

UT System Strategic Plan 2006-2015 – Proposed Framework

Background

In May 2005, Chairman Huffines appointed a planning task force to develop a new strategic plan for the UT System. The task force was charged to

- Think boldly to produce a concise, timely, and meaningful written statement of the Board's strategic direction over the next 5 to 10 years, including specific benchmarks.
- Align this new strategic statement with projected academic, health care, research, and capital needs and investments and, also, with the state's Closing the Gaps goals and any other comprehensive plan for higher education. Address planning assumptions, key themes and priorities, goals, alignment with investments (budgeting, capital planning), and benchmarks to measure progress.
- Build on the ideas discussed at Board retreats, on ideas and issues raised by UT System institutions in the Compacts or other institutional planning documents, and by the System Administration.
- Consult widely with groups including all Regents, Presidents, members of the Faculty Advisory Council, Student Advisory Council, Employee Advisory Council, Council of Academic Institutions, Council of Health Institutions, representatives of the Chancellor's Council, higher education policy leaders and staff in Texas and Washington. Consult with outside experts to gain perspective on the UT System's opportunities, challenges, and position in the national higher education environment.

Based on the consultations and research commissioned by the planning task force, and at the request of Chancellor Yudof, the planning framework is being developed during spring 2006. An overview of the draft framework appears below. The final plan will be presented to the Board of Regents in summer 2006.

Framework

I. Introduction

- Twenty-first century challenges for The University of Texas System: global integration and competition; scientific, technology, and economic gaps in Texas; demographic pressures; balancing quality and growth; enhancing UT System distinctiveness
- Purpose and scope of the strategic plan
- The UT System in 2015
- Implementing the UT System planning framework: roles of the Board of Regents; UT System institutions; the UT System Administration; implementation steps

II. UT System Strategic Directions and Initiatives

1. Enhancing student success

- a. Improving undergraduate success
 - Use the tuition structure and other institutional policies to encourage full-time, full-year attendance and to improve graduation rates
 - Provide more systematic feedback on the labor market
 - Maintain and develop a focus on student learning outcomes
 - Develop policies for handling remediation and acceleration
- b. Developing more majors in science, technology, engineering, and mathematics (STEM) disciplines
 - Provide more systematic feedback on the labor market for STEM graduates
 - Recruit more graduate students within the UT System
 - Consider replicating the successful UTEACH model from UT Austin
 - Consider what limitations may be imposed on specific majors by facilities, equipment, accreditation requirements, and faculty availability

- c. Strategic uses of student aid
 - Focus financial aid on student success and graduation
 - Consider policy and resource needs and implications of providing a guarantee of access to UT System academic institutions
 - Form partnerships and leverage work-study funds with the community and industry
 - Award competitive grants to institutions that develop and successfully implement student success initiatives
 - Develop plans to assess student success in terms of persistence
- d. New approaches to managing enrollment strategically
 - Assess the current capacity of each campus, considering the efficiencies that could be achieved through better use of existing facilities
 - Consider what limitations may be imposed on specific majors by facilities, equipment, accreditation requirements, and faculty availability
 - Design realistic freshman and transfer admission policies
 - Review existing academic policies
- e. Improving graduate education and the post-doctoral experience
 - Proposed task force on doctoral programs and the post-doctoral experience
- f. Expanding global initiatives
 - Build on existing activities and areas of expertise at the UT System level and among campuses
 - Identify areas where the UT System can “be the best” globally, match with existing international strengths within the System, and note strategic gaps
 - Convene a System-wide international task force to develop recommendations on a strategic framework for internationalization and high-priority areas to enhance or develop
 - Lay out, during 2007-08, a 10-year international strategy for the UT System, specifying areas of emphasis for students, research, and institutional partnerships

2. Increasing research, global competitiveness, and technology transfer

- a. Enabling the UT System to help keep Texas competitive
 - Focus on areas where the UT System has natural advantages, including the establishment of cross-institutional partnerships, leveraging state and national resources
 - Define high-potential areas for partnerships and become a partner of choice for high-tech collaborations
 - Invest in infrastructure and staff to support the formation of research and technology partnerships
- b. Enhancing research
 - Lead and support development of macro-level projects, such as the nano-electronics initiative; empower current faculty to engage in much bigger projects and to collaborate across institutions; provide database of research interests across the UT System; provide funding for research facilities
 - Provide professional development and support for establishment of campus-based research development offices, grant writing, and the preparation of major grant proposals
 - Link the UT System Hispanic-serving institutions with more developed research enterprises to win larger inter-institutional awards that include a workforce element
- c. Increasing technology transfer
 - Provide and widen sources of information
 - Form advisory groups and identify partners

- Strengthen infrastructure; provide centralized, regional, and local services, e.g., support for patent applications, as needed by campuses
- d. Increasing impact on workforce development
 - Recruit more American students into science and engineering degree programs
 - Work with K-12 systems to improve teaching and students' preparation in math and science
- e. Developing additional top-tier academic campuses and areas of strength
 - Target investments to recruit the best possible faculty for the campuses
 - Engage faculty in identifying and discussing emergent areas of expertise
 - Provide centralized assistance for campuses with new research efforts
 - Continue to implement recommendations from the Washington Advisory Group (WAG) Report
 - Strengthen campus leadership and faculty development

3. Improving the quality of health care in Texas

- a. Preparing diverse, high quality health professionals adequate to serve needs of Texas
- b. Creating new knowledge to improve health for a growing research enterprise of national and international quality and impact
- c. Recruiting, educating, training, and developing outstanding faculty members who will contribute to the increasing body of knowledge and leadership in their fields
- d. Providing the highest quality, state-of-the-art, preventative, and therapeutic measures for those who seek care at UT System institutions
- e. Facilitating the translation of research discoveries to appropriate applications for people's health, including development of new products, devices, clinical practices, and continuing education of health professionals
- f. Managing UT System health institutions in an efficient, cost effective manner to provide income adequate to maintain quality and invest in new programs, and to be employers of choice
- g. Achieving growth in philanthropic support to allow more effective fulfillment of the institutions' missions
- h. Increasing public awareness of the mission and contribution of health institutions and making their expertise available for rational and effective public policies

4. Enriching society through arts and cultural contributions

- a. Providing opportunities for students on each campus to participate in the arts
- b. Including artistic creativity in criteria for evaluation of faculty accomplishments
- c. Infusing arts into public ceremonies on campuses
- d. Considering adequate venues for the arts along with other capital investments

5. Improving productivity and efficiency

- a. Finding sources of revenue
 - Each campus will model their projected five-year resource requirements, consistent with the objectives of the campus and System strategic plans, and determine a strategy for acquiring the necessary resources

- The UT System will provide assistance to the campuses by helping develop the model, helping to monitor progress, and suggesting tools that might be implemented to accommodate the resource need
 - Look for innovative approaches to using auxiliary revenues, gifts, clinical revenues, grants and technology, investment income, and new forms of public/private partnerships to generate income and share costs
- b. Efficiency initiatives
- Consider centralization of commodity-like and specialized services
 - Reevaluate debt capacity
 - Consider other efficiency initiatives such as: outsourcing or privatization, increased use of student labor, decentralized and streamlined decision making, labor management, joint purchasing, utility conservation, leveraging information technology infrastructure and investments, flexibility of faculty staffing and curriculum reform, greater use of online courses, increased space utilization, new approaches to employee benefits, transferring costs, elimination of non-mission critical activities, targeted reallocation, mission focus, employee development programs
- c. Using technology to enhance efficiency and productivity in the classroom
- Expand technologically delivered courses
 - Ensure quality of technologically delivered courses
 - Expand capacity of the UT TeleCampus to support member institutions

6. Assuring integrity, accountability, and public trust

- a. Communicating and educating the public more effectively about the value and impact of the UT System and higher education
- Position the UT System as a national model of leadership of academic and health care institutions
 - Build and strengthen the general public, media, and state leadership understanding of the importance of the UT System and the 15 institutions in local communities, the state, and the nation
 - Build public trust in the brand of the UT System by increasing public awareness of, and appreciation for, the aggregate of the System as a whole
- b. Aligning System and institution plans
- Align UT System planning framework at the Board, System, and institution levels
 - Expect each campus to develop a strategic plan; base annual compacts on these plans; consider enhancement of policies, procedures, and communication about review of academic programs
 - Update the Board annually on implementation of the UT System plan, using specific measures of progress
- c. Enhancing accountability and compliance
- Refine and maintain national leadership in accountability reporting to emphasize outcome and impact measures; use accountability to track progress of planning priorities
 - Enhance the compliance framework through: a proactive, non-compliance prevention and detection infrastructure; an Enterprise Risk Management approach that looks at strategic, operational, financial, and compliance risks as a whole; an environment that includes open communication and learning opportunities to avoid repetition of failures; and support to remain the internal audit and compliance leaders in universities and health-related institutions



THE UNIVERSITY OF TEXAS SYSTEM

Research and Technology Transfer

May 11, 2006
UT System Board of Regents' Meeting



Highlights

**Research Expenditures and Technology
Transfer over Time**

Change in National Rankings over Time

**National Comparisons for Research and
Technology Transfer**

Technology Transfer Multiyear Totals

Selected Examples

Source of The U.T. System Information: *Accountability and Performance Report*, Office of Institutional Planning and Accountability, 2005.

Source of National Rankings: *The Top American Research Universities*, The Center Lombardi Program on Measuring University Performance, 2005 corrected version.

Source of The U.T. System Technology Transfer Data: *Technology Development and Transfer Survey*, Texas Higher Education Coordinating Board, 2002, 2005.

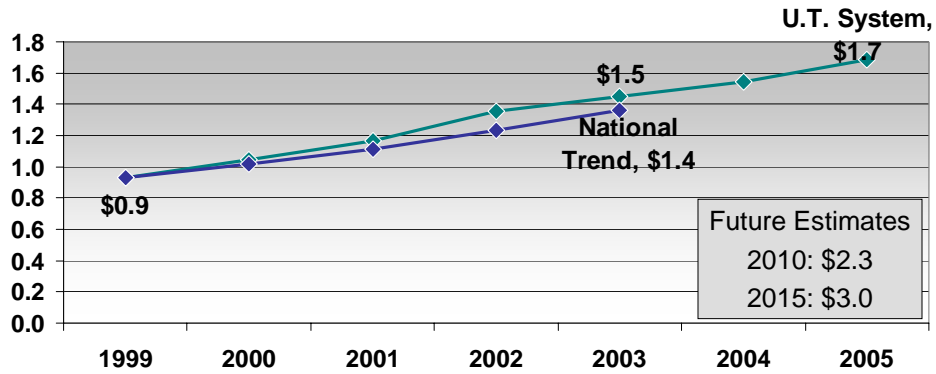
Source of National Technology Transfer Data: *AUTM U.S. Licensing Survey: FY 2004*, Association of University Technology Managers, 2005.

2



Research Expenditures Over Time

(\$ billions)



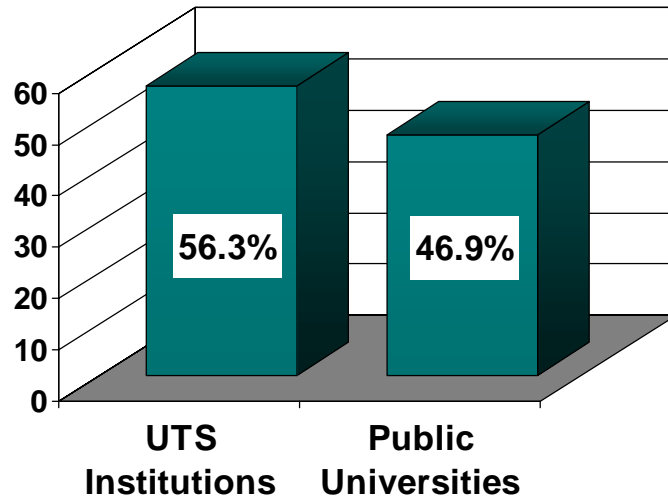
Total research expenditures increased 82% between 1999 and 2005.

Source: Accountability and Performance Report, Office of Institutional Planning and Accountability, 2005. ³



National Comparisons

Percent increase in research expenditures 1999-2003



4

**The University of Texas System
Institutional Compliance Program
2nd Quarter Report Summary
Fiscal Year 2006**

Program Executive Summary

The University of Texas System Institutional Compliance Program was established to ensure that the entire U. T. System (including its 15 institutions, System Administration, and UTIMCO) operates in compliance with all applicable laws, policies and regulations governing higher education institutions. In order to achieve this assurance, the institutional compliance offices at System Administration and each institution:

- Appoint a compliance officer and establish an appropriate reporting mechanism for program activities, using Compliance Committees that meet at least quarterly
- Perform annual compliance risk assessments
- Provide campus-wide compliance training and promote compliance awareness
- Provide specialized training for high-risk compliance areas
- Continuously monitor and inspect the institution's high-risk compliance activities
- Manage the institution's confidential reporting mechanisms (hotline, etc.)
- Report compliance activities and significant compliance issues to executive management

The System-wide Compliance Officer, Mr. Charles Chaffin, is responsible for apprising the Chancellor and Board of Regents of the status and activities of the institutional compliance function.

System-wide Program Activity

The System-wide Compliance Office provided oversight and support to the Institutional Compliance Program during the 2nd Quarter of FY 2006 through the following activities:

- **Facilitated U. T. Medical Branch Peer Review** - John Steiner, Chief Compliance Officer & Privacy Official at The Cleveland Clinic, led the review which included Kimberly Hagara, Assistant Director for System-wide Compliance at U. T. System, Gayle Knight, Assistant Vice President for Compliance & Consultation at U. T. Health Science Center - San Antonio, and Alice Gosfield, Attorney-at-Law at Alice G. Gosfield & Associates, Philadelphia, PA. The review team is currently preparing their report.

U. T. Permian Basin received a peer review in the fall of FY 2006. U. T. Austin is scheduled to conduct their peer review in April 2006 and the scheduling of the System-wide Compliance Program and UTIMCO peer reviews are pending.

The following institutions received peer reviews during FY2004 and FY2005:

U. T. Arlington	U. T. Brownsville	U. T. Dallas
U. T. El Paso	U. T. Pan American	U. T. San Antonio
U. T. Tyler	U. T. Southwestern	U. T. HSC Houston
U. T. HSC San Antonio	U. T. M. D. Anderson Cancer Center	U. T. HC Tyler
U. T. System Administration		

- **Collaborated with the Institutional Compliance Officers in approving the charter of the Institutional Compliance Advisory Council (ICAC)**, a self governing committee of the institutional compliance officers. Monthly Executive Committee meetings were hosted in order

System-wide Compliance Program
March 2006

to discuss the progress of the three Standing Committees: Risk Assessment & Monitoring Plans, Peer Reviews, and Compliance Training.

- **Finalized the renewal of the hotline contract with The Network**, which was effective January 1, 2006 through August 31, 2006. The Network provides all of the institutions, UTIMCO, and System Administration with a mechanism for confidential reporting via third-party serviced telephone hotlines.
- **Promoted the U. T. System Compliance Program at a national level and furthered institutional compliance in higher education** through hosting a Spring Compliance Conference, which attracted over 230 participants representing 78 institutions, including: SUNY System Administration, MIT, Yale University, Harvard Medical School, South Dakota State University, University of Washington, and the University of Vermont. Speakers featured at the conference included: Regent Robert Estrada and President William Powers, who opened the conference speaking on the topic: *The Value of Compliance in Today's Business Environment*; Ms. Carol Blum from the Council on Governmental Relations in Washington, D.C., spoke about federal expectations of effective compliance programs; Mr. Scott Maberry, an attorney with Fulbright & Jaworski in Washington, D.C., discussed export controls compliance in the university context; Mr. Tom Schumacher from the University of Minnesota presented on Compliance Self-Assessments, and Ms. Michelle Fortnam from Stanford University and Ms. Laurel Harvey from Princeton University co-presented on the topic of Compliance Training and Education.
- **Coordinated a compliance track for the National Association of College and University Auditors' (ACUA) mid-year conference** in April 2006, which features experts from throughout the The University of Texas System presenting on compliance topics in the areas of: Environmental Health & Safety, Research, NCAA, Student Financial Aid, and Compliance Fundamentals. Additionally, a compliance track is being coordinated for the ACUA annual conference in September 2006.

Institutional Program Activity¹

During the 2nd Quarter of FY 2006, all of the institutional and System Administration Compliance Committees reported that they met. Additionally, the following significant **organizational changes** occurred this quarter: U. T. Pan American terminated their compliance coordinator; U. T. Tyler hired a Vice President of Business Affairs and Compliance Officer; U. T. Southwestern hired a HIPAA Compliance Analyst; and U. T. HC at Tyler hired a Compliance Coordinator and a Risk Manager/Privacy Official & SSN Coordinator.

Risk Assessment and Monitoring Activities

Common significant institutional risk areas the Institutional Compliance Offices focused on during the 2nd Quarter of FY 2006 included:

- **Asset Management** – (safeguarding of physical and financial assets.) Monitoring activities were performed in the areas of equipment inventory, procurement card activity, historically underutilized business usage, and account reconciliation completion.
- **Clinical Billing** – (medical billing that is not appropriately documented and coded.) Activities included the review of inpatient and outpatient charges, facility charges, and identifying/resubmitting uncoded charts.

¹ Details regarding activities at the institutional level are published in the *Institutional Compliance Program 2nd Quarterly Status Report for Fiscal Year 2006*.
System-wide Compliance Program
March 2006

- **Contract Administration / Effort Reporting** – (improper effort reporting on federal grants, unallowable costs.) Monitoring activities included reporting requirements, unallowable expenditures, nonperformance, and cost sharing.
- **Endowments** – (adherence to terms of endowment agreement.) Monitoring activities included: reviewing revenue and expenditures to ensure that distributions are used, and used per the endowment agreement, and verifying the accuracy of information being entered in accounting system.
- **Environmental Health & Safety** – (proper use and handling of dangerous materials, lab safety, and fire safety.) The following areas were reviewed during the quarter by many institutions: chemical waste management, fire & life safety, radiation safety, lab safety, infection control, certification of hazardous materials and chemicals, storm water inspections, and food safety and sanitation inspections.
- **Human Resources** – (adherence to applicable rules, regulations and laws including equal opportunity/affirmative action, leave administration, and fair hiring practices.) The following areas were reviewed during the quarter by many institutions: FLSA, EEO, Internet Applicant Recordkeeping Rule (effective Feb. 2006), sexual harassment certifications, FMLA administration and the processing of I-9 forms.
- **Information Resources/Security** – (systems integrity/continuity/availability, security regulations, and external access.) The following areas were reviewed during the quarter by many institutions: document management and data security, electronic storage capacity, intrusion prevention/detection, anti-virus, anti-spam and spyware solutions, and system risk rating.
- **Intercollegiate Athletics** – (adherence to the rules and regulations of the NCAA.) Activities included reviewing eligibility documentation, team travel documentation, verification of permissible expenses and completion of transfer forms.
- **Privacy (HIPAA, FERPA, Graham-Leach-Bliley)** – (improper disclosure of private/sensitive/protected information.) The following areas were reviewed during the quarter by many institutions: HIPAA, FERPA, and SSN Confidentiality.
- **Research** – (research not conducted in accordance with approved protocol or federal regulations.) Activities included monitoring research compliance requirements related to human subjects research, animal research protocols, biosafety programs, research conflict of interest, and animal facility inspections.
- **Student Financial Aid** – (fiscal management and student eligibility.) The following areas were reviewed during the quarter by many institutions: reconciliation of program funds, eligibility of students with scholarships/financial aid, Federal Student Aid (FSA) assessment of verification process: document requirements and tracking process.

Assurance Activities and Significant Findings

The following types of assurance activities were performed at the institutions during the 2nd Quarter:

- **Inspections** – Sampling and observation to ensure that mitigating activities defined in the monitoring plan are being appropriately performed for all high-risk areas.

- **Certifications** – Several institutions require high risk area certifications from budget heads or area responsible parties as to their compliance with laws, rules, and policies and the existence of sound internal controls in their departments.
- **Audits** – Internal and external audits were performed for high-risk areas based on priority risks, audit cycles, or the perceived readiness of high-risk areas for which compliance plan objectives had been accomplished.
- **Peer Reviews** – Peer reviews are conducted by area experts and serve to validate the existence of sound practices and controls within specialized functional areas such as Environmental Health and Safety, Medical Billing and Financial Aid. In addition, an internal review of the overall compliance program infrastructure and activities were completed for U. T. M. B. during the quarter.

Training Activities

General compliance training was conducted using a variety of formats including web-based, classroom, and written materials. Additionally, specialized training activities during the quarter included: Endowment training, Cashier training, FERPA workshops, Information Security Awareness training, Animal User training, Time & Effort training, Post-award training, Laboratory waste training, Lab Safety training, Contract Processing training, HUB Coordinators training, Equity in Athletics Disclosure Act training, Recruiting Notebook training, HIPAA Training, New Faculty Documentation training, Clinical Compliance training, Continuing Coder education, Research Conflict of Interest training, Infectious Substance shipping, Radiation safety, Pandemic Influenza Preparedness, HotWorks & Fire Impairment, Contractor Safety orientation, I-9 training, Animal Research training, Practical Research Methodology, IS Project Management training, Oracle Training, AutoDesk training Institutional Review Board and Hazard Communication Act training.

Action Plan Activities

A majority of the Action Plans established by each institution for FY 2006 are underway and focused on activities including: enhancement of general compliance and specialized training, updating compliance risk assessments to include new risks, revisions to the Standards of Conduct Guide and Management Responsibilities Handbook, publishing compliance newsletters, conducting and/or facilitating inspections/audits/peer reviews, driving certification processes, Enterprise Risk Management, facilitating control self assessments, Macromedia Breeze implementations, hiring compliance staff and updating compliance websites.



THE UNIVERSITY OF TEXAS SYSTEM

Status of Billing Compliance

May 11, 2006

*Dieter A. Lehnortt
Assistant Vice President/Institutional Compliance
Officer
UT Southwestern Medical Center - Dallas*



Objectives

- **Identify the continuing risks associated with physician practice plan/hospital billing activities**
- **Describe current efforts by UT System health institutions to address these risks**
- **Provide an overview of activities related to the Institutional Compliance Advisory Council Medical Billing Advisory Group**
- **Discuss future medical billing compliance initiatives**

2



Billing Compliance Risks

- **Physician Practice Plan Risks**
 - *Physicians at Teaching Hospitals*
 - *Procedure/diagnosis coding issues*
 - *Inappropriate self-referrals*
 - *Credit balances*
 - *Billings related to research activities*

3



Billing Compliance Risks (continued)

- **Hospital Risks**
 - *Medicare/Medicaid Cost reports*
 - *Illegal inducements/payments to physicians and other providers*
 - *Diagnosis Related Grouping and Ambulatory Payment Classification coding issues*
 - *Credit balances*
 - *Billings related to research activities*

4



Continued Focus on Billing Compliance

- **Physicians at teaching hospitals (PATH) settlements**
 - *University of Pennsylvania* **\$30 million**
 - *University of Florida* **\$8.6 million**
 - *University of Washington* **\$35 million**
- **More federal prosecutors devoted to health care fraud cases**
- **Increase in annual criminal convictions and civil actions related to health care fraud**
- **Increased focus on health care fraud by private payers**

5



Risk Reduction & Monitoring

- **Ongoing risk assessments and/or issue identification**
- **Chart audits/reviews**
- **Formal committee(s) addressing billing compliance issues/concerns**
- **Collaboration with internal/external legal counsel to address compliance issues**
- **Required training for providers and staff**
- **Formal corrective/disciplinary actions when compliance standards are not met**

6



ICAC Medical Billing Compliance Advisory Group

- **Established in 1998**
- **Billing compliance directors/officers and institutional compliance officers (members)**
- **Representatives from UT System**
- **Enhance communications and identify opportunities for collaboration**
- **Share best practices**
- **Recommend compliance strategies**
- **Quarterly meetings**

7



Future Initiatives

- **Expand billing compliance monitoring and education efforts with respect to clinical research activities**
- **Identify opportunities to enhance existing programs, policies and procedures**
- **Continue to perform peer reviews of billing compliance programs**
- **Develop better lines of communication with federal, state and private payers in Texas**

8



Monthly Financial Report (Unaudited)

System Office:

*The University of Texas
System Administration*

Academic Institutions:

*The University of Texas
at Arlington*

*The University of Texas
at Austin*

*The University of Texas
at Brownsville*

*The University of Texas
at Dallas*

*The University of Texas
at El Paso*

*The University of Texas –
Pan American*

*The University of Texas
of the Permian Basin*

*The University of Texas
at San Antonio*

*The University of Texas
at Tyler*

Health Institutions:

*The University of Texas
Southwestern Medical Center
at Dallas*

*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
Center at Tyler*

March 2006

**THE UNIVERSITY OF TEXAS SYSTEM
MONTHLY FINANCIAL REPORT
(Unaudited)
FOR THE SEVEN MONTHS ENDING
MARCH 31, 2006**

TABLE OF CONTENTS

FOREWORD	7
SYSTEM-WIDE COMPARISONS OF ACTUAL.....	9
YEAR-TO-DATE INCOME (LOSS) SUMMARY BY INSTITUTION (WITH EXPLANATIONS OF VARIANCES).....	11
GLOSSARY OF TERMS	14
SYSTEM ADMINISTRATION	16
ARLINGTON	17
AUSTIN.....	18
BROWNSVILLE.....	19
DALLAS.....	20
EL PASO.....	21
PAN AMERICAN.....	22
PERMIAN BASIN	23
SAN ANTONIO	24
TYLER.....	25
SOUTHWESTERN MEDICAL CENTER AT DALLAS.....	26
MEDICAL BRANCH AT GALVESTON	27
HEALTH SCIENCE CENTER AT HOUSTON	28
HEALTH SCIENCE CENTER AT SAN ANTONIO	29
M. D. ANDERSON CANCER CENTER	30
HEALTH CENTER AT TYLER.....	31

**The University of Texas System
Monthly Financial Report**

Foreword

The Monthly Financial Report (MFR) compares the results of operations between the current year-to-date cumulative amounts and the prior year-to-date cumulative amounts. Explanations are provided for institutions having the largest variances in Adjusted Income (Loss) year-to-date as compared to the prior year, both in terms of dollars and percentages. In addition, although no significant variance may exist, institutions with losses may be discussed.

The data is reported in three sections: (1) Operating Revenues, (2) Operating Expenses and (3) Other Nonoperating Adjustments. Presentation of state appropriation revenues are required under GASB 35 to be reflected as nonoperating revenues, so all institutions will report an Operating Loss prior to this adjustment. The MFR provides an Adjusted Income (Loss), which takes into account the nonoperating adjustments associated with core operating activities. An Adjusted Margin (as a percentage of operating and nonoperating revenue adjustments) is calculated for each period and is intended to reflect relative operating contributions to financial health.

UNAUDITED
The University of Texas System
Comparison of Operating Results and Margin
For the Seven Months Ending March 31, 2006

	March Year-to-Date FY 2006	March Year-to-Date FY 2005	Variance	Fluctuation Percentage
Operating Revenues				
Student Tuition and Fees	\$682,956,593	\$637,740,687	\$45,215,906	7.1%
Sponsored Programs	1,311,301,524	1,235,695,751	75,605,773	6.1%
Net Sales and Services of Educational Activities	125,692,514	108,731,002	16,961,512	15.6%
Net Sales and Services of Hospitals	1,451,640,397	1,225,362,195	226,278,202	18.5%
Net Professional Fees	463,155,479	449,613,949	13,541,530	3.0%
Net Auxiliary Enterprises	192,454,626	182,032,766	10,421,860	5.7%
Other Operating Revenues	105,685,197	101,437,034	4,248,163	4.2%
Total Operating Revenues	<u>4,332,886,330</u>	<u>3,940,613,384</u>	<u>392,272,946</u>	<u>10.0%</u>
Operating Expenses				
Salaries and Wages	2,667,124,778	2,465,529,195	201,595,583	8.2%
Payroll Related Costs	655,858,095	600,780,974	55,077,121	9.2%
Professional Fees and Contracted Services	146,681,766	145,153,998	1,527,768	1.1%
Other Contracted Services	205,434,587	193,925,646	11,508,941	5.9%
Scholarships and Fellowships	361,972,466	347,413,454	14,559,012	4.2%
Travel	54,874,146	52,096,669	2,777,477	5.3%
Materials and Supplies	599,892,523	541,819,785	58,072,738	10.7%
Utilities	152,866,849	106,075,247	46,791,602	44.1%
Telecommunications	41,697,453	38,039,245	3,658,208	9.6%
Repairs and Maintenance	84,617,154	74,115,817	10,501,337	14.2%
Rentals and Leases	58,529,297	52,790,240	5,739,057	10.9%
Printing and Reproduction	15,693,859	16,485,845	(791,986)	-4.8%
Bad Debt Expense	28,913	7,157	21,756	304.0%
Claims and Losses	6,091,041	2,868,185	3,222,856	112.4%
Federal Sponsored Programs Pass-Throughs	13,037,678	12,036,512	1,001,166	8.3%
Depreciation and Amortization	294,132,662	238,753,455	55,379,207	23.2%
Other Operating Expenses	228,734,584	204,753,665	23,980,919	11.7%
Total Operating Expenses	<u>5,587,267,851</u>	<u>5,092,645,089</u>	<u>494,622,762</u>	<u>9.7%</u>
Operating Loss	<u>(1,254,381,521)</u>	<u>(1,152,031,705)</u>	<u>(102,349,816)</u>	<u>-8.9%</u>
Other Nonoperating Adjustments				
State Appropriations	1,022,961,278	956,134,950	66,826,328	7.0%
Gift Contributions for Operations	154,973,725	157,235,302	(2,261,577)	-1.4%
Net Investment Income	282,151,255	264,467,320	17,683,935	6.7%
Long Term Fund Distribution	105,042,070	98,122,028	6,920,042	7.1%
Interest Expense on Capital Asset Financings	(99,940,742)	(81,040,666)	(18,900,076)	-23.3%
Net Other Nonoperating Adjustments	<u>1,465,187,586</u>	<u>1,394,918,934</u>	<u>70,268,652</u>	<u>5.0%</u>
Adjusted Income (Loss)	210,806,065	242,887,229	(32,081,164)	-13.2%
Adjusted Margin (as a percentage)	3.6%	4.5%		
Available University Fund Transfer	0	0	0	0.0%
Investment Gains (Losses)	965,888,286	1,264,439,722	(298,551,436)	-23.6%
Adj. Inc. (Loss) with Investment Gains (Losses)	\$1,176,694,351	\$1,507,326,951	(\$330,632,600)	-21.9%
Adj. Margin % with Investment Gains (Losses)	17.1%	22.6%		

The University of Texas System
Comparison of Year-to-Date FY 2006 Adjusted Income (Loss)
to Year-to-Date FY 2005 Adjusted Income (Loss)
For the Seven Months Ending March 31, 2006

	Year-to-Date FY2006 Adjusted Income (Loss)		Year-to-Date FY2005 Adjusted Income (Loss)	Variance	Fluctuation Percentage
UT System Administration	\$ 138,232,814		\$ 144,965,747	\$ (6,732,933)	-4.6%
UT Arlington	7,318,694		8,199,088	(880,394)	-10.7%
UT Austin	77,709,400		80,908,458	(3,199,058)	-4.0%
UT Brownsville	3,926,991		4,204,560	(277,569)	-6.6%
UT Dallas	(2,795,695)	(1)	3,962,546	(6,758,241)	-170.6%
UT El Paso	1,152,124		1,822,925	(670,801)	-36.8%
UT Pan American	1,299,060		(399,210)	1,698,270	425.4% (2)
UT Permian Basin	348,412		(2,197,732)	2,546,144	115.9% (3)
UT San Antonio	14,555,289		8,884,062	5,671,227	63.8% (4)
UT Tyler	1,362,114		(1,665,465)	3,027,579	181.8% (5)
UT Southwestern Medical Center - Dallas	6,300,647		18,525,623	(12,224,976)	-66.0% (6)
UT Medical Branch - Galveston	(34,800,305)	(7)	(38,491,812)	3,691,507	9.6%
UT Health Science Center - Houston	23,397,219		25,926,452	(2,529,233)	-9.8%
UT Health Science Center - San Antonio	1,332,984		10,683,937	(9,350,953)	-87.5% (8)
UT M. D. Anderson Cancer Center	39,309,861		41,315,660	(2,005,799)	-4.9%
UT Health Center - Tyler	(2,230,211)	(9)	(1,728,860)	(501,351)	-29.0%
Elimination of AUF Transfer	(65,613,333)		(62,028,750)	(3,584,583)	-5.8%
Total Adjusted Income (Loss)	210,806,065		242,887,229	(32,081,164)	-13.2%
Investment Gains (Losses)	965,888,286		1,264,439,722	(298,551,436)	-23.6% (10)
Total Adjusted Income (Loss) with Investment Gains (Losses)	\$ 1,176,694,351		\$ 1,507,326,951	\$ (330,632,600)	-21.9%

THE UNIVERSITY OF TEXAS SYSTEM
EXPLANATION OF VARIANCES ON THE MONTHLY FINANCIAL REPORT
For the Seven Months Ending March 31, 2006

Explanations are provided for institutions having the largest variances in adjusted income (loss) year-to-date as compared to the prior year, both in terms of dollars and percentages. Explanations are also provided for institutions with a current year-to-date adjusted loss.

- (1) UT Dallas – The \$2.8 million year-to-date net loss was primarily due to increased salaries and wages as a result of hiring additional faculty and 3% merit increases for 2006. Additional tenure faculty were hired in support of increased enrollment and the Project Emmitt initiative. UT Dallas is anticipating ending the year with a \$4.8 million negative margin which represents -1.9% of projected revenues. The planned deficit in 2006 is the result of management's decision to utilize accumulated reserves in lieu of increasing student fees in auxiliary and designated funds, satisfy donor requirements in expending previously received gifts and utilize miscellaneous reserves to fund increases in academic programs and the related infrastructure.
- (2) UT Pan American – The \$1.7 million (425.4%) increase in adjusted income over the same period last year was primarily due to increased formula funded state appropriations.
- (3) UT Permian Basin – The \$2.5 million (115.9%) increase in adjusted income over the same period last year was primarily due to increased state appropriations of \$861,000 and \$1.5 million of gift contributions for the High-Temperature Teaching and Test Reactor (HT³R) pre-conceptual design phase. State appropriations increased as a result of increased formula funded general revenue and tuition revenue bond debt service appropriations. A teaming agreement for General Atomics to provide a pre-conceptual design for the HT³R project was signed in February 2006. The payment terms to General Atomics have not yet been determined, and it is unknown at this time if all of the gift money will be spent this fiscal year.

UT Permian Basin is anticipating ending the year with a \$3,000 negative margin which represents -0.01% of projected revenues. This forecast assumes all the gift money received will be paid to General Atomics for services rendered during 2006. This forecast includes \$2.7 million in non-cash depreciation expense.
- (4) UT San Antonio – The \$5.7 million (63.8%) increase in adjusted income over the same period last year was primarily due to increased state appropriations as a result of enrollment increases. Enrollment has increased over 6,000 students in the last two years and the trend of rapid growth is expected to continue.
- (5) UT Tyler – The \$3 million (181.8%) increase in adjusted income over the same period last year was primarily due to increased state appropriations and tuition and fees. State appropriations increased due to enrollment growth and increases in insurance and other state-paid staff benefits. Increased enrollment, increased tuition rates and a new Union fee led to the increase in tuition.
- (6) UT Southwestern Medical Center – Dallas – The \$12.2 million (66%) decline in adjusted income over the same period last year was primarily due to a \$7.2 million decrease in the practice plan and decreased gift contributions. Faculty and staff salaries in the practice plan increased due to the addition of personnel in the departments of Internal Medicine, Anesthesiology, Surgery, Pediatrics, Orthopaedic Surgery and Radiology. It is anticipated that gift revenue will meet projections by year end.
- (7) UT Medical Branch – Galveston – The \$34.8 million year-to-date net loss was primarily due to losses sustained during the hurricane season, as well as growth in patient care expenses outpacing increases in insurance reimbursements.

Patient care supplies, provider salaries and other hospital expenses continue to increase; however, *UTMB* received a 1% reduction in Medicaid reimbursement rates in 2006 and nominal payment increases from Medicare and commercial payors. *UTMB* also had a 2.2% decrease in admissions, an 8.8% decrease in patient days and a 10.3% decrease in clinic visits compared to last year.

UTMB's management is projecting a negative margin of \$33.7 million which represents -1.9% of projected revenues. This forecast includes \$51.8 million in non-cash depreciation expense. Additionally, the projected loss does not include nonoperating revenue for capital gifts from the Sealy and Smith Foundation.

UTMB is the sole beneficiary of the Sealy and Smith Foundation, and these gifts are integral to *UTMB's* financial success.
- (8) UT Health Science Center – San Antonio – The \$9.4 million (87.5%) decline in adjusted income over the same period last year was primarily due to increased research initiatives and a prior year accounting correction.

Local research programs, such as the Children's Cancer Research Institute (CCRI) and San Antonio Life Sciences Institute (SALSI), are experiencing growth and maturity from startup funding received in prior years. The CCRI receives \$9.4 million annually in appropriated tobacco endowment distributions and has accumulated \$18.3 million of net assets since 2000, which are being used to support faculty recruitment and program expansion efforts. In previous years, *UTHSC-San Antonio* received \$2.5 million from *UT System Administration* in professional liability premium rebates which were earmarked as startup funding for SALSI. These funds have been used to support growing research initiatives in this program.

Deloitte and Touche auditors discovered errors of \$2.3 million related to incorporating University Physicians Group 2004 activity into *UTHSC-San Antonio's* financial statements. The errors were corrected in the prior year resulting in reduced 2005 expenses. *UTHSC-San Antonio* is anticipating ending the year with a \$3 million positive margin which represents 0.6% of projected revenues.

- (9) *UT Health Center – Tyler* – The \$2.2 million year-to-date net loss was primarily due to decreased net sales and services of hospitals as a result of decreases in admissions (5%), inpatient days (25%) and inpatient surgeries (13%). These decreases are due to more aggressive marketing and capital investment by other local hospitals as well as the age of *UTHC – Tyler's* facilities compared to the newer hospitals in Tyler. *UTHC – Tyler* anticipates ending the year with a \$4 million negative margin, which represents -3.1% of projected revenues. This forecast includes \$8 million in non-cash depreciation expense.
- (10) *Investment Gains (Losses)* – The majority of the \$298.6 million (23.6%) decrease in investment gains relates to the Permanent University Fund (PUF) of \$243.3 million and the Long Term Fund (LTF) of \$103.4 million.

GLOSSARY OF TERMS

OPERATING REVENUES:

STUDENT TUITION AND FEES – All student tuition and fee revenues earned at the UT institution for educational purposes.

SPONSORED PROGRAMS – Funding received from local, state and federal governments or private agencies, organizations or individuals. Includes amounts received for services performed on grants, contracts, and agreements from these entities for current operations. This also includes indirect cost recoveries and pass-through federal and state grants.

NET SALES AND SERVICES OF EDUCATIONAL ACTIVITIES – Revenues that are related to the conduct of instruction, research, and public service and revenues from activities that exist to provide an instructional and laboratory experience for students that create goods and services that may be sold.

NET SALES AND SERVICES OF HOSPITALS – Revenues (net of discounts, allowances, and bad debt expense) generated from UT health institution's daily patient care, special or other services, as well as revenues from health clinics that are part of a hospital.

NET PROFESSIONAL FEES – Revenues (net of discounts, allowances, and bad debt expense) derived from the fees charged by the professional staffs at UT health institutions as part of the Medical Practice Plans. These revenues are also identified as Practice Plan income. Examples of such fees include doctor's fees for clinic visits, medical and dental procedures, professional opinions, and anatomical procedures, such as analysis of specimens after a surgical procedure, etc.

NET AUXILIARY ENTERPRISES – Revenues derived from a service to students, faculty, or staff in which a fee is charged that is directly related to, although not necessarily equal to the cost of the service (e.g., bookstores, dormitories, dining halls, snack bars, inter-collegiate athletic programs, etc.).

OTHER OPERATING REVENUES – Other revenues generated from sales or services provided to meet current fiscal year operating expenses, which are not included in the preceding categories (e.g., certified non profit healthcare company revenues, donated drugs, interest on student loans, etc.)

OPERATING EXPENSES:

SALARIES AND WAGES – Expenses for all salaries and wages of individuals employed by the institution including full-time, part-time, longevity, hourly, seasonal, etc.

PAYROLL RELATED COSTS – Expenses for all employee benefits paid by the institution or paid by the state on behalf of the institution.

PROFESSIONAL FEES AND CONTRACTED SERVICES – Payments for services rendered on a fee, contract, or other basis by a person, firm, corporation, or company recognized as possessing a high degree of learning and responsibility. Includes such items as services of a consultant, legal counsel, financial or audit fees, medical contracted services, guest lecturers (not employees) and expert witnesses.

OTHER CONTRACTED SERVICES – Payments for services rendered on a contractual basis by a person, firm, corporation or company that possess a lesser degree of learning and responsibility than that required for Professional Fees and Contracted Services. Includes such items as temporary employment expenses, fully insured medical plans expenses, janitorial services, dry cleaning services, etc.

SCHOLARSHIPS AND FELLOWSHIPS – Payments made for scholarship grants to students authorized by law.

TRAVEL – Payments for travel costs incurred during travel by employees, board or commission members and elected/appointed officials on state business.

MATERIALS AND SUPPLIES – Payments for consumable items. Includes, but is not limited to: computer consumables, office supplies, paper products, soap, lights, plants, fuels and lubricants, chemicals and gasses, medical supplies and copier supplies. Also includes postal services, and subscriptions and other publications not for permanent retention.

UTILITIES – Payments for the purchase of electricity, natural gas, water, thermal energy and waste disposal.

TELECOMMUNICATIONS - Electronically transmitted communications services (telephone, internet, computation center services, etc.).

REPAIRS AND MAINTENANCE – Payments for the maintenance and repair of equipment, furnishings, motor vehicles, buildings and other plant facilities. Includes, but is not limited to repair and maintenance to copy machines, furnishings, equipment – including medical and laboratory equipment, office equipment and aircraft.

RENTALS AND LEASES – Payments for rentals or leases of furnishings and equipment, vehicles, land and office buildings (all rental of space).

PRINTING AND REPRODUCTION – Printing and reproduction costs associated with the printing/copying of the institution's documents and publications.

BAD DEBT EXPENSE – Expenses incurred by the university related to nonrevenue receivables such as non-payment of student loans.

CLAIMS AND LOSSES – Payments for claims from self-insurance programs. Other claims for settlements and judgments are considered nonoperating expenses.

FEDERAL SPONSORED PROGRAMS PASS-THROUGHS – Pass-throughs to other Texas state agencies, including other universities, of federal grants and contracts.

STATE SPONSORED PROGRAMS PASS-THROUGHS – Pass-throughs to other Texas state agencies, including Texas universities.

DEPRECIATION AND AMORTIZATION – Depreciation on capital assets and amortization expense on intangible assets.

OTHER OPERATING EXPENSES – Other operating expenses not identified in other line items above (e.g., certified non profit healthcare company expenses, property taxes, insurance premiums, credit card fees, hazardous waste disposal expenses, meetings and conferences, etc.).

OPERATING LOSS – Total operating revenues less total operating expenses before other nonoperating adjustments like state appropriations.

OTHER NONOPERATING ADJUSTMENTS:

STATE APPROPRIATIONS – Appropriations from the State General Revenue fund, which supplement the UT institutional revenue in meeting operating expenses, such as faculty salaries, utilities, and institutional support.

GIFT CONTRIBUTIONS FOR OPERATIONS – Consist of gifts from donors received for use in current operations, excluding gifts for capital acquisition and endowment gifts. Gifts for capital acquisition which can only be used to build or buy capital assets are excluded because they can not be used to support current operations. Endowment gifts must be held in perpetuity and can not be spent. The distributed income from endowment gifts must be spent according to the donor's stipulations.

NET INVESTMENT INCOME (on institutions' sheets) – Interest and dividend income on treasury balances, bank accounts, The Short Term Fund, the Intermediate Term Fund. It also includes distributed earnings from the Permanent Health Fund and patent and royalty income.

NET INVESTMENT INCOME (on the consolidated sheet) – Interest and dividend earnings of the Permanent University Fund, Short Term Fund, Intermediate Term Fund, Long Term Fund and Permanent Health Fund less Long Term Fund transfers so as not to overstate investment income. This line item also includes the Available University Fund surface income, oil and gas royalties, and mineral lease bonus sales.

LONG TERM FUND DISTRIBUTION – At the institutional level, includes Long Term Fund fixed payouts approved by the Board of Regents. Investment income for System Administration and the consolidated sheet has been reduced for the amount of any Long Term Fund distribution so as not to overstate investment income system-wide.

INTEREST EXPENSE ON CAPITAL ASSET FINANCINGS – Interest expenses associated with bond and note borrowings utilized to finance capital improvement projects by an institution. This consists of the interest portion of mandatory debt service transfers under the Revenue Financing System, Tuition Revenue bond and Permanent University Fund (PUF) bond programs. PUF interest expense is reported on System Administration as the debt legally belongs to the Board of Regents.

ADJUSTED INCOME (LOSS) – Total operating revenues less total operating expenses plus net other nonoperating adjustments.

ADJUSTED MARGIN (as a percentage) – Percentage of Adjusted Income (Loss) divided by Total Operating Revenues plus Net Nonoperating Adjustments less Interest Expense on Capital Asset Financings.

AVAILABLE UNIVERSITY FUND TRANSFER – Includes Available University Fund (AUF) transfer to System Administration for Educational and General operations and to UT Austin for Excellence Funding. These transfers are funded by investment earnings from the Permanent University Fund (PUF), which are required by law to be reported in the PUF at System Administration. On the MFR, investment income for System Administration has been reduced for the amount of the System Administration transfer so as not to overstate investment income for System Administration. The AUF transfers are eliminated at the consolidated level to avoid overstating System-wide revenues, as the amounts will be reflected as transfers at year-end.

INVESTMENT GAINS (LOSSES) – Realized and unrealized gains and losses on investments.

UNAUDITED
The University of Texas System Administration
Comparison of Operating Results and Margin
For the Seven Months Ending March 31, 2006

	March Year-to-Date FY 2006	March Year-to-Date FY 2005	Variance	Fluctuation Percentage
Operating Revenues				
Sponsored Programs	\$7,193,630	\$5,622,206	\$1,571,424	28.0%
Net Sales and Services of Educational Activities	10,869,607	10,143,422	726,185	7.2%
Other Operating Revenues	10,404,112	7,207,003	3,197,109	44.4%
Total Operating Revenues	28,467,349	22,972,631	5,494,718	23.9%
Operating Expenses				
Salaries and Wages	15,958,774	12,684,338	3,274,436	25.8%
Employee Benefits and Related Costs	3,579,104	2,998,074	581,030	19.4%
Professional Fees and Contracted Services	585,233	1,133,773	(548,540)	-48.4%
Other Contracted Services	3,014,129	3,751,595	(737,466)	-19.7%
Scholarships and Fellowships	186,000	100,000	86,000	86.0%
Travel	1,008,586	798,742	209,844	26.3%
Materials and Supplies	1,472,889	2,276,015	(803,126)	-35.3%
Utilities	13,766	18,846	(5,080)	-27.0%
Telecommunications	1,542,545	593,290	949,255	160.0%
Repairs and Maintenance	572,728	545,194	27,534	5.1%
Rentals and Leases	955,386	276,466	678,920	245.6%
Printing and Reproduction	123,310	125,653	(2,343)	-1.9%
Claims and Losses	6,091,041	2,868,185	3,222,856	112.4%
Depreciation and Amortization	2,317,530	893,042	1,424,488	159.5%
Other Operating Expenses	1,171,194	3,770,945	(2,599,751)	-68.9%
Total Operating Expenses	38,592,215	32,834,158	5,758,057	17.5%
Operating Loss	(10,124,866)	(9,861,527)	(263,339)	-2.7%
Other Nonoperating Adjustments				
State Appropriations	484,161	582,741	(98,580)	-16.9%
Gift Contributions for Operations	371,788	640,060	(268,272)	-41.9%
Net Investment Income	154,364,873	154,361,003	3,870	0.0%
Long Term Fund Distribution	3,242,871	2,729,012	513,859	18.8%
Interest Expense on Capital Asset Financings	(27,428,179)	(19,666,870)	(7,761,309)	-39.5%
Net Other Nonoperating Adjustments	131,035,514	138,645,946	(7,610,432)	-5.5%
Adjusted Income (Loss)	120,910,648	128,784,419	(7,873,771)	-6.1%
Adjusted Margin (as a percentage)	64.7%	71.0%		
Available University Fund Transfer	17,322,166	16,181,328	1,140,838	7.1%
Adjusted Income (Loss) with AUF Transfer	138,232,814	144,965,747	(6,732,933)	-4.6%
Adjusted Margin % with AUF Transfer	67.7%	73.4%		
Investment Gains (Losses)	967,009,144	1,266,652,655	(299,643,511)	-23.7%
Adj. Inc. (Loss) with AUF Transfer & Invest. Gains (Losses)	\$1,105,241,958	\$1,411,618,402	(\$306,376,444)	-21.7%
Adj. Margin % with AUF Transfer & Invest. Gains (Losses)	95.8%	97.5%		

UNAUDITED
The University of Texas at Arlington
Comparison of Operating Results and Margin
For the Seven Months Ending March 31, 2006

	March Year-to-Date FY 2006	March Year-to-Date FY 2005	Variance	Fluctuation Percentage
Operating Revenues				
Student Tuition and Fees	\$83,265,886	\$80,592,444	\$2,673,442	3.3%
Sponsored Programs	31,128,134	29,904,812	1,223,322	4.1%
Net Sales and Services of Educational Activities	4,678,124	3,666,647	1,011,477	27.6%
Net Auxiliary Enterprises	15,267,320	14,453,746	813,574	5.6%
Other Operating Revenues	4,825,322	3,423,887	1,401,435	40.9%
Total Operating Revenues	139,164,786	132,041,536	7,123,250	5.4%
Operating Expenses				
Salaries and Wages	91,426,009	85,606,888	5,819,121	6.8%
Employee Benefits and Related Costs	20,351,817	18,538,340	1,813,477	9.8%
Professional Fees and Contracted Services	3,107,094	2,269,024	838,070	36.9%
Other Contracted Services	5,077,818	4,471,038	606,780	13.6%
Scholarships and Fellowships	29,092,607	28,806,008	286,599	1.0%
Travel	2,219,486	2,080,442	139,044	6.7%
Materials and Supplies	10,883,807	9,741,573	1,142,234	11.7%
Utilities	7,245,995	5,166,551	2,079,444	40.2%
Telecommunications	2,972,468	2,692,272	280,196	10.4%
Repairs and Maintenance	4,123,250	4,677,881	(554,631)	-11.9%
Rentals and Leases	1,516,544	1,301,985	214,559	16.5%
Printing and Reproduction	1,220,786	1,105,233	115,553	10.5%
Federal Sponsored Programs Pass-Thrus	836,074	35,847	800,227	2,232.3%
Depreciation and Amortization	9,743,587	9,083,023	660,564	7.3%
Other Operating Expenses	4,261,718	4,751,929	(490,211)	-10.3%
Total Operating Expenses	194,079,060	180,328,034	13,751,026	7.6%
Operating Loss	(54,914,274)	(48,286,498)	(6,627,776)	-13.7%
Other Nonoperating Adjustments				
State Appropriations	61,205,884	57,349,735	3,856,149	6.7%
Gift Contributions for Operations	1,268,942	1,479,887	(210,945)	-14.3%
Net Investment Income	2,718,958	1,183,229	1,535,729	129.8%
Long Term Fund Distribution	1,195,592	955,668	239,924	25.1%
Interest Expense on Capital Asset Financings	(4,156,408)	(4,482,933)	326,525	7.3%
Net Other Nonoperating Adjustments	62,232,968	56,485,586	5,747,382	10.2%
Adjusted Income (Loss)	7,318,694	8,199,088	(880,394)	-10.7%
Adjusted Margin (as a percentage)	3.6%	4.2%		
Investment Gains (Losses)	(601,747)	(52,835)	(548,912)	-1,038.9%
Adjusted Income (Loss) with Investment Gains (Losses)	\$6,716,947	\$8,146,253	(\$1,429,306)	-17.5%
Adjusted Margin % with Investment Gains (Losses)	3.3%	4.2%		

UNAUDITED
The University of Texas at Austin
Comparison of Operating Results and Margin
For the Seven Months Ending March 31, 2006

	<u>March</u> <u>Year-to-Date</u> <u>FY 2006</u>	<u>March</u> <u>Year-to-Date</u> <u>FY 2005</u>	<u>Variance</u>	<u>Fluctuation</u> <u>Percentage</u>
Operating Revenues				
Student Tuition and Fees	\$290,742,903	\$282,183,445	\$8,559,458	3.0%
Sponsored Programs	250,051,083	238,640,919	11,410,164	4.8%
Net Sales and Services of Educational Activities	64,292,385	54,294,457	9,997,928	18.4%
Net Auxiliary Enterprises	100,360,527	94,871,075	5,489,452	5.8%
Other Operating Revenues	4,701,068	4,209,900	491,168	11.7%
Total Operating Revenues	710,147,966	674,199,796	35,948,170	5.3%
Operating Expenses				
Salaries and Wages	493,793,813	467,735,550	26,058,263	5.6%
Employee Benefits and Related Costs	107,460,528	102,024,113	5,436,415	5.3%
Professional Fees and Contracted Services	12,510,827	11,520,456	990,371	8.6%
Other Contracted Services	35,973,660	36,015,576	(41,916)	-0.1%
Scholarships and Fellowships	102,690,575	98,707,647	3,982,928	4.0%
Travel	18,431,441	18,519,433	(87,992)	-0.5%
Materials and Supplies	58,314,584	57,583,119	731,465	1.3%
Utilities	45,625,051	31,778,949	13,846,102	43.6%
Telecommunications	8,379,890	7,448,726	931,164	12.5%
Repairs and Maintenance	14,848,857	12,739,416	2,109,441	16.6%
Rentals and Leases	8,403,283	8,001,805	401,478	5.0%
Printing and Reproduction	5,197,701	5,241,058	(43,357)	-0.8%
Federal Sponsored Programs Pass-Thrus	1,538,678	2,727,951	(1,189,273)	-43.6%
Depreciation and Amortization	51,015,561	49,669,229	1,346,332	2.7%
Other Operating Expenses	37,327,909	28,497,830	8,830,079	31.0%
Total Operating Expenses	1,001,512,358	938,210,858	63,301,500	6.7%
Operating Loss	(291,364,392)	(264,011,062)	(27,353,330)	-10.4%
Other Nonoperating Adjustments				
State Appropriations	184,801,521	178,347,858	6,453,663	3.6%
Gift Contributions for Operations	53,187,962	50,811,818	2,376,144	4.7%
Net Investment Income	22,318,553	14,507,067	7,811,486	53.8%
Long Term Fund Distribution	54,521,677	51,761,617	2,760,060	5.3%
Interest Expense on Capital Asset Financings	(11,369,254)	(12,537,590)	1,168,336	9.3%
Net Other Nonoperating Adjustments	303,460,459	282,890,770	20,569,689	7.3%
Adjusted Income (Loss)	12,096,067	18,879,708	(6,783,641)	-35.9%
Adjusted Margin (as a percentage)	1.2%	1.9%		
Available University Fund Transfer	65,613,333	62,028,750	3,584,583	5.8%
Adjusted Income (Loss) with AUF Transfer	77,709,400	80,908,458	(\$3,199,058)	-4.0%
Adjusted Margin % with AUF Transfer	7.1%	7.8%		
Investment Gains (Losses)	(81,153)	(76,835)	(4,318)	-5.6%
Adj. Inc. (Loss) with AUF Transfer & Invest. Gains (Losses)	\$77,628,247	\$80,831,623	(\$3,203,376)	-4.0%
Adj. Margin % with AUF Transfer & Invest. Gains (Losses)	7.6%	8.3%		

UNAUDITED
The University of Texas at Brownsville
Comparison of Operating Results and Margin
For the Seven Months Ending March 31, 2006

	March Year-to-Date FY 2006	March Year-to-Date FY 2005	Variance	Fluctuation Percentage
Operating Revenues				
Student Tuition and Fees	\$7,960,179	\$5,580,458	\$2,379,721	42.6%
Sponsored Programs	80,697,684	71,681,473	9,016,211	12.6%
Net Sales and Services of Educational Activities	508,510	772,353	(263,843)	-34.2%
Net Auxiliary Enterprises	639,897	664,027	(24,130)	-3.6%
Other Operating Revenues	84,040	7,111	76,929	1,081.8%
Total Operating Revenues	89,890,310	78,705,422	11,184,888	14.2%
Operating Expenses				
Salaries and Wages	28,241,163	25,543,716	2,697,447	10.6%
Employee Benefits and Related Costs	7,084,031	6,037,568	1,046,463	17.3%
Professional Fees and Contracted Services	973,489	972,380	1,109	0.1%
Scholarships and Fellowships	46,948,878	41,828,153	5,120,725	12.2%
Travel	559,389	430,028	129,361	30.1%
Materials and Supplies	2,861,860	2,344,219	517,641	22.1%
Utilities	2,079,617	1,357,708	721,909	53.2%
Telecommunications	890,506	774,892	115,614	14.9%
Repairs and Maintenance	535,158	526,542	8,616	1.6%
Rentals and Leases	1,065,561	1,223,030	(157,469)	-12.9%
Printing and Reproduction	197,098	192,325	4,773	2.5%
Bad Debt Expense	27,513	7,157	20,356	284.4%
Federal Sponsored Programs Pass-Thrus	17,539	8,566	8,973	104.8%
Depreciation and Amortization	2,785,972	1,663,100	1,122,872	67.5%
Other Operating Expenses	7,389,302	6,081,750	1,307,552	21.5%
Total Operating Expenses	101,657,076	88,991,134	12,665,942	14.2%
Operating Loss	(11,766,766)	(10,285,712)	(1,481,054)	-14.4%
Other Nonoperating Adjustments				
State Appropriations	15,886,490	14,870,779	1,015,711	6.8%
Gift Contributions for Operations	135,022	187,670	(52,648)	-28.1%
Net Investment Income	728,071	433,341	294,730	68.0%
Long Term Fund Distribution	151,729	145,717	6,012	4.1%
Interest Expense on Capital Asset Financings	(1,207,555)	(1,147,235)	(60,320)	-5.3%
Net Other Nonoperating Adjustments	15,693,757	14,490,272	1,203,485	8.3%
Adjusted Income (Loss)	3,926,991	4,204,560	(277,569)	-6.6%
Adjusted Margin (as a percentage)	3.7%	4.5%		
Investment Gains (Losses)	(138,042)	(70,047)	(67,995)	-97.1%
Adjusted Income (Loss) with Investment Gains (Losses)	\$3,788,949	\$4,134,513	(\$345,564)	-8.4%
Adjusted Margin % with Investment Gains (Losses)	3.6%	4.4%		

UNAUDITED
The University of Texas at Dallas
Comparison of Operating Results and Margin
For the Seven Months Ending March 31, 2006

	March Year-to-Date FY 2006	March Year-to-Date FY 2005	Variance	Fluctuation Percentage
Operating Revenues				
Student Tuition and Fees	\$63,082,539	\$58,494,075	\$4,588,464	7.8%
Sponsored Programs	26,370,875	25,590,182	780,693	3.1%
Net Sales and Services of Educational Activities	3,308,044	2,954,433	353,611	12.0%
Net Auxiliary Enterprises	3,676,026	3,619,202	56,824	1.6%
Other Operating Revenues	3,779,934	3,332,836	447,098	13.4%
Total Operating Revenues	100,217,418	93,990,728	6,226,690	6.6%
Operating Expenses				
Salaries and Wages	74,187,913	65,795,841	8,392,072	12.8%
Employee Benefits and Related Costs	14,567,887	12,823,131	1,744,756	13.6%
Professional Fees and Contracted Services	2,193,967	2,594,780	(400,813)	-15.4%
Other Contracted Services	5,102,172	3,652,387	1,449,785	39.7%
Scholarships and Fellowships	26,586,115	24,900,825	1,685,290	6.8%
Travel	1,666,599	1,587,649	78,950	5.0%
Materials and Supplies	9,569,493	7,692,414	1,877,079	24.4%
Utilities	3,710,172	3,214,960	495,212	15.4%
Telecommunications	1,010,367	838,338	172,029	20.5%
Repairs and Maintenance	3,252,766	2,693,315	559,451	20.8%
Rentals and Leases	345,311	477,243	(131,932)	-27.6%
Printing and Reproduction	832,813	700,344	132,469	18.9%
Federal Sponsored Programs Pass-Thrus	144,613	293,922	(149,309)	-50.8%
Depreciation and Amortization	8,612,000	7,245,836	1,366,164	18.9%
Other Operating Expenses	4,939,369	4,013,646	925,723	23.1%
Total Operating Expenses	156,721,557	138,524,631	18,196,926	13.1%
Operating Loss	(56,504,139)	(44,533,903)	(11,970,236)	-26.9%
Other Nonoperating Adjustments				
State Appropriations	43,911,403	41,690,232	2,221,171	5.3%
Gift Contributions for Operations	5,506,886	3,082,289	2,424,597	78.7%
Net Investment Income	2,477,976	1,654,120	823,856	49.8%
Long Term Fund Distribution	4,291,851	3,929,797	362,054	9.2%
Interest Expense on Capital Asset Financings	(2,479,672)	(1,859,989)	(619,683)	-33.3%
Net Other Nonoperating Adjustments	53,708,444	48,496,449	5,211,995	10.7%
Adjusted Income (Loss)	(2,795,695)	3,962,546	(6,758,241)	-170.6%
Adjusted Margin (as a percentage)	-1.8%	2.7%		
Investment Gains (Losses)	(875,399)	(376,676)	(498,723)	-132.4%
Adjusted Income (Loss) with Investment Gains (Losses)	(\$3,671,094)	\$3,585,870	(\$7,256,964)	-202.4%
Adjusted Margin % with Investment Gains (Losses)	-2.4%	2.5%		

UNAUDITED
The University of Texas at El Paso
Comparison of Operating Results and Margin
For the Seven Months Ending March 31, 2006

	March Year-to-Date FY 2006	March Year-to-Date FY 2005	Variance	Fluctuation Percentage
Operating Revenues				
Student Tuition and Fees	\$48,034,609	\$43,239,896	\$4,794,713	11.1%
Sponsored Programs	52,757,673	50,559,435	2,198,238	4.3%
Net Sales and Services of Educational Activities	2,060,810	1,888,424	172,386	9.1%
Net Auxiliary Enterprises	16,305,347	14,465,044	1,840,303	12.7%
Other Operating Revenues	16,999	8,407	8,592	102.2%
Total Operating Revenues	119,175,438	110,161,206	9,014,232	8.2%
Operating Expenses				
Salaries and Wages	69,930,085	65,292,999	4,637,086	7.1%
Employee Benefits and Related Costs	16,419,747	14,908,163	1,511,584	10.1%
Professional Fees and Contracted Services	2,627,175	2,093,547	533,628	25.5%
Other Contracted Services	6,853,689	6,380,030	473,659	7.4%
Scholarships and Fellowships	39,019,719	38,724,557	295,162	0.8%
Travel	3,051,713	3,200,380	(148,667)	-4.6%
Materials and Supplies	13,334,814	11,605,341	1,729,473	14.9%
Utilities	4,232,093	3,435,733	796,360	23.2%
Telecommunications	384,929	697,874	(312,945)	-44.8%
Repairs and Maintenance	2,289,493	1,971,619	317,874	16.1%
Rentals and Leases	1,439,495	986,885	452,610	45.9%
Printing and Reproduction	676,788	571,848	104,940	18.4%
Federal Sponsored Programs Pass-Thrus	926,240	233,694	692,546	296.3%
Depreciation and Amortization	7,673,146	5,441,039	2,232,107	41.0%
Other Operating Expenses	3,069,663	2,775,676	293,987	10.6%
Total Operating Expenses	171,928,789	158,319,385	13,609,404	8.6%
Operating Loss	(52,753,351)	(48,158,179)	(4,595,172)	-9.5%
Other Nonoperating Adjustments				
State Appropriations	47,777,240	45,196,720	2,580,520	5.7%
Gift Contributions for Operations	3,369,965	2,973,442	396,523	13.3%
Net Investment Income	2,444,023	1,637,720	806,303	49.2%
Long Term Fund Distribution	2,521,823	2,423,638	98,185	4.1%
Interest Expense on Capital Asset Financings	(2,207,576)	(2,250,416)	42,840	1.9%
Net Other Nonoperating Adjustments	53,905,475	49,981,104	3,924,371	7.9%
Adjusted Income (Loss)	1,152,124	1,822,925	(670,801)	-36.8%
Adjusted Margin (as a percentage)	0.7%	1.1%		
Investment Gains (Losses)	(363,029)	(112,559)	(250,470)	-222.5%
Adjusted Income (Loss) with Investment Gains (Losses)	\$789,095	\$1,710,366	(\$921,271)	-53.9%
Adjusted Margin % with Investment Gains (Losses)	0.5%	1.1%		

UNAUDITED
The University of Texas-Pan American
Comparison of Operating Results and Margin
For the Seven Months Ending March 31, 2006

	March Year-to-Date FY 2006	March Year-to-Date FY 2005	Variance	Fluctuation Percentage
Operating Revenues				
Student Tuition and Fees	\$37,908,622	\$32,950,676	\$4,957,946	15.0%
Sponsored Programs	49,474,270	49,671,060	(196,790)	-0.4%
Net Sales and Services of Educational Activities	3,217,305	3,261,472	(44,167)	-1.4%
Net Auxiliary Enterprises	1,876,020	4,384,660	(2,508,640)	-57.2%
Other Operating Revenues	632,731	550,173	82,558	15.0%
Total Operating Revenues	93,108,948	90,818,041	2,290,907	2.5%
Operating Expenses				
Salaries and Wages	48,036,636	44,684,865	3,351,771	7.5%
Employee Benefits and Related Costs	11,639,519	10,218,121	1,421,398	13.9%
Professional Fees and Contracted Services	470,870	363,070	107,800	29.7%
Other Contracted Services	2,258,376	2,403,873	(145,497)	-6.1%
Scholarships and Fellowships	46,463,150	45,198,498	1,264,652	2.8%
Travel	1,359,676	1,266,920	92,756	7.3%
Materials and Supplies	5,315,248	7,843,910	(2,528,662)	-32.2%
Utilities	3,413,960	3,004,266	409,694	13.6%
Telecommunications	450,728	587,934	(137,206)	-23.3%
Repairs and Maintenance	651,532	1,025,139	(373,607)	-36.4%
Rentals and Leases	481,074	324,484	156,590	48.3%
Printing and Reproduction	359,448	399,145	(39,697)	-9.9%
Federal Sponsored Programs Pass-Thrus	50,748	4,495	46,253	1,029.0%
Depreciation and Amortization	7,050,841	6,409,855	640,986	10.0%
Other Operating Expenses	2,757,191	2,859,171	(101,980)	-3.6%
Total Operating Expenses	130,758,997	126,593,746	4,165,251	3.3%
Operating Loss	(37,650,049)	(35,775,705)	(1,874,344)	-5.2%
Other Nonoperating Adjustments				
State Appropriations	37,703,353	34,223,418	3,479,935	10.2%
Gift Contributions for Operations	1,111,324	1,087,940	23,384	2.1%
Net Investment Income	1,177,291	1,026,992	150,299	14.6%
Long Term Fund Distribution	598,914	483,001	115,913	24.0%
Interest Expense on Capital Asset Financings	(1,641,773)	(1,444,856)	(196,917)	-13.6%
Net Other Nonoperating Adjustments	38,949,109	35,376,495	3,572,614	10.1%
Adjusted Income (Loss)	1,299,060	(399,210)	1,698,270	425.4%
Adjusted Margin (as a percentage)	1.0%	-0.3%		
Investment Gains (Losses)	(148,518)	(81,309)	(67,209)	-82.7%
Adjusted Income (Loss) with Investment Gains (Losses)	\$1,150,542	(\$480,519)	\$1,631,061	339.4%
Adjusted Margin % with Investment Gains (Losses)	0.9%	-0.4%		

UNAUDITED
The University of Texas of the Permian Basin
Comparison of Operating Results and Margin
For the Seven Months Ending March 31, 2006

	March Year-to-Date FY 2006	March Year-to-Date FY 2005	Variance	Fluctuation Percentage
Operating Revenues				
Student Tuition and Fees	\$7,204,633	\$6,372,646	\$831,987	13.1%
Sponsored Programs	4,125,996	3,937,686	188,310	4.8%
Net Sales and Services of Educational Activities	124,171	178,761	(54,590)	-30.5%
Net Auxiliary Enterprises	1,344,535	1,066,717	277,818	26.0%
Other Operating Revenues	170,502	174,624	(4,122)	-2.4%
Total Operating Revenues	12,969,837	11,730,434	1,239,403	10.6%
Operating Expenses				
Salaries and Wages	9,239,891	8,659,433	580,458	6.7%
Employee Benefits and Related Costs	2,134,048	2,087,933	46,115	2.2%
Professional Fees and Contracted Services	500,094	595,369	(95,275)	-16.0%
Other Contracted Services	446,617	442,384	4,233	1.0%
Scholarships and Fellowships	6,396,765	6,415,595	(18,830)	-0.3%
Travel	443,010	325,408	117,602	36.1%
Materials and Supplies	1,413,406	1,264,202	149,204	11.8%
Utilities	1,096,663	926,103	170,560	18.4%
Telecommunications	324,154	243,298	80,856	33.2%
Repairs and Maintenance	326,888	320,263	6,625	2.1%
Rentals and Leases	164,514	161,753	2,761	1.7%
Printing and Reproduction	170,766	148,894	21,872	14.7%
Depreciation and Amortization	1,565,550	1,432,508	133,042	9.3%
Other Operating Expenses	495,657	507,388	(11,731)	-2.3%
Total Operating Expenses	24,718,023	23,530,531	1,187,492	5.0%
Operating Loss	(11,748,186)	(11,800,097)	51,911	0.4%
Other Nonoperating Adjustments				
State Appropriations	9,999,745	9,138,829	860,916	9.4%
Gift Contributions for Operations	2,697,167	1,077,363	1,619,804	150.3%
Net Investment Income	141,366	74,122	67,244	90.7%
Long Term Fund Distribution	361,408	342,248	19,160	5.6%
Interest Expense on Capital Asset Financings	(1,103,088)	(1,030,197)	(72,891)	-7.1%
Net Other Nonoperating Adjustments	12,096,598	9,602,365	2,494,233	26.0%
Adjusted Income (Loss)	348,412	(2,197,732)	2,546,144	115.9%
Adjusted Margin (as a percentage)	1.3%	-9.8%		
Investment Gains (Losses)	30,309	30,936	(627)	-2.0%
Adjusted Income (Loss) with Investment Gains (Losses)	\$378,721	(\$2,166,796)	\$2,545,517	117.5%
Adjusted Margin % with Investment Gains (Losses)	1.4%	-9.7%		

UNAUDITED
The University of Texas at San Antonio
Comparison of Operating Results and Margin
For the Seven Months Ending March 31, 2006

	March Year-to-Date FY 2006	March Year-to-Date FY 2005	Variance	Fluctuation Percentage
Operating Revenues				
Student Tuition and Fees	\$90,709,292	\$78,794,908	\$11,914,384	15.1%
Sponsored Programs	49,889,493	46,787,081	3,102,412	6.6%
Net Sales and Services of Educational Activities	2,856,450	2,865,670	(9,220)	-0.3%
Net Auxiliary Enterprises	9,057,604	10,249,791	(1,192,187)	-11.6%
Other Operating Revenues	1,759,027	528,320	1,230,707	232.9%
Total Operating Revenues	154,271,866	139,225,770	15,046,096	10.8%
Operating Expenses				
Salaries and Wages	83,797,182	75,510,353	8,286,829	11.0%
Employee Benefits and Related Costs	20,113,284	17,377,779	2,735,505	15.7%
Professional Fees and Contracted Services	1,836,163	1,810,401	25,762	1.4%
Other Contracted Services	1,413,805	1,587,918	(174,113)	-11.0%
Scholarships and Fellowships	43,979,149	43,656,686	322,463	0.7%
Travel	3,115,936	2,147,231	968,705	45.1%
Materials and Supplies	13,610,673	11,402,370	2,208,303	19.4%
Utilities	6,143,744	3,855,680	2,288,064	59.3%
Telecommunications	1,525,961	1,594,486	(68,525)	-4.3%
Repairs and Maintenance	3,505,562	3,353,739	151,823	4.5%
Rentals and Leases	1,289,357	1,497,787	(208,430)	-13.9%
Printing and Reproduction	536,424	749,084	(212,660)	-28.4%
Federal Sponsored Programs Pass-Thrus	1,607,265	2,062,220	(454,955)	-22.1%
Depreciation and Amortization	13,107,578	8,092,040	5,015,538	62.0%
Other Operating Expenses	2,642,533	2,608,110	34,423	1.3%
Total Operating Expenses	198,224,616	177,305,884	20,918,732	11.8%
Operating Loss	(43,952,750)	(38,080,114)	(5,872,636)	-15.4%
Other Nonoperating Adjustments				
State Appropriations	57,154,241	48,376,454	8,777,787	18.1%
Gift Contributions for Operations	4,212,882	1,694,376	2,518,506	148.6%
Net Investment Income	2,068,673	1,443,631	625,042	43.3%
Long Term Fund Distribution	965,282	869,442	95,840	11.0%
Interest Expense on Capital Asset Financings	(5,893,039)	(5,419,727)	(473,312)	-8.7%
Net Other Nonoperating Adjustments	58,508,039	46,964,176	11,543,863	24.6%
Adjusted Income (Loss)	14,555,289	8,884,062	5,671,227	63.8%
Adjusted Margin (as a percentage)	6.7%	4.6%		
Investment Gains (Losses)	626,460	(196,736)	823,196	418.4%
Adjusted Income (Loss) with Investment Gains (Losses)	\$15,181,749	\$8,687,326	\$6,494,423	74.8%
Adjusted Margin % with Investment Gains (Losses)	6.9%	4.5%		

UNAUDITED
The University of Texas at Tyler
Comparison of Operating Results and Margin
For the Seven Months Ending March 31, 2006

	March Year-to-Date FY 2006	March Year-to-Date FY 2005	Variance	Fluctuation Percentage
Operating Revenues				
Student Tuition and Fees	\$13,123,810	\$11,177,502	\$1,946,308	17.4%
Sponsored Programs	6,021,455	6,050,350	(28,895)	-0.5%
Net Sales and Services of Educational Activities	516,651	390,019	126,632	32.5%
Net Auxiliary Enterprises	2,070,874	1,585,678	485,196	30.6%
Other Operating Revenues	79,722	79,337	385	0.5%
Total Operating Revenues	21,812,512	19,282,886	2,529,626	13.1%
Operating Expenses				
Salaries and Wages	16,751,998	15,422,261	1,329,737	8.6%
Employee Benefits and Related Costs	4,074,140	3,504,827	569,313	16.2%
Professional Fees and Contracted Services	823,207	842,523	(19,316)	-2.3%
Other Contracted Services	1,412,344	1,606,638	(194,294)	-12.1%
Scholarships and Fellowships	7,534,030	7,565,416	(31,386)	-0.4%
Travel	599,122	517,670	81,452	15.7%
Materials and Supplies	2,002,928	2,613,322	(610,394)	-23.4%
Utilities	727,239	559,359	167,880	30.0%
Telecommunications	279,979	260,444	19,535	7.5%
Repairs and Maintenance	897,985	535,110	362,875	67.8%
Rentals and Leases	144,085	262,653	(118,568)	-45.1%
Printing and Reproduction	330,050	313,282	16,768	5.4%
Depreciation and Amortization	2,909,606	2,673,678	235,928	8.8%
Other Operating Expenses	577,412	531,519	45,893	8.6%
Total Operating Expenses	39,064,125	37,208,702	1,855,423	5.0%
Operating Loss	(17,251,613)	(17,925,816)	674,203	3.8%
Other Nonoperating Adjustments				
State Appropriations	17,473,416	15,202,159	2,271,257	14.9%
Gift Contributions for Operations	471,391	476,881	(5,490)	-1.2%
Net Investment Income	587,081	339,429	247,652	73.0%
Long Term Fund Distribution	1,340,234	1,298,990	41,244	3.2%
Interest Expense on Capital Asset Financings	(1,258,395)	(1,057,108)	(201,287)	-19.0%
Net Other Nonoperating Adjustments	18,613,727	16,260,351	2,353,376	14.5%
Adjusted Income (Loss)	1,362,114	(1,665,465)	3,027,579	181.8%
Adjusted Margin (as a percentage)	3.3%	-4.6%		
Investment Gains (Losses)	(13,361)	(1,820)	(11,541)	-634.1%
Adjusted Income (Loss) with Investment Gains (Losses)	\$1,348,753	(\$1,667,285)	\$3,016,038	180.9%
Adjusted Margin % with Investment Gains (Losses)	3.2%	-4.6%		

UNAUDITED
The University of Texas Southwestern Medical Center at Dallas
Comparison of Operating Results and Margin
For the Seven Months Ending March 31, 2006

	March Year-to-Date FY 2006	March Year-to-Date FY 2005	Variance	Fluctuation Percentage
Operating Revenues				
Student Tuition and Fees	\$11,096,530	\$10,351,995	\$744,535	7.2%
Sponsored Programs	222,889,022	217,157,619	5,731,403	2.6%
Net Sales and Services of Educational Activities	8,474,333	10,391,421	(1,917,088)	-18.4%
Net Sales and Services of Hospitals	163,240,270	66,091,144	97,149,126	147.0%
Net Professional Fees	141,409,435	140,541,430	868,005	0.6%
Net Auxiliary Enterprises	10,118,337	9,100,236	1,018,101	11.2%
Other Operating Revenues	3,706,590	5,725,312	(2,018,722)	-35.3%
Total Operating Revenues	560,934,517	459,359,157	101,575,360	22.1%
Operating Expenses				
Salaries and Wages	339,705,833	282,854,344	56,851,489	20.1%
Employee Benefits and Related Costs	92,109,482	76,453,293	15,656,189	20.5%
Professional Fees and Contracted Services	7,966,902	7,107,449	859,453	12.1%
Other Contracted Services	36,426,998	34,411,082	2,015,916	5.9%
Scholarships and Fellowships	5,231,927	5,571,355	(339,428)	-6.1%
Travel	4,410,894	4,232,668	178,226	4.2%
Materials and Supplies	96,327,181	71,379,511	24,947,670	35.0%
Utilities	14,236,342	10,992,032	3,244,310	29.5%
Telecommunications	3,859,291	3,846,970	12,321	0.3%
Repairs and Maintenance	6,947,639	5,096,293	1,851,346	36.3%
Rentals and Leases	7,503,001	5,769,837	1,733,164	30.0%
Printing and Reproduction	1,537,806	1,500,536	37,270	2.5%
Federal Sponsored Programs Pass-Thrus	293,724	203,381	90,343	44.4%
Depreciation and Amortization	31,044,252	24,263,634	6,780,618	27.9%
Other Operating Expenses	33,784,932	24,095,511	9,689,421	40.2%
Total Operating Expenses	681,386,204	557,777,896	123,608,308	22.2%
Operating Loss	(120,451,687)	(98,418,739)	(22,032,948)	-22.4%
Other Nonoperating Adjustments				
State Appropriations	85,644,113	68,030,264	17,613,849	25.9%
Gift Contributions for Operations	16,620,994	26,503,346	(9,882,352)	-37.3%
Net Investment Income	20,633,381	16,436,118	4,197,263	25.5%
Long Term Fund Distribution	15,611,401	14,555,084	1,056,317	7.3%
Interest Expense on Capital Asset Financings	(11,757,555)	(8,580,450)	(3,177,105)	-37.0%
Net Other Nonoperating Adjustments	126,752,334	116,944,362	9,807,972	8.4%
Adjusted Income (Loss)	6,300,647	18,525,623	(12,224,976)	-66.0%
Adjusted Margin (as a percentage)	0.9%	3.2%		
Investment Gains (Losses)	(965,438)	1,892,723	(2,858,161)	-151.0%
Adjusted Income (Loss) with Investment Gains (Losses)	\$5,335,209	\$20,418,346	(\$15,083,137)	-73.9%
Adjusted Margin % with Investment Gains (Losses)	0.8%	3.5%		

UNAUDITED
The University of Texas Medical Branch at Galveston
Comparison of Operating Results and Margin
For the Seven Months Ending March 31, 2006

	March Year-to-Date <u>FY 2006</u>	March Year-to-Date <u>FY 2005</u>	<u>Variance</u>	<u>Fluctuation Percentage</u>
Operating Revenues				
Student Tuition and Fees	\$7,840,365	\$7,439,489	\$400,876	5.4%
Sponsored Programs	123,741,341	117,829,001	5,912,340	5.0%
Net Sales and Services of Hospitals	397,239,610	389,394,531	7,845,079	2.0%
Net Professional Fees	66,917,887	61,201,434	5,716,453	9.3%
Net Auxiliary Enterprises	5,202,741	4,733,914	468,827	9.9%
Other Operating Revenues	14,833,219	12,712,702	2,120,517	16.7%
Total Operating Revenues	<u>615,775,163</u>	<u>593,311,071</u>	<u>22,464,092</u>	<u>3.8%</u>
Operating Expenses				
Salaries and Wages	428,017,402	409,249,732	18,767,670	4.6%
Employee Benefits and Related Costs	114,942,184	109,999,110	4,943,074	4.5%
Professional Fees and Contracted Services	25,472,123	24,355,692	1,116,431	4.6%
Other Contracted Services	36,061,711	35,805,636	256,075	0.7%
Scholarships and Fellowships	4,059,347	3,041,098	1,018,249	33.5%
Travel	3,652,429	3,367,083	285,346	8.5%
Materials and Supplies	98,439,569	107,336,162	(8,896,593)	-8.3%
Utilities	17,795,855	13,128,883	4,666,972	35.5%
Telecommunications	7,891,087	7,627,751	263,336	3.5%
Repairs and Maintenance	18,494,283	16,443,990	2,050,293	12.5%
Rentals and Leases	7,435,807	6,583,866	851,941	12.9%
Printing and Reproduction	1,207,950	1,040,211	167,739	16.1%
Federal Sponsored Programs Pass-Thrus	2,906,995	2,097,294	809,701	38.6%
Depreciation and Amortization	29,548,917	29,038,590	510,327	1.8%
Other Operating Expenses	41,728,295	44,228,240	(2,499,945)	-5.7%
Total Operating Expenses	<u>837,653,954</u>	<u>813,343,338</u>	<u>24,310,616</u>	<u>3.0%</u>
Operating Loss	<u>(221,878,791)</u>	<u>(220,032,267)</u>	<u>(1,846,524)</u>	<u>-0.8%</u>
Other Nonoperating Adjustments				
State Appropriations	168,079,622	162,986,012	5,093,610	3.1%
Gift Contributions for Operations	3,575,253	2,534,166	1,041,087	41.1%
Net Investment Income	11,431,194	10,582,561	848,633	8.0%
Long Term Fund Distribution	7,429,113	7,279,731	149,382	2.1%
Interest Expense on Capital Asset Financings	(3,436,696)	(1,842,015)	(1,594,681)	-86.6%
Net Other Nonoperating Adjustments	<u>187,078,486</u>	<u>181,540,455</u>	<u>5,538,031</u>	<u>3.1%</u>
Adjusted Income (Loss)	(34,800,305)	(38,491,812)	3,691,507	9.6%
Adjusted Margin (as a percentage)	-4.3%	-5.0%		
Investment Gains (Losses)	(1,145,113)	(573,842)	(571,271)	-99.6%
Adjusted Income (Loss) with Investment Gains (Losses)	(\$35,945,418)	(\$39,065,654)	\$3,120,236	8.0%
Adjusted Margin % with Investment Gains (Losses)	-4.5%	-5.0%		

UNAUDITED
The University of Texas Health Science Center at Houston
Comparison of Operating Results and Margin
For the Seven Months Ending March 31, 2006

	March Year-to-Date FY 2006	March Year-to-Date FY 2005	Variance	Fluctuation Percentage
Operating Revenues				
Student Tuition and Fees	\$10,934,550	\$10,229,414	\$705,136	6.9%
Sponsored Programs	156,964,515	139,402,819	17,561,696	12.6%
Net Sales and Services of Educational Activities	19,441,605	14,468,935	4,972,670	34.4%
Net Sales and Services of Hospitals	17,242,167	19,936,808	(2,694,641)	-13.5%
Net Professional Fees	63,084,396	62,663,507	420,889	0.7%
Net Auxiliary Enterprises	11,302,873	10,406,973	895,900	8.6%
Other Operating Revenues	18,364,575	20,143,510	(1,778,935)	-8.8%
Total Operating Revenues	297,334,681	277,251,966	20,082,715	7.2%
Operating Expenses				
Salaries and Wages	187,216,052	180,671,438	6,544,614	3.6%
Employee Benefits and Related Costs	41,406,340	39,902,589	1,503,751	3.8%
Professional Fees and Contracted Services	31,541,654	31,349,534	192,120	0.6%
Other Contracted Services	22,282,929	17,037,702	5,245,227	30.8%
Scholarships and Fellowships	1,587,978	1,198,092	389,886	32.5%
Travel	2,949,395	2,694,480	254,915	9.5%
Materials and Supplies	29,740,319	25,644,487	4,095,832	16.0%
Utilities	6,183,774	4,987,778	1,195,996	24.0%
Telecommunications	1,701,675	1,877,844	(176,169)	-9.4%
Repairs and Maintenance	2,491,450	1,777,062	714,388	40.2%
Rentals and Leases	8,091,438	7,547,006	544,432	7.2%
Printing and Reproduction	2,290,225	3,006,547	(716,322)	-23.8%
Bad Debt Expense	1,400	0	1,400	100.0%
Federal Sponsored Programs Pass-Thrus	3,526,695	3,308,345	218,350	6.6%
Depreciation and Amortization	12,948,554	9,503,796	3,444,758	36.2%
Other Operating Expenses	28,711,868	25,717,618	2,994,250	11.6%
Total Operating Expenses	382,671,746	356,224,318	26,447,428	7.4%
Operating Loss	(85,337,065)	(78,972,352)	(6,364,713)	-8.1%
Other Nonoperating Adjustments				
State Appropriations	89,166,041	87,839,276	1,326,765	1.5%
Gift Contributions for Operations	16,024,817	14,745,171	1,279,646	8.7%
Net Investment Income	7,646,938	5,818,208	1,828,730	31.4%
Long Term Fund Distribution	2,547,955	2,016,973	530,982	26.3%
Interest Expense on Capital Asset Financings	(6,651,467)	(5,520,824)	(1,130,643)	-20.5%
Net Other Nonoperating Adjustments	108,734,284	104,898,804	3,835,480	3.7%
Adjusted Income (Loss)	23,397,219	25,926,452	(2,529,233)	-9.8%
Adjusted Margin (as a percentage)	5.7%	6.7%		
Investment Gains (Losses)	(1,649,421)	(427,939)	(1,221,482)	-285.4%
Adjusted Income (Loss) with Investment Gains (Losses)	\$21,747,798	\$25,498,513	(\$3,750,715)	-14.7%
Adjusted Margin % with Investment Gains (Losses)	5.3%	6.6%		

UNAUDITED
The University of Texas Health Science Center at San Antonio
Comparison of Operating Results and Margin
For the Seven Months Ending March 31, 2006

	March Year-to-Date FY 2006	March Year-to-Date FY 2005	Variance	Fluctuation Percentage
Operating Revenues				
Student Tuition and Fees	\$10,829,831	\$10,208,333	\$621,498	6.1%
Sponsored Programs	110,838,767	105,693,595	5,145,172	4.9%
Net Sales and Services of Educational Activities	3,413,484	1,794,034	1,619,450	90.3%
Net Professional Fees	50,650,241	47,666,845	2,983,396	6.3%
Net Auxiliary Enterprises	1,599,866	1,483,860	116,006	7.8%
Other Operating Revenues	29,589,299	28,572,549	1,016,750	3.6%
Total Operating Revenues	206,921,488	195,419,216	11,502,272	5.9%
Operating Expenses				
Salaries and Wages	158,727,611	148,266,791	10,460,820	7.1%
Employee Benefits and Related Costs	35,899,373	34,733,970	1,165,403	3.4%
Professional Fees and Contracted Services	7,597,747	7,038,812	558,935	7.9%
Other Contracted Services	8,766,726	8,429,162	337,564	4.0%
Scholarships and Fellowships	2,196,226	1,699,524	496,702	29.2%
Travel	2,280,657	2,308,881	(28,224)	-1.2%
Materials and Supplies	16,317,966	13,383,179	2,934,787	21.9%
Utilities	5,293,473	3,878,434	1,415,039	36.5%
Telecommunications	5,477,848	5,178,191	299,657	5.8%
Repairs and Maintenance	1,229,358	1,154,428	74,930	6.5%
Rentals and Leases	1,616,234	1,318,630	297,604	22.6%
Printing and Reproduction	915,814	912,847	2,967	0.3%
Federal Sponsored Programs Pass-Thrus	409,889	234,660	175,229	74.7%
Depreciation and Amortization	12,308,333	10,791,667	1,516,666	14.1%
Other Operating Expenses	56,506,165	51,621,295	4,884,870	9.5%
Total Operating Expenses	315,543,420	290,950,471	24,592,949	8.5%
Operating Loss	(108,621,932)	(95,531,255)	(13,090,677)	-13.7%
Other Nonoperating Adjustments				
State Appropriations	88,722,101	85,195,048	3,527,053	4.1%
Gift Contributions for Operations	9,271,894	11,584,620	(2,312,726)	-20.0%
Net Investment Income	13,847,945	11,311,621	2,536,324	22.4%
Long Term Fund Distribution	2,317,705	2,135,511	182,194	8.5%
Interest Expense on Capital Asset Financings	(4,204,729)	(4,011,608)	(193,121)	-4.8%
Net Other Nonoperating Adjustments	109,954,916	106,215,192	3,739,724	3.5%
Adjusted Income (Loss)	1,332,984	10,683,937	(9,350,953)	-87.5%
Adjusted Margin (as a percentage)	0.4%	3.5%		
Investment Gains (Losses)	(1,585,854)	152,836	(1,738,690)	-1,137.6%
Adjusted Income (Loss) with Investment Gains (Losses)	(\$252,870)	\$10,836,773	(\$11,089,643)	-102.3%
Adjusted Margin % with Investment Gains (Losses)	-0.1%	3.5%		

UNAUDITED
The University of Texas M. D. Anderson Cancer Center
Comparison of Operating Results and Margin
For the Seven Months Ending March 31, 2006

	March Year-to-Date FY 2006	March Year-to-Date FY 2005	Variance	Fluctuation Percentage
Operating Revenues				
Student Tuition and Fees	\$222,844	\$125,406	\$97,438	77.7%
Sponsored Programs	130,941,622	121,404,562	9,537,060	7.9%
Net Sales and Services of Educational Activities	1,310,345	1,051,804	258,541	24.6%
Net Sales and Services of Hospitals	847,186,763	721,685,119	125,501,644	17.4%
Net Professional Fees	133,956,622	131,295,326	2,661,296	2.0%
Net Auxiliary Enterprises	13,481,570	10,519,870	2,961,700	28.2%
Other Operating Revenues	11,200,922	12,317,945	(1,117,023)	-9.1%
Total Operating Revenues	1,138,300,688	998,400,032	139,900,656	14.0%
Operating Expenses				
Salaries and Wages	587,338,650	541,782,152	45,556,498	8.4%
Employee Benefits and Related Costs	155,418,463	139,974,711	15,443,752	11.0%
Professional Fees and Contracted Services	45,574,678	47,115,867	(1,541,189)	-3.3%
Other Contracted Services	36,059,122	33,790,036	2,269,086	6.7%
Travel	8,837,012	8,245,392	591,620	7.2%
Materials and Supplies	231,219,741	200,426,594	30,793,147	15.4%
Utilities	33,311,170	18,584,496	14,726,674	79.2%
Telecommunications	4,654,296	3,479,758	1,174,538	33.8%
Repairs and Maintenance	22,988,026	19,916,025	3,072,001	15.4%
Rentals and Leases	17,315,116	16,355,626	959,490	5.9%
Printing and Reproduction	0	2,882	(2,882)	-100.0%
Federal Sponsored Programs Pass-Thrus	443,733	547,294	(103,561)	-18.9%
Depreciation and Amortization	96,829,620	68,396,634	28,432,986	41.6%
Other Operating Expenses	1,614,632	828,366	786,266	94.9%
Total Operating Expenses	1,241,604,259	1,099,445,833	142,158,426	12.9%
Operating Loss	(103,303,571)	(101,045,801)	(2,257,770)	-2.2%
Other Nonoperating Adjustments				
State Appropriations	92,308,049	85,318,544	6,989,505	8.2%
Gift Contributions for Operations	36,687,008	34,124,532	2,562,476	7.5%
Net Investment Income	20,364,093	25,751,569	(5,387,476)	-20.9%
Long Term Fund Distribution	7,844,482	7,125,346	719,136	10.1%
Interest Expense on Capital Asset Financings	(14,590,200)	(9,958,530)	(4,631,670)	-46.5%
Net Other Nonoperating Adjustments	142,613,432	142,361,461	251,971	0.2%
Adjusted Income (Loss)	39,309,861	41,315,660	(2,005,799)	-4.9%
Adjusted Margin (as a percentage)	3.0%	3.6%		
Investment Gains (Losses)	5,798,172	(2,380,360)	8,178,532	343.6%
Adjusted Income (Loss) with Investment Gains (Losses)	\$45,108,033	\$38,935,300	\$6,172,733	15.9%
Adjusted Margin % with Investment Gains (Losses)	3.5%	3.4%		

UNAUDITED
The University of Texas Health Center at Tyler
Comparison of Operating Results and Margin
For the Seven Months Ending March 31, 2006

	March Year-to-Date FY 2006	March Year-to-Date FY 2005	Variance	Fluctuation Percentage
Operating Revenues				
Sponsored Programs	\$8,215,964	\$5,762,951	\$2,453,013	42.6%
Net Sales and Services of Educational Activities	620,690	609,150	11,540	1.9%
Net Sales and Services of Hospitals	26,731,587	28,254,593	(1,523,006)	-5.4%
Net Professional Fees	7,136,898	6,245,407	891,491	14.3%
Net Auxiliary Enterprises	151,089	427,973	(276,884)	-64.7%
Other Operating Revenues	1,537,135	2,443,418	(906,283)	-37.1%
Total Operating Revenues	44,393,363	43,743,492	649,871	1.5%
Operating Expenses				
Salaries and Wages	34,755,766	35,768,494	(1,012,728)	-2.8%
Employee Benefits and Related Costs	8,658,148	9,199,252	(541,104)	-5.9%
Professional Fees and Contracted Services	2,900,543	3,991,321	(1,090,778)	-27.3%
Other Contracted Services	4,284,491	4,140,589	143,902	3.5%
Travel	288,801	374,262	(85,461)	-22.8%
Materials and Supplies	9,068,045	9,283,367	(215,322)	-2.3%
Utilities	1,757,935	1,185,469	572,466	48.3%
Telecommunications	351,729	297,177	54,552	18.4%
Repairs and Maintenance	1,462,179	1,339,801	122,378	9.1%
Rentals and Leases	763,091	701,184	61,907	8.8%
Printing and Reproduction	96,880	475,956	(379,076)	-79.6%
Federal Sponsored Programs Pass-Thrus	335,485	278,843	56,642	20.3%
Depreciation and Amortization	4,671,615	4,155,784	515,831	12.4%
Other Operating Expenses	1,756,744	1,864,671	(107,927)	-5.8%
Total Operating Expenses	71,151,452	73,056,170	(1,904,718)	-2.6%
Operating Loss	(26,758,089)	(29,312,678)	2,554,589	8.7%
Other Nonoperating Adjustments				
State Appropriations	22,643,898	21,786,881	857,017	3.9%
Gift Contributions for Operations	460,430	4,231,741	(3,771,311)	-89.1%
Net Investment Income	1,878,673	1,725,261	153,412	8.9%
Long Term Fund Distribution	100,033	70,253	29,780	42.4%
Interest Expense on Capital Asset Financings	(555,156)	(230,318)	(324,838)	-141.0%
Net Other Nonoperating Adjustments	24,527,878	27,583,818	(3,055,940)	-11.1%
Adjusted Income (Loss)	(2,230,211)	(1,728,860)	(501,351)	-29.0%
Adjusted Margin (as a percentage)	-3.2%	-2.4%		
Investment Gains (Losses)	(8,724)	61,530	(70,254)	-114.2%
Adjusted Income (Loss) with Investment Gains (Losses)	(\$2,238,935)	(\$1,667,330)	(\$571,605)	-34.3%
Adjusted Margin % with Investment Gains (Losses)	-3.2%	-2.3%		



THE UNIVERSITY OF TEXAS SYSTEM

Update on Energy Savings Initiatives

May 10, 2006



Energy Utility Task Force (EUTF)

- The EUTF was created by the Board of Regents in February 2001 to evaluate and recommend strategies for U. T. System institutions to:
 1. *Reduce energy consumption*
 2. *Better manage commodity price risk*
 3. *Leverage System-wide purchasing power*
- In order to facilitate the achievement of these goals, a series of recommendations and energy consumption reduction goals were presented to the Board of Regents in November 2001.
- Energy Management Plans were completed by each institution in Fiscal Year 2002. These serve as the “road map” for accomplishing the objectives of the EUTF. All plans were updated during Fiscal Year 2005.

2



Fiscal Year 2005 Energy Utility Task Force Headlines

- A 5.0% - 10.0% reduction in System-wide energy use per square foot was targeted by the EUTF for Fiscal Year 2006. The current Fiscal Year 2005 estimate shows a 5.2% reduction from baseline levels.
- A 10.0% - 15.0% reduction in System-wide energy use per square foot is targeted for Fiscal Year 2011.
- Based on the 5.2% reduction in energy utilization per square foot, the U. T. System has saved \$33.5 million on energy costs since Fiscal Year 2001*.
- If the U. T. System can achieve the lower end of the target range of a 10% reduction in energy use per square foot by Fiscal Year 2011, the U. T. System will have saved a total of \$122.5 million over a ten-year period of time*.

* As compared to the cost that would have been incurred if energy use per square foot had remained at FY 2001 levels.

3



Fiscal Year 2005 EUTF Headlines (cont.)

- Several dozen discrete energy conservation projects were completed in Fiscal Year 2005. These projects range in size from a few thousand dollars to \$25 million.
- The U. T. System institutions now have a portfolio of fixed and index-based (floating) utility contracts which have served to moderate the recent increases in energy utility prices.
- Electricity and natural gas aggregation continues to reap significant benefits for U. T. System institutions.

4



Executive Order RP-49

- On October 27, 2005, the Governor's Office issued Executive Order RP-49 which, among other things, asks each state agency to develop a plan for conserving energy and to set a percentage goal for reducing its usage of energy.
- In response to Executive Order RP-49, the U. T. System institutions have updated their existing Energy Management Plans. These Energy Management Plans contain the elements of the Resource Efficiency Plan as required by 34 *Texas Administrative Code* Section 19.14, as well as a "Fleet Fuel Management Plan" as requested by the Governor's Office.
- The Energy Management Plans contain specific action items intended to reduce energy consumption at each U. T. System institution, pursuant to the goals established by the Energy Utility Task Force of the U. T. System.

5



Executive Order RP-49 *(continued)*

- Executive Order RP-49 formalizes what the Board of Regents initiated in 2001.
 - The "energy conservation plans" referred to in RP-49 were first developed by the U. T. System (U. T. System calls them Energy Management Plans) and adopted by the State Energy Conservation Office in 2002.
 - The concept of percentage savings goals was established by the U. T. System in 2001 based on the Energy Utilization Index (EUI), and incorporated into the Energy Management Plans.
 - The U. T. System now has more than 10 years of good historical energy data by institution.

6



Executive Order RP-49 *(continued)*

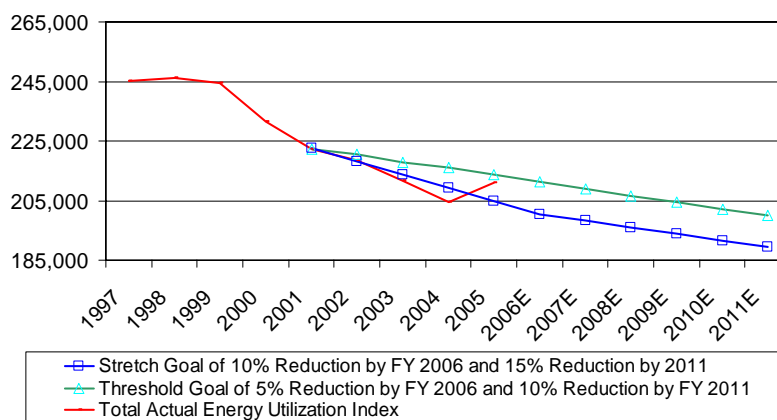
- Executive Order RP-49 requires quarterly reporting.
- The first quarterly report was submitted to the Governor's Office in April 2006 and can be found in the Supplemental Materials (Volume 2) of the Agenda Book.
- The first quarterly report details hundreds of energy savings activities that are ongoing at U. T. System institutions. These activities include comprehensive lighting retrofits, the replacement of outdated HVAC equipment, innovative procurement and contracting initiatives, modifications to campus vending machines, and major construction projects designed to save energy.

7



Updated Energy Utilization Index (EUI)

(Btu / ft² / fiscal year)

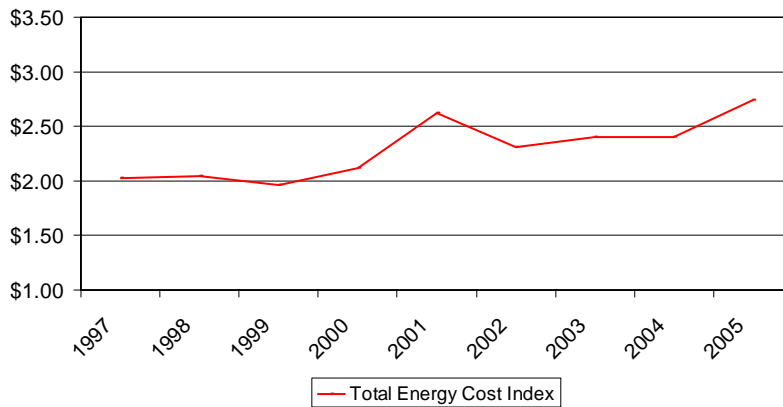


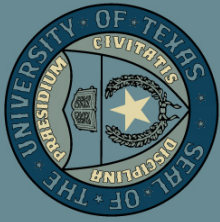
8



Updated Energy Cost Index (ECI)

(\$ / ft² / fiscal year)





U. T. System Energy Consumption and Costs

Fiscal Year	Purchased Energy						Totals					
	Electricity Usage (Kwh)	Natural Gas Usage (Mcf)	Electricity Cost (\$/Kwh)	Natural Gas Cost (\$/Mcf)	Total Electricity Cost	Total Natural Gas Cost	Other Energy (MMBtu)	Other Energy Cost	Total Energy Cost	Gross Square Footage	Total Energy Utilization Index (Btu / ft2 / yr.)	Total Energy Cost Index (\$ / ft2 / yr.)
1997	929,746,528	6,773,047	\$0.045	\$2.74	\$41,591,080	\$18,539,034	27,059	\$ 24,583,570	\$ 97,767,351	48,182,721	244,161	\$2.03
1998	1,003,307,037	7,146,175	\$0.045	\$2.72	\$45,026,159	\$19,451,796	49,426	\$ 26,131,767	\$ 101,093,039	49,657,076	245,876	\$2.04
1999	1,006,136,057	6,972,357	\$0.044	\$2.48	\$44,763,535	\$17,305,073	28,863	\$ 25,298,997	\$ 99,614,128	50,881,399	243,204	\$1.96
2000	1,059,087,750	7,057,246	\$0.046	\$3.40	\$48,672,004	\$24,017,260	7,804	\$ 27,862,519	\$ 114,201,844	53,881,962	234,887	\$2.12
2001	1,054,912,766	7,173,448	\$0.057	\$5.95	\$60,041,513	\$42,701,958	13,640	\$ 28,682,667	\$ 149,020,315	56,944,770	223,851	\$2.62
2002	1,084,142,327	7,161,616	\$0.056	\$3.82	\$61,167,838	\$27,316,386	9,853	\$ 31,269,056	\$ 136,272,824	58,815,769	218,459	\$2.31
2003	1,111,095,048	6,938,533	\$0.056	\$5.02	\$61,916,189	\$34,414,715	13,551	\$ 30,863,465	\$ 144,883,219	60,303,662	211,740	\$2.40
2004	1,164,660,799	7,544,840	\$0.056	\$5.03	\$65,579,540	\$37,984,849	12,200	\$ 36,653,919	\$ 159,593,014	66,486,836	204,603	\$2.40
2005	1,258,637,788	7,371,448	\$0.060	\$6.07	\$75,741,696	\$44,765,854	10,339	\$ 36,859,499	\$ 185,506,966	67,631,028	210,829	\$2.74

Executive Order RP-49
Quarterly Report for U.T. System – April 2006

I. By April 14, 2006, each agency shall submit an Update to its Energy Conservation Plan to the Office of the Governor and Legislative Budget Board. This update shall, at a minimum, provide the following information:

- A. The extent to which the agency has met the percentage goal it established for reducing its usage of electricity, gasoline, and natural gas;**

U. T. System Response: The U. T. System has been collecting extensive energy data from its 15 institution on annual basis since 2001. The next annual data collection cycle is in October 2006.

- B. The steps the agency may take to increase the percentage goal for reducing its usage of electricity, gasoline, and natural gas;**

U. T. System Response: The U. T. System reported its energy conservation goals in December 2005. These goals already include a “stretch” goal of reducing energy consumption per square foot by 5 – 10% by FYE 2006 and 10 – 15% by FYE 2011.

- C. Any additional ideas the agency has for reducing energy expenditures relating to facilities;**

- D. Any additional ideas the agency has to minimize fuel usage in all vehicles and equipment used by the agency.**

U. T. System Response to Questions C and D:

(See attached information)

Posting of Update to State Agency Energy Savings Program

Each agency shall post all quarterly progress reports on its website under the common heading “State Agency Energy Savings Program.” Copies of quarterly updates should be sent to the following:

energysavings@governor.state.tx.us

dgeiger@governor.state.tx.us

Legislative Budget Board
P.O. Box 12666
Austin, TX 78711

Previously submitted by the Office of Finance as a Report to the State, April 11, 2006

Selected Achievements at U. T. System Institutions -- Quarter Ended March 31, 2006

1. U. T. Arlington

An energy performance contract was signed with Siemens Building Technologies, Inc. Siemens conducted an energy audit of each building to determine the feasibility of additional utility savings to establish a performance contract in which they will guarantee that utility savings will be sufficient to pay back the amount of the contract within the time frame agreed. Siemens projects the simple payback for this project to be a favorable 7.82 years with an implementation cost of \$17,864,144

The following items, while helpful in addressing facility infrastructure, are recommended as a result of Siemens analysis based on utility cost savings, and operation and maintenance (O&M) savings:

Comprehensive Lighting Retrofits

This measure involves retrofitting existing inefficient lighting systems in several buildings located throughout The University of Texas at Arlington with new energy-efficient lighting equipment.

Occupancy Sensor EMS Input

The utilization of the occupancy sensors installed in conjunction with the lighting retrofits will vary the temperature set points depending on whether the space is occupied or unoccupied.

Transformer Upgrade

The campus has electrical transformers located in most major buildings to reduce voltage for building use. Most were built in the 1970s and 1980s and can be replaced with more efficient units that reduce energy losses and improve reliability.

Campus Steam Traps

Siemens recommends that The University of Texas at Arlington replace existing mechanical traps that have failed with new mechanical traps. In some cases, traps will be resized to match appropriate steam loads.

High Efficiency Motor Upgrades

The campus has a number of opportunities for replacing larger, older motors on fans and pumps with new, more efficient motors. This measure replaces the motors at the Fine Arts Building. Energy efficient motors quickly pay for themselves in lower energy costs and reduce maintenance.

Window Solar Film

A survey of all the buildings at The University of Texas at Arlington determined that the installation of window film on the windows would reduce the solar heat transmitted to the building space, thus decreasing cooling energy use.

EMS Recommissioning

The campus energy management system has been in place many years and has been useful in monitoring and controlling energy use, however, the facilities have seen changes in use over time in occupancy, use or schedules, and the energy management system will be notably improved with a Recommissioning, or “tune-up.” Replacing the energy management system control panels with newer models, which incorporate system enhancements not available on the existing system, will also be part of the recommissioning.

Vending Machines

A device which has the capability to sense activity in the immediate area will be installed on each vending machine to reduce energy consumption in times of inactivity, if no activity is sensed in the area, the lighting remains off and the compressor runs only to maintain the desired product temperature.

Nanofab Chiller

The Nanofab Building has a 170-ton connected load to the campus chilled water loop that requires 42°F water for internal processes. Installing a small chiller to cool the water to the required 42°F will result in large energy savings at the TEP of a chilled-water exchanger. The required chiller size is only 70 tons since it is only required to cool water at the inlet of the building from 46°F to 42°F.

TEP Heat Exchanger

The Thermal Energy Plant (TEP) will benefit from increasing the existing heat exchanger capacity from an existing 2,000 tons to 4,000 tons of free cooling. In combination with the Nanofab Chiller measure, additional free cooling hours can be utilized.

ATI Heat Pump Unit Replacement

The ATI Building heat pump equipment has essentially reached the end of its useful life. Building energy consumption will be greatly improved and more reliable with a significant reduction in maintenance costs by replacing these units with new, more efficient equipment.

Computing Center Cooling Equipment Replacement

The computing center will benefit by replacing the existing, obsolete Liebert CRAC units and chillers with new, more efficient units designed for cooling computer equipment rooms.

Stadium Chiller Replacement

The existing air-cooled split chiller system at the Stadium office/classroom facility will be replaced with a new, more efficient chiller to reduce operating energy costs and to reduce maintenance and operations costs.

Previously submitted by the Office of Finance as a Report to the State, April 11, 2006

Wetsel Building Chiller Replacement

The air-cooled chiller at the Wetsel Building is near the end of its useful life, and will be replaced with a newer, more efficient chiller to reduce operating energy costs and to reduce maintenance and operations costs.

Satellite Chiller

The current additions to the campus have increased the chilled-water pumping requirements and future scheduled construction will place further demand on the system. Adding a satellite chiller system with up to 4,000 tons of capacity will provide energy savings, back-up capacity, and defer expensive piping and pumping infrastructure projects that will be needed to support the growing campus loads.

Swift Center Rooftop Unit Replacements

Rooftop air conditioning units in the North wing are older models, and are in need of replacement. Significantly reduced maintenance costs and improvements in reliability will result from these upgrades.

Texas Hall

The Texas Hall has three air handling units that are well beyond their useful lives. The existing units will be replaced with like-for-like systems. Temtrol air handling units and coils are proposed for this measure.

Air Mixing Box Modifications

Air mixing boxes in the Engineering Lab Building, Geoscience Building, Life Science Building, and Hammond/Trimble Hall buildings are constant volume, and do not allow full utilization of the variable frequency drives on the air handlers in these buildings. Replacing these air mixing boxes and installing local temperature control will result in delivering to each zone the air volumes needed for conditioning, and minimize excessive energy use. In addition, many of the existing mixing boxes are old and require frequent maintenance. This measure will significantly reduce maintenance costs and improvements in reliability will result from these upgrades.

Conclusion

A third party, Carter & Burgess Inc., has been hired by UT Arlington to evaluate Siemens report and its findings and to make recommendations to UT Arlington. They have in fact reviewed Siemens' report and are in agreement with that report and are currently drafting their own report for the benefit of THECB, which will first be sent to OFPC for approval by the Board of Regents. Carter & Burgess Inc, will also review the final contract once it is completed and before signing by UT Arlington and Siemens to implement the recommended projects

This is the progress made to date as of the close of the first quarter of 2006 (3/31/2006).

Previously submitted by the Office of Finance as a Report to the State, April 11, 2006

2. U. T. Permian Basin

UTPB was the recipient of \$26,200 from TXU Electric Delivery for installation of gas water heaters in Student Housing Phase III units.

3. U. T. Health Science Center Houston

- UTHSCH has achieved a more than 15 percent reduction in chilled water consumption at the School of Nursing and Student Community Center. There has also been a noticeable reduction in electricity consumption as well as natural gas at the School of Nursing. This is due to the innovative cascade control processes being implemented in the building automation system by the Controls and Utilities Group. Similar processes have been implemented at the University Center Tower and the School of Public Health which have resulted in energy savings that follow the same trend.
- The Controls and Utilities Group will be conducting occupancy studies after the population at the Medical School Building becomes stable. The data provided by these studies will be used to design and implement control strategies that will allow for utilities conservation while maintaining the environmental standards required by research protocols.
- The University Center Tower will be retrofitted with variable air volume systems in order to reduce building chilled water consumption, natural gas, and electrical energy consumption related to HVAC applications. This project will be used as a pilot for other similar projects on campus.

4. U. T. El Paso

Conservation Measures Project Implementation Schedule

- Update: Phase-2 of the Energy Conservation project is 10% complete and is scheduled to be completed by November of 2006.
- New Conservation measure: In addition to the lighting retrofits included in the Energy Conservation Project, in-house electricians have concurrently been converting incandescent lighting to fluorescent and metal halide lighting to provide more lumens (light output) while using less energy. This in-house effort will be completed by August 2006.
- New Conservation measure: We have entered an agreement with Pepsi Co. to retrofit about 150 Pepsi vending machines scattered throughout campus with an energy conservation device called Vending Miser. Installation of the Vending Miser devices should be completed by June 2006. Estimated energy savings are \$26,582 per year

Project Implementation Update

- UTEP has several major construction projects underway. The new Biosciences Research Building will increase the university building area by about 54,400 square feet and

Previously submitted by the Office of Finance as a Report to the State, April 11, 2006

completion of the shell space is scheduled for October of 2006. The completion of the 2nd floor shell space in the new Engineering Annex in September, 2006 will increase the university building space by about 12,316 square feet. Construction on a new 2,000 car parking garage has commenced in January 2006 with a scheduled completion date in May 2007.

5. U. T. Brownsville/ Texas Southmost College

- Upgraded 10 outdated and inefficient a/c condensing units
- Replaced 140 inefficient light fixtures with new 2 x 4 layins/T-8 fixtures
- New request approved for replacement: new 1000 ton chiller unit to replace two 500 ton 30+ year old chillers
- New idea request / pending review: building programmer for campus a/c control
- Capital project request / pending review: replacement of existing two 250 ton, 20 year old chillers with new more efficient model

6. U. T. San Antonio

Energy savings initiatives currently under evaluation or in progress include the following:

- Computer energy savings software by Verdiem can shut off or place campus computers on low power if not in use. Software under consideration can shut off computers at a set time and place computers in hibernate if not used within a predetermined amount of time. Initial talk with software supplier and IT help desk has been initiated and further research needed to determine if worth pursuing.
- Fume hood efficiency upgrade by Accu Aire Controls, Inc. under consideration. Fume hood retrofit to campus fume hoods would limit the exhaust of conditioned air when hood is not in use for a predetermined amount of time. Further research is underway to determine if this particular upgrade is a cost feasible option.
- Building envelope upgrades & repairs to various buildings including the Humanities & Social Sciences Buildings and Arts Building are in progress to minimize energy losses. Work entails upgrading insulation value of roofing systems from R8 to R20 and replacing caulk joints to prevent air leakage.
- Thermal Energy Plant II Project currently under design will provide the capability to run a 1,250 Ton chiller utilizing a standby generator thereby allowing the campus to reduce its electrical peak.
- A commissioning process of the building systems at the Biotechnologies, Sciences, & Engineering Building is in progress to ensure systems are operating properly and at optimal efficiency.

7. U. T. Health Center Tyler

The UTHCT Energy Management Plan includes multiple strategies and actions for reducing energy use. Work activity from these initiatives is as follows:

- On-going routine maintenance activities to optimize equipment operating efficiency.
- Chiller major maintenance overhaul (5 year)- Two have been completed and a third is in progress.
- Boiler major maintenance overhaul and install controls to integrate into the building energy management system- in progress.
- Cooling tower cleaning.
- Elevator controls upgrades- seven of eight elevators have been completed.
- Installation of variable frequency drives on cooling towers.
- Replaced 300' section of natural gas line.
- Completed engineering study for impact of water pressure increase by water district on domestic water system.
- Employee education in utility conservation.
- Relocated receiving and distribution function to main area of service to reduce fuel consumption.

8. U. T. Austin

A. Energy Procurement

UT Austin continues to work with the General Land Office to establish a more effective approach for natural gas procurement.

B. Energy Production

Utilities and Energy management has partially completed one boiler upgrade project which has produced energy savings in excess of the engineering estimates

C. Energy Demand

UT Austin is moving forward with the implementation of lighting retrofit and steam trap renovation projects. Initial analysis has been completed and funding has been requested to move forward with full implementation. Estimated start date is June 2006.

D. Energy Sales

UT Austin has had preliminary discussions with Austin Energy regarding the possible sale of energy and is moving forward in this area. Actual energy sales depend on several factors and are not likely to occur prior to January 2007.

E. Fleet Fuel Management

- Our goal this year was to improve overall fuel economy by 1.2% from 11.36 MPG last year to 11.50 MPG this year. Through the second quarter, the University is exceeding the goal averaging 11.7 MPG, a 3% improvement over last year.
- Our energy savings plan targeted three areas – proper maintenance, efficient driving habits, and intelligent purchasing practices. Fleet management has taken steps to ensure PMI schedules are followed, and good driving habits to improve fuel economy have been communicated to our drivers. Although we have not ordered a significant number of new vehicles during this time period, the University has paid close attention to purchasing the right size vehicle with the best fuel economy for the assignment.
- This past year the University studied a plan to implement a life cycle program that would reduce the average age of the fleet from 10.5 to 5 years. Over time, the program would modernize the fleet and take advantage of new technologies thus providing additional opportunities to improve fuel economy. The plan also includes a reduction in the fleet size giving more opportunities to sell some of the older, less fuel efficient vehicles. If the University decides to implement all, or a portion of the plan's recommendations, overall fuel economy should improve.
- One significant achievement by Physical Plant was accomplished when they recently commissioned a new propane fueling facility at our location on Manor Road. This has provided users with a lower cost alternative fuel (\$1.59/gallon) at a convenient location for the University as well as other agencies in the area.

Another Physical Plant initiative was realized in the purchasing of 15 GEM cars (electric utility carts) to transport staff around the campus instead of ordering larger gasoline vehicles. These electric carts will not only reduce gasoline consumption, but will also be more environmentally friendly.

9. U. T. Southwestern Medical Center

Maintenance:

- Chilled water temperature resets in several buildings completed.
- Lighting timers added in some mechanical rooms.
- Outside lights running continuously, repaired.
- Repair of steam traps for Y building in progress and replacement of condensate return pumps in Y building complete.
- Funding Approved for irrigation audit to improve efficiency.
- Campus RPZ replacement in progress.
- B building PRV station complete.
- K&G Hot water convertor replacement has been bid out.
- NA/NB/NC Humidifier valves replaced.
- Steam valve replacements on North Campus.

Previously submitted by the Office of Finance as a Report to the State, April 11, 2006

Procurement:

- Natural Gas contract consultant on board, MDA lead in procurement process.
- Electrical contract consultant RFP to go out by end of March.
- Emergency Load Management contract for load shedding w/TXU increase in terms this year, contract complete by end of Q3.

Teaming and Training:

- Physical plant energy task force meeting monthly to discuss accomplishments including, commodity procurement, capital project progress, maintenance, and various initiatives.

Additional Ideas:

- SECO Audit by Carter Burgess completed.
- Vending Machine Energy Optimizer was added to the list.
- Chilled water pump insulation was recommended.
- Additional Heat recovery recommended.
- Low flow Plumbing fixture retrofit recommended....very long payback.
- Variable pumping and piping changes in plant....very long payback.
- Recommended that window upgrades, motor replacements and solar panels NOT be implemented.

Capital Projects:

- Rerouting of K courtyard steam piping. Completed.
- Secondary pumping project bid out.
- Rerouting of steam piping in STEP bid out.
- Electrical Metering project in Progress, expected completion of installation by April 1. Additional funding for conglomeration of data in capital que for fiscal 2007.
- G 15kv switchgear installed. Transfer of load in funding que for 2007.
- P building ductbank replacement in progress.
- Boiler replacement for STEP Programming Phase in design.
- Dealkalizer replacement for STEP in design.
- L building Chilled water pump replacement in progress, expected completion by end of third quarter.
- Insulation replacement project in progress, 20% .
- Utility Tunnel Engineering Justification in progress.

10. U. T. Pan American

Conservation Initiatives

1. Optimize building automation systems
 - After adding the Haggard off-campus facility to the building automation system, chiller and air handler schedules have been added to turn off air conditioning equipment after-hours and partially on week-ends.
 - Are revising air handler schedules for several buildings on and off-campus to take advantage of cool temperatures.
 - Have begun to use the occupied/unoccupied temperature set-back features for VAV boxes campus-wide.
 - Improved hot water system graphic is helping to decrease natural gas boiler consumption.
 - Lowered boiler turn on temperature set point from 65°F down to 63°F for several buildings on campus.
 - New layout graphic of the Education Complex shows air conditioning zones for energy conservation and improved temperature control.
 - Installed pneumatic to electronic transducers for two more air handlers on campus. This is to allow air handler monitoring and control from cooling plant.
2. Improve cooling plant operator monitoring and control
 - Developing procedures for operator training and accountability.
 - Cooling plant recently hired two replacement operators. Their 6-month basic training period is coming to an end next month.
3. Add meters to measure consumption data and interface to building automation system
4. Establish Power Teams and begin energy conservation and awareness training, including fuel efficient operating practices
 - The energy conservation office has been coordinating with the department of health and safety, building supervisors, and the custodial department to prepare weekly and week-end air conditioning shutdown and set-back schedules.
 - Energy awareness training for building supervisors is scheduled for the Spring of 2006.
5. Initiate a utilities awareness publicity campaign around the theme of conserving energy and natural resources
6. Continue development of energy conservation policy and procedures
 - The energy conservation office in coordination with the planning and new construction wing of physical plant, OFPC, and central scheduling is actively pursuing a utilities charge-back program to monitor utility meters and set rates for outside contractors that use UTPA utilities and organizations that use UTPA facilities.

Previously submitted by the Office of Finance as a Report to the State, April 11, 2006

7. Conduct preliminary utility audits in selected buildings and implement energy conservation measures
 - Added an electronic controller to shut down cooling tower fan at the Haggard off-campus facility. The fan had been running continuously. Control feedback is based on condenser water return temperature.
8. Chill water process improvements
9. Investigate adding VFD's for selected applications
10. Investigate occupancy sensor applications
11. Investigate the replacement of pneumatic controls with direct digital controls
12. Investigate the acquisition of low water use devices. Prototype in selected space(s).
13. Maintain energy conservation web page
14. Plan to order power factor correction capacitors for the main campus to avoid utility penalty.

Operations and maintenance initiatives

- Process improvements in building automation, cooling plant, HVAC, lighting, water, sewer, and vehicle O&M. For example, identify early warning indicators to help quickly identify problems that may result in excess energy consumption.
- For the last 7 week-ends, we have been modifying week-end schedules and have saved 3500 air handler hours by turning off air handlers during unoccupied periods.
- Within the last two weeks, we began to schedule setback temperatures from 72°F to 78°F for VAV boxes that are in unoccupied mode for selected buildings.
- We have been expanding items (a) and (b) above to include week-days and an increasing number of spaces and equipment.
- Engineering technician submits weekly air conditioning savings report which we are using to improve operations and to promote accountability.
- Energy manager is investigating possible entry into electric utility's demand load shedding program

Institute a training program to make sure that energy-influencing staff understands the importance of energy conservation and the role system optimization plays.

- Plan to provide formal building automation training to 3 or 4 cooling plant staff members
- Energy manager and lead operator plan to attend formal cooling plant design and operations training.

Review and prioritize calibration plan for sensors and control devices

- Re-instituted calibration log sheet.

Implementation of the building automation system's calibration plan is dependent on the hiring of a full time building automation technician for this purpose. Therefore, the priority is to develop a point paper to demonstrate the need to hire such a person.

Capital investments

The following energy cost savings projects have been approved:

- New 2000 ton chiller to be online Summer FY'06 and to replace 600 ton chiller to be financed by HEAF monies.
- Chill water piping extension from cooling plant to service New Housing and Wellness Buildings to be financed by system revenue bonds. Project is complete.

The following projects are in the proposal stage:

- Air handler replacement in selected buildings
- Lighting retrofit program in selected buildings
- Phase out plan for non-serviceable building automation components
- Replace 10 vehicles for the vehicle fleet in FY'06.

Savings monitoring and evaluation plan

Plan to evaluate new software for items (a) and (b) below:

- Establish baseline consumption patterns
- Audit all utility and fuel invoices
- Ensure monitoring device reliability

Fleet Management

- By utilizing the physical plant's car pool program, we have been able to decrease the plant's need for more vehicles while allowing others to acquire the cars needed for their programs. In essence, the savings has not come from decreasing use of vehicles but rather a cost avoidance practice.

11. U.T. Dallas

- Currently our natural gas provider is the Texas General Land Office. We have not renewed our contract with them yet. We are planning to renew the contract when prices are lower.
- We have started a new program for outdoor lighting: Clean or replace the light fixture lenses, and trimmed adjacent trees to obtain higher light output from existing light fixtures in parking lots and street lighting. Doing so has prevented us from buying lamps with higher wattage and a doing new installations.
- We have started to investigate and we are actually planning the installation of solar powered light fixtures to provide illumination in new parking lots.
- We are seeking companies with experience in "performance contracting" energy savings projects.
- We will continue to use and install solar powered devices and LED's, which require less power, in traffic control devices (flashing beacons), emergency call systems, sprinkler systems, and outdoor dynamic color signs.

Previously submitted by the Office of Finance as a Report to the State, April 11, 2006

- We are replacing, faster than planned, vehicles and trucks for new carts. New carts consume much less gasoline.
- We have been improving the electric power factor by installing power factor correction devices –when feasible. Doing so, the efficiency of our electrical power system is greatly increased, translating in reduced electric power demand, thus reducing our electricity bill.

Capital Projects

- We are replacing eight (8), aging, and energy inefficient and non-code compliance buildings, with a total of more than 50,000 gross sq. ft.: greenhouse, storage rooms, (barrack), 2 barns, welding shop, cold frame and chemical (pesticide) storage. The new Facilities Management compound (series of new buildings will replace all buildings being demolished)
- We are renovating two (2) buildings, constructing one (1) new building and plan to renovate one (1) building, with a total of more 300,000 gross sq. ft. We are installing energy savings and highly efficient electrical machines (motors, generators, and chillers), HVAC and lighting systems. The buildings being renovated are: The Waterview Science and Technology and The Center for Brain Health. The new building being constructed is the Natural Science and Engineering Research Laboratory and the one planned to be renovated is the Founders building.
- We are also planning to install many outdoor light fixtures to cover the fast growing Main Campus. We are planning to install the most energy savings light fixtures controlled by computer system.
- New and efficient lamps and ballasts translate into reduced kw/h consumption and reduced AC usage since they output less heat; also it translates into fewer replacement parts and less manpower/salary costs.

Note: Some of the savings come from cost avoidance. The Main Campus has increased tremendously in the past 5 years.

12. M.D. Anderson

The installation of the 2005 CenterPoint rebate project is complete. CenterPoint Energy has awarded M. D. Anderson a conservation rebate of \$112,000 and an additional \$165,000 rebate is expected upon the completion of required measurement and verification activities.

2005 CenterPoint Rebate Projects				
<u>PCF Projects</u>	Annual Energy Savings	CenterPoint Rebate	Net Project Cost	Simple Payback (Years)
Alkek - Single Zone Resheave	\$1,050	\$1,175	\$3,810	3.6
FHB - Garage fixture replacement and photocells	\$88,936	\$102,121	\$97,287	1.1
Alkek - Primary pump bypass	\$66,431	\$74,307	\$12,934	0.2
Sub Total	\$156,417	\$177,603	\$114,031	0.7
<u>REF Projects</u>	Annual Energy Savings	CenterPoint Rebate	Net Project Cost	Simple Payback (Years)
CRB - Wrap around Energy Recovery (AHU 1-3)	\$124,690	\$34,040	\$313,737	2.5
EL-RIO - Lab vav conversion	\$40,800	\$42,500	\$127,450	3.1
BSRB lighting system-occupancy sensor installation	\$25,140	\$23,400	\$56,600	2.3
Sub Total	\$190,630	\$99,940	\$497,787	2.6
TOTAL FOR 2005	\$347,047	\$277,543	\$611,818	1.8

The following energy and water savings initiatives have been incorporated into the design of the 50,000 square foot South Campus Vivarium project.

- The general ventilation rate has been reduced from 20 to 15 air changes per hour saving \$110,000 annually
- Wrap around heat recovery was added to the air handlers saving \$50,000 annually
- Chilled water condensate will be recovered and used as tower water makeup saving \$20,000 annually.
- Projects to install chilled water bypasses on M. D. Anderson's primary chilled water pumps in facilities supplied by TECO have been added to 2006 CenterPoint rebate projects. These bypasses are expected to reduce pumping energy by \$100,000 annually.

Capital Projects

- The 5000 ton South Campus Central Chiller Plant remains on track for completion in 2Q07.
- 2006 CenterPoint Rebate Projects final application is on track for submission on 3/22/06.

Previously submitted by the Office of Finance as a Report to the State, April 11, 2006

13. UTHSC San Antonio

Contracts

- Previous attempts to purchase natural gas from the GLO or other third party have been unsuccessful due to local gas transportation and balancing issues. In lieu of procuring a third party contract, the UTHSCSA was able to negotiate with CPS Energy to exclude the 14% City tax on any natural gas costs above \$2.50 per Mcf. Based on recent historical gas prices, this is projected to save about \$400,000 annually.
- The HSC has completed the installation of electronic boiler controls in the Central Energy Plant to increase efficiency and meet emissions requirements.
- We are in the process of adding flue gas recirculation to Boiler Nos. 1 and 3 in the Central Energy Plant to further reduce emissions and increase operating efficiency of these two boilers.

Additional Energy Savings Considerations

- The current agreement with CPS Energy for purchasing natural gas is structured as a six year agreement with option to terminate after each year. We have asked the GLO to provide us a proposal at the end of this first year of obligation with CPS Energy (See No. 1 above) to determine if the GLO can provide natural gas at a better price.
- UTHSCSA engineers are going to initiate an investigation of the possibility of lowering the air change rates in many of the labs in the Medical School. If the internal heat loads and fume hood densities are low enough, we may be able to reduce to 8 – 10 air changes per hour, thus saving substantial amounts of thermal energy and fan energy.

14. U. T. Tyler

Significant impacts during past year and anticipated future impacts

1. Last year's impacts
 - Major savings by aggregating electrical contract
 - Major increase in natural gas prices
 - Constructed four (4) new major buildings
 - Constructed new lighted baseball and softball fields
 - Constructed two (2) lighted parking lots at FPAC and the Premier Soccer Field
 - Completed new energy management system for chilled water distribution piping systems
 - Below normal average summer temperatures
 - Avoided costs due to energy management initiatives
 - Replaced trucks with Kawasaki mules
2. Anticipated impacts this year

Previously submitted by the Office of Finance as a Report to the State, April 11, 2006

- Two (2) new variable speed drive 1,000 ton chillers
 - One (1) new 500 ton heat recovery chiller
 - New contract with natural gas provider in procurement with MCACC, UTSMCD, UTHCT
 - Campus wide energy conservation publicity campaign (42 member committee has been formed)
 - Three new major buildings (Bill Ratliff Engineering and Science Complex, North Power Plant and the Mr. And Mrs. Joseph Z. Ornelas Residence Hall - additional 240,637sq. ft.) will be completed and put into service
 - Projected future avoided costs by monitoring and metering electrical usage
 - One new major building will be designed (University Center Renovation/Expansion Phase I)
 - A new utility distribution system will be commissioned
 - Install power factor correction capacitor bank at main electrical distribution installed Jan 2006
 - New apartment overflow 70 space parking lot to be completed
3. Conservation initiatives
- Establish Power Teams in 14 buildings currently being implemented
 - Develop/review technical specifications for energy efficient motors, variable speed drives, lighting fixtures and lamps
 - Initiate a utilities awareness publicity campaign around the theme of conserving energy and natural resources in progress
 - Identify opportunities to consolidate activities and reduce energy consumption in resulting unoccupied spaces
 - Continuously monitor and measure building level consumption data
 - Reduce pneumatic controls with direct digital controls in all buildings
 - Discontinue electric hot water heaters in 8 buildings
4. Operations and maintenance initiatives (*examples*)
- Create maintenance energy teams with specific focus on maintenance activities that can conserve energy
 - Review and prioritize calibration plan for sensors and control devices
 - Institute a training program to make sure all mechanics and technicians understand the importance of energy conservation and the role system optimization plays
 - Identify early warning indicators in all buildings to help quickly identify problems that may result in excess energy consumption
 - Develop program to ensure system controllers are properly tuned
 - Install occupancy sensors in 12 public assembly spaces
 - Replace incandescent lamps with compact fluorescent lamps
5. Capital investments

Previously submitted by the Office of Finance as a Report to the State, April 11, 2006

- Utility Assessment Report
 - Performed energy audits in all buildings completed April 2006 by SECO engineering firm Estes McClure
 - Review energy consumption data to look for capital investment opportunities

- Energy Cost Savings Projects
 - Projects on CIP List
 - Constructed a new central plant with variable volume water distribution
 - Projects on Futures List
 - Other projects:
 - Implement an exit lighting retrofit program in 10 buildings
 - Review campus standard specs to ensure that energy efficient components and systems are included.
 - Require A/E consultants to describe and evaluate specific energy conservation measures of capital projects at programming stage
 - Retrofit Opportunities study completed March 2006, Investment cost: \$572,600 Estimated Savings:\$101,850, Simple Payback 5.6 years, see attached list: replace lamps and ballasts, daylighting controls, Replace Exit Lights, Replace Incandescent Lights, Convert Constant Volume Air Handlers to Variable Air Volume (VAV)

- Savings monitoring and evaluation plan
 - Establish baseline consumption patterns
 - Audit all utility bills to be completed by SECO vendor March 2006

This page intentionally left blank.

This page intentionally left blank.

This page intentionally left blank.

This page intentionally left blank.

This page intentionally left blank.

This page intentionally left blank.

This page intentionally left blank.

This page intentionally left blank.

This page intentionally left blank.

This page intentionally left blank.

This page intentionally left blank.

This page intentionally left blank.

This page intentionally left blank.

This page intentionally left blank.

This page intentionally left blank.

This page intentionally left blank.

This page intentionally left blank.

This page intentionally left blank.

The University of Texas at Brownsville and Texas Southmost College

**Compact with The University of Texas System
FY 2006 through FY 2007**

I. Introduction

Mission

The University of Texas at Brownsville in partnership with Texas Southmost College provides accessible, affordable postsecondary education of high quality, conducts research that expands knowledge and presents programs of workforce training, continuing education, public service, and cultural value to meet the needs of the community.

The UTB/TSC partnership offers certificates in technical programs and Associate's, Bachelor's, Master's and doctoral degrees designed to meet student demand and regional needs. UTB/TSC also supports the delivery of doctoral programs through cooperative agreements with other doctoral degree-granting institutions. (Note: UTB/TSC offers 21 Certificates, 16 Associate's, 35 Bachelor's, and 21 Master's degrees.)

UTB/TSC convenes the cultures of its community, fosters an appreciation of the unique heritage of the Lower Rio Grande Valley, and encourages the development and application of bilingual abilities in its students. It provides academic leadership to the intellectual, cultural, social, and economic life of the bi-national urban region it serves.

Students and Faculty

The 2005 spring enrollment of 12,090 is a 10% increase from the previous spring. Of those, 55% are part-time, 45% are full-time. The majority of our students (73%) reside in Brownsville.

With open admission, we are committed to teaching and developing students with a wide-range of college preparedness within an area that is one of the poorest economically. In fall 2003, 52% of entering freshmen required compensatory education, down from 78% in 1998. Almost 70% of our students receive grants, scholarships, and/or loans.

To keep pace with rapid student growth, many part-time faculty members have been added in recent years. Our full-time faculty members bring a wealth of knowledge from industrial technology to physics and gravitational wave astronomy.

Role in System, Region, and State

As the newest academic institution of the UT System, the Partnership offers an innovative way to serve one of the fastest growing regions in the state. The institution ranks among the top ten national producers of Hispanics graduating with bachelor's degrees in foreign language, mathematics, and investigative services. UTB/TSC plays a significant role in higher education opportunities for South Texas and a growing role in international partnerships with northern Mexico. The state's economic investment here multiplies many times over due to the impact of raising the educational attainment of a community.

II. Major Ongoing Priorities and Initiatives, short-term and long-term

The institution has developed five major ongoing short-term priorities to address the immediate needs in faculty and program growth. We want UTB/TSC students to grow personally and civically, and we want them to succeed in their academic goals within a reasonable time. Subsequently, facility and financial initiatives will be crucial to our overall success in accommodating enrollment growth on our campus.

A. Five Short-Term Priorities

Priority 1: Develop academic programs across disciplines.

Objective 1: Increase faculty to enhance existing and develop new degree programs.

If the number of part-time students is compared with full-time equivalent faculty, the ratio was 38 to 1 in FY 2005. This is a loss of ground in contrast to the FY 2004 ratio of 32 to 1. We require the same number of faculty, advisors, and other support personnel, irrespective of student credit load. Thus, the more traditional FTE faculty to FTE student ratio (18 to 1 in 2004) is a less meaningful measure of our capacity to serve students.

Strategy: For FY 2006, we must add at least 32 faculty members to accommodate the expected enrollment growth of about 9 percent, which helps UTB/TSC to meet the goals of *Closing the Gaps*. Faculty will be added across disciplines based on programmatic needs. Faculty applicants will be recruited through national, state, and local publications, conferences, and discipline-specific contacts.

Resources: Revenues from small tuition increases for FY 2006 will be used primarily for new faculty. In addition, we will budget on less conservative expectations for enrollment and continue to support the efforts of our faculty and staff to bring in federal dollars.

Progress Measures: For fall 2004, we met our goal and added 23 new faculty across colleges and schools. The faculty added in programs that attract funding have brought in new funding, submitted proposals, or have proposals in the pipeline. For example, five new faculty members in the College of Science, Mathematics and Technology have research agendas with strong grant funding potential.

The quantitative measure is that we will not lose ground in ratio of FTE faculty to student enrollment of 1:38.

To help new faculty develop their research and to strengthen the degree programs, faculty will have increased assistance in grant-writing and grant management in FY 2006 and 2007.

Major Obstacles: We cannot generate surplus revenues because of small classrooms and lack of graduate assistants, which limits how effectively we can utilize our faculty.

Objective 2: Increase academic program offerings.

This objective targets our ability to be more competitive when students choose a school that has the programs in which they are interested. Our institution plans to make progress in development and implementation, including faculty hiring, in the following programs in the next two years: an Associate of Arts in Teaching, a Bachelor's in Environmental Science, Masters' in Music, Accountancy, and Juvenile Justice, and Doctorates in Physics, Education and Biology.

Strategies: Act on the planning authority received from the UT System and the Texas Higher Education Coordinating Board for the programs. With recommendations from advisory committees, we will develop the proposals with an emphasis on financial sustainability and the value added to our region and state.

Resources: Every proposal submitted is prepared with a clear identification of the resources that will support the program. The programs have been chosen largely on the basis of a judicious assessment of resources.

Progress Measures: New programs approved and implemented in FY 2005 were a Master's in Public Policy and Management, Master's in Mathematics, a re-designed Master's in Nursing, and a Bachelor's in Communication. Each program has quality faculty, adequate enrollment, and increasing inquiries from potential students.

Progress for FY 2006 will be judged on the basis of program development and implementation. After implementation, progress will be assessed by student enrollment, retention, and graduation.

Major Obstacles: The lack of resources to subsidize new program development is the major obstacle to vigorous program development.

Objective 3: We will develop and/or implement four nationally recognized research centers in areas that emphasize the strengths of our faculty, the vitality of our region, and build on collaborations with UT System Institutions. These are the 1) Center for Gravitational Wave Astronomy; 2) Center for Biomedical Studies; 3) Center for Culture and Communication, and 4) Center for Early Childhood Studies.

The foundation for two of these centers already has been set, as noted in the Washington Advisory Group report of 2004. The Center for Gravitational Wave Astronomy has been *de facto* established with support from federal grants for several million dollars. The Center has an impressive outside advisory panel. The final draft for the official establishment of the Center is almost completed. The Center is working through the Department of Physics and Astronomy in collaborative efforts affording our students opportunities to work on their doctoral degrees with UTEP and UTD.

The Center for Biomedical Studies has been officially inaugurated. It has obtained several million dollars in funding from federal sources, and some of this has been in collaboration with the UT School of Public Health at Houston Regional Academic Health Center-Brownsville Campus. The Regional Dean of the Brownsville RAHC is a member of the Executive Committee, which includes our two science deans and members of the community. The proposed Center for Culture and Communication offers the potential for significant collaboration with UTPA and others through broadcasting and distance education that may be developed. This Center is still in the formative stage. A Center for Early Childhood Studies that will focus on understanding how children learn and provide training for future teachers is in the planning stage.

Strategies: Establishing and implementing these centers will require development of a Department of Science and Astronomy, collaboration with the Regional Academic Health Center, and creation of opportunities for cross-discipline research in bilingualism, communication, and culture. New faculty and staff hires will strengthen development and implementation of these Centers. We also plan to establish an advisory council on research to help coordinate our expanding research in a variety of fields. The council will be composed mostly of faculty involved in the research.

Resources: We will use federal grants to establish and operate the Centers and build their reputations. We also will work with Institutional Advancement and the UT System's Office of Federal Relations to identify and pursue new grants and private funding.

Progress Measures: Progress will be measured by the amount of external funding acquired to develop and implement the Centers and the quality of their faculty and staff. According to THECB Annual Report on Research Expenditures for 2003-2004, research expenditures in Medical Sciences at UTB/TSC amounted to \$1,144,134. Most of this work came through the Center for Biomedical Studies (CBS). This ranks UTB 6th out of 35 public universities in Texas.

The Center for Gravitational Wave Astronomy (CGWA) does work in both Physical Sciences and in Aerospace. According to the THECB report quoted above, research expenditures in Physical Sciences amounted to \$1,709,449 at UTB/TSC. This ranks UTB 8th among the 35 public universities. Research expenditures in Aerospace amounted to \$1,495,635, second only to UT Austin in the UT System, placing UTB/TSC among the top five institutions in the state.

Our measure was research funding, and it has been notable considering that we have no authorization to offer doctoral programs. We have made progress in establishing an infrastructure for research – from the expansion of the OSP to the establishment of protocols and appropriate committees to the preparation and approval of HOOP policies.

The implementation of the CGWA has been aggressive. We have hired two Ph.D. graduates from the California Institute of Technology – Dr. Richard Price, former Full Professor at the University of Utah and member of the Editorial Board of *Physical Review Letters*, and Dr. Frederic Jenet from the Jet Propulsion Laboratory. They have already brought in \$750,000 in research grants – \$500,000 from NASA and \$250,000 from the NSF. (This has been supported by success in other areas of Physics.) We have also recruited four postdoctoral researchers to support the activities of the Center.

Financial support for the Center came from an earlier multimillion dollar grant from NASA, and the only step short in the way of closure of the formal establishment of the Center is the need to align the NASA requirements, notably for the Advisory Board, to institutional policies on centers and institutes. The NASA grant approved a detailed development program, and this program is supervised by Dr. Mario Diaz.

The implementation of the Center for Biomedical Studies has been aggressive. In addition to developing HOOP policies and committees to support biomedical studies, we have recruited one new tenure track professor in the specialization of neuroscience and drug addiction from the University of Maryland and one new research associate faculty member. We are negotiating with another faculty member in the area of infectious disease. The community approved new bonds to support a package of facilities including a Center for Study and Outreach on the issues addressed by the CBS. There is a carefully outlined development path, and the person with responsibility to supervise this development is Dr. Luis Colom, Director of the Center and Chair of the Department of Biological Sciences.

The Center currently includes seven faculty members. During this coming fiscal year, it will add 3 new faculty members that the university has recently hired or is in the process of hiring.

One major achievement of CBS faculty was to be awarded in 2004 a \$3.5 million grant (Research Infrastructure for Minority Institutions) from the National Center for Minority Health and Health Disparities. This grant concentrates in improving biomedical research infrastructure at UTB/TSC and is centered in the CBS.

In addition, the number of CBS scientists funded by the Support for Continuous Research Excellence (SCORE) grant, awarded in 2003 to UTB/TSC by the Minority Biomedical Research Services division of the National Institute of General Medical Studies, went up from two to five.

In FY 2005, every member of the CBS has one or more funded research projects by federal agencies (NIH, DOD).

Infrastructure for biomedical research has been clearly improved. With the support of the institution and NIH funds, the first building dedicated to biomedical research is in the process to be completed. The building (M1) should be inaugurated this summer. A new \$5 million building to house eight state-of-the-art laboratories will be constructed adjacent to the Life and Health Science building. This building should be completed during the year 2008-2009.

Through NIH awards the CBS has been able to build new shared equipment facilities. This includes an imaging facility equipped with a confocal microscope and a fast calcium imaging system and a facility dedicated to proteomic and genomic analyses.

Faculty members are actively working toward agreements that will allow a collaborative doctoral program with UT Health Science Center-Houston. We consider this as an important step toward developing our own independent collaborative program.

The goals of the third center (Culture and Communication) were wider, ranging from the establishment of a Pre-Law Academy and the expansion of our Civic Engagement efforts to the development of programs in bilingual professional proficiency, environmental science, and public policy. All of those goals have been met, but there has been a severe lack of resources related to the range of the needs and the interests of the faculty in areas for which external funding has not been traditionally generous – although we have received an important federal Compassion Grant to work on our efforts on civic engagement and service learning in the revitalization of our neighborhood. These efforts are being focused towards the development of a research center related to the interrelation of cultural, biological, and environmental factors, drawing from expertise in the Schools of Education and Health, the science departments, including behavioral sciences, and our partnership with the School of Public Health.

The proposed Center for Culture and Communication is beginning to take shape with a focus on understanding the interplay of biology with culture. We will assemble an interdisciplinary group of scholars whose research encompasses a wide variety of fields: arts and social sciences, brain and child development, health disparities, criminology and law, journalism and mass communications, and language and border studies. Last fall, the Texas Southmost College District voted on a bond package that would finance four facilities that are directly linked to the unifying theme of biology and culture.

Progress for the Center for Early Childhood Studies will include completing a programmatic design for the proposed center in FY 2006.

Major Obstacles: The major obstacle will be the lack of faculty and staff to pursue external funding for development and implementation of the Centers.

Priority 2: Improve student support services and campus life programs to increase student success.

Improving student services and campus life is an ongoing initiative that targets the whole service area for recruitment and implements services to complement the students' needs for extracurricular activities.

Objective 1: Systematically recruit and retain students using university-wide human resources.

Strategies: Implementing the Enrollment Management Plan during 2005-2006, which details the roles of the campus community in recruiting and retaining students. This plan is designed to meet the *Closing the Gaps* student access and success targets. Improving online and in-person services to students and enhancing advising are planned components. Implementing student employment program as an incentive for full-time students to graduate quicker. The Counseling Center will implement an Early Alert Program in cooperation with faculty who will help identify students needing assistance with academic and/or personal situations.

Resources: Institutional resources have been identified to support the plan. Currently, work group budgets, grants, and student fees support the plan. Beginning fall 2004, a \$25 Advising Fee was required from all students. Proceeds from this fee were used to hire 11 new academic advisors. The additional staff reduced the full-time advisor-to-student ratio to 1 to 711.

Progress Measures: Components of the plan completed by April 2005 include hiring 11 new academic advisors with a newly established student fee, implementing electronic advising and an electronic waitlist, implementing First Year Success class in general education, and creating Go Centers/Info Shops to provide virtual and on-ground one-stop enrollment services for students. Also, Talisma Communication Management System software has been purchased and implemented, departmental brochures have been constructed, and financial aid workshops have been expanded to improve student recruitment. Target goals for student recruitment by major were developed by the Deans and Faculty.

By May 2006, additional scholarships will be available to facilitate student recruitment and retention, a marketing study will be conducted and a marketing plan implemented. UTB/TSC matched the South Texas Academic Rising Scholars Scholarship dollars to provide \$250,000 to students for the 2004-2005 Academic Year. A similar matching collaboration will provide \$500,000 in scholarships to students in 2005-2006.

Recruitment success will be measured by growth in the number of new first-time in college students and new transfer students as compared with the corresponding semester of the previous year.

Retention success will be measured by growth in upper level enrollment as compared with the corresponding semester of the previous year. Student satisfaction with advising and service sectors will be assessed. The increase in new first-time-in-college students in fall 2004 was 6.6% higher than in fall 2003. The growth in upper level semester credit hours in fall 2004 was 6.4% higher than in fall 2003. Student satisfaction with advising and service sectors increased slightly, according to the Noel Levitz Student Satisfaction Survey.

The success of the Early Alert Program will be measured by the cooperation of faculty in utilizing the service and in our ability to help students prior to academic probation or stopping out of college.

Major Obstacle: May lack resources for some of the components of the Enrollment Management Plan.

Objective 2: Increase health awareness and expand wellness and recreational activities and facilities.

Through the Office of Student Activities, we have built on increased participation in recreational sports and have begun to create a better understanding of wellness and its connection to personal and academic success. We benchmarked with other peer universities and reviewed their recreational facilities/services and determined their funding sources. A committee examined the information received from the research and recommended a student fee referendum to build a Wellness, Recreation, and Fitness Complex. The students passed the referendum, which has now been approved by the House of Representatives and the Senate for consideration of The University of Texas System Board of Regents.

In addition, voters in the Texas Southmost College District approved a bond referendum that will finance construction of a new health and exercise science building that includes a human performance laboratory. This new facility will enhance the teaching of health and wellness on campus.

Strategies: We are working with an architectural firm for the design and construction of the new Wellness, Recreation, and Fitness Complex and the health and exercise science building. We are working with local legislators to promote the Recreation and Fitness Complex.

Resources: Funding for the complex and related facilities will come from various sources, potentially student fees, local taxes, and state funding.

Progress Measures: Legislative approval for the student fee will be approved. We will see increased student participation in health and wellness activities each semester. Promotion material will be developed to include the Wellness, Recreation, and Fitness Complex in student recruitment. Designs for the new construction will be completed.

Major Obstacles: Lack of immediate results in improved fitness may deter some students from participating in wellness activities. Legislative support must be gained.

Objective 3: Increase retention and graduation rates across degree levels.

Strategies: We will design an institutional plan and programs to positively affect retention and timely graduation rates for our students. With support from grants UTB/TSC has received, we will support a strong peer mentoring program and strengthen the tutoring services. Counseling and specific services for our international and special population students will be enhanced. Intrusive guidance will be provided to help the students make informed choices as to career path selected.

Our STING Success Series is a semester-long freshman mentor and support program, which provides an introduction to college life, campus resources, and learning. Workshops aid students with techniques for success: motivation, time management, personal development, and study skills. The program facilitates and enhances an incoming freshman's transition from high school to college by assigning a peer mentor to a STING lab section (NCB 1000), which holds a cohort of students. The peer mentor responsibilities include serving as mentor/role model to first-time freshmen students by following their progress with grades, class attendance, and how they are coping with their transition to university life. We will sponsor job fairs to expose our students to relevant job market analysis.

Retention data for the past four years indicates that students who participate in STING are retained at a higher rate than incoming freshmen who do not attend. For the past four years, 80% of the students enrolled in STING return for the following semester.

In 04-05, our STING Success Series was targeted to help with compressing graduation time for associate and bachelor degree students.

In 05-06, we will review and implement successful models to help first-time, full-time students to graduate in a timely manner.

Resources: Budget allocations, committed staff, and grant funding.

Progress Measures: The institutional plan to encourage timely graduation will be completed. Ninety percent of our students will declare a major and have a degree plan on file. Persistence and graduation rates will increase by 5%. Workshops on graduation will be presented in 100% of our STING classes as well as 100% of our University Experience classes. There will be increased participation in the job fairs UTB/TSC conducts to expose our students to relevant job market opportunities. Grant funding will be received to assist with accomplishing the strategies and meeting the success measures

Major Obstacles: Convincing students to continue with the services. Title V funding for tutoring ended in August 2004.

Priority 3: Maintain momentum in developing facilities.

Our space deficit is being addressed in traditional and creative ways to make sure that all students who desire an education can gain it in favorable learning facilities.

Objective 1: Continue new construction.

Strategies: Ensure Education and Business Complex is completed in a timely manner. Apply for TRBs for additional facilities during this legislative session.

Resources: State funding.

Progress Measures: Complete complex in September 2005. Requests for TRBs will be successful with 79th Legislature.

Major Obstacle: Convincing state to continue investing in buildings during financial downturn.

Objective 2: Continue transforming and retrofitting spaces in International Technology, Education and Commerce Campus (ITECC).

Strategies: We will continue to transform the International Technology, Education and Commerce Campus (ITECC) to accommodate instructional needs. Five spaces planned for renovation have been completed: (1) the Technical Training Center, (2) the International Innovation Center (Business incubator), (3) the Workforce Training and Continuing Education Complex, (4) the Brownsville Economic Development Council offices, and (5) the Mexican Consulate. These projects total approximately 120,000 sq. ft. and are 20% of the facilities total space.

Progress Measures: By 2006, planning for the renovation of additional academic and technical program space will be completed. The planned renovations will be completed with the similar style and quality of new facilities. Faculty and students in programs housed in facilities will be pleased with accommodations. Facility will attract new business-focused tenants.

Phase I of the air conditioning system replacement will be completed by fall 2005, which creates a pleasant environment for students and businesses at the ITEC Campus.

Resources: The bond election in November 2004 granted approval for funds to be utilized at the ITECC. The administration's bond expenditure plan has set aside up to \$14M to be made available for the ITECC in year one.

Objective 3: Evaluate options to implement Master Plan for Student Housing.

Strategies: Determine if there is a viable market for housing for married students and students with families. Update Anderson Strickler Housing study to include survey targeting married students with families. Evaluate governmental housing programs to determine if stipends are available for students to assist with housing costs. We will research other funding sources, including private partnerships.

Resources: Revenues generated from housing fees as well as institutional commitment to renovate current facilities. We will research other funding sources or partnerships.

Progress Measures: Complete housing proposal in FY 2006, originally scheduled for 2005. We are in the process of updating our study on student housing. The study results will be used to refine a master plan for student housing on our campus. The UTB/TSC Campus Master Plan has already been updated to include guidance on Phase II Student Housing by identifying the peninsula as the location for the expansion of student housing. UTB currently has 232 beds available at this location and will develop the housing master plan to complement the Campus Master Plan recommendations.

Major Obstacles: Additional funding to meet the housing needs of our married students and students with families.

Objective 4: Implement acquisition plan to purchase Jackson Street lots and peninsula properties adjacent to campus to utilize for parking and student housing.

Strategies: Research both areas for available properties. Develop and implement strategy for acquiring properties. Develop financing plan for the acquisition of properties.

Resources: Capital set asides and increases in tax dollars.

Progress Measures: Progress was made in FY 2004 and FY 2005. Texas Southmost College purchased two Jackson Street lots for parking and five condos on the peninsula. For the next fiscal year our goal is to acquire two additional Jackson lots and condos at reasonable prices.

Major obstacles: Financial resources will be an obstacle as well as the availability of properties.

Priority 4: Strengthen efforts in civic engagement and economic development.

UTB/TSC envisions all levels and forms of education as critical to the overall economic development of the region. Additionally, the ongoing establishment of community partnerships is critical to training and job creation in the area. UTB/TSC will continue to develop its profile as an indispensable partner in on-going regional economic development.

Objective 1: Strengthen service learning in the areas of neighborhood revitalization, health promotion, and education.

Strategies: In FY06, the Center for Civic Engagement (CCE) will partner with the neighborhood residents, the City of Brownsville, the United Way, the Good Neighbor Settlement House, the Chamber of Commerce, local businesses, and volunteers to provide community-based service learning for UTB/TSC students and community leadership and civic responsibility seminars and initiatives.

The CCE will provide service learning opportunities for our students to experience "real world" work situations primarily in the areas of health, education, and business.

CCE will work with the Brownsville Chamber of Commerce, which has over 1,200 members, to design a one-to-two-year service learning matrix using School of Business courses to place students in area business and add value to both the student's academic experience and the businesses in the area. We will strive to become the leader for citizen responsibility outreach through Kids Voting USA-Brownsville, voter registration/early voting initiatives, and neighborhood leadership seminars.

Resources: Grant funding, budget allocations, and faculty and staff members who are committed to civic engagement.

Progress Measures: A 2004-05 survey has determined that about 55 faculty members implemented components of service learning in their curricula. The number of community partnerships and projects has increased and diversified. Kids Voting USA has been successful in the number of students and teachers participating in major and local elections.

For FY 2006, the number of courses and faculty members implementing components of service learning in the curricula and the number of community partnerships and projects established will increase.

Major Obstacles: Obstacles include the availability of funding to support project development.

Objective 2: The Texas Border Center for Economic and Entrepreneurial Development (CEED); the Cross-Border Institute for Regional Development (CBIRD); the International Technology, Education and Commerce Campus; the International Innovation Center (IIC); all Workforce Training and Continuing Education (WTEC) programs; the Valley Procurement and Technical Assistance Center; and UTB/TSC will continue to play an increasingly pivotal role in the regional economy.

Strategies: The IIC, or business incubator, is focused on new business start-up and technology transfer. In just 1.25 years the incubator has assisted in the opening of 17 businesses and is responsible for the creation of 450 new jobs. In 2005, the IIC will expand operations to off-campus locations with a second incubator in Raymondville and development of a network of associate business members.

While CEED will continue to assist in business-community outreach and development, CBIRD will continue to do more econometric research which undergirds decision making.

WTCE will deliver educational and training programs directed toward putting people in jobs. Since the August 2002 opening of the ITECC facility 4,635 participants have completed new job skills training and 1,827 existing employees of area companies have completed job skill upgrade training.

Resources: Current budget allocations and part of the incubator expansion is dependent on re-awarding of Federal funds.

Progress Measures: Community partners will evaluate these activities and types of training programs created as well as the number of jobs created in the community. Training programs are evaluated on an ongoing basis using a standard customer satisfaction survey. Results of past programs are available for benchmarks.

Major obstacles: The realization and sustainability of this objective depend on the continued vitality of the regional economy as well as the success of UTB/TSC securing funds for new program development.

Priority 5: Analyze institution for organizational efficiency and productivity.

One of the premises for developing the Partnership was that we could be more efficient as one institution. Our measures of success in growth and student success have shown the institution to be effective and poised for continued success. However, given the volatility of the economy, we must be even more efficient. Even though we expect the economy to get better, this is an opportunity to make sure that we are at our best in every division.

Objective 1: Maintain a campus-wide benchmarking program to evaluate the efficiency of the use of resources and productivity throughout the units. This project will be used to determine if funds may be reallocated to fund other priorities that may need funding to ensure the completion of objectives.

Strategies: Train members of the campus community as to the use of appropriate methods for updating benchmarking. Provide summary of fiscal and productivity measures and compare to others as needed.

Resources: This priority will not require an allocation of financial resources, but will require an allocation of human resources to complete the training and research required.

Progress Measures: The benchmarking data were gathered as part of our FY 2006 budget request process. Data were received from each division, college, and school on campus for the major activities and or processes identified by the units. The process also included the identification of cost savings to support the reallocation of funds to priority items. The data will be used in conjunction with The Model for a Well-funded University to set priorities for FY 2006 and will be updated next year as part of the FY 2007 budget process.

Major Obstacles: None foreseen.

Objective 2: Evaluate the revenue mix for UTB and propose a model for the university if it were funded to meet growth and need. Currently UTB relies on state funding for 71% of its annual Educational and General Budget. This project will be completed in conjunction with the benchmarking project.

Strategies: The Futures Commission work in financial planning yielded "A Model for a Well-funded University." The model benchmarks against other campuses in those areas identified by the Financial Planning Committee of the Futures Commission as key to a well-funded institution. Some of the comparative data were found in the *UT System Accountability Report* while other data were either calculated or identified in THECB reports.

The Model of a Well-funded University is meant to provide a benchmark for the funds needed to provide services at the same level as our peers. The \$60 million represents the annual dollars needed to fund expenditures at the same level as our peers in order to affect faculty/staff salaries, faculty/staff workload, scholarships required by our students, dollars needed for program development, adequate library holdings, adequate research dollars, and endowed chairs. The model has been used in FY 2005 and will be used in FY 2006 to prioritize the allocation of available dollars to these target areas since our annual increase in available dollars, less mandatory expenses, represents about 9% of the total need.

Progress Measures: The model will be updated using the current accountability report and will be used to set priorities in the future.

Major Obstacles: None.

Objective 3: Review auxiliary enterprises and assist in the development of business plans. Revenues from auxiliaries may reduce our dependence on state funding and or provide additional funds for other priorities.

Strategies: Benchmark auxiliary inventory and productivity against other universities. Develop business plans.

Resources: This priority will not require an allocation of financial resources but will require an allocation of human resources to complete the research required.

Progress Measures: The benchmarking of Auxiliaries was completed by June 30, 2004. Business Plans will be developed as auxiliary enterprise activities are launched in FY 2005 and FY 2006.

Major Obstacles: No major obstacles are foreseen.

B. Five Long-Term Priorities

Our top five long-term initiatives build on the work of the short-term initiatives to sustain growth in enrollment, programs, facilities, and funding.

Priority 1: Sustain and support enrollment growth at a level at least consistent with the population growth in the region.

Objective 1: The Lower Rio Grande Valley is the fastest growing area of the state. UTB/TSC has set a goal of 20,000 students by 2010 to contribute to *Closing the Gaps* in Texas higher education participation and success. Adequate faculty and staff are critical to meeting the challenges of a 7 to 10 percent enrollment growth each year.

Strategies: We continue to explore ways to fund recruitment of faculty and staff. We have estimated that if our institution could have a one-time infusion of \$60 million in capital, given the present conditions on interest rates and inflation, this would be adequate to sustain our growth in faculty and staff for the next 10 years. At that time, we would be at a completely different and sustainable level of operations and revenue generation.

Resources: We are exploring the possibility of a capital campaign to generate this funding.

Progress Measures: Progress will be measured by efforts to assess the feasibility and development of a plan for a capital campaign.

Major Obstacle: The greatest obstacle to development of a capital campaign is the money to develop and implement the campaign.

When a campus grows, the expectations for expanded services increase. In the past 10 years, our service area has grown by almost 40%. Enrollment has grown by 37%. To support that same rate of growth over the next ten years, we must continue to grow our facilities, faculty, and student services as pointed out in our short-term goals.

Objective 2: Expand Campus Life activities to target and cultivate a connection and sense of community for students.

Strategies: We will improve our orientation program to create a sense of tradition and connection to our campus with our freshmen. We will increase participation in recreational sports, clubs, organizations, and out-of-class experiences for our students.

Resources: Allocated student fees and vending services contracts give us the funds to create programs and activities.

Progress Measures: Progress will be increased participation in programming activities and results of evaluations conducted after delivery of services. Increased interest in leadership will be shown by students from one year to the next.

Major Obstacles: None are foreseen.

Priority 2: Strengthen and develop quality programs that attract top students and faculty.

Objective 1: UTB/TSC is a young and evolving institution that will continue to strengthen the 35 Bachelor's and 21 Master's degree programs currently offered by attracting outstanding faculty to improve the faculty-to-student ratio in strategically identified programs that are enrolling large numbers. Development of the following Master's programs will commence within the next two years for implementation within the next four years: Music, Juvenile Justice, Computer Science/Software Engineering, and Hospitality Management. At the Bachelor's level, development of the Environmental Science and Hospitality Management programs have begun, with planned implementation by fall 2006. Approval by the Texas Higher Education Coordinating Board to develop Ph.D. programs in Education, Physics, and Biology is a priority for Table of Program authorization before 2008.

Strategies: Hire new faculty to sustain existing programs and develop and phase in new programs as recommended by the Futures Commission's Task Force on Academic Programs. Develop merit scholarships that will attract outstanding students in the next three years. In spring 2005, about 165 STARS Foundation Scholarships of \$3,000 each are being awarded for 2005-2006. This is a 50% increase over the previous year.

Resources: Existing programs will be strengthened through aggressive and creative budgeting for new faculty as explained in Objective 1. Proposals for new programs will be prepared with a clear identification of resources that will support the program.

Progress Measures: Progress in new and existing programs will be assessed by student enrollment, retention, graduation, graduate placement, faculty qualifications, and success in attracting external funding.

Major Obstacles: The lack of resources to hire new faculty for existing programs and to subsidize new program development is the major obstacle to strengthening and developing programs.

Objective 2: Seek accreditation for professional programs.

Accreditation for professional programs is a mark of excellence for an institution and offers greater career opportunities for graduates. UTB/TSC will continue working toward AACSB accreditation for the School of Business and initiate the NCATE accreditation process for the School of Education.

Strategies: UTB/TSC will continue building strong faculty and curricula that will merit these national accreditations.

Resources: Creative budgeting and external funding will be necessary to obtain funding for new faculty and program revisions.

Progress Measures: Progress will be measured by the strength of annual assessments and ultimate accreditation decisions by the appropriate accrediting organizations.

Major Obstacles: The lack of resources to compete for highly qualified faculty and funding to provide competitive rewards and meet workload expectations.

Objective 3: Develop physical infrastructure for research.

UTB/TSC has made enormous strides in its research programs by increasing external funding expenditures. For the institution to enhance research programs now under way and attract federal funding for new and existing programs, it must have adequate physical infrastructure. The institution has critical classroom space needs with even greater challenges looming with projected dramatic enrollment increases. Accommodating research will require new space designed for specific purposes or the retrofitting of existing buildings.

Strategies: UTB/TSC will apply for NIH and other federal and private funding for research facilities.

Resources: Dynamic faculty with excellent credentials.

Progress Measures: Success in acquiring funding and construction or retrofitting of buildings.

Major Obstacle: Lack of matching funds in a competitive environment.

Priority 3: Sustain and strengthen our activities in support of economic development.

Objective 1: Develop and sustain ongoing synergies between the activities of UTB/TSC's Texas Border Center for Entrepreneurial and Economic Development (CEED); the Cross Border Institute for Regional Development (CBIRD); The International Technology, Education and Commerce Campus (ITECC); and Workforce Training and Continuing Education programs.

Strategies: The long-term development and sustainability of economic development programs will depend upon UTB/TSC's ability to plan and build-out the physical infrastructure at ITECC and to develop and fund the appropriate academic, training, and continuing education programs at ITECC. These include, but are not limited to, the development of the business incubator, the technical training center, as well as the continued recruitment of complementary partners to UTB.

To date, the ITECC has implemented a section of the International Trade Center by housing the Mexican Consulate, a representative office of the U.S. Department of Commerce-Export Assistance Centers, the Export-Import Bank, and an office of the Small Business Administration. In FY 2006 additional international business-related lessees will be recruited.

The SBA Office is staffed by incubator personnel and in the period of January–March 2005, \$357,000 of business assistance loans were approved.

The development of enduring partnerships is essential for cross-border regional economic development. The activities of CEED and CBIRD must continue to inspire confidence in the ability of the university to play a leadership role in the regional economic development team.

Through the efforts of civic engagement, strategies for regional economic development may be effectuated at the neighborhood level through demonstration projects directed at redevelopment.

Progress Measures: Diversity and number of academic, technical, and training programs as well as the number and kind of jobs created.

Major Obstacles: Unknown changes in the international regional economy and the unavailability of funding for essential programs.

Priority 4: Maintain momentum for the expansion of sponsored programs and institutional advancement.

Objective 1: During the next four years we plan to (1) strengthen our research infrastructure and collaborations for research; (2) recruit and motivate faculty and staff with relevant professional interests; (3) integrate off-campus sites into institutional research and service efforts; and (4) strengthen institutional advancement efforts among alumni, prospective students, and donors.

Strategies: Three years ago we hired a research development associate for each college. The goal of each associate was to assist the faculty in identifying research funding for which they might be uniquely qualified and to assist researchers in preparing the proposals. This has proved highly successful and has been partially responsible for our 4,000% increase in research funding over the past five years. To build on this success, we would like to create a new position, Vice-President for Research, who would oversee an expanded sponsored programs office. This should result in a more systematic effort not only to increase research funding, but also to target that funding which is strategically aligned with our institutional goals.

As a corollary to the first strategy, we plan to improve our recruitment of faculty who are academically positioned to support the research programs we have in place, especially in the physical and medical sciences. As we attract more experienced scholars in these growth areas, we will create synergies that will lead to robust research programs.

Currently, we have three off-campus facilities that have strong research and outreach potential. Rancho del Cielo, a biology field station in the cloud forest in Mexico, has been operating for almost 50 years now. We would like to increase field research and training at the site. The Port Mansfield facility, a former coast guard station, is ideal for marine biology teaching and research. We are working to prepare the site for that work. The former coast guard station at South Padre Island also has potential for marine biology research. We are investigating its potential now.

Finally, the Port of Brownsville has given us an acre of land near the turning basin to build an observatory for astronomy research and teaching. We hope to have it operational within five years.

Institutional Advancement is now undergoing a thorough review to see how it might be best restructured to improve funding via grants, foundation relations, alumni relations, planned giving, and the annual fund drive. We anticipate reorganizing and expanding development substantially, and launching the silent phase of a major capital campaign within the next four years.

Resources: Indirect costs; institutional funds; foundation, federal, and state grants; and institutional funds

Progress Measures: Substantially expanded sponsored programs workforce and increased funding. Substantially increased numbers of faculty in our research programs.

Major Obstacles: Finding the right scholars for the right programs and sustaining institutional commitment to the cause long enough to see meaningful returns.

Priority 5: Expand outreach programs and distributed education.

UTB/TSC offers outreach programs for most students, from elementary to high school, in our region. These programs have helped students to become more aware and better prepared for college. Additionally, we have seen benefits from holding classes in convenient locations. Therefore, our initiative to expand those programs encompasses P-16 programs and partnerships that build on these aforementioned programs.

Objective 1: Make P-16 activities central to recruitment and retention.

Strategies: Adhere to the goals of grants and expand when possible. Coordinate efforts across campus. Resources: Federal grant funds and foundation funds.

Progress Measures: P-16 programs such as GEAR UP, Upward Bound, and Talent Search will show progress in number of students taking college-track curriculum and number of students enrolling in college. Retention efforts in tutoring and advising these students will help create an increase in the percentage of students being retained to graduation. A P-16 task force was developed to create a strategic plan for bridging students between the Brownsville Independent School District and UTB/TSC.

Major Obstacles: Budget decisions on the federal level may eliminate the funding for the programs.

Objective 2: Increase enrollment and effectiveness of programs for Advanced Placement instruction and dual enrollment programs.

Strategies: Work closely with school districts to develop programs. Actively recruit students to the programs.

Resources: General budget and tuition.

Progress Measures: Local school district will show an increase in the number of AP instructors. Enrollment will reveal an increase in the number of students in dual enrollment programs. During the 2004-2005 academic year, dual enrollments increased by 203% as compared with 2003-2004. In spring 2005, 883 high school students were enrolled in dual enrollment courses offered by UTB/TSC.

Major Obstacles: Policies in schools and funding to inform students and parents.

Objective 3: Integrate off-campus sites into educational programs.

Strategies: Encourage use of off-campus facilities which provide locations for research on the environment and the coastal areas. Workforce Training programs and the UTB Off-Campus Academic Class Program will use off-campus sites for an expanded number of classes.

Resources: These sites are ready to be utilized by faculty and students. The WTCE and Off-Campus Classes are delivered on a self-sustaining basis. UTB is planning to hire an Off-Campus Program Director who will be responsible for developing the delivery of in-demand classes at locations away from the main campus.

Progress Measures: Sites will become an integral part of research for specific disciplines to examine coastal environment.

Major Obstacles: Funding for research.

Objective 4: Make teacher preparation central to the mission of the university.

Strategies: Engage the local school districts in curriculum planning processes. Offer professional development programs for teachers at a site convenient for them. Expand the number of graduate classes offered in education. In 2004-2005, articulation meetings were held by every school and college at UTB/TSC and the Brownsville Independent School District to improve dual enrollment articulation and class-specific curriculum.

Resources: Grant funding will be sought to offer professional development programs.

Progress Measures: Education graduates will perform at or above state average on state certification exam. Teachers will enroll in professional development programs at a greater rate.

Major Obstacles: Financial resources may hinder some students from enrolling in college full-time.

III. Future Initiatives of High Strategic Importance

Three future initiatives have been developed to achieve the institution's goal to position UTB/TSC in leadership in economic development and graduate education. Further, our position in research and financial development must benefit from extensive plans to broaden our donor base.

Initiative 1:

We will lead technology-based development in the area. Our efforts at driving economic development in the Valley will have built a foundation for industrial and economic development within a technology-based global economy. This foundation will draw strength from our science, technology, education, and humanities programs. Prospective drivers for that development will be biotechnology, communication and culture, physical sciences, bilingual education, and environmental studies.

Initiative 2:

Every proposal will be prepared with a clear identification of resources that will support the program. Progress will be measured by the granting of UT System and Coordinating Board authority for planning or by approval of program proposals.

In support of the initiative listed above, our institution will extend its program offerings at the graduate level, including programs leading to terminal degrees and offering graduate and doctoral programs in areas for which we can make substantial contributions, such as biomedicine, science research, education, public policy, forensic accounting and telecommunications.

We aspire to implement or seek authorization for doctoral programs in Curriculum and Instruction, Physics, and Biology and to seek authorization for equal doctoral program collaboration in areas in which we have need and qualified faculty. Every proposal will be prepared with a clear identification of resources that will support the program. Progress will be measured by the granting of UT System and Coordinating Board authority for planning or by approval of program proposals.

Initiative 3:

We will strengthen the financial foundation of our institution to make it more robust and less dependent on state allocations.

As a young university, we understand all too well that we are limited in resources when compared with our older peers. Our total endowment is only \$4 million. Our official alumni membership roster numbers slightly over 1,000. Our scholarship support from corporations and philanthropists is a fraction of what our peer institutions award. Though we understand that we are only 14 years old and comparing ourselves to institutions that are many decades older, it does not alter the fact that we need to be about the business of raising funds and attracting resources to strengthen the institution.

It is within this spirit that the Futures Commission created a task force called Fund and Friend Raising. It arrived already at the following conclusion: To sustain the vital work of this university for future generations, we must make it financially strong.

The task force, working on a projected student population of 30,000 for 2020, established the goal of a \$300 million dollar endowment by that time. It is an aggressive goal, but fully achievable with the proper strategies adroitly executed.

Strategies:

1. Research dollars attract development dollars. We need to expand our sponsored programs operation to systematically seek funding for the research programs that are most relevant to UTB and the region. As we grow the centers for Gravitational Wave Astronomy, Biomedical Studies, Culture and Communication, and Early Childhood Studies and attract important funding to their various missions, the institutional credibility will rise and philanthropic support will follow. Strong sponsored programs attract major donors.

2. We will begin this year to re-organize our Development operation so that it is properly organized to launch a major, multi-year capital campaign. We will add program directors and/or development officers for alumni relations, foundation and corporate relations, planned giving, and direct mail campaigns. In addition, we will hire a consulting firm to explore a strategic plan for Institutional Advancement operations and methodology and this region's capital campaign capacity. The next two years will be the silent phase of a major capital campaign whose goal will likely be between \$50 and \$100 million by 2010.

3. In addition to a major capital campaign to improve our future endowments, we need scholarship dollars now. We need to train and empower all of our deans and department chairs to actively seek scholarship dollars for their schools and departments. We need to aggressively seek scholarship dollars from national companies that do business locally and we need to solicit scholarships from American firms that have large *maquiladoras* in Mexico.

4. One of the most critical areas for development is with our alumni. We must begin creating alumni at freshmen orientation. We must create a culture unique to our students so that they always claim us. If we can successfully build a loyal alumni base, the synergy of networking and development dollars to be raised would be simply incalculable at this point. Without it, however, the endowments would certainly stagnate.

Resources: The sponsored programs efforts might find a great deal of support through indirect costs that they generate. The new staffing and management and operations budgets for development, however, will have to be paid for by the university.

Progress Measures: We must determine whether or not the increased income is improving and strengthening the programs for which they were intended. Is the institutional mission supported? Mere quantitative measures will not do. Qualitative assessments must also come into play.

IV. Other Critical Issues Related to Institutional Priorities

A. Impact of Initiatives:

Each initiative is expected to have a positive impact on our community and institutional relations. Our service area will benefit from students having more choices for education within the region. UTB/TSC and the local private and public institutions partner in ventures that benefit our region. In addition, our work with the school districts extends from outreach programs to partnerships in grant applications.

B. Unexpected Opportunities or Crises:

Build on Confidence in local Governing Board

In May 2004 elections, three TSC trustees went unopposed for the seven-member board. Six months later, the community supported the Board's request to approve a \$68 million bond referendum on the November 2004 ballot. The results of the elections enhance our ability to move forward on issues related to acquisitions, constructions, and technical programs.

C. Faculty Hires Initiative Related to Increase in Tuition and Fees

With the funds from the approved tuition increases, we will continue to address the shortage of faculty that was mentioned in our ongoing priorities.

Searches have begun in each college and school with expectations of filling all positions with quality hires by fall 2005. The strategy for these decisions is based on: 1) support of new programs approved

by the THECB; 2) enrollment growth and programs awaiting approval by the THECB when approval is dependent on faculty hiring; 3) enrollment growth within programs where planning for expansion has been recently authorized in the Table of Programs; 4) critical delayed needs and enrollment growth in teaching preparation programs; and 5) improvement of student retention.

Completed searches for faculty funded by 2004 tuition increase

# positions	Area	Status of search
Support of New Programs Approved by the CB		
	MAIS with Music Concentration	
1	Music	Offer already extended and accepted
1	BAT - Health Sciences	Accepted
1	MS in Biology	Accepted
1	BAT in Computer Information System	Accepted
Enrollment Growth and Programs awaiting approval by CB depending on faculty hiring		
1	MS in Public Policy	Accepted
1	MA Accountancy	Accepted
Enrollment Growth (and Authorized Table of Programs)		
1	BS in Environmental Science	Accepted
1	Criminal Justice	Accepted
Critical delayed needs and enrollment growth in teacher preparation programs		
1	Kinesiology	Accepted
1	School Specialties	Accepted
Retention		
1	Development Education	Accepted

The above faculty were hired. Searches are under way for 10 additional strategically placed faculty: College of Liberal Arts (4); College of Science, Mathematics and Technology (3); College of Education (2); and School of Business (1).

For fall 2005, UTB/TSC recommended a \$6 increase in designated tuition per semester credit hour, from \$38 to \$44, and increases in three mandatory fees: Medical Services, International Education, and Recreation Center.

In March 2004, the student body voted overwhelmingly to support a fee for building a wellness and recreational facility. Pending all necessary approvals, students will pay an additional fee, up to \$79 per semester, to build the facility beginning this year.

V. System and State Priorities

A. Increasing student access and success.

Our institution creates access by the nature of the Partnership, which provides a seamless transition for students enrolled in the community college who then transfer to the upper level.

The region we serve is one of the poorest in the state and the country. The majority of our students are on financial aid, and their average family income is \$19,000. Despite the need for increased tuition and fees, we must be reasonably affordable to be true to our mission and maintain accessibility.

For fall 2004, we received a \$2 increase in statutory tuition, a \$6 increase in designated tuition per semester credit hour, and increases in three mandatory fees. Our overall costs are still among the lowest in the UT System.

The most direct indicator will be that we continue to offer one of the lowest, if not the lowest, cost education in the UT System and in the state that still produces well-educated, quality graduates. An increase in enrollment at rates comparable to those in recent years also will be an indicator that we provide quality, affordable educational opportunities. The ever-rising costs of providing a quality education is the greatest challenge to accessibility.

B. Collaborations among UT System institutions, particularly academic-health institution collaborations.

The ability to increase degree offerings has been enhanced through collaborations with UT Dallas in engineering, and UT El Paso in physics, and UT Pan American in criminal justice. Our clinical research program has begun to show gains through collaboration with the School of Public Health Regional Academic Health Center located on our campus. Dr. Gerson Peltz, Associate Professor in biological sciences, is working with Dr. Maureen Sanderson, Associate Professor in the School of Public Health, through a Department of Defense grant focused on the study of the low incidence of breast cancer in Hispanic women. Dr. Luis Colom, Associate Professor in biological sciences, and Dr. Joseph McCormick, Dean and Professor at the RAHC, are principal investigators in a National Institutes of Health grant that focuses on the study of a myriad of diseases prevalent in the Lower Rio Grande Valley. This grant is allowing us to be part of creating one of the first centers for the study of Hispanic health in the United States.

Our Early Medical School Acceptance Program with UTMB in Galveston has resulted in our first graduate going to UTMB and in 20 students in the pipeline for medical school.

C. Increasing external research funding.

This is one of our future initiatives and part of our ongoing efforts.

VI. Development of Compact Update

Through the 2003-04 UTB/TSC Futures Commission, which was developed to help us envision our community university in 2010, we effectively invited all of our major stakeholders to participate in the first Compact process: students, faculty, staff, and community. Since then, the priorities were presented to civic organizations and superintendents, who gave us good input on the initial Compact.

In December 2004, the President and Vice Presidents and several staff members met with Dr. Teresa Sullivan and Dr. Geri Malandra to discuss updating the Compact. Afterwards, administrators began to review plans to involve various constituents in the process for updating the Compact. These included the

Deans Council, Academic and Staff Senate representatives, and Student Affairs staff who provided input and feedback in updating the document to help guide the strategic and budgetary plans for UTB/TSC.

VII. System Contributions

The UT System Administration will provide support and assistance to UT Brownsville in the following areas:

- Developing prospects for federal funding through the Office of Federal Relations;
- Expanding the research infrastructure at UTB through the Office of Academic Affairs;
- Developing and seeking approval for program expansion through the Office of Academic Affairs;
- Increasing UTB's success in fundraising through the Office of External Relations; and
- Developing and implementing plans for capital expansion through the Office of Facilities Planning and Construction.

VIII. Appendices

A. Budget Overview

**The University of Texas at Brownsville
Operating Budget
Fiscal Year Ending August 31, 2005**

	FY 2004 Adjusted Budget	FY 2005 Operating Budget	Budget Increases (Decreases) From 2004 to 2005	
			Amount	Percent
Operating Revenues:				
Tuition and Fees	\$ 8,004,175	10,146,244	2,142,069	26.8%
Federal Sponsored Programs	24,210,418	26,003,812	1,793,394	7.4%
State Sponsored Programs	2,377,392	2,377,392	-	0.0%
Local and Private Sponsored Programs	29,202,035	35,134,645	5,932,610	20.3%
Net Sales and Services of Educational Activities	564,248	576,220	11,972	2.1%
Net Sales and Services of Hospital and Clinics	-	-	-	-
Net Professional Fees	-	-	-	-
Net Auxiliary Enterprises	2,530,347	3,748,779	1,218,432	48.2%
Other Operating Revenues	38,524	13,524	(25,000)	-64.9%
Total Operating Revenues	66,927,139	78,000,616	11,073,477	16.5%
Operating Expenses:				
Instruction	27,479,626	28,694,379	1,214,753	4.4%
Academic Support	8,110,680	10,680,243	2,569,563	31.7%
Research	2,529,351	4,316,388	1,787,037	70.7%
Public Service	2,206,184	2,413,648	207,464	9.4%
Hospitals and Clinics	-	-	-	-
Institutional Support	10,408,925	11,068,525	659,600	6.3%
Student Services	6,192,614	8,078,702	1,886,088	30.5%
Operations and Maintenance of Plant	6,144,716	6,281,444	136,728	2.2%
Scholarships and Fellowships	19,561,673	21,686,534	2,124,861	10.9%
Auxiliary Enterprises	3,373,425	4,735,721	1,362,296	40.4%
Total Operating Expenses	86,007,194	97,955,584	11,948,390	13.9%
Operating Surplus/Deficit	(19,080,055)	(19,954,968)	(874,913)	4.6%
Nonoperating Revenues (Expenses):				
State Appropriations & HEAF	22,256,942	22,475,220	218,278	1.0%
Gifts in Support of Operations	-	37,000	37,000	-
Net Investment Income	228,065	229,659	1,594	0.7%
Other Non-Operating Revenue	-	-	-	-
Other Non-Operating (Expenses)	-	-	-	-
Net Non-Operating Revenue/(Expenses)	22,485,007	22,741,879	256,872	1.1%
Transfers and Other:				
AUF Transfers Received	-	-	-	-
AUF Transfers (Made)	-	-	-	-
Transfers From (To) Unexpended Plant	-	-	-	-
Transfers for Debt Service	(3,511,911)	(3,511,911)	-	0.0%
Other Additions and Transfers	-	-	-	-
Other Deductions and Transfers	-	-	-	-
Total Transfers and Other	(3,511,911)	(3,511,911)	-	0.0%
Surplus/(Deficit)	\$ (106,959)	(725,000)	(618,041)	577.8%
Total Revenues	\$ 89,412,146	100,742,495	11,330,349	12.7%
Total Expenses and Debt Service Transfers	(89,519,105)	(101,467,495)	(11,948,390)	13.3%
Surplus (Deficit)	\$ (106,959)	(725,000)	(618,041)	

Note: Operating Budget Highlights with a glossary of terms are included on Page 1.

B. Statistical Profile

UT Brownsville/TSC

<i>fall</i>	2000	2001	2002	2003	2004
Undergraduate enrollment	8,244	8,470	9,131	9,699	10,656
Graduate enrollment	751	834	822	893	890
Total	8,995	9,304	9,953	10,592	11,546

<i>academic year</i>	99-00	00-01	01-02	02-03	03-04
Baccalaureate degrees	475	543	618	613	684
Master's degrees	151	146	148	155	166

<i>fall</i>	2000	2001	2002	2003	2004
All instructional staff	453	469	502	537	558
Classified employees	880	1,094	1,030	985	978
Administrative/professional employees	183	197	223	233	263

<i>academic year</i>	99-00	00-01	01-02	02-03	03-04
FTE student / FTE faculty ratio	19 to 1	18 to 1	17 to 1	18 to 1	18 to 1

<i>fiscal year</i>	2000	2001	2002	2003	2004
Federal research expenditures	\$241,980	\$602,856	\$896,646	\$1,011,353	\$2,889,894

<i>fiscal year</i>	2000	2001	2002	2003	2004
Revenue/FTE student (nearest thousand)	\$5,000	\$4,000	\$4,000	\$4,000	\$4,000

<i>as of</i>	8/31/99				8/31/04
Endowment total value	\$441,000				\$4,829,000



THE UNIVERSITY OF TEXAS AT BROWNSVILLE and TEXAS SOUTHMOST COLLEGE

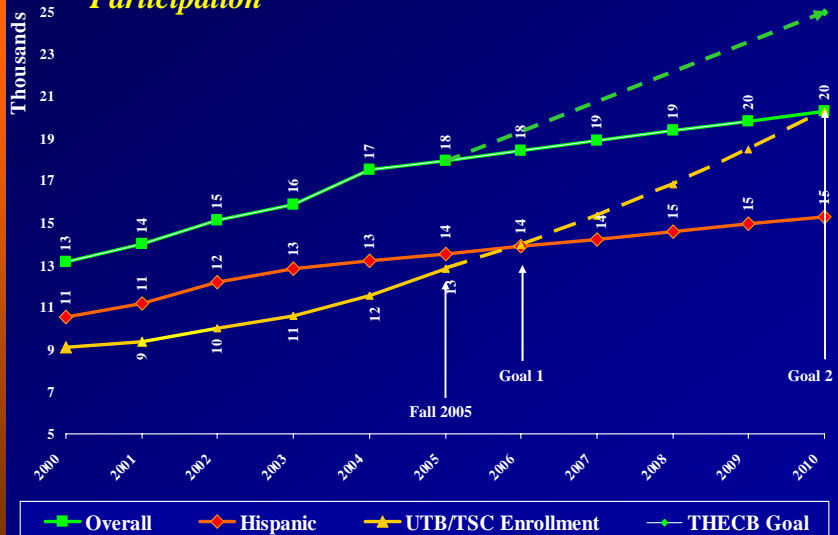


Compact Presentation
May 10, 2006

1



Closing the Gaps: Participation



Source: Texas Higher Education Coordinating Board, and Texas State Data Center and Office of State Demographer
Office of Institutional Research and Planning

2



Gravitational Wave Astronomy Center of Excellence

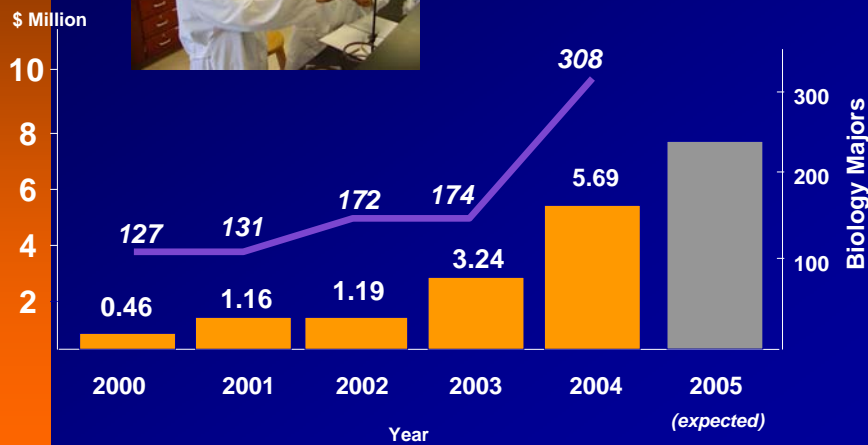
- New computational analysis
- LIGO Project
- LISA Project
- Lazarus Project



3



Biomedical Studies Center of Excellence



4

Early Childhood Studies

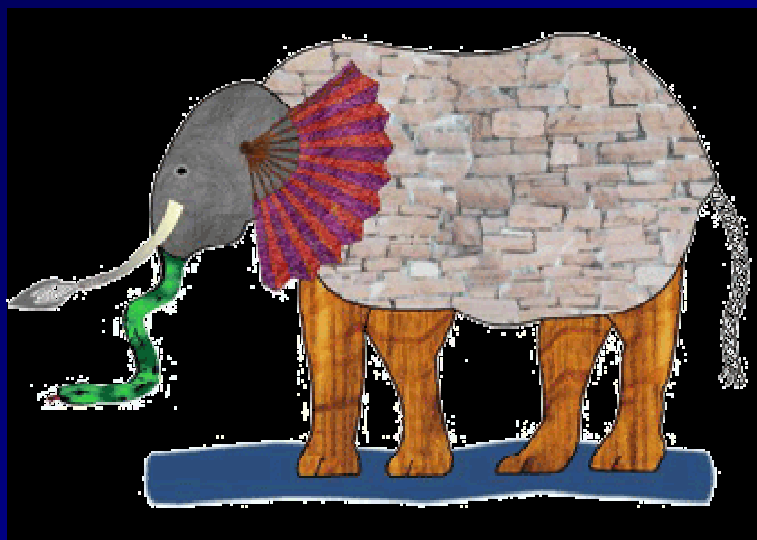
Center of Excellence

- 4M Early Childhood Center Building
- 4.8M Professional development for over 900 childcare providers



5

Elephant Fable



6



Recreational Exercise Kinesiology Center



7



Center for Civic Engagement

- 1,900 university students
- 40 faculty
- 35 projects
- Kids Voting USA



8



Well-Funded University Model

Operations *in millions*

	<u>Well-Funded University</u>	<u>2007 New Dollars Requested</u>
Faculty Salaries	\$ 1.30	\$ 1.04
Faculty Positions	7.20	3.60
Staff Salaries	1.00	1.13
Staff Positions	3.00	1.90
Financial Aid	42.30	0.00
Research	7.20	0.19
Faculty Development	0.20	0.00
Library Collections	1.80	0.00
Endowed Chairs	0.80	0.00
New Programs & Support Services	<u>8.50</u>	<u>2.54</u>
Total Operations	<u><u>\$73.30</u></u>	<u><u>\$10.40</u></u>

9



Bahia Grande Restoration Project



10

The University of Texas-Pan American
Compact with The University of Texas System
FY 2006 through FY 2007

I. Introduction: Institution Mission and Goals

The University of Texas-Pan American (UTPA) serves the higher education needs of a rapidly growing, international, multicultural population in the South Texas Region. The University preserves, transmits and creates knowledge to serve the cultural, civic and economic advancement of the region and the state. The University provides students advanced instruction in academic programs offered through innovative delivery systems that lead to professional certification, and baccalaureate, master's and doctoral degrees. Through teaching, research, creative activity and public service, UTPA prepares students for lifelong learning and leadership roles in the state, nation and world community. (*Mission statement approved by the UT System April 1, 2005; pending THECB approval July 21, 2005.*)

UTPA offers 56 bachelor's degree programs in arts and humanities, business, education, health sciences and human services, science and engineering, and social and behavioral sciences; 45 master's programs; and two doctoral degree programs – one in educational leadership and one in international business. In addition, the University offers a cooperative doctoral program in pharmacy with UT Austin.

In fall 2004, UTPA's enrollment of 17,030 students was the 10th largest for public 4-year institutions in Texas and the 5th largest in the UT System. UTPA's enrollment is 87 percent Hispanic and 59 percent female. Undergraduate enrollment comprises 87 percent of headcount; 72 percent is full-time (12+ hours) and the average age is 23. UTPA is basically a commuter campus but has 596 beds in residence halls and apartments and plans to construct additional residence halls in the near future.

UTPA's 7 percent enrollment growth this past year was the third-fastest growth rate in the UT System and the 6th in the state. UTPA is a national leader in educating Hispanic youth. Hispanic full-time equivalent enrollment is third in the nation, behind UT El Paso (2nd) and Florida International University (1st) (2002). UTPA's Hispanic proportion of enrollment (87.1%) also ranks third in the nation behind UT Brownsville (2nd) and Texas A&M International University (1st).

UTPA is also a national leader in graduating Hispanics students with college degrees. According to *Hispanic Outlook Magazine*, in FY2002, UTPA ranked 2nd in the United States (behind Florida International University) for awarding bachelor's degrees to Hispanics, 4th for Master's degrees, and 93rd for doctoral degrees. For specific bachelor's degree programs, UTPA's ranking is: 1st in Health Sciences and in Multi/Interdisciplinary Studies; 2nd in Biological Sciences; 3rd in English Literature; 4th in Business and Marketing; 5th in Mathematics; and 8th in both Protective Services and Public Administration.

In fall 2004, UTPA employed 742 faculty, including full-time and part-time (not including 30 teaching assistants). Over one-third are Hispanic (38.2%), and 40 percent are women. Slightly more than half (53%) are tenured (221) or on tenure track (167). The instructional mission is supported by 1,806 staff, of which 42 percent are executive/administrative/professionals, 80 percent are Hispanic, 51 percent are female, and 53 percent are full-time.

UT Pan American has special centers that focus on aging, border health, border studies, coastal studies, education, information technology, international business, and speech and hearing. The Regional Academic Health Center will expand UTPA's research in the health sciences. Outreach centers assist area businesses, manufacturers, and local government districts.

II. Major Ongoing Priorities and Initiatives

UTPA has three priorities for the FY05-FY06 Compact. They are improving undergraduate student access and success; improving and expanding graduate education and research initiatives; and improving organizational structure and processes to assure efficient use of resources so that UTPA can respond effectively to rapid enrollment growth, meet its goals, and move to the next level of excellence. These priorities and their attendant objectives are captured in the box below.

Priority 1: Ensure Undergraduate Student Access and Success

- Improve access for undergraduate students.
- Improve undergraduate student success.
- Increase access to a wide variety of undergraduate programs that meet the needs of students, educational agencies, business, and industry.

Priority 2: Enhance Graduate Education and Research

- Increase participation and success in graduate degree programs.
- Increase research and grant activity. Increase access to a wide variety of graduate programs that meet the needs of students, educational agencies, business, and industry.

Priority 3: Improve UTPA's Organizational Effectiveness

- Improve UTPA's processes and organizational structure to optimize the delivery of instruction and services to students, and maximize utilization of resources.

An overarching challenge for UTPA in the short-run is hiring and retaining qualified faculty to meet the needs of a growing enrollment. For instance, this year UTPA conducted 198 faculty searches to accommodate growth, turnover, and retirement. In fall 2006, when the GEAR UP "bubble" enters UTPA, we will need to add at least 92 new faculty lines to keep our student:faculty ratio at 20:1. The projected cost in faculty salaries is \$4.6 million, plus an additional \$2.5 million to provide office space. The amount of funding and faculty and staff resources directed toward hiring this inordinate number of faculty will impede UTPA's progress in every other priority area.

Priority 1: Ensure Undergraduate Student Access and Success

In accordance with the state's *Closing the Gaps* and *State Higher Education Accountability System* undergraduate participation, success, and excellence initiatives and the UT System's priority for "increasing student access and success," UTPA will increase the rate of undergraduate enrollment, retention, and graduation of its primarily Hispanic population. To achieve both access and success, UTPA will increase its recruitment activities to improve access while increasing undergraduate admissions standards so that the students who enter UTPA will be better prepared to meet academic challenges, to remain enrolled and to graduate. These improvements, summarized below, will allow UTPA to shift its focus to activities that will improve student retention and timely graduation.

UTPA Changes in Admissions Standards

Spring 2005

- All transfer students were held to a minimum 2.00 GPA requirement.

Fall 2005

- All entering freshmen were required to have an ACT score of 15 or greater for admissions.

Fall 2007

- All entering freshmen will be required to have the recommended high school program for admissions.
- All entering freshmen were required to have an ACT score of 16 or greater for admissions.

Fall 2009

- All entering freshmen were required to have an ACT score of 17 or greater for admissions.

Fall 2011

- All entering freshmen were required to have an ACT score of 18 or greater for admissions.

Objective A: Improve access for undergraduate students.

UTPA has model programs for outreach into elementary, middle, and high schools to encourage students to stay in school, take challenging courses, graduate, and attend college. The parents of our mostly first-generation undergraduates are also given information regarding the demands of college work, the real costs of higher education, and the availability of financial aid. In addition, UTPA provides professional development opportunities for Valley public school teachers to help them improve their instruction, their students' learning, and ultimately the quality of UTPA's incoming freshmen.

Strategies FY05. The major strategies implemented include those in the following list. Funding was provided through the university's budget, Texas Business and Education Coalition, GEAR UP funding, Texas Scholars funding, Texas Grants, other scholarships, and various other grants and fees.

Higher education pipeline

- Enrolled qualified high school juniors and seniors in the concurrent enrollment program, including 14 distance learning sites.
- Offered reduced tuition to concurrent enrollment students to encourage participation.
- Provided services for over 7,000 juniors in the UTPA GEAR UP program.
- Partnered with six schools to establish GO Centers.
- Offered opportunities for high school students to reside on campus to familiarize them with campus life.
- Involved parents in programming to increase their awareness of the importance and affordability of higher education for their children.
- Encouraged non-traditional students to consider higher education.
- Began accepting credit for satisfactory completion of the International Baccalaureate program.
- Provided high-quality training programs for education professionals, substitute teachers, and classroom paraprofessionals.
- Offered high-quality Advanced Placement training opportunities for South Texas public school teachers.
- Received seven grants funded at \$4.2 million to support access programs.
- Created an Office of Undergraduate Admissions (separating Admissions and Student Records) to better serve applicants, new students, and parents.
- Applied for an additional GEAR UP grant totaling \$35 million, servicing a cohort of nearly 10,000 low income 7th graders through high school graduation.

Incentives, scholarships, and grants

- Provided University Scholars Scholarships (full 4-year tuition and fees for satisfactory academic performance) to high performing high school seniors.
- Provided incentives for students completing the Recommended High School Plan, Distinguished Achievement Program, or more rigorous course-taking through the Texas Scholars Program, e.g., Texas Scholars medallions.
- Implemented many initiatives that improved identification of qualified UTPA students for Texas Grants, resulting in the distribution in FY05 of \$15.3 million, a total second only to UT Austin's \$16.3 million.

Strategies FY06. New initiatives scheduled for implementation are included below. Funding will come from THECB, student fees, donations, and plant funds.

Higher education pipeline

- Opening "GO Central" in Edinburg, Texas, and partnering with schools to open 18 additional centers.
- Increasing the number of high school students participating in concurrent enrollment.
- Improving recruitment and orientation processes.
- Investigating the possibility of offering ACT testing services in Mexico to international students along the border.
- Initiating a UTPA Parents Association to inform parents of a first-generation student's college responsibilities.
- Requiring that high school students complete specific Advanced Placement courses in order to qualify for University Scholar status.

Incentives, scholarships, and grants

- Working with partners to raise scholarships to support the GEAR UP students' college attendance beginning Summer 2006.

Course scheduling and facilities

- Offering a more balanced schedule of classes throughout the day and into the evening.
- Implementing the January 2005 update of the UTPA *Campus Master Plan 2020* to add classroom, office, and support space and improve parking and pedestrian movement on campus.

Progress Measures.

1. Public school student visits to campus will increase by 10 percent by 2005.
 - 17,182 student visits were conducted in FY04.
2. Concurrent enrollment will increase to more than 1,000 per year.
 - In FY04, the unduplicated headcount was 1,153, up 60 percent from FY03.
3. New entering freshmen will increase by 100 each year.
 - New entering freshmen in fall 2004 increased by 135 from fall 2003.
4. 150 additional new community college transfers will enroll each fall.
 - In fall 2004, new first-time community college transfers increased by 60 from fall 2003.
5. Total enrollment will be 18,122 in fall 2005; 23,076 in 2010; 29,451 in 2015, with nearly 90 percent being of Hispanic origin.
 - Fall 2004 total enrollment was 17,030.
6. Online/hybrid learning opportunities will increase by having 75 percent of courses with a web presence by FY 2008.
 - Fall 2004 proportion was 21 percent.

Major Obstacles. The uncertainty of financial resources available for needy students and growing institutions may hinder students enrolling in college or attending full-time and seriously tax the instructional delivery systems on campus. For example, the Texas Grant may be combined with the B-On-Time Grant, and legislation may limit eligibility.

Objective B: *Improve undergraduate student success.*

Once students are accepted at UTPA, the University is committed to enabling their retention and graduation. Many programs are in place to facilitate this, and many more are planned for the future.

Strategies FY05. The major strategies implemented in FY05 are listed below. Funding came from general revenue, institutional enhancement funds from the special line, reserves, and Title V funding.

Faculty and instructional support

- Hired 71 faculty in newly created positions to meet the demand of increasing enrollment, especially at the undergraduate level.
- Implemented the Learning Framework Course, which includes faculty-staff team teaching, and follow-up mentoring after course is completed.
- Expanded the Writing Center, increasing student usage 24 percent from 2003 to 2004.
- Implemented Writing Across the Curriculum.
- Developed a plan to increase the production of nurses.
- Expanded the Early Warning System to include all courses in the core curriculum (800 sections in fall 2004) to identify and intervene with students who have poor academic performance at mid-semester.
- Expanded from 17 to 24 the cohorts of paired Learning Communities.

Program assessment

- Completed assessment plans for all areas of the core curriculum.
- Instituted assessment of the undergraduate programs.

Time-to-Degree

- Implemented flat fee for designated tuition and mandatory fees at 14 SCH in fall 2004 to encourage students to increase their course load and reduce time-to-degree.
- Expanded the May miniterm to offer nearly twice as many courses.

Student services

- Continued efforts to provide adequate financial assistance to students to remove financial barriers to success.
- Improved customer service using technology that decreased student wait time and allowed them more study time.
- Piloted a shuttle bus system.

Strategies FY06. New initiatives scheduled for implementation are included below. Funding will come from institutional enhancement funds from the special line, student fees, general revenue, and auxiliary funds.

Faculty and instructional support

- Adding 18 new faculty positions for fall 2005 to meet increasing student enrollment within a long-term hiring plan: Music (1); Accounting/Business Law (1); Computer Information Systems and Quantitative Methods (1); Economics and Finance (1); Management, Marketing, International Business (1); Curriculum and Instruction (2); Educational Leadership (1); Communications Disorders (1); Occupational Therapy (1); Biology (1); Electrical Engineering (1); Mechanical Engineering (1); Mathematics (3); Physics and Geology (1); and Social Work (1).
- Recruiting at least 92 new faculty positions to accommodate student enrollment growth in fall 2006.
- Adding programs to help new faculty transition to UTPA and the Valley.
- Monitoring faculty turnover.
- Increasing the focus on Writing Across the Curriculum and other programs to improve written communication.
- Expanding from 24 to 42 the cohorts of paired Learning Communities, with emphasis on integrated learning communities, not just paired courses.
- Implementing a plan to increase the production of nurses.
- Improving the implementation of the R25 class scheduling program so classes are not cancelled due to perceived lack of classroom space.

- Developing a plan to increase the number of technology-aided courses.
- Implementing a new version of WebCT.

Time-to-degree

- Establishing an undergraduate academic advising model.
- Instituting programs to encouraging students to take full loads.
- Implementing in fall 2005 a disincentive for enrollment in the same course more than twice.
- Implementing the recommendations from the Task Force on Class Scheduling.

Student services

- Developing plans for the Wellness and Recreational Sports complex and beginning construction.
- Expanding shuttle bus service.
- Completing construction of 400-bed residence hall to open fall 2006.
- Developing a plan to expand Internet services to students.
- Opening the Child Development Center to provide child care for the young children of UTPA students.

Course scheduling and facilities

- Offering a more balanced schedule of classes throughout the day and into the evening.
- Implementing the January 2005 update of the UTPA *Campus Master Plan 2020* to add classroom, office, and support space and improve parking and pedestrian movement on campus.

Progress Measures.

1. All new entering freshmen as of fall 2007 will enter UTPA with the recommended or higher high school curriculum.
 - On track for implementation in fall 2007, one year ahead of State requirements.
2. Retention rate of the entering freshman cohort (first-time, full-time) from their first year to their second year will be 75 percent by FY10. **Key Measure**
 - First-year retention of the fall 2003 freshman cohort was 66.4 percent, up from 57 percent for the fall 2000 entering freshmen.
3. New full-time transfer student retention from their first year to their second year will improve by 1 percent a year beginning in FY06.
 - First-year retention of fall 2003 new full-time transfer students was 69.8 percent, up 4.5 percent from fall 2002.
4. Total undergraduate semester credit hours will increase by 14 percent between FY04 and FY06. **Key Measure**
 - Total SCH in FY04 was 379,908, a 29 percent increase from FY00.
5. The six-year undergraduate graduation rate of new first-time, full-time freshmen will increase by 1 percent each year. **Key Measure**
 - Fall 1998 cohort 6-year graduation rate was 26.7 percent, up 0.3 percent from the fall 1997 cohort.
6. Pass rate for first-year test takers of the TExES Pedagogy and Professional Responsibilities will be 90 percent by 2006.
 - AY04 pass rate was 83 percent. (Source: Title II/SBEC online accessed June 27, 2005)
7. In 2005, 950 teachers (including 40 math and science teachers) will be certified through UTPA's traditional and ACP. (Source: from *Closing the Gaps*)
 - In FY04, a total of 843 teachers were certified, including 68 in math and science. (Source: SBEC Online Reports)

Major Obstacles. UTPA is uncertain that it will receive the financial aid necessary for its needy students or the resources that should be directed toward Texas' *Closing the Gaps* growth institutions. Not having financial aid resources may hinder UTPA students' ability to enroll in college at all or attend full-time. Lack of growth funding will seriously tax the instructional delivery systems on campus. It will be a challenge to offer sufficient numbers of sections to meet the sometimes conflicting targets for student:faculty ratio, percent of lower division SCH taught by tenured/tenure track faculty and the transition to a three-course teaching load. Faculty hiring may not keep pace with the rapid enrollment

growth expected – especially in some disciplines where there are serious supply and demand issues – not just in Texas but in the entire United States.

Objective C: *Increase access to a wide variety of undergraduate programs that meet the needs of students, educational agencies, business and industry.*

UTPA will increase its variety and depth of degree offerings in accordance with the state's *Closing the Gaps* and *State Higher Education Accountability System* participation, success, and excellence initiatives and the UT System's priorities of "increasing tangible marks of academic and health care excellence" and forming "collaborations among UT System institutions, particularly academic-health institution collaborations."

Currently, UTPA has planning authority for undergraduate degree programs in many areas. The proposals that are in the most advanced stages of development are included here.

Strategies FY05. The major strategies implemented are listed below. The funding for these strategies came from general revenue and institutional enhancement funds from the special line.

- With planning authority from THECB, new undergraduate programs in Civil Engineering and Computer Engineering were developed by the departments and shepherded through appropriate councils and committees on campus.

Strategies FY06. The major strategies to be implemented are listed below. The funding for these strategies will come from general revenue and institutional enhancement funds from the special line.

- Seeking approval from the Coordinating Board for the BS in Computer Engineering.
- Seeking approval from the Coordinating Board for the BS in Civil Engineering.
- Seeking approval from the Coordinating Board for the BS in Environmental Science.
- Developing the Business After Five program.
- Developing the Business Spanish certification program.
- Conducting needs assessments to determine the feasibility of additional undergraduate programs.

Progress Measures.

1. By 2010, implement three new baccalaureate programs: Civil Engineering, Computer Engineering, and Environmental Science.
 - Civil Engineering went before the UTPA Curriculum Committee in April 2005; Computer Engineering is scheduled for September 2005.

Major Obstacles.

None.

Priority 2: Enhance Graduate Education and Research

UTPA will increase its graduate program and increase its faculty participation and output in research and sponsored programs in accordance with the state's *Closing the Gaps* and *State Higher Education Accountability System* graduate participation, success, and research initiatives and the UT System's priorities of "increasing external research funding" and forming "collaborations among UT System institutions." To attract top research faculty, UTPA will endow academic chairs in areas of excellence and fund centers of excellence.

Objective A: Increase participation and success in graduate degree programs.

Strategies FY05. The major strategies implemented in FY05 are listed below. Funding came from the appropriation and institutional enhancement funds from the special line.

Degree offerings

- Implemented three new master's degree programs in Accounting, Accountancy, and Occupational Therapy.
- Offered the Master's in Public Administration as a separate program.

Graduate recruitment

- Developed new graduate brochures.
- Increased graduate school enrollment.

Program assessment

- Instituted assessment of the graduate programs.

Strategies FY06. New initiatives scheduled for implementation are included below. Funding will be provided from institutional enhancement special line and endowments.

Degree offerings

- Developing MBA and PhD online/hybrid courses for *maquiladoras* and universities in Mexico.

Graduate recruitment

- Hiring a Director of Graduate Studies and additional support staff.
- Increasing research opportunities for UTPA undergraduates.

Program assessment

- Providing assistance to program directors for Graduate Program Assessment.
- Developing and implementing a comprehensive graduate recruitment and enrollment plan.

Information technology

- Developing a plan for increasing the number of technology-aided courses.
- Developing a plan to expand Internet services to students.
- Implementing a new version of WebCT.

Course scheduling and facilities

- Offering a more balanced schedule of classes throughout the day and into the evening.
- Implementing the January 2005 update of the UTPA *Campus Master Plan 2020* to add classroom, office and support space, and improve parking and pedestrian movement on campus.

Progress Measures.

1. Fall graduate student enrollment will increase by at least 100 students each year. **Key Measure**
 - In fall 2004, UTPA enrolled 2,242 graduate students, up from 2,046 in fall 2003, an increase of 196.
2. The proportion of graduate enrollment will increase to 15 percent by 2015.
 - In fall 2004, the proportion of graduate headcount was 13 percent.
3. The number of doctoral degrees awarded in 2005 will be 14, with 43 percent to Hispanics. (Source: from *Closing the Gaps*)
 - In FY04, the number of doctoral degrees awarded was 11.
4. Online/hybrid learning opportunities will increase by having 75 percent of courses with a web presence by FY08.
 - Fall 2004 proportion was 21 percent.
5. Complete plans for increasing technology-aided courses and expanding Internet services to students.

Major Obstacles. One obstacle to meeting our targeted increase for participation in graduate programs is the spike in enrollment caused by the GEAR UP cohorts, who will enter college in fall 2006. While the number of graduate students will increase, meeting the proportion of total enrollment (15%) will be delayed. Another obstacle is the insufficiency of funds for fellowships and assistantships.

Objective B: *Increase research and grant activity.*

Strategies FY05. The major strategies implemented in FY05 are listed below. Funding came from general revenue from the appropriation bill and research enhancement funds within the special line.

Research

- Established cross-campus collaborative research groups.
- Increased significantly the activity in research and support activities to engage faculty with funding sources, such as guest speakers, information sharing sessions, etc.
- Instituted a new indirect cost policy to allocate more funds back to the principal investigator and to encourage more research activities.
- Increased the number of endowed chairs/professorships established to 12 (one externally funded).
- Participated on the LEARN (Lonestar Education and Research Network) Board to give UTPA a voice in the development of the state research network.

Grant activity

- Increased the number of external grant proposals.

Strategies FY06. New initiatives scheduled for implementation are included below. Funding will be provided from research funds in the enhancement special line.

Research

- Developing a comprehensive plan to encourage and support faculty engagement in research to include networking activities, access to information, pre-proposal support, proposal writing assistance, indirect cost recovery, and impact on merit and promotion outcomes.
- Establishing a focused institutional research agenda.
- Encouraging faculty to develop academic research centers as recommended by the Washington Advisory Group (WAG) report.
- Phasing in the three-course workload.
- Developing working procedures with UTHSCSA/RAHC administration and faculty.
- Providing formalized support for capturing innovations and intellectual assets.
- Fund-raising for all planned endowed chairs and centers of excellence.
- Laying the groundwork for the Raul Yzaguirre Public Policy Institute.

Grant activity

- Increasing collaboration on grants within UTPA and between UTPA and other universities.

Progress Measures.

1. Be recognized among the top 350 research institutes in the U.S.
 - UTPA ranked 374 in FY03
2. Double the number of disclosures and process them for patents as appropriate. Expect three patent applications in the next two years.
 - Disclosures increased from one in FY04 to 13 in FY05; provisional patent applications, from one in FY04 to two in FY05.
3. Conduct four additional major (multi-million-dollar) collaborative research projects with other university researchers from FY05 to FY10.
 - Submitted five proposals to various federal agencies in FY05, as of March 2005.
4. Increase to \$3 million in FY05 the amount of academic science and engineering federal research and development funding, as reported by NSF.
 - FY04 total was \$2.6 million.
5. By 2010 UTPA will have raised \$6 million for endowed chairs to support the doctoral programs and other funds for centers of excellence, faculty development, etc.
 - Internal endowments have been established for 11 chairs/professorships, plus 1 external chair (Neuhaus in entrepreneurship).
6. Increase the total amount of external dollars received for research and sponsored projects and placed in restricted accounts by \$1 million per year. **Key Measure**

- Baseline is \$18.9 million in FY04.

Major Obstacles. UTPA will meet obstacles to meeting its goals in this area until certain reforms are embedded in the academic culture. One reform is the move away from the four-course teaching load that was cited in the 2004 Washington Advisory Group report as an impediment to faculty progress in research, grant writing, and creative activity. At President Cárdenas's request, in spring 2005 a faculty task force made recommendations for a three-three load that will be phased in over the next two years. The second reform includes the redesign of UTPA's faculty merit and promotion standards and processes. These standards will be implemented over the next few years with the new workload standards.

Another obstacle is the rapid growth in undergraduate enrollment expected over the next few years fueled by the influx of GEAR UP students. Limited resources will by necessity be directed more toward this undergraduate growth than toward graduate enrollment growth.

***Objective C:** Increase access to a wide variety of graduate programs that meet the needs of students, educational agencies, business and industry.*

Currently, UTPA has planning authority for graduate degree programs in many areas. The proposals that are in the most advanced stages of development are included here.

Strategies FY05. The major strategies implemented are listed below. The funding for these strategies came from general revenue and institutional enhancement funds from the special line.

- Implemented in fall 2004 the Master's in Accounting (MSA), Master's of Accountancy (MACC), and Master's in Occupational Therapy (MS).
- Continued activities in the departments to prepare degree proposals for the remaining five master's and one doctoral degree in the approved table of programs.

Strategies FY06. The major strategies to be implemented are listed below. The funding for these strategies will come from general revenue and institutional enhancement funds from the special line

- Initiating the start-up of the MS in Chemistry.
- Initiating start-up of MS in Engineering Management.
- Submitting a proposal to the Coordinating Board for the Creative Writing master's degree.
- Completing the planning and approval of the PhD in Manufacturing.
- Initiating discussions with UTMB on a collaborative PhD in Biomedical Sciences.
- Conducting needs assessments to determine the feasibility of additional graduate programs.

Progress Measures.

1. By 2010, implement eight additional master's degrees: Master's in Accounting, Accountancy, Chemistry, Creative Writing, Engineering Management, International Studies, Occupational Therapy, and Physician Assistant Studies.
 - In fall 2004, the Master's in Accounting (MSA), Master's of Accountancy (MACC), and Master's in Occupational Therapy (MS) were implemented.
2. By 2010, implement one additional doctoral program (PhD in Manufacturing Engineering) and two additional cooperative doctorates (Rehabilitation Science and Biomedical Life Sciences).
 - Planning is underway for these degrees.

Major Obstacles. Obstacles to increasing the number and variety of graduate degree programs include sufficient start-up funding for new graduate programs, and acquiring implementation authority from the Higher Education Coordinating Board for those for which we have planning authority.

Priority 3: Improve UTPA's Organizational Effectiveness

In order to meet UTPA's goals, to respond to rapid enrollment growth, and move to the next level of excellence – while contributing to the State's *Closing the Gaps* initiatives, performing well in the *State Higher Education Accountability System*, and helping the UT System achieve its priorities – the University will improve its organizational structure and processes. The major outcomes will be improved services to all constituents and efficient utilization of resources so that the maximum amount of funding can be used to optimize academic instruction and support.

Objective: *To improve UTPA's processes and organizational structure to optimize the delivery of instruction and services to students and maximize utilization of resources.*

Strategies FY05. The major strategies implemented are listed below. Funding came from the Higher Education Assistance Fund (HEAF), institutional enhancement from the line item, designated tuition, and general revenue from the appropriation.

Faculty and instructional support

- A faculty committee recommended to President Cárdenas a teaching workload policy and process to move to a standard three-course load for faculty.
- Began streamlining the faculty hiring process to assure quick response to hiring possibilities.
- Appointed a faculty task force to develop a plan to improve faculty governance.
- Appointed a faculty Task Force on Class Scheduling.

Student services

- Created the Office of Undergraduate Admissions to enhance service to and improve communication with prospective students and their parents.
- Developed and implemented a web-based online scholarship application for the UTPA "Excellence" scholarships.

Staff support

- Developed a compensation program for faculty, staff, and administrative salaries and compensation policies and practices.

Institutional support

- Completed Phase I of a branding process to differentiate UTPA and elevate its visibility.

Program assessment

- Began the Compliance Certification and the Quality Enhancement Plan processes for the Southern Association of Colleges and Schools (SACS) reaffirmation site visit to UTPA in Spring 2007.
- Conducted, with President Cárdenas's sponsorship, in-depth training seminars in compliance with all line supervisors.
- Conducted external peer/UT System/state comptroller/professional firm reviews of Institutional Research and Effectiveness, Internal Audits (follow-up review), Purchasing, Travel, Accounts Payable, Payroll, Compliance Support Services, Environmental Health and Safety for fire safety, and Development.

Information technology

- Developed a 5-year strategic plan outline for information technology.
- Completed Phase One (33 classrooms) of a plan to all equipped classrooms with "smart" technology for teaching and learning.
- Hired Chief Information Officer and Oracle Project Manager to shepherd information systems migrations and reorganize technology support across campus.
- Hired Director of R25/S25 Room Scheduling Service to improve scheduling of classes, teaching labs, institutional, and *ad hoc* events.

Strategies FY06. The major strategies to be implemented are listed below. Funding came from the HEAF, institutional enhancement from the line item, designated tuition, and general revenue from the appropriation.

Faculty and instructional support

- Completing the hiring process for all open Dean positions.
- Implementing new faculty hiring guidelines.
- Building the academic administrative infrastructure through compensation, staffing, and support strategies so that decisions are made at the most appropriate level.
- Hiring in each academic college for the new position of Administrative Services Officer.
- Improving the room scheduling program to optimize classroom utilization during exam periods, and reduce conflicts in scheduling with other campus events.
- Implementing recommendations from the Class Scheduling Task Force.
- Implementing criminal background checks for selected academic programs that have off-campus clinical and internship experiences for students.
- Implementing support systems for the RAHC to use effectively the resources of UTPA and UTHSC-San Antonio.

Student services

- Expanding services to prospective and current students via online services, such as the Texas Common Application, degree audit, transcript evaluation, verification of financial aid, etc.
- Piloting an electronic transcript services program with four high schools.
- Implementing a reconfigured undergraduate advising model.

Staff support

- Implementing selective recommendations from the compensation study.

Program assessment

- Continuing the Compliance Certification and the Quality Enhancement Plan processes for the SACS reaffirmation of UTPA in December 2007.
- Conducting an audit of the development office and restructuring the external relations function to achieve an integrated marketing strategy.
- Conducting peer review audits of support offices to improve processes and service delivery.

Information technology

- Completing Phase Two (30 additional classrooms) of the plan to equip all classrooms with "smart" technology.
- Providing support to implement fully the Oracle system for financial and human resource services.
- Beginning the implementation of SunGuard SCT Banner, a major upgrade of and implementation for our student information system.
- Creating a functional IT help and desktop support service.
- Providing content manager software support for departmental websites.
- Initiating Phase I of a university data warehouse.
- Hiring an IT Business Manager.

Progress Measures.

1. 125 square feet of office space per full-time faculty member will be provided.
 - In fall 2004, 130 sq. ft. per faculty member were provided.
2. Classroom utilization will increase from 26.6 hours per week (fall 2002) to at least the THECB state standard of 38 hours per week by fall 2006.
 - In fall 2004, the classroom utilization rate was 35.9.
3. Laboratory use is expected to increase similarly, from 15.4 hours per week (fall 2002) to at least the state standard of 25 hours per week in fall 2006.
 - In fall 2004, the class lab utilization rate was 27.7.
4. Administrative costs as a percent of operating budget, already among the lowest in the state, may increase as the institution improves processes and service delivery.
 - FY2004 was 8.8 percent.

5. Customer satisfaction reports are used to monitor effectiveness of and to improve the systems.
 - In fall 2004, a survey of Oracle team leaders led to changes in project management and process.
6. The staff-to-student ratio will be maintained at approximately 9:1.
 - Fall 2004 was 9.2:1.
7. Faculty and staff salaries are more competitive.
 - Baseline established in FY05.

Major Obstacles. Changing the decision-making culture of the institution so that it becomes more bottom-up and involves more consultation will be a challenge. Maintaining high levels of customer service during a time of rapid enrollment growth will require increases in staff, as well as improved processes that will require additional resources.

Providing the space necessary to accommodate projected student growth is a major challenge. If UTPA reaches 30,000 students by 2015, we will need to double our facilities. In addition, we must increase utilization of on-line learning and improve instructional facilities utilization during the day, afternoon, evening and weekend.

III. Future Initiatives of High Strategic Importance

This section contains the major high-priority potential initiatives for UTPA in the next ten years. Discussions across campus and with major constituencies will progress as the institution decides if, when, or how to implement these ideas.

Future Doctoral Degree Program Considerations. The WAG report from 2004 identified areas where UTPA's strengths could lead to high quality doctoral programs. The faculty and administration will explore the possibility of additional doctoral degree programs in the areas suggested by the WAG and others of interest to the institution, including, in alphabetical order:

- Business, management, and computer science interdisciplinary degree
- Computational science in engineering or applied mathematics
- Cultural/border studies, including bilingual composition, communications, linguistics, and history
- Curriculum and instruction in education
- Electrical engineering
- English composition
- Environmental/ecological sciences
- Mathematics and science education and/or curriculum and instruction
- Physical, biological and health sciences joint degree, especially in RAHC research areas
- Psychology
- Spanish

Every proposal will be prepared with a clear identification of resources that will support the program. Progress will be measured by the granting of UT System and Coordinating Board authority for planning or by approval of the program proposals.

- Research Capacity. As suggested in the WAG report in 2004, UTPA will continue its plans to work collaboratively with the RAHC in Harlingen, UT Health Science Center - San Antonio, and other UT System institutions as appropriate. Benefits to the state will be accrued through collaborative research projects in public health areas and through the commercialization of intellectual property that the sponsored research will likely generate. Funding will be provided from general revenue, contracts, and grants.

Other information technology infrastructure initiatives that will improve UTPA's research capabilities include: achieving the extension of the full capabilities of LEARN (Lonestar Education and Research

Network) to the campus on LEARN fiber and supporting research by operation a high-performance computer center.

- Time-to-Degree. UTPA's primary goal is to keep tuition as low as possible, to augment financial assistance for our very high-need population, and to improve services to students that will increase retention, decrease the time-to-degree completion, improve our graduation rates, and improve the quality of the educational experience. The recently instituted 14 hour cap is a time-to-degree measure that is already in place. For the long term, we will choose from the following best practices.
- Off Peak Discounts. UTPA will study the effects of instituting off-peak incentives, which would allow discounted tuition and fees for students enrolled during low-demand periods, such as early morning and afternoon. If successful, this initiative has the potential to increase facility use efficiency and reduce parking problems.
- Summer Session Initiatives. Presently, facilities are underutilized during the summer. Consideration will be given to providing adequate faculty salaries, and providing incentives to encourage greater student enrollment in the summer, which will also decrease students' time-to-degree.
- Online/Hybrid Course Enrollment Initiatives. Although online/hybrid courses are still in the process of maturing and gaining wider acceptance, we believe that developing initiatives for students to enroll in online/hybrid courses would be beneficial. Increased online/hybrid instruction would require increased access to computers for the students but would reduce facility and parking pressures.
- Rebates. UTPA will closely monitor the results of rebate initiatives at other institutions. Rebates offer the potential to accelerate time-to-degree and to encourage graduation without excess hours beyond those required.
- Long-term Planning and Capital Campaign. In the next few years, UTPA will conduct a far-reaching and inclusive strategic planning effort that will involve UTPA's external constituencies: former students, parents, public school leaders, legislators, members of the business community, as well as Mexican education and political officials. This effort will result in a long-term vision, major goals and outcomes for the University as it deals with the growing pains resulting from an enrollment that will more than double from 17,030 in 2004 to 38,000 in 2020. Funding will be provided from university resources and corporate and other sponsors.

With the long-term plan in hand, the University will embark on a major capital campaign to fund the new directions that emerge from the planning effort. In order for a major capital campaign to be successful, UTPA will have to substantially increase the development office infrastructure to meet the added demands. The institution will hire a consulting firm to advise and plan the campaign, suggest a target goal, etc. UTPA will also look to its major constituents to facilitate prospect identification, evaluation, cultivation, and donor development. Funding will be provided from university resources and corporate and other sponsors.

IV. Other Critical Issues Related to Institutional Priorities

UTPA's ongoing and future initiatives will have impact on and synergies with other processes and resources on campus. Below is a brief discussion of the relationship of institutional priorities and enrollment management, diversity, community and institutional relations, finances, facilities, and other infrastructure issues.

A. Impact of Initiatives

Enrollment Management. Affording access to increasing numbers of qualified students in UTPA's service area will be a challenge during this decade. In 2005, a review of the commitments of all public four-year institutions in Texas to *Closing the Gaps* revealed that UTPA will contribute the largest number of students – and the largest number of Hispanic students – to the participation targets for 2015. UTPA's service area is one of the fastest growing Metropolitan Statistical Areas in the United States. It is also the poorest urban area in the nation.

To ensure the success of these students in terms of retention and graduation, in spring 2005 the University instituted the first of a series of increases in admissions criteria. These changes include: requiring that all entering freshmen have completed the recommended high school curriculum (fall 2007); increasing the minimum ACT score accepted to 18 (fall 2011); and requiring all transfer students to have a minimum 2.0 GPA (spring 2005).

The University will experience a short-term spike in undergraduate enrollment beginning in fall 2006. That semester will see an increase in freshman enrollment when the 14,000 students – who have benefited from interventions from both the UTPA and Region One GEAR UP programs since they were in the 7th grade – graduate. Modest projections estimate UTPA will have an additional 1,600 new freshmen that fall for a total of over 4,600. Since these students are expected to move through the University within about five years, permanent changes in hiring and facilities will not be made to accommodate this “wave,” and there will therefore be great stresses on the organization during that time. GEAR UP has instituted measures that they call “sustainability measures” to continue after the grant expires. The extent to which these measures are effective will increase UTPA’s new student enrollment in following falls.

At the same time, UTPA plans to increase the proportion of its graduate enrollment – which has been 13 percent for the last few years – to 15 percent. Since UTPA projects large increases in the undergraduate student population, recruitment of graduate students must be aggressive to achieve the 15 percent goal. The impact of new graduate programs will begin slowly in the middle of the decade and contribute significantly by about 2015.

UTPA will attempt to keep its student:faculty ratio at 21:1 during this period of growth. Its proportion of lower level students taught by tenured and tenure track faculty will likely decrease from its current 42.3 percent (fall 2004) when the GEAR UP students arrive in fall 2006, since permanent, tenure-track faculty will not be hired to meet this short-term urgent situation.

Diversity. UTPA’s placement in an area of Texas that is majority Hispanic allows it to be a major contributor to the goal of the UT System and the state to increase access for non-Anglo high school students. UTPA’s student enrollment is nearly 90 percent Hispanic. UTPA will continue to be one of the state’s major contributors to *Closing the Gaps* goals for enrolling and graduating more Hispanic students. Females comprise nearly 60 percent of the enrollment at all levels and across all ethnicities.

UTPA’s faculty and staff are very diverse. Women represent 39 percent of the faculty, but only 26 percent of tenured faculty. Forty-eight percent of the faculty is non-Anglo (35% Hispanic). Fully 87 percent of the administration and staff are non-Anglo (80% Hispanic), and women comprise 51 percent of the total. UTPA will continue to increase efforts to hire ethnic minority faculty.

Community and Institutional Relations. UTPA has been credited with being a major force in the development of the Hispanic middle class in the Valley. Increasing enrollment and graduation of undergraduates will add to this trend. The University’s emergence as a doctoral institution, with increasing emphasis on graduate education, will make UTPA a major force in the expansion of the Valley’s professional class. Both these factors will contribute to the improvement of the economy, culture, health, and welfare of South Texas.

UTPA has a wide variety of cultural events that it opens to the community, from plays and musical events, to sports, and guest lectures by nationally prominent faculty, researchers, writers, etc. The University will continue to play a critical role in the cultural life of the Rio Grande Valley.

As mentioned in Section III, UTPA will embark on a major strategic planning effort in the near future that will include major external constituencies, and involve the community more in the future of UTPA.

Finances. In fall 2005, UTPA intends to raise the designated tuition rate by \$8, from \$38 per SCH to \$46 per SCH, which is still low compared to other UT System schools: \$6 per SCH lower than UT Permian Basin, the next lowest, and \$48 per SCH lower than UT Austin, the highest. Projections indicate that this change will generate approximately \$4.6 million in additional revenue per year. This additional revenue will be used to hire new faculty to accommodate strong student growth and is a key element in assisting UTPA to meet its *Closing the Gaps* goals. Consultations with the academic colleges and departments are ongoing regarding the best combination of faculty ranks and disciplines to serve student needs and meet strategic objectives.

Some of the additional resources will be used to fund a faculty workload adjustment to transition faculty to a three-course load per semester which is typical of comprehensive state institutions. This adjustment will allow faculty to improve the quality of their teaching while pursuing externally funded research grants. It will also allow UTPA to compete for top talent as the demand for academic faculty outpaces the supply.

Any funds remaining after addressing core education needs will be directed to providing a stronger technology infrastructure in the classroom, specifically through the provision of additional "smart" classrooms which facilitate the use of technology for instruction.

Fee increases will be instituted in fall 2005 to fund enhanced services. A new Academic Advising Fee of \$19 per semester will be charged to undergraduates to fund a much-needed advising infrastructure. The \$1.35 increase to the medical fee will provide extended hours, including plans for weekend service and adding staffing for other medical specialties.

UTPA is strongly committed to pursuing every source of financial aid assistance possible, given the demographics of our student population. We do not believe that the proposed increases will have an adverse impact on the students' access to higher education. UTPA is proud of the fact that our student loan default rate is 1.1 percent compared to the state average of 6.4 percent and the national average of 5.2 percent. However, the shifting trend from grants to loans is troubling and one that will negatively impact students' financial status after graduation, as well as their decisions to pursue graduate or advanced degrees.

Facilities. UTPA's classroom utilization for fall 2004 was 35.6 hours per week, just shy of the Coordinating Board standard of 38 hours. Class lab utilization was 27.7 hours per week, above the 25 hour standard. UTPA expects to see further increases in utilization rates as GEAR UP and *Closing the Gaps* enrollment increases outpace our ability to purchase or build facilities. Increases in enrollment and a shift to a three-course teaching load will result in a need for more large classrooms than we have at the time. In addition, UTPA has maintained its buildings very well and has only \$235 thousand in deferred maintenance and no critical deferred maintenance. However, enrollment increases without attendant *Closing the Gaps* growth funding will stress the institution to keep current space adequately maintained.

In FY05 parking was adequate for faculty, staff, and students. However, imminent enrollment pressures and the uncertainty of land purchases for additional surface parking will provide challenges in the future. The shuttle bus, piloted in 2004, has proven successful and will be expanded in FY06 to decrease students' travel time from remote lots to their classes. In addition, efforts to improve the distribution of classes throughout the day/week will reduce demand for parking during current peak times. Increased class offerings in the evening will require accelerated implementation of the campus lighting plan.

Increased enrollment will require more faculty who will need offices. Additional faculty office space will be provided through conversion of current buildings, as well as purchase of land and/or structures for construction or conversion to office space. The current chill plant is adequate to cool additional office buildings and current academic and staff buildings, even though they will be occupied during more of the day, evening, etc. to accommodate increased enrollments.

Efforts to increase the number of undergraduate residential students, plus increases in enrollment of students from outside the RGV and full-time graduate students may require UTPA to consider more residential housing in the future. In fall 2006, a 400-bed residence hall will come on line to accommodate some of this growth.

Increased delivery of online/hybrid academic courses will help ameliorate the need for physical instructional facilities and parking. Library resources will continually be evaluated for their ability to support UTPA's increasing enrollment, program diversification, and movement to more intensive doctoral and research activity.

Other Infrastructure Issues. UTPA has purchased Oracle Information Systems software for business processes, which will be implemented in a phased manner over the next few years and is expected to meet the institution's needs for the next 10 years at least. Oracle systems are adequate to improve delivery of services across campus, and to accommodate increased student enrollment. In fall 2004, UTPA decided to purchase SunGuard SCT Banner as its student information system, which is a major upgrade to the current Banner product. This should facilitate implementation and migration of student information.

B. Unexpected Opportunities or Crises

UTPA was not awarded a DOE Special Services Grant this competition – the first time in 34 years. This funding is used in our Learning Assistance Center to promote student success through academic tutorials, counseling, and advisement. This is a loss of half a million dollars each year for five years. UTPA will take funds from other programs and ask students to allocate student fees to this purpose to maintain this vital service.

V. System and State Priorities

Sections II through IV above have addressed in some detail UTPA's response to most of the UT System and State priorities. The highlights are recapped below. UTPA's goals for development and alumni are included in this discussion.

Access and success. UTPA will be a state leader in providing access to higher education for Hispanic students, as measured by headcount enrollment increases. Their success will be measured by retention and graduation rates ensured through admissions criteria linked to their preparation in high school or their transfer institution and academic and student development support services tailored to their needs.

Collaborations. UTPA engages in research, educational, K-16, and business collaborations with UT System institutions; other institutions in the state and U.S.; and various companies, school districts, and organizations here and in Mexico. Examples of research collaborations include: U.S. Hispanic Nutrition and Research Education Center, VaNTH Biomedical Engineering, and Advanced Process Technologies for Controlling Functional Nanostructures and Polymer/Nanotube Composites. Examples of educational collaborations include: Doctor of Philosophy in Nursing, Clinical Nurse Scientist; Hispanic Pharmacy Center of Excellence; and Undergraduate Research Training Program Focused on Plant Responses. K-16 collaborations include: GEAR UP Adopt-a-School Program, Project PEERS with NASA, and TexPrep (Texas Pre-Freshman Engineering Program). Collaborations with business, nonprofits, and community organizations include: Center for Border Economic Studies, Mexican Business Information Center, and Texas Manufacturing Assistance Center.

External research funding. UTPA will work alone and in collaboration with UT System schools and other colleges and universities in the U.S. and internationally to reach its goal of \$20 million in external research funding per year by 2010.

Academic excellence. Several initiatives are underway to determine the future course of academic emphases at UTPA. A visioning and strategic planning process is being conducted in summer 2005 that will help guide the development of areas of excellence. In addition, UTPA is currently developing our Quality Enhancement Plan that will be in place for our SACS spring 2007 reaffirmation visit.

Development and alumni relations. At the end of FY04, UTPA had 220 endowments totaling \$51 million (UTIMCO and UTPA Foundation), representing an increase of nearly 70 percent from the prior year. To enhance the institution's dedication to development activities, President Cárdenas is fostering an "endowment culture" on campus. Another initiative that will improve UTPA's development activities is the further development of the Division of External Affairs Strategic Plan.

UTPA has been actively cultivating its graduates into the Alumni Association. A recent initiative, offering students upon graduation a one-year free membership in the Association, has significantly increased its membership. Approximately 1,000 new members per semester are added to the membership roll of the Alumni Association. The number of dues-paying members increased by 17 percent from FY03 to FY04. The Alumni Board membership has been expanded and revised to include community leaders out of the Rio Grande Valley and improve recruitment into the Association, donations, and participation in special fundraising events. The UTPA Alumni Association celebrates special contributions to UTPA by presenting awards at a number of occasions for outstanding alumni, students, and faculty.

VI. Compact Development Process

All faculty, staff, and students were offered the opportunity via email communication to comment on the UTPA Compact by way of an online survey in early April 2005. In addition, the Joint Institutional Assessment and Strategic Planning Committee (JIASPC) members (representatives from each academic college and each division, faculty and staff senate, and student government association) discussed the draft Compact with their constituents and encouraged them to complete the online survey. This year, 161 individuals responded to the survey, an increase of 50 percent from last year. Participants were asked to respond to each of the Compact sections with their option of how well it will guide UTPA into the future. On all twelve sections, 73 to 82 percent of respondents remarked that the Compact would serve us "well" to "very well."

The open-ended comments were analyzed and synthesized at a working meeting by the JIASPC, who recommended changes to the Compact. Their suggested improvements were included in the draft and highlighted. The Executive Committee (the president and vice presidents) considered the contributions and included all appropriate comments in the final report.

As with all open-ended surveys, many comments were offered regarding the policies and operation of the university that were outside the scope of the Compact. These comments were identified by administrative area and forwarded to the president or appropriate vice president for their consideration.

VII. System Contributions

The list below contains the areas in which UTPA would like to have UT System support. In general, UTPA needs the System to use its influence to deal with explosive enrollment growth, especially at the undergraduate level, to expand its graduate programs and research initiatives, and to fully participate in LEARN. Included are suggestions from the WAG report regarding areas in which the System could help the University. The specific actions UTPA requests are arrayed beneath the appropriate UTPA priority.

Undergraduate Student Access and Success and Graduate Education and Research. UTPA needs the UT System's support/influence:

- To help bring to UTPA full participation in the LEARN optical fiber network.

Undergraduate Student Access and Success. UTPA needs the UT System's support/influence:

- To develop additional resources necessary to accommodate projected enrollment growth. Resources are necessary to hire adequate numbers of faculty and support services personnel, and provide adequate classroom, class lab, office, and support service facilities.
- To work with UTPA to identify and implement innovative ways to provide instruction to an ever-growing student population.

Graduate Education and Research. UTPA needs the UT System's support/influence:

- To develop graduate degree programs.
- To expand its research capabilities.
- To foster collaborations between UTPA and other UT System institutions.
- To help expand the faculty research culture at UTPA.

VIII. Appendices

- A. Budget Summary**
- B. Statistical Profile**
- C. Institution-Specific Information**
- D. Links to Web Resources**

Appendix A: Budget Summary

**The University of Texas at Pan American
Operating Budget
Fiscal Year Ending August 31, 2005**

	FY 2004 Budget	FY 2005 Operating Budget	Budget Increase (Decreases) From 2004 to 2005	
			Amount	Percent
Operating Revenues:				
Tuition and Fees	\$ 42,459,598	\$ 51,372,587	8,912,989	21.0%
Federal Sponsored Programs	39,895,231	40,781,577	886,346	2.2%
State Sponsored Programs	11,284,094	11,749,492	465,398	4.1%
Local and Private Sponsored Programs	1,324,869	926,502	(398,367)	-30.1%
Net Sales and Services of Educational Activities	5,227,121	5,551,180	324,059	6.2%
Net Sales and Services of Hospital and Clinics	-	-	-	
Net Professional Fees	-	-	-	
Net Auxiliary Enterprises	6,182,532	6,336,501	153,969	2.5%
Other Operating Revenues	91,700	91,700	-	0.0%
Total Operating Revenues	106,465,145	116,809,539	10,344,394	9.7%
Operating Expenses:				
Instruction	63,137,827	67,664,945	4,527,118	7.2%
Academic Support	10,917,346	11,371,060	453,714	4.2%
Research	2,885,940	3,187,744	301,804	10.5%
Public Service	7,886,382	7,793,254	(93,128)	-1.2%
Hospitals and Clinics	-	-	-	
Institutional Support	13,417,544	14,289,983	872,439	6.5%
Student Services	10,788,157	11,343,482	555,325	5.1%
Operation and Maintenance of Plant	10,019,594	11,453,697	1,434,103	14.3%
Scholarships and Fellowships	38,290,451	39,878,746	1,588,295	4.1%
Auxiliary Enterprises	12,051,910	12,614,983	563,073	4.7%
Total Operating Expenses	169,395,151	179,597,894	10,202,743	6.0%
Operating Surplus/Deficit	(62,930,006)	(62,788,355)	141,651	-0.2%
Nonoperating Revenues (Expenses):				
State Appropriations & HEAF	64,792,905	65,324,058	531,153	0.8%
Gifts in Support of Operations	800,100	1,275,505	475,405	59.4%
Net Investment Income	684,500	1,039,099	354,599	51.8%
Other Non-Operating Revenue	-	-	-	
Other Non-Operating (Expenses)	-	-	-	
Net Non-Operating Revenue/(Expenses)	66,277,505	67,638,662	1,361,157	2.1%
Transfers and Other:				
Transfers From Endowments	311,000	-	(311,000)	-100.0%
Transfers (To) Endowments	-	-	-	
AUF Transfers Received	-	-	-	
AUF Transfers (Made)	-	-	-	
Transfers From (To) Unexpended Plant	-	-	-	
Transfers for Debt Service	(9,369,853)	(9,330,143)	39,710	-0.4%
Other Additions and Transfers	9,216,915	11,576,692	2,359,777	25.6%
Other Deductions and Transfers	(9,532,819)	(12,307,982)	(2,775,163)	29.1%
Total Transfers and Other	(9,374,757)	(10,061,433)	(686,676)	7.3%
Surplus/(Deficit)	\$ (6,027,258)	\$ (5,211,126)	\$ 816,132	-13.5%
Total Revenues	\$ 172,742,650	184,448,201	11,705,551	6.8%
Total Expenses and Debt Service	(178,765,004)	(188,928,037)	(10,163,033)	5.7%
Surplus (Deficit)	\$ (6,022,354)	\$ (4,479,836)	\$ 1,542,518	-25.6%

Appendix B: Statistical Profile

UT Pan American

<i>fall</i>	2000	2001	2002	2003	2004
Undergraduate headcount	11,186	11,971	12,509	13,867	14,788
Graduate and professional headcount	1,574	1,669	1,883	2,048	2,242
Total enrollment	12,760	13,640	14,392	15,915	17,030

<i>yr of matriculation</i>	1998	1999	2000	2001	2002
1st year persistence	57.8%	60.0%	61.0%	64.4%	66.3%

<i>yr of matriculation</i>	1995	1996	1997	1998	1999
4-year graduation rate	5.3%	5.9%	6.2%	7.8%	8.4%
5-year graduation rate	15.3%	15.8%	17.7%	18.0%	
6-year graduation rate	22.9%	24.6%	26.2%		

<i>academic year</i>	99-00	00-01	01-02	02-03	03-04
Baccalaureate	1,340	1,431	1,597	1,634	1,894
Master's	412	359	430	379	489
Doctorate	7	8	10	8	11

<i>fall</i>	2000	2001	2002	2003	2004
All instructional staff	739	628	667	716	772
Classified employees	693	812	819	828	872
Administrative/professional employees	1,336	1,380	1,319	1,422	1,281
Student employees	4	6	92	78	40

<i>academic year</i>	99-00	00-01	01-02	02-03	03-04
FTE student / FTE faculty ratio	20 to 1	20 to 1	21 to 1	21 to 1	21 to 1

<i>fiscal year</i>	2000	2001	2002	2003	2004
Federal research expenditures	\$1,149,325	\$1,324,426	\$1,394,780	\$1,895,223	\$2,666,191

<i>fiscal year</i>	2000	2001	2002	2003	2004
Revenue/FTE student (nearest thousand)	\$9,000	\$10,000	\$8,000	\$8,000	\$8,000

<i>as of</i>	8/31/99				8/31/04
Endowment total value	\$30,072,000				\$50,749,000

Appendix C: Institution-Specific Information



Milestones:	1927-1933	Edinburg College
	1933-1948	Edinburg Junior College
	1948-1952	Edinburg Regional College
	1952-1971	Pan American College
	1971-1989	Pan American University
	1989-present	The University of Texas-Pan American

- UTPA is the 10th largest university in the state and the fifth largest in the UT System.
- UTPA is second in the nation in the number of bachelor's degrees, fourth in the number of master's degrees, and 93rd in the nation in the number of doctoral degrees awarded to Hispanics.
- The rankings for the number of bachelor's degrees awarded to Hispanics at UTPA by academic program are as follows (Hispanic Outlook 2004):
 - 1st in Health Sciences
 - 1st in Multidisciplinary Studies
 - 2nd in Biological Sciences
 - 3rd in English Literature
 - 4th in Business and Marketing
 - 5th in Mathematics
 - 8th in Protective Services
 - 8th in Public Administration
- The Hispanic Outlook in Higher Education lists UTPA among its top 100 best U.S. colleges for Hispanics.
- UTPA offers 56 bachelor's degree programs, 45 master's, 2 doctoral, and one cooperative doctoral pharmacy program.
- UTPA educates the most Mexican-American students in the nation.
- UTPA has the most Hispanic full-time faculty among the state's universities.
- According to the State Board for Educator Certification, UTPA ranks second in the number of teacher graduates in Texas and first in the nation in the number of bilingual education graduates.
- Ninety percent of students in the UTPA Law School Preparation Institute who have applied to law school have been accepted to at least one.
- UTPA is second only to UT Austin in receiving Advanced Placement Credits from entering students compared to other universities in the UT System.
- UTPA is eighth in Texas in receiving the greatest number of Advanced Placement Credits from entering students.
- UTPA has the only Physician Assistant Program in Texas outside a medical school.
- Sixty-one percent of UTPA students who apply to medical schools are accepted as compared to the state average of 37 percent.
- Students enrolled in the Baylor premedical honors program at UTPA receive conditional admission to medical school and 85 percent are admitted upon graduation.
- In the last two years, four UTPA premedical school graduates have received the prestigious and coveted Howard Hughes Excellence in Research Grants.
- In fall 2004, 86 percent of incoming freshmen had taken the 'recommended or higher' high school

program.

- UTPA offers a Ph.D. in Business Administration with an emphasis in International Business, one of half a dozen such degree programs in the United States.
- Hispanic Engineering Science and Technology Week (HESTEC) – a nationally recognized effort to steer minorities into hi-tech jobs – attracts 30,000 students, teachers, and students to campus yearly.
- The Student Computing Laboratories at UTPA consist of over 800 computers in locations all over campus. Any UTPA student may use these Windows, UNIX, and Macintosh computers, over half of which are available 24 hours a day, five days a week.
- UTPA has received \$15.2 million in fiscal year 2005, the second largest allocation in the state, for the TEXAS Grant program which assists economically disadvantaged students that have completed the Recommended or Distinguished Achievement High School Program.
- The UTPA Student Loan Cohort Default Rate is at a university record low of 1.1 percent compared to a state average of 6.4 percent and national average of 5.2 percent.
- The Office of Career Placement Services places an average of 200 students in internships every school year.
- Since 1998 more than 500 computer science and engineering graduates have been placed in permanent jobs with Fortune 500 companies.
- The internationally renowned UTPA Mariachi holds the title of "Outstanding College/University Mariachi" for winning eight first place awards at annual national mariachi competitions.
- The UTPA Mariachi has been recognized by the Texas House of Representatives and the Texas Senate for promoting the music and traditions of the Hispanic culture.
- UTPA has an all female Mariachi, one of only a handful of such groups in the country.
- The American Society of Mechanical Engineers awarded first place to an all female team from UTPA for a manufacturing engineering design competition.
- The UTPA Mechanical Engineering students have been competing at the National Mini Baja Design Competition since 1999 and currently rank among the top 15 percent in the nation.
- The Office of Center Operations and Community Services (CoSERVE) assists over 1,000 South Texas businesses per year. These businesses have acquired more than \$12 million in capital resources for start-ups and expansions and \$41 million in financial impact.
- UTPA is the only institution in the United States with direct access to the Mexico Border Census Data.
- The UTPA Rio Grande Valley Folklore Archive has one of the world's largest computerized collections of Mexican-American folklore.
- UTPA has two galleries on its main campus. These galleries are used to showcase the work of our art students, art faculty, alumni, and locally and nationally renowned artists.

Appendix D

Links to Web Resources

UT Pan American Home Page: <http://www.utpa.edu/>

Office of Institutional and Research and Effectiveness Home Page: <http://oire.panam.edu>

Fact Books: <http://oire.panam.edu/utpafactbook.htm>

Quick Facts: <http://oire.panam.edu/quickfacts.htm>

Common Data Sets: <http://oire.panam.edu/utpdata.htm>

SCH and Enrollment Reports 1999 through 2004: http://oire.panam.edu/sch_en.htm

UTPA Student Profile: <http://oire.panam.edu/studentprofile.htm>

U. T. Pan American *Compact in Context*

Presentation to the UT System Board of Regents

**Blandina Cárdenas
President
The University of Texas - Pan American
May 10, 2006**



1

Planning Requirements

- **SACS Reaffirmation**
- **UT System Accountability**
- **State Accountability**
- **UT System Compact**
- **UTPA Campus Master Plan Update**
- **UTPA Strategic Planning**



2

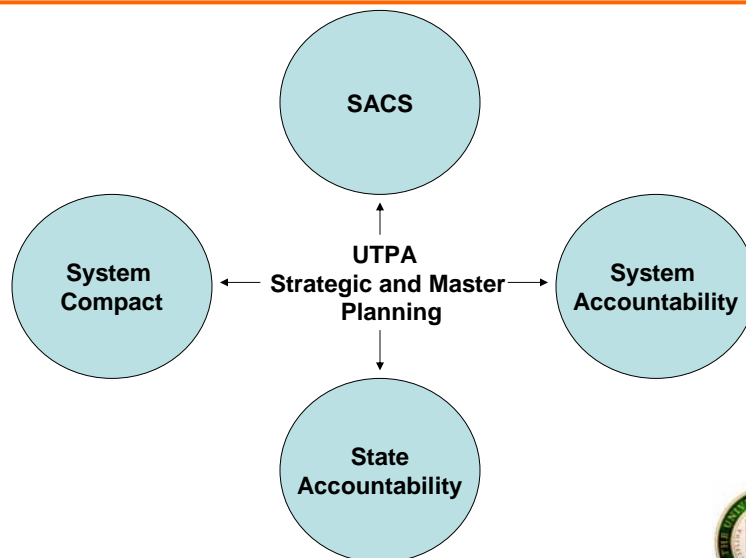
Planning must:

- Be useful to UTPA
- Be owned by the entire organization
- Be credible
- Support desired changes in the organizational culture



3

Integrating Processes



4

Strategic Planning Process



5

Strategic Planning Timeline

2005

- August:** 60 academic and administrative leaders in retreat
- Sept-Nov:** Planning committee drafts ODP maps from retreat materials; President approves
- Nov-Dec:** Divisions oriented to ODP process
- Dec:** All divisions produce ODP maps



6



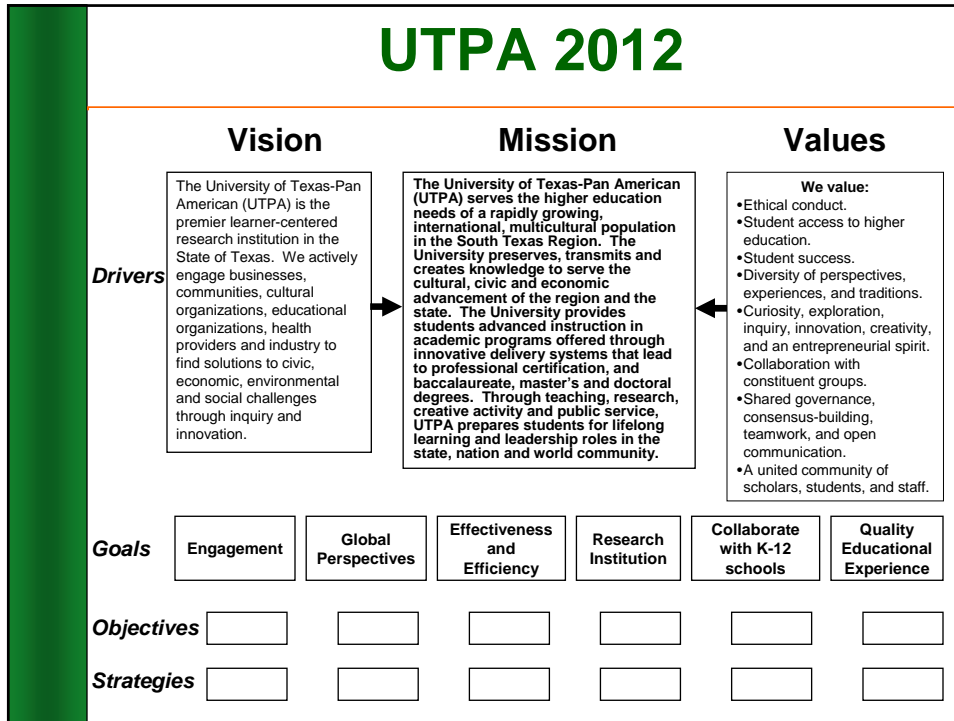
Strategic Planning Timeline

2006

- Jan:** 42 facilitators trained
- Feb-April:** 68 units develop ODP maps
- May:** All units prepare FY06 annual assessment reports
- June:** All units use ODP maps to prepare FY07 annual action plans
- Summer:** Lower-level ODP maps reviewed for alignment with and ideas to be integrated into upper-level ODP maps



UTPA 2012



UTPA 2012

- Provide students a quality educational experience that enables them to complete their educational goals in a timely fashion.
- Become an outstanding research institution, emphasizing collaborative partnerships and entrepreneurship.
- Enhance UTPA's engagement with the community to meet challenges and maximize opportunities.



UTPA 2012

- Collaborate with K-12 schools to enlarge the pool of applicants who are personally prepared and academically qualified for higher education.
- Infuse Inter-American and global perspectives throughout the University community.
- Optimize institutional effectiveness and efficiency consistent with high-quality organizational standards.



Efficiency and Effectiveness ODP Map

UTPA 2012: A Strategic Plan for The University of Texas-Pan American

GOAL: Optimize institutional effectiveness and efficiency consistent with high quality organizational standards.

Objectives	Institute high quality organizational standards and processes.	Empower individuals to implement high quality standards and processes.	Install adequate information management systems.
Strategies	<ul style="list-style-type: none"> ▪ Establish UTPA standards. ▪ Prepare faculty and staff to incorporate quality processes. ▪ Establish incentives for implementation. ▪ Acquire resources for application. 	<ul style="list-style-type: none"> ▪ Create a culture of trust and accountability. ▪ Create a culture that values faculty and staff input on high quality standards, and organizational and process innovations. ▪ Create an environment of shared governance and responsibility. 	<ul style="list-style-type: none"> ▪ Fully install and operate Oracle. ▪ Fully install and operate Banner. ▪ Improve business processes.

Quality at UTPA



CQI: Continuous Quality Improvement

13



Quality at UTPA

Goal:

Optimize institutional effectiveness and efficiency consistent with high-quality organizational standards.

Objective:

Institute high-quality organizational standards and processes.

Action:

Establish quality task force.

14





Quality Task Force

Leadership Group: 13 faculty and staff and interested volunteers who will select the standards to be recommended to the President

Implementation Group: 17 faculty and staff and interested volunteers who will develop components to implement the selected standards



15



Quality Options

- Develop UTPA standards
- Borrow standards from other universities; ex.: *Excellence in Higher Education program developed at Rutgers University*
- Adopt International Organization for Standardization (ISO) 9000 standards
- Adopt Texas Quality Foundation Criteria
- Adopt Malcolm Baldrige quality criteria



16

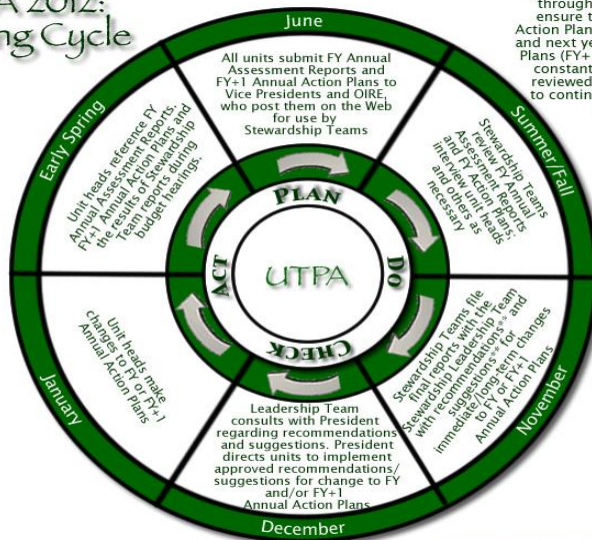
The Stewardship Model

**“Stewardship –
caring for something we value.”**



The Stewardship Process

UTPA 2012:
Planning Cycle



The UTPA Planning cycle rolls through each fiscal year to ensure that current Annual Action Plans (FY in the model) and next year's Annual Action Plans (FY+1 in the model) are constantly and consistently reviewed and become input to continuous improvement of steps to achieve university goals

** These words are used with SACS connotations

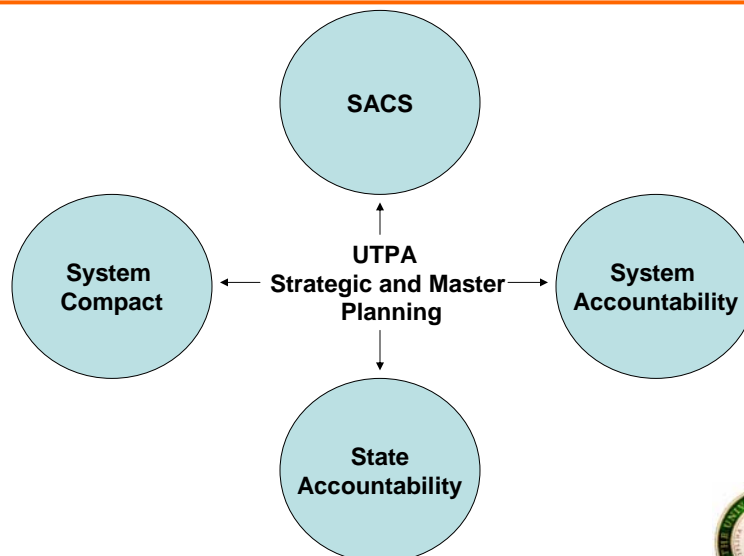
The Compact:

Its Place in UTPA's Planning Cycle



19

Integrating Processes



20

Compact Process

- Executive committee, deans, senior administrators:
 - review performance of last year's *Compact* measures.
 - adjust *Compact* for consistency with strategic plan.
 - select priorities and initiatives.
- Stakeholders recommend new/revised performance measures.



21

Compact Process

- Faculty, staff, students comment on draft via online survey.
- Institutional Planning and Assessment Committee reviews comments and makes recommendations to Executive Committee.
- Executive Committee approves draft for submission to UT System.



22

FY2007-2008

Major Ongoing Priorities and Initiatives

- Quality education and timely graduation
2015 graduate rates: 26% 4-yr, 47% 5-yr, 53% 6-yr
- Collaboration with K-12 institutions
Upper Rio Grande Valley K-16 Council
- Outstanding research institution
Research funding increases by \$1 million per year
- Institutional effectiveness and efficiency
Continuous Quality Improvement implemented



23

FY2007-2008

Future Initiatives of High Strategic Importance

- Engagement with the community
Research and inquiry opportunities identified
- Inter-American and global perspectives
Improved quality and quantity of faculty and student involvement



24

In conclusion....

If you are planning for a year, sow rice.

If you are planning for a decade, plant trees.

If you are planning for a lifetime, educate people.



Source: Chinese Proverb

25





Initiatives to Improve Patient Care Quality and Safety

Sherry Martin
Chancellor's Health Fellow
Vice President, Quality Management
The University of Texas M. D. Anderson Cancer Center

1

University of Texas System Collaborative to improve the care of the critically ill patients in the ICU

Aim Statement:

To improve the clinical outcomes of patients in intensive care units by implementing data-driven improvements based upon external and internal evidence-based practices.

Participants:

UT M. D. Anderson Cancer Center; UT Health Science Center - Houston;
UT Health Science Center - San Antonio; UT Medical Branch - Galveston;
UT Southwestern Medical Center - Dallas; UT Health Center - Tyler

Focus:

Management of a clinical issue, including glucose management, pneumonia, and blood stream infections

Group Rules:

- Aim for “mass customization;” standardized procedures with individual options
- Share helpful information, including medical management protocols
- Share institutional data on each clinical issue

2

UT System ICU Collaborative

Process:

- Collect and analyze baseline data
- Implement medical management protocol; collect and analyze data
- Share lessons learned; implement changes

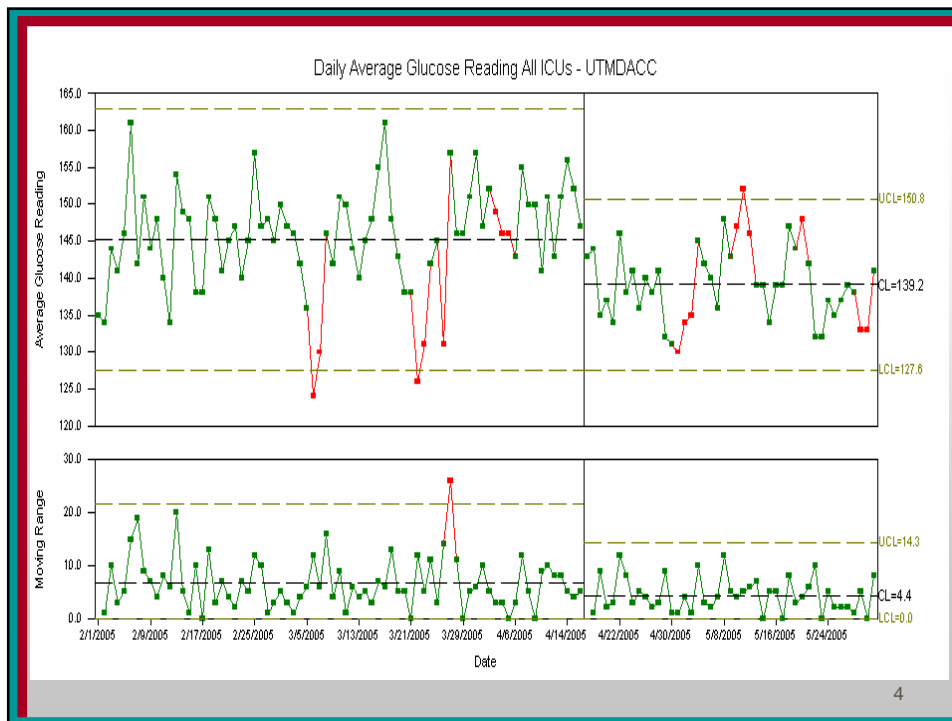
Results:

1. Established two research protocols to determine the optimal level of glucose in a variety of patient populations
2. Developed several “best practices” with respect to reaching the target glucose level
3. Established a UT System list serve and interactive website to host webcasts
4. Expanded data collection and analysis to ventilator–related pneumonia and blood stream infections

Long-Term Goal:

Develop an ICU central registry of patients to provide a large database of information to enable further patient care improvements

3



Reduction of Preventable Cardiac Arrests in Hospitalized Patients

Aim Statement: To decrease the incidence of cardiac arrest by 20% in the first year

Rationale:

Nearly 85% of patients that had cardiac arrests showed identifiable signs of deterioration during the previous eight hours. Recognition of these signs and timely intervention may reduce morbidity and mortality.*

Project Leaders: Gregory Botz, MD; Cyndi Segal, RN

*Bristow PJ, Hillman KM, Chey T, Daffurn K, Jacques TC, Norman SL, Bishop GF, Simmons EG: Rates of in-hospital arrests, deaths and intensive care admissions: The Effects of a Medical Emergency Team, MJA 2000;173:236-240.

5

Medical Emergency Rapid Intervention Team

Concept: Provide a team of skilled clinicians that will respond quickly to a call for assistance with a patient showing signs of deterioration

Team: Critical care nurse, critical care nurse supervisor, designated physician

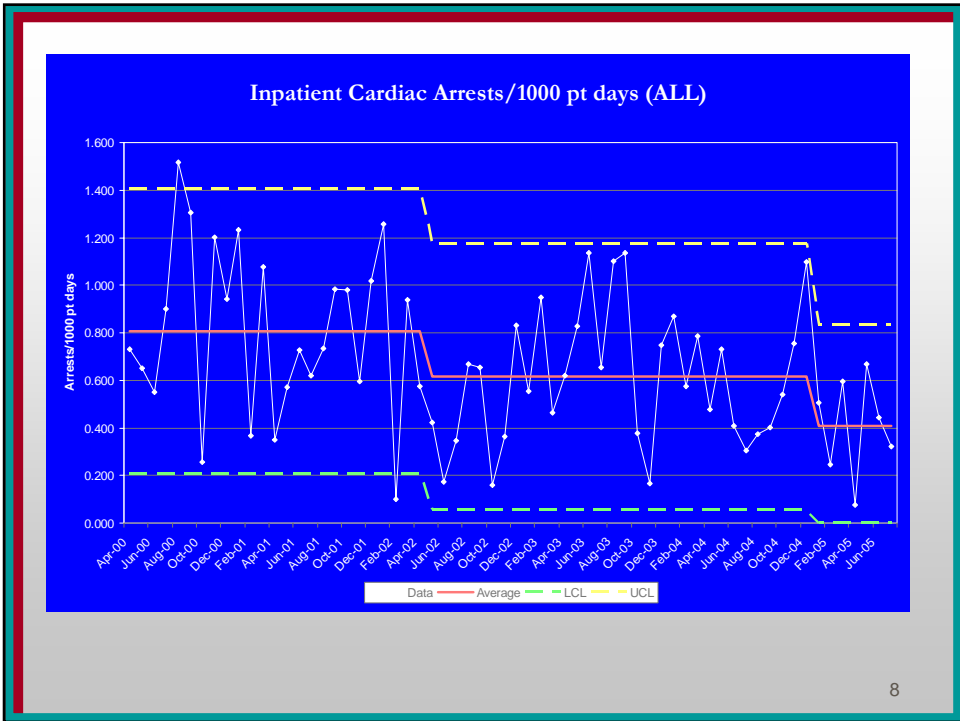
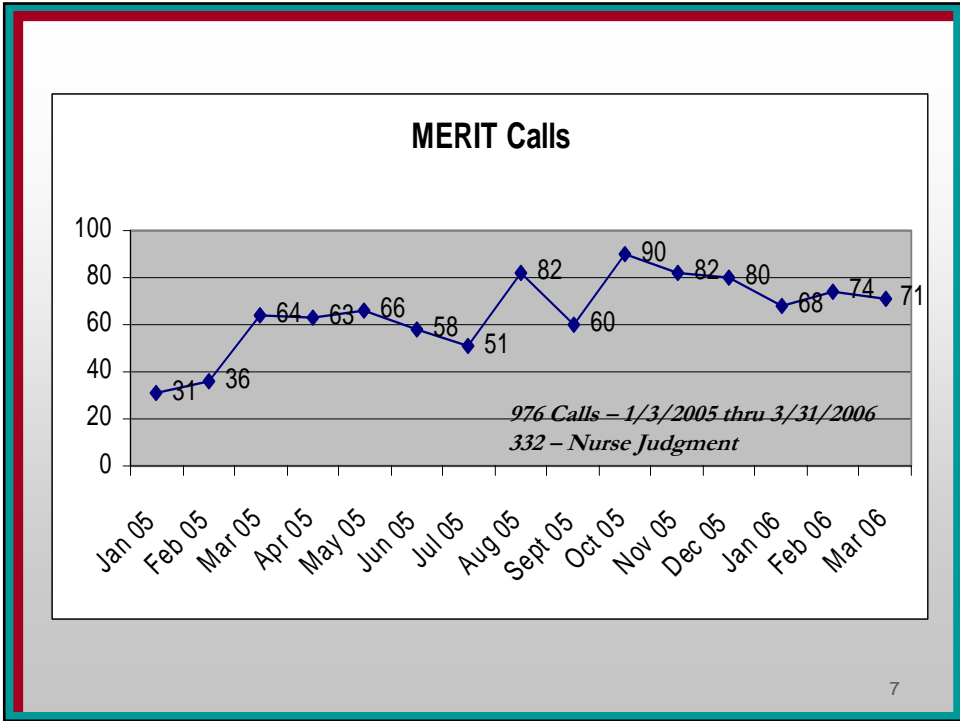
Process: Team is activated based upon changes in physiologic functions such as vital signs, or just on the basis of serious concerns by the nurse.

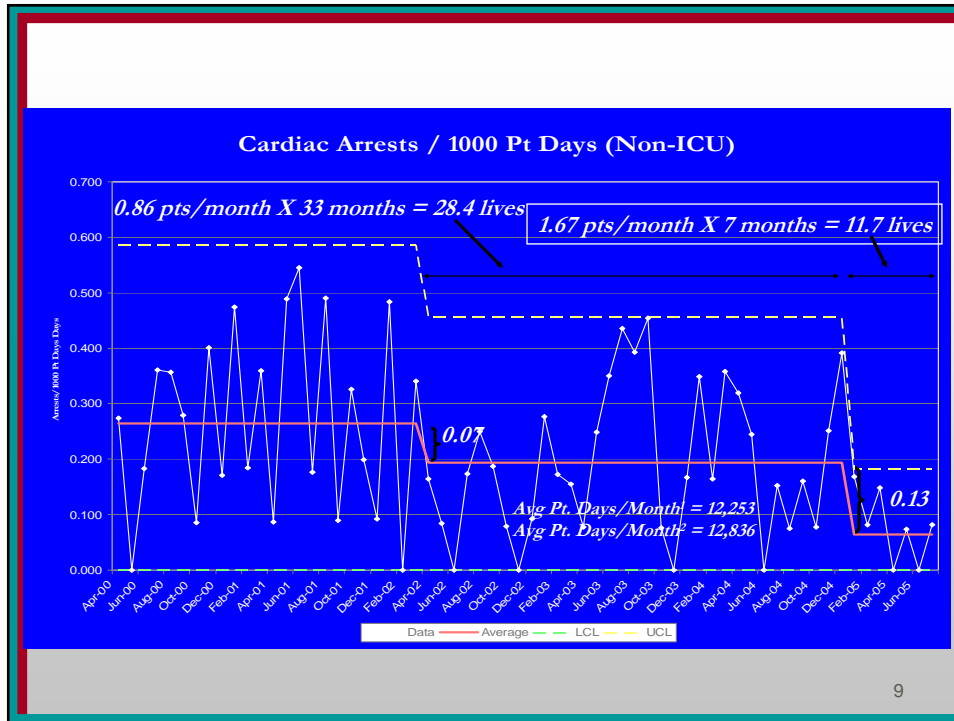
Communication

Method: Situation, Background, Assessment, Recommendation



6





Lean Thinking

A method that focuses on identifying waste and removing it from processes

Purpose: To improve quality and eliminate waste by minimizing:

- process steps
- material handling
- travel distance
- inventory
- waiting

Typical processes have 60-80% Non Value Added Time before a lean implementation

Lean Laboratory

Project Focus:

High Volume Laboratory Tests

- Chemistry, Hematology, Coagulation, Urinalysis
- 4.7 Million Tests per year (71% of total)
- \$120 Million in Test Revenue (45% of total)

Aim:

To eliminate the need for additional personnel and equipment when opening the Ambulatory Clinic Building (ACB)

Project Time:

23 weeks; 7 full-time personnel on team

11

Phlebotomist Supplies Organized



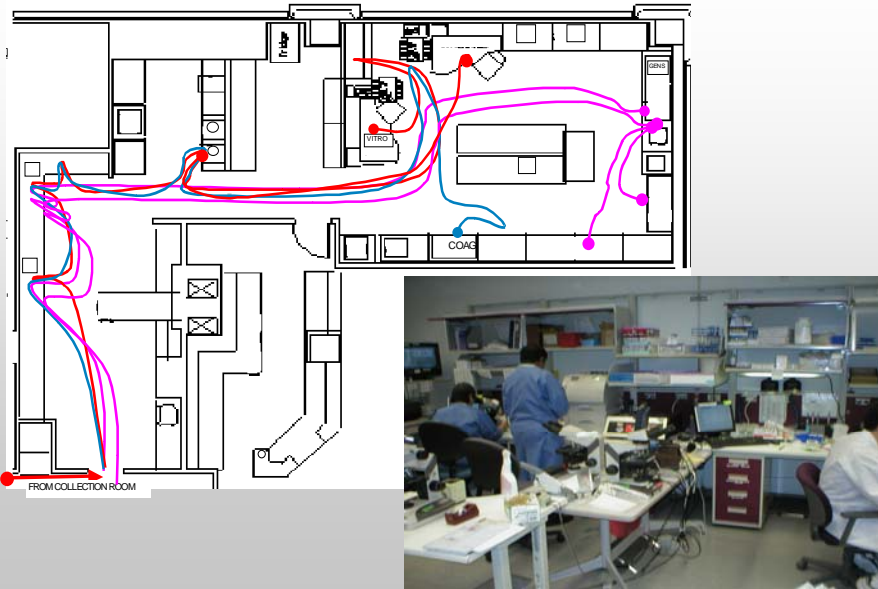
- Sequence of use
- First-In-First-Out (FIFO)

- Visual management
- Resupply quantities
- To also use new carts in outpatient clinics



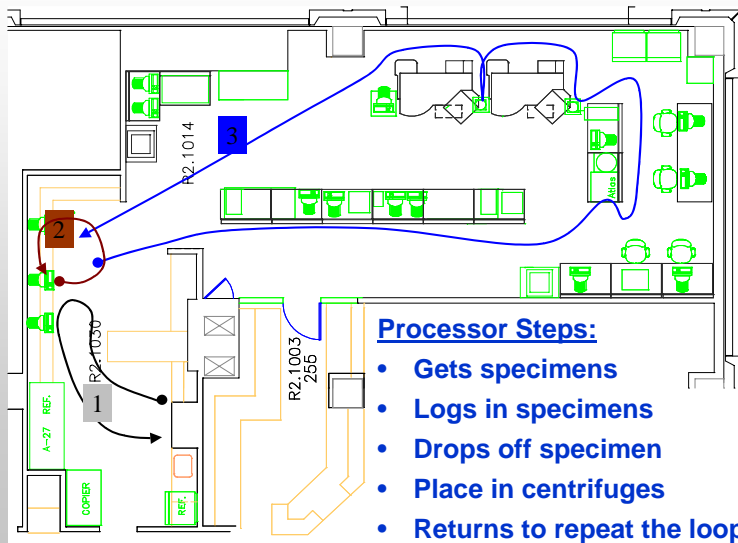
12

Baseline Lab Layout / Workflow



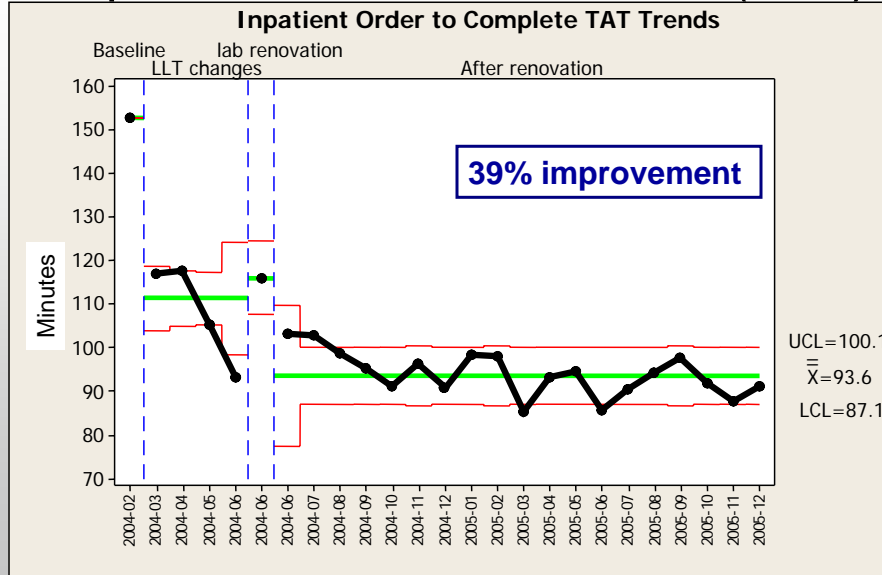
13

Changes to Layouts & Workflow Lab Processor Work Zones

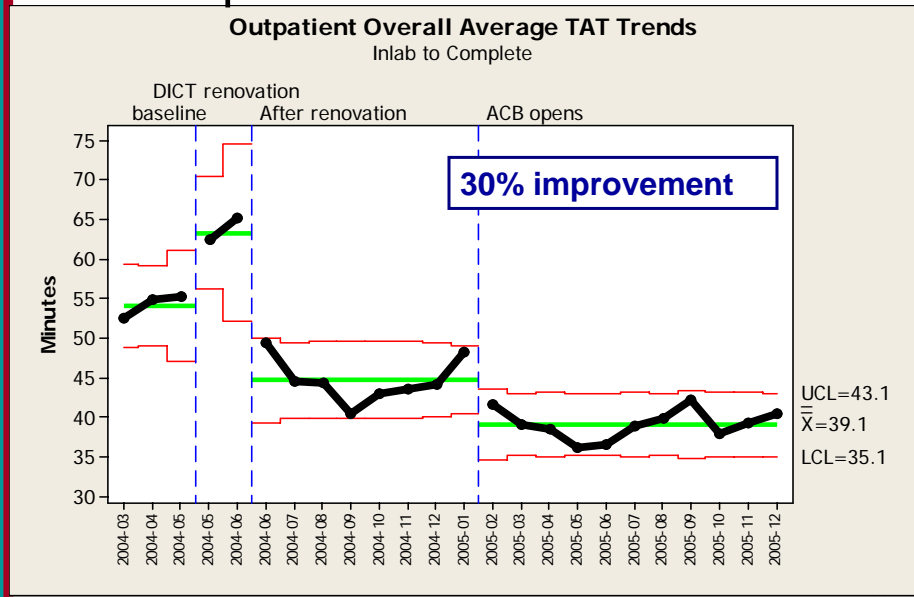


14

Inpatient Turnaround Times (TAT)



Outpatient Turnaround Times



Lab Lean Results

- Labs consolidated from 4 to 2
- No personnel hired for new lab in ACB
- Cost savings/year = \$269,000
- Cost avoidance for new equipment = \$195,400

17

Patient Safety Initiatives in Clinic Station – the MDACC version of an electronic medical record

Aim Statement: To provide a photo of the patient on items used repeatedly by patient care providers to ensure accurate identification of the patient

Initiatives: Patient Wristband
Introductory (face sheet) on Clinic Station
Test Result Alerts

18

Wristband Features



- Color Picture
- Name
- Medical Record Number
- Date of Birth
- Sex
- Medical Record Number Barcode

19

Patient Identified



- Patient Identified at time of Arrival in Diagnostic Imaging
- Digital Photograph is taken and stored
- Wristband printed and placed on patient
- Wristband barcode is scanned at time of procedure using device attached to the Diagnostic Imaging equipment
- Placed into the workstation to ensure accurate information entered



20

Patient's "Face" Sheet – Involved Physicians

6589

39 years
Female

Responsible Physicians
Inpatient Attending Physician
Inpatient Admitting Physician
GREEN, MARJORIE - 10432
731 - BREAST, MEDICAL
GREEN, MARJORIE - 10432

Involved Physicians / Providers
BREAST, MEDICAL
SYMPTOM CONTROL
CANCER PAIN SERVICE
BREAST, MEDICAL
ANESTHESIOLOGY
RADIATION THERAPY
BREAST, MEDICAL
ANESTHESIOLOGY
NEURO-ONCOLOGY
BREAST, MEDICAL
DENTAL ONCOLOGY
BREAST, MEDICAL

General Information
Nurse Station: P088
Date This Inpatient Admission: 3/29/2006 4:25:00 AM
Bed: 0810
Local Contact: N/A
Local Contact Phone:

21

Listing of Patient Results

19 - CLAYMAN, GARY L.:15 (44)

Type	Procedure	Date	Status	Accession	Update Date
Lab	CREATININE SERUM	03/31/2006 07:25	F	000060900902	03/31/2006 08:12
Lab	BLOOD UREA NITROGEN	03/31/2006 07:25	F	000060900902	03/31/2006 08:12
Rad	CHEST, PA & LATERAL	03/27/2006 11:13	Signed	533752	03/30/2006 17:08
Rad	CT THORAX W/O CONTRAST	03/27/2006 13:56	Signed	533800	03/31/2006 08:09
Rad	NEURO US SOFT TISSUE HEAD & NECK	03/27/2006 15:40	Signed	533643	03/31/2006 07:29
Rad	CT THORAX W/CONTRAST	03/28/2006 08:01	Signed	533968	03/31/2006 10:43
Rad	CHEST, PA & LATERAL	03/27/2006 11:25	Signed	533769	03/30/2006 17:08
Rad	PARATHYROID IMAGING	03/27/2006 16:12	Signed	533755	03/31/2006 12:14
Path	Surgical Case	03/28/2006 06:00	Final	S-06-017116	03/31/2006 07:58
Rad	DOSBG APPOINTMENT	03/28/2006 10:00	Signed	534001	03/31/2006 08:31
Lab	PHOSPHORUS SERUM	03/30/2006 14:25	F	000060903154	03/30/2006 15:10
Lab	PTH, INTACT	03/30/2006 14:25	F	000060903154	03/30/2006 16:13
Lab	CALCIUM SERUM	03/30/2006 14:25	F	000060903154	03/30/2006 15:10
Lab	INTRAOPERATIVE PTHL SPEC 1	03/30/2006 13:00	F	000060903226	03/30/2006 14:19
Lab	MAGNESIUM SERUM	03/30/2006 14:25	F	000060903154	03/30/2006 15:10
Lab	IONIZED CALCIUM	03/30/2006 14:25	F	000060903154	03/30/2006 14:48
Lab	INTRAOPERATIVE PTHL MISC	03/30/2006 16:52	F	0000609001001	03/31/2006 07:55
Lab	IONIZED CALCIUM	03/31/2006 03:35	F	0000609000077	03/31/2006 04:33
Lab	CALCIUM SERUM	03/31/2006 03:35	F	0000609000077	03/31/2006 04:38
Lab	MAGNESIUM SERUM	03/31/2006 03:35	F	0000609000077	03/31/2006 04:38
Lab	PHOSPHORUS SERUM	03/31/2006 03:35	F	0000609000077	03/31/2006 04:38

22

Good Catch Program

Aim Statement: To encourage the reporting of “good catches” in the Close Call Reporting System and documentation of the interventions that prevented actual errors

Process: Established competition among nursing units to encourage reporting of close calls in the web-based reporting system

Results:


- Over 2½ years, only 185 close calls had been reported by nurses in the Close Call Reporting System. After the “Good Catch” program was in place for 7 weeks, 566 events were reported on the pilot units
- Analysis of results demonstrate improvements needed in: medication processes, transcription, equipment, policy and procedures, and fall prevention



Next Steps: the Quality Improvement team will assist the Nursing teams to implement initiatives to prevent significant issues from recurring

23

THE UNIVERSITY OF TEXAS AT AUSTIN
WHAT STARTS HERE CHANGES THE WORLD



University of Texas Libraries

THE UNIVERSITY OF TEXAS AT AUSTIN

1


THE UNIVERSITY OF TEXAS AT AUSTIN
WHAT STARTS HERE CHANGES THE WORLD

Benefits of Digital Resources in the 21st Century Research Library



Dr. Fred M. Heath
Vice Provost
and Director of University of Texas Libraries

2




THE UNIVERSITY OF TEXAS AT AUSTIN
WHAT STARTS HERE CHANGES THE WORLD

UT System Digital Library Shared Collection

- Over 300,000 electronic books
- Over 200 digital encyclopedias & other reference materials
- Over 4,600 current electronic full-text scholarly journals
- Available 24 x 7 x 365

3




THE UNIVERSITY OF TEXAS AT AUSTIN
WHAT STARTS HERE CHANGES THE WORLD

Impact of Digital Resources

During 2005, UT System users:

- downloaded more than 6.8 million journal articles—18,000 daily
- used over 1,200 electronic books per month
- from locations convenient to research and study

4




THE UNIVERSITY OF TEXAS AT AUSTIN
WHAT STARTS HERE CHANGES THE WORLD

Beyond Books and Journals...

- a collection of 500,000 digital images of architecture, painting, sculpture, photography, and other artistic media
- digital copies of all books published worldwide in English before 1800
- the *New York Times* from 1851 forward
- American film scripts by over 600 writers, together with detailed, fielded information on the scenes, characters and people related to the scripts
- 83,000 pages of early accounts of exploration, travel, environment, peoples, and culture in North America

5



THE UNIVERSITY OF TEXAS AT AUSTIN
WHAT STARTS HERE CHANGES THE WORLD

Impact of Digital Resources

Digital resources have benefited all UT institutions with

- New degree programs
- Research grants
- Faculty recruitment and retention

6

UT Brownsville



- New Master of Science programs: Nursing, Biological Sciences, and Mathematics
- In Fall 2005, UT Brownsville awarded its first MS in Physics
- New Master of Public Policy and Management

7

UT Brownsville



- Access to the key periodical literature in Physics presented research opportunities to PhD students participating in the collaborative doctoral research between UT Brownsville and UT Dallas.
- Critical factor in the establishment and continued support of The Center for Gravitational Wave Astronomy. This program is one of the first to bring world-class scientific research and collaboration to UT Brownsville.

— Douglas Ferrier,
Dean of Instructional Support, UTB

8



THE UNIVERSITY OF TEXAS AT AUSTIN
WHAT STARTS HERE CHANGES THE WORLD


UT Health Center - Tyler

“UT System Digital Libraries gives us access to thousands of journals that we would otherwise not have. This has been especially important to our Biomedical Research area, supporting the researchers' rapid and significant growth in grant funding.

As a smaller campus, UTSDL provides us with a breadth and depth of resources comparable to much larger universities.”

Tom Craig
Watson W. Wise Medical Research Library
The University of Texas Health Center at Tyler

9



THE UNIVERSITY OF TEXAS AT AUSTIN
WHAT STARTS HERE CHANGES THE WORLD

UT Health Science Center - San Antonio

“A faculty researcher in Radiology said he would be compelled to move to another institution were the ScienceDirect package of journals unavailable to him at UTHSC.”

Rajia Tobia, Associate Library Director
for Collection Development, UTHSCSA

10

UT School of Public Health

- Expansion of the UT School of Public Health program to four regional campuses owes a part of its success to the shared access to electronic resources
- Multidisciplinary nature of Public Health programs (behavioral science, occupational health, epidemiology, etc.) requires access to the broad spectrum of journals in the shared collection

11

LERR Funds



The Academic Libraries Collection Enhancement Program (ALCEP), established in 1997 and funded by PUF Bond Proceeds Reserves for Library, Equipment, Repair and Rehabilitation (LERR) covers for one-time capital expenses for electronic books and journal backfiles

12

Funding — A Joint Venture

- **Recurring Annual Costs**
 - Shared journal collection
 - Institutional library operating budgets
- **One-time Capital Expenditures**
 - Electronic books, reference materials, journal backfiles
 - LERR: Academic Library Collection Enhancement Program

13

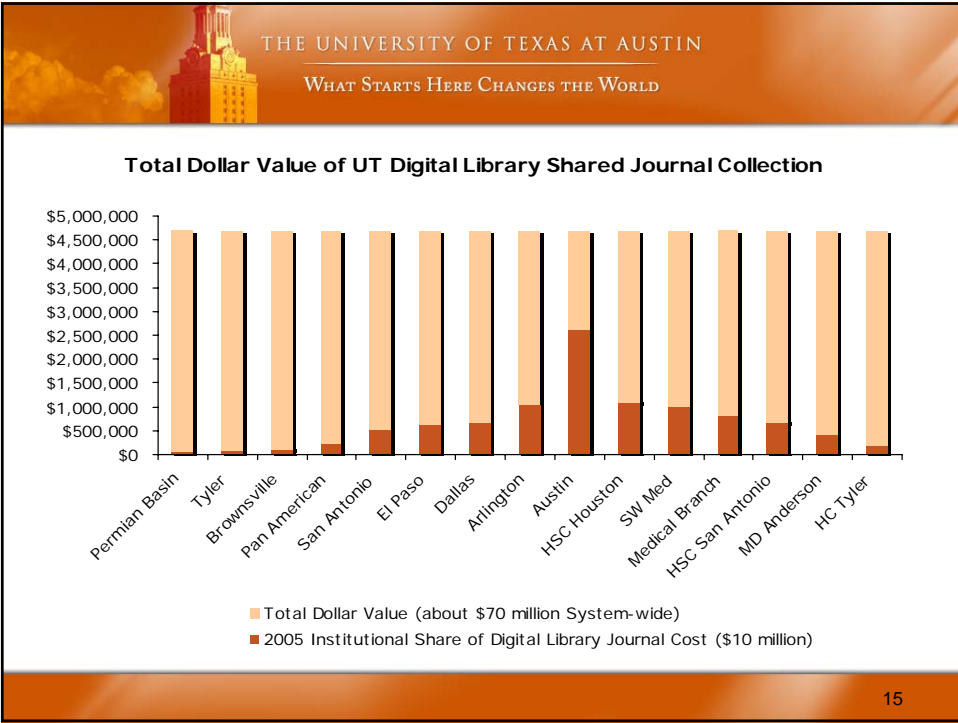
Value of Shared Journal Collections

The 2005 aggregate dollar cost to UT libraries operating budgets for the Digital Library Shared Journal Collection was \$10 million.

Would have cost \$70 million if each institution had acquired the same material separately.



14



THE UNIVERSITY OF TEXAS AT AUSTIN
WHAT STARTS HERE CHANGES THE WORLD

Outcomes

With Regental support we have achieved:

- A deep collection of digital resources for **all** UT institutions
- A library collaborative unique in the state and nation, strengthened by the diversity of our institutions

16

The University of Texas System ranked **second** among institutions worldwide in a 2001 study of scientific research impact, as measured by the Institute for Scientific Information Essential Science Indicators, a tool based on references by scientific authors published within scholarly journal articles. (Source: *ScienceWatch July/August 2001*)



THE UNIVERSITY OF TEXAS SYSTEM ADMINISTRATION
DOCKET NO. 126

April 20, 2006

TO MEMBERS OF THE FINANCE AND PLANNING COMMITTEE:

Robert B. Rowling, Chairman
John W. Barnhill, Jr.
H. Scott Caven, Jr.
Cyndi Taylor Krier
Colleen McHugh

The Docket for The University of Texas System Administration and the Dockets recommended by the presidents concerned and prepared by the institutions listed below are submitted for discussion and appropriate action regarding approval of the docket at the meeting of the U. T. System Board of Regents on May 11, 2006. The Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Business Affairs, the Executive Vice Chancellor for Health Affairs, the Vice Chancellor and General Counsel, and I concur in these recommendations.

<u>Institutions</u>	<u>Pages</u>
The University of Texas System Administration	Docket 1 - 4
The University of Texas at Austin	Docket 5 - 14
The University of Texas at Brownsville	Docket 15 - 16
The University of Texas at Dallas	Docket 17
The University of Texas at El Paso	Docket 18 - 27
The University of Texas - Pan American	Docket 28 - 30
The University of Texas of the Permian Basin	Docket 31
The University of Texas at San Antonio	Docket 32
The University of Texas Southwestern Medical Center at Dallas	Docket 33 - 34
The University of Texas Medical Branch at Galveston	Docket 35 - 37
The University of Texas Health Science Center at Houston	Docket 38 - 41
The University of Texas M. D. Anderson Cancer Center	Docket 42 - 47


Mark G. Yudof
Chancellor

xc: Other Members of
the Board

Prepared by:
U. T. System Administration

Docket - i

May 11, 2006

TABLE OF CONTENTS

U. T. System Administration.....	1
Amendments To The 2005-06 Budget.....	1
Appointments And Promotions	1
Transfers Of Funds	1
Other Fiscal Items	2
Employment Agreements.....	2
Other Matters	3
Approval Of Dual Positions Of Honor, Trust, Or Profit	3
Real Estate Report	4
U. T. Austin	5
Gifts	5
Contracts	7
General Contracts.....	7
Amendments To The 2005-06 Budget.....	8
Appointments And Promotions	8
Transfers Of Funds.....	10
Fees And Miscellaneous Charges	12
Parking Permit Fees	12
Other Matters	14
Approval Of Dual Positions Of Honor, Trust, Or Profit.....	14
U. T. Brownsville	15
Amendments To The 2005-06 Budget.....	15
Appointments And Promotions	15
U. T. Dallas	17
Amendments To The 2005-06 Budget.....	17
Appointments And Promotions	17
U. T. El Paso.....	18
Gifts	18
Amendments To The 2005-06 Budget.....	19
Appointments And Promotions	19
Other Fiscal Items	20
Employment Agreements.....	20
U. T. Pan American.....	28
Amendments To The 2005-06 Budget.....	28
Appointments And Promotions	28

Other Fiscal Items	29
Employment Agreements.....	29
U. T. Permian Basin	31
Contracts	31
General Contracts.....	31
U. T. San Antonio.....	32
Amendments To The 2005-06 Budget.....	32
Appointments And Promotions	32
U. T. Southwestern Medical Center - Dallas	33
Gifts	33
Amendments To The 2005-06 Budget.....	34
Appointments And Promotions	34
U. T. Medical Branch - Galveston	35
Contracts	35
General Contracts.....	35
Amendments To The 2005-06 Budget.....	36
Appointments And Promotions	36
Other Matters	37
Approval Of Dual Positions Of Honor, Trust, Or Profit	37
U. T. Health Science Center - Houston	38
Gifts	38
Amendments To The 2005-06 Budget.....	39
Appointments And Promotions	39
Fees And Miscellaneous Charges	40
Rental Rates	40
Parking Permit Fees	41
U. T. M. D. Anderson Cancer Center	42
Gifts	42
Contracts	43
General Contracts.....	43
Amendments To The 2005-06 Budget.....	44
Appointments And Promotions	44

U. T. SYSTEM ADMINISTRATION
AMENDMENTS TO THE 2005-06 BUDGET

APPOINTMENTS AND PROMOTIONS

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

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
SYSTEM AUDIT OFFICE					
1. Charles G. Chaffin					003
From: Director of Audit	9/1-2/28	100	12	177,500	
To: Director of Audit	3/1-8/31	100	12	195,000	

TRANSFERS OF FUNDS

<u>Description</u>	<u>\$ Amount</u>	<u>RBC #</u>
PLANT FUNDS		
2. Amount of Transfer:	495,500	004
From: Educational and General Funds Unallocated Account		
To: Unexpended Plant Funds System Complex Relocation and Renovations		

Transfer funds for expenses involved in the renovations in parts of the System Administration complex.

OTHER FISCAL ITEMS

EMPLOYMENT AGREEMENTS

The following agreement has been approved by the Chancellor and is recommended for approval by the U. T. System Board of Regents. Such employment under this agreement is subject to the *Rules and Regulations* of the Board of Regents and the policies of The University of Texas System.

1. Item: Vice Chancellor for Governmental Relations
Funds: \$230,000 annually
Period: Beginning June 12, 2006
Description: Agreement for employment of Barry R. McBee as Vice Chancellor for Governmental Relations of The University of Texas System. The Vice Chancellor reports to the Chancellor and shall hold office without fixed term subject to the pleasure of the Chancellor. Vice Chancellor McBee will receive an annual automobile allowance of \$8,400. Some club memberships and monthly dues, professional memberships, and continuing education allowances, as well as reasonable travel expenses, will be reimbursed by U. T. System.

OTHER MATTERS

APPROVAL OF DUAL POSITIONS OF HONOR, TRUST, OR PROFIT

In accordance with Regents' *Rules and Regulations*, Series 30103 the following item is submitted for approval by the U. T. System Board of Regents. It has been determined that the holding of this office or position is of benefit to the State of Texas and The University of Texas and there is no conflict between holding this position and the appointment of Chancellor Yudof with The University of Texas System. By approval of this item, the Board is also asked to find that holding this position is of benefit to the State of Texas and The University of Texas System and there is no conflict between the position and The University of Texas System.

- | | |
|---------------|--|
| Name: | Mark G. Yudof |
| Title: | Chancellor |
| Position: | Member of The President's Council on Service and Civic Participation |
| Period: | February 14, 2006 through February 14, 2008 |
| Compensation: | None |
| Description: | President George W. Bush has appointed Chancellor Mark G. Yudof to The President's Council on Service and Civic Participation. The Council encourages volunteer service and civic participation by individuals, organizations, and schools. The key initiative is the President's Volunteer Service Award which recognizes America's outstanding volunteers who have generously given their time and talent to notable causes. |

REAL ESTATE REPORT

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

Summary Report at February 28, 2006

FUND TYPE

	Current Purpose Restricted		Endowment & Similar Funds		Annuity & Life Income Funds		TOTAL	
	Book	Market	Book	Market	Book	Market	Book	Market
Land & Buildings:								
Ending Value 11/30/05	\$ 3,689,613	\$ 23,244,091	\$ 106,920,909	\$ 218,484,295	\$ 1,138,209	\$ 1,063,080	\$ 111,748,732	\$ 242,791,466
Increase or Decrease	-	-	(1,384,117)	(221,593)	-	-	(1,384,117)	(221,593)
Ending Value 2/28/06	\$ 3,689,613	\$ 23,244,091	\$ 105,536,793	\$ 218,262,702	\$ 1,138,209	\$ 1,063,080	\$ 110,364,615	\$ 242,569,873
Other Real Estate:								
Ending Value 11/30/05	\$ 119,716	\$ 119,716	\$ 257,316	\$ 257,319	\$ -	\$ -	\$ 377,032	\$ 377,032
Increase or Decrease	(7,822)	(7,822)	(7,881)	(7,881)	-	-	(15,704)	(15,704)
Ending Value 2/28/06	\$ 111,894	\$ 111,894	\$ 249,434	\$ 494,434	\$ -	\$ -	\$ 361,328	\$ 361,328

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

Details of individual assets by account furnished on request.

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

U. T. AUSTIN

GIFTS

The following gifts **have** been received, **have** been administratively approved by the President or **his** delegate, and **are** recommended for approval by the U. T. System Board of Regents:

1. Donor Name: Alamo Interests Ltd., on behalf of Mr. Edgar A. Smith
College/School/ Department: Jack S. Blanton Museum of Art
Purpose: Construction of Jack S. Blanton Museum of Art facilities
Asset Type: Cash
Value: \$4,500,000
2. Donor Name: Anonymous
College/School/ Department: Institute for Computational Engineering and Sciences
Purpose: For addition to the Computational and Applied Mathematics Research Innovation Endowment
Asset Type: Cash
Value: \$4,500,000
3. Donor Name: Cockrell Foundation
College/School/ Department: Engineering
Purpose: For addition to the Cockrell Consolidated Chair in Engineering
Asset Type: Cash
Value: \$2,718,639
4. Donor Name: Cockrell Foundation
College/School/ Department: Engineering
Purpose: For addition to the Virginia and Ernest Cockrell, Jr. Scholarships in Engineering
Asset Type: Cash
Value: \$2,718,639
5. Donor Name: Landmark Graphics Corporation
College/School/ Department: Jackson School of Geosciences
Purpose: Grant for student academic and research use
Asset Type: Software licenses
Value: \$1,816,738

GIFTS (CONTINUED)

6. Donor Name: Harold C. Simmons
College/School/ Department: College of Natural Sciences, McDonald Observatory
Purpose: Challenge grant for equipment upgrade regarding the Hobby-Eberly Telescope Dark Energy Experiment
Asset Type: Pledge/Challenge grant
Value: \$5,000,000
7. Donor Name: The Whitaker Foundation
College/School/ Department: Biomedical Engineering
Purpose: Construction of Biomedical Engineering Building
Asset Type: Cash
Value: \$2,798,101

CONTRACTS

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

GENERAL CONTRACTS

FUNDS COMING IN

1. Agency: Exxon Mobil Corporation
Funds: \$1,265,000
Period: January 13, 2006 through January 31, 2010
Description: U. T. Austin shall receive funding for the Center for American History to direct and manage the research and writing of a book-length history of the Exxon Mobil Corporation for the years 1975 through 2000.

2. Agency: Texas A&M University
Funds: \$1,250,000
Period: Effective April 7, 2006 through August 31, 2008
Description: In support of shared storage facilities, U. T. Austin will receive funding in support of one-fourth of the cost of the expansion of a remote storage facility located at Pickle Research Center in return for the use of up to one-fourth of the storage capacity by Texas A&M University.

FUNDS GOING OUT

3. Agency: The Houstonian Hotel, Club & Spa, Houston, Texas
Funds: \$1,484,284
Period: April 1, 2006 through July 27, 2007
Description: The Houstonian will provide lodging and meeting accommodations for the McCombs School of Business Executive MBA Program for 44 sessions of an estimated 120 participants.

AMENDMENTS TO THE 2005-06 BUDGET

APPOINTMENTS AND PROMOTIONS

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

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
COLLEGE OF COMMUNICATION					
Radio-Television-Film					
1. Thomas G. Schatz (T)					1201
From: Philip G. Warner Regents Professor in Communication and Professorship Supplement		100 SUPLT	09 09	111,407 10,000	
To: Mrs. Mary Gibb Jones Centennial Chair in Communication and Professor Chair Supplement	1/16-5/31 1/16-5/31	100 SUPLT	09 09	111,407 25,000	
SCHOOL OF LAW					
2. Steven J. Goode (T)					1270
From: G. Rollie White Teaching Excellence Chair and Professor Chair Supplement Associate Dean		50 SUPLT 50	09 09 12	197,560 11,000 263,413	
To: G. Rollie White Teaching Excellence Chair and Professor Chair Supplement Interim Dean Dean's Supplement	1/1-5/31 1/1-5/31 1/1-8/31 1/1-8/31	0 SUPLT 100 SUPLT	09 09 12 12	197,560 11,000 263,413 30,000	

AMENDMENTS TO THE 2005-06 BUDGET (CONTINUED)

APPOINTMENTS AND PROMOTIONS (CONTINUED)

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
COLLEGE OF NATURAL SCIENCES					
Computer Sciences					
Professor					
3. Dana H. Ballard (T)	1/16-5/31	100	09	150,000	1183
Molecular Cell and Developmental Biology					
4. Tom J. Mabry (T)					1185
From: Professor		100	09	110,854	
To: Professor Emeritus	1/16-5/31			0	
LBJ SCHOOL OF PUBLIC AFFAIRS					
J. J. Pickle Regents Chair in Public Affairs and Professor and Dean					
5. James B. Steinberg (T)	1/1-5/31	0	09	120,000	1184
Chair Supplement	1/1-8/31	SUPLT	12	30,000	
	1/1-8/31	100	12	190,000	
Dean Supplement	1/1-8/31	SUPLT	12	30,000	

AMENDMENTS TO THE 2005-06 BUDGET (CONTINUED)

TRANSFERS OF FUNDS

<u>Description</u>	<u>\$ Amount</u>	<u>RBC #</u>
DESIGNATED FUNDS		
U. T. Libraries		
6. Amount of Transfer:	1,500,000	1216
From: Interest on Temporary Investments Designated Funds		
To: U. T. Libraries - UTOPIA		
Funding for Fiscal Year 2005-06 for UTOPIA (Knowledge Gateway).		
College of Liberal Arts		
7. Amount of Transfer:	500,000	1205
From: Dean of Liberal Arts Instructional Resource Fee –		
Miscellaneous Expenses	200,000	
Other Expenses	300,000	
To: History – Instructional Resource Fee – Renovations		
Transfer from dean's office fee account to provide additional funding for Garrison Hall renovation.		
PLANT FUNDS		
Physical Plant – Marine Science Institute		
8. Amount of Transfer:	600,000	1274
From: Coastal Conservation Association Texas – Gifts		
To: Additional Funding to Construct Lab and Office Building – All Expenses		
Additional funding to construct a laboratory and office building at the Fisheries and Mariculture Facility at the Marine Science Institute.		

AMENDMENTS TO THE 2005-06 BUDGET (CONTINUED)

TRANSFERS OF FUNDS (CONTINUED)

<u>Description</u>	<u>\$ Amount</u>	<u>RBC #</u>
PLANT FUNDS (Continued)		
Physical Plant – Brackenridge		
9. Amount of Transfer:	544,404	1202
From: Housing and Food Services General Repair and Replacement Reserve		
To: Physical Plant – Brackenridge Apartments - HVAC		
Additional funding for HVAC renovations for the Brackenridge Apartments.		
Employee and Campus Services		
10. Amount of Transfer:	508,909	1262
From: University Budget Council Lapsed Funds Reserve Unallocated		
To: Campus Radio, Dispatch, Mobile Data, and Transportation Infrastructure Project – All Expenses		
Transfer funds from University Budget Council lapsed reserves to Employee and Campus Services project account to pay for police radios.		

FEES AND MISCELLANEOUS CHARGES

PARKING PERMIT FEES

Approval is recommended for the following parking permit fees to be effective beginning with the **Fall** Semester 2006. The Student Fees Advisory Committee has approved the fees as required under Section 54.514 of the *Texas Education Code*, and the fees have been administratively approved by the Executive Vice Chancellor for **Academic** Affairs.

Following Regental approval, the appropriate institutional catalog will be amended to reflect these fees.

	<u>Current Rates \$</u>	<u>Proposed Rates \$</u>	<u>Percent Increase</u>
Annual Fee:			
<u>Employee</u>			
Permit "A"	120	132	10.00
Permit "D"	120	132	10.00
Permit "F" (Garage)	348	384	10.34
Permit "F" (Surface)	420	444	5.71
Permit "FDP"	420	444	5.71
Permit "F21"	672	744	10.71
Permit "F99"	672	744	10.71
Permit "O"	672	744	10.71
Permit "VN"	420	444	5.71
 <u>Employee/Student</u>			
Permit "M"	60	66	10.00
 <u>Non-Affiliated</u>			
Permit "E"	80	88	10.00
 <u>Student (Surface)</u>			
Permit "C"	100	110	10.00
Permit "C+"	160	170	6.25
Permit "DC"	100	110	10.00
 <u>Commuting Student (Garage)</u>			
Permit "S"	540	576	6.67

FEES AND MISCELLANEOUS CHARGES (CONTINUED)

PARKING PERMIT FEES (CONTINUED)

	<u>Current Rates \$</u>	<u>Proposed Rates \$</u>	<u>Percent Increase</u>
Academic Year:			
<u>Resident Student (Garage)</u>			
Permit "R" (SJG, SAJ, TRG)	648	675	4.17
Permit "R" (BRG, TSG)	648	711	9.72
Single Semester Fee:			
<u>Resident Student (Garage)</u>			
Permit "R"	336	360	7.14
Single Semester Fee:			
<u>Commuting Student (Garage)</u>			
Permit "S"	240	256	6.67

OTHER MATTERS

APPROVAL OF DUAL POSITIONS OF HONOR, TRUST, OR PROFIT

The following items have been approved by the Executive Vice Chancellor for Academic Affairs in accordance with the Regents' *Rules and Regulations*, Series 30103 and are submitted for approval by the U. T. System Board of Regents. It has been determined that the holding of these offices or positions is of benefit to the State of Texas and The University of Texas and there is no conflict between holding the positions and the appointments of Dr. Burt and Mr. Mullins with The University of Texas at Austin. By approval of these items, the Board is also asked to find that holding these positions is of benefit to the State of Texas and The University of Texas and there is no conflict between the positions and the University appointments.

1. Name: Dr. Larry Burt
Title: Associate Vice President and Director of Student Financial Services
Position: Member, Advisory Committee on Student Financial Assistance
Period: February 2, 2006 through September 30, 2008
Compensation: None
Description: U.S. Secretary of Education, Margaret Spellings, appointed Dr. Burt as a member of the Advisory Committee on Student Financial Assistance. The committee provides advice to Congress and the Secretary of Education on student financial aid matters, including federal, state, and institutional programs of postsecondary student assistance, and provides technical expertise, and makes recommendations toward improving federal financial aid programs, as well as access and persistence to postsecondary education for low- and middle-income students.

2. Name: Mr. Philip Mullins
Title: Utilities Station Operator
Position: Member, Board of Trustees of the Teacher Retirement System of Texas
Period: September 1, 2005 through August 31, 2011
Compensation: None
Description: Governor Rick Perry appointed Mr. Mullins to serve as a staff representative on the Board of Trustees of the Teacher Retirement System of Texas. This Board is responsible for the administration of the Teacher Retirement System under the provisions of the state constitution and state law. The core function of the Teacher Retirement System is to provide ongoing retirement, death, and disability benefits to Texas public education employees.

U. T. BROWNSVILLE
AMENDMENTS TO THE 2005-06 BUDGET

APPOINTMENTS AND PROMOTIONS

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

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
COLLEGE OF SCIENCE, MATH AND TECHNOLOGY					
Biology					
1. Eli Pena (T)					1236
From: Associate Professor		100	09		
Associate Dean Undergraduate Studies		100	12	78,902	
To: Associate Professor	9/1-5/31	100	09		
Director for Institutional Effectiveness	1/2-8/31	100	12	93,000	
Mathematics					
2. Deloria Nanze-Davis (T)					1237
From: Associate Professor		100	09	55,956	
Department Chairperson		SUPLT	09	9,333	
To: Associate Professor	9/1-5/31	100	09	55,956	
Director of Math and Science Academy	1/2-8/31	SUPLT	12	24,044	
3. Jerzy Mogilsky (T)					1239
From: Associate Professor		100	09	50,907	
To: Associate Professor	9/1-5/31	100	09	50,907	
Interim Department Chairperson	1/2-5/31	SUPLT	05	4,667	

AMENDMENTS TO THE 2005-06 BUDGET (CONTINUED)

APPOINTMENTS AND PROMOTIONS (CONTINUED)

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
DEVELOPMENTAL AND GENERAL EDUCATION					
4. Terry Jay Phillips (T)					1238
From: Master Technical Instructor Dean		100	12	86,693	
To: Master Technical Instructor Dean	9/1-8/31	100	12	86,693	
Interim Associate Vice President for Academic Affairs	1/2-5/31	SUPLT	05	5,000	

U. T. DALLAS

AMENDMENTS TO THE 2005-06 BUDGET

APPOINTMENTS AND PROMOTIONS

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

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
SCHOOL OF ARTS AND HUMANITIES AND OFFICE OF THE PROVOST					
1. Robert S. Nelsen (T)					1222
From: Associate Professor		100	09	59,050	
To: Associate Professor	1/16-5/31	50	09	59,080	
Associate Provost	1/16-8/31	50	12	96,000	
SCHOOL OF MANAGEMENT					
Professor					
2. Brian T. Ratchford (T)	1/1-5/31	100	09	205,000	1160
SCHOOL OF SOCIAL SCIENCES					
Professor					
3. Chetan Dave (T)	1/1-5/31	100	09	85,000	1190
OFFICE OF BUSINESS AFFAIRS AND SCHOOL OF SOCIAL SCIENCES					
4. Larry D. Terry (T)					1203
From: Executive Vice Provost		100	12	142,000	
Interim Vice President for		SUPLT	12	21,000	
Business Affairs		0	09	109,727	
Professor					
To: Vice President for Business	2/1-8/31	100	12	210,000	
Affairs and Professor	2/1-5/31	0	09	165,000	

U. T. EL PASO

GIFTS

The following negotiated gifts have been received, have been administratively approved by the President or her delegate and are recommended for approval by the U. T. System Board of Regents:

1. Donor Name: Mr. Paul Foster
College/School/
Department: Intercollegiate Athletics
Purpose: Construct a basketball practice facility
Asset Type: Cash
Value: \$3,000,000 over three years

2. Donor Name: Mr. Jeff Stevens
College/School/
Department: Intercollegiate Athletics
Purpose: Construct a basketball practice facility
Asset Type: Cash
Value: \$3,000,000 over three years

Note: These are negotiated gifts with a related naming feature. Please see Item 16 on Page 112 of Volume 1 of the Agenda Book for the May 10-11, 2006 meeting.

AMENDMENTS TO THE 2005-06 BUDGET

APPOINTMENTS AND PROMOTIONS

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

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
COLLEGE OF BUSINESS ADMINISTRATION					
Economics and Finance					
1. Steve A. Johnson (T)					1277
From: Associate Professor in Economics and Finance	9/1-5/31	100	09	75,204	
To: Associate Dean for the College of Business	1/16-8/31	50	12	100,272	
Associate Professor in Economics and Finance	1/16-8/31	SUPLT	12	2,000	
	1/16-5/31	50	09	75,204	

OTHER FISCAL ITEMS

EMPLOYMENT AGREEMENTS

The following agreements have been awarded, have been approved by the Executive Vice Chancellor for Academic Affairs, and are recommended for approval by the U. T. System Board of Regents. Employment under these agreements is subject to the Constitution and Bylaws of the National Collegiate Athletic Association, any intercollegiate athletic conference of which The University of Texas at El Paso is a member, and the Regents' *Rules and Regulations* and the policies of The University of Texas at El Paso. The violation of the provisions of such constitution, bylaws, rules or regulations shall be grounds for suspension without pay or dismissal.

1. Item: Head Women's Basketball Coach

From: \$70,000 annually

To: \$90,000 annually

Salary
Percent
Change: 28.57

Description: Amendment to the agreement for employment of Head Women's Basketball Coach, Keitha R. Adams, for the designated period following the standard coach's employment contract prepared by the Office of General Counsel.

Incentive
Change:

Previously Approved Incentives	Incentive Change
NCAA Tournament Appearance: One month base salary bonus	NCAA Tournament Appearance: Two months base salary bonus
NCAA Tournament Wins by round: \$1,000 per win	NCAA Tournament Wins by round: Round 1: One month base salary bonus Round 2: Two months base salary bonus Round 3: Three months base salary bonus Round 4: Four months base salary bonus Round 5: Five months base salary bonus
NIT victory per round: no bonus	NIT victory per round: \$2,500 bonus
NIT Championship: \$10,000 bonus	NIT Championship: One month base salary bonus

OTHER FISCAL ITEMS (CONTINUED)

EMPLOYMENT AGREEMENTS (CONTINUED)

Previously Approved Incentives	Incentive Change
Coach of the Year: 5% of base salary bonus	Conference USA "Coach of the Year": One month base salary bonus "National Coach of the Year": One month base salary bonus
Finish in Top 25 in a National Poll: no bonus	Finish in Top 25 in a National Poll: One month base salary bonus
Travel: no provision for immediate family	Travel: When called upon to travel and/or attend functions on behalf of the University, travel and other reasonable and necessary expenses for Coach Adams' immediate family travel may be reimbursed provided that such activities are at the direction and approval of the Director.
Speaking Engagements: no provision	Speaking Engagements: Annual salary supplement not to exceed \$20,000 for U. T. El Paso arranged speaking engagement featuring and related to the athletic program.

Period: April 23, 2001 through August 31, 2008

2. Item: Head Men's and Women's Cross Country Coach

Funds: \$45,000 annually

Period: September 1, 2005 through August 31, 2006

Description: Initial agreement for employment of Head Men's and Women's Cross Country Coach, Paul N. Ereng, for the designated period following the standard coach's employment contract prepared by the Office of General Counsel. Coach Ereng is appointed 50% time as the Head Men's Cross Country Coach and 50% time as the Head Women's Cross Country Coach.

OTHER FISCAL ITEMS (CONTINUED)

EMPLOYMENT AGREEMENTS (CONTINUED)

3. Item: Head Men's Track Coach
- From: \$37,751 annually
- To: \$39,638 annually
- Salary
Percent
Change: 5.00
- Description: Renewal agreement for employment of Head Men's Track Coach, Robert Kitchens, for the designated period following the standard coach's employment contract prepared by the Office of General Counsel. Coach Kitchens is appointed 50% time as the Head Men's Track Coach and 50% time as the Head Women's Track Coach.
- Incentives: There were no incentives in the previous contract. The proposed incentives in this contract are as follows:
1. One month base salary bonus for only one of the following:
 - a) Conference USA (CUSA) Men's Indoor Track Team Champion; or
 - b) USA Men's Outdoor Track Champion; or
 - c) NCAA Men's Indoor Track Top 10 Team Finish; or
 - d) NCAA Men's Outdoor Track Top 10 Team Finish; or
 - e) CUSA Men's Cross Country Team Champion; or
 - f) NCAA Men's Cross Country Top 10 Team Finish.
 2. If two of the Championships listed in Number 1 are achieved, an additional bonus of one month salary will be awarded.
 3. \$2,000 bonus for only one of the following:
 - a) CUSA Men's Indoor Track and Field "Coach of the Year;"
 - b) CUSA Men's Outdoor Track and Field "Coach of the Year," or
 - c) Men's Outdoor "National Coach of the Year"
 4. One month base salary for only one of the following if by nationally recognized poll:
 - a) Men's Indoor "National Coach of the Year," or
 - b) Men's Outdoor "National Coach of the Year"
 5. \$1,000 bonus for only one of the following:
 - a) Men's and Women's* Indoor Track Actual Team Academic Progress Rate (APR) score of 925, or

OTHER FISCAL ITEMS (CONTINUED)

EMPLOYMENT AGREEMENTS (CONTINUED)

- b) Men's and Women's* Outdoor Track Actual Team APR score of 925 (*Both teams must achieve APR score)
- 6. Additional \$1,000 bonus for only one of the following:
 - a) Men's and Women's* Indoor Track Actual Team APR score of 940, or
 - b) Men's and Women's* Outdoor Track Actual Team APR score of 940 (*Both teams must achieve APR score)
- 7. Travel: When called upon to travel and/or attend functions on behalf of the University, travel and other reasonable and necessary expenses for Coach Kitchens' immediate family travel may be reimbursed provided that such activities are at the direction and approval of the Director.
- 8. Net profit from the U. T. El Paso sponsored summer golf camps for youths. Coach Kitchens will determine the amount to be paid to assistant coaches, graduate students, and other camp employees.

Period: September 1, 2005 through August 31, 2006

4. Item: Head Women's Track Coach

From: \$37,750 annually

To: \$39,638 annually

Salary
Percent
Change: 5.00

Description: Renewal agreement for employment of Head Women's Track Coach, Robert Kitchens, for the designated period following the standard coach's employment contract prepared by the Office of General Counsel. Coach Kitchens is appointed 50% time as the Head Men's Track Coach and 50% time as the Head Women's Track Coach.

OTHER FISCAL ITEMS (CONTINUED)

EMPLOYMENT AGREEMENTS (CONTINUED)

Incentives: There were no incentives in the previous contract. The proposed incentives in this contract are as follows:

1. One month base salary for only one of the following:
 - a) Conference USA (CUSA) Women's Indoor Track Team Champion; or
 - b) USA Women's Outdoor Track Champion; or
 - c) NCAA Women's Indoor Track Top 10 Team Finish; or
 - d) NCAA Women's Outdoor Track Top 10 Team Finish; or
 - e) CUSA Women's Cross Country Team Champion; or
 - f) NCAA Women's Cross Country Top 10 Team Finish.
2. If two of the Championships listed in Number 1 are achieved, an additional bonus of one month salary will be awarded.
3. \$2,000 bonus for only one of the following:
 - a) CUSA Women's Indoor Track and Field "Coach of the Year;" or
 - b) CUSA Women's Outdoor Track and Field "Coach of the Year"
4. One month base salary for only one of the following if by nationally recognized poll:
 - a) Women's Indoor "National Coach of the Year," or
 - b) Women's Outdoor "National Coach of the Year"
5. \$1,000 bonus for only one of the following:
 - a) Men's and Women's* Indoor Track Actual Team APR score of 925, or
 - b) Men's and Women's* Outdoor Track Actual Team APR score of 925 (*Both teams must achieve APR score)
6. Travel: When called upon to travel and/or attend functions on behalf of the University, travel and other reasonable and necessary expenses for Coach Kitchens' immediate family travel may be reimbursed provided that such activities are at the direction and approval of the Director.
7. Net profit from the U. T. El Paso sponsored summer track camp for youths. Coach Kitchens will determine the amount to be paid to assistant coaches, graduate students, and other camp employees.

Period: September 1, 2005 through August 31, 2006

OTHER FISCAL ITEMS (CONTINUED)

EMPLOYMENT AGREEMENTS (CONTINUED)

5. Item: Head Women's Volleyball Coach
 Funds: \$55,000 annually
 Period: March 6, 2006 through August 31, 2006
 Description: Initial agreement for employment of Head Women's Volleyball Coach, Kenneth Murphy, for the designated period following the standard coach's employment contract prepared by the Office of General Counsel.

6. Item: Head Men's Basketball Coach
 From: \$180,000 annually
 To: \$200,000 annually
 Salary
 Percent
 Change: 11.11
 Description: Amendment to the agreement for employment of Head Men's Basketball Coach, Kenneth Lee Sadler, for the designated period following the standard coach's employment contract prepared by the Office of General Counsel.

Incentive
 Change:

Previously Approved Incentives	Incentive Change
Conference regular season or tournament championship: \$10,000 bonus	Conference USA regular season championship: One month base salary bonus
Pre-season NIT Tournament Champions: \$10,000 bonus	Pre-season NIT Tournament Champions: One month base salary bonus
NIT Championship: \$25,000 bonus	NIT Championship: One month base salary bonus
NCAA Tournament Appearance: One month base salary bonus	NCAA Tournament Appearance: Two months base salary bonus

OTHER FISCAL ITEMS (CONTINUED)

EMPLOYMENT AGREEMENTS (CONTINUED)

Previously Approved Incentives	Incentive Change
NCAA Tournament Wins: Round 1: \$5,000 bonus Round 2: \$10,000 bonus Round 3: \$15,000 bonus Round 4: \$20,000 bonus Round 5: \$25,000 bonus	NCAA Tournament Wins: Round 1: One month base salary bonus Round 2: Two months base salary bonus Round 3: Three months base salary bonus Round 4: Four months base salary bonus Round 5: Five months base salary bonus
Finish in Top 25 in a National Poll: \$10,000 bonus	Finish in Top 25 in a National Poll: One month base salary
Home games with over 10,000 in attendance: \$1,000 bonus; and home game sellouts: \$2,000 bonus	For home game ticket sales, \$1 per ticket sold over 8,000 tickets, not including the Sun Carnival Basketball Tournament
Paid season tickets: no bonus	For each paid season ticket sold over 4,800 tickets, Coach Sadler will receive \$20 per ticket* (*Family Packs count as one season ticket)
Non-conference game payout: no bonus	Any non-conference game that pays any non-conference game that pays U. T. El Paso \$100,000 or more: bonus equals 5% of paid guarantee
Speaking Engagements: no provision	Speaking Engagements: Annual salary supplement not to exceed \$20,000 for U. T. El Paso arranged speaking engagement featuring and related to the athletic program.
Clothing Allowance: no provision	Annual salary supplement not to exceed \$1,500 for clothing purchases to be funded by income from third parties to U. T. El Paso upon approval of the Director.

Period: March 29, 2004 through August 31, 2011

7. Item: Head Men's Golf Coach

From: \$47,099 annually

To: \$48,512 annually

Salary
Percent
Change: 3.00

OTHER FISCAL ITEMS (CONTINUED)

EMPLOYMENT AGREEMENTS (CONTINUED)

Description: Renewal agreement for employment of Head Men's Golf Coach, Richard E. Todd, for the designated period following the standard coach's employment contract prepared by the Office of General Counsel.

Incentives: There were no incentives in the previous contract. The proposed incentives in this contract are as follows:

1. One month base salary bonus for only one of the following:
 - a) Conference USA (CUSA) Tournament Championship; or
 - b) NCAA Post-Season Tournament Appearance
2. NCAA National Team Championship: one month base salary bonus
3. CUSA "Coach of the Year:" \$2,000 bonus
4. "National Coach of the Year" by nationally recognized poll: one month base salary bonus
5. Actual Team Academic Progress Rate (APR) score of 925: \$1,000 bonus
6. APR score of 940: additional \$1,000 bonus
7. Travel: When called upon to travel and/or attend functions on behalf of the University, travel and other reasonable and necessary expenses for Coach Todd's immediate family travel may be reimbursed provided that such activities are at the direction and approval of the Director.
8. Net profit from the U. T. El Paso sponsored summer golf camps for youths. Coach Todd will determine the amount to be paid to assistant coaches, graduate students, and other camp employees.

Period: April 23, 2001 through August 31, 2006

U. T. PAN AMERICAN
AMENDMENTS TO THE 2005-06 BUDGET

APPOINTMENTS AND PROMOTIONS

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

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
ACADEMIC AFFAIRS					
Office of Undergraduate Studies					
1. Ana Maria Rodriguez (T)					913
From: Associate Vice President	9/1-8/31	100	12	116,693	
Associate Professor			09	73,519	
To: Interim Provost	3/1-8/31	100	12	140,000	
Associate Professor			09	73,519	

OTHER FISCAL ITEMS

EMPLOYMENT AGREEMENTS

The following agreements have been awarded, have been approved by the Executive Vice Chancellor for Academic Affairs, and are recommended for approval by the U. T. System Board of Regents. Employment under these agreements is subject to the Constitution and Bylaws of the National Collegiate Athletic Association, any intercollegiate athletic conference of which The University of Texas - Pan American is a member, and the *Rules and Regulations* and the policies of The University of Texas - Pan American. The violation of the provisions of such constitution, bylaws, rules or regulations shall be grounds for suspension without pay or dismissal.

- 1. Item: Head Women’s Volleyball Coach
From: \$34,313 annually
To: \$35,342 annually
Salary
Percent
Change: 3.00
Incentive
Change: None
Period: February 1, 2006 through January 31, 2007
Description: Renewal agreement for employment of Head Women’s Volleyball Coach, David M. Thorn, for the designated period following the standard coach's employment contract prepared by the Office of General Counsel.

- 2. Item: Head Men’s and Women’s Tennis Coach
Funds: \$30,833 annually
Period: November 1, 2005 through June 30, 2007
Description: Initial agreement for employment of Head Men’s and Women’s Tennis Coach, Robert Hubbard, for the designated period following the standard coach's employment contract prepared by the Office of General Counsel.

OTHER FISCAL ITEMS (CONTINEUD)

EMPLOYMENT AGREEMENTS (CONTINUED)

3. Item: Head Women's Basketball Coach
- From: \$70,005 annually
- To: \$70,967 annually
- Salary
Percent
Change: 1.37
- Incentive
Change: None
- Period: April 1, 2005 through March 31, 2008
- Description: Renewal agreement for employment of Head Women's Basketball Coach, DeAnn Craft, for the designated period following the standard coach's employment contract prepared by the Office of General Counsel.

U. T. PERMIAN BASIN

CONTRACTS

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

GENERAL CONTRACTS

FUNDS GOING OUT

1. Agency: Howard College
Funds: \$1,610,950
Period: October 1, 2006 through September 30, 2010
Description: U. T. Permian Basin will reimburse Howard College for services performed that will benefit the Hispanic-Serving Institutions Programs. These services include rigorous academic instruction, mentoring and tutoring, career advisement, counseling, and professional development for educators.

U. T. SAN ANTONIO

AMENDMENTS TO THE 2005-06 BUDGET

APPOINTMENTS AND PROMOTIONS

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

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
COLLEGE OF SCIENCES					
Dean and Professor					
1. George Perry (T)	1/1-8/31	100	12	215,000	1247
	1/1-8/31		09	170,000	
VICE PRESIDENT FOR RESEARCH AND GRADUATE STUDIES					
Vice President and Professor					
2. Robert W. Gracy (T)	2/1-8/31	100	12	215,000	1245
	2/1-8/31		09	180,000	

U. T. SOUTHWESTERN MEDICAL CENTER - DALLAS

GIFTS

The following gift has been received, has been administratively approved by the President or his delegate, and is recommended for approval by the U. T. System Board of Regents:

1. Donor Name: Anonymous Donor
College/School/ Department: Institution
Purpose: This represents a second installment on a combined commitment of \$24,000,000 over three years to the Advanced Neuroimaging and Basic Neuroscience Plan. These funds will be used to add to the corpus of the Junior Faculty Endowment Fund, to purchase advanced neuroimaging equipment, and to establish an operating endowment for the Advanced Neuroimaging and Basic Neuroscience Plan.
Asset Type: Cash
Value: \$4,500,000

Note: A related gift of \$2,000,000 to establish an operating endowment for the Advanced Research Imaging Center has been previously accepted administratively.

AMENDMENTS TO THE 2005-06 BUDGET

APPOINTMENTS AND PROMOTIONS

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

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
SOUTHWESTERN MEDICAL SCHOOL					
Biochemistry					
1. Patrick G. Harran (T)					1181
From: Professor, Biochemistry		100	12	125,000	
To: Professor, Biochemistry and the Mary Nell and F. Andrew Bell Distinguished Chair in Biochemistry	1/1-8/31	100	12	125,000	
Pediatrics					
2. Julio Perez-Fontan (T)					1191
From: Professor, Pediatrics		100	12	309,000	
To: Professor, Pediatrics and Associate Dean for Pediatric Services and Program Development	1/1-8/31	100	12	309,000	

U. T. MEDICAL BRANCH - GALVESTON

CONTRACTS

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

GENERAL CONTRACTS

FUNDS COMING IN

1. Agency: Dallas County Hospital District
Funds: \$3,672,000
Period: March 1, 2006 through February 29, 2008
Description: U. T. Medical Branch - Galveston will provide primary health care services to juvenile detainees assigned to the Dallas County Juvenile Department.

2. Agency: Texas Department of State Health Services
Funds: \$1,106,376
Period: January 1, 2006 through August 31, 2006
Description: U. T. Medical Branch - Galveston will provide Title X eligible individuals comprehensive family planning services which shall include medical, counseling, client education, referral, community education, and outreach services.

AMENDMENTS TO THE 2005-06 BUDGET

APPOINTMENTS AND PROMOTIONS

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

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
SCHOOL OF MEDICINE					
Obstetrics and Gynecology					
1. Russell R. Snyder (T)					1193
From: Associate Professor		100	12	242,447	
To: Dr. J. L. Jenkins and Dr. J. L. Jenkins, Jr., Endowed Professorship in Gynecology and Associate Professor	1/1-8/31	100	12	242,447	
Office of Dean of Medicine; Obstetrics and Gynecology Maternal Fetal Medicine					
2. Valerie M. Parisi (T)					1192
From: Dean of Medicine Thomas N. and Gleaves T. James Distinguished Chair Professor		100	12	445,000	
To: Dean of Medicine Chief Academic Officer and Vice President for Academic Program Administration and Services Thomas N. and Gleaves T. James Distinguished Chair Professor	1/1-8/31	100	12	485,000	

OTHER MATTERS

APPROVAL OF DUAL POSITIONS OF HONOR, TRUST, OR PROFIT

The following item has been approved by the Executive Vice Chancellor for Health Affairs in accordance with the Regents' *Rules and Regulations*, Series 30103 and is submitted for approval by the U. T. System Board of Regents. It has been determined that the holding of this office or position is of benefit to the State of Texas and The University of Texas and there is no conflict between holding this position and the appointment of Dr. Kesling with The University of Texas Medical Branch at Galveston. By approval of this item, the Board is also asked to find that holding this position is of benefit to the State of Texas and The University of Texas and there is no conflict between the position and the University.

- | | |
|---------------|---|
| Name: | Gary Kesling, Ph.D. |
| Title: | Clinical Associate Professor, School of Medicine, Department of Surgery |
| Position: | Appointment as Chair of the Combined Injury Prevention and Data Informatics and Research Committee for the Governor's EMS and Trauma Advisory Council |
| Period: | February 20, 2006 through February 20, 2008 |
| Compensation: | None |
| Description: | The Chair of the Governor's EMS and Trauma Advisory Council appointed Dr. Gary Kesling as Chair of the Combined Committee on February 20, 2006 to serve a two-year term. The Council provides recommendations on EMS and trauma systems regulations to the Texas Department of State Health Services. |

U. T. HEALTH SCIENCE CENTER - HOUSTON

GIFTS

The following gift has been received, has been administratively approved by the President or his delegate and is recommended for approval by the U. T. System Board of Regents:

1. Donor Name: The Cullen Foundation
College/School/ Department: Institution
Purpose: To support the New Frontiers Campaign for capital use in the construction of the Brown Foundation Institute of Molecular Medicine for the Prevention of Human Diseases
Asset Type: Cash
Value: \$2,150,000

AMENDMENTS TO THE 2005-06 BUDGET

APPOINTMENTS AND PROMOTIONS

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

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
MEDICAL SCHOOL					
Internal Medicine					
1. Michael W. Bungo (T)					1180
From: Associate Dean for Harris County Programs Professor in Cardiology		100 SUPLT MSRDP	12 12 12	236,500 45,000 30,000	
To: Vice Dean for Clinical Affairs at the Medical School Professor in Cardiology	11/16-8/31 11/16-8/31 11/16-8/31	100 SUPLT MSRDP	12 12 12	236,500 95,000 30,000	
GENERAL ADMINISTRATION					
Academic Affairs – Vice President Strategic Affairs					
2. Ronald Johnson (T)					1214
From: Vice President of Strategic Affairs		100	12	198,220	
To: Chief Diversity Officer Office of Cultural and Institutional Diversity	12/16-8/31	100	12	198,220	

FEES AND MISCELLANEOUS CHARGES

RENTAL RATES

Approval is recommended for the following rental rates to be effective beginning June 1, 2006. The proposed rates are consistent with applicable statutory requirements under Section 55.16 of the *Texas Education Code* and have been administratively approved by the Executive Vice Chancellor for Health Affairs.

	<u>Current Rates \$</u>	<u>Proposed Rates \$</u>	<u>Percent Increase</u>
<u>Per Month</u>			
University Housing			
<u>7900 Cambridge, Houston, Texas</u>			
Plan A, 1 Bedroom, 570 square feet	500	510	2.00
Plan B, 1 Bedroom, 680 square feet	540	550	1.85
Plan C, 2 Bedroom, 960 square feet	715	730	2.10
Plan D, 3 Bedroom, 1060 square feet	815	830	1.84
University Housing			
<u>885 El Paseo, Houston, Texas</u>			
Unit 1, 2 Bedroom, 985 square feet	895	920	2.79
Unit 2, 1 Bedroom, 622 square feet	595	615	3.36
Unit 3, 1 Bedroom, 650 square feet	615	635	3.25
Unit 4, 1 Bedroom, 693 square feet	650	670	3.07
Unit 5, 1 Bedroom, 590 square feet	575	595	3.48
Unit 6, 2 Bedroom, 927 square feet	795	820	3.14
Unit 7, 2 Bedroom, 870 square feet	795	820	3.14

FEES AND MISCELLANEOUS CHARGES (CONTINUED)

PARKING PERMIT FEES

Approval is recommended for the following parking permit fees to be effective beginning September 1, 2006. The proposed fees are consistent with the applicable statutory requirements under Section 51.202 of the *Texas Education Code* and have been administratively approved by the Executive Vice Chancellor for Health Affairs.

	<u>Current Rates \$</u>	<u>Proposed Rates \$</u>	<u>Percent Increase</u>
Monthly Fees:			
University Center Tower Garage <u>7000 Fannin, Houston, Texas</u>			
Faculty/Staff	70.00	80.00	14.29
Faculty/Staff (payroll deduction)	65.00	75.00	15.38
Faculty/Staff Street	100.00	110.00	10.00
Faculty/Staff Street (payroll deduction)	95.00	105.00	10.53
Faculty/Staff P2	95.00	105.00	10.53
Faculty/Staff P2 (payroll deduction)	90.00	100.00	11.11
Non-Tenant/Non-UT	86.60	97.43	12.51
Non-Tenant/Non-UT Street	113.66	124.49	9.53
Non-Tenant/Non-UT P2	108.25	119.08	10.00
Operations Center Building Surface Lots <u>1851 Crosspoint, Houston, Texas</u>			
OCB A	35.00	45.00	28.57
OCB A (payroll deduction)	30.00	40.00	33.33
OCB A (non-UT)	32.48	43.30	33.31
OCB B	30.00	40.00	33.33
OCB B (payroll deduction)	25.00	35.00	40.00
OCB B (non-UT)	27.06	37.89	40.02
OCB C	20.00	30.00	50.00
OCB C (payroll deduction)	15.00	25.00	66.67
OCB C (non-UT)	16.24	27.06	66.63
Mental Sciences Institute Surface Lots <u>1300 Moursund, Houston, Texas</u>			
Lot BB	72.00	82.00	13.89
Lot BB (payroll deduction)	67.00	77.00	14.93

Note: Non-UT permit holders pay the payroll deduction amount plus 8.25% tax.

U. T. M. D. ANDERSON CANCER CENTER

GIFTS

The following gifts have been received, have been administratively approved by the President or his delegate, and are recommended for approval by the U. T. System Board of Regents:

1. Donor Name: The Cynthia and George Mitchell Foundation
College/School/ Department: Institution
Purpose: Capital Improvement Program
Asset Type: Cash
Value: \$2,000,000

2. Donor Name: The Robert J. Kleberg, Jr. and Helen C. Kleberg Foundation
College/School/ Department: Institution
Purpose: South Campus Research Institute Molecular Markers
Asset Type: Cash
Value: \$3,000,000

3. Donor Name: Mr. and Mrs. George P. Mitchell
College/School/ Department: Institution
Purpose: Capital Improvement Program
Asset Type: Cash
Value: \$2,000,000

CONTRACTS

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

GENERAL CONTRACTS

FUNDS COMING IN

1. Agency: Canadian Medical Network
Funds: Reimbursement for covered services will be 85% of billed charges. Charges are solely determined by U. T. M. D. Anderson Cancer Center.
Period: November 1, 2005 through October 31, 2006 with automatic renewals for successive one-year terms.
Description: Medical services provided including treatment for oncology related diseases.

AMENDMENTS TO THE 2005-06 BUDGET

APPOINTMENTS AND PROMOTIONS

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

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
MEDICAL STAFF					
Clinical Cancer Prevention					
1. Scott Lippman (T)					1163
From: Chair, Professor and Ellen F. Knisely Distinguished Chair in Colon Cancer Research		100	12	12328,306	
To: Chair of Thoracic/Head and Neck Medical Oncology Department, Professor and Charles A. LeMaistre Distinguished Chair	1/1-8/31	100	12	333,000	
Thoracic/Head and Neck Medical Oncology					
2. David Stewart (T)					1164
From: Professor Chair ad interim		100 SUPLT	12 12	276,080 12,000	
To: Professor	1/1-8/31	100 SUPLT	12 12	276,080 12,000	

AMENDMENTS TO THE 2005-06 BUDGET (CONTINUED)

APPOINTMENTS AND PROMOTIONS (CONTINUED)

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
MEDICAL STAFF (Continued)					
Genitourinary Medical Oncology					
3. Wadih Arap (T)					1166
From: Professor		100	12	225,254	
To: Professor and Hubert L. and Olive Stringer Professorship for Cancer Treatment and Research	11/1-8/31	100	12	228,254	
Allied Health – School of Health Sciences					
4. Michael J. Ahearn					1167
From: Dean, Allied Health Programs		100	12	175,800	
To: Dean, Allied Health Programs and Professor (T)	9/1-8/31	100	12	175,800	
Extramural Programs					
5. Thomas Brown (T)					1182
From: Vice President, Extramural Programs and Professor		100	12	307,000	
To: Gastrointestinal Medical Oncology Professor	12/12-8/31	100	12	307,000	

AMENDMENTS TO THE 2005-06 BUDGET (CONTINUED)

APPOINTMENTS AND PROMOTIONS (CONTINUED)

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
MEDICAL STAFF (Continued)					
Division of Cancer Medicine					
6. Waun K. Hong (T)					1212
From: Division Head, Chair and Professor		100	12	395,556	
To: Division Head, Professor and Samsung Distinguished University Chair	9/1-8/31	100	12	395,556	
Academic Affairs, Vice President Office					
7. Stephen Tomasovic (T)					1227
From: Vice President and Professor		100		12315,000	
To: Senior Vice President and Professor	2/1-8/31	100	12	330,000	

AMENDMENTS TO THE 2005-06 BUDGET (CONTINUED)

APPOINTMENTS AND PROMOTIONS (CONTINUED)

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
RESEARCH					
Genitourinary Medical Oncology Research					
8. Renata Pasqualini (T)					1165
From: Professor		100	12	149,610	
To: Professor and Helen Buchman and Stanley Joseph Seeger Research Professorship	11/1-8/31	100	12	152,610	
Lymphoma/Myeloma					
9. Larry W. Kwak (T)					1211
From: Chair, Professor and the Moshe Talpaz Endowed Chair in Immunology		100	12	297,648	
To: Chair, Professor and the Jane and John Justin Distinguished Chair in Leukemia Research	2/1-8/31	100	12	297,648	