or instrumentality or any agreement, resolution or instrument to which UTIMCO is a party or by which it or any of its property is bound.
- C. No authorization, consent, approval, permit, license, or exemption of, or filing or registration with, any court or governmental department, commission, board, bureau, agency or instrumentality that has not been obtained or issued is or will be necessary for the valid execution, delivery or performance by UTIMCO of this Agreement.
- D. This Agreement constitutes a valid and binding agreement of UTIMCO.
- E. There is no action, suit or proceeding pending or, to the knowledge of UTIMCO, threatened against or affecting UTIMCO, or relating to this Agreement in any court or before or by any governmental department, agency or instrumentality which, if adversely determined, would materially affect the ability or authority of UTIMCO to enter into, and to perform its obligations under, this Agreement, or which in any manner questions the validity or enforceability of this Agreement.

Section 11. UTIMCO's Code of Ethics.

Consistent with the requirements of Section 66.08, Texas Education Code, UTIMCO's Directors, and Employees shall abide by UTIMCO's Code of Ethics as approved by the U. T. Board.

Section 12. UTIMCO's Open Meeting Policy.

UTIMCO shall comply with the provisions of its Open Meeting Policy as approved by the U. T. Board.

Section 13. Prohibition Against Service to Other Clients.

In accordance with Section 66.08, Texas Education Code, UTIMCO shall not engage in any business other than managing the Accounts under this Agreement.

Section 14. Investment Company Act.

UTIMCO shall not be required to register as an "investment company" under the investment Company Act of 1940, as amended.

Section 15. Termination.

The U. T. Board may terminate this Agreement at any time by written notice to UTIMCO, effective immediately upon receipt of such notice by UTIMCO, subject to reasonable allowance for settlement of pending trades. UTIMCO may terminate this Agreement upon thirty (30) days' written notice to the U. T. Board. There shall be no penalty for termination; however, UTIMCO shall be entitled to all compensation and benefits earned prior to termination.

Section 16. Amendments.

No amendment hereto shall be effective unless executed in the same manner as this Agreement.

Section 17. Notices.

All notices or communications hereunder shall be in writing and shall not be effective until hand delivered and receipted to the other party, or sent by overnight delivery, or sent by United States Certified or Registered Mail, postage prepaid, to the addressed party. The following are the designated addresses for such notices or communications and may only be changed by communication in the manner required by this paragraph:

To U. T. Board:

Board of Regents of The University of Texas System
Attn: Counsel and Secretary
201 West Seventh Street
Austin, Texas 78701
Tel. (512) 499-4402
Fax. (512) 499-4425

To UTIMCO:

The University of Texas Investment Management Company
Attn: President
210 West Sixth Street - 2nd Floor
Austin, Texas 78701
Tel. (512) 499-4337
Fax. (512) 499-4365

Section 18. Non-Assignability.

No Assignment of this Agreement by UTIMCO shall be made without having obtained the prior written consent of the U. T. Board nor is the Agreement assignable by the U. T. Board without prior written consent of UTIMCO.

Section 19. No Waiver of Breach.

A waiver of a breach of any provision of this Agreement shall not constitute a waiver of any subsequent breach of that provision or a breach of any provision hereof. Failure of either party to enforce at any time or from time to time any provision of this Agreement shall not be construed as a waiver thereof.

Section 20. Indemnification.

a) **Agreements to Indemnify:**

To the fullest extent authorized by the Constitution and laws of the State of Texas, the U. T. Board shall indemnify and hold harmless each of the Indemnified Parties against any and all Losses, including Losses resulting from the negligence of the Indemnified Party claiming indemnification; provided, however, the U. T. Board shall not be obligated to indemnify an Indemnified Party against Losses to the extent such Losses are caused by (i) an act or omission that involves intentional misconduct or a knowing violation of law by the Indemnified Party claiming indemnification, (ii) a transaction from which the Indemnified Party claiming indemnification received an improper benefit, (iii) an act or omission for which the liability of the Indemnified Party claiming indemnification is expressly provided by an applicable statute, or

(iv) an act or omission constituting gross negligence by the Indemnified Party claiming indemnification; provided further that indemnification payments by the U. T. Board shall be paid from the same sources as the Annual Fee pursuant to Section 7.

b) **Reimbursement:**

Each Indemnified Party shall reimburse the U. T. Board for payments made by the U. T. Board pursuant to this Section to the extent of any proceeds, net of all expenses of collection, actually received by it from any insurance with respect to any Loss. At the request and expense of the U. T. Board, each Indemnified Party shall have the duty to claim any such insurance proceeds and such Indemnified Party shall assign its rights to such proceeds, to the extent of such required reimbursement, to the U. T. Board.

c) **Notice:**

In case any Claim shall be brought or, to the knowledge of any Indemnified Party, threatened against any Indemnified Party in respect of which indemnity may be sought against the U. T. Board, such Indemnified Party shall promptly notify the U. T. Board in writing; provided, however, that any failure so to notify shall not relieve the U. T. Board of its obligations under this Section.

d) **Defense:**

The U. T. Board shall have the right to assume the investigation and defense of all Claims, including the employment of counsel and the payment of all expenses. Each Indemnified Party shall have the right to employ separate counsel in any such action and participate in the investigation and defense thereof, but the fees and expenses of such counsel shall be paid by such Indemnified Party unless (i) the employment of such counsel has been specifically authorized by the U. T. Board, in writing, (ii) the U. T. Board has failed to assume the defense and to employ counsel, or (iii) the named parties to any such action (including any impleaded parties) include both an Indemnified Party and the U. T. Board, and such Indemnified Party shall have been advised by counsel that there may be one or more legal defenses available to it which are different from or additional to those available to the U. T. Board (in which case, if such Indemnified Party notifies the U. T. Board in writing that it elects to employ separate counsel at the U. T. Board's expense, the U. T. Board shall not have the right to assume the defense of the action on behalf of such Indemnified Party; provided, however, that the U. T. Board shall not, in connection with any one action or separate but substantially similar or related actions in the same jurisdiction arising out of the same general allegation or circumstances, be liable for the reasonable fees and expenses of more than one separate firm of attorneys for the Indemnified Parties, which firm shall be designated in writing by such Indemnified Parties).

- e) **Cooperation; Settlement:**
Each Indemnified Party shall use reasonable efforts to cooperate with the U. T. Board in the defense of any action or Claim. The U. T. Board shall not be liable for any settlement of any action or Claim without its consent but, if any such action or Claim is settled with the consent of the U. T. Board or there be final judgment for the plaintiff in any such action or with respect to any such Claim, the U. T. Board shall indemnify and hold harmless the Indemnified Parties from and against any Loss by reason of such settlement or judgment as provided in Subsection (a) of this Section.
- f) **Survival; Right to Enforce:**
The provisions of this Section shall survive the termination of this Agreement, and the obligations of the U. T. Board hereunder shall apply to Losses or Claims whether asserted prior to or after the termination of this Agreement. In the event of failure by the U. T. Board to observe the covenants, conditions and agreements contained in this Section, any Indemnified Party may take any action at law or in equity to collect amounts then due and thereafter to become due, or to enforce performance and observance of any obligation, agreement or covenant of the U. T. Board under this Section.

Section 21. Confidential Relationships.

Except as otherwise required by law all information and recommendations furnished by UTIMCO shall be regarded as confidential by the U. T. Board. Each party shall regard as confidential all information concerning the affairs of the other party or the Accounts. Each party shall take all steps as are reasonably necessary to ensure compliance with this Section.

Section 22. Entire Agreement; Miscellaneous.

This Agreement contains the entire agreement between the parties and all representation with respect to the subject matter thereof. Headings in the Agreement are for purposes of reference only and shall not limit or otherwise effect the meaning hereof. Any capitalized term used in an Exhibit to this Agreement shall have the meaning designated herein, unless otherwise defined in the Exhibit itself.

Section 23. Governing Law.

This Agreement and all matters arising under it shall be governed by the laws of the State of Texas. Venue for any action brought by any party hereto concerning the subject matter of this Investment Management Agreement shall be in Travis County, Texas.

**BOARD OF REGENTS OF THE
UNIVERSITY OF TEXAS SYSTEM**

Date: _____

By: _____

Donald L. Evans
Chairman

**THE UNIVERSITY OF TEXAS
INVESTMENT MANAGEMENT COMPANY,
a Texas nonprofit corporation**

Date: _____

By: _____

Thomas G. Ricks
President and Chief Executive Officer

At the conclusion of The University of Texas Investment Management Company (UTIMCO) report, Vice-Chairman Loeffler noted that UTIMCO is leading the nation in university investments, a rewarding and important achievement for students of The University of Texas System and The Texas A&M University System. He commended Regents Hunt, Riter, and Sanchez for their leadership role on the UTIMCO Board of Directors.

RECESS FOR COMMITTEE MEETINGS AND COMMITTEE REPORTS TO THE BOARD.--At 8:45 a.m., the Board recessed for meetings of the Standing Committees, and Vice-Chairman Loeffler announced that at the conclusion of each committee meeting the Board would reconvene to approve the report and recommendations of that committee.

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

REPORTS AND RECOMMENDATIONS OF STANDING COMMITTEES

REPORT OF EXECUTIVE COMMITTEE (Page 38).--In the absence of Chairman Evans, Vice-Chairman Loeffler reported that there were no items referred from the Executive Committee to the Board pursuant to Section 7, Subsection 7.1, Subdivision 7.14 of Chapter I of Part One of the Regents' Rules and Regulations.

REPORT AND RECOMMENDATIONS OF THE BUSINESS AFFAIRS AND AUDIT COMMITTEE (Pages 39 - 52).--Committee Chairman Riter reported that the Business Affairs and Audit Committee met in open session to consider those matters on its agenda and to formulate recommendations for the U. T. Board of Regents. Unless otherwise indicated, the actions set forth in the Minute Orders which follow were recommended by the Business Affairs and Audit Committee and approved in open session and without objection by the U. T. Board of Regents:

1. U. T. System: Approval of Chancellor's Docket No. 103 (Catalog Change)

The Board approved Chancellor's Docket No. 103 in the form distributed by the Counsel and Secretary to the Board. It is attached following Page 94 in the official copies of the Minutes and is made a part of the record of this meeting.

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

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

2. U. T. Board of Regents: Amendment of the Seventh and Ninth Supplemental Resolutions to the Master Resolution Authorizing the Issuance of Board of Regents of The University of Texas System Revenue Financing System Bonds

The Board:

- a. Approved the Resolution set forth on Pages 41 - 42 amending the Seventh Supplemental Resolution to the Master Resolution adopted by the U. T. Board of Regents on August 13, 1998, by adding Subsection (b) to Section 19
- b. Approved the Resolution set forth on Pages 43 - 44 amending the Ninth Supplemental Resolution to the Master Resolution adopted by the U. T. Board of Regents on August 12, 1999, by adding Subsection (b) to Section 19.

These amendments allow other eligible projects to be funded with proceeds from the Issuance of Board of Regents of The University of Texas System Revenue Financing System Bonds, Series 1998C and Series 1998D, and Series 1999A and Series 1999B. These supplemental resolutions and amendments should have no effect on the interest of bondholders and will permit projects to be substituted so long as the substituted projects have received approvals from both the U. T. Board of Regents and the Texas Higher Education Coordinating Board.

**RESOLUTION AMENDING
THE SEVENTH SUPPLEMENTAL RESOLUTION TO THE MASTER RESOLUTION**

WHEREAS, pursuant to the Seventh Supplemental Resolution to the Master Resolution adopted by the Board on the 13th day of August, 1998 (the "Seventh Supplement"), the Board issued its Board of Regents of The University of Texas System Revenue Financing System Bonds, Series 1998C (the "Series C Bonds") and Series 1998D (the "Series D Bonds"); and

WHEREAS, the Series C Bonds were issued to finance and refinance the cost of certain projects listed in Exhibit D-1 to the Seventh Supplement; and

WHEREAS, the Series D Bonds were issued to finance and refinance the cost of certain projects listed in Exhibit D-2 to the Seventh Supplement; and

WHEREAS, there are additional projects that have received all required approvals and are eligible to be financed with the proceeds of bonds issued pursuant to the provisions of Section 55.1722 of the Texas Education Code and the Board deems it necessary and desirable to amend the Seventh Supplement pursuant to Section 11(a)(iii) of the Seventh Supplement to provide that other projects may be added to Exhibit D-1 and Exhibit D-2; and

WHEREAS, the Board hereby finds and determines that the amendment of the Seventh Supplement as provided in this Resolution will not materially adversely affect the interests of the owners of the Outstanding Bonds.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM THAT:

1. The Seventh Supplement is hereby amended by adding Subsection (b) to Section 19 of the Seventh Supplement to read as hereinafter set forth:

SUBSECTION (b) OF SECTION 19

"(b) Additional projects may be added to either Exhibit D-1 or Exhibit D-2 upon satisfaction of the following conditions:

(i) The project has received the required approval or review of the Higher Education Coordinating Board to the extent and as required by the provisions of Section 61.058 of the Texas Education Code;

(ii) The Board shall have approved the construction of the project and made the findings required by Section 5 of the Master Resolution relating to the issuance of Parity Debt to finance the cost of the project; and

(iii) The Board shall have received an opinion of McCall, Parkhurst & Horton L.L.P., Bond Counsel to the Board with respect to the Revenue Financing System, to the effect that the amendment of the exhibit and the expenditure of the proceeds of the respective series of bonds to

pay the cost of project will not adversely affect the treatment of interest on the series of bonds for federal income tax purposes.”

2. The findings and determinations made in the recitals to this resolution are hereby incorporated in and made a part of this resolution.

3. This resolution and the amendment of the Seventh Supplement shall take effect immediately. Other than as amended as provided in this resolution, the Seventh Supplement is not amended, modified, or rescinded and remains in full force and effect.

4. A copy of this resolution shall be attached to the copy of the [Seventh Supplement](#) on file in the records of the Board of Regents.

RESOLUTION AMENDING
THE NINTH SUPPLEMENTAL RESOLUTION TO THE MASTER RESOLUTION

WHEREAS, pursuant to the Ninth Supplemental Resolution to the Master Resolution adopted by the Board on the 12th day of August, 1999 (the "Ninth Supplement"), the Board issued its Board of Regents of The University of Texas System Revenue Financing System Bonds, Series 1999A (the "Series A Bonds") and Series 1999B (the "Series B Bonds"); and

WHEREAS, the Series A Bonds were issued to finance and refinance the cost of certain projects listed in Exhibit D-1 to the Ninth Supplement; and

WHEREAS, the Series B Bonds were issued to finance and refinance the cost of certain projects listed in Exhibit D-2 to the Ninth Supplement; and

WHEREAS, there are additional projects that have received all required approvals and are eligible to be financed with the proceeds of bonds issued pursuant to the provisions of Section 55.1722 of the Texas Education Code and the Board deems it necessary and desirable to amend the Ninth Supplement pursuant to Section 1 l(a)(iii) of the Ninth Supplement to provide that other projects may be added to Exhibit D-1 and Exhibit D-2; and

WHEREAS, the Board hereby finds and determines that the amendment of the Ninth Supplement as provided in this Resolution will not materially adversely affect the interests of the owners of the Outstanding Bonds.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM THAT:

1. The Ninth Supplement is hereby amended by adding Subsection (b) to Section 19 of the Ninth Supplement to read as hereinafter set forth:

SUBSECTION (b) OF SECTION 19

"(b) Additional projects may be added to either Exhibit D-1 or Exhibit D-2 upon satisfaction of the following conditions:

(i) The project has received the required approval or review of the Higher Education Coordinating Board to the extent and as required by the provisions of Section 61.058 of the Texas Education Code;

(ii) The Board shall have approved the construction of the project and made the findings required by Section 5 of the Master Resolution relating to the issuance of Parity Debt to finance the cost of the project; and

(iii) The Board shall have received an opinion of McCall, Parkhurst & Horton L.L.P., Bond Counsel to the Board with respect to the Revenue Financing System, to the effect that the amendment of the exhibit and the expenditure of the proceeds of the respective series of bonds to

pay the cost of project will not adversely affect the treatment of interest on the series of bonds for federal income tax purposes.”

2. The findings and determinations made in the recitals to this resolution are hereby incorporated in and made a part of this resolution.

3. This resolution and the amendment of the Ninth Supplement shall take effect immediately. Other than as amended as provided in this resolution, the Ninth Supplement is not amended, modified, or rescinded and remains in full force and effect.

4. A copy of this resolution shall be attached to the copy of the [Ninth Supplement](#) on file in the records of the Board of Regents.

3. U. T. System: Approval of the System-wide Internal Audit Plan for Fiscal Year 2001

The Board approved The University of Texas System-wide Internal Audit Plan for Fiscal Year 2001. Development of the Internal Audit Plan is based on risk assessments performed at each component institution and implementation of the Plan will be coordinated with the institutional auditors. The U. T. System Administration and component institution Audit Plans and the Summarized Audit Plans are on file in the Office of the Board of Regents.

4. U. T. Arlington: Determination of Necessity to Acquire, Through Condemnation Proceedings if Necessary, Real Property Located at 120 West Second Street, Arlington, Tarrant County, Texas; and Authorization for the Executive Vice Chancellor for Business Affairs or the Executive Director of Real Estate to Take All Necessary Actions Needed to Acquire the Property Through Purchase or Eminent Domain and to Execute All Documents Related Thereto

The Board:

- a. Determined that it is necessary for The University of Texas at Arlington to acquire through condemnation proceedings if necessary, an approximately 22,500 square foot tract of land and improvements located within the master plan boundaries of the U. T. Arlington campus at 120 West Second Street in Arlington, Tarrant County, Texas, at a price not exceeding its fair market value as determined by an MAI appraisal
- b. Authorized the Executive Vice Chancellor for Business Affairs or the Executive Director of Real Estate to take all steps necessary to acquire the property; to execute all documents, instruments, and other agreements; to initiate a condemnation action, if necessary, through The University of Texas System Office of General Counsel and the Office of the Attorney General of Texas; and to take all further actions deemed necessary or desirable to carry out the purpose and intent of the foregoing acquisition.

The subject property is a 22,500 square foot (.5165 acre) tract of land with improvements described as Lots 18, 19, and 20, Block 3, Ditto and Collins Addition, City of Arlington, Tarrant County, Texas, which lies directly across the street and in front of U. T. Arlington's new student housing facility,

Arlington Hall. This currently vacant property was used as a plant nursery and garden business and contains a nursery building and greenhouses that have now fallen into a state of disrepair and decay.

There is a substantial difference of opinion with the current owner concerning the fair market value of the subject property and it may be necessary to initiate a condemnation action to acquire the property through eminent domain.

5. U. T. Dallas: Authorization to Sell Two Tracts of Land Containing Approximately 31 Acres Located in Richardson, Collin County, Texas; Authorization to Grant Options to Purchase Two Adjacent Tracts of Land Containing Approximately 26 Acres; and Authorization for the Executive Vice Chancellor for Business Affairs or the Executive Director of Real Estate to Execute All Documents Related Thereto

Authorization was granted to The University of Texas System Real Estate Office and the Office of General Counsel, on behalf of The University of Texas at Dallas, to:

- a. Negotiate the sale of two tracts of land containing approximately 31 acres located in Richardson, Collin County, Texas, to XO Communications, Inc., McLean, Virginia, or its assigns, at or above fair market value as determined by an independent MAI appraisal
- b. Negotiate purchase option agreements on two adjacent tracts of land containing approximately 26 acres for expansion purposes by XO Communications, Inc., or its assigns. The purchase option prices will be determined by MAI appraisals at the time the options are exercised.

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

XO Communications, Inc. (formerly Nextlink Communications, Inc.), which is a provider of broadband communication services to U. S. and European markets, intends to develop the land for corporate office and data center facilities.

The larger portion of land for sale is part of a 500-acre tract given to the U. T. Board of Regents by the Excellence in Education Foundation in August 1975. Under the terms of that gift, two-thirds of any land sale proceeds are to be used for the benefit of U. T. Dallas and the remaining one-third is designated for the U. T. Dallas Callier Center for Communication Disorders.

The remaining portion of land for sale is part of a property acquired in February 1975 through an exchange of land between the Excellence in Education Foundation and the U. T. System. Proceeds from the sale of this land are to be used for acquisition of other lands, construction of buildings, and purchase of equipment and personal property for U. T. Dallas.

6. U. T. El Paso: Frank B. Cotton Trust - Approval to Sell Land and Improvements Located at 1600 East Fourth Street, El Paso, El Paso County, Texas, and Authorization for the Executive Vice Chancellor for Business Affairs or the Executive Director of Real Estate to Execute All Documents Related Thereto

The Board authorized The University of Texas System Real Estate Office, on behalf of The University of Texas at El Paso, to sell the land and improvements located at 1600 East Fourth Street in El Paso, El Paso County, Texas, to Southwest Growth Corporation, dba El Paso Machine and Steel, Inc., of El Paso, Texas, for \$515,000. No brokers will be involved in the transaction and proceeds from the sale will be distributed to the Frank B. Cotton Trust for the benefit of U. T. El Paso.

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

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

The Board authorized the Executive Vice President for Administration and Finance at The University of Texas Health Science Center at Houston, or his

or her delegate, to negotiate and execute a lease with the Houston Academy of Medicine for space on the fourth floor of the Jesse H. Jones Library Building located at 1133 M. D. Anderson Boulevard in Houston, Harris County, Texas, and adjacent to the U. T. Medical School, to be occupied by the Department of Immunology and Organ Transplant and other academic departments. The lease agreement is subject to approval by the Office of General Counsel and local funds are available to fund the lease.

8. U. T. System Administration and U. T. Austin: Approval to Amend Resolution Regarding the List of Individuals Authorized to Negotiate, Execute, and Administer Classified Government Contracts (Key Management Personnel)

To comply with Department of Defense National Industrial Security Program Operating Manual requirements and to provide for the exclusion of named members of the U. T. Board of Regents and the Interim Chancellor, approval was given to amend the resolution adopted by the Board on February 10, 2000, to read as set out below to update the roster of administrative officials of The University of Texas System authorized to negotiate, execute, and administer classified government contracts as shown under items a. and d.:

BE IT RESOLVED:

- a. That those persons occupying the following positions among the officers of The University of Texas System shall be known as Key Management Personnel as described in the Department of Defense National Industrial Security Program Operating Manual for safeguarding classified information:

Larry R. Faulkner, President, U. T. Austin

Juan M. Sanchez, Vice President for Research, U. T. Austin

G. Charles Franklin, Senior Vice President and Chief Financial Officer, U. T. Austin

Wayne K. Kuentler, Director, Office of Sponsored Projects, U. T. Austin; U. T. System a.k.a. U. T. Austin Security Supervisor

Bobby C. McQuiston, Associate Director, Office of Sponsored Projects, U. T. Austin

- b. That the members of the Key Management Personnel have been processed for a personnel clearance for access to classified information, to the level of the facility clearance granted to the institution, as provided for in the aforementioned National Industrial Security Program Operating Manual, and all replacements for such positions will be similarly processed for security clearance.
- c. That the said Key Management Personnel are hereby delegated all of the Board's duties and responsibilities pertaining to the protection of classified contracts of the Department of Defense, or User Agencies of its Industrial Security Program, awarded to the institutions of The University of Texas System.
- d. That the following named members of the U. T. Board of Regents and the Chief Executive Officer shall not require, shall not have, and can be effectively excluded from access to all classified information in the possession of The University of Texas System and do not occupy positions that would enable them to affect adversely the policies and practices of the institutions of The University of Texas System in the performance of classified contracts for the Department of Defense, or User Agencies of its Industrial Security Program, and need not be processed for a personnel clearance:

Members of the U. T. Board of Regents:

Donald L. Evans, Chairman
Tom Loeffler, Vice-Chairman
Rita C. Clements, Vice-Chairman
Woody L. Hunt
Charles Miller
Patrick C. Oxford
A. W. "Dub" Riter, Jr.
Raul R. Romero
A. R. (Tony) Sanchez, Jr.

Chief Executive Officer:

R. D. Burck, Interim Chancellor

INFORMATIONAL REPORTS

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

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

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

2. U. T. System: Annual Report on the Historically Underutilized Business (HUB) Program for Fiscal Year 2000

Committee Chairman Riter called on Mr. Lewis Wright, Associate Vice Chancellor for Business Affairs, to present the annual report on The University of Texas System Historically Underutilized Business (HUB) Program for Fiscal Year 2000.

Mr. Wright distributed to the members of the Board a report entitled "[The University of Texas System Historically Underutilized Business \(HUB\) Program Review FY 2000](#)" dated November 16, 2000, a copy of which is on file in the Office of the Board of Regents. With the aid of a PowerPoint presentation, Mr. Wright presented the following report highlighting the experience in Fiscal Year 2000:

Report on The University of Texas System
Historically Underutilized Business Program

Mr. Chairman, Members of the Board -- This report covers Historically Underutilized Business (HUB) Program operations in the U. T. System for FY 2000.

Total expenditures on reportable goods and services increased \$907 million from \$6.921 billion in FY 1999 to \$7.828 billion in FY 2000. Total expenditures with HUB firms increased \$144.4 million from \$897.6 million (13.0%) in FY 1999,

representing awards to 3,508 (48%) HUB firms, to \$1.042 billion (13.3%) in FY 2000, representing awards to 3,488 (49%) HUB firms. The goals for underutilized HUB participation were met in FY 2000 only in the heavy construction procurement category. The goals for overutilized HUB participation were met in FY 2000 in four of five procurement categories.

U. T. Austin, U. T. M. D. Anderson Cancer Center, U. T. Medical Branch - Galveston, and U. T. System Administration are included among the top ten spending agencies of the State. On the measure of underutilized HUB participation, they rank 1, 2, 3, and 4, respectively.

U. T. Pan American and U. T. San Antonio are included in the listing of ten agencies spending more than \$5 million with the largest underutilized HUB participation.

Total expenditures on reportable goods and services increased \$242.9 million from \$1.0324 billion in FY 1999 to \$1.2753 billion in FY 2000. Total expenditures with HUB firms increased \$31.1 million from \$139.9 million in FY 1999 to \$171.0 million in FY 2000. The underutilized HUB participation goal was met in the commodities procurement category in FY 2000. U. T. System averages exceeded the State average underutilized HUB participation rate overall; State average rates in three (special trade construction, other services, and commodities) of six procurement categories; the State average rate with overutilized HUB firms in special trade construction; and the State average of total purchases from HUB firms. The System-wide underutilized HUB participation rate of 11.5% in FY 1999 increased to 12.0% in FY 2000. The System-wide total HUB participation rate of 13.6% in FY 1999 decreased slightly to 13.4% in FY 2000.

The trend analysis shows distribution of the net increase of \$31.1 million (22.2%) above the FY 1999 level. The rate of increase exceeds the rate of increase for the State as a whole.

Participation rate changes by amount and percentage of total Statewide expenditures (\$7.828 billion) across program component ethnic/gender groups (FY 1999 to FY 2000) are shown in the table below:

White Men	Black	Asian-Pacific	Hispanic	Native-American	White Women
-0.35	-0.08	-0.09	+0.53	-0.06	-0.08

Participation rate changes by amount and percentage of total U. T. System expenditures (\$1.275 billion) across program component ethnic/gender groups (FY 1999 to FY 2000) are shown in the table below:

White Men	Black	Asian-Pacific	Hispanic	Native-American	White Women
+0.14	-0.03	-0.46	+0.41	-0.15	-0.09

U. T. System institutions have acted to conform their HUB programs to requirements of new legislation and are substantially in compliance.

Vice-Chairman Loeffler and Regent Romero congratulated the U. T. System and component institutions for their tremendous efforts to support the HUB program. Regent Romero, Chairman of the U. T. Board of Regents' Special Committee on Minorities and Women, noted this significant spending on HUB firms that has increased more than 100% in the past several years.

REPORT AND RECOMMENDATIONS OF THE ACADEMIC AFFAIRS COMMITTEE (Pages 53 - 65).--Committee Chairman Miller reported that the Academic Affairs Committee met in open session to consider those matters on its agenda and to formulate recommendations for the U. T. Board of Regents. Unless otherwise indicated, the actions set forth in the Minute Orders which follow were recommended by the Academic Affairs Committee and approved in open session and without objection by the U. T. Board of Regents:

1. U. T. Arlington - Life Science Building HVAC Improvements: Approval to Amend the FY 2000-2005 Capital Improvement Program and the FY 2000-2001 Capital Budget to Include Project; Appropriate Funds; and Authorize Institutional Management of Project

The Board:

- a. Amended the FY 2000-2005 Capital Improvement Program and the FY 2000-2001 Capital Budget to include the Life Science Building HVAC Improvements at The University of Texas at Arlington at a total project cost of \$2,620,000
- b. Appropriated funds of \$2,620,000, with funding of \$125,000 from Designated Tuition, \$175,000 from Interest on Tuition Revenue Bond Proceeds, and \$2,320,000 from Tuition Revenue Bond Proceeds; thereby reducing the previously approved Tuition Revenue Bond Proceeds appropriation of the Educational & General Space Renovation project by \$1,750,000; the College of Business Administration Renovation project by \$470,000; and the Thermal Energy Plant Chiller Replacement/Retrofit project by \$100,000
- c. Authorized U. T. Arlington to locally manage the total project budgets, appoint the architect, approve facility programs, prepare final plans, and award contracts associated with the Life Science Building HVAC Improvements.

The Life Science Building at U. T. Arlington was constructed in 1970 and comprises 213,672 gross square feet. The six-story structure, plus a basement, is assigned to the College of Science and includes classrooms, labs, offices, and support space. The HVAC mechanical system in the animal research space does not provide adequate air exchange as required by United States Department of Agriculture (USDA) regulations. This project will bring the building's HVAC system into USDA compliance by replacing and adding to the existing mechanical equipment to achieve, at a minimum, an air exchange rating of 15 per hour.

The Physical Plant and Environmental Health and Safety staff at U. T. Arlington have the knowledge and experience to implement projects that include demolition, asbestos abatement, HVAC systems, and build-back. These personnel have the expertise to work with the architect and engineer from the initial programming phase, through design, bid, award, and to the end of the construction phase.

Approval of this item amends the FY 2000-2005 Capital Improvement Program and the FY 2000-2001 Capital Budget to include the Life Science Building HVAC Improvements at U. T. Arlington at a total project cost of \$2,620,000, with funding of \$125,000 from Designated Tuition, \$175,000 from Interest on Tuition Revenue Bond Proceeds, and \$2,320,000 from Tuition Revenue Bond Proceeds from free balances of previously approved renovation projects at U. T. Arlington. Specifically, the total project costs and appropriations of Tuition Revenue Bond Proceeds are reduced for the Educational & General Space Renovation project by \$1,750,000, the College of Business Administration Renovation project by \$470,000, and the Thermal Energy Plant Chiller Replacement/Retrofit project by \$100,000.

2. U. T. Austin: Adoption of a Proposal to Control Enrollment by Redefining the Summer Provisional Admission Program

Committee Chairman Miller called on Dr. Larry R. Faulkner, President of The University of Texas at Austin, for brief remarks on the adoption of a proposal, which was on yellow paper before the Board, to control enrollment by redefining the summer provisional admission program. Dr. Faulkner stated the reason for revising the summer admission program is to address uncontrollable enrollment increases at U. T. Austin. He said that manageable enrollment for U. T. Austin is 48,000 and that for the first time since 1989, Fall 2000 enrollment rose above 50,000. Dr. Faulkner noted that the summer provisional admission program is a totally open-ended program offered to every high school graduate in Texas. While the program is designed to

accommodate 500 students, the Summer 1999 enrollment was 900, and 1,500 were enrolled in Summer 2000. U. T. Austin has cancelled January 2001 enrollments due to the large number of provisional students admitted in Fall 2000.

Dr. Faulkner outlined a proposal to expand regular admissions by applying summer admission space to regularly admitted students. The provisional route would operate through partnerships at other University of Texas System academic institutions. The partnership arrangement requires a student to complete 30 semester credit hours with a GPA of 3.0 or higher within one year at a participating U. T. campus. A student is then guaranteed transfer for the second year to U. T. Austin.

Vice-Chairman Loeffler asked what impact the automatic 10% rule has had on enrollment, whereby students in the top 10% of the high school senior class are automatically admitted to any State institution of higher education. President Faulkner stated that this law has had no great effect on the characteristics of the admissions class: two years ago, 42% of the freshman class were in the top 10% of their senior high school class, and the freshman class this year had 47% in the top 10%.

Committee Chairman Miller called on Mr. Daron Roberts, U. T. Austin Student Government President, for comments on the proposal. Mr. Roberts urged the Board to reconsider the proposal recommended by President Faulkner for two reasons. He stated that the proposal lacks an effective means of controlling enrollment and that the location of the new provisional program denies students the opportunity to acclimate to the U. T. Austin campus. In conclusion, Mr. Roberts stated that it is the opinion of the Student Government that a better solution is to cap the enrollment for the provisional program and he thanked the Board for the opportunity to speak. President Faulkner noted that he and Mr. Roberts have a very good working relationship and stressed that the proposal has elements of a capped enrollment with a transformation of the summer program from a fixed curriculum to a more open curriculum that can be better matched to each student's qualifications.

President Faulkner stated that while U. T. Austin has worked with The University of Texas at Arlington on the original provisional admission template, there has been discussion with other U. T. component institutions to provide a similar provisional admission pathway in the future. Dr. Faulkner stated that U. T. Austin would review the proposal in three years and make adjustments as needed.

Committee Chairman Miller then introduced Mrs. Anjum Malik, Vice President of the House of Tutors, Austin, Texas, who requested to speak to the Board regarding the proposal. Mrs. Malik strongly urged the Board to keep the provisional admission program at U. T. Austin. She noted the positive effects the program has had on the students she has worked with and stated that everyone deserves an opportunity to succeed at U. T. Austin, which is a public university.

Regent Hunt asked President Faulkner if other highly selected university programs have been reviewed and President Faulkner responded that as far as he knows, U. T. Austin is the only selective university in America with a provisional program. Regent Hunt stated that, with the population increases, it is impossible for U. T. Austin to handle all the highly qualified graduates in Texas and commented that the U. T. System has failed to develop adequate alternatives. He emphasized that the Board must find a long-term solution to growing admissions and, unfortunately, part of the process involves a painful transition.

Regent Sanchez endorsed the proposal and noted that the Board has to make serious decisions related to future growth and enrollment. Committee Chairman Miller sympathized with the difficult choices before the Board and noted that this problem has been studied extensively, openly and fairly.

Following presentations and discussions and upon motion of Regent Miller, seconded by Vice-Chairman Clements, the Board:

- a. Adopted a proposal to control enrollment at U. T. Austin as set forth on Pages 57 - 60
- b. Permitted the inclusion of other U. T. System academic institutions in the provisional admission part of the program following the pattern described for U. T. Arlington in Part IIC of the proposal
- c. Required that U. T. Austin review the Off-Site Provisional Admission Program during the 2003-2004 academic year.

**PROPOSAL TO CONTROL ENROLLMENT
AT THE UNIVERSITY OF TEXAS AT AUSTIN
BY REDEFINING THE PROVISIONAL ADMISSION PROGRAM**

Problem

The University of Texas at Austin has long had a Provisional Admission Program. This program was originally designed to give students not regularly admitted to the University a chance to prove they could perform well in the highly competitive academic environment on the Austin campus. In recent years, two things have happened. First, the quality of students being provisionally admitted has improved to a point where for many students it no longer makes sense to say they are being denied regular admission because they would not be able to compete. Concerns for program design as well as for a student's sense of pride and accomplishment have emerged as a result. Second, increased enrollment pressures have led to a dramatically increased number of students enrolling in the Provisional Program, which has led to a substantial reduction in the University's ability to control admissions. This proposal to change the Provisional Admission Program is motivated and informed by both of these factors.

Background

Enrollment peaked in 1989 at 50,245. Believing that it could not adequately handle enrollment of this size, the University, in 1990, began to lower enrollments to the more manageable level of 48,000. The plan was to allow the graduate population to grow while lowering the number of undergraduates. By Fall 1995, the goal had been reached and overall enrollment bottomed out at 47,905.

Graduate enrollments did increase between 1990 and 1993, before going into a steady decline that continued through 1998; undergraduate enrollments decreased between 1990 and 1995, but have risen steadily since. Law School enrollment remained flat from 1990 to 1994, but has declined since.

Driven by increases in undergraduate enrollment, there has been a steady increase in overall enrollments to 49,902 in Fall 1999. Projections by the Office of Institutional Studies indicate that, absent changes in our undergraduate admission policy, Fall 2000 enrollments will once again approach the high-water mark of 1989.

Projections

The number of high school graduates from Texas public and private high schools is projected to increase steadily for the next ten years rising from an estimated 209,800 in 1999-2000 to 233,500 in 2010-2011. These students are already in the pipeline. Efforts are being made to improve high school graduation rates. There is every reason to believe we will continue to see enrollment pressure in the foreseeable future.

A link exists between regularly admitted and provisionally admitted students. As regular admissions become more selective, the Provisional Admission cohort becomes larger and more qualified. Larger provisional cohorts will yield a higher proportion of successful students who will enter the University in the Fall. Unless we change the current Provisional Admission policy we will not be able to control enrollment. Hence this proposal for change.

Proposal

I. Working Assumptions

- A. Students with a strong desire to succeed at the highest level should be given the chance to do so, even when their entry academic credentials do not signal success. Hence, the Provisional Admission Program should not be totally eliminated.
- B. The goal is to keep The University of Texas at Austin at a total enrollment of roughly 48,000 students, with approximately 36,000 undergraduates and 12,000 graduate students.

II. Three-tiered Freshman Admissions Policy

Two changes in admission and enrollment policies are being proposed. First, we propose to substitute a Summer Enrollment Plan, designed to yield approximately 600 regularly admitted students, for the current on-campus Provisional Admission Program. Second, we propose to create an "Off-Site" provisional program at a sister U. T. System university. This pilot program is being designed in cooperation with U. T. Arlington. Other universities might be added, depending on the success of the U. T. Arlington initiative. The result would be a three-tiered admissions program: Fall Admission, Summer Enrollment Plan, and Off-Site Provisional Admission.

A. Fall Admission

This program will continue as currently structured.

B. Summer Enrollment Plan

We propose that the current on-campus Provisional Admission Program be replaced by a Summer Enrollment Plan effective Summer 2001. There are several compelling reasons for doing so. The two most important are: 1) Regular summer admission will allow us to better control overall student enrollment and 2) the design of the Provisional Admission Program no longer matches the students who enroll. The qualifications of students who are currently being offered the Provisional option have changed over time to include many very able students. These students are not being well served by a "pseudo-remedial" or "bridge" program. They and their families are insulted by the implication that they are not "college ready" and they become grudging participants only because they want to be at U. T. Austin, not because they feel that summer academic work is necessary to their academic development. Because of the improved academic abilities of students, the current Provisional Admission Program has become less well-matched to students and more difficult to manage.

With the initiation of the Summer Enrollment Plan, students would enroll in typical first-semester freshman courses. This would relieve some of the course availability problems currently experienced in the Fall semester. These students would be held to the same GPA requirements placed on students entering in the Fall. They would be free to select courses appropriate to their goals. Using current matriculation rates, it will be possible to enroll a total freshman class of 7,000 (6,400 Fall plus 600 from Summer) without increasing overall enrollment.

C. Off-Site Provisional Admission Program

The current Provisional Admission Program is redesigned and moved, effective Summer 2001, to The University of Texas at Arlington and other interested U. T. general academic institutions.

Fall freshman applicants, who are not offered Fall admission or admission to the newly proposed Summer Enrollment Plan will be offered admission through the Off-Site Provisional Admission Program. Upon completion of a required 30-credit sequence of courses and the maintenance of at least a 3.0 GPA, these students will be accepted unconditionally into the College of Liberal Arts or the College of Natural Sciences at The University of Texas at Austin. They may also compete for admission into the major of their choice once they arrive on campus. Should they fail to attain the required credits and GPA within their first year at U. T. Arlington, they would no longer be eligible for automatic admission and would compete for admission to U. T. Austin as regular transfer students.

U. T. Arlington has been very supportive of this plan. Preliminary meetings have taken place and the program is fully endorsed by President Robert E. Witt.

III. Summary

Admission for freshman applicants would be hierarchical in the following way. The top students would be offered regular Fall Admission. The next set of students would be offered the Summer Enrollment Plan. The remaining students would be offered the "Provisional Admission" through U. T. Arlington.

IV. Program Review

Because these changes are dramatic, it is expected that ongoing adjustments will need to be made as the various aspects of the proposal become operational. A formal and thorough program review will be conducted at the end of the third year by representatives of the U. T. System institutions involved.

3. U. T. Austin - Geology Building - Addition and Renovation (Project No. 102-070): Approval to Amend the FY 2000-2005 Capital Improvement Program and the FY 2000-2001 Capital Budget to Include Project and Approval to Name Building as the John A. and Katherine G. Jackson Geological Sciences Building (Regents' Rules and Regulations, Part One, Chapter VIII, Section 1, Honorific Namings)

The Board:

- a. Amended the FY 2000-2005 Capital Improvement Program and the FY 2000-2001 Capital Budget to include the Geology Building - Addition and Renovation project at The University of Texas at Austin at a preliminary project cost of \$15,000,000 with funding from Gifts and Grants
- b. Approved naming the Geology Building at U. T. Austin as the John A. and Katherine G. Jackson Geological Sciences Building.

The Geology Building - Addition and Renovation project at U. T. Austin provides additional and renovated space needed for the expansion of Geological Sciences and related activities in Natural Sciences. The existing Geology Building, constructed in 1967, contains 136,000 gross square feet and has not undergone an extensive renovation since the building was opened. The addition of approximately 40,000 gross square feet will provide new programmatic space for the College of Natural Sciences.

In honor of Mr. and Mrs. Jackson's gift of \$15,000,000, to be funded through a trust established by Mr. John A. Jackson of Dallas, Texas, the existing Geology Building and the addition to be constructed with the Jackson gift will be named the John A. and Katherine G. Jackson Geological Sciences Building.

4. U. T. Dallas - School of Management Building: Approval to Amend the FY 2000-2005 Capital Improvement Program and the FY 2000-2001 Capital Budget to Include Project

Committee Chairman Miller called on Dr. Franklyn G. Jenifer, President of The University of Texas at Dallas, who thanked the Board for previous budgetary support and stated that U. T. Dallas is in a position to continue to grow and expand. He spoke to a desperate need for a School of

Management Building, as the School is currently disbursed in seven different buildings. Committee Chairman Miller thanked President Jenifer and read a letter of support from the business executives in the Dallas community which clearly noted the importance of local support.

The Board amended the FY 2000-2005 Capital Improvement Program and the FY 2000-2001 Capital Budget to include the School of Management Building at U. T. Dallas at a preliminary project cost of \$38,000,000 with funding of \$30,000,000 from Permanent University Fund Bond Proceeds and \$8,000,000 from Gifts and Grants.

5. U. T. San Antonio - Physical Plant Services Facility: Approval to Amend the FY 2000-2005 Capital Improvement Program and the FY 2000-2001 Capital Budget to Include Project; Appropriate Funds; and Authorize Institutional Management of Project

The Board:

- a. Amended the FY 2000-2005 Capital Improvement Program and the FY 2000-2001 Capital Budget to include the Physical Plant Services Facility project at The University of Texas at San Antonio at a total project cost of \$1,740,000
- b. Appropriated funds of \$1,740,000 with funding of \$240,000 from Utilities Savings and \$1,500,000 from Permanent University Fund Bond Proceeds, and reduced the U. T. San Antonio Campus Equipment and Technology total project cost and appropriation by \$1,500,000
- c. Authorized U. T. San Antonio to locally manage the total project budgets, appoint architects, approve facility programs, prepare final plans, and award contracts associated with the Physical Plant Services Facility project.

This is the initial phase of a series of campus projects that relocate support services to respond to student growth. The Physical Plant Services Facility project will create additional academic and support space by relocating physical plant functions to a less centralized location on West Campus. Upon completion of this project, the current Physical Plant Building will be renovated to provide additional specialized classrooms and support space to meet increasing educational space demands. This project involves the construction of a new service facility of approximately 20,400 gross square feet, which will include trade shops, a vehicle service area, supply and

equipment storage, a grounds maintenance area, offices, and loading docks. This relocation will also improve parking conditions for students by vacating approximately 120 close-in parking spaces currently used by physical plant employees.

The institution will manage the project due to its relatively modest scope and the industrial nature of the building. Construction of the facility will be planned, coordinated, and managed by U. T. San Antonio Facilities Management staff, who are qualified and capable of handling this project.

The 76th Texas Legislature appropriated \$5,830,074 of Capital Equity and Excellence Funding for the U. T. San Antonio campus for FY 2000 and FY 2001. Following the appropriation, it was determined that Permanent University Fund Bond Proceeds would be used to fund infrastructure and renovation projects, and Capital Equity and Excellence Funding would be used to procure campus equipment and technology. To this end, \$1,500,000 of Permanent University Fund Bond Proceeds previously allocated to the Capital Equipment and Technology project will be used to fund this project. The total project cost of the Campus Equipment and Technology project is therefore reduced from \$5,300,000 to \$3,800,000.

6. U. T. Tyler - Nursing Building: Approval to Amend the FY 2000-2005 Capital Improvement Program and the FY 2000-2001 Capital Budget to Include Project

The Board amended the FY 2000-2005 Capital Improvement Program and the FY 2000-2001 Capital Budget to include the Nursing Building at The University of Texas at Tyler at a preliminary project cost of \$7,300,000 with funding of \$4,800,000 from Permanent University Fund Bond Proceeds and \$2,500,000 from Gifts and Grants.

This project involves construction of a new building for the College of Nursing to include academic classrooms, laboratories, and offices. The nursing program has outgrown the existing space and the College of Nursing consistently denies admission to large numbers of qualified nursing students due to space limitations.

INFORMATIONAL REPORTS

1. U. T. System: Presentation of Update on the 2000-2001 Action Plan for the K-16 Initiative

With the aid of a [PowerPoint presentation](#), a copy of which is on file in the Office of Board of Regents, Dr. Felipe Alanis, Assistant Vice Chancellor for Academic Affairs, presented an update on the 2000-2001 Action Plan for the K-16 Initiative of The University of Texas System. Dr. Alanis thanked members of the Board for their commitment to the K-16 agenda and addressed the critical connections to the success in increasing the number of college graduates at three levels: the respective roles of the U. T. System components, the U. T. System Office of Academic Affairs, and those beyond the U. T. System. Several examples of creative and innovative projects where the U. T. System and its components have taken a leadership role in preparing teachers around the State were highlighted. Dr. Alanis thanked Chancellor-Elect Burck and Executive Vice Chancellor Sharpe for their support and guidance and noted that he looks forward to the challenges ahead.

Regent Sanchez applauded Dr. Alanis for his presentation. Committee Chairman Miller commented on the extensive nature of the K-16 program and stated the goal is to optimize the resources and give credibility and support for the programs which offer the most promise.

2. U. T. System: Report on an Accountability System for the General Academic Institutions

Committee Chairman Miller reported on the status of the development of an accountability system for The University of Texas System general academic institutions. He stated that the Board had just met with the U. T. System Faculty Advisory Council on this issue and that over the last year, there have been numerous general discussions about developing an accountability system, with more specific plans occurring in the last few months.

The proposed accountability system focuses on three institutional missions: learning/teaching, research, and community services. The accountability system is designed to determine, measure, and report how well the U. T. System components achieve their missions. The proposal was intended to initiate discussions on accountability and includes measures of learning, including assessments of students, possibly using certain forms of standardized testing.

Committee Chairman Miller said that the academic presidents are commenting on the proposal and that the accountability system should be designed by Spring 2001.

3. U. T. System: Presentation on Activities Relating to the Establishment of the Bill Archer Center in Washington, D. C.

Mr. Mark A. Franz, Vice Chancellor for Federal Relations, provided a brief update on the activities relating to the establishment of the Bill Archer Center in Washington, D. C. He reported that a dinner held in Houston, Texas, on November 1, 2000, raised commitments of approximately \$4-5 million toward a goal of \$10 million. Approximately 420 participants, including members of Congress, attended to both honor Congressman Archer and to recognize the establishment of a Washington campus for The University of Texas System-wide. Mr. Franz circulated a program on the Archer Center which listed the first class of Archer Fellows coming in January 2001 and he clarified that, while the first 10 students will be from The University of Texas at Austin, it is expected that students from other U. T. System campuses will enroll in the program in the future. Mr. Franz noted that the U. T. in D. C. Fellowship Program is the centerpiece of the Archer Center. He thanked the U. T. Austin deans who generously provided funds to establish the program before it was fully funded through the Archer Center.

Vice-Chairman Loeffler stated the Archer Center is the first U. T. academic program in Washington available to students, including medical students, and remarked that while many other university systems have internships, this program also has an academic focus.

Committee Chairman Miller stated the Center provides national and international opportunities for students.

REPORT AND RECOMMENDATIONS OF THE HEALTH AFFAIRS COMMITTEE (Pages 66 - 71).--At the request of Committee Chairman Loeffler, Regent Sanchez reported that the Health Affairs Committee met in open session to consider those matters on its agenda and to formulate recommendations for the U. T. Board of Regents. Unless otherwise indicated, the actions set forth in the Minute Orders which follow were recommended by the Health Affairs Committee and approved in open session and without objection by the U. T. Board of Regents:

1. U. T. Southwestern Medical Center - Dallas: Authorization to Conduct a Private Fund-Raising Campaign to Increase Endowment Funds and to Provide for Certain Capital Needs (Regents' Rules and Regulations, Part One, Chapter VII, Section 2, Subsection 2.4, Subdivision 2.44)

Authorization was granted to The University of Texas Southwestern Medical Center at Dallas to conduct a private fund-raising campaign to increase endowment funds and to provide for certain capital needs pursuant to the Regents' Rules and Regulations, Part One, Chapter VII, Section 2, Subsection 2.4, Subdivision 2.44, relating to private fund-raising campaigns.

The primary initiative of the fund-raising campaign is to provide U. T. Southwestern Medical Center - Dallas with the appropriate resources and programs to meet current needs, including final funds to complete the North Campus Phase 4 - Research Building. U. T. Southwestern Medical Center - Dallas also needs to enhance its allied health and public health activities and to provide additional campus life amenities such as a student activities center, day care, student housing, and scholarship and loan funds.

To accomplish these initiatives, U. T. Southwestern Medical Center - Dallas plans to recruit a community leadership council and begin working toward a goal to raise \$350,000,000 for special purposes over the next five years.

2. U. T. Medical Branch - Galveston - Keiller Building Research Support: Approval to Amend the FY 2000-2005 Capital Improvement Program and the FY 2000-2001 Capital Budget to Include Project and Appropriate Funds

The Board:

- a. Amended the FY 2000-2005 Capital Improvement Program and the FY 2000-2001 Capital Budget to include the Keiller Building Research Support project at The University of Texas Medical Branch at Galveston at a total project cost of \$3,000,000
- b. Appropriated funds of \$3,000,000 from Gifts and Grants.

The National Institutes of Health awarded U. T. Medical Branch - Galveston \$3,000,000 to finish-out approximately 12,000 square feet of research laboratories and research support space in the Keiller Building. This project, which will provide important research program facilities near the BSL-4 Laboratory Facility, will support a strong research program in infectious and tropical diseases at U. T. Medical Branch - Galveston.

3. U. T. Health Science Center - Houston: Authorization to Conduct a Private Fund-Raising Campaign to Increase Endowment Funds and to Provide for Certain Capital Needs (Regents' Rules and Regulations, Part One, Chapter VII, Section 2, Subsection 2.4, Subdivision 2.44)

Pursuant to the Regents' Rules and Regulations, Part One, Chapter VII, Section 2, Subsection 2.4, Subdivision 2.44, relating to private fund-raising campaigns, the Board authorized The University of Texas Health Science Center at Houston to conduct a private fund-raising campaign to increase endowment funds and to provide for certain capital needs.

The primary initiative of the fund-raising campaign is to provide the institution with the appropriate resources to advance research capabilities, including construction of the Research Expansion Building, Phase I that will house the Institute of Molecular Medicine for the Prevention of Human Diseases, the Cardiovascular and Stroke Center, and other research programs. The building, which will be located adjacent to the Medical School Building, is included in the FY 2000-2005 Capital Improvement Program and \$50,000,000 in Permanent University Fund Bond Proceeds have been approved for this project with remaining funds from institutional or philanthropic sources.

There will be additional programmatic and personnel funding requirements such as salaries, recruitment packages, scientific personnel, equipment, and operating costs.

4. U. T. Health Science Center - Houston: Approval to Negotiate a Lease with the Texas Heart Institute, Houston, Texas, for Space on the Ninth Floor of the Denton A. Cooley Building Located at 1102 Bates Avenue in Houston, Harris County, Texas, and Authorization for the Executive Vice Chancellor for Business Affairs or the Executive Director of Real Estate to Execute All Documents Related Thereto

Authorization was granted to The University of Texas Health Science Center at Houston to negotiate a lease with the Texas Heart Institute (THI), Houston, Texas, for approximately 34,250 square feet on the ninth floor of the Denton A. Cooley Building located at 1102 Bates Avenue in Houston, Harris County, Texas, for use as a laboratory research facility. On May 11, 2000, the U. T. Board of Regents allocated \$8,500,000 in Permanent University Funds to finish-out and equip this space.

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

St. Luke's Episcopal Hospital and THI will each own a condominium interest in the building and U. T. Health Science Center - Houston will occupy space owned by THI. The lease includes a 10-year initial term with four renewal options of 10 years each. The expected total base rent will be determined by the total construction cost of the ninth floor shell, which is estimated to be approximately \$6,500,000. THI intends to finance the base construction amount using a 20-year amortization schedule with a balloon amount due at the end of the 10th year.

5. U. T. Health Science Center - San Antonio: Appointment of Frank Harrison, M.D., Ph.D., as President Emeritus (Regents' Rules and Regulations, Part One, Chapter II, Section 15, Subsection 15.4 Relating to Honorary Titles)

The Board appointed Frank Harrison, M.D., Ph.D., as President Emeritus at The University of Texas Health Science Center at San Antonio in accordance with the Regents' Rules and Regulations, Part One, Chapter II, Section 15, Subsection 15.4 relating to honorary titles.

Dr. Harrison had a long and distinguished career of service at The University of Texas Southwestern Medical Center at Dallas, The University of Texas at Arlington, and finally as the first President of U. T. Health Science Center - San Antonio from the Fall of 1972 through his retirement in January 1985.

U. T. Health Science Center - San Antonio benefited from Dr. Harrison's wise leadership during a time of formative development, up to and including major growth and expansion.

6. U. T. Health Science Center - San Antonio - Hidalgo County Medical Research Division of the Regional Academic Health Center (Project No. 402-996): Approval to Revise Preliminary Project Cost

The Board revised the preliminary project cost for the Hidalgo County Medical Research Division of the Regional Academic Health Center (RAHC) at The University of Texas Health Science Center at San Antonio from \$15,000,000 to \$20,000,000, with additional funding of \$5,000,000 from Permanent University Fund (PUF) Bond Proceeds, previously approved for RAHC programs.

The increase in funds will support a cooperative program in pharmacy offered by The University of Texas at Austin College of Pharmacy in cooperation with The University of Texas - Pan American as part of the Lower Rio Grande Valley RAHC. The program will be similar in design to the cooperative program between the U. T. Austin College of Pharmacy and The University of Texas at El Paso. The project will include construction of facilities in Edinburg that will accommodate 72 students, a regional assistant dean, 10 pharmacy faculty, and four staff.

Approval of this item amends the FY 2000-2005 Capital Improvement Program and the FY 2000-2001 Capital Budget to revise the preliminary project cost for the Hidalgo County Medical Research Division of the RAHC at U. T. Health Science Center - San Antonio from \$15,000,000 to \$20,000,000 with funding from PUF Bond Proceeds.

7. U. T. M. D. Anderson Cancer Center: Approval to Jointly Award with U. T. Health Science Center - Houston a Master of Science Degree in Biomedical Sciences and a Doctor of Philosophy Degree in Biomedical Sciences in the U. T. Graduate School of Biomedical Sciences - Houston and to Submit the Request for Authorization to the Texas Legislature and to the Coordinating Board (Catalog Change)

The Board:

- a. Granted authority for The University of Texas M. D. Anderson Cancer Center to jointly award with The University of Texas Health Science Center at Houston, a Master of Science degree in Biomedical Sciences and a Doctor of Philosophy degree in Biomedical Sciences upon students in the U. T. Graduate School of Biomedical Sciences (G.S.B.S.) - Houston
- b. Approved submission of a request for such authorization to the Texas Legislature and to the Texas Higher Education Coordinating Board.

In 1963, the 58th Texas Legislature authorized the U. T. Board of Regents to establish a Graduate School of Biomedical Sciences in Houston. Although originally established as an academic arm of U. T. M. D. Anderson Cancer Center, transfer of the Graduate School of Biomedical Sciences to U. T. Health Science Center - Houston was approved by the Texas Legislature in 1969. The U. T. G.S.B.S. - Houston has since become an important academic bridge between U. T. Health Science Center - Houston and U. T. M. D. Anderson Cancer Center. The U. T. G.S.B.S. - Houston is an integral and essential part of the academic activities of both institutions. Courses are taught by faculty members from the two institutions, and both provide financial and administrative support.

In 1999, the 76th Texas Legislature authorized U. T. M. D. Anderson Cancer Center to grant undergraduate degrees in the allied health professional programs subject to approval by the Texas Higher Education Coordinating Board. The Coordinating Board approved the offering of five bachelor-level allied health degree programs at U. T. M. D. Anderson Cancer Center. However, the institution is not authorized to offer graduate degrees and must seek legislative and, subsequently, Coordinating Board approval to do so.

If authorized by the Texas Legislature and the Coordinating Board, the catalog for U. T. M. D. Anderson Cancer Center will be revised to include a Master of Science degree in Biomedical Sciences and a Doctor of Philosophy degree in Biomedical Sciences to be awarded jointly with U. T. Health Science Center - Houston.

REPORT AND RECOMMENDATIONS OF THE FACILITIES PLANNING AND CONSTRUCTION COMMITTEE (Pages 72 - 80).--Committee Chairman Clements reported that the Facilities Planning and Construction Committee met in open session to consider those matters on its agenda and to formulate recommendations for the U. T. Board of Regents. Unless otherwise indicated, the actions set forth in the Minute Orders which follow were recommended by the Facilities Planning and Construction Committee and approved in open session and without objection by the U. T. Board of Regents:

1. U. T. System: Approval of Campus Master Plans for U. T. San Antonio and U. T. Health Science Center - San Antonio

The Board approved Campus Master Plans for The University of Texas at San Antonio and The University of Texas Health Science Center at San Antonio. This completes the Campus Master Plan Executive Summaries for all of The University of Texas System campuses and Committee Chairman Clements announced that a formal publication of the 15 Campus Master Plans is forthcoming in a single bound volume.

2. U. T. Arlington - Carlisle Hall - Stairwell Towers Addition (Project No. 301-042): Approval to Appropriate Funds and Authorize Institutional Management of Project

The Board:

- a. Appropriated funds of \$1,700,000 from Permanent University Fund Bond Proceeds for the Carlisle Hall - Stairwell Towers Addition at The University of Texas at Arlington
- b. Authorized U. T. Arlington to institutionally manage the total project budgets, appoint architects, approve facility programs, prepare final plans, and award contracts associated with the Carlisle Hall - Stairwell Towers Addition.

The Carlisle Hall - Stairwell Towers Addition project at U. T. Arlington is included in the FY 2000-2005 Capital Improvement Program and the FY 2000-2001 Capital Budget at a preliminary project cost of \$1,700,000, with funding from Permanent University Fund Bond Proceeds.

Built in 1969, Carlisle Hall does not comply with the Life Safety Code as a result of dead-end corridors at both ends of the seven-story building. This project will construct exterior stairwell towers on the east and west ends of the building, without addition of any assignable space. The project cost includes funds for the necessary interior remodeling to provide access to the stairwells.

The physical plant staff at U. T. Arlington has the expertise to work with the architect from the initial programming phase through design, bid, award, and to the end of the construction phase. An additional level of project management is not warranted for this small project.

3. U. T. Austin - Sarah M. and Charles E. Seay Psychology, Child Development, and Family Relationships Building (Project No. 102-922): Authorization to Rename Building the Sarah M. and Charles E. Seay Building (Regents' Rules and Regulations, Part One, Chapter VIII, Section 1, Honorific Namings)

The Board approved renaming the Sarah M. and Charles E. Seay Psychology, Child Development, and Family Relationships Building at The University of Texas at Austin as the Sarah M. and Charles E. Seay Building to simplify the building name and to accommodate the flexibility to house various programs in the future.

4. U. T. Dallas - Founders Building Renovation (Project No. 302-984): Authorization of Institutional Management of Project

The Board authorized The University of Texas at Dallas to institutionally manage the total project budgets, appoint architects, approve facility programs, prepare final plans, and award contracts associated with the Founders Building Renovation project.

The FY 2000-2005 Capital Improvement Program and the FY 2000-2001 Capital Budget include the Founders Building Renovation project at U. T. Dallas at a total project cost of \$3,100,000, with funding from Tuition Revenue Bond Proceeds.

The project scope is limited to high priority life safety issues that will be addressed by several small projects best managed by the Physical Plant staff at U. T. Dallas from design through end of construction.

5. U. T. Permian Basin - Student Union (Project No. 501-044): Approval to Revise Total Project Cost; Revise Project Funding; and Appropriation of Funds and Authorization of Expenditure

The Board:

- a. Revised the total project cost for the Student Union at The University of Texas of the Permian Basin from \$1,500,000 to \$1,750,000
- b. Revised project funding of \$1,125,000 from Revenue Financing System Bond Proceeds, \$200,000 from General Revenue, and \$175,000 from Gifts and Grants to \$1,000,000 from Revenue Financing System Bond Proceeds, \$350,000 from Designated Tuition, \$200,000 from Interest on Tuition Revenue Bond Proceeds, and \$200,000 from Gifts and Grants
- c. Appropriated funds and authorized expenditure of \$1,750,000, with funding of \$1,000,000 from Revenue Financing System Bond Proceeds, \$350,000 from Designated Tuition, \$200,000 from Interest on Tuition Revenue Bond Proceeds, and \$200,000 from Gifts and Grants.

The increase in the total project cost from \$1,500,000 to \$1,750,000 will fund increased mechanical system costs to accommodate the creation of a large assembly/multipurpose room.

Students passed a referendum to implement a \$39 fee authorized by the 76th Texas Legislature to support construction and operation of a student union that will contain a commons, game room, meeting rooms, coffee shop, office suites for student life and student organizations, and a multipurpose room. The 76th Texas Legislature also approved \$200,000 in the General Appropriations Act "to construct and renovate a student center" at U. T. Permian Basin; however, it was determined that Interest on Tuition Revenue Bond Proceeds would be used to fund the renovation project.

Approval of this item amends the FY 2000-2005 Capital Improvement Program and the FY 2000-2001 Capital Budget to increase the total project cost of the Student Union project at U. T. Permian Basin from \$1,500,000 to \$1,750,000, with funding of \$1,000,000 from Revenue Financing System

Bond Proceeds, \$350,000 from Designated Tuition, \$200,000 from Interest on Tuition Revenue Bond Proceeds, and \$200,000 from Gifts and Grants.

6. U. T. Tyler - Carillon Bell and Clock Tower: Authorization to Name Facility the Dub and B. J. Riter Millennium Carillon Tower (Regents' Rules and Regulations, Part One, Chapter VIII, Section 1, Honorific Namings)

The Board approved naming the Carillon Bell and Clock Tower at The University of Texas at Tyler as the Dub and B. J. Riter Millennium Carillon Tower to recognize the significant contribution and commitment that Regent and Mrs. A. W. "Dub" Riter, Jr., Tyler, Texas, have made to U. T. Tyler.

The carillon tower is being built on the circle that is prominently positioned near the front of the main campus and will become the primary symbol of U. T. Tyler. The tower will be 88 feet high overall with four identical clocks, one in each side. The clear-tone, bronze bells will be cast at a foundry in the Netherlands, and the entire carillon will be anchored by one low note bell weighing over 2000 pounds.

The circle below the tower will be landscaped with appropriate plants, benches, walkways, and grassy areas to complement existing trees and provide a comfortable and serene gathering place for students, faculty, staff, and visitors.

Regent and Mrs. Riter's gift of \$1,000,000 for the tower and \$350,000 for the plaza will fully fund the construction of both campus projects.

In honor of the Riter family, Dr. Rodney H. Mabry, President of U. T. Tyler, unveiled a painting of the Dub and B. J. Riter Millennium Carillon Tower and Regent Riter received a round of applause.

7. U. T. Health Science Center - San Antonio - Children's Cancer Research Center (Project No. 402-022): Request for Approval of Design Development Plans; Approval of Total Project Cost; Appropriation of Funds and Authorization of Expenditure; and Approval of Use of Revenue Financing System Parity Debt, Receipt of Parity Debt Certificate, and Finding of Fact with Regard to Financial Capacity (Withdrawn)

The item related to the Children's Cancer Research Center project at The University of Texas Health Science Center at San Antonio was withdrawn from consideration.

8. U. T. Health Science Center - San Antonio - Interdisciplinary Teaching Space - Phase I Classroom (Project No. 402-063): Appropriation of Funds and Authorization of Institutional Management of Repair and Rehabilitation Stage

The Board:

- a. Appropriated funds of \$2,000,000 from Permanent University Fund Bond Proceeds and authorized additional funding of \$652,554 from previously appropriated institutional funds for total repair and rehabilitation stage funding of \$2,652,554 for the Interdisciplinary Teaching Space - Phase I Classroom at The University of Texas Health Science Center at San Antonio
- b. Authorized U. T. Health Science Center - San Antonio to locally manage the project budgets, appoint architects, approve facility programs, prepare final plans, and award contracts associated with the repair and rehabilitation stage of the Interdisciplinary Teaching Space - Phase I Classroom.

The Interdisciplinary Teaching Space - Phase I Classroom at U. T. Health Science Center - San Antonio is included in the FY 2000-2005 Capital Improvement Program and the FY 2000-2001 Capital Budget at a preliminary project cost of \$14,000,000 with funding of \$7,000,000 from Permanent University Fund Bond Proceeds and \$7,000,000 from Gifts and Grants.

This \$14,000,000 project is the first phase of an estimated \$30,000,000 Multidisciplinary Teaching Facility. Upon recommendation of the institutional Ad Hoc Project Building Committee, a portion of the Permanent

University Fund Bond Proceeds will be allocated to five critical projects: Classroom Technology Upgrades -- \$1,429,499; Classroom Furniture Upgrades -- \$750,000; Auditorium Lighting Replacement -- \$300,000; Gross Anatomy Lighting Enhancement -- \$110,000; and Electronic Heart Monitoring System Replacement -- \$63,055.

Based on the relatively small and simple efforts involved, this repair and rehabilitation stage of the project will best be managed by the U. T. Health Science Center - San Antonio Facilities Management staff who have the experience and capability to manage all aspects of the work identified.

9. U. T. M. D. Anderson Cancer Center - South Campus Clinical Facility (Project No. 703-031): Approval to Amend the FY 2000-2005 Capital Improvement Program and the FY 2000-2001 Capital Budget to Combine Projects and Redesignate Facility as the South Campus Clinical Research Facility; Approval of Design Development Plans; Approval of Total Project Cost; Appropriation of Funds and Authorization of Expenditure; and Approval of Use of Revenue Financing System Parity Debt, Receipt of Parity Debt Certificate, and Finding of Fact with Regard to Financial Capacity

Following a presentation on the South Campus Clinical Facility project at The University of Texas M. D. Anderson Cancer Center by Mr. Sidney J. Sanders, Assistant Vice Chancellor for Facilities Planning and Construction for The University of Texas System, the Board:

- a. Amended the FY 2000-2005 Capital Improvement Program and the FY 2000-2001 Capital Budget to incorporate the South Campus Clinical Facility Shell Build-out project and the South Campus Technology Park Infrastructure project into the South Campus Clinical Facility, and to redesignate the South Campus Clinical Facility at U. T. M. D. Anderson Cancer Center as the South Campus Clinical Research Facility
- b. Approved design development plans
- c. Approved a total project cost of \$33,500,000
- d. Appropriated funds and authorized expenditure of \$15,200,000 from Revenue Financing System Bond Proceeds and \$18,300,000 from Hospital Revenues.

In compliance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System, adopted by the U. T. Board of Regents on February 14, 1991, and amended on October 8, 1993, and August 14, 1997, and upon delivery of the Certificate of an Authorized Representative as set out on Page 79, the Board resolved that:

- a. Parity Debt shall be issued to pay the project's cost, including any project costs prior to the issuance of such Parity Debt
- b. Sufficient funds will be available to meet the financial obligations of the U. T. System, including sufficient Pledged Revenues as defined in the Master Resolution to satisfy the Annual Debt Service Requirements of the Financing System, and to meet all financial obligations of the U. T. Board of Regents relating to the Financing System
- c. U. T. M. D. Anderson Cancer Center, which is a "Member" as such term is used in the Master Resolution, possesses the financial capacity to satisfy its direct obligation as defined in the Master Resolution relating to the issuance by the U. T. Board of Regents of tax-exempt Parity Debt in the aggregate amount of \$15,200,000
- d. This resolution satisfies the official intent requirements set forth in Section 1.150-2 of the U. S. Treasury Regulations.

Prior to this action, the FY 2000-2005 Capital Improvement Program included the South Campus Clinical Facility, with a preliminary project cost of \$18,100,000, funded by \$15,200,000 from Revenue Financing System Bond Proceeds and \$2,900,000 from Hospital Revenues; the South Campus Clinical Facility Shell Build-out, with a total project cost of \$8,000,000, funded from Hospital Revenues; and the South Campus Technology Park Infrastructure, with a preliminary project cost of \$7,400,000, funded from Hospital Revenues.

Combining these three previously approved projects into a single South Campus Clinical Research Facility project will address laboratory space needs by providing light-lab space faster and at less expense than a refurbishment project. Construction is scheduled to begin in February 2001 and occupancy of a fully-finished facility is expected by April 2002.

PARITY DEBT CERTIFICATE OF U. T. SYSTEM REPRESENTATIVE

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

EXECUTED this 28th day of November, 2000

/s/ Terry Hull

Director of Finance

INFORMATIONAL REPORT

U. T. System: Report on Architecturally Significant Projects

Committee Chairman Clements reported that at its October 3, 2000 meeting, the U. T. Board of Regents' Facilities Planning and Construction Committee selected the following design firms for these architecturally significant projects:

- a. The University of Texas at Austin - Jack S. Blanton Museum of Art: Kallmann McKinnell & Wood Architects, Inc., Boston, Massachusetts/Booziotis & Company, Dallas, Texas, as the architect
- b. U. T. Austin - Biological Science - Wet Lab Building: Watkins Hamilton Ross, Houston, Texas/Overland Partners, San Antonio, Texas
- c. The University of Texas M. D. Anderson Cancer Center - Ambulatory Clinical Building: Kaplan McLaughlin Diaz (KMD), San Francisco, California, as the design architect.

Vice-Chairman Clements thanked all the Board members who participated in the selection process of these first three architecturally significant projects for The University of Texas System and noted that the process is working well.

* * * * *

At the conclusion of the Facilities Planning and Construction Committee meeting, Committee Chairman Clements reported that, since the last regular meeting, the Chancellor had approved two (2) general construction contracts totaling \$5,151,500 which included participation of 15.81% by Historically Underutilized Businesses, 15.49% by women-owned firms and 0.32% by minority-owned firms. In addition, five (5) architect/engineer contracts totaling \$6,444,572 have been awarded since the last meeting for participation of 22.37% by Historically Underutilized Businesses, 0.72% by women-owned firms and 21.65% by minority-owned firms.

RECONVENE.--At 10:45 a.m., the Board reconvened as a committee of the whole to consider those items remaining on the agenda.

SPECIAL REPORT ON THE BORDER HEALTH INSTITUTE (BHI)

The Honorable Eliot Shapleigh, State Senator for District 29, El Paso County, asked to speak to the Board regarding the Border Health Institute (BHI). Following an introduction by Regent Hunt, Senator Shapleigh distributed a [status report](#) dated October 2000 on the BHI and [resolutions](#) in support of the BHI campus, both of which are on file in the Office of the Board of Regents. He discussed the need for The University of Texas System and the Texas Tech University System to coordinate the construction of a \$30 million biotechnology building and emphasized the need to expedite the selection of a campus site prior to the next legislative session.

Regent Hunt suggested to the Board that they wait for full community consensus on what and where to build and noted that Dr. Diana Natalicio, President of The University of Texas at El Paso, who was not able to attend the meeting today, should take the lead on making a recommendation to the Board. Vice-Chairman Loeffler thanked Senator Shapleigh and reiterated that today's presentation was not considered to be an action item at this point.

REPORT OF SPECIAL COMMITTEES

1. U. T. Board of Regents: Report on the Ad Hoc Committee on Capital Improvement Program (CIP) Process Review and Approval of Process to Add Projects to CIP Between Cycles

Committee Chairman Miller convened the Ad Hoc Committee on Capital Improvement Program (CIP) Process Review to discuss his proposal for adding projects to The University of Texas System CIP between the biennial review and approval cycles. Interim Executive Vice Chancellor Kennedy identified participation of a) senior officials of the U. T. System and b) all Board members, not just members of the Facilities Planning and Construction Committee, as the most significant changes from the process that has been in effect since February 2000 (See Page 82 .)

On behalf of this Ad Hoc Committee, Committee Chairman Miller moved that the Board approve the process to be followed to add projects to the CIP between cycles as reflected in the flowchart set forth on Page 83. The motion was duly seconded and carried unanimously.

Ad Hoc Committee on Capital Improvement Program (CIP) Process Review Proposed Changes to “Off-Cycle” CIP Process

The major differences between the proposed CIP “off-cycle” process and the process that has been in effect since February 2000 for adding projects to the CIP are:

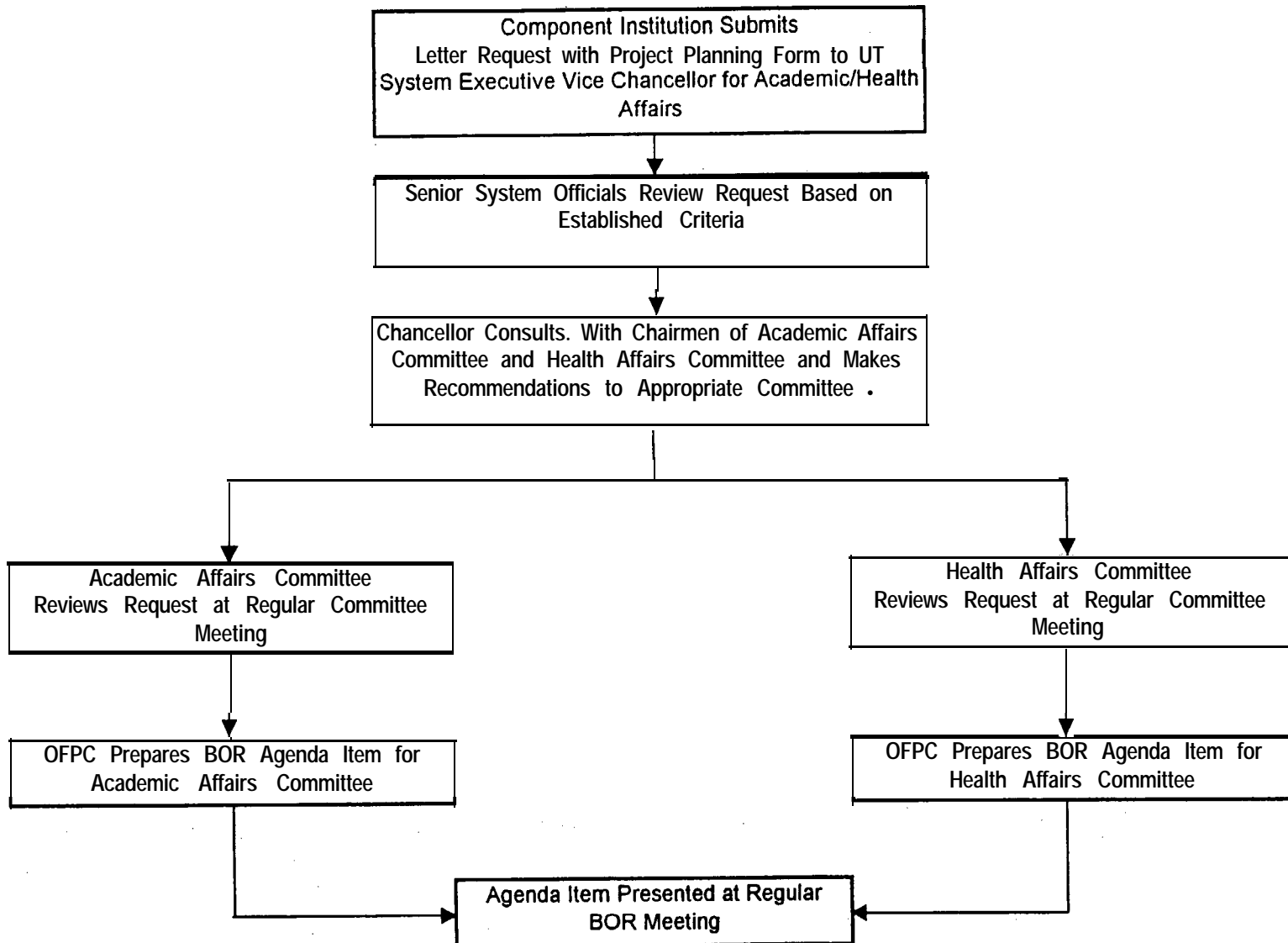
- . After the appropriate Executive Vice Chancellor receives the institution’s letter request and project planning form, the information is forwarded to a committee of Senior System Officials’ that reviews the request based on the following justification criteria:
 - a) Consistency with institution’s mission;
 - b) Project need;
 - c) Unique opportunity that justifies off-cycle consideration;
 - d) Matching funds/leverage;
 - e) Cost effectiveness, to include
 1. addressing new construction versus renovation of existing construction
 2. addressing Texas Higher Education Coordinating Board Formula Funding criteria;
 - f) State of existing facility condition; and
 - g) Other available funding sources.

This step was added to ensure a thorough review of projects prior to submission to the Chancellor.

- . If the project includes PUF funding, the committee of Senior System **Officials** will also review the request in light of previous unfunded PUF requests from other institutions and the history of PUF allocations to the requesting institution. This step was added to ensure that the request was not considered in a vacuum, but in light of other previously proposed institutional projects.
- If the committee of Senior System Officials recommends the project for consideration, the request and other information would be forwarded to the Chancellor for review and consultation with the chairmen of the appropriate standing committees of the U. T. Board of Regents.
- . If the Chancellor chooses to forward the recommendation to the appropriate committee for consideration, the funding request, recommendation, and other **information** would be distributed to all Board members notifying them that either the Academic Affairs or Health Affairs Committee would be considering an institution’s request. for project funding. This would give all Board members an opportunity to be involved in the review process and discussion of the project at the appropriate committee meeting if they so desired.

¹ To include at a minimum the following individuals: Executive Vice Chancellor for Health **Affairs**, Executive Vice Chancellor for Academic **Affairs**, Executive Vice Chancellor for Business **Affairs**, Assistant Vice Chancellor for Facilities Planning and Construction, and the Assistant Vice Chancellor for Finance, or **their** delegates.

Ad Hoc Committee on Capital Improvement Program (CIP) Process Review
Process for *Adding Projects to CIP Between Cycles*



*NOTE: Copy of funding request and recommendation sent to all Board members

2. U. T. Board of Regents: Presentation on Activities of the Ad Hoc Long-Range Planning Committee and Approval to Accept Final Report

Committee Chairman Hunt submitted the following report on the activities of the U. T. Board of Regents' Ad Hoc Long-Range Planning Committee and recommended that the Board accept the Committee's final report entitled "[Service to Texas in the New Century -- A Long Range Plan for The University of Texas System](#)" for 2000-2030 which is on file in the Office of the Board of Regents.

Report by Committee Chairman Hunt

Chairman Evans' charge to this Committee directed a review and assessment of the current System and component missions in light of the various Statewide higher education strategies, to make recommendations to ensure that the Board will be fully involved in higher education policy development for the State, and to recommend criteria for the allocation of resources consistent with a long-range higher education strategy for Texas. With this report, the Committee has attempted to meet this challenging charge.

The report clearly shows that the U. T. System must lead the way in any Statewide higher education strategy, if that strategy is to succeed. Our monitoring of, and communication with, the Lt. Governor's 21st Century Commission on Higher Education, the Texas Higher Education Coordinating Board, and Comptroller Rylander's e-Texas Initiative have ensured that the Long-Range Plan submitted for your approval today will be a significant and consistent addition to the work of these various groups, and will ensure full participation of this Board as we begin to fashion a higher education strategy for the State. With this report, we have established the framework from which to fashion the compact on higher education envisioned by Chairman Evans almost one year ago.

The challenge to the U. T. System in the next 30 years is to ensure parity in participation and success rates among all ethnic groups in the State and simultaneously ensure parity of excellence when compared to peer states. While these challenges are significant, the opportunities created by successfully meeting those challenges far outweigh the difficulty of doing so. Failure to meet these challenges, as is demonstrated in the report, will exact an unacceptable price on the State and its citizens.

By identifying and concretely defining the challenges, we have established a credible basis for specific and appropriate policy and programmatic responses. These specific responses are detailed in the report. These responses, if fully implemented, should ensure that the U. T. System will achieve parity in participation and success while simultaneously achieving parity in excellence with the development of centers of excellence across the State and the development of not less than three additional nationally ranked universities of the first choice. Some of the responses require change that can be unilaterally taken by this Board, many will require cooperation with the Legislature and other agencies. All are targeted to meet challenges we hold in common with all of those concerned with the future of higher education in Texas. This will add strength to our position and ensure our full participation as we move into the legislative session of 2001.

Finally, in defining our specific responses to clearly articulated challenges we have created the basis for a rational, transparent, and fully accountable resource allocation strategy built on a foundation of exceptionally high returns for resources controlled solely by the Board and for resources invested by the private sector and by the State through legislative appropriations. In adopting this report we are sending a clear signal that we will put our resources into this Plan, thus making the most persuasive case for others to follow our commitment.

The State of Texas and the U. T. System are at a unique point of opportunity to deliver the real possibility of an economically vital and socially and politically healthy future. Through the adoption of this Plan, the U. T. System Board will send the strongest possible signal of and its willingness to lead the way in cooperation and partnership in its commitment to that future.

Upon motion of Regent Hunt, the Board unanimously accepted the final report of the Ad Hoc Long-Range Planning Committee as presented and authorized its publication and distribution. Further, the Chancellor was authorized to make editorial corrections as needed prior to publication and Regent Hunt noted that an Executive Summary would be forthcoming.

OTHER MATTERS

1. U. T. System: Presentation of a Report on Prioritization of Issues for the 77th Texas Legislature

Mr. R. D. Burck, Chancellor-Elect for The University of Texas System, presented a [report](#), which is on file in the Office of the Board of Regents, reflecting prioritization of selected issues prepared for the upcoming 77th Texas Legislature. Executive Vice Chancellors Mullins and Sharpe and Interim Vice Chancellor for Governmental Relations Scott assisted in the presentation.

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

Vice Chancellor for Development and External Relations Perry reviewed the Summary of Gift Acceptance and Related Administrative Actions Conforming to Board Policy for The University of Texas System for the period June 1, 2000 through August 31, 2000, as set forth on Pages 87 - 91.

Vice Chancellor Perry reported 151 items conforming to Board policy were approved including the acceptance of \$32,634,563 in gifts. Other matching contributions from previously accepted Board-held matching funds totaled \$950,000, transfers of endowment funds totaled \$1 million, and transfers of previously accepted funds totaled \$110,722.05.

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

ACCEPTANCE OF GIFTS HELD BY BOARD
June 1, 2000 Through August 31, 2000

# ALL ITEMS	COMPONENT INSTITUTION	ASSET TYPES						MATCHING FUNDS	TOTAL VALUE
		CASH	SECURITIES	REAL ESTATE	PLEDGES	OTHER	TRANSFERS		
3	U. T. Arlington	\$ 45,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 45,000
59	U. T. Austin	\$ 1,572,891	\$ 12,353,185	\$ -	\$ 669,736	\$ 7,753	\$ 23,750	\$ -	\$ 14,627,316
3	U. T. Dallas	\$ -	\$ 2,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,000,000
8	U. T. El Paso	\$ 47,976	\$ 74,528	\$ -	\$ 9,000	\$ -	\$ -	\$ -	\$ 131,504
7	U. T. Pan American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1	U. T. Brownsville	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000
2	U. T. Permian Basin	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,000
1	U. T. San Antonio	\$ 10,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,000
9	U. T. SWMC-Dallas	\$ 1,834,129	\$ -	\$ 92,758	\$ 152,000	\$ -	\$ 110,722	\$ 950,000	\$ 2,078,887
12	U. T. M.B.-Galveston	\$ 1,167,475	\$ -	\$ -	\$ -	\$ -	\$ 1,082,093	\$ -	\$ 1,249,568
7	UTHSC-Houston	\$ 27,613	\$ 1,750,703	\$ -	\$ -	\$ -	\$ 505,060	\$ -	\$ 2,283,377
24	UTHSC-San Antonio	\$ 5,357,435	\$ -	\$ -	\$ 50,000	\$ -	\$ 12,652	\$ -	\$ 5,420,087
15	UTMDACC	\$ 3,868,013	\$ -	\$ -	\$ 770,811	\$ -	\$ -	\$ -	\$ 4,638,825
151	TOTAL	\$ 14,080,533	\$ 16,178,417	\$ 92,758	\$ 1,651,547	\$ 7,753	\$ 1,734,278	\$ 950,000	\$ 32,634,563

* Not included in total: U. T. SWMC-Dallas - \$950,000 of Board-held matching funds and \$110,722.05 transfer of previously accepted funds;
U. T. Medical Branch- \$1,000,000 transfer of endowment funds.

NOTE: Compiled by Office of Development and External Relations

CLASSIFICATION OF GIFTS AND OTHER ACTIONS

June 1, 2000 Through August 31, 2000

<u>COMPONENT INSTITUTION</u>	<u>ENDOWMENTS</u>	<u>CHARITABLE REMAINDER TRUSTS</u>	<u>POOLED INCOME FUND</u>	<u>REMAINDER INTERESTS</u>	<u>HELD IN TRUST BY OTHERS</u>	<u>CURRENT PURPOSE</u>	<u>OTHER</u>
U. T. Arlington	3	---	---	---	---	---	---
U. T. Austin	46	2	--	---	7	5	---
U. T. Dallas	3	---	---	---	---	---	---
U. T. El Paso	7	---	---	---	---	1	--
U. T. Pan American	---	---	---	---	7	---	--
U. T. Brownsville	1	---	---	---	---	---	---
U. T. Permian Basin	2	---	---	---	--	---	---
U. T. San Antonio	1	---	---	--	---	---	---
U. T. SWMC-Dallas	6	---	--	---	2	2	---
IJ. T. M. B.-Galveston	11	---	---	--	1	---	---
UTHSC-Houston	7	---	---	---	---	---	---
UTHSC-San Antonio	24	---	---	---	---	---	---
UTMDACC	7	---	--	--	---	8	---
TOTAL	118	2	0	0	17	16	0

PURPOSES OF GIFTS HELD BY BOARD AND OTHERS
June 1, 2000 Through August 31, 2000

COMPONENT <u>INSTITUTION</u>	ENDOWMENT								CURRENT <u>PURPOSE</u>	OTHER <u>PURPOSE</u>
	<u>DIST.</u> <u>CHAIR</u>	<u>CHAIR</u>	<u>DIST.</u> <u>PROF'SHIP</u>	<u>PROF'SHIP</u>	<u>FACULTY</u> <u>FELLOWSHIP</u>	<u>GRADUATE</u> <u>FELLOWSHIP</u>	<u>SCHOLARSHIP</u>	<u>OTHER</u>		
U. T. Arlington	---	---	---	---	---	---	2		---	---
U. T. Austin	---	---	---	2		---	18	15	5	3
U. T. Dallas	2	---	---	---	---	---	---		---	---
U. T. El Paso	---	---	---	---	---	---	2	3		---
U. T. Pan American	--	--	---	--	---	---	4	2	---	---
U. T. Brownsville	---	---	---	--	---	---	---		---	---
U. T. Permian Basin	---	--	---	---	--	---	2	---	---	---
U. T. San Antonio	--	--	---	---	---	---		---	---	---
U. T. SWMC-Dallas	3			---	---	---		2	2	---
U. T. M.B.-Galveston	1 *	2	---	---	---	--	2	2	---	---
UTHSC-Houston	1	---		---	--	---	2		---	--
UTHSC-San Antonio	3		4	2	2	---	2	7	---	---
U T M D A C C	2	---	---		0	---		0	8	---
TOTAL	12	4	6	5	3	0	37	35	16	3

*Distinguished *University* Chair

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

OTHER ADMINISTRATIVE ACTIONS

June 1, 2000 Through August 31, 2000

<u>COMPONENT INSTITUTION</u>	<u>ESTABLISH ENDOWMENT</u>	<u>REDESIGNATE ENDOWMENT LEVEL</u>	<u>OTHER REDESIGNATION</u>	<u>DISSOLVE ENDOWMENT</u>	<u>APPROVE/ALLOCATE MATCHING</u>	<u>ACCEPT TRUSTEESHIP</u>	<u>OTHER</u>
U. T. Arlington	3	---	---	---	---	---	---
U. T. Austin	32	1	11	2	---	1	1
U. T. Dallas	3	---	---	---	---	---	---
U. T. El Paso	5	---	2	---	---	---	---
U. T. Pan American	6	---	1	---	---	---	---
U. T. Brownsville	1	---	---	---	---	---	---
U. T. Permian Basin	2	---	---	---	---	---	---
U. T. San Antonio	1	---	---	---	---	---	---
U. T. SWMC-Dallas	6	2	---	---	2	- -	---
U. T. M.B.-Galveston	6	4	1	---	---	---	1
UTHSC-Houston	5	---	1	---	---	---	---
UTHSC-San Antonio	22	1	1	---	---	---	---
UTMDACC	3	1	2	1	---	---	- -
TOTAL	95	9	19	3	2	1	2

COMPARATIVE SUMMARY OF GIFTS ACCEPTED VIA THE OFFICIAL ADMINISTRATIVE PROCESS
June 1, 2000 Through August 31, 2000

COMPONENT INSTITUTION	FY 1999 FULL YEAR	FISCAL YEAR 2000			FULL YEAR
		9/1/99 - 11/30/99	12/1/99 - 2/29/00	3/1/00 - 5/31/00	
U. T. System	\$ 95,000	\$	\$	\$	\$
U. T. Arlington	\$ 612,441	\$ 22,916	\$ 48,000	\$ 45,000	\$ 160,916
U. T. Austin	\$ 17,668,529	\$ 5,153,374	\$ 15,972,956	\$ 8,917,822	\$ 44,671,468
U. T. Dallas	\$ 1,060,674	\$ 1,320,979	\$ 10,106	\$	\$ 3,331,085
U. T. El Paso	\$ 3,180,702	\$ 239,960	\$ 287,415	\$ 342,450	\$ 1,001,329
U. T. Pan American	\$ 60,674	\$	\$ 499,718	\$ 10,500	\$ 510,218
U. T. Brownsville	\$ 110,674	\$	\$ 135,000	\$	\$ 235,000
U. T. Permian Basin	\$ 210,674	\$	\$ -	\$ 105,000	\$ 155,000
U. T. San Antonio	\$ 680,768	\$ 171,056	\$ 16,220	\$ 167,695	\$ 364,971
U. T. Tyler	\$ 260,749	\$	\$ 1,335,884	\$ 515,000	\$ 1,850,884
U. T. SWMC-Dallas	\$ 7,802,087	\$ 1,158,831	\$ 4,274,233	\$ 466,595	\$ 7,978,546
U. T. M.B.-Galveston	\$ 7,563,732	\$ 1,298,292	\$ 457,439	\$ 3,250,027	\$ 6,255,326
UTHSC-Houston	\$ 2,987,214	\$ 20,000	\$ 1,204,017	\$ 1,400,301	\$ 4,907,695
UTHSC-San Antonio	\$ 1,375,242	\$ 376,216	\$ 473,800	\$ 234,159	\$ 6,504,262
UTMDACC	\$ 7,330,854	\$ 632,484	\$ 1,776,400	\$ 5,222,915	\$ 12,270,625
UTHC-Tyler	\$ 1,294,378	\$	\$	\$	\$
Multicomponent	\$ 170,000	\$	\$	\$	\$
TOTAL	\$ 52,464,391	\$ 10,394,108	\$ 26,491,189	\$ 20,677,464	\$ 90,197,324

3. U. T. Board of Regents: Presentation of Certificate of Appreciation to Mr. Ray Farabee, Vice Chancellor and General Counsel

Vice-Chairman Loeffler noted that Mr. Ray Farabee, Vice Chancellor and General Counsel for The University of Texas System, had resigned from his administrative position effective October 22, 2000. He commended Vice Chancellor Farabee for his service to the State of Texas and the U. T. System and then presented the following certificate of appreciation to Mr. Farabee:

CERTIFICATE OF APPRECIATION

The Board of Regents

Expresses to

THE HONORABLE RAY FARABEE, B.B.A., L.L.B.

Its Sincere Appreciation for His
Distinguished Service and Outstanding Contributions

to

The University of Texas System

as

Vice Chancellor and General Counsel

1988 - 2000

Adopted by unanimous vote this 16th day of November 2000

(signed by all members of the Board)

Following a round of applause, Vice Chancellor Farabee graciously accepted the accolade and expressed his sincere appreciation to the Board for the opportunity to serve the U. T. System. Mr. Farabee will continue to serve on a part-time basis as Special Assistant to the Chancellor.

4. U. T. Board of Regents: Presentation of Certificate of Appreciation to M. David Low, M.D., Ph.D., Former President, U. T. Health Science Center - Houston

Vice-Chairman Loeffler noted that the Board had presented a Certificate of Appreciation to M. David Low, M.D., Ph.D., former President of The University of Texas Health Science Center at Houston at a luncheon on October 24, 2000, in Houston, Texas. Dr. Low resigned from his position as President of the institution on August 31, 2000. Regent Loeffler commended Dr. Low for his 11 years of leadership at the helm of U. T. Health Science Center - Houston and wished him well in his work as Director of the Institute of Health Policy Research and as a distinguished member of the faculty of the U. T. Health Science Center - Houston. The Certificate of Appreciation is set forth below for the record:

CERTIFICATE OF APPRECIATION

The Board of Regents

Expresses to

MORTON DAVID LOW, M.D., Ph.D.

Its Sincere Appreciation for His

Distinguished Service and Outstanding Contributions

to

The University of Texas System

as

President

at

The University of Texas Health Science Center at Houston

1989 - 2000

Adopted by unanimous vote and signed by all members of the Board

Vice-Chairman Loeffler also recognized the contributions of John P. Howe, M.D., former President of The University of Texas Health Science Center at San Antonio, who retired from the presidency of that institution on October 15, 2000. Mr. Loeffler noted that Dr. Howe was recuperating from surgery and that formal recognition of Dr. Howe's service to The University of Texas System would be deferred to the February 2001 meeting of the Board.

REPORT OF BOARD FOR LEASE OF UNIVERSITY LANDS

A meeting of the Board for Lease of University Lands and lease awards for Regular Oil and Gas Lease Sale No. 98 was held in Houston, Texas, on November 8, 2000. Tracts totaling 28,659.426 acres of Permanent University Fund lands were offered for lease and a report on the actions taken by the Board for Lease of University Lands will be made to the U. T. Board of Regents at the February 14-15, 2001 meeting.

SCHEDULED MEETING.--Vice-Chairman Loeffler announced that the next scheduled meeting of the U. T. Board of Regents would be held on February 14-15, 2001, in Austin.

ADJOURNMENT.--There being no further business, the meeting was adjourned at 12:03 p.m.

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

January 10, 2001

**THE UNIVERSITY OF TEXAS SYSTEM ADMINISTRATION
CHANCELLOR'S DOCKET NO. 103**

October 17, 2000

TO MEMBERS OF THE BUSINESS AFFAIRS AND AUDIT COMMITTEE:

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

The Docket for The University of Texas System Administration and the Dockets recommended by the Presidents concerned and prepared by the component institutions listed below are submitted for approval as appropriate at the meeting of the U. T. System Board of Regents on November 16, 2000. The Executive Vice Chancellor for Health Affairs, the Executive Vice Chancellor for Business Affairs, the Executive Vice Chancellor for Academic Affairs and I concur in these recommendations.

<u>Institutions</u>	<u>Pages</u>
The University of Texas System Administration	C - 1 through C - 12
The University of Texas at Arlington	AR - 1 through AR - 5
The University of Texas at Austin	A - 1 through A - 22
The University of Texas at Brownsville	B - 1 through B - 3
The University of Texas at Dallas	D - 1 through D - 6
The University of Texas at El Paso	EP - 1 through EP - 3
The University of Texas – Pan American	PA - 1 through PA - 3
The University of Texas of the Permian Basin	PB - 1 through PB - 2
The University of Texas at San Antonio	SA - 1 through SA - 6
The University of Texas at Tyler	TA - 1 through TA - 3
The University of Texas Southwestern Medical Center at Dallas	HD - 1 through HD - 15
The University of Texas Medical Branch at Galveston	G - 1 through G - 13
The University of Texas Health Science Center at Houston	HH - 1 through HH - 6
The University of Texas Health Science Center at San Antonio	HS - 1 through HS - 10
The University of Texas M. D. Anderson Cancer Center	CC - 1 through CC - 8

R. D. Burck
Interim Chancellor

xc: Other Members of
the Board

THE UNIVERSITY OF TEXAS SYSTEM ADMINISTRATION
U. T. BOARD OF REGENTS' MEETING
NOVEMBER 16, 2000

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THE UNIVERSITY OF TEXAS SYSTEM ADMINISTRATION
U. T. BOARD OF REGENTS' MEETING
NOVEMBER 16, 2000

CONTRACTS

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

**GENERAL CONTRACTS
(FUNDS GOING OUT)**

1. Agency: Bionomics, Inc.
Funds: \$1,465,217
Period: April 15, 2000 through August 31, 2001 with 5 extensions of 12 months each
Description: Low-level radioactive waste management, treatment, handling, transportation and disposal services

THE UNIVERSITY OF TEXAS SYSTEM ADMINISTRATION
U. T. BOARD OF REGENTS' MEETING
NOVEMBER 16, 2000

AMENDMENTS TO THE 1999-00 BUDGET

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

TRANSFER OF FUNDS

RBC #

1.	Amount of Transfer:	\$295,482	D30, D31
	From:	Interest on PUF Bond Proceeds	
	To:	Unallocated Proceeds from Sale of PUF bonds	

To change the source of funds for U. T. HSC – Houston Indoor Air Quality/Medical School Building, Project Number 701-976. Permanent University Fund (PUF) Bond Proceeds are being returned from the project and are being replaced by Interest on PUF Bond Proceeds as the funding source.

THE UNIVERSITY OF TEXAS SYSTEM ADMINISTRATION
 U. T. BOARD OF REGENTS' MEETING
 NOVEMBER 16, 2000

AMENDMENTS TO THE 2000-01 BUDGET

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

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

<u>Item, Department, Title, Name</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC#</u>
			<u>No. Mos.</u>	<u>Rate</u>	
<u>APPOINTMENTS AND PROMOTIONS</u>					
SYSTEM ADMINISTRATION; REVOLVING FUNDS					
OFFICE OF GENERAL COUNSEL					
Vice Chancellor and General Counsel					
1. Cullen M. Godfrey	10/23/00	100	12	\$200,000	D1

Source of Funds:

- \$170,000 - Office of General Counsel (OGC)
- 30,000 - OGC – PUF Management (Revolving Fund)
- \$200,000 - Total Salary Rate

THE UNIVERSITY OF TEXAS SYSTEM ADMINISTRATION
U. T. BOARD OF REGENTS' MEETING
NOVEMBER 16, 2000

EMPLOYMENT AGREEMENTS

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

1. Item: Dr. Charles Sorber

Description: Transition agreement for Dr. Charles Sorber from President of the University of Texas of the Permian Basin for continued employment as tenured full Professor at The University of Texas at Austin. Dr. Sorber's resignation as President will be effective at the time a successor has assumed the presidency, but not later than May 2001. If a new president is appointed earlier, Dr. Sorber will be Advisor to the President until May 31, 2001. Beginning June 1, 2001 Dr. Sorber will be assigned to U. T. System for three months at his present salary and benefits, excepting housing and car allowance, working on one or more projects approved by Dr. Edwin R. Sharpe, Executive Vice Chancellor for Academic Affairs. Beginning in the fall of 2001 and pursuant to an earlier agreement, Dr. Sorber will have a year at full salary to help prepare for his return to teaching and research in Civil Engineering at the University of Texas at Austin in the fall of 2002.

2. Item: Kenneth Ray Farabee

Description: Transition agreement for Mr. Farabee from Vice Chancellor and General Counsel of the University of Texas System Administration for continued employment on a half-time basis for a period of two years beginning when a successor is named. Mr. Farabee will work in areas of system-wide compliance including health care risk management and will be available to consult with any successor Vice Chancellor and General Counsel on matters of transition. Compensation for this appointment will be one-half of the annualized FY2000 University of Texas at Austin rate for Mr. Farabee's faculty position.

THE UNIVERSITY OF TEXAS SYSTEM ADMINISTRATION
U. T. BOARD OF REGENTS' MEETING
NOVEMBER 16, 2000

OTHER MATTERS

APPROVAL OF DUAL POSITIONS OF HONOR, TRUST, OR PROFIT

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

- | | |
|---------------|--|
| Name: | Dr. Dale E. Klein |
| Title: | Vice Chancellor for Special Engineering Programs |
| Position: | Chairman, Texas Radiation Advisory Board |
| Period: | Immediately through April 16, 2005 |
| Compensation: | None |
| Description: | On July 10, 2000 Governor George W. Bush appointed Dr. Klein as chair of the Texas Radiation Advisory Board. The board is responsible for the review and evaluation of radiation-related policies and programs for the State of Texas and makes recommendations to the Texas State Bureau of Radiation Control Agency on development, utilization and regulation of radiation sources. Dr. Klein was appointed as a member of the board in 1997 but approval for dual appointment has not been requested previously. |

**THE UNIVERSITY OF TEXAS SYSTEM
BOARD OF REGENTS MEETING
NOVEMBER 16, 2000
REAL ESTATE ASSETS**

**Managed by U.T. System Real Estate Office
Summary Report at August 31, 2000**

C
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		FUND TYPE							
		Current Purpose Restricted		Endowment & Similar Funds		Annuity & Life Income Funds		TOTAL	
		Book	Market	Book	Market	Book	Market	Book	Market
Land & Buildings:	Ending Value 05/31/00	4,903,813	18,847,454	21,472,118	101,840,973	1,213,970	858,247	27,589,901	121,546,674
	Increase or Decrease	(66,000)	(199,208)	(594,176)	(4,791,726)	0	(74,445)	(660,176)	(5,065,379)
	Ending Value 08/31/00	<u>4,837,813</u>	<u>18,648,246</u>	<u>20,877,942</u>	<u>97,049,247</u>	<u>1,213,970</u>	<u>783,802</u>	<u>26,929,725</u>	<u>116,481,295</u>
Other Real Estate:	Ending Value 05/31/00	130,422	130,422	357,442	357,442			487,864	487,864
	Increase or Decrease	87,982	87,982	(7,175)	(7,175)			80,807	80,807
	Ending Value 08/31/00	<u>218,404</u>	<u>218,404</u>	<u>350,267</u>	<u>350,267</u>			<u>568,671</u>	<u>568,671</u>

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

THE UNIVERSITY OF TEXAS HEALTH COMPONENT INSTITUTIONS
MSRDP/PRS/DSRDP/AHFSP INFORMATION: MSRDP/PRS YEAR-TO-DATE
SUMMARY OF OPERATIONS - ACCRUAL BASIS OF ACCOUNTING
FOR THE YEAR ENDING AUGUST 31.2000

	UTSWMC- DALLAS	UTMB- GALVESTON	UTHSC- HOUSTON	UTHSC- SAN ANTONIO	UTMDACC- HOUSTON	UTHC- TYLER	TOTAL
Beginning Fund Balance, 9/1/99	\$146,050,572	\$37,960,849	\$39,464,021	\$30,270,074	\$89,028,738	\$2,618,946	\$345,393,200
Gross Charges	\$488,987,794	\$241,394,633	\$236,121,237	\$182,008,591	\$284,707,637	\$27,320,076	\$1,460,539,968
Un-sponsored Charity Care	\$211,953,613	\$61,596,586	\$82,152,677	\$60,729,595	\$25,524,441	\$3,261,170	\$445,218,082
Professional Courtesies	\$72,417	\$48,602	\$0	\$0	\$1,666,524	\$0	\$1,787,543
Contractual Adjustments	\$96,255,213	\$74,625,129	\$60,466,041	\$22,466,795	\$94,220,997	\$10,187,116	\$358,221,291
Bad Debt Write-offs	\$12,765,261	\$19,227,234	\$20,112,720	\$40,004,631	\$10,675,833	\$2,296,690	\$105,082,369
Other Unreimbursed Medical Costs	\$10,478,496	\$7,767,296	\$932,548	\$673,374	\$11,502,248	\$575,865	\$31,929,827
Change in Accounts Receivable	\$16,891,966	(\$6,809,215)	\$4,967,705	(\$21,468,316)	\$6,265,940	(\$338,597)	(\$490,517)
TOTAL LESS	\$348,416,966	\$156,455,632	\$168,631,691	\$102,406,079	\$149,855,983	\$15,982,244	\$941,748,595
Net Collections	\$140,570,828	\$84,939,001	\$67,489,546	\$79,602,512	\$134,851,654	\$11,337,832	\$518,791,373
Investment Revenues	\$2,852,924	\$1,471,616	\$985,444	\$1,304,428	\$4,493,485	\$77,077	\$11,184,974
Other Additions	\$80,153,020	\$35,574,750	\$43,030,863	\$5,619,153	\$4,318,788	\$1,252,395	\$169,948,969
TOTAL REVENUES AND OTHER ADDITIONS	\$223,576,772	\$121,985,367	\$111,505,853	\$86,526,093	\$143,663,927	\$12,667,304	\$699,925,316
Expenditures and Other Deductions: Faculty Salaries	\$74,490,066	\$40,379,706	\$45,766,450	\$30,428,961	\$50,928,578	\$6,403,307	\$248,397,068
Staff Salaries	\$35,726,235	\$30,091,396	\$21,268,682	\$9,931,228	\$18,560,552	\$1,276,283	\$116,854,376
Resident Salaries	\$0	\$3,005,561	\$0	\$0	\$0	\$0	\$3,005,561
Fringe Benefits	\$25,520,831	\$19,555,764	\$16,285,328	\$11,827,234	\$46,608,951	\$1,306,702	\$121,104,810
Maintenance and Operations	\$49,995,473	\$14,576,673	\$17,739,424	\$34,810,619	\$14,710,869	\$1,558,311	\$133,391,369
Professional Liability Insurance	\$5,374,587	\$6,457,283	\$2,921,885	\$3,583,646	\$3,271,169	\$484,215	\$22,092,785
Debt Service	\$3,379,471	\$0	\$0	\$0	\$0	\$0	\$3,379,471
Travel	\$2,060,014	\$1,714,903	\$612,225	\$1,055,351	\$4,080,664	\$133,184	\$9,656,341
Capital Outlay	\$6,096,899	\$1,562,459	\$2,088,151	\$945,264	\$1,720,610	\$0	\$12,413,383
Official Functions	\$7,248	\$174,947	\$1,090,181	\$312,203	\$362,718	\$6,063	\$1,953,360
Change in Inventory	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0
New Programs: Transfer to Endowment	\$2,454,250	\$0	\$0	\$0	\$0	\$0	\$2,454,250
Other	\$4,013,894	\$741,737	\$1,315,049	\$2,406,253	\$450,000	\$0	\$8,926,933
TOTAL NEW PROGRAMS	\$6,468,144	\$741,737	\$1,315,049	\$2,406,253	\$450,000	\$0	\$11,381,183
TOTAL EXPENDITURES AND OTHER DEDUCTIONS	\$209,118,968	\$118,260,429	\$109,087,375	\$95,300,759	\$140,694,111	\$11,168,065	\$683,629,707
Excess of Revenues and Other Additions over Expenditures and Other Deductions	\$14,457,804	\$3,724,938	\$2,418,478	(\$8,774,666)	\$2,969,816	\$1,499,239	\$16,295,609
Ending Fund Balance, 8/31/00	\$160,508,376	\$41,685,787	\$41,882,499	\$21,495,408	\$91,998,554	\$4,118,185	\$361,688,809

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

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

**MSRDP/PRS SUMMARY OF OPERATIONS - ENDING FUND BALANCES WERE COMPOSED OF THE FOLLOWING
NOTES FOR THE YEAR ENDING AUGUST 312000**

U.T. SOUTHWESTERN MEDICAL CENTER AT DALLAS	
UNRESTRICTED	
RESERVED	
Orders and Contracts	\$3,088,067
Accounts Receivable	\$39,808,838
Prepaid Expenses	\$180,095
UNRESERVED	
MSRDP Operating Funds	\$95,568,568
Reserves for Reimbursement-Third Party Payor Adjustment	\$6,686,588
Retirement of Indebtedness	\$15,176,220
TOTAL:	\$160,508,376
U.T. M.D. ANDERSON CANCER CENTER	
UNRESTRICTED	
RESERVED: Reimbursement for Third Party Payor Adjustments	\$3,083,277
Orders and Contracts Outstanding	\$2,138,940
Accounts Receivable	\$45,568,017
UNRESERVED	
PRS Operating Funds	\$41,208,320
TOTAL:	\$91,998,554
U.T. HEALTH CENTER AT TYLER	
UNRESTRICTED	
RESERVED	
Orders and Contracts Outstanding	\$8,946
Accounts Receivable	\$3,189,546
UNRESERVED	
Allocated MSRDP Operating Funds	\$919,693
TOTAL:	\$4,118,185

U.T. HEALTH SCIENCE CENTER AT SAN ANTONIO	
UNRESTRICTED	
RESERVED	
Orders and Contracts Outstanding	\$1,167,956
Accounts Receivable	\$7,686,322
UNRESERVED	
MSRDP Operating Funds	\$12,641,130
TOTAL:	\$21,495,408

U.T. MEDICAL BRANCH AT GALVESTON	
UNRESTRICTED	
RESERVED	
Orders and Contracts Outstanding	\$1,554,873
Accounts Receivable	\$16,202,039
UNRESERVED	
MSRDP Operations	\$23,928,875
TOTAL:	\$41,685,787

U.T. HEALTH SCIENCE CENTER HOUSTON	
UNRESTRICTED	
RESERVED	
Orders and Contracts Outstanding	\$2,357,104
Reserve for Accounts Receivable	\$5,794,260
Reserve for Prepaid Expenses	\$0
Reserve for Inventories	\$14,139
UNRESERVED. Allocated MSRDP Operating Funds	\$33,716,996
TOTAL:	\$41,882,499

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

**SUMMARY OF OPERATIONS
FOR THE YEAR ENDING AUGUST 31, 2000**

Beginning Fund Balance, 9/1/99		\$1,915,068
Gross Charges		\$1,816,098
Less: Refunds (Patients, Insur. Co., Other)	\$21,132	
Un-sponsored Charity Care	\$14,016	
Professional Courtesy	\$6,568	
Contractual Adjustments	\$487,743	
Bad Debt Write-offs	\$50,414	
Other Unreimbursed Medical Costs	\$5 1,752	
Change in Accounts Receivable	\$179,876	
TOTAL LESS		\$811,501
Net Collections		\$1,004,596
Investment Revenues		\$23,416
Other Additions		\$569,767
TOTAL REVENUES AND OTHER ADDITIONS		\$1,597,779
Expenditures and Other Deductions: Faculty Salaries		\$148,177
Staff Salaries		\$334,260
Fringe Benefits		\$122,392
Maintenance and Operations		\$382,834
Travel		\$24,436
Capital Outlay		\$10,512
Official Functions		\$2,567
New Programs		(\$12,578)
TOTAL EXPENDITURES AND OTHER DEDUCTIONS		\$1,012,600
Excess of Revenues and Other Additions over Expenditures and Other Deductions		\$585,178
Ending Fund Balance, 8/31/00		\$2,500,246

NOTE: ENDING FUND BALANCE WAS COMPOSED OF THE FOLLOWING:

UNRESTRICTED: Reserved		
Orders and Contracts		\$22,731
Accounts Receivable		\$572,497
UNRESERVED: Allocated		
FSP Operating Funds		\$1,905,018
TOTAL		\$2,500,246

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

**THE UNIVERSITY OF TEXAS SYSTEM
MSRDP/PRS/DSRDP/AHFSP INFORMATION:
MSRDP/PRS ANNUAL OFFICIAL FUNCTIONS EXCEEDING \$2,500
FOR THE QUARTER ENDING AUGUST 31.2000**

INSTITUTION	Cost	Attendance	Average Expense Per Person
UTSWMC-Dallas	\$0	0	\$0.00
UTMB-Galveston	\$36,649	1,255	\$29.20
UTHSC-Houston	\$118,220	6,110	\$19.35
UTHSC-San Antonio	\$0	0	\$0.00
UTMDACC-Houston	\$15,075	525	\$28.71
UTHC-Tyler	\$0	0	\$0.00
TOTAL	169,944	7,890	\$21.54

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

**THE UNIVERSITY OF TEXAS SYSTEM HEALTH COMPONENT INSTITUTIONS
DENTAL SERVICES RESEARCH AND DEVELOPMENT PLAN
HEALTH SCIENCE CENTER AT SAN ANTONIO**

**SUMMARY OF OPERATIONS
FOR THE YEAR ENDING AUGUST 31, 2000**

Beginning Fund Balance, 9/1/99	\$4,988,812
Gross Charges	\$5,057,571
Less: Refunds to Insurance Carriers for Overpayments	\$0
Un-sponsored Charity Care	\$0
Professional Courtesy	\$0
Contractual Adjustments	\$0
Bad Debt Write-offs	\$0
Other Unreimbursed Medical Costs	\$0
Change in Accounts Receivable	\$0
TOTAL LESS	\$0
Net Collections	\$5,057,571
Investment Revenues	\$194,269
Other Additions	\$2,354
TOTAL REVENUES AND OTHER ADDITIONS	\$5,254,194
Expenditures and Other Deductions: Faculty Salaries	\$365,298
Staff Salaries	\$1,063,470
Fringe Benefits	\$401,752
Maintenance and Operations	\$1,316,216
Travel	\$158,475
Capital Outlay	\$3 12,377
Official Functions	\$68,883
New Programs	\$3 1,282
TOTAL EXPENDITURES AND OTHER DEDUCTIONS	\$3,717,753
Excess of Revenues' and Other Additions over Expenditures and Other Deductions	\$1,536,441
Ending Fund Balance, 08/31/00	\$6,525,253

NOTE: ENDING FUND BALANCE WAS COMPOSED OF THE FOLLOWING:

UNRESTRICTED: Reserved	
Orders and Contracts Outstanding	\$208,416
Accounts Receivable	\$1,389,386
UNRESERVED: Allocated	
DSRDP Operating Funds	\$4,927,451
TOTAL	\$6,525,253

**Prepared By: U.T. System Office of Health Affairs
Source: U.T. Health Science Center at San Antonio**

THE UNIVERSITY OF TEXAS AT ARLINGTON
BOARD OF REGENTS' MEETING
NOVEMBER 16, 2000

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THE UNIVERSITY OF TEXAS AT ARLINGTON
BOARD OF REGENTS' MEETING
NOVEMBER 16, 2000

GIFTS

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

1. Donor Name: Oracle Corporation Academic Initiative*
College/School/ Department: College of Business Administration
Purpose: Classroom instruction and training of students in the College of Business Administration
Asset Type: Software
Value: \$4,039,500

* No letter of transmittal from the donor

THE UNIVERSITY OF TEXAS AT ARLINGTON
 BOARD OF REGENTS' MEETING
 NOVEMBER 16, 2000

AMENDMENTS TO THE 1999-00 BUDGET

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

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

<u>Item, Department, Title, Name</u>	<u>Effective Date</u>	<u>% Time</u>	<u>No. Mos.</u>	<u>Full-time Salary Rate</u>	<u>RBC #</u>
<u>APPOINTMENTS AND PROMOTIONS</u>					
COLLEGE OF BUSINESS ADMINISTRATION					
Accounting					
1. Thomas W. Hall (T)					140
From: Professor		100	09	\$90,651	
To: Professor and Chair	7/10-8/31	74.17	09	90,651	
COLLEGE OF ENGINEERING					
Electrical Engineering					
2. Jack Fitzer (T)					127
From: Professor and Associate Chair		100 SUPLT	09 09	86,500 3,600	
To: Professor	6/01-8/31	100	09	86,500	

THE UNIVERSITY OF TEXAS AT ARLINGTON
 BOARD OF REGENTS' MEETING
 NOVEMBER 16, 2000

AMENDMENTS TO THE 1999-00 BUDGET (Continued)

<u>Item, Department, Title, Name</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate</u>	
COLLEGE OF ENGINEERING					
Electrical (Continued)					
3. Saibun Tjuatja (T)					130
From: Associate Professor		100	09	\$59,400	
To: Associate Professor	6/1-8/31	100	09	59,400	
and Associate Chair	6/1-8/31	SUPLT	03	1,200	
COLLEGE OF LIBERAL ARTS					
Sociology					
4. Robert L. Young (T)					133
From: Professor		100	09	57,114	
To: Professor	9/01-5/31	100	09	57,114	
Interim Chair	7/16-8/31	60	12	57,114	
SCHOOL OF NURSING					
5. Josie L. O'Quinn (T)					132
From: Professor		100	09	53,394	
To: Professor	9/1-5/31	100	09	53,394	
Interim Assistant Dean	6/1-8/31	56.18	12	71,192	

THE UNIVERSITY OF TEXAS AT ARLINGTON
 BOARD OF REGENTS' MEETING
 NOVEMBER 16, 2000

AMENDMENTS TO THE 1999-00 BUDGET (Continued)

<u>Item, Department, Title, Name</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate</u>	
COLLEGE OF SCIENCE					
Mathematics					
6. Doyle L. Hawkins, Jr. (T)					128
From: Associate Professor		100	09	\$53,373	
To: Associate Professor and Associate Chair	6/1-8/31	63.33	03	53,373	
7. Larry F. Heath (T)					129
From: Associate Professor and Associate Chair	6/1-8/31	100	09	63,639	
To: Associate Professor	6/1-8/31	100	09	63,639	

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

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

1. Donor Name: Atlantic Richfield Company
College/School/
Department: General Libraries
Purpose: To enhance library holdings
Asset Type: Collection of technical and legal books
Value: \$5,015,000

THE UNIVERSITY OF TEXAS AT AUSTIN
U. T. BOARD OF REGENTS' MEETING
NOVEMBER 16, 2000

CONTRACTS

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

**GENERAL CONTRACTS
(FUNDS COMING IN)**

1. Agency: Nike USA, Inc.
Funds: \$5,450,000, a base compensation to be paid out annually in 2 equal installment payments on July 1 and January 1 of the Contract Year as follows:
\$750,000 for the 1st contract year;
\$750,000 for the 2nd contract year;
\$750,000 for the 3rd contract year;
\$750,000 for the 4th contract year;
\$750,000 for the 5th contract year;
\$850,000 for the 6th contract year;
\$850,000 for the 7th contract year; and
Provide products with a retail value of not less than:
\$2,305,000 for the 1st contract year;
\$1,500,000 for the 2nd contract year;
\$1,500,000 for the 3rd contract year;
\$1,600,000 for the 4th contract year;
\$1,600,000 for the 5th contract year;
\$1,700,000 for the 6th contract year; and
\$1,700,000 for the 7th contract year
Period: July 1, 2000 through June 20, 2007, with Nike having the option to extend the agreement from July 1, 2007 through June 30, 2009
Description: Grants the right as the exclusive supplier of athletic footwear, apparel, equipment, and accessory products for use by the team members, coaches, and staff of The University of Texas at Austin's athletic programs, with the exception of the men's baseball program.
2. Agency: Texas Department of Transportation
Funds: \$800,000
Period: October 29, 1999 through August 31, 2001
Description: Printing Department will provide reproduction, printing, binding, and related services.

THE UNIVERSITY OF TEXAS AT AUSTIN
U. T. BOARD OF REGENTS' MEETING
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CONTRACTS (Continued)
GENERAL CONTRACTS

(FUNDS COMING IN)

3. Agency: Texas Natural Resource Conservation Commission
Funds: \$2,000,000
Period: June 1, 2000 through August 31, 2001
Description: Marine Science Institute will establish a wetlands area at their site in Port Aransas, Texas to serve as a model marsh for the Gulf of Mexico. It will benefit the environment by providing food and shelter for native fish, shellfish, birds, and mammals, as well as to help control erosion and pollutants.

4. Agency: Department of Defense – Air Force Research Laboratory
Funds: \$550,000
Period: July 13, 2000 – November 12, 2002
Description: U. T. Austin will collaborate with the Air Force Research Laboratory and other participants in the development of agent-based (a very specific type of computer software) system design and operation.

5. Agency: Department of Defense – Naval Air Warfare Center Training Systems Division
Funds: \$874,500
Period: July 7, 1999 – March 31, 2001
Description: Provide technical support for the development of models, tools and methodologies to support testing and communicate results to enhance future systems designs, reduce casualties, and achieve economies in systems development in the Live Fire Test and Evaluation programs.

6. Agency: Office of Naval Research
Naval Sea Systems Command
Funds: \$700,000
Period: April 25, 2000 – December 24, 2000
Description: Develop a high level design specification for a new sound pressure level measurement capability for Office of Naval Intelligence.

THE UNIVERSITY OF TEXAS AT AUSTIN
U. T. BOARD OF REGENTS' MEETING
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CONTRACTS (Continued)
GENERAL CONTRACTS
(FUNDS COMING IN)

7. Agency: Office of Naval Research
Naval Sea Systems Command
Funds: \$550,000
Period: July 27, 2000 – August 26, 2003
Description: Develop a target classification sensor that will discriminate between human and non-human targets.
8. Agency: Texas Department of Protective and Regulatory Services
Funds: \$950,019
Period: September 1, 2000 - August 31, 2000
Description: Continuation of Contract effective 6/1/99 for the purpose of providing educational stipends to student interns who are employed by Child and Protective Services. The stipend covers the actual cost of tuition, fees, and a book allowance.

NON-INTELLECTUAL PROPERTY-RELATED SPONSORED RESEARCH
AGREEMENTS – FOREIGN

9. Country: Brazil
Grantor: Fundação COPPETEC
No.: UTA00-468
New Funds: None
Current Period: August 7, 2000 – August 6, 2005
Title/Description: Collaborative Research Programs of Mutual Benefit and Interest related to the area of petroleum technology
10. Country: Canada
Grantor: Canadian Employment Research Forum
No.: UTA00-305
New Funds: \$2,720.00
Current Period: January 20, 2000 – January 19, 2001
Title/Description: Grant to support research on the influences of a father's involvement with birthing and the outcome on children. The research will be presented as a paper at the conference on Families, Labour Markets and the Well-Being of Children, to be held in Vancouver, British Columbia.

THE UNIVERSITY OF TEXAS AT AUSTIN
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CONTRACTS (Continued)
NON-INTELLECTUAL PROPERTY-RELATED SPONSORED RESEARCH
AGREEMENTS – FOREIGN

(FUNDS COMING IN)

11. Country: China
Grantor: ITRI/UCL
No.: UTA00-471
New Funds: None
Current Period: July 1, 2000 – December 31, 2000
Title/Description: Visiting Scientist – Dr. Tsong-Shin Jean
12. Country: France
Grantor: The Université de Perpignan
No.: UTA00-429
New Funds: None
Current Period: June 12, 2000 – July 15, 2000
Title/Description: Visiting Scientist – Virginie Gaullier
13. Country: France
Grantor: Observatoire Oceanologique de Villefranche sur Mer
No.: UTA00-411
New Funds: None
Current Period: June 12, 2000 – July 15, 2000
Title/Description: Visiting Scientist – Lies Loncke
14. Country: Germany
Grantor: VA Tech Escher Wyss GmbH
No.: UTA00-369
New Funds: \$75,000
Current Period: April 1, 2000 – March 31, 2003
Title/Description: Cavitation Performance of High Speed Propulsors
15. Country: Israel
Grantor: The United States-Israel Binational Science Foundation
No.: 1999369
New Funds: \$22,000
Current Period: September 1, 2000 – August 31, 2001
Title/Description: Transport and Coherence of Ultra Cold Atoms in Optical

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

CONTRACTS (Continued)
NON-INTELLECTUAL PROPERTY-RELATED SPONSORED RESEARCH
AGREEMENTS – FOREIGN

(FUNDS COMING IN)

16. Country: Japan
Grantor: Japan National Oil Corporation
No.: UTA00-440
New Funds: \$100,000
Current Period: May 1, 2000 – April 30, 2001
Title/Description: Well Deliverability in Gas Condensate Reservoirs
17. Country: Japan
Grantor: Japan National Oil Corporation
No.: UTA00-424
New Funds: \$35,000
Current Period: September 1, 1999 through August 31, 2000
Title/Description: Fractured Reservoirs in the Subsurface and in Outcrop
18. Country: Mexico
Grantor: Pemex Exploración y Producción
No.: PEP-SOP-58/2000
New Funds: \$2,765,831
Current Period: May 8, 2000 – December 31, 2001
Title/Description: Distribution of Gas Exploration Plays and Opportunities of the Veracruz and Macuspana Basins to Support Implementation of the Strategic Gas Program
19. Country: Mexico
Grantor: North American Development Bank
No.: NADB PD/PA09-04/00
New Funds: \$25,500
Current Period: June 19, 2000 – October 19, 2000
Title/Description: Study of Effects of Densification on Colonias

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

20. Country: Norway
Grantor: Statoil
No.: 4500195664, Amendment 2
New Funds: \$26,000
Current Period: January 1, 2000 – March 15, 2002
Title/Description: Structural Integrity of Offshore Pipelines
21. Country: Norway
Grantor: Wartsila NSD Norway
No.: UTA00-372
New Funds: \$72,500
Current Period: April 1, 2000 – March 31, 2003
Title/Description: Cavitation Performance of High Speed Propulsors
22. Country: Norway
Grantor: Ulstein Propeller AS
No.: UTA00-370
New Funds: \$75,000
Current Period: April 1, 2000 – March 31, 2003
Title/Description: Cavitation Performance of High Speed Propulsors
23. Country: Singapore
Grantor: Institute of Molecular Agrobiolgy, The National University
of Singapore
No.: UTA00-507
New Funds: None
Current Period: August 18, 2000 – August 17, 2005
Title/Description: Transfer of Biological Material to be used in research involving the use
of human or animal subjector recombinant DNA.
24. Country: South Korea
Grantor: Hyundai Heavy Industries Company, Limited
No.: UTA00-367
New Funds: \$72,500
Current Period: April 1, 2000 – March 31, 2003

THE UNIVERSITY OF TEXAS AT AUSTIN
U. T. BOARD OF REGENTS' MEETING
NOVEMBER 16, 2000

Title/Description: Cavitation Performance of High Speed Propulsors
CONTRACTS (Continued)
NON-INTELLECTUAL PROPERTY-RELATED SPONSORED RESEARCH
AGREEMENTS – FOREIGN

(FUNDS COMING IN)

25. Country: Sweden
Grantor: KAMEWA AB
No.: UTA00-374
New Funds: \$117,500
Current Period: April 1, 2000 – March 31, 2003
Title/Description: Cavitation Performance of High Speed Propulsors
26. Country: Sweden
Grantor: AB Volvo Penta
No.: UTA00-371
New Funds: \$72,500
Current Period: April 1, 2000 – March 31, 2003
Title/Description: Cavitation Performance of High Speed Propulsors
27. Country: United Kingdom
Grantor: Coflexip Stena Offshore Limited
No.: UTA00-450
New Funds: None
Current Period: March 16, 2000 – March 15, 2005
Title/Description: A novation agreement to transfer rights from the original grantor, Coflexip Stena Offshore a.s. to the new grantor, Coflexip Stena Offshore Limited
28. Country: United Kingdom
Grantor: Medical Research Council
No.: UTA00-512
New Funds: None
Current Period: May 29, 2000 – May 28, 2005
Title/Description: The use of biological material to be used to investigate the toxic effects of glutathione conjugates in kidneys.

THE UNIVERSITY OF TEXAS AT AUSTIN
U. T. BOARD OF REGENTS' MEETING
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AFFILIATION AGREEMENTS – NON-STANDARD

The following non-standard affiliation agreements have been administratively approved as to form and content by the Executive Vice Chancellor for Academic Affairs and the Office of General Counsel. The University of Texas at Austin and the other entities will co-sponsor exchange programs in areas of interest and benefit to both institutions to promote interest in teaching and research activities and to deepen the understanding of economic, cultural and social environments of the respective institutions.

1. Facility: The Heart Hospital of Austin
Date: Effective Fall semester 2000
Purpose: The University of Texas at Austin and the Heart Hospital of Austin will co-sponsor a clinical educational experience program established primarily for the benefit of students in the School of Nursing

2. Facility: Children's Medical Center of Dallas
Date: Effective Fall semester 2000
Purpose: The University of Texas at Austin and Children's Medical Center of Dallas will co-sponsor a clinical educational experience program established primarily for the benefit of students in the College of Pharmacy

THE UNIVERSITY OF TEXAS AT AUSTIN
 U. T. BOARD OF REGENTS' MEETING
 NOVEMBER 16, 2000

AMENDMENTS TO THE 1999-00 BUDGET

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

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

<u>Item, Department, Title, Name</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC#</u>
			<u>No. Mos.</u>	<u>Rate</u>	
APPOINTMENTS AND PROMOTIONS					
DEPARTMENT OF PSYCHOLOGY					
1. Caryn L. Carlson (T)					158
From: Associate Professor		100	09	\$58,000	
To: Associate Professor and Sarah M. and Charles E. Seay Professorship in Clinical Psychology	9/1-5/31 1/16-5/31	100 SUPLT	09 09	\$58,000 \$6,000	

TRANSFERS OF FUNDS

DESIGNATED FUNDS

2. Amount of Transfer:	\$	147,280	152
From: Liberal Arts Information Technology Services Fee Account -Instructional Technology Services Operating Income			
To: Liberal Arts Information Technology Services Fee Account - Instructional Technology Services Maintenance, Operation and Equipment			

Transfer of balance forward income to expenditure account for the purpose of purchasing equipment for technology classroom upgrade projects. Existing multi-media auditoriums will be renovated and this transfer will be used only for equipment purchases.

THE UNIVERSITY OF TEXAS AT AUSTIN
 U. T. BOARD OF REGENTS' MEETING
 NOVEMBER 16, 2000

AMENDMENTS TO THE 1999-00 BUDGET (Continued)

TRANSFERS OF FUNDS

RBC#

DESIGNATED FUNDS (Continued)

3.	Amount of Transfer:	\$ 187,200	151
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From: Dean of Natural Sciences - Equipment Fee -
 Chemistry and Biochemistry
 Operating Income

To: Dean of Natural Sciences - Equipment Fee -
 Chemistry and Biochemistry – Maintenance
 Operation, and Equipment

Transfer to expenditure account to equip teaching laboratories for Dr. Shear and Dr. Fjetland. Income from the operating account provided by transfer from the Dean of Natural Sciences Maintenance/Replacement Fee Operating Income account.

4.	Amount of Transfer:	\$ 155,000	160
----	---------------------	------------	-----

From: Dean of Natural Sciences - Biological Sciences -
 Operating Income

To: Dean of Natural Sciences - Biological Sciences -
 Maintenance, Operation, and Equipment

Estimated fee income transferred to expense account to purchase equipment for introductory Biology Teaching Labs.

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

<u>TRANSFERS OF FUNDS</u>		<u>RBC#</u>
DESIGNATED FUNDS (Continued)		
5.	Amount of Transfer:	\$ 100,000 155
	From: Intercollegiate Athletics for Women Soccer Camp - Operating Income	
	To: Intercollegiate Athletics for Women Soccer Camp - Administrative and Professional Salaries	
	Transfer income from camp registration fees to cover salaries for Soccer Camp instructors.	
6.	Amount of Transfer:	\$ 180,745 156
	From: International Office - Student Programs - Operating Income	
	To: International Office - Student Programs - Miscellaneous Expenditures	
	Transfer sponsored student income to the tuition and fees expenditure account. More sponsored students were in the program than expected, thus increasing income and increasing amount payable to Student Accounts Receivable.	
AUXILIARY ENTERPRISE FUNDS		
7.	Amount of Transfer:	\$ 560,000 159
	From: Frank C. Erwin, Jr. Special Events Center - Operating Income	
	To: Frank C. Erwin, Jr. Special Events Center - Other Expenses	
	Transfer from receipts income to expense account to adjust budget to reflect unanticipated income above estimated revenue and allow for processing additional expenses associated with the "Sting" Concert.	

THE UNIVERSITY OF TEXAS AT AUSTIN
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AMENDMENTS TO THE 1999-00 BUDGET (Continued)

TRANSFERS OF FUNDS

RBC#

PLANT FUNDS

8. Amount of Transfer: \$ 359,000 150

From: Applied Research Laboratories -
Fixed Fee Income Maintenance,
Operation, and Equipment

To: Pickle Research Campus -
Applied Research Laboratories
Assembly/Storage Building Construction -
All Expenses

To provide funding to construct a new Assembly/Storage building at
Applied Research Laboratories.

9. Amount of Transfer: \$ 105,000 157

From: Applied Research Laboratories -
Fixed Fee Income Maintenance,
Operation, and Equipment

To: Pickle Research Campus -
Applied Research Laboratories
Assembly/Storage Building Construction -
All Expenses

To provide supplemental funding requested due to bids coming in higher
than expected for construction of an Assembly/Storage building.

THE UNIVERSITY OF TEXAS AT AUSTIN
U. T. BOARD OF REGENTS' MEETING
NOVEMBER 16, 2000

AMENDMENTS TO THE 1999-00 BUDGET (Continued)

TRANSFERS OF FUNDS

RBC#

PLANT FUNDS (Continued)

10. Amount of Transfer: \$ 338,000 153

From: Senior Vice President and Chief Financial Officer -
Loan #5 for Will C. Hogg Building Renovation -
Funding Source - Other Sources

To: Will C. Hogg - First Floor Renovation - All Expenses

To provide supplemental funding requested for furniture, telephone and
data cabling, additional shop work, abatement, and revisions.

11. Amount of Transfer: \$ 133,800 154

From: VPBA - Loan #9 Red McCombs School of Business -
Fifth Floor Renovations - Allocated for Budget

To: Red McCombs School of Business - Classroom
Renovations - Fourth Floor - All Expenses

To provide funding to the Red McCombs School of Business for classroom
renovations.

THE UNIVERSITY OF TEXAS AT AUSTIN
 U. T. BOARD OF REGENTS' MEETING
 NOVEMBER 16, 2000

AMENDMENTS TO THE 2000-01 BUDGET

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

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

<u>Item, Department, Title, Name</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC#</u>
			<u>No. Mos.</u>	<u>Rate</u>	
APPOINTMENTS AND PROMOTIONS					
INSTRUCTION					
COLLEGE OF ENGINEERING					
Aerospace Engineering					
Professor					
1. K. Ravi-Chandar (T)	9/01-5/31	100	09	94,000	002
COLLEGE OF FINE ARTS					
School of Music					
Professor and					
Leslie Waggener Professorship					
In the College of Fine Arts					
2. David P. Neumeyer (T)	9/01-5/31	100	09	74,500	004
	9/01-5/31	SUPLT	09	7,500	
Source of Funds:					
	\$ 74,500	Music			
	<u>7,500</u>	Waggener Professorship			
	\$ <u>82,000</u>	Total Compensation			
Professor					
3. Anton Nel (T)	9/01-5/31	100	09	66,000	005
Associate Professor					
4. Nathaniel O. Brickers (T)	9/01-5/31	100	09	78,000	006

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AMENDMENTS TO THE 2000-01 BUDGET (Continued)

<u>Item, Department, Title, Name</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC#</u>
			<u>No. Mos.</u>	<u>Rate</u>	
COLLEGE OF LIBERAL ARTS					
Center for Asian Studies/Department of Asian Studies					
Professor					
5. Kathryn G. Hansen (T)	9/01-5/31	100	09	80,000	009
Professor					
6. Sumit Ganguly (T)	9/01-5/31	100	09	75,000	010
Professor Emeritus					
7. Jeannette L. Faurot	9/01-5/31				011
Economics					
Professor					
8. Stephen G. Donald (T)	9/01-5/31	100	09	130,000	012
Middle Eastern Language and Culture					
Associate Professor					
9. Mohammad A. Mohammad (T)	9/01-5/31	100	09	58,500	013
GRADUATE SCHOOL OF LIBRARY AND INFORMATION SCIENCE					
Associate Professor					
10. Emilio Zamora (T)	9/01-5/31	100	09	75,000	008
COLLEGE OF NATURAL SCIENCES					
School of Biological Sciences					
Sidney F. and Doris Blake Centennial Professorship					
In Systematic Botany and the Blake Collection Professor Emeritus					
11. Billie L. Turner	9/01-5/31				014

THE UNIVERSITY OF TEXAS AT AUSTIN
 U. T. BOARD OF REGENTS' MEETING
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AMENDMENTS TO THE 2000-01 BUDGET (Continued)

<u>Item, Department, Title, Name</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC#</u>
			<u>No. Mos.</u>	<u>Rate</u>	
COLLEGE OF PHARMACY George H. Hitchings Regents Chair in Drug Design and Professor					
12. Hung-Wen Liu (T)	9/01-5/31	100	09	150,000	016

TRANSFERS OF FUNDS

PLANT FUNDS

13. Amount of Transfer: \$ 410,000 029

From: Senior Vice President and Chief Financial Officer -
Blanton Museum Interest Funds 410,000

To: Blanton Museum Interest Operations -
 Administrative and Professional Salaries 50,000
 Blanton Museum Interest Operations -
 Classified Salaries 85,000
 Blanton Museum Interest Operations -
 Wages 17,000
 Blanton Museum Interest Operations -
 Fringe Benefits 50,000
 Blanton Museum Interest Operations -
 Maintenance, Operation, and
 Equipment 200,000
 Blanton Museum Interest Operations -
 Travel 8,000

To distribute supplemental allocation from Blanton Museum Interest Funds.

THE UNIVERSITY OF TEXAS AT AUSTIN
U. T. BOARD OF REGENTS' MEETING
NOVEMBER 16, 2000

OTHER FISCAL ITEMS

PURCHASE ORDER – MORE THAN \$500,000

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

(FUNDS GOING OUT)

1. Agency: International Business Machines Corporation
Funds: \$723,388
Title/Description: International Business Machines Corporation will lease to Administrative Computing Services the use of OS/390 V2 base software to run on an Amdahl GS-7Z5 computer

THE UNIVERSITY OF TEXAS AT AUSTIN
 U. T. BOARD OF REGENTS' MEETING
 NOVEMBER 16, 2000

SMALL CLASS REPORT

Fall 1999 and Spring 2000

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

Organized Undergraduate Classes with
 Fewer than 10 Enrolled Students

Primary Reasons For Teaching	Fall	Spring	Total
A. Required for Graduation	90	68	158
B. To keep proper sequence	27	87	114
C. New Program	0	0	0
D. Cross listed	18	25	43
E. First time offered	2	3	5
F. Accreditation or licensing standard	8	11	19
G. Facilities limited	0	0	0
Subtotal	145	194	339
H. Voluntarily offered	14	18	32
Total	159	212	371

THE UNIVERSITY OF TEXAS AT AUSTIN
 U. T. BOARD OF REGENTS' MEETING
 NOVEMBER 16, 2000

SMALL CLASS REPORT (Continued)

Organized Graduate Classes with
 Fewer than 5 Enrolled Students

Primary Reasons For Teaching	Fall	Spring	Total
A. Required for Graduation	24	20	44
B. To keep proper sequence	2	11	13
C. New Program	0	0	0
D. Cross listed	42	53	95
E. First time offered	0	0	0
F. Accreditation or licensing standard	36	25	61
G. Facilities limited	0	0	0
Subtotal	104	109	213
H. Voluntarily offered	0	0	0
Total	104	109	213

THE UNIVERSITY OF TEXAS AT AUSTIN
U. T. BOARD OF REGENTS' MEETING
NOVEMBER 16, 2000

OTHER MATTERS

APPROVAL OF DUAL POSITIONS OF HONOR, TRUST, OR PROFIT

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

1. Name: Dr. Edwin Dorn
 Title: Dean, Lyndon B. Johnson School of Public Affairs
 Position: Appointment as Member of the U.S. Agency for International
 Development's Advisory Committee on Voluntary Foreign Aid
 Period: March 2000 through December 31, 2002
 Compensation: None
 Description: In March 2000, U.S. Agency for International Development
 Administrator, J. Brady Anderson, named Dean Dorn as a
 member of the Advisory Committee on Voluntary Foreign Aid. The
 Advisory Committee members consult with, provide information to,
 and advise the U.S. Agency for International Development and
 other U.S. government agencies on development issues relating to
 foreign assistance involving private voluntary organizations.

THE UNIVERSITY OF TEXAS AT BROWNSVILLE
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AMENDMENTS TO THE 1999-00 BUDGET

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

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

<u>Item, Department, Title, Name</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate</u>	
<u>APPOINTMENTS AND PROMOTIONS</u>					
COLLEGE OF SCIENCE, MATH & TECHNOLOGY					
Biology					
1. Alfredo Munoz (T)					12
From: Associate Professor		100	09	47,797	
To: Associate Professor/ Chairperson	01/01-05/31 01/01-05/31	100 SUPLT	09 09	47,797 8,000	
Industrial Technology					
2. John P. Wade (T)					21
From: Assistant Professor		100	09	39,389	
To: Interim Associate VP for Academic Affairs Assistant Professor	08/01-08/31 09/01-05/31	100 0	12 09	70,000 39,389	

THE UNIVERSITY OF TEXAS AT BROWNSVILLE
 U. T. BOARD OF REGENTS' MEETING
 NOVEMBER 16, 2000

AMENDMENTS TO THE 1999-00 BUDGET (Continued)

<u>Item, Department, Title, Name</u>	<u>Effective</u>	<u>%</u>	<u>Full-time Salary</u>		<u>RBC #</u>
	<u>Date</u>	<u>Time</u>	<u>No.</u>	<u>Rate</u>	
			<u>Mos.</u>		
COLLEGE OF LIBERAL ARTS					
Dean of Liberal Arts					
3. Farhat M. Iftekharruddin (T)					20
From: Interim Dean/	09/01-08/31	100	12	81,370	
Associate Professor	09/01-05/31	100	09	44,118	
To: Dean/	09/01-08/31	100	12	87,000	
Associate Professor	09/01-05/31	100	09	44,118	
SCHOOL OF EDUCATION					
Curriculum and Instruction/Graduate Studies					
4. Dianne K. Johnson					19
From: Professor		100	09	48,769	
To: Professor/	09/01-05/31	100	09	48,769	
Program Advisor	09/01-05/31	SUPLT	04	5,216	
<u>TRANSFERS OF FUNDS</u>					<u>RBC #</u>
BUSINESS AFFAIRS					
5. Amount of Transfer		\$510,879			22
From: Texas Higher Education Coordinating Board					
To: Higher Education Assistance Fund					

The new total amount for Higher Education Assistance Fund is \$1,561,459
 For FY 2000

THE UNIVERSITY OF TEXAS AT DALLAS
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THE UNIVERSITY OF TEXAS AT DALLAS
BOARD OF REGENTS' MEETING
NOVEMBER 16, 2000

GIFTS

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

1. Donor Name: The Eugene McDermott Foundation
College/School/ Department: Eugene McDermott Library
Purpose: Support the completion of the Eugene McDermott Library Renovation
Asset Type: Cash
Value: \$1,000,000

THE UNIVERSITY OF TEXAS AT DALLAS
 BOARD OF REGENTS' MEETING
 NOVEMBER 16, 2000

AMENDMENTS TO THE 1999-00 BUDGET

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

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

<u>Item, Department, Title, Name</u>	<u>Effective</u> <u>Date</u>	<u>%</u> <u>Time</u>	<u>No.</u> <u>Mos.</u>	<u>Full-time</u> <u>Salary</u> <u>Rate</u>	<u>RBC #</u>
<u>APPOINTMENTS AND PROMOTIONS</u>					
SOCIAL SCIENCES					
Professor					
1. Kimberly Kempf-Leonard (T)	08/01-08/31	100	09	72,000	31

TRANSFERS OF FUNDS

GENERAL REVENUE

Financial Aid

2. Amount of Transfer	\$19,697			32
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From: Texas Grants

To: The Texas Higher Education Coordinating Board

Return unused grant funds to The Texas Higher Education Coordinating Board for the Texas Grants account to reflect the amount of the actual award.

THE UNIVERSITY OF TEXAS AT DALLAS
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AMENDMENTS TO THE 1999-00 BUDGET (Continued)

TRANSFERS OF FUNDS RBC #

ADVANCED RESEARCH AND ADVANCED TECHNOLOGY PROGRAMS
 School of Human Development and School of Natural Sciences and Mathematics

3. Amount of Transfer: \$16,200 34

From: The Texas Higher Education Coordinating Board

To: Advanced Research Program Grants for:

Dr. Balkus	\$8,100
Dr. Granott	\$8,100
Total	<u>\$16,200</u>

This adjustment is to record the awards by The Texas Higher Education Coordinating Board.

School of Natural Sciences and Mathematics

4. Amount of Transfer \$7,200 35

From: The Texas Higher Education Coordinating Board

To: Advanced Technology Program Grant for Dr. Melton

To record receipt of TATP award for Dr. Melton

EDUCATIONAL AND GENERAL

5. Amount of Transfer \$800,000 33

From: Unappropriated Balance

To: Designated Tuition

This is to reduce the transfer from Designated and use Unappropriated Balance to balance budget.

AMENDMENTS TO THE 2000-01 BUDGET

THE UNIVERSITY OF TEXAS AT DALLAS
 BOARD OF REGENTS' MEETING
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The following Requests for Budget Changes (RBC's) have been administratively approved as required by the Executive Vice Chancellor for Academic Affairs and are recommended for ratification by the U. T. Board of Regents.

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

<u>Item, Department, Title, Name</u>	<u>Effective Date</u>	<u>% Time</u>	<u>No. Mos.</u>	<u>Full-time Salary Rate</u>	<u>RBC #</u>
<u>APPOINTMENTS AND PROMOTIONS</u>					
ERIK JONSSON SCHOOL OF ENGINEERING AND COMPUTER SCIENCE					
Computer Science					
Professor					
1. Hsing-Mean Sha (T)	09/01-05/31	100	09	91,000	1
Associate Professor					
2. Yi Deng (T)	09/01-05/31	100	09	100,000	2
3. Gopal Gupta	09/01-05/31	100	09	84,000	3
Microelectronics					
Associate Professor					
4. Dinesh K. Bhatia	09/01-05/31	100	09	80,500	4

THE UNIVERSITY OF TEXAS AT DALLAS
 BOARD OF REGENTS' MEETING
 NOVEMBER 16, 2000

PARKING AND TRAFFIC REGULATIONS

PARKING PERMIT AND/OR ENFORCEMENT FEES

Ratification is recommended for the following parking permit and enforcement fees to be effective beginning with Fall Semester 2001. The fees have been administratively approved by Executive Vice Chancellor for Academic Affairs.

Following Regental approval, the appropriate component catalog will be amended to reflect these new fees.

Parking Permit Fees (Annual)

	<u>Current Rates</u>	<u>Proposed Rates</u>	<u>Percent Increase</u>
<u>Student Permit Classifications</u>			
Waterview Apartments Only Decal	\$0.00	\$20.00	n/a
Green Decal with Waterview Access	\$50.00	\$70.00	40.00%

NOTE: Annual parking permit fees may be prorated for permits purchased for spring semester/summer session or for summer session only and refunds may be made for fall semester enrollment/employment only.

Parking Enforcement Fees

	<u>Current Rates</u>	<u>Proposed Rates</u>	<u>Percent Increase</u>
Class A - Code 101 - Parking without a permit or parking in an area not corresponding to the permit color for the Waterview-only Parking Decal.	\$20.00	\$30.00	50.00%

THE UNIVERSITY OF TEXAS AT EL PASO
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THE UNIVERSITY OF TEXAS AT EL PASO
U. T. BOARD OF REGENTS' MEETING
NOVEMBER 16, 2000

GIFTS

The following gift has been received, has been administratively approved by the President, and is recommended for approval by the U. T. Board of Regents.

1. Donor Name: Southwestern Bell Foundation
College/School/ Department: College of Business Administration and College of Engineering
Purpose: To support two (2) chairs at the graduate level in the Colleges of Business Administration and Engineering for the development of a new interdisciplinary master's degree in Information Technology. In addition, the grant will create the Southwestern Bell Scholars Program to provide support to graduate students in the Colleges of Business Administration and Engineering with focus on Telecommunications and Information Technology.
Asset Type: Cash Pledge
Value: \$500,000 to be payable over five (5) years (2000-2004) at \$100,000 per year.

THE UNIVERSITY OF TEXAS AT EL PASO
U. T. BOARD OF REGENTS' MEETING
NOVEMBER 16, 2000

OTHER MATTERS

APPROVAL OF DUAL POSITIONS OF HONOR, TRUST, OR PROFIT

The following items have been approved by the Executive Vice Chancellor for Academic Affairs in accordance with the Regents' Rules and Regulations, Part One, Chapter III, Section 13 and are submitted for ratification by the U. T. Board of Regents. It has been determined that the holding of these offices or positions is of benefit to the State of Texas and The University of Texas at El Paso and there is no conflict between holding the positions and Dr. Natalicio's and Dr. Castiglia's appointments with The University of Texas System.

1. Name: Patricia T. Castiglia
Title: Professor/Dean, College of Health Sciences
Position: Appointment to the Texas Cancer Council
Period: June 2000 through February 1, 2006
Compensation: None
Description: In June 2000 Governor George W. Bush appointed Dr. Patricia T. Castiglia to the Texas Cancer Council. The Texas Senate confirmed the appointment during the 76th Regular Session of the Texas Legislature. The Texas Cancer Council brings attention to the treatment and control of cancer.

2. Name: Diana S. Natalicio
Title: President
Position: Appointment to the National Science Foundation Board
Period: September 2000 through September 2006
Compensation: None
Description: In September President William Clinton re-appointed Dr. Natalicio to the National Science Foundation Board. The U. S. Senate confirmed the appointment. The National Science Foundation, an independent U.S. government agency, is responsible for promoting science and engineering programs. Dr. Natalicio has served on the Board since 1995.

THE UNIVERSITY OF TEXAS – PAN AMERICAN
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AMENDMENTS TO THE 2000-01 BUDGET

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

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

<u>Item, Department, Title, Name</u>	<u>Effective Date</u>	<u>% Time</u>	<u>No. Mos.</u>	<u>Full-time Salary Rate</u>	<u>RBC #</u>
<u>APPOINTMENTS AND PROMOTIONS</u>					
COLLEGE OF BUSINESS ADMINISTRATION					
Dean for the College of Business Administration and Professor					
1. Avraham Shama (T)	07/10/00	100	12	129,000	27
	07/10/00	0	09	104,000	
2. George P. Avellano (T)					28
From: Interim Dean		50	12	102,000	
Associate Vice President Academic Affairs/Graduate Program and Research Professor		50	12	91,250	
		0	09	65,000	
To: Associate Vice President Academic Affairs/Graduate Program and Research Professor	07/10/00	100	12	91,250	
	07/10/00	0	09	65,000	

Source of Funds:
\$95,834.64 - Academic Services

THE UNIVERSITY OF TEXAS – PAN AMERICAN
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OTHER FISCAL ITEMS

EMPLOYMENT AGREEMENTS

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

1. Item: Assistant Women's Basketball Coach
Funds: \$18,353.15
Period: July 7, 2000 through March 31, 2001
Description: Agreement for employment of Assistant Women's Basketball Coach, Ronda Hubbard, for the above-designated period following the standard coach's employment contract prepared by the Office of General Counsel.

2. Item: Assistant Women's Basketball Coach
Funds: \$22,023.81
Period: July 7, 2000 through March 31, 2001
Description: Agreement for employment of Assistant Women's Basketball Coach, Carol Russell, for the above-designated period following the standard coach's employment contract prepared by the Office of General Counsel.

THE UNIVERSITY OF TEXAS OF THE PERMIAN BASIN
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THE UNIVERSITY OF TEXAS OF THE PERMIAN BASIN
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**APPOINTMENT, REAPPOINTMENT OR PROMOTION OF RELATIVES
AND MARRIAGE OF CERTAIN EMPLOYEES**

The following personnel action involving the appointment of relatives has been administratively approved by the Executive Vice Chancellor for Academic Affairs. The personnel action is consistent with the provisions of state law and the Regents' Rules and Regulations Part One, Chapter III, Section 5, Subsection 5.3, Subdivision 5.31.

College, Department, Title, Name

College, Department, Title, Name

PROPOSED APPOINTMENT

RELATIVE

1. Library
Director
Charlene Shults

Library
Professional Librarian
Terrance Shults (husband)

THE UNIVERSITY OF TEXAS AT SAN ANTONIO
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THE UNIVERSITY OF TEXAS AT SAN ANTONIO
U. T. BOARD OF REGENTS' MEETING
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AFFILIATION AGREEMENTS – NON-STANDARD

The following non-standard affiliation agreement has been administratively approved as to form and content by the Executive Vice Chancellor for Academic Affairs and the Office of General Counsel.

1. Facility: The University of Texas at San Antonio
Date: Effective September 5, 2000
Purpose: Collaboration with The University of Texas at San Antonio, the Texas A&M University System, and Texas Transportation Institute to deliver education and training in transportation to the San Antonio region.

THE UNIVERSITY OF TEXAS AT SAN ANTONIO
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AMENDMENTS TO THE 2000-01 BUDGET

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

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

<u>Item, Department, Title, Name</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate</u>	
<u>APPOINTMENTS AND PROMOTIONS</u>					
COLLEGE OF BUSINESS					
Dean					
1. Bruce Bublitz (T)	9/1-8/31	100	12	145,000	001
COLLEGE OF SCIENCES					
Dean					
2. William Scouten (T)	9/1-8/31	100	12	136,500	008
COLLEGE OF LIBERAL AND FINE ARTS					
School of Architecture					
Professor and Director					
3. Julius Gribou (T)	9/1-5/31	100	9	93,000	002
	9/1-8/31	0	12	124,000	
Division of English, Classics, Philosophy, and Communication					
Professor					
4. Norma Cantu (T)	9/1-5/31	100	9	79,000	003

THE UNIVERSITY OF TEXAS AT SAN ANTONIO
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AMENDMENTS TO THE 2000-01 BUDGET (Continued)

<u>Item, Department, Title, Name</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate</u>	
<u>APPOINTMENTS AND PROMOTIONS</u>					
COLLEGE OF LIBERAL AND FINE ARTS (Continued)					
Division of English, Classics, Philosophy and Communication					
Associate Professor					
5. Bill Mullen (T)	9/1-5/31	100	9	55,000	004
COLLEGE OF EDUCATION AND HUMAN DEVELOPMENT					
Division of Education					
Associate Professor					
6. Betty Merchant (T)	9/1-5/31	100	9	67,500	005
Associate Professor					
7. David Thompson (T)	9/1-5/31	100	9	67,500	006
COLLEGE OF ENGINEERING					
Division of Engineering					
Associate Professor					
8. Fred Hudson (T)	9/1-5/31	100	9	65,000	007
9. Parimal Patel (T)					009
From: Associate Professor		100	9	73,400	
To: Professor	9/1-5/31	100	9	78,400	

THE UNIVERSITY OF TEXAS AT SAN ANTONIO
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OTHER FISCAL ITEMS

EMPLOYMENT AGREEMENTS

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

1. Item: Assistant Women's Basketball Coach
Funds: \$40,000 annually
Period: June 1, 2000 through March 31, 2001
Description: Agreement for employment of Assistant Women's Basketball Coach, Todd Clark, for the above-designated period following the standard coach's employment contract prepared by the Office of General Counsel.

2. Item: Assistant Women's Basketball Coach
Funds: \$30,000
Period: June 28, 2000 through March 31, 2001
Description: Agreement for employment of Assistant Women's Basketball Coach, Amy M. Gusso, for the above-designated period following the standard coach's employment contract prepared by the Office of General Counsel.

THE UNIVERSITY OF TEXAS AT SAN ANTONIO
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OTHER FISCAL ITEMS

EMPLOYMENT AGREEMENTS (continued)

3. Item: Assistant Men's Basketball Coach
- Funds: \$15,000
- Period: July 10, 2000 through March 31, 2001
- Description: Agreement for employment of Assistant Men's Basketball Coach, Brett Weiberg, for the above-designated period following the standard coach's employment contract prepared by the Office of General Counsel.

THE UNIVERSITY OF TEXAS AT TYLER
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THE UNIVERSITY OF TEXAS AT TYLER
 U. T. BOARD OF REGENTS' MEETING
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AMENDMENTS TO THE 2000-01 BUDGET

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

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

<u>Item, Department, Title, Name</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate</u>	
<u>APPOINTMENTS AND PROMOTIONS</u>					
College of Sciences and Mathematics					
Department of Biology					
1. Neil Ford (T)					01
From: Professor		100	09	58,365	
To: Mary John and Ralph Spence					
Distinguished Professorship	9/1-5/31	100	09	58,365	
and Professor	9/1-5/31	SUPLT	09	5,000	
Department of Computer Science					
2. John Burch (T)					02
From: Professor		100	09	65,000	
To: Sam A. Lindsey Chair					
and Professor	9/1-5/31	100	09	65,000	
	9/1-5/31	SUPLT	09	7,500	

AMENDMENTS TO THE 2000-01 BUDGET (Continued)

THE UNIVERSITY OF TEXAS AT TYLER
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 NOVEMBER 16, 2000

<u>Item, Department, Title, Name</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate</u>	
<u>APPOINTMENTS AND PROMOTIONS</u>					
College of Liberal Arts					
Department of Social Sciences					
3. Greg Orvis (T)					03
From: Associate Professor		100	09	44,082	
To: Bart Brooks					
Professorship of Ethics and Leadership and	9/1-5/31	100	09	44,082	
Associate Professor	9/1-5/31	SUPLT	09	5,000	
College of Education and Psychology					
Department of Technology					
4. Paul Roberts (T)					04
From: Associate Professor		100	09	43,988	
To: Jack and Dorothy Fay White					
Fellowship for Teaching Excellence and	9/1-5/31	100	09	43,988	
Associate Professor	9/1-5/31	SUPLT	09	2,400	

THE UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL CENTER AT DALLAS
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THE UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL CENTER AT DALLAS
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GIFTS

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

1. Donor Name: Anonymous Donor Fund of Communities Foundation of Texas, Inc.
College/School/ Department: Institution
Purpose: One year's support of the Alliance for Cellular Signaling program
Asset Type: Cash
Value: \$625,000

2. Donor Name: Harold C. Simmons
College/School/ Department: Institution
Purpose: To support research activities
Asset Type: 97.97% Limited Partnership Interest in Contran 1999A LP, a Texas limited partnership
Value: \$12,023,991

3. Donor Name: Howard Hughes Medical Institute
College/School/ Department: Institution
Purpose: Support for the construction of two contiguous floors of the Research Building "ND" on the North Campus
Asset Type: Cash
Value: \$20,000,000

4. Donor Name: Kent Waldrep National Paralysis Foundation*
College/School/ Department: Institution
Purpose: Support of the Kent Waldrep Center for Basic Research on Nerve Growth and Regeneration
Asset Type: Cash
Value: \$751,849.68

* No letter of transmittal from the donor

THE UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL CENTER AT DALLAS
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CONTRACTS

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

**NON-INTELLECTUAL PROPERTY-RELATED
SPONSORED RESEARCH AGREEMENTS - FOREIGN**

(FUNDS COMING IN)

1. Country: Canada
Grantor: QLT PhotoTherapeutics Inc.
No.: Clinical Trial Agreement PHO BAR 01
New Funds: \$8,906.25
Current Period: Beginning June 1, 1998 and to be completed no later than five (5) years thereafter
Title/Description: Support for the study entitled, "A Multicenter, Partially Blinded, Randomized Phase 3 Study of the Efficacy and Safety of Photodynamic Therapy using PHOTOFRIN® (porfimer sodium) for Injection for the Ablation of High-grade Dysplasia in Barrett's Esophagus" under the direction of J. Steven Burdick, M.D., Department of Internal Medicine.

2. Country: Canada
Grantor: QLT PhotoTherapeutics Inc.
No.: Clinical Trial Agreement PHO BAR 01
New Funds: \$5,165.63
Current Period: Beginning June 1, 1998 and to be completed no later than five (5) years thereafter
Title/Description: Support for the study entitled, "A Multicenter, Partially Blinded, Randomized Phase 3 Study of the Efficacy and Safety of Photodynamic Therapy using PHOTOFRIN® (porfimer sodium) for Injection for the Ablation of High-grade Dysplasia in Barrett's Esophagus" under the direction of J. Steven Burdick, M.D., Department of Internal Medicine.

THE UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL CENTER AT DALLAS
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CONTRACTS (Continued)
NON-INTELLECTUAL PROPERTY-RELATED
SPONSORED RESEARCH AGREEMENTS - FOREIGN (Continued)

(FUNDS COMING IN) (Continued)

3. Country: France
Grantor: Laboratoires UPSA
No.: Clinical Trial Agreement RC 206 3 111
New Funds: \$258,000
Current Period: Beginning November 1, 1998 and shall continue until the completion of the study
Title/Description: Support for the study entitled, "A Phase III, Randomized, Double-Blind, Placebo-Controlled Study of the Analgesic Efficacy and Safety of Single and Repeated I.V. Administration of 2G Propacetamol and 15/30 MG Ketorolac for Postoperative Pain Relief After Total Hip or Knee Replacement" under the direction of Paul F. White, Ph.D., M.D., Department of Anesthesiology and Pain Management.

**INTELLECTUAL PROPERTY AGREEMENTS –
SPONSORED RESEARCH AGREEMENT**

(FUNDS COMING IN)

4. Grantor: Eli Lilly and Company
New Funds: \$3,125,000 (\$500,000 per year for direct costs, plus indirect costs at the rate of 25%, for an annual total of \$625,000, for a period of five (5) years)
Current Period: September 1, 2000 - August 31, 2005.
Title/Description: Alliance for Cellular Signaling

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CONTRACTS (Continued)
INTELLECTUAL PROPERTY AGREEMENTS –
PATENT LICENSE AGREEMENT – FOREIGN

(FUNDS COMING IN)

5. Licensee: Taisho Pharmaceutical Co., Ltd.
Tokyo, Japan
- Fee-Royalty: A non-refundable license documentation fee in the amount of \$250,000; a minimum yearly royalty of \$25,000 due and payable on January 31 of each year beginning January 31, 2004 through January 31, 2008; a minimum yearly royalty of \$100,000 due and payable on January 31 of each year beginning January 31, 2009 and continuing throughout the term of this Agreement, and creditable against royalties due for the respective year; a running royalty equal to 3.5% of Net Sales for Licensed Products; a sublicense fee of 20% of all consideration, other than research and development money; a milestone payment of \$150,000, due and payable within 30 days of initiation of the first phase I clinical trial for a Licensed Product; a milestone payment of \$500,000, due and payable within 30 days of the first regulatory approval of a Licensed Product in either the United States, Australia, Canada, or any European country; a milestone payment of \$250,000, due and payable within 30 days of the first regulatory approval of a Licensed Product in a second country of the group listed above.
- Period: The term of this Agreement is on a country by country basis, from the Effective Date (August 23, 2000) to the full end of the term or terms of which Patent Rights have not expired (regardless of the existence of Technology Rights at the full end of such term or terms) or, if only Technology Rights are licensed and no Patent Rights are applicable in a specific country, then the term of this Agreement in such country is for 16 years from the Effective Date.

THE UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL CENTER AT DALLAS
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CONTRACTS (Continued)
INTELLECTUAL PROPERTY AGREEMENTS –
PATENT LICENSE AGREEMENT – FOREIGN (Continued)

(FUNDS COMING IN) (Continued)

Summary of License

Provisions:

Licensors (Intellectual Property is jointly owned by the U. T. System Board of Regents, University of Vermont and New York Medical College) hereby grant to Licensee a worldwide, royalty-bearing, exclusive license with a right to sublicense under Licensed Subject Matter to conduct research and development, manufacture, have manufactured, use and/or Sell Licensed Products for use within Field.

Description of

Licensed Product(s):

Any product or service comprising 16-hydroxyeicosatetraenoic acid (16-HETE) and/or 16-HETE analogs for use in cardiovascular and central nervous system applications including, but not limited to traumatic brain injury and stroke, and anti-inflammatory, antiallergic and immunological applications including, but not limited to, asthma.

INTELLECTUAL PROPERTY AGREEMENTS –
MATERIAL TRANSFER AGREEMENTS - FOREIGN

6. Agency: Erasmus University Rotterdam
The Netherlands
Funds: Material Transfer Agreement
Period: Beginning July 27, 2000
Description: Transfer of a mouse strain containing the Δ F508CFTR mutant exon and flanking introns to Philip J. Thomas, Ph.D., Department of Physiology, to study CFTR Δ F508 folding and function in transgenic mice.

THE UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL CENTER AT DALLAS
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CONTRACTS (Continued)
INTELLECTUAL PROPERTY AGREEMENTS –
MATERIAL TRANSFER AGREEMENTS – FOREIGN (Continued)

7. Agency: German Cancer Research Center
Germany
Funds: Material Transfer Agreement
Period: Beginning August 23, 2000
Description: Transfer of yeast strain KF-1 and peptide aptamer expression library to Michael A. White, Ph.D., Department of Cell Biology, to further the goals of collaborative projects.
8. Agency: Istituto Di Ricerche Di Biologia Molecolare P. Angeletti
Italy
Funds: Material Transfer Agreement
Period: Beginning June 27, 2000
Description: Transfer of 10 ug HCV replicon cDNA and 1 vial HuH-7 cells stably transfected with HCV subgenomic replicon to Michael Gale, Jr., M.D., Department of Microbiology, to study the characterization of the interactions between HCV replication, PKR, and cellular control of translation.
9. Agency: Kazusa DNA Research Institute
Japan
Funds: Material Transfer Agreement
Period: Beginning August 6, 2000
Description: Transfer of KIAA0248, KIAA0522, KIAA0763, and KIAA1110 human cDNA clones to Michael Roth, Ph.D., Department of Biochemistry, to investigate the location and function of guanine nucleotide exchange factors for ARF proteins.

THE UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL CENTER AT DALLAS
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CONTRACTS (Continued)
INTELLECTUAL PROPERTY AGREEMENTS –
MATERIAL TRANSFER AGREEMENTS – FOREIGN (Continued)

10. Agency: Medical Research Council
United Kingdom
Funds: Material Transfer Agreement
Period: Beginning June 7, 2000
Description: Transfer of Agar containing *Escherichia coli* ANCC75 harbouring plasmid pSN5182/7 with the mutated *phoS* gene (A197C) to Elliott Ross, Ph.D., Department of Pharmacology, to explore the phosphate binding protein mutant A197C in the context of work examining the GTPase activity of heterotrimeric Gs.
11. Agency: The Université de Montréal
Canada
Funds: Material Transfer Agreement
Period: Beginning March 22, 2000
Description: Transfer of pBluescript SK+zip-DHFR[1,2] and pBluescript SK+zip-DHFR[3] plasmids to Michael A. White, Ph.D., Department of Cell Biology, to display in vivo interactions between Ras Effector Mutants and compensating mutations in Ras Target Proteins.
12. Agency: University of Erlangen
Germany
Funds: Material Transfer Agreement
Period: Beginning August 29, 2000
Description: Transfer of biological material named rtTA^S-M2 to Eric J. Nestler, M.D., Department of Psychiatry, for research related to the tet regulatory system.

THE UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL CENTER AT DALLAS
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CONTRACTS (Continued)
INTELLECTUAL PROPERTY AGREEMENTS –
MATERIAL TRANSFER AGREEMENTS – FOREIGN (Continued)

13. Agency: Institut de Cardiologie de Montréal
Canada
Funds: Material Transfer Agreement
Period: Beginning September 1, 2000
Description: Transfer of ApoB;LDLR-/- mice, which were developed by Helen Hobbs, M.D., Department of Internal Medicine, together with any purebred progeny and descendants thereof, and any related biological material or associated know-how and data that will be provided by The University of Texas Southwestern Medical Center at Dallas to study the vascular endothelial function in atherosclerosis.
14. Agency: Monash University
Australia
Funds: Material Transfer Agreement
Period: Beginning August 22, 2000
Description: Transfer of Haemophilus influenzae type b strains DL302, DL302.42, DL302.42(pGJ300), DL302.42(pGJ342) and plasmid pGJ300, which were developed by Eric Hansen, Ph.D., Department of Microbiology, together with any related biological material or associated know-how and data that will be provided by The University of Texas Southwestern Medical Center at Dallas to study the function of iron-binding proteins of Pasteurella multocida. The H. influenzae strains will be used as recipients for P. multocida genes to attempt to complement their specific mutations. The plasmid is required as a shuttle vector.

THE UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL CENTER AT DALLAS
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CONTRACTS (Continued)
INTELLECTUAL PROPERTY AGREEMENTS -
MATERIAL TRANSFER AGREEMENTS – FOREIGN (Continued)

15. Agency: Universidad de Cantabria
Spain
Funds: Material Transfer Agreement
Period: Beginning August 24, 2000
Description: Transfer of dHAND+/- mice, which were developed by Deepak Srivastava, M.D., Department of Pediatrics, together with any related biological material or associated know-how and data that will be provided by The University of Texas Southwestern Medical Center at Dallas to study the limb buds of the mutant mice in order to analyze the pattern of expression of genes implicated in the establishment of the anterior-posterior polarization of the bud trying to elucidate the function of dHAND.
16. Agency: University of Helsinki
Finland
Funds: Material Transfer Agreement
Period: Beginning June 22, 2000
Description: Transfer of Smad3 knockout mice, which were developed by Jonathan Graff, M.D., Ph.D., Department of Development Biology, together with any related biological material or associated know-how and data that will be provided by The University of Texas Southwestern Medical Center at Dallas to be crossed with Lkb1 mice for research purposes.

THE UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL CENTER AT DALLAS
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CONTRACTS (Continued)
INTELLECTUAL PROPERTY AGREEMENTS - GRANTS

(FUNDS COMING IN)

17. Agency: National Institutes of Health
National Institute of General Medical Sciences
Funds: \$589,761
Period: July 1, 2000 through June 30, 2001
Description: Grant # 5 T32 GM08014-19 entitled "Medical Scientist Training Program at UT Southwestern"
18. Agency: National Institutes of Health
National Heart, Lung and Blood Institute
Funds: \$4,152,487
Period: July 1, 2000 through June 30, 2001
Description: Grant # 5 P01 HL20948-24 entitled "Molecular Basis of Cholesterol Metabolism"
19. Agency: National Institutes of Health
National Cancer Institute
Funds: \$625,769
Period: July 4, 2000 through April 30, 2001
Description: Grant # 4 R33 CA81656-02 entitled "Software and Instrumentation to Identify Cancer Genes"

THE UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL CENTER AT DALLAS
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NOVEMBER 16, 2000

AFFILIATION AGREEMENTS – NON-STANDARD

The following non-standard affiliation agreement has been administratively approved as to form and content by the Executive Vice Chancellor for Health Affairs and the Office of General Counsel. The University of Texas Southwestern Medical Center at Dallas and the other entity will co-sponsor exchange programs in areas of interest and benefit to both institutions to promote interest in teaching and research activities and to deepen the understanding of economic, cultural and social environments of the respective institutions.

1. Facility: Children's Medical Center of Dallas
Date: Effective October 1, 2000
Purpose: The University of Texas Southwestern Medical Center at Dallas and the Children's Medical Center of Dallas will co-sponsor health care education experience programs established primarily to improve the health of children in North Texas through excellence in clinical care, the training of high quality physicians, research to advance the medical care of children, and advocacy on behalf of health and safety issues affecting children.

THE UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL CENTER AT DALLAS
 U. T. BOARD OF REGENTS' MEETING
 NOVEMBER 16, 2000

AMENDMENTS TO THE 1999-00 BUDGET

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

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

<u>Item, Department, Title, Name</u>	<u>Effective Date</u>	<u>% Time</u>	<u>No. Mos.</u>	<u>Full-time Salary Rate</u>	<u>RBC #</u>
<u>APPOINTMENTS AND PROMOTIONS</u>					
SOUTHWESTERN MEDICAL SCHOOL					
Internal Medicine					
1. Richard A. Koup (T)					40
From: Professor of Internal Medicine, and Holder of Jay P. Sanford Professorship in Infectious Diseases		100	12	171,400	
To: Professor of Internal Medicine, Holder of Jay P. Sanford Professorship in Infectious Diseases, and Dr. Carey G. King Jr. and Dr. Henry M. Winans, Sr. Chair in Internal Medicine	5/23	100	12	171,400	

Source of Funds:

- \$ 2,729 - State Funds – Internal Medicine
- 36,000 - State Funds – Molecular Microbiology Graduate Program
- 10,000 - Research Centers of Excellence – Internal Medicine
- 12,590 - University of California/San Diego
- 12,500 - NIH 5-R01-AI42397-04
- 12,590 - NIH 1-R01-AI47603-01

THE UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL CENTER AT DALLAS
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AMENDMENTS TO THE 1999-00 BUDGET (Continued)

<u>Item, Department, Title, Name</u>	<u>Effective Date</u>	<u>% Time</u>	<u>No. Mos.</u>	<u>Full-time Salary Rate</u>	<u>RBC #</u>
Source of Funds (Continued):					
\$ 25,000					
27,320					
<u>2,671</u>					
\$ 141,400					
<u>30,000</u>					
<u>\$ 171,400</u>					

SOUTHWESTERN ALLIED HEALTH SCIENCES SCHOOL

Physical Therapy

2. Patricia K. Winchester (T) 42

From: Associate Professor for Physical Therapy and Chair, Department of Physical Therapy 100 12 84,100

To: Associate Professor for Physical Therapy, Chair, Department of Physical Therapy, and Doris E. Porter Professorship in Physical Therapy 8/1 100 12 84,100

Source of Funds:

\$ 82,500 - Total Salary - State Funds – Physical Therapy
1,600 - Physical Therapy Clinical Service
\$ 84,100 - Total Compensation

TRANSFER OF FUNDS

RBC #

Office of the Dean
 3. Amount of Transfer \$ 150,000 41

From: Dean's Unallocated Faculty Salaries

To: Surgery

Additional funds to cover a deficit in a Parkland Contract due to an unexpected increase in patient load.

THE UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL CENTER AT DALLAS
U. T. BOARD OF REGENTS' MEETING
NOVEMBER 16, 2000

OTHER MATTERS

APPROVAL OF DUAL POSITIONS OF HONOR, TRUST, OR PROFIT

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

1. Name: Richard A. Koup, M.D.
 Title: Professor, Department of Internal Medicine
 Position: Appointment to the National Advisory Allergy and Infectious
 Diseases Council of the National Institutes of Health
 Period: November 1, 1999 through October 31, 2003
 Compensation: None
 Description: The Secretary of Health and Human Services, Donna E. Shalala,
 invited Dr. Koup to serve on The National Advisory Allergy and
 Infectious Diseases Council (Council). The Council advises the
 Secretary, the Assistant Secretary for Health, the Director of
 National Institutes of Health, and the Director of the National
 Institute of Allergy and Infectious Diseases on matters relating to
 conduct and support of research, training, health information
 dissemination, and other programs with respect to allergic and
 immunologic diseases and disorders, microbiology and infectious
 diseases, including tropical diseases and AIDS.

THE UNIVERSITY OF TEXAS MEDICAL BRANCH AT GALVESTON
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THE UNIVERSITY OF TEXAS MEDICAL BRANCH AT GALVESTON
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CONTRACTS

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

GENERAL CONTRACTS

(FUNDS COMING IN)

1. Agency: Interagency Council on Early Childhood Intervention
Funds: \$949,593
Period: September 1, 2000 through August 31, 2001
Description: The University of Texas Medical Branch will continue a program of early childhood intervention services for children with developmental delay in the approved service area.

2. Agency: Texas Department of Health
Funds: \$1,774,287
Period: September 1, 2000 through August 31, 2001
Description: The University of Texas Medical Branch will provide family planning services to Title XX and Medicaid eligible individuals.

3. Agency: Texas Department of Health
Funds: \$3,102,358
Period: September 1, 2000 through August 31, 2001
Description: The University of Texas Medical Branch will provide comprehensive genetic services, genetic counseling, prenatal, preventive and primary child health, family planning, genetics, dysplasia and dental services (for children and adolescents) for Title V eligible clients and promote public safety and injury prevention through well-coordinated poison control activities within the State of Texas.

THE UNIVERSITY OF TEXAS MEDICAL BRANCH AT GALVESTON
U. T. BOARD OF REGENTS' MEETING
NOVEMBER 16, 2000

CONTRACTS (Continued)
GENERAL CONTRACTS

(FUNDS COMING IN)

4. Agency: Texas Department of Health
Funds: \$673,022
Period: September 1, 2000 through August 31, 2001
Description: The University of Texas Medical Branch will provide comprehensive family planning services which include medical, counseling, client education, referral, community education, and outreach for eligible Title X individuals.
5. Agency: Texas Department of Health
Funds: \$1,002,370
Period: September 1, 2000 through August 31, 2001
Description: The University of Texas Medical Branch will provide services to reduce premature morbidity and mortality associated with breast and cervical cancer. Services include eligibility determination, risk assessment, screening, client education, referral to other resources, tracking case management, follow-up, and outreach activities.

(FUNDS GOING OUT)

6. Agency: PeopleSoft, USA, Inc.
Funds: \$18,000,000
Period: December 1, 2000 through November 30, 2010
Description: PeopleSoft USA, Inc. will provide UTMB with assistance in the implementation of PeopleSoft's Administrative Systems Software; will support and maintain the software applications; will provide post production technical support and contract programming services which include custom programming for reports and application enhancements and modifications.

THE UNIVERSITY OF TEXAS MEDICAL BRANCH AT GALVESTON
U. T. BOARD OF REGENTS' MEETING
NOVEMBER 16, 2000

AFFILIATION AGREEMENTS – NON-STANDARD

The following non-standard affiliation agreement has been administratively approved as to form and content by the Executive Vice Chancellor for Health Affairs and the Office of General Counsel. The University of Texas Medical Branch at Galveston and the other entity will co-sponsor exchange programs in areas of interest and benefit to both institutions to promote interest in teaching and research activities and to deepen the understanding of economic, cultural and social environments of the respective institutions.

1. Facility: Greater Houston Anesthesiology, P.A.
Date: Effective August 14, 2000
Purpose: Health care educational experience program established primarily for the benefit of residents in the UTMB Family Practice Residency Program.

THE UNIVERSITY OF TEXAS MEDICAL BRANCH AT GALVESTON
 U. T. BOARD OF REGENTS' MEETING
 NOVEMBER 16, 2000

AMENDMENTS TO THE 1999-00 BUDGET

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

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

<u>Item, Department, Title, Name</u>	<u>Effective</u> <u>Date</u>	<u>%</u> <u>Time</u>	<u>No.</u> <u>Mos.</u>	<u>Full-time</u> <u>Salary</u> <u>Rate</u>	<u>RBC#</u>
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APPOINTMENTS AND PROMOTIONS

The following items #1 through 8 will be carried forward into the FY 00-01 Budget.

SCHOOL OF MEDICINE

Human Biological Chemistry and Genetics

Associate Professor Emeritus

1.	Bernard Haber	6/1-8/31		WOS	314
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Psychiatry and Behavioral Sciences

Professor Emeritus

2.	Seymour Fisher	5/2-8/31		WOS	311
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Professor

3.	Anne C. Andorn (T)	7/17-8/31	100	12	200,000	319
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Source of Funds:

\$200,000 - MSRDP Grant

\$200,000 - Total Salary

THE UNIVERSITY OF TEXAS MEDICAL BRANCH AT GALVESTON
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AMENDMENTS TO THE 1999-00 BUDGET (Continued)

<u>Item, Department, Title, Name</u>	<u>Effective</u> <u>Date</u>	<u>%</u> <u>Time</u>	<u>No.</u> <u>Mos.</u>	<u>Full-time</u> <u>Salary</u> <u>Rate</u>	<u>RBC#</u>
SCHOOL OF MEDICINE (Continued)					
Office of the Dean of Medicine; Internal Medicine (WOS); Microbiology and Immunology					
4. Stanley M. Lemon (T)					313
From: Dean of Medicine Pro Tem, Office of the Dean of Medicine; Professor, Internal Medicine; The Samuel Baron Distinguished Professorship in Microbiology and Professor		100	12	260,000	
To: Dean of Medicine, Office of the Dean of Medicine; Professor, Internal Medicine; The Samuel Baron Distinguished Professorship in Microbiology and Professor	6/1-8/31	100	12	286,000	
Source of Funds:					
\$243,610 - State					
28,260 MSRDP					
<u>14,130</u> - Contracts and Grants					
<u>\$286,000</u> - Total Salary					

THE UNIVERSITY OF TEXAS MEDICAL BRANCH AT GALVESTON
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AMENDMENTS TO THE 1999-00 BUDGET (Continued)

<u>Item, Department, Title, Name</u>	<u>Effective</u> <u>Date</u>	<u>%</u> <u>Time</u>	<u>No.</u> <u>Mos.</u>	<u>Full-time</u> <u>Salary</u>		<u>RBC#</u>
				<u>Rate</u>		
SCHOOL OF MEDICINE; GRADUATE SCHOOL OF BIOMEDICAL SCIENCES						
Microbiology and Immunology; Office of the Dean of Graduate School; Graduate School						
5. David W. Niesel (T)						312
From:	J. Palmer Sanders Professorship and Professor, Microbiology and Immunology; Vice Dean, Office of the Dean of Graduate School and Graduate School					
			100	12	135,033	
To:	J. Palmer Sanders Professorship and Professor and Chair Ad Interim, Microbiology and Immunology; Vice Dean, Office of the Dean of Graduate School; Professor, Graduate School					
	6/1-8/31		100	12	157,600	

Source of Funds:

\$143,600 - State
14,000 - Contracts and Grants
\$157,600 - Total Salary

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AMENDMENTS TO THE 1999-00 BUDGET (Continued)

<u>Item, Department, Title, Name</u>	<u>Effective</u> <u>Date</u>	<u>%</u> <u>Time</u>	<u>No.</u> <u>Mos.</u>	<u>Full-time</u> <u>Salary</u>	
				<u>Rate</u>	<u>RBC#</u>
SCHOOL OF MEDICINE; RESEARCH ENHANCEMENT					
Human Biological Chemistry and Genetics; Sealy Center for Molecular Sciences					
6. Robert S. Lloyd (T)					307
From: The Mary Gibbs Jones Distinguished Chair in Environmental Toxicology and Professor, Human Biological Chemistry and Genetics; Senior Scientist, Sealy Center for Molecular Sciences					
			100	12	147,593
To: The Mary Gibbs Jones Distinguished Chair in Environmental Toxicology and Professor, Human Biological Chemistry and Genetics; Senior Scientist, Sealy Center for Molecular Sciences					
	4/1-8/31		100	12	174,000

Source of Funds:

\$ 47,453 - State
126,547 - Contracts and Grants
\$174,000 - Total Salary

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AMENDMENTS TO THE 1999-00 BUDGET (Continued)

<u>Item, Department, Title, Name</u>	<u>Effective</u> <u>Date</u>	<u>%</u> <u>Time</u>	<u>No.</u> <u>Mos.</u>	<u>Full-time</u> <u>Salary</u> <u>Rate</u>	<u>RBC#</u>
SCHOOL OF MEDICINE; GRADUATE SCHOOL OF BIOMEDICAL SCIENCES; RESEARCH ENHANCEMENT					
Anatomy and Neurosciences; Physiology and Biophysics (WOS); Graduate School; Marine Biomedical Institute					
7. James E. Blankenship (T)					315
From: Professor, Anatomy and Neurosciences, Physiology and Biophysics, and Graduate School; Member, Marine Biomedical Institute			100 12	119,726	
To: Ashbel Smith Professor, Anatomy and Neurosciences and Physiology and Biophysics; Professor, Graduate School; Member, Marine Biomedical Institute	7/1-8/31		100 12	119,726	

THE UNIVERSITY OF TEXAS MEDICAL BRANCH AT GALVESTON
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AMENDMENTS TO THE 1999-00 BUDGET (Continued)

<u>Item, Department, Title, Name</u>	<u>Effective</u> <u>Date</u>	<u>%</u> <u>Time</u>	<u>No.</u> <u>Mos.</u>	<u>Full-time</u> <u>Salary</u> <u>Rate</u>	<u>RBC#</u>
SCHOOL OF MEDICINE; GRADUATE SCHOOL OF BIOMEDICAL SCIENCES; RESEARCH ENHANCEMENT (Continued)					
Anatomy and Neurosciences; Otolaryngology; Office of the Dean of Graduate School; Graduate School; Marine Biomedical Institute (WOS)					
8. Golda A. Leonard (T)					320
From: Associate Professor, Anatomy and Neurosciences, Otolaryngology, and Graduate School; Adjunct Member Marine Biomedical Institute		100	12	74,312	
To: Associate Professor, Anatomy and Neurosciences, Otolaryngology and Graduate School; Associate Dean for Recruitment and Special Programs, Office of the Dean of Graduate School; Adjunct Member, Marine Biomedical Institute	8/1-8/31	100	12	88,312	

Source of Funds:

\$ 48,303 - State
40,009 - Contracts and Grants
\$ 88,312 - Total Salary

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AMENDMENTS TO THE 2000-01 BUDGET

The following Request for Budget Changes (RBC's) has been administratively approved as required by the Executive Vice Chancellor for Health Affairs and is recommended for ratification by the U. T. Board of Regents.

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

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<u>APPOINTMENTS AND PROMOTIONS</u>					
SCHOOL OF MEDICINE					
Physiology and Biophysics					
Professor Emeritus					
1. Giuseppe San'Ambrogio	9/1-8/31			WOS	12

THE UNIVERSITY OF TEXAS MEDICAL BRANCH AT GALVESTON
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OTHER FISCAL ITEMS

MEMBERSHIP RATES

The following Alumni Field House membership rate increases, effective September 1, 2000, have been administratively approved by the Executive Vice Chancellor for Health Affairs and are recommended for ratification by the U. T. Board of Regents.

<u>Yearly Rate</u>	<u>Present Rate</u>	<u>New Rate</u>	<u>% Increase</u>
Student/Family	\$135	\$150	11.1%
<u>Quarterly Rate</u>			
Employee	\$100	\$105	5.0%
Employee/Family	155	165	6.5%
<u>Semi-Annual Rate</u>			
Employee	\$165	\$175	6.1%
Employee/Family	255	270	6.2%
<u>Yearly Rate</u>			
Employee	\$290	\$305	5.1%
Employee/Family	445	470	5.6%

THE UNIVERSITY OF TEXAS MEDICAL BRANCH AT GALVESTON
U. T. BOARD OF REGENTS' MEETING
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OTHER MATTERS

APPROVAL OF DUAL POSITIONS OF HONOR, TRUST, OR PROFIT

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

1. Name: Ben G. Raimer, M.D.
Title: Vice President for Community Outreach
Position: Appointment as chairman of the Correctional Managed Health Care Committee
Period: March 27, 2000 to serve at the pleasure of the Governor
Compensation: None
Description: Governor George W. Bush has appointed Dr. Raimer as chairman of the Correctional Managed Health Care Committee pursuant to S.B. 371, 76th Legislature, Regular Session. The committee was created to develop a statewide managed health care network that provides more timely and cost effective health care to the Texas Department of Criminal Justice prisoners.

THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT HOUSTON
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AMENDMENTS TO THE 1999-00 BUDGET

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

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

<u>Item, Department, Title, Name</u>	<u>Effective</u> <u>Date</u>	<u>%</u> <u>Time</u>	<u>No.</u> <u>Mos.</u>	<u>Full-time</u> <u>Salary</u> <u>Rate</u>	<u>RBC #</u>
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APPOINTMENTS AND PROMOTIONS

DENTAL BRANCH

Craniofacial Growth and Development

1. Thomas W. Wild 048

From: Associate Professor and Interim Chairman (T)		100	12	103,405	
To: Associate Professor and Chairman (T)	08/01 08/01	100 SUPLT	12 12	105,641 7,500	

Source of Funds:

\$105,641 – State

7,500 – Supplement

\$113,141 – Total Compensation

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AMENDMENTS TO THE 1999-00 BUDGET (Continued)

<u>Item, Department, Title, Name</u>	<u>Effective</u> <u>Date</u>	<u>%</u> <u>Time</u>	<u>No.</u> <u>Mos.</u>	<u>Full-time</u> <u>Salary</u> <u>Rate</u>	<u>RBC #</u>
SCHOOL OF PUBLIC HEALTH					
Biometry					
2. Ronald B. Harrist					044
From: Associate Professor (T)		100	12	85,925	
To: Associate Professor and					
Interim Associate Dean	06/01	100	12	85,925	
for Academic Affairs (T)	06/01	SUPLT	12	24,999	

Source of Funds:

\$ 73,896 – State

12,029 – Federal Grant

\$ 85,925 – Total Salary

24,999 – Supplement

\$110,924 – Total Compensation

THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT HOUSTON
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AMENDMENTS TO THE 2000-01 BUDGET

The following Request for Budget Change (RBC) has been administratively approved as required by the Executive Vice Chancellor for Health Affairs and is recommended for ratification by the U. T. Board of Regents.

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

<u>Item, Department, Title, Name</u>	<u>Effective</u> <u>Date</u>	<u>%</u> <u>Time</u>	<u>No.</u> <u>Mos.</u>	<u>Full-time</u> <u>Salary</u> <u>Rate</u>	<u>RBC #</u>
<u>APPOINTMENT AND PROMOTION</u>					
MEDICAL SCHOOL					
Internal Medicine - Administration					
1. James T. Willerson					001
From: Professor and Chairman and Edward Randall III Chair in Internal Medicine (T)		100	12	381,708	
To: Interim President, Professor & Edward Randall III Chair in Internal Medicine (T)	09/01 09/01	100 SUPLT	12 12	65,945 315,763	

Source of Funds:
 \$ 65,945 – State
315,763 – Supplement
\$381,708 – Total Compensation

THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT HOUSTON
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OTHER MATTERS

ADOPTION OF LOGO

The following item has been approved by the Executive Vice Chancellor for Health Affairs and the Office of General Counsel and is submitted for ratification by the U. T. Board of Regents.

A logo has been adopted in accordance with the Regents' Rules and Regulations, Part Two, Chapter I, Section 9. The logo's typography returns us to a more traditional, institutional look, and the colors are now burnt orange and gray.

Upon Regental approval of the logo shown below, the Office of General Counsel will submit the graphic representation for trademark registration.



THE UNIVERSITY *of* TEXAS

HEALTH SCIENCE CENTER AT HOUSTON

THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT HOUSTON
U. T. BOARD OF REGENTS' MEETING
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OTHER MATTERS (Continued)

ARTICLES OF INCORPORATION

In accordance with the Articles of Incorporation, the following trustees are appointed to the Board of Trustees of Affiliated Medical Services for the period commencing March 16, 2000 through March 15, 2001:

Reappointment

<u>Name</u>	<u>Address</u>	<u>Term Expires</u>
Richard J. Andrassy, M.D.	6431 Fannin, Houston, Texas 77030	March 15, 2001
Carlos A. Moreno, M.D.	6431 Fannin, Houston, Texas 77030	March 15, 2001
Steven D. Brown, M.D.	6431 Fannin, Houston, Texas 77030	March 15, 2001

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GIFTS

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

1. Donor Name: Texas Research Park Foundation
College/School/
Department:
Purpose: South Texas Centers for Biology in Medicine at the
Texas Research Park
Asset Type: Cash
Value: \$700,000

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PLANS TO MANAGE POTENTIAL CONFLICTS OF INTEREST

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

1. Plan to Manage Potential Conflict of Interest for A. P. Shepherd, Ph.D. and Licensed to Avox Systems, Inc.

The University of Texas Health Science Center at San Antonio ("UTHSCSA"), on behalf of the Board of Regents ("Board"), entered into an exclusive license agreement ("Agreement") with Avox Systems, Inc. ("Licensee"), a Texas Corporation, having a principal place of business in Fair Oaks, Texas on July 1, 1990. The Agreement covers a "*Method and Apparatus for Direct Measurement of Hemoglobin Species in Whole Blood*" (the "Invention"). The Invention was developed, in part, by A. P. Shepherd, Ph.D., Adjunct Assistant Professor, in the Department of Physiology at UTHSCSA.

The provisions of the Agreement have been reviewed and approved pursuant to the Regents' Rules and Regulations by the President or designee and the Office of General Counsel and were approved by the Board on February 14, 1991 at Meeting No. 852 in Austin, Texas. Under the Agreement, Licensee was granted a royalty-bearing, exclusive worldwide license and right to manufacture, have manufactured, use, and/or sell LICENSED PRODUCTS derived from the Inventions (e.g., products that measure the concentrations of bilirubin and/or one or more species of hemoglobin). Additionally, Licensee has paid The University of Texas Board of Regents: (1) a non-refundable license issue fee of \$1.00; and (2) a five percent (5%) running royalty on net sales of LICENSED PRODUCTS derived from the Inventions. In addition, a Sponsored Research Agreement (SRA) between Licensee and UTHSCSA associated with a Phase I (and possibly a Phase II) Small Business Innovation Research grant to Licensee (i.e., No. 1 R43 HL 64429-01 entitled "*Neonatal Bilirubinometer for Near-Patient Testing*") has been proposed. The Agreement and the proposed SRA include standard language indemnifying the Board of Regents.

A. P. Shepherd, Ph.D. currently holds 900 of the 1,080 total shares of outstanding stock in Avox Systems, Inc. and serves as the President and a member of its Board of Directors. In addition, Dr. Shepherd will serve as Co-Principal Investigator for the SRA. In view of this potential conflict of interest, UTHSCSA has developed the following measures to eliminate the likelihood that actual conflicts will arise:

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PLANS TO MANAGE POTENTIAL CONFLICTS OF INTEREST (Continued)

- (1) As required by Texas Education Code, Section 51.912(b) and the Regents' Rules and Regulations, Part Two, Chapter XII, Subsection 8.1, A. P. Shepherd, Ph.D. has provided UTHSCSA with a written disclosure and, should changes necessitate, will provide UTHSCSA with a revised written disclosure of all potential conflicts of interest that might emanate from the terms of the Agreement and the SRA.
- (2) In view of this disclosure, UTHSCSA has determined that an SRA from a faculty-owned company to be performed under the direction of Drs. A. P. Shepherd and John M. Steinke is appropriate because the activities to be carried out at UTHSCSA under the SRA are primarily clinical in nature and the terms of the Agreement and SRA reasonably protect the Board's ownership and pecuniary interests in products and/or intellectual properties likely to result from the research.
- (3) UTHSCSA has implemented a management strategy to minimize the risk of a future conflict of interest. Under this plan:
 - (a) Dr. Shepherd will submit a completed confidential invention report form ("IRF") to the Office of Intellectual Property Administration ("OIPA") for UTHSCSA regarding any inventions or discoveries resulting from performance of the SRA. Dr. Shepherd also agrees to assist OIPA in obtaining such additional information as may be required to conduct its due diligence in evaluating the ownership of or entering into any agreements regarding such inventions or discoveries. Dr. Shepherd further agrees to provide Terry M. Mikiten, Ph.D., Associate Dean of the Graduate School of Biomedical Sciences at UTHSCSA, with copies of the Agreement, the SRA, and quarterly reports regarding activities thereunder. The IRFs and related correspondence or agreements, as well as the Agreement, the SRA and the quarterly reports shall be reviewed by Dr. Mikiten for any potential conflicts of interests between Dr. Shepherd's role as an employee of UTHSCSA and his financial interest and business participation in

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PLANS TO MANAGE POTENTIAL CONFLICTS OF INTEREST (Continued)

Licensee. Should Dr. Mikiten determine that a potential conflict of interest exists, the terms of the Agreement, the SRA or any other agreement with Licensee will be modified accordingly or such other remedial action taken as would be in accordance with Section 51.912 of the Texas Education Code and corresponding provisions of The U. T. System Intellectual Property Policy.

Thus, UTHSCSA has developed a diligent review procedure to prevent the development of an actual conflict of interest pertinent to the Agreement and the SRA.

The proposed arrangement is consistent with Section 51.912 of the Texas Education Code and corresponding provisions of The U. T. System Intellectual Property Policy.

2. Plan to Manage Potential Conflict of Interest for John M. Steinke, Ph.D. and Licensed to Avox Systems, Inc.

The University of Texas Health Science Center at San Antonio ("UTHSCSA"), on behalf of the Board of Regents ("Board"), entered into an exclusive license agreement ("Agreement") with Avox Systems, Inc. ("Licensee"), a Texas Corporation, having a principal place of business in Fair Oaks, Texas on July 1, 1990. The Agreement covers a "*Method and Apparatus for Direct Measurement of Hemoglobin Species in Whole Blood*" (the "Invention"). The Invention was developed, in part, by John M. Steinke, Ph.D., Adjunct Assistant Professor, in the Department of Physiology at UTHSCSA.

The provisions of the Agreement have been reviewed and approved pursuant to the Regents' Rules and Regulations by the President or designee and the Office of General Counsel and were approved by the Board on February 14, 1991 at Meeting No. 852 in Austin, Texas. Under the Agreement, Licensee was granted a royalty-bearing, exclusive worldwide license and right to manufacture, have manufactured, use, and/or sell LICENSED PRODUCTS derived from the Inventions.

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PLANS TO MANAGE POTENTIAL CONFLICTS OF INTEREST (Continued)

Additionally, Licensee has paid The University of Texas Board of Regents: (1) a non-refundable license issue fee of \$1.00; and (2) a five percent (5%) running royalty on net sales of LICENSED PRODUCTS derived from the Inventions. In addition, a Sponsored Research Agreement (SRA) between Licensee and UTHSCSA associated with a Phase I (and possibly a Phase II) Small Business Innovation Research grant to Licensee (i.e., No.1 R43 HL 64429-01 entitled "*Neonatal Bilirubinometer for Near-Patient Testing*") has been proposed. The Agreement and the proposed SRA include standard language indemnifying the Board of Regents.

John M. Steinke, Ph.D. currently holds 50 of the 1,080 total shares of outstanding stock in Avox Systems, Inc. and serves as its Director of Research and Development. In view of this potential conflict of interest, UTHSCSA has developed the following measures to eliminate the likelihood that actual conflicts will arise:

- (1) As required by Texas Education Code, Section 51.912(b) and the Regents' Rules and Regulations, Part Two, Chapter XII, Subsection 8.1, John M. Steinke, Ph.D. has provided UTHSCSA with a written disclosure and, should changes necessitate, will provide UTHSCSA with a revised written disclosure of all potential conflicts of interest that might emanate from the terms of the Agreement and the SRA.
- (2) In view of this disclosure, UTHSCSA has determined that an SRA from a faculty-owned company to be performed under the direction of Drs. A. P. Shepherd and John M. Steinke is appropriate because the activities to be carried out at UTHSCSA under the SRA are primarily clinical in nature and the terms of the Agreement and SRA reasonably protect the Board's ownership and pecuniary interests in products and/or intellectual properties likely to result from the research.
- (3) UTHSCSA has implemented a management strategy to minimize the risk of a future conflict of interest. Under this plan:

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PLANS TO MANAGE POTENTIAL CONFLICTS OF INTEREST (Continued)

- (a) Dr. Steinke will submit a completed confidential invention report form ("IRF") to the Office of Intellectual Property Administration ("OIPA") for UTHSCSA regarding any inventions or discoveries resulting from performance of the SRA. Dr. Steinke also agrees to assist OIPA in obtaining such additional information as may be required to conduct its due diligence in evaluating the ownership of or entering into any agreements regarding such inventions or discoveries. Dr. Steinke further agrees to provide Terry M. Mikiten, Ph.D., Associate Dean of the Graduate School of Biomedical Sciences, with copies of the Agreement, the SRA, and quarterly reports regarding activities thereunder. The IRFs and related correspondence or agreements, as well as the Agreement, the SRA and the quarterly reports shall be reviewed by Dr. Mikiten for any potential conflicts of interests between Dr. Steinke's role as an employee of UTHSCSA and his financial interest and business participation in Licensee. Should Dr. Mikiten determine that an actual conflict of interest exists, the terms of the Agreement, the SRA or any other agreement with Licensee will be modified accordingly or such other remedial action taken as would be in accordance with Section 51.912 of the Texas Education Code and corresponding provisions of The U. T. System Intellectual Property Policy.

Thus, UTHSCSA has developed a diligent review procedure to prevent the development of an actual conflict of interest pertinent to the Agreement and the SRA.

The proposed arrangement is consistent with Section 51.912 of the Texas Education Code and corresponding provisions of The U. T. System Intellectual Property Policy.

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AMENDMENTS TO THE 1999-00 BUDGET

The following Request for Budget Changes (RBC's) has been administratively approved as required by the Executive Vice Chancellor for Health Affairs and is recommended for ratification by the U. T. Board of Regents.

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

<u>Item, Department, Title, Name</u>	<u>Effective Date</u>	<u>% Time</u>	<u>No. Mos.</u>	<u>Full-time Salary Rate</u>	<u>RBC #</u>
<u>APPOINTMENTS AND PROMOTIONS</u>					
MEDICAL SCHOOL					
Office of the Dean					
1. James J. Young, Ph.D.					27
From: Dean of the Medical School and Professor of Health Administration		100	12	221,000	
To: Dean Emeritus of the Medical School	04/02/00	0	0	0	

THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT SAN ANTONIO
 U. T. BOARD OF REGENTS' MEETING
 NOVEMBER 16, 2000

AMENDMENTS TO THE 2000-01 BUDGET

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

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

<u>Item, Department, Title, Name</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate</u>	
<u>APPOINTMENTS AND PROMOTIONS</u>					
ADMINISTRATION					
Office of the President					
1. John P. Howe, III, M.D. (T)					01, 28
From: President and Professor		100	12	298,200	
To: President, Professor, and John P. Howe, III, M.D. Distinguished Chair in Health Policy	9/01/00	100	12	298,200	
To: Advisor to the President, Professor, and John P. Howe, III, M.D. Distinguished Chair in Health Policy	10/16/00	100	12	298,200	
Office of the President, Department of Surgery					
2. Francisco G. Cigarroa, M. D. (T)					29
From: Associate Professor		100	12	132,547	
To: President	10/16/00	100	12	308,880	
To: Professor	10/16/00	WOS	12	263,331	

Source of Funds:

\$ 65,945 – Office of the President
242,935 – MSRDP Augmentation
\$308,880 – Total Salary Rate

THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT SAN ANTONIO
U. T. BOARD OF REGENTS' MEETING
NOVEMBER 16, 2000

OTHER FISCAL ITEMS

PURCHASE ORDERS - MORE THAN \$500,000

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

(FUNDS GOING OUT)

1. Agency: Carl Zeiss, Inc.
Funds: \$530,531.96
Title/Description: Carl Zeiss, Inc. will supply and install a fully integrated visible laser confocal imaging microscope along with a direct-coupled fs-pulsed NLO system for the study of fluorescent specimens in the Department of Cellular and Structural Biology's Optical Imaging Core Facility. Feedback control on laser intensity is essential for consistent illumination between scans which is a requirement for quantitative fluorescence studies such as ratiometric imaging. The LSM 510 NLO Confocal Microscope with miscellaneous required accessories, hardware peripherals, and physiology software is a fully integrated stand-alone imaging system. The purchase order price includes a four-year service agreement in the amount of \$54,400 for the period of November 1, 2001 to October 31, 2005.

THE UNIVERSITY OF TEXAS M.D. ANDERSON CANCER CENTER
U. T. BOARD OF REGENTS' MEETING
NOVEMBER 16, 2000

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THE UNIVERSITY OF TEXAS M.D. ANDERSON CANCER CENTER
U. T. BOARD OF REGENTS' MEETING
NOVEMBER 16, 2000

GIFTS

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

1. Donor Name: Anonymous
College/School/
Department: Thoracic/Head & Neck Medical Oncology
Purpose: Cancer Research
Asset Type: Cash
Value: \$1,500,000

2. Donor Name: Melcher Investments
College/School/
Department: Institution
Purpose: Capital Campaign
Asset Type: Cash
Value: \$1,000,000

3. Donor Name: W. M. Keck Foundation
College/School/
Department: Thoracic & Cardiovascular Surgery
Purpose: Human Cancer Gene Prevention
Asset Type: Cash
Value: \$1,000,000

*No letter of transmittal from the donor

THE UNIVERSITY OF TEXAS M.D. ANDERSON CANCER CENTER
U. T. BOARD OF REGENTS' MEETING
NOVEMBER 16, 2000

CONTRACTS

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

**INTELLECTUAL PROPERTY AGREEMENTS –
SPONSORED RESEARCH AGREEMENT**

(FUNDS COMING IN)

1. Agency: Signase, Inc.
Funds: \$1,021,250
Period: June 29, 2000 through December 2001
Description: Development of Src gene Inhibitors to be used for in vitro testing

**NON-INTELLECTUAL PROPERTY-RELATED SPONSORED RESEARCH
AGREEMENTS - FOREIGN**

(FUNDS COMING IN)

2. Country: Japan
Grantor: Taiho Pharmaceutical Co., Ltd
No: None
New Funds: \$198,354.50
Current Period: October 15, 1999 through December 31, 2000
Title/Description: Phase I Study to Determine the Safety and Pharmacokinetics of Intravenous Administration of TAS-106 on a Once Every 21 Day Schedule in Patients with Solid Tumors
3. Country: Canada
Grantor: Biochem Pharma Inc.
No: None
New Funds: \$500,000
Current Period: April 25, 2000 until completion of the study
Title/Description: A Phase I/II Randomized Study of Troxacitabine with Topotecan, Idarubicin or Ara-C in patients with refractory AML/MDS or CML Blastic Phase Disease

THE UNIVERSITY OF TEXAS M.D. ANDERSON CANCER CENTER
 U. T. BOARD OF REGENTS' MEETING
 NOVEMBER 16, 2000
AMENDMENTS TO THE 1999-00 BUDGET

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<u>Item, Department, Title, Name</u>	<u>Effective</u> <u>Date</u>	<u>%</u> <u>Time</u>	<u>No.</u> <u>Mos.</u>	<u>Full-time</u> <u>Salary</u> <u>Rate</u>	<u>RBC #</u>
<u>APPOINTMENTS AND PROMOTIONS</u>					

The following items #1-3 will be carried forward into the FY 00-01 Budget.

THE TUMOR INSTITUTE – MEDICAL STAFF

Radiation Oncology
 Professor

1. Deborah Kuban (T)	7/1	100	12	260,000	86
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Source of Funds:
 \$130,000 – Radiation Oncology
130,000 – PRS – Radiation Oncology
\$260,000 – Total Compensation

THE UNIVERSITY OF TEXAS M.D. ANDERSON CANCER CENTER
 U. T. BOARD OF REGENTS' MEETING
 NOVEMBER 16, 2000
AMENDMENTS TO THE 1999-00 BUDGET (Continued)

<u>Item, Department, Title, Name</u>	<u>Effective</u> <u>Date</u>	<u>%</u> <u>Time</u>	<u>No.</u> <u>Mos.</u>	<u>Full-time</u> <u>Salary</u> <u>Rate</u>	<u>RBC #</u>
THE TUMOR INSTITUTE – MEDICAL STAFF (CONTINUED)					
Experimental Radiation Oncology					
2. William A. Brock (T)					85
From: Professor		100	12	112,847	
To: Professor & Faculty	6/1	100	12	112,847	
Ombudsman	6/1	SUPLT	12	10,000	

Source of Funds:

\$ 10,000 – Office of SVP/CAO
 78,993 – Experimental Radiation Oncology
 11,285 – Grants-Brock Ortho Biology LS99-337A
22,569 – Grants-Brock CA06294-38
\$122,847 – Total Compensation

THE TUMOR INSTITUTE – RESEARCH

Biostatistics

Professor

3. Gary Rosner (T)	7/1	100	12	140,000	87
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THE UNIVERSITY OF TEXAS M.D. ANDERSON CANCER CENTER
 U. T. BOARD OF REGENTS' MEETING
 NOVEMBER 16, 2000
AMENDMENTS TO THE 2000-01 BUDGET

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

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<u>Item, Department, Title, Name</u>	<u>Effective Date</u>	<u>% Time</u>	<u>No. Mos.</u>	<u>Full-time Salary Rate</u>	<u>RBC #</u>
<u>APPOINTMENTS AND PROMOTIONS</u>					
THE TUMOR INSTITUTE – MEDICAL STAFF					
Experimental Radiation Oncology					
Associate Professor					
1. Khandon Keyomarsi (T)	9/1	100	12	96,000	88
THE TUMOR INSTITUTE – EDUCATON					
SENIOR VICE PRESIDENT AND CHIEF ACADEMIC OFFICER OFFICE					
(SVP/CAO) & EDUCATIONAL PROGRAMS – ADMINISTRATION					
2. Stephen P. Tomasovic (T)					11
From:	Associate Vice President,	100	12	166,560	
	Educational Programs and Professor	SUPLT	12	20,000	
To:	Vice President , Educational	9/1	100	166,560	
	Programs and Professor	SUPLT	12	20,000	

Source of Funds:

\$ 20,000 – SVP/CAO Office
166,560 – Education Programs
\$186,560 – Total Compensation

THE UNIVERSITY OF TEXAS M.D. ANDERSON CANCER CENTER
U. T. BOARD OF REGENTS' MEETING
NOVEMBER 16, 2000

OTHER MATTERS

APPROVAL OF DUAL POSITIONS OF HONOR, TRUST, OR PROFIT

The following items have been approved by the Executive Vice Chancellor for Health Affairs in accordance with the Regents' Rules and Regulations, Part One, Chapter III, Section 13 and are submitted for ratification by the U. T. Board of Regents. It has been determined that the holding of these offices or positions is of benefit to the State of Texas and The University of Texas and there is no conflict between holding the positions and Dr. Foxhall and Dr. Crossley's appointments with The University of Texas M. D. Anderson Cancer Center.

1. Name: Lewis E. Foxhall, M.D.
Title: Assistant Professor
Position: Member, Texas Health Care Information Council
Period: May 17, 2000 through September 1, 2005
Compensation: None
Description: On May 17, 2000 Secretary of State Elton Bomer certified appointment of Dr. Foxhall to serve as a member of the 15-member Texas Health Care Information Council. The Appointment was made by Governor Bush and will be confirmed at the next Legislative Session. The Texas Health Care Information Council is charged with developing a statewide healthcare data collection system to collect healthcare charges, utilization data, provider quality data and outcome data to facilitate the promotion and accessibility of cost effective, good quality healthcare.

THE UNIVERSITY OF TEXAS M.D. ANDERSON CANCER CENTER
U. T. BOARD OF REGENTS' MEETING
NOVEMBER 16, 2000

OTHER MATTERS

APPROVAL OF DUAL POSITIONS OF HONOR, TRUST, OR PROFIT (Continued)

2. Name: John D. Crossley, Ph.D., R.N.
Title: Vice President and Head, Division of Nursing
Position: Member, National Advisory Council on Nurse Education and Practice
Period: April 14, 2000 through January 31, 2004
Compensation: \$469 per day honorarium for each actual meeting day and other travel costs c
Description: On April 14, 2000 Secretary Donna Shalala appointed Dr. Crossley to serve as a member of the National Advisory Council on Nurse Education and Practice of the Health Resources and Services Administration. The National Advisory Council on Nurse Education and Practice is charged with advising the Secretary on all matters relating to nursing education and practice and making recommendations regarding programs administered by the Division of Nursing. Dr. Crossley's appointment is to a 21 member Council selected by the Secretary.