

Meeting No. 1,043

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

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February 11-12, 2009

Austin, Texas

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MEETING NO. 1,043

WEDNESDAY, FEBRUARY 11, 2009.--The members of the Board of Regents of The University of Texas System convened at 12:40 p.m. on Wednesday, February 11, 2009, in the Board Room, Ninth Floor, Ashbel Smith Hall, 201 West Seventh Street, Austin, Texas, with the following participation:

ATTENDANCE.--

Present

Chairman Caven, presiding
Vice Chairman Huffines
Regent Barnhill
Regent Dannenbaum
Regent Foster
Regent Gary
Regent McHugh
Regent Dower, Student Regent, nonvoting

Absent

Vice Chairman Rowling*
Regent Longoria

In accordance with a notice being duly posted with the Secretary of State and there being a quorum present, Chairman Caven called the meeting to order.

REMARKS BY CHAIRMAN CAVEN REGARDING SYSTEMWIDE HIRING FREEZE FOR NONFACULTY EMPLOYEES.--Chairman Caven made the following remarks regarding action taken by Chancellor Cigarroa to institute a University of Texas Systemwide hiring freeze for nonfaculty employees.

Remarks by Chairman Caven

I do want to acknowledge the Chancellor's actions in instituting a Systemwide hiring freeze for nonfaculty employees and a thorough review of proposed faculty hires by the campus presidents, provosts, and deans. As Chancellor Cigarroa stated yesterday, we are facing challenging economic times and the U. T. System and its institutions must continue to identify opportunities to contain costs and maximize organizational effectiveness initiatives.

*On February 5, 2009, Vice Chairman Rowling resigned from the Board and on February 11, 2009, Chairman Caven relieved Vice Chairman Rowling of all committee assignments for this meeting (February 11-12) (See the item on Page 2).

AGENDA ITEMS

U. T. System Board of Regents: Appointment of Regent Foster as Chairman of Finance and Planning Committee and notification of appointments to Standing Committees for the record (Regents' Rules and Regulations, Rule 10402, regarding Committees and Other Appointments)

Chairman Caven noted that an additional item had been posted with the Secretary of State regarding Board committee appointments related to the resignation of Vice Chairman Rowling from the Board of Regents on February 5, 2009. In accordance with his wishes, Chairman Caven relieved Vice Chairman Rowling of all committee assignments for this meeting.

Chairman Caven also announced that for this meeting he had appointed Regent McHugh to the Finance and Planning Committee and Regent Gary to the Health Affairs Committee. He noted that the Audit, Compliance, and Management Review Committee would be a three-person committee for this meeting, with no replacement named at this time for Vice Chairman Rowling.

The Board approved Chairman Caven's recommended appointment of Regent Foster as Chairman of the Finance and Planning Committee.

U. T. System Board of Regents: Recommended appointment of Regental representative to The University of Texas Investment Management Company (UTIMCO) Board of Directors (Deferred)

Chairman Caven deferred the additional item that had been posted with the Secretary of State related to appointment of a Regental representative to The University of Texas Investment Management Company (UTIMCO) Board of Directors to replace Vice Chairman Rowling who resigned from the Board of Regents and from the chairmanship of the UTIMCO Board of Directors on February 5, 2009.

RECESS TO EXECUTIVE SESSION.--At 12:43 p.m., Chairman Caven announced the Board would recess to convene in Executive Session pursuant to *Texas Government Code* Sections 551.071, 551.073, and 551.074 to consider those matters listed on the Executive Session agenda.

RECONVENE IN OPEN SESSION.--At 1:38 p.m., the Board reconvened in open session for the following actions taken on matters discussed in Executive Session.

1a. U. T. Health Science Center – San Antonio: Discussion of individual personnel matters related to presidential search

No action was taken on this item.

- 1b. U. T. Austin: Approval of change in employment terms, compensation, and title for Assistant Football Coach William L. Muschamp

Vice Chairman Huffines moved that the Board,

- acting in recognition of the desire of The University of Texas at Austin Men's Athletics Director and the Head Football Coach to provide a plan for continuity in leadership for football student-athletes and staff;
- acting in recognition of the commitment, motivation, and performance of Assistant Football Coach and Defensive Coordinator William L. Muschamp, and wishing to retain Coach Muschamp at U. T. Austin; and
- acting in accordance with Regents' *Rules and Regulations*, Rule 20204, regarding determining and documenting the reasonableness of compensation,

approve an employment agreement for Coach Muschamp as Head Coach-Designate for one year beginning January 1, 2009, with additional one-year rollover terms until he becomes Head Coach consistent with the parameters discussed in Executive Session and as outlined on the attached summary sheet (see Page 4).

Vice Chairman Huffines also moved that these provisions be incorporated into a Head Coach-Designate Employment Agreement that will be approved by U. T. Austin and The University of Texas System Office of General Counsel, and that will include standard head coach employment agreement provisions regarding standards of conduct.

He further moved that the Board find, as required by State law, that the proposed employment agreement is in the best interest of U. T. Austin.

The motion was seconded by Regent Barnhill and carried unanimously.

Summary sheet
for
U. T. Austin Assistant Football Coach and Defensive Coordinator
William L. Muschamp

- Guaranteed annual compensation of \$900,000 during his service as Head Coach Designate. This annual compensation consists of:

Base Salary	\$850,000
Speaking Fee	\$ 30,000
Camps	\$ 20,000

- Continuation of his non-guaranteed annual performance incentives:

Wins Big 12 South Championship	\$3,000
Wins Big 12 Championship	\$5,000
Participates in a BCS Bowl	Same Amount as Offensive Coordinator
Participates in a Non-BCS Bowl	Same Amount as Offensive Coordinator
End of Year National Ranking	
1 st or Tied for 1 st	\$10,000
2 nd Through 5 th or Tied for 5 th	\$ 7,000
6 th Through 10 th or Tied for 10 th	\$ 5,000
Participates in NCAA Championship Game	\$10,000

- An additional five year term on his employment agreement from the date he becomes Head Coach (Coach Muschamp will not become Head Coach until Coach Mack Brown decides that he no longer wishes to serve in that role, at which time Coach Brown will assume another position at U. T. Austin and Coach Muschamp will become Head Coach);

- Guaranteed annual compensation as Head Coach of:

If January 1, 2010	\$2,000,000
If January 1, 2011	\$2,250,000
If January 1, 2012	\$2,500,000
If January 1, 2013 or beyond	\$2,500,000+
	To be negotiated

- Non-guaranteed annual academic and athletic performance incentives as Head Coach to be negotiated and similar to those of the current Head Coach.

- 1c. 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), 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), and U. T. System and institutional employees

No discussion was held on this item.

- 2a. U. T. System Board of Regents/U. T. Medical Branch – Galveston: Briefing on lawsuit titled Sandor, Puccetti, Lecornu, the Texas Faculty Association vs. The University of Texas System et al. and discussion of legal strategy

No action was taken on this item.

- 2b. U. T. System Board of Regents: Discussion with Counsel regarding legal matters

No discussion was held on this item.

- 3a. U. T. Austin: Approval of a negotiated gift with potential naming feature

Regent Barnhill moved that the Board of Regents authorize President Powers and Vice Chancellor Safady to conclude negotiations and to execute documents related to the acceptance of a gift to benefit The University of Texas at Austin with a related naming feature, consistent with the parameters discussed in Executive Session.

The motion was seconded by Regent McHugh and carried unanimously.

- 3b. U. T. Medical Branch – Galveston: Discussion and appropriate action regarding proposed negotiated gifts with potential naming features (Deferred)

The item related to negotiated gifts with related naming features to benefit The University of Texas Medical Branch at Galveston was deferred.

RECESS.--At 1:44 p.m., Chairman Caven announced the Board would recess for committee meetings and would reconvene in Open Session at approximately 3:30 p.m.

RECONVENE IN OPEN SESSION.--At 3:43 p.m., the Board reconvened in Open Session to consider the following agenda item.

1. U. T. Medical Branch – Galveston: Presentation of the Kurt Salmon Associates report and discussion regarding the review of clinical operations and recommendations on redevelopment and strategic direction

Chairman Caven announced that Vice Chairman Huffines, Regent Longoria, and Regent McHugh had agreed to serve on a Board Task Force related to the review of clinical operations and recommendations on redevelopment and strategic direction for The University of Texas Medical Branch at Galveston (UTMB). Later, Regent Foster also agreed to serve on the Task Force on UTMB Clinical Operations. Chairman Caven appointed Regent McHugh to chair the Task Force, which will meet in Galveston on February 20, 2009, to hear public comments on the matters under discussion today prior to further Board discussion and action at a special called Board meeting on March 10, 2009, in Austin.

Chairman Caven noted the focus of the discussion would be the report from Kurt Salmon Associates (KSA). KSA, a leading national healthcare consulting group, was engaged to review the impact of Hurricane Ike on the clinical operations of UTMB and to make recommendations on how best to redevelop this aspect of the institution. Chairman Caven urged the UTMB community and the public to review the KSA report, which he said was available online, and provide feedback, either at the meeting on February 20 or in writing to The University of Texas System. (The [KSA Executive Summary](#) and [final report](#) is on file in the Office of the Board of Regents.)

Executive Vice Chancellor Shine then provided opening comments saying UTMB is the oldest U. T. System institution, has survived enormous catastrophes including the 1900 hurricane, and is a leader in biomedical research. Dr. Shine said the UTMB hospitals have provided care to a wide variety of patients, many of whom come from areas outside of Galveston and he mentioned preeminent areas of care including a Level 1 trauma center and programs in burns, transplantation, and infectious diseases. Executive Vice Chancellor Shine remarked that patients without insurance and uncompensated care were problematic for the hospital, which incurred financial losses, exacerbated by Hurricane Ike, which made landfall on the Island on September 5, 2008. Dr. Shine said the UTMB staff and faculty performed heroically in the aftermath of the storm, evacuating patients and protecting the campus and as a consequence, the educational programs resumed almost entirely by October 22 and most research was reestablished. Dr. Shine further reviewed the history of meetings held, the uncertainties regarding the UTMB enterprise, and the reduction in force (RIF). He emphasized that no recommendation had been made to the Regents regarding any scenario for creating a health system at UTMB and the KSA report is the beginning of a dialogue.

Dr. Shine then introduced Mr. Sherman T. Moore, Principal, and Mr. Michael T. Gavin, Manager, Kurt Salmon Associates (KSA). Mr. Moore presented the assessment of the clinical enterprise and recommendations of various scenarios, including rebuilding inland or on the island, splitting the campus, and remediating and mitigating pre-Ike buildings. (The [KSA PowerPoint presentation](#) is on file in the Office of the Board of Regents.)

Following the KSA report, President Callender said in some scenarios, ultimate mitigation for inpatient facilities on the Island is to relocate a portion of those facilities to the mainland. He said some construction on the mainland could be supported by the Federal Emergency Management Agency (FEMA). Dr. Callender thanked members of the Board for supporting the KSA report, thanked UTMB colleagues for their heroism and performance in the wake of the storm, and thanked colleagues at U. T. System, and alumni, friends, and donors around the state for their contributions. He said he remains confident that UTMB has a bright future.

Before inviting comments from the Board, Chairman Caven said the KSA report has a lot of data and at this point in time, there are no recommendations from U. T. System staff as there is still much to debate. Mr. Moore responded to questions from Regent Dannenbaum about the demographics, and payor mix related to development of storm protection efforts on the Island, such as the “Ike Dike,” and about the costs of a split campus between the Island and the mainland.

Vice Chairman Huffines asked if healthcare reforms being discussed by the leadership in Washington, D.C., might impact the KSA recommendations and Mr. Moore speculated probably not and he discussed opportunities regarding the analyses of changes in the payor mix.

Regent Gary asked if FEMA and other subsidies are applied in the same way under each scenario presented by KSA and Mr. Moore responded that commentary was not made regarding sources of funding although mitigation of building on the Island has been studied. Dr. Shine spoke about cash flow alternatives, and Regent Barnhill commented on the issues of expanding facilities next to a body of water.

Dr. Shine spoke about projected losses, general revenue, and disproportionate share hospital (DSH) money and he asked about the economic models presented by KSA. Mr. Moore explained the economics of the different scenarios. Dr. Shine also asked if the Ambulatory Care Facility in League City could serve as an outpost to help with the inpatient issues on the Island and Mr. Moore speculated on the outcome.

In response to a question from Regent Dannenbaum, President Callender answered that UTMB is in active negotiations with the Shriners Hospitals for Children – Galveston to use the facility and continue service opportunities.

Regent Foster asked about mitigation costs and Mr. Moore and Dr. Callender discussed related expenses.

Vice Chairman Huffines clarified that the John Sealy Hospital receives \$140 million per year in general revenue and he pointed out this does not include the educational component. Dr. Shine responded to a question from Regent Barnhill that any hospital on the Island would be a UTMB hospital and he said adequate funding would involve the payor mix and State-supported uncompensated care.

Dr. Shine said the KSA consultants have developed other scenarios besides those presented at the meeting and Mr. Moore explained the financials on those scenarios have not been examined. Dr. Shine suggested more options be examined to mitigate costs while programs at UTMB be accelerated such as rebuilding the John Sealy Hospital to 350 beds over the next few months and rebuilding the trauma center before making a recommendation to the Board.

Regent McHugh asked about the operations differential into the future and Mr. Moore answered that locations with a better payor mix will provide better operations.

RECESS.--At 4:55 p.m., Chairman Caven announced the Board would recess until the morning of February 12.

THURSDAY, FEBRUARY 12, 2009.--The members of the Board of Regents of The University of Texas System reconvened at 10:15 a.m. on Thursday, February 12, 2009, in the Board Room, Ninth Floor, Ashbel Smith Hall, 201 West Seventh Street, Austin, Texas, with the following participation:

ATTENDANCE.--

Present

Chairman Caven, presiding
Vice Chairman Huffines
Regent Barnhill
Regent Dannenbaum
Regent Foster
Regent Gary
Regent McHugh
Regent Dower, Student Regent, nonvoting

Absent

Vice Chairman Rowling*
Regent Longoria

Chairman Caven announced a quorum present and called the meeting to order.

WELCOME TO CHANCELLOR FRANCISCO G. CIGARROA.--Chairman Caven welcomed Francisco G. Cigarroa, M.D., to his first Board meeting in his new role as Chancellor of The University of Texas System and he presented Dr. Cigarroa with a bronze medallion for his desk as a tangible reminder of the Board's confidence in his leadership and appreciation for his willingness to continue his path of public service.

Chancellor Cigarroa said it is a privilege and an honor to lead the U. T. System and he received a standing ovation.

APPRECIATION TO CHANCELLOR AD INTERIM KENNETH I. SHINE.--

Chairman Caven again thanked Executive Vice Chancellor Kenneth I. Shine, M.D., for stepping in as Chancellor ad interim of The University of Texas System and for serving with such distinction since May 1, 2008.

*On February 5, 2009, Vice Chairman Rowling resigned from the Board and on February 11, 2009, Chairman Caven relieved Vice Chairman Rowling of all committee assignments for this meeting (February 11-12) (See the item on Page 2).

WELCOME TO DR. WILLIAM L. HENRICH, INTERIM PRESIDENT AT THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT SAN ANTONIO, AND DR. CHARLES A. SORBER, INTERIM PRESIDENT-DESIGNATE FOR THE UNIVERSITY OF TEXAS – PAN AMERICAN.--Chairman Caven recognized William L. Henrich, M.D., who was named Interim President at The University of Texas Health Science Center at San Antonio effective January 12, 2009.

Chairman Caven also recognized Dr. Charles A. Sorber, who becomes Interim President at The University of Texas – Pan American on February 16, 2009. Dr. Paul Sale, Provost and Vice President for Academic Affairs, is serving as Acting President at U. T. Pan American following the resignation of Dr. Blandina Cárdenas as President on January 30, 2009.

U. T. SYSTEM BOARD OF REGENTS: APPROVAL OF MINUTES.--The Minutes of the regular meetings of the Board of Regents of The University of Texas System held on November 12-13, 2008, in El Paso, Texas, and on December 18-19, 2008, in Austin and Lost Pines, Texas, were approved as prepared by the Assistant Secretary to the Board of Regents. The official copy is recorded in the *Permanent Minutes*, Volume LVI, Pages 9 - 226.

The Minutes of the special meeting of the Board of Regents of the U. T. System held on January 9, 2009, in Austin, Texas, were also approved as prepared by the Assistant Secretary to the Board of Regents. The official copy is recorded in the *Permanent Minutes*, Volume LVI, Pages 227 - 230.

AGENDA ITEMS

2. U. T. System Board of Regents: Presentation by Cooper, Robertson & Partners, L. L. P., regarding the status of work on the master planning project for the Brackenridge Tract

Mr. Paul Milana, Partner-in-Charge, Cooper, Robertson & Partners, L. L. P., provided an update on the status of work on the master planning project for the Brackenridge Tract. Dr. David McGregor, Project Director for Cooper Robertson, was also in attendance.

Mr. Milana answered a question from Regent Dannenbaum about location of commercial and marketing services along Lake Austin Boulevard, saying those considerations are being taken into account in the master planning. In response to a question from Regent Gary, Mr. Milana said the involvement of the local service providers has been valuable.

Cooper Robertson, selected by The University of Texas System Board of Regents on March 26, 2008, has entered the second phase of its work to develop a minimum of two conceptual master plans for the approximately 350-acre Brackenridge Tract in Austin, Texas. Because of the extensive scope of the work, the firm has divided the work into two phases: Analysis and Conceptual Plans.

Since March 2008, Cooper Robertson and its subcontractors have conducted numerous studies and analyses, including land surveys, traffic analyses, environmental analyses, and market analyses. In addition, and as directed by the Board of Regents, Cooper Robertson has been engaged in continuous and extensive efforts to provide opportunities for interested parties and groups to give input.

As previously reported to the Board on August 14, 2008, Cooper Robertson conducted a public listening session on June 25, 2008, and a public informational session on August 12, 2008. The public listening session gave interested individuals an opportunity to express their concerns and interests and the public information session gave Cooper Robertson and its team of subcontractors an opportunity to share with the public the results of the analyses to date.

During the week of November 3 through 7, 2008, Cooper Robertson conducted a series of workshops and public meetings to continue to offer opportunities to the public to provide input. At the outset of that week, Cooper Robertson provided to the public the draft Design Principles, which appear below. Cooper Robertson also held three work sessions during the week to give the public an opportunity to provide input on various design scenarios for the tract.

In addition to the public sessions, Cooper Robertson has continued its collaborative planning efforts with The University of Texas at Austin, engaging student housing representatives and Brackenridge Field Laboratory representatives. The firm has also met with representatives of the U. T. Austin student and faculty councils and with numerous public and governmental officials and interested members of the public.

Collaborative planning efforts will continue in 2009, as the firm moves into the conceptual planning phase of the project. As previously scheduled, conceptual plans will be presented to the Board of Regents in June 2009.

Draft Design Principles

prepared by Cooper Robertson & Partners, L. L. P.

Legacy

Honor the intent of Colonel Brackenridge's gift that the land be used "in trust for the University of Texas" at Austin for the "purpose of advancing and promoting University education" and preserve opportunities for future University uses on the Tract.

Context and Compatibility

Recognize and respond to the Tract's context within the City of Austin as a part of the City's waterfront and to the context of the West Austin neighborhood by respecting the character of its edges with appropriate land uses, building scale, landscape, and traffic mitigation.

Place Making and Public Realm

Conceive the Tract as a distinct and integrated whole, greater than the sum of its parts, organized as a collection of walkable neighborhoods with an integrated system of streets, trails, and freely accessible, usable open space, collectively known as the public realm.

Compact Development

Employ compact development strategies that maximize open space, embody a hierarchy of experiences, and encourage mixed-use, pedestrian friendly and vibrant areas that will characterize the Tract within the region, the city, and the vicinity.

Ecology and Environment

Celebrate the lakefront and other significant natural features of the Tract, such as its creek and mature trees, by organizing a larger open space system about these elements, while embracing the best methods and practices to ensure their preservation and to support the regional ecology.

Transportation and Connectivity

Recognize that transportation solutions are achieved at a citywide scale, but design to minimize neighborhood traffic impacts by providing additional connections that reduce the dependence upon Enfield Road and Exposition, by mixing uses to capture otherwise off-site trips, and by planning for future transit options. Incorporate a hike and bike system that is interconnected to upland pathways.

Sustainability

Plan the future of the Tract based on a holistic approach to sustainability which considers social and economic, as well as natural, systems and resources, building upon the strengths of the past and what exists today while preserving options for future generations.

Feasibility, Flexibility, and Economic Viability

Develop an economically feasible plan that can be phased over time, be flexible to changing markets and conditions, and generate income from the Tract, using sound planning principles, to support the educational mission of the University while contributing positively to the community.

3. U. T. System Board of Regents: Report on the plan for the permanent dedication of potential revenue realized from the development of the Brackenridge Tract (Deferred)

The report on the plan for the permanent dedication of potential revenue realized from the proposed development of the Brackenridge Tract was deferred.

4. U. T. System Board of Regents: Amendment of Regents' *Rules and Regulations*, Rule 31008, regarding termination of a faculty member

The Board amended the Regents' *Rules and Regulations*, Rule 31008, regarding termination of a faculty member, to read as set forth on Pages 14 - 19.

These amendments streamline the process by which faculty terminations are accomplished. Deletions eliminate a step in the process, allowing evidence to be obtained before decisions are considered by the president. Academic and health presidents, along with The University of Texas System Faculty Advisory Council (FAC), were consulted on the changes.

1. Title

Termination of a Faculty Member

2. Rule and Regulation

Sec. 1 Termination for Good Cause. Termination by an institution of the employment of a faculty member who has been granted tenure and of all other faculty members before the expiration of the stated period of appointment, except as is otherwise provided in Rule 31007, Section 5, and *Texas Education Code* Section 51.943, or by resignation or retirement, will be only for good cause shown. Faculty member, as used in this Section, includes a professional librarian with an academic title. In each case the issue of good cause will be determined according to the equitable procedures provided in this Section.

Sec. 2 Review of Allegation. The president of the institution (the president) shall assure that all allegations against a faculty member that involve the potential for termination are reviewed under the direction of the chief academic officer unless another officer is designated by the president. The faculty member who is the subject of the allegations shall be given an opportunity to be interviewed and shall have the right to present a grievance, in person or through a representative, to the chief academic officer on an issue or subject related to the allegations under review. The chief academic officer or another individual designated by the president if the allegations pertain to the chief academic officer shall take the grievance, if any, into consideration prior to making a determination whether the allegations are supported by evidence that justifies the initiation of termination procedures. Upon making that determination, the chief academic officer or other appropriate designee will recommend to the president whether to proceed with charges for termination. Failure to present a grievance to the chief academic officer or other appropriate designee prior to his or her recommendation shall not preclude a faculty member from presenting an issue or subject to the special hearing tribunal in defense of charges for termination that may result from the review. A tenured faculty member who is recommended for termination on the basis of periodic evaluation must be given the opportunity for referral of the matter to nonbinding alternative dispute resolution, as required by *Texas Education Code* Section 51.942 and in compliance with applicable policies and procedures for alternative dispute resolution within The

University of Texas System or any of the institutions, prior to referral of the charges to a hearing tribunal under Section 4 of this Rule.

Sec. 3 Response to Allegation. If the president determines that the allegations are supported by evidence that justifies the initiation of termination procedures, the president will meet with the faculty member, explain the allegations and supporting evidence, and give the faculty member a reasonable amount of time, as determined by the president, to respond either orally or in writing. In cases of incompetency or gross immorality, where the facts are admitted, or in cases of felony conviction, the hearing procedures of Section 4 of this Rule shall not apply, and dismissal by the president will follow.

Sec. 4 Hearings Tribunal. In cases where other offenses are charged, and in all cases where the facts are in dispute, the accused faculty member will be informed in writing of the charges. If the president determines that the nature of the charges and the evidence are such that it is in the best interest of the institution, the accused faculty member may be suspended with pay pending the completion of the hearing and a final decision. A special hearing tribunal of at least three faculty members will hear the charges. The academic rank of each member of the tribunal must be at least equal to that of the accused faculty member. The accused faculty member will be notified of the names of the faculty members selected for the tribunal and of the date, time, and place for the hearing. Such notification shall be made at least eight workdays prior to the hearing. The hearing tribunal members are appointed by the president from a standing panel (pool) of members of the faculty. At least 50% of the panel members from which the hearing tribunal members are appointed shall be selected by a procedure established by the faculty governance organization, an existing faculty committee with oversight for university-wide faculty committee selection. The president shall appoint the remaining members of the panel. A minimum of one member of a hearing tribunal appointed by a president is to be from among panel members selected by the faculty input, existent faculty committee, or faculty governance procedure. The president may request counsel from the System Administration's Office of General Counsel to advise the hearing tribunal.

4.1 Right to Cross-examine. In every such hearing the accused faculty member will have the right to appear in

person and by counsel of the accused's selection and to confront and cross-examine witnesses who may appear. If counsel represents the accused faculty member, the institution is entitled to be represented by counsel from System Administration's Office of General Counsel.

- 4.2 Right to Testify. The accused faculty member shall have the right to testify, but may not be required to do so. He or she may introduce in his or her behalf all evidence, written or oral, which may be relevant and material to the charges.
- 4.3 Record of Proceeding. A stenographic or electronic record of the proceedings will be taken and filed with the Board of Regents, and such record shall be made accessible to the accused.
- 4.4 Burden to Prove Good Cause. A representative of the institution may appear before the hearing tribunal to present witnesses and evidence in support of the charge against such faculty member, and such institutional representatives shall have the right to cross-examine the accused faculty member (if the faculty member testifies) and the witnesses offered in behalf of the faculty member. The institution has the burden to prove good cause for termination by the greater weight of the credible evidence.
- 4.5 Make-up of Hearing Tribunal. The hearing tribunal shall not include any accuser of the faculty member. If the accused faculty member is not satisfied with the fairness or objectivity of any member or members of the hearing tribunal, the faculty member may challenge the alleged lack of fairness or objectivity, but any such challenge must be made in writing to the hearing tribunal at least three workdays prior to the date for the hearing. The accused faculty member shall have no right to disqualify any member or members from serving on the tribunal. It shall be up to each challenged member to determine whether he or she can serve with fairness and objectivity in the matter, and if any challenged member should voluntarily disqualify himself or herself, the president shall appoint a substitute member of the tribunal from the panel described in Section 4 of this Rule.

- 4.6 Findings and Recommendations. The hearing tribunal, by a majority of the total membership, will make written findings on the material facts and will make a recommendation of the continuance or termination of the accused faculty member. The hearing tribunal, by a majority of its total membership, may make any supplementary suggestions it deems proper concerning the disposal of the case. The original of such findings and the recommendation, with any supplementary suggestions, shall be delivered to the president and a copy to the accused. If minority findings, recommendations, or suggestions are made, they shall be similarly treated. The original transcript of the testimony and the exhibits shall also be forwarded to the president.
- 4.7 President's Report. Within fourteen (14) workdays after receipt of the findings and recommendations of the hearing tribunal, the president shall make one of the following decisions based solely on the evidence of record in the proceedings and report that decision in writing to the accused faculty member:
- (a) The president may decide to dismiss the matter or impose sanctions short of termination. In this case, the president's decision is final and the Board of Regents will not review the matter.
 - (b) If the allegations are supported by evidence that constitutes good cause for termination, the president may decide to recommend termination to the Board of Regents. If so, the president shall forward the findings and recommendations of the hearing tribunal, the original transcript of the testimony and the exhibits to the Board of Regents for its review, along with the president's report. If the president's recommendation is not the same as the majority recommendation of the hearing tribunal, the president shall state the reasons for the president's decision to recommend termination in his or her report. The accused faculty member may, within seven workdays after receiving the president's report, submit a written response to the Board of Regents. The response must be based solely on the evidence of record in the proceeding.

- Sec. 5 Board Review. The Board of Regents, by a majority of the total membership, will approve, reject, or amend such findings, recommendations, and suggestions, if any, or will recommit the report to the same tribunal for hearing additional evidence and reconsidering its findings, recommendations, and suggestions, if any. Reasons for approval, rejection, or amendment of such findings, recommendations, or suggestions will be stated in writing and communicated to the accused.
- Sec. 6 Reasons for Termination Not Required. Full-time faculty members who are notified in accordance with Rule 31002, Section 1 of the Regents' *Rules and Regulations*, concerning notice of nonrenewal, that they will not be reappointed or who are notified in accordance with Rule 31007, Section 5 and Rule 31002, Sections 1 and 2 that the subsequent academic year will be the terminal year of appointment shall not be entitled to a statement of the reasons upon which the decision for such action is based. Such a decision shall only be subject to review pursuant to the following procedures:
- 6.1 Grievance. The affected faculty member may present a grievance, in person or through a representative, to the chief academic officer or another individual designated by the president if the allegations pertain to a chief academic officer on an issue or subject related to the nonrenewal decision. The chief academic officer shall meet with the faculty member. Unless a review by a hearing tribunal is requested and granted, pursuant to Section 6.2 below, the nonrenewal decision shall not be subject to further review.
- 6.2 Hearing Tribunal to Hear Grievance. A review by a hearing tribunal shall be granted only in those cases where the affected faculty member submits a written request for review by a hearing tribunal to the president and describes in detail the facts relied upon to prove that the decision was made for reasons that are unlawful under the Constitution or laws of Texas or the United States. If the president determines that the alleged facts, if proven by credible evidence, support a conclusion that the decision was made for unlawful reasons, such allegations shall be heard by a hearing tribunal under the

procedures in Section 1 of this Rule as in the case of dismissal for cause, with the following exceptions:

- (a) The burden of proof is upon the affected faculty member to establish by the greater weight of the credible evidence that the decision in question was made for reasons that are unlawful under the Constitution or laws of Texas or the United States.
- (b) The administration of the institution need not state the reasons for the questioned decision or offer evidence in support thereof unless the affected faculty member presents credible evidence that, if unchallenged, proves the decision was made for unlawful reasons.
- (c) The hearing tribunal shall make written findings and recommendations based on the evidence presented at the hearing and shall forward such findings and recommendations with the transcript and exhibits from the hearing to the president.
- (d) The president may approve, reject, or amend the recommendations of the hearing tribunal or may reach different conclusions based upon the record of the hearing. The decision of the president shall be final.

3. Definitions

Faculty Member – a faculty member is any individual holding an academic title listed in Regents' *Rules and Regulations*, Rule 31001, Section 2, with the exception of Assistant Instructors, Teaching Associates, and Teaching Assistants.

5. U. T. System Board of Regents: Recommendation for authorization for the Board of Regents to serve as trustee of charitable lead trusts that benefit U. T. System institutions (Deferred)

The item regarding authorization for the Board of Regents to serve as trustee of charitable lead trusts that benefit University of Texas System institutions was deferred.

6. U. T. System Board of Regents: Approval of tuition rates for all undergraduate and graduate School of Nursing students for Fiscal Year 2010

The Board approved the tuition and fee rates for all undergraduate and graduate University of Texas System School of Nursing students for Fiscal Year 2010 as originally submitted to the Board of Regents on March 26, 2008.

In March 2008, the Board of Regents approved tuition and fees for Fiscal Years 2009 and 2010, but approved tuition increases for nursing students only for Fiscal Year 2009, stating a desire to reevaluate the need for the U. T. System nursing schools' tuition increases for Fall 2009 as changes occur in State revenue allocation for the next biennium.

The tuition and fee rates for the Schools of Nursing submitted for consideration at the March 2008 meeting are consistent and within the guidelines established by the Board of Regents for the tuition and fee proposals for both Fiscal Years 2009 and 2010.

The Board of Regents directed that tuition and fee increases for Fiscal Years 2009 and 2010 be limited to 4.95 percent, or \$150 per semester, whichever is greater. Additionally, a minimum of 20 percent of the increases was to be used for financial aid.

Clarifications to the tuition and fee approvals presented to the Board of Regents on March 26, 2008, included:

- Application to all undergraduate programs, including both academic and health.
- For health institutions, the 4.95 percent or \$150 per semester is based on tuition and mandatory fees for the specific academic program.
- For academic institutions, total academic costs include tuition, mandatory fees, and average course and academically-related fees.
- The base amount for tuition and fees is the total academic costs submitted to the State Comptroller for the designated tuition report.

- The 4.95 percent or \$150 per semester is applied in two ways. The increase in total academic costs for resident undergraduates taking 15 hours must not exceed the cap. Second, the weighted average of all tuition increases may not exceed the 4.95 percent cap.
- In the case of differential tuition by majors for academic institutions, the weighted average of tuition and fees charged to all undergraduates is used.
- New fees proposed and approved via referendum by students and by the legislature are allowed above the cap.

Additional clarifications were made concerning graduate and professional tuition increases proposed in March 2008. These clarifications were:

- Graduate tuition increases are discipline-specific and reflect widely different factors.
- Resident tuitions are significantly lower than out-of-state.
- Factors affecting increases:
 - Generally low tuition by comparison to peers
 - Opportunity for additional funds
 - Private sector competition for faculty
 - Business, Law, Nursing
 - Preserve national rankings against others moving up
 - Law
 - Operational costs
 - Architecture, Nursing, Performing Arts
 - Formula differences between academic/health institutions
 - Nursing, Pharmacy

Finally, some institutions at the undergraduate level have differential tuition rates for selected majors, e.g., nursing, engineering, performing arts, and architecture. Some of the increases to these majors exceeded the 4.95 percent cap, but in keeping with the Board of Regents' directive, the weighted average of tuition and fees charged to all undergraduates did not exceed 4.95 percent. Thus, some majors have a tuition increase less than 4.95 percent so the weighted average of 4.95 percent could be maintained for the institution.

The charts set out on Pages 22 - 23 reflect the tuition charged in Fall 2007 and the approved increases for Fall 2008 and Fall 2009 for Schools of Nursing. Also included for the academic institutions on Pages 24 - 25 are the authorized tuition and fee levels that include student authorized fee increase exemptions for Fall 2008 and Fall 2009.

NURSING TUITION AT UT SYSTEM ACADEMIC INSTITUTIONS

		Fall 2007	Fall 2008	Fall 2009		
		Rate	Approved	Proposed	Increase	Percent Increase
UTA	Undergraduate	194.26/sch	210/sch	224/sch	14/sch	6.7%
	Graduate	270.75/sch	302/sch	318/sch	16/sch	5.3%
UT Austin (see note)	Undergraduate	295/sch	315.64/sch	337.86/sch	22.22/sch	7.0%
	Graduate	380/sch	424.33/sch	463.33/sch	39/sch	9.2%
UTEP*	Undergraduate	143.70/sch	151.70/sch	160.20/sch	8.50/sch	5.6%
	Graduate	181.70/sch	209.70/sch	218.20/sch	8.50/sch	4.1%
UTB*	Undergraduate	116/sch	127.50/sch	130.62/sch	3.12/sch	2.4%
UTPA*	Undergraduate	129.15/sch	137.70/sch	147/sch	9.30/sch	6.8%
UTT*	Undergraduate	135/sch	145/sch	155/sch	10/sch	6.9%

Note: UT Austin charges flat rate tuition; amount shown includes all academic charges, including student fees.

* Undergraduate nursing tuition at UTEP, UTB, UTPA and UTT is the same as that charged to all undergraduates at the university.

Prepared by Office of Academic
Affairs

January, 2009

NURSING TUITION AT UT SYSTEM HEALTH INSTITUTIONS

Undergraduate Level Nursing Programs

	UTMB			UTHSC H			UTHSC SA		
	Fall 07	Approved Fall 08	Proposed Fall 09	Fall 07	Approved Fall 08	Proposed Fall 09	Fall 07	Approved Fall 08	Proposed Fall 09
Statutory (per sch)	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50
Designated (per sch)	\$100	\$106.5	\$116.5	\$86	\$92.29	\$99.05	\$102.46	\$126.46	\$150.46
Total Tuition	\$150	\$156.5	\$166.5	\$136	\$142.29	\$149.05	\$152.46	\$176.46	\$200.46
ANNUAL TUITION & MANDATORY FEES (1)	\$2,572	\$2,719	\$2,869	\$2,652	\$2,791	\$2,934	\$2,686	\$2,836	\$2,986
Increase		\$147	\$150		\$139	\$143		\$150	\$150
Percent Increase			5.5%			5.14%			5.3%

(1) UTMB, UTHSC H and UTHSC SA based on 15 SCH.

Graduate Level Nursing Programs

	UTMB			UTHSC H			UTHSC SA		
	Fall 07	Approved Fall 08	Proposed Fall 09	Fall 07	Approved Fall 08	Proposed Fall 09	Fall 07	Approved Fall 08	Proposed Fall 09
Statutory (per sch)	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50
Designated (per sch)	\$80	\$110	\$150	\$46	\$46	\$46	\$52.46	\$76.46	\$100.46
Differential (per sch)	\$40	\$50	\$50	\$40	\$50	\$50	\$50	\$50	\$50.00
Total Tuition	\$170	\$210	\$250	\$136	\$146	\$146	\$152.46	\$176.46	\$200.46
ANNUAL TUITION & MANDATORY FEES (2) (3)	\$5,357	\$6,453	\$7,533	\$3,890	\$4,297	\$4,297	\$5,372	\$6,215	\$6,863
Increase		\$1,096	\$1,080		\$407	\$0		\$843	\$648
Percent Increase			16.74%			0.0%			10.4%

(2) UTMB based on 27 SCH; UTHSC H based on 23 SCH; and UTHSC SA based on 27 SCH.

(3) UTMB's Nursing PhD program is in the Graduate School of Biomedical Sciences and has the same tuition charge as the Graduate Nursing program.

**SUMMARY OF TUITION AND FEE PROPOSALS INCLUDING AUTHORIZED CAP
AND STUDENT AUTHORIZED FEE INCREASE EXEMPTIONS**

Fall 2008

Institution	Fall 2008 TAC w/Approved Increase	Plus: Student-approved Fees for Fall 2008	Fall 2008 TAC w/Student Fee Increases
UT Arlington	\$ 4,011	\$ 60	\$ 4,071
UT Austin	\$ 4,266	\$ -	\$ 4,266
UT Brownsville*	\$ 2,573	\$ 75	\$ 2,648
UT Dallas	\$ 4,571	\$ 134	\$ 4,705
UT El Paso	\$ 3,034	\$ -	\$ 3,034
UT Pan American	\$ 2,612	\$ -	\$ 2,612
UT Permian Basin	\$ 2,639	\$ 75	\$ 2,714
UT San Antonio	\$ 3,800	\$ 32	\$ 3,832
UT Tyler**	\$ 2,925	\$ 30	\$ 2,955

Notes:

- TAC: Total Academic Costs, includes tuition, mandatory fees, and average of course fees.
- Allowable Increase: 4.95 percent or \$150 per semester, whichever is greater.

* UT Brownsville has been granted permission to distribute its \$405 per semester two-year allowable increase as follows: \$313 in FY09 and \$92 in FY10 to offset impact of new student satisfactory academic progress policy.

**Less than amounts of \$2,964 and \$2,994, respectively, approved by the Board of Regents on March 26, 2008, which were inadvertently reported and corrected following the March 2008 Board of Regents' meeting.

*Office of Academic Affairs
February 27, 2008*

**SUMMARY OF TUITION AND FEE PROPOSALS INCLUDING AUTHORIZED CAP AND
STUDENT AUTHORIZED FEE INCREASE EXEMPTIONS**

Fall 2009

Institution	Fall 2008 TAC	Allowable Increase**	Percentage Increase	Plus: Student-approved Fees for Fall 2009	New TAC
UT Arlington	\$ 4,071	\$ 201.52	4.95%	\$ -	\$ 4,273
UT Austin	\$ 4,266	\$ 211.18	4.95%	\$ -	\$ 4,477
UT Brownsville*	\$ 2,648	\$ 150.00	5.66%	\$ 30	\$ 2,828
UT Dallas	\$ 4,705	\$ 232.88	4.95%	\$ -	\$ 4,937
UT El Paso	\$ 3,034	\$ 150.18	4.95%	\$ -	\$ 3,184
UT Pan American	\$ 2,611	\$ 150.00	5.75%	\$ -	\$ 2,761
UT Permian Basin	\$ 2,714	\$ 150.00	5.53%	\$ -	\$ 2,864
UT San Antonio	\$ 3,833	\$ 189.72	4.95%	\$ 24	\$ 4,046
UT Tyler***	\$ 2,955	\$ 150.00	5.08%	\$ -	\$ 3,105

Notes:

- TAC: Total Academic Costs, includes tuition, mandatory fees, and average of course fees.

* UT Brownsville has been granted permission to distribute their \$405 per semester two-year allowable increase as follows: \$313 in FY09 and \$92 in FY10 to offset impact of new student satisfactory academic progress policy.

** Allowable increase for 2009: 4.95 percent or \$150 per semester, whichever is greater, including student-approved fee increases that take effect Fall 2009.

***Less than amounts \$2,994 and \$3,144 respectively, approved by the Board of Regents on March 26, 2008, which were inadvertently reported and corrected following the March 2008 Board of Regents' meeting.

*Office of Academic Affairs
February 27, 2008*

7. U. T. System Board of Regents: Reappointment of Mr. J. Philip Ferguson and Mr. Ardon E. Moore to the Board of Directors of The University of Texas Investment Management Company (UTIMCO)

Mr. J. Philip Ferguson and Mr. Ardon E. Moore were reappointed to The University of Texas Investment Management Company (UTIMCO) Board of Directors, each for a term to expire on April 1, 2012.

Mr. Ferguson is the former Chief Investment Officer for AIM Capital Management, Inc., and serves as UTIMCO's Vice Chairman, as Chairman of UTIMCO's Compensation Committee, and as a member of the Risk Committee. Mr. Moore is President of Lee M. Bass, Inc., and serves as a member of UTIMCO's Compensation and Policy Committees.

Texas Government Code Section 66.08 requires that the U. T. System Board of Regents appoint all members of the UTIMCO Board of Directors. Regents' *Rules and Regulations*, Rule 10402, Section 4, provides that up to four of the nine directors may be "external" directors, and the approved UTIMCO bylaws allow external directors to serve a maximum of three terms of three years each. Terms for Mr. Ferguson and Mr. Moore, both external directors, expire on April 1, 2009.

8. U. T. Medical Branch – Galveston, U. T. Health Science Center – Houston, and U. T. M. D. Anderson Cancer Center: Approval to settle commercial insurance claims associated with Hurricane Ike and authorization for the Chancellor to execute final settlement documents

The Board approved settlement of the Commercial Property Insurance claims associated with Hurricane Ike and authorized the Chancellor to execute all proofs of loss and related settlement documents related to claims covered under the Comprehensive Property Protection Plan (CPPP) including the named windstorm coverage under the CPPP, Texas Windstorm and Insurance Association (TWIA), National Flood Insurance Program (NFIP), and any other related policies.

Hurricane Ike resulted in extensive wind and water damage to The University of Texas Medical Branch at Galveston and some wind and water damage to The University of Texas Health Science Center at Houston and The University of Texas M. D. Anderson Cancer Center. It is estimated that upon final measurement, property damage and business interruption losses will total approximately \$710 million at U. T. Medical Branch – Galveston, \$23 million at U. T. M. D. Anderson Cancer Center, and \$7.4 million at U. T. Health Science Center – Houston.

Adjusters have provided sufficient documentation to substantiate an actual cash value loss that has exceeded the \$50 million deductible and \$100 million named windstorm limit provided in the commercial insurance policy. A portion of the named windstorm limit has been advanced pending final adjustment. The adjusters have made a final recommendation to tender the remaining loss limit in exchange for a final Proof of Loss.

On November 13, 2008, the Board authorized the issuance of \$50 million of Revenue Financing System debt to cover the repair and renovation capital improvement losses within the deductible at the three University of Texas System institutions.

In accordance with Section 3, Rule 80601 of the Regents' *Rules and Regulations*, the Chancellor is authorized to execute all documents related to the partial payment or adjustment in the case of a catastrophic occurrence where the loss is so extensive that commercial insurance payments in excess of \$1,000,000 are necessary. Final settlement of commercial insurance claims in excess of \$1,000,000 requires approval by the Board.

In 1995, the CPPP was established as a means of financing catastrophic property losses to U. T. System and the institutions. From 1995 - 2001, the CPPP included coverage for perils such as fire, tornado, hail, named windstorm, and flood.

In June 2001, U. T. Health Science Center – Houston and U. T. M. D. Anderson Cancer Center experienced significant physical damage and business interruption losses resulting from Tropical Storm Allison. As a result of that loss, along with other forces at work in the marketplace after September 11, 2001, commercial insurance to cover catastrophic losses including named windstorm and flood perils was no longer reasonably available and/or affordable.

In 2002, the CPPP was restructured into two separate programs to include commercial insurance for fire and other non-catastrophe perils and self-insurance for named windstorm and flood (Wind and Flood) perils. The Wind and Flood self-insurance program is supported by a mechanism to issue debt up to \$50 million for direct physical loss. To provide underlying protection, primary insurance policies providing relatively low limits were purchased through the TWIA for facilities in Tier 1 seacoast territories and the NFIP for properties located in various flood zones.

Each year since the program was restructured and during the renewal process, the U. T. System explored the feasibility of purchasing named windstorm and flood coverage. In 2008, the commercial insurance marketplace softened and the worldwide marketplace was canvassed including U.S., European, and Bermudian markets.

In the CPPP renewal effective April 1, 2008, the U. T. System was able to obtain \$100 million of named windstorm and flood coverage. Because of the limited carrier capacity, a shared and layered program is required with a number of carriers participating at different levels. The insurance carriers in the program include Lexington, Ironshore, Allied World Assurance Company (AWAC), Starr, Ace, Zurich, and RSUI Indemnity Company.

9. U. T. System: Authorization to execute a Memorandum of Understanding with the United States Department of Agriculture Natural Resources Conservation Service to provide technical assistance for the improvement and protection of soil, water, and other natural resources on Permanent University Fund (PUF) Lands

The Board authorized the Executive Vice Chancellor for Business Affairs to enter into a Memorandum of Understanding (MOU) with the United States Department of Agriculture (USDA) Natural Resources Conservation Service (NRCS), as attached on Pages 30 - 32, to:

- a. provide technical assistance for the improvement and protection of soil, water, and other natural resources on Permanent University Fund (PUF) Lands (University Lands) through development and revision of USDA NRCS conservation plans;
- b. apply conservation practices that are contained in USDA NRCS conservation plans to University Lands, including, but not limited to, cost-share assistance utilizing funding from the USDA Farm Bill;
- c. encourage University Lands grazing lessees to utilize USDA Farm Bill programs that may provide cost-sharing for conservation practices that are a part of the USDA NRCS conservation plans; and
- d. annually review, amend, extend, or modify the MOU by mutual consent of the authorizing official of the NRCS and the Executive Director of University Lands.

Chairman Caven recognized Mr. Don Gohmert, State Conservationist, who was in attendance at the meeting. Executive Vice Chancellor Kelley responded to a question from Regent Dannenbaum that the agreement does not contain restrictions on the ongoing revenue sources from the use of PUF Lands.

The USDA NRCS is a federal agency that works hand-in-hand with the people of Texas to improve and protect the soil, water, and other natural resources. The University of Texas System, through its ownership of 2.1 million acres of University Lands located in West Texas, is one of many Texas landowners benefiting from the USDA NRCS conservation programs.

On February 6, 2007, Mr. Stephen Hartmann, Executive Director of University Lands for the U. T. System, was honored with the W. R. Chapline Land Stewardship Award by the international Society for Range Management for his commitment to the stewardship of the University Lands.

MEMORANDUM OF UNDERSTANDING

BETWEEN THE

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

AND THE

**UNITED STATES DEPARTMENT OF AGRICULTURE
NATURAL RESOURCES CONSERVATION SERVICE**

RELATIVE TO

PROVIDING TECHNICAL ASSISTANCE TO THE APPROXIMATELY 116 LESSEES ON 2,084,737 ACRES OF PERMANENT UNIVERSITY FUND LANDS LOCATED IN ANDREWS, CRANE, CROCKETT, CULBERSON, DAWSON, ECTOR, EL PASO, GAINES, HUDSPETH, IRION, LOVING, MARTIN, PECOS, REAGAN, SCHLEICHER, TERRELL, UPTON, WARD AND WINKLER COUNTIES IN WEST TEXAS.

This Memorandum of Understanding (MOU) is between the Board of Regents of The University of Texas System (University Lands) and the Natural Resources Conservation Service (NRCS) of the United States Department of Agriculture.

The authority for this MOU is derived from **Public Law No. 74-46, 16 U.S.C. 590a (3)**.

I. PURPOSE:

The purpose of this MOU is to formalize the agreement between the University Lands and the NRCS to provide technical assistance for the development and revision of conservation plans and for the application of conservation practices contained in the conservation plans, including, but not limited to, cost-share assistance using Farm Bill funding.

II. RESPONSIBILITIES

A. University Lands agrees to:

- Encourage lessees to develop and implement a conservation plan with NRCS. A prescribed grazing plan will be an integral part of the conservation plan.
- Assure that all lessees are aware of potential assistance under Farm Bill programs that may provide cost-share to implement conservation practices that are a part of their conservation plans.
- Encourage lessees to participate in these programs.

- Utilize the NRCS Field Office Technical Guide (eFOTG) standards and specifications for all conservation practice installation and maintenance.
- Provide the NRCS Assistant State Conservationist (Field Operations) in San Angelo with an annual list of current grazing lessees, lease numbers, acreage, and date of expiration.
- Inform lessees of the NRCS' role in developing and servicing lessee's conservation plans. The lessee will be advised that it will be his/her responsibility to schedule a date whereby he/she can participate with the NRCS representative to develop a conservation plan.
- Present ten (10) University Lands leases proposed for conservation plan development during the upcoming calendar year to NRCS in December of each year. The ten (10) plans recommended will be dispersed among the 15 counties commensurate with current NRCS staffing.
- Host and conduct Grazing Lessee meetings as necessary to encourage and promote lessee participation in current Farm Bill programs that would benefit University Lands.

B. NRCS agrees to:

- Develop ten (10) conservation plans per calendar year with University Lands lessees. The conservation plan will follow guidance in the National Planning Procedures Handbook and General Manual. The conservation plan will contain the following elements:
 - A conservation plan map (aerial photograph) with pasture names and pasture acreage identified;
 - A soils map with pasture names and pasture acreage identified;
 - An ecological site map with pasture names and pasture acreage identified;
 - A water distribution map with pasture names and pasture acreage identified. The water distribution map will contain both existing and planned watering facilities (pipelines, storage, etc).
 - The conservation plan will contain a forage inventory, recommended stocking rates, a grazing management plan and a drought plan.
 - Provide a copy of the conservation plan to both the lessee and University Lands as they are developed.
- The Assistant State Conservationist (Field Operations) will notify University Lands by January 31 of any conflicts in developing the ten (10) selected conservation plans for that calendar year due to lack of personnel or heavy workload. In the event of conflicts, University Lands will work with NRCS to select another lease(s).

- Provide technical assistance to University Lands lessees based on the annual request from University Lands. Where applicable, Farm Bill programs will also be made available to University Lands lessees.
- Provide a copy of all Farm Bill contracts to both the lessee and University Lands as they are developed.
- Participate in the University Lands Grazing Lessee meetings upon request.

III. IT IS MUTUALLY AGREED:

- This MOU becomes effective on the date of signature of all parties. NRCS and University Lands will annually review this MOU and amend, extend, or modify it by mutual consent of the authorizing official of the NRCS and the Executive Director of University Lands. Either party may terminate this MOU by providing a 30-day written notice to the other party.
- Activities conducted under this MOU will be in compliance with the nondiscrimination provisions as contained in Titles VI and VII of the Civil Rights Act of 1964, as amended, the Civil Rights Restoration Act of 1987 (Public Law 100-259), and other nondiscrimination statutes, namely Section 504 of the Rehabilitation Act of 1973, Title IX of the Educational Amendments of 1972, the Age Discrimination Act of 1975, as amended, and in accordance with regulations of the Secretary of Agriculture (7CFR-15, Subparts A and B), that provide that no person of the United States shall, on the grounds of race, color, national origin, age, sex, religion, marital status, or handicap be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity receiving federal financial assistance from the Department of Agriculture or any agency thereof.

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM

BY: _____
NAME: **Scott C. Kelley**
TITLE: **Executive Vice Chancellor for Business Affairs**
DATE: _____

**UNITED STATES DEPARTMENT OF AGRICULTURE
 NATURAL RESOURCES CONSERVATION SERVICE**

BY: _____
NAME: _____
TITLE: _____
DATE: _____

10. U. T. System: Report on development performance for the U. T. System institutions

In the absence of Vice Chancellor Safady, Mr. James Noffke, Executive Director of Development Leadership and Consulting Program, reported on development performance of The University of Texas System institutions. He said giving for 2008 reached a record high of \$801.4 million from a record number of donors.

Regent Gary asked if donations for construction projects are included in the giving figures and Mr. Noffke answered affirmatively. Regent Gary commended the large gifts and he encouraged exploration of strategies to increase the alumni participation rate, including the small gifts, to distinguish the U. T. System institutions on a national basis. Vice Chairman Huffines noted that alumni giving can be a factor in national rankings and Mr. Noffke added that foundations also look at alumni participation. Regent Barnhill said alumni giving Systemwide is approximately 10% but is 28% nationwide and he noted the alumni association at The University of Texas at Austin is a successful model organization of alumni involvement. Regent Dannenbaum asked if development officers encounter push back in alumni solicitations vis-à-vis the Top 10 percent rule, and Mr. Noffke said he thought that was not a common occurrence. In response to questions from Regent Dower, Mr. Noffke suggested ways to involve current students in giving and in the sharing of best practices in fund raising among institutions. Regent Dower also asked about communications between the directors of campus fund-raising programs and Mr. Noffke said he would be pleased to research and respond to Regent Dower.

A brief preview of *State of Tomorrow*TM television advertisements that will air statewide was shown.

11. U. T. System Board of Regents: Discussion regarding enhanced academic efficiency and productivity (Deferred)

The item related to discussion of efforts of The University of Texas System to enhance academic efficiency and productivity in relation to proposed higher education reforms described as "breakthrough solutions" was deferred.

On May 21, 2008, Governor Perry convened a meeting of members of the Boards of Regents of all public institutions of higher education in Texas to discuss seven proposed "breakthrough solutions" related to higher education.

Note: See the March 10, 2009 Minutes for discussion of this agenda item.

RECESS FOR COMMITTEE MEETINGS AND COMMITTEE REPORTS TO THE BOARD.--At 11:28 a.m., the Board recessed for meetings of the Standing Committees, and Chairman Caven announced the Board would reconvene to approve the report and recommendations of the committees.

The meetings of the Standing Committees were conducted in open session, and the reports and recommendations thereof are set forth on Pages 35 – 93.

REPORT AND RECOMMENDATIONS OF THE AUDIT, COMPLIANCE, AND MANAGEMENT REVIEW COMMITTEE (Pages 35 - 39).--Committee Chairman Foster reported the Audit, Compliance, and Management Review Committee met in open session to consider a matter on its agenda and to formulate recommendations for The University of Texas System Board of Regents. Unless otherwise indicated, the actions set forth in the Minute Orders that follow were recommended by the Audit, Compliance, and Management Review Committee and approved in open session by the U. T. System Board of Regents.

1. U. T. System: Report on potential conflicts of interest for research at U. T. System institutions

This item was considered only by the Committee (see Committee Minutes).

2. U. T. System: Progress report on the Systemwide information security program

This item was considered only by the Committee (see Committee Minutes).

3. U. T. System: Report on Systemwide institutional compliance activities

This item was considered only by the Committee (see Committee Minutes).

4. U. T. System Board of Regents: Approval to renew the contract with Deloitte & Touche, LLP, as the external auditor for the Fiscal Year 2009 audit of funds managed by The University of Texas Investment Management Company (UTIMCO)

The auditing services contract was renewed with Deloitte & Touche, LLP, to perform audits of the financial statements and to audit the performance statistics for the Fiscal Year ending August 31, 2009, for the funds managed by The University of Texas Investment Management Company (UTIMCO) as listed below:

- a. Permanent University Fund (PUF)
- b. The University of Texas System General Endowment Fund (GEF)
- c. Permanent Health Fund (PHF)
- d. The University of Texas System Long Term Fund (LTF)
- e. The University of Texas System Intermediate Term Fund (ITF)

The Deloitte fees for the FY 2009 audit of funds managed by UTIMCO including the performance statistics audit are included below with a comparison to the fees of the prior year's audit. In addition, out-of-pocket expense reimbursements in connection with the audit are not to exceed \$65,000.

	Total FY 2008 Fees	FY 2009 Fees	Percentage Decrease
Permanent University Fund	\$ 243,800	\$ 223,000	-8.5%
General Endowment Fund	190,800	175,000	-8.3%
Permanent Health Fund	25,400	23,000	-9.4%
Long Term Fund	25,400	23,000	-9.4%
Intermediate Term Fund	145,200	133,000	-8.4%
Performance Statistics Audit	25,400	23,000	-9.4%
TOTAL	\$ 656,000	\$ 600,000	-8.5%

Fiduciary responsibility for the PUF, GEF, PHF, LTF, and ITF rests with the U. T. System Board of Regents. *Texas Education Code* Section 66.08(f) requires that the U. T. System provide for an annual financial audit of the PUF if the PUF is within the scope of funds managed by an external management corporation.

On July 11, 2007, the Board of Regents authorized U. T. System staff to negotiate and enter into an auditing services contract with Deloitte & Touche, LLP, for one year with a right to renew in one-year increments for four additional years. The contract was renewed by the Board of Regents on February 7, 2008. The original auditing services contract includes an option to audit and report on management's assessment of the internal controls over financial reporting.

5. U. T. System: Approval of U. T. Medical Branch – Galveston's annual audit plan for Fiscal Year 2009 and report on the Systemwide internal audit activities, including a report concerning audit activities at U. T. Southwestern Medical Center – Dallas

The Board approved the Fiscal Year 2009 Annual Internal Audit Plan for The University of Texas Medical Branch at Galveston as set forth on Pages 37 - 38. Approval of the Plan was delayed due to the impact of Hurricane Ike on the institution in 2008.

The report on the Systemwide internal audit activities, including a report concerning audit activities at The University of Texas Southwestern Medical Center at Dallas was reported at the Committee meeting. (See Committee Minutes.)

The University of Texas Medical Branch at Galveston
 FY 2009 Institutional Expenditures: \$1,605,352,926
 Total Number of FY 2009 Budgeted Positions = 7

Fiscal Year 2009 Audit Plan

Audit/Project	Budgeted Priority Hours	% of Total
<u>Financial Audits</u>		
FY08 Financial Statement Audit	800	
FY09 Financial Statement Audit (interim)	300	
Presidential Travel and Entertainment Expenses Audit	125	
Presidential Travel and Entertainment Expenses Quarterly Reviews	100	
Joint Admission Medical Program	60	
Financial Audits Subtotal	1385	18%
<u>Operational Audits</u>		
<i><u>Risk Based Tier Two Audits</u></i>		
Healthcare Workforce Management	400	
<i><u>Change in Management Audits</u></i>		
	400	
<i><u>Carryforward Audits</u></i>		
Governance	150	
Revenue Cycle	160	
Purchasing	40	
Operational Audits Subtotal	1150	15%
<u>Compliance Audits</u>		
<i><u>UT System Requested/Externally Required Audits</u></i>		
Practice Plan Governance Audit	300	
Cash Handling Audit	200	
Student Fees Audit	200	
<i><u>Texas Higher Education Coordinating Board Audits:</u></i>		
Family Practice Residency Program	80	
Primary Care/Internal Medicine Residency Program	80	
ATP/ARP Grants	40	
Compliance Audits Subtotal	900	12%
<u>Information Technology Audits</u>		
<i><u>UT System Requested/Externally Required Audits</u></i>		
Correctional Managed Care	500	
General Controls (Feeder Systems)	400	
<i><u>Risk Based Tier One Audits</u></i>		
IS Strategic Planning	250	
Firewall	450	

The University of Texas Medical Branch at Galveston
FY 2009 Institutional Expenditures: \$1,605,352,926
Total Number of FY 2009 Budgeted Positions = 7

Fiscal Year 2009 Audit Plan

Audit/Project	Budgeted Priority Hours	% of Total
<i>Carryforward Audits</i>		
Remote Vendor	20	
Medical Devices (IN 12-1)	150	
Decentralized Operations	80	
Information Technology Audits Subtotal	1850	25%
<i>Follow-up Audits</i>		
	300	4%
<i>Projects</i>		
<i>Audit Projects</i>		
U. T. System Requests	300	
Special Requests - Audits	900	
<i>Other Projects</i>		
Annual Risk Assessment/Work Plan Development	200	
Peer Review Follow-up	75	
Annual Required Reports	100	
Liaison with External Auditors	100	
TeamMate Upgrade/Enhancements	80	
Institutional Committee Attendance	150	
Projects Subtotal	1905	25%
Total Audit Plan Hours	7490	100%

6. U. T. System: Report on the U. T. System Consolidated Annual Financial Report Audit performed by institutional and System Administration internal audit

This item was considered only by the Committee (see Committee Minutes).

REPORT AND RECOMMENDATIONS OF THE FINANCE AND PLANNING COMMITTEE (Pages 40 - 61).--Committee Chairman Foster reported that the Finance and Planning Committee met in open session to consider those matters on its agenda and to formulate recommendations for The University of Texas System Board of Regents. Unless otherwise indicated, the actions set forth in the Minute Orders that follow were recommended by the Finance and Planning Committee and approved in open session by the U. T. System Board of Regents.

1. U. T. System: Approval of Docket No. 137

The Board approved *Docket No. 137* in the form distributed by the General Counsel to the Board of Regents. It is attached following Page 95 in the official copy 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 University of Texas System institution involved.

Docket actions related to the appointment of Francisco G. Cigarroa, M.D., as Chancellor of the U. T. System and a transition and tenure separation agreement for Dr. Blandina Cárdenas, former President of The University of Texas – Pan American, were found to be in the best interest of the U. T. System as required by *Texas Education Code* Section 51.948, and notice has been provided to the Legislative Budget Board.

To avoid any appearance of a possible conflict of interest, Regent Barnhill abstained from vote on the proposed contract between Pepsi Bottling Group and The University of Texas at Arlington on Page Docket - 8 because of stockholdings.

2. U. T. System: Report on the Fiscal Year 2008 Annual Financial Report

This item was considered only by the Committee (see Committee Minutes).

3. U. T. System: Report on the Analysis of Financial Condition for Fiscal Year 2008

This item was considered only by the Committee (see Committee Minutes).

4. U. T. System: Key Financial Indicators Report and Monthly Financial Report

This item was considered only by the Committee (see Committee Minutes).

5. U. T. System Board of Regents: The University of Texas Investment Management Company (UTIMCO) Performance Summary Report and Investment Reports for the quarter ended November 30, 2008

The November 30, 2008 UTIMCO Performance Summary Report is attached on Page 42.

The Investment Reports for the fiscal quarter ended November 30, 2008, are set forth on Pages 43 - 46.

Item I on Page 43 reports activity for the Permanent University Fund (PUF) investments. The PUF's net investment return for the quarter was negative 22.66% versus its composite benchmark return of negative 23.71%. The PUF's net asset value decreased by \$2,522 million since the beginning of the quarter to \$8,838 million. This change in net asset value includes increases due to contributions from PUF land receipts, decreases due to net investment return, and the first payment of the annual distribution to the Available University Fund (AUF) of \$133 million.

Item II on Page 44 reports activity for the General Endowment Fund (GEF) investments. The GEF's net investment return for the quarter was negative 22.81% versus its composite benchmark return of negative 23.71%. The GEF's net asset value decreased during the quarter to \$4,846 million.

Item III on Page 45 reports activity for the Intermediate Term Fund (ITF). The ITF's net investment return for the quarter was negative 21.68% versus its composite benchmark return of negative 22.20%. The net asset value has decreased to \$3,011 million due to net investment return of negative \$842 million and net distributions of \$27 million. The decrease in net asset value was offset by \$8 million net contributions.

For the PUF and GEF, the More Correlated and Constrained (MCC) and Private Investments were outside of their investment type ranges with MCC below its minimum range and Private Investments above its maximum range. All exposures were within their asset class ranges. The ITF was within all of its investment type and asset class ranges. All of the funds' liquidity was within policy.

Item IV on Page 46 presents book and market values of cash, debt, equity, and other securities held in funds outside of internal investment pools. Total cash and equivalents, consisting primarily of institutional operating funds held in the Dreyfus money market fund, increased by \$32 million to \$1,592 million during the three months since the last reporting period. Market values for the remaining asset types were debt securities: \$24 million versus \$25 million at the beginning of the period; equities: \$46 million versus \$72 million at the beginning of the period; and other investments: \$1 million versus \$4 million at the beginning of the period.

UTIMCO Performance Summary

November 30, 2008

	Net Asset Value 11/30/2008 (in Millions)	Periods Ended November 30, 2008 (Returns for Periods Longer Than One Year are Annualized)							
		<u>Short Term</u>		<u>Year to Date</u>		<u>Historic Returns</u>			
		1 Mo	3 Mos	Fiscal	Calendar	1 Yr	3 Yrs	5 Yrs	10 Yrs
ENDOWMENT FUNDS									
Permanent University Fund	\$ 8,838	(5.60)	(22.66)	(22.66)	(27.91)	(28.03)	(2.00)	4.15	4.35
General Endowment Fund		(5.71)	(22.81)	(22.81)	(27.97)	(28.04)	(1.80)	4.22	N/A
Permanent Health Fund	781	(5.65)	(22.76)	(22.76)	(27.93)	(28.01)	(1.84)	4.15	N/A
Long Term Fund	4,065	(5.65)	(22.76)	(22.76)	(27.93)	(28.01)	(1.84)	4.15	5.20
Separately Invested Funds	130	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total Endowment Funds	13,814								
OPERATING FUNDS									
Short Term Fund	1,533	0.17	0.63	0.63	2.85	3.28	4.54	3.56	3.71
Intermediate Term Fund	3,011	(3.24)	(21.68)	(21.68)	(25.34)	(25.42)	N/A	N/A	N/A
Total Operating Funds	4,544								
Total Investments	\$ 18,358								
VALUE ADDED									
Permanent University Fund		(1.43)	1.05	1.05	2.17	2.19	1.41	1.40	0.90
General Endowment Fund		(1.54)	0.90	0.90	2.11	2.18	1.61	1.47	N/A
Short Term Fund		0.07	0.12	0.12	0.80	0.94	0.47	0.29	0.21
Intermediate Term Fund		0.13	0.52	0.52	2.17	2.42	N/A	N/A	N/A
VALUE ADDED (\$ IN MILLIONS)									
Permanent University Fund		(133)	118	118	262	265	372	585	N/A
General Endowment Fund		(80)	58	58	144	149	237	335	N/A
Intermediate Term Fund		4	20	20	87	97	N/A	N/A	N/A

Footnotes available upon request.

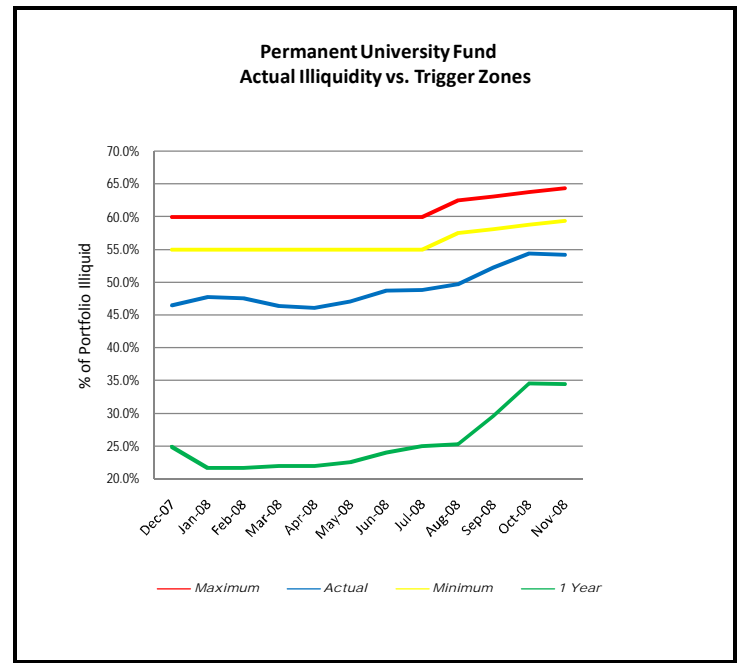
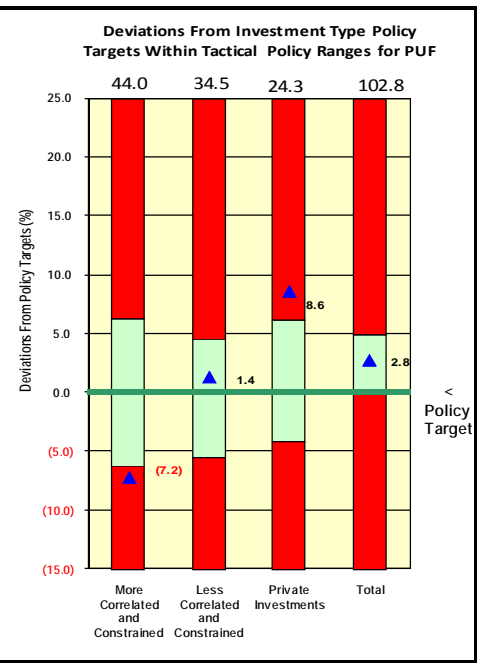
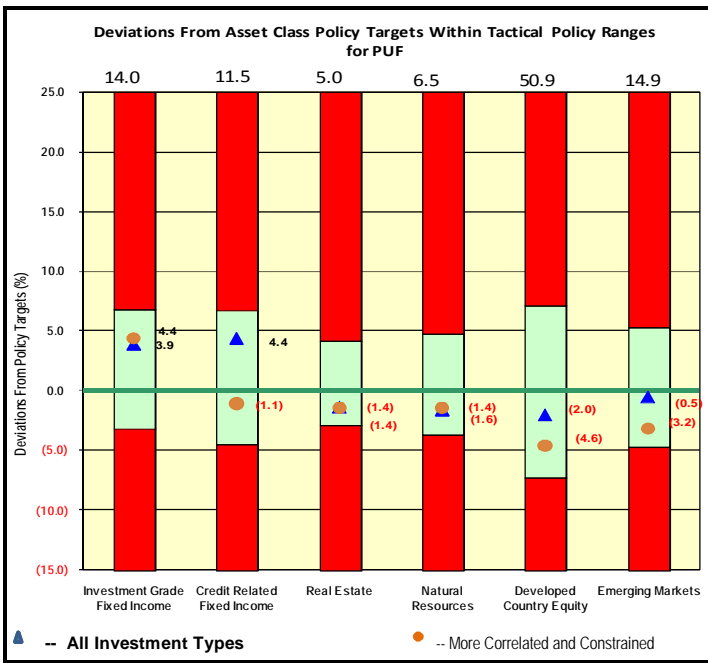
I. PERMANENT UNIVERSITY FUND Investment Reports for Periods Ended November 30, 2008

Prepared in accordance with *Texas Education Code Sec. 51.0032*

<u>Summary of Capital Flows</u>			
(\$ millions)	Fiscal Year Ended August 31, 2008	Quarter Ended November 30, 2008	Fiscal Year Ended August 31, 2009
Beginning Net Assets	\$ 11,742.8	\$ 11,359.5	\$ 11,359.5
PUF Lands Receipts	457.7	168.7	168.7
Investment Return	(339.5)	(2,550.7)	(2,550.7)
Expenses	(52.6)	(7.2)	(7.2)
Distributions to AUF	(448.9)	(132.7)	(132.7)
Ending Net Assets	<u>\$ 11,359.5</u>	<u>\$ 8,837.6</u>	<u>\$ 8,837.6</u>

	Returns		Fiscal Year to Date		
	Portfolio	Policy Benchmark	From Asset Allocation	From Security Selection	Total
More Correlated and Constrained:					
Investment Grade	-7.97%	-3.23%	0.47%	-0.33%	0.14%
Credit-Related	-9.03%	-30.39%	-0.21%	0.31%	0.10%
Real Estate	-42.20%	-44.04%	0.09%	0.12%	0.21%
Natural Resources	-43.30%	-35.94%	0.08%	-0.43%	-0.35%
Developed Country	-34.10%	-33.22%	0.56%	-0.22%	0.34%
Emerging Markets	-45.98%	-44.59%	0.66%	-0.20%	0.46%
Total More Correlated and Constrained	-32.44%	-33.99%	1.65%	-0.75%	0.90%
Less Correlated and Constrained	-16.44%	-18.23%	0.04%	0.55%	0.59%
Private Investments	-9.03%	-0.11%	0.62%	-1.06%	-0.44%
Total	-22.66%	-23.71%	2.31%	-1.26%	1.05%

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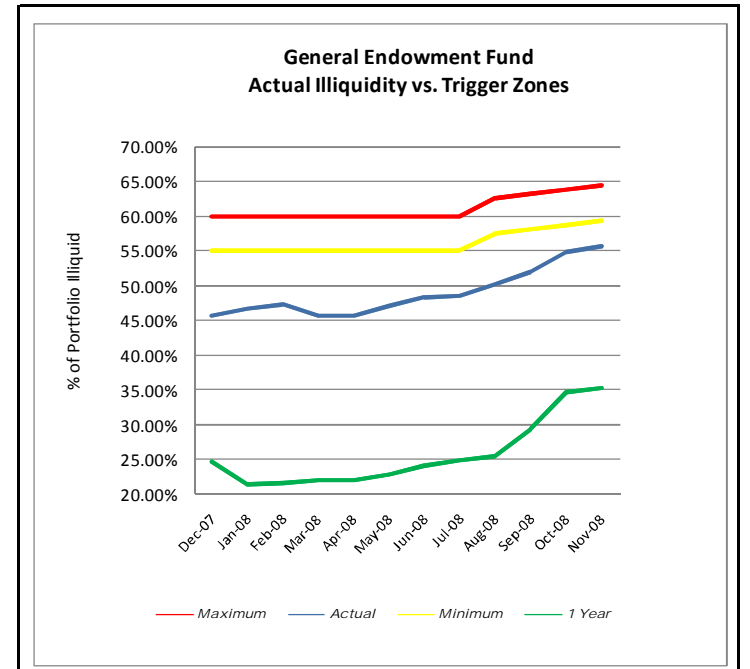
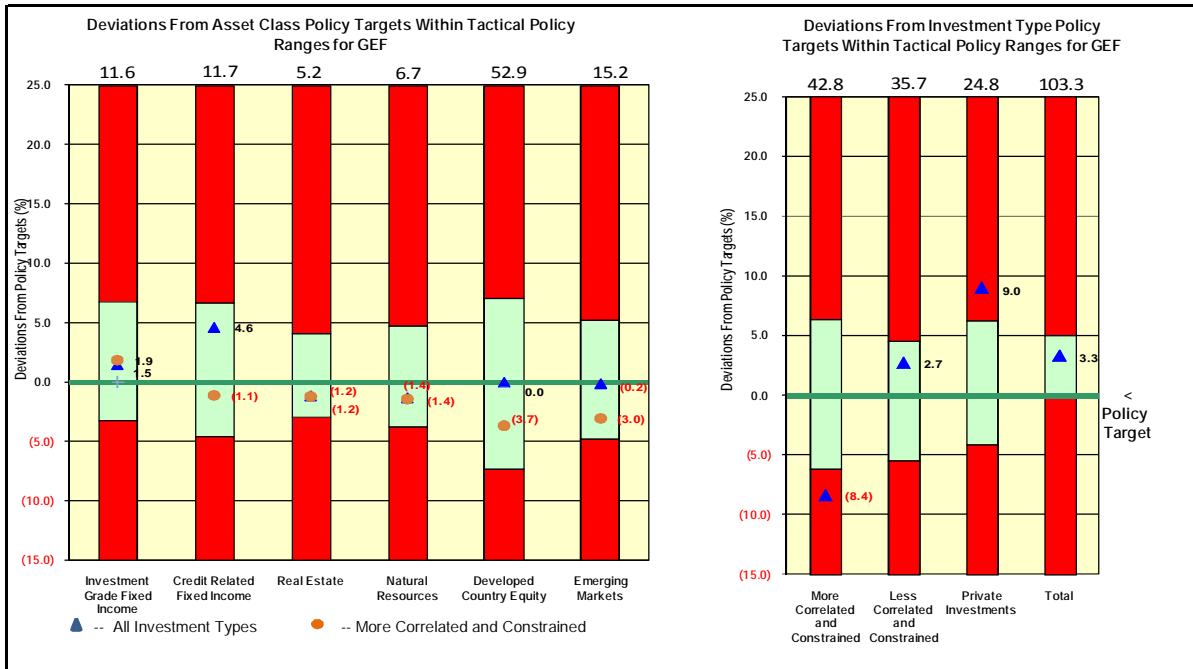
II. GENERAL ENDOWMENT FUND Investment Reports for Periods Ended November 30, 2008

Prepared in accordance with Texas Education Code Sec. 51.0032

Summary of Capital Flows			
(\$ millions)	Fiscal Year Ended August 31, 2008	Quarter Ended November 30, 2008	Fiscal Year Ended August 31, 2009
Beginning Net Assets	\$ 6,433.1	\$ 6,310.4	\$ 6,310.4
Contributions	358.6	52.3	52.3
Withdrawals	(20.2)	(1.2)	(1.2)
Distributions	(259.0)	(68.9)	(68.9)
Investment Return	(180.8)	(1,444.2)	(1,444.2)
Expenses	(21.3)	(2.0)	(2.0)
Ending Net Assets	<u>\$ 6,310.4</u>	<u>\$ 4,846.4</u>	<u>\$ 4,846.4</u>

	Fiscal Year to Date				
	Returns		Value Added		
	Portfolio	Policy Benchmark	From Asset Allocation	From Security Selection	Total
More Correlated and Constrained:					
Investment Grade	-7.62%	-3.23%	0.39%	-0.31%	0.08%
Credit-Related	-9.04%	-30.39%	-0.20%	0.31%	0.11%
Real Estate	-42.24%	-44.04%	0.06%	0.11%	0.17%
Natural Resources	-42.59%	-35.94%	0.09%	-0.40%	-0.31%
Developed Country	-34.53%	-33.22%	0.57%	-0.31%	0.26%
Emerging Markets	-45.87%	-44.59%	0.63%	-0.19%	0.44%
Total More Correlated and Constrained	-32.83%	-32.99%	1.54%	-0.79%	0.75%
Less Correlated and Constrained	-16.45%	-18.23%	0.05%	0.56%	0.61%
Private Investments	-9.02%	-0.11%	0.59%	-1.05%	-0.46%
Total	-22.81%	-23.71%	2.18%	-1.28%	0.90%

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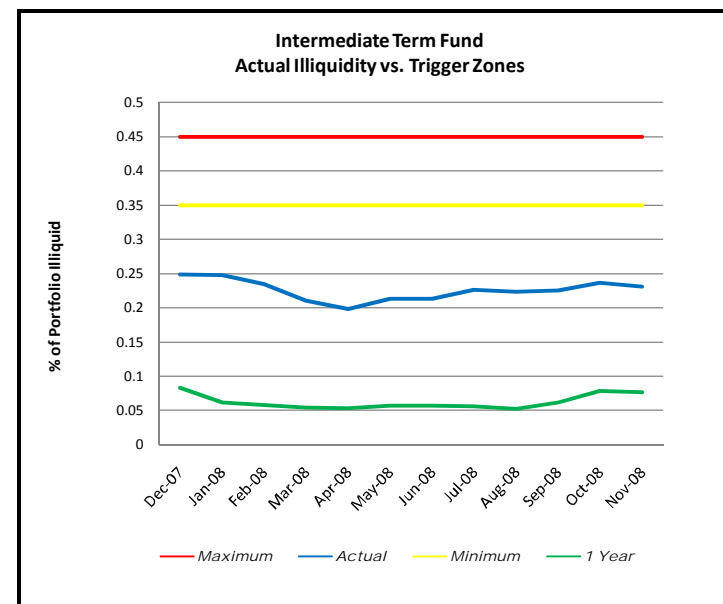
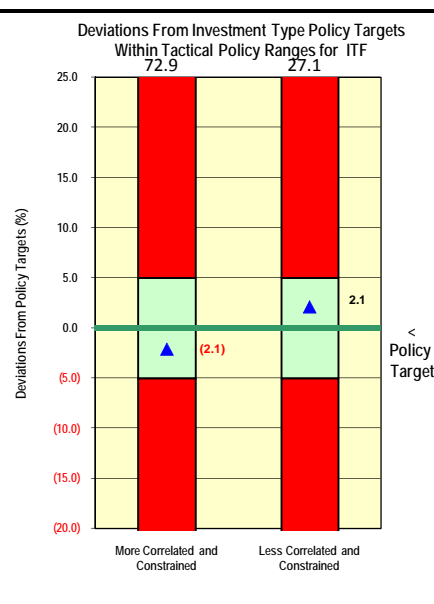
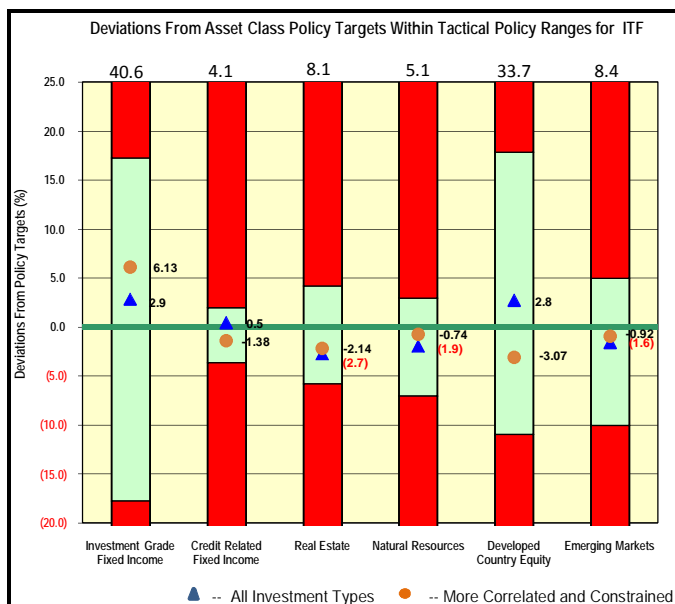


III. INTERMEDIATE TERM FUND Investment Reports for Periods Ended November 30, 2008

Prepared in accordance with Texas Education Code Sec. 51.0032

Summary of Capital Flows			
(\$ millions)	Fiscal Year Ended August 31, 2008	Quarter Ended November 30, 2008	Fiscal Year Ended August 31, 2009
Beginning Net Assets	\$ 3,720.6	\$ 3,874.8	\$ 3,874.8
Contributions	1,639.1	149.7	149.7
Withdrawals	(1,335.3)	(142.1)	(142.1)
Distributions	(118.6)	(26.6)	(26.6)
Investment Return	(7.5)	(842.3)	(842.3)
Expenses	(23.5)	(3.0)	(3.0)
Ending Net Assets	<u>\$ 3,874.8</u>	<u>\$ 3,010.5</u>	<u>\$ 3,010.5</u>

	Returns		Fiscal Year to Date		
	Portfolio	Policy Benchmark	From Asset Allocation	From Security Selection	Total
More Correlated and Constrained:					
Investment Grade	-7.22%	-3.23%	0.50%	-1.17%	-0.67%
Credit-Related	-9.05%	-30.39%	-0.27%	0.45%	0.18%
Real Estate	-42.27%	-44.04%	0.04%	0.21%	0.25%
Natural Resources	-39.09%	-35.94%	0.04%	-0.16%	-0.12%
Developed Country	-32.07%	-33.22%	0.11%	0.24%	0.35%
Emerging Markets	-46.15%	-44.59%	0.20%	-0.10%	0.10%
Total More Correlated and Constrained	-23.41%	-23.52%	0.62%	-0.53%	0.09%
Less Correlated and Constrained	-16.59%	-18.23%	-0.16%	0.59%	0.43%
Private Investments	0.00%	0.00%	0.00%	0.00%	0.00%
Total	-21.68%	-22.20%	0.46%	0.06%	0.52%



IV. SEPARATELY INVESTED ASSETS
Summary Investment Report at November 30, 2008
 Report prepared in accordance with *Texas Education Code* Sec. 51.0032

ASSET TYPES	(\$ thousands)															
	FUND TYPE															
	CURRENT PURPOSE DESIGNATED		RESTRICTED		ENDOWMENT & SIMILAR FUNDS		ANNUITY & LIFE INCOME FUNDS		AGENCY FUNDS		TOTAL EXCLUDING OPERATING FUNDS		OPERATING FUNDS (SHORT TERM FUND)		TOTAL	
BOOK	MARKET	BOOK	MARKET	BOOK	MARKET	BOOK	MARKET	BOOK	MARKET	BOOK	MARKET	BOOK	MARKET	BOOK	MARKET	
Cash & Equivalents:																
Beginning value 08/31/08	-	-	3,168	3,168	62,152	62,152	2,083	2,083	3,491	3,491	70,894	70,894	1,489,067	1,489,067	1,559,961	1,559,961
Increase/(Decrease)	53	53	(842)	(842)	(10,629)	(10,629)	(495)	(495)	205	205	(11,708)	(11,708)	43,929	43,929	32,221	32,221
Ending value 11/30/08	53	53	2,326	2,326	51,523	51,523	1,588	1,588	3,696	3,696	59,186	59,186	1,532,996	1,532,996	1,592,182	1,592,182
Debt Securities:																
Beginning value 08/31/08	-	-	265	259	12,605	13,234	11,676	11,959	-	-	24,546	25,452	-	-	24,546	25,452
Increase/(Decrease)	-	-	-	9	(701)	(862)	(220)	(582)	-	-	(921)	(1,435)	-	-	(921)	(1,435)
Ending value 11/30/08	-	-	265	268	11,904	12,372	11,456	11,377	-	-	23,625	24,017	-	-	23,625	24,017
Equity Securities:																
Beginning value 08/31/08	18	13,563	440	415	33,906	34,764	25,452	23,473	-	-	59,816	72,215	-	-	59,816	72,215
Increase/(Decrease)	(1)	(7,041)	89	54	(3,524)	(12,075)	(1,083)	(7,629)	-	-	(4,519)	(26,691)	-	-	(4,519)	(26,691)
Ending value 11/30/08	17	6,522	529	469	30,382	22,689	24,369	15,844	-	-	55,297	45,524	-	-	55,297	45,524
Other:																
Beginning value 08/31/08	-	-	3,196	3,196	3	3	321	130	1,054	1,054	4,574	4,383	-	-	4,574	4,383
Increase/(Decrease)	-	-	(2,362)	(2,362)	6	6	-	-	(789)	(789)	(3,145)	(3,145)	-	-	(3,145)	(3,145)
Ending value 11/30/08	-	-	834	834	9	9	321	130	265	265	1,429	1,238	-	-	1,429	1,238
Total Assets:																
Beginning value 08/31/08	18	13,563	7,069	7,038	108,666	110,153	39,532	37,645	4,545	4,545	159,830	172,944	1,489,067	1,489,067	1,648,897	1,662,011
Increase/(Decrease)	52	(6,988)	(3,115)	(3,141)	(14,848)	(23,560)	(1,798)	(8,706)	(584)	(584)	(20,293)	(42,979)	43,929	43,929	23,636	950
Ending value 11/30/08	70	6,575	3,954	3,897	93,818	86,593	37,734	28,939	3,961	3,961	139,537	129,965	1,532,996	1,532,996	1,672,533	1,662,961

Details of individual assets by account furnished upon request.

6. U. T. System Board of Regents: Approval of amendments to the Exhibits of the Investment Policy Statements regarding changes to benchmarks and maximum range of Credit-Related Fixed Income asset class for the Permanent University Fund, the General Endowment Fund, the Permanent Health Fund, the Long Term Fund, and the Intermediate Term Fund

Upon recommendation by the Board of Directors of The University of Texas Investment Management Company (UTIMCO), the Board approved amendments to the Exhibits of the Investment Policy Statements for the Permanent University Fund (PUF), the General Endowment Fund (GEF), the Permanent Health Fund (PHF), the Long Term Fund (LTF), and the Intermediate Term Fund (ITF) summarized as follows:

- a. Benchmark changes:
- Rename the Lehman Brothers Global Aggregate Index to the Barclays Capital Global Aggregate Index for the Investment Grade Fixed Income asset class
 - Rename the Lehman Brothers Global High-Yield Index to the Barclays Capital Global High-Yield Index for the Credit-Related Fixed Income asset class
 - Adopt the Hedge Fund Research Indices (HFRI) Fund of Funds Composite Index as the new benchmark for the Less Correlated & Constrained (LCC) Investment Type effective January 1, 2009
- b. Increase the maximum range of the Credit-Related Fixed Income asset class as follows:
- Increase the range from 17.5% to 22.5% for the period ending August 31, 2009, and from 20.0% to 22.5% for the periods ending August 31, 2010 and August 31, 2011, for the PUF and GEF
 - Increase the range from 7.5% to 12.5% for the periods ending August 31, 2009, 2010, and 2011 for the ITF

The amendments to the Exhibits of the PUF and GEF Investment Policy Statements are reflected in Exhibit 1 on Page 49 and will be consistently applied to the PUF and GEF Investment Policy Statements and the corresponding Exhibits in the PHF and LTF Investment Policy Statements. The amendments to the ITF Investment Policy Statement Exhibits are reflected in Exhibit 2 on Page 50.

The University of Texas System Board of Regents adopted the current benchmarks for the PUF, GEF, PHF, LTF, and ITF on August 14, 2008, to be effective September 1, 2008. The Lehman Brothers' indices have changed names consistent with the renaming of the Lehman Brothers' indices in November 2008, resulting from the acquisition of Lehman Brothers by Barclays Capital, Inc., in September 2008. The composition of the indices did not change.

The current LCC benchmark, the MSCI Investable Hedge Fund Index, was discontinued by MSCI as of January 21, 2009, and was replaced by the HFRI Fund of Funds Composite Index. On February 5, 2009, the UTIMCO Board approved the use of the HFRI Fund of Funds Composite Index for the LCC to be effective as of January 1, 2009.

The exposure as of December 31, 2008, for the PUF and GEF is within the Fiscal Year 2009 minimum and maximum ranges of 10.0% and 17.5%, with the PUF and GEF at 11.47% and 11.44%, respectively. The December 31, 2008, exposure for the ITF is 4.13%, which is within the Fiscal Year 2009 minimum and maximum ranges of 0% and 7.5%. On February 5, 2009, the UTIMCO Board approved a UTIMCO staff proposal to increase the maximum ranges for the Credit-Related Fixed Income Asset Class for the PUF, GEF, and ITF. UTIMCO staff believes there will continue to be attractive risk-adjusted opportunities in the Credit-Related Fixed Income asset class.

EXHIBIT 1
ASSET CLASS AND INVESTMENT TYPE TARGETS, RANGES AND PERFORMANCE OBJECTIVES
EFFECTIVE DATE JANUARY 1, 2009

POLICY PORTFOLIO	FYE 2009			FYE 2010			FYE 2011		
	Min	Target	Max	Min	Target	Max	Min	Target	Max
<u>Asset Classes</u>									
Investment Grade Fixed Income	5.0%	7.5%	15.0%	5.0%	7.5%	15.0%	5.0%	7.5%	15.0%
Credit-Related Fixed Income	10.0%	13.5%	22.5%	10.0%	14.5%	22.5%	10.0%	14.5%	22.5%
Real Estate	5.0%	7.5%	15.0%	5.0%	8.0%	15.0%	5.0%	8.5%	15.0%
Natural Resources	5.0%	8.5%	15.0%	5.0%	9.5%	15.0%	5.0%	10.0%	15.0%
Developed Country Equity	40.0%	46.5%	52.5%	37.5%	43.0%	50.0%	37.5%	41.0%	47.5%
Emerging Markets Equity	12.5%	16.5%	22.5%	12.5%	17.5%	22.5%	12.5%	18.5%	22.5%
<u>Investment Types</u>									
More Correlated & Constrained	37.5%	44.5%	50.0%	35.0%	41.5%	47.5%	35.0%	41.0%	47.5%
Less Correlated & Constrained	27.5%	33.0%	37.5%	27.5%	33.0%	37.5%	27.5%	33.0%	37.5%
Private Investments	18.0%	22.5%	28.0%	21.0%	25.5%	31.0%	21.0%	26.0%	33.0%

*The total Asset Class & Investment Type exposure, including the amount of derivatives exposure not collateralized by Cash, may not exceed 105% of the Asset Class & Investment Type exposures excluding the amount of derivatives exposure not collateralized by Cash.

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POLICY BENCHMARK (reset monthly)	FYE 2009	FYE 2010	FYE 2011
Barclays Capital Global Aggregate Index	5.5%	5.5%	5.5%
Barclays Capital Global High-Yield Index	1.0%	1.0%	2.0%
FTSE EPRA/NAREIT Global Index	5.5%	5.0%	4.5%
50% Dow Jones-AIG Commodity Index Total Return and 50% MSCI World Natural Resources Index	5.5%	4.5%	4.0%
MSCI World Index with net dividends	17.0%	15.5%	14.5%
MSCI Emerging Markets with net dividends	10.0%	10.0%	10.5%
Hedge Fund Research Indices Fund of Funds Composite Index	33.0%	33.0%	33.0%
Venture Economics Custom Index	20.5%	22.5%	22.0%
NACREIF Custom Index	2.0%	3.0%	4.0%

POLICY/TARGET RETURN/RISKS	FYE 2009	FYE 2010	FYE 2011
Expected Annual Return (Benchmarks)	8.78%	8.86%	8.85%
Expected Target Annual Return (Active)	9.72%	9.90%	9.87%
One Year Downside Deviation	8.72%	8.71%	8.67%
Risk Bounds			
Lower: 1 Year Downside Deviation	85%	85%	85%
Upper: 1 Year Downside Deviation	115%	115%	115%

EXHIBIT 2 - INTERMEDIATE TERM FUND
ASSET CLASS AND INVESTMENT TYPE TARGETS, RANGES, AND PERFORMANCE OBJECTIVES
EFFECTIVE JANUARY 1, 2009

POLICY PORTFOLIO	FYE 2009			FYE 2010			FYE 2011		
	Min	Target	Max	Min	Target	Max	Min	Target	Max
<u>Asset Classes</u>									
Investment Grade Fixed Income	20.0%	37.0%	55.0%	20.0%	37.0%	55.0%	20.0%	37.0%	55.0%
Credit-Related Fixed Income	0.0%	5.5%	12.5%	0.0%	5.5%	12.5%	0.0%	5.5%	12.5%
Real Estate	5.0%	10.0%	15.0%	5.0%	10.0%	15.0%	5.0%	10.0%	15.0%
Natural Resources	0.0%	7.0%	10.0%	0.0%	7.0%	10.0%	0.0%	7.0%	10.0%
Developed Country Equity	20.0%	30.5%	45.0%	20.0%	30.5%	45.0%	20.0%	30.5%	45.0%
Emerging Markets Equity	0.0%	10.0%	15.0%	0.0%	10.0%	15.0%	0.0%	10.0%	15.0%
<u>Investment Types</u>									
More Correlated & Constrained	70.0%	75.0%	80.0%	70.0%	75.0%	80.0%	70.0%	75.0%	80.0%
Less Correlated & Constrained	20.0%	25.0%	30.0%	20.0%	25.0%	30.0%	20.0%	25.0%	30.0%

*The total Asset Class & Investment Type exposure, including the amount of derivatives exposure not collateralized by Cash, may not exceed 105% of the Asset Class & Investment Type exposures excluding the amount of derivatives exposure not collateralized by Cash.

POLICY BENCHMARK (reset monthly)	FYE 2009	FYE 2010	FYE 2011
Barclays Capital Global Aggregate Index	33.0%	33.0%	33.0%
Barclays Capital Global High-Yield Index	2.0%	2.0%	2.0%
FTSE EPRA/NAREIT Global Index	10.0%	10.0%	10.0%
50% Dow Jones-AIG Commodity Index Total Return and 50% MSCI World Natural Resources Index	5.0%	5.0%	5.0%
MSCI World Index with net dividends	20.0%	20.0%	20.0%
MSCI Emerging Markets with net dividends	5.0%	5.0%	5.0%
Hedge Fund Research Indices Fund of Funds Composite Index	25.0%	25.0%	25.0%

POLICY/TARGET RETURN/RISKS	FYE 2009	FYE 2010	FYE 2011
Expected Annual Return (Benchmarks)	7.16%	7.16%	7.16%
Expected Target Annual Return (Active)	7.83%	7.83%	7.83%
One Year Downside Deviation	6.38%	6.38%	6.38%
Risk Bounds			
Lower: 1 Year Downside Deviation	85%	85%	85%
Upper: 1 Year Downside Deviation	115%	115%	115%

7. U. T. System Board of Regents: Adoption of a Resolution authorizing the execution of a credit agreement with the Texas Comptroller of Public Accounts, in an aggregate principal amount not to exceed \$500,000,000 to provide liquidity support to the U. T. System related to its variable rate debt programs and authorization to complete all related transactions

The Board adopted a Resolution as set out on Pages 52 - 58 authorizing appropriate officers of The University of Texas System to enter into a credit agreement with the Texas Comptroller of Public Accounts in an aggregate principal amount not to exceed \$500,000,000 to provide liquidity support related to the U. T. System's Revenue Financing System (RFS) and Permanent University Fund (PUF) variable rate debt programs and to take any and all actions necessary to carry out the intentions of the U. T. System Board of Regents within the limitations and procedures specified in the Resolution.

To maintain the highest short-term credit ratings, the U. T. System must provide either internal or external liquidity support of its variable rate debt programs. Currently, the U. T. System supports all of its variable rate debt programs with internal liquidity. On a limited basis, the Texas Comptroller of Public Accounts is offering liquidity support to state issuers at a reasonable cost. Adoption of this Resolution authorizes the negotiation of a credit agreement with the Texas Comptroller to provide an additional source of liquidity to the U. T. System to support its variable rate debt programs. Currently, U. T. System staff is negotiating \$150 million of initial liquidity support at an annual cost of 8 to 12 basis points. A similar agreement between the U. T. System and the State Treasurer was previously approved by the U. T. System Board of Regents on April 14, 1994.

**A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF
LIQUIDITY AGREEMENTS RELATING TO CERTAIN VARIABLE RATE
INDEBTEDNESS OF THE SYSTEM**

WHEREAS, the Board of Regents (the "Board") of The University of Texas System (the "System") is the governing body of the System, an institution of higher education under the *Texas Education Code* and an agency of the State of Texas (the "State");

WHEREAS, on February 14, 1991, the Board adopted the First Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System and amended such resolution on October 8, 1993, and August 14, 1997 (referred to herein as the "Master Resolution");

WHEREAS, unless otherwise defined herein, terms used herein shall have the meaning given in the Master Resolution or as set forth in Exhibit A hereto;

WHEREAS, pursuant to the Revenue Financing System, the Board has previously authorized the issuance of certain variable rate notes through a commercial paper note program and has currently outstanding certain variable rate revenue bonds payable from Pledged Revenues all as set forth in Exhibit B attached hereto (collectively, the "RFS Obligations");

WHEREAS, pursuant to the Constitutional Provision, the Board has previously authorized the issuance of certain variable rate notes through a commercial paper note program and a flexible rate note program and has currently outstanding certain variable rate revenue bonds payable from the Interest of the System all as set forth in Exhibit C attached hereto (collectively, the "PUF Obligations," and together with the RFS Obligations, the "Obligations");

WHEREAS, the Board desires to provide for liquidity support for the Obligations as set forth in this Resolution;

WHEREAS, the Comptroller of Public Accounts of the State of Texas (the "Comptroller") has provided the System with the form of an initial draft liquidity agreement with respect to the Obligations attached hereto as Exhibit D (the "Draft Agreement"); and

WHEREAS, in furtherance of its desire to provide for liquidity support for the Obligations, the Board hereby authorizes each Authorized Representative to enter into one or more liquidity agreements with the Comptroller or any related entity of equal credit quality (the "Liquidity Provider") in accordance with the terms set forth in this Resolution.

NOW THEREFORE BE IT RESOLVED, that

SECTION 1. DEFINITIONS. In addition to the definitions set forth in the preamble of this Resolution, the terms used in this Resolution and not otherwise defined shall have the meanings

given in the Master Resolution or in Exhibit A to this Resolution attached hereto and made a part hereof.

SECTION 2. AUTHORIZATION OF LIQUIDITY AGREEMENTS. (a) Delegation. Each Authorized Representative is hereby severally authorized to act on behalf of the Board in entering into and executing one or more agreements with the Liquidity Provider, or any subsequent amendments thereto, to provide for liquidity support for all or a portion of the Obligations (each, a "Liquidity Agreement") within the parameters established by this Resolution. The delegation to each Authorized Representative to execute and deliver Liquidity Agreements on behalf of the Board under this Resolution shall not be limited by any term or provision in the Draft Agreement and shall expire on February 11, 2010.

(b) Maximum Principal Amount. The aggregate principal amount of all commitments under Liquidity Agreements authorized by this Resolution shall not at any time exceed \$500,000,000.

(c) Maximum Term. The maximum term of each Liquidity Agreement authorized by this Resolution shall not exceed the maturity date of the then outstanding related Obligations in the case of variable rate revenue bonds or the expiration date of the note program in the case of commercial paper notes or flexible rate notes.

(d) Maximum Rate. No Liquidity Agreement authorized by this Resolution shall be payable at a rate greater than the maximum rate allowed by law.

SECTION 3. SOURCE OF PAYMENT AND SECURITY FOR LIQUIDITY AGREEMENTS.

(a) General. The costs of any Liquidity Agreement authorized by this Resolution and the amounts payable thereunder shall be payable from the same source and on the lien priority as the Obligations to which such Liquidity Agreement applies.

(b) RFS Obligations. To the extent a Liquidity Agreement applies to RFS Obligations, the Board's payment obligations under such agreement shall be payable out of Pledged Revenues and each Liquidity Agreement shall constitute Parity Debt under the Master Resolution, except to the extent that a Liquidity Agreement provides that an obligation of the Board thereunder shall be payable from and secured by a lien on Pledged Revenues subordinate to the lien securing the payment of the Parity Debt. The Board determines that this Resolution shall constitute a Supplemental Resolution to the Master Resolution and as required by Section 5(a) of the Master Resolution, the Board further determines that upon the delivery of a each Liquidity Agreement applicable to RFS Obligations it will have sufficient funds to meet the financial obligations of the System, including sufficient Pledged Revenues to satisfy the Annual Debt Service Requirements of the Financing System and to meet all financial obligations of the Board relating to the Financing System and that the Members on whose behalf such Liquidity Agreement is entered into possess the financial capacity to satisfy their Direct Obligations after taking such Liquidity Agreement into account.

(c) PUF Obligations. To the extent a Liquidity Agreement applies to PUF Obligations, the Board's payment obligations under such agreement shall be payable from the Residual AUF as a cost of the support and maintenance of System administration or from any other source that is legally available to make such payments.

SECTION 4. ADDITIONAL AUTHORIZATION. (a) Additional Agreements and Documents Authorized. Each Authorized Representative and all officers or officials of the Board are severally authorized to execute and deliver such other agreements and documents as are contemplated by this Resolution or are otherwise necessary in connection with entering into Liquidity Agreements as described in this Resolution, as any such officer or official shall deem appropriate, including without limitation, officer's certificates, legal opinions, and credit support documents.

(b) Further Actions. All officers or officials of the Board and its agents and counsel are authorized to take all such further actions, to execute and deliver such further instruments and documents in the name and on behalf of the Board to pay all such expenses as in his or her judgment shall be necessary or advisable in order fully to carry out the purposes of this Resolution.

(c) Attorney General Submission. Each Authorized Representative is hereby authorized to submit this Resolution to the Attorney General of the State for review and approval in accordance with the requirements of Chapter 1371 of the *Texas Government Code*, as amended, as the proceedings authorizing the Liquidity Agreements entered into by the Board pursuant to this Resolution and to provide for the payment of costs in connection therewith.

EXHIBIT A

DEFINITIONS

"Authorized Representative" shall mean one or more of the following officers or employees of The University of Texas System, to wit: the Chancellor, the Executive Vice Chancellor for Business Affairs, the Vice Chancellor for Finance and Business Development, and the Assistant Vice Chancellor for Finance or such other officer or employee of The University of Texas System authorized by the Board to act as an Authorized Representative under this Resolution.

"Available University Fund" shall mean the Available University Fund as defined by the Constitution of the State and consists of 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 Permanent University Fund land, as determined by the Board pursuant to Section 18 of Article VII of the Constitution of the State.

"Constitutional Provision" shall mean Section 18 of Article VII of the Constitution of the State, as may hereafter be amended.

"Interest of the System" shall mean the System's two-thirds interest in the Available University Fund.

"Permanent University Fund" shall mean the constitutional fund and public endowment created in the Texas Constitution of 1876, as created, established, implemented and administered pursuant to Sections 10, 11, 11a, 11b, 15 and 18 of Article VII of the Constitution of the State, as amended, and by other applicable present and future constitutional and statutory provisions, and further implemented by the provisions of Chapter 66, *Texas Education Code*, as amended.

"Residual AUF" shall mean the remainder of the Interest of the System in the Available University Fund appropriated for the support and maintenance of The University of Texas at Austin and the System Administration after the appropriation of an annual sum sufficient to pay the principal and interest due on bonds and notes issued by the Board pursuant to the Constitutional Provision.

EXHIBIT B
RFS OBLIGATIONS

Note Program or Bonds	Authorized Amount	Date of Authorizing Resolution	Maximum Maturity Date
RFS Commercial Paper Notes, Series A and Taxable Commercial Paper Notes, Series B	\$1,250,000,000	August 14, 2008	April 1, 2035
RFS Refunding Bonds, Series 2001A	\$85,000,000	February 11, 1999	August 15, 2013
RFS Refunding Bonds, Series 2007B	\$345,460,000	August 23, 2007	August 1, 2034
RFS Bonds, Series 2008B	\$685,485,000	February 7, 2008	August 1, 2039

EXHIBIT C
PUF OBLIGATIONS

Note Program or Bonds	Authorized Amount	Date of Authorizing Resolution	Maximum Maturity Date
PUF Commercial Paper Notes, Series A and Taxable Commercial Paper Notes, Series B	\$500,000,000	August 14, 2008	August 1, 2035
PUF Flexible Rate Notes, Series A	\$400,000,000	November 13, 2002	May 15, 2030
PUF Bonds, Series 2008A	\$400,905,000	August 14, 2008	July 1, 2038

EXHIBIT D

DRAFT LIQUIDITY AGREEMENT

[[On file](#) with the Board]

8. U. T. System: Approval of additional aggregate amount of \$10,250,000 of Revenue Financing System Equipment Financing for Fiscal Year 2009 and resolution regarding parity debt

The Board

- a. approved an additional aggregate amount of \$10,250,000 of Revenue Financing System Equipment Financing for Fiscal Year 2009 as allocated to those University of Texas System institutions set out on Page 61; and
- b. resolved in accordance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System that
 - parity debt shall be issued to pay the cost of equipment including costs incurred prior to the issuance of such parity debt;
 - 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. System Board of Regents relating to the Financing System;
 - the institutions and U. T. System Administration, which are "Members" as such term is used in the Master Resolution, possess the financial capacity to satisfy their direct obligation as defined in the Master Resolution relating to the issuance by the U. T. System Board of Regents of tax-exempt parity debt in the aggregate amount of \$10,250,000 for the purchase of equipment; and
 - this resolution satisfies the official intent requirements set forth in Section 1.150-2 of the *Code of Federal Regulations* that evidences the Board's intention to reimburse project expenditures with bond proceeds.

On April 14, 1994, the U. T. System Board of Regents approved the use of Revenue Financing System debt for equipment purchases in accordance with the Guidelines Governing Administration of the Revenue Financing System. Equipment financing is used for the purchase of equipment in lieu of more costly vendor financing. The Guidelines specify that the equipment to be financed must have a useful life of at least three years. The debt is amortized twice a year with full amortization not to exceed 10 years.

On August 14, 2008, the U. T. System Board of Regents approved \$122,756,000 for equipment financing in Fiscal Year 2009. This approval is for an additional aggregate amount of \$10,250,000 for equipment financing for Fiscal Year 2009.

Further details on the equipment to be financed and debt coverage ratios for individual institutions are set forth on Page 61.

REQUEST FOR APPROVAL OF U. T. SYSTEM EQUIPMENT FINANCING
FY 2009 (FEBRUARY 2009)

Institution	\$ Amount of Request	Description of Expected Equipment Purchases	DSC*
U. T. Dallas	\$2,000,000	Enterprise Resource Planning ("ERP") implementation	2.5x
U.T. El Paso	250,000	Technology infrastructure	2.6x
U. T. Health Science Center - Houston	5,000,000	Telecommunication system, clinical equipment	1.7x
U. T. Health Science Center - San Antonio	3,000,000	Clinical equipment, core research equipment, infrastructure equipment	1.5x
Total			
	\$10,250,000		

* Debt Service Coverage ("DSC") based on six-year forecasted Statement of Revenues, Expenses, and Changes in Net Assets ("SRECNA") for FY2009 – FY2014.

U. T. System Office of Finance, January 21, 2009

REPORT AND RECOMMENDATIONS OF THE ACADEMIC AFFAIRS COMMITTEE (Pages 62 - 65).--Committee Chairman Barnhill reported that the Academic Affairs Committee met in open session to consider those matters on its agenda and to formulate recommendations for The University of Texas System Board of Regents. Unless otherwise indicated, the actions set forth in the Minute Orders that follow were recommended by the Academic Affairs Committee and approved in open session by the U. T. System Board of Regents.

1. U. T. Arlington: Authorization to enter into contracts, easements, and agreements with Oncor Electric Delivery Company LLC, a Delaware limited liability company, which was selected through a request for proposals process to provide electrical utility distribution and transmission services to existing and future properties and facilities of U. T. Arlington in Tarrant and Dallas Counties, Texas

On behalf of The University of Texas at Arlington, the Board

- a. granted authorization to enter into contracts, easements, and agreements with Oncor Electric Delivery Company LLC, a Delaware limited liability company (Oncor), which was selected through a Request for Proposals (RFP) process to provide electrical utility distribution and transmission services to existing and future properties and facilities of U. T. Arlington in Tarrant and Dallas Counties, Texas; and
- b. authorized the institution's Vice President for Business Affairs to execute the contract and related agreements and the Executive Director of Real Estate to execute all documents, easements, and other agreements regarding real property, subject to approval of all such documents as to legal form by the Office of General Counsel, and to take all further actions deemed necessary or advisable to carry out the purpose and intent of the foregoing action.

Vice Chairman Huffines was noted as abstaining from voting on this item because he serves on the board of Energy Future Holdings and Oncor Electric Delivery is an affiliated company.

On October 2, 2008, U. T. Arlington issued an RFP for electrical utility distribution and transmission services covering Tarrant and Dallas Counties, Texas. Oncor was the only respondent. *Texas Education Code* Section 51.923 permits a contract with Oncor by its selection through an RFP process.

The master contract will provide electrical distribution and transmission services for current and future facilities at U. T. Arlington located in Tarrant and Dallas Counties, Texas, for a term of five years. The contract permits the

institution and Oncor to enter into addenda under the master contract with respect to specific projects. Easements will be granted as needed so that the utility services can be provided. Services and fees are based on Oncor's tariffs and regulations from the Texas Public Utility Commission.

2. U. T. Pan American: Authorization to purchase approximately one acre of unimproved land located on Jackson Road north of University Drive, out of Lot 5, Section 273, Texas-Mexican Railway Company Survey, Edinburg, Hidalgo County, Texas, from Mr. Jaime A. Rodriguez for a purchase price not to exceed fair market value as determined by an independent appraisal for storm water drainage and detention and for future programmed development of campus expansion

On behalf of The University of Texas – Pan American, the Board

- a. granted authorization to purchase approximately one acre of unimproved land located on Jackson Road north of University Drive, out of Lot 5, Section 273, Texas-Mexican Railway Company Survey, Edinburg, Hidalgo County, Texas, from Mr. Jaime A. Rodriguez for a purchase price not to exceed fair market value as determined by an independent appraisal, plus all due diligence expenses, closing costs, and other costs and expenses to complete the acquisition of the property as deemed necessary or advisable by the Executive Director of Real Estate, for storm water drainage and detention and for future programmed development of campus expansion; and
- b. authorized the Executive Director of Real Estate to execute all documents, instruments, and other agreements, subject to approval of all such documents as to legal form by the Office of General Counsel, and to take all further actions deemed necessary or advisable to carry out the purpose and intent of the foregoing action.

The subject property consists of approximately one acre of unimproved land with 180 feet of frontage on the east side of Jackson Road. This road is the western access for U. T. Pan American's planned Academic and Performing Arts Complex (APAC).

A large drainage canal belonging to the City of Edinburg on a strip of land on which the city holds an easement connects the subject property to the APAC site and to the rest of U. T. Pan American's west campus. During the feasibility period, The University of Texas System Real Estate Office will investigate and determine whether it can obtain appropriate legal authorization to use the drainage canal to drain storm water from the U. T. Pan American campus to the subject property. The property's downstream location from the APAC site and the west campus makes the property ideal

for storm water drainage and detention in support of the development of these tracts. Moreover, use of the subject property for storm water purposes will alleviate the need to provide storm water detention for these new facilities on core campus property.

The property will initially be used to facilitate storm water drainage and detention, and may subsequently be used for future programmed development of campus expansion. Unexpended Plant Funds will be used to fund the purchase.

3. U. T. Pan American: Approval of honorific naming of the University Honors Program as the Rafael A. "Felo" and Carmen Guerra Honors Program

The Board approved the honorific naming of the University Honors Program at The University of Texas – Pan American as the Rafael A. “Felo” and Carmen Guerra Honors Program.

Mr. Rafael A. "Felo" Guerra (1915-2005) and Mrs. Carmen Guerra (1920-2008) were part of one of Texas' pioneer ranching families, which has cattle brands and ranch holdings that date back to the early 1870s. The Guerras are remembered not only for their family's success in ranching and business but also for their generosity and strong commitment to higher education. The Guerra family has given generously to U. T. Pan American, including scholarships to students residing in communities surrounding the Guerra ranch properties. Approximately 60 percent of those scholarship recipients elected to attend U. T. Pan American.

4. U. T. Austin: Authorization for possible use of the Mike A. Myers Stadium and Soccer Field to hold the Austin Cup soccer tournament and to negotiate and execute an agreement

The Board authorized an exception to the Regents' *Rules and Regulations*, Rule 80104 regarding Use of Facilities, to allow an external entity to use the Mike A. Myers Stadium and Soccer Field at The University of Texas at Austin to hold the Austin Cup soccer tournament. President Powers was authorized to negotiate and execute an agreement for this one-time use subject to approval by the Office of General Counsel.

The U. T. Austin Departments of Intercollegiate Athletics will work with the Austin Aztex-FC soccer organization to hold an Austin Cup soccer tournament in July 2009 at the Mike A. Myers Stadium and Soccer Field. As planned, the tournament will bring four international professional soccer teams, including a Mexican professional soccer team, to Austin.

National Collegiate Athletic Association (NCAA) bylaws on amateurism prescribe certain types of income that member institutions may receive from professional sports organizations and the uses of that income. The described arrangements are permissible under applicable NCAA rules.

5. U. T. System: Status report on Community College Initiatives

This item was considered only by the Committee (see Committee Minutes).

6. U. T. System: Discussions on academic leadership matters - the scholarship of service

This item was considered only by the Committee (see Committee Minutes).

REPORT AND RECOMMENDATIONS OF THE HEALTH AFFAIRS COMMITTEE (Pages 66 - 72).--Committee Chairman McHugh reported that the Health Affairs Committee met in open session to consider those matters on its agenda and to formulate recommendations for The University of Texas System Board of Regents. Unless otherwise indicated, the actions set forth in the Minute Orders that follow were recommended by the Health Affairs Committee and approved in open session by the U. T. System Board of Regents.

1. U. T. Health Science Center – Houston: Authorization to enter into contracts, easements, and agreements with CenterPoint Energy Houston Electric LLC, a Delaware limited liability company, which was selected through a request for proposals process to provide electrical utility distribution and transmission services to existing and future properties and facilities of U. T. Health Science Center – Houston in the Houston, Texas, Metropolitan Area

On behalf of The University of Texas Health Science Center at Houston, the Board

- a. granted authorization to enter into contracts, easements, and agreements with CenterPoint Energy Houston Electric LLC, a Delaware limited liability company (CenterPoint Energy), which was selected through a Request for Proposals (RFP) process to provide electrical utility distribution and transmission services to existing and future properties and facilities of U. T. Health Science Center – Houston in the Houston, Texas, Metropolitan Area; and
- b. authorized the institution's Vice President for Business Affairs to execute the contract and related agreements and the Executive Director of Real Estate to execute all documents, easements, and other agreements regarding real property, subject to approval of all such documents as to legal form by the Office of General Counsel, and to take all further actions deemed necessary or advisable to carry out the purpose and intent of the foregoing action.

Regent Longoria, who was not in attendance, was noted as disclosing that she is on the board of CenterPoint Energy.

On December 12, 2008, U. T. Health Science Center – Houston issued an RFP for electrical utility distribution and transmission services covering the Houston, Texas, Metropolitan Area. CenterPoint Energy was the only respondent. Section 51.923 of the *Texas Education Code* permits a contract with CenterPoint Energy by its selection through an RFP process.

The master contract will provide electrical distribution and transmission services for current and future facilities at the institution for a term of five

years. The contract will permit the institution and CenterPoint Energy to enter into addenda under the master contract with respect to specific projects. Easements will be granted as needed so that the utility services can be provided. Services and fees are based on CenterPoint Energy's tariffs and regulations from the Texas Public Utility Commission.

The master contract enabling project-specific addenda and easements allows the institution to minimize delays related to the provision of electrical distribution and transmission services to construction and renovation projects at existing and future properties.

2. U. T. M. D. Anderson Cancer Center: Authorization to purchase the land and improvements located at 2918 Hepburn Street, Houston, Harris County, Texas, from Mr. Timothy Black and Ms. Charlotte Black for a purchase price not to exceed fair market value as established by independent appraisals for future use for campus administrative and support functions

On behalf of The University of Texas M. D. Anderson Cancer Center, the Board

- a. granted authorization to purchase the land and improvements located at 2918 Hepburn Street, Houston, Harris County, Texas, from Mr. Timothy Black and Ms. Charlotte Black for a purchase price not to exceed fair market value as established by independent appraisals, plus all due diligence expenses, closing costs, and other costs and expenses to complete the acquisition of the property as deemed necessary or advisable by the Executive Director of Real Estate, for future use for campus administrative and support functions; and
- b. authorized the Executive Director of Real Estate to execute all documents, instruments, and other agreements, subject to approval of all such documents as to legal form by the Office of General Counsel, and to take all further actions deemed necessary or advisable to carry out the purpose and intent of the foregoing action.

Acquisition of the subject property is part of the land assemblage in the east campus area being undertaken by U. T. M. D. Anderson Cancer Center to accommodate the relocation of important, but noncritical functions that will allow greater use of core facilities in the Texas Medical Center for patient treatment and research.

U. T. M. D. Anderson Cancer Center has concluded that the main campus in the Texas Medical Center and south campus should be reserved for use for research and critical patient care functions. Accordingly, many administrative and support activities currently in the main and south campuses will be relocated to the area in which the subject property and adjacent tracts are

located to allow expansion of the research and patient care functions on the main and south campuses. The subject property is an outparcel of the surrounding 28.8008-acre tract acquired by the institution pursuant to authority granted by the Board on February 8, 2007.

Local Hospital Revenues will be used to fund the purchase.

3. U. T. M. D. Anderson Cancer Center: Authorization to purchase all of the undivided interests in the land located at Lot 4, Block 38, Institute Place Subdivision, Houston, Harris County, Texas, from Ms. Shirley Ann Wagner, Mr. Raymond Keith Bryzmiakiewicz, Mr. Roy Bryzmiakiewicz, Mr. Harvey Gorski, Ms. Lucille Gottselig, Ms. Maxine Delores Kasprazk, Mr. James Koterak, Ms. Brenda B. Meuth, Estate of Mr. Eugene Richard Nowak, Mr. Kenneth Ray Nowak, Ms. Venita B. Riddle, Ms. June B. Schmidt, Ms. Iva B. Womak, Ms. Paulette Zawacki, Mr. Alex Bryzmiakiewicz, Mr. Edwin Bryzmiakiewicz, Ms. Carol Ann Copeland, Ms. Rose Marie Drummon, Ms. Frankie Koterak, Mr. Gilbert Koterak, Ms. Gloria Lastovica, Ms. Sandy Crawford, and Ms. Gertrude Tippitt, and any successors and assigns or other persons who may be determined to hold an undivided interest in such land, for a purchase price not to exceed fair market value as established by independent appraisals for future use for campus administrative and support functions

The Board granted authorization on behalf of The University of Texas M. D. Anderson Cancer Center, to

- a. purchase all of the undivided interests in the land located at Lot 4, Block 38, Institute Place Subdivision, Houston, Harris County, Texas, from Ms. Shirley Ann Wagner, Mr. Raymond Keith Bryzmiakiewicz, Mr. Roy Bryzmiakiewicz, Mr. Harvey Gorski, Ms. Lucille Gottselig, Ms. Maxine Delores Kasprazk, Mr. James Koterak, Ms. Brenda B. Meuth, Estate of Mr. Eugene Richard Nowak, Mr. Kenneth Ray Nowak, Ms. Venita B. Riddle, Ms. June B. Schmidt, Ms. Iva B. Womak, Ms. Paulette Zawacki, Mr. Alex Bryzmiakiewicz, Mr. Edwin Bryzmiakiewicz, Ms. Carol Ann Copeland, Ms. Rose Marie Drummon, Ms. Frankie Koterak, Mr. Gilbert Koterak, Ms. Gloria Lastovica, Ms. Sandy Crawford, and Ms. Gertrude Tippitt, and any successors and assigns or other persons who may be determined to hold an undivided interest in such land (the "Undivided Interest Owners"), for a purchase price not to exceed fair market value as established by independent appraisals, plus all due diligence expenses, closing costs, and other costs and expenses to complete the acquisition of the property as deemed necessary or advisable by the Executive Director of Real Estate, for future use for campus administrative and support functions; and

- b. authorize the Executive Director of Real Estate to execute all documents, instruments, and other agreements, subject to approval of all such documents as to legal form by the Office of General Counsel, and to take all further actions deemed necessary or advisable to carry out the purpose and intent of the foregoing action.

Acquisition of the subject property is part of the land assemblage in the east campus area being undertaken by U. T. M. D. Anderson Cancer Center to accommodate the relocation of important, but noncritical functions that will allow greater use of core facilities in the Texas Medical Center for patient treatment and research.

U. T. M. D. Anderson Cancer Center has concluded that the main campus in the Texas Medical Center and south campus should be reserved for use for research and critical patient care functions. Accordingly, many administrative and support activities currently in the main and south campuses will be relocated to the area in which the subject property and adjacent tracts are located to allow expansion of the research and patient care functions on the main and south campuses.

The Undivided Interest Owners collectively own an undivided 68.1633% interest in the subject property, with the remaining 31.8367% interest having been acquired by U. T. M. D. Anderson Cancer Center pursuant to authority granted by the Board on February 8, 2007, to acquire that undivided interest and other property, including a 28.8008-acre tract that includes and surrounds the subject lot.

Local Hospital Revenues will be used to fund the purchase.

4. U. T. M. D. Anderson Cancer Center: Authorization to purchase all of the undivided interests in the land described as Lot 3, Block 38, Institute Place Subdivision, Houston, Harris County, Texas, from Ms. Denise Felchak Brown, Ms. Joan Smith, and Ms. Gladys L. Wood, and any successors and assigns or other persons who may be determined to hold an undivided interest in such land for a purchase price not to exceed fair market value as established by independent appraisals for future use for campus administrative and support functions

On behalf of The University of Texas M. D. Anderson Cancer Center, the Board granted authorization to

- a. purchase all of the undivided interests in the land described as Lot 3, Block 38, Institute Place Subdivision, Houston, Harris County, Texas, from Ms. Denise Felchak Brown, Ms. Joan Smith, and Ms. Gladys L. Wood, and any successors and assigns or other persons who may be determined to hold an undivided interest in such land (the "Undivided

Interest Owners"), for a purchase price not to exceed fair market value as established by independent appraisals, plus all due diligence expenses, closing costs, and other costs and expenses to complete the acquisition of the property as deemed necessary or advisable by the Executive Director of Real Estate, for future use for campus administrative and support functions; and

- b. authorize the Executive Director of Real Estate to execute all documents, instruments, and other agreements, subject to approval of all such documents as to legal form by the Office of General Counsel, and to take all further actions deemed necessary or advisable to carry out the purpose and intent of the foregoing action.

Acquisition of the subject property is part of the land assemblage in the east campus area being undertaken by U. T. M. D. Anderson Cancer Center to accommodate the relocation of important, but noncritical functions that will allow greater use of core facilities in the Texas Medical Center for patient treatment and research.

U. T. M. D. Anderson Cancer Center has concluded that the main campus in the Texas Medical Center and south campus should be reserved for use for research and critical patient care functions. Accordingly, many administrative and support activities currently in the main and south campuses will be relocated to the area in which the subject property and adjacent tracts are located to allow expansion of the research and patient care functions on the main and south campuses.

The Undivided Interest Owners collectively own an undivided 3.2216% interest in the subject property, with the remaining 96.7784% interest having been acquired by U. T. M. D. Anderson Cancer Center pursuant to authority granted by the Board on February 8, 2007, to acquire that undivided interest and other property, including a 28.8008-acre tract that surrounds the subject property.

Local Hospital Revenues will be used to fund the purchase.

5. U. T. Southwestern Medical Center – Dallas: Authorization to execute a Master Services Agreement with Dallas County Indigent Care Corporation (DCICC), a nonprofit corporation

The Board approved the execution of a Master Services Agreement between Dallas County Indigent Care Corporation (DCICC) and The University of Texas Southwestern Medical Center at Dallas by President Podolsky, consistent with the terms described on the following page.

In 2007, community hospitals in Texas proposed that additional federal and state funding was needed to support the Medicaid program's costs of providing indigent health care. To facilitate expansion of support for indigent health care, the hospitals also proposed to assume added financial responsibility. The major community hospitals in Dallas, Baylor Health Care System and Baylor Heart and Vascular Center (Baylor); Columbia Hospital at Medical City Dallas Subsidiary; Green Oaks Hospital Subsidiary; Columbia Medical Center of Las Colinas, and North Texas Division (Medical City); Methodist Health System; and Texas Health Resources entered into agreements with U. T. Southwestern Medical Center – Dallas and Parkland Health & Hospital System (Parkland) to assume the financial responsibility for U. T. Southwestern's physician services at Parkland that had been provided via a Master Services Agreement. The agreements with the community hospitals ended on September 30, 2007, without receiving final approval by state and federal agencies; therefore, the agreements were not renewed. U. T. Southwestern returned to providing physician services at Parkland under the preexisting Master Services Agreement approved by the U. T. System Board of Regents on February 8, 2007.

Following a year of work to ensure regulatory compliance with the Texas Health and Human Services Commission (THHSC) and discussions by THHSC with federal agencies monitoring the Texas Medicaid Program, the community hospitals, through a separate nonprofit corporation, the DCICC, again have assumed financial responsibility through new agreements beginning October 1, 2008. Under the new arrangement, each hospital guarantees its respective portion of the financial obligation, with DCICC paying U. T. Southwestern on a monthly basis for its work at Parkland. The new arrangement is financially favorable to U. T. Southwestern because contract payments have been increased over the previous Parkland agreement to cover increased costs and to reflect the full fair market value for services that Parkland, as a governmental agency, was unable to pay. Under the new arrangement, U. T. Southwestern anticipates receiving \$132.4 million compared with the anticipated receipt of \$120 million under the agreement directly with Parkland. Should the relationship at any time fail to operate in the best interests of U. T. Southwestern or if the arrangement is terminated for any reason, U. T. Southwestern can terminate these agreements with DCICC and return to its original and traditional contractual relationship with Parkland as expressed in a memorandum of agreement executed simultaneously with this arrangement.

U. T. Southwestern considers this a successful partnership with the community hospitals and Parkland to help meet the health care needs and improve access to health care for the indigent residents of Dallas County, Texas.

6. U. T. System: Quarterly report on health matters, including the current status of competitive awards programs in nursing and graduate studies, the potential impact of proposed federal programs on U. T. System health institutions, annual campus visits, and related matters

This item was considered only by the Committee (see Committee Minutes).

REPORT AND RECOMMENDATIONS OF THE FACILITIES PLANNING AND CONSTRUCTION COMMITTEE (Pages 73 - 93).--In the absence of Vice Chairman Huffines, Acting Committee Chairman Barnhill 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 University of Texas System Board of Regents. Unless otherwise indicated, the actions set forth in the Minute Orders that follow were recommended by the Facilities Planning and Construction Committee and approved in open session by the U. T. System Board of Regents.

1. U. T. System: Report on the U. T. System Policy on Sustainability Practices

This item was considered only by the Committee (see Committee Minutes).

2. U. T. Arlington: Special Events Center - Amendment of the FY 2009-2014 Capital Improvement Program to include project (Preliminary Board approval)

The Board amended the Fiscal Year 2009-2014 Capital Improvement Program (CIP) to include the Special Events Center project at The University of Texas at Arlington as follows:

Project No.:	301-397		
Project Delivery Method:	Construction Manager at Risk		
Substantial Completion Date:	April 2012		
Total Project Cost:	Source		Current
	Revenue Financing System Bond Proceeds		\$28,000,000
	Gifts		\$10,000,000
	Unexpended Plant Funds		\$35,000,000
			\$73,000,000

- Investment Metrics:
- By 2012:
- Host approximately 41 UTA athletic events and 25 other UTA related activities
 - Accommodate approximately 60 non-university events addressing the campus community and general public's interest
 - Accommodate commencement exercises, convocation ceremonies, student orientations, and Maverick Preview Days
 - Provide a facility capable of seating 6,500 people

The Special Events Center (SEC) will be a multipurpose, state-of-the-art center with approximately 189,300 gross square feet and will be the home for U. T. Arlington athletics, graduation ceremonies and convocation celebrations, concerts, and distinguished lecture series as well as many community events. The SEC will include large meeting rooms and suites for hosting special functions, events, and meetings, and an athletic floor for both

the men's and women's basketball teams and the women's volleyball team. There will be practice courts, offices, locker rooms, training facilities, a film and media center, lounge areas, and academic spaces for student athletes. The facility will be located between Pecan and Center Streets and south of West 1st Street.

This project has been approved by University of Texas System staff and meets the criteria for inclusion in the CIP. Approval of design development plans and authorization of expenditure of funding will be presented to the Board for approval at a later date.

- 3. U. T. Austin: Children's Garden at the Lady Bird Johnson Wildflower Center - Amendment of the FY 2009-2014 Capital Improvement Program to include project; approval of total project cost; appropriation of funds; and authorization of institutional management (Preliminary Board approval)

The Board amended the Fiscal Year 2009-2014 Capital Improvement Program (CIP) to include the Children's Garden at the Lady Bird Johnson Wildflower Center project at The University of Texas at Austin as follows:

Project No.:	102-482	
Institutionally Managed:	Yes	No
Project Delivery Method:	Construction Manager at Risk	
Substantial Completion Date:	November 2012	
Total Project Cost:	Source	Current
	Gifts	\$4,700,000

- Investment Metrics:
- By 2012:
 - Be the first educational and interactive Children's Garden in Central Texas
 - Increase admissions revenue by 10%
 - Educate community children
 - Be the pilot project for the Sustainable Sites Initiative

- a. approve a total project cost of \$4,700,000 with funding from Gifts;
- b. appropriate funds; and
- c. authorize U. T. Austin to manage the total project budgets, appoint architects, approve facility programs, prepare final plans, and award contracts.

The project will develop an area of land northwest of the present Wildflower Center Administration buildings to create a unique Children's Garden to provide educational opportunities with outdoor classroom areas, a pavilion, and restrooms. Some of the garden features will be interactive.

This project has been approved by University of Texas System staff and meets the criteria for inclusion in the CIP. Design development plans and authorization of expenditure of funding will be presented to the Board for approval at a later date. It has been determined that U. T. Austin Facility Management personnel have the experience and capability to manage all aspects of the work.

4. U. T. Austin: FY09 High Priority Fire and Life Safety; William Randolph Hearst Building Renovation; LBJ Library Plaza, Lady Bird Johnson Center, and LBJ School Renovations; and Art Building and Museum Renovation - Amendment of the FY 2009-2014 Capital Improvement Program to include two projects; approval to reduce the allocation and transfer approved Permanent University Fund (PUF) Bond Proceeds; approval to increase the total project cost for two projects; revise funding sources; appropriation and authorization of funds; and authorization of institutional management (Final Board approval)

The Board approved the recommendations for the FY09 High Priority Fire and Life Safety project; William Randolph Hearst Building Renovation project; the LBJ Library Plaza, Lady Bird Johnson Center, and LBJ School Renovations project; and the Art Building and Museum Renovation project at The University of Texas at Austin as follows:

FY 09 High Priority FLS

Project No.: 102-453
 Institutionally Managed: Yes No
 Project Delivery Method: Competitive Sealed Proposals
 Substantial Completion Date: February 2010
 Total Project Cost:

<u>Source</u>	<u>Former</u>	<u>Current</u>
Permanent University Fund Bond Proceeds	\$4,800,000	\$3,105,000

Hearst Building Renovation

Project No.: 102-479
 Institutionally Managed: Yes No
 Project Delivery Method: Competitive Sealed Proposals
 Substantial Completion Date: September 2009
 Total Project Cost:

<u>Source</u>	<u>Current</u>
Permanent University Fund Bond Proceeds	\$ 375,000
Gifts	\$ 600,000
Designated Funds	<u>\$1,325,000</u>
	\$2,300,000

LBJ Library Plaza, Lady Bird
Johnson Center, and LBJ
School Renovations

Project No.: 102-208
Project Delivery Method: Construction Manager at Risk
Substantial Completion Date: December 2009

Total Project Cost:	<u>Source</u>	<u>Former</u>	<u>Current</u>
	Grants	\$15,500,000	\$15,500,000
	Unexpended Plant Funds	\$20,250,000	\$20,250,000
	Revenue Financing System Bond Proceeds	\$15,000,000	\$15,000,000
	Permanent University Fund Bond Proceeds	\$ 450,000	\$ 1,420,000
		<u>\$51,200,000</u>	<u>\$52,170,000</u>

Art Building and Museum
Renovation

Project No.: 102-273
Project Delivery Method: Construction Manager at Risk
Substantial Completion Date: December 2009

Total Project Cost:	<u>Source</u>	<u>Former</u>	<u>Current</u>
	Revenue Financing System Bond Proceeds	\$7,000,000	\$1,000,000
	Permanent University Fund Bond Proceeds		\$ 350,000
	Available University Funds		<u>\$6,000,000</u>
			<u>\$7,350,000</u>

- a. amend the Fiscal Year 2009-2014 Capital Improvement Program (CIP) to include the FY09 High Priority Fire and Life Safety project with a total project cost of \$3,105,000 with funding from Permanent University Fund (PUF) Bond Proceeds;
- b. reallocate \$1,695,000 of PUF funding from the \$4,800,000 of PUF allocation for the FY09 High Priority Fire and Life Safety project to three projects: William Randolph Hearst Building Renovation (\$375,000); LBJ Library Plaza, Lady Bird Johnson Center, and LBJ School Renovations (\$970,000); and the Art Building and Museum Renovation (\$350,000);
- c. include the William Randolph Hearst Building Renovation project in the FY 2009-2014 CIP with a total project cost of \$2,300,000 with funding of \$1,325,000 from Designated Funds, \$600,000 from Gifts, and \$375,000 from PUF transferred from the FY09 High Priority Fire and Life Safety Project;

- d. increase the total project cost of the LBJ Library Plaza, Lady Bird Johnson Center, and LBJ School Renovation project from \$51,200,000 to \$52,170,000 with the additional \$970,000 of PUF funding transferred from the FY09 High Priority Fire and Life Safety Project;
- e. increase the total project cost of the Art Building and Museum Renovation project from \$7,000,000 to \$7,350,000 with the additional \$350,000 of PUF funding transferred from the FY09 High Priority Fire and Life Safety Project;
- f. revise funding sources for the Art Building and Museum Renovation project from \$7,000,000 from Revenue Financing System Bond Proceeds to \$1,000,000 from Revenue Financing System Bond Proceeds, \$350,000 from PUF, and \$6,000,000 from Available University Funds (AUF);
- g. appropriate additional funding of \$970,000 from PUF for the LBJ Library Plaza, Lady Bird Johnson Center, and LBJ School Renovations project; and \$350,000 from PUF and \$6,000,000 from AUF for the Art Building and Museum Renovation; and
- h. authorize U. T. Austin to manage the total project budgets, appoint architects, approve facility programs, prepare final plans, and award contracts for the FY 09 High Priority Fire and Life Safety project and the Hearst Building Renovation project.

Previous Board Actions

FY09 High Priority Fire and Life Safety Project - On August 14, 2008, the Board approved the allocation of \$4,800,000 from PUF Bond Proceeds for the project.

LBJ Library Plaza, Lady Bird Johnson Center, and LBJ School Renovations - On May 13, 2004, the project was included in the CIP with a preliminary project cost of \$30,000,000 with \$15,000,000 from Grants and \$15,000,000 from Unexpended Plant Funds and was designated as architecturally significant. On August 11, 2005, the funding for this repair and rehabilitation project was appropriated with funding of \$15,000,000 from Grants and \$15,000,000 from Unexpended Plant Funds. On March 20, 2006, the Chancellor approved increasing the total project cost from \$30,000,000 to \$32,250,000 with funding of \$15,000,000 from Grants and \$17,250,000 from Unexpended Plant Funds. On May 10, 2007, the Board approved increasing the total project cost from \$32,250,000 to \$47,250,000 with funding of \$15,000,000 from Grants, \$17,250,000 from Unexpended Plant Funds, and \$15,000,000 from Revenue Financing System Bond Proceeds. On October 15, 2007, the Chancellor approved increasing the total project cost from \$47,250,000 to \$47,750,000 with funding of \$15,500,000 from Grants,

\$17,250,000 from Unexpended Plant Funds, and \$15,000,000 from Revenue Financing System Bond Proceeds. On February 11, 2008, the Chancellor approved increasing the total project cost from \$47,750,000 to \$50,750,000 with funding of \$15,500,000 from Grants, \$20,250,000 from Unexpended Plant Funds, and \$15,000,000 from Revenue Financing System Bond Proceeds. On November 26, 2008, the Chancellor authorized the transfer of funding and expenditure of \$450,000 in additional funds from the LERR09 - Sid Richardson Hall Fire Safety project to increase the total project cost from \$50,750,000 to \$51,200,000.

Art Building and Museum Renovation - On June 20, 2006, the project was included in the CIP with a total project cost of \$3,500,000 with funding from Gifts. On August 14, 2008, the Board approved increasing the total project cost from \$3,500,000 to \$7,000,000 and the funding was revised to Revenue Financing System Bond Proceeds. On October 3, 2008, the Chancellor approved the design development plans.

Project Description

The FY09 High Priority Fire and Life Safety Project addresses various deficiencies identified as high priority items including design and installation of fire sprinkler and fire alarm systems, stairwell pressurization, and correction of egress deficiencies. The institutionally managed projects involved include Burdine Hall, Communication Building C, the Harry Ransom Humanities Research Center, the Main Building, the Perry Castañeda Library, and the University Teaching Center.

U. T. Austin requested the transfer of \$1,695,000 of PUF funding allocated to the FY09 High Priority Fire and Life Safety Project to address fire and life safety deficiencies in three projects: the William Randolph Hearst Building Renovation; the LBJ Library Plaza, the Lady Bird Johnson Center, and LBJ School Renovations project; and the Art Building and Museum Renovation project.

The William Randolph Hearst Building Renovation project will address fire and life safety upgrades, renovate the heating, venting, and air conditioning system (HVAC), update electrical and lighting systems, plumbing systems, elevators, and finishes. U. T. Austin will pursue the Leadership in Energy and Environmental Design (LEED) certification for the renovation project. The project provides the opportunity to improve the environment and working conditions for the Texas Student Media (TSM).

The reallocation is needed to consolidate the fire and life safety work in the Sid Richardson Hall phase of the LBJ work and the Art Building and Museum Renovation.

The FY09 High Priority Fire and Life Safety project and the William Randolph Hearst Building Renovation repair and rehabilitation projects have been approved by University of Texas System staff and meet the criteria for inclusion in the CIP. Design development plans and authorization of expenditure of funding will be approved by the President at a later date. It has been determined that these projects would best be managed by the U. T. Austin Facility Management personnel who have the experience and capability to manage all aspects of the work.

5. U. T. Austin: Jester East Maintenance and Interior Finishes - Amendment of the FY 2009-2014 Capital Improvement Program to include project; approval of total project cost; appropriation of funds; and authorization of institutional management (Final Board approval)

The Board amended the Fiscal Year 2009-2014 Capital Improvement Program (CIP) to include the Jester East Maintenance and Interior Finishes project at The University of Texas at Austin as follows:

Project No.:	102-483	
Institutionally Managed:	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
Project Delivery Method:	Competitive Sealed Proposals	
Substantial Completion Date:	August 2009	
Total Project Cost:	<u>Source</u> Auxiliary Enterprise Balances	<u>Current</u> \$21,000,000

- a. approve a total project cost of \$21,000,000 with funding from Auxiliary Enterprise Balances;
- b. appropriate funds; and
- c. authorize U. T. Austin to manage the total project budgets, appoint architects, approve facility programs, prepare final plans, and award contracts.

The project will be phased over the next four years to systematically renovate the remaining nine floors of the Jester East Tower based on successful completion of the fifth floor prototype during Summer 2008. The project scope is. The improvements will update the finishes in the corridors, student rooms, supplemental rooms, and restrooms. Upgrades will also include improvements to the plumbing, electrical, and mechanical systems. An exterior curtain wall will be added at select corridor locations to add more natural light into the space similar to the Jester East fifth floor prototype.

The student rooms and floors in the Beauford H. Jester Center need new finishes and furniture to stay current with student needs and preferences in a competitive market. The floors are relatively unchanged since the building was opened 37 years ago.

This repair and rehabilitation project has been approved by University of Texas System staff and meets the criteria for inclusion in the CIP. Design development plans and authorization of expenditure of funding will be approved by the President at a later date. It has been determined that U. T. Austin Facility Management personnel have the experience and capability to manage all aspects of the work.

- 6. U. T. Dallas: Bookstore - Amendment of the FY 2009-2014 Capital Improvement Program to include project (Preliminary Board approval) (Deferred)

The item related to the Bookstore project at The University of Texas at Dallas was deferred.

- 7. U. T. San Antonio: Multifunction Office Building I - Amendment of the FY 2009-2014 Capital Improvement Program to include project; approval of total project cost; appropriation of funds; and authorization of institutional management (Preliminary Board approval)

The Board amended the Fiscal Year 2009-2014 Capital Improvement Program (CIP) to include the Multifunction Office Building I project at The University of Texas at San Antonio as follows:

Institutionally Managed:	Yes	No	
Project Delivery Method:	Design/Build		
Substantial Completion Date:	August 2010		
Total Project Cost:	Source		Current
	Designated Funds		\$4,750,000
Investment Metrics:	<ul style="list-style-type: none"> • Increase by 10% the available classroom space for education purposes • Increase student satisfaction by offering classes in less crowded classrooms • Improve available space for administrative functions by 5% 		

- a. approve a total project cost of \$4,750,000 with funding from Designated Funds;
- b. appropriate funds; and

- c. authorize U. T. San Antonio to manage the total project budgets, appoint architects, approve facility programs, prepare final plans, and award contracts.

The project, to be located on the 1604 Campus between the Humanities and Social Sciences Building and the North Parking Garage, will construct an approximately 30,000 gross square foot building including utilities and related infrastructure to house various administrative and academic functions. When completed, the facility will provide offices for the Reserve Officers' Training Corps (ROTC) program and Distance Learning and Academic Technology administration, two general use classrooms, and support space. Moving administrative functions to the new building will free up classroom space in core academic buildings to support the increased student population.

This project has been approved by University of Texas System staff and meets the criteria for inclusion in the CIP. Approval of design development plans and authorization of expenditure of funding will be presented to the Board for approval at a later date. It has been determined that U. T. San Antonio Management personnel have the experience and capability to manage all aspects of the work.

- 8. U. T. San Antonio: Sculpture/Ceramics Building 2 - Amendment of the FY 2009-2014 Capital Improvement Program to include project; approval of total project cost; appropriation of funds; and authorization of institutional management (Preliminary Board approval)

The Board amended the Fiscal Year 2009-2014 Capital Improvement Program (CIP) to include the Sculpture/Ceramics Building 2 project at The University of Texas at San Antonio as follows:

Institutionally Managed:	Yes	No
Project Delivery Method:	Design/Build	
Substantial Completion Date:	July 2010	
Total Project Cost:	Source Designated Funds	Current \$2,275,000
Investment Metrics:	<ul style="list-style-type: none"> • Increase the number of graduate students by 10% • Increase faculty productivity/production of fine arts • Increase the number of undergraduate students in the program by 10% • Increase student satisfaction by providing additional space for teaching purposes • Increase the visibility of the fine arts program within the community, state, and nation 	

- a. approve a total project cost of \$2,275,000 with funding from Designated Funds;
- b. appropriate funds; and
- c. authorize U. T. San Antonio to manage the total project budgets, appoint architects, approve facility programs, prepare final plans, and award contracts.

The project will construct a second building of approximately 12,000 gross square feet to include sculpture and ceramics class facilities and graduate art studio space including utilities and related infrastructure. Additional studio space will support the growing number of graduate students in fine arts-related studies. The building will house faculty and teaching assistants, materials storage, a glaze mixing room, a seminar room, a 3D digital studio, a plaster room, a wax room, and a shell room. The additional studio space is required for continued accreditation of the Fine Arts programs.

This project has been approved by University of Texas System staff and meets the criteria for inclusion in the CIP. Approval of design development plans and authorization of expenditure of funding will be presented to the Board for approval at a later date. It has been determined that U. T. San Antonio Management personnel have the experience and capability to manage all aspects of the work.

- 9. U. T. Medical Branch – Galveston: John Sealy Hospital Modernization - Amendment of the FY 2009-2014 Capital Improvement Program to include project; approval of total project cost; and appropriation of funds (Final Board approval)

The Board amended the Fiscal Year 2009-2014 Capital Improvement Program (CIP) to include the John Sealy Hospital Modernization project at The University of Texas Medical Branch at Galveston as follows:

Project No.:	601-486	
Project Delivery Method:	Competitive Sealed Proposals	
Substantial Completion Date:	March 2012	
Total Project Cost:	Source	Current
	Gifts	\$22,000,000
Investment Metrics:	By 2012:	
	<ul style="list-style-type: none"> • Improve patient satisfaction via modern patient-oriented facilities • Increase nursing efficiency and morale via appropriate support areas 	

- a. approve a total project cost of \$22,000,000 with funding from Gifts; and
- b. appropriate funds.

Project Description

The Sealy & Smith Foundation has approved a grant for the revitalization and modernization of the John Sealy Hospital project to provide for renovation of approximately 75,000 gross square feet of the upper floors of the John Sealy Tower not affected by Hurricane Ike. The project will result in much improved patient rooms in the building. In addition to the patient care areas, critical infrastructure including air handling systems, emergency power systems, and information technology systems will be a key element in the renovated John Sealy Hospital. A task force of physicians, nurses, and administrators defined a model patient room and nursing unit that is acuity adaptable, adequately sized, and appropriately configured. This model optimizes nursing and staff efficiency to meet the needs for patient-centered care and family-oriented design in the hospital. The project is intended to address approximately one-half of the current John Sealy Hospital.

This repair and rehabilitation project has been approved by University of Texas System staff and meets the criteria for inclusion in the CIP. Design development plans and authorization of expenditure of funding will be approved by the President at a later date.

- 10. U. T. Health Science Center – Houston: Research Park Complex Parking Lot Phase I - Amendment of the FY 2009-2014 Capital Improvement Program to include project; approval of total project cost; appropriation of funds; authorization of institutional management; and resolution regarding parity debt (Final Board approval)

The Board amended the Fiscal Year 2009-2014 Capital Improvement Program (CIP) to include the Research Park Complex Parking Lot Phase I project at The University of Texas Health Science Center at Houston as follows:

Project No.:	701-481	
Institutionally Managed:	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
Project Delivery Method:	Competitive Sealed Proposals	
Substantial Completion Date:	December 2009	
Total Project Cost:	<u>Source</u>	<u>Current</u>
	Revenue Financing System Bond Proceeds	\$2,160,000

- a. approve a total project cost of \$2,160,000 with funding from Revenue Financing System Bond Proceeds;
- b. appropriate funds;

- c. authorize U. T. Health Science Center – Houston to manage the total project budgets, appoint architects, approve facility programs, prepare final plans, and award contracts; and
- d. resolve in accordance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System that
 - parity debt shall be issued to pay the project's cost, including any costs prior to the issuance of such parity debt;
 - 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. System Board of Regents relating to the Financing System; and
 - U. T. Health Science Center – Houston, 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. System Board of Regents of tax-exempt parity debt in the aggregate amount of \$2,160,000.

Debt Service

The \$2,160,000 in Revenue Financing System debt will be repaid from parking revenues. Annual debt service on the \$2,160,000 Revenue Financing System debt is expected to be \$247,000. The institution's debt service coverage is expected to be at least 1.3 times and average 1.7 times over FY 2009-2014.

Project Description

The project will include 300 parking spaces to support the opening of the Biomedical Research and Education Facility (BREF) along with the Neuroscience Building. Appropriate lighting, landscaping, and security measures will be provided. Original plans for the Research Park Complex included a parking garage that was later withdrawn. After further evaluation, it was decided it was more economically prudent to provide surface parking for the Research Park Complex until the density of development can support the investment in a parking garage.

The repair and rehabilitation project has been approved by University of Texas System staff and meets the criteria for inclusion in the CIP. Design development plans and authorization of expenditure of funding will be

approved by the President at a later date. It has been determined that this project would best be managed by the U. T. Health Science Center – Houston Facility Management personnel who have the experience and capability to manage all aspects of the work.

11. U. T. M. D. Anderson Cancer Center: Alkek Surgical and Imaging Expansion - Amendment of the FY 2009-2014 Capital Improvement Program to include project; approval of total project cost; and appropriation of funds (Preliminary Board approval)

The Board amended the Fiscal Year 2009-2014 Capital Improvement Program (CIP) to include the Alkek Surgical and Imaging Expansion project at The University of Texas M. D. Anderson Cancer Center as follows:

Project Delivery Method:	Design/Build	
Institutionally Managed:	Yes	No
Substantial Completion Date:	February 2012	
Total Project Cost:	Source	Current
	Hospital Revenues	\$98,000,000

- Investment Metrics:
- Increase number of admission-recovery-discharge beds from 22 to 40 by December 2012
 - Increase number of post anesthesia care unit beds from 32 to 46 by December 2012
 - Increase number of inpatient surgeries currently limited by lack of inpatient beds by 2015

- a. approve a total project cost of \$98,000,000 with funding from Hospital Revenues; and
- b. appropriate funds.

Project Description

Pursuant to a Memorandum of Understanding effective August 26, 2004, U. T. M. D. Anderson Cancer Center has delegated authority for institutional management of construction projects under the continued oversight of the Office of Facilities Planning and Construction. The institutionally managed projects are subject to review by the Board of Regents for design development.

The Surgical and Imaging Expansion is an extension of the existing Albert B. and Margaret M. Alkek Tower that will provide immediate adjacency to existing surgical and imaging services on Levels 5 and 3, respectively. In addition, the expansion will provide covered drop-off and circulation for patients and visitors entering the Alkek or Lutheran Hospitals. Finally, the inclusion of a basement level will facilitate the expansion of sterile processing and preoperative clean supply to facilitate the growth of the operating rooms.

To align with the existing Alkek Hospital floors, the new structure will include interstitial floors at Level 4 and Level 6 to house necessary mechanical equipment. The expansion will be designed to accommodate the structural requirements of a future bed tower to better position the institution to replace the Lutheran Pavilion when it reaches the end of its effective life.

This project has been approved by University of Texas System staff and meets the criteria for inclusion in the CIP. Approval of design development plans and authorization of expenditure of funding will be presented to the Board for approval at a later date.

- 12. U. T. Dallas: Student Services Building - Approval of design development; appropriation of funds and authorization of expenditure; approval of evaluation of alternative energy economic feasibility; and resolution regarding parity debt (Final Board approval)

The Board approved the recommendations for the Student Services Building project at The University of Texas at Dallas as follows:

Project No.:	302-323	
Project Delivery Method:	Construction Manager at Risk	
Substantial Completion Date:	August 2010	
Total Project Cost:	Source	Current
	Revenue Financing System Bond Proceeds	\$27,500,000

- Investment Metrics:
- By 2010:
 - Facilitate a higher quality of service delivery, more collaboration between related departments, and a greater emphasis on student learning and development
 - Add 5,000 full-time equivalent students by 2017 for a total student population of 21,000
 - Contribute to the creation of a more seamless learning environment as it frees up spaces in other campus buildings that can be used for the expansion and enhancement of other student and academic support programs

- a. approve design development plans;
- b. appropriate funds and authorize expenditure of funds;
- c. approve the evaluation of alternative energy economic feasibility; and
- d. resolve in accordance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System that
 - parity debt shall be issued to pay the project's cost, including any costs prior to the issuance of such parity debt;

- 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. System Board of Regents relating to the Financing System; and
- U. T. Dallas, 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. System Board of Regents of tax-exempt parity debt in the aggregate amount of \$27,500,000.

Debt Service

The \$27,500,000 in Revenue Financing System debt will be repaid from student fees. Annual debt service on the \$27,500,000 Revenue Financing System debt is expected to be \$2,000,000. The institution's debt service coverage is expected to be at least 1.9 times and average 2.5 times over FY 2009-2014. The student fee that is expected to support the Revenue Financing System debt was approved by the U. T. Dallas student body on April 19, 2006. The fee was subsequently approved by the 80th Texas Legislature, effective June 15, 2007.

Previous Board Action

On November 16, 2006, the project was included in the CIP with a total project cost of \$27,500,000 with funding from Revenue Financing System Bond Proceeds.

Project Description

The project will construct a new four-story building of approximately 74,726 gross square feet to provide a one-stop center for students, parents, and prospective students doing business with U. T. Dallas. The building will accommodate the departments of Disability Services, Bursar's Office, Financial Aid, Office of the Registrar, Enrollment Services, Career Center, International Student Services, Living and Service Learning Program/New Student Program, Multicultural Center, Office of the Dean of Students, Health Center, Wellness Center, Women's Center, Student Affairs, Facility Support, and Counseling Center.

The exterior appearance and finish are consistent with existing campus buildings and with the existing Campus Master Plan. The mechanical and electrical building systems are designed with sufficient flexibility and space for future capacity to allow for changes without significant disruption to ongoing activities. The interior appearance and finish are consistent with existing campus buildings.

Texas Government Code Section 2166.403 requires the governing body of a State agency to verify in an open meeting the economic feasibility of incorporating alternative energy devices into a new State building or an addition to an existing building. Therefore, the Project Architect prepared a renewable energy evaluation for this project in accordance with the Energy Conservation Design Standards for New State Buildings. This evaluation determined that alternative energy devices such as solar, wind, biomass, or photovoltaic energy are not economically feasible for the project.

- 13. U. T. Pan American: Starr County Upper Level Center - Approval of design development; appropriation of funds and authorization of expenditure; approval of evaluation of alternative energy economic feasibility; and resolution regarding parity debt (Final Board approval)

The Board approved the recommendations for the Starr County Upper Level Center project at The University of Texas – Pan American as follows:

Project No.:	901-284	
Project Delivery Method:	Competitive Sealed Proposals	
Substantial Completion Date:	August 2010	
Total Project Cost:	Source	Current
	Revenue Financing System Bond Proceeds	\$1,500,000
	Tuition Revenue Bond Proceeds	\$6,000,000
		\$7,500,000

- Investment Metrics:
- By 2011:
 - Provide approximately 14,110 gross square feet
 - Increase enrollment by 3%
 - Increase faculty by 1 full-time member
 - Increase graduation rate by 3%

- a. approve design development plans;
- b. appropriate funds and authorize expenditure of funds;
- c. approve the evaluation of alternative energy economic feasibility; and
- d. resolve in accordance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System that
 - parity debt shall be issued to pay the project's cost, including any costs prior to the issuance of such parity debt;
 - 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. System Board of Regents relating to the Financing System; and

- U. T. Pan American, 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. System Board of Regents of tax-exempt parity debt in the aggregate amount of \$7,500,000.

Debt Service

The 79th Legislature authorized \$6,000,000 of Tuition Revenue Bonds for a learning center. While the debt service is payable from pledged revenues, it is expected that the State will reimburse debt service on Tuition Revenue Bonds through general revenue appropriations. The \$1,500,000 in Revenue Financing System debt will be repaid from institutional funds. Annual debt service on the \$1,500,000 Revenue Financing System debt is expected to be \$73,000. The institution's debt service coverage is expected to be at least 1.3 times and average 1.4 times over FY 2009-2014.

Previous Board Action

On August 10, 2006, the project was included in the CIP with a total project cost of \$7,500,000 with funding of \$6,000,000 from Tuition Revenue Bond Proceeds and \$1,000,000 from Revenue Financing System Bond Proceeds.

Project Description

The project will construct a new building of approximately 14,110 gross square feet to replace the current temporary facilities located in Rio Grande City, Texas. The space will include classrooms, a learning resource center, student lounge, multipurpose rooms, and Center administration and faculty offices. The remote campus supports the ongoing mission of U. T. Pan American for education outreach programs in conjunction with the South Texas College Starr County Campus.

Texas Government Code Section 2166.403 requires the governing body of a State agency to verify in an open meeting the economic feasibility of incorporating alternative energy devices into a new State building or an addition to an existing building. Therefore, the Project Architect prepared a renewable energy evaluation for this project in accordance with the Energy Conservation Design Standards for New State Buildings. This evaluation determined that alternative energy devices such as solar, wind, biomass, or photovoltaic energy are not economically feasible for the project.

14. U. T. Austin: Data Center at the Central Receiving Building - Amendment of the FY 2009-2014 Capital Improvement Program to increase total project cost; appropriation of funds and authorization of expenditure; and resolution regarding parity debt (Final Board approval)

The Board approved the recommendations for the Data Center at the Central Receiving Building project at The University of Texas at Austin as follows:

Project No.:	102-394		
Project Delivery Method:	Design Build		
Substantial Completion Date:	May 2010		
Total Project Cost:	Source	Former	Current
	Revenue Financing System Bond Proceeds	\$25,000,000	\$32,000,000

- a. amend the Fiscal Year 2009-2014 Capital Improvement Program (CIP) to increase the total project cost from \$25,000,000 to \$32,000,000;
- b. appropriate and authorize expenditure of additional funds in the amount of \$7,000,000 from Revenue Financing System Bond Proceeds; and
- c. resolve in accordance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System that
 - parity debt shall be issued to pay the project's cost, including any costs prior to the issuance of such parity debt;
 - 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. System Board of Regents relating to the Financing System; and
 - U. T. Austin, 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. System Board of Regents of tax-exempt parity debt in the aggregate amount of \$7,000,000.

Debt Service

The \$32,000,000 in aggregate Revenue Financing System debt will be repaid from Designated Funds. Annual debt service on the \$32,000,000 Revenue Financing System debt is expected to be \$2,800,000. The institution's debt service coverage is expected to be at least 1.9 times and average 2.3 times

over FY 2009-2014. Approximately \$1,350,000 of the aggregate \$32,000,000 Revenue Financing System debt proceeds is anticipated to be used for interest expense during construction.

Previous Board Actions

On October 4, 2006, a Shared Services Initiative was approved and a need for an Austin Regional Data Center was identified. On February 8, 2007, the 1616 Guadalupe Regional Data Center Study was included in the CIP with a total project cost of \$500,000 with funding from Unexpended Plant Funds. On February 8, 2007, the Data Center at the Central Receiving Building (CRB) was included in the CIP with a total project cost of \$25,000,000 with funding from Revenue Financing System Bond Proceeds.

Project Description

The original project was to renovate 12,000 gross square feet (GSF) of the CRB to construct a state-of-the-art data center based on the recommendation of the Regional Data Center Study. U. T. Austin has increased the scope of the project to 26,650 GSF which includes the necessary repair and upgrades to meet building codes, operational, and maintenance requirements, life safety issues, and electrical and mechanical requirements.

U. T. Austin employs a decentralized approach to server deployment and houses the majority of servers in small, department-specific data centers based upon availability of space and proximity. It has been determined in the Regional Data Center Study that this decentralized approach is not cost-effective, reliable, or secure. The study recommended creating a Primary Tier III highly-reliable data center accompanied by a secondary Tier I data center to meet U. T. Austin's immediate infrastructure needs for centralized administrative computing services.

The new Tier III data center at the CRB will provide a highly-reliable data center that supports concurrent maintainability of facility infrastructure and reduces the demand for creation of department-specific data centers. The new Tier III data center at CRB will have full redundancy for power and cooling systems that will eliminate the single points of failure in the data center facility infrastructure and will meet current demand for space, power, and cooling for information technology services.

15. U. T. Austin: Lee and Joe Jamail Texas Swimming Center Renovation/ Renewal - Amendment of the FY 2009-2014 Capital Improvement Program to increase the total project cost, approval to revise the funding sources, appropriation of funds; and resolution regarding parity debt (Final Board approval)

The Board approved the recommendations for the Lee and Joe Jamail Texas Swimming Center Renovation/Renewal project at The University of Texas at Austin as follows:

Project No.:	102-409		
Institutionally Managed:	Yes	No	
Project Delivery Method:	Competitive Sealed Proposals		
Substantial Completion Date:	September 2009 for Phase I		
Total Project Cost:	Source	Former	Current
	Interest on Local Funds	\$ 7,500,000	\$ 7,500,000
	Auxiliary Enterprise Balances	\$ 7,500,000	–
	Revenue Financing System Bond Proceeds	–	\$ 7,500,000
	Designated Funds	–	\$ 1,000,000
		\$15,000,000	\$16,000,000

- a. amend the Fiscal Year 2009-2014 Capital Improvement Program (CIP) to increase the total project cost from \$15,000,000 to \$16,000,000;
- b. revise the funding sources from \$7,500,000 from Interest on Local Funds and \$7,500,000 from Auxiliary Enterprise Balances to \$7,500,000 from Interest on Local Funds, \$7,500,000 from Revenue Financing System Bond Proceeds, and \$1,000,000 from Designated Funds for a total project cost of \$16,000,000;
- c. appropriate funds; and
- d. resolve in accordance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System that
 - parity debt shall be issued to pay the project's cost, including any costs prior to the issuance of such parity debt;
 - 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. System Board of Regents relating to the Financing System; and

- U. T. Austin, 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. System Board of Regents of tax-exempt parity debt in the aggregate amount of \$7,500,000.

Debt Service

The \$7,500,000 in Revenue Financing System debt will be repaid from Designated Funds. Annual debt service on the \$7,500,000 Revenue Financing System debt is expected to be \$654,000. The institution's debt service coverage is expected to be at least 1.9 times and average 2.3 times over FY 2009-2014. Approximately \$300,000 of the \$7,500,000 Revenue Financing System debt proceeds is anticipated to be used for interest expense during construction.

Previous Board Action

On August 14, 2008, the project was included in the CIP with a total project cost of \$15,000,000 with funding of \$7,500,000 from Interest on Local Funds and \$7,500,000 from Auxiliary Enterprise Balances and institutional management was authorized.

Project Description

The project will be a phased renovation to be completed over a five-year period. The first phase of the project will renovate the following major systems: pool mechanical system; building heating, ventilation, and air conditioning (HVAC) system; pool basin and deck; and architectural and structural building systems. The pool mechanical renovation includes replacing existing pool mechanical systems. The building HVAC system renovation includes a complete redesign of existing building mechanical systems to minimize corrosion and replace all existing obsolete, deteriorating HVAC building and electrical distribution systems. The pool basin and deck renovation includes replacing original tile and waterproofing, bulkhead guide rails, and embedded support systems. Architectural and structural building system renovations include the preparation and painting of the roof structural steel, replacing the ceiling grid system, installing an ADA (Americans with Disabilities Act) ramp and elevator, and installing perimeter deck drains.

U. T. Austin requested revision of funding sources and an increase in the total project cost to provide ongoing maintenance of the pool and take advantage of the summer maintenance work being completed by the contractor who will be in charge of the renovation and renewal work. Approval of the total project cost increase allows the funding for the summer maintenance contract work to be added to the total project cost for the existing project.

RECONVENE BOARD OF REGENTS AS COMMITTEE OF THE WHOLE.--
At 11:36 a.m., the Board reconvened as a committee of the whole.

OTHER MATTERS

U. T. Health Science Center – San Antonio: Report concerning appointment of Presidential Search Advisory Committee

The membership of the Presidential Search Advisory Committee for The University of Texas Health Science Center at San Antonio is reported for the record. This Committee has been constituted pursuant to the Regents' *Rules and Regulations*, Rule 20201.

Presidential Search Advisory Committee
for
The University of Texas Health Science Center at San Antonio

Executive Vice Chancellor for Health Affairs Kenneth I. Shine, M.D.
(Chairman)

Regent Printice L. Gary

Regent Colleen McHugh

Ricardo Romo, Ph.D., President, The University of Texas at San Antonio

Larry R. Kaiser, M.D., President, The University of Texas Health Science
Center at Houston

Eileen T. Breslin, Ph.D., R.N., Dean, School of Nursing and Dr. Patty L.
Hawken Nursing Endowed Professor

Mr. Patrick Lazenby, Vice Chair, Staff Advisory Council

Mr. Neal Jackson, Second-Year Medical Student, School of Medicine

James L. Holly, M.D., President, School of Medicine Alumni Association

George B. Kudolo, Ph.D., Professor, Department of Clinical Lab Sciences

Margaret Brackley, Ph.D., R.N., Professor and Coordinator, Nurse
Practitioner Majors and Director, Center for Violence Prevention

Keith A. Krolick, Ph.D., Professor, Department of Microbiology and
Immunology

Mr. Alonzo Cantu

Mr. William Greehey

George B. Hernández, Jr., Esq.

Kenneth Kalkwarf, D.D.S.

The Honorable Cyndi Taylor Krier

Teresa Lozano Long, Ph.D.

Mr. Kenneth L. Wilson

DEPARTING REMARKS BY CHAIRMAN H. SCOTT CAVEN, JR.--Chairman Caven said appointments by the Governor to the Board of Regents were imminent and he indicated Vice Chairman Huffines would be reappointed for a second six-year term. He said he and Regent Barnhill will leave the Board of Regents with their heads held high, knowing that they have given their best for the citizens of the State of Texas. He said it has been an incredible honor to serve on the Board, and he mentioned specifically the selection of Dr. Francisco G. Cigarroa as Chancellor of The University of Texas System and Mr. Bruce Zimmerman as Chief Executive Officer of The University of Texas Investment Management Company (UTIMCO) as two notable accomplishments. Chairman Caven remarked that Board members have no personal agenda and are exceptional individuals. In traveling the nation on the search for a Chancellor, he said unequivocally, no one is equal to or superior to any president or Chancellor in the U. T. System. Chairman Caven also recognized the truly remarkable staff at U. T. System, including General Counsel to the Board Francie A. Frederick, saying this is the most hard-working group he has had the pleasure to work with and he expressed sincere appreciation for the experience, which he said is one of the highlights of his life.

SCHEDULED MEETING.--The next regularly scheduled meeting will be held on May 13-14, 2009, in Austin, Texas.

ADJOURNMENT.--There being no further business, the meeting was adjourned at 11:45 a.m.

/s/ Carol A. Felkel
Assistant Secretary to the Board of Regents

April 10, 2009

**THE UNIVERSITY OF TEXAS SYSTEM ADMINISTRATION
DOCKET NO. 137**

January 20, 2009

TO MEMBERS OF THE FINANCE AND PLANNING COMMITTEE:

The Docket for The University of Texas System Administration and the Dockets recommended by the respective presidents and prepared by the institutions listed below are submitted for discussion and appropriate action regarding approval of the Docket at the meeting of the U. T. System Board of Regents on February 12, 2009. The Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Business Affairs, the Vice Chancellor and General Counsel, and I concur in these recommendations.

<u>Institutions</u>	<u>Pages</u>
The University of Texas System Administration	Docket 1 - 7
The University of Texas at Arlington	Docket 8 - 13
The University of Texas at Austin	Docket 14 - 16
The University of Texas at Brownsville	Docket 17 - 19
The University of Texas at Dallas	Docket 20 - 21
The University of Texas at El Paso	Docket 22 - 24
The University of Texas – Pan American	Docket 25 - 28
The University of Texas at San Antonio	Docket 29 - 32
The University of Texas Southwestern Medical Center at Dallas	Docket 33 - 35
The University of Texas Medical Branch at Galveston	Docket 36 - 40
The University of Texas Health Science Center at Houston	Docket 41 - 43
The University of Texas M. D. Anderson Cancer Center	Docket 44
The University of Texas Health Science Center at Tyler	Docket 45

Kenneth I. Shine
Chancellor ad interim
and Executive Vice Chancellor for Health Affairs

xc: Other Members of
the Board

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U. T. SYSTEM ADMINISTRATION

CONTRACTS

The following contract has been administratively approved by the Executive Vice Chancellor for Business Affairs and is recommended for approval by the U. T. System Board of Regents:

GENERAL CONTRACTS

FUNDS GOING OUT

1. Agency: R. L. Townsend and Associates
Funds: U. T. System Administration anticipates contracting expenditure to exceed \$1,000,000 per year for each year of the contract
Period: February 21, 2009 through February 20, 2010
Description: The project management firm agrees to perform contract compliance audit services for U. T. System on a job order basis.

AMENDMENTS TO THE 2008-09 BUDGET

TRANSFERS OF FUNDS

The following Request for Budget Change (RBC) has been administratively approved by the Executive Vice Chancellor for Academic Affairs and is recommended for approval by the U. T. System Board of Regents:

<u>Description</u>	<u>\$ Amount</u>	<u>RBC #</u>
LIBRARY SPECIAL COLLECTIONS RESERVE		
1. Amount of Transfer:	\$120,500	060

From: U. T. System Administration

To: U. T. Arlington

Transfer funds from the Library Special Collections Reserve to U. T. Arlington for the purchase of six Mexican War-era collections. The collections will be added to the holdings of the U. T. Arlington Library's Special Collections to complement a prominent and comprehensive collection of Mexican War research materials.

OTHER FISCAL ITEMS

EMPLOYMENT AGREEMENTS

The following agreement was signed by Chairman Caven and Chancellor-Designate Francisco G. Cigarroa pursuant to authority approved by the U. T. System Board of Regents on January 9, 2009, and is recommended for approval by the Board:

Description: Agreement with Francisco G. Cigarroa, M.D. dated January 13, 2009 concerning terms and conditions associated with Dr. Cigarroa's appointment as Chancellor effective February 2, 2009.

Term: Serves at the pleasure of the Board of Regents.

Compensation: In addition to the annual salary rate of \$750,000, other State-paid fringe benefits required by State law to be provided to higher education employees and for which Chancellor Cigarroa is eligible are included. These benefits include State-paid OASI, longevity pay, workers' compensation, liability insurance coverage, retirement plan, insurance premium sharing, and leave entitlement.

Chancellor Cigarroa will be required to reside in the Bauer House and to use the Bauer House as a center for official occasions and developmental activities. A housekeeper will be assigned to Bauer House; the housekeeper's services may be utilized related to the personal portion of Bauer House. Personal services must be documented and the value of the services will be reportable income. Necessary furnishings and utilities for the operation of Bauer House including phone lines and computer equipment to be used primarily for official use will be provided. The cost of basic cable service is not considered as a taxable benefit to the Chancellor because cable service is deemed necessary to remain aware of current news events impacting higher education. Cost of premium channels such as HBO or Cinemax are generally considered personal in nature and are to be reimbursed to U. T. System. Pay-per-view offerings ordered through the cable service will be billed the Chancellor for reimbursement, unless a particular viewing is identified as related to a University of Texas event hosted at the Bauer House. In those instances, the viewing will be considered a business expense.

Additional elements of Chancellor Cigarroa's compensation/employment package are:

- a) Provision of services to pack and move household, personal, and professional possessions, including insurance, to the Bauer House.

OTHER FISCAL ITEMS (CONTINUED)

EMPLOYMENT AGREEMENTS (CONTINUED)

- b) Continued appointment as Professor of Surgery at U. T. Health Science Center – San Antonio, with tenure, and without additional compensation during term as Chancellor. Consistent with the provisions of *Texas Education Code* Section 51.948(c), the total academic rate compensation will be set at an amount at least equal to the average of the total compensation not including applicable incentive paid to the three most highly compensated full-time tenured faculty members of the U. T. Health Science Center – San Antonio Department of Surgery.
- c) Direct payment or reimbursement, as appropriate, for expenses related to official travel and official entertainment expenses. Specifically included are the expenses related to continuing medical education conferences and surgical association meetings as necessary to maintain current medical licensure, memberships, and accreditations.
- d) Approval by the Board for the actions necessary to maintain ongoing certification by the American Board of Surgery including active membership on the medical staff of a hospital, continued engagement in the discipline of surgery, and active participation in continuing medical education, and the need to spend one weekend per month on the Transplant Service in San Antonio and covered as a member of the U. T. System medical insurance liability plan.
- e) Expenses for official travel for Mrs. Cigarroa, pursuant to approved policy on Spousal Travel, will be paid directly or reimbursed as appropriate.
- f) The cost of club memberships, as agreed to by the Chairman of the Board; other official entertainment expenses; and out-of-pocket expenses for official travel will be paid directly or reimbursed as appropriate.
- g) State law allows the grant of development leave for up to one year at the regular academic salary rate for preparation to return to the faculty by an individual who has held an administrative position at U. T. System for more than four years. An administrator who receives development leave must return to the faculty at a U. T. System institution for an amount of time equal to the amount of time the administrator received development leave or repay the institution for all the costs of development leave. The specific length of the development leave, if requested, will be negotiated dependent on the term of service as Chancellor and other pertinent considerations should Chancellor Cigarroa leave the Chancellor position and return to faculty service at a U. T. System institution.

OTHER ITEMS

TRANSITION AND TENURE SEPARATION AGREEMENT

The following transition and tenure separation agreement signed by the Executive Vice Chancellor for Academic Affairs, the Vice Chancellor and General Counsel, and Dr. Blandina Cárdenas is submitted for approval by the U. T. System Board of Regents in accordance with Regents' *Rules and Regulations*, Rule 10501, Subsection 3.3.

1. Name: Dr. Blandina Cárdenas
Effective Date: January 30, 2009
Description: Establishes a transition and tenure separation agreement for Dr. Blandina Cárdenas as attached on Pages Docket 5a to 5g related to retirement from her administrative appointment as President and her resignation as tenured professor in the College of Education at U. T. Pan American.

OTHER MATTERS (CONTINUED)

APPROVAL OF NEWLY COMMISSIONED U. T. SYSTEM PEACE OFFICERS

In accordance with Chapter 51.203 of the *Texas Education Code*, the U. T. System Board of Regents is requested to approve the commissioning of the individuals listed below as peace officers effective December 12, 2008. The following officers have completed a course of training that included mandated Texas Commission on Law Enforcement Officer Standards and Education courses at The University of Texas System Police Training Academy and have successfully passed the State of Texas Peace Officer Licensing Examination.

<u>Name</u>	<u>Institution</u>
Jeremy T. Bohannon	U. T. Austin
Jorge L. Coello, Jr.	U. T. Austin
Shawn William Cabbage	U. T. Dallas
Andrew M. Davis	U. T. Arlington
Marcus E. Epps	U. T. Arlington
Roberto Gonzalez	U. T. Austin
Timothy Gutierrez	U. T. Health Science Center – San Antonio
Nathan W. Hagin	U. T. Arlington
Samuel Hernandez	U. T. Brownsville
Marcos L. Johnson	U. T. Austin
Willie R. Jones	U. T. Medical Branch – Galveston
Ivory J. Lartigue, III	U. T. Medical Branch – Galveston
Micheal A. Ledbetter	U. T. Dallas
Catrina Gil Nanez	U. T. Health Science Center – San Antonio
Mario A. Rios, Jr.	U. T. Brownsville
Timothy W. Scheurer	U. T. Medical Branch – Galveston
Brian Schlather	U. T. Austin
Jingsong Zhou	U. T. Austin

REAL ESTATE REPORT

THE UNIVERSITY OF TEXAS SYSTEM SEPARATELY INVESTED ASSETS Managed by U. T. System

Summary Report at November 30, 2008

	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 08/31/08	\$ 3,613,735	\$ 27,055,206	\$ 103,780,892	\$ 317,360,607	\$ 1,789,250	\$ 3,275,372	\$ 109,183,877	\$ 347,691,185
Increase or Decrease	(500)	(150)	3	2,069,434	54,010	171,520	(53,513)	2,240,804
Ending Value 11/30/08	<u>\$ 3,613,235</u>	<u>\$ 27,055,056</u>	<u>\$ 103,780,895</u>	<u>\$ 319,430,041</u>	<u>\$ 1,843,260</u>	<u>\$ 3,446,892</u>	<u>\$ 109,237,390</u>	<u>\$ 349,931,989</u>
Other Real Estate:								
Ending Value 08/31/08	\$ 85,336	\$ 85,336	\$ 132,498	\$ 132,498	\$ -	\$ -	\$ 217,834	\$ 217,834
Increase or Decrease	(1,336)	(1,336)	(5,365)	(5,365)	-	-	(6,702)	(6,702)
Ending Value 11/30/08	<u>\$ 83,999</u>	<u>\$ 83,999</u>	<u>\$ 127,132</u>	<u>\$ 127,132</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 211,132</u>	<u>\$ 211,132</u>

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

Details of individual assets by account furnished on request.

Note: Surface estates are managed by the U. T. System Real Estate Office. Mineral estates are managed by U. T. System University Lands – West Texas Operations. The royalty interests received from the Estate of John A. Jackson for the John A. and Katherine G. Jackson Endowed Fund in Geosciences are managed by the U. T. Austin Geology Foundation, with the assistance of the Bureau of Economic Geology.

U. T. ARLINGTON

CONTRACTS

The following contract has been administratively approved by the President or his delegate and the Executive Vice Chancellor for Academic Affairs and is recommended for approval by the U. T. System Board of Regents:

GENERAL CONTRACTS

FUNDS COMING IN

1. Agency: Pepsi Bottling Group
Funds: \$4,159,500, additional products/support valued at \$296,000
Period: January 1, 2009 through December 31, 2018
Description: Pepsi Bottling Group agrees to service and furnish beverage vending machines and will have exclusive pouring rights for beverages on campus as well as athletic scoreboard sponsorship.

UNDERGRADUATE SCHOLARSHIP CRITERIA

The following list summarizes the proposed new undergraduate scholarship criteria to be included in the Undergraduate Catalog at The University of Texas at Arlington. The following changes have been administratively approved by the Executive Vice Chancellor for Academic Affairs and are recommended for approval by the U. T. System Board of Regents.

Proposed New Undergraduate Scholarship Criteria

Entering Freshman Scholarships	
Scholarship	Selection Criteria
Top 10%	<ul style="list-style-type: none"> • Graduation in the Top 10% of a Texas public high school
Top 50%	<ul style="list-style-type: none"> • 1200 SAT/26 ACT • Graduation in the Top 50% of a Texas public high school
Campus Leaders	<ul style="list-style-type: none"> • 1050 SAT/22 ACT • Top 25% of Tarrant County Public High School • Letter of recommendation
Honors College	<ul style="list-style-type: none"> • Admission to Honors College • 1300 SAT/30 ACT

Entering Transfer Scholarships	
Scholarship	Selection Criteria
Academic Distinction	<ul style="list-style-type: none"> • 4.0 cum transfer GPA • 24 transfer hours minimum
Rising Star	<ul style="list-style-type: none"> • 3.0 cum transfer GPA • Member of Rising Star Program at Dallas County Community College District
Stars of Tomorrow	<ul style="list-style-type: none"> • 4.0 cum transfer GPA from Tarrant County College • Associate degree from Tarrant County College

Other Opportunities after First Year	
Scholarship	Selection Criteria
Valedictorian Continuation	<ul style="list-style-type: none"> • Received Coordinating Board Valedictorian Award first year
Academic Enhancement	<ul style="list-style-type: none"> • 30 U. T. Arlington hrs completed during Fall/Spring/Summer of general scholarship • 3.5 U. T. Arlington GPA

AMENDMENTS TO THE 2008-09 BUDGET

TENURE APPOINTMENTS

**NEW APPOINTMENTS WITH TENURE, AWARD OF TENURE,
AND EMERITUS APPOINTMENTS**

The following Requests for Budget Change (RBC) have been administratively approved by the Executive Vice Chancellor for Academic Affairs and are recommended for approval by the U. T. System Board of Regents:

<u>Description</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 EDUCATION					
Curriculum and Instruction					
Professor and Chairperson					
1. John A. Smith (T)	9/1-5/31	100	09	95,000	2834
	9/1-5/31	SUPLT	09	5,000	
SCHOOL OF NURSING					
Nursing					
2. Mary Schira					2832
From: Associate Dean		100	12	99,910	
Associate Clinical Professor		0	09	67,266	
To: Associate Dean	9/1-8/31	100	12	103,410	
Associate Professor (T)	9/1-5/31	0	09	67,266	

OTHER FISCAL ITEMS

EMPLOYMENT AGREEMENTS

The following agreements have been executed, have been approved by the Executive Vice Chancellor for Academic Affairs, and are recommended for approval by the U. T. System 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 Arlington is a member, and the Regents' *Rules and Regulations* and the policies of The University of Texas at Arlington. The violation of the provisions of such constitution, bylaws, rules, regulations, or policies shall be grounds for suspension without pay or dismissal.

- Item: Head Tennis Coach

From: \$37,500 annually

To: \$38,700 annually

Salary
Percent
Change: 3.20

Description: Renewal agreement for employment of Head Tennis Coach, Diego Benitez, for the designated period following the standard coach's employment contract prepared by the Office of General Counsel.

Incentive
Change: Added: \$2,500 NCAA Regional Team Champions

Changes: Team qualification for the NCAA post season, changed from \$2,000 to \$2,500; Deleted - \$1,000 for a team appearance in the Southland Conference Tournament Championship Match; \$1,000 Team annual NCAA Academic Progress Rate of 940 or better, changed from 925.

Period: November 1, 2008 through May 31, 2011

OTHER FISCAL ITEMS (CONTINUED)

EMPLOYMENT AGREEMENTS (CONTINUED)

2. Item: Head Women's Softball Coach
- From: \$52,500 annually
- To: \$54,600 annually
- Salary
Percent
Change: 4.00
- Description: Amendment to the agreement for employment of Head Women's Softball Coach, Deborah Hedrick, for the designated period following the standard coach's employment contract prepared by the Office of General Counsel.
- Incentive
Change: Added: \$500 for each Southland Conference All-Academic Team member; \$750 for Southland Conference Women's Softball "Student-Athlete of the Year" academic recognition; \$1,000 for team cumulative grade point average over 3.00 at the conclusion of the spring semester each year.
- Period: November 1, 2008 through May 31, 2011

OTHER FISCAL ITEMS (CONTINUED)

EMPLOYMENT AGREEMENTS (CONTINUED)

3. Item: Head Track Coach
- From: \$60,200 annually
- To: \$62,000 annually
- Salary
Percent
Change: 2.99
- Description: Amendment to the agreement for employment of Head Track Coach, John Sauerhage, for the designated period following the standard coach's employment contract prepared by the Office of General Counsel.
- Incentive
Change: Added: \$750 for Southland Conference "Student-Athletes of the Year"; \$1,000 for team cumulative grade point average over 3.00 each year at the conclusion of the spring semester.
- Period: November 1, 2008 through May 31, 2011

U. T. AUSTIN

CONTRACTS

The following contract has been administratively approved by the President or his delegate and the Executive Vice Chancellor for Academic Affairs and is recommended for approval by the U. T. System Board of Regents:

GENERAL CONTRACTS

FOREIGN CONTRACTS

1. Agency: Beijing International MBA, Peking University,
Beijing, China
Funds: \$79,384
Period: Effective January 5, 2009 through May 9, 2009
Agency and U. T. Austin will have the option to renew this contract for five additional one-year terms, upon written agreement of both parties.
Description: Beijing International MBA agrees to provide logistical support to the McCombs School of Business, Texas Executive MBA Program for a six-day program of business seminars to be held in Beijing, China.

AMENDMENTS TO THE 2008-09 BUDGET

TENURE APPOINTMENTS

**NEW APPOINTMENTS WITH TENURE, AWARD OF TENURE,
AND EMERITUS APPOINTMENTS**

The following Requests for Budget Change (RBC) have been administratively approved by the Executive Vice Chancellor for Academic Affairs and are recommended for approval by the U. T. System Board of Regents:

<u>Description</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 EDUCATION					
Curriculum and Instruction					
Associate Professor					
1. Carmen M. Martinez-Roldan (T)	1/16-5/31	100	09	76,000	2840
Educational Administration					
Associate Professor					
2. Mark A. Gooden (T)	1/16-5/31	100	09	80,000	2872
COLLEGE OF ENGINEERING					
Petroleum and Geosystems Engineering					
H. B. (Burt) Harkins, Jr. Professorship in					
Petroleum Engineering and Professor					
3. Kishore K. Mohanty (T)	1/16-5/31	100	09	162,000	2897
	1/16-5/31	SUPLT	09	5,000	
JACKSON SCHOOL OF GEOSCIENCES					
Geological Sciences					
Associate Professor					
4. Julia A. Clarke (T)	1/16-5/31	100	09	100,000	2909
COLLEGE OF LIBERAL ARTS					
Anthropology					
5. Joel F. Sherzer					2837
From: Professor (T)		50	09	101,800	
To: Professor Emeritus	9/1-5/31			0	

AMENDMENTS TO THE 2008-09 BUDGET (CONTINUED)

TENURE APPOINTMENTS (CONTINUED)

<u>Description</u>		<u>Effective Date</u>	<u>% Time</u>	<u>No. Mos.</u>	<u>Full-time Salary Rate \$</u>	<u>RBC #</u>
COLLEGE OF LIBERAL ARTS (Continued)						
Economics						
6.	Vincent J. Geraci					2838
From:	Professor (T)		25	09	107,000	
To:	Professor Emeritus	9/1-5/31			0	
Philosophy and Computer Sciences						
7.	Robert S. Boyer					2857
From:	Professorship in Computer Sciences #4 and Professorship in Computer Sciences #5 and Professor (T)		100	09	99,542	
	Professorship #4 Supplement		SUPLT	09	23,953	
	Professorship #5 Supplement		SUPLT	09	19,851	
To:	Professor Emeritus	9/1-5/31			0	

TRANSFERS OF FUNDS

<u>Description</u>		<u>\$ Amount</u>	<u>RBC #</u>
PLANT FUNDS			
Project Management and Construction Services			
8.	Amount of Transfer:	600,000	2848
From:	Intercollegiate Athletics – Various donors and various purposes Investment Income		
To:	Red and Charline McCombs Softball Field - Build Covered Batting Cages All Expenses		
Supplemental funding to build covered softball batting cages at the Red and Charline McCombs Softball Field.			

U. T. BROWNSVILLE

OTHER FISCAL ITEMS

EMPLOYMENT AGREEMENTS

The following agreements have been executed, have been approved by the Executive Vice Chancellor for Academic Affairs, and are recommended for approval by the U. T. System 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 Brownsville is a member, and the Regents' *Rules and Regulations* and the policies of The University of Texas at Brownsville. The violation of the provisions of such constitution, bylaws, rules, regulations, or policies shall be grounds for suspension without pay or dismissal.

1. Item: Director of Athletics
Funds: \$74,000 annually
Period: November 3, 2008 through August 31, 2009
Description: Initial agreement for employment of the Director of Athletics, Vernon Mummert, for the designated period following review by the Office of General Counsel.

2. Item: Head Baseball Coach
Funds: \$42,000 annually
Period: November 3, 2008 through July 31, 2009
Description: Initial agreement for employment of Head Baseball Coach, Bryan Aughney, for the designated period following the standard coach's employment contract prepared by the Office of General Counsel.

OTHER FISCAL ITEMS (CONTINUED)

EMPLOYMENT AGREEMENTS (CONTINUED)

3. Item: Head Woman's Soccer Coach
- From: \$41,616 annually
- To: \$42,864 annually
- Salary
Percent
Change: 3.00
- Description: Renewal agreement for employment of Head Woman's Soccer Coach, Nikola Barjaktarevic, for the designated period following the standard coach's employment contract prepared by the Office of General Counsel.
- Incentive
Change: None
- Period: December 1, 2008 through November 30, 2009
4. Item: Head Men's Soccer Coach
- From: \$42,864 annually
- To: \$48,000 annually
- Salary
Percent
Change: 11.98
- Description: Renewal agreement for employment of Head Men's Soccer Coach, Daniel Balaguero, for the designated period following the standard coach's employment contract prepared by the Office of General Counsel.
- Incentive
Change: None
- Period: December 1, 2008 through November 30, 2009

OTHER FISCAL ITEMS (CONTINUED)

EMPLOYMENT AGREEMENTS (CONTINUED)

5. Item: Head Men's and Women's Golf Coach
- From: \$41,616 annually
- To: \$42,864 annually
- Salary
Percent
Change: 3.00
- Description: Renewal agreement for employment of Head Men's and Women's Golf Coach, Robert Lucio, for the designated period following the standard coach's employment contract prepared by the Office of General Counsel.
- Incentive
Change: None
- Period: September 1, 2008 through August 31, 2009

U. T. DALLAS

CONTRACTS

The following contracts have been administratively approved by the President or his delegate and the Executive Vice Chancellor for Academic Affairs and are recommended for approval by the U. T. System Board of Regents:

GENERAL CONTRACTS

FUNDS COMING IN

1. Agency: Compass Group USA, Inc.
Funds: Estimated \$1,750,000 commission based on revenue generated by food sales
Period: July 13, 2008 through July 12, 2013
Description: Compass Group USA, Inc. agrees to provide full-service food and non-alcoholic beverage services.

2. Agency: Aetna Health, Inc.
Funds: \$50,000 per year with potential of exceeding \$1,000,000 if all extensions are realized
Period: October 15, 2008 for a two-year initial term and shall automatically continue on additional one-year terms unless and until terminated by either party
Description: This agreement is for the services of the Callier Center to provide hearing aids as well as miscellaneous services associated with providing hearing aids.

AMENDMENTS TO THE 2008-09 BUDGET

TENURE APPOINTMENTS

**NEW APPOINTMENTS WITH TENURE, AWARD OF TENURE,
AND EMERITUS APPOINTMENTS**

The following Requests for Budget Change (RBC) have been administratively approved by the Executive Vice Chancellor for Academic Affairs and are recommended for approval by the U. T. System Board of Regents:

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
ENGINEERING AND COMPUTER SCIENCE					
Electrical Engineering					
Endowed Chair and Professor					
1. David Allstot (T)	9/1-5/31	100	09	225,000	2741
	9/1-5/31	SUPL	09	25,000	

TRANSFERS OF FUNDS

<u>Description</u>	<u>\$ Amount</u>	<u>RBC #</u>
TEXAS HIGHER EDUCATION COORDINATING BOARD		
2. Amount of Transfer:	2,711,850	2850

From: Allocation of General Revenue

To: Incentive Funding Revenue

To record the Texas Higher Education Incentive Funding allocation as per the Texas Higher Education Coordinating Board.

U. T. EL PASO

AMENDMENTS TO THE 2008-09 BUDGET

TENURE APPOINTMENTS

**NEW APPOINTMENTS WITH TENURE, AWARD OF TENURE,
AND EMERITUS APPOINTMENTS**

The following Requests for Budget Change (RBC) have been administratively approved by the Executive Vice Chancellor for Academic Affairs and are recommended for approval by the U. T. System Board of Regents:

<u>Description</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 BUSINESS ADMINISTRATION					
Economics and Finance					
1. Richard L. Sprinkle					2905
From: Professor (T)		100	09	97,996	
To: Professor Emeritus	9/1-5/31			0	
COLLEGE OF EDUCATION					
Deans Office					
2. Maria L. Gonzalez (T)					2875
Interim Associate Dean	10/1-8/31	50	12	140,000	
Professor, Teacher Education	10/1-5/31	50	09	99,000	
Patricia Daw Yetter					
Professorship	10/1-8/31	SUPL	12	6,000	
Educational Leadership and Foundations					
3. Gary D. Brooks					2902
From: Associate Professor (T)		100	09	73,406	
To: Associate Professor Emeritus	1/1-5/31			0	

AMENDMENTS TO THE 2008-09 BUDGET (CONTINUED)

TENURE APPOINTMENTS (CONTINUED)

<u>Description</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					
Mechanical Engineering					
4. William L. Craver					2903
From: Professor (T)		50	09	90,130	
To: Professor Emeritus	6/1-8/31			0	
Electrical and Computer Engineering					
5. David H. Williams					2906
From: Professor (T)		100	09	93,384	
To: Professor Emeritus	9/1			0	

Approval of the title change is being requested now to allow Dr. Natalicio the opportunity to announce the award of the honorary title at the spring commencement. The honorary title designation will not take effect until September 1, 2009.

COLLEGE OF LIBERAL ARTS

Social Work

Associate Professor

6. Candyce S. Berger (T) 9/1-5/31 100 09 70,000 2692

COLLEGE OF SCIENCE

Biological Sciences

7. Louis N. Irwin 2904

From: Professor (T) 100 09 95,218

To: Professor Emeritus 6/1 0

Approval was effective June 1, 2008 but the title change was not submitted for docket approval at that time. The honorary title designation is being submitted now for formal approval with the request that the emeritus title be shown as effective on June 1, 2008, as intended.

AMENDMENTS TO THE 2008-09 BUDGET (CONTINUED)

TRANSFERS OF FUNDS

<u>Description</u>	<u>\$ Amount</u>	<u>RBC #</u>
TEXAS HIGHER EDUCATION INCENTIVE FUNDING ALLOCATION		
8. Amount of Transfer:	3,884,242	2740
From: Texas Higher Education Coordinating Board		
To: Education and General Funds: Higher Education Incentive Fund		

To record the Texas Higher Education Incentive Funding allocation as per the Texas Higher Education Coordinating Board.

U. T. PAN AMERICAN
GENERAL CONTRACTS

The following contracts have been administratively approved by the President or her delegate and the Executive Vice Chancellor for Academic Affairs and are recommended for approval by the U. T. System Board of Regents:

FUNDS GOING OUT

1. Agency: D. Wilson Construction Company
Funds: \$12,000,000
Period: October 1, 2008 through September 30, 2014
Description: D. Wilson Construction Company-Job Order Contracting Agreement for Contract Number: 09-0005C to enhance and expand the U. T. Pan American maintenance program. The cost of each specifically authorized project will be established in an "Authorization to Commence Work" issued by U. T. Pan American.

2. Agency: Texas Gas Service Company, Inc.
Funds: \$80,000 estimated
Period: January 1, 2009 through December 31, 2009
Description: Texas Gas Service Company, Inc. will provide transport for natural gas from Edinburg, Texas city gate to the U. T. Pan American natural gas meters located on the main campus. This contract was competitively procured.

OTHER FISCAL ITEMS

EMPLOYMENT AGREEMENTS

The following agreement has been executed, has been approved by the Executive Vice Chancellor for Academic Affairs, and is recommended for approval by the U. T. System Board of Regents. Such employment under this agreement 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 Regents' *Rules and Regulations* and the policies of The University of Texas – Pan American. The violation of the provisions of such constitution, bylaws, rules, regulations, or policies shall be grounds for suspension without pay or dismissal.

1. Item: Head Men's Baseball Coach
Funds: \$53,135 annually
Period: September 8, 2008 through June 30, 2009
Description: Initial agreement for employment of the Head Men's Baseball Coach, Manuel Lazaro Mantrana, for the above designated period following the standard coach's employment contract prepared by the Office of General Counsel.

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*, Rule 30103 and is submitted for approval by the U. T. System 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 this position and the appointment of Ms. McClain with The University of Texas – Pan American. By approval of this item, the Board is also asked to find that holding this position is of benefit to the State of Texas and The University of Texas and there is no conflict between the position and the University.

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|---------------|--|
| Name: | Maureen F. McClain |
| Title: | Associate Director for Special Programs |
| Position: | Member, Governor's Committee on People with Disabilities |
| Period: | February 1, 2009 through February 1, 2010 |
| Compensation: | None |
| Description: | Governor Perry has appointed Maureen F. McClain to the Governor's Committee on People with Disabilities. The Committee works to ensure Texans with disabilities may live their lives with integrity, independence, and productivity. |

OTHER MATTERS (CONTINUED)

ADVISORY COUNCILS

The following request to approve the creation and operation of the Cooperative Pharmacy Program Advisory Council has been approved by the Executive Vice Chancellor for Academic Affairs and the Vice Chancellor for External Relations in accordance with Regents' *Rules and Regulations*, Rule 60302 and is submitted for approval by the U. T. System Board of Regents:

- Item: Cooperative Pharmacy Program Advisory Council

Effective: February 12, 2009

Description: The Cooperative Pharmacy Advisory Council will assist the U. T. Pan American community and specifically the Cooperative Pharmacy Program leadership in providing growth of the program by identifying the needs of the South Texas region, to execute an agenda that responds to the core values of the U. T. System and U. T. Pan American in a multicultural and interdisciplinary academic environment. The creation of this Council will further enhance resources needed to support, strengthen and enrich the Cooperative Pharmacy Program's mission, vision, and goals.

U. T. SAN ANTONIO
OTHER FISCAL ITEMS

EMPLOYMENT AGREEMENTS

The following agreements have been executed, have been approved by the Executive Vice Chancellor for Academic Affairs, and are recommended for approval by the U. T. System 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 Regents' *Rules and Regulations* and the policies of The University of Texas at San Antonio. The violation of the provisions of such constitution, bylaws, rules, regulations, or policies shall be grounds for suspension without pay or dismissal.

1. Item: Head Men's Tennis Coach
- From: \$44,513 annually
- To: \$45,408 annually plus \$1,500 additional duties stipend
- Salary
Percent
Change: 5.38
- Description: Amendment to the agreement for employment of Head Men's Tennis Coach, Oliver Trittenwein, for the designated period following the standard coach's employment contract prepared by the Office of General Counsel.

This amendment amends Paragraph II, "Duties". Trittenwein shall also undertake certain additional duties for specified additional compensation. He will be responsible for all aspects of the management and operation of the Tennis Center, including but not limited to, hiring, training, supervising and assigning duties and work schedules to Work Studies hired for the Tennis Center; handling Tennis Center court reservations; cleaning and maintaining Tennis Center locks, gates, fences, wind screens, tennis courts, nets, net covers, umpire chairs, signs, banners, and flags.

Period: June 1, 2007 through May 31, 2010

OTHER FISCAL ITEMS (CONTINUED)

EMPLOYMENT AGREEMENTS (CONTINUED)

2. Item: Head Women's Basketball Coach
- From: \$105,055 annually
- To: \$110,055 annually
- Salary
Percent
Change: 4.76
- Description: Amendment to the agreement for employment of Head Women's Basketball Coach, Rae Blair, for the designated period following the standard coach's employment contract prepared by the Office of General Counsel.
- Period: November 1, 2008 through March 31, 2009
3. Item: Head Men's Basketball Coach
- From: \$118,348 annually
- To: \$123,348 annually
- Salary
Percent
Change: 4.22
- Description: Amendment to the agreement for employment of Head Men's Basketball Coach, James Brooks Thompson, for the designated period following the standard coach's employment contract prepared by the Office of General Counsel.
- Period: November 1, 2008 through April 30, 2011

OTHER FISCAL ITEMS (CONTINUED)

EMPLOYMENT AGREEMENTS (CONTINUED)

4. Item: Head Men's Baseball Coach
- From: \$66,381 annually
- To: \$70,000 annually plus \$6,000 annual vehicle allowance
- Salary
Percent
Change: 14.49
- Description: Amendment to the agreement for employment of Head Men's Baseball Coach, Sherman Corbett, for the designated period following the standard coach's employment contract prepared by the Office of General Counsel. Amendment adds a vehicle allowance to Paragraph III., "Compensation."
- Period: November 1, 2008 through June 30, 2012
5. Item: Head Men's and Women's Cross Country and Track and Field Coach
- From: \$46,674 annually
- To: \$65,000 annually
- Salary
Percent
Change: 39.26
- Description: Renewal agreement for employment of Head Men's and Women's Cross Country and Track and Field Coach, Aaron Fox, for the above designated period following the standard coach's employment contract prepared by the Office of General Counsel.
- Period: September 1, 2008 through June 30, 2011

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*, Rule 30103 and is submitted for approval by the U. T. System 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 this position and the appointment of Dr. Agrawal with The University of Texas at San Antonio. By approval of this item, the Board is also asked to find that holding this position is of benefit to the State of Texas and The University of Texas and there is no conflict between the position and the University.

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|---------------|---|
| Name: | C. Mauli Agrawal, Ph.D. |
| Title: | David and Jennifer Spencer Distinguished Chair and Dean of the College of Engineering |
| Position: | Member, Emerging Technology Fund Advisory Committee |
| Period: | September 18, 2008 through September 18, 2010 |
| Compensation: | None |
| Description: | Governor Perry has appointed Dr. Agrawal to the Emerging Technology Fund Advisory Committee. The Committee recommends projects to be considered for Emerging Technology Funds to the Governor, Lieutenant Governor, and Speaker of the House. |

U. T. SOUTHWESTERN MEDICAL CENTER – DALLAS

CONTRACTS

The following contracts have been administratively approved by the President or his delegate and the Executive Vice Chancellor for Health Affairs and are recommended for approval by the U. T. System Board of Regents:

GENERAL CONTRACTS

FUNDS COMING IN

1. Agency: VA North Texas Healthcare System
Funds: \$2,484,595
Period: October 1, 2008 through September 30, 2009
(amendment to agreement)
Description: To provide cardiothoracic and perfusionist services.
2. Agency: VA North Texas Healthcare System
Funds: \$1,845,842
Period: October 1, 2008 through September 30, 2009
(amendment to agreement)
Description: To provide various surgery services (colorectal, advanced laparoscopic, surgical oncology, surgical critical care, vascular surgery, and vascular access surgical).
3. Agency: VA North Texas Healthcare System
Funds: \$1,647,332
Period: October 1, 2008 through September 30, 2009
(amendment to agreement)
Description: To provide plastic surgery services.
4. Agency: VA North Texas Healthcare System
Funds: \$1,134,456
Period: October 1, 2008 through September 30, 2009
(amendment to agreement)
Description: To provide neurosurgery services.
5. Agency: VA North Texas Healthcare System
Funds: \$1,067,368
Period: October 1, 2008 through September 30, 2009
(amendment to agreement)
Description: To provide ophthalmology services.

CONTRACTS (CONTINUED)

GENERAL CONTRACTS (CONTINUED)

FUNDS GOING OUT

6. Agency: Charles River Laboratories, Inc.
Funds: \$2,476,051
Period: January 1, 2009 through August 31, 2009
(amendment to agreement)
Description: To provide animal care technician services.
7. Agency: Dallas County Hospital District
d/b/a Parkland Health and Hospital System
Funds: \$1,220,318
Period: October 1, 2008 through September 30, 2009
Description: This agreement supplements the Dallas County Indigent Care Corporation (DCICC) contract by providing clinical, administrative, and medical direction services to Parkland Health and Hospital System not appropriate for the DCICC contract.

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*, Rule 30103 and is submitted for approval by the U. T. System 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 this position and the appointment of Mr. White with The University of Texas Southwestern Medical Center at Dallas. By approval of this item, the Board is also asked to find that holding this position is of benefit to the State of Texas and The University of Texas and there is no conflict between the position and the University.

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|---------------|--|
| Name: | John C. White |
| Title: | Assistant Director, Environmental Health and Safety |
| Position: | Appointment as Vice Chair to the Texas Low Level Radioactive Waste Disposal Compact Commission |
| Period: | November 25, 2008 through November 25, 2014 |
| Compensation: | None |
| Description: | Governor Perry has appointed John C. White to the Texas Low Level Radioactive Waste Disposal Compact Commission. The Commission will oversee the compact between Texas, Maine, and Vermont for radioactive waste disposal, and control all aspects of radioactive waste disposal in the State. |

U. T. MEDICAL BRANCH – GALVESTON

CONTRACTS

The following contracts have been administratively approved by the President or his delegate and the Executive Vice Chancellor for Health Affairs and are recommended for approval by the U. T. System Board of Regents:

GENERAL CONTRACTS

FUNDS COMING IN

1. Agency: Texas Department of Assistive and Rehabilitative Services Division for Early Childhood Intervention (ECI) Services
Funds: \$1,472,314
Period: September 1, 2008 through August 31, 2009
Description: Amendment to extend the agreement for an additional year for U. T. Medical Branch – Galveston to provide a program of early childhood intervention services for children with developmental delay and respite services for families of children enrolled in ECI comprehensive services.
2. Agency: Texas Department of State Health Services
Funds: \$1,321,750
Period: September 1, 2008 through August 31, 2009
Description: U. T. Medical Branch – Galveston will continue to provide comprehensive family planning services, which include medical, counseling, client education, referral, community education, and outreach services to Title X eligible individuals.
3. Agency: Texas Department of State Health Services
Funds: \$1,528,135
Period: September 1, 2008 through August 31, 2009
Description: U. T. Medical Branch – Galveston will continue to provide family planning services to Title XX eligible individuals.

CONTRACTS (CONTINUED)

GENERAL CONTRACTS (CONTINUED)

FUNDS COMING IN (CONTINUED)

4. Agency: Texas Department of State Health Services
Funds: \$1,475,478
Period: September 1, 2007 through August 31, 2009
Description: Amendment to extend the agreement for an additional year for U. T. Medical Branch – Galveston to continue to promote the reduction of injuries occurring from exposures to poisons and toxic substances through public and professional education and help reduce medical costs incurred by State of Texas residents by providing treatment recommendations.

5. Agency: Texas Department of State Health Services
Funds: \$1,000,608
Period: July 1, 2008 through June 30, 2009
Description: U. T. Medical Branch – Galveston will provide comprehensive breast and cervical cancer screening to eligible individuals.

6. Agency: Texas Department of State Health Services
Funds: \$4,620,462
Period: October 1, 2008 through September 30, 2009
Description: U. T. Medical Branch – Galveston will administer the Department of State Health Services Special Supplemental Nutrition Program for women, infants, and children.

7. Agency: Wyle Integrated Science and Engineering
Funds: \$4,215,529
Period: May 1, 2008 through April 30, 2011
Description: Change Order 14 to existing agreement to increase funding and exercise option year for U. T. Medical Branch – Galveston to provide physician services to develop medical requirements and operation procedures for International Space Station and space shuttle and support research at Johnson Space Center.

AMENDMENTS TO THE 2008-09 BUDGET

TENURE APPOINTMENTS

**NEW APPOINTMENTS WITH TENURE, AWARD OF TENURE,
AND EMERITUS APPOINTMENTS**

The following Requests for Budget Change (RBC) have been administratively approved by the Executive Vice Chancellor for Health Affairs and are recommended for approval by the U. T. System Board of Regents:

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
SCHOOL OF MEDICINE					
Neuroscience and Cell Biology					
1. James E. Blankenship					2916
From: Professor (T)		100	12	209,000	
To: Professor Emeritus	1/1-8/31			0	
Radiation Oncology					
Professor					
2. Robert L. Ullrich					2870
From: Professor		100	12	240,000	
To: Professor (T)	11/12-8/31			240,000	

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*, Rule 30103 and is submitted for approval by the U. T. System 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 this position and the appointment of Dr. Hay with The University of Texas Medical Branch at Galveston. By approval of this item, the Board is also asked to find that holding this position is of benefit to the State of Texas and The University of Texas and there is no conflict between the position and the University.

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|---------------|--|
| Name: | Matthew J. Hay, M.D. |
| Title: | Associate Professor, Department of Pediatrics |
| Position: | Member, Texas Youth Commission Advisory Board |
| Period: | October 20, 2008 to an indefinite date |
| Compensation: | None |
| Description: | Governor Perry has appointed Dr. Hay to the Texas Youth Commission Advisory Board to serve as a member. The Board is responsible for advising the executive commissioner on matters concerning the Texas Youth Commission and assists the executive commissioner in the performance of his/her duties. |

OTHER MATTERS (CONTINUED)

ADVISORY COUNCILS

The following request to approve the creation and operation of the Galveston National Laboratory Advisory Council has been approved by the Executive Vice Chancellor for Health Affairs and the Vice Chancellor for External Relations in accordance with Regents' *Rules and Regulations*, Rule 60302 and is submitted for approval by the U. T. System Board of Regents:

- Item: The Galveston National Laboratory Advisory Council

Effective: February 1, 2009

Description: The Galveston National Laboratory Advisory Council will assist the Galveston National Laboratory leadership in promoting national and international awareness of the threat of emerging infectious diseases and the role of the Galveston National Laboratory and U. T. Medical Branch – Galveston in countering that threat. The Advisory Council will help to define the role of the Galveston National Laboratory in defense of the nation through research and training related to biodefense and emerging infectious diseases research. Council members from public and nonprofit organizations with special expertise in research and public policy related to biodefense, biosecurity, and emerging infectious diseases will provide a valuable perspective on the national and international priorities for training and research, and will serve as advocates for new program development.

U. T. HEALTH SCIENCE CENTER – HOUSTON

CONTRACTS

The following contract has been administratively approved by the President or his delegate and the Executive Vice Chancellor for Health Affairs and is recommended for approval by the U. T. System Board of Regents:

GENERAL CONTRACTS

FUNDS COMING IN

1. Agency: Texas Department of Family and Protective Services
Funds: Maximum of \$2,998,316
Period: September 1, 2008 through August 31, 2009
Description: Interagency contract to create resources that will improve Child Protective Services' access to medical professionals with expertise in the diagnosis of child abuse or neglect.

AMENDMENTS TO THE 2008-09 BUDGET

TENURE APPOINTMENTS

**NEW APPOINTMENTS WITH TENURE, AWARD OF TENURE,
AND EMERITUS APPOINTMENTS**

The following Requests for Budget Change (RBC) have been administratively approved by the Executive Vice Chancellor for Health Affairs and are recommended for approval by the U. T. System Board of Regents:

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
SCHOOL OF PUBLIC HEALTH					
Office of the Dean, Dean and David Low Chair in Public Health Dean					
1. Roberta B. Ness (T)	11/1-8/31	100	12	450,000	2841
 SCHOOL OF NURSING					
Integrative Nursing Care					
2. Cathy L. Rozmus					2920
From: Professor of Nursing		100	12	113,553	
		SUPLT	12	10,000	
To: Professor (T)	9/1-8/31	100	12	113,553	
	9/1-8/31	SUPLT	12	10,000	
 INSTITUTE OF MOLECULAR MEDICINE					
Stem Cell Biology					
3. Paul J. Simmons					2919
From: Professor of Molecular Medicine-Research		100	12	424,400	
To: Professor of Molecular Medicine-Research (T)	9/1-8/31	100	12	424,400	

AMENDMENTS TO THE 2008-09 BUDGET (CONTINUED)

TENURE APPOINTMENTS (CONTINUED)

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
INSTITUTE OF MOLECULAR MEDICINE (Continued)					
Institute of Molecular Medicine					
4. Perry Bickel					2921
From: Associate Professor and Director of Diabetes and Metabolism Program and MEDICAL SCHOOL Internal Medicine, Endocrinology Associate Professor and Associate Director of Diabetes and Metabolism Program		100	12	200,000	
To: Institute of Molecular Medicine Associate Professor and Director of Diabetes and Metabolism Program and MEDICAL SCHOOL Internal Medicine, Endocrinology Associate Professor and Associate Director of Diabetes and Metabolism Program (T)	9/1-8/31	100	12	200,000	

U. T. M. D. ANDERSON CANCER CENTER

AMENDMENTS TO THE 2008-09 BUDGET

TENURE APPOINTMENTS

**NEW APPOINTMENTS WITH TENURE, AWARD OF TENURE,
AND EMERITUS APPOINTMENTS**

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

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
MEDICAL STAFF					
Pathology					
1. Constance Albarracin					2719
From: Assistant Professor		100	12	175,244	
To: Associate Professor (T)	9/1-8/31	100	12	192,254	

U. T. HEALTH SCIENCE CENTER – TYLER

CONTRACTS

The following contract has been administratively approved by the President or his delegate and the Executive Vice Chancellor for Health Affairs and is recommended for approval by the U. T. System Board of Regents:

GENERAL CONTRACTS

FUNDS GOING OUT

1. Agency: Clary Investment Properties
Funds: \$313,600
Period: April 1, 2009 through April 30, 2016
Description: Lease of 3,200 square feet for new medical clinic space for clinical services at 102 West Henderson Street, Overton, Texas.