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FOR MEETING
OF
BOARD OF REGENTS
OF
THE UNIVERSITY OF TEXAS SYSTEM

Date: Wednesday, May 8, 2002
Time: 12:00 p.m.
Place: Conference Room, Second Floor, Ashbel Smith Hall, 201 West Seventh, U. T. System Administration

OPEN SESSION

MEETING OF THE BOARD (Chairman Miller)

U. T. System: Annual Meeting with the Student Advisory Council 1

EXECUTIVE SESSION (Chairman Miller)

1. Consultation with Attorney Regarding Pending and/or Contemplated Litigation or Settlement Offers – Section 551.071

   a. U. T. Medical Branch - Galveston: Proposed Settlement of Medical Liability Litigation 3

   b. U. T. Health Science Center - Houston: Proposed Settlement of Medical Liability Litigation 3

   c. U. T. System: Consultation with Attorney Regarding Legal Issues 3

2. Personnel Matters Relating to Appointment, Employment, Evaluation, Assignment, Duties, Discipline, or Dismissal of Officers or Employees - Section 551.074

b. U. T. System: Consideration of Personnel Matters Relating to Chancellor Search

RECONVENE IN OPEN SESSION TO CONSIDER ACTION ON EXECUTIVE SESSION ITEMS AND RECESS

* * * * *

Date: Thursday, May 9, 2002
Time: 8:30 a.m.
Place: Multi-Purpose Room 207, San Jacinto Residence Hall, 309 East 21st Street, U. T. Austin

Open Session

MEETING OF THE BOARD (reconvened) (Chairman Miller)

RECONVENE IN OPEN SESSION

APPROVAL OF MINUTES OF REGULAR MEETING HELD FEBRUARY 13-14, 2002, AND SPECIAL MEETINGS HELD MARCH 18-19, AND APRIL 1, 2002

SPECIAL ITEM


SPECIAL REPORTS


U. T. System: Report on Initiatives for the 78th Texas Legislative Session

U. T. Board of Regents: Presentation on Status of Deregulation

U. T. Board of Regents: Special Recognition of Student Heroes

RECESS FOR MEETINGS OF THE STANDING COMMITTEES AND COMMITTEE REPORTS TO THE BOARD
EXECUTIVE COMMITTEE (Chairman Miller)

No items

FINANCE AND PLANNING COMMITTEE (Chairman Hunt)

1. U. T. System: Recommendation to Approve Chancellor's Docket No. 109

2. U. T. Board of Regents: Proposed Amendments to the Regents' Rules and Regulations, Part One, Chapter I, Section 8, Subsection 8.5, Subdivision 8.54 (Chancellor's Docket)

3. U. T. Board of Regents: Proposed Amendments to the Regents' Rules and Regulations, Part One, Chapter I, Section 7 (Committees and Other Appointments) and Chapter II, Section 3 (Chancellor's Duties and Responsibilities)

4. U. T. Board of Regents: Request for Approval to Amend (a) the Regents' Rules and Regulations, Part One, Chapter I, Section 9 (Delegation to Act on Behalf of the Board) and Part Two, Chapter XII (Intellectual Property); and (b) Regental Policies Relating to Sponsored Research Projects and Intellectual Property; and to Consolidate Into One Policy Entitled Policies and Guidelines for License Agreements, Sponsored Research, and Management and Marketing of Intellectual Property

5. U. T. System: Recommended Approval of Contract Extensions for Fully-Insured Health Maintenance Organizations (HMOs) and Monthly Premiums for the Medical and Dental Plans to be Effective September 1, 2002

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

7. U. T. Pan American - Administrative Offices Renovation Project: Request to Appropriate Funds and Authorize 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
8. U. T. Pan American - Campus Entrance/Visitors Center Project: Request to Appropriate Funds and Authorize 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 46


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INFORMATIONAL REPORT


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2. U. T. Health Science Center - San Antonio: Request for Authorization to Establish a Master's Degree in Deaf Education and Hearing Science; Approval to Submit the Proposed Degree Program and Change in the Institution's Table of Programs to the Coordinating Board for Approval (Catalog Change); and Authorization of Certification that Coordinating Board Criteria for Approval Are Met Except for Previous Approval of Planning Authority 87

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<th>Page</th>
</tr>
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<td>92</td>
</tr>
<tr>
<td>2</td>
<td>U. T. Arlington - Continuing Education and Workforce Development Center (Project No. 301-118): Request for Approval to Amend the FY 2002-2007 Capital Improvement Program and the FY 2002-2003 Capital Budget to Revise the Source of Funds; Approval of Design Development Plans; Approval of Evaluation of Alternative Energy Economic Feasibility; 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</td>
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<td>3</td>
<td>U. T. Arlington - HVAC/IAQ Improvements - Life Science Animal Wing (Project No. 301-073): Request for Approval to Amend the FY 2002-2007 Capital Improvement Program and the FY 2002-2003 Capital Budget to Reduce Total Project Cost; Approval to Include New Project; Approval to Transfer Funds; Approval of Total Project Cost for New Project; Appropriation of Funds and Authorization of Expenditure; and Authorization of Institutional Management</td>
<td>99</td>
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<td>4</td>
<td>U. T. Austin - Benedict/Mezes/Batts Renovation - Phase I (Project No. 102-027): Request for Approval of Design Development Plans; Approval of Evaluation of Alternative Energy Economic Feasibility; Approval of Total Project Cost; and Appropriation of Funds and Authorization of Expenditure</td>
<td>101</td>
</tr>
<tr>
<td>5</td>
<td>U. T. Austin - Jack S. Blanton Museum of Art - Phase I (Project No. 102-965): Request for Approval to Amend the FY 2002-2007 Capital Improvement Program and the FY 2002-2003 Capital Budget to Revise the Source of Funds; Reduce Appropriation and Expenditure of Funds; and Appropriation of Funds and Authorization of Expenditure</td>
<td>103</td>
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6. U. T. Austin - Erwin Center Renovations/Fire and Life Safety/Basketball Practice Facility (Project No. 102-053): Request for Approval to Name Facility (Regents' Rules and Regulations, Part One, Chapter VIII, Section 1, Subsection 1.3, Honorific Namings) 104

7. U. T. El Paso - Seamon Hall Renovation: Request for Approval to Amend the FY 2002-2007 Capital Improvement Program and the FY 2002-2003 Capital Budget to Include Project and Authorize Institutional Management 105


10. U. T. Pan American - Campus Repair and Renovations: Request for Approval to Amend the FY 2002-2007 Capital Improvement Program and the FY 2002-2003 Capital Budget to Include Project; Appropriation of Funds and Authorization of Expenditure; Authorize Institutional Management; and Approval of Use of Revenue Financing System Parity Debt, Receipt of Parity Debt Certificate, and Finding of Fact with Regard to Financial Capacity 112

11. U. T. Permian Basin - Student Housing Phase II: Request for Approval to Amend the FY 2002-2007 Capital Improvement Program and the FY 2002-2003 Capital Budget to Include Project 117
12. U. T. San Antonio - Biotechnology, Sciences and Engineering Building (Project No. 401-030): Request for Approval of Design Development Plans; Approval of Evaluation of Alternative Energy Economic Feasibility; Approval of Total Project Cost; and 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  118

13. U. T. San Antonio - Student Housing Expansion - Phase I (Project No. 401-139): Request for Approval of Design Development Plans; Approval of Evaluation of Alternative Energy Economic Feasibility; Approval to Increase 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  123

14. U. T. Health Science Center - Houston - Repair of the Medical School Building, Phase I: Request for Approval to Amend the FY 2002-2007 Capital Improvement Program and the FY 2002-2003 Capital Budget to Increase 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  128

15. U. T. Health Science Center - San Antonio - Student Services/Academic Administration Building (Project No. 402-113): Request for Approval of Design Development Plans; Approval of Evaluation of Alternative Energy Economic Feasibility; Approval of Total Project Cost; and 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  133

INFORMATIONAL REPORT

OTHER MATTERS

RECONVENE AS COMMITTEE OF THE WHOLE  139
ADJOURN  139
Date: Wednesday, May 8, 2002

Time: 12:00 p.m.
Place: Conference Room, Second Floor, Ashbel Smith Hall, 201 West Seventh Street, Austin, Texas
Purpose: Lunch with Officers of the U. T. System Student Advisory Council

Time: 1:00 p.m.
Place: Conference Room, Second Floor, Ashbel Smith Hall
Purpose: Convene in Open Session for Annual Meeting with Officers of the U. T. System Student Advisory Council

See Pages 1 - 2, Items A - B

Time: 2:30 p.m.
Place: Conference Room, Second Floor, Ashbel Smith Hall
Purpose: Recess to Executive Session

See Page 3, Item C

Time: 5:00 p.m.
Place: Conference Room, Second Floor, Ashbel Smith Hall
Purpose: Reconvene in Open Session to Consider Action on Executive Session Items and Recess

See Page 3, Item D

Date: Thursday, May 9, 2002

Time: 8:30 a.m.
Place: Multi-Purpose Room 207, San Jacinto Residence Hall, 309 East 21st Street, The University of Texas at Austin, Austin, Texas
Purpose: Reconvene in Open Session to Continue Until Completion of Business

See Pages 4 - 139, Items E - K

Telephone Numbers

Office of the Board of Regents (512) 499-4402
Four Seasons Hotel, 98 San Jacinto Boulevard (512) 478-4500
AGENDA FOR MEETING OF BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM

Date: Wednesday, May 8, 2002
Time: 1:00 p.m.
Place: Conference Room, Second Floor, Ashbel Smith Hall, Austin, Texas

A. CALL TO ORDER

B. CONVENE IN OPEN SESSION

U. T. System: Annual Meeting with the Student Advisory Council

The University of Texas System Student Advisory Council (SAC) will meet with the Board to discuss accomplishments of the Council to date and plans for the future.

AGENDA

1. Executive and Standing Committee Member Introductions

2. Chairperson’s Report and Overview

3. Executive Committee and Standing Committee Remarks and Recommendations

BACKGROUND INFORMATION

The University of Texas System Student Advisory Council was established in 1989 and the first meeting of the Council was held in February 1990.

The Council was established to provide input to the U. T. Board of Regents working through and with the Chancellor and U. T. System Administration on issues of student concern. The guidelines require that recommendations have multicomponent
focus and that the Council explore individual campus issues with component administra-
tors prior to any consideration. The Student Advisory Council consists of three stu-
dent representatives from each U. T. System component institution enrolling stu-
dents and meets quarterly, usually in Austin. The Standing Committees of the
Council are: Academic Affairs, Graduate Affairs, Legislative Affairs, Minority and
Multicultural Affairs, Student Rights, Technology Affairs, and Tuition and Fees.

The Student Advisory Council met April 5-6, 2002, to finalize their recommendations
to be submitted to the Chancellor prior to the U. T. Board of Regents May 2002
meeting.

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Council members scheduled to attend are:

**Chair**: Ms. Sharon Smith, U. T. Arlington, Senior, Marketing - Business

**Vice-Chair**: Mr. Paul Tran, U. T. Dallas, Senior, Government and Politics

**Administrative Assistant**: Mr. Nicholas Cook, U. T. Permian Basin, Junior, Biology

**Historian**: Ms. Debbie Perez, U. T. Brownsville, Junior, Criminal Justice

**Academic Affairs Committee**: Ms. Athanasia Panopoulos, U. T. Health Science
Center - Houston, Second Year Graduate Student

**Graduate Affairs Committee**: Mr. Alan Thomas, U. T. Tyler, First Year Graduate
Student, M.S. Studies with Sociology emphasis

**Legislative Affairs Committee**: Mr. Eric Opiela, U. T. Austin, Second Year
Graduate Student, Law School (*Chair-Elect of SAC*)

**Minority and Multicultural Affairs Committee**: Vice-Chair Tran

**Student Rights Committee**: Ms. Alejandra Rivas, U. T. El Paso, Senior, French
and English

**Technology Affairs Committee**: Mr. Justin Appleby, U. T. Dallas, Freshman,
Electrical Engineering
C. RECESS TO EXECUTIVE SESSION (TEXAS GOVERNMENT CODE, CHAPTER 551)

1. Consultation with Attorney Regarding Pending and/or Contemplated Litigation or Settlement Offers – Section 551.071
   a. U. T. Medical Branch - Galveston: Proposed Settlement of Medical Liability Litigation
   b. U. T. Health Science Center - Houston: Proposed Settlement of Medical Liability Litigation
   c. U. T. System: Consultation with Attorney Regarding Legal Issues

2. Personnel Matters Relating to Appointment, Employment, Evaluation, Assignment, Duties, Discipline, or Dismissal of Officers or Employees - Section 551.074
   b. U. T. System: Consideration of Personnel Matters Relating to Chancellor Search

D. RECONVENE IN OPEN SESSION TO CONSIDER ACTION ON EXECUTIVE SESSION ITEMS AND RECESS
AGENDA FOR MEETING
OF
BOARD OF REGENTS
OF
THE UNIVERSITY OF TEXAS SYSTEM

Date: Thursday, May 9, 2002
Time: 8:30 a.m.
Place: Multi-Purpose Room 207, San Jacinto Residence Hall, U. T. Austin

E. RECONVENE IN OPEN SESSION

F. APPROVAL OF MINUTES OF REGULAR MEETING HELD FEBRUARY 13-14, 2002, AND SPECIAL MEETINGS HELD MARCH 18-19, AND APRIL 1, 2002

G. SPECIAL ITEM


REPORT

The Summary of Gift Acceptance for The University of Texas System for the period December 1, 2001 through February 28, 2002, is set forth on Page 5. The report includes 115 items conforming to Board policy including the acceptance of $36,955,986 in gifts and other transfers of funds and Board-held matching funds totaling $1,625,672. The report includes only those funds that relate to endowments, estates, and other funds managed by the U. T. System Office of Development and External Relations.
<table>
<thead>
<tr>
<th># ALL ITEMS</th>
<th>COMPONENT INSTITUTION</th>
<th>TOTAL VALUE</th>
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<tr>
<td>7</td>
<td>U. T. System Administration</td>
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<tr>
<td>3</td>
<td>U. T. Arlington</td>
<td>30,229</td>
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<tr>
<td>44</td>
<td>U. T. Austin</td>
<td>31,412,766 *</td>
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<td>8</td>
<td>U. T. El Paso</td>
<td>222,564 *</td>
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<td>4</td>
<td>U. T. Pan American</td>
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<td>---</td>
<td>U. T. Permian Basin</td>
<td>---</td>
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<tr>
<td>6</td>
<td>U. T. San Antonio</td>
<td>1,079,000</td>
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<td>4</td>
<td>U. T. Tyler</td>
<td>70,000</td>
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<td>13</td>
<td>U. T. Southwestern Medical Center - Dallas</td>
<td>1,244,055 *</td>
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<td>12</td>
<td>U. T. Medical Branch - Galveston</td>
<td>1,402,319</td>
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<td>U. T. Health Science Center - Houston</td>
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<td>U. T. Health Science Center - San Antonio</td>
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<td>U. T. M. D. Anderson Cancer Center</td>
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<td>U. T. Health Center - Tyler</td>
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<tr>
<td>115</td>
<td>TOTAL</td>
<td>$ 36,955,986</td>
</tr>
</tbody>
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* Not included in total:
U. T. Austin: $51,708.75 transfer of funds from the U. T. System Pooled Income Fund;
U. T. Dallas: $573,963.09 transfer of endowment funds;
U. T. El Paso: $500,000 transfer of endowment funds; and
U. T. Southwestern Medical Center - Dallas: $500,000 of Board-held matching funds.

H. SPECIAL REPORTS


   **REPORT**

Regent Estrada will comment on the Management and Leadership Development Program at U. T. System Administration and introduce Chancellor Burck for a report on implementation of the Program.
2. **U. T. System: Report on Initiatives for the 78th Texas Legislative Session**

Vice Chancellor Scott will update the Board on the status of various legislative issues submitted by the U. T. components for inclusion in the U. T. System’s legislative agenda. These issues address the various elements of a System-wide plan to increase educational attainment and research in Texas, as well as to enhance the quality of the U. T. System component programs.

3. **U. T. Board of Regents: Presentation on Status of Deregulation**

Assistant Vice Chancellor Starkey will update the Board on the progress of developing the package of deregulation recommendations.

4. **U. T. Board of Regents: Special Recognition of Student Heroes**

I. **RECESS FOR MEETINGS OF THE STANDING COMMITTEES AND COMMITTEE REPORTS TO THE BOARD**

The Standing Committees of the Board of Regents of The University of Texas System will meet as set forth below to consider recommendations on those matters on the agenda for each Committee listed in the Agenda Book. At the conclusion of each Standing Committee meeting, the report of that Committee will be formally presented to the Board for consideration and action.

- **Executive Committee**: Chairman Miller  
Vice-Chairman Clements, Vice-Chairman Hunt, Vice-Chairman Riter  
Agenda Book Page 7

- **Finance and Planning Committee**: Chairman Hunt  
Regent Estrada, Regent Krier, Regent Oxford, Regent Riter  
Agenda Book Page 8

- **Academic Affairs Committee**: Chairman Krier  
Regent Estrada, Regent Hunt, Regent Oxford  
Agenda Book Page 59

- **Health Affairs Committee**: Chairman Oxford  
Regent Clements, Regent Craven, Regent Sanchez  
Agenda Book Page 85

- **Facilities Planning and Construction Committee**: Chairman Clements  
Regent Craven, Regent Riter, Regent Sanchez  
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