

Meeting No. 1,197

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

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August 14-15, 2019

Austin, Texas

MEETING NO. 1,197

WEDNESDAY, AUGUST 14, 2019.--The members of the Board of Regents of The University of Texas System convened in Standing Committee meetings on Wednesday, August 14, 2019, from 9:32 a.m. - 11:15 a.m. in the Board Room, Second Floor, The University of Texas System Building, 210 West Seventh Street, Austin, Texas.

CONVENE THE BOARD IN OPEN SESSION.--At 11:27 a.m., in accordance with a notice being duly posted with the Secretary of State and there being a quorum present, Chairman Eltife convened the Board in Open Session with the following participation:

ATTENDANCE.--

Present
Chairman Eltife
Vice Chairman Longoria
Regent Beck
Regent Crain
Regent Hicks
Regent Jiles
Regent Perez
Regent Warren
Regent Dominguez, Student Regent, nonvoting

Absent
Vice Chairman Weaver

Chairman Eltife formally welcomed new Student Regent Daniel Dominguez to his first in-person Board meeting.

AGENDA ITEMS

1. U. T. System Board of Regents: Acknowledgment of appreciation to President Diana Natalicio and appointment as President Emerita

Following remarks by Chairman Eltife and Chancellor Milliken regarding President Natalicio's impact on both the students of U. T. El Paso and the surrounding community as well as the national acclaim for her passion for education above all else, the Board unanimously approved the below recommendation appointing President Natalicio as President Emerita of U. T. El Paso.

RECOMMENDATION

The Chancellor recommends that the U. T. System Board of Regents appoint Diana S. Natalicio as President Emerita at U. T. El Paso, with the award effective immediately in recognition of her extraordinary leadership and length of service.

President Natalicio then received a standing ovation and a certificate of appreciation as set forth below.

CERTIFICATE OF APPRECIATION

The Board of Regents

Expresses to

DIANA S. NATALICIO, Ph.D.

Deep and Sincere Appreciation for Her
Thoughtful Vision, Exceptional Leadership,
and Distinguished Service

to

The University of Texas System

As

President
The University of Texas at El Paso
1988 – 2019

Interim President
1987 – 1988

Professor, Department Chairman, Dean, Vice President
1971 – 1987

BACKGROUND INFORMATION

Dr. Natalicio was named president of U. T. El Paso in 1988, serving in that position until 2019. During her distinguished career with the University, Dr. Natalicio has also served as vice president for academic affairs, dean of liberal arts, chair of the modern languages department and professor of linguistics. Her sustained commitment to provide all residents of the Paso del Norte region access to outstanding higher education opportunities has helped make U. T. El Paso a national success story.

During Dr. Natalicio's tenure as president, UTEP's enrollment has grown from 15,000 to over 25,000 students, reflecting the demographics of the Paso del Norte region from which nearly 90% come from. More than 80% are Mexican-American, and approximately 5% commute to the campus from Ciudad Juárez, Mexico. Since 1988, the annual budget has increased from \$65 million to more than \$500 million. UTEP is designated as a Carnegie R1 university, recognized nationally for both the excellence and breadth of its academic and research programs. The annual research expenditures have grown from \$6 million to nearly \$95 million per year, and doctoral programs have increased from one to 22 during this same period. To accommodate steady growth in enrollment, academic programs, and research, the University has recently committed nearly \$400 million in new and renovated facilities expansion in science, engineering, health sciences, and other student quality-of-life related infrastructure.

Dr. Natalicio has served on numerous boards and was appointed by President George H.W. Bush to serve on the Advisory Commission on Educational Excellence for Hispanic Americans and by President Bill Clinton to the National Science Board (NSB), where she served two six-year terms, including three two-year terms as NSB vice-chair.

In 2017, Dr. Natalicio was named one of Fortune magazine's Top 50 World Leaders. In 2016, she was honored with the Hispanic Heritage Award in Science, Technology, Engineering, and Math, and she was included on the 2016 TIME 100 list of most influential people in the world. In 2015, The Carnegie Corporation of New York honored Dr. Natalicio with its prestigious Academic Leadership Award. In 2011, the President of Mexico presented her the Orden Mexicana del Aguila Azteca, the highest recognition bestowed on foreign nationals. She was inducted into the Texas Women's Hall of Fame, honored with the Distinguished Alumnus Award at U. T. Austin, and awarded multiple honorary doctoral degrees.

2. U. T. System Board of Regents: Recognition of academic and health institution recipients of the 2019 Regents' Outstanding Teaching Awards (ROTA)

PRESENTATION

Chairman Eltife and Chancellor Milliken recognized the 2019 recipients for the Regents' Outstanding Teaching Awards, as listed on the website at <http://www.utsystem.edu/sites/regents-outstanding-teaching-awards>.

BACKGROUND INFORMATION

The Board of Regents of the U. T. System places the highest priority on undergraduate teaching at U. T. System universities and encourages teaching excellence by recognizing those faculty who deliver the highest quality of undergraduate instruction, demonstrate their commitment to teaching, and have a

history and promising future of sustained excellence with undergraduate teaching in the classroom, in the laboratory, in the field, or online.

On August 14, 2008, the Board established the Regents' Outstanding Teaching Awards (ROTA), which are a recognition of the importance the Board places on the provision of teaching and learning of the highest order, by honoring those who serve students in an exemplary manner and as an incentive for others who aspire to such service. These teaching awards complement existing ways in which faculty excellence is recognized and incentivized.

No more than 16 awards are given among the academic institutions across all faculty levels, and no more than 12 awards are given among the health institutions.

RECESS TO EXECUTIVE SESSION.--At 11:56 a.m., Chairman Eltife recessed the Board to Executive Session in the Board Room pursuant to *Texas Government Code* Sections 551.071, 551.073, and 551.074 to consider the matters listed on the Executive Session agenda. A working lunch was held in the Board Room, Second Floor, The University of Texas System Building.

RECONVENE THE BOARD IN OPEN SESSION TO CONSIDER ACTION, IF ANY, ON EXECUTIVE SESSION ITEMS AND TO CONSIDER AGENDA ITEMS.--Chairman Eltife reconvened the Board in Open Session in the Board Room at 12:54 p.m.

- 1a. 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); Board members; and U. T. System and institutional employees

No action was taken on this item.

- 1b. U. T. System: Discussion and appropriate action regarding individual personnel matters relating to assignment and duties of the Chancellor, including responsibilities associated with discretionary admissions procedures set forth in Regents' *Rules and Regulations*, Rule 40303

No action was taken on this item.

2a. U. T. System Academic Institutions: Discussion and appropriate action regarding proposed negotiated gifts, including potential naming features

Regent Perez made the following motion:

I move that the U. T. System Board of Regents authorize Chancellor Milliken, the Vice Chancellor for External Relations, and the President of U. T. Permian Basin to conclude negotiations necessary to finalize, approve, and accept gifts and to finalize and execute any agreements with potential naming features for the benefit of the named institution consistent with the terms and conditions outlined and recommended in Executive Session.

The motion was seconded by Vice Chairman Longoria and carried unanimously.

2b. U. T. System Health Institutions: Discussion and appropriate action regarding proposed negotiated gifts, including potential naming features

No action was taken on this item.

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

No action was taken on this item.

3b. U. T. System Board of Regents: Discussion and appropriate action regarding legal issues concerning pending legal claims by and against U. T. System

No action was taken on this item.

RECESS FOR STANDING COMMITTEE MEETINGS.--At 12:53 p.m., the Board recessed for Committee meetings from 12:53 p.m. to 1:56 p.m.

RECONVENE IN OPEN SESSION.--At 1:57 p.m., the Board reconvened for its annual meeting with the Faculty Advisory Council.

AGENDA ITEM (CONTINUED)

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

The U. T. System Faculty Advisory Council met with the Board to discuss accomplishments of the Council and plans for the future. The Council's PowerPoint presentation is set forth below.

Council members in attendance were:

Chair: Gurur Biliciler-Denktaş, M.D., U. T. Health Science Center - Houston,
Pediatric Cardiologist

Academic Affairs and Faculty Quality Committee: David Coursey, Ph.D., U. T.
Arlington, Public Affairs

Governance Committee: Charlotte Canning, Ph.D., U. T. Austin, Department of
Theatre and Dance, Center for Women's and Gender Studies, Department of African
and African Diaspora Studies

Health Affairs Committee: Ramon Cestero, M.D., U. T. Health Science Center -
San Antonio, Clinical and Trauma Surgery

BACKGROUND INFORMATION

The University of Texas System Faculty Advisory Council was established in 1989 to facilitate the flow of ideas and information between and among the Board of Regents, the System Administration, and the institutions of the System. Council guidelines require that recommendations have a multi-institutional focus and that the Council explore individual campus issues with institutional administrators prior to any consideration.

The Faculty Advisory Council consists of two faculty representatives from each U. T. System institution and meets quarterly. The Standing Committees of the Council are: Academic Affairs and Faculty Quality, Governance, and Health Affairs.

Faculty Advisory Council (FAC)

Gurur Biliciler- Denktas, M.D., Chair, U. T. System FAC

U. T. System Board of Regents' Meeting
August 2019



THE UNIVERSITY of TEXAS SYSTEM
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Faculty Advisory Council Structure

- **Elected faculty leaders from each U. T. institution**
 - Campus senate presidents, past presidents, other elected members
 - 16 academic representatives, 12 health representatives
- **Officers**
 - Gurur Biliciler-Denktaş, M.D., Chair (UTHSC - Houston)
 - Dan Cavanagh, M.M., Past Chair (UT Arlington)
 - Emily Bonner, Ph.D., Chair-Elect (UT San Antonio)
 - David Coursey, Ph.D., Secretary (UT Arlington)
- **FAC liaison: AVC Kevin Lemoine**



Faculty Advisory Council Academic Year 2018-19

- GOVERNANCE COMMITTEE:
 - Family leave policies across the system
 - Grievance policies across the system

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Faculty Advisory Council Academic Year 2018-19 (cont.)

- ACADEMIC AFFAIRS COMMITTEE:
 - Faculty workload policy
 - Nontenure-track faculty
 - Teaching effectiveness and evaluation
 - Student feedback survey and its inherent bias



Faculty Advisory Council Academic Year 2018-19 (cont.)

- HEALTH AFFAIRS COMMITTEE:
 - Physician burnout
 - Student success and quality of teaching at the medical campuses



Faculty Advisory Council Academic Year 2018-19 (cont.)

- Successful Association of College and University Educators (ACUE) pilot in conjunction with AVC Rebecca Karoff
- Engagement with the Coordinating Board on Fields of Study (FOS)
- Further engagement on Institutional Conflicts of Interest policy
- Regents' Rule amendments clarifying faculty governance bodies
- Diversity work
- National Institutes of Health “Dear Colleague” letter



ACUE

- Pilot Project AY 2019-2020, Facilitated by UTPB Education Professor Jessica Garrett
- 22 faculty members from UT System Academic Institutions completed the course and received certification
- Pinning ceremony and focus group held in June, 2019



- Exciting preliminary results related to student outcomes and engagement improvements in courses taught by these professors



THECB Field of Study

- Provided feedback to the Texas Higher Education Coordinating Board on Proposed FOS changes
- FAC shares UT System leadership's goals of ensuring student readiness through the transfer process
- Faculty wish to reduce barriers to transfer while ensuring student success



Faculty Advisory Council Physician Burnout Initiative

- 2018:
 - FAC White Paper with recommended Solutions for Physician Burnout at UT System presented to Chancellor, March 2018
 - White paper shared with the Health Science Center presidents, September 2018
- July 2019
 - UT System FAC and administrator working group initiated to share best practices and design interventions to mitigate burnout and improve well being for UT System physicians



Faculty Advisory Council Academic Year 2019-20

- GOVERNANCE COMMITTEE:
 - Family leave and grievance policies across the system



Faculty Advisory Council Academic Year 2019-20 (cont.)

- ACADEMIC AFFAIRS:
 - Student feedback survey
 - Affordable Learning Accelerator Task Force Working group collaboration for recognition of faculty for OER (Open Educational Resource)



Faculty Advisory Council Academic Year 2019-20 (cont.)

- HEALTH AFFAIRS:
 - Physician burnout
 - Student success and quality of teaching



Faculty Advisory Council Academic Year 2019-20 (cont.)

HEALTH AFFAIRS

ACADEMIC AFFAIRS

Faculty recruitment and retention

- Sick leave/parental leave
- Non-tenured faculty stability
- Faculty turnover
- Exit interview
- Best practices for salary compression



RECESS.--The Board recessed at 2:20 p.m. to reconvene on August 15, 2019.

THURSDAY, AUGUST 15, 2019.--The members of the Board of Regents of The University of Texas System reconvened at 8:04 a.m. on Thursday, August 15, 2019, in the Board Room, Second Floor, The University of Texas System Building, 210 West Seventh Street, Austin, Texas, with the following participation:

ATTENDANCE.--

Present

Chairman Eltife
Vice Chairman Longoria
Vice Chairman Weaver
Regent Beck
Regent Crain
Regent Hicks
Regent Jiles
Regent Perez
Regent Warren
Regent Dominguez, Student Regent, nonvoting

Absent

Vice Chairman Weaver

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

Chairman Eltife called for a moment of silence for those who lost their lives, those who were injured, their families, and all of El Paso, Texas as a result of the tragic mass shooting that occurred recently.

Following comments regarding the response of the U. T. El Paso community to the tragedy, Chairman Eltife announced an award of \$10,000 to support the Student Government Association in efforts to assist the victims and their families.

AGENDA ITEMS (continued)

4. U. T. System Board of Regents: Approval of Consent Agenda and consideration of any item referred to the full Board

Chairman Eltife noted the following related to the Consent Agenda:

- Consent Agenda Item 4 requests approval of Terms of Employment for Dr. John Zerwas, as Executive Vice Chancellor for Health Affairs.

In approving this item, the Board is asked to find that the terms are in the best interest of the U. T. System.

- Item 8 requests approval to renegotiate or extend the existing Master Custodian Agreement with Bank of New York Mellon for investment assets under the fiduciary care of the Board. Regent Hicks will abstain from discussion and vote on this item because of financial interests.
- Item 19 requests approval of a memorandum of understanding to support the work of the previously approved U. T. Austin Mexico Institute, A.C.

In approving this item, the Board is asked to approve the findings associated with a public purpose, as recited in the item.

- Item 35 requests approval of the terms of a transition agreement with UTEP President Emerita Natalicio.

In approving this item, the Board is asked to find that the terms are in the best interest of the U. T. System and U. T. El Paso. Appropriate advance notice of this proposed agreement with a former president was provided to the Legislative Budget Board.

The Board then approved the Consent Agenda, which is set forth on Pages 180 - 260.

In approving the Consent Agenda, the Board 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 institution involved.

Chairman Eltife welcomed Dr. Heather Wilson, President of U. T. El Paso, to the meeting. Today is the first day of her presidency.

5. U. T. System Board of Regents: Discussion and appropriate action regarding proposed amendment to Regents' *Rules and Regulations*, Rule 30202 (Employee Benefits), regarding back-up dependent care programs

The Board approved the following recommendation.

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Health Affairs *ad interim*, the Executive Vice Chancellor for Business Affairs, and the Vice Chancellor and General Counsel that Regents' *Rules and Regulations*, Rule 30202 (Employee Benefits), be amended to add the following section regarding back-up dependent care programs as set forth below in congressional style, and renumber the remaining sections accordingly:

Sec. 4 Back-up Dependent Care. The Board of Regents authorizes U. T. System Administration or any U. T. institution to establish a back-up dependent care program for disruptions in child, adult, or elder dependent caregiving arrangements, so that employees may continue to fulfill work obligations.

BACKGROUND INFORMATION

Regents' Rule 30202 authorizes certain employee benefits to be offered to U. T. System employees. The proposed amendment authorizes U. T. System Administration and U. T. institutions to offer back-up dependent care as an employee benefit, but does not compel any institution to do so.

Back-up dependent care programs can offer in-home or in-center care and are intended to cover gaps in caregiving that arise from temporary or unexpected events that would otherwise prevent an employee from fulfilling work obligations, such as a dependent's medical treatment or illness, a school closure, an employee's work-related travel, or an event causing regular caregivers to be temporarily unable to provide care.

These revisions do not impact the full-time equivalent (FTE) employee count Systemwide. The administration of the program has the potential to result in a slight cost, but it is expected that the program will increase employee efficiency and performance. The proposed amendments were reviewed by the institutional presidents and representatives of the Student Advisory Council, the Faculty Advisory Council, and the Employee Advisory Council.

6. U. T. System Board of Regents: Discussion of Criteria and Review Process for Permanent University Fund (PUF) debt financing requests

This item was taken up after Executive Session and after Items 8 and 9. Chancellor Milliken made a brief presentation to the Board. Noting that the Tuition Revenue Bond (TRB) bill was not successful this year, Chancellor Milliken proposed the development of a set of recommendations for a process and criteria that provide a rational way to analyze possible projects going forward. He suggested bringing a recommendation back to the Board at the November 2019 meeting.

7. U. T. System Board of Regents: Presentation of Certificate of Appreciation to U. T. Medical Branch - Galveston President David Callender

Following remarks by Chairman Eltife and Chancellor Milliken, President Callender received a standing ovation and was presented with the certificate of appreciation as set forth below.

CERTIFICATE OF APPRECIATION

The Board of Regents

Expresses to

DAVID L. CALLENDER, M.D.

Deep and Sincere Appreciation for His
Thoughtful Vision, Exceptional Leadership,
and Distinguished Service

to

The University of Texas System

As

President
The University of Texas Medical Branch at Galveston
2007 – 2019

STANDING COMMITTEE RECOMMENDATIONS AND REPORTS.--At 8:15 a.m., Chairman Eltife announced the Board would hear the reports and recommendations of the Standing Committees, which are set forth on Pages 25 - 135.

REPORT OF THE AUDIT, COMPLIANCE, AND RISK MANAGEMENT COMMITTEE (Page 25 - 32).--Committee Chairman Beck reported that the Audit, Compliance, and Risk Management 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 Audit, Compliance, and Risk Management Committee and approved in Open Session by the U. T. System Board of Regents

1. U. T. System Board of Regents: Discussion and appropriate action regarding Consent Agenda items, if any, assigned for Committee consideration

There were no items assigned for review by this Committee.

2. U. T. System: Approval of the U. T. Systemwide Annual Audit Plan for Fiscal Year 2020 and update on status of Fiscal Year 2019 Annual Audit Plan

The Board approved the following recommendation:

RECOMMENDATION

Chief Audit Executive Peppers recommends approval of the proposed Fiscal Year 2020 U. T. Systemwide Annual Audit Plan (Audit Plan). Development of the Audit Plan is based on risk assessments performed at each institution. Implementation of the Audit Plan will be coordinated with the institutional auditors. The Audit Plan executive summary is set forth on the following pages. Additionally, the institutional annual audit plans were provided to the members of the Audit, Compliance, and Risk Management Committee (ACRMC) prior to the meeting.

Additionally, Mr. Peppers will provide an update on the Fiscal Year 2019 Annual Audit Plan status as of May 31, 2019. Details on the plan status were provided to the ACRMC members prior to the meeting.

BACKGROUND INFORMATION

Institutional audit plans, compiled by the internal audit departments after input and guidance from the U. T. System Audit Office, the Offices of Academic or Health Affairs, and the institution's management and institutional internal audit committee, were submitted to the respective institutional internal audit committee and institutional president for review and comments. Also, the U. T. System Chief Audit Executive provided feedback by conducting audit plan presentations with each institution. After the review process, each institutional internal audit committee formally approved its institution's audit plan.

The University of Texas System
Systemwide Internal Audit Program
Fiscal Year 2020 Annual Audit Plan Executive Summary

Systemwide Annual Audit Plan

The University of Texas (U. T.) Systemwide Fiscal Year (FY) 2020 Annual Audit Plan (Audit Plan) outlines the internal audit activities that will be performed by internal audit throughout the System in FY 2020. To provide consistency at the Systemwide level, the U. T. System Audit Office provided the institutional Chief Audit Executives (CAEs) with guidance in the spring of 2019 on the audit plan format, content, and development methodology, including the risk assessment process that supports the engagements selected to be on the individual audit plans, which were prepared in June and July 2019. The institutions’ management and internal audit committees, as well as the U. T. System Audit Office and the Offices of Academic and Health Affairs, provided direction, input, and feedback on the audit plans. After the review process, each institutional internal audit committee formally approved its audit plan. The FY 2020 Audit Plan, as summarized in the tables and graphs that follow, is formally presented to the U. T. System Board of Regents for consideration for approval at the August 2019 meeting.

The audit plans are prepared using a risk-based approach to ensure that areas and activities with the greatest risk are identified for consideration to be audited. Internal audit at each institution and System Administration conduct a risk assessment in which risks related to important institutional objectives were identified and rated as Critical, High, Medium, or Low. The Risk Scoring Matrix table (right) illustrates how the risks for each objective are scored based on the Probability of the risk occurring in the current environment and the Impact to the institution if the risk is realized. As Information Technology (IT) risks are the most prevalent across the System, additional focus is placed on IT risks through collaboration with IT and Information Security (IS) leadership to identify and agree upon critical services and functions that could have a significant impact on business objectives. In addition, for FY 2020, internal audit purposefully considered risks in the areas of intellectual property and construction (for those institutions now managing their own capital projects).

Risk Scoring Matrix		Impact		
		High	Medium	Low
Probability	High	C	H	M
	Medium	H	M	L
	Low	M	L	L

The engagements selected to be on the FY 2020 Audit Plan are derived directly from the risk assessment results, primarily addressing Critical and High risks, and also include other required and recurring work, as required by policy, statute, contract, or an external entity. For the Critical and High risks that are not addressed by the engagements, risk mitigation activities are identified and presented as part of the audit plan. These may include monitoring work performed by other risk functions, past year audit coverage, or review by an external party.

The following table lists the FY 2020 Audit Plan total budgeted audit hours by institution. These hours include engagements conducted by approximately 116 internal audit professional FTEs and co-source resources who are experts in selected audit areas that work with internal audit on engagements. However, with potential changes in priorities and staffing resources that may occur during the fiscal year, institutions may request approval from their respective presidents and/or internal audit committees to change their budgeted hours or reallocate budgeted hours among engagements and projects.

Institution	Budgeted Audit Hours
U. T. Arlington	10,140
U. T. Austin	19,200
U. T. Dallas	14,862
U. T. El Paso	10,145
U. T. Permian Basin	4,685
U. T. Rio Grande Valley	9,417
U. T. San Antonio	10,300
U. T. Tyler	4,490
U. T. Southwestern Medical Center	19,690
U. T. Medical Branch - Galveston	11,822
U. T. Health Science Center - Houston	14,212
U. T. Health Science Center - San Antonio	8,827
U. T. M. D. Anderson Cancer Center	21,250
U. T. Health Science Center - Tyler	4,315
U. T. System Administration	15,725
Total Budgeted Audit Hours	179,080

The FY 2020 Audit Plan directs internal audit resources in three main sections: Engagements (Assurance Engagements, Advisory and Consulting Engagements, Investigations, and Follow-Up procedures); Development – Operations (ongoing operational activities); and Development – Initiatives and Education (developmental activities and continued education). Additionally, hours are set aside in a general reserve for unanticipated changes in resources and projects prompted by unexpected issues that may arise during the fiscal year. The table below depicts the percentage of budgeted audit hours allocated in these categories across the System.

Audit Plan Category	Budgeted Audit Hours	Percent
Assurance Engagements	69,167	39%
Advisory & Consulting Engagements	26,945	15%
Required Engagements	15,300	9%
Investigations	9,360	5%
Reserve	8,485	5%
Follow-Up	5,855	3%
Development – Operations	27,222	15%
Development – Initiatives & Education	16,746	9%
Total Budgeted Audit Hours	179,080	100%

Systemwide Risk Assessment

As part of the FY 2020 Audit Plan process, the institutional and System Administration internal auditors executed a strategic and operational objective-based risk assessment. The goal for this common risk assessment approach was to start at the top with an awareness of critical objectives and discussion with key stakeholders to ensure the risks assessed by the Audit Plan were the most relevant. The assessment process was standardized by using common terms (Taxonomy) and criteria (Risk Scoring Matrix), enabling further analysis. As done in the past, an emphasis was placed on collaboration with other functions that assess, handle, or manage risk.

Approximately 2,335 risks were identified across the institutions and U. T. System Administration. The following Taxonomy areas had the highest numbers of total risks and the most Critical and High risks.

Academic Institutions:

- IT (see additional information on the following pages)
- Research – research administration within compliance and biosafety requirements; intellectual property protection; and export controls
- Auxiliary Services – Title IX; athletics compliance; campus safety; and student housing
- Finance – financial reporting; budget alignment; accounts payable; and payroll
- Enrollment management – student recruitment and admissions/financial aid processes

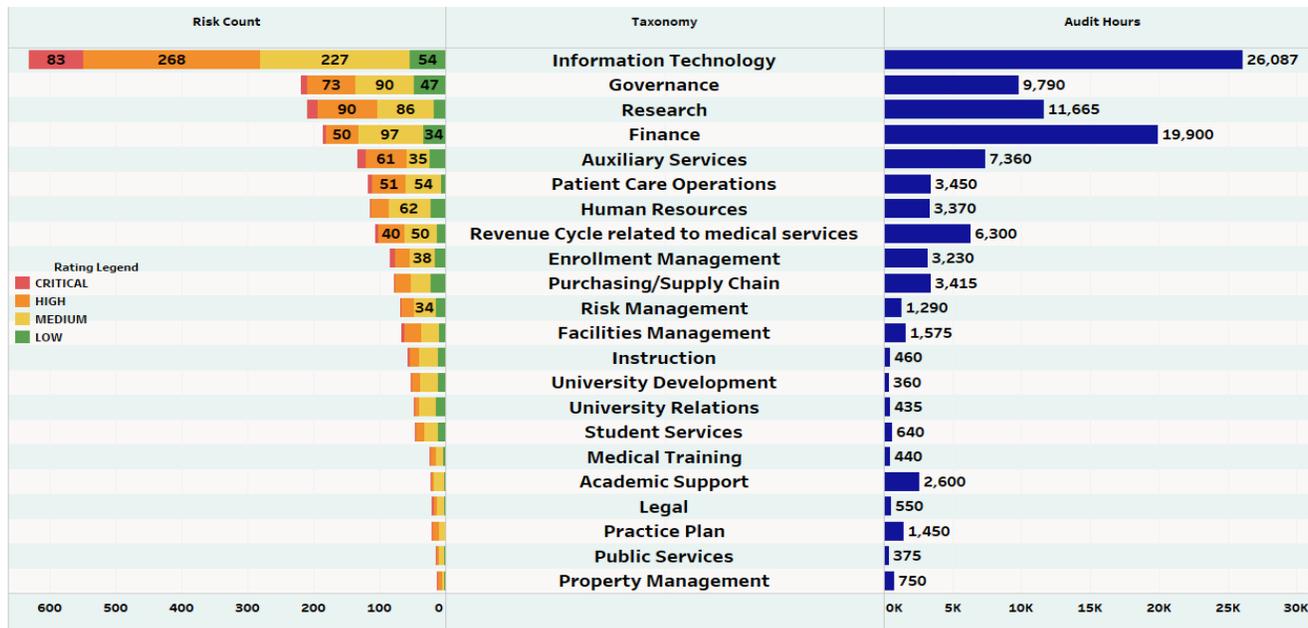
Health Institutions:

- IT (see additional information on the following pages)
- Governance – strategies; structures; partners; business continuity; and compliance program
- Research – research administration and compliance; pre and post award processes; faculty and institutes; and intellectual property protection
- Patient care – delivering quality care; patient safety; staffing management; and credentialing
- Revenue cycle – process from admission to coding charges to billing

System Administration:

- IT – cybersecurity vulnerability management and incident response; data stewardship and governance; funding; and access management
- Governance – strategic planning; resource stewardship; role in supporting institutional needs; succession planning and cross training; and managing organization change
- Finance – strategic financial planning/budgeting and account reconciliations/separation of duties

The following graph depicts the Systemwide count of risks, broken down by Risk Score, in the 22 Taxonomy areas. This is compared against the allocation of budgeted hours for engagements.



NOTE: The total audit hours in the graph are less than total budgeted hours noted on the previous page because engagements not associated with a Taxonomy are excluded (e.g., Investigations, Reserve, Follow-Up, and Development hours).

Systemwide IT Risk Assessment Methodology

During FY 2018, the System Audit Office initiated a project to develop an IT risk assessment methodology to assist internal audit at each institution and System Administration to consistently identify the most significant IT risks for an effective IT audit plan. As part of this process, a uniform framework was developed for defining IT areas (Domains) and functions (Processes), which provides a common language and organization for collaboration and comparison among U. T. institutions.

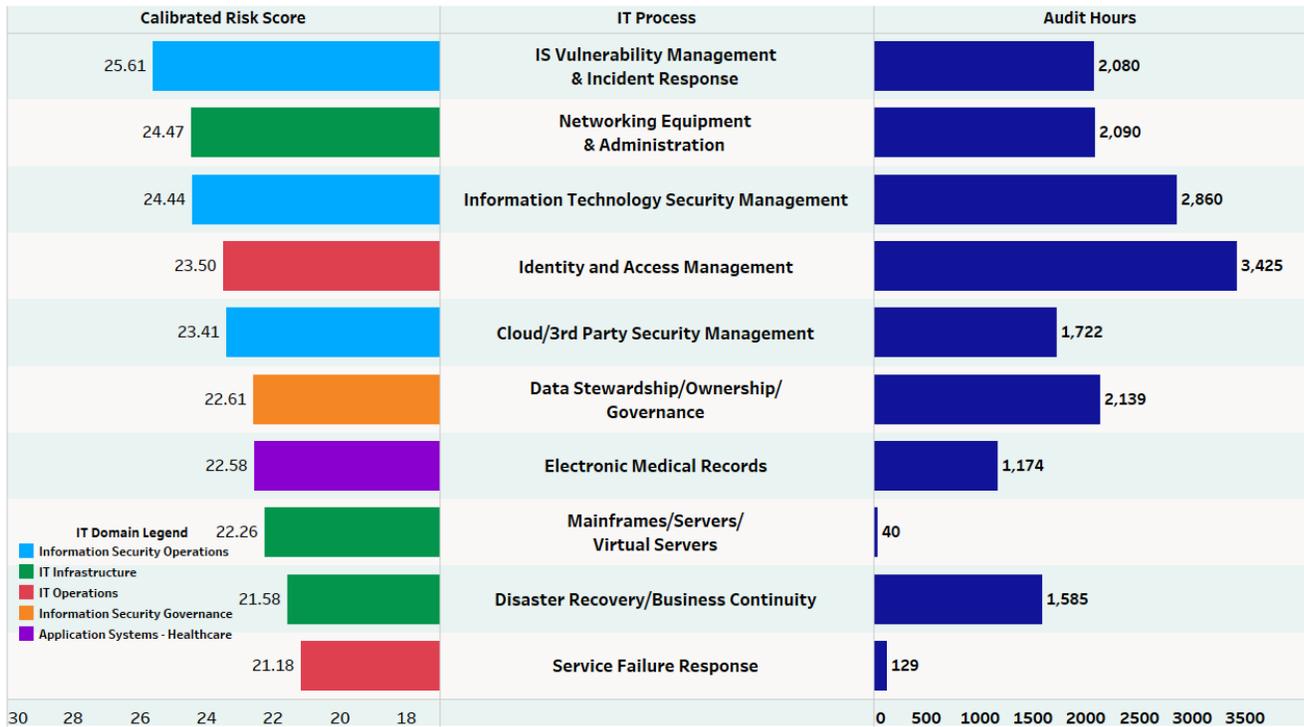
The common framework also facilitates the identification of cross-institution risks and trends. Cybersecurity Vulnerability Management and Incident Response, and Data Stewardship, Ownership and Governance, were the most frequently identified Critical or High risk areas, with 13 institutions and System Administration citing at least one Critical or High risk in these areas. The most common Critical and High risk areas identified during this year’s risk assessment are:

<u>IT Process</u>	<u># of Institutions*</u>
Cybersecurity Vulnerability Management & Incident Response	14
Data Stewardship/Ownership/Governance	14
Mobile Devices & Portable Data Storage	13
IT Asset Management	12
Identity & Access Management	11
Networking Equipment & Administration	11
Cloud/Third-Party Security Management	11

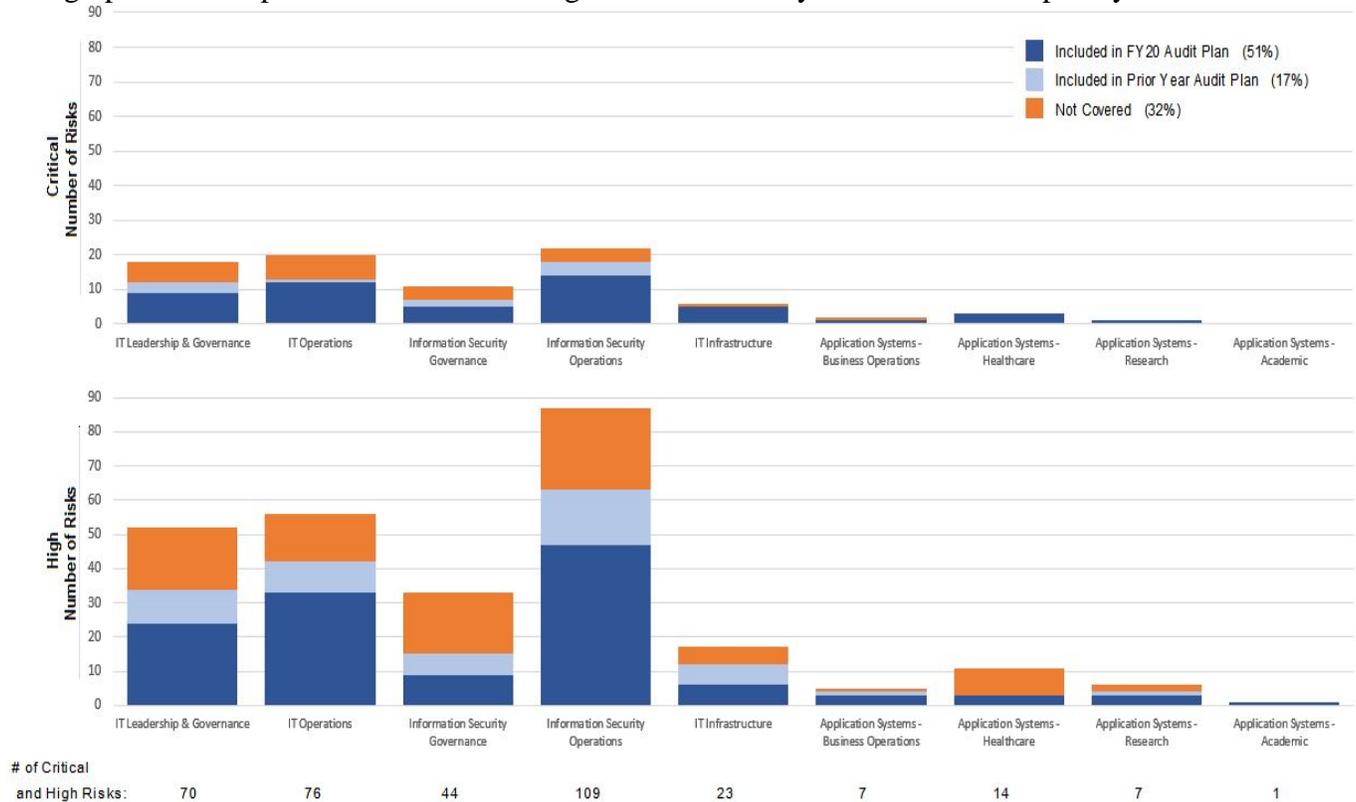
** Includes UT System Administration where applicable.*

The methodology also improves visibility into U. T. System risk through Calibrated Risk Scores (CRS), which are numeric values calculated based on risk ratings (Critical, High, Medium, Low) with weighting applied based on institution and Domain/Process factors. This results in the ability to prioritize the full inventory of IT risks, such that Critical and High risks are ranked by their significance to U. T. System as a whole, which can be used for internal audit resource allocation. The weighting of the CRS is based on institutional calibration factors (including multi-institution or Systemwide; academic or health; budget; research expenditures; faculty and staff headcounts; and enrollment) and process calibration (relative risk among processes -- e.g., cybersecurity incident response is weighted higher than IT project management).

The top ten U. T. System IT risk areas based on CRS of Critical and High risks compared against the allocation of budgeted hours for engagements are displayed below:



The graph below depicts the Critical and High risks covered by the FY 2020 and prior year Audit Plans:



3. U. T. System Board of Regents: Discussion and appropriate action regarding proposed amendments to Regents' *Rules and Regulations*, Rule 20402 (Provision of Audit and Non-Audit Services by External Audit Firms), regarding the definition of Audit Services

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Health Affairs *ad interim*, the Executive Vice Chancellor for Business Affairs, the Vice Chancellor and General Counsel, and the Chief Audit Executive that Regents' *Rules and Regulations*, Rule 20402 (Provision of Audit and Non-Audit Services by External Audit Firms), be amended as set forth below in congressional style:

...

Audit Services - ~~are services provided for the purpose of expressing an opinion on the financial statements of U. T. System or any of the institutions that result in an audit, review, or agreed-upon procedures communication for U. T. System or any of the institutions.~~

....

BACKGROUND INFORMATION

Regents' Rule 20402 regulates the provision of audit and non-audit services by external audit firms to U. T. System Administration and U. T. institutions. Under the Rule, any engagement of an external audit firm for services outside the definition of "audit services" must be approved by the Audit, Compliance, and Risk Management Committee (ACRMC) to assure that no conflict of interest is created by the proposed engagement.

Audit services are currently defined as "services provided for the purpose of expressing an opinion on the financial statements." However, in industry practice, audit services can also include review of financial information other than an organization's financial statements and review of non-financial aspects of an organization. The proposed amendment broadens this definition to allow U. T. System to obtain other limited types of audit services such as program audits, financial reviews for accreditation, or agreed upon procedures without approval by the ACRMC. These types of engagements would continue to be reviewed by multiple parties and result in a formal communication report and will also require delegation of audit authority from the State Auditor's Office.

These revisions do not impact the full-time equivalent (FTE) employee count Systemwide and have the potential for a slightly favorable budget impact through process simplification. The proposed amendments were reviewed by the institutional presidents and representatives of the Student Advisory Council, the Faculty Advisory Council, and the Employee Advisory Council.

4. U. T. System: Report and discussion on Information Security Program

This item was for consideration only by the Committee.

REPORT OF THE FINANCE AND PLANNING COMMITTEE (Page 33 - 78).--Committee Chairman Hicks 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 Board of Regents: Discussion and appropriate action regarding Consent Agenda items, if any, assigned for Committee consideration

There were no items referred from the Consent Agenda.

2. U. T. System: Financial Status Presentation and Monthly Financial Report

This item was for consideration only by the Committee.

3. U. T. System Board of Regents: Equipment financing authorization for Fiscal Year 2020 and resolution regarding parity debt

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Business Affairs that the U. T. System Board of Regents

- a. approve an aggregate amount of \$247,565,000 of Revenue Financing System Equipment Financing for FY 2020 as allocated to those U. T. System institutions listed in the table at the end of this item; and
- b. 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 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 U. T. System institutions, 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 \$247,565,000 for the purchase of equipment; and

- this resolution satisfies the official intent requirements set forth in Section 1.150-2 of Title 26 of the *Code of Federal Regulations* that evidences the Board's intention to reimburse project expenditures with bond proceeds.

BACKGROUND INFORMATION

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 four times a year with full amortization period not to exceed 10 years.

This agenda item requests approval of an aggregate amount of \$247,565,000 for equipment financing for Fiscal Year 2020. On August 10, 2018, the U. T. System Board of Regents approved a total of \$196,780,000 of equipment financing for Fiscal Year 2019. On February 13, 2019, the Board approved an additional \$7,000,000 of equipment financing for Fiscal Year 2019, resulting in a total amount of \$203,780,000 of equipment financing for Fiscal Year 2019. Through July 31, 2019, \$113,576,000 of equipment financing has been utilized for Fiscal Year 2019.

Further details on the equipment to be financed and leverage ratios for individual institutions may be found in the table on the following page.

U. T. SYSTEM EQUIPMENT FINANCING - INSTITUTION REQUESTS
FY 2020

Institution	\$ Amount of Request	Description of Expected Capital Equipment	Spendable Cash & Inv. to Total Debt *
U. T. Dallas	10,000,000	General purpose equipment supporting University's instruction, research & business operations	0.9x
U. T. El Paso	2,850,000	Campus telecommunications infrastructure, floor coverings, swimming pool filtration, vehicles	1.1x
U. T. Rio Grande Valley	100,000	Fitness equipment	1.4x
U. T. San Antonio	7,080,000	Facilities plant, public safety, theater, new faculty start-up, and telecommunications equipment	1.2x
U. T. Southwestern Medical Center	37,500,000	Information resources projects; clinical and hospital equipment	2.1x
U. T. Medical Branch - Galveston	50,000,000	Clinical, IT infrastructure, research-related, and facility-related equipment	1.1x
U. T. Health Science Center - Houston	20,000,000	EPIC Project	3.4x
U. T. Health Science Center - San Antonio	25,000,000	Core research, clinical transformation and/or infrastructure equipment	3.1x
U. T. M. D. Anderson Cancer Center	70,000,000	Medical, diagnostic, research, vehicles, information systems and technology equipment	6.3x
U. T. Health Science Center - Tyler	25,035,000	Clinical/laboratory and IT equipment	0.4x
Total	\$247,565,000		

* Spendable Cash & Inv. to Total Debt ratios are based on FY2018 Analysis of Financial Condition (Feb 2019). The calculation includes TRB debt service.

U. T. System Office of Finance, July 10, 2019

4. U. T. System Board of Regents: Adoption of a Resolution authorizing the issuance, sale, and delivery of Permanent University Fund Bonds and authorization to complete all related transactions

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Business Affairs that the U. T. System Board of Regents

- a. adopt a Resolution, substantially in the form previously approved by the U. T. System Board of Regents, authorizing the issuance, sale, and delivery of Board of Regents of The University of Texas System Permanent University Fund (PUF) Bonds in one or more installments in an aggregate principal amount not to exceed \$600 million to be used to refund certain outstanding PUF Bonds, to refund PUF Commercial Paper Notes, to provide new money to fund construction and acquisition costs, and to pay the costs of issuance; and
- b. authorize appropriate officers and employees of U. T. System as set forth in the Resolution 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 therein; to make certain covenants and agreements in connection therewith; and to resolve other matters incident and related to the issuance, sale, security, and delivery of such bonds.

BACKGROUND INFORMATION

On August 10, 2018, the Board of Regents adopted a resolution authorizing the issuance of PUF Bonds in an amount not to exceed \$600 million for Fiscal Year 2019. Adoption of this Resolution would provide a similar authorized amount and purposes for Fiscal Year 2020. Approval of this item does not allocate additional PUF debt for capital projects.

Adoption of this Resolution would authorize the advance or current refunding of a portion of certain outstanding PUF Bonds provided that an advance refunding exceeds a minimum 3% present value debt service savings threshold. An advance refunding involves issuing bonds to refund outstanding bonds more than 90 days in advance of the call date, whereas a current refunding involves issuing bonds to refund outstanding bonds within 90 days of the call date. Refunding bonds are issued at lower interest rates thereby producing debt service savings. Adoption of this Resolution would provide the flexibility to select the particular bonds to be refunded depending on market conditions at the time of pricing. The Resolution provides that additional PUF Bonds may be refunded if such refunding is determined to be in the best interest of the U. T. System.

The Resolution would also authorize the current refunding of all or a portion of the PUF Commercial Paper Notes. The PUF Commercial Paper Note program is used to provide interim financing for PUF projects approved by the Board. Adoption of the Resolution would permit the interim financing provided through the Notes to be replaced with long-term financing. The Resolution would also authorize the issuance of bonds to provide new money to fund the capital costs of eligible projects.

The Resolution would also authorize the appropriate officers and employees of the U. T. System to refund outstanding PUF Bonds pursuant to a tender program and to use lawfully available funds to defease outstanding PUF Bonds when economically advantageous.

The proposed Resolution has been reviewed by outside bond counsel and the U. T. System Office of General Counsel.

Note: The Resolution is on file in the Office of the Board of Regents.

5. U. T. System Board of Regents: Adoption of a Supplemental Resolution authorizing the issuance, sale, and delivery of Revenue Financing System Bonds and authorization to complete all related transactions

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Business Affairs that the U. T. System Board of Regents

- a. adopt a Supplemental Resolution, substantially in the form previously approved by the U. T. System Board of Regents, authorizing the issuance, sale, and delivery of Board of Regents of The University of Texas System Revenue Financing System (RFS) Bonds in one or more installments in an aggregate principal amount not to exceed \$750 million to be used to refund certain outstanding RFS Bonds, to refund RFS Commercial Paper Notes, to provide new money to fund construction and acquisition costs of projects in the Capital Improvement Program, and to pay the costs of issuance; and
- b. authorize appropriate officers and employees of U. T. System as set forth in the Supplemental Resolution 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 therein; to make certain covenants and agreements in connection therewith; and to resolve other matters incident and related to the issuance, sale, security, and delivery of such RFS Bonds.

BACKGROUND INFORMATION

On August 10, 2018, the Board of Regents adopted the 33rd Supplemental Resolution authorizing the issuance of additional RFS Bonds in an amount not to exceed \$975 million. Adoption of this 34th Supplemental Resolution would provide authority to finance additional projects approved by the Board of Regents under the same provisions as the prior resolution.

Adoption of the Supplemental Resolution would authorize the advance or current refunding of a portion of certain outstanding RFS Bonds provided that an advance refunding exceeds a minimum 3% present value debt service savings threshold. An advance refunding involves issuing bonds to refund outstanding bonds more than 90 days in advance of the call date whereas a current refunding involves issuing bonds to refund outstanding bonds within 90 days of the call date. Refunding bonds are issued at lower interest rates thereby producing debt service savings. Adoption of this Supplemental Resolution will provide the flexibility to select the particular bonds to be refunded depending on market conditions at the time of pricing.

The Supplemental Resolution would also authorize the current refunding of all or a portion of the RFS Commercial Paper Notes. The RFS Commercial Paper Note program is used to provide interim financing for RFS projects approved by the Board. Adoption of the Supplemental Resolution will permit the interim financing provided through the Notes to be replaced with long-term financing. The Supplemental Resolution would also authorize the issuance of bonds to provide new money to fund the capital costs of eligible projects.

The Supplemental Resolution would also authorize the appropriate officers and employees of the U. T. System to refund outstanding RFS Bonds pursuant to a tender program and to use lawfully available funds to defease outstanding RFS Bonds when economically advantageous.

The proposed Supplemental Resolution has been reviewed by outside bond counsel and the U. T. System Office of General Counsel.

Note: The Supplemental Resolution is on file in the Office of the Board of Regents.

6. U. T. System Board of Regents: Adoption of resolutions authorizing certain bond enhancement agreements for Revenue Financing System debt and Permanent University Fund debt, including ratification of U. T. System Interest Rate Swap Policy

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Business Affairs that the U. T. System Board of Regents adopt resolutions substantially in the form set out on the following pages (the Resolutions) authorizing appropriate officers of the U. T. System to enter into bond enhancement agreements related to its Revenue Financing System (RFS) and Permanent University Fund (PUF) debt programs in accordance with the U. T. System Interest Rate Swap Policy and to take any and all actions necessary to carry out the intentions of the U. T. System Board of Regents.

BACKGROUND INFORMATION

Texas Education Code Section 65.461 provides specific authority to the U. T. System Board of Regents to enter into "bond enhancement agreements," which include interest rate swaps and related agreements in connection with administration of the U. T. System's RFS and PUF debt programs.

The U. T. System Interest Rate Swap Policy was approved by the Board of Regents as a Regental Policy on February 13, 2003, and was incorporated into the Regents' *Rules and Regulations*, Rule 70202, on December 10, 2004. The Rule was subsequently amended on August 23, 2007. Section 1371.056(l) of the *Texas Government Code* requires that while an interest rate management agreement transaction is outstanding, the governing body of the issuer shall review and ratify or modify its related risk management policy at least biennially.

On August 10, 2018, the Board approved bond enhancement agreement resolutions for FY 2019. Approval of this item would authorize the execution of bond enhancement agreement transactions related to RFS and PUF debt in accordance with the U. T. System Interest Rate Swap Policy for FY 2020 and will ratify the existing U. T. System Interest Rate Swap Policy, set out as Exhibit B, as required by *Texas Government Code* Section 1371.056. The determination to utilize bond enhancement agreements will be made based on market conditions at the time of pricing the related debt issuance. The Chancellor and the Chairman of the Board's Finance and Planning Committee will be informed in advance of any proposed transactions to be undertaken pursuant to the resolutions.

A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF BOND ENHANCEMENT AGREEMENTS RELATING TO REVENUE FINANCING SYSTEM DEBT AND AUTHORIZING AND APPROVING OTHER INSTRUMENTS AND PROCEDURES RELATING TO SAID AGREEMENTS

August 15, 2019

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; and

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"); and

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; and

WHEREAS, the Master Resolution establishes the Revenue Financing System comprised of the institutions now or hereafter constituting components of the System that are designated "Members" of the Financing System by action of the Board and pledges the Pledged Revenues attributable to each Member of the Financing System to the payment of Parity Debt to be outstanding under the Master Resolution; and

WHEREAS, the Board has adopted Supplemental Resolutions to the Master Resolution authorizing the issuance of Parity Debt thereunder as special, limited obligations of the Board payable solely from and secured by a lien on and pledge of Pledged Revenues pledged for the equal and proportionate benefit and security of all owners of Parity Debt; and

WHEREAS, the Board has previously entered into certain Executed Master Agreements (as defined herein) with certain counterparties setting forth the terms and conditions applicable to each Confirmation (as defined herein) executed or to be executed thereunder; and

WHEREAS, the Board hereby desires to ratify and approve the System's Interest Rate Swap Policy, a copy of which is attached hereto as Exhibit B, and to severally authorize each Authorized Representative (as defined in the System's Interest Rate Swap Policy) to enter into Bond Enhancement Agreements (as defined herein) from time to time, all as provided 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 BOND ENHANCEMENT AGREEMENTS.

(a) Delegation. Each Authorized Representative is hereby severally authorized to act on behalf of the Board in accepting and executing new or amended confirmations under one or more of the Master Agreements (each, a "Confirmation", and collectively with the applicable Master Agreement, a "Bond Enhancement Agreement") when, in his or her judgment, the execution of such Confirmation is consistent with this Resolution and the System's Interest Rate Swap Policy (except to the extent provided for in

Section 2(h) hereof) and either (i) the transaction is expected to reduce the net interest to be paid by the Board with respect to any then outstanding Parity Debt or Parity Debt anticipated to be issued in the future over the term of the Bond Enhancement Agreement or (ii) the transaction is in the best interests of the Board given the market conditions at that time. Prior to entering into any such transaction, an Authorized Representative must deliver to the General Counsel of the Board a certificate setting forth the determinations of the Authorized Representative in connection with the foregoing. Each Authorized Representative is also severally authorized to execute any required novation agreement related to the execution and delivery of a new or amended Confirmation undertaken in conjunction with the novation of an existing Confirmation. The delegation to each Authorized Representative to execute and deliver Bond Enhancement Agreements on behalf of the Board under this Resolution shall expire on September 1, 2020.

(b) Authorizing Law and Treatment as Credit Agreement. The Board hereby determines that any such Bond Enhancement Agreement entered into by an Authorized Representative pursuant to this Resolution is necessary or appropriate to place the Board's obligations with respect to its outstanding Parity Debt or Parity Debt anticipated to be issued in the future on the interest rate, currency, cash flow or other basis set forth in such Bond Enhancement Agreement as approved and executed on behalf of the Board by an Authorized Representative. Each Bond Enhancement Agreement constitutes a "Credit Agreement" as defined in the Master Resolution and a "bond enhancement agreement" under Section 65.461 of the *Texas Education Code*, as amended ("Section 65.461"). Pursuant to Section 65.461, a Bond Enhancement Agreement authorized and executed by an Authorized Representative under this Resolution shall not be considered a "credit agreement" under Chapter 1371 of the *Texas Government Code*, as amended ("Chapter 1371"), unless specifically designated as such by such Authorized Representative. In the event an Authorized Representative elects to treat a Bond Enhancement Agreement authorized by this Resolution as a "credit agreement" under Chapter 1371 and this Resolution has not previously been submitted to the Attorney General by an Authorized Representative, such Authorized Representative shall submit this Resolution to the Attorney General for review and approval in accordance with the requirements of Chapter 1371 as the proceedings authorizing Bond Enhancement Agreements entered into by the Board pursuant to this Resolution.

(c) Maximum Term. The maximum term of each Bond Enhancement Agreement authorized by this Resolution shall not exceed the maturity date of the then outstanding related Parity Debt or the related Parity Debt anticipated to be issued in the future, as applicable.

(d) Notional Amount. The notional amount of any Bond Enhancement Agreement authorized by this Resolution shall not at any time exceed the aggregate principal amount of the then outstanding related Parity Debt and related Parity Debt anticipated to be issued in the future, as applicable; provided that the aggregate notional amount of multiple Bond Enhancement Agreements relating to the same Parity Debt may exceed the principal amount of the related Parity Debt if such Bond Enhancement Agreements are for different purposes, as evidenced for example by different rates for calculating payments owed, and the aggregate notional amount of any such Bond Enhancement Agreements for the same purpose otherwise satisfies the foregoing requirements.

(e) Early Termination. Except as provided in the following sentence, no Confirmation entered into pursuant to this Resolution shall contain early termination provisions at the option of the counterparty except upon the occurrence of an event of default or an additional termination event, as prescribed in the applicable Master Agreement. With respect to a Bond Enhancement Agreement described in Section 4(a)(4), each Authorized Representative is hereby severally authorized to include early termination provisions at the option of the counterparty in a Confirmation for such a transaction if, in his or her judgment, such provisions are in the best interests of the Board given the market conditions at that time. In addition to subsections (a) and (b) of Section 6 hereof, each Authorized Representative is hereby

severally authorized to terminate any Bond Enhancement when, in his or her judgment, such termination is in the best interests of the Board given the market conditions at that time.

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

(g) Credit Enhancement. An Authorized Representative may obtain credit enhancement for any Bond Enhancement Agreement if such Authorized Representative, as evidenced by a certificate delivered to the General Counsel to the Board, has determined that after taking into account the cost of such credit enhancement, such credit enhancement will reduce the amount payable by the Board pursuant to such Bond Enhancement Agreement; provided that the annual cost of credit enhancement on any Bond Enhancement Agreement entered into pursuant to this Resolution may not exceed 0.50% of the notional amount of such Bond Enhancement Agreement.

(h) Deutsche Bank Credit Rating. Notwithstanding anything else in this Resolution or the System's Interest Rate Swap Policy to the contrary, an Authorized Representative is authorized specifically to execute a Bond Enhancement Agreement described in Section 4(a)(4) with Deutsche Bank AG, New York Branch ("Deutsche Bank"), provided that if Deutsche Bank does not have a long term rating of at least A/A2, any new Bond Enhancement Agreements executed with Deutsche Bank AG shall require Deutsche Bank to post collateral for the benefit of the Board at a zero threshold as security for Deutsche Bank's obligations under such Bond Enhancement Agreement. The Board hereby finds that entering into a Bond Enhancement Agreement contemplated by this subsection would constitute a beneficial transaction for the System and would be in the best interest of the Board, and upon the execution of such a Bond Enhancement Agreement, the Board hereby deems the System's Interest Rate Swap Policy to be amended to permit such a Bond Enhancement Agreement.

SECTION 3. BOND ENHANCEMENT AGREEMENTS AS PARITY DEBT. The costs of any Bond Enhancement Agreement and the amounts payable thereunder shall be payable out of Pledged Revenues and each Bond Enhancement Agreement shall constitute Parity Debt under the Master Resolution, except to the extent that a Bond Enhancement 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 the Bond Enhancement Agreements authorized by this Resolution 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 Bond Enhancement Agreements are entered into possess the financial capacity to satisfy their Direct Obligations after taking such Bond Enhancement Agreements into account.

SECTION 4. AUTHORIZATION FOR SPECIFIC TRANSACTIONS.

(a) In addition to the authority otherwise granted in this Resolution, each Authorized Representative is hereby severally granted continuing authority to enter into the following specific transactions pursuant to a Confirmation (or other agreement or instrument deemed necessary by an Authorized Representative) upon satisfaction of the following respective conditions:

(1) Floating-to-fixed rate interest rate swap transactions under which the Board would pay an amount based upon a fixed rate of interest and the counterparty would pay an amount based upon a variable rate of interest with respect to Parity Debt then outstanding bearing interest at a variable rate and Parity Debt anticipated to be issued in the future that will bear interest at a variable rate, as

applicable. Prior to entering into such transaction, an Authorized Representative must deliver to the General Counsel to the Board a certificate to the effect that (i) the synthetic fixed rate to the Board pursuant to the swap transaction is lower than the rate available to the Board for comparable fixed rate debt at the time of the swap transaction, and (ii) if the variable rate being paid or expected to be paid by the Board on the applicable Parity Debt is computed on a basis different from the calculation of the variable rate to be received under the swap transaction over the stated term of such swap transaction, the basis risk of the transaction is expected to be minimal based upon historical relationships between such bases.

(2) Fixed-to-floating rate interest rate swap transactions under which the Board would pay an amount based upon a variable rate of interest and the counterparty would pay an amount based upon a fixed rate of interest, with respect to Parity Debt then outstanding bearing interest at a fixed rate and Parity Debt anticipated to be issued in the future that will bear interest at a fixed rate, as applicable. Prior to entering into such transaction an Authorized Representative must deliver to the General Counsel to the Board a certificate to the effect that converting such portion of fixed rate Parity Debt to a variable rate pursuant to the fixed-to-floating interest rate swap transaction would be beneficial to the System by (i) lowering the anticipated net interest cost on the Parity Debt to be swapped against or (ii) assisting in the System's asset/liability management by matching a portion of its variable rate assets with variable rate Parity Debt.

(3) Basis swap transactions under which the Board would pay a variable rate of interest computed on one basis, such as the Securities Industry and Financial Markets Association Municipal Swap Index, and the counterparty would pay a variable rate of interest computed on a different basis, such as the London Interbank Offered Rate ("LIBOR"), with respect to a designated maturity or principal amount of outstanding Parity Debt and Parity Debt anticipated to be issued in the future, as applicable. Prior to entering into such transaction, an Authorized Representative must deliver to the General Counsel to the Board a certificate to the effect that by entering into the basis swap transaction the Board is expected to be able to (i) achieve spread income or upfront cash payments, (ii) preserve call option and advance refunding capability on its Parity Debt, (iii) lower net interest cost by effecting a percent of LIBOR synthetic refunding without issuing additional bonds or acquiring credit enhancement, (iv) lower net interest cost on Parity Debt by layering tax risk on top of a traditional or synthetic fixed rate financing, (v) preserve liquidity capacity, or (vi) avoid the mark to market volatility of a fixed-to-floating or floating-to-fixed swap in changing interest rate environments.

(4) Basis swap transactions that are a combination of authority granted under subsections (1) and (2) above under which the Board would pay a variable rate of interest computed on one basis, such as LIBOR, and the counterparty would pay a fixed rate of interest ("Fixed Rate #1"), combined with a swap under which the Board would receive the same variable rate of interest, and the counterparty would receive a fixed rate of interest different than Fixed Rate #1, with respect to a given principal amount of Parity Debt then outstanding or Parity Debt anticipated to be issued in the future. Prior to entering into such transaction, an Authorized Representative must deliver to the General Counsel to the Board a certificate to the effect that by entering into the basis swap transaction the Board is expected to be able to (i) achieve spread income or upfront cash payments, or (ii) lowering the anticipated net interest cost on the related Parity Debt.

(5) Interest rate locks, caps, options, floors, and collars for the purpose of limiting the exposure of the Board to adverse changes in interest rates in connection with outstanding Parity Debt or additional Parity Debt anticipated to be issued in the future. Prior to entering into such a transaction, an Authorized Representative must deliver to the General Counsel to the Board a certificate to the effect that such transaction is expected to limit or eliminate such exposure.

(b) The foregoing is not intended to be a comprehensive list of permissible types of transactions, but rather to specify additional conditions necessary to enter into the specified types of transactions. The requirements of Section 2(a) above shall apply to any transaction not specified in subsection (a) hereof.

SECTION 5. APPLICATION OF PAYMENTS RECEIVED UNDER BOND ENHANCEMENT AGREEMENTS.

(a) General. Except as further limited by subsection (b) hereof, to the extent the Board receives payments pursuant to a Bond Enhancement Agreement, such payments shall be applied for any lawful purpose.

(b) Payments under Chapter 1371 Credit Agreements. In the event an Authorized Representative elects to treat a Bond Enhancement Agreement authorized by this Resolution as a "credit agreement" under Chapter 1371 and such Bond Enhancement Agreement is executed and delivered pursuant to Chapter 1371, to the extent that the Board receives payments pursuant to such a Bond Enhancement Agreement, such payments shall be applied as follows: (i) to pay (A) debt service on the Parity Debt or anticipated issuance of Parity Debt related to the Bond Enhancement Agreement, or (B) the costs to be financed by the Parity Debt or anticipated issuance of Parity Debt related to the Bond Enhancement Agreement; provided that, if applicable, such costs shall have been approved for construction by the Board; (ii) to pay other liabilities or expenses that are secured on parity with or senior to the Parity Debt or anticipated issuance of Parity Debt related to the Bond Enhancement Agreement; or (iii) to the extent that costs set forth in (i) and (ii) have been satisfied, for any other lawful purpose.

SECTION 6. BOND ENHANCEMENT AGREEMENTS IN CONNECTION WITH ANTICIPATED PARITY DEBT.

(a) Requirement to Terminate or Modify Agreement for Non-issuance of Anticipated Parity Debt. In the event a Bond Enhancement Agreement is entered into under this Resolution in connection with the anticipated issuance of Parity Debt and such Parity Debt is not actually issued on or prior to the effective date of such agreement, an Authorized Representative shall either terminate such Bond Enhancement Agreement or amend such Bond Enhancement Agreement in such event to (i) delay the effective date of such Bond Enhancement Agreement; or (ii) replace such anticipated Parity Debt with any then outstanding Parity Debt having the same types of interest rates (fixed or variable) as the anticipated Parity Debt.

(b) Requirement to Terminate or Modify Agreement for Notional Amount in Excess of Anticipated Parity Debt as Issued. In the event a Bond Enhancement Agreement is entered into under this Resolution in connection with the anticipated issuance of Parity Debt and such Bond Enhancement Agreement has a notional amount that at any time exceeds the principal amount to be outstanding of such anticipated Parity Debt as actually issued, an Authorized Representative shall either terminate such Bond Enhancement Agreement or amend such Bond Enhancement Agreement to (i) reduce the notional amount of such Bond Enhancement as appropriate so that such notional amount does not exceed at any time the principal amount to be outstanding of such anticipated Parity Debt as actually issued or (ii) supplement or replace all or a portion of such anticipated Parity Debt with any then outstanding Parity Debt having the same types of interest rates (fixed or variable) as the anticipated Parity Debt as necessary to ensure that the notional amount of such Bond Enhancement Agreement does not exceed at any time the principal amount of the applicable Parity Debt.

(c) Board Recognition of Anticipated Parity Debt. No Bond Enhancement Agreement may be entered into under this Resolution with respect to the Board's obligations under an anticipated future

issuance of Parity Debt unless such anticipated issuance of future debt shall have been recognized by official action of the Board pursuant to (i) the Board's prior adoption of a resolution authorizing the issuance of such debt, including, but not limited to, a resolution delegating the parameters of such issuance to an Authorized Representative or a resolution authorizing the issuance of commercial paper notes, (ii) the Board's prior approval of its then current Capital Improvement Program contemplating the financing of the projects to be financed or refinanced by such anticipated issuance of debt and the amount of such debt to be issued or the Board's other approval of such projects for financing or (iii) the Board's action pursuant to subsection (e) hereof with respect to Parity Debt anticipated to be issued to refund outstanding Parity Debt.

(d) Required Description of Anticipated Parity Debt. To the extent that a Bond Enhancement Agreement is entered into under this Resolution with respect to the Board's obligations under an anticipated future issuance of Parity Debt, an Authorized Representative must also deliver to the General Counsel to the Board at the time such agreement is entered into a certificate with respect to such anticipated Parity Debt stating: (i) the anticipated issuance date of such Parity Debt or a range of anticipated dates of up to six months for such issuance, provided that such date or range of dates may not be more than the lesser of seventy-two (72) months after the date of the applicable Confirmation or the latest date contemplated for the issuance of such Parity Debt in the Board's then current Capital Improvement Program; (ii) whether such Parity Debt will bear interest at a fixed or variable rate; (iii) if such Parity Debt will bear interest at a fixed rate, what fixed interest rate or range of interest rates with respect to such Parity Debt is anticipated; (iv) if such Parity Debt will bear interest at a variable rate, what basis is anticipated to be used to compute such variable rate; (v) the assumed maturity schedule and amortization for such Parity Debt, including the assumed interest cost; (vi) the anticipated purposes for which the proceeds of such Parity Debt will be used; and (vii) for Parity Debt anticipated to be issued for new money projects, a list or description of such projects anticipated to be financed, provided that each such project must be contemplated for financing with Parity Debt by the Board's then current Capital Improvement Program or have otherwise received Board approval for financing.

(e) Board's Statement of Intent to Issue Refunding Debt for Savings. If the conditions in this Resolution are otherwise satisfied, the Board hereby authorizes each Authorized Representative to enter into a Bond Enhancement Agreement in connection with Parity Debt anticipated to be issued for the purpose of advance refunding any existing Parity Debt, provided that as certified by an Authorized Representative to the General Counsel to the Board, such anticipated issue of Parity Debt, when taking into consideration the effect of such Bond Enhancement Agreement, is expected to result in a present value savings in connection with such advance refunding of at least 3.0% (determined in the manner set forth in a supplemental resolution approved by the Board authorizing the issuance of additional Parity Debt), and in such event, the Board hereby declares its intention to cause such Parity Debt to be issued. No such certification or declaration shall be applicable in connection with Parity Debt anticipated to be issued for the purpose of currently refunding any existing Parity Debt within ninety (90) days of the date of issuance of such anticipated Parity Debt.

SECTION 7. MASTER AGREEMENTS.

(a) New Master Agreements. Each Authorized Representative is hereby severally authorized to enter into ISDA Master Agreements (the "New Master Agreements") with counterparties satisfying the ratings requirements of the System's Interest Rate Swap Policy. Such New Master Agreements shall be in substantially the same form as the Executed Master Agreements, with such changes as, in the judgment of an Authorized Representative, with the advice and counsel of the Office of General Counsel and Bond Counsel, are necessary or desirable (i) to carry out the intent of the Board as expressed in this Resolution, (ii) to receive approval of this Resolution by the Attorney General of the State of Texas, if pursuant Section 2(b) of this Resolution, an Authorized Representative elects to designate any Bond Enhancement

Agreement entered into by the Board pursuant to this Resolution as a "credit agreement" under Chapter 1371, (iii) to accommodate the credit structure or requirements of a particular counterparty or (iv) to incorporate comments received or anticipated to be received from any credit rating agency relating to a New Master Agreement. Each Authorized Representative is authorized to enter into such New Master Agreements and to enter into Confirmations thereunder in accordance with this Resolution and in furtherance of and to carry out the intent hereof. If a New Master Agreement entered into pursuant to this subsection replaces a then effective Master Agreement with the same or a related counterparty, each Authorized Representative is hereby severally authorized to terminate such existing Master Agreement upon the New Master Agreement becoming effective and to take and all actions necessary to transfer any Confirmations thereunder to such New Master Agreement.

(b) Amendments to Master Agreements. Each Authorized Representative is hereby further severally authorized to enter into amendments to the Master Agreements to allow Confirmations thereunder to be issued and entered into with respect to any then outstanding Parity Debt or Parity Debt anticipated to be issued in the future and to make such other amendments in accordance with the terms of the respective Master Agreements as in the judgment of such Authorized Representative, with the advice and counsel of the Office of General Counsel and Bond Counsel, are necessary or desirable to allow the Board to achieve the benefits of the Bond Enhancement Agreements in accordance with and subject to the System's Interest Rate Swap Policy and this Resolution.

SECTION 8. ADDITIONAL AUTHORIZATION; RATIFICATION AND APPROVAL OF SWAP POLICY.

(a) Additional Agreements and Documents Authorized. Each Authorized Representative and all officers of the Board are severally authorized to execute and deliver such other agreements and documents as are contemplated by this Resolution and the Master Agreements or are otherwise necessary in connection with entering into Confirmations and Bond Enhancement Agreements as described in this Resolution, as any such Authorized Representative or officer shall deem appropriate, including without limitation, officer's certificates, legal opinions, credit support documents and any documentation pursuant to an ISDA DF Protocol, and the execution of any certificates and the filing of any returns with the Internal Revenue Service as may be necessary in the judgment of Bond Counsel with respect to a Bond Enhancement Agreement or the related Parity Debt. Any such actions heretofore taken are hereby ratified, approved and affirmed in all respects.

(b) Further Actions. Each Authorized Representative and all officers of the Board are severally 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) Swap Policy. The Board has reviewed and hereby ratifies, approves and affirms the System's Interest Rate Swap Policy, a copy of which is attached hereto as Exhibit B.

[Remainder of page intentionally left blank]

EXHIBIT A

DEFINITIONS

As used in this Resolution the following terms and expressions shall have the meanings set forth below, unless the text hereof specifically indicates otherwise:

"Authorized Representative" – As defined in the System's Interest Rate Swap Policy (a copy of which is attached hereto as Exhibit B).

"Board" – The Board of Regents of The University of Texas System.

"Bond Enhancement Agreement" – Collectively, each Confirmation and the applicable Master Agreement.

"Chapter 1371" – Chapter 1371 of the *Texas Government Code*, as amended.

"Confirmation" – Each confirmation entered into by an Authorized Representative on behalf of the Board pursuant to this Resolution.

"Executed Master Agreements" – The following existing and fully executed ISDA Master Agreements currently in effect between the Board and the respective counterparty noted below (copies of which are attached hereto as Exhibit C):

(i) ISDA Master Agreement with Bank of America, N.A., dated as of December 6, 2005;

(ii) ISDA Master Agreement with JPMorgan Chase Bank, National Association, dated as of May 2, 2006;

(iii) ISDA Master Agreement with Merrill Lynch Capital Services, Inc., dated as of May 1, 2006;

(iv) ISDA Master Agreement with Morgan Stanley Capital Services Inc., dated as of December 6, 2005;

(v) ISDA Master Agreement with UBS AG, dated as of November 1, 2007;

(vi) ISDA Master Agreement with Goldman Sachs Bank USA, dated as of August 1, 2009;

(vii) ISDA Master Agreement with Wells Fargo Bank, National Association, dated as of August 21, 2009;

(viii) ISDA Master Agreement with Barclays Bank PLC, dated as of November 4, 2010;

(ix) ISDA Master Agreement with Deutsche Bank AG, New York Branch, dated as of May 1, 2011;

(x) ISDA Master Agreement with Royal Bank of Canada, dated as of June 8, 2011;
and

(xi) ISDA Master Agreement with Citibank, N.A., dated as of October 26, 2011.

"ISDA" – The International Swaps and Derivatives Association, Inc.

"ISDA DF Protocol" – Any protocol developed by ISDA in response to provisions of the Dodd Frank Wall Street Reform and Consumer Protection Act relating to derivatives.

"LIBOR" – London Interbank Offered Rate.

"Master Agreements" – Collectively, the Executed Master Agreements and any New Master Agreements.

"Master Resolution" – The First Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System adopted by the Board on February 14, 1991, and amended on October 8, 1993, and August 14, 1997.

"New Master Agreements" – Any ISDA Master Agreements entered into by an Authorized Representative pursuant to Section 7(a) of this Resolution.

"Section 65.461" – Section 65.461 of the *Texas Education Code*, as amended.

"System" – The University of Texas System.

EXHIBIT B

**INTEREST RATE SWAP POLICY
OF THE UNIVERSITY OF TEXAS SYSTEM**

[See Regents' *Rules and Regulations*, Rule 70202 titled Interest Rate Swap Policy]

EXHIBIT C

EXECUTED MASTER AGREEMENTS

[On file with the U. T. System Office of Business Affairs]

A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF BOND ENHANCEMENT AGREEMENTS RELATING TO PERMANENT UNIVERSITY FUND DEBT AND AUTHORIZING AND APPROVING OTHER INSTRUMENTS AND PROCEDURES RELATING TO SAID AGREEMENTS

August 15, 2019

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”); and

WHEREAS, the Permanent University Fund is a 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 (the “Permanent University Fund”); and

WHEREAS, the Available University Fund is 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, as amended (the “Available University Fund”); and

WHEREAS, Section 18 of Article VII of the Constitution of the State, as may hereafter be amended (the “Constitutional Provision”), authorizes the Board to issue bonds and notes (“PUF Debt”) not to exceed a total amount of 20% of the cost value of investments and other assets of the Permanent University Fund, exclusive of real estate, at the time of issuance thereof and to pledge all or any part of its two-thirds interest in the Available University Fund (the “Interest of the System”) to secure the payment of the principal of and interest on PUF Debt, for the purpose of acquiring land, constructing and equipping buildings or other permanent improvements, major repair and rehabilitation of buildings and other permanent improvements, acquiring capital equipment and library books and library materials, and refunding bonds or notes issued under the Constitutional Provision or prior law, at or for the System administration and institutions of the System as listed in the Constitutional Provision; and

WHEREAS, the Constitutional Provision also provides that out of the Interest of the System in the Available University Fund there shall be appropriated an annual sum sufficient to pay the principal and interest due on PUF Debt, and the remainder of the Interest of the System in the Available University Fund (the “Residual AUF”) shall be appropriated for the support and maintenance of The University of Texas at Austin and the System Administration; and

WHEREAS, the Board has previously entered into certain Executed Master Agreements (as defined herein) with certain counterparties setting forth the terms and conditions applicable to each Confirmation (as defined herein) to be executed thereunder; and

WHEREAS, the Board hereby desires to ratify and approve the U.T. System’s Interest Rate Swap Policy, a copy of which is attached hereto as Exhibit B, and to severally authorize each Authorized Representative (as defined in the System’s Interest Rate Swap Policy) to enter into Bond Enhancement Agreements (as defined herein) from time to time, all as provided in this Resolution.

NOW THEREFORE BE IT RESOLVED, that

SECTION 1. DEFINITIONS. Capitalized terms used in this Resolution and not otherwise defined shall have the meanings given in Exhibit A attached hereto and made a part hereof.

SECTION 2. AUTHORIZATION OF BOND ENHANCEMENT AGREEMENTS.

(a) Delegation. Each Authorized Representative is hereby severally authorized to act on behalf of the Board in accepting and executing new or amended confirmations under one or more of the Master Agreements (each, a “Confirmation” and, collectively with the applicable Master Agreement, a “Bond Enhancement Agreement”) when, in his or her judgment, the execution of such Confirmation is consistent with this Resolution and the System’s Interest Rate Swap Policy and either (i) the transaction is expected to reduce the net interest to be paid by the Board with respect to any then outstanding PUF Debt or PUF Debt anticipated to be issued in the future over the term of the Bond Enhancement Agreement or (ii) the transaction is in the best interests of the Board given the market conditions at that time. Prior to entering into any such transaction, an Authorized Representative must deliver to the General Counsel of the Board a certificate setting forth the determinations of the Authorized Representative in connection with the foregoing. Each Authorized Representative is also severally authorized to execute any required novation agreement related to the execution and delivery of a new or amended Confirmation undertaken in conjunction with the novation of an existing Confirmation. The delegation to each Authorized Representative to execute and deliver Bond Enhancement Agreements on behalf of the Board under this Resolution shall expire on September 1, 2020.

(b) Authorizing Law and Treatment as Credit Agreement. The Board hereby determines that any such Bond Enhancement Agreement entered into by an Authorized Representative pursuant to this Resolution is necessary or appropriate to place the Board’s obligations with respect to its outstanding PUF Debt or PUF Debt anticipated to be issued in the future on the interest rate, currency, cash flow or other basis set forth in such Bond Enhancement Agreement as approved and executed on behalf of the Board by an Authorized Representative. Each Bond Enhancement Agreement constitutes a “bond enhancement agreement” under Section 65.461 of the *Texas Education Code*, as amended (“Section 65.461”). Pursuant to Section 65.461, a Bond Enhancement Agreement authorized and executed by an Authorized Representative under this Resolution shall not be considered a “credit agreement” under Chapter 1371 of the *Texas Government Code*, as amended (“Chapter 1371”), unless specifically designated as such by such Authorized Representative. In the event an Authorized Representative elects to treat a Bond Enhancement Agreement authorized by this Resolution as a “credit agreement” under Chapter 1371 and this Resolution has not previously been submitted to the Attorney General by an Authorized Representative or is required to be submitted for such Bond Enhancement Agreement, such Authorized Representative shall submit this Resolution to

the Attorney General for review and approval in accordance with the requirements of Chapter 1371 as the proceedings authorizing Bond Enhancement Agreements entered into by the Board pursuant to this Resolution.

(c) Costs; Maximum Term. The costs of any Bond Enhancement Agreement and the amounts payable thereunder, including but not limited to any amounts payable by the Board as a result of terminating a Bond Enhancement 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.

The maximum term of each Bond Enhancement Agreement authorized by this Resolution shall not exceed the maturity date of the then outstanding related PUF Debt or the related PUF Debt anticipated to be issued in the future, as applicable.

(d) Notional Amount. The notional amount of any Bond Enhancement Agreement authorized by this Resolution shall not at any time exceed the aggregate principal amount of the then outstanding related PUF Debt or related PUF Debt anticipated to be issued in the future, as applicable; provided that the aggregate notional amount of multiple Bond Enhancement Agreements relating to the same PUF Debt may exceed the principal amount of the related PUF Debt if such Bond Enhancement Agreements are for different purposes, as evidenced for example by different rates for calculating payments owed, and the aggregate notional amount of any such Bond Enhancement Agreements for the same purpose otherwise satisfies the foregoing requirements.

(e) Early Termination. No Confirmation entered into pursuant to this Resolution shall contain early termination provisions at the option of the counterparty except upon the occurrence of an event of default or an additional termination event, as prescribed in the applicable Master Agreement. In addition to subsections (a) and (b) of Section 5 hereof, each Authorized Representative is hereby severally authorized to terminate any Bond Enhancement when, in his or her judgment, such termination is in the best interests of the Board given the market conditions at that time.

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

(g) Credit Enhancement. An Authorized Representative may obtain credit enhancement for any Bond Enhancement Agreement if such Authorized Representative, as evidenced by a certificate delivered to the General Counsel to the Board, has determined that after taking into account the cost of such credit enhancement, such credit enhancement will reduce the amount payable by the Board pursuant to such Bond Enhancement Agreement; provided that the annual cost of credit enhancement on any Bond Enhancement Agreement entered into pursuant to this Resolution may not exceed 0.50% of the notional amount of such Bond Enhancement Agreement.

SECTION 3. AUTHORIZATION FOR SPECIFIC TRANSACTIONS.

(a) In addition to the authority otherwise granted in this Resolution, each Authorized Representative is hereby severally granted continuing authority to enter into the following

specific transactions pursuant to a Confirmation (or other agreement or instrument deemed necessary by an Authorized Representative) upon satisfaction of the following respective conditions:

(1) Floating-to-fixed rate interest rate swap transactions under which the Board would pay an amount based upon a fixed rate of interest and the counterparty would pay an amount based upon a variable rate of interest with respect to PUF Debt then outstanding bearing interest at a variable rate and any PUF Debt anticipated to be issued in the future that will bear interest at a variable rate, as applicable. Prior to entering into such transaction, an Authorized Representative must deliver to the General Counsel to the Board a certificate to the effect that (i) the synthetic fixed rate to the Board pursuant to the swap transaction is lower than the rate available to the Board for comparable fixed rate debt at the time of the swap transaction, and (ii) if the variable rate being paid or expected to be paid by the Board on the applicable PUF Debt is computed on a basis different from the calculation of the variable rate to be received under the swap transaction over the stated term of such swap transaction, the basis risk of the transaction is expected to be minimal based upon historical relationships between such bases.

(2) Fixed-to-floating rate interest rate swap transactions under which the Board would pay an amount based upon a variable rate of interest and the counterparty would pay an amount based upon a fixed rate of interest, with respect to PUF Debt then outstanding bearing interest at a fixed rate or PUF Debt anticipated to be issued in the future that will bear interest at a fixed rate, as applicable. Prior to entering into such transaction, an Authorized Representative must deliver to the General Counsel to the Board a certificate to the effect that converting such portion of fixed rate PUF Debt to a variable rate pursuant to the fixed-to-floating interest rate swap transaction would be beneficial to the System by (i) lowering the anticipated net interest cost on the PUF Debt to be swapped against or (ii) assisting in the System's asset/liability management by matching a portion of its variable rate assets with variable rate PUF Debt.

(3) Basis swap transactions under which the Board would pay a variable rate of interest computed on one basis, such as the Securities Industry and Financial Markets Association Municipal Swap Index, and the counterparty would pay a variable rate of interest computed on a different basis, such as a designated maturity of the London Interbank Offered Rate ("LIBOR"), with respect to a given principal amount of PUF Debt then outstanding or PUF Debt anticipated to be issued in the future, as applicable. Prior to entering into such transaction, an Authorized Representative must deliver to the General Counsel to the Board a certificate to the effect that by entering into the basis swap transaction the Board is expected to be able to (i) achieve spread income or upfront cash payments, (ii) preserve call option and advance refunding capability on its PUF Debt, (iii) lower net interest cost by effecting a percent of LIBOR synthetic refunding without issuing additional bonds or acquiring credit enhancement, (iv) lower net interest cost on PUF Debt by layering tax risk on top of a traditional or synthetic fixed rate financing, (v) preserve liquidity capacity, or (vi) avoid the mark to market volatility of a fixed-to-floating or floating-to-fixed swap in changing interest rate environments.

(4) Basis swap transactions that are a combination of authority granted under subsections (1) and (2) above under which the Board would pay a variable rate of interest computed on one basis, such as LIBOR, and the counterparty would pay a fixed rate of interest

(“Fixed Rate #1”), combined with a swap under which the Board would receive the same variable rate of interest, and the counterparty would receive a fixed rate of interest different than Fixed Rate #1, with respect to a given principal amount of PUF Debt then outstanding or PUF Debt anticipated to be issued in the future. Prior to entering into such transaction, an Authorized Representative must deliver to the General Counsel to the Board a certificate to the effect that by entering into the basis swap transaction the Board is expected to be able to (i) achieve spread income or upfront cash payments, or (ii) lower the anticipated net interest cost on the related PUF Debt.

(5) Interest rate locks, caps, options, floors, and collars for the purpose of limiting the exposure of the Board to adverse changes in interest rates in connection with outstanding PUF Debt or additional PUF Debt anticipated to be issued in the future. Prior to entering into such a transaction, an Authorized Representative must deliver to the General Counsel to the Board a certificate to the effect that such transaction is expected to limit or eliminate such exposure.

(b) The foregoing is not intended to be a comprehensive list of permissible types of transactions, but rather to specify additional conditions necessary to enter into the specified types of transactions. The requirements of Section 2(a) above shall apply to any transaction not specified in Section 3(a) above.

SECTION 4. APPLICATION OF PAYMENTS RECEIVED UNDER BOND ENHANCEMENT AGREEMENTS.

(a) General. Except as provided in subsection (b) hereof, to the extent the Board receives payments pursuant to a Bond Enhancement Agreement, such payments shall be applied for any lawful purpose.

(b) Payments under Chapter 1371 Credit Agreements. In the event an Authorized Representative elects to treat a Bond Enhancement Agreement authorized by this Resolution as a “credit agreement” under Chapter 1371 and such Bond Enhancement Agreement is executed and delivered pursuant to Chapter 1371, to the extent that the Board receives payments pursuant to such a Bond Enhancement Agreement, such payments shall be applied as follows: (i) to pay (A) debt service on the PUF Debt or anticipated issuance of PUF Debt related to the Bond Enhancement Agreement, or (B) the costs to be financed by the PUF Debt or anticipated issuance of PUF Debt related to the Bond Enhancement Agreement; provided that, if applicable, such costs shall have been approved for construction by the Board; (ii) to pay other liabilities or expenses that are secured on parity with or senior to the PUF Debt or anticipated issuance of PUF Debt related to the Bond Enhancement Agreement; or (iii) to the extent that costs set forth in (i) and (ii) have been satisfied, for any other lawful purpose.

SECTION 5. BOND ENHANCEMENT AGREEMENTS IN CONNECTION WITH ANTICIPATED PUF DEBT.

(a) Requirement to Terminate or Modify Agreement for Non-issuance of Anticipated PUF Debt. In the event a Bond Enhancement Agreement is entered into under this Resolution in connection with the anticipated issuance of PUF Debt and such PUF Debt is not actually issued

on or prior to the effective date of such agreement, an Authorized Representative shall either terminate such Bond Enhancement Agreement or amend such Bond Enhancement Agreement in such event (i) to delay the effective date of such Bond Enhancement Agreement; or (ii) to replace such anticipated PUF Debt with any then outstanding PUF Debt having the same types of interest rates (fixed or variable) as the anticipated PUF Debt.

(b) Requirement to Terminate or Modify Agreement for Notional Amount in Excess of Anticipated PUF Debt as Issued. In the event a Bond Enhancement Agreement is entered into under this Resolution in connection with the anticipated issuance of PUF Debt and such Bond Enhancement Agreement has a notional amount that at any time exceeds the principal amount to be outstanding of such anticipated PUF Debt as actually issued, an Authorized Representative shall either terminate such Bond Enhancement Agreement or amend such Bond Enhancement Agreement (i) to reduce the notional amount of such Bond Enhancement as appropriate so that such notional amount does not exceed at any time the principal amount to be outstanding of such anticipated PUF Debt as actually issued or (ii) supplement or replace all or a portion of such anticipated PUF Debt with any then outstanding PUF Debt having the same types of interest rates (fixed or variable) as the anticipated PUF Debt as necessary to ensure that the notional amount of such Bond Enhancement Agreement does not exceed at any time the principal amount of the applicable PUF Debt.

(c) Board Recognition of Anticipated PUF Debt. No Bond Enhancement Agreement may be entered into under this Resolution with respect to the Board's obligations under an anticipated future issuance of PUF Debt unless such anticipated issuance of future debt shall have been recognized by official action of the Board pursuant to (i) the Board's prior adoption of a resolution authorizing the issuance of such debt, including but not limited to a resolution delegating the parameters of such issuance to an Authorized Representative or a resolution authorizing the issuance of commercial paper notes, (ii) the Board's prior approval of its then current Capital Improvement Program contemplating the financing of the projects to be financed by such anticipated issuance of debt and the amount of such debt to be issued, or (iii) the Board's action pursuant to subsection (e) hereof with respect to PUF Debt anticipated to be issued to refund outstanding PUF Debt.

(d) Required Description of Anticipated PUF Debt. To the extent that a Bond Enhancement Agreement is entered into under this Resolution with respect to the Board's obligations under an anticipated future issuance of PUF Debt, an Authorized Representative must also deliver to the General Counsel to the Board at the time such agreement is entered into a certificate with respect to such anticipated PUF Debt stating: (i) the anticipated issuance date of such PUF Debt or a range of anticipated dates of up to six months for such issuance, provided that such date or range of dates may not be more than the lesser of seventy-two (72) months after the date of the applicable Confirmation or the latest date contemplated for the issuance of such PUF Debt in the Board's then current Capital Improvement Program; (ii) whether such PUF Debt will bear interest at a fixed or variable rate; (iii) if such PUF Debt will bear interest at a fixed rate, what fixed interest rate or range of interest rates with respect to such PUF Debt is anticipated; (iv) if such PUF Debt will bear interest at a variable rate, what basis is anticipated to be used to compute such variable rate; (v) the assumed maturity schedule and amortization for such PUF Debt, including the assumed interest cost; (vi) the anticipated purposes for which the proceeds of such PUF Debt will be used; and (vii) for PUF Debt anticipated to be issued for new

money projects, a list or description of such projects anticipated to be financed, provided that each such project must be contemplated for financing with PUF Debt by the Board's then current Capital Improvement Program or have otherwise received Board approval for financing.

(e) Board's Statement of Intent to Issue Advance Refunding Debt for Savings. If the conditions in this Resolution are otherwise satisfied, the Board hereby authorizes each Authorized Representative to enter into a Bond Enhancement Agreement in connection with PUF Debt anticipated to be issued for the purpose of advance refunding any existing PUF Debt, provided that as certified by an Authorized Representative to the General Counsel to the Board, such anticipated issue of PUF Debt, when taking into consideration the effect of such Bond Enhancement Agreement, is expected to result in a present value savings in connection with such advance refunding of at least 3.0% (determined in the manner set forth in the resolution approved by the Board authorizing the issuance of such anticipated issue of PUF Debt), and in such event, the Board hereby declares its intention to cause such anticipated PUF Debt to be issued. No such certification or declaration shall be applicable in connection with PUF Debt anticipated to be issued for the purpose of currently refunding any existing PUF Debt within ninety (90) days of the date of issuance of such anticipated PUF Debt.

SECTION 6. MASTER AGREEMENTS.

(a) New Master Agreements. Each Authorized Representative is hereby severally authorized to enter into ISDA Master Agreements (the "New Master Agreements") with counterparties satisfying the ratings requirements of the System's Interest Rate Swap Policy. Such New Master Agreements shall be in substantially the same form as the Executed Master Agreements, with such changes as, in the judgment of an Authorized Representative, with the advice and counsel of the Office of General Counsel and Bond Counsel, are necessary or desirable (i) to carry out the intent of the Board as expressed in this Resolution, (ii) to receive approval of this Resolution by the Attorney General of the State of Texas, if pursuant Section 2(b) of this Resolution, an Authorized Representative elects to designate any Bond Enhancement Agreement entered into by the Board pursuant to this Resolution as a "credit agreement" under Chapter 1371, (iii) to accommodate the credit structure or requirements of a particular counterparty or (iv) to incorporate comments received or anticipated to be received from any credit rating agency relating to a New Master Agreement. Each Authorized Representative is authorized to enter into such New Master Agreements and to enter into Confirmations thereunder in accordance with this Resolution and in furtherance of and to carry out the intent hereof. If a New Master Agreement entered into pursuant to this subsection replaces a then effective Master Agreement with the same or a related counterparty, each Authorized Representative is hereby severally authorized to terminate such existing Master Agreement upon the New Master Agreement becoming effective and to take any and all actions necessary to transfer any Confirmations thereunder to such New Master Agreement.

(b) Amendments to Master Agreements. Each Authorized Representative is hereby further severally authorized to enter into amendments to the Master Agreements to allow Confirmations thereunder to be issued and entered into with respect to any then outstanding PUF Debt or PUF Debt anticipated to be issued in the future and to make such other amendments in accordance with the terms of the respective Master Agreements as in the judgment of such Authorized Representative, with the advice and counsel of the Office of General Counsel and

Bond Counsel, are necessary or desirable to allow the Board to achieve the benefits of the Bond Enhancement Agreements in accordance with and subject to the System’s Interest Rate Swap Policy and this Resolution.

SECTION 7. ADDITIONAL AUTHORIZATION; RATIFICATION AND APPROVAL OF SWAP POLICY.

(a) Additional Agreements and Documents Authorized. Each Authorized Representative and all officers of the Board are severally authorized to execute and deliver such other agreements and documents as are contemplated by this Resolution and the Master Agreements or are otherwise necessary in connection with entering into Confirmations and Bond Enhancement Agreements as described in this Resolution, as any such Authorized Representative or officer shall deem appropriate, including without limitation, officer’s certificates, legal opinions, credit support documents and any documentation pursuant to an ISDA DF Protocol, and the execution of any certificates and the filing of any returns with the Internal Revenue Service as may be necessary in the judgment of Bond Counsel with respect to a Bond Enhancement Agreement or the related PUF Debt. Any such actions heretofore taken are hereby ratified, approved and affirmed in all respects.

(b) Further Actions. Each Authorized Representative and all officers of the Board are severally 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) Swap Policy. The Board has reviewed and hereby ratifies, approves and affirms the System’s Interest Rate Swap Policy, a copy of which is attached hereto as Exhibit B.

[Remainder of page intentionally left blank]

EXHIBIT A

DEFINITIONS

As used in this Resolution the following terms shall have the meanings set forth below, unless the text hereof specifically indicates otherwise:

“Authorized Representative” shall have the meaning given to such term in the System’s Interest Rate Swap Policy (a copy of which is attached hereto as Exhibit B).

“Available University Fund” shall have the meaning given to such term in the recitals to this Resolution.

“Board” shall have the meaning given to such term in the recitals to this Resolution.

“Bond Enhancement Agreement” shall have the meaning given to such term in Section 2(a) hereof.

“Chapter 1371” shall have the meaning given to such term in Section 2(b) hereof.

“Confirmation” shall have the meaning given to such term in Section 2(a) hereof.

“Constitutional Provision” shall have the meaning given to such term in the recitals to this Resolution.

“Executed Master Agreements” shall mean the following existing and fully executed ISDA Master Agreements currently in effect between the Board and the respective counterparty noted below (copies of which are attached hereto as Exhibit C):

(i) ISDA Master Agreement with Bank of America, N.A., dated as of December 1, 2007;

(ii) ISDA Master Agreement with Goldman Sachs Capital Markets, L.P., dated as of December 1, 2007;

(iii) ISDA Master Agreement with JPMorgan Chase Bank, National Association, dated as of December 1, 2007;

(iv) ISDA Master Agreement with Merrill Lynch Capital Services, Inc., dated as of December 1, 2007;

(v) ISDA Master Agreement with Morgan Stanley Capital Services Inc., dated as of December 1, 2007;

(vi) ISDA Master Agreement with UBS AG, dated as of April 1, 2008;

(vii) ISDA Master Agreement with Barclays Bank PLC, dated as of February 3, 2011;

(viii) ISDA Master Agreement with Deutsche Bank AG, New York Branch, dated as of February 1, 2011;

(ix) ISDA Master Agreement with Royal Bank of Canada, dated as of June 8, 2011;

(x) ISDA Master Agreement with Wells Fargo Bank, National Association, dated as of January 15, 2010; and

(xi) ISDA Master Agreement with Citibank, N.A., dated as of May 15, 2017.

“Interest of the System” shall have the meaning given to such term in the recitals to this Resolution.

“ISDA” shall mean the International Swaps and Derivatives Association, Inc.

“ISDA DF Protocol” shall mean any protocol developed by ISDA in response to provisions of the Dodd Frank Wall Street Reform and Consumer Protection Act relating to derivatives.

“LIBOR” shall have the meaning given to such term in Section 3(a)(3) hereof.

“Master Agreements” shall mean, collectively, the Executed Master Agreements and any New Master Agreements.

“New Master Agreements” shall have the meaning given to such term in Section 6(a) hereof.

“Permanent University Fund” shall have the meaning given to such term in the recitals to this Resolution.

“PUF Debt” shall have the meaning given to such term in the recitals to this Resolution.

“Residual AUF” shall have the meaning given to such term in the recitals to this Resolution.

“Section 65.461” shall have the meaning given to such term in Section 2(b) hereof.

“State” shall have the meaning given to such term in the recitals to this Resolution.

“System” shall have the meaning given to such term in the recitals to this Resolution.

EXHIBIT B

**INTEREST RATE SWAP POLICY
OF THE UNIVERSITY OF TEXAS SYSTEM**

[See Regents' *Rules and Regulations*, Rule 70202 titled Interest Rate Swap Policy]

EXHIBIT C

EXECUTED MASTER AGREEMENTS

[On file with the U. T. System Office of Business Affairs]

7. U. T. System Board of Regents: The University of Texas/Texas A&M Investment Management Company (UTIMCO) Update

This item was for consideration only by the Committee.

8. U. T. System Board of Regents: Approval of amendments to the Investment Policy Statements for the Permanent University Fund, the General Endowment Fund, the Permanent Health Fund, the Long Term Fund, and the Intermediate Term Fund

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor and the Executive Vice Chancellor for Business Affairs concur in the recommendation of the Board of Directors of The University of Texas/Texas A&M Investment Management Company (UTIMCO) that the U. T. System Board of Regents approve the proposed amendments to the following Investment Policy Statements, including asset allocation, as set forth in congressional style on the following pages.

- a. Permanent University Fund (PUF) (See Exhibit A - PUF and GEF)
- b. General Endowment Fund (GEF) (See Exhibit A - PUF and GEF)
- c. Permanent Health Fund (PHF) (See Exhibit B - PHF and LTF)
- d. Long Term Fund (LTF) (See Exhibit B - PHF and LTF)
- e. Intermediate Term Fund (ITF) (See Exhibit A - ITF)

BACKGROUND INFORMATION

The Master Investment Management Services Agreement (IMSA) between the U. T. System Board of Regents and UTIMCO requires that UTIMCO review the current Investment Policies for each Fund at least annually. The review includes long-term investment return expectations and expected risk levels, strategic asset allocation targets and ranges, expected returns for each fund, designated performance benchmarks for each Asset Class and such other matters as the U. T. System Board or its staff designees may request.

The amended Exhibits A of the PUF, GEF, and ITF, and Exhibits B in the PHF and LTF Investment Policy Statements, set forth the revised Asset Class targets and ranges for FYE 2020. In addition, the one-year downside volatility has been adjusted to reflect the revised Asset Class targets for FYE 2020. Finally, the Expected 10-Year Annual Real Return (Benchmark) target for FYE 2020 was updated.

The amended exhibits for the PUF, GEF, PHF, LTF and ITF Investment Policy Statements were approved by the UTIMCO Board on June 27, 2019.

The effective date for these amended Investment Policy Statements is September 1, 2019.

The Short Term Fund Investment Policy Statement, Separately Invested Funds Investment Policy Statement, Liquidity Policy, and Derivative Investment Policy were reviewed but no changes were made.

EXHIBIT A - PUF and GEF
ASSET CLASS TARGETS, RANGES, AND PERFORMANCE OBJECTIVES
EFFECTIVE SEPTEMBER 1, 20182019

Asset Class	FYE 20192020			Benchmark
	Min	Target*	Max	
Global Equity:				
U.S. Public Equity	2.0%	7.0 7.5%	12.0%	MSCI US with Net Dividends
Non-U.S. Developed Public Equity	0.0%	4.0 4.5%	10.0%	MSCI EAFE and Canada with Net Dividends
Global Developed Public Equity	3.0%	8.0 10.0%	13.0%	MSCI World Index with Net Dividends
<i>Total Developed Public Equity</i>	12.0%	19.0 22.0%	26.0%	
Emerging Markets Public Equity	5.0%	10.0 9.0%	15.0%	MSCI Emerging Markets Index with Net Dividends
<i>Total Public Equity</i>	22.0%	29.0 31.0%	36.0%	
Directional Hedge Funds	7.0%	12.0 11.2%	17.0%	HFRI Fund of Funds Composite
Private Equity	18.0%	22.0 20.8%	27.0%	Blended Cambridge Buyouts, Emerging Markets Private Equity and Venture Capital, Credit Opportunities, and Venture Capital
Total Global Equity	56.0%	63.0%	70.0%	
Stable Value:				
Investment Grade Fixed Income	2.0%	9.5 7.0%	12.0%	Bloomberg Barclays Global Aggregate Index - Hedged
Credit-Related Fixed Income	0.0%	0.0%	5.0%	Bloomberg Barclays Capital Global High Yield Index
<i>Total Fixed Income</i>	2.0%	9.5 7.0%	12.0%	
Cash	-5.0%	1.0%	6.0%	3 month T-Bills
Stable Value Hedge Funds	2.0%	7.0 10.0%	12.0%	HFRI Fund of Funds Conservative
Total Stable Value	11.5%	17.5 18.0%	23.5%	
Real Return:				
Inflation Linked Bonds	0.0%	0.0 1.3%	5.0%	Bloomberg Barclays Global Inflation Linked TR Index
Gold	0.0%	1.5 0.0%	5.0%	Gold Spot Price (XAU)
Commodities	0.0%	0.0%	6.0%	Bloomberg Commodity TRI
<i>Total Commodities</i>	0.0%	0.0%	6.0%	
Natural Resources	0.0%	8.0 6.6%	12.0%	Cambridge Natural Resources
Infrastructure	0.0%	2.0 2.9%	9.0%	Cambridge Infrastructure
Public Real Estate	0.0%	0.0%	5.0%	FTSE EPRA/NAREIT Developed Index Net TRIUSD
Private Real Estate	3.0%	8.0 8.2%	13.0%	Cambridge Real Estate
Total Real Return	13.5%	19.5 19.0%	25.5%	
Total All Asset Classes		100.0%		

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

POLICY/TARGET RETURN/RISKS*	FYE 20192020
Expected 10-Year Annual Real Return (Benchmark)	4.30 4.22%
One Year Downside Volatility	10.83 11.05%
Risk Bounds	
Lower: 1 Year Downside Volatility	75.00%
Upper: 1 Year Downside Volatility	115.00%

*Asset Class Targets and Policy/Target Return/Risks reset monthly.

EXHIBIT B - PHF and LTF
ASSET CLASS TARGETS, RANGES, AND PERFORMANCE OBJECTIVES
EFFECTIVE SEPTEMBER 1, 20182019

Asset Class	FYE 20192020			Benchmark
	Min	Target*	Max	
Global Equity:				
U.S. Public Equity	2.0%	7.0 7.5%	12.0%	MSCI US with Net Dividends
Non-U.S. Developed Public Equity	0.0%	4.0 4.5%	10.0%	MSCI EAFE and Canada with Net Dividends
Global Developed Public Equity	3.0%	8.0 10.0%	13.0%	MSCI World Index with Net Dividends
<i>Total Developed Public Equity</i>	12.0%	19.0 22.0%	26.0%	
Emerging Markets Public Equity	5.0%	10.0 9.0%	15.0%	MSCI Emerging Markets Index with Net Dividends
<i>Total Public Equity</i>	22.0%	29.0 31.0%	36.0%	
Directional Hedge Funds	7.0%	12.0 11.2%	17.0%	HFRI Fund of Funds Composite
Private Equity	18.0%	22.0 20.8%	27.0%	Blended Cambridge Buyouts, Emerging Markets Private Equity and Venture Capital, Credit Opportunities, and Venture Capital
Total Global Equity	56.0%	63.0%	70.0%	
Stable Value:				
Investment Grade Fixed Income	2.0%	9.5 7.0%	12.0%	Bloomberg Barclays Global Aggregate Index - Hedged
Credit-Related Fixed Income	0.0%	0.0%	5.0%	Bloomberg Barclays Capital Global High Yield Index
<i>Total Fixed Income</i>	2.0%	9.5 7.0%	12.0%	
Cash	-5.0%	1.0%	6.0%	3 month T-Bills
Stable Value Hedge Funds	2.0%	7.0 10.0%	12.0%	HFRI Fund of Funds Conservative
Total Stable Value	11.5%	17.5 18.0%	23.5%	
Real Return:				
Inflation Linked Bonds	0.0%	0.0 1.3%	5.0%	Bloomberg Barclays Global Inflation Linked TR Index
Gold	0.0%	1.5 0.0%	5.0%	Gold Spot Price (XAU)
Commodities	0.0%	0.0%	6.0%	Bloomberg Commodity TRI
<i>Total Commodities</i>	0.0%	0.0%	6.0%	
Natural Resources	0.0%	8.0 6.6%	12.0%	Cambridge Natural Resources
Infrastructure	0.0%	2.0 2.9%	9.0%	Cambridge Infrastructure
Public Real Estate	0.0%	0.0%	5.0%	FTSE EPRA/NAREIT Developed Index Net TRIUSD
Private Real Estate	3.0%	8.0 8.2%	13.0%	Cambridge Real Estate
Total Real Return	13.5%	19.5 19.0%	25.5%	
Total All Asset Classes		100.0%		

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

POLICY/TARGET RETURN/RISKS*	FYE 20192020
Expected 10-Year Annual Real Return (Benchmark)	4.30 4.22%
One Year Downside Volatility	10.83 11.05%
Risk Bounds	
Lower: 1 Year Downside Volatility	75.00%
Upper: 1 Year Downside Volatility	115.00%

*Asset Class Targets and Policy/Target Return/Risks reset monthly.

**EXHIBIT A - ITF
ASSET CLASS TARGETS, RANGES, AND PERFORMANCE OBJECTIVES
EFFECTIVE SEPTEMBER 1, 20182019**

Asset Class	FYE 20192020			Benchmark
	Min	Target*	Max	
Global Equity:				
U.S. Public Equity	0.7 0.0%	5.7 3.3%	10.7 8.3%	MSCI U.S. with Net Dividends
Non-U.S. Developed Public Equity	0.0%	3.4 1.9%	8.4 6.9%	MSCI EAFE and Canada with Net Dividends
Global Developed Public Equity	1.6 0.0%	6.6 3.8%	11.6 8.8%	MSCI World Index with Net Dividends
<i>Total Developed Public Equity</i>	7.5 2.0%	15.7 9.0%	22.5 16.0%	
Emerging Markets Public Equity	2.1 0.0%	7.1 4.0%	12.1 9.0%	MSCI Emerging Markets Index with Net Dividends
<i>Total Public Equity</i>	15.8 6.0%	22.8 13.0%	29.8 20.0%	
Directional Hedge Funds	25.0 32.0%	31.6 43.0%	38.0 50.0%	HFRI Fund of Funds Composite
Total Global Equity	45.0%	54.4 56.0%	62.0%	
Stable Value:				
Investment Grade Fixed Income	20.0 28.0%	28.7 35.0%	35.0 42.0%	Bloomberg Barclays Global Aggregate Index - Hedged
Cash	0.0%	3.0 2.0%	8.0%	3 month Tbills
Stable Value Hedge Funds	5.0 2.0%	10.2 7.0%	15.0 12.0%	HFRI Fund of Funds Conservative
Total Stable Value	36.0%	41.9 44.0%	52.0%	
Real Return:				
Inflation Linked Bonds	0.0%	0.0%	5.0%	Bloomberg Barclays Global Inflation Linked TR Index
Gold	0.0%	2.4 0.0%	7.5 5.0%	Gold Spot Price (XAU)
Commodities	0.0%	1.2 0.0%	6.0 5.0%	Bloomberg Commodity TRI
<i>Total Commodities</i>	0.0%	3.6 0.0%	8.5 7.0%	
Public Real Estate	0.0%	0.1 0.0%	5.0%	FTSE EPRA/NAREIT Developed Index Net TRIUSD
Total Real Return	0.0%	3.7 0.0%	10.0 7.0%	
Total All Asset Classes		100.0%		

The total Asset Class exposure, including the amount of derivatives exposure not collateralized by Cash, may not exceed 100% of the Asset Class exposure excluding the amount of derivatives exposure not collateralized by Cash.

POLICY/TARGET RETURN/RISKS*	FYE 20192020
Expected 10-Year Annual Real Return (Benchmark)	2.10 2.38%
One Year Downside Volatility	5.36 3.81%
Risk Bounds	
Lower: 1 Year Downside Volatility	75.00%
Upper: 1 Year Downside Volatility	115.00%

*Asset Class Targets and Policy/Target Return/Risks reset monthly

9. U. T. System Board of Regents: Discussion and appropriate action regarding amendments to Bylaws of the University of Texas/Texas A&M Investment Management Company (UTIMCO) related to the terms of the Chairman and Vice Chairman of the UTIMCO Board of Directors

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor and the Executive Vice Chancellor for Business Affairs concur in the recommendation of the Board of Directors of The University of Texas/Texas A&M Investment Management Company (UTIMCO) that the U. T. System Board of Regents authorize amendments to the UTIMCO Bylaws related to the terms of the Chairman and Vice Chairman of the UTIMCO Board as set forth below in congressional style:

ARTICLE V
OFFICERS

...

Section 4. Powers and Duties of the Chairman of the Board. The Chairman of the Board shall preside at all meetings of the Board of Directors and shall have such other powers and duties as may be assigned to such officer in these Bylaws or from time to time by the Board of Directors. The Chairman of the Board shall be appointed by the Board of Directors. ~~No Director shall serve more than five (5) full one-year terms as Chairman.~~

Section 5. Powers and Duties of the Vice Chairman of the Board. The Vice Chairman of the Board shall have such powers and duties as may be assigned to such officer in these Bylaws or from time to time by the Board of Directors and shall exercise the powers of the Chairman during that officer's absence or inability to act. Any action taken by the Vice Chairman in the performance of the duties of the Chairman shall be conclusive evidence of the absence or inability to act of the Chairman at the time such action was taken. The Vice Chairman of the Board shall be appointed by the Board of Directors. ~~No Director shall serve more than five (5) full one-year terms as Vice Chairman.~~

BACKGROUND INFORMATION

The Master Investment Management Services Agreement (IMSA) between the U. T. System Board of Regents and UTIMCO requires U. T. System Board approval of bylaws changes.

On June 27, 2019, the UTIMCO Board of Directors approved the above amendment to the UTIMCO Bylaws to remove the limitation on service by a director as Chairman or Vice Chairman rather than the current five-year limitation on service in these offices. The proposed changes would be effective August 15, 2019.

10. U. T. System Board of Regents: Approval of the Annual Budget for Fiscal Year 2020, including the capital expenditures budget and other external direct charges to the Funds, and the Annual Fee and Allocation Schedule for The University of Texas/Texas A&M Investment Management Company (UTIMCO)

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor and the Executive Vice Chancellor for Business Affairs concur in the recommendation of The University of Texas/Texas A&M Investment Management Company (UTIMCO) Board of Directors that the U. T. System Board of Regents approve the proposed Annual Budget for the year ending August 31, 2020, as set forth below, which includes the capital expenditures budget and other external direct charges to the Funds, and the Annual Fee and Allocation Schedule as set forth following the proposed budget.

BACKGROUND INFORMATION

The proposed Total Budgeted Costs consist of \$49.9 million (13.9% increase over FY 2019 budget) for UTIMCO services and \$7.1 million (38.4% decrease from FY 2019 budget) for Fund Direct Costs (external non-investment manager services such as custodial, legal, audit, and consulting services). These Total Budgeted Costs represent only a portion of total investment costs as they exclude external manager fees. The proposed Total Budgeted Costs was approved by the UTIMCO Board on June 27, 2019.

The 13.9% increase in UTIMCO services is mostly attributable to an increase in employee-related expenses including new hires, promotions, merit increases and market adjustments. The 38.4% decrease in Fund Direct Costs is mostly attributable to a decrease in custodian related costs due to the new fee structure that resulted from the custodian review process conducted earlier this year.

The proposed capital expenditures budget totaling \$0.5 million is included in the total Annual Budget. The proposed Annual Fee and Allocation Schedule shows the allocation of the proposed budgeted expenses among U. T. System funds in total.

U. T. System Office of Business Affairs will not direct UTIMCO to return any surplus cash reserves to the U. T. funds per the Master Investment Management Services Agreement (IMSA) between the U. T. System Board of Regents and UTIMCO as there are no reserves available for distribution.



The University of Texas/Texas A&M Investment Management Company

UTIMCO Budget

Mr. Britt Harris

President, CEO and Chief Investment Officer

Mr. Rich Hall

Deputy Chief Investment Officer

U. T. System Board of Regents' Meeting

Finance and Planning Committee

August 2019

UTIMCO Five-Year Strategic Plan



- Establish a long-term strategic plan that is fully supported by UTIMCO's Board of Directors and the U. T. System Board of Regents
 - Protect the UTIMCO organization
 - Prepare UTIMCO for the future
- Benchmark UTIMCO resource structure against peers and relevant industry participants
- Review factors driving resource requirements
- Outline management's assessment of anticipated resources required to maintain strong fiduciary stewardship of U. T. and TAMU Systems' assets

UTIMCO Five-Year Strategic Plan (cont.)



- Resource and cost benchmarking vs. peers and investment firms
 - UTIMCO budget at ~10 basis points (bps) of Assets Under Management (AUM) compares favorably vs. peers at 13 – 20 bps
 - Cambridge Associates notes average of 18 bps for endowments > \$3 billion
 - \$440k / FTE budget is well below major endowment peers (\$630k - \$750k)
 - \$1 billion AUM / Investor is in middle of observed \$0.5 - \$1.3 billion range
- Operational benchmark recommendations
 - 10 General Partnership (GP) relationships / investor and ~20 – 40 funds per investor
 - Driven by engagement level (e.g., advisory board membership)
 - \$1 - \$2 billion AUM per investor depending on public vs private
 - 1.3 Operations FTEs per investor is below 1.5 – 1.7 industry rule of thumb
 - Slightly below recommended 7 to 1 ratio of FTEs to IT professionals

UTIMCO Five-Year Strategic Plan (cont.)



- Key factors contributing to need for resources:
 - Expected Growth
 - Base case AUM growth of \$17 billion and \$44 billion over 5 and 10 year periods, respectively
 - Increased Complexity
 - Increased demands on operations team resulted in key team member departures
 - Addition of more intensive trading strategies related to Tactical Asset Allocation, increasing private funds and co-investments
 - Increased administrative burdens – compliance and tax
 - Succession Planning & Talent Retention
 - Critical for business continuity: transfer institutional knowledge
 - Significant potential for retirement of long-tenured team members in operations in next 3-5 years
 - Developing bench strength in investment functions: eliminate single points of failure
 - Prudent Oversight
 - Maintaining AUM, number of GP relationships and number of investments per team member near industry standard metrics
 - Enhancing security profile of IT resources

UTIMCO Five-Year Strategic Plan (cont.)



- Resources requested over next five years:
 - Original ask for 45 people
 - Scaled back by CEO / Deputy Chief Investment Officer to 30 – 33 people by 2024
 - 14 investors, 14 operations, up to 5 information technology
 - FY20 request – 15 FTE
 - 6 investors, 7 operations, 2 information technology
 - Leverage existing title structure more fully to support retention

UTIMCO Annual Budget



UTIMCO FY 2019 Budget v FY 2020 Budget	FY 2019 Budget	FY 2020 Budget	FY20 Budget v FY19 Budget Variance \$	FY20 Budget v FY19 Budget Variance %	Description
UTIMCO Services					
Salaries	15,876,073	17,889,310	2,013,237	12.7%	15 new hires (50% of increase); 19 promotions (17% of increase)
Performance Compensation	12,907,738	15,592,053	2,684,315	20.8%	CEO/Deputy CIO plan deferrals; plan promotions; plan deferral period conversion
Employee Benefits & Payroll Taxes	3,884,425	4,486,765	602,340	15.5%	Impact of new employees and compensation increases
TOTAL EMPLOYEE RELATED EXPENSE	32,668,236	37,968,128	5,299,892	16.2%	
Hiring, Recruiting, Relocation & Consultants	543,000	474,000	(69,000)	-12.7%	
Travel & Meetings	1,313,020	1,333,956	20,936	1.6%	
On-Line Data & Subscriptions	3,279,505	3,712,008	432,503	13.2%	Adding new licenses to Factset and Bloomberg as well as expanding Factset capabilities
Contract Services & Maintenance Contracts	900,296	954,801	54,505	6.1%	
Lease Expense	2,630,324	2,663,724	33,400	1.3%	
Depreciation	1,600,000	1,675,000	75,000	4.7%	Includes depreciation on new equipment for new hires and build-out of office space
Professional Fees	305,604	310,604	5,000	1.6%	
Other	549,026	776,475	227,449	41.4%	New Excise Tax on Pay of Highly Compensated Employees
TOTAL NON-EMPLOYEE RELATED EXPENSE	11,120,775	11,900,568	779,793	7.0%	
Total UTIMCO Services	\$43,789,011	\$49,868,696	\$6,079,685	13.9%	
Direct Costs to Funds					
Custodian Fees & Performance Measurement	8,947,724	4,100,000	(4,847,724)	-54.2%	New fee structure as a result of the Custodian review process
Risk Measurement	324,000	665,500	341,500	105.4%	New Risk System to run concurrently with legacy system for six months of fiscal year
Consultant Fees	327,500	307,500	(20,000)	-6.1%	
Legal and Background Checks	738,000	825,250	87,250	11.8%	More background checks anticipated
Auditing & Foreign Tax Consultants	956,750	983,919	27,169	2.8%	
Other	231,200	219,100	(12,100)	-5.2%	
Total Direct Costs to Funds	\$11,525,174	\$7,101,269	(\$4,423,905)	-38.4%	
Grand Total	\$55,314,185	\$56,969,965	\$1,655,780	3.0%	

UTIMCO Annual Fee and Allocation Schedule

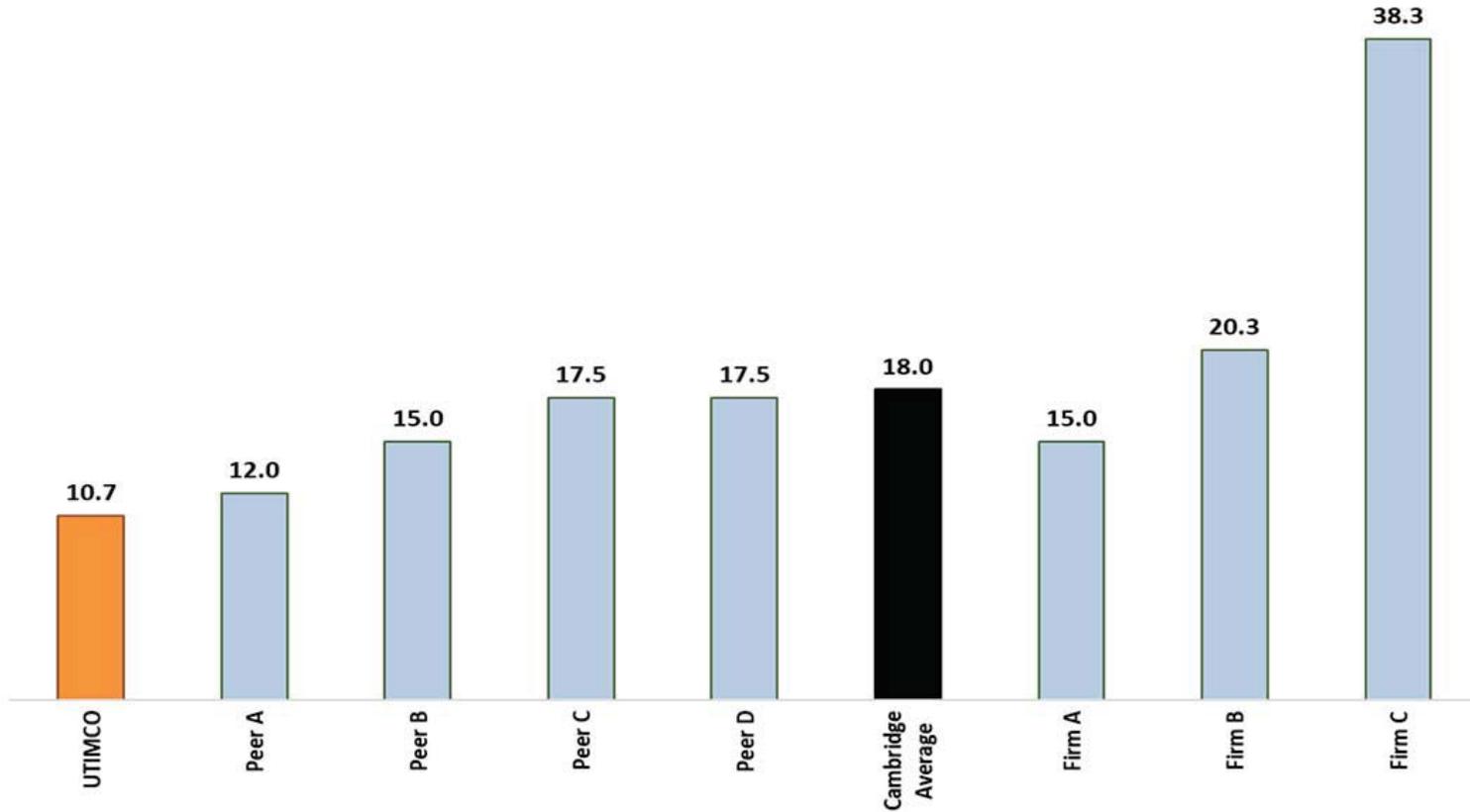


UTIMCO Management Fee and Direct Budgeted Investment Expenses Annual Fee and Allocation Schedule For the fiscal year ending August 31, 2020

<u>Proposed Budget</u>	<u>Fund Name</u>						Separate Funds	Debt Proceeds	Total
	PUF	PHF	LTF	GEF	ITF	STF			
<u>Market Value 4/30/19 (\$ millions)</u>	22,370	1,195	10,804		9,513	2,172	153	313	46,520
<u>UTIMCO Management Fee</u>									
Dollars	25,421,875	1,358,030	12,277,959		10,810,831				49,868,696
Basis Points	11.4	11.4	11.4		11.4				10.7
<u>Direct Expenses to the Fund, excluding UT System Direct Expenses to the Fund</u>									
Dollars	3,544,425	24,230	27,230	2,005,746	1,499,638				7,101,269
Basis Points	1.6	0.2	0.0	1.7	1.6				1.5

Benchmarking

Basis Points of Assets Under Management



Minutes - 78

REPORT AND RECOMMENDATIONS OF THE ACADEMIC AFFAIRS COMMITTEE (Pages 79 - 108).--Regent Perez, sitting in for Committee Chairman Weaver, 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. System Board of Regents: Discussion and appropriate action regarding Consent Agenda items, if any, referred for Committee consideration

There were no items referred from the Consent Agenda.

2. U. T. El Paso: Approval to establish a Doctor of Philosophy in Data Science degree program

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and the institutional president that authorization, pursuant to the Regents' *Rules and Regulations*, Rule 40307, related to academic program approval standards, be granted to

- a. establish a Doctor of Philosophy in Data Science degree program at U. T. El Paso; and
- b. submit the proposal to the Texas Higher Education Coordinating Board for review and appropriate action.

BACKGROUND INFORMATION

Program Description

The proposed Doctor of Philosophy (Ph.D.) in Data Science (DS) is designed to prepare graduates to work in industry and government where high-level data science skills are in demand and in short supply. The proposed program will support a critical area of rapid growth and high demand in the national and state economies and will be sustained through university and community partnerships to fund student research, provide student salaries, and engage students in experiential learning. The proposed degree program will incorporate a curriculum that provides solid theoretical foundations and real-world applications using a mix of coursework, community-university collaborations, and research. This program is designed to prepare

students to work in government, industry, or academia as graduates will have a mix of research, consulting, or collaborative experiences, and will be trained in communicating complex ideas to nondata scientist populations.

Need and Student Demand

There is a consistent and growing need for doctoral-prepared data science professionals (Forbes, 2017). The U.S. Bureau of Labor Statistics projects that between 2016 to 2026 the number of mathematical science jobs will increase by 28%, making it one of the fast-growing occupation sectors in the country. The proposed DS program has been designed to respond to industry demand to produce data science experts with training in the core components of data science (mathematics, statistics, and computing), integrates instruction and exposure to domain specific knowledge, and provides professional development that prepares graduates to work in industry. It is estimated that approximately two-thirds of all DS related jobs are unfilled and many companies settle on underqualified DS applicants; approximately 43% of companies report not having or being able to find the personnel for their data science needs (Forbes, 2015). In addition, International Business Machines Corporation (IBM) predicts that data science jobs will grow 28% by 2020. It can be anticipated that there will be 6,043 open jobs in this area for Texas in the next three years (Forbes, 2017). The number of DS graduate programs in Texas, particularly at the doctoral level, is insufficient to meet industry demand and contribute to growth of the key sectors of the economy that require these kinds of technical and intellectual skills and training.

U. T. El Paso anticipates strong interest among local undergraduate and master's students in the proposed doctoral program, and helping these students enter and complete a DS Ph.D. program will support an increase in the proportion of Hispanic individuals in DS. Although the program will recruit nationally and internationally, every effort to recruit students from the local population, U. T. El Paso will be made to advise them on how to prepare to enter a Ph.D. program directly with an undergraduate degree. Also anticipated is a large proportion of Ph.D. students to be graduates of the master's programs in statistics and mathematics. A survey conducted in Fall 2017 showed strong interest among current U. T. El Paso graduate students and good support among undergraduates. U. T. El Paso anticipates an initial enrollment of at least seven students in the first year, with a total cumulative enrollment of 40 students by the fifth year.

Program Quality

In total, the doctoral program will involve 37 core and support faculty from eight different departments/programs (Computer Science, Biology, Chemistry, Environmental Science, Geology, Mathematical Sciences, Public Health Sciences, and Physics) at U. T. El Paso. Sixteen faculty in the Department of Mathematical Sciences will make up the core faculty. The core faculty have secured significant extramural support, with over \$31 million in funding over the past five years. These external funds can support data science related research projects, and these and

future projects will support data science Ph.D. students. Two new faculty in Mathematical Sciences were hired in the 2018-2019 academic year that will also support the proposed program, and the department plans to hire two additional data science faculty during the first two years of the program.

The support faculty affiliated with the proposed program will represent expertise in a variety of fields. Moreover, the support faculty are research active and nationally acclaimed experts in their fields and, correspondingly, attract high levels of extramural funding to support research endeavors.

Revenue and Expenses

Expenses	5-Year Total
<i>Faculty</i>	
Salaries	705,886
Benefits	
<i>Graduate Students</i>	
TA Salaries	399,748
GRA Salaries	627,093
<i>Staff & Administration</i>	
Graduate Coordinator Salary	375,000
Administrative Staff Salaries	267,500
Staff Benefits	179,900
<i>Other Expenses</i>	
HPC resources	100,000
Facilities (Computing Lab)	300,000
Equipment (Computing Lab)	100,000
Library & IT	25,000
Supplies and Materials	25,000
Total Expenses	3,105,127
	5-Year Total
Revenue	
<i>From Student Enrollment</i>	
Formula Funding	1,139,618
Tuition and Fees	504,989
<i>From Institutional Funds</i>	
Reallocated Resources	625,198
<i>From Other Revenue Sources</i>	
Contract Funding	835,322
Total Revenue	3,105,127

Coordinating Board Criteria

The proposed program meets all applicable Coordinating Board criteria for new doctoral degree programs.

3a. U. T. Rio Grande Valley: Discussion and appropriate action regarding proposed changes to admission criteria for all graduate degree programs

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and the institutional president that the U. T. System Board of Regents approve changes to the criteria for admission for all graduate programs as described below.

BACKGROUND INFORMATION

The Graduate College at U. T. Rio Grande Valley seeks to revise the method for calculating the minimum undergraduate Grade Point Average (GPA) for admission to all graduate degree programs. The change is requested following an extensive review of practices statewide and nationally. The review indicates that many graduate programs consider the last 60 hours of undergraduate credit in calculating the GPA. While an applicant's overall undergraduate GPA is important, the earned GPA in the last 60 hours of the undergraduate degree, which commonly encompasses the student's major coursework, is more indicative of the applicant's potential for success. This is especially true for applicants to U. T. Rio Grande Valley since the vast majority of applicants seek a graduate degree in the same or closely related discipline as their undergraduate studies. Making these requested changes will allow the Graduate College to better facilitate a timely admissions decision.

Current Unconditional Admission Criteria	Proposed Unconditional Admission Criteria
An applicant who meets the following criteria is eligible for clear admission to a graduate degree program:	An applicant who meets the following criteria is eligible for clear admission to a graduate degree program:
1. Awarded a baccalaureate degree from an accredited institution and earned at least a 3.0 (on a 4.0 scale) Grade Point Average overall; or	1. Awarded a baccalaureate degree from an accredited institution and earned at least a 3.0 (on a 4.0 scale) Grade Point Average overall in the last 60 hours ; or

2. Earned a previous master's degree from an accredited university.	No change
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3b. U. T. Rio Grande Valley: Discussion and appropriate action regarding proposed changes to admission criteria for the Master in Physician Assistant Studies Bridge Program degree program

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and the institutional president that the U. T. System Board of Regents approve changes to the criteria for admission to the Master in Physician Assistant Studies Bridge Program at U. T. Rio Grande Valley as described on the following page.

BACKGROUND INFORMATION

The Master in Physician Assistant Studies Bridge Program (MPAS) is a web-based program that enables a practicing physician assistant with a bachelor's degree to obtain a master's degree in Physician Assistant Studies, allowing the physician assistant to remain in their community while completing the course of study.

Over the last several years, the faculty of the Department of Physician Studies has determined that the MPAS admission requirement for a "Bachelor's Degree in Physician Assistant (P.A.) Studies" has been confusing to many applicants. This occurred because in the earlier years of the field, it was common for graduates to receive degrees in Health Care or Health Science or similar fields, rather than in P.A. studies. Therefore, the program seeks to clarify that candidates must have graduated from an accredited P.A. program, but the bachelor's degree may be in any discipline from an approved institution of higher education. This new wording will help clarify the requirement and expand the pool of eligible applicants.

The program also seeks to clarify the wording of the admission requirement for a letter of reference from supervising physicians. This requirement was intended to be a statement of willingness from the physician to serve as a preceptor for the P.A. However, due to the wording, this requirement was taken by applicants and physicians alike to be a traditional letter of reference. This change will align the admission language with the program's intent.

Current Unconditional Admission Criteria	Proposed Unconditional Admission Criteria
Bachelor’s Degree in Physician Assistant Studies	<u>Bachelor’s Degree in Physician Assistant Studies Accredited Physician Assistant program graduate with a bachelor's degree from an approved institution of higher education</u>
Undergraduate GPA of at least 3.0.	No change
Official transcripts from each institution attended.	No change
Current license to practice as a P.A.	No change
Current NCCPA certification.	No change
Be employed as a P.A.	No change
Medical Malpractice Insurance	No change
Letter of reference from their supervising physician	A letter of reference from their supervising physician <u>agreeing to precept the P.A.</u>

3c. U. T. Rio Grande Valley: Discussion and appropriate action regarding proposed changes to admission criteria for the Master Reading Teacher Certificate degree program

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and the institutional president that the U. T. System Board of Regents approve changes to the criteria for admission for the Master Reading Teacher Certificate degree program at U. T. Rio Grande Valley as described on the following page.

BACKGROUND INFORMATION

U. T. Rio Grande Valley is requesting approval to revise program admission requirements by adding the admission requirement of a cleared criminal background check. Students in the Master Reading Teacher program are asked to work with children throughout the program. In addition, students will need to have a clear background check before being hired by a school district after receiving certification. Because students will be working with a vulnerable population and because of future career implications, students should have a clear criminal background check before being admitted to the program. U. T. Rio Grande Valley is also proposing the removal of letters of recommendation as an admissions requirement. These are a major roadblock to application completion and program faculty do not find them a useful tool for evaluating applications.

Current Unconditional Admission Criteria	Proposed Unconditional Admission Criteria
Submission of two letters of recommendation from individuals knowing the applicant in a professional or academic capacity.	Submission of two letters of recommendation from individuals knowing the applicant in a professional or academic capacity.
Submission of a one to two-page letter of intent indicating reasons for pursuing the certificate	No change
Minimum of 15 hours undergraduate hours in reading or a related field	No change
Submission of teaching certificate and teacher service record showing a minimum of two years of teaching experience	No change
Personal interview	No change
	<u>Clear criminal background check</u>

- 3d. U. T. Rio Grande Valley: Discussion and appropriate action regarding proposed changes to admission criteria for the Master of Arts in School Psychology degree program

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and the institutional president that the U. T. System Board of Regents approve changes to the criteria for admission to the Master of Arts in School Psychology degree program at U. T. Rio Grande Valley as described below.

BACKGROUND INFORMATION

The School Psychology program is requesting to reinstate the requirement for a clear criminal background check (CBC). A clear CBC was part of the admission criteria at the program's legacy institution but was inadvertently deleted from the initial U. T. Rio Grande Valley admission criteria for the program. A clear CBC is important at the time of admission as some students begin school-based experiences in the first or second semester of classes. Under *Texas Occupations Code* Section 53.152, if an individual is applying for admission to or currently enrolling in an educational program that prepares that person for an occupation as defined under *Texas Occupations Code*, the institution must notify the individual that an individual who has been convicted of an offense may be ineligible for issuance of an occupational license upon completion of the educational program. Since this program prepares students for an initial occupational license, the program will notify the applicant and require the CBC at admission as permissible under *Texas Occupations Code* Section 53.152.

Current Unconditional Admission Criteria	Proposed Unconditional Admission Criteria
Bachelor's or master's degree in a related field preferred.	No change
Graduate Record Examination (GRE)	No change
If applicant does not meet the minimum undergraduate GPA criterion, GRE general test with minimum scores of 150 Verbal, 141 Quantitative, and 4.0 Analytical are required for conditional admission	No change

<p>Submission of three letters of recommendation from individuals in a position to judge the professional and academic potential of the applicant. At least one should be from a university professor in the applicant’s major area of study</p>	<p>No change</p>
<p>Submission of a letter of intent indicating reasons for pursuing the degree.</p>	<p>No change</p>
	<p><u>Clear criminal background check</u></p>

3e. U. T. Rio Grande Valley: Discussion and appropriate action regarding proposed changes to admission criteria for the Master of Science in Physics degree program

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and the institutional president that the U. T. System Board of Regents approve changes to the criteria for admission to the Master of Science in Physics degree program at U. T. Rio Grande Valley as described on the following page.

BACKGROUND INFORMATION

The Graduate Record Exam (GRE) subject test in physics is not a requirement for many graduate programs in physics in the U.S. Thus, the Department of Physics faculty are requesting to modify the requirement of the GRE subject test to the following: If the applicant's undergraduate Grade Point Average (GPA) is below 3.0 or the applicant does not have a Bachelor of Science (B.S.) degree in physics, the applicant shall provide a GRE subject test score in physics, which will be considered by the graduate admission committee as an additional measure to evaluate the candidate's likelihood to be successful in the program.

Current Unconditional Admission Criteria	Proposed Unconditional Admission Criteria
<p>Bachelor's degree from a regionally accredited institution in the United States or a recognized international equivalent in a similar or related field.</p>	<p>No change</p>
<p>Undergraduate GPA of at least 3.0. Official transcripts from each institution attended.</p>	<p>No change</p>
<p>Submission of a statement of research interest and career goals which should clearly articulate why the student wants to enter the Physics Graduate program and what are their long- term career goals.</p>	<p>No change</p>
<p>Submission of two letters of recommendation that should mention concrete examples of applicant's prior research experience and highlight strength and weaknesses of the applicant in his/her proposed area of specialization.</p>	<p>No change</p>
<p>GRE General Test with a minimum Quantitative score of 161 for admitted students. GRE subject (Physics) test. (No minimum score) No waiver of the GRE test if the applicant has completed a previous master's degree. GRE test scores are valid for 5 years.</p>	<p>GRE General Test with a minimum Quantitative score of 161 for admitted students. GRE subject (Physics) test. (No minimum score) No waiver of the GRE test if the applicant has completed a previous master's degree. <u>If the applicant's undergraduate GPA is below 3.0 or the applicant does not have a B.S. degree in physics, the applicant is required to provide a GRE subject test score in physics.</u> GRE test scores are valid for 5 years.</p>

3f. U. T. Rio Grande Valley: Discussion and appropriate action regarding proposed changes to admission criteria for the Master of Science in Ocean, Coastal, and Earth Sciences degree program

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and the institutional president that the U. T. System Board of Regents approve changes to the criteria for admission to the Master of Science in Oceans, Coastal, and Earth Sciences degree program at U. T. Rio Grande Valley as described below.

BACKGROUND INFORMATION

The faculty in the Ocean, Coastal, and Earth Sciences (OCES) program reviewed the admission and program requirements for the M.S. degree in an effort to improve processes, enhance enrollment, and support student success. Based on the results of the review, it was determined that a successful applicant should have a bachelor's degree related to the program, rather than an undergraduate degree in an unrelated discipline, since a foundation in the sciences best supports student's retention and graduation. The program also requests three letters of recommendation to better assess the student's capabilities of performing satisfactorily in graduate OCES studies. In addition, because the program is highly research-focused and students work closely with a faculty mentor, the faculty sees a need for applicants to submit a CV or resume, along with statement of research indicating what areas of scholarship they wish to pursue and the faculty member(s) they are most interested in working with. Adding this requirement will assist the program in identifying prospective students for mentorship.

Current Unconditional Admission Criteria	Proposed Admission Criteria
Bachelor's degree from a regionally accredited institution in the United States or a recognized international equivalent in a similar or related field.	Bachelor's degree from a regionally accredited institution in the United States or a recognized international equivalent in a similar or in a related field.
Undergraduate GPA of at least 3.0.	No change

<p>Official transcripts from each institution attended (must be submitted directly to UTRGV).</p>	<p>No change</p>
<p>GRE General Test with minimum GRE scores of: Verbal 153 and Quantitative 144 are required. GRE test scores are valid for 5 years. A waiver of the GRE requirement will be granted to applicants who show proof of completing a graduate degree (master's or doctoral).</p>	<p>No change</p>
	<p><u>A statement of research including potential advisor(s) in the School of Earth, Environmental, and Marine Sciences at U. T. Rio Grande Valley with whom the applicant wants to work for thesis research.</u></p>
	<p><u>A recent CV/resume</u></p>
	<p><u>Three (3) letters of recommendation, at least one of which should be from a faculty member</u></p>

3g. U. T. Rio Grande Valley: Discussion and appropriate action regarding proposed changes to admission criteria for the Master of Science in Social Work degree program

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and the institutional president that the U. T. System Board of Regents approve changes to the criteria for admission to the Master of Science in Social Work degree program at U. T. Rio Grande Valley as described below.

BACKGROUND INFORMATION

Following an internal review of admission requirements and processes, and considering feedback from applicants and recently admitted students, the faculty of the School of Social Work have determined that requiring both a personal statement and a writing sample in the admission process is duplicative as well as confusing to applicants. Based on review of past student files, it was found that an applicant's general writing abilities can be effectively evaluated based on the personal statement alone. Therefore, approval is requested to remove the redundant requirement for a separate writing sample.

Current Unconditional Admission Criteria	Proposed Unconditional Admission Criteria
Submission of three letters of recommendation students	No change
Submission of a personal narrative statement	No change
Verified successful completion of a course in basic statistics	No change
Submission of a writing sample	Submission of a writing sample

3h. U. T. Rio Grande Valley: Discussion and appropriate action regarding proposed changes to admission criteria for the Master of Business Administration degree program

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and the institutional president that the U. T. System Board of Regents approve changes to the criteria for admission to the Master of Business Administration degree program at U. T. Rio Grande Valley as described on the following pages.

BACKGROUND INFORMATION

The Robert C. Vackar College of Business requests permission to change the criteria for admission into the Master of Business Administration (MBA) program. In particular, the College requests permission to change the required undergraduate Grade Point Average (GPA) from 3.5 to 3.25 to qualify for a waiver of the Graduate Management Admission Test (GMAT). Students with a GPA of 3.25 or above have proven successful in the program irrespective of the GMAT score. In addition, the College requests permission to remove the letters of recommendation requirement as faculty have found the letters are unhelpful.

Current Unconditional Admission Criteria	Proposed Unconditional Admission Criteria
Complete the GMAT Exam with a minimum score 400 or the GRE test with minimum scores of 146 Verbal and 146 Quantitative	No change
A waiver of the GMAT requirement will be granted to applicants who show proof of one of the following: <ul style="list-style-type: none"> • Another graduate degree (master’s or doctoral) • An undergraduate GPA of 3.50 or higher on a 4- point scale • A waiver may be granted to those students who have more than four years of upper managerial experience in supervisory roles, control of 	A waiver of the GMAT requirement will be granted to applicants who show proof of one of the following: <ul style="list-style-type: none"> • Another graduate degree (master’s or doctoral) • An undergraduate GPA of 3.50 3.25 or higher on a 4- point scale • A waiver may be granted to those students who have more than four years of upper managerial experience in

budgets, and decision-making	supervisory roles, control of budgets, and decision-making
Respond to five short answer questions to demonstrate writing competency and communication skills	No change
Submission of two letters of recommendation	Submission of two letters of recommendation
Students with a GPA lower than 3.0 but higher than 2.75 will be considered on a case-by-case basis.	No change

3i. U. T. Rio Grande Valley: Discussion and appropriate action regarding proposed changes to admission criteria for the Doctor of Philosophy in Rehabilitation Counseling degree program

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and the institutional president that the U. T. System Board of Regents approve changes to the criteria for admission to the Doctor of Philosophy in Rehabilitation Counseling degree program at U. T. Rio Grande Valley as described below.

BACKGROUND INFORMATION

The current foundational courses for this program do not include all of the courses required by the program's accrediting body, The Council for Accreditation of

Counseling and Related Educational Programs (CACREP). The requested change alters the previous but now erroneous list of foundational courses to include all courses as required by CACREP.

Current Foundational Courses	Proposed Foundational Courses
<p>To be admitted to the doctoral program in rehabilitation counseling, prospective candidates must first meet all requirements for graduate admission to U. T. Rio Grande Valley, as well as the other requirements listed below:</p>	<p>No change</p>
<p>1. Earned master’s degree from an accredited institution in a field related to rehabilitation counseling with a minimum graduate GPA of 3.25</p>	<p>No change</p>
<p>2. GRE general test</p>	<p>No change</p>
<p>3. Submission of three letters of recommendation</p>	<p>No change</p>
<p>4. Submission of a personal statement</p>	<p>No change</p>
<p>5. Documentation of two years of professional experience with people with disabilities</p>	<p>No change</p>
<p>6. Personal interview Application for admission must be submitted prior to the published deadline. The application is available at www.utrgv.edu/gradapply. All applications are reviewed by the Department of Rehabilitation’s graduate faculty. Deadline for application each year is March 31,</p>	<p>No change</p>

<p>and incomplete applications will not be reviewed. Successful applicants will be notified by late April.</p>	
<p>All students entering the Ph.D. program are required to have a Rehabilitation Counseling foundation. This foundation may be achieved by holding a Masters' degree in Rehabilitation Counseling that is accredited by CACREP/Council on Rehabilitation Education (CORE). Students with related degrees will most likely have taken similar coursework that will be equivalent to the required foundation</p> <p>courses. Foundation courses include the following:</p> <ul style="list-style-type: none"> • REHS 6300 Introduction to Rehabilitation Foundations • REHS 6310 Case Management in Rehabilitation • REHS 6320 Psychosocial Aspects of Disability • REHS 6350 Job Placement • REHS 6360 Counseling Theories in Rehabilitation Counseling • REHS 6370 Techniques in Rehabilitation Counseling students 	<ul style="list-style-type: none"> • REHS 6300: Introduction to Rehabilitation Foundations • REHS 6310: Case Management in Rehabilitation • <u>REHS 6315: Research in Rehabilitation</u> • REHS 6320: Psychosocial Aspects of Disability • <u>REHS 6325: Group Counseling in Rehabilitation</u> • <u>REHS 6330: Assessment and Vocational Evaluation</u> • <u>REHS 6345: Medical Aspects of Disability</u> • REHS 6350: Job Placement • <u>REHS 6355: Lifespan and Disability</u> • REHS 6360: Counseling Theories in Rehabilitation • <u>REHS 6365: Multicultural Counseling in Rehabilitation</u> • REHS 6370: Techniques in

	Rehabilitation Counseling <ul style="list-style-type: none"> • REHS 6375: Psychiatric Rehabilitation • REHS 6390: Practicum in Rehabilitation • REHS 7600: Rehabilitation Counseling Internship
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3j. U. T. San Antonio: Discussion and appropriate action regarding proposed changes to admission criteria for all graduate degree programs

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and the institutional president that the U. T. System Board of Regents approve changes to the criteria for admission to all graduate degree programs at U. T. San Antonio as described on the following pages.

BACKGROUND INFORMATION

U. T. San Antonio proposes changes to the criteria for admission into a graduate program. For degree-seeking applicants, the institution proposes to change the method for calculating the minimum Grade Point Average (GPA) of at least a 3.0 in the last 60 hours of the applicant's undergraduate degree to an overall minimum GPA of at least a 3.0. In addition, for nondegree-seeking applicants, the institution proposes to change the minimum GPA of at least a 3.0 in the last 30 hours of the applicant's undergraduate degree to an overall minimum GPA of at least a 3.0. U. T. San Antonio did an analysis of its undergraduate curricular requirements and found that in certain cases discipline-specific courses were not necessarily concentrated in the last 60 hours but were instead spread out across the four years of the program.

U. T. San Antonio also proposes elimination of the English Language Assessment Program (ELAP) test requirement. This is an additional test international students take after they arrive on campus if they received a Test of English as a Foreign Language (TOEFL) Internet score between 79-100. Students take additional courses in English for International Students based on the ELAP test. However, the current minimum test scores on the TOEFL and the International English Language Testing System (IELTS) allow for admission at peer institutions without additional assessment.

Current Degree Seeking Admission Criteria	Proposed Degree Seeking Admission Criteria
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<p>A minimum grade point average of at least 3.0 (on a 4.0 scale) in the last 60 semester credit hours of undergraduate coursework or total hours of an awarded graduate degree.</p>	<p>A minimum grade point average of at least 3.0 (on a 4.0 scale) in the last 60 semester credit hours of undergraduate coursework or total hours of an awarded graduate degree. <u>from an awarded bachelor's or master's degree may be admitted with no conditions. Departments may consider the grade point average of at least 3.0 (on a 4.0 scale) in the last 60 semester credit hours.</u></p>
<p>Current Non-Degree Seeking Graduate Student Admission Criteria</p>	<p>Proposed Non-Degree Seeking Graduate Student Admission Criteria</p>
<p>A minimum grade point average of at least 3.0 (on a 4.0 scale) in the last 30 semester credit hours of undergraduate coursework or total hours of an awarded graduate degree.</p>	<p>A minimum grade point average of at least 3.0 (on a 4.0 scale) in the last 30 semester credit hours of undergraduate coursework or total hours of an awarded graduate degree. <u>from an awarded bachelor's or master's degree may be admitted with no conditions. Departments may consider the minimum grade point average of at least 3.0 (on a 4.0 scale) in the last 30 semester credit hours of undergraduate coursework.</u></p>
<p>Current International Graduate Student Admission Criteria</p>	<p>Proposed International Graduate Student Admission Criteria</p>
<p>In addition to meeting the general requirements for admission, applicants whose native language is not English must demonstrate sufficient competency in English to study effectively at the University. These applicants are required to submit scores on either the Test of English as a Foreign Language (TOEFL) or the International English Language Testing System (IELTS) to the Graduate School. Information</p>	<p>In addition to meeting the general requirements for admission, applicants whose native language is not English must demonstrate sufficient competency in English to study effectively at the University. These applicants are required to submit scores on either the Test of English as a Foreign Language (TOEFL) or the International English Language Testing System (IELTS) to the Graduate School. Information about TOEFL and IELTS is available online.</p>

<p>about TOEFL and IELTS is available online.</p> <p>English Language Assessment Program (ELAP) Exempt:</p> <table> <tr> <td>TOEFL Internet</td> <td>100</td> </tr> <tr> <td>TOEFL Paper</td> <td>600</td> </tr> <tr> <td>IELTS</td> <td>7</td> </tr> </table> <p>Graduate Admission Qualification:</p> <table> <tr> <td>TOEFL Internet</td> <td>79</td> </tr> <tr> <td>TOEFL Paper</td> <td>550</td> </tr> <tr> <td>IELTS</td> <td>6.5</td> </tr> </table> <p>Participation in UTSA’s English Language Assessment Program (ELAP), before registration, is required of students with TOEFL scores below 600 (paper version) or 100 (Internet based) or an IELTS score below 7. Based on this assessment, students needing additional instruction in English are required to enroll in appropriate English for International Students (EIS) courses.</p>	TOEFL Internet	100	TOEFL Paper	600	IELTS	7	TOEFL Internet	79	TOEFL Paper	550	IELTS	6.5	<p>English Language Assessment Program (ELAP) Exempt:</p> <table> <tr> <td>TOEFL Internet</td> <td>100</td> </tr> <tr> <td>TOEFL Paper</td> <td>600</td> </tr> <tr> <td>IELTS</td> <td>7</td> </tr> </table> <p>Graduate Admission Qualification:</p> <table> <tr> <td>TOEFL Internet</td> <td>79</td> </tr> <tr> <td>TOEFL Paper</td> <td>550</td> </tr> <tr> <td>IELTS</td> <td>6.5</td> </tr> </table> <p>Participation in UTSA’s English Language Assessment Program (ELAP), before registration, is required of students with TOEFL scores below 600 (paper version) or 100 (Internet based) or an IELTS score below 7. Based on this assessment, students needing additional instruction in English are required to enroll in appropriate English for International Students (EIS) courses.</p>	TOEFL Internet	100	TOEFL Paper	600	IELTS	7	TOEFL Internet	79	TOEFL Paper	550	IELTS	6.5
TOEFL Internet	100																								
TOEFL Paper	600																								
IELTS	7																								
TOEFL Internet	79																								
TOEFL Paper	550																								
IELTS	6.5																								
TOEFL Internet	100																								
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IELTS	7																								
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TOEFL Paper	550																								
IELTS	6.5																								

- 3k. U. T. Tyler: Discussion and appropriate action regarding proposed changes to admission criteria for the Master of Science in Nursing (MSN) Family Nurse Practitioner (FNP) degree program and the Post-MSN FNP certificate program

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and the institutional president that the U. T. System Board of Regents approve changes to the criteria for admission to the Master of Science in Nursing (MSN) Family Nurse Practitioner (FNP) degree program and the Post-MSN FNP certificate program at U. T. Tyler as described below.

BACKGROUND INFORMATION

U. T. Tyler would like to add a requirement that the MSN FNP students have one year of full-time work as a nurse before applying to the program. U. T. Tyler faculty and preceptors agree that applicants must have competency in the basic nursing role and medication management before assuming an advanced nursing role as students without such experience encounter difficulties in clinical settings.

Current Admission Criteria	Proposed Admission Criteria
<p data-bbox="321 241 786 342">Admission Requirements Family Nurse Practitioner MSN and Post-MSN certification</p> <p data-bbox="321 384 786 562">Students applying for admission to the MSN program are expected to submit a portfolio for evaluation consisting of the following:</p> <ol data-bbox="321 604 786 1801" style="list-style-type: none"> <li data-bbox="321 604 786 674">1. Submit three professional and/or academic references; <li data-bbox="321 716 786 856">2. Submit transcripts verifying a minimum grade-point average of 3.0 for the last 60 semester credit hours of undergraduate work*; <li data-bbox="321 898 786 999">3. Hold a Bachelor of Science in Nursing (BSN) degree from a nationally accredited College; <li data-bbox="321 1041 786 1182">4. Show proof of current licensure as a Registered Nurse in the state(s) where clinical practicum will occur; <li data-bbox="321 1224 786 1325">5. Complete an undergraduate statistics course with a grade of "C" or better; <li data-bbox="321 1367 786 1545">6. Submit either a two-page essay or video describing reasons for seeking a particular MSN degree and plans for the future. <li data-bbox="321 1587 786 1801">7. Applicants from countries other than the United States must also meet the admission requirements for international students seeking a graduate degree as listed in the University catalog. 	<p data-bbox="837 241 1302 342">Admission Requirements Family Nurse Practitioner MSN and Post-MSN certification</p> <p data-bbox="837 384 1302 525">Students applying for admission to the MSN program are expected to submit a portfolio for evaluation consisting of the following:</p> <ol data-bbox="837 604 1026 1623" style="list-style-type: none"> <li data-bbox="837 604 1026 638">1. No change <li data-bbox="837 716 1026 749">2. No change <li data-bbox="837 898 1026 932">3. No change <li data-bbox="837 1041 1026 1075">4. No change <li data-bbox="837 1224 1026 1257">5. No change <li data-bbox="837 1367 1026 1400">6. No change <li data-bbox="837 1587 1026 1623">7. No change

<p>8. Consideration for admission is also given to one or more of the following: the applicant's demonstrated commitment to his or her chosen field of study; socioeconomic background; and involvement and level of responsibility related to other factors, including extracurricular activities, employment, community service, first generation of family to graduate from an undergraduate program, family responsibility for raising children, multilingual proficiency, or geographic region of residence.</p> <p>* Students who do not meet the GPA requirement for Full admission may be granted Conditional admission based on satisfactory scores on the verbal/quantitative portions of the Graduate Record Examination (GRE) in combination with GPA for the last 60 semester hours of undergraduate work.</p>	<p>8. No change</p> <p><u>9. In the last four years, one year of full-time work experience as a nurse prior to application is needed. This experience should be direct patient care involving patient assessment and medication administration.</u></p> <p>* No change</p>
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3I. U. T. Tyler: Discussion and appropriate action regarding proposed changes to admission criteria for the Master of Arts in Political Science degree program

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and the institutional president that the U. T. System Board of Regents approve changes to the criteria for admission to the Master of Arts in Political Science degree program at U. T. Tyler as described on the following page.

BACKGROUND INFORMATION

Based on recommendations from an external program reviewer, U. T. Tyler proposes a change in admission requirements for the Master in Political Science degree program to require a directed essay demonstrating the student's motivation for study in political science and the student's analytical writing skills instead of using the GRE requirement.

Current Criteria	Proposed Criteria
<p data-bbox="331 241 769 304">Admission Requirements for M.A. in Political Science</p> <p data-bbox="331 338 792 552">In addition to the general requirements for admission to graduate study, the requirements for admission to the political science program are as follows:</p> <ol data-bbox="331 585 792 1850" style="list-style-type: none"> <li data-bbox="331 585 792 688">1. A baccalaureate degree from an accredited college or university. <li data-bbox="331 722 792 898">2. A satisfactory score on the General Test (verbal, quantitative, and analytical) of the Graduate Record Examination (GRE). <li data-bbox="331 1134 792 1310">3. A satisfactory grade-point average on all prior advanced-level (junior, senior, and graduate) work (Minimum GPA - 3.0). <li data-bbox="331 1344 792 1850">4. Consideration is also given to one or more of the following: the applicant's demonstrated commitment to his or her chosen field of study, socioeconomic background, first generation college graduate, multilingual proficiency, geographic region of residence, and level of responsibility in other matters including extracurricular activities, employment, community service, and family responsibilities. 	<p data-bbox="831 241 1344 304">Admission Requirements for M.A. in Political Science</p> <p data-bbox="831 338 1351 514">In addition to the general requirements for admission to graduate study, the requirements for admission to the political science program are as follows:</p> <ol data-bbox="831 585 1351 1362" style="list-style-type: none"> <li data-bbox="831 585 1351 621">1. No change. <li data-bbox="831 722 1351 1041">2. A satisfactory score on the General Test (verbal, quantitative, and analytical) of the Graduate Record Examination (GRE). <u>A directed essay designed to demonstrate the candidate's motivation for study in political science as well as the student's facility with analytical writing.</u> <li data-bbox="831 1134 1351 1169">3. No change. <li data-bbox="831 1329 1351 1365">4. No change.

3m. U. T. Tyler: Discussion and appropriate action regarding proposed changes to admission criteria for the Doctor of Philosophy in Human Resource Development degree program

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and the institutional president that the U. T. System Board of Regents approve changes to the criteria for admission to the Doctor of Philosophy in Human Resource Development degree program at U. T. Tyler as described on the following page.

BACKGROUND INFORMATION

The graduate faculty were provided with feedback from external examiners who recently visited and performed an assessment of the doctoral program. Their feedback included the need for expanding the current admissions requirements in the following ways: identifying research interests to better match incoming students with an interim faculty advisor and conducting interviews with prospective applicants. The program faculty have previously discussed the need to obtain writing samples (or to obtain a writing sample under time conditions) given the importance of writing capability associated with this program's doctoral coursework and required doctoral milestones and recommend adding those requirements as well.

<p>Current Catalog Copy Admissions Requirements:</p>	<p>Proposed Catalog Copy Admissions Requirements:</p>
<p>The following criteria must be met for entry into the program:</p> <ol style="list-style-type: none"> 1. Master's degree in HRD, business administration, management or related field from a college or university approved by a recognized regional accrediting body. 2. 3.0 GPA (on 4.0 scale) on all previous academic coursework. 3. Submission of GMAT scores (in some cases the GRE may be accepted in lieu of the GMAT) taken within 5 years at time of application to the program. 4. Submission of a career statement that articulates the purpose for pursuing the Ph.D. in HRD and the connection of obtaining the degree with future career goals. 5. Submission of a complete resume or curriculum vita. 6. Submission of three original letters of recommendation that address the applicant's potential as a Ph.D. scholar in HRD. 	<p>The following criteria must be met for entry into the program:</p> <ol style="list-style-type: none"> 1. No change. 2. No change. 3. No change. 4. Submission of a career statement that articulates the purpose for pursuing the Ph.D. in HRD, and the connection of obtaining the degree with future career goals <u>describes potential research interests and articulates how the attainment of the degree will influence future career goals.</u> 5. No change. 6. No change. 7. <u>Submission of a writing sample or a writing sample under timed conditions may also be scheduled.</u> 8. <u>Participation in an interview with program faculty on the admissions committee.</u>

4. U. T. Arlington: Discussion and appropriate action regarding authorization to increase student union fee contingent upon majority vote by students participating in a general election

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and the institutional president that that the U. T. System Board of Regents authorize U. T. Arlington to levy a student union fee not to exceed \$150 per student for each regular semester and not to exceed \$75 per student for each summer session term contingent on approval of such fees by a majority vote of students participating in a general election and with such fees to be used only for financing, constructing, operating, and maintaining the student union building.

BACKGROUND INFORMATION

The E. H. Hereford University Center (Student Union), at U. T. Arlington was constructed in 1953, with an addition and renovation occurring in 1985 at the time when U. T. Arlington's student population was 12,000 students. In 2017, 5,275 square feet was added for the Career Development Center. The building now comprises over 240,000 gross square feet and houses numerous activity centers and offices meant to serve a population of over 43,000 students. The student union fee was last increased in 1985 from \$15 to \$39 per semester.

During the 86th Legislative Session, U. T. Arlington requested statutory authorization for an increase to the student union fee contingent upon majority vote by students participating in a general election within one year and with such fees to be used only for financing, constructing, operating, and maintaining the student union building. Specifically, the request was for authorization to levy a student union fee not to exceed \$150 per student for each regular semester and not to exceed \$75 per student for each summer session term, up from \$39 per student for each regular semester and \$19.50 per student for each summer session term. The legislation was passed to be effective on September 1, 2019.

Following necessary approvals for the increase in the student union fee, this renovation project will proceed as a Major Project, pursuant to Regents' *Rules and Regulations*, Rules 80301 (Capital Improvement Program) and 80404 (Institutional Management of Major Construction and Repair and Rehabilitation Projects) and will be institutionally managed by U. T. Arlington personnel.

5. U. T. Austin: Request to approve the honorific naming of the Student Activity Center as the William C. Powers, Jr. Student Activity Center

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor recommends that the U. T. System Board of Regents approve the honorific naming of the Student Activity Center as the William C. Powers, Jr. Student Activity Center to recognize Mr. Powers as an esteemed teacher and university leader, nationally recognized legal scholar, and staunch proponent of the value of the public research university.

BACKGROUND INFORMATION

The Student Activity Center, which was approved for addition to the Capital Improvement Program by the Board of Regents on May 11, 2006, and is located at 2201 Speedway, is a component of the Division of Student Affairs and is operated by University Unions. The grand opening was held in January 2011. The seven-story structure offers 149,000 square feet of departmental space, dining, and distributed lounge space, and 25,000 feet of outdoor seating. It offers 13 meeting rooms, including a ballroom, the Black Box Theater (an experimental performance space), a dance rehearsal space, a legislative assembly room, and an auditorium. The building is occupied by the Office of the Dean of Students, Department of Anthropology, Gender and Sexuality Center, Multicultural Engagement Center, Graduate Student Assembly, Senate of College Councils, Student Government, and Leadership and Ethics Institute.

William C. "Bill" Powers, Jr., who passed away March 10, 2019, was the 28th president of U. T. Austin, serving from 2006 to 2015, the second-longest term of service in the university's history. The Student Activity Center is one of 13 major buildings completed under his leadership. Mr. Powers oversaw the completion of the \$3.1 billion Campaign for Texas, the largest public university campaign in Texas history, and was instrumental in the founding of Dell Medical School and the School of Undergraduate Studies. Other major accomplishments include reforming the undergraduate curriculum, increasing U. T. Austin's four-year graduation rate, and leading U. T. Austin to the U.S. Supreme Court to defend the educational benefits of diversity in higher education. A member of the U. T. Austin School of Law faculty for more than 40 years, including six years as dean, Mr. Powers was a beloved mentor, connecting with thousands of students on the Forty Acres and remaining a classroom teacher even during his nine years as president. Of his many titles, "teacher" was the one of which he most proud.

The proposed naming is consistent with the Board of Regents' *Rules and Regulations*, Series 80307, relating to the honorific naming of facilities, because of former President Powers' significant vision and leadership.

6. U. T. Permian Basin: Strategic Plan

This item was for consideration only by the Committee.

REPORT OF THE HEALTH AFFAIRS COMMITTEE (Page 109 - 118).-- Committee Chairman Longoria 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. System Board of Regents: Discussion and appropriate action regarding Consent Agenda items, if any, assigned for Committee consideration

There were no items referred from the Consent Agenda.

2. U. T. System: Approval to distribute a portion of The University of Texas System Professional Medical Liability Benefit Plan premium returns and approve rates for the Plan

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor concurs in the recommendation of The University of Texas System Professional Medical Liability Benefit Plan (Plan) Management Committee, chaired by the Vice Chancellor and General Counsel and comprised of the Chair, the Executive Vice Chancellor for Health Affairs *ad interim*, the Executive Vice Chancellor for Academic Affairs, and the Executive Vice Chancellor for Business Affairs, after consultation with Milliman, Inc., actuary for the Plan, that:

- a. overall premium rates remain unchanged; and
- b. \$6 million in premiums be returned to the participating U. T. System institutions based on a methodology that considers each institution's losses.

The proposed distribution of \$6 million is set forth on Page 103 as Exhibit 1.

BACKGROUND INFORMATION

With the implementation of tort reform in 2003, the Plan Management Committee (Committee) has consistently recommended significant reductions in total Plan assets to bring the reserve levels to those generally accepted by the industry. The Committee continues balancing Plan revenue from premiums charged and investment income with adequate capitalization from which to pay Plan claims, reserves for future claims, and administrative expenses. As part of this effort, Plan premiums were significantly reduced for several years immediately following tort reform adoption, and since 2007, the premium rates have either been reduced or unchanged. However, Plan premiums are adjusted annually for institutional loss experience.

For the coming year, the Committee recommends maintaining overall premiums at the current rates. Based on Plan investment income and efficient management of claims, the Committee recommends a return to the contributing institutions of \$6 million so that excessive reserves are not maintained. The combination of unchanged rates along with this distribution should still allow for adequate capitalization of the Plan.

The methodology for distribution of \$6 million to participating institutions considers the proportion of each institution's payment into the Plan as well as each institution's loss experience. Thus, those institutions with higher claims receive lower distributions.

Since there are remaining funds previously designed for U. T. efforts in patient safety enhancement through collaborative projects, as identified by the Executive Vice Chancellor for Health Affairs *ad interim*, no additional such funds are recommended for this fiscal year.

Exhibit 1

The University of Texas System Professional Medical Liability Benefit PlanProposed Distribution of Plan Returns

FY 2019

<i>Institution</i>	<i>Premium Paid</i>	<i>Claims Expense</i>	<i>Net Contribution Amount</i>	<i>Rebate based on Net Contribution</i>
	<i>2017-2019</i>	<i>2017-2019</i>		
UT Arlington	6,594	-	6,594	2,107
UT Austin	362,593	121,860	240,733	76,913
UT Dallas	1,488	-	1,488	475
UT El Paso	948	-	948	303
UT Rio Grande Valley	798,352	16,270	782,082	249,870
UT San Antonio	3,834	-	3,834	1,225
UTSWMC	6,937,127	3,479,671	3,457,456	1,104,634
UTMB	4,551,443	2,048,422	2,503,021	799,698
UTHSCH	7,001,732	2,632,141	4,369,591	1,396,055
UTHSCH Medical Foundation	2,675,950	1,005,962	1,669,988	533,550
UTHSCSA	5,110,264	1,798,910	3,311,354	1,057,955
UTMDACC	3,643,826	1,615,231	2,028,595	648,123
UTHSCT	490,072	86,020	404,052	129,092
Subtotal	\$ 31,584,223	\$ 12,804,487	\$ 18,779,736	\$ 6,000,000
TOTAL PROPOSED DISTRIBUTION				\$ 6,000,000

3. U. T. M. D. Anderson Cancer Center: Discussion and appropriate action regarding a) allocation and authorization of expenditure of \$10 million of institutional funds to Harris Health System solely for the design and construction of expanded oncology facilities at the Lyndon Baines Johnson Hospital; b) based on a successful philanthropic campaign, allocation and authorization of expenditure of up to \$37 million of institutional funds to Harris Health System solely for the build-out of the radiation oncology facility and expanded oncology facilities at the Lyndon Baines Johnson Hospital; c) authorization to license its name to Harris Health System for purposes of branding or co-branding the oncology facilities at the Lyndon Baines Johnson Hospital; d) delegation of authority to the President of UTMDACC to execute related documents and take other action necessary; and e) finding of public purpose

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs *ad interim*, the Vice Chancellor for Business Affairs, the Vice Chancellor and General Counsel, and the institutional president that the U. T. System Board of Regents:

- a. to authorize allocation and expenditure of \$10 million from unrestricted institutional funds to Harris Health System solely for the design and construction of expanded oncology facilities at the Lyndon Baines Johnson Hospital (LBJ Hospital), with the understanding that no state-appropriated funds or tuition revenues will be used;
- b. based on a successful philanthropic campaign, to authorize allocation and expenditure of up to \$37 million from unrestricted institutional funds to Harris Health System solely for the build-out of the radiation oncology facility and expanded oncology facilities at the LBJ Hospital, with the understanding that no state-appropriated funds or tuition revenues will be used;
- c. to authorize U. T. M. D. Anderson to license its name to Harris Health System for purposes of branding or co-branding the oncology facilities at the LBJ Hospital;
- d. to delegate authority to the President of U. T. M. D. Anderson Cancer Center to execute all documents, instruments, and other agreements and to take all further actions deemed necessary to carry out the purpose and intent of the foregoing actions, following review and approval by the Chancellor, the Executive Vice Chancellor for Health Affairs, the Executive Vice Chancellor for Business Affairs, and the Vice Chancellor and General Counsel; and

- e. to make a finding that the proposed expenditures and the licensing of U. T. M. D. Anderson's name for branding and co-branding the oncology facilities at the LBJ Hospital (i) supports the public mission of and serves public purposes appropriate to the functions of U. T. M. D. Anderson Cancer Center, (ii) is structured with adequate safeguards, and controls in place to ensure the public purpose will continue to be met on an ongoing basis, and (iii) will result in adequate consideration and benefits to U. T. M. D. Anderson Cancer Center and to Harris Health's underserved population.

BACKGROUND INFORMATION

U. T. M. D. Anderson Cancer Center began collaborating with Harris Health System's Lyndon Baines Johnson Hospital (LBJ Hospital) in 1995. Since that time, U. T. M. D. Anderson has provided medical oncology services for patients being treated at the LBJ Hospital. Today, U. T. M. D. Anderson resources dedicated to the LBJ Hospital include 15 faculty, five advanced practice providers, two genetic counselors, and four pharmacists. This collaboration provides the opportunity for the LBJ Hospital patients to receive state of the art medical oncology care and provides U. T. M. D. Anderson with educational and clinical research opportunities and the opportunity to directly care for Harris County's underserved population.

At present, medical and surgical oncology services are provided on site at the LBJ Hospital. There are, however, no radiation oncology services offered at the LBJ Hospital. Patients requiring these services must travel to a site adjacent to the Texas Medical Center. This trip can take more than two hours via public transportation, which is inconvenient at best and, at worst, may lead some patients to forgo appropriate multidisciplinary care.

To better serve these patients, U. T. M. D. Anderson proposes to expand the service offerings at the LBJ Hospital by providing financial assistance to Harris Health System to construct an onsite radiation oncology facility at the LBJ Hospital. U. T. M. D. Anderson seeks to grant \$10 million to partially fund the construction of such a facility. Additionally, U. T. M. D. Anderson seeks to embark on a philanthropic campaign, in collaboration with Harris Health System, to raise approximately \$37 million for Harris Health System to fully fund the build-out of the radiation oncology facility along with expanded oncology clinics, infusion therapy, laboratory medicine and pharmacy. U. T. M. D. Anderson will provide the professional staff for these expanded facilities, which will be owned and operated by Harris Health System.

The activities proposed above are ensured to serve a public purpose based on the following:

1. The expenditure under the proposed collaboration has a predominantly public purpose because it is to an entity, the inherent mission of which, is a public purpose. More specifically, Harris Health System is a public hospital district providing care to residents of Harris County.

Harris Health System's stated mission is "improving the health of those most in need in Harris County through quality care delivery, coordination of care, and education." Approximately 60% of care provided by Harris Health System is to the uninsured; 20% to Medicaid and the Children's Health Insurance Program patients; 9.5% to Medicare patients; 10% to commercial/other funded patients. The proposed project will provide underserved patients with access to cancer care that would not otherwise be available.

2. U. T. M. D. Anderson will retain sufficient control over its contribution to Harris Health System to ensure the public purpose is accomplished. U. T. M.D. Anderson will negotiate multiple agreements with Harris Health System to memorialize the obligations associated with the collaboration, including grant agreements that will act as mechanisms for providing funds to Harris Health System. Payments to Harris Health System will be based on milestones achieved with audit and claw-back rights for U. T. M. D. Anderson if the funds are not used in furtherance of the defined project.
3. U. T. M. D. Anderson will obtain return benefits from the collaboration through expanded educational and clinical research opportunities and by being able to provide more extensive health care in a high-quality facility to an underserved population of Harris County. Providing cancer care to this population aligns with U. T. M. D. Anderson's mission.
4. U. T. M. D. Anderson Cancer Center: Discussion and appropriate action regarding authorization a) to participate as a member of Alliance of Dedicated Cancer Centers, Inc. (ADCC), b) to pay dues and other assessments to ADCC when due, c) for U. T. M. D. Anderson Cancer Center employees to serve on an uncompensated basis as U. T. M. D. Anderson Cancer Center's director on the board of ADCC, d) for U. T. M. D. Anderson Cancer Center employees to serve, from time to time, on an uncompensated basis as officers of ADCC when and if elected, and e) delegation of authority to the President to execute documents and take other actions as necessary, following final review and approval

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs *ad interim*, the Executive Vice Chancellor for Business Affairs, the Vice Chancellor and General Counsel, and the institutional president that authorization be granted by the U. T. System Board of Regents, on behalf of U. T. M. D. Anderson Cancer Center

- a. to participate as a member of Alliance of Dedicated Cancer Centers, Inc. (ADCC)

- b. to pay dues and other assessments to ADCC when due;
- c. for U. T. M. D. Anderson employees to serve on an uncompensated basis as U. T. M. D. Anderson's director of the board of ADCC;
- d. for U. T. M. D. Anderson employees to serve, from time to time, on an uncompensated basis as officers of ADCC when and if elected; and
- e. to delegate authority to the President of U. T. M. D. Anderson Cancer Center or his delegate to execute all documents, instruments, and other agreements, following review and final approval by the Chancellor, the Executive Vice Chancellor for Health Affairs, the Executive Vice Chancellor for Business Affairs, and the Vice Chancellor and General Counsel, and to take all further actions necessary or advisable to carry out the purpose and intent of the foregoing actions and to accomplish the foregoing transactions.

BACKGROUND INFORMATION

The Alliance of Dedicated Cancer Centers, Inc. currently exists and operates as an informal organization of the nation's top cancer centers. ADCC was created in approximately 1986 shortly after Congress passed legislation establishing a different method of paying the costs of care at these highly specialized institutions, exempting them from the Diagnosis Related Groups' payment system that covers medical care providers that treat all types of diseases. At that time, eight of the nation's leading cancer centers, including U. T. M. D. Anderson, formed the ADCC. In subsequent years, additional members joined and there are currently 10 members. To facilitate and enhance the collective operations of the ADCC, the members now wish to formalize the organization by forming a non-profit 501(c)(6) trade association under the laws of the State of Delaware.

5. U. T. M. D. Anderson Cancer Center: Discussion and appropriate action regarding a) proposed participation as a special limited partner in the Focus Fund, L.P., b) use of U. T. M. D. Anderson Cancer Center names, logos, and trademarks in association with the Focus Fund, and c) delegation of authority to the President to execute documents and take other actions as necessary, following final review and approval

At the Committee Meeting the previous day, Chairman Longoria noted that the recommendation below was amended to delete section b, which relates to the use of institution's names, logo, and trademarks. The Board approved the following recommendation, as amended:

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs *ad interim*, the Executive Vice Chancellor for Business Affairs, the Vice Chancellor and General Counsel, and the institutional president that authorization be granted by the U. T. System Board of Regents, on behalf of U. T. M. D. Anderson Cancer Center:

- a. to participate as a special limited partner in an investment fund initiated by U. T. M. D. Anderson Cancer Center and to be known as the Focus Fund, L.P.;
- ~~b. to use U. T. M. D. Anderson Cancer Center names, logos, and trademarks in association with the Focus Fund, L.P.; and~~
- c. to delegate authority to the President of U. T. M. D. Anderson Cancer Center or his delegate to execute all documents, instruments, and other agreements, following review and final approval by the Chancellor, the Executive Vice Chancellor for Health Affairs, the Executive Vice Chancellor for Business Affairs, and the Vice Chancellor and General Counsel, and to take all further actions necessary or advisable to carry out the purpose and intent of the foregoing actions and to accomplish the foregoing transaction.

BACKGROUND INFORMATION

The Focus Fund, L.P. (the Fund) is being created as an independent, privately sponsored venture capital fund to make investments with respect to biotech companies with promising late pre-clinical to early clinical oncology assets. The Fund's capital will be primarily used to finance the advancement of oncology assets through clinical trials conducted at U. T. M. D. Anderson Cancer Center. Transaction documents are substantially complete and agreed to by the principals. The Fund has \$25 million in commitments as of July 24, 2019.

Early stage biotechnology companies all over the world are seeking to partner with U. T. M. D. Anderson to perform first-in-human clinical trials with their novel cancer drugs. Additionally, these companies often need help from U. T. M. D. Anderson to

conduct or confirm pre-clinical results and to develop assays or biomarkers that will aid in the development of potentially life-saving drugs. Human clinical trials are expensive and many small biotech companies do not have adequate resources to undertake the clinical development of the assets in a thoughtful and comprehensive manner. Given the early stage of these companies and the significant cost to conduct a human clinical trial, many highly promising drugs are unable to move forward while the company's founders seek funding, which can take months or years. As a result, the unfortunate reality is that very promising drugs are under-developed or in some cases, not developed at all. It is these drugs that the Fund will target. Specifically, with capital from third party investors, the Fund will provide funding at appropriate risk-adjusted rates for clinical trials of drugs about to enter clinical trials.

U. T. M. D. Anderson Cancer Center has negotiated in an arms-length transaction its participation as a special limited partner (although U. T. M. D. Anderson would not be investing any money in the Fund.) Other Limited Partners would invest capital in the Fund in the expectation of a return comprised of the cash flows that would arise from the monetization of each one of the assets in which the Fund has invested. The initial term of the Fund would be 10 years, although earlier returns are expected.

The duties and privileges of U. T. M. D. Anderson Cancer Center as the special limited partner will be:

- A stake in the Fund, in exchange for a discount in the provision of services to the Fund (primarily clinical trials). It would also receive consulting and administrative fees from the General Partner.
- Formation of a Scientific Advisory Board. U. T. M. D. Anderson scientists would preselect and rank all the drugs of which it is aware on a worldwide basis and establish the threshold of what drugs are eligible for consideration by the Investment Committee.
- The Investment Committee, formed by members of the General Partner and special advisors of world renown - but not U. T. M. D. Anderson itself, to minimize conflict of interest issues - would select the drugs into which the Fund would make an investment.
- For those companies and drugs, U. T. M. D. Anderson would conduct the clinical trials under strict additional conflict of interest guidelines. U. T. M. D. Anderson would not benefit from the success of an individual drug, but it would have upside if the Fund's investments are successful.

From U. T. M. D. Anderson Cancer Center's perspective, participation in the Fund is attractive and beneficial because:

1. U. T. M. D. Anderson would not have to invest any capital in the Fund.
2. U. T. M. D. Anderson would have access to novel agents from around the world that it otherwise would not have had access to, to the benefit of U. T. M. D. Anderson's clinicians and scientists.
3. Participation in the Fund would increase the number of clinical trials performed at U. T. M. D. Anderson and the number of drugs that are developed at U. T. M. D. Anderson and provide further meaningful research and development opportunities for U. T. M. D. Anderson faculty.

It is believed that the Fund will be successful and attractive to investors and drug owners because:

1. The scientific resources of U. T. M. D. Anderson would be dedicated to finding, triaging, and developing drugs that are undervalued.
2. Financial resources would be employed at the premier cancer center in the world, ensuring that the very best scientists would come with a state-of-the-art development plan, which would give each drug the highest chance of success.
3. Investment by the Fund would be tailored to each drug. It may or may not involve an equity investment in the corporate structure of the owner of the drug, and it could be comprised of milestones and/or royalties upon commercialization. This would allow drugs to be developed that otherwise may not have had a chance due to unorthodox or imperfect corporate structures of the company that has the rights to the drug. Moreover, investors could avail themselves of a broad range of exit strategies, unlike traditional funds that always obtain equity in the companies in which they invest and suffer from very long-term horizons and large amounts of uncertainty.
4. Small biotech companies that are outside of the traditional financing centers (e.g., New York, Boston, and San Francisco) and struggling to finance the development of novel drugs could avail themselves through the Fund to highly differentiated and advantageous mechanisms to advance assets, without sacrificing a large amount of equity in the company or agreeing to a sub-optimal early licensing deal with pharmaceutical companies.

REPORT AND RECOMMENDATIONS OF THE FACILITIES PLANNING AND CONSTRUCTION COMMITTEE (Pages 119 - 135).--Committee Chairman Beck 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 Board of Regents: Discussion and appropriate action regarding Consent Agenda items, if any, assigned for Committee consideration

There were no items assigned for review by this Committee.

2. U. T. Rio Grande Valley: School of Medicine Institute of Neurosciences - Amendment of the current Capital Improvement Program to include project

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Business Affairs, and the institutional president that the U. T. System Board of Regents amend the current Capital Improvement Program (CIP) to include the School of Medicine Institute of Neurosciences project at The University of Texas Rio Grande Valley.

BACKGROUND INFORMATION

Previous Actions

On August 29, 2018, the Chancellor approved this project for Definition Phase. On December 6, 2012, the Board approved \$100 million of unspecified resources over the next 10 years to be used for start-up costs for the School of Medicine. To date, the Board has partially fulfilled this commitment through multiple appropriations of Permanent University Fund (PUF) Bond Proceeds totaling \$50 million.

Project Description

The proposed project will be located in Harlingen, Texas on 35 acres of land located near the Clinical Education Building. The facility will advance one of the core research priorities for the School of Medicine of alleviating the space demand in clinical and research areas. The facility will serve as a world-class site for the departments of neurology, psychiatry, and neurosciences and will house clinics and diagnostic centers for numerous neuropsychiatric and aging disorders.

The project is expected to consist of two or three phases over several years and to be a designated center for research on brain health and other aspects of neurosciences. This first phase is planned to include clinical, shared clinical, clinical research, imaging, core research, satellite vivarium, collaboration and support space.

This proposed project has been approved by U. T. 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.

**The University of Texas Rio Grande Valley
School of Medicine Institute of Neurosciences**

Project Information

Project Number	903-1220
CIP Project Type	New Construction
Facility Type	Laboratory, Medical Healthcare
Management Type	Office of Capital Projects
Institution’s Project Advocates	Sofia Hernandez, Chief of Staff for the School of Medicine
Project Delivery Method	Construction Manager-at-Risk
Gross Square Feet (GSF)	30,000

Project Funding

Permanent University Fund Bond Proceeds ¹	<u>Proposed</u> \$30,000,000
Total Project Cost	\$30,000,000

¹ PUF Bond Proceeds committed to the project from the Board’s 12/06/12 award in support of the School of Medicine

Project Cost Detail

Building Cost	\$ 16,309,356
Fixed Equipment	639,068
Site Development	3,819,181
Furniture and Moveable Equipment	720,000
Institutionally Managed Work	1,518,592
Architectural/Design Services	2,021,878
Project Management Fees	1,059,508
Insurance	633,457
Other Professional Fees	655,000
Project Contingency	2,564,461
Other Costs	<u>59,499</u>
Total Project Cost	\$30,000,000

The University of Texas Rio Grande Valley
School of Medicine Institute of Neurosciences
 (Continued)

Building Cost per GSF Benchmarks (escalated to midpoint of construction)

School of Medicine Institute of Neurosciences	\$544		
Texas Higher Education Coordinating Board Average – Laboratory, Medical/Healthcare	\$469		
	Low Quartile	Median	High Quartile
Other U. T. System Projects	\$477	\$528	\$606
Other National Projects	\$534	\$670	\$811

Investment Metrics

- Increase neurology clinical faculty by 2023
- Increase School of Medicine extramural research by 50% by 2023

Project Planning

Definition Phase Completed	Yes
Owner’s Project Requirements	Yes
Basis of Design	Yes
Schematic Design	Yes
Detailed Cost Estimate	Yes

Project Milestones

Definition Phase Approval	August 2018
Addition to CIP	August 2019
Design Development Approval	November 2019
Construction Notice to Proceed	March 2020
Substantial Completion	June 2021

Basis of Design

The planned building life expectancy includes the following elements:

- Enclosure: 50 years
- Building Systems: 50 years
- Interior Construction: 50 years

3. U. T. Medical Branch - Galveston: John Sealy Hospital Modernization Phase III - Amendment of the current Capital Improvement Program to include project; approval of total project cost; and appropriation of funds

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs *ad interim*, the Executive Vice Chancellor for Business Affairs, and the institutional president that the U. T. System Board of Regents amend the current Capital Improvement Program (CIP) to include the John Sealy Hospital Modernization Phase III project at the University of Texas Medical Branch - Galveston as follows:

- a. amend the current CIP and approve a total project cost of \$54,000,00 with funding of \$25,000,000 from Gifts, \$15,000,000 from Permanent University Fund (PUF) Bond Proceeds, and \$14,000,000 from Hospital Revenues; and
- b. appropriate funds.

BACKGROUND INFORMATION

Previous Actions

On May 21, 2019, the Chancellor approved this project for Definition Phase. On November 10, 2016, the Board approved \$15 million in PUF Bond Proceeds for the construction of a behavioral health treatment, research, and education center. On May 14, 2019, the Chancellor approved the extension of use of PUF Bond Proceeds through November 2022.

Project Description

The proposed project will construct an inpatient rehabilitation unit and a behavioral health unit allowing for the expansion of clinical services by modernizing patient treatment and staff support space in the John Sealy Hospital, John Sealy Annex, and the Waverley Smith Pavilion. Additionally, the project will improve patient access and convenience by centralizing the existing neurodiagnostic services, oncology, and infusion outpatient services within the Waverly Smith Pavilion.

The John Sealy Hospital Modernization Phase III project follows a series of expansion and modernization projects in Galveston as part of the 2015-2040 UTMB Campus Master Plan. The project encompasses multiple service lines across three different buildings on the Galveston campus by consolidating and centralizing patient care service areas.

This proposed repair and rehabilitation project has been approved by U. T. 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 President for approval at a later date. Pursuant to Board of Regents approval on May 10, 2017, UTMB has delegated authority for institutional management of construction projects under the continued oversight of the Office of Capital Projects.

**The University of Texas Medical Branch - Galveston
John Sealy Hospital Modernization Phase III**

Project Information

Project Number	601-1100
CIP Project Type	Repair and Rehabilitation
Facility Type	Healthcare Facility, Hospital
Management Type	Institutional Management
Institution’s Project Advocates	Rebecca Korenek, Senior Vice President Strategic and Business Planning
Project Delivery Method	Construction Manager-at-Risk
Gross Square Feet (GSF)	131,600
Shell Space (GSF)	27,000

Project Funding

	<u>Proposed</u>
Gifts ¹	\$25,000,000
Permanent University Fund Bond Proceeds ²	\$15,000,000
Hospital Revenues	<u>\$14,000,000</u>
Total Project Cost	\$54,000,000

¹ Gift funding in hand

² PUF Bond Proceeds approved November 10, 2016

Project Cost Detail

Building Cost	\$36,592,108
Fixed Equipment	-
Site Development	822,185
Furniture and Moveable Equipment	8,641,932
Institutionally Managed Work	1,155,628
Architectural/Design Services	2,554,382
Project Management Fees	1,315,894
Insurance	631,565
Other Professional Fees	752,110
Project Contingency	1,534,196
Other Costs	-
Total Project Cost	<u>\$54,000,000</u>

**The University of Texas Southwestern Medical Center
Radiation Therapy Building Phase II
(continued)**

Project Milestones

Definition Phase Approval	April 2018
Addition to CIP	May 2019
Design Development Approval	August 2019
Construction Notice to Proceed	September 2019
Substantial Completion	June 2021

Basis of Design

The planned building life expectancy includes the following elements:

- Enclosure: 30 years
- Building Systems: 30 years
- Interior Construction: 30 years

4. U. T. Austin: Anna Hiss Gymnasium Renovation - Amendment of the current Capital Improvement Program to include project; approval of total project cost; and appropriation of funds

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Business Affairs, and the institutional president that the U. T. System Board of Regents amend the current Capital Improvement Program (CIP) to include the Anna Hiss Gymnasium Renovation project at The University of Texas at Austin as follows:

- a. amend the current CIP and approve a total project cost of \$24,500,000 with funding of \$20,000,000 from the Available University Fund and \$4,500,000 from Permanent University Fund (PUF) Bond Proceeds; and
- b. appropriate funds.

BACKGROUND INFORMATION

Previous Action

On May 23, 2019, the Board approved \$17 million from PUF Bond Proceeds and \$3 million from Available University Funds to support the startup of U. T. Austin's collaboration with the Army Futures Command. A portion of the PUF Bond Proceeds will be used on this project.

Project Description

The project will renovate collaborative interdisciplinary space in the Anna Hiss Gymnasium to support research and academic programs for Aerospace Engineering and Engineering Mechanics, Computer Science, Electrical and Computer Engineering, Mechanical Engineering, and Fine Arts. This adaptive reuse of space will also support the University's partnership with the Army Futures Command modernization program by providing an immersive environment for cross-functional innovation teams connecting the university's academic programs with the U. S. Army's modernization initiatives. Faculty and students will bring research skills on key technical problems the Army must solve to remain competitive, and the innovative campus environment typically allows teams to produce and test prototypes faster and at a lower cost. This working relationship will allow students to work closely with Army personnel, preparing them to become leaders in critical technologies.

The project will upgrade and improve current infrastructure, provide flexible research space for current needs and future growth, as well as advancements in technology. Collocating portions of the various robotics and fine arts programs in one facility will allow for meaningful research and teaching opportunities and increase visibility to further advance the programs' goals and prestige. The shell space is anticipated to be utilized in the future for similar programmatic activities.

This proposed repair and rehabilitation project has been approved by U. T. 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 President for approval at a later date. Pursuant to Board of Regents approval on May 10, 2017, U. T. Austin has delegated authority for institutional management of construction projects under the continued oversight of the Office of Capital Projects.

**The University of Texas at Austin
Anna Hiss Gymnasium Renovation**

Project Information

Project Number	102-1250
CIP Project Type	Repair and Rehabilitation
Facility Type	Laboratory, General
Management Type	Institutional Management
Institution’s Project Advocate	Ross Johnson, Director of Academic Space Planning
Project Delivery Method	Competitive Sealed Proposals
Gross Square Feet (GSF)	55,240
Shell Space (GSF)	12,000

Project Funding

Available University Fund	<u>Proposed</u> \$20,000,000
Permanent University Funding Bond Proceeds ¹	<u>\$ 4,500,000</u>
Total Project Cost	\$24,500,000

¹PUF approved May 23, 2019 for Army Futures Command Collaboration

Project Cost Detail

Building Cost	\$15,725,000
Fixed Equipment	1,350,000
Site Development	450,000
Furniture and Moveable Equipment	500,000
Institutionally Managed Work	1,300,000
Architectural/Design Services	1,650,000
Project Management Fees	875,000
Insurance	-
Other Professional Fees	150,000
Project Contingency	2,500,000
Other Costs	-
Total Project Cost	<u>\$24,500,000</u>

Project Planning

Definition Phase Completed	No
Owner’s Project Requirements	Yes
Basis of Design	Yes
Schematic Design	Yes
Detailed Cost Estimate	Yes

Project Milestones

Definition Phase Approval	N/A
Addition to CIP	August 2019
Design Development Approval	November 2019
Construction Notice to Proceed	April 2020
Substantial Completion	March 2021

5. U. T. Austin: Campus Infrastructure Upgrades Program - Amendment of the current Capital Improvement Program to include project; approval of total project cost; and appropriation of funds

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Business Affairs, and the institutional president that the U. T. System Board of Regents amend the current Capital Improvement Program (CIP) to include the Campus Infrastructure Upgrades Program project at The University of Texas at Austin as follows:

- a. amend the current CIP and approve a total project cost of \$26,000,000 with funding of \$25,000,000 from the Available University Fund and \$1,000,000 from Designated Funds; and
- b. appropriate funds.

BACKGROUND INFORMATION

Project Description

This proposed project combines multiple capital renewal projects together into a single multi-year program of work over a three-year time frame. Five academic buildings with varying infrastructure upgrades include heating, ventilating, air conditioning (HVAC), roofing, and building envelope repairs for Battle Hall; F. L. Winship Drama Building; Music Building and Recital Hall; Goldsmith Hall; and West Mall Office Building. The design and construction of each of the buildings will be staggered based on need, logistics, and coordination with other planned renovation projects.

This proposed repair and rehabilitation project has been approved by U. T. 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 President for approval at a later date. Pursuant to Board of Regents approval on May 10, 2017, U. T. Austin has delegated authority for institutional management of construction projects under the continued oversight of the Office of Capital Projects.

**The University of Texas at Austin
Campus Infrastructure Upgrades Program**

Project Information

Project Number	102-1249
CIP Project Type	Repair and Rehabilitation
Facility Type	Utilities/Infrastructure
Management Type	Institutional Management
Institution’s Project Advocate	Mike Carmagnola, Director Project Management and Construction Services
Project Delivery Method	Construction Manager-at-Risk
Gross Square Feet (GSF)	N/A
Shell Space (GSF)	N/A

Project Funding

Available University Fund	<u>Proposed</u> \$25,000,000
Designated Funds	<u>\$ 1,000,000</u>
Total Project Cost	<u>\$26,000,000</u>

Project Cost Detail

Building Cost	
West Mall Office Building	\$4,000,000
Battle Hall	2,350,000
Goldsmith Hall	5,500,000
Music Building and Recital Hall	6,200,000
F. L. Winship Drama Building	3,000,000
Fixed Equipment	-
Site Development	-
Furniture and Moveable Equipment	-
Institutionally Managed Work	750,000
Architectural/Design Services	1,750,000
Project Management Fees	-
Insurance	-
Other Professional Fees	600,000
Project Contingency	1,750,000
Other Costs	<u>100,000</u>
Total Project Cost	<u>\$26,000,000</u>

**The University of Texas at Austin
Campus Infrastructure Upgrades Program**
(continued)

Project Planning

Definition Phase Completed	No
Owner’s Project Requirements	Yes
Basis of Design	Yes
Schematic Design	Yes
Detailed Cost Estimate	Yes

Project Milestones

Definition Phase Approval	N/A
Addition to CIP	August 2019
Design Development Approval	September 2019
Construction Notice to Proceed	March 2020
Substantial Completion	December 2021

6. U. T. Austin: Sarah M. and Charles E. Seay Building Addition - Approval of design development; and appropriation of funds and authorization of expenditure

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Business Affairs, and the institutional president that the U. T. System Board of Regents approve the recommendations for the Sarah M. and Charles E. Seay Building Addition project at The University of Texas at Austin as follows:

- a. approve design development plans; and
- b. appropriate funds and authorize expenditure of \$20,000,000 with funding of \$18,000,000 from the Available University Fund and \$2,000,000 from Designated Funds.

BACKGROUND INFORMATION

Previous Actions

On August 23, 2018, the Chancellor approved this project for Definition Phase.

On May 23, 2019, the project was included in the Capital Improvement Program (CIP) with a total project cost of \$20,000,000 with funding of \$18,000,000 from the Available University Fund and \$2,000,000 from Designated Funds.

Project Description

The proposed project will provide centrally located and consolidated office space for the Department of Psychology's Center for Perceptual Systems (CPS) and research space for its Institute for Mental Health Research (IMHR). The direct connection of the addition to the existing building will provide much-needed departmental adjacencies and collaborative opportunities for research. The space vacated by CPS and IMHR will support additional faculty hiring in Psychology and throughout the College of Liberal Arts.

For the College of Liberal Arts, this building addition will represent a commitment to cutting-edge scientific study. The project includes offices and dry labs for research with human subjects as well as computational research in modeling, simulation, and analysis of data. Testing requires design consideration for mental health patients, families and children, specialized equipment, and careful control of lighting and acoustics. Shell space in the addition will support faculty research recruitment throughout the College of Liberal Arts.

**The University of Texas at Austin
Sarah M. and Charles E. Seay Building Addition**

Project Information

Project Number	102-1219
CIP Project Type	New Construction
Facility Type	Office, General
Management Type	Institutional Management
Institution's Project Advocate	Joseph Tenbarge, Assistant Dean, Liberal Arts Instructional Technology Service, College of Liberal Arts
Project Delivery Method	Construction Manager-at-Risk
Gross Square Feet (GSF)	32,700
Shell Space (GSF)	2,900

Project Funding

Available University Fund	<u>Current</u> \$18,000,000
Designated Funds	<u>\$ 2,000,000</u>
Total Project Cost	\$20,000,000

The University of Texas at Austin
Sarah M. and Charles E. Seay Building Addition
 (continued)

Project Cost Detail

Building Cost	\$12,833,000
Fixed Equipment	200,000
Site Development	500,000
Furniture and Moveable Equipment	350,000
Institutionally Managed Work	1,000,000
Architectural/Design Services	1,500,000
Project Management Fees	580,000
Insurance	325,000
Other Professional Fees	662,000
Project Contingency	2,000,000
Other Costs	50,000
Total Project Cost	\$20,000,000

Building Cost per GSF Benchmarks (escalated to midpoint of construction)

Sarah M. and Charles E. Seay Building Addition (with 9% Shell Space)	\$392		
Sarah M. and Charles E. Seay Building Addition (Estimated Total Finish-Out)	\$416		
Texas Higher Education Coordinating Board Average - Office, General	\$399		
	Low Quartile	Median	High Quartile
Other U. T. System Projects	\$303	\$397	\$460
Other National Projects	\$392	\$540	\$571

Investment Metrics

- Provide office and research labs for tenured and tenure-track research faculty by 2021
- Support Department of Psychology’s recruitment efforts by 2021

Project Planning

Definition Phase Completed	Yes
Owner’s Project Requirements	Yes
Basis of Design	Yes
Schematic Design	Yes
Detailed Cost Estimate	Yes

Project Milestones

Definition Phase Approval	August 2018
Addition to CIP	May 2019
Design Development Approval	August 2019
Construction Notice to Proceed	November 2019
Substantial Completion	July 2021

The University of Texas at Austin
Sarah M. and Charles E. Seay Building Addition
(continued)

Basis of Design

The planned building life expectancy includes the following elements:

Enclosure: 75 years
Building Systems: 25 years
Interior Construction: 25 years

7. U. T. Southwestern Medical Center: Radiation Therapy Building Phase II - Approval of design development; appropriation of funds and authorization of expenditure; and resolution regarding parity debt

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs *ad interim*, the Executive Vice Chancellor for Business Affairs, and the institutional president that the U. T. System Board of Regents approve the recommendations for the Radiation Therapy Building Phase II project at The University of Texas Southwestern Medical Center as follows:

- a. approve design development plans;
- b. appropriate funds and authorize expenditure of \$69,154,000 with funding of \$54,154,000 from Revenue Financing System (RFS) Bond Proceeds and \$15,000,000 from Designated Funds.
- 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. Southwestern Medical Center, 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 \$54,154,000.

BACKGROUND INFORMATION

Debt Service

The \$54,154,000 in RFS debt will be repaid from Patient Care Revenues. Annual debt service on the \$54,154,000 in RFS debt is expected to be \$3.1 million. The institution's debt service coverage is expected to be at least 2.2 times and average 2.4 times over FY 2020-2024.

Previous Action

On April 25, 2018, the Chancellor approved this project for Definition Phase. On May 23, 2019, the project was included in the Capital Improvement Program (CIP) with a total project cost of \$69,154,000 with funding of \$54,154,000 from RFS Bond Proceeds and \$15,000,000 from Designated Funds.

Project Description

U. T. Southwestern Medical Center's Harold C. Simmons Comprehensive Cancer Center is one of the nation's top destinations for cancer treatment. In April 2017, Simmons Cancer Center opened the doors to a new Radiation Oncology facility on the East Campus, which serves as an outpatient clinic of the William P. Clements Jr. University Hospital. The facility houses six conventional linear accelerators and one CyberKnife robotic radiosurgery system dedicated to patient care. Future facility expansion was planned at the time of construction, but it was not expected that expansion would be needed for several years. However, volume growth between 2014 and 2018 has far exceeded expectations with a cumulative growth of 38%. Without additional space for expansion, U. T. Southwestern will be unable to meet the documented need for additional capacity during a period of dynamic growth, while also sustaining appropriate patient access and achieving maximal operational efficiency.

In addition to this dynamic growth, the existing four linear accelerators currently housed at the Moncrief Radiation Oncology Center (MROC) on the North Campus are over 16 years old and need to be replaced. A feasibility study conducted to renovate the MROC facility concluded that between the required renovation costs, new equipment costs, and the downtime of approximately one year, the potential overall cost of renovation and replacement of the four machines at MROC would be \$48 million. That investment would only support continuation of current levels of service, which are already at maximum capacity.

The proposed Radiation Therapy Building Phase II project will expand the current East Campus facility by approximately 70,000 square feet allowing for seven conventional linear accelerators for patient care. This expansion will accommodate replacement of the four aging units at MROC and will provide space for three new units, for a total of seven new accelerators by 2021. The expansion also includes three new shelled vaults to meet continued patient growth through 2026 and beyond. Consolidation of all units into one facility will also improve the quality of care and both the patient and provider experience.

**The University of Texas Southwestern Medical Center
Radiation Therapy Building Phase II**

Project Information

Project Number	303-1183
CIP Project Type	New Construction
Facility Type	Healthcare Facility, Hospital
Management Type	Institutional Management
Institution’s Project Advocate	Arnim Dontes, Executive Vice President, Business Affairs
Project Delivery Method	Construction Manager-at-Risk
Gross Square Feet (GSF)	70,814
Shell Space (GSF)	5,500

Project Funding

Revenue Financing System Bond Proceeds ¹	<u>Current</u> \$54,154,000
Designated Funds	<u>\$15,000,000</u>
Total Project Cost	<u>\$69,154,000</u>

¹ RFS Bond Proceeds to be repaid from Patient Care Revenues

Project Cost Detail

Building Cost	\$ 42,491,400
Fixed Equipment	15,190,800
Site Development	-
Furniture and Moveable Equipment	1,595,000
Institutionally Managed Work	-
Architectural/Design Services	2,651,900
Project Management Fees	1,000,000
Insurance	611,400
Other Professional Fees	-
Project Contingency	4,800,000
Other Costs	813,500
Total Project Cost	\$69,154,000

Building Cost per GSF Benchmarks (escalated to midpoint of construction)

Radiation Therapy Building Phase II (with 8% Shell Space)	\$600		
Radiation Therapy Building Phase II (Estimated Total Finish-Out)	\$617		
	Low Quartile	Median	High Quartile
Other U. T. System Projects	\$674	\$747	\$819
Other National Projects	\$534	\$653	\$1,005

**The University of Texas Southwestern Medical Center
Radiation Therapy Building Phase II
(continued)**

Investment Metrics

- Allow for much needed capacity for future growth to meet patient demand
- Allow for consolidation of patient services at one location, achieving operational efficiency and overall savings of operational expenses

Project Planning

Definition Phase Completed	Yes
Owner's Project Requirements	Yes
Basis of Design	Yes
Schematic Design	Yes
Detailed Cost Estimate	Yes

Project Milestones

Definition Phase Approval	April 2018
Addition to CIP	May 2019
Design Development Approval	August 2019
Construction Notice to Proceed	September 2019
Substantial Completion	June 2021

Basis of Design

The planned building life expectancy includes the following elements:

Enclosure: 30 years
Building Systems: 30 years
Interior Construction: 30 years

APPROVAL OF STANDING COMMITTEE RECOMMENDATIONS AND REPORTS.--At 8:18 a.m., the Board voted and unanimously approved the Standing Committee recommendations.

RECESS TO EXECUTIVE SESSION.--At 8:20 a.m., Chairman Eltife recessed the Board to Executive Session in the Board Room pursuant to *Texas Government Code* Sections 551.071, 551.073, and 551.074 to consider the matters listed on the Executive Session agenda. A working lunch was held in the Board Room, Second Floor, The University of Texas System Building.

RECONVENE THE BOARD IN OPEN SESSION TO CONSIDER ACTION, IF ANY, ON EXECUTIVE SESSION ITEMS AND TO CONSIDER AGENDA ITEMS.--Chairman Eltife reconvened the Board in Open Session in the Board Room at 10:22 a.m.

4a. U. T. System Board of Regents: Discussion with Counsel on pending legal issues

No action was taken on this item.

4b. U. T. System Board of Regents: Discussion and appropriate action regarding legal issues concerning pending legal claims by and against U. T. System

No action was taken on this item.

4c. U. T. System Board of Regents: Discussion regarding legal issues associated with proposed U. T. System budget

No action was taken on this item.

5. U. T. San Antonio: Discussion and appropriate action regarding authorization (1) to enter into a ground lease to the Roadrunner Foundation of (i) approximately one acre located at the institution's Park West Athletics Complex, San Antonio, Bexar County, Texas, for the construction of an approximately 15,000 sq. ft. team and locker-room facility to support track and soccer competition fields (Park West Facility), and (ii) approximately 11.5 acres located on U. T. San Antonio's main campus, San Antonio, Bexar County, Texas, for the construction of an athletic facility complex that includes (a) an approximately 95,000 sq. ft. building containing weight rooms, team rooms, athletic department offices, athletic academic spaces and other athletic-related areas, (b) a covered football practice field, (c) an outdoor practice field, and (d) related parking, all of which is collectively known as the Roadrunner Athletics Center of Excellence (RACE Facility); (2) to accept the Park West facility upon completion of its construction and of the RACE Facility at the end of the ground lease term for the facility; (3) to enter into a bargain space lease for the RACE Facility from the Roadrunner Foundation; and (4) to exercise the option to prepay the space lease of the RACE Facility and terminate its ground lease

Regent Beck made the following motion:

I move that the U. T. System Board of Regents take the following actions on behalf of U. T. San Antonio:

- a. authorize the Executive Director of Real Estate to enter into a ground lease to the Roadrunner Foundation of (i) approximately one acre located at the institution's Park West Athletics Complex, San Antonio, Bexar County, Texas, for the construction of an approximately 15,000 sq. ft. team and locker-room facility to support track and soccer competition fields ("Park West Facility"), and (ii) approximately 11.5 acres located on U. T. San Antonio's main campus, San Antonio, Bexar County, Texas, for the construction of an athletic facility complex that includes (a) an approximately 95,000 sq. ft. building containing weight rooms, team rooms, athletic department offices, athletic academic spaces and other athletic-related areas, (b) a covered football practice field, (c) an outdoor practice field, and (d) related parking, all of which is collectively known as the Roadrunner Athletics Center of Excellence ("RACE Facility"); to accept the Park West facility upon completion of its construction and of the RACE Facility at the end of the ground lease term for the facility; to enter into a bargain space lease for the RACE Facility from the Roadrunner Foundation; and to exercise the option to prepay the space lease of the RACE Facility and terminate its ground lease on terms in accordance with the parameters outlined in Executive Session; 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 to carry out the purpose and intent of the foregoing actions within the parameters outlined in Executive Session.

The motion was seconded by Vice Chairman Longoria and carried unanimously.

- 6a. 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); Board members; and U. T. System and institutional employees

No action was taken on this item.

- 6b. U. T. Health Science Center - Houston: Discussion and appropriate action regarding proposed compensation for Angel Blanco, M.D., Assistant Professor of Neurosurgery, Department of Neurosurgery, and Tang Ho, M.D., Associate Professor, Department of Otorhinolaryngology, Head and Neck Surgery (Regents' Rules and Regulations, Rule 20204, regarding compensation for highly compensated employees)

Vice Chairman Longoria made the following motion:

I move that the U. T. System Board of Regents approve the proposed changes in compensation for those individuals listed in Agenda Item 6b within the parameters outlined and recommended in Executive Session.

I further move that the Board find that these proposed compensation changes are in the best interest of U. T. Health Science Center - Houston as required by state law.

The motion was seconded by Regen Perez and carried unanimously.

[Secretary's Note: Dr. Blanco's specialty and department were incorrectly reported as Neurology rather than Neurosurgery in the Agenda Book and have been corrected in the caption above.]

- 6c. U. T. System: Discussion and appropriate action regarding individual personnel matters concerning employees in the Office of Shared Information Services (SIS)

No action was taken on this item.

- 6d. 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 (such as Chancellor, General Counsel to the Board, and Chief Audit Executive); U. T. System and institutional employees, and related personnel aspects of the operating budget for Fiscal Year 2020

See related Items 8 and 9 for action taken in Open Session.

- 6e. U. T. System: Discussion and appropriate action concerning individual personnel matters relating to appointment, employment, evaluation, compensation, assignment, and duties of U. T. System and institutional employees including employees covered by Regents' *Rules and Regulations*, Rule 20204, regarding compensation for highly compensated employees, and Rule 20203, regarding compensation for key executives

See related Items 8 and 9 for action taken in Open Session.

AGENDA ITEMS (continued)

8. U. T. System: Approval of the nonpersonnel aspects of the operating budgets for Fiscal Year 2020, including Permanent University Fund (PUF) Bond Proceeds allocations for Library, Equipment, Repair and Rehabilitation (LERR) Projects and for the Science and Technology Acquisition and Retention (STARs) program, and for capital expenses for the U. T. Rio Grande Valley School of Medicine

Chancellor Milliken introduced Associate Vice Chancellor Long for a presentation on this item using the PowerPoint on Pages 135 - 163.

Following a question from Regent Beck and comments from Regent Hicks regarding use of AUF and related constitutional limitations, comments by Chairman Eltife regarding use of the PUF and bond debt, and comments by Regent Jiles summarizing his understanding of the U. T. System budget, Regent Hicks made the following motion:

I move approval of the U. T. System Operating Budgets for Fiscal Year 2020, including matters related to the compensation and conditions of employment for those individuals requiring Board approval as recommended to and considered by the Board in Executive Session.

I also move approval of allocation of Educational and General Funds; Auxiliary Enterprises; Grants and Contracts; Designated Funds; Restricted Current Funds; Medical, Dental, Nursing, and Allied Health Faculty Services

and Research and Development Plans; and Available University Funds as contained in the recommendations presented to the Board. Approval of the budget for Fiscal Year 2020 also includes

1. the appropriation of \$35 million of Permanent University Fund Bond Proceeds directly to U. T. System institutions to fund Library, Equipment, Repair and Rehabilitation projects;
2. \$35 million of Permanent University Fund Bond Proceeds for the Science and Technology Acquisition and Retention program, also known as the Faculty STARs program, to provide additional funding to build and enhance research infrastructure to attract and retain the best qualified faculty with authority delegated to the Chancellor or his designee to transfer funding from Faculty STARs to the Rising STARs program; and
3. \$50 million of Permanent University Fund Bond Proceeds to U. T. Rio Grande Valley to fund capital expenses associated with the start-up of the School of Medicine and in final fulfillment of the Board's 2012 pledge of \$100 million of unspecified resources.

I further move that all subsequent budget actions be governed by the Budget Rules and Procedures and that the Chancellor be authorized to make editorial corrections to the U. T. System Operating Budgets for 2020, with subsequent adjustments reported to the Board of Regents through the Consent Agenda to the extent required by the Budget Rules and Procedures.

The motion was seconded by Regent Jiles and carried unanimously.

RECOMMENDATION

Chancellor Milliken, with the concurrence of the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Business Affairs, the Executive Vice Chancellor for Health Affairs *ad interim*, and the presidents of the U. T. System institutions, recommends that the nonpersonnel aspects of the U. T. System Operating Budgets for Fiscal Year 2020, including Educational and General Funds, Auxiliary Enterprises, Grants and Contracts, Designated Funds, Restricted Current Funds, and Medical, Dental, Nursing, and Allied Health Faculty Services, Research and Development Plans, be approved.

It is further recommended that the Chancellor be authorized to make editorial corrections to the approved budget and that subsequent adjustments be reported to the U. T. System Board of Regents through the Consent Agenda subject to the requirements of the Budget Rules and Procedures. Executive Vice Chancellor Kelley will present the following recommended items:

- Fiscal Year 2020 Operating Budget
- Fiscal Year 2020 Library, Equipment, Repair and Rehabilitation (LERR) Budget
- Fiscal Year 2020 Faculty Science and Technology Acquisition and Retention (STARs) program
- Allocation in support of the U. T. Rio Grande Valley School of Medicine

It is requested that Permanent University Fund (PUF) Bond Proceeds in the amount of \$35 million be appropriated directly to the institutions to fund LERR Projects for Fiscal Year 2020.

It is also requested that \$35 million of PUF Bond Proceeds be appropriated to provide additional funding to build and enhance research infrastructure to attract and retain the best qualified faculty through the Faculty STARs program. Through a competitive proposal process determined by U. T. System Administration, funds will be distributed for the purpose of recruiting or retaining top researchers. It is also requested that the respective Executive Vice Chancellor be delegated authority to transfer Faculty STARs funding to the Rising STARs program to take advantage of recruitment and retention opportunities that may arise.

In addition, it is requested that an allocation of \$50 million of PUF Bond Proceeds be authorized to fund capital expenses associated with the start-up of the U. T. Rio Grande Valley School of Medicine. On December 6, 2012, the Board approved \$100 million of unspecified resources to be used to fund start-up costs for the School of Medicine. Of the \$100 million commitment, the Board has previously approved \$50 million of PUF proceeds and is being asked to approve an additional \$50 million of PUF proceeds at this time.

BACKGROUND INFORMATION

A supplemental volume of the budget materials titled "Operating Budget Summaries and Reserve Allocations for Library, Equipment, Repair and Rehabilitation and Faculty STARs" was provided to all Regents prior to the meeting and will be available online at <https://www.utsystem.edu/documents/docs/operating-budget-summary/operating-budget-summary-system-fy-2020>.

The appropriation of PUF Bond Proceeds will be presented in the Fiscal Year 2020 LERR Budget and is subject to the budget rules and expenditure guidelines adopted therein. The allocation of LERR funds to the U. T. institutions was developed from prioritized lists of projects submitted by the institutions and reviewed by U. T. System Administration staff. The allocation of PUF Bond Proceeds for Faculty STARs and the U. T. Rio Grande Valley School of Medicine are also subject to the LERR budget rules, and expenditure guidelines. Additionally, PUF Bond Proceeds appropriated as indicated above to LERR, Faculty STARs, and the U. T. Rio Grande Valley School of Medicine must be spent in accordance with Article VII, Section 18 of the Texas Constitution. PUF Bond Proceeds may only be used for the purpose of acquiring land either with or without permanent improvements, constructing and equipping

buildings or other permanent improvements, major repair and rehabilitation of buildings and other permanent improvements, acquiring capital equipment, and acquiring library books and library materials.

See Agenda Item 9 and also the Executive Session items related to individual personnel aspects of the U. T. System Operating Budgets (Items 6d and 6e for August 15).

The University of Texas System

Fiscal Year 2020 Operating Budget

U. T. System Board of Regents' Meeting
August 2019



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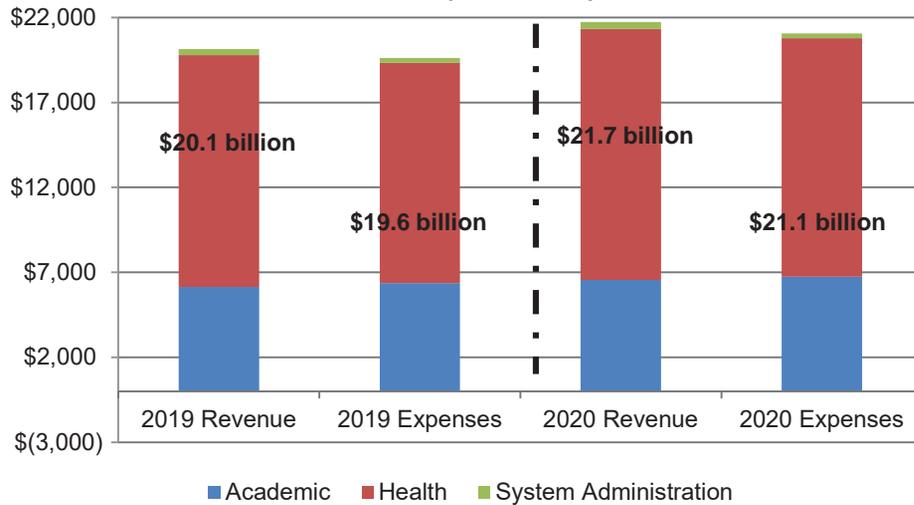
Introduction

- Size, scale, and diversity of the U. T. System exceed all other higher education systems in the state.
- The Fiscal Year 2020 Budget:
 - Serves more students, provides more care, and does more research
 - Provides more Available University Funds to the Flagship University, U. T. Austin
 - Reduces U. T. System Administration operating budget
 - Reduces number of U. T. System Administration Full Time Employees (FTEs)
- Budget focus remains on the campuses.
- The Budget request is presented in five sections:
 - Systemwide
 - System Administration
 - LERR
 - STARs
 - Additional Allocations



Budget Highlights

Total Budgeted Revenue and Expenses FY 2019 and FY 2020
 (\$ millions)



Budgeted Revenue
 FY 2020 - \$21.7 billion
 \$1.6 billion more than FY 2019
 7.9% more than FY 2019

Major Drivers (in millions)
 -Sales and Services of Hospital and Clinics - \$469
 -Local/Private Sponsored Programs - \$165
 -Net Professional Fees - \$137

Budgeted Expenses
 FY 2020 - \$21.1 billion
 \$1.4 billion more than FY 2019
 7.4% more than FY 2019

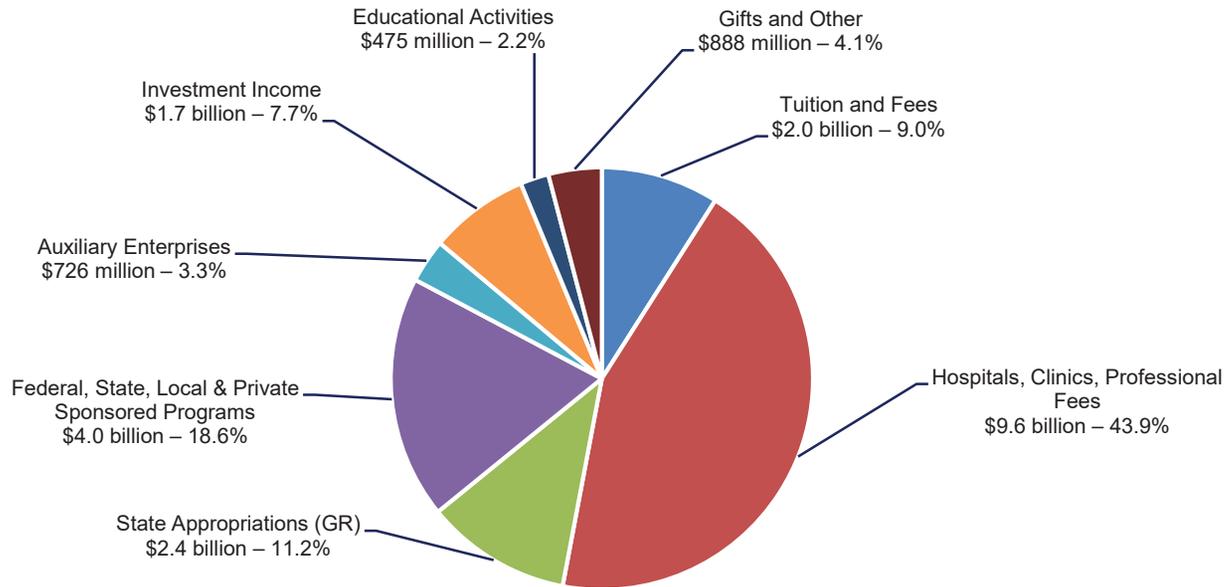
Major Drivers (in millions)
 -Personnel Costs - \$939
 -Operations, Maintenance & Travel - \$456



FY 2020 Budgeted Revenue

(Academic/Health Institutions and System Administration)

FY 2020 Budgeted Revenue: \$21.7 Billion



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August 15, 2019 Meeting of the U. T. System Board of Regents – Meeting of the Board



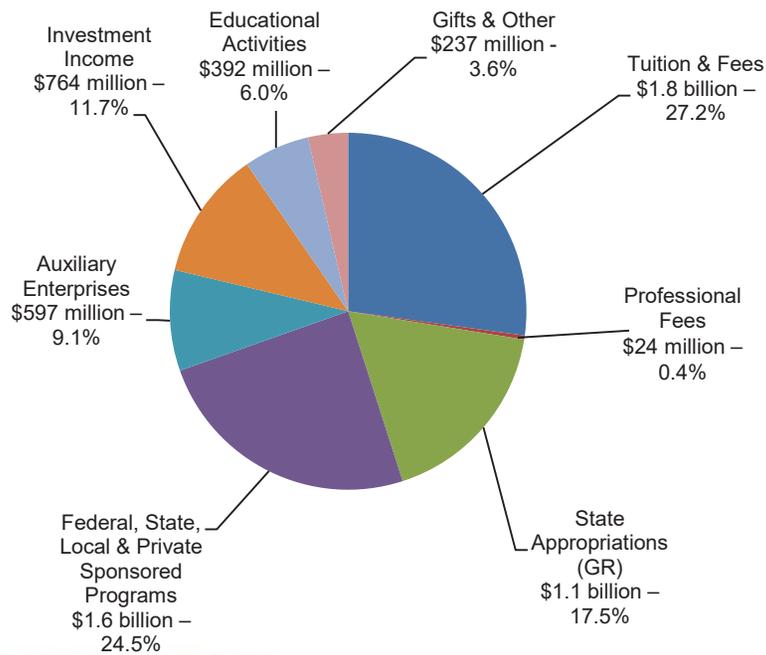
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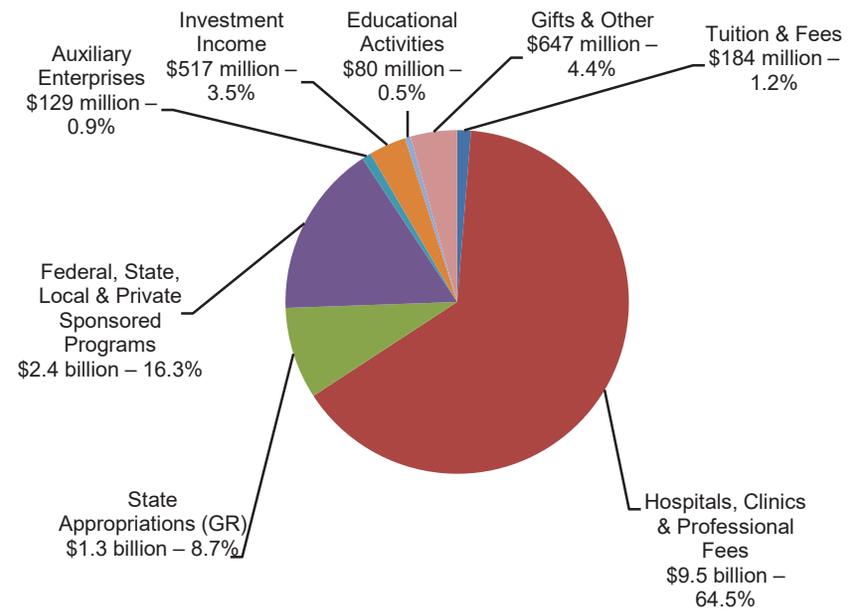
U. T. System Office of Budget and Planning
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FY 2020 Budgeted Revenue

Academic Institutions - \$6.5 billion



Health Institutions - \$14.8 billion



Minutes - 147

August 15, 2019 Meeting of the U. T. System Board of Regents - Meeting of the Board

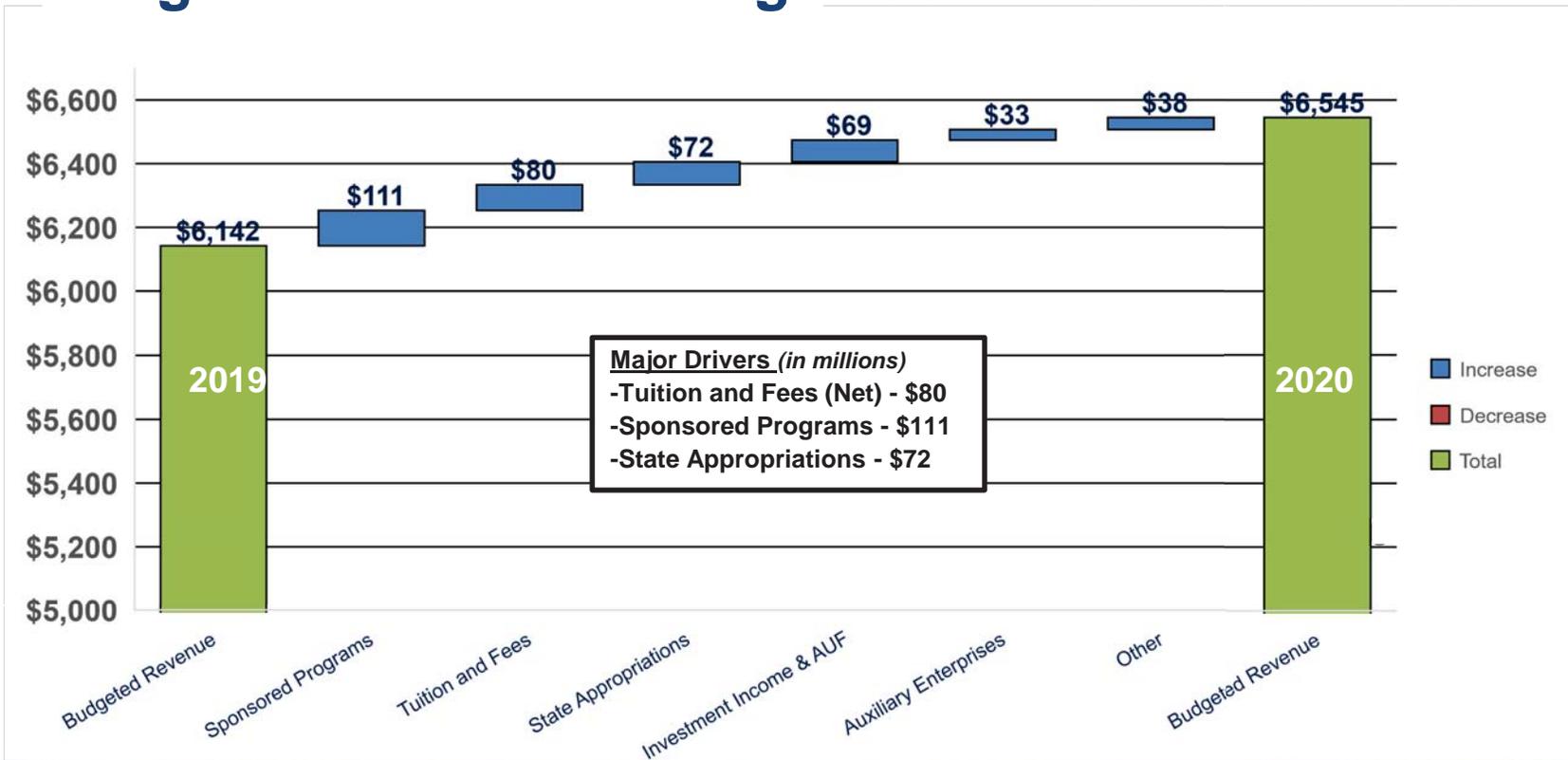


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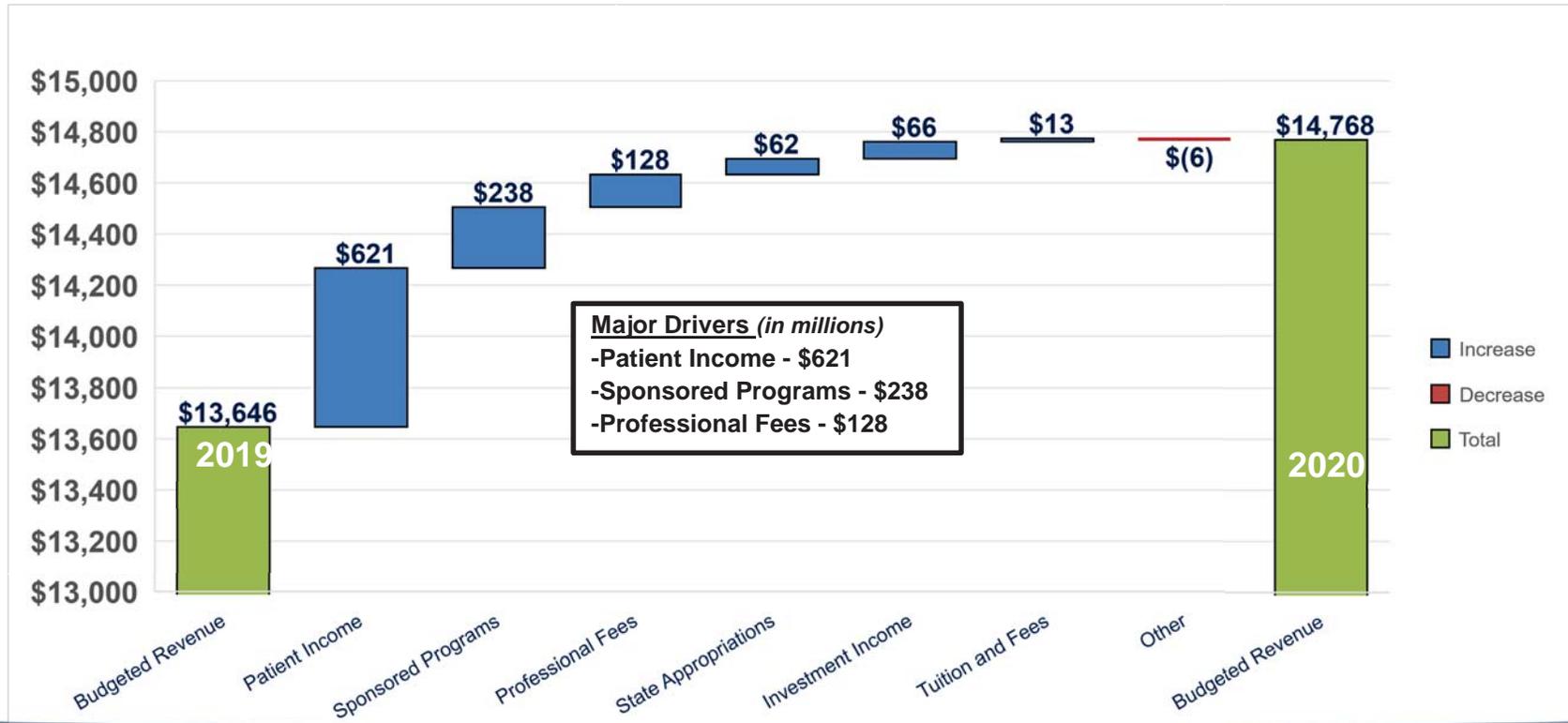
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Slide 5

Budgeted Revenue Change – Academic Institutions



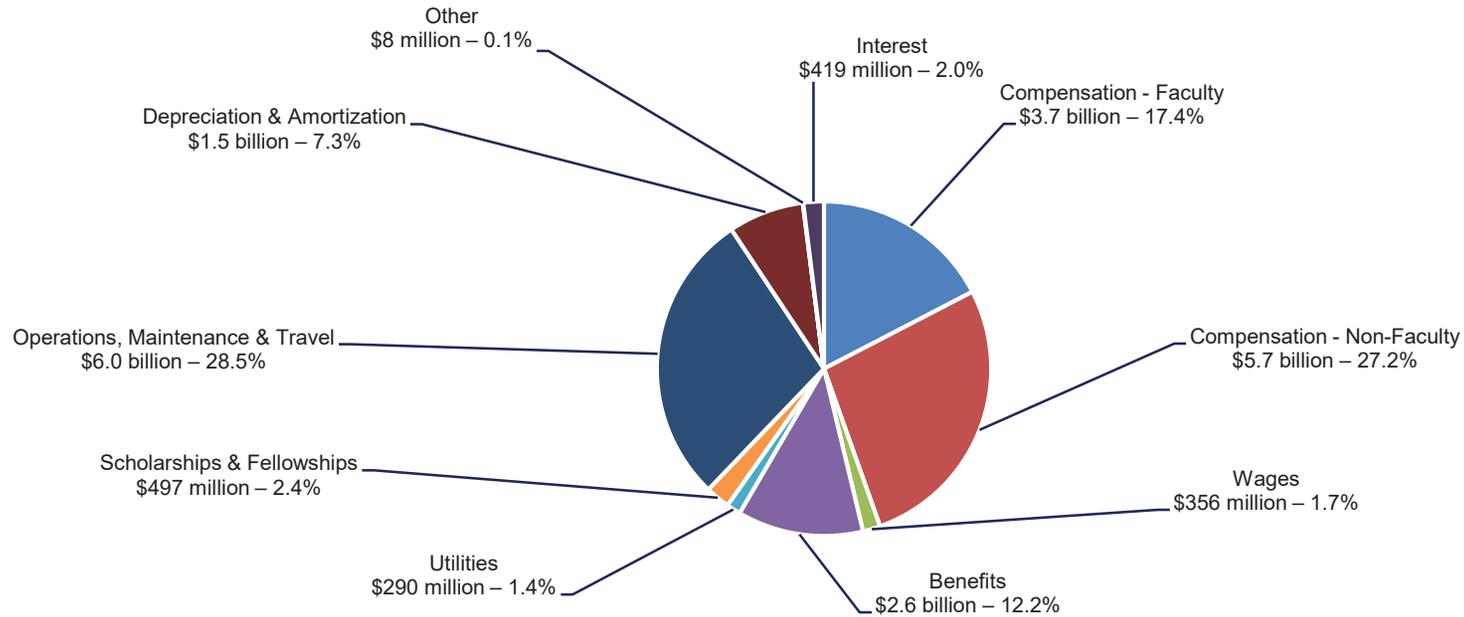
Budgeted Revenue Change – Health Institutions



FY 2020 Budgeted Expenses

(Academic/Health Institutions and System Administration)

FY 2020 Budgeted Expenses: \$21.1 Billion



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August 15, 2019 Meeting of the U. T. System Board of Regents – Meeting of the Board



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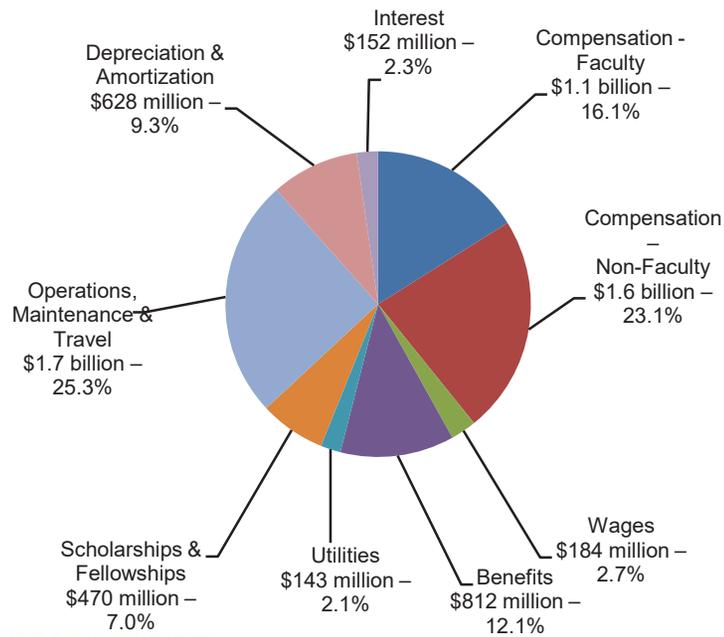
U. T. System Office of Budget and Planning

August 2019

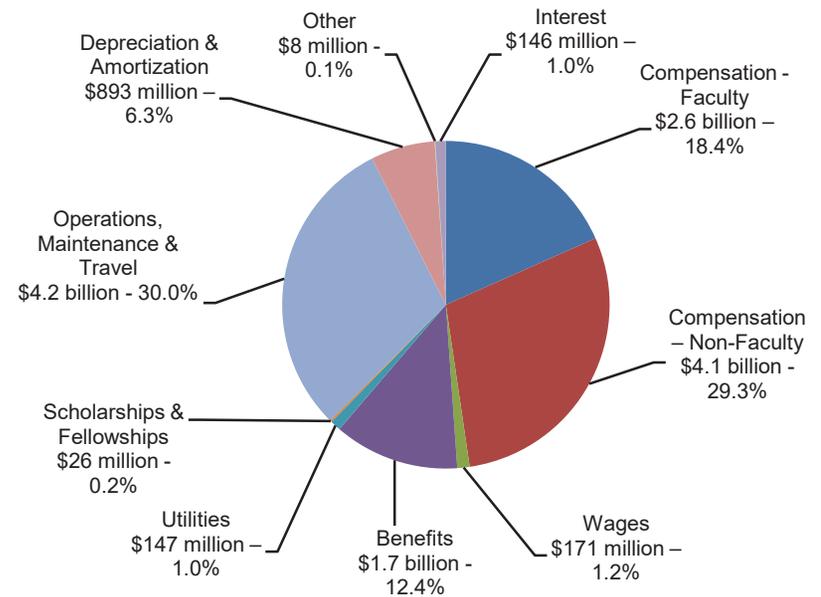
Slide 8

FY 2020 Budgeted Expenses

Academic Institutions - \$6.7 Billion



Health Institutions - \$14.0 Billion



Minutes - 151



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Budgeted Expenses – U. T. System Academic Institutions (\$ millions)

	<u>Fiscal Year 2019</u>	<u>Fiscal Year 2020</u>	<u>Dollar & Percent Change</u>	
U. T. Arlington	\$ 703.9	\$ 736.4	\$ 32.5	4.6%
U. T. Austin	3,098.5	3,294.0	195.5	6.3%
U. T. Dallas	697.1	758.0	60.9	8.7%
U. T. El Paso	479.1	494.7	15.6	3.2%
U. T. Permian Basin	98.0	99.8	1.8	1.8%
U. T. Rio Grande Valley	536.1	556.5	20.4	3.8%
U. T. San Antonio	577.7	623.7	46.0	8.0%
U. T. Tyler	165.6	170.5	4.9	3.0%
Total Academic Institutions	\$ 6,356.0	\$ 6,733.6	\$ 377.6	5.9%

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Budgeted Expenses – U. T. System Health Institutions (\$ millions)

	<u>Fiscal Year 2019</u>	<u>Fiscal Year 2020</u>	<u>Dollar & Percent Change</u>	
U. T. Southwestern Medical Center	\$ 3,152.1	\$ 3,328.7	\$ 176.6	5.6%
U. T. Medical Branch - Galveston	2,263.8	2,465.3	201.5	8.9%
U. T. Health Science Center - Houston	1,610.6	1,806.6	196.0	12.2%
U. T. Health Science Center - San Antonio	911.2	992.8	81.6	9.0%
U. T. M. D. Anderson Cancer Center	4,832.9	5,158.6	325.7	6.7%
U. T. Health Science Center - Tyler	203.5	294.1	90.6	44.5%
Total Health Institutions	\$ 12,974.1	\$ 14,046.0	\$ 1,071.9	8.3%

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The University of Texas System Administration (Systemwide Operations)



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Systemwide Operations Budget Summary

	FY 2019	FTEs	FY 2020 Proposed	FTEs	\$ Increase (Decrease)	% Change
U. T. System Administration (AUF)	\$ 57,678,597	264.8	\$ 52,270,219	228.2	\$ (5,408,378)	(9.4)%
Direct Campus Support (AUF)*	42,557,676	114.0	42,557,676	113.0	–	0.0 %
Other Operations Funded with AUF Reserves	2,527,538	3.5	520,800	–	(2,006,738)	(79.4)%
Service Departments and Other Non-AUF	<u>70,792,193</u>	<u>291.7</u>	<u>62,652,932</u>	<u>225.4</u>	<u>(8,139,261)</u>	<u>(11.5)%</u>
Total – U. T. System Administration and Campus Support	\$ 173,556,004	674.0	\$ 158,001,627	566.6	\$ (15,554,377)	(9.0)%

* Direct Campus Support (AUF) includes \$1.1 million in FY 2019 funded from AUF reserves.



U. T. System Administration (AUF)

	FY 2019	FY 2019 FTEs	FY 2020 Proposed Salary & Wages	FY 2020 Proposed Fringe Benefits	FY 2020 Proposed Non-Personnel Operating	FY 2020 Proposed Total	FY 2020 FTEs	\$ Increase (Decrease)	% Change
Board of Regents	\$ 2,222,456	10.0	\$ 1,587,581	\$ 423,817	\$ 233,710	\$ 2,245,108	10.0	\$ 22,652	1.0 %
System Audit Office	2,515,075	13.3	1,455,373	388,522	375,792	2,219,687	11.3	(295,388)	(11.7)%
Chancellor	1,386,436	5.9	727,706	205,292	74,514	1,007,512	5.4	(378,924)	(27.3)%
Police	2,958,834	15.0	1,389,037	383,828	479,968	2,252,833	13.1	(706,001)	(23.9)%
Information Security	2,163,100	12.0	1,284,735	342,970	545,182	2,172,887	12.0	9,787	0.5 %
Compliance	1,098,415	5.3	797,948	213,019	85,000	1,095,967	5.3	(2,448)	(0.2)%
Human Resources	1,667,867	12.0	863,400	230,491	377,235	1,471,126	10.3	(196,741)	(11.8)%
Academic Affairs	4,545,721	19.3	2,641,956	705,291	884,630	4,231,877	17.3	(313,844)	(6.9)%
Institutional Research & Analysis *	1,970,971	13.0	1,408,398	375,983	226,050	2,010,431	12.0	39,460	2.0 %
Federal Relations	2,292,663	9.1	143,999	38,442	818,360	1,000,801	2.0	(1,266,276)	(56.3)%
Health Affairs	3,114,460	12.0	2,833,853	756,519	68,000	3,658,372	11.9	543,912	17.5 %

* The Office of Strategic Initiatives has been eliminated. A number of the functions performed by OSI have been transferred to Institutional Research & Analysis.



U. T. System Administration (AUF) (cont.)

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	FY 2019	FY 2019 FTEs	FY 2020 Proposed Salary & Wages	FY 2020 Proposed Fringe Benefits	FY 2020 Proposed Non-Personnel Operating	FY 2020 Proposed Total	FY 2020 FTEs	\$ Increase (Decrease)	% Change
Business Affairs	\$ 579,151	1.9	\$ 395,489	\$ 105,241	\$ 22,429	\$ 523,159	1.8	\$ (55,992)	(9.7)%
Budget & Planning	–	–	660,308	176,274	35,000	871,582	4.5	871,582	–
Business Development	459,171	1.5	–	–	–	–	–	(459,171)	(100.0)%
Contract & Procurement	520,183	4.0	401,223	107,061	40,000	548,284	4.0	28,101	5.4 %
Controller	4,348,659	31.8	2,673,138	713,446	440,977	3,827,561	28.0	(521,098)	(12.0)%
Employee Benefits	264,302	1.3	117,765	31,438	123,440	272,643	1.3	8,341	3.2 %
Facilities	1,898,089	3.5	128,274	34,243	566,231	728,748	1.3	(1,169,341)	(61.6)%
Finance	496,112	2.5	695,949	185,789	30,000	911,738	5.0	415,626	83.8 %
Real Estate	1,039,276	7.8	741,342	197,907	63,138	1,002,387	7.3	(36,889)	(3.5)%
Shared Business Ops	896,671	9.0	–	–	–	–	–	(896,671)	(100.0)%
Systemwide Info Svc	1,509,512	6.0	1,046,290	279,315	23,000	1,348,605	6.0	(160,907)	(10.7)%
Technology & Info Svc	700,872	1.0	88,821	23,711	781,110	893,642	1.0	192,770	27.5 %

Budget & Planning was part of the Controller's Office in FY 2019 budget. Functions of Shared Business Ops were absorbed by Finance (treasury) and Controller (payroll).



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U. T. System Administration (AUF) (cont.)

	FY 2019	FY 2019 FTEs	FY 2020 Proposed Salary & Wages	FY 2020 Proposed Fringe Benefits	FY 2020 Proposed Non-Personnel Operating	FY 2020 Proposed Total	FY 2020 FTEs	\$ Increase (Decrease)	% Change
External Relations	3,172,191	20.1	\$ 2,058,846	\$ 549,625	\$ 203,636	2,812,107	17.0	(360,084)	(11.4)%
General Counsel	4,591,358	26.2	3,128,980	835,305	627,073	4,591,358	25.7	–	–
Governmental Relations	1,558,254	10.5	1,170,317	312,425	61,099	1,543,841	8.5	(14,413)	(0.9)%
Talent & Innovation (Tech Commercialization) *	1,892,992	6.0	571,318	152,518	1,057,500	1,781,336	5.3	(111,656)	(5.9)%
External Audit	1,933,408	–	–	–	1,998,744	1,998,744	–	65,336	3.4 %
Center for Enhancing Philanthropy	755,092	3.0	63,600	16,979	200,000	280,579	1.0	(474,513)	(62.8)%
Organizational Effectiveness	405,297	2.0	–	–	–	–	–	(405,297)	(100.0)%

* Includes human resources and management of the Horizon Fund.



U. T. System Administration (AUF) (cont.)

	FY 2019	FY 2019 FTEs	FY 2020 Proposed Salary & Wages	FY 2020 Proposed Fringe Benefits	FY 2020 Proposed Non-Personnel Operating	FY 2020 Proposed Total	FY 2020 FTEs	\$ Increase (Decrease)	% Change
OTIS Assessment to AUF	2,276,102	–	–	–	2,216,497	2,216,497	–	(59,605)	(2.6)%
Merit/Staffing Adjustments*	1,718,590	–	1,160,087	–	–	1,160,087	–	(558,503)	(32.5)%
Contracted Professional Services	727,317	–	–	–	790,720	790,720	–	63,403	8.7 %
Police Consulting	–	–	–	–	200,000	200,000	–	200,000	100.0 %
Pending Requests (TBD)	–	–	–	–	600,000	600,000	–	600,000	100.0 %
Total	\$ 57,678,597	264.8	\$ 30,235,733	\$ 7,785,451	\$ 14,249,035	\$ 52,270,219	228.2	\$ (5,408,378)	(9.4)%

* Merit/Staffing Adjustments includes a 2.5% merit pool and a 1% equity adjustment pool.

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Direct Campus Support (AUF)

	FY 2019	FY 2019 FTEs	FY 2020 Proposed Salary & Wages	FY 2020 Proposed Fringe Benefits	FY 2020 Proposed Non-Personnel Operating	FY 2020 Proposed Total	FY 2020 FTEs	\$ Increase (Decrease)	% Change
Shared Information Services *	\$ 24,708,332	114.0	\$ 12,890,689	\$ 3,300,000	\$ 8,517,643	\$ 24,708,332	113.0	\$ -	0.0 %
Digital Library Services	8,267,034	-	-	-	8,267,034	8,267,034	-	-	0.0 %
Campus Insurance and IT	<u>9,582,310</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,582,310</u>	<u>9,582,310</u>	<u>-</u>	<u>-</u>	<u>0.0 %</u>
Total	\$ 42,557,676	114.0	\$ 12,890,689	\$ 3,300,000	\$ 26,366,987	\$ 42,557,676	113.0	\$ -	0.0 %

* Shared Information Services includes \$1.1 million in FY 2019 funded from AUF reserves.



Other Operations (AUF Reserves)

	FY 2019	FY 2019 FTEs	FY 2020 Proposed Salary & Wages	FY 2020 Proposed Fringe Benefits	FY 2020 Proposed Non-Personnel Operating	FY 2020 Proposed Total	FY 2020 FTEs	\$ Increase (Decrease)	% Change
Buffalo Point	\$ 360,000	–	\$ –	\$ –	\$ 300,000	\$ 300,000	–	\$ (60,000)	(16.7)%
QL Healthcare Enterprise Collaboration	662,400	–	–	–	220,800	220,800	–	(441,600)	(66.7)%
Public Health	309,375	0.5	–	–	–	–	–	(309,375)	(100.0)%
Other Quantum Leaps	<u>1,195,763</u>	<u>3.0</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>(1,195,763)</u>	<u>(100.0)%</u>
Total	\$ 2,527,538	3.5	\$ –	\$ –	\$ 520,800	\$ 520,800	–	\$ (2,006,738)	(79.4)%



System Administration and Service Departments (Non-AUF)

(Excluding Self-Insurance Funds)

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	FY 2019	FY 2019 FTEs	FY 2020 Proposed Salary & Wages	FY 2020 Proposed Fringe Benefits	FY 2020 Proposed Non-Personnel Operating	FY 2020 Proposed Total	FY 2020 FTEs	\$ Increase (Decrease)	% Change
University Lands **	\$ 16,418,777	43.5	\$ 8,238,919	\$ 1,619,498	\$ 6,613,450	\$ 16,471,867	44.8	\$ 53,090	0.3 %
OCP/ OFPC / Facilities	17,985,834	79.3	3,206,457	724,129	8,252,946	12,183,532	24.2	(5,802,302)	(32.3)%
Employee Benefits	4,612,038	38.3	2,648,146	950,000	718,943	4,317,089	35.9	(294,949)	(6.4)%
Technology and Info Svcs	4,363,024	27.5	2,163,225	620,224	1,073,890	3,857,339	27.0	(505,685)	(11.6)%
Office of Risk Management	3,626,207	27.8	2,493,768	803,400	606,483	3,903,651	28.8	277,444	7.7 %
External Relations	1,633,931	6.9	508,505	170,000	738,638	1,417,143	6.0	(216,788)	(13.3)%
Office of General Counsel	4,833,631	31.4	2,439,591	754,463	1,071,817	4,265,871	26.6	(567,760)	(11.7)%
TMSAS/JAMP	6,864,087	15.0	851,909	282,456	6,170,165	7,304,530	15.0	440,443	6.4 %
External Audit	816,679	–	–	–	997,254	997,254	–	180,575	22.1%
Chancellor	1,977,200	1.0	829,773	97,427	60,000	987,200	0.9	(990,000)	(50.1)%
Systemwide Compliance	1,510,300	1.0	145,000	39,000	1,326,300	1,510,300	1.0	–	–
Other*	<u>6,150,485</u>	<u>20.1</u>	<u>1,651,716</u>	<u>448,860</u>	<u>3,336,580</u>	<u>5,437,156</u>	<u>15.3</u>	<u>(713,329)</u>	<u>(11.6)%</u>
Total	\$ 70,792,193	291.7	\$ 25,177,009	\$ 6,509,457	\$ 30,966,466	\$ 62,652,932	225.4	\$ (8,139,261)	(11.5)%

* Other primarily includes the non-AUF costs of various System departments such as Finance, Information Security, Controller, etc. Excluded are self-insurance funds, federal Medicare Part D reimbursements, systemwide software which is centrally negotiated and reimbursed by campuses (e.g. licenses for Microsoft, Incommon, Oracle and Verisign), and the debt service on the U. T. System Building.
 ** The budget shown represents 2/3 of the overall University Lands budget (the portion that is attributable to University of Texas System support).

U. T. Systemwide Operations Budget Summary

	FY 2019	FTEs	FY 2020 Proposed	FTEs	\$ Increase (Decrease)	% Change
U. T. System Administration and Direct Campus Support - Operations	\$ 173,556,004	674.0	\$ 158,001,627	566.6	\$ (15,554,377)	(9.0)%
Lone Star Stroke (GR appropriation)	1,645,390	–	2,250,000	–	604,610	36.7 %
Systemwide Software Licenses*	18,937,053	–	22,819,992	–	3,882,939	20.5 %
Medicare Part D Federal Support**	14,260,000	–	23,500,000	–	9,240,000	64.8 %
UTSB Debt Interest	3,506,000	–	3,200,000	–	(306,000)	(8.7)%
PUF Debt Interest (All campuses)	125,650,000	–	120,566,191	–	(5,083,809)	(4.0)%
Depreciation***	<u>19,500,536</u>	<u>–</u>	<u>17,321,646</u>	<u>–</u>	<u>(2,178,890)</u>	<u>(11.2)%</u>
U. T. Systemwide Operations Budget****	\$ 357,054,983	674.0	\$ 347,659,456	566.6	\$ (9,395,527)	(2.6)%

* Includes systemwide software licenses such as those for Microsoft, Incommon, Oracle and Verisign along with campus assessments supporting the U. T. Austin Digital Library.

** Federal support to partially offset claims activity associated with offering retiree prescription drug coverage.

*** Depreciation budget is net of the capital outlay budget adjustment. Depreciation is added and capital deducted to better align budget with actual entity-wide financial performance.

**** Excludes budgeted self-insurance claims activity.

NOTE: The Board of Regents will be approving the budget and FTEs related to University Lands. 2/3 of the overall University Lands budget is represented in the above budget. The Board of Regents will also be approving the portion (1/3 of the overall University Lands budget) that supports Texas A&M University.



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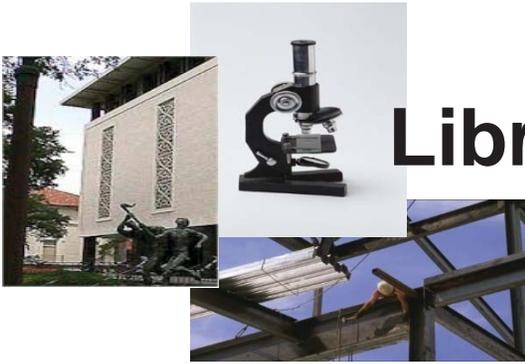
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Budget in Relation to the U. T. AUF Share

	Total U. T. AUF Share	AUF Draw for U. T. System Administration	U. T. System Administration Draw as % of U. T. AUF Share	AUF Draw for Direct Campus Support	Direct Campus Support Draw as % of U. T. AUF Share
FY 2016	\$ 549,488,741	\$ 56,387,380	10.3%	\$ 34,695,409	6.3%
FY 2017	605,557,973	69,268,000	11.4%	42,129,461	7.0%
FY 2018	662,695,646	53,475,878	8.1%	42,319,122	6.4%
FY 2019	760,694,000	54,310,797	7.1%	41,484,203	5.5%
FY 2020 Proposed*	796,288,333	49,442,324	6.2%	42,557,676	5.3%

* Excludes special allocation made in July 2019.





Library, Equipment, Repair and Rehabilitation



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U. T. System Office of Budget and Planning
August 2019
Slide 23

Library, Equipment, Repair and Rehabilitation Budget FY 2020 – \$35 million

Academic Institutions	\$16,775,000
Health Institutions	\$13,725,000
Academic Library Collection Enhancement Program	\$4,500,000
Total	\$35,000,000

Minutes - 166



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Faculty Science and Technology Acquisition and Retention (STARs) Program



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August 2019
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Faculty STARs Program – FY 2020

Academic Institutions	\$17,500,000
Health Institutions	\$17,500,000

Benefits of Faculty STARs

- Recruit and retain best faculty in the nation
- Develop and strengthen research capacity
- Pending and issued patents
- Encourage future research and excellence
- Collaboration with outside entities

Minutes - 168



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Additional Allocations



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August 2019
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FY 2020 Additional Available University Fund Allocation

Provided to U. T. Austin	\$27,870,000
--------------------------	--------------

This proposed allocation will provide additional AUF resources to U. T. Austin from the AUF reserves to increase its share of the U. T. System AUF distribution from 53% to 56.5%.

If approved, the total FY 2020 AUF allocation to U. T. Austin will be **\$449,905,000**.



FY 2020 Additional Permanent University Fund Bond Allocation

Provided to U. T. Rio Grande Valley School of Medicine	\$50,000,000
--	--------------

This award is the final fulfillment of the U. T. System Board of Regents’ pledge of \$100 million in support of the medical school at U. T. Rio Grande Valley. If approved, the full **\$100 million** will have been provided in support of the pledge.

Minutes - 171



9. U. T. System: Discussion and appropriate action regarding personnel aspects of the U. T. System Administration and institutional operating budgets for Fiscal Year 2020

The Board approved the following recommendation, including the proposed compensation for the institutional presidents and System Administration executive officers, as set forth on the following pages.

RECOMMENDATION

Chancellor Milliken concurs with the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Health Affairs *ad interim*, and the Executive Vice Chancellor for Business Affairs that approval be granted regarding personnel aspects of the U. T. System Administration operating budget for Fiscal Year 2020 as included in the previous Agenda Item (Item 8).

See also the Executive Session items related to the individual personnel aspects of the U. T. System Operating Budgets (Items 6d and 6e for August 15).

THE UNIVERSITY OF TEXAS SYSTEM

Compensation - Academic Institution Presidents

Approved Salary Rates Effective September 1, 2019 for Fiscal Year Ending August 31, 2020

	Approved 2019	Approved 2020	Dollar Increase	Percentage Increase
ACADEMIC INSTITUTION PRESIDENTS				
U. T. Arlington				
<i>Vistasp M. Karbhari</i>				
Salary Rate	\$ 485,000	485,000	-	0.00%
Deferred Compensation	-	-	-	-
Incentive Compensation	-	-	-	-
Total Compensation	\$ 485,000	485,000	-	0.00%
U. T. Austin				
<i>Gregory L. Fenves</i>				
Salary Rate ¹	\$ 750,000	945,000	195,000	26.00%
Deferred Compensation ²	50,000	50,000	-	0.00%
Incentive Compensation	150,000	-	(150,000)	-100.00%
Total Compensation	\$ 950,000	995,000	45,000	4.74%
U. T. Dallas				
<i>Richard C. Benson</i>				
Salary Rate ¹	\$ 525,000	588,000	63,000	12.00%
Deferred Compensation	-	-	-	-
Incentive Compensation	35,000	-	(35,000)	-100.00%
Total Compensation	\$ 560,000	588,000	28,000	5.00%
U. T. El Paso				
<i>Heather Wilson</i>				
Salary Rate	\$ 500,000	500,000	-	0.00%
Deferred Compensation	-	-	-	-
Incentive Compensation	-	-	-	-
Total Compensation	\$ 500,000	500,000	-	0.00%
U. T. Permian Basin				
<i>Sandra Woodley</i>				
Salary Rate	\$ 425,000	437,750	12,750	3.00%
Deferred Compensation	-	-	-	-
Incentive Compensation	-	-	-	-
Total Compensation	\$ 425,000	437,750	12,750	3.00%

Note: All Presidents are paid up to \$65,945 from General Revenue with the difference paid from other institutional fund sources.

¹Incentive Compensation from FY 2019 rolled into base for FY 2020. Increase is 5% on FY 2019 combined base.

²Vests 8/31/2020

³Vests 8/31/2021

THE UNIVERSITY OF TEXAS SYSTEM

Compensation - Academic Institution Presidents

Approved Salary Rates Effective September 1, 2019 for Fiscal Year Ending August 31, 2020

	Approved 2019	Approved 2020	Dollar Increase	Percentage Increase
ACADEMIC INSTITUTION PRESIDENTS				
U. T. Rio Grande Valley				
<i>Guy H. Bailey</i>				
Salary Rate	\$ 600,000	630,000	30,000	5.00%
Deferred Compensation ³	50,000	50,000	-	0.00%
Incentive Compensation	-	-	-	-
Total Compensation	\$ 650,000	680,000	30,000	4.62%
U. T. San Antonio				
<i>T. Taylor Eighmy</i>				
Salary Rate ¹	\$ 500,000	561,750	61,750	12.35%
Deferred Compensation	-	-	-	-
Incentive Compensation	35,000	-	(35,000)	-100.00%
Total Compensation	\$ 535,000	561,750	26,750	5.00%
U. T. Tyler				
<i>Michael Tidwell</i>				
Salary Rate	\$ 400,000	412,000	12,000	3.00%
Deferred Compensation	-	-	-	-
Incentive Compensation	-	-	-	-
Total Compensation	\$ 400,000	412,000	12,000	3.00%

Note: All Presidents are paid up to \$65,945 from General Revenue with the difference paid from other institutional fund sources.

¹Incentive Compensation from FY 2019 rolled into base for FY 2020. Increase is 5% on FY 2019 combined base.

²Vests 8/31/2020

³Vests 8/31/2021

THE UNIVERSITY OF TEXAS SYSTEM

Compensation - Health Institution Presidents

Approved Salary Rates Effective September 1, 2019 for Fiscal Year Ending August 31, 2020

	Approved 2019	Approved 2020	Dollar Increase	Percentage Increase
HEALTH INSTITUTION PRESIDENTS				
U. T. Medical Branch - Galveston				
<i>Vacant</i>				
Salary Rate	\$ 965,360	n/a	-	
Deferred Compensation ¹	200,000	n/a	-	
Practice Plan	-	n/a	-	
Incentive Compensation	128,154	n/a	-	
Total Compensation	\$ 1,293,514	-	-	
U. T. Health Science Center - Houston				
<i>Giuseppe Colasurdo</i>				
Salary Rate	\$ 750,500	788,025	37,525	5.0%
Deferred Compensation ²	200,000	200,000	-	
Practice Plan	199,500	199,500	-	
Incentive Compensation	131,338	131,338	-	
Total Compensation	\$ 1,281,338	1,318,863	37,525	2.9%
U. T. Health Science Center - San Antonio				
<i>William Henrich</i>				
Salary Rate	\$ 698,163	733,071	34,908	5.0%
Deferred Compensation ²	200,000	200,000	-	
Practice Plan	188,015	188,015	-	
Incentive Compensation	139,633	139,633	-	
Total Compensation	\$ 1,225,811	1,260,719	34,908	2.8%
U. T. Southwestern Medical Center				
<i>Daniel K. Podolsky</i>				
Salary Rate	\$ 1,269,316	1,364,515	95,199	7.5%
Deferred Compensation ²	200,000	200,000	-	
Practice Plan	348,460	348,460	-	
Incentive Compensation	141,647	141,647	-	
Total Compensation	\$ 1,959,423	2,054,622	95,199	4.9%

Note: All Presidents are paid up to \$65,945 from General Revenue with the difference paid from other institutional fund sources.

¹David L. Callender vested and terminated 8/31/2019.

²Vests 8/31/2021

³Vests 8/31/2022

THE UNIVERSITY OF TEXAS SYSTEM

Compensation - Health Institution Presidents

Approved Salary Rates Effective September 1, 2019 for Fiscal Year Ending August 31, 2020

	Approved 2019	Approved 2020	Dollar Increase	Percentage Increase
HEALTH INSTITUTION PRESIDENTS				
U. T. M. D. Anderson Cancer Center				
<i>Peter Pisters</i>				
Salary Rate	\$ 1,439,100	1,583,010	143,910	10.0%
Deferred Compensation ³	-	200,000	200,000	
Practice Plan	405,900	405,900	-	
Incentive Compensation	251,843	251,843	-	
Total Compensation	\$ 2,096,843	2,440,753	343,910	16.4%
U. T. Health Science Center - Tyler				
<i>Kirk Calhoun</i>				
Salary Rate	\$ 649,000	694,430	45,430	7.0%
Deferred Compensation ²	200,000	200,000	-	
Practice Plan	167,227	167,227	-	
Incentive Compensation	120,825	120,825	-	
Total Compensation	\$ 1,137,052	1,182,482	45,430	4.0%

Note: All Presidents are paid up to \$65,945 from General Revenue with the difference paid from other institutional fund sources.

¹David L. Callender vested and terminated 8/31/2019.

²Vests 8/31/2021

³Vests 8/31/2022

THE UNIVERSITY OF TEXAS SYSTEM

Compensation - Executive Officers U. T. System Administration

Approved Salary Rates Effective September 1, 2019 for Fiscal Year Ending August 31, 2020

	Approved 2019	Approved 2020	Dollar Increase	Percentage Increase
EXECUTIVE OFFICERS				
Chancellor				
<i>James B. Milliken</i>				
Salary Rate	\$ 900,000	922,500	22,500	2.5%
Total Compensation	\$ 900,000	922,500	22,500	2.5%
Executive Vice Chancellor for Academic Affairs				
<i>Steven Leslie</i>				
Salary Rate	\$ 484,000	496,100	12,100	2.5%
Total Compensation	\$ 484,000	496,100	12,100	2.5%
Executive Vice Chancellor for Business Affairs				
<i>Scott C. Kelley</i>				
Salary Rate ¹	\$ 438,000	484,000	46,000	10.5%
Total Compensation	\$ 438,000	484,000	46,000	10.5%
Senior Vice Chancellor for Health Affairs				
<i>Amy Shaw Thomas</i>				
Salary Rate ²	\$ 411,000	452,100	41,100	10.0%
Temporary Duties Supplement ³	41,100	3,425	(37,675)	-91.7%
Total Compensation	\$ 452,100	455,525	3,425	0.8%
Executive Vice Chancellor for Health Affairs				
<i>John Zerwas⁴</i>				
Salary Rate	\$ -	675,000	675,000	-
Total Compensation	\$ -	675,000	675,000	-
Vice Chancellor for External Relations				
<i>Randa S. Safady</i>				
Salary Rate	\$ 560,000	560,000	-	0.0%
Total Compensation	\$ 560,000	560,000	-	0.0%
Vice Chancellor and General Counsel				
<i>Daniel H. Sharphorn</i>				
Salary Rate	\$ 400,000	408,000	8,000	2.0%
Total Compensation	\$ 400,000	408,000	8,000	2.0%

¹Adjustment to base to reflect market.

²Reclassification from Vice Chancellor for Academic and Health Affairs.

³Annualized supplement for Executive Vice Chancellor for Health Affairs, ad interim duties. Pro-rated supplement to continue through 9/30/19.

⁴Hired effective 10/1/19. Amount approved for FY 2020 is annual rate.

THE UNIVERSITY OF TEXAS SYSTEM

Compensation - Executive Officers U. T. System Administration

Approved Salary Rates Effective September 1, 2019 for Fiscal Year Ending August 31, 2020

	Approved 2019	Approved 2020	Dollar Increase	Percentage Increase
EXECUTIVE OFFICERS (continued)				
Vice Chancellor for Governmental Relations				
<i>Stacey Napier</i>				
Salary Rate ⁵	\$ 298,000	327,800	29,800	10.0%
Total Compensation	\$ 298,000	327,800	29,800	10.0%
Vice Chancellor for Federal Relations				
<i>Vacant</i>				
Salary Rate ⁶	\$ 281,000	-	(281,000)	-100.0%
Total Compensation	\$ 281,000	-	(281,000)	-100.0%
Vice Chancellor for Institutional Research and Analysis				
<i>Stephanie Bond Huie</i>				
Salary Rate ⁷	\$ 315,000	315,000	-	0.0%
Total Compensation	\$ 315,000	315,000	-	0.0%
Vice Chancellor for Health Affairs				
<i>David Lakey</i>				
Salary Rate	\$ 504,000	516,600	12,600	2.5%
Total Compensation	\$ 504,000	516,600	12,600	2.5%
General Counsel to the Board of Regents				
<i>Francie A. Frederick</i>				
Salary Rate	\$ 450,000	461,250	11,250	2.5%
Total Compensation	\$ 450,000	461,250	11,250	2.5%
Chief Audit Executive				
<i>J. Michael Peppers</i>				
Salary Rate	\$ 375,900	385,298	9,398	2.5%
Total Compensation	\$ 375,900	385,298	9,398	2.5%

⁵Adjustment to base after one year of service.

⁶Position was eliminated during FY 2019.

⁷Position to be eliminated as of 12/31/19.

10. U. T. System Board of Regents: Discussion and appropriate action regarding proposed appointment to University Lands Advisory Board (ULAB)

Regent Warren made the following motion:

I move that the U. T. System Board of Regents approve the recommended appointment of Mr. John Zogg of Dallas to join the University Lands Advisory Board for a three-year term, effective immediately.

The motion was seconded by Regent Perez and carried unanimously.

Chairman Eltife then thanked Mr. Frank Tsuru, whose term has expired, for his dedicated service on the University Lands Advisory Board. Mr. Tsuru has served on the Advisory Board since 2014 and his years of service as a key advisor are deeply appreciated.

BACKGROUND INFORMATION

On March 19, 2018, the Board of Regents approved changes to the membership structure for the University Lands Advisory Board (ULAB), effective immediately, as follows:

- five members appointed by The University of Texas System Board of Regents;
- three members appointed by The Texas A&M University System Board of Regents; and
- the Commissioner of the General Land Office.

Further, at least two of the members appointed by the U. T. System Board and at least one of the members appointed by the A&M System Board must be current Regents, with the ULAB Chairman to be named by the U. T. System Board. In addition, at least three of the members appointed by the U. T. System Board and at least two of the members appointed by the A&M System Board must have industry experience.

SCHEDULED MEETING.--The next regularly scheduled meeting will be held on November 13-14, 2019, in Austin.

ADJOURNMENT.--The meeting was adjourned at 11:02 a.m.

/s/ Tina E. Montemayor
Secretary to the Board of Regents
October 16, 2019



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FACILITIES PLANNING AND CONSTRUCTION COMMITTEE

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MEETING OF THE BOARD

1. Minutes - U. T. System Board of Regents: Approval of Minutes of the regular meeting held on May 22-23, 2019; and the special called meeting held on July 9, 2019

2. Resolution - U. T. System Board of Regents: Adoption of resolution regarding the list of Key Management Personnel authorized to negotiate, execute, and administer classified government contracts (Managerial Group) to reflect the name and term of new Student Regent

To comply with the Department of Defense National Industrial Security Program Operating Manual (NISPOM) requirements, it is recommended that the Board of Regents approve the revised resolution set forth below regarding exclusion of individuals from the list of Key Management Personnel (KMP) authorized to negotiate, execute, and administer classified government contracts. The revision reflects the name and term of the new Student Regent.

A Resolution amending the Managerial Group list was last adopted by the Board of Regents on November 15, 2018.

NISPOM defines KMP as "officers, directors, partners, regents, or trustees." The Manual requires that the Senior Management Official (SMO), Facility Security Officer (FSO), and the Insider Threat Program Senior Official (ITPSO) must always be designated as part of the Managerial Group and be cleared at the level of the Facility Clearance. Other officials or KMPs, as determined by the Defense Security Service, must be granted Personal Security Clearances or be formally excluded by name from access to classified material.

RESOLUTION

BE IT RESOLVED:

- a. That those persons occupying the following positions at The University of Texas System and The University of Texas at Austin shall be known as the Managerial Group, having the authority and responsibility for the negotiation, execution, and administration of Department of Defense (DoD) or User Agency contracts, as described in DoD 5220.22-M, "National Industrial Security Program Operating Manual" (NISPOM):

James B. Milliken, J.D., Chancellor, The University of Texas System
Gregory L. Fenves, Ph.D., President, The University of Texas at Austin
Daniel T. Jaffe, Ph.D., Vice President for Research, The University of Texas at Austin
Francis J. Landry III, Facility Security Officer (FSO), The University of Texas System/Security Manager, Applied Research Labs, The University of Texas at Austin

Patrick H. Vetter, Insider Threat Program Senior Official (ITPSO), The University of Texas System/Assistant Security Director, Applied Research Labs,
The University of Texas at Austin
James R. (Trey) Atchley III, Chief Inquiry Officer, The University of Texas System
Helen T. Mohrmann, Chief Information Security Officer, The University of Texas System
Michael J. Heidingsfield, Director of Police, The University of Texas System

The Chief Executive Officer (i.e., the Chancellor) and the members of the Managerial Group have been processed, or will be processed, for a personnel security clearance for access to classified information to the level of the facility security clearance granted to this institution, as provided for in the NISPOM.

The Managerial Group is hereby delegated all of the Board's duties and responsibilities pertaining to the protection of classified information under classified contracts of the DoD or User Agencies of the NISPOM awarded to U. T. System, including U. T. Austin.

- b. That the following named members of the U. T. System Board of Regents shall not require, shall not have, and can be effectively excluded from access to all classified information in the possession of U. T. System, including U. T. Austin, and do not occupy positions that would enable them to affect adversely the policies and practices of the U. T. System, including U. T. Austin, in the performance of classified contracts for the Department of Defense or User Agencies of the NISPOM awarded to the U. T. System, including U. T. Austin, and need not be processed for a personnel security clearance:

Members of the U. T. System Board of Regents:

Kevin P. Eltife, Chairman
Janiece Longoria, Vice Chairman
James C. "Rad" Weaver, Vice Chairman
David J. Beck
Christina Melton Crain
R. Steven Hicks
Jodie Lee Jiles
Nolan E. Perez, M.D.
Kelcy L. Warren
Daniel R. Dominguez, Student Regent from June 1, 2019 to May 31, 2020 (nonvoting)

3. Contract (funds coming in) - U. T. System: Joint Admission Medical Program (JAMP) Council for Texas Medical Dental Schools Application Service (TMDSAS) to perform administrative duties of the JAMP as delegated by the JAMP Council

Agency: Joint Admission Medical Program (JAMP) Council

Funds: The 86th Texas Legislature allocated \$10,206,794 to the Texas Higher Education Coordinating Board (THECB) for JAMP. The funds will be transferred from the THECB to U. T. System to be administered by the Texas Medical Dental Schools Application Service (TMDSAS) for the use of the JAMP Council, which delegated the administrative duties of the program to TMDSAS.

Period: September 1, 2019 through August 31, 2021

Description: TMDSAS to perform the administrative duties of the JAMP as delegated by the JAMP Council.

4. Terms of Employment - U. T. System: John Zerwas, M.D., as Executive Vice Chancellor for Health Affairs

The terms of employment for John Zerwas, M.D., are outlined below and recommended for approval by the U. T. System Board of Regents:

Item: Executive Vice Chancellor for Health Affairs

Funds: \$675,000 annually, to be paid monthly

Period: Beginning October 1, 2019

Description: The Executive Vice Chancellor for Health Affairs reports to the Chancellor and holds office without fixed term. U. T. System Administration will pay or reimburse the approved cost of club membership and monthly dues, professional memberships, required continuing education, and reasonable travel related to U. T. business.

5. Other Matters - U. T. System: Approval of Newly Commissioned Peace Officers

In accordance with Section 51.203 of the *Texas Education Code*, the Board is asked to approve the Commissioning of the following Peace Officers. The Officers have completed training at the U. T. System Police Training Academy and passed the State of Texas Police Officer Licensing Examination, effective June 7, 2019.

<u>Name</u>	<u>Institution</u>
Rosemary Bill	U. T. San Antonio
Alyssa Perez	U. T. San Antonio
Madelin March	U. T. Medical Branch - Galveston
Eliseo Alvarado	U. T. Health Science Center - Houston
Michael Calvillo	U. T. Health Science Center - Houston
Devante James	U. T. Health Science Center - Houston
Bennett Nguyen	U. T. Health Science Center - Houston
Philip Nguyen	U. T. Health Science Center - Houston
Lucila Santibanez	U. T. Health Science Center - Houston
Ena Becirovic	U. T. Austin
Kyle Elliott	U. T. Austin
Bruce Holm	U. T. Austin
Rachel Jett	U. T. Austin
Ricardo Salas-Moala	U. T. Austin
Angela Tidwell	U. T. Austin

AUDIT, COMPLIANCE, AND RISK MANAGEMENT COMMITTEE

6. Contract (funds going out) - U. T. System: Amendment to Agreement with Baker Tilly Virchow Krause, LPP, for continued audit services

Agency: Baker Tilly Virchow Krause, LPP

Funds: \$2,500,000

Period: Commencing on May 1, 2019, and ending no later than September 14, 2022. No further renewal options are available under this contract.

Description: The Amendment to Agreement with Baker Tilly Virchow Krause, LLP, increases funds from \$750,000 to \$2,500,000 for continued audit services. The initial agreement had a total cost of services of \$750,000 with a term from September 15, 2016, through September 15, 2019. This amendment is being brought to the Board as the funds to be spent exceeds the U. T. System's delegated contract authority. This agreement was competitively bid.

7. Contract (funds going out) - U. T. M. D. Anderson Cancer Center: Fifth Amendment to Agreement with PricewaterhouseCoopers, LLC, to continue to provide professional services related to auditing information technology system controls

Agency: PricewaterhouseCoopers, LLC

Funds: The total cost of services under this agreement, including all renewals, will not exceed \$8,000,000

Period: February 2, 2020 through September 1, 2020

Description: Vendor will continue to provide professional services related to auditing information technology (IT) system controls and assisting U. T. M. D. Anderson Cancer Center's Internal Audit Department with IT systemic audit risk assessment processes to mitigate gaps. Services were competitively procured.

The initial Agreement, which was approved by the Board of Regents on February 12, 2015, had a total cost of services of \$5,000,000, with a term of February 2, 2015, through February 1, 2018, including the option of two 12-month renewals. Amendment 1 increased the Cap Amount from \$2,500,000 to \$3,600,000. Amendment 2 increased the Cap Amount from \$3,600,000 to \$5,000,000 and extended the term to February 2, 2020. Amendment 3 increased the Cap Amount from \$5,000,000 to \$6,000,000. Amendment 4 increased the Cap Amount from \$6,000,000 to \$6,250,000. As noted above, Amendment 5 extends the contract term to September 1, 2020, and increases the Cap Amount to \$8,000,000. While prior amendments did not require Board approval, this fifth amendment is being brought to the Board as the current Cap Amount exceeds the total cost of the original contract total costs of services approved by the Board by more than 25%.

FINANCE AND PLANNING COMMITTEE

8. Contract (funds going out) - U. T. System: Approval to renegotiate or extend the existing Master Custodian Agreement with Bank of New York Mellon (BNY Mellon) for investment assets under the fiduciary care of the U. T. System Board of Regents

Agency: Bank of New York Mellon (BNY Mellon)

Funds: Estimated value of the agreement over the five-year term beginning July 1, 2019, is \$4,100,000 per year

Period: The University of Texas/Texas A&M Investment Management Company (UTIMCO) or Custodian may cancel current agreement by giving 90 days' notice

Description: The Master Investment Management Services Agreement between the U. T. System Board of Regents (U. T. System Board) and UTIMCO requires UTIMCO to select one or more custodians, each of which shall be approved by the U. T. System Board. The master custodian provides a wide range of services, including custody of investment assets, accounting, performance, analytics, and securities lending. BNY Mellon (formerly Mellon Trust of New England) has served as the master custodian for the investment assets under the fiduciary care of the U. T. System Board since September 1, 1995. The current agreement with BNY Mellon was most recently approved by the U. T. System Board on August 23, 2012. UTIMCO periodically reviews potential custodians. UTIMCO distributed a Request for Proposals (RFP) to four potential custodian candidates. The candidates were BNY Mellon, State Street Corporation, The Northern Trust Company, and JP Morgan Chase Bank, N.A. After careful consideration, a recommendation to retain BNY Mellon as the Master Custodian was made and was approved by the UTIMCO Audit and Ethics Committee on June 20, 2019, and by the UTIMCO Board of Directors on June 27, 2019.

9. Transfer - U. T. System: Approval of transfer of funds between Legislative Appropriation items during the biennium beginning September 1, 2019

The Chancellor, with the concurrence of the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Business Affairs, the Executive Vice Chancellor for Health Affairs *ad interim*, and the presidents of the U. T. institutions, recommends that the U. T. System Board of Regents adopt the resolution that follows to provide for the most effective utilization of General Revenue Appropriations during the biennium beginning September 1, 2019.

This requested resolution is a standard action by the U. T. System Board of Regents at the beginning of each biennium and is pursuant to provisions of the *General Appropriations Act*, Article III, Section 4, enacted by the 86th Texas Legislature.

RESOLUTION

Pursuant to the appropriate transfer provisions of the *General Appropriations Act* of the 86th Legislature, it is hereby resolved that the State Comptroller be requested to make necessary transfers within the Legislative Appropriations (and/or Informational Items of Appropriation) from the General Revenue Fund as authorized by the Chief Financial Officer of each entity as follows:

The University of Texas at Arlington
The University of Texas at Austin
The University of Texas at Dallas
The University of Texas at El Paso
The University of Texas Permian Basin
The University of Texas Rio Grande Valley
The University of Texas at San Antonio
The University of Texas at Tyler
The University of Texas Southwestern Medical Center
The University of Texas Medical Branch at Galveston
The University of Texas Health Science Center at Houston
The University of Texas Health Science Center at San Antonio
The University of Texas M. D. Anderson Cancer Center
The University of Texas Health Science Center at Tyler
The University of Texas System Administration

10. Real Estate Report - U. T. System: Summary Report of Separately Invested Assets Managed by U. T. System

**THE UNIVERSITY OF TEXAS SYSTEM
SEPARATELY INVESTED ASSETS
Managed by U. T. System
Summary Report at May 31, 2019**

		FUND TYPE							
		Current Purpose Restricted		Endowment and Similar Funds		Annuity and Life Income Funds		TOTAL	
		Book	Market	Book	Market	Book	Market	Book	Market
Land and Buildings:									
Ending Value	02/28/2019	\$ 1,666,061	\$ 10,993,854	\$ 96,409,658	\$ 351,816,931	\$ 253,270	\$ 389,536	\$ 98,328,989	\$ 363,200,321
Increase or Decrease		-	-	(250)	(554,079)	-	-	(250)	(554,079)
Ending Value	05/31/2019	<u>\$ 1,666,061</u>	<u>\$ 10,993,854</u>	<u>\$ 96,409,408</u>	<u>\$ 351,262,852</u>	<u>\$ 253,270</u>	<u>\$ 389,536</u>	<u>\$ 98,328,739</u>	<u>\$ 362,646,242</u>
Other Real Estate:									
Ending Value	02/28/2019	\$ 4	\$ 4	\$ 6	\$ 6	\$ -	\$ -	\$ 10	\$ 10
Increase or Decrease		-	-	-	-	-	-	-	-
Ending Value	05/31/2019	<u>\$ 4</u>	<u>\$ 4</u>	<u>\$ 6</u>	<u>\$ 6</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10</u>	<u>\$ 10</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. 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.

ACADEMIC AFFAIRS COMMITTEE

11. Contract (funds going out) - U. T. Arlington: Contemporary Services Corporation to provide crowd management, crowd control, and event staffing services

Agency: Contemporary Services Corporation

Funds: \$5,250,000 (total amount for all terms including possible extensions)

Period: September 1, 2019 through August 31, 2024; with option to extend for two additional one-year terms

Description: Crowd management, crowd control, and event staffing services for College Park Center (7,000 seat arena) events, including intercollegiate athletic games, WNBA professional basketball games, concerts, performances, speaking engagements, and commencement ceremonies. This contract was competitively procured.

12. Contract (funds going out) - U. T. Arlington: Echo360, Inc., to provide cloud-based software services and hardware for automated audiovisual recording of lectures and events

Agency: Echo360, Inc.

Funds: \$1,500,000

Period: January 1, 2019 through December 29, 2023; with no renewal

Description: Echo360, Inc., to provide U. T. Arlington with cloud-based software services and hardware to enable automated audiovisual recording of lectures and events within classrooms and similar venues and also allows for later viewing by U. T. Arlington faculty, students, and other members of the campus community via the internet or other devices. The contract was competitively procured.

13. Request for Budget Change - U. T. Arlington: New award of tenure appointments

The following personnel actions involving new award of tenure appointments have been administratively approved by the Chancellor and the Executive Vice Chancellor for Academic Affairs. The personnel actions have been included in the 2020 Annual Operating Budget and are consistent with the Regents' *Rules and Regulations*, Rule 31007.

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>
College of Business		
Accounting Narayanan Janakiraman	Assistant Professor	Associate Professor (T)
Finance and Real Estate J. Andrew Hansz	New Hire	Professor (T)
Marketing Fred Miao	New Hire	Associate Professor (T)
College of Education		
Educational Leadership and Policy Studies Taryn Allen	Assistant Professor	Associate Professor (T)
Bradley Davis	Assistant Professor	Associate Professor (T)
College of Engineering		
Electrical Engineering Catrina Coleman	New Hire	Professor (T)
Jim Coleman	New Hire	Professor (T)
Yuze Sun	Assistant Professor	Associate Professor (T)
Industrial Engineering Shouyi Wang	Assistant Professor	Associate Professor (T)
Mechanical and Aerospace Engineering Kyung Suk Yum	Assistant Professor	Associate Professor (T)

College, Department, and Name	From	To
College of Liberal Arts		
Art and Art History August Davis	New Hire	Associate Professor (T)
History David LaFevor Cristna Salinas	Assistant Professor Assistant Professor	Associate Professor (T) Associate Professor (T)
Linguistics Naoko Witzel Suwon Yoon	Assistant Professor Assistant Professor	Associate Professor (T) Associate Professor (T)
College of Nursing and Health Innovation		
Kinesiology Michael Nelson	Assistant Professor	Associate Professor (T)
College of Science		
Chemistry and Biochemistry Sherri McFarland	New Hire	Professor (T)
School of Social Work		
Social Work Anne Nordbert Katherine Sanchez	Assistant Professor New Hire	Associate Professor (T) Associate Professor (T)

14. Employment Agreement - U. T. Arlington: Approval of terms of new Employment Agreement for current Head Women's Basketball Coach Krista Gerlich

The following Head Women's Basketball Coach Employment Agreement has been approved by the Chancellor, the Executive Vice Chancellor for Academic Affairs, and the Vice Chancellor and General Counsel and is recommended for approval by the U. T. System Board of Regents. If the Agreement is approved, total compensation for the contract period for Krista Gerlich will be in excess of \$1 million. Such employment under the Agreement 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, the Regents' *Rules and Regulations*, and the policies of The University of Texas at Arlington. Any violation of the provisions of such constitution, bylaws, rules, regulations, or policies shall be grounds for suspension without pay and/or dismissal.

To: **Period:**

September 1, 2019 through August 31, 2023

Guaranteed compensation:

Annual Salary:

FY 2019-20: \$310,000 annually

FY 2020-21: \$335,000 annually

FY 2021-22: \$360,000 annually

FY 2022-23: \$385,000 annually

Automobile: courtesy automobile from a local dealership; or a \$750 monthly automobile allowance

Nonguaranteed compensation:

Sports Camps and Clinics: percentage of net proceeds determined by Athletic Director

Incentives:

Team performance incentives: maximum of \$63,500 annually

Team academic performance Incentives: maximum of \$14,000 annually

Sunbelt Conference Coach of the Year: \$5,000 annually

From: **Guaranteed compensation:**

Annual Salary:

FY 2018-19: \$250,000 annually

FY 2019-20: \$275,000 annually

FY 2020-21: \$300,000 annually

FY 2021-22: \$325,000 annually

Automobile: courtesy automobile from a local dealership

Nonguaranteed compensation:

Sports Camps and Clinics: percentage of net proceeds determined by Athletic Director

Incentives:

Team performance incentives: maximum of \$11,000 annually

Team academic performance Incentives: maximum of \$17,000 annually

Sunbelt Conference Coach of the Year: \$5,000 annually

Guaranteed
Compensation
Percent

Change: 20.71%

Nonguaranteed
Compensation

Change: 150%

Source of Funds: Intercollegiate Athletics

15. Contract (funds coming in) - U. T. Austin: Amendment to Graduate Medical Education (GME) Program Director Agreement by and among Ascension Seton (formerly known as Seton Family of Hospitals) and U. T. Austin, on behalf of Dell Medical School, to provide academic program director services

Agency: Ascension Seton (formerly known as Seton Family of Hospitals)

Funds: \$5,000,000

Period: September 1, 2018 through August 31, 2021

Description: Under the initial agreement, Ascension Seton (Seton) compensated Dell Medical School (DMS) for the services of two physicians to provide professional medical program director services from December 13, 2017 through August 31, 2018. The amendment adds nine additional positions, increases the contract value by \$3,627,420, taking the agreement over the institution's \$2,500,000 delegation threshold; and extends the termination date. Seton compensates DMS based on a percentage of each physicians' time at a rate determined by level of skill and practice area.

16. Contract (funds coming in) - U. T. Austin: Pediatric Neurosciences Program Support Agreement by and among Ascension Seton (formerly known as Seton Family of Hospitals), Dell Children’s Medical Group, and U. T. Austin

Agency: Ascension Seton (formerly known as Seton Family of Hospitals) and Dell Children’s Medical Group

Funds: U. T. Austin will be paid a maximum of approximately \$23,000,000 in the first year escalating to approximately \$29,500,000 by the final program year (with full staffing of program personnel)

Period: Initial term beginning July 1, 2019 through June 30, 2024; with automatic renewal periods of one year each, unless terminated earlier

Description: The program support agreement outlines the terms of a regional comprehensive pediatric neurosciences program to provide interdisciplinary, multidisciplinary team-based care for a wide variety of neurological conditions, which will include inpatient and outpatient care, to be created by Dell Medical School and Seton (the program). Among other terms, the program will include the following coverage and services: full-time clinical coverage necessary to support pediatric neurology, epilepsy, and neurosurgery hospital call coverage and emergency room coverage at Dell Children’s Medical Center; appropriate and necessary clinical coverage at Seton-affiliated pediatric clinics; and appropriate academic coverage for pediatric psychiatric residents and fellows.

17. Interagency Agreement (funds coming in) - U. T. Austin: Amendment to Interagency Cooperation Contract between U. T. Austin on behalf of Dell Medical School and the Texas Health and Human Services Commission concerning Austin State Hospital

Agency: Texas Health and Human Services Commission (HHSC)

Funds: \$180,717,817

Period: February 1, 2018 through August 31, 2024

Description: The initial agreement, which was approved by the Board of Regents on May 1, 2018, and Amendment No. 2, which was approved by the Board of Regents on November 15, 2018, provide that U. T. Austin Dell Medical School will provide HHSC with planning and related services focused on the creation of a mental health plan that defines the vision for the replacement of Austin State Hospital (ASH), incorporating a continuum of inpatient and outpatient psychiatric services on the ASH campus to serve the existing ASH catchment area. This amendment adds construction phases II and III of the ASH project, increases the contract value by \$165,000,000, and extends the termination date, which was November 30, 2020.

18. Contract (funds going out) - U. T. Austin: Second Amendment to Agreement with War on the Rocks Media, LLC., on behalf of Clements Center for National Security, to create and publish journals and articles relating to national security issues

Agency: War on the Rocks Media, LLC.

Funds: \$4,354,996

Period: August 20, 2019 through March 1, 2022

Description: U. T. Austin's Clements Center will obtain the services of War on the Rocks Media, LLC., to create and publish journals and articles relating to national security issues. The Second Amendment and underlying agreement were procured through an Exclusive Acquisition Justification. The value of the initial agreement and First Amendment was below the institution's delegation threshold.

19. Contract (funds going out) - U. T. Austin: Approval of Memorandum of Understanding between U. T. Austin and the U. T. Austin Mexico Institute, A.C. (UTAMI); and finding of public purpose

Agency: U. T. Austin Mexico Institute, A.C. (UTAMI), a nonprofit civil association licensed to operate in Mexico

Funds: \$60,000

Period: September 1, 2019 through August 31, 2020

Description: Funds support (1) a \$10,000 one-time payment to establish an in-country bank account, (2) \$25,000 to sustain the 2019-2020 operating budget, and (3) \$25,000 to be drawn upon as needed, to provide services to U. T. Austin units until such time that U. T. Austin Mexico Institute is able to provide invoices for services.

U. T. Austin entered into an initial Memorandum of Understanding (MOU) with UTAMI in August 2018. This initial MOU did not require Board of Regents' approval because it complied with Regents' *Rules and Regulations*, Rule 60305, University-Affiliated Foundations. The amended and restated MOU requires Board approval because U. T. Austin will be providing 2019-20 bridge funding to UTAMI while operations are established, and until such time that the organization is able to accept philanthropic donations and bill for services.

Finding of Public Purpose: U. T. Austin has determined that providing bridge funding to UTAMI while operations are being established supports the public mission and serves public purposes appropriate to the functions of U. T. Austin as the resulting interdisciplinary collaboration with Mexican education and scientific organizations will foster and facilitate mutual goals in education and research. UTAMI will promote U. T. Austin programs, both within and outside Mexico, including supporting and facilitating the advancement of collaborative cross-disciplinary academic and scientific research partnerships, and will provide access to Mexican funding opportunities only available to Mexican entities. Accordingly, U. T. Austin has also determined that there is adequate consideration and benefit to the institution.

Finally, U. T. Austin is the sole institutional member of UTAMI's General Assembly, and each individual member of the General Assembly must be a U. T. Austin employee. Thus, U. T. Austin has determined that there are adequate safeguards in place to ensure the public purpose noted above will continue to be met on an ongoing basis.

20. Request for Budget Change - U. T. Austin: Transfer \$7,570,000 from Research Infusion and Holding Account for Plant Funds to Applied Research Laboratories (ARL) - ARL Construction & Equipment Reserve for funding of future capital and equipment purchases (RBC No. 10764) -- amendment to the 2018-2019 budget

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

Description	\$ Amount	RBC #
Research Infusion & Applied Research Laboratories		
Amount of Transfer:	7,570,000	10764
From: Research Infusion - Designated Funds, Allocation for Budget Adjustment	5,550,000	
Holding Account - Plant Funds, Allocated for Budget	2,020,000	
To: ARL - ARL Construction & Equipment Reserve - Plant Funds, Allocated for Budget	7,570,000	

21. Request for Budget Change - U. T. Austin: New award of tenure appointments

The following personnel actions involving new award of tenure appointments have been administratively approved by the Chancellor and the Executive Vice Chancellor for Academic Affairs. The personnel actions have been included in the 2020 Annual Operating Budget and are consistent with the Regents' *Rules and Regulations*, Rule 31007.

College, Department, and Name	From	To
Architecture		
Junfeng Jiao	Assistant Professor	Associate Professor (T)
Sarah Lopez	Assistant Professor	Associate Professor (T)
Clay Odom	Assistant Professor	Associate Professor (T)
Benjamin Ibarra Sevilla	Assistant Professor	Associate Professor (T)

College, Department, and Name	From	To
McCombs School of Business		
Accounting Jeffrey Hales	New Hire	Professor (T)
Information, Risk, and Operations Management Mingyuan Zhou	Assistant Professor	Associate Professor (T)
Moody College of Communication		
Communication Sciences and Disorders Maya Henry	Assistant Professor	Associate Professor (T)
Communication Studies Joshua Barbour	Assistant Professor	Associate Professor (T)
College of Education		
Curriculum and Instruction Flavio Azevedo Maria Franquiz	Assistant Professor New Hire	Associate Professor (T) Professor (T)
Educational Leadership and Policy Terrance Green	Assistant Professor	Associate Professor (T)
Kinesiology and Health Education Brian Mills	New Hire	Associate Professor (T)
Cockrell School of Engineering		
Aerospace Engineering and Engineering Mechanics Efsthios Bakolas Tan Bui	Assistant Professor Assistant Professor	Associate Professor (T) Associate Professor (T)
Civil, Architecture and Environmental Engineering Manish Kumar	New Hire	Associate Professor (T)
Electrical and Computer Engineering Jose Millan Ruiz Mohit Tiwari	New Hire Assistant Professor	Professor (T) Associate Professor (T)

College, Department, and Name	From	To
Mechanical Engineering		
Vaibhav Bahadur	Assistant Professor	Associate Professor (T)
Kevin Clarno	New Hire	Associate Professor (T)
David Mitlin	New Hire	Professor (T)
Venkat Subramanian	New Hire	Professor (T)
Jamie Warner	New Hire	Professor (T)
Yuebing Zheng	Assistant Professor	Associate Professor (T)
Petroleum and Geosystems Engineering		
Hugh Daigle	Assistant Professor	Associate Professor (T)
David Espinoza	Assistant Professor	Associate Professor (T)
College of Fine Arts		
Butler School of Music		
Stephen Page	Assistant Professor	Associate Professor (T)
Theatre and Dance		
Kathryn Dawson	Assistant Professor	Associate Professor (T)
Karen Sanchez	Associate Professor	Associate Professor (T)
School of Information		
Information		
Ying Ding	New Hire	Professor (T)
Anthony (Tony) Grubestic	New Hire	Professor (T)
Jacek Gwizdka	Assistant Professor	Associate Professor (T)
Soo Young Rieh	New Hire	Professor (T)
School of Law		
Elizabeth Sepper	New Hire	Professor (T)
College of Liberal Arts		
African and African Diaspora Studies		
Xavier Livermon	Assistant Professor	Associate Professor (T)
Anthropology		
Jason Cons	Assistant Professor	Associate Professor (T)
Economics		
Carolina Thomas	Assistant Professor	Associate Professor (T)
English		
Chad Bennett	Assistant Professor	Associate Professor (T)

College, Department, and Name	From	To
Geography and the Environment Carlos Ramos	Assistant Professor	Associate Professor (T)
History Lina Del Castillo	Assistant Professor	Associate Professor (T)
Adam Clulow	New Hire	Associate Professor (T)
Megan Raby	Assistant Professor	Associate Professor (T)
Mark Ravina	New Hire	Professor (T)
Middle Eastern Studies Jonathan Kaplan	Assistant Professor	Associate Professor (T)
Philosophy Julia Driver	New Hire	Professor (T)
Roy Sorensen	New Hire	Professor (T)
Psychology Jessica Church-Lang	Assistant Professor	Associate Professor (T)
Rhetoric and Writing Casey Boyle	Assistant Professor	Associate Professor (T)
Sociology Daniel Fridman	Assistant Professor	Associate Professor (T)
College of Natural Sciences		
Astronomy Michael Boylan-Kolchin	Assistant Professor	Associate Professor (T)
Adam Kraus	Assistant Professor	Associate Professor (T)
Chemistry Michael Rose	Assistant Professor	Associate Professor (T)
Mathematics Maria Gualdani	New Hire	Associate Professor (T)
Molecular Biosciences Bryan Davies	Assistant Professor	Associate Professor (T)
Ilya Finkelstein	Assistant Professor	Associate Professor (T)
Hong Qiao	Assistant Professor	Associate Professor (T)
Keiko Torii	New Hire	Professor (T)
Blerta Xhemalce	Assistant Professor	Associate Professor (T)
Physics Feliciano Giustino	New Hire	Professor (T)

College, Department, and Name	From	To
Statistics and Data Science Catherine Calder	New Hire	Professor (T)
School of Nursing		
Nursing		
Shellie Kesler	New Hire	Associate Professor (T)
Kavita Radhakrishnan	Assistant Professor	Associate Professor (T)
College of Pharmacy		
Somshuvra Mukhopadhyay	Assistant Professor	Associate Professor (T)
Lyndon B. Johnson School of Public Affairs		
Martin Luby	Assistant Professor	Associate Professor (T)
School of Social Work		
Social Work		
Kari White	New Hire	Associate Professor (T)

22. Employment Agreement - U. T. Austin: Approval of terms of Employment Agreement for new Head Men's Tennis Coach Bruce Berque

The following Head Men's Tennis Coach Employment Agreement has been approved by the Chancellor, the Executive Vice Chancellor for Academic Affairs, and the Vice Chancellor and General Counsel and is recommended for approval by the U. T. System Board of Regents. If the Agreement is approved, total compensation for the contract period for Bruce Berque is in excess of \$1 million. Such employment under the Agreement is subject to the Constitution and Bylaws of the National Collegiate Athletic Association, the Big 12 Conference, Regents' *Rules and Regulations*, and the policies of The University of Texas at Austin. Any violation of the provisions of such constitution, bylaws, rules, regulations, or policies shall be grounds for suspension without pay and/or dismissal.

Proposed: **Guaranteed compensation:**

Annual Salary:

FY 2019-2020: \$ 56,695
FY 2020-2021: \$215,000
FY 2021-2022: \$215,000
FY 2022-2023: \$215,000
FY 2023-2024: \$215,000

Automobile: One Dealer Car

Social club membership: In accordance with Athletics Department's policies and procedures, and based on availability and business need.

Nonguaranteed compensation:

Sports Camps: Determined by the Vice President and Athletics Director

Incentives:

Team performance incentives: 30%
Team academic performance Incentives: \$0
National Coach of the Year: 5%
Conference Coach of the Year: 2%
Top 5 ranking in the final poll: N/A
Top 10 ranking in the final poll: N/A

Description: Employment Agreement for Head Men's Tennis Coach Bruce Berque. Approved pursuant to Regents' *Rules and Regulations*, Rule 10501, Section 2.2.12(a).

Source of Funds: Intercollegiate Athletics

Period: May 27, 2019 through August 31, 2024

23. Employment Agreement - U. T. Austin: Approval of terms of new Employment Agreement for current Head Women's Tennis Coach Howard Joffe

The following Head Women's Tennis Coach Employment Agreement has been approved by the Chancellor, the Executive Vice Chancellor for Academic Affairs, and the Vice Chancellor and General Counsel and is recommended for approval by the U. T. System Board of Regents. If the Agreement is approved, total compensation for the contract period for Howard Joffe is in excess of \$1 million. Such employment under the Agreement is subject to the Constitution and Bylaws of the National Collegiate Athletic Association, the Big 12 Conference, Regents' *Rules and Regulations*, and the policies of The University of Texas at Austin. Any violation of the provisions of such constitution, bylaws, rules, regulations, or policies shall be grounds for suspension without pay and/or dismissal.

To: **Period:**

September 1, 2019 through August 31, 2024

Guaranteed compensation:

Annual Salary: \$215,285

Automobile: One Dealer Car

Social club membership: In accordance with Athletics Department's policies and procedures, and based on availability and business need

Nonguaranteed compensation:

Sports Camps: Determined by the Vice President and Athletics Director

Incentives: In accordance with Athletics Department's policies and procedures, and based on availability and business need

Note:

In proposing the new Agreement for Head Women's Tennis Coach Howard Joffe, U. T. Austin has substantially changed the approach to compensation without a significant increase in total compensation. For comparison purposes, the approximate increase in guaranteed compensation from FY 2019 to FY 2020 is 1.85% with changes throughout the agreements to the classification of other employment terms as guaranteed.

From: **Guaranteed compensation:**

Annual Salary: \$209,285

Automobile: One dealer car (or \$7,500 annually in lieu of one dealer car)

Product Endorsement: \$2,000 annually

Social club memberships: The University of Texas Club, The University of Texas Golf Club, and The University of Texas Tennis Club

Nonguaranteed compensation:

Sports Camps: Determined by the Vice President and Athletics Director

Performance Incentives:

Team wins Big 12 Conference Tournament

Championship: \$10,000

Team wins the NCAA National Championship: \$20,000

Team Academic Performance Incentives: \$0 (in base salary)

National Coach of the Year: \$5,000

Source of Funds: Intercollegiate Athletics

24. Employment Agreement - U. T. Austin: Approval of terms of new Employment Agreement for current Head Women’s Swimming and Diving Coach Carol Capitani

The following Head Women's Swimming and Diving Coach Employment Agreement has been approved by the Chancellor, the Executive Vice Chancellor for Academic Affairs, and the Vice Chancellor and General Counsel and is recommended for formal approval by the U. T. System Board of Regents. If the Agreement is approved, total compensation for the contract period for Carol Capitani will be in excess of \$1 million. Such employment under the Agreement is subject to the Constitution and Bylaws of the National Collegiate Athletic Association, the Big 12 Conference, Regents' *Rules and Regulations*, and the policies of The University of Texas at Austin. Any violation of the provisions of such constitution, bylaws, rules, regulations, or policies shall be grounds for suspension without pay and/or dismissal.

To: **Period:**

September 1, 2019 through August 31, 2024

Guaranteed compensation:

Annual Salary: \$213,090

Automobile: One Dealer Car

Social club membership: In accordance with Athletics Department's policies and procedures, and based on availability and business need

Nonguaranteed compensation:

Sports Camps: Determined by the Vice President and Athletics Director

Incentives: In accordance with Athletics Department's policies and procedures, and based on availability and business need

Note:

In proposing the new Agreement for Head Women's Swimming and Diving Coach Carol Capitani, U. T. Austin has substantially changed the approach to compensation without a significant increase in total compensation. For comparison purposes, the approximate increase in guaranteed compensation from FY 2019 to FY 2020 is 2.89% with changes throughout the agreements to the classification of other employment terms as guaranteed.

From: **Guaranteed compensation:**

Annual Salary: \$197,590

Automobile: One dealer car (or \$7,500 annually in lieu of one dealer car)

Product Endorsement: \$2,000 annually

Nonguaranteed compensation:

Sports Camps: Determined by the Vice President and Athletics Director

Incentives:

Team wins Big 12 Conference Championship: maximum of \$10,000 annually

Team wins the NCAA National Championship Team: \$25,000

Team Academic Performance Incentives: \$0 (in base salary)

Big 12 Coach of the Year: \$2,000

National Coach of the Year: \$5,000

Source of Funds: Intercollegiate Athletics

25. Employment Agreement - U. T. Austin: Approval of terms of new Employment Agreement for current Head Women's Golf Coach Ryan Murphy

The following Head Women's Golf Coach Employment Agreement has been approved by the Chancellor, the Executive Vice Chancellor for Academic Affairs, and the Vice Chancellor and General Counsel and is recommended for formal approval by the U. T. System Board of Regents. If the Agreement is approved, the total compensation for the contract period for Ryan Murphy is in excess of \$1 million. Such employment under the Agreement is subject to the Constitution and Bylaws of the National Collegiate Athletic Association, the Big 12 Conference, Regents' *Rules and Regulations*, and the policies of The University of Texas at Austin. Any violation of the provisions of such constitution, bylaws, rules, regulations, or policies shall be grounds for suspension without pay and/or dismissal.

To: **Period:**

September 1, 2019 through August 31, 2024

Guaranteed compensation:

Annual Salary: \$205,000

Automobile: One Dealer Car

Social club membership: In accordance with Athletics Department's policies and procedures, and based on availability and business need

Nonguaranteed compensation:

Sports Camps: Determined by the Vice President and Athletics Director

Incentives: In accordance with Athletics Department's policies and procedures, and based on availability and business need

Note:

In proposing the new Agreement for Head Women's Golf Coach Ryan Murphy, U. T. Austin has substantially changed the approach to compensation without a significant increase in total compensation. For comparison purposes, the approximate increase in guaranteed compensation from FY 2019 to FY 2020 is 20.58% with changes throughout the agreements to the classification of other employment terms as guaranteed.

From: **Guaranteed compensation:**

Annual Salary: \$160,500

Automobile: One dealer car (or \$7,500 annually in lieu of one dealer car)

Social club memberships: The University of Texas Club, UT Golf Club, Barton Creek Country Club, and The Hills of Lakeway

Product Endorsement: \$2,000, annually

Nonguaranteed compensation:

Performance Incentives:

Team wins Big 12 Conference Tournament

Championship: \$10,000

Team wins the NCAA National Championship: \$20,000

Team Academic Performance Incentives: \$0 (in base salary)

National Coach of the Year: \$5,000

Source of Funds: Intercollegiate Athletics

26. Employment Agreement - U. T. Austin: Approval of terms of new Employment Agreement for current Head Women’s Rowing Coach David O’Neill

The following Head Women’s Rowing Coach Employment Agreement has been approved by the Chancellor, the Executive Vice Chancellor for Academic Affairs, and the Vice Chancellor and General Counsel and is recommended for formal approval by the U. T. System Board of Regents. If the Agreement is approved, the total compensation for the contract period for David O’Neill is in excess of \$1 million. Such employment under the Agreement is subject to the Constitution and Bylaws of the National Collegiate Athletic Association, the Big 12 Conference, Regents’ *Rules and Regulations*, and the policies of The University of Texas at Austin. Any violation of the provisions of such constitution, bylaws, rules, regulations, or policies shall be grounds for suspension without pay and/or dismissal.

To:

Period:

September 1, 2019 through August 31, 2024

Guaranteed compensation:

Annual Salary:

FY 2019-2020: \$215,370

FY 2020-2021: \$225,370

FY 2021-2022: \$235,370

FY 2022-2023: \$235,370

FY 2023-2024: \$235,370

Automobile: One Dealer Car

Social club membership: In accordance with Athletics Department's policies and procedures, and based on availability and business need

Nonguaranteed compensation:

Sports Camps: Determined by the Vice President and Athletics Director

Incentives: In accordance with Athletics Department's policies and procedures, and based on availability and business need

Note:

In proposing the new Agreement for Head Women’s Rowing Coach David O’Neill, U. T. Austin has substantially changed the approach to compensation without a significant increase in total compensation. For comparison purposes, the approximate increase in guaranteed compensation from FY 2019 to FY 2020 is 4.8% with changes throughout the agreements to the classification of other employment terms as guaranteed.

From: **Guaranteed compensation:**

Annual Salary: \$205,370

Automobile: One dealer car (or \$7,500 annually in lieu of one dealer car)

Social club memberships: The University of Texas Club

Product Endorsement: N/A

Nonguaranteed compensation:

Sports Camps: Determined by the Vice President and Athletics Director

Performance Incentives:

Team wins Big 12 Conference Tournament

Championship: maximum of \$10,000 annually

Team wins the NCAA National Championship Team

Finish: \$25,000

Team Academic Performance Incentives: \$0 (in base salary)

National Coach of the Year: \$5,000

Source of Funds: Intercollegiate Athletics

27. Contract (funds going out) - U. T. Dallas: Pavement Services Corporation to provide parking lot repairs and upkeep as needed

Agency: Pavement Services Corporation

Funds: This is a multiple award to two vendors, Pavement Services and Anderson Asphalt & Concrete Paving, for services to be provided on an as-needed basis. The annual expense for parking lot repairs is estimated to be less than \$1,000,000, with a maximum expectation of \$3,000,000 over the three-year period, split among the two contractors.

Period: May 15, 2019 through May 14, 2020, with option to renew agreement for two additional one-year periods

Description: Pavement Services Corporation to provide parking lot repair and upkeep services as needed by the University. These services will include parking lot rehabilitation, asphalt repair, crack fill/seal, sealcoat and cleaning of work areas. This recommended award is the result of a competitive solicitation.

28. Contract (funds going out) - U. T. Dallas: Anderson Asphalt & Concrete Paving, LLC, to provide parking lot repairs and upkeep as needed

Agency: Anderson Asphalt & Concrete Paving, LLC

Funds: This is a multiple award to two vendors, Anderson Asphalt & Concrete Paving and Pavement Services Corporation, for services to be provided on an as-needed basis. The annual expense for parking lot repairs is estimated to be less than \$1,000,000, with a maximum expectation of \$3,000,000 over the three-year period, split among the two contractors.

Period: May 15, 2019 through May 14, 2020, with option to renew agreement for two additional one-year periods

Description: Anderson Asphalt & Concrete Paving, LLC, to provide parking lot repair and upkeep services as needed by the University. These services will include parking lot rehabilitation, asphalt repair, crack fill/seal, sealcoat and cleaning of work areas. This recommended award is the result of a competitive solicitation.

29. Request for Budget Change - U. T. Dallas: New award of tenure appointments

The following personnel actions involving new award of tenure appointments have been administratively approved by the Chancellor and the Executive Vice Chancellor for Academic Affairs. The personnel actions have been included in the 2020 Annual Operating Budget and are consistent with the Regents' *Rules and Regulations*, Rule 31007.

College, Department, and Name	From	To
School of Behavioral and Brain Sciences		
Dean's Office Steven Small	New Hire	Professor (T)
Cognition and Neuroscience Ana Solodkin	New Hire	Professor (T)
Gagandeep Wig	Assistant Professor	Associate Professor (T)
School of Economic, Political and Policy Science		
Economics Rodney Andrews	Assistant Professor	Associate Professor (T)
Public Affairs James Harrington	Assistant Professor	Associate Professor (T)
Public Policy and Political Economy Jonas Bunte	Assistant Professor	Associate Professor (T)
Erik Jonsson School of Engineering and Computer Science		
Dean's Office Stephanie Adams	New Hire	Professor (T)
Bioengineering Robert Gregg	Assistant Professor	Associate Professor (T)
Kenneth Hoyt	Associate Professor	Associate Professor (T)
Danieli Rodrigues	Assistant Professor	Associate Professor (T)
Computer Science Feng Chen	New Hire	Associate Professor (T)
Cong Liu	Assistant Professor	Associate Professor (T)

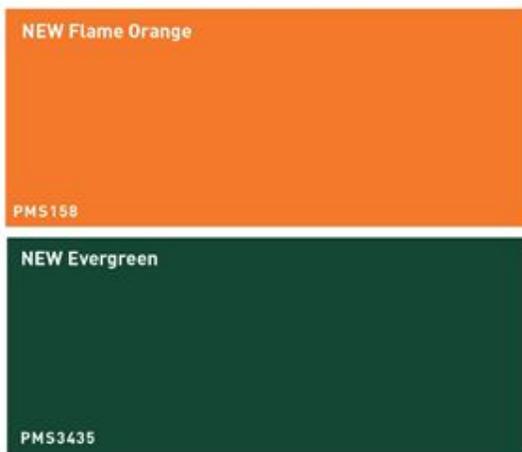
College, Department, and Name	From	To
Naveen Jindal School of Management		
Finance		
Michael Hasler	New Hire	Associate Professor (T)
Information Systems		
Mehmet Ayvaci	Assistant Professor	Associate Professor (T)
School of Natural Sciences and Mathematics		
Biological Sciences		
Heng Du	Assistant Professor	Associate Professor (T)
Duane Winkler	Assistant Professor	Associate Professor (T)
Chemistry and Biochemistry		
Jeremiah Gassensmith	Assistant Professor	Associate Professor (T)
Vladimir Gevorgyan	New Hire	Professor (T)
Mathematical Science		
Oleg Makarenkov	Assistant Professor	Associate Professor (T)
Physics		
Michael Kesden	Assistant Professor	Associate Professor (T)

30. Official School Colors - U. T. Dallas: Proposed School Colors

The following proposed new school colors have been approved by the Chancellor, the Executive Vice Chancellor for Academic Affairs, and the Vice Chancellor for External Relations, Communications, and Advancement Services and are submitted for approval by the U. T. System Board of Regents in accordance with Regents' *Rules and Regulations*, Rule 40801.

The proposed Pantone Marking System colors are PMS 158 [flame orange] and PMS 3435 [evergreen] as set forth below. After review and testing, it was determined these new colors work well together and are seen as a stronger representation of the institution as it is today. The new primary colors will be changed in all instances currently used in branding and logos, with exception of legacy marks.

PROPOSED COLORS



CURRENT COLORS



31. Contract (funds coming in) - U. T. El Paso: Dahill Office Technology Corporation to provide mail room and printing services

Agency: Dahill Office Technology Corporation

Funds: \$973,220 for the initial five-year term and \$134,745 for each of the three one-year renewal options

Period: July 1, 2019 through July 2, 2026; with three one-year renewal options to extend

Description: Dahill Office Technology Corporation will provide operation of the print shop and mail room on the University campus. This contract was competitively procured.

32. Request for Budget Change - U. T. El Paso: New Hire with Tenure -- amendment to the 2018-2019 budget

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

Description	Effective Date	% Time	Full-time Salary		RBC #
			No. Mos.	Rate \$	
College of Health Sciences					
Department of Public Health					
Associate Professor					
Julia Lechuga (T)	6/1-8/31	100	09	94,000	10769

33. Request for Budget Change - U. T. El Paso: New award of tenure appointments

The following personnel actions involving new award of tenure appointments have been administratively approved by the Chancellor and the Executive Vice Chancellor for Academic Affairs. The personnel actions have been included in the 2020 Annual Operating Budget and are consistent with the Regents' *Rules and Regulations*, Rule 31007.

College, Department, and Name	From	To
College of Education		
Educational Psychology and Special Services		
Paul A. Carrola	Assistant Professor	Associate Professor (T)
Teacher Education		
So Jung Kim	Assistant Professor	Associate Professor (T)
College of Engineering		
Computer Science		
Mahmud Shahriar Hossain	Assistant Professor	Associate Professor (T)
Salamah Salamah	Associate Professor	Associate Professor (T)
College of Liberal Arts		
Criminal Justice		
Egbert Zavala	Assistant Professor	Associate Professor (T)
English		
Lauren Rosenberg	New Hire	Associate Professor (T)
History		
Ignacio Martinez	Assistant Professor	Associate Professor (T)
Language and Linguistics		
Sara Potter	Assistant Professor	Associate Professor (T)
Music		
Andrea Shaheen Espinosa	Assistant Professor	Associate Professor (T)
Political Science		
Todd Curry	Assistant Professor	Associate Professor (T)
Psychology		
Sergio Iniguez	Associate Professor	Associate Professor (T)
Sociology and Anthropology		
Aurelia Lorena Murga	Assistant Professor	Associate Professor (T)

College, Department, and Name	From	To
College of Science		
Biological Sciences Charlotte Vines	Assistant Professor	Associate Professor (T)
Chemistry and Biochemistry Adrian Skye Fortier	Assistant Professor	Associate Professor (T)
Geological Sciences Antonio Arribas	New Hire	Professor (T)
Physics Mark R. Pederson	New Hire	Chair and Professor (T)

34. Request for Budget Change - U. T. El Paso: Transfer \$3,021,413 from SEUP Road Shows and Special Events Revenue to SEUP Road Shows and Special Events Maintenance and Operation to adjust budget related to increased event activity (RBC No. 10752) -- amendment to the 2018-2019 budget

35. Employment Agreement - U. T. El Paso: Approval of terms of Transition Agreement with Diana Natalicio, Ph.D.

The following agreement has been approved by the Chancellor and the Executive Vice Chancellor for Academic Affairs and is recommended for approval by the U. T. System Board of Regents.

Item: Transition Agreement

Funds: \$426,775 annually

Period: August 15, 2019 through January 1, 2020

Description: As President Emerita, Dr. Natalicio will report to President Wilson. She will complete work on files of historical significance concerning her term as President. The agreement is on the following pages.



THE UNIVERSITY of TEXAS SYSTEM
FOURTEEN INSTITUTIONS. UNLIMITED POSSIBILITIES.

Office of Academic Affairs
210 West 7th St.
Austin, Texas 78701-2982
512-499-4233
WWW.UTSYSTEM.EDU

July 26, 2019

Dr. Diana Natalicio, President
The University of Texas at El Paso
500 W. University Avenue
El Paso, TX 79968

Dear Diana,

Congratulations again on your remarkable career in higher education. You have inspired many and have made a tremendous impact in Texas and beyond, and it has been an honor to work with you over the years.

In light of recent conversations you've had with both me and President-designate Wilson, I wanted to memorialize our understanding of your transition plans.

Your last day as President of the University of Texas at El Paso (UTEP) will be August 14, 2019. Chancellor Milliken will recommend to the Board at the August meeting that you be designated President Emerita, to take effect immediately upon Board approval.

I understand that you have moved from the Hoover House into your condominium. As we have previously agreed, your moving expenses will be covered by the University.

I understand that you would like to extend your employment with UTEP through January 1, 2020 in order to complete work on files of historical significance concerning your term as President, and to accept some speaking engagements, participate in academic meetings and board work in your personal, faculty or President Emerita capacity.

You do not plan to take academic leave or assume a position on the faculty. However, to support you as you complete your transition to retirement, UTEP would be willing to support an extension of your employment from August 15, 2019 through January 1, 2020. During this period, you may use the title President Emerita and your salary will be tied to an annual salary of \$426,775.

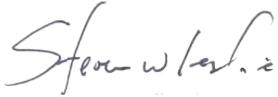
The University will make available, for your use, a furnished faculty office, computer access and technical support through January 1, 2020. The University will make arrangements for you to have part time or shared administrative support during this period. President-designate Wilson has agreed to make available up to \$10,000 in travel expenses for your professional commitments through January 1, 2020.

Page 2

July 26, 2019

I hope these arrangements will be helpful as you complete your transition to retirement. It has been a pleasure to serve with you and I will always treasure our friendship.

Sincerely,



Steven W. Leslie, Ph.D.

Cc: James B. Milliken, Chancellor
Heather Wilson, Ph.D., President-designate

Accepted by:

Diana Natalicio, Ph.D.

Date:

36. Sale - U. T. El Paso: Authorization to sell the surface estate only of approximately 2.733 acres of improved land with commercial buildings located at 5304, 5308 and 5310 El Paso Drive, El Paso, El Paso County, Texas, to a-be-determined buyer

Description: U. T. El Paso has solicited proposals for the sale of approximately 2.733 acres of improved land located at 5304, 5308 and 5310 El Paso Drive, El Paso, El Paso County, Texas; and authorization is requested for the Executive Director of Real Estate to execute all documents, instruments, and other agreements, and to take all further actions deemed necessary or advisable to sell the property. The 2.733-acre tract is located well outside of U. T. El Paso's Proposed Plan for campus acquisition. The property is improved with four older commercial structures, including two buildings, a metal ancillary structure, and a concrete block ancillary building. All of the structures are currently vacant and have experienced a series of reoccurring maintenance issues that make the property cost prohibitive to continue to maintain. This property was a gift that benefits U. T. El Paso.

Purchase Price: The property is being offered through request for proposals. The institution has obtained an appraisal performed by Gayle-Reid Appraisal Services Inc.; appraisal confidential pursuant to *Texas Education Code* Section 51.951

37. Contract (funds going out) - U. T. Permian Basin: First Amendment to Master Services Agreement, with Ruffalo Noel Levitz, to provide consultant services to assist in enhancing enrollment management operations

Agency: Ruffalo Noel Levitz

Funds: Not to exceed \$2,400,000

Period: April 1, 2019 through March 31, 2023

Description: Ruffalo Noel Levitz to continue providing consultant services to assist in enhancing enrollment management operations including application marketing, modeling analytics, reporting, financial aid solutions, research, strategic enrollment projection, demand analysis, and student satisfaction. The initial agreement was for a term beginning December 20, 2017, and did not include a cap amount or termination date. This amendment establishes the term end date as March 31, 2023, and also establishes a cap of \$2,400,000.

38. Request for Budget Change - U. T. Permian Basin: New award of tenure appointments

The following personnel actions involving new award of tenure appointments have been administratively approved by the Chancellor and the Executive Vice Chancellor for Academic Affairs. The personnel actions have been included in the 2020 Annual Operating Budget and are consistent with the Regents' *Rules and Regulations*, Rule 31007.

College, Department, and Name	From	To
College of Arts and Sciences		
Department of Literature and Languages		
Perla Abrego	Assistant Professor	Associate Professor (T)
Marlon Fick	New Hire	Associate Professor (T)
Department of Mathematics and Computer Science		
Quan Yuan	Assistant Professor	Associate Professor (T)
Department of Physical Sciences		
Scott McKay	New Hire	Dean and Professor (T)
College of Education		
Department of Counseling		
Maria Avalos	Assistant Professor	Associate Professor (T)
Department of Educational Leadership		
Larry Daniel	New Hire	Dean and Professor (T)
Department of Special Education		
Kara Rosenblatt	Assistant Professor	Associate Professor (T)
College of Nursing		
Department of Nursing		
Donna Beuk	New Hire	Dean and Professor (T)

39. Request for Budget Change - U. T. Rio Grande Valley: New award of tenure appointments

The following personnel actions involving new award of tenure appointments have been administratively approved by the Chancellor and the Executive Vice Chancellor for Academic Affairs. The personnel actions have been included in the 2020 Annual Operating Budget and are consistent with the Regents' *Rules and Regulations*, Rule 31007.

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>
Robert C. Vacker College of Business and Entrepreneurship		
Accountancy		
Arno Forst	Assistant Professor	Associate Professor (T)
Monika Rabarison	Assistant Professor	Associate Professor (T)
Economics and Finance		
Lance Nail	New Hire	Dean and Professor (T)
Management		
Lakshman Chandrashekhar	Assistant Professor	Associate Professor (T)
Marketing		
Reto Felix	Assistant Professor	Associate Professor (T)
College of Education and P-16 Integration		
Organization and School Leadership		
Alejandro Garcia	Assistant Professor	Associate Professor (T)
Federico Guerra	Assistant Professor	Associate Professor (T)
Teaching and Learning		
Angela Chapman	Assistant Professor	Associate Professor (T)
Karin Lewis	Assistant Professor	Associate Professor (T)
College of Engineering and Computer Science		
Civil Engineering		
Ahmed Ibrahim	New Hire	Associate Professor (T)
Emad Kassem	New Hire	Associate Professor (T)
Thuy Vu	Assistant Professor	Associate Professor (T)
Manufacturing and Industrial Engineering		
Sheng-Jen Hsieh	New Hire	Professor (T)
Hiram Moya	Assistant Professor	Associate Professor (T)

College, Department, and Name	From	To
Mechanical Engineering Matatz Alcoutlabi	Assistant Professor	Associate Professor (T)
College of Health Professions Communication Sciences and Disorders Srikanta Mishra	New Hire	Professor (T)
Health and Biomedical Science Chun Xu	Assistant Professor	Associate Professor (T)
Health and Human Performance Zasha Romero	Assistant Professor	Associate Professor (T)
College of Fine Arts School of Art Elizabeth Berger	New Hire	Associate Professor (T)
College of Liberal Arts Communication Young Joon Lim	Assistant Professor	Associate Professor (T)
Criminal Justice Marika Dawkins Rachel Rayburn	Assistant Professor New Hire	Associate Professor (T) Associate Professor (T)
History George Diaz Jamie Starling	Assistant Professor Assistant Professor	Associate Professor (T) Associate Professor (T)
Interdisciplinary Programs and Community Engagement Christopher Carmona	Assistant Professor	Associate Professor (T)
Philosophy Mary Alessandri Ian Werkheiser	Assistant Professor Assistant Professor	Associate Professor (T) Associate Professor (T)
Sociology Steven Foy Dean Kyne Salvatore Restifo	Assistant Professor Assistant Professor Assistant Professor	Associate Professor (T) Associate Professor (T) Associate Professor (T)
Writing and Language Studies Alyssa Cavazos Randall Monty	Assistant Professor Assistant Professor	Associate Professor (T) Associate Professor (T)

College, Department, and Name	From	To
College of Sciences		
Biology		
Megan Keniry	Assistant Professor	Associate Professor (T)
Alexis Racelis	Assistant Professor	Associate Professor (T)
Chemistry		
Tulay Atesin	Assistant Professor	Associate Professor (T)
Mathematical and Statistical Sciences		
Sergey Grigorian	Assistant Professor	Associate Professor (T)
Erwin Suazo	Assistant Professor	Associate Professor (T)
Aaron Wilson	Assistant Professor	Associate Professor (T)
Physics		
Efrain Ferrer	New Hire	Professor (T)
School of Medicine		
Immunology and Microbiology		
Subhash Chauhan	New Hire	Professor (T)
Meena Jaggi	New Hire	Professor (T)
Murali Yallapu	New Hire	Associate Professor (T)
Neurology		
Michael Dobbs	New Hire	Professor (T)
Psychiatry		
Michael Escamilla	New Hire	Professor (T)
Neuroscience		
Gladys Maestre	Professor	Professor (T)
School of Nursing		
Nursing		
Linda Eanes	Assistant Professor	Associate Professor (T)

40. Contract (funds going out) - U. T. San Antonio: Himjar, LLC, dba VIP Staffing, to provide temporary employee staffing services

Agency: Himjar, LLC, dba VIP Staffing

Funds: Up to \$1,500,000

Period: The initial 12-month term begins September 1, 2019. Thereafter, U. T. San Antonio may elect to exercise as many as three additional 12-month terms.

Description: Himjar, LLC, dba VIP Staffing, to provide temporary staffing of up to seven different positions in the U. T. San Antonio department of facilities. The contract resulted from a competitive Request for Proposal.

41. Contract (funds going out) - U. T. San Antonio: WTP America, LLC, dba WT Partnership, to provide various real estate and facility capital development consulting and business services on an as-requested, service order basis

Agency: WTP America, LLC, dba WT Partnership

Funds: Possible fees of up to \$3,000,000 for the entire contract term, including all renewal terms. Total fees may increase or decrease depending on the volume of services required and the number and value of service orders issued under the contract. Each service order issued under the contract will be independently evaluated and executed.

Period: Initial 12-month term beginning June 6, 2019, with three additional 12-month renewal options, with each renewal option being at U. T. San Antonio's discretion.

Description: The contract secures various real estate and facility capital development consulting and business services related to U. T. San Antonio's capital development and construction projects, ground lease development projects, public-private collaborations, and other associated real estate and capital development initiatives, all on as-requested, service order basis. The contract resulted from a competitive Request for Proposal.

42. Foreign Contract - U. T. San Antonio: National Museum of Prehistory, Taiwan, Loan Agreement to provide exhibit for the International Touring Exhibition of "Fertility, Blessings, and Protection: Cultures of Baby Carriers"

Agency: National Museum of Prehistory, Taiwan

Funds: No funds will be exchanged under the agreement.

Period: September 13, 2019 through July 13, 2020

Description: The Loan Agreement covers all aspects regarding the loan of the International Touring Exhibition ("Exhibition") entitled "Fertility, Blessings and Protection: Cultures of Baby Carriers".

43. Request for Budget Change - U. T. San Antonio: New award of tenure appointments

The following personnel actions involving new award of tenure appointments have been administratively approved by the Chancellor and the Executive Vice Chancellor for Academic Affairs. The personnel actions have been included in the 2020 Annual Operating Budget and are consistent with the Regents' *Rules and Regulations*, Rule 31007.

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>
College of Architecture, Construction and Planning Department of Urban and Regional Planning Ryan James	New Hire	Associate Professor (T)
College of Business Department of Accounting Harrison Liu	Assistant Professor	Associate Professor (T)
Department of Management Dina Krasikova	Assistant Professor	Associate Professor (T)
Department of Management Science and Statistics Min Wang	New Hire	Associate Professor (T)
Department of Marketing Deepa Chandrasekaran	Assistant Professor	Associate Professor (T)

College, Department, and Name	From	To
College of Education and Human Development		
Department of Bicultural-Bilingual Studies Kristen Lindahl	Assistant Professor	Associate Professor (T)
Department of Counseling Derek Robertson	Assistant Professor	Associate Professor (T)
Department of Educational Leadership and Policy Studies Nathern Okilwa	Assistant Professor	Associate Professor (T)
Department of Educational Psychology Victor Villarreal	Assistant Professor	Associate Professor (T)
Department of Interdisciplinary Learning and Teaching Crystal Kalinec-Craig Ann Marie Ryan	Assistant Professor New Hire	Associate Professor (T) Professor (T)
Department of Kinesiology, Health and Nutrition William Land	Assistant Professor	Associate Professor (T)
College of Engineering		
Department of Civil and Environmental Engineering Wassim Ghannoum Marcio Giacomoni	Associate Professor Assistant Professor	Associate Professor (T) Associate Professor (T)
Department of Electrical and Computer Engineering Nikolaos Gatsis Dhireesha Kudithipudi	Assistant Professor New Hire	Associate Professor (T) Professor (T)
Department of Mechanical Engineering Bing Dong	Assistant Professor	Associate Professor (T)

College, Department, and Name	From	To
College of Liberal and Fine Arts		
Department of Art and Art History Mark McCain	Assistant Professor	Associate Professor (T)
Department of Communication James McDonald	Assistant Professor	Associate Professor (T)
Department of History Andrew Konove	Assistant Professor	Associate Professor (T)
Department of Modern Languages and Literatures Whitney Chappell Melissa Wallace	Assistant Professor Assistant Professor	Associate Professor (T) Associate Professor (T)
Department of Music Ronald Ellis John Zarco	Assistant Professor Assistant Professor	Associate Professor (T) Associate Professor (T)
Department of Philosophy and Classics Abraham Graber	Assistant Professor	Associate Professor (T)
Department of Political Science and Geography Matthew Brogdon Bryan Gervais Jon Taylor	Assistant Professor Assistant Professor New Hire	Associate Professor (T) Associate Professor (T) Professor (T)
College of Public Policy		
Department of Social Work Candace Christensen Heidi Rueda	Assistant Professor Assistant Professor	Associate Professor (T) Associate Professor (T)
College of Sciences		
Department of Biology Alfonso Apicella Melanie Carless Guoquan Zhang	Assistant Professor New Hire New Hire	Associate Professor (T) Associate Professor (T) Professor (T)
Department of Chemistry Stanton McHardy	New Hire	Associate Professor (T)

College, Department, and Name	From	To
Department of Computer Science		
Sushil Prasad	New Hire	Professor (T)
Xiaoyin Wang	Assistant Professor	Associate Professor (T)
Department of Geological Sciences		
Saugata Datta	New Hire	Professor (T)
Alexis Godet	Assistant Professor	Associate Professor (T)
Alan Whittington	New Hire	Professor (T)
Department of Mathematics		
Juan Gutierrez	New Hire	Professor (T)
Mihai Popa	Assistant Professor	Associate Professor (T)
Department of Physics and Astronomy		
Angela Speck	New Hire	Professor (T)

44. Employment Agreement - U. T. San Antonio: Approval of terms of new Employment Agreement for current Head Men's Basketball Coach Steve Henson

The following Head Men's Basketball Coach Employment Agreement has been approved by the Chancellor, the Executive Vice Chancellor for Academic Affairs, and the Vice Chancellor and General Counsel and is recommended for approval by the U. T. System Board of Regents. If the Agreement is approved, total compensation for the contract period for Steve Henson will be in excess of \$1 million. Such employment under the Agreement 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, the Regents' *Rules and Regulations*, and the policies of The University of Texas at San Antonio. Any violation of the provisions of such constitution, bylaws, rules, regulations, or policies shall be grounds for suspension without pay and/or dismissal.

To: **Period:**

May 1, 2019 through March 31, 2024

Guaranteed compensation:

Annual Salary: \$400,000

Automobile: At the discretion of the Athletics Director, Coach may be assigned a dealer car of \$500 monthly car allowance.

Media: \$150,000 annually

Tickets: Eight season tickets to UTSA home games for all sports (\$2,160)

Nonguaranteed compensation:

Sports Camps and Clinics: A portion of net proceeds as approved by the Athletics Director (TBD)

Country Club Membership: \$7,500

Incentives:

Team performance incentives: maximum of \$155,000 annually

Team academic performance Incentives: maximum of \$5,000 annually

National Coach of the Year: \$20,000 annually

Conference Coach of the Year: \$5,000 annually

MBB season home average paid attendance greater than 1,000 people/game: \$12,000 annually

MBB season home average student attendance greater than 500 students/game: \$5,000 annually

From: **Guaranteed compensation:**

Annual Salary: \$325,000

Automobile: At the discretion of the athletic director, Coach may be assigned a dealer car or \$500 monthly allowance.

Media: \$50,000

Tickets: Eight season tickets to UTSA home games for all sports (\$2,160)

Nonguaranteed compensation:

Media: \$50,000 annually

Country Club Membership: \$7,500

Sports Camps and Clinics: 100% of net proceeds (TBD)

Performance Incentives: (maximum incentive compensation of \$107,500 per contract year for athletic performance)

(a) Conference USA Coach of the Year: \$5,000

(b) National Coach of the Year \$10,000

(c) Team Academic Progress Rate (APR) exceeds 960: \$2,500

(d) The average paid home Men's Basketball attendance for the season is greater than 1,000 per game: \$12,000

(e) The average home Men's Basketball student attendance for the season is greater than 500 students per game: \$5,000

Guaranteed
Compensation

Percent Change: 47%

Nonguaranteed
Compensation

Change: 5% (potential)

Source of Funds: Intercollegiate Athletics

45. Contract (funds coming in) - U. T. Tyler: Amendment to Agreement for Moran Munchies, Inc., to provide beverage and snack vending machine operations for the Tyler and Palestine campuses

Agency: Moran Munchies, Inc.

Funds: Revenues based on a 23% commission on gross sales for snacks and a 20% commission on gross sales for beverages. Total return to U. T. Tyler over the renewal term (based on projected commission income) is estimated at \$32,000.

Period: Renewal Term to be effective September 1, 2019 through August 31, 2021. The Initial Term was effective February 22, 2016 through August 31, 2019, and provided for one additional renewal not to exceed two years on mutual written agreement of the parties.

Description: Moran Munchies, Inc., will continue to provide beverage and snack vending machine operations for the Tyler and Palestine campuses. U. T. Tyler entered into a Vending Machine Agreement with Compass Group USA, Inc., by and through its Canteen Vending Services Division, dated effective February 22, 2016, and approved by the Board on February 11, 2016. All rights and obligations under that Vending Machine Agreement were subsequently assigned to Moran Munchies, Inc., and Wilmore Snack Sales, Inc., effective August 18, 2017. U. T. Tyler has ensured that students were provided with an opportunity to participate in accordance with *Texas Education Code* Section 51.945 and U. T. Systemwide Policy UTS 130 prior to award of the initial agreement, the assignment of that agreement, and on an ongoing basis.

46. Contract (funds coming in) - U. T. Tyler: Amendment to Agreement for Wilmore Snack Sales, Inc., to provide beverage and snack vending machine operations for the Longview campus

Agency: Wilmore Snack Sales, Inc.

Funds: Revenues based on a 23% commission on gross sales for snacks and a 20% commission on gross sales for beverages. Total return to U. T. Tyler over the renewal term (based on projected commission income) is estimated at \$3,600.

Period: Renewal Term to be effective September 1, 2019 through August 31, 2021. The Initial Term was effective February 22, 2016 through August 31, 2019, and provided for one additional renewal not to exceed two years on mutual written agreement of the parties.

Description: Wilmore Snack Sales, Inc., will continue to provide beverage and snack vending machine operations for the Longview campus. U. T. Tyler entered into a Vending Machine Agreement with Compass Group USA, Inc., by and through its Canteen Vending Services Division, dated effective February 22, 2016, and approved by the Board on February 11, 2016. All rights and obligations under that Vending Machine Agreement were subsequently assigned to Wilmore Snack Sales, Inc., and Moran Munchies, Inc., effective August 18, 2017. U. T. Tyler has ensured that students were provided with an opportunity to participate in accordance with *Texas Education Code* Section 51.945 and U. T. Systemwide Policy UTS 130 prior to award of the initial agreement, the assignment of that agreement, and on an ongoing basis.

47. Request for Budget Change - U. T. Tyler: New award of tenure appointments

The following personnel actions involving new award of tenure appointments have been administratively approved by the Chancellor and the Executive Vice Chancellor for Academic Affairs. The personnel actions have been included in the 2020 Annual Operating Budget and are consistent with the Regents' *Rules and Regulations*, Rule 31007.

College, Department, and Name	From	To
College of Arts & Sciences		
Biology		
Jon Seal	Assistant Professor	Associate Professor (T)

College, Department, and Name	From	To
Chemistry & Biochemistry Dustin Patterson	Assistant Professor	Associate Professor (T)
Literature & Languages Emily Standridge	Assistant Professor	Associate Professor (T)
Political Science Amentahru Wahrab	Assistant Professor	Associate Professor (T)
Social Sciences Jennifer Klein	Assistant Professor	Associate Professor (T)
College of Engineering		
Chemical Engineering Fernando Resende	New Hire	Associate Professor (T)
Civil Engineering Gokhan Saygili Mena Souliman	Assistant Professor Assistant Professor	Associate Professor (T) Associate Professor (T)
College Education & Psychology		
Psychology & Counseling Bradley Green Karl Witt	New Hire Assistant Professor	Professor (T) Associate Professor (T)
School of Education Gina Doepker	Associate Professor	Associate Professor (T)
College of Nursing & Health Sciences		
Health & Kinesiology Benjamin Tseng	Assistant Professor	Associate Professor (T)
School of Nursing Pamela Lake Jerri Post Carol Rizer	Assistant Professor Assistant Professor Assistant Professor	Associate Professor (T) Associate Professor (T) Associate Professor (T)

HEALTH AFFAIRS COMMITTEE

48. Contract (funds coming in) - U. T. Southwestern Medical Center: Amendment to Agreement to provide professional pediatric anesthesiologist services to Anesthesiologists for Children

Agency: Anesthesiologists for Children, a Texas nonprofit corporation

Funds: \$23,100,515

Period: September 1, 2019 through August 31, 2020

Description: U. T. Southwestern Medical Center to continue providing professional pediatric anesthesiologist services. The agreement dated September 1, 2018, was approved by the Board of Regents on August 10, 2018. The First Amendment, dated May 1, 2019, added cardiac anesthesia call coverage services and compensation. The Second Amendment adds administrative services for physicians rendering services and extends the term one year.

49. Contract (funds coming in) - U. T. Southwestern Medical Center: To provide information technology services to Southwestern Health Resources Clinically Integrated Network

Agency: Southwestern Health Resources Clinically Integrated Network

Funds: Not to exceed \$51,000,000

Period: September 1, 2019 through August 31, 2024

Description: U. T. Southwestern Medical Center will provide information technology services to Southwestern Health Resources Clinically Integrated Network.

50. Contract (funds coming in) - U. T. Southwestern Medical Center: To provide population health management services to Southwestern Health Resources Physician Network

Agency: Southwestern Health Resources Physician Network

Funds: \$24,637,284

Period: September 1, 2018 through August 31, 2019

Description: U. T. Southwestern Medical Center will provide population health management services to Southwestern Health Resources Physician Network. Southwestern Health Resources Physician Network recently underwent significant reorganization over the past year and a number of components of the financial arrangement were resolved only recently between the parties.

51. Contract (funds coming in) - U. T. Southwestern Medical Center: To provide professional and technical services to support the operations of UT Southwestern Moncrief Cancer Center, a not-for-profit corporation

Agency: UT Southwestern Moncrief Cancer Center, a not-for-profit corporation

Funds: \$8,769,678

Period: September 1, 2019 through August 31, 2020

Description: U. T. Southwestern Medical Center to provide professional and technical services. UT Southwestern Moncrief Cancer Center (MCI) will reimburse U. T. Southwestern Medical Center for the cost of leasing employees. These services and leased employees will support the general operations of MCI.

52. Request for Budget Change - U. T. Southwestern Medical Center: New Hires with Tenure -- amendment to the 2018-2019 budget

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

Description	Effective Date	% Time	Full-time Salary		RBC #
			No. Mos.	Rate \$	
Southwestern Medical School					
Plastic Surgery Professor Paul Kim (T)	4/22-8/31	100	12	80,000	10743
Harold C. Simmons Comprehensive Cancer Center Professor John Sweetenham (T)	4/5-8/31	100	12	525,000	10728

53. Request for Budget Change - U. T. Southwestern Medical Center: New award of tenure appointments

The following personnel actions involving new award of tenure appointments have been administratively approved by the Chancellor and the Executive Vice Chancellor for Health Affairs *ad interim*. The personnel actions have been included in the 2020 Annual Operating Budget and are consistent with the Regents' *Rules and Regulations*, Rule 31007.

College, Department, and Name	From	To
College of Internal Medicine		
Internal Medicine Denise Marciano	Assistant Professor	Associate Professor (T)
Nikhil Munshi	Assistant Professor	Associate Professor (T)
Deepak Nijhawan	Assistant Professor	Associate Professor (T)
Kevin Williams	Assistant Professor	Associate Professor (T)
College of Microbiology		
Microbiology John Schoggins	Assistant Professor	Associate Professor (T)

College, Department, and Name	From	To
College of Molecular Biology Molecular Biology Kathryn O'Donnell-Mendell	Assistant Professor	Associate Professor (T)
College of Neurology and Neurotherapeutics Neurology and Neurotherapeutics Nancy Monson	Assistant Professor	Associate Professor (T)
College of Neuroscience Neuroscience Ryan Karr-Hibbs	Assistant Professor	Associate Professor (T)
College of Otolaryngology Otolaryngology I-Fan Mau	Assistant Professor	Associate Professor (T)
College of Pharmacology Pharmacology Elisabeth Martinez	Assistant Professor	Associate Professor (T)
College of Population and Data Sciences Population and Data Sciences Sandi Pruitt Hong Zhu	Assistant Professor Assistant Professor	Associate Professor (T) Associate Professor (T)
College of Psychiatry Psychiatry Carrie McAdams	Assistant Professor	Associate Professor (T)
College of Radiology Radiology Elena Vinogradov	Assistant Professor	Associate Professor (T)

54. Contract (funds coming in) - U. T. Medical Branch - Galveston: Amendment to Agreement to provide health care services to offenders in prison units operated by the Texas Department of Criminal Justice through U. T. Medical Branch - Galveston's capabilities or by further subcontracting

Agency: Texas Department of Criminal Justice

Funds: Cost of services under this agreement, including the amendment, is \$1,093,656,986.

Reimbursement Period: September 1, 2017 through August 31, 2019

Description: The amendment allows U. T. Medical Branch - Galveston to continue to provide health care services to offenders in prison units operated by the Texas Department of Criminal Justice (TDCJ) through U. T. Medical Branch - Galveston's capabilities or by further subcontracting. TDCJ received state appropriations for FY 2018 and FY 2019 where TDCJ contracts with U. T. Medical Branch - Galveston to provide Correctional Managed Health Care Services. U. T. Medical Branch - Galveston will continue to provide health care services to a population of approximately 125,000 offenders incarcerated in 84 TDCJ prison facilities. The amendment increases the contract value by approximately 21% or \$188,967,444, bringing the total to the new level of \$1,093,656,986.

55. Contract (funds coming in) - U. T. Medical Branch - Galveston: Fourth Amendment to Agreement to provide services to Health and Human Services Commission under the Special Supplemental Nutrition Program for Women, Infants, and Children

Agency: Health and Human Services Commission (HHSC)

Funds: The total costs of services under this agreement, including the amendments, is \$31,739,753

Period: October 1, 2019 through September 30, 2020

Description: U. T. Medical Branch - Galveston to provide services to HHSC for qualified women, infants, and children in the State of Texas under the Special Supplemental Nutrition Program for Women, Infants, and Children. Under this amendment, U. T. Medical Branch - Galveston will continue to perform professional, administrative, and clerical services necessary to determine eligibility, provide food benefits, and provide appropriate nutrition education and counseling to qualified women, infants, and children in a specified geographic area, in accordance to the statutes, rules, policies, and directives of the Special Supplemental Nutrition Program.

The original agreement was approved on February 9, 2017, by the Board of Regents for a term of October 1, 2016, through September 30, 2017, in the amount of \$7,637,723. The First Amendment, approved by the Board on August 24, 2017, extended the term from October 1, 2017, through September 30, 2018, and increased the total dollar value to \$15,321,734. The Second Amendment, approved on November 15, 2018, extended the term from October 1, 2018, through September 30, 2019, and increased the total dollar value to \$23,463,915. The Third Amendment did not require Board approval as it only granted U. T. Medical Branch - Galveston additional time to submit final vouchers and reports. The proposed Fourth Amendment extends the contract term from October 1, 2019, through September 30, 2020, and increases the total dollar value to \$31,739,753.

56. Contract (funds going out) - U. T. Medical Branch - Galveston: CSI Leasing, Inc., to lease personal computers and information technology hardware to U. T. Medical Branch - Galveston

Agency: CSI Leasing, Inc.

Funds: \$21,275,000

Period: March 1, 2019 through February 29, 2024; with two additional 12-month renewal options

Description: CSI Leasing, Inc., will lease personal computers and information technology hardware (including Desktop and Notebook PCs, Tablets, Monitors and All-In- One PCs) to U. T. Medical Branch - Galveston. The contract was competitively bid.

57. Foreign Contract (funds coming in) - U. T. Medical Branch - Galveston: To provide research related radiological imaging services to the University of Ottawa

Agency: University of Ottawa

Funds: Not to exceed \$25,000

Period: August 1, 2015 through November 30, 2020

Description: U. T. Medical Branch - Galveston will provide research related radiological imaging services to the University of Ottawa at a set rate per scan through a simple services agreement. U. T. Medical Branch - Galveston initiated services in 2015 with agreed upon pricing and invoicing without a formal agreement in place. When recently attempting to increase pricing, both parties realized that there was no formal contract in place and therefore formed a contract which required approval by the Board of Regents.

58. Request for Budget Change - U. T. Medical Branch - Galveston: New award of tenure appointments

The following personnel actions involving new award of tenure appointments have been administratively approved by the Chancellor and the Executive Vice Chancellor for Health Affairs *ad interim*. The personnel actions have been included in the 2020 Annual Operating Budget and are consistent with the Regents' *Rules and Regulations*, Rule 31007.

College, Department, and Name	From	To
School of Nursing		
Nuring		
Lorraine Evangelista	Professor	Professor (T)
Huey-Ming Tzeng	Professor	Professor (T)
School of Health Professions		
Rehabilitation Sciences		
Soham Al Snih	Associate Professor	Professor (T)
Occupational Therapy		
Claudia Hilton	Associate Professor	Associate Professor (T)
School of Medicine		
Biochemistry and Molecular Biology		
Michael Sheetz	Professor	Professor (T)
Anesthesiology		
Michael Kinsky	Professor	Professor (T)
Internal Medicine		
Matthew Dasco	Associate Professor	Associate Professor (T)
Neurology		
Xiang Fang	Associate Professor	Associate Professor (T)
Orthopedic Surgery and Rehabilitation		
Vinod Panchbhavi	Professor	Professor (T)
Pathology		
Marjan Afrouzian	Associate Professor	Associate Professor (T)
Pharmacology and Toxicology		
Jonathan Hommel	Assistant Professor	Associate Professor (T)
Kangling Zhang	Assistant Professor	Associate Professor (T)
Surgery		
Ikenna Okereke	Associate Professor	Associate Professor (T)
Ravi Radhakrishnan	Associate Professor	Associate Professor (T)
Stephen Williams	Associate Professor	Associate Professor (T)

59. Lease - U. T. Medical Branch - Galveston: Authorization to expand and extend lease of approximately 12,156 usable square feet of space known as Suites 320, 321, 335, and 521 located at 12603 Southwest Freeway, Stafford, Fort Bend County, Texas, from Sunblossom 12603 Southwest, LLC, for mission uses, including telemedicine and administrative uses

Description: Lease of approximately 12,156 usable square feet of space located at 12603 Southwest Freeway, Stafford, Fort Bend County, Texas, for mission uses, including telemedicine and administrative uses

Lessor: Sunblossom 12603 Southwest, LLC, a Texas limited liability company

Term: 60 months commencing 30 days after Lessor gives notice to U. T. Medical Branch - Galveston of possession of Suite 521 and Lessor's completion of improvements to Suites 335 and 521, with the original lease effective May 28, 2009, for 6,314 rentable square feet of space and additional space added by First Amendment effective as of October 1, 2014, and Second Amendment dated June 22, 2017.

Lease Cost: Annual rent is \$21 per rentable square foot, which comes to \$21,273 monthly, for the first two years of the extended term and \$22.05 per rentable square foot, which comes to \$22,336.65 monthly, for the last three years of the extended term. Base year for additional rent is calendar year 2019. Prior rent plus rent during the extended term is estimated as \$2,821,816 which takes the lease value above the institution's delegation threshold.

Tenant Improvements: Lessor will install new carpet and paint in Suites 335 and 521.

60. Interagency Agreement (funds coming in) - U. T. Health Science Center - Houston: To provide resources to the Texas Department of Family and Protective Services to aid in the diagnosis of child abuse and neglect

Agency: Texas Department of Family and Protective Services

Funds: \$12,299,750

Period: September 1, 2019 through August 31, 2024

Description: Interagency contract to provide resources to improve access to medical professionals with expertise in the diagnosis of child abuse or neglect for the Texas Department of Family and Protective Services.

61. Contract (funds coming in and going out) - U. T. Health Science Center - Houston: RG Grill, LLC, to provide grab-n-go food services at four locations across campus

Agency: RG Grill, LLC

Funds: \$4,000,000 (funds out), Royalty payments on Adjusted Gross Revenue generated by Cash Plan and Catering Plan (funds in)

Period: August 1, 2019 through July 31, 2024; with five additional one-year renewal options

Description: RG Grill, LLC, to provide grab-n-go food service at four locations across the U. T. Health Science Center - Houston campus. Services include providing fresh food and beverages to students, staff, and guests, and catering services to the campus and for the U. T. Austin School of Nursing MBA Program, which is located on the U. T. Health Science Center - Houston campus. In accordance with *Texas Education Code* Section 51.945, the students were provided with an opportunity to comment prior to determination that this vending services provider should be selected by the institution.

62. Request for Budget Change - U. T. Health Science Center - Houston: New award of tenure appointments

The following personnel actions involving new award of tenure appointments have been administratively approved by the Chancellor and the Executive Vice Chancellor for Health Affairs *ad interim*. The personnel actions have been included in the 2020 Annual Operating Budget and are consistent with the Regents' *Rules and Regulations*, Rule 31007.

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>
McGovern Medical School		
Emergency Medicine - Chair Bentley J. Bobrow	New Hire	Professor (T)
Internal Medicine - Clinical & Translational Science Chunyan Cai Minjae Lee	Assistant Professor Assistant Professor	Associate Professor (T) Associate Professor (T)
Institute of Molecular Medicine Radbod Darabi Sheng Zhang	Assistant Professor Assistant Professor	Associate Professor (T) Associate Professor (T)
Microbiology & Molecular Genetics Nayum Kim Anne-Marie Krachler	Assistant Professor Associate Professor	Associate Professor (T) Associate Professor (T)
Neurology Fudong Lui	Assistant Professor	Associate Professor (T)
Neurosurgery John P. Hagan	Associate Professor	Associate Professor (T)
Pediatrics - Chair Mary E. Aitken	Associate Professor	Professor (T)
Pediatrics - Children's Learning Institute Tricia A. Zucker	Assistant Professor	Associate Professor (T)
Pediatrics - Regenerative Medicine Pamela L. Wenzel	Associate Professor	Associate Professor (T)
Psychiatry & Behavioral Sciences Consuelo Walss-Bass	Professor	Professor (T)
Surgery - Elective General Erik B. Wilson	Professor	Professor (T)

College, Department, and Name	From	To
School of Dentistry		
Endodontics Renato M. Silva	Associate Professor	Associate Professor (T)
Orthodontics F. Kurtis Kasper	Assistant Professor	Associate Professor (T)
School of Public Health		
Epidemiology, Human Genetics & Environmental Sciences Raymond S. Greenberg	Professor	Professor (T)
A.J. Agopian	Associate Professor	Associate Professor (T)
Bing Yu	Assistant Professor	Associate Professor (T)
Health Promotion and Behavioral Sciences Louis D. Brown	Assistant Professor	Associate Professor (T)
Management, Policy and Community Health Vanessa Schick	Assistant Professor	Associate Professor (T)

63. Interagency Agreement (funds coming in) - U. T. Health Science Center - San Antonio: Fourth Amendment to Interagency Agreement with the Texas Health and Human Services Commission

Agency: Health and Human Services Commission (HHSC)

Funds: \$203,800,000

Period: February 27, 2018 through December 31, 2023

Description: U. T. Health Science Center - San Antonio provides HHSC with planning and related services focused on the creation and construction of a mental health facility that defines the vision for the replacement of San Antonio State Hospital (SASH), incorporating a continuum of inpatient and outpatient psychiatric services on the SASH campus to serve the existing SASH catchment area. The initial agreement and First Amendment did not require Board of Regents' approval. The Board of Regents approved the Second Amendment on August 10, 2018. The Third Amendment dated March 17, 2019, did not require Board approval. The proposed Fourth Amendment increases the contract value for the first phase of construction by \$190,300,000, and extends the termination date for an additional three years.

64. Request for Budget Change - U. T. Health Science Center - San Antonio: New Hires with Tenure -- amendment to the 2018-2019 budget

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

Description	Effective Date	% Time	Full-time Salary		RBC #
			No. Mos.	Rate \$	
School of Medicine					
Neurosurgery and May's Cancer Center					
Professor Sandeep Burma (T)	8/6-8/31	100	12	230,000	10705
Anesthesiology					
Professor Francis Anthony Rosinia (T)	6/17-8/31	100	12	424,000	10754
Molecular Medicine					
Professor Mingjiang Xu (T)	7/15-8/31	100	12	210,000	10755
School of Nursing					
Office for Faculty Excellence					
Associate Professor and Director Joseph Zorek (T)	7/1-8/31	100	12	170,000	10745

65. Request for Budget Change - U. T. Health Science Center - San Antonio: New award of tenure appointments

The following personnel actions involving new award of tenure appointments have been administratively approved by the Chancellor and the Executive Vice Chancellor for Health Affairs *ad interim*. The personnel actions have been included in the 2020 Annual Operating Budget and are consistent with the Regents' *Rules and Regulations*, Rule 31007.

College, Department, and Name	From	To
School of Medicine		
Cell Systems and Anatomy Pei Wang	Assistant Professor	Associate Professor (T)
Cellular and Integrative Physiology Jean Bopassa	Assistant Professor	Associate Professor (T)
Microbiology, Immunology and Molecular Genetics Elizabeth Leadbetter	Associate Professor	Associate Professor (T)
Pediatrics Gregory Aune	Assistant Professor	Associate Professor (T)
Psychiatry David Roberts	Assistant Professor	Associate Professor (T)
School of Dentistry		
Comprehensive Dentistry Rujuta Katkar	Assistant Professor	Associate Professor (T)
Endodontics Nikita Ruparel Shivani Ruparel	Assistant Professor Assistant Professor	Associate Professor (T) Associate Professor (T)
School of Nursing		
Office for Faculty Excellence Carolyn Pickering Azizeh Sowan	Assistant Professor Associate Professor	Associate Professor (T) Associate Professor (T)
School of Health Professions		
Occupational Therapy Ricky Joseph	Assistant Professor	Associate Professor (T)
Physical Therapy Martha Acosta	Assistant Professor	Associate Professor (T)

66. Foreign Contract (funds coming in) - U. T. M. D. Anderson Cancer Center: Agreement with Her Majesty the Queen in Right of Ontario, as represented by the Minister of Health and Long-Term Care, to participate as hospital preferred provider in the Ontario Health Insurance Plan (OHIP), Ontario, Canada

Agency: Her Majesty the Queen in Right of Ontario, as represented by the Minister of Health and Long-Term Care

Funds: Reimbursement rates will be determined as follows: care provided to adult patients will be reimbursed at 75% of billed charges (less applicable copayments, deductibles, and coinsurance amounts); care provided to pediatric patients will be reimbursed at 65% of billed charges (less applicable copayments, deductibles, and coinsurance amounts)

Period: From September 1, 2019, until terminated by either party. U. T. M. D. Anderson Cancer Center may terminate without cause upon notice of at least 60 days.

Description: The Ontario Minister of Health and Long-Term Care is responsible for the administration and operation of the Ontario Health Insurance Plan (OHIP) and desires to enter into a preferred provider arrangement with U. T. M. D. Anderson Cancer Center (and other hospitals) for the delivery of proton therapy and related services to patients covered under the OHIP. The Ontario Minister of Health and Long-Term Care will reimburse U. T. M. D. Anderson Cancer Center according to negotiated rates for the services.

67. Contract (funds coming in) - U. T. M. D. Anderson Cancer Center: Siemens Medical Solutions USA, Inc. to collaborate with U. T. M. D. Anderson Cancer Center on research co-development and educational projects in cancer diagnosis, advanced therapies, personalized medicine, and trademark licensing

Agency: Siemens Medical Solutions USA, Inc.

Funds: The sum of \$4,600,000 paid annually in installments of \$1,200,000 over four years; and semi-annual payments of 70% of the total price premium of co-branded products. U. T. M. D. Anderson Cancer Center will also receive additional royalty payments.

Period: May 2, 2019 to the later of May 1, 2023; or completion of the Projects

Description: Agreement to collaborate with U. T. M. D. Anderson Cancer Center on research co-development and educational projects in the fields of cancer diagnosis and staging, tumor characterization, advanced therapies, including radiotherapy, personalized medicine, and licensing of trademarks.

68. Request for Budget Change - U. T. M. D. Anderson Cancer Center: New award of tenure appointments

The following personnel actions involving new award of tenure appointments have been administratively approved by the Chancellor and the Executive Vice Chancellor for Health Affairs *ad interim*. The personnel actions have been included in the 2020 Annual Operating Budget and are consistent with the Regents' *Rules and Regulations*, Rule 31007.

College, Department, and Name	From	To
Department of Cardiology Division of Internal Medicine Anita Deswal	New Hire	Chair and Professor (T)
Department of Lymphoma Myeloma Division of Cancer Medicine Christopher R. Flowers	New Hire	Chair and Professor (T)

69. Purchase - U. T. M. D. Anderson Cancer Center: Authorization to purchase approximately 13.51 acres of land improved with an approximately 201,295 rentable square foot Medical Office Building at the southwest corner of State Highway 242 and Fellowship Drive in The Woodlands, Montgomery County, Texas, from The Woodlands MDA, LLC, for future programmed campus expansion, including medical office and clinical uses

Description: Purchase of approximately 13.51 acres and a building with approximately 201,295 rentable square feet located at State Highway 242 and Fellowship Drive, The Woodlands, Montgomery County, Texas, and authorization for the Executive Director of Real Estate to execute all documents, instruments, and other agreements, and to take all further actions deemed necessary or advisable to purchase the property. The property will be used for future programmed campus expansion, including medical office and clinical uses. The property is newly constructed to U. T. M. D. Anderson Cancer Center's specifications. U. T. M. D. Anderson Cancer Center has leased the property for a term of 20 years pursuant to a lease approved by the Board on February 11, 2016, and an amended lease approved on November 10, 2016. This property is being purchased pursuant to purchase rights in the lease.

Seller: The Woodlands MDA, LLC, a Delaware limited liability company

Purchase Price: Not to exceed fair market value as determined by independent appraisals; appraisals confidential pursuant to *Texas Education Code* Section 51.951

70. Request for Budget Change - U. T. Health Science Center - Tyler: New award of tenure appointment

The following personnel actions involving new award of tenure and renewal of tenure appointments have been administratively approved by the Executive Vice Chancellor for Health Affairs *ad interim*. The personnel actions have been included in the 2020 Annual Operating Budget and are consistent with the Regents' *Rules and Regulations*, Rule 31007.

College, Department, and Name	From	To
School of Medical Biological Sciences		
Department of Cellular and Molecular Biology		
Andrey Komissarov	Professor	Professor (T)

FACILITIES PLANNING AND CONSTRUCTION COMMITTEE

71. Contract (funds going out) - U. T. System: Fugro USA Land, Inc., to perform miscellaneous geotechnical engineering and materials testing services

Agency: Fugro USA Land, Inc.

Funds: Anticipated total cost may exceed \$1,000,000 over the term of the contract for services provided on an as-needed basis

Period: September 1, 2017 through August 31, 2023
(Contract is being brought forward for Board approval as it is nearing the \$1,000,000 delegation threshold)

Description: Fugro USA Land, Inc., to perform miscellaneous geotechnical engineering and materials testing services on a job order basis. Services were competitively procured. The U. T. System Office of Contracts and Procurement will closely monitor the spend over the life of the agreement.