

Meeting No. 1,222

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

Pages 1 – 8

December 15, 2021

Austin, Texas

MEETING NO. 1,222

WEDNESDAY, DECEMBER 15, 2021.--The members of the Board of Regents of The University of Texas System convened a special called meeting in Open Session on Wednesday, December 15, 2021 at 2:00 p.m. via telephone conference call, in the Board Room, Second Floor, The University of Texas System Building, 210 West Seventh Street, Austin, Texas, with the following participation:

ATTENDANCE.--

Present
Chairman Eltife
Vice Chairman Weaver
Regent Crain
Regent Hicks
Regent Jiles
Regent Perez
Regent Stedman
Regent Warren

Absent
Vice Chairman Longoria
Regent Nguyen, Student Regent, nonvoting

CONVENE THE BOARD IN OPEN SESSION TO RECESS TO EXECUTIVE SESSION.--
At 2:00 p.m., in accordance with a notice being duly posted with the Secretary of State and there being a quorum present, Chairman Eltife called the meeting to order in Open Session, then recessed the Board to Executive Session, pursuant to *Texas Government Code* Sections 551.071, 551.073, and 551.074 to consider the matters listed on the Executive Session agenda.

RECONVENE THE BOARD IN OPEN SESSION TO CONSIDER ACTION ON EXECUTIVE SESSION ITEMS AND AGENDA ITEMS.--Chairman Eltife reconvened the Board in Open Session at 2:33 p.m. to consider action on the following items.

- 1a. U. T. System Academic Institutions: Discussion and appropriate action regarding proposed negotiated gifts, including potential naming features

Vice Chairman Weaver made the following motion:

I move that the U. T. System Board of Regents authorize Chancellor Milliken, Vice Chancellor Safady, and the Presidents of U. T. Austin, U. T. Tyler, and U. T. M. D. Anderson Cancer Center to conclude negotiations necessary to finalize, approve, and accept gifts and to finalize and execute any agreements related to gift-associated namings consistent with the terms and conditions outlined and recommended in Executive Session.

The motion was seconded by Regent Perez and carried unanimously.

- 1b. U. T. System Health Institutions: Discussion and appropriate action regarding proposed negotiated gifts, including potential naming features

See related Item 1a for action taken in Open Session.

- 2a. U. T. System: Discussion and appropriate action regarding individual personnel matters relating to appointment, employment, evaluation, compensation, assignment, and duties of presidents (academic and health institutions including interim presidents); U. T. System Administration officers (Executive Vice Chancellors and Vice Chancellors); other officers reporting directly to the Board (Chancellor, General Counsel to the Board, and Chief Audit Executive); Board members; and U. T. System and institutional employees

No action was taken on this item.

- 2b. U. T. Arlington: Discussion and appropriate action on individual personnel matters related to presidential search

Regent Warren made the following motion:

I move that the U. T. System Board of Regents authorize the Chairman, Chancellor, and the Executive Vice Chancellor for Academic Affairs to take action as recommended and discussed in Executive Session, to invite candidates for the U. T. Arlington presidency, to interview with the Board at a future meeting. This motion is made with the understanding that the names of finalists for the presidency will be made public at least 21 days before a vote to name a president.

The motion was seconded by Regent Crain and carried unanimously.

3. U. T. System Board of Regents: Discussion with Counsel on pending legal issues

No action was taken on this item.

AGENDA ITEMS

1. U. T. System Board of Regents: Approval of Consent Agenda items

Chairman Eltife noted the following related to the Consent Agenda:

- Item a requests approval of terms of a new Employment Agreement for current Head Football Coach Taylor at U. T. San Antonio.
- Item b requests approval of delegation to conclude negotiations and execute the contract associated with U. T. San Antonio's membership in the American Athletic Conference.

Vice Chairman Weaver moved approval, which was seconded by Regent Crain. The Board then approved the Consent Agenda, which is set forth on Pages 4 - 8.

In approving the Consent Agenda, the Board expressly authorized that any contracts or other documents or instruments approved therein may be executed by officials of The University of Texas System or respective U. T. institution involved, as appropriate.

2. U. T. Medical Branch - Galveston: Request to approve the naming of the medical school

Following brief comments by Chancellor Milliken regarding support given by John Sealy and the Sealy Smith Foundation to The University of Texas Medical Branch at Galveston and advising of President Raimer's recommendation to name the medical school in honor of John Sealey, Regent Crain made the following motion:

I move the U. T. System Board of Regents approve the recommended naming of the school of medicine at The University of Texas Medical Branch at Galveston as The John Sealy School of Medicine.

RECOMMENDATION

President Raimer will make a recommendation with the support of the Chancellor, the Executive Vice Chancellor for Health Affairs, and the Vice Chancellor for External Relations, Communications, and Advancement Services concerning the naming of the medical school.

The motion was seconded by Regent Hicks and carried unanimously.

Prior to adjourning the meeting, Chairman Eltife called on Chancellor Milliken who reported that U. T. San Antonio received the R1 Tier (or top-tier research institution) classification from The Carnegie Classification of Institutions of Higher Education, joining 150 universities out of over 3000 nationwide, one of eight universities in Texas to hold that distinction, and also now one of only 20 institutions in the country that have the R1 Carnegie classification and are Hispanic-serving institutions.

ADJOURNMENT.--There being no further business, the meeting was adjourned at 2:40 p.m.

/s/

Tina E. Montemayor
Secretary to the Board of Regents
December 15, 2021



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

Special Called Board Meeting:

December 15, 2021
Austin, Texas

a. Employment Agreement - U. T. San Antonio: Approval of terms of new Employment Agreement for current Head Football Coach Jeffrey Traylor

The following terms of a new Employment Agreement for Head Football Coach Jeffrey Traylor have been approved by the Chancellor, the Executive Vice Chancellor for Academic Affairs, and the Vice Chancellor and General Counsel and are recommended for approval by the U. T. System Board of Regents. The terms of the new Agreement were previously reviewed pursuant to Regents' *Rules and Regulations*, Rule 10501, Section 2.2.12(a). If the terms are approved, total compensation will exceed \$1 million. The new Agreement references 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, the Regents' *Rules and Regulations*, and the policies of The University of Texas at San Antonio. A violation of the provisions of such constitution, bylaws, rules, regulations, or policies may be grounds for suspension without pay and/or dismissal.

Guaranteed compensation

(Decrease of 0.08% for annual salary and increase of 819% for product endorsement provision for a total increase in guaranteed compensation of 184%, offset by total decrease of nonguaranteed compensation below of 69%):

From:

Annual Salary:

- January 1, 2021 to December 31, 2021: \$630,000
- January 1, 2022 to December 31, 2022: \$661,500
- January 1, 2023 to December 31, 2023: \$694,575
- January 1, 2024 to December 31, 2024: \$729,304
- January 1, 2025 through December 31, 2025: \$729,304

Automobile: At the Discretion of the VP of Intercollegiate Athletics, Coach may be assigned a dealer car or \$600 monthly allowance

Social Club Membership: A country club membership at a club to be determined by the University

Product Endorsement/Supplemental Compensation: \$200,000 per contract year for participation in agreed upon television, radio, and other media events promoting the University Football Program

Tickets:

Twelve (12) football season tickets

Ten (10) tickets to away games including conference championship and bowl games

Moving Expenses: Not to exceed \$30,000

Executive Housing: If requested, the University will provide temporary executive housing through February 29, 2020, at a rate not to exceed a maximum of \$150 per night without prior written approval.

To:

Annual Salary:

January 1, 2022 to December 31, 2022: \$661,000

January 1, 2023 to December 31, 2023: \$700,000

January 1, 2024 to December 31, 2024: \$750,000

January 1, 2025 to December 31, 2025: \$800,000

January 1, 2026 to December 31, 2026: \$900,000

January 1, 2027 to December 31, 2027: \$1,000,000

January 1, 2028 to December 31, 2028: \$1,000,000

January 1, 2029 to December 31, 2029: \$1,000,000

January 1, 2030 to December 31, 2030: \$1,000,000

January 1, 2031 to December 31, 2031: \$1,000,000

Automobile: At the discretion of the University, Coach may be assigned a dealer car or \$600 monthly allowance.

Social Club Membership: Head Coach will receive a country club membership at a club determined by University.

Spousal and Family Travel: Head Coach's spouse will be entitled to reimbursement for travel and other reasonable and necessary expenses incurred while engaging in official University activities, provided that such activities are at the direction of and have prior approval of the University's Athletics Director.

Head Coach will be entitled to direct University payment or reimbursement for his spouse and children's travel and other reasonable and necessary expenses related to travel for post season football games, including conference championships and bowl games the University is participating in.

Tickets and Suite: Head Coach shall receive twelve (12) season tickets to University home games for all sports, and a suite, including reasonable food and beverage, at the Alamodome for University home football games.

Head Coach shall also receive ten (10) tickets to all away football games, as well as to conference championship and bowl games University participates in.

Product Endorsement: Head Coach shall receive the compensation outlined below for participation in agreed upon television, radio, and other media events promoting the University Football Program to be agreed upon at the start of each season.

- January 1, 2022 to December 31, 2022: \$1,839,000
- January 1, 2023 to December 31, 2023: \$1,800,000
- January 1, 2024 to December 31, 2024: \$1,750,000
- January 1, 2025 to December 31, 2025: \$1,700,000
- January 1, 2026 to December 31, 2026: \$1,800,000
- January 1, 2027 to December 31, 2027: \$1,900,000
- January 1, 2028 to December 31, 2028: \$2,000,000
- January 1, 2029 to December 31, 2029: \$2,100,000
- January 1, 2030 to December 31, 2030: \$2,200,000
- January 1, 2031 to December 31, 2031: \$2,500,000

Retention Bonus: Head Coach will receive a \$200,000 retention bonus, provided he is still the Head Football Coach on January 1, 2027.

Head Coach will receive a \$250,000 retention bonus, provided he is still the Head Football Coach on January 1, 2030.

Nonguaranteed compensation
(Decrease of 69%):

From:

Sports Camps: A portion of the net proceeds as approved by the VP for Intercollegiate Athletics

- Team Performance Incentives: Maximum of \$1,625,000 annually
- (a) Team achieves six (6) regular season wins in a season: \$50,000*
 - (b) Team achieves seven (7) regular season wins in a season: \$100,000*
 - (c) Team achieves eight (8) regular season wins in a season: \$150,000*
 - (d) Team achieves nine (9) regular season wins in a season: \$250,000*
 - (e) Team participates in the C-USA Championship Game: \$100,000
 - (f) Team wins the C-USA Championship Game: \$25,000
 - (g) Team participates in a Non-New Year's 6 Bowl Game: \$100,000
 - (h) Team participates in a New Year's 6 Bowl Game: \$200,000
 - (i) Team wins any bowl game: \$25,000
 - (j) Team defeats a Power 5 program in the regular season: \$25,000
 - (k) Team wins the College Football Playoff National Championship: \$500,000
 - (l) C-USA Coach of the Year: \$25,000
 - (m) National Coach of the Year: \$100,000
 - (n) Football Ticket Sales (as calculated by University) exceed \$2 million in a season: \$150,000**
 - (o) Football Ticket Sales (as calculated by University) exceed \$2.5

million in a season: \$250,000**

(p) Football Ticket Sales (as calculated by University) exceed \$3 million in a season: \$350,000**

Those with * and ** are non-cumulative. In other words, for any particular season, Head Coach may be eligible, at most, for one of (a)-(d) and one of (n)-(p).

To:

Sports Camps: Head Coach will be permitted to distribute 100% of the net proceeds for each University-approved football camp to himself and the staff employed by or for the particular camp.

Team Performance Incentives: Maximum of \$500,000 annually.

(a) Team achieves eight (8) regular season wins in a season: \$25,000*

(b) Team achieves nine (9) regular season wins in a season: \$50,000*

(c) Team achieves ten (10) regular season wins in a season: \$75,000*

(d) Team achieves eleven (11) regular season wins in a season: \$100,000*

(e) Team participates in the Conference Championship Game: \$25,000

(f) Team wins the Conference Championship Game: \$50,000

(g) Team participates in a Non-New Year's 6 Bowl Game: \$25,000

(h) Team participates in a New Year's 6 Bowl Game: \$175,000

(i) Team wins any Bowl Game: \$25,000

(j) Team wins the College Football Playoff National Championship: \$500,000

(k) Conference Coach of the Year: \$25,000

(l) National Coach of the Year: \$100,000

(m) CFP Top 25 Rank Finish: \$20,000**

(n) CFP Top 10 Rank Finish: \$40,000**

Those with * and ** are non-cumulative. In other words, for any particular season, Head Coach may be eligible, at most, for one of (a)-(d) and one of (m)-(n).

Source of Funds: Intercollegiate Athletics

Period: January 1, 2022 through December 31, 2031

b. Other Matters - U. T. San Antonio: Approval of delegation to conclude negotiations and execute contract for athletic conference membership in the American Athletic Conference

The Chancellor, the Executive Vice Chancellor for Academic Affairs, and the Vice Chancellor and General Counsel support the request that the institutional president be delegated authority to conclude negotiations and execute a contract for membership in the American Athletic Conference (AAC), with significant terms of the contract as outlined below:

1. U. T. San Antonio will join the AAC no later than July 2024.
2. U. T. San Antonio will be assessed a one-time entry fee of \$2.5 million spread over the first five years in equal installments from monies withheld by the ACC from annual ACC distributions to U.T. San Antonio.
3. U. T. San Antonio will be assessed a one-time AAC reserve fund fee of \$471,000 spread over the first five years in equal installments from monies withheld by the ACC from annual ACC distributions to U.T. San Antonio.

The change in conference membership was reviewed in October 2021 following the process provided for certain time-sensitive athletics matters as allowed by Regents' Rule 10501, Subsection 2.2.12 upon a determination of special circumstances.

U. T. San Antonio has determined that the AAC is the most suitable conference because of the student athlete experience, regional rivalries, and the quality of the conference. AAC membership aligns with the strategic plans for athletics and the university.

Members of the AAC when U. T. San Antonio joins the conference will be: East Carolina University, University of Memphis, U.S. Naval Academy (football only), University of South Florida, Southern Methodist University, Temple University, Tulane University, University of Tulsa, Wichita State University (sports other than football), University of North Carolina Charlotte, University of Alabama at Birmingham, Florida Atlantic University, University of North Texas, and Rice University.