



THE UNIVERSITY OF TEXAS SYSTEM

Office of General Counsel

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Barry D. Burgdorf

Vice Chancellor and General Counsel

April 11, 2008

Via Email – Nick Wyatt@finance-rep.senate.gov

The Honorable Max Baucus
Chairman, Committee on Finance
United States Senate
Washington, D.C. 20510-6200

The Honorable Charles E. Grassley
Ranking Member, Committee on Finance
United States Senate
Washington, D.C. 20510-6200

Dear Senators Baucus and Grassley:

On behalf of The University of Texas System (UT System) and the 15 UT System academic and health institutions, I submit responses to the inquiries contained in your January 25, 2008, letter to Chancellor Yudof. Unlike most of the other letters of the same date which you sent to the presidents of individual university campuses, the letter to Chancellor Yudof seeks information relevant to 15 separate UT System campuses and some information relevant to the UT System as a whole. For example, while most of UT System endowment funds are centrally managed by The University of Texas Investment Management Company (UTIMCO), a separate nonprofit corporation established in 1996, tuition and fees vary by campus. Administration, implementation, and operational management of tuition and fees is a campus function and most information related to tuition and fees is resident on campus although the UT System Board of Regents approves tuition and fee packages every two years. In sum, UT System represents a federation of 15 campuses governed by one Board of Regents appointed by the Governor of the State of Texas with individual campuses having substantial freedom to operate within policy set by the Board of Regents. Accordingly, responding to your inquiries is not quite as simple as it might be for the president of a single campus with near exclusive control of many of the matters about which you inquire.

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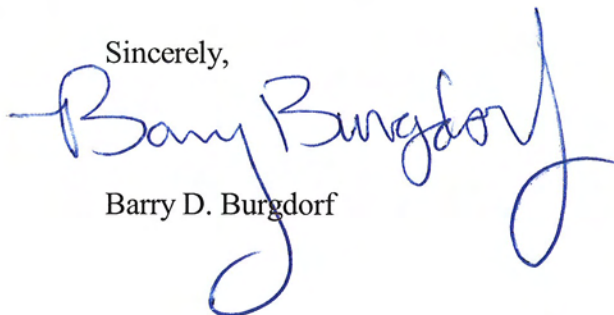
To ensure that our responses provide the detailed information you are seeking, I have had several conversations with Nick Wyatt, Tax Counsel to the Committee. UT System has already made publicly available much of the information you seek albeit not always in the exact form as requested. In responding to the individual inquiries below, we have replicated that publicly available information to the extent possible. Where the information is in substance what is sought but in a slightly different form, we have attempted to explain the different format.

In some cases, you have asked for 10 years of data. Chancellor Yudof arrived at UT System six years ago and one of the hallmarks of his tenure here has been an increased level of transparency and accountability. In fact, UT System is now rightly considered "a" if not "the" leader in higher education accountability. Therefore, in some cases UT System has available highly reliable, already assembled data for your review for a period of years slightly less than 10.

Finally, some of your inquiries seem to assume a one-institution response. Rather than explain subtle, mostly insignificant differences among the 15 campuses, we have provided responses that represent the general practices across UT System.

We trust this information is useful to your interests. If you or your staff would like to further discuss UT System's response, I will be your point of contact, and stand ready to assist in any way I can.

Sincerely,

A handwritten signature in blue ink that reads "Barry D. Burgdorf". The signature is written in a cursive style with a large, looping "B" and "D".

Barry D. Burgdorf