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August 24-25, 2011  
Austin, Texas

### Wednesday, August 24, 2011

#### A. COMMITTEE MEETINGS

Audit, Compliance, and Management Review Committee.....	8:30 a.m.
Technology Transfer and Research Committee.....	9:30 a.m.
Finance and Planning Committee.....	10:30 a.m.

#### B. CONVENE THE BOARD IN OPEN SESSION TO RECESS TO EXECUTIVE SESSION PURSUANT TO *TEXAS GOVERNMENT CODE*, CHAPTER 551 (working lunch) 11:30 a.m.

1. Consultation with Attorney Regarding Legal Matters or Pending and/or Contemplated Litigation or Settlement Offers – Section 551.071
  - a. **U. T. System Board of Regents: Discussion related to legal issues involving tax matters**
  - b. **U. T. System Board of Regents: Discussion and appropriate action regarding legal issues related to approval of a possible agreement with MyEdu, a Texas corporation**
  - c. **U. T. System: Discussion and appropriate action regarding legal issues concerning intellectual property matters with Texas Department of Transportation**
  - d. **U. T. Medical Branch - Galveston: Discussion of legal issues related to contract for correctional managed care**
  - e. **U. T. System Board of Regents: Discussion with Counsel on pending legal issues**
2. Deliberations Regarding the Purchase, Exchange, Lease, Sale, or Value of Real Property – Section 551.072
  - a. **U. T. System Board of Regents: Report of Task Force on U. T. System Administration Complex and discussion of recommendations of the Task Force regarding the U. T. System Administration Complex located on all of Block 71, on Lots 1-6 of Block 82, on the west 80 feet of Lots 9-12 of Block 70, all of the preceding as described in the Original City Plat of Austin, Texas, and the 6th and 7th floors of the U. T. Administration Building at 1616 Guadalupe Street, all in Austin, Travis County, Texas**



**Wednesday, August 24, 2011** (continued)

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|---|----------------------------|----------|
| C. RECONVENE IN OPEN SESSION TO CONSIDER ACTION, IF ANY, ON EXECUTIVE SESSION ITEMS AND TO CONSIDER THE FOLLOWING AGENDA ITEMS        | 1:45 p.m.                  |          |
| 1. <b>U. T. System: Announcement of recipients for the Regents' Outstanding Teaching Awards and remarks by representative faculty</b> | 1:55 p.m.                  |          |
|   | <b>Report</b>              | <b>1</b> |
|   | <i>Chairman Powell</i>     |          |
|   | <i>Vice Chairman Hicks</i> |          |
|   | <i>Chancellor Cigarroa</i> |          |
| D. RECESS FOR COMMITTEE MEETINGS  | 2:20 p.m.                  |          |
| Health Affairs Committee.....   | 2:30 p.m.                  |          |
| Facilities Planning and Construction Committee.....   | 4:00 p.m.                  |          |
| E. RECESS   | 5:00 p.m.                  |          |

Thursday, August 25, 2011

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F. RECONVENE THE BOARD IN OPEN SESSION	8:30 a.m.	
G. APPROVAL OF MINUTES		
H. AGENDA ITEMS		
2. <b>U. T. System Board of Regents: Presentation of certificate of appreciation to President John Mendelsohn, M.D.</b>	8:35 a.m. <b>Presentation</b>	2
3. <b>U. T. System: Presentation of Chancellor's Recommended Framework for Excellence Action Plan for discussion and appropriate action</b>	8:45 a.m. <b>Presentation/ Discussion/Action</b> <i>Chancellor Cigarroa</i>	2
4. <b>U. T. System Board of Regents: Remarks from Chairman of the Task Force on University Excellence and Productivity and Chairman of the Task Force on Blended and Online Learning</b>	9:15 a.m. <b>Report</b> <i>Regent Pejovich</i> <i>Regent Hall</i>	2
5. <b>U. T. System: Annual Meeting with Officers of the U. T. System Faculty Advisory Council</b>	9:30 a.m. <b>Report/Discussion</b> <i>Dr. Timothy Allen,</i> <i>U. T. Health Science</i> <i>Center – Tyler</i>	3
6. <b>Hold for Possible Additional Item</b>	10:00 a.m.	3
7. <b>U. T. Brownsville: Discussion and appropriate action regarding proposed revisions to Mission Statement</b>	10:20 a.m. <b>Action</b> <i>President García</i>	4
8. <b>U. T. System: Approval of the nonpersonnel aspects of the operating budgets for Fiscal Year 2012, including the Permanent University Fund Bond Proceeds allocation for Library, Equipment, Repair and Rehabilitation Projects, allocation for the Science and Technology Acquisition and Retention Program, and allocation of Available University Fund, Permanent University Fund Bond Proceeds, and proceeds from the interest rate swap portfolio and potential excess returns generated by the Intermediate Term Fund for targeted strategic priorities within the U. T. System</b>	10:25 a.m. <b>Action</b> <i>Chancellor Cigarroa</i>	5
9. <b>U. T. System: Discussion and appropriate action regarding personnel aspects of the U. T. System Administration operating budget for Fiscal Year 2012</b>	11:10 a.m. <b>Action</b> <i>Vice Chairman Foster</i> <i>Vice Chairman Hicks</i> <i>Regent Stillwell</i>	6
I. BREAK	11:15 a.m.	
10. <b>U. T. System Board of Regents: Amendments to the Regents' <i>Rules and Regulations</i>, Rule 10501, regarding delegation of certain contracting authority</b>	11:30 a.m. <b>Action</b>	6

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<b>11. U. T. System Board of Regents: Amendment of Section 9 of the Regents' <i>Rules and Regulations</i>, Rule 80307, regarding additional delegation under Naming Policy for minor changes to approved or existing names</b>	<i>11:35 a.m.</i> <b>Action</b>	<b>9</b>
<b>12. U. T. System Board of Regents: Discussion and appropriate action regarding a possible agreement with MyEdu, a Texas corporation</b>	<i>11:40 a.m.</i> <b>Action</b> <i>Chancellor Cigarroa</i> <i>Mr. Burgdorf</i>	<b>10</b>
J. RECESS FOR MEETINGS OF THE STANDING COMMITTEES AND COMMITTEE REPORTS TO THE BOARD	<i>11:50 a.m.</i>	
K. ADJOURN	<i>12:15 p.m.</i>	

1. **U. T. System: Announcement of recipients for the Regents' Outstanding Teaching Awards and remarks by representative faculty**

REPORT

The Board of Regents of The University of Texas System places the highest priority on undergraduate teaching at U. T. System universities and encourages teaching excellence by recognizing those faculty who deliver the highest quality of undergraduate instruction, demonstrate their commitment to teaching, and have a history and promising future of sustained excellence with undergraduate teaching in the classroom, in the laboratory, in the field, or online.

On August 14, 2008, the Regents established the Regents' Outstanding Teaching Awards, which are a symbol of the importance the Board places on the provision of teaching and learning of the highest order, in recognition of those who serve students in an exemplary manner and as an incentive for others who aspire to such service. These teaching awards complement existing ways in which faculty excellence is recognized and incentivized. The Board allocated \$2 million per annum for five years, beginning in FY 2009, for teaching awards: \$1 million per year for the awards for U. T. Austin and another \$1 million per year for the remaining academic institutions. Program details for the awards were approved by the Board of Regents on November 13, 2008, and involve one-time payments to individual faculty ranging from 20 awards of \$30,000 each for tenured faculty, nine awards of \$25,000 each for tenure-track faculty upon receiving tenure, and nine awards of \$15,000 each for contingent faculty (including adjuncts, lecturers, and instructional assistants).

At the meeting, Chancellor Cigarroa will announce the 2011 recipients for the Regents' Outstanding Teaching Awards. The faculty members presenting at the meeting are:

- Brent L. Iverson, Ph.D., Chairman, Department of Chemistry and Biochemistry, W.J. and V.M. Raymer Professor and Distinguished Teaching Professor, U. T. Austin;
- Jeff Wilson, Ph.D., Assistant Professor of Environmental Science, Department of Chemistry and Environmental Sciences, U. T. Brownsville; and
- Carolyn T. Mitchell, Senior Lecturer in Advertising, Department of Communication, U. T. El Paso.

2. **U. T. System Board of Regents: Presentation of certificate of appreciation to President John Mendelsohn, M.D.**

Chairman Powell will present a certificate of appreciation to John Mendelsohn, M.D., President of U. T. M. D. Anderson Cancer Center, for his distinguished service and outstanding contributions. Dr. Mendelsohn, who served as President of U. T. M. D. Anderson Cancer Center for the past 15 years, has resigned from the presidency effective August 31, 2011.

3. **U. T. System: Presentation of Chancellor's Recommended Framework for Excellence Action Plan for discussion and appropriate action**

Chancellor Cigarroa will present a Recommended Framework for Excellence Action Plan for discussion and appropriate action.

4. **U. T. System Board of Regents: Remarks from the Chairman of the Task Force on University Excellence and Productivity and the Chairman of the Task Force on Blended and Online Learning**

At the Board meeting on February 18, 2011, Chairman Powell announced an intention to establish two task forces to review university excellence and productivity and blended and online learning programs within the U. T. System. On February 25, 2011, Chairman Powell formed the Task Force on University Excellence and Productivity and the Task Force on Blended and Online Learning.

The Task Force on University Excellence and Productivity has studied how the U. T. System's nine academic campuses may strengthen the quality of student learning and research excellence, expand access to serve more students, and reduce costs to be more affordable to students and taxpayers.

The Task Force on Blended and Online Learning has reviewed how new technologies may be integrated into the learning opportunities for on-campus students to provide for better learning outcomes, quicker time to degree and greater degree affordability, and how academic campuses may offer high-quality, affordable online degrees.

Task Force Chairman Pejovich will report on meetings of the Task Force on University Excellence and Productivity, and Task Force Chairman Hall will report on the Task Force on Blended and Online Learning.

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

REPORT

The U. T. System Faculty Advisory Council will meet with the Board to discuss accomplishments of the Council and plans for the future following the agenda below. Council members scheduled to attend are:

**Chair:** Timothy Allen, M.D., U. T. Health Science Center - Tyler, Pathology

**Former Chair:** Dan Formanowicz, Ph.D., U. T. Arlington, Biology

**Chair-Elect:** Murray Leaf, Ph.D., U. T. Dallas, Economic, Political & Policy Sciences

AGENDA

1. Introductions
2. Chairperson's report and overview - The Faculty Advisory Council supports the Board of Regents and the Chancellor on post-tenure review, faculty productivity, and excellence in higher education.

BACKGROUND INFORMATION

The University of Texas System Faculty Advisory Council was established in 1989 to provide a forum for communicating ideas and information between faculty, the Board of Regents, and the Executive Officers of U. T. System. Council guidelines require that recommendations have a multi-institutional focus and that the Council explore individual campus issues with institutional administrators prior to any consideration. The Faculty Advisory Council consists of two faculty representatives from each U. T. System institution and meets quarterly. The Standing Committees of the Council are: Academic Affairs and Faculty Quality, Governance, and Health Affairs.

6. **Placeholder for possible additional agenda item**

7. **U. T. Brownsville: Discussion and appropriate action regarding proposed revisions to Mission Statement**

**RECOMMENDATION**

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President García that proposed changes to the U. T. Brownsville Mission Statement as set forth below be approved by the U. T. System Board of Regents and forwarded to the Texas Higher Education Coordinating Board for approval.

**Revised Mission Statement**

The University of Texas at Brownsville draws upon the intersection of cultures and languages at the southern border and Gulf Coast of the United States to develop knowledgeable citizens and emerging leaders who are engaged in the civic life of their community. It embraces teaching excellence, active inquiry, lifelong learning, rigorous scholarship, and research in service to the common good.

The University promotes the interdisciplinary search for new knowledge that advances social and physical well-being and economic development through commercialization, while honoring the creative and environmental heritage of its region.

**Current Mission Statement**

The mission of The University of Texas at Brownsville and Texas Southmost College (UTB/TSC) Partnership is to provide accessible, affordable, postsecondary education of high quality, to conduct research which expands knowledge and to present programs of workforce training and continuing education, public service, and cultural value. The partnership combines the strengths of the community college and those of a university by increasing student access and eliminating inter-institutional barriers while fulfilling the distinctive responsibilities of each type of institution.

The University of Texas at Brownsville and Texas Southmost College Partnership offers Certificates and Associate, Baccalaureate, and Graduate degrees in liberal arts, the sciences, and professional programs designed to meet student demand as well as regional, national, and international needs.

UTB/TSC places excellence in learning and teaching at the core of its commitments. It seeks to help students at all levels develop the skills of critical thinking, quantitative analysis and effective communications which will sustain lifelong learning. It seeks to be a community university which respects the dignity of each learner and addresses the needs of the entire community.

UTB/TSC advances economic and social development, enhances the quality of life, fosters respect for the environment, provides for personal enrichment, and expands knowledge through programs of research, service, continuing education and training. It convenes the cultures of its community, fosters an appreciation of the unique heritage of

the Lower Rio Grande Valley and encourages the development and application of bilingual abilities in its students. It provides academic leadership to the intellectual, cultural, social, and economic life of the bi-national urban region it serves.

### BACKGROUND INFORMATION

The U. T. Brownsville Mission Statement was last approved by the Board of Regents on August 10, 2005, and confirmed with minor amendments by the Texas Higher Education Coordinating Board on October 27, 2005.

The recommended changes have been discussed and agreed upon by students, faculty, staff, and administrators at U. T. Brownsville. These recommended changes mark the separation of U. T. Brownsville and Texas Southmost College as a partnership, ending no later than 2015.

Moreover, the recommended changes must be effectuated in order for U. T. Brownsville to maintain accreditation in the Southern Association of Colleges and Schools (SACS). This accreditation is essential for U. T. Brownsville to be eligible for federal funding, such as Pell grants.

Pursuant to a directive by the Board of Regents on March 6, 2008, the revised Mission Statement includes a statement regarding the commercialization of university discoveries.

8. **U. T. System: Approval of the nonpersonnel aspects of the operating budgets for Fiscal Year 2012, including the Permanent University Fund Bond Proceeds allocation for Library, Equipment, Repair and Rehabilitation Projects, allocation for the Science and Technology Acquisition and Retention Program, and allocation of Available University Fund, Permanent University Fund Bond Proceeds, and proceeds from the interest rate swap portfolio and potential excess returns generated by the Intermediate Term Fund for targeted strategic priorities within the U. T. System**

### RECOMMENDATION

At the meeting, the Chancellor will make a recommendation concerning the nonpersonnel aspects of the operating budgets for Fiscal Year 2012, including the Permanent University Fund Bond Proceeds allocation for Library, Equipment, Repair and Rehabilitation Projects (LERR), allocation for the Science and Technology Acquisition and Retention Program (STARs), and allocation of Available University Fund, Permanent University Fund Bond Proceeds, and proceeds from the interest rate swap portfolio and potential excess returns generated by the Intermediate Term Fund for targeted strategic priorities within the U. T. System.

9. **U. T. System: Discussion and appropriate action regarding personnel aspects of the U. T. System Administration operating budget for Fiscal Year 2012**

RECOMMENDATION

The Chancellor concurs with the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Health Affairs, and the Executive Vice Chancellor for Business Affairs that approval be granted regarding personnel aspects of the U. T. System Administration operating budget for Fiscal Year 2012 as included in the previous agenda item (Item 8 on Page 5).

Vice Chairman Foster, Vice Chairman Hicks, and Regent Stillwell will report on their review of the individual personnel aspects of the U. T. System Administration operating budget for Fiscal Year 2012.

See the Executive Session item related to the personnel aspects of the U. T. System Operating Budgets (Item 3c on Table of Contents Page ii for Meeting of the Board).

10. **U. T. System Board of Regents: Amendments to the Regents' Rules and Regulations, Rule 10501, regarding delegation of certain contracting authority**

RECOMMENDATION

The Chancellor concurs in the recommendation of the General Counsel to the Board and the Vice Chancellor and General Counsel that the Regents' *Rules and Regulations*, Rule 10501, regarding delegation of certain contracting authority, be amended as set forth in congressional style on Pages 7 - 8.

BACKGROUND INFORMATION

These proposed amendments will clarify which contracts and which amendments, extensions, and renewals of contracts must be presented to the Board for approval or authorization. Significant revisions include the following:

- Section 1.4 proposes to require the primary delegate to maintain sufficient accounting systems and procedures to assure compliance with the Rules.
- Section 3.1.2 clarifies that Board approval is required for any amendment, extension, or renewal that increases the cost or monetary value of an original contract to more than \$1 million or that increases the previously approved contract value by more than 25%.

These clarifications were recommended by the U. T. System Audit Office after a review of U. T. System institutional contracting procedures. In addition, minor wording changes are also proposed.

1. Title

Delegation to Act on Behalf of the Board

2. Rule and Regulation

Sec. 1 Background

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1.4 Delegate's Responsibilities. The primary delegate identified in these *Rules and Regulations* as authorized to execute and deliver on behalf of the Board of Regents various types of contracts, agreements, and documents shall maintain, or cause to be maintained, necessary and proper records with regard to all contracts, agreements, and documents executed and delivered pursuant to such delegated authority, in accordance with any applicable records retention schedule or policy adopted by the Board, the U. T. System Administration, or the institution. The primary delegate must also maintain, or cause to be maintained, sufficient accounting systems and procedures to assure that contracts, amendments, and renewals for the purchase of goods and services are presented to the Board for approval if required by these *Rules and Regulations*.

...

2.2 Contracts Not Requiring Board Approval. The following contracts or agreements, including purchase orders and vouchers, do not require prior approval by the Board of Regents regardless of the contract amount.

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2.2.5 Routine Supplies. Contracts or agreements for the purchase of routinely purchased supplies or equipment.

...

Sec. 3 Matters Not Delegated. The following contracts or agreements, including purchase orders or vouchers and binding letters of intent or memorandums of understanding, must be submitted to the Board for approval or authorization:

3.1 Contracts Exceeding \$1 Million.

3.1.1 All contracts or agreements, with a total cost or monetary value to the U. T. System or any of the institutions of more than \$1 million, unless exempted in Section 4 below. The total cost or monetary value of the contract includes all potential contract extensions or renewals whether automatic or by operation of additional documentation. For purposes of this Rule, ~~all any~~ contracts with unspecified ~~amounts of payments~~ cost or monetary value with a term of greater than four years ~~are~~ is presumed to have a total value of greater than \$1 million.

3.1.2 Any amendment, extension, or renewal that increases the cost or monetary value of the original contract to more than \$1 million must be submitted to the Board for approval or authorization. Any amendment, extension, or renewal with a cost or monetary value that exceeds 25% of the cost or monetary value of the original contract approved by the Board must be submitted to the Board for approval.

...

3.3. Contracts Involving Certain Uses of Institution Names, Trademarks, or Logos. Except as specifically allowed under existing contracts entered into between the Board of Regents and nonprofit entities supporting a U. T. System institution, agreements regardless of dollar amount that grant the right to a non-U. T. entity to use the institutional name or related trademarks or logos in association with the provision of a material medical-related service or in association with physical improvements located on property not owned or leased by the contracting U. T. System institution.

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11. **U. T. System Board of Regents: Amendment of Section 9 of the Regents' Rules and Regulations, Rule 80307, regarding additional delegation under Naming Policy for minor changes to approved or existing names**

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Health Affairs, the Executive Vice Chancellor for Business Affairs, and the Vice Chancellor and General Counsel that the Regents' *Rules and Regulations*, Rule 80307, regarding the Naming Policy, be amended as set forth below:

Sec. 9 Changes to Approved or Existing Names of Prominent Facilities, Programs, and Streets and Nonhonorific Redesignation. Minor changes to approved or existing names of Prominent Facilities, Programs, and Streets as determined by the Vice Chancellor for External Relations and the General Counsel to the Board, may be approved by the Chancellor after review by the Executive Vice Chancellor for Academic or Health Affairs and the president of the institution. Nonhonorific renaming and redesignation of projects in the Capital Improvement Program (CIP) shall be reviewed and approved by the Associate Vice Chancellor for Facilities Planning and Construction. Such approved redesignations will be included in the amended CIP.

BACKGROUND INFORMATION

The proposed amendment to the Regents' *Rules and Regulations*, Rule 80307, is recommended to delegate minor changes to approved or existing names of facilities, programs, and streets that require Board approval (such as prominent facilities, prominent programs, and streets) as determined by the Vice Chancellor for External Relations and the General Counsel to the Board, to the Chancellor for approval after review by the Executive Vice Chancellor for Academic or Health Affairs and the president of the institution.

U. T. Pan American has requested the name of the Valley Outreach Center be changed to the Alumni Center to more accurately describe the current use of the building. U. T. San Antonio has requested changing the name of the Child Care Center to the Child Development Center. Upon approval of this Regents' Rule amendment, these two minor name changes and similar future requests for minor name changes will not need to come to the Board for approval.

**12. U. T. System Board of Regents: Discussion and appropriate action regarding a possible agreement with MyEdu, a Texas corporation**

RECOMMENDATION

A recommendation will be made at the meeting regarding a possible agreement with MyEdu, a Texas corporation, for a business arrangement that would provide enhanced access to online data including academic course, grade history, and degree information (see also Executive Session Item 1b related to legal issues).