CONVENE THE BOARD IN OPEN SESSION TO RECESS TO EXECUTIVE SESSION PURSUANT TO TEXAS GOVERNMENT CODE, CHAPTER 551 10:30 a.m.

1. Personnel Matters Relating to Appointment, Employment, Evaluation, Assignment, Duties, Discipline, or Dismissal of Officers or Employees – Section 551.074
   a. U. T. San Antonio: Discussion of individual personnel matters related to the presidential search
   b. 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 (Deputy Chancellor, Executive Vice Chancellors, and Vice Chancellors), other officers reporting directly to the Board (Chancellor, General Counsel to the Board, and Chief Audit Executive), members of the Board of Regents, and U. T. System and institutional employees
   c. U. T. M. D. Anderson Cancer Center: Discussion and appropriate action regarding a proposed increase in compensation for Stephen M. Hahn, M.D., Deputy President, Chief Operating Officer, and Professor of Radiation Oncology (Regents' Rules and Regulations, Rule 20204, regarding compensation for highly compensated employees)

2. Consultation with Attorney Regarding Legal Matters or Pending and/or Contemplated Litigation or Settlement Offers – Section 551.071
   a. U. T. System Board of Regents: Discussion with Counsel on pending legal issues
   b. U. T. Health Science Center - San Antonio and U. T. Rio Grande Valley: Discussion and appropriate action regarding legal issues associated with request to transfer an endowment from U. T. Health Science Center - San Antonio to U. T. Rio Grande Valley

3. Negotiated Contracts for Prospective Gifts or Donations – Section 551.073
   a. U. T. System Academic Institutions: Discussion and appropriate action regarding proposed negotiated gifts with potential naming features
   b. U. T. System Health Institutions: Discussion and appropriate action regarding proposed negotiated gifts with potential naming features

RECONVENE THE BOARD IN OPEN SESSION FOR DISCUSSION AND APPROPRIATE ACTION, IF ANY, ON EXECUTIVE SESSION ITEMS AND TO CONSIDER AGENDA ITEMS 11:30 a.m. approximately
1. **U. T. System: Approval of $3,165,960 from Available University Funds (AUF) for Change Order No. 2 to the Professional Services Agreement with Salesforce.com, Inc. for software development services related to Total Educational Experience (TEx) version 2.0**

   11:35 a.m.
   Action 3
   Dr. Kelley

2. **U. T. System: Approval of $13,600,000 of Available University Funds (AUF) a) for the upgrade implementation of the UTShare Human Resource and Finance enterprise system; b) for the upgrade implementation of the Student Information System (SIS); and c) to provide basic campus and implementation support to U. T. Rio Grande Valley; and finding that the expenditure of AUF for this purpose is appropriate**

   11:45 a.m.
   Action 4
   Dr. Daniel

ADJOURN

12:00 p.m.
approximately
1. **U. T. System: Approval of $3,165,960 from Available University Funds (AUF) for Change Order No. 2 to the Professional Services Agreement with Salesforce.com, Inc. for software development services related to Total Educational Experience (TEx) version 2.0**

**RECOMMENDATION**

The Chancellor, the Deputy Chancellor, and the Executive Vice Chancellor for Academic Affairs concur in the recommendation of the Executive Vice Chancellor for Business Affairs that the Board of Regents approve $3,165,960 from Available University Funds (AUF) for Change Order No. 2 to the Professional Services Agreement (PSA) with Salesforce.com, Inc. for software development services related to Total Educational Experience (TEx) version 2.0.

**BACKGROUND INFORMATION**

On September 23, 2016, the Board approved agreements with Salesforce to provide a bundle of development services and software subscriptions to U. T. System's Institute for Transformational Learning (ITL) to support the development of a future learning environment, referred to as the Total Educational Experience (TEx) version 2.0. This approval included three umbrella agreements and related Statements of Work totaling $5,454,447 for software subscriptions through September 30, 2017, and for software development services through December 31, 2016.

On December 15, 2016, the Board approved Change Order No. 1 to the Salesforce PSA, which added an additional $3,049,960 for software development services plus $456,629 in expenses for the time period January 1, 2017 through March 15, 2017, bringing the total spend to $8,961,036.

The total projected expenditures under the three interrelated umbrella agreements are estimated to be $12,000,000 over the next five years through a series of change orders. A condition of the September 23, 2016 approval is for each Change Order for software development services beyond December 31, 2016, to be presented to the Board for approval.

The proposed Change Order No. 2 to the Salesforce PSA adds an additional $3,165,960 for software development services for the time period April 10, 2017 through August 31, 2017, bringing total spending to $12,126,996.
2. **U. T. System: Approval of $13,600,000 of Available University Funds (AUF) a) for the upgrade implementation of the UTShare Human Resource and Finance enterprise system; b) for the upgrade implementation of the Student Information System (SIS); and c) to provide basic campus and implementation support to U. T. Rio Grande Valley; and finding that the expenditure of AUF for this purpose is appropriate**

**RECOMMENDATION**

The Chancellor and the Deputy Chancellor concur in the recommendation of the Executive Vice Chancellor for Business Affairs that the U. T. System Board of Regents approve $13,600,000 of Available University Funds (AUF)

- a. for the upgrade implementation of the UTShare Human Resource and Finance enterprise system;
- b. for the upgrade implementation of the Student Information System (SIS), including implementation services, hardware/software, support, hosting, and disaster recovery; and
- c. to provide basic campus and implementation support to U. T. Rio Grande Valley.

The Board is also asked to find that the expenditure of AUF for this purpose is appropriate under the responsibilities of U. T. System Administration to provide technical assistance and services to the institutions and to coordinate the activities of the U. T. System institutions using these information systems, including support and implementation of the systems at U. T. Rio Grande Valley, with the intent that the expenditure will benefit a broad number of U. T. System institutions, including U. T. Arlington, U. T. Dallas, U. T. El Paso, U. T. Permian Basin, U. T. San Antonio, U. T. Tyler, and U. T. System Administration.

**BACKGROUND INFORMATION**

To implement the SIS, U. T. System will leverage the Oracle Corporation site license approved by the Board on May 15, 2008, that makes available the higher education line of Oracle/PeopleSoft products (Human Resources, Financial, and Student Information Systems) for all U. T. System institutions.

SIS is essential software for academic institutions to provide campus self-service, financial aid, recruiting and admissions, student administration, student financials, and student records. The systems used by U. T. Brownsville and U. T. Pan American, and now U. T. Rio Grande Valley, to support Human Resources, Financial, and Student Information Systems are approaching End of Life. U. T. Rio Grande Valley will join the cohort currently using PeopleSoft. Operating in a shared PeopleSoft environment is expected to save U. T. Rio Grande Valley a minimum of $4 to $5 million per year and delaying implementation will require U. T. Rio Grande Valley to fund costly maintenance on the current systems, which will be lost when the migration to PeopleSoft is complete.

The implementation schedule is shown below:

<table>
<thead>
<tr>
<th>PeopleSoft Pillar</th>
<th>Fiscal Year 2017</th>
<th>Fiscal Year 2018</th>
<th>Fiscal Year 2019</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Human Capital Management and Financial Management System (HCM/FMS)</td>
<td>$1,953,131</td>
<td>$3,846,869</td>
<td>$1,500,000</td>
<td>$7,300,000</td>
</tr>
<tr>
<td>Campus Solutions</td>
<td>$1,347,333</td>
<td>$3,823,667</td>
<td>$1,129,000</td>
<td>$6,300,000</td>
</tr>
<tr>
<td>Both PeopleSoft Pillars</td>
<td>$3,300,464</td>
<td>$7,670,536</td>
<td>$2,629,000</td>
<td>$13,600,000</td>
</tr>
</tbody>
</table>

U. T. System will utilize staff augmentation services from ERP Analysts, Inc. and r2 Technologies, Inc., approved on February 9, 2017, under Consent Agenda Item 6 and Item 7, respectively, to support the implementation at U. T. Rio Grande Valley. Funding for these contracts was deferred at the February 8-9, 2017 meeting (Finance and Planning Committee Agenda Item 5) and is now being requested.