

Meeting No. 1,011

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

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November 15-16, 2006

Austin, Texas

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 OF
 THE UNIVERSITY OF TEXAS SYSTEM
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MEETING NO. 1,011

WEDNESDAY, NOVEMBER 15, 2006.--The members of the Board of Regents of The University of Texas System convened at 10:30 a.m. on Wednesday, November 15, 2006, in the John and Nellie Connally Banquet Hall in the Etter-Harbin Alumni Center, The University of Texas at Austin, 2110 San Jacinto Boulevard, Austin, Texas, for the 125th anniversary celebration program.

1. U. T. System Board of Regents: Historical presentation on the 125th anniversary of the first meeting of The University of Texas Board of Regents

In recognition of the 125th anniversary of the first meeting of The University of Texas Board of Regents on November 15-17, 1881, Chairman Huffines and Chancellor Yudof provided remarks at a celebration program honoring the vision and dedicated service of current and former Regents, Chancellors, and Presidents of The University of Texas System and its 15 institutions. Many current and former Regents, Chancellors, Presidents, and emeritus officials of the U. T. System were in attendance for the event, which lasted from 10:30 a.m. to 1:00 p.m., including lunch.

(See comments by Chairman Huffines on Page 3.)

COMMITTEE MEETINGS.--At 1:30 p.m., Standing Committees met in the Board Meeting Room, Ninth Floor, Ashbel Smith Hall, 201 West Seventh Street, Austin, Texas.

CONVENE IN OPEN SESSION.--At 6:35 p.m., in accordance with a notice being duly posted with the Secretary of State and there being a quorum present with the following participation, Chairman Huffines called the meeting to order.

ATTENDANCE.--

Present
Chairman Huffines, presiding
Vice Chairman Clements
Vice Chairman Krier
Regent Barnhill
Regent Caven
Regent Craven
Regent Estrada
Regent Haley
Regent McHugh
Regent Rowling

General Counsel to the Board Frederick

RECESS TO EXECUTIVE SESSION.--At 6:37 p.m., Chairman Huffines announced the Board would recess to convene in Executive Session pursuant to *Texas Government Code* Sections 551.071, 551.072, 551.073, and 551.074 to consider those matters listed on the Executive Session agenda.

RECONVENE IN OPEN SESSION AND RECESS.--At 10:08 p.m., the Board reconvened in Open Session. Actions on items discussed in Executive Session were considered on November 16 (see Pages 4 - 8). Chairman Huffines announced the Board would recess for meetings of Standing Committees (to begin at 8:00 a.m. on November 16) and would reconvene in Open Session at 10:00 a.m. on November 16.

THURSDAY, NOVEMBER 16, 2006.--The members of the Board of Regents of The University of Texas System reconvened at 10:45 a.m. on Thursday, November 16, 2006, in the Board Meeting Room, Ninth Floor, Ashbel Smith Hall, 201 West Seventh Street, Austin, Texas, with the following participation:

ATTENDANCE.--

Present
Chairman Huffines, presiding
Vice Chairman Clements
Vice Chairman Krier
Regent Barnhill
Regent Caven
Regent Craven
Regent Estrada
Regent Haley
Regent McHugh
Regent Rowling

General Counsel to the Board Frederick

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

REMARKS ON THE 125TH ANNIVERSARY OF THE FIRST MEETING OF THE BOARD OF REGENTS.--Chairman Huffines announced a quorum present and called the meeting to order. He said a commemorative gavel made from Texas mesquite was being used to mark the 125th anniversary of the first meeting of the Board of Regents held over three days on November 15-17, 1881. Chairman Huffines said that yesterday (November 15), the Board paused with former Regents, former Chancellors, and former Presidents to reflect on that meeting and the 125 years of history. He announced a reproduction of the first handwritten Minutes from 1881 had been placed in a display case outside the meeting room.

CONGRATULATIONS TO MICHAEL D. MCKINNEY, M.D., CHANCELLOR-ELECT FOR THE TEXAS A&M UNIVERSITY SYSTEM.--Chairman Huffines acknowledged recently-named Chancellor-Elect for The Texas A&M University System, Michael D. McKinney, M.D., Senior Executive Vice President and Chief Operating Officer at The University of Texas Health Science Center at Houston, who had previously served as University of Texas System Vice Chancellor for Health Affairs. Mr. Huffines thanked Dr. McKinney for a job well done at U. T. and wished him all the best as he continues his service to the State of Texas.

U. T. SYSTEM BOARD OF REGENTS: APPROVAL OF MINUTES.--The Minutes of the regular meeting of the Board of Regents of The University of Texas System held on August 9-10, 2006, in Arlington, Texas, were approved as prepared by the General Counsel to the Board of Regents. The official copy is recorded in the *Permanent Minutes*, Volume LIII, Pages 805 – 1,087.

The Board also approved the Minutes of the special meeting of the Board of Regents of the U. T. System held on October 4-5, 2006, in Austin, Texas, as prepared by the General Counsel to the Board of Regents. The official copy is recorded in the *Permanent Minutes*, Volume LIV, Pages 1 - 23.

CONSIDERATION OF EXECUTIVE SESSION ITEMS.--Chairman Huffines said the Board would consider action on items discussed yesterday (November 15) in Executive Session.

- 1a. U. T. System Board of Regents: Discussion of value of real property related to Report of Regental Task Force on U. T. Dallas Lands

No action was taken on this item. (See related Item 4 on Page 10.)

- 1b. U. T. Brownsville: Authorization to purchase 19 commercial lots and adjacent platted but unconstructed streets comprising approximately 21.984 acres of unimproved real property located at the northwest corner of University Boulevard and Tyler Street in Brownsville, Texas, which lots are legally described as Lot 1, Block 1, Lots 1 through 9, Block 2, and Lots 1 through 5 and 7 through 10, Block 4, University Park Subdivision Unit 1, Brownsville, Cameron County, Texas, from Dyna-Go Properties Inc., Rachel Canales, Canlong Investments Ltd., Bertha Longoria, Dennis Sanchez, Trustee for Dennis Sanchez, P.C. and Jorge Ibarra, and River Centre Partners II Ltd., for a purchase price not to exceed fair market value as established by independent appraisals for future programmed development of campus expansion including new instructional facilities, and resolution regarding parity debt

Upon motion of Regent Estrada, seconded by Regent Caven, that The University of Texas System Board of Regents take the following actions on behalf of The University of Texas at Brownsville, the Board

- a. authorized the purchase of 19 commercial lots and adjacent platted but unconstructed streets comprising approximately 21.984 acres of unimproved real property located at the northwest corner of University Boulevard and Tyler Street in Brownsville, Texas, which lots are legally described as Lot 1, Block 1, Lots 1 through 9, Block 2, and Lots 1 through 5 and 7 through 10, Block 4, University Park Subdivision Unit 1, Brownsville, Cameron County, Texas, from Dyna-Go Properties Inc., Rachel Canales, Canlong Investments Ltd., Bertha Longoria, Dennis Sanchez, Trustee for Dennis Sanchez, P.C. and

Jorge Ibarra, and River Centre Partners II Ltd., for purchase prices not to exceed fair market value as established by independent appraisals and in accordance with the parameters discussed in Executive Session, plus all due diligence expenses, closing costs, and other costs and expenses to complete the acquisition of the property as deemed necessary or advisable by the Executive Director of Real Estate, for future programmed development of campus expansion including new instructional facilities;

- b. authorized the Executive Director of Real Estate to execute all documents, instruments, and other agreements, subject to approval of all such documents as to legal form by the Office of General Counsel, and to take all further actions deemed necessary or advisable to carry out the purpose and intent of the foregoing actions within the parameters outlined in Executive Session;
- c. resolved in accordance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System that
 - parity debt shall be issued to pay the project's cost, including any costs prior to the issuance of such parity debt;
 - sufficient funds will be available to meet the financial obligations of the U. T. System, including sufficient Pledged Revenues as defined in the Master Resolution to satisfy the Annual Debt Service Requirements of the Financing System, and to meet all financial obligations of the U. T. System Board of Regents relating to the Financing System;
 - U. T. Brownsville, which is a "Member" as such term is used in the Master Resolution, possesses the financial capacity to satisfy its direct obligation as defined in the Master Resolution relating to the issuance by the U. T. System Board of Regents of tax-exempt parity debt in an aggregate amount not to exceed \$5,019,000; and
 - this resolution satisfies the official intent requirements set forth in Section 1.150-2 of the *Code of Federal Regulations* that evidences the Board's intention to reimburse project expenditures with bond proceeds; and
- d. resolved that the authorization granted under this motion expires on December 1, 2007.

The motion carried by acclamation. (See Item 6 on Page 48 regarding acquisition of approximately 82.297 acres of land at U. T. Brownsville.)

- 1c. U. T. San Antonio: Authorization to negotiate the purchase of approximately 124.78 acres of land located on the southeast side of Loop 1604 and the north side of Hausman Road in San Antonio, Texas, which is legally described as 124.78 acres out of the Issac Stone Survey No. 352, Abstract No. 713, County Block 4538, and the G. Castillo Survey No. 353, Abstract 148, County Block 4543, New City Block 14865, San Antonio, Bexar County, Texas, from Patricia Shield Ayres, for a purchase price that is to be funded in part by Permanent University Fund (PUF) Bond Proceeds and in part by institutional fund balances, and that is not to exceed fair market value as established by independent appraisals for campus expansion, future programmed development, and to relocate existing and planned athletic facilities from the main campus

Vice Chairman Krier moved that The University of Texas System Board of Regents take the following actions on behalf of The University of Texas at San Antonio:

- a. authorize negotiations to purchase approximately 124.78 acres of land located on the southeast side of Loop 1604 and the north side of Hausman Road in San Antonio, Texas, which is legally described as 124.78 acres out of the Issac Stone Survey No. 352, Abstract No. 713, County Block 4538, and the G. Castillo Survey No. 353, Abstract 148, County Block 4543, New City Block 14865, San Antonio, Bexar County, Texas, from Patricia Shield Ayres, for a purchase price that is to be funded in part by Permanent University Fund (PUF) Bond Proceeds and in part by institutional fund balances and that is not to exceed fair market value as established by independent appraisals for campus expansion, future programmed development, and to relocate existing and planned athletic facilities from the main campus;
- b. authorize the Executive Director of Real Estate to execute the real estate contract and all documents, instruments, and other agreements, subject to approval of all such documents as to legal form by the Office of General Counsel, and to take all further actions deemed necessary or advisable to carry out the purpose and intent of the foregoing action within the parameters outlined in Executive Session; and
- c. authorize expenditure of up to \$14.5 million of PUF Bond Proceeds for acquisition of the subject land.

The motion was seconded by Regent Craven. Regent Rowling expressed concern about the third part of the potential written motion (c.) regarding use of PUF for the purchase. Following discussion, Regent Rowling and Vice Chairman Clements were recorded as opposing the motion.

(See related Item 2b on Page 7.)

- 2a. U. T. System Board of Regents: Discussion regarding pending legal issues concerning legal relationship with Texas Student Publications, Inc. (Texas Student Media) (Deferred)

This item was deferred.

- 2b. U. T. San Antonio: Discussion related to legal issues concerning negotiations to purchase approximately 124.78 acres of land located on the southeast side of Loop 1604 and the north side of Hausman Road in San Antonio, Texas, which is legally described as 124.78 acres out of the Issac Stone Survey No. 352, Abstract No. 713, County Block 4538, and the G. Castillo Survey No. 353, Abstract 148, County Block 4543, New City Block 14865, San Antonio, Bexar County, Texas, from Patricia Shield Ayres, for a purchase price that is to be funded in part by Permanent University Fund (PUF) Bond Proceeds and in part by institutional fund balances, and that is not to exceed fair market value as established by independent appraisals, for future programmed development of athletic facilities and campus expansion

See related Item 1c on Page 6 for action taken on this item. This duplicate caption was posted to permit the Board to discuss legal issues concerning the land purchase negotiations (*Texas Government Code* Section 551.071).

- 2c. U. T. System Board of Regents: Discussion with Counsel on pending legal issues

No discussion was held and no action was taken on this item.

- 3a. U. T. Southwestern Medical Center - Dallas: Authorization of negotiations concerning a gift to Southwestern Medical Foundation with a potential naming feature

Regent Barnhill moved that the Board of Regents authorize President Wildenthal and Vice Chancellor Safady to participate in negotiations concerning a gift to Southwestern Medical Foundation to benefit The University of Texas Southwestern Medical Center at Dallas related to a potential naming opportunity consistent with the terms outlined in Executive Session, subject to final approval by the Chancellor and the Board of Regents.

The motion was seconded by Vice Chairman Clements and carried by acclamation.

3b. U. T. Health Science Center - San Antonio: Authorization to negotiate gifts with potential naming features

Upon motion by Regent McHugh, duly seconded by Vice Chairman Krier, the Board of Regents authorized President Cigarroa and Vice Chancellor Safady to negotiate gifts to The University of Texas Health Science Center at San Antonio with potential naming opportunities consistent with the terms outlined in Executive Session.

The motion carried unanimously.

Note from the General Counsel to the Board of Regents: The \$25 million gift by Mr. William E. (Bill) Greehey, Chairman of Valero Energy Corporation, was announced publicly on January 18, 2007. The North Campus at U. T. Health Science Center – San Antonio will be renamed the Greehey Academic and Research Campus and the Children’s Cancer Research Institute will become the Greehey Children’s Cancer Research Institute.

4a. U. T. Medical Branch - Galveston: Discussion of individual personnel matters related to presidential search

No action was taken on this item. (See Item 3 below regarding an announcement of the composition of the Presidential Search Advisory Committee for The University of Texas Medical Branch at Galveston.)

4b. U. T. System: Consideration of individual personnel matters relating to appointment, employment, evaluation, compensation, assignment, and duties of presidents, U. T. System Administration officers (Executive Vice Chancellors and Vice Chancellors), other officers reporting directly to the Board (Chancellor, General Counsel to the Board of Regents, and Director of Audits), and U. T. System employees

No action was taken related to general personnel matters.

AGENDA ITEMS

2. U. T. System: Chancellor's Quarterly Update (Deferred)

Chancellor Yudof’s update to the Board on the reporting schedule for The University of Texas System strategic initiatives and accountability goals was deferred due to time constraints.

3. U. T. Medical Branch - Galveston: Report concerning appointment of Presidential Search Advisory Committee

Chairman Huffines announced the membership of the Presidential Search Advisory Committee for The University of Texas Medical Branch at Galveston as set forth on Page 9. This Committee has been constituted pursuant to the Regents’ *Rules and Regulations*, Series 20201.

Presidential Search Advisory Committee for
The University of Texas Medical Branch at Galveston

System Administration Representative

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

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Regent Colleen McHugh

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Science Center at San Antonio
Kern Wildenthal, M.D., Ph.D., President, The University of Texas
Southwestern Medical Center at Dallas

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Helen K. Li, M.D., Associate Professor, School of Medicine
Richard R. Rahr, Ed.D., Professor and Chair, School of Allied Health
Sciences
Pamela G. Watson, Sc.D., R.N., Dean, School of Nursing

Dean

Garland D. Anderson, M.D., School of Medicine

Student Representative

Mr. Dustin Porter, Second Year Student, School of Medicine

Alumni Association Representative

Ned Snyder, III, M.D., President, School of Medicine Alumni Association

Nonfaculty Employee

Ms. Melanie S. Loving, Administrative Manager, Office of Educational
Development

Community/External Representatives

Mrs. Patricia W. Burns
Mr. Michael Jackson
Harmon W. Kelley, M.D.
Mr. John Kelso
Mr. Harris L. "Shrub" Kempner, Jr.

Chairman Huffines said the search firm, SpencerStuart, will assist with the search and he outlined how the search will be conducted. The committee meeting dates are set with the first meeting on January 19 and will continue through March. Tentative dates for Committee interviews of potential

candidates have been set and the Committee will suggest candidate names to the Board. Chairman Huffines said there may be few or there may be many candidates. The Board will then determine which candidates to interview, with interviews tentatively scheduled for mid-April. One or several finalists will be named with a schedule that will allow the Board to name a new president as early as May 2007.

4. U. T. System Board of Regents: Report of Regental Task Force on U. T. Dallas Lands and authorization to implement the recommendations of the Task Force and President Daniel's recommendations concerning use of income

Following a report of the Regental Task Force on U. T. Dallas Lands by Regent Rowling, the Board approved implementation of the recommendations that follow on Pages 15 - 16 and, on behalf of The University of Texas at Dallas, authorized

- a. the sale or ground lease of the land, as identified in the Task Force report set forth on Pages 12 - 19, on such terms as may be approved by the Executive Director of Real Estate and the President of U. T. Dallas, with a written report to be submitted to the Board by the Executive Director of Real Estate on the consummation of each transaction; such written report to contain a summary of the transaction, a description of the process used to select the other party and the rationale for using that process, a description of the process used to set the consideration received, and a statement of the market value as determined by an independent appraisal, or other competent evidence of market value, as of a date no earlier than 12 months prior to the consummation of the transaction;
- b. the Executive Director of Real Estate to execute all documents, instruments and other agreements, and to take all further actions deemed necessary or advisable to carry out the purpose and intent of the foregoing action; and
- c. the use of the proceeds from sales or leases as outlined in the proposal by President Daniel as summarized on Page 11.

The Task Force, established in 2005 by Chairman Huffines, is chaired by Regent Rowling, and includes Regent Barnhill and President Daniel. The charge of the Task Force was to review and make recommendations on the best use of the lands held by the Board of Regents for the use and benefit of U. T. Dallas. Recommendations presented in the report include designating lands north of the St. Louis & Southwestern Railroad tracks for sale or long-term ground lease, with the intent of maximizing income for the institution. Lands south of the St. Louis & Southwestern Railroad tracks will be

designated for campus use. Selected tracts not required for near-term campus use along Waterview Parkway and Campbell Road may be leased in the interim, but will not be sold.

Preference in sales and leases will be given to uses that enhance the campus by including retail or mixed-use facilities to create a more vibrant and well-rounded environment for the students, staff, and faculty of U. T. Dallas as well as the surrounding neighborhoods and by strengthening the employment base in the area.

With a portion of the proceeds from the sale or leasing of the land in compliance with the deed restrictions conveying the property, Dr. Daniel will support the institution's goals of increasing faculty and the impact of research by the faculty. An endowment will be established, consistent with the deed restrictions, and approximately half of the endowment will be used to fund university-level graduate student fellowships aimed at attracting world-class graduate student talent to U. T. Dallas. The other half of the endowment will be used to support chairs and distinguished chairs for recruiting and retaining faculty talent. The proceeds will provide a powerful and flexible source of matching funds that would significantly strengthen the institution's ability to raise private funds as part of the \$100 million "Project Emmitt" campaign.

Also in accordance with the deed restrictions, a portion of the proceeds will be used for the Callier Center for Communication Disorders. The Center is housed in a 40-year-old building. A portion of the proceeds will be used for improvements to the building, and the remainder will be used to establish an endowment to support graduate student fellowships and chairs for faculty. The work of the Center is closely aligned with the University's strategic plan: the audiology program is the institution's highest ranked graduate program, and the linkages with science and engineering, and especially with bioengineering and electrical engineering, are strong.

(See related Executive Session Item 1a on Page 4.)

Task Force on U. T. Dallas Lands – Report to the Board of Regents of The University of Texas System

TASK FORCE OVERVIEW

At its special called meeting held on July 8, 2005, Chairman Huffines announced the appointment of a task force to review and make recommendations on the best use of the lands held for the benefit of U. T. Dallas.

This task force consists of the following members:

Regent Robert Rowling – Chairman
Regent John Barnhill, Jr.
Dr. David Daniel, President of U. T. Dallas

It is supported by U. T. System staff, including:

David Dixon, Office of Facilities Planning & Construction
Francie Frederick, Office of the Board of Regents
Scott Kelley, Business Affairs
Kathy Libersat, Real Estate Office
Art Martinez, Office of the Board of Regents
Florence Mayne, Real Estate Office
Linda Sarrels, Real Estate Office
Kirk Tames, Real Estate Office

ACTIVITIES OF THE TASK FORCE

- The Task Force first met on August 1, 2005, on the U. T. Dallas campus. In advance of that meeting, the Real Estate Office provided the Task Force a report that contained an overview of land holdings and planning issues.
- The Real Estate Office provided a second report to the Task Force on December 28, 2005, containing responses to questions asked and research requested in the first meeting and incorporating the U. T. Dallas draft strategic plan issued in December 2005.
- An informal meeting of the Task Force took place on January 12, 2006.
- The Task Force convened on June 6, 2006, on the U. T. Dallas campus, discussed options, and decided on recommendations to submit to the Board of Regents for approval.

MATTERS REVIEWED AND CONSIDERED

History

- Land acquisition for U. T. Dallas began in 1969, and totaled about 1,200 acres at its peak.
- The Excellence in Education Foundation, established by Cecil Green, Eugene McDermott and Erik Jonsson, founders of Texas Instruments, donated most of the land. The Texas Research Foundation also donated land.
- The properties are located in the cities of Richardson, Dallas and Plano, and are within both Dallas and Collin Counties.
- Sales of land to benefit U. T. Dallas' endowments and grants of land for roads and other infrastructure began in 1975. Lands north of the George Bush Tollway were sold to maximize economic gain; those located south of the Tollway were sold only to companies that were U. T. Dallas research partners to be used for build-to-suit office, research and manufacturing facilities.
- Dispositions have totaled approximately 502 acres, at a gross sale price of over \$53 million.
- In 1995, the Board of Regents of The University of Texas System appointed a special committee, chaired by Regent Jess Hay, to consider options related to U. T. Dallas' lands. The recommendations of this committee were not fully implemented.

U. T. Dallas Draft Strategic Plan

The leadership of U. T. Dallas completed a draft strategic plan for the institution in December 2005, entitled "Creating the Future." This document contains several points that affect decisions regarding the real estate held for the benefit of U. T. Dallas:

- U. T. Dallas' vision is to become one of the nation's best public research universities, building on existing programs and strengths;
- U. T. Dallas envisions evolving into an institution of about 22,000-25,000 students and 1,200 faculty, similar to the University of Virginia, The University of North Carolina, and University of California-San Diego; and
- U. T. Dallas places a high priority on interaction with the surrounding community and with U. T. Southwestern Medical Center and U. T. Arlington.

Current Conditions

- About 708 acres remain for campus use and for disposition.
- The George Bush Tollway (SH-190) was completed in 1999-2002, and in 2005 was extended to I-635, providing a viable alternative to congested I-635 in the north Dallas area and direct access to Dallas/Fort Worth International Airport. The George Bush Tollway has also changed traffic patterns to and around the U. T. Dallas campus.
- Texas Instruments is completing construction of a very large electronic chip manufacturing facility two miles east of the U. T. Dallas campus, which will increase both the demand for real estate and services, as well as provide additional opportunities for interaction with U. T. Dallas.
- Land in Richardson is zoned for office/manufacturing uses, or with a low-density place-holder zoning; land in Dallas is zoned light industrial, which allows many commercial uses in addition to industrial uses; land in Plano is zoned for light industrial uses, and for commercial uses along the Tollway.
- Market participants note that, overall, real estate markets in the Dallas area have been strengthening for the last few years after being generally weak early in this decade. Office occupancy is recovering, such that there are now few large vacancies in the Richardson market area, and new office construction is likely to begin within the next year. U. T. Dallas is located between large established retail nodes, which raises questions about the likelihood of attracting retail other than new entrants, destination retail, and some campus-related retail. Richardson/Plano is an appealing market for multi-family residential developers, but there is a question whether the cities would approve this use unless it is part of a mixed-use development.
- Market participants think mixed-use development may be viable around the U. T. Dallas campus, and should be either neighborhood-oriented if along Campbell Road, or transit-oriented if Dallas Area Rapid Transit does eventually build a station adjacent to U. T. Dallas.

Issues and Options

- The Task Force considered various issues and options during its deliberations. Included in those issues were (1) the amount of land to be dedicated to campus use; (2) use of other land for office/research park or mixed use and via build-to-suit or speculative development; (3) the possibility that Dallas Area Rapid Transit may select the St. Louis & Southwestern Railroad line next to U. T. Dallas for a future light rail line and that land near or on the campus may be considered for a station; and (4) the pros and cons of land leases and land sales.

RECOMMENDATIONS OF THE TASK FORCE

Goals

The Task Force identified dual goals: maximize annual income for U. T. Dallas and preserve strategic property for future growth of the campus.

Disposition

- The Board should preserve lands south of the St. Louis & Southwestern Railroad line (see the attached map) for current or future campus use. Nevertheless, some parcels within that area may be leased if U. T. Dallas determines it does not have a near-term academic use for the lands. Tracts west of Waterview Parkway, north of Synergy Drive, and on the south side of campus along Campbell Road are possible candidates for such an approach. A total of approximately 544 acres are designated for campus use.
- Property north of the St. Louis & Southwestern Railroad line (see attached map) is recommended for sale or lease, as appropriate. A strong preference will be given to ground lease transactions for parcels south of the George Bush Tollway to preserve flexibility for U. T. Dallas to convert those parcels to campus use at a future date. A total of approximately 172 acres are designated for sale or ground lease.
- The use of proceeds from the sale or exchange of the parcels north of the St. Louis & Southwestern Railroad is dictated by the two deeds that conveyed the parcels to the Board. Excerpts from the applicable deeds are attached to this report. All but approximately 7 acres are subject to the following requirements:
 - 2/3 of the proceeds from sales or exchanges are to be held in an endowment for the further attainment of excellence at U. T. Dallas, with income to be made available at least annually to the president of U. T. Dallas for that purpose;
 - not more than 1/6, nor less than 1/10, of the proceeds from sales or exchanges in any calendar year shall be made available to U. T. Dallas to purchase, construct, fabricate, design, or otherwise acquire buildings, improvements, equipment, appliances, furnishings and fixtures to be located on and used on or in the Callier Center for Communication Disorders;
 - the balance of the proceeds from sales or exchanges is to be held in a permanent endowment for U. T. Dallas in connection with the operation of the Callier Center for Communication Disorders, with the income to be made available at least annually for expenditures by U. T. Dallas for operation of the Callier Center.

With respect to the remaining approximately 7 acres, the proceeds from the sale or exchange of the property must be used for the acquisition of

other lands, the construction of buildings, and the purchase of equipment and personal property for use by U. T. Dallas.

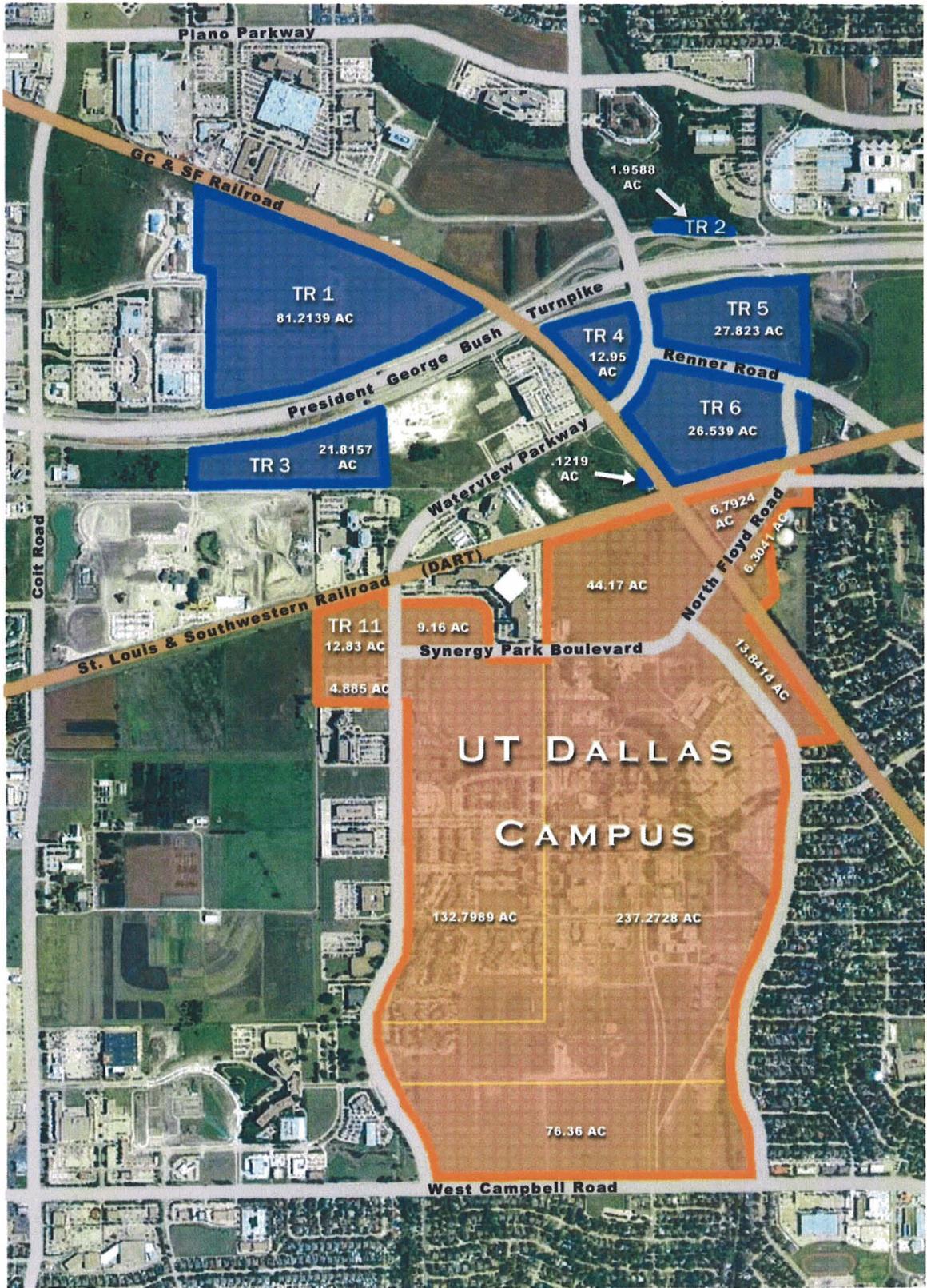
Proceeds from leasing are not restricted. Provided, however, that the Office of General Counsel had advised that if the lease is for an extended period and the rental is prepaid in a lump sum akin to the fair market value, then the proceeds should be treated as though they are proceeds from a sale or exchange.

Preferred Uses

- Uses that enhance the campus by creating a more vibrant and well-rounded environment for the students, staff, and faculty, as well as for the surrounding neighborhoods. These may include retail or mixed-use commercial development, and could include a residential component.
- Short-term uses including driving ranges or other low-impact uses for parcels that may be leased for terms that are not sufficiently long enough to support more extensive improvements.
- Uses that enhance the employment base in the area.

Other Recommendations

- During the course of task force discussions, and consistent with those discussions, U. T. Dallas opted to give notice that the driving range lease for the portion of its campus at the southeast corner of Waterview Parkway and Synergy Drive will terminate in August 2007.
- Land will be sold or leased for both speculative as well as build-to-suit commercial development.
- If the St. Louis & Southwestern Railroad line is selected for light rail service, U. T. Dallas will actively encourage the Dallas Area Rapid Transit to locate a station at the U. T. Dallas campus; such a station would then be a focal point for further commercial and campus development.
- The U. T. System Real Estate Office will take actions to increase the marketability of the sites, including obtaining surveys, hiring brokers or other professionals, and evaluating whether re-zoning, building infrastructure or signage, placing deed restrictions, or other actions will benefit the property, are economically advantageous, or protect the interests of U. T. Dallas.
- The U. T. System Real Estate Office will market the property. Brokers may be engaged to assist marketing efforts. Developers may be sought to assist in master-planned components, if any, of the property.



Use of Proceeds as Stipulated in Deeds

Approximately 7 Acres at the Northeast Corner of the Intersection of the St. Louis & Southwestern and GC & SF Railroad Lines:

Grantor: Excellence in Education Foundation

Date of Deed: February 27, 1975

Deed Restrictions: Given to The University of Texas System "... for the purpose of aiding the establishing and operation of The University of Texas at Dallas, and in the event any of said real estate shall be sold or exchanged by Grantee, the proceeds of such sale or exchange shall not become a part of the Permanent University Fund, the Available University Fund, or the general funds of the State of Texas, but the use of such proceeds shall be limited to the acquisition of other lands and the construction of buildings and the purchase of equipment and personal property for the use of The University of Texas at Dallas"

All Other Parcels North of the St. Louis & Southwestern Railroad Line:

Grantor: Excellence in Education Foundation

Date of Deed: August 25, 1975

Deed Restrictions: Given to The University of Texas System "... provided, however, that:

1. Grantee shall hold the legal title to the real estate hereby granted and conveyed as Trustee for the use and benefit of UTD in the conduct and operation of UTD, with full rights, powers and authority in Grantee to sell (for cash, notes or other properties, or a combination thereof), exchange, lease (for terms of any duration), develop, mortgage, encumber, charge and manage same, with all rights, powers and authority of an owner of said real estate except as herein expressly limited and provided;
2. An undivided two-thirds (2/3) interest in said real estate, or in the proceeds thereof or the properties acquired with such proceeds or in exchange therefore (in the event of a sale or exchange) shall be held as a permanent endowment for the further attainment of excellence at UTD, all the income

therefrom to be made available by Grantee at least annually for expenditure by the President (or other chief administrative officer) from time to time of UTD for that purpose;

3. Not to exceed an undivided one-sixth (1/6) interest in said real estate, or in the proceeds thereof or the properties acquired with such proceeds or in exchange therefore (in the event of a sale or exchange), but not more than one-tenth (1/10) of said undivided one-sixth (1/6) interest in any one calendar year, shall be made available to be used by UTD for the purpose of purchasing, constructing, fabricating, designing or otherwise acquiring buildings, improvements, equipment, appliances, furnishings and fixtures that will be located and used on or in the institution named "Callier Center for Communication Disorders," the operation of which is now being transferred to UTD;
4. The balance of said interest in said real estate, or in the proceeds thereof or the properties acquired with such proceeds or in exchange therefore (in the event of a sale or exchange) shall be held as a permanent endowment for UTD in connection with its operation of Callier Center for Communication Disorders, and all of the income from said interest shall be made available at least annually for the expenditure by UTD for the operation of Callier Center for Communication Disorders;
5. None of said real estate or the proceeds thereof or the properties acquired with such proceeds or in exchange therefore (in the event of a sale or exchange), or the income from any of the same, shall ever become a part of the Permanent University Fund, the Available University Fund, or the general funds of the State of Texas, but all of the same shall be used solely for the purposes hereinabove set forth"

5. U. T. Austin: Research Office Complex (formerly Institute for Geophysics and Advanced Computing Center) - Amendment to the FY 2006-2011 Capital Improvement Program and the FY 2007-2008 Capital Budget to increase total project cost required to accommodate the Sun Constellation supercomputer, funded by a \$59,000,000 High Performance Computing (HPC) System grant from the National Science Foundation; appropriation of funds and authorization of expenditure; and authorization of a separate allocation of \$5,000,000 in Available University Funds to assist in recruiting world-class research staff following the criteria and process used for the U. T. System Science and Technology Acquisition and Retention (STARs) Program

Following a presentation of the proposed project by Interim Executive Vice Chancellor Malandra, the Board approved the recommendations for the Research Office Complex (formerly Institute for Geophysics and Advanced Computing Center) project at The University of Texas at Austin as follows:

Project Number: 102-128
Architecturally or Historically Significant: Yes No
Project Delivery Method: Construction Manager at Risk
Substantial Completion Date: June 2007

Total Project Cost:	<u>Source</u>	<u>Former</u>	<u>Current</u>
	Unexpended Plant Funds	\$ 1,684,400	\$13,850,000
	Revenue Financing System Bond Proceeds	\$17,344,000	\$17,344,000
	Interest on Local Funds	<u>\$ 3,500,000</u>	<u>\$ 3,500,000</u>
		\$22,528,400	\$34,694,000

- a. amend the FY 2006-2011 Capital Improvement Plan (CIP) and the FY 2007-2008 Capital Budget to increase the total project cost;
- b. appropriate additional funds in the amount of \$12,165,600 from Unexpended Plant Funds and authorize expenditure of funds; and
- c. authorize a separate allocation of \$5,000,000 from Available University Funds (AUF) to assist in recruiting world-class research staff following the criteria and process used for The University of Texas System Science and Technology Acquisition and Retention (STARs) Program.

Previous Actions

On August 8, 2001, the project was included in the CIP with a preliminary project cost of \$18,000,000 with funding from Designated Tuition. On May 12, 2005, the Board approved the design development plans, revised the funding sources, and increased the total project cost to \$20,444,000 with funding of \$16,944,000 from Revenue Financing System Bond Proceeds and \$3,500,000 from Interest on Local Funds.

On October 25, 2005, the Chancellor approved increasing the total project cost to \$20,844,000 with funding of \$16,944,000 from Revenue Financing System Bond Proceeds and \$3,900,000 from Interest on Local Funds. On January 30, 2006, the Chancellor approved revising the funding to \$17,344,000 from Revenue Financing System Bond Proceeds and \$3,500,000 from Interest on Local Funds. On May 2, 2006, the nonhonorific name change was approved from Institute for Geophysics and Advanced Computing Center to Research Office Complex. On July 10, 2006, the Chancellor approved increasing the total project cost and funding was revised to \$350,000 from Unexpended Plant Funds, \$3,500,000 from Interest on Local Funds, and \$17,344,000 from Revenue Financing System Bond Proceeds for a total project cost of \$21,194,000. On September 14, 2006, the Chancellor approved increasing the total project cost to \$22,528,400 and funding was revised to \$1,684,400 from Unexpended Plant Funds, \$3,500,000 from Interest on Local Funds, and \$17,344,000 from Revenue Financing System Bond Proceeds.

Project Description

U. T. Austin has received a grant for the new Sun Constellation supercomputer, one of the world's most powerful supercomputers. The supercomputer is being funded by a \$59,000,000 High Performance Computing (HPC) System grant from the National Science Foundation (NSF) and will be the largest computer that is attached to the TeraGrid, a network of high-performance computers sponsored by the NSF.

The project, located at the J. J. Pickle Research Campus, consists of a three-story facility of approximately 95,000 gross square feet including research offices, work areas, and seminar and training space for the U. T. Institute for Geophysics (UTIG) and the Texas Advanced Computing Center (TACC).

The increase in total project cost of \$12,165,600 is required to upgrade the TACC facility heating, ventilation, and air conditioning system to accommodate the Sun Constellation supercomputer.

6. U. T. Austin: Dell Computer Science Hall (formerly Computer Sciences Building) - Approval to allocate \$20,000,000 from Permanent University Fund (PUF) Bond Proceeds and amendment of the FY 2006-2011 Capital Improvement Program and the FY 2007-2008 Capital Budget to revise funding sources

Following a presentation of the proposed project by Vice Chancellor Safady, the Board approved the recommendations for the Dell Computer Science Hall (formerly Computer Sciences Building) project at The University of Texas at Austin as follows:

Architecturally or Historically Significant: Yes No

Project Delivery Method: Construction Manager at Risk

Substantial Completion Date: June 2010

Total Project Cost:	<u>Source</u>	<u>Former</u>	<u>Current</u>
	Gifts	\$67,000,000	\$47,000,000
	Permanent University Fund Bond Proceeds		<u>\$20,000,000</u>
			<u>\$67,000,000</u>

- a. approve the allocation of \$20,000,000 from Permanent University Fund (PUF) Bond Proceeds; and
- b. amend the FY 2006-2011 Capital Improvement Program (CIP) and the FY 2007-2008 Capital Budget to revise the funding sources.

Previous Board Actions

On May 11, 2006, the project was included in the CIP with a preliminary project cost of \$67,000,000 with funding from Gifts, was named the Dell Computer Science Hall (formerly Computer Sciences Building), and was designated architecturally significant.

Project Description

The project will construct a new computer sciences building of approximately 106,000 gross square feet with five levels plus a basement. A wing will connect to two levels of T. U. Taylor Hall and the Applied Computational Engineering and Sciences (ACES) Building.

The Dell Computer Science Hall will consolidate the Department of Computer Sciences, which occupies five different buildings scattered across the U. T. Austin campus, into one building and will facilitate the integration of research and educational opportunities.

On May 15, 2006, the Michael & Susan Dell Foundation committed \$10,000,000 toward the total projected construction cost of \$67,000,000 for

the project. As a building that will play a critical role in U. T. Austin's ability to be nationally competitive in computer science, the allocation of \$20,000,000 from PUF Bond Proceeds will accelerate the building process. Additional funds will be raised through private sources and other institutional resources. The new, state-of-the-art facility is needed to recruit world-class faculty and graduate students and to have the necessary space and equipment to improve the University's competitive standing in computer science.

7. U. T. System: Authorization and approval to use \$10,000,000 of Permanent University Fund (PUF) Bond Proceeds as a source of U. T. System contributions for projects supported by Emerging Technology Fund and Texas Enterprise Fund grants that follow the criteria and process used for allocation of the U. T. System's Science and Technology Acquisition and Retention (STARs) Program

Chairman Huffines called on Interim Executive Vice Chancellor Malandra for remarks on the proposed use of \$10,000,000 of Permanent University Fund (PUF) Bond Proceeds as a source of University of Texas System contributions for projects supported by Emerging Technology Fund (ETF) and Texas Enterprise Fund (TEF) grants.

Remarks by Dr. Geri H. Malandra

In 2003, the 78th Texas Legislature established the Texas Enterprise Fund to help the state respond quickly to opportunities to bring jobs and employers to Texas. The University of Texas System has benefited from Enterprise Fund investments to the GE Imaging Center in Houston and to Project Emmitt at The University of Texas at Dallas (to which the System contributed tens of millions of dollars).

In 2005, the 79th Legislature established the Emerging Technology Fund (ETF) to acquire new or enhanced research superiority at Texas universities. U. T. System institutions have worked with business and community leaders and with the Governor's Office to develop six approved projects that will help address the goals of these important investments in keeping Texas competitive. These include over \$16 million in ETF research superiority grants to: The University of Texas at San Antonio in information assurance and security; to The University of Texas at Austin, The University of Texas at Arlington, and U. T. Dallas for the nanoelectronics institute; and to The University of Texas Medical Branch at Galveston, The University of Texas Health Science Center at Houston, and The University of Texas M. D. Anderson Cancer Center for the Alliance for Nano Health. Together, these

institutions contributed over \$15 million to the projects. And, U. T. System institutions have additional proposals that are in the process of review by the ETF.

In developing proposals and considering funding sources, U. T. System institutions have contributed significant amounts toward these projects. For the smaller institutions, this can be a particular challenge particularly in identifying resources to attract leading researchers who will spearhead these efforts. So, to encourage and help support the development of proposals for these important and unique projects, we are proposing that the Board consider establishing a special allocation of \$10 million for PUF-eligible institutions that would assist them in contributing to the project budgets for these significant State programs. The funds would be available on a competitive basis, administered by the U. T. System Administration (like the existing STARs Program), to be focused on the recruitment of world-class researchers who are central to the success of the projects proposed to the state.

Chancellor Yudof said the initiative will particularly help the mid-size campuses and he said U. T. System Administration will report back to the Board on use of these funds. Dr. Malandra noted that an accountability system will be built in as well to report on the impact of the investment. Executive Vice Chancellor Shine spoke about the criteria to be used in awarding funds.

The Board then authorized \$10 million of PUF Bond Proceeds to be used as a source of U. T. System contributions for projects eligible for grants from the state's Emerging Technology Fund and the Texas Enterprise Fund. This special allocation will be available to any PUF-eligible institution competing for such State funds to assist the institution with recruiting world-class researchers who are central to these projects. The evaluation and awarding of these funds will follow the criteria and process used for allocation of the U. T. System's Science and Technology Acquisition and Retention (STARs) Program.

8. U. T. System Board of Regents: Designation of an additional \$10,000,000 of Permanent University Fund (PUF) Bond Proceeds from the U. T. System Science and Technology Acquisition and Retention (STARs) Program to be set aside for matching funds for private gifts as part of the Regents' Research Scholars Program and amendment of Regents' Rules and Regulations, Series 31001, Section 2, concerning academic titles

The Board approved designation of an additional \$10,000,000 of Permanent University Fund (PUF) Bond Proceeds to be set aside for matching funds for private gifts as part of the Regents' Research Scholars Program.

To be eligible for these matching funds, University of Texas System institutions will identify candidates for the Regents' Research Scholars program, will obtain philanthropic commitments for \$200,000 to \$500,000 for a specific recruitment, and will request matching money from the Science and Technology Acquisition and Retention (STARs) Program. The recruitment will be reviewed by the appropriate Executive Vice Chancellor, and if approved, the STARs monies will be used for equipment and renovation, while the philanthropic monies could be used for any appropriate research operating costs associated with the recruitment, e.g., graduate student stipends, technician support, and supplies.

Under this plan, up to \$1,000,000 will be available over a five-year period, i.e., \$200,000 per year. These funds are not intended as an endowment. Recipients of these monies will be known as Regents' Research Scholars for the duration of the financial support. Such scholars could also bear the name of the donor.

Any tenure-track faculty recruit, regardless of rank, will be eligible for a Regents' Research Scholar matching award. Such an award would not disqualify an individual for consideration for other STARs recruiting money. That is, if a particular recruitment met the requirements of the STARs Program, additional funds for equipment and renovations might be made available through the current programs. Campuses could indicate to potential donors that the U. T. System will provide equipment and renovation funds to manage their philanthropic commitment of not less than \$200,000 but not more than \$500,000.

Once a gift has been made, it will be used by the campus for the Regents' Research Scholars awards. If initially intended for a particular candidate, the gift will be available at the institution for subsequent recruitments if that candidate is not successfully recruited, or if the faculty member leaves prior to the end of the term of the award. While some priority will be given to science, technology, engineering, math, and medicine, faculty proposals for faculty in other fields will also be entertained.

In each case, the philanthropic money for a Regents' Research Scholar must be a new contribution. The Executive Vice Chancellors will be responsible for carefully monitoring the distribution of the Regents' Research Scholars awards among institutions so that there is not a disproportionate share of awards to institutions with particularly strong philanthropic capabilities.

The Regents will receive an annual report of the number and distribution of Regents' Research Scholars awards.

Further, the General Counsel to the Board of Regents was authorized to amend the Regents' *Rules and Regulations*, Series 31001, Section 2, concerning academic titles, to include the title "Regents' Research Scholar."

9. U. T. System Board of Regents: Report on the status of the search for the President, Chief Executive Officer, and Chief Investment Officer for The University of Texas Investment Management Company (UTIMCO)

Regent Caven, Chairman of The University of Texas Investment Management Company (UTIMCO) Board of Directors, provided an update on the status and a projected timetable for the search for a President, Chief Executive Officer (CEO), and Chief Investment Officer for UTIMCO. He said he has appointed a Search Advisory Committee for selection of an executive search firm. The Committee is headed by external director, Mr. Clint D. Carlson, and composed of Regent Rowling and Mr. J. Philip Ferguson, members of the UTIMCO Board of Directors. Regent Caven reported that letters have simultaneously been distributed to solicit nominations for a CEO.

10. U. T. System: Annual performance assessment of campus development offices

Vice Chancellor Safady presented the annual report on performance assessment of University of Texas System campus development offices. She said total giving for Fiscal Year 2005 was \$488,515,043. As some institutions are reorganizing their development offices, Dr. Safady proposed providing necessary training to rebuild development operations.

In 2004, Dr. Safady initiated a new annual review of campus development operations and the preparation of a customized feedback report for each institution. The report offers an assessment of current development activity and a framework for performance measurement and continuous improvement. With demand on U. T. System institutions to increase philanthropic support, this new service aims to help each institution achieve its strategic objectives. This annual review is aligned with the goals of the U. T. System's comprehensive Accountability and Performance program.

11. U. T. System Board of Regents: Approval of Mr. Frank Denius as the 2006 recipient of the Santa Rita Award

Chairman Huffines recommended Mr. Frank Denius as the 2006 recipient of the Santa Rita Award, the highest honor bestowed by the Board of Regents.

The criteria for selection, as detailed in the Regents' *Rules and Regulations*, Series 10601, includes such factors as a demonstrated concern for the principles of higher education, a deep commitment to the furtherance of the purposes and objectives of The University of Texas System, a record of commitment to securing appropriate financial support for the System from both the public and private sectors, and a demonstrated record of participation in the affairs of the System, which serves as a high example of selfless and public-spirited service.

Chairman Huffines said he believes the distinguished record of service to Texas higher education and to the institutions of the U. T. System by Mr. Frank Denius, Austin, Texas, more than meets the criteria for this recognition, and said he is pleased to recommend that Mr. Denius be recognized as the 2006 recipient of the Santa Rita Award for his outstanding contributions to the U. T. System including support for academic programs, building facilities, and medical research.

Chairman Huffines stated Mr. Denius has been a passionate and effective champion of the U. T. System for more than 50 years. After distinguishing himself as one of the nation's most highly decorated veterans of World War II, Mr. Denius received degrees in business and law in 1949 from The University of Texas at Austin. He is an attorney, Chairman Emeritus of the Southern Union Company, and a director of JPMorgan Chase-Austin. Mr. Denius is president of the Effie and Wofford Cain Foundation, established by his aunt and uncle in 1952, which has given more than \$24.5 million to support various U. T. System institutions, including U. T. Austin, The University of Texas Southwestern Medical Center at Dallas, The University of Texas M. D. Anderson Cancer Center, The University of Texas Health Center at Tyler, and The University of Texas Medical Branch at Galveston.

The gifts have funded programs and facilities relating to fine arts, education, medical research, communications, law, business, athletics, and graduate school programs, to name a few.

In 1991, Mr. Denius received the Distinguished Alumnus Award at U. T. Austin, having served on the Development Board, the Centennial Commission, the Executive Council of the "We're Texas" Campaign, the Commission of 125, and as Chairman of the Leadership Austin Council.

Mr. Huffines recommended that the award be bestowed upon Mr. Denius at an appropriate ceremony to be held in February 2007 in Austin, when the scope and depth of his many contributions to the growth and development of the U. T. System and higher education throughout Texas can be acknowledged.

Regent Barnhill seconded the motion, which carried by acclamation.

RECESS FOR COMMITTEE MEETINGS AND COMMITTEE REPORTS TO THE BOARD.--At 12:30 p.m., the Board recessed for meetings of the Standing Committees, and Chairman Huffines announced the Board would reconvene to approve the report and recommendations of the committees.

The meetings of the Standing Committees were conducted in open session, and the reports and recommendations thereof are set forth on Pages 29 - 86.

REPORT AND RECOMMENDATIONS OF THE AUDIT, COMPLIANCE, AND MANAGEMENT REVIEW COMMITTEE (Page 29).--Committee Chairman Estrada reported that the Audit, Compliance, and Management Review Committee had no matters to consider on its agenda.

1. U. T. System Board of Regents: Report on the results of The University of Texas Investment Management Company (UTIMCO) Audit

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

2. U. T. System Board of Regents: Report on the U. T. System Financial Statement Audit

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

3. U. T. System: Report on the System-wide Internal Audit Activities

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

4. U. T. System: Annual Report on System-wide Institutional Compliance Program

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

REPORT AND RECOMMENDATIONS OF THE FINANCE AND PLANNING COMMITTEE (Pages 30 - 43).--Committee Chairman Rowling reported that the Finance and Planning Committee met in open session to consider those matters on its agenda and to formulate recommendations for The University of Texas System Board of Regents. Unless otherwise indicated, the actions set forth in the Minute Orders that follow were recommended by the Finance and Planning Committee and approved in open session by the U. T. System Board of Regents:

1. U. T. System: Discussion and appropriate action related to approval of Docket No. 128

The Board approved *Docket No. 128* in the form distributed by the General Counsel to the Board of Regents. It is attached following Page 87 in the official copy of the *Minutes* and is made a part of the record of this meeting.

It was expressly authorized that any contracts or other documents or instruments approved therein may be executed by the appropriate officials of the respective University of Texas System institution involved.

Notice of docket actions related to approval of letter agreements and contracts for Chancellor Mark G. Yudof and the presidents of the U. T. System institutions was provided to the Legislative Budget Board. Additionally, these actions were found to be in the best interest of the U. T. System, as required by State law.

Regent Rowling noted an additional item related to the Texas Physicians Upper Payment Limit for the U. T. System was added to the Docket (see Page Docket - 2a). He said the amounts of the supplemental payments for state-affiliated physician practice plans will vary slightly after the final transfer is calculated but this item includes a "best estimate."

2. U. T. System: Key Financial Indicators Report

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

3. U. T. System: Report on recommendations regarding U. T. System Administration banking and treasury services

Executive Vice Chancellor Kelley reported on the recommendations as referenced in the Treasury Strategies, Inc. (TSI) Final Report dated May 31, 2006. The University of Texas System Office of Finance will apply such banking and treasury services "best practices" where appropriate, to

result in cost savings, an increased return on cash investments, and greater protection against fraud of banking services. (A copy of the [Report](#) is on file in the Office of the Board of Regents.)

"Best practice" actions will be designed and implemented by a System-wide working group consisting of the U. T. System Office of Finance personnel and cash management professionals from a number of the U. T. System institutions as designated by the Executive Vice Chancellor for Business Affairs. The working group would likely be supplemented by an outside consultant to assist with identifying other opportunities and implementation strategies. The Office of Finance will report back to the Finance and Planning Committee of the Board in Fall 2007 on the status of implementation.

On July 8, 2005, the Board of Regents asked the U. T. System Office of Finance to explore the multiple banking relationships throughout the U. T. System and determine if there are ways to increase efficiency and lower costs for these services. Through a competitive Request for Qualifications (RFQ) process, TSI was hired to perform a "Best Practices Review" of treasury services at the U. T. System institutions and at U. T. System Administration.

TSI reviewed treasury activities at each of the 15 institutions in seven major categories. TSI concluded that the collections and disbursement processes were well managed at each of the 15 U. T. System institutions and U. T. System Administration. However, TSI also concluded that across the majority of institutions, structure, banking, cash positioning, controls, and technology fall short of efficient execution although certain institutions are performing at a high level and require minimal support from the U. T. System Office of Finance.

TSI made three strategic recommendations:

1. Consider centralizing treasury functions at the U. T. System Office of Finance to enhance operational performance, improve governance capabilities, strengthen control framework, and produce cost savings.
2. Consider consolidating banking relationships to provide consistency of form, function, and processes, thereby reducing fees and bank balances, and adding control.
3. Enhance balance management and investment practices (e.g., daily cash sweeps).

The U. T. System Office of Finance believes that the following opportunities can be largely realized over the next 12-18 months, without significantly disrupting the operations of the institutions and without incurring significant costs:

- use the negotiating power of the U. T. System to standardize and reduce banking fees;
- ensure that all bank accounts are swept daily to maximize interest income;
- create a standard banking Request for Proposals (RFP) to ensure consistent delivery of common banking services and to identify and avoid any impermissible conflicts of interest;
- create a new Business Procedures Memorandum (BPM) to standardize treasury practices and controls and bring them up to a level reflective of best practices;
- reduce the number of banks serving U. T. System institutions and increase the minimum service level standards;
- reduce costs further by negotiating a U. T. System-wide armored car contract, pre-encoding all checks deposited, and eliminating stop pay charges;
- ensure that each institution has a formal treasury operations disaster recovery plan that is integrated with the institution's overall disaster recovery plan;
- ensure that treasury operations are regularly audited and reviewed for compliance purposes; and
- upgrade the U. T. System collateral tracking system for banking deposits.

4. U. T. System Board of Regents: Investment Reports for the fiscal year and quarter ended August 31, 2006, and The University of Texas Investment Management Company (UTIMCO) Performance Summary Report

The Investment Reports for the fiscal year and quarter ended August 31, 2006, are summarized below.

Item I on Page 34 reports activity for the Permanent University Fund (PUF) investments. The PUF's net investment return for the fiscal year was 11.17% versus its composite benchmark return of 12.51%. The PUF's net asset value increased by \$886.7 million since the beginning of the fiscal year to \$10,313.4 million. This change in net asset value includes increases due to contributions from PUF land receipts and net investment return and an annual distribution of \$357.3 million.

Item II on Page 35 reports activity for the General Endowment Fund (GEF) investments. The GEF's net investment return for the fiscal year was 11.10% versus its composite benchmark return of 12.51%. The GEF's net asset value increased during the fiscal year to \$5,427.8 million.

Item III on Page 36 reports activity for the Intermediate Term Fund (ITF). The ITF was implemented on February 1, 2006. The ITF's net investment return for the seven months ended August 31, 2006, was 3.42% versus its composite benchmark return of 3.06%. The ITF's initial contribution was \$2,930.9 million, and the net asset value increased to \$3,048.8 million as of August 31, 2006, due to contributions, distributions (\$52.7 million), and net investment returns.

Item IV on Page 37 presents book and market value of cash, debt, equity, and other securities held in funds outside of internal investment pools. Total cash and equivalents, consisting primarily of institutional operating funds held in the Dreyfus money market fund, increased by \$48.9 million to \$1,509.0 million during the three months since the last reporting period. Market values for the remaining asset types were debt securities: \$43.5 million versus \$45.7 million at the beginning of the period; equities: \$73.7 million versus \$82.4 million at the beginning of the period; and other investments: \$2.2 million versus \$0.3 million at the beginning of the period.

The August 31, 2006, UTIMCO Performance Summary Report is attached on Page 38.

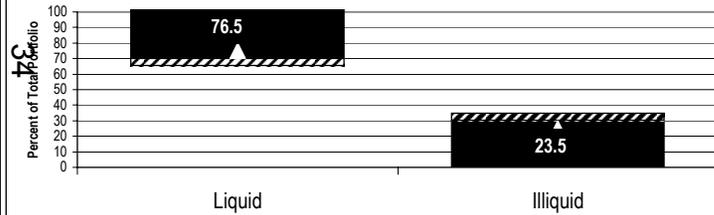
I. PERMANENT UNIVERSITY FUND Investment Reports for Periods Ended August 31, 2006

Prepared in accordance with Texas Education Code Sec. 51.0032

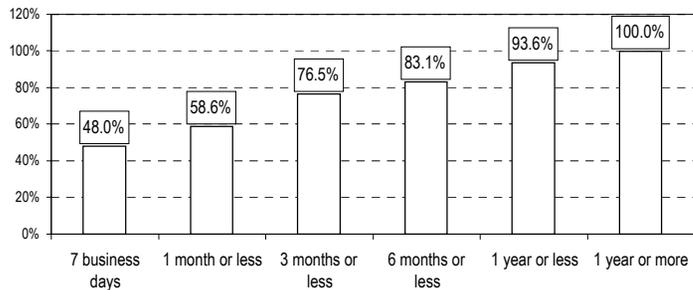
Summary of Capital Flows

(\$ millions)	Fiscal Year Ended August 31, 2005	Quarter Ended August 31, 2006	Fiscal Year Ended August 31, 2006
Beginning Net Assets	\$ 8,087.9	\$ 10,028.9	\$ 9,426.7
PUF Lands Receipts	193.0	45.7	214.9
Investment Return	1,538.0	264.6	1,111.7
Expenses	(51.0)	(25.8)	(82.6)
Distributions to AUF	(341.2)	-	(357.3)
Ending Net Assets	\$ 9,426.7	\$ 10,313.4	\$ 10,313.4

PUF Liquidity Policy Profile As of August 31, 2006



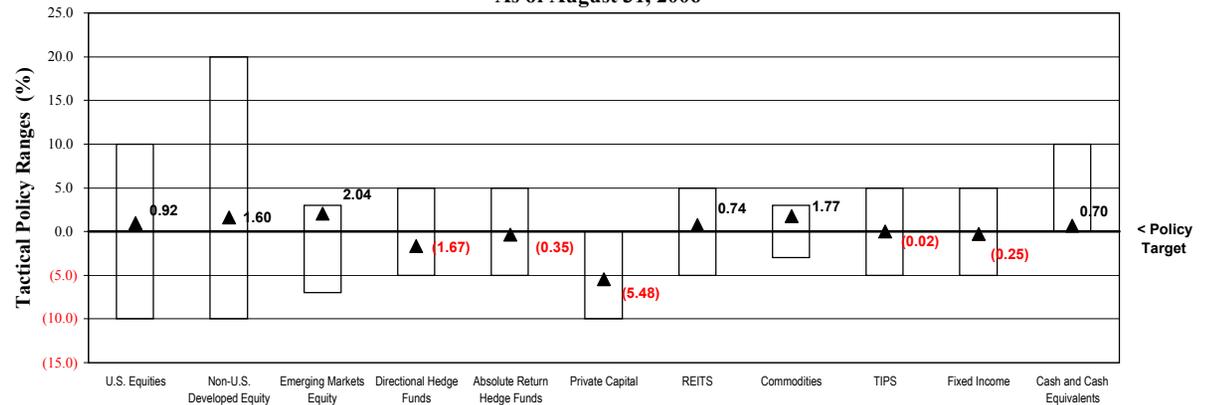
PUF Detailed Liquidity Profile as of August 31, 2006



	August 31, 2006		Returns		Fiscal Year to Date		
	Portfolio Exposure	Policy Target	Portfolio	Policy Benchmark	From Asset Allocation	From Security Selection	Total
Cash and Cash Equivalents	0.70%	0.00%	4.58%	4.34%	-0.04%	0.00%	-0.04%
U.S. Equities	20.92%	20.00%	8.10%	8.75%	0.00%	-0.13%	-0.13%
Non-U.S. Developed Equity	11.60%	10.00%	20.23%	24.28%	0.24%	-0.36%	-0.12%
Emerging Markets Equity	9.04%	7.00%	22.29%	30.58%	-0.29%	-0.58%	-0.87%
Directional Hedge Funds	8.33%	10.00%	6.24%	4.95%	0.04%	0.14%	0.18%
Absolute Return Hedge Funds	14.65%	15.00%	8.96%	4.20%	0.02%	0.74%	0.76%
REITS	5.74%	5.00%	28.04%	26.34%	0.02%	0.07%	0.09%
Commodities	4.77%	3.00%	-4.56%	-6.76%	-0.41%	0.08%	-0.33%
TIPS	4.98%	5.00%	2.06%	1.52%	0.08%	0.03%	0.11%
Fixed Income	9.75%	10.00%	2.32%	1.71%	-0.05%	0.07%	0.02%
Total Marketable Securities	90.48%	85.00%	10.00%	10.21%	-0.39%	0.06%	-0.33%
Private Capital	9.52%	15.00%	23.02%	26.23%	-0.61%	-0.40%	-1.01%
Total	100.00%	100.00%	11.17%	12.51%	-1.00%	-0.34%	-1.34%

Policy Benchmark returns for Directional Hedge Funds, Absolute Return Hedge Funds and the Total Fund reflect restatements effective January 1, 2006, for the benchmark change approved by the U. T. System Board of Regents on August 10, 2006.

Deviations From Policy Targets Within Tactical Policy Ranges As of August 31, 2006



II. GENERAL ENDOWMENT FUND

Investment Reports for Periods Ended August 31, 2006

Prepared in accordance with Texas Education Code Sec. 51.0032

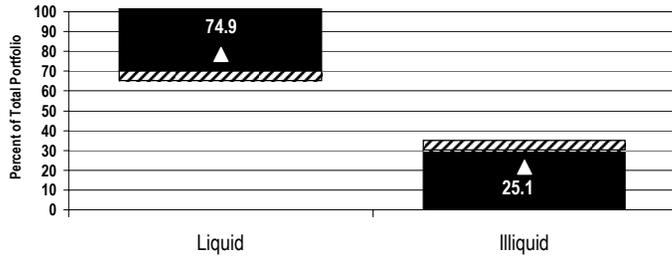
Summary of Capital Flows

(\$ millions)	Fiscal Year Ended August 31, 2005	Quarter Ended August 31, 2006	Fiscal Year Ended August 31, 2006
Beginning Net Assets	\$ 4,207.6	\$ 5,330.8	\$ 4,926.8
Contributions	139.2	27.4	273.9
Withdrawals	(4.7)	(2.4)	(108.0)
Distributions	(206.4)	(55.3)	(220.0)
Investment Return	814.2	139.4	593.3
Expenses	(23.1)	(12.1)	(38.2)
Ending Net Assets	\$ 4,926.8	\$ 5,427.8	\$ 5,427.8

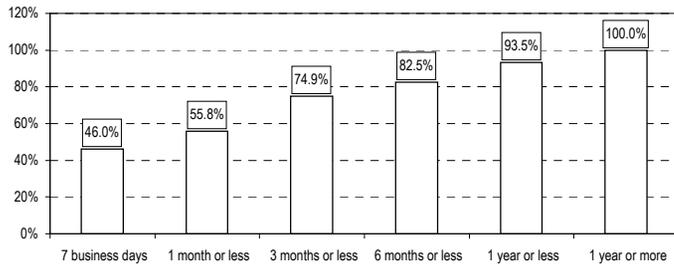
	August 31, 2006		Fiscal Year to Date				
			Returns		Value Added		
	Portfolio Exposure	Policy Target	Portfolio	Policy Benchmark	From Asset Allocation	From Security Selection	Total
Cash and Cash Equivalents	0.34%	0.00%	4.58%	4.34%	0.01%	0.00%	0.01%
U.S. Equities	19.12%	20.00%	8.46%	8.75%	-0.05%	-0.06%	-0.11%
Non-U.S. Developed Equity	11.71%	10.00%	19.95%	24.28%	0.24%	-0.39%	-0.15%
Emerging Markets Equity	8.96%	7.00%	21.79%	30.58%	-0.36%	-0.61%	-0.97%
Directional Hedge Funds	8.39%	10.00%	6.15%	4.95%	0.05%	0.13%	0.18%
Absolute Return Hedge Funds	15.16%	15.00%	8.89%	4.20%	0.02%	0.73%	0.75%
REITS	5.65%	5.00%	27.92%	26.34%	0.00%	0.06%	0.06%
Commodities	4.81%	3.00%	-4.57%	-6.76%	-0.42%	0.08%	-0.34%
TIPS	5.05%	5.00%	2.06%	1.52%	0.09%	0.03%	0.12%
Fixed Income	9.97%	10.00%	2.49%	1.71%	-0.05%	0.08%	0.03%
Total Marketable Securities	89.16%	85.00%	9.90%	10.21%	-0.47%	0.05%	-0.42%
Private Capital	10.84%	15.00%	21.77%	26.23%	-0.42%	-0.57%	-0.99%
Total	100.00%	100.00%	11.10%	12.51%	-0.89%	-0.52%	-1.41%

Policy Benchmark returns for Directional Hedge Funds, Absolute Return Hedge Funds and the Total Fund reflect restatements effective January 1, 2006, for the benchmark change approved by the U. T. System Board of Regents on August 10, 2006.

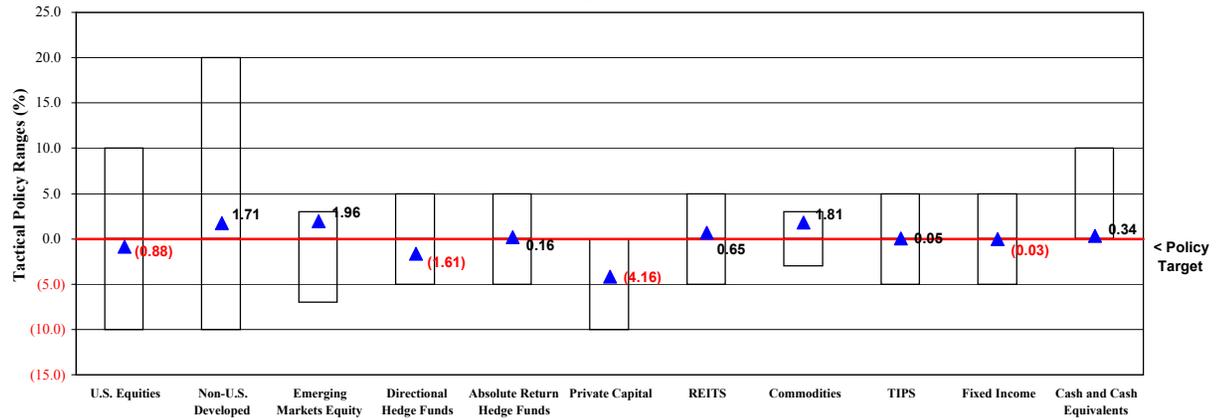
GEF Liquidity Policy Profile As of August 31, 2006



GEF Detailed Liquidity Profile as of August 31, 2006



Deviations From Policy Targets Within Tactical Policy Ranges As of August 31, 2006



III. INTERMEDIATE TERM FUND Investment Reports for Periods Ended August 31, 2006

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

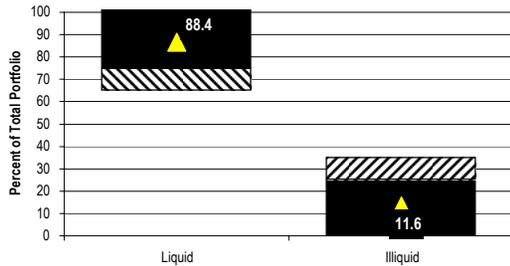
Summary of Capital Flows

(\$ millions)	Quarter Ended	
	August 31, 2006	Inception to Date
Beginning Net Assets	\$ 2,988.8	\$ -
Contributions	47.4	3,112.3
Withdrawals	(49.0)	(111.2)
Distributions	(22.6)	(52.7)
Investment Return	92.4	115.4
Expenses	(8.2)	(15.0)
Ending Net Assets	<u>\$ 3,048.8</u>	<u>\$ 3,048.8</u>

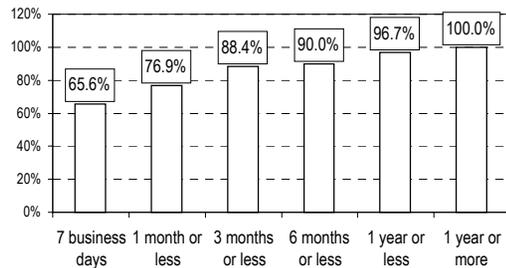
	August 31, 2006		Seven Months Ended August 31, 2006				
	Portfolio Exposure	Policy Target	Returns		Value Added		
			Portfolio	Policy Benchmark	From Asset Allocation	From Security Selection	Total
Cash and Cash Equivalents	-0.13%	0.00%	2.88%	2.76%	-0.04%	0.00%	-0.04%
U.S. Equities	15.10%	15.00%	2.79%	2.24%	0.00%	0.08%	0.08%
Non-U.S. Developed Equity	5.09%	5.00%	4.57%	7.70%	0.01%	-0.15%	-0.14%
Emerging Markets Equity	5.01%	5.00%	-1.83%	0.26%	-0.02%	-0.12%	-0.14%
Directional Hedge Funds	10.07%	12.50%	2.65%	1.11%	-0.02%	0.20%	0.18%
Absolute Return Hedge Funds	14.18%	12.50%	4.19%	1.11%	0.01%	0.39%	0.40%
REITS	10.26%	10.00%	13.16%	14.19%	-0.02%	-0.11%	-0.13%
Commodities	4.93%	5.00%	-3.25%	-2.82%	-0.01%	-0.03%	-0.04%
TIPS	10.31%	10.00%	2.14%	1.57%	-0.01%	0.06%	0.05%
Fixed Income	25.18%	25.00%	2.81%	2.15%	-0.02%	0.16%	0.14%
Total	100.00%	100.00%	3.42%	3.06%	-0.12%	0.48%	0.36%

Policy Benchmark returns for Directional Hedge Funds, Absolute Return Hedge Funds and the Total Fund reflect restatements effective February 1, 2006, for the benchmark change approved by the U. T. System Board of Regents on August 10, 2006.

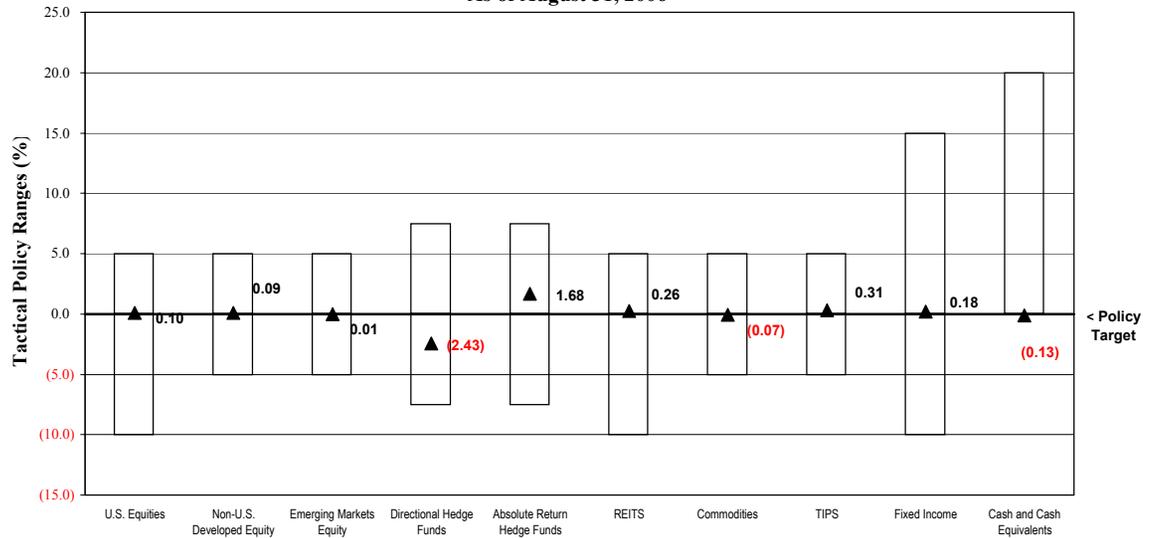
**ITF Liquidity Policy Profile
As of August 31, 2006**



**ITF Detailed Liquidity Profile
as of August 31, 2006**



**Deviations From Policy Targets Within Tactical Policy Ranges
As of August 31, 2006**



IV. SEPARATELY INVESTED ASSETS
Summary Investment Report at August 31, 2006
 Report prepared in accordance with *Texas Education Code Sec. 51.0032*

	(\$ thousands)															
	FUND TYPE															
	CURRENT PURPOSE				ENDOWMENT &		ANNUITY & LIFE		TOTAL EXCLUDING		OPERATING FUNDS		TOTAL			
	DESIGNATED		RESTRICTED		SIMILAR FUNDS		INCOME FUNDS		AGENCY FUNDS		OPERATING FUNDS		(SHORT TERM FUND)			
ASSET TYPES	<u>BOOK</u>	<u>MARKET</u>	<u>BOOK</u>	<u>MARKET</u>	<u>BOOK</u>	<u>MARKET</u>	<u>BOOK</u>	<u>MARKET</u>	<u>BOOK</u>	<u>MARKET</u>	<u>BOOK</u>	<u>MARKET</u>	<u>BOOK</u>	<u>MARKET</u>	<u>BOOK</u>	<u>MARKET</u>
Cash & Equivalents:																
Beginning value 05/31/06	1,590	1,590	6,110	6,110	47,429	47,429	668	668	3,350	3,350	59,147	59,147	1,400,934	1,400,934	1,460,081	1,460,081
Increase/(Decrease)	43	43	(3,761)	(3,761)	70,236	70,236	6,251	6,251	94,810	94,810	167,579	167,579	(118,672)	(118,672)	48,907	48,907
Ending value 08/31/06	1,633	1,633	2,349	2,349	117,665	117,665	6,919	6,919	98,160	98,160	226,726	226,726	1,282,262	1,282,262	1,508,988	1,508,988
Debt Securities:																
Beginning value 05/31/06	-	-	263	229	29,877	29,234	16,597	16,256	-	-	46,737	45,719	-	-	46,737	45,719
Increase/(Decrease)	-	-	-	(14)	(11)	70	(2,651)	(2,294)	-	-	(2,662)	(2,238)	-	-	(2,662)	(2,238)
Ending value 08/31/06	-	-	263	215	29,866	29,304	13,946	13,962	-	-	44,075	43,481	-	-	44,075	43,481
Equity Securities:																
Beginning value 05/31/06	27	6,241	5,783	5,515	37,046	43,981	21,428	26,682	-	-	64,284	82,419	-	-	64,284	82,419
Increase/(Decrease)	-	(1,184)	(3,891)	(3,899)	(968)	(559)	(2,692)	(3,070)	-	-	(7,551)	(8,712)	-	-	(7,551)	(8,712)
Ending value 08/31/06	27	5,057	1,892	1,616	36,078	43,422	18,736	23,612	-	-	56,733	73,707	-	-	56,733	73,707
Other:																
Beginning value 05/31/06	-	-	177	177	2	2	251	105	-	-	430	284	-	-	430	284
Increase/(Decrease)	-	-	1,914	1,914	-	-	4	-	-	-	1,918	1,914	-	-	1,918	1,914
Ending value 08/31/06	-	-	2,091	2,091	2	2	255	105	-	-	2,348	2,198	-	-	2,348	2,198
Total Assets:																
Beginning value 05/31/06	1,617	7,831	12,333	12,031	114,354	120,646	38,944	43,711	3,350	3,350	170,598	187,569	1,400,934	1,400,934	1,571,532	1,588,503
Increase/(Decrease)	43	(1,141)	(5,738)	(5,760)	69,257	69,747	912	887	94,810	94,810	159,284	158,543	(118,672)	(118,672)	40,612	39,871
Ending value 08/31/06	1,660	6,690	6,595	6,271	183,611	190,393	39,856	44,598	98,160	98,160	329,882	346,112	1,282,262	1,282,262	1,612,144	1,628,374

Details of individual assets by account furnished upon request.

UTIMCO Performance Summary

August 31, 2006

	Net Asset Value 8/31/2006 (in Millions)	Periods Ended August 31, 2006 (Returns for Periods Longer Than One Year are Annualized)										
		One Month	Three Months	Six Months	Calendar Year To Date	Fiscal Year To Date	One Year	Two Years	Three Years	Four Years	Five Years	Ten Years
ENDOWMENT FUNDS												
Permanent University Fund	\$ 10,313.4	1.31	2.36	4.25	7.17	11.17	11.17	14.92	14.86	14.14	9.48	9.87
General Endowment Fund		1.33	2.35	4.26	7.24	11.10	11.10	14.89	14.85	14.34	9.72	N/A
Permanent Health Fund	987.0	1.34	2.36	4.24	7.25	11.05	11.05	14.80	14.73	14.21	9.60	N/A
Long Term Fund	4,440.8	1.34	2.35	4.24	7.25	11.06	11.06	14.81	14.73	14.24	9.64	10.47
Separately Invested Funds	346.1	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total Endowment Funds	16,087.3											
OPERATING FUNDS												
Short Term Fund	1,282.3	0.45	1.32	2.53	3.25	4.58	4.58	3.53	2.70	2.35	2.34	3.98
Intermediate Term Fund	3,048.8	1.37	2.83	3.54	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total Operating Funds	4,331.1											
Total Investments	\$ 20,418.4											
BENCHMARKS (1)												
Permanent University Fund: Policy Portfolio		1.50	2.76	4.25	8.07	12.51	12.51	13.78	13.57	11.82	7.83	10.48
General Endowment Fund: Policy Portfolio		1.50	2.76	4.25	8.07	12.51	12.51	13.78	13.57	11.82	7.83	10.28
Short Term Fund: 90 Day Treasury Bills Average Yield		0.44	1.25	2.43	3.08	4.34	4.34	3.39	2.61	2.30	2.29	3.81
Intermediate Term Fund: Policy Portfolio		1.34	2.93	3.14	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
VALUE ADDED (2)												
Permanent University Fund		(0.19)	(0.39)	0.00	(0.90)	(1.35)	(1.35)	1.14	1.29	2.32	1.65	(0.62)
General Endowment Fund		(0.17)	(0.40)	0.01	(0.83)	(1.42)	(1.42)	1.11	1.28	2.52	1.89	N/A
Permanent Health Fund		(0.16)	(0.40)	(0.01)	(0.81)	(1.47)	(1.47)	1.02	1.17	2.39	1.77	N/A
Long Term Fund		(0.16)	(0.40)	(0.01)	(0.81)	(1.46)	(1.46)	1.03	1.17	2.42	1.81	0.18
Short Term Fund		0.01	0.06	0.10	0.17	0.24	0.24	0.14	0.09	0.05	0.05	0.17
Intermediate Term Fund		0.03	(0.09)	0.40	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

(1) - Effective May 6, 2004, benchmark returns for the PUF policy portfolio have been restated for prior periods beginning June 1, 1993 through September 30, 2000 and for the GEF/LTF policy portfolio for prior periods beginning June 1, 1993 through September 30, 2001 to correct the following technical errors in benchmark construction and calculation: (a) to reflect actual asset class target allocations which were in place, or the practical implementation of changes to those policy allocations, and (b) to distinguish between PUF and GEF/LTF historical investment objectives and distribution policies by accurately representing actual asset class allocations during those periods.

Benchmark returns for the PUF and GEF/LTF policy portfolios were also restated for all prior periods beginning June 1, 1993 through December 31, 2003 to replace various benchmark returns reported previously for the Private Capital asset class. Specifically, the Wilshire 5000 + 4%, the benchmark used prior to January 1, 2004, was replaced with the Venture Economics Periodic IRR Index, a more appropriate benchmark measure for the actual Private Capital portfolio.

Effective August 10, 2006, benchmark returns for the PUF and GEF policy portfolios were also restated for periods beginning January 1, 2006 through April 30, 2006, and for the ITF policy portfolio for periods beginning February 1, 2006 to April 30, 2006, to replace benchmark returns for the Hedge Fund asset class due to integrity concerns regarding existing benchmarks. Specifically, composites of Standard & Poor's investable hedge fund indices were replaced with the MSCI Investable Hedge Fund Index.

Complete details of the [restatements](#) and previous policy portfolio benchmark history are documented on the UTIMCO website at www.UTIMCO.org or are available upon request.

(2) - Value added is a measure of the difference between actual returns and benchmark or policy portfolio returns for each period shown. Value added is a result of the active management decisions made by UTIMCO staff and external managers.

5. U. T. System: Fiscal Year 2006 Energy Utility Task Force Report

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

6. U. T. System Board of Regents: Adoption of Resolution Amending the Sixteenth Supplemental Resolution to the Master Resolution authorizing Revenue Financing System Bonds in an amount not to exceed \$900,000,000; authorization to complete all related transactions; and resolution regarding parity debt

Committee Chairman Rowling said this additional Agenda Item was posted with the Secretary of State and was before the Board on yellow paper to take advantage of the significant decline in tax-exempt interest rates to refund additional outstanding bonds, thereby increasing expected debt service savings.

The Board

- a. adopted a resolution, substantially in the form on Pages 41 - 43, amending the Sixteenth Supplemental Resolution to the Master Resolution authorizing the issuance, sale, and delivery of Board of Regents of The University of Texas System Revenue Financing System Bonds to increase the maximum aggregate principal amount not to exceed \$900,000,000; and
- b. authorized appropriate officers and employees of the U. T. System as set forth in the Sixteenth Supplemental Resolution to take any and all actions necessary to carry out the intentions of the U. T. System Board of Regents, within the limitations and procedures specified therein, to make certain covenants and agreements in connection therewith; and to resolve other matters incident and related to the issuance, sale, security, and delivery of such Bonds.

In compliance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System adopted by the U. T. System Board of Regents on February 14, 1991, amended on October 8, 1993, and August 14, 1997, and upon delivery of the Certificate of an Authorized Representative as required by Section 5 of the Master Resolution, the Board resolved that

- a. sufficient funds will be available to meet the financial obligations of the U. T. System, including sufficient Pledged Revenues as defined in the Master Resolution to satisfy the Annual Debt Service Requirements of the Financing System, and to meet all financial obligations of the Board relating to the Financing System; and

- b. the institutions, which are "Members" as such term is used in the Master Resolution, possess the financial capacity to satisfy their direct obligation as defined in the Master Resolution relating to the issuance by the U. T. System Board of Regents of tax-exempt Parity Debt.

On August 10, 2006, the U. T. System Board of Regents adopted the Sixteenth Supplemental Resolution (Resolution) authorizing the issuance of bonds in an aggregate principal amount not to exceed \$575,000,000 for FY 2007. Due to the significant decline in tax-exempt interest rates over the last several months, a larger amount of outstanding Revenue Financing System Bonds can be refunded to produce debt service savings. This amendment increases the maximum amount of bonds that can be issued pursuant to the Resolution from \$575,000,000 to \$900,000,000 to allow additional outstanding bonds to be advance refunded provided the refunding exceeds a minimum 3% present value debt service savings threshold.

RESOLUTION
AMENDING THE SIXTEENTH SUPPLEMENTAL
RESOLUTION
TO THE MASTER RESOLUTION

WHEREAS, on April 12, 1990, the Board adopted a Master Resolution Establishing The University of Texas System Revenue Financing System, as amended and restated on February 14, 1991 and further amended on October 8, 1993 and August 14, 1997 (referred to herein as the "Master Resolution"); and

WHEREAS, unless otherwise defined herein, terms used herein shall have the meaning given in the Master Resolution; and

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

WHEREAS, the Sixteenth Supplemental Resolution to the Master Resolution Establishing The University of Texas System Revenue Financing System (the "Sixteenth Supplement") was adopted by the Board on August 10, 2006; and

WHEREAS, among other things, the Sixteenth Supplement authorized the issuance of bonds for the purposes of financing and refinancing the costs of acquiring, purchasing, constructing, improving, enlarging, and equipping the property and facilities of the Members of the Revenue Financing System; refunding all or a portion of the Potential Refunded Bonds; refunding all or a portion of the Board's outstanding Revenue Financing System Commercial Paper Notes, Series A or its outstanding Revenue Financing System Taxable Commercial Paper Notes, Series B (collectively, the "Notes") to provide permanent financing for facilities and improvements financed with the proceeds of the Notes; and paying the costs of issuance related thereto; and

WHEREAS, Section 32 of the Sixteenth Supplement also authorized various transactions under the Swap Agreements between the Board and the designated counterparties, including transactions for the purpose of (i) locking-in a fixed rate on a variable rate debt, (ii) creating synthetic variable rate exposure for the purpose of (A) producing interest rate savings, (B) limiting or hedging variable rate payments, (C) altering the pattern of debt service payments, (D) modifying its variable rate exposure within prudent guidelines, (iii) hedging risks in the context of a particular financing plan, (iv) utilizing a forward starting swap or, to the extent permitted by law, a swaption for refinancing purposes, or (v) be transacting for asset/liability matching purposes; and

WHEREAS, the Sixteenth Supplement was submitted to and approved by the Texas Bond Review Board; and

WHEREAS, the Sixteenth Supplement provided that any advance refunding of outstanding Revenue Financing System bonds must achieve a present value debt service savings of at least 3%; and

WHEREAS, the significant decline in tax-exempt interest rates over the last several months presents the opportunity to refund a larger amount of outstanding Revenue Financing System bonds within the debt service savings threshold; and

WHEREAS, the Board deems it necessary to amend the Sixteenth Supplement to increase the maximum principal amount of bonds that may be issued pursuant thereto.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM THAT:

Section 1. In addition to the definitions set forth in the preamble of this Resolution, the terms used in this Resolution and not otherwise defined shall have the meanings given in the Master Resolution or in Exhibit "A" to the Sixteenth Supplement.

Section 2. Section 2 of the Sixteenth Supplement is hereby amended by substituting the amount "\$900,000,000" in place of "\$575,000,000" each time that \$575,000,000 currently appears in such section. In addition, the findings set forth in Section 8 of the Sixteenth Supplement are hereby ratified and reaffirmed with respect to the increased principal amount authorized by this amending Resolution.

Section 3. Except to the extent set forth in this Resolution the Sixteenth Supplement is not amended, supplemented or repealed and remains in full force and effect, including specifically, the provisions of Section 32 of the Sixteenth Supplement.

Section 4. The Chairman of the Board, the Vice Chairmen of the Board, the General Counsel to the Board of Regents of The University of Texas System, the U. T. System Representatives, and the other officers, employees, and agents of the Board are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they may deem necessary or advisable in order to effectuate the purposes of this Resolution, including seeking such additional approval as may be necessary from the Texas Bond Review Board of the provisions of the Sixteenth Supplement as amended by this amending Resolution. In addition, the Chairman of the Board, the Vice Chairmen of the Board, the Chancellor, the Executive Vice Chancellor for Business Affairs, the Associate Vice Chancellor for Finance, the Director of Finance, and Bond Counsel are hereby authorized to approve, subsequent to the date of the adoption of this Resolution, any technical amendments to this Resolution as may be required by (i) Fitch Ratings, Moody's Investors Service, Inc., or Standard & Poor's Ratings Group, a Division of

McGraw-Hill, Inc. as a condition to the granting or maintenance of a rating on the Bonds acceptable to a U. T. System Representative or (ii) by the Attorney General's office in connection with the review of this Resolution.

Section 5. This amendment to the Sixteenth Supplement shall take effect on the date of adoption of this Resolution.

Section 6. The recitals set forth in the preamble to this Resolution are hereby incorporated into this Resolution and made a part hereof for all purposes.

Section 7. It is hereby found and determined that each of the officers and members of the Board was duly and sufficiently notified officially and personally, in advance, of the time, place, and purpose of the Meeting at which this Resolution was adopted, and that this Resolution would be introduced and considered for adoption at said meeting; that said meeting was open to the public, and public notice of the time, place, and purpose of said meeting was given, all as required by Chapter 551, *Texas Government Code*.

PASSED AND ADOPTED, this

ATTEST:

General Counsel to the
Board of Regents of
The University of Texas System

(SEAL)

REPORT AND RECOMMENDATIONS OF THE ACADEMIC AFFAIRS COMMITTEE (Pages 44 - 51).--Committee Chairman Krier reported that the Academic Affairs Committee met in open session to consider those matters on its agenda and to formulate recommendations for The University of Texas System Board of Regents. Unless otherwise indicated, the actions set forth in the Minute Orders that follow were recommended by the Academic Affairs Committee and approved in open session by the U. T. System Board of Regents.

1. U. T. System: Quarterly updates on institutional policy changes to improve graduation rates and goals from academic presidents, Interim Executive Vice Chancellor Malandra, and Academic Affairs Committee members

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

2. U. T. System Board of Regents: Amendment to the Regents' *Rules and Regulations*, Series 31001, Section 2, concerning academic titles, to add the faculty title of Distinguished Senior Lecturer

The Board amended the Regents' *Rules and Regulations*, Series 31001, Section 2 to read as follows and to renumber remaining items:

Sec. 2 Academic Titles. In order to achieve consistency in the use of academic titles among the institutions of the System the following subsections describe the use of titles to apply at all institutions.

...

2.2 Nontenure-Track Titles. The following academic titles may also be used by the institutions of the U. T. System. Tenure may not be awarded to a person appointed to these titles. . .

(c) Lecturer. This title may be used for individuals who will serve as Teachers and whose teaching experience and qualifications are comparable to those of faculty members in untenured, tenure-track positions. Upon approval by the president, an institution may identify up to three divisions within this rank to be designated Lecturer I, Lecturer II, and Lecturer III.

(d) Senior Lecturer. This title may be used for Teachers who will augment and complement regular teaching faculty and whose teaching experience and qualifications are comparable to those in tenure positions.

- (e) Distinguished Senior Lecturer. This title may be used for Teachers who will augment and complement regular teaching faculty and whose teaching experience and qualifications demonstrate extraordinary service and performance.

.....

The addition of the faculty title, Distinguished Senior Lecturer, is to recognize certain nontenure-track faculty who have been employed with an institution for an extended number of years. This third level of recognition, beyond Lecturer and Senior Lecturer, will provide a way for an institution to reward extraordinary service and performance to the University in fulfilling its educational mission.

3. U. T. Brownsville: Authorization to establish an Ed.D. degree program in Curriculum and Instruction with a specialization in bilingual studies

Pursuant to the Regents' *Rules and Regulations*, Series 40307, the Board granted authorization to

- a. establish an Ed.D. in Curriculum and Instruction degree program at The University of Texas at Brownsville with a specialization in bilingual studies; and
- b. submit the proposal to the Texas Higher Education Coordinating Board for review and appropriate action.

The program is designed to prepare graduates with expertise in teaching, research, and curriculum planning and includes a specialization in bilingual studies. The specialization provides in-depth content in bilingual studies including bilingual/English as a Second Language (ESL) models, theories of second language acquisition, and strategies for helping students acquire the English language in relation to literacy and content areas, as well as the assessment of student learning and programs.

The program is also designed to prepare instructional leaders to assist in closing the student achievement gap through the development of more effective curriculum models and to prepare graduates to have an immediate impact in transforming existing schools into high performing professional learning communities that meet the needs of all learners.

The program expects to enroll 15 new students per year and expects to have 63 students within a five-year period. Seven full-time tenured and tenure-track faculty from the School of Education will form the core of this program. In addition, three new full-time tenure-track faculty will be added in the next

three years, totaling 10 full-time tenured and tenure-track faculty to support the program. Seven additional tenured and tenure-track faculty will be selected for their expertise in particular areas to support the program.

Estimated expenditures for the first five years of the program total \$2,614,139. This includes \$1,008,130 in faculty salaries (\$417,000 for new faculty salaries), \$431,548 for program administration, \$594,000 for graduate assistants, \$231,455 for clerical support, \$123,366 for supplies and materials, and \$225,640 for library and instructional technology resources. These costs will be met from reallocation of existing resources, tuition and fees revenue based on course enrollment, federal grants and contracts, and other State funding.

4. U. T. Pan American: Approval to expand preliminary planning authority to offer a Ph.D. degree in Clinical Psychology

The Board approved

- a. expansion of preliminary planning authority for The University of Texas - Pan American to seek a Ph.D. degree in Clinical Psychology; and
- b. submission of the proposal to the Texas Higher Education Coordinating Board for review and appropriate action.

U. T. Pan American will submit a Ph.D. program in Clinical Psychology for approval by The University of Texas System Board of Regents and the Coordinating Board. The program is designed to operate a community mental health clinic as a training facility for U. T. Pan American doctoral students as licensed clinical psychologists with special competence in treating mental health problems of children and adults.

5. U. T. Austin: Authorization to purchase real property improved with an office building and a related parking garage located at 1616 Guadalupe Street, Austin, Travis County, Texas, from 1616 Guadalupe L.P., a Texas limited partnership, and Franz-Loker, LLC, a California limited liability company, for a purchase price of \$22 million, as supported by independent appraisals, for use as surge office space and possible future use as a replacement data center, and resolution regarding parity debt

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

- a. authorized purchase of real property improved with an office building and a related parking garage located at 1616 Guadalupe Street, Austin, Travis County, Texas, from 1616 Guadalupe L.P., a Texas limited partnership, and Franz-Loker, LLC, a California limited liability

company, for a purchase price of \$22 million, as supported by independent appraisals, plus all due diligence expenses, closing costs, and other costs and expenses to complete the acquisition of the property as deemed necessary or advisable by the Executive Director of Real Estate, for use as surge office space and possible future use as a replacement data center. This authorization was granted with the understanding that U. T. Austin will continue to look for needed surge space for office purposes that does not impinge on core campus property, and the campus will continue to evaluate future real estate acquisition opportunities as they arise within a four-block distance of the campus boundaries west of Interstate Highway 35;

- b. authorized the Executive Director of Real Estate to execute all documents, instruments, and other agreements, subject to approval of all such documents as to legal form by the Office of General Counsel, and to take all further actions deemed necessary or advisable to carry out the purpose and intent of the foregoing action; and
- c. resolved in accordance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System that
 - parity debt shall be issued to pay the project's cost, including any costs prior to the issuance of such parity debt;
 - sufficient funds will be available to meet the financial obligations of the U. T. System, including sufficient Pledged Revenues as defined in the Master Resolution to satisfy the Annual Debt Service Requirements of the Financing System, and to meet all financial obligations of the U. T. System Board of Regents relating to the Financing System;
 - U. T. Austin, which is a "Member" as such term is used in the Master Resolution, possesses the financial capacity to satisfy its direct obligation as defined in the Master Resolution relating to the issuance by the U. T. System Board of Regents of tax-exempt parity debt in the aggregate amount of \$22 million; and
 - this resolution satisfies the official intent requirements set forth in Section 1.150-2 of the *Code of Federal Regulations* that evidences the Board's intention to reimburse project expenditures with bond proceeds.

The subject property includes a seven-story building with 253,000 gross square feet of space (approximately 210,000 rentable square feet of space of which 178,400 is usable square feet, excluding common areas) and an

adjacent parking garage accommodating approximately 540 vehicles. The building, originally designed to permit eight to ten stories, is situated on approximately 1.76 acres three blocks south of campus on Guadalupe Street.

A review of the condition of the building and parking garage, including environmental, accessibility, and building systems, is in process. Modifications to the building and parking garage are anticipated. U. T. System Revenue Financing System debt, with payment of debt service from appropriate sources, not limited to designated tuition, will be used to fund the purchase. Independent appraisals have confirmed that the purchase price of \$22 million is at or below fair market value. The building and parking garage will provide surge space for college faculty, departments, and staff relocated during the renovations of existing buildings. Since the building has 16,000 square feet of space formerly used as a data center, the potential also exists for use of a portion of the building as a replacement data center complex for U. T. Austin.

Vice Chairman Krier stated that a second seller, Franz-Loker, LLC, a California limited liability company, was identified after the Agenda Book was mailed.

6. U. T. Brownsville: Authorization to purchase approximately 82.297 acres of unimproved real property located at the northeast corner of U.S. Highway 77/83 and East Avenue in Brownsville, Texas, being a part of Los Tomates Banco No. 122, Brownsville, Cameron County, Texas, from Mr. Simon Rubinsky, Trustee, for a purchase price not to exceed fair market value estimated to be \$2,110,900 as established by independent appraisals, for future programmed development of campus expansion, including new instructional facilities, and resolution regarding parity debt

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

- a. authorized the purchase of approximately 82.297 acres of unimproved real property located at the northeast corner of U.S. Highway 77/83 and East Avenue in Brownsville, Texas, being a part of Los Tomates Banco No. 122, Brownsville, Cameron County, Texas, from Mr. Simon Rubinsky, Trustee, for a purchase price not to exceed fair market value estimated to be \$2,110,900 as established by independent appraisals, plus all due diligence expenses, closing costs, and other costs and expenses to complete the acquisition of the property as deemed necessary or advisable by the Executive Director of Real Estate, for future programmed development of campus expansion, including new instructional facilities;

- b. authorized the Executive Director of Real Estate to execute all documents, instruments, and other agreements, subject to approval of all such documents as to legal form by the Office of General Counsel, and to take all further actions deemed necessary or advisable to carry out the purpose and intent of the foregoing action; and
- c. resolved in accordance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System that
- parity debt shall be issued to pay the project's cost, including any costs prior to the issuance of such parity debt;
 - sufficient funds will be available to meet the financial obligations of the U. T. System, including sufficient Pledged Revenues as defined in the Master Resolution to satisfy the Annual Debt Service Requirements of the Financing System, and to meet all financial obligations of the U. T. System Board of Regents relating to the Financing System;
 - U. T. Brownsville, which is a "Member" as such term is used in the Master Resolution, possesses the financial capacity to satisfy its direct obligation as defined in the Master Resolution relating to the issuance by the U. T. System Board of Regents of tax-exempt parity debt in the aggregate amount of \$1.5 million; and
 - this resolution satisfies the official intent requirements set forth in Section 1.150-2 of the *Code of Federal Regulations* that evidences the Board's intention to reimburse project expenditures with bond proceeds.

The subject property, consisting of approximately 82.297 acres of unimproved real property to be used for future programmed development of campus expansion, including new instructional facilities, is located on the east side of U.S. Highway 77/83, north of the International Bridge and approximately one-half mile east of the U. T. Brownsville campus. The property is bordered on three sides by a resaca, a former oxbow of the Rio Grande. Similar water features exist on and have been aesthetically incorporated into the main campus of U. T. Brownsville.

U. T. Brownsville set aside approximately \$3 million to fund this acquisition and the acquisition of a 21.984-acre parcel nearby (see Item 1b on Page 4). U. T. Brownsville will use U. T. System Revenue Financing System debt to pay the remaining balance to purchase both properties.

The purchase price of the subject property is to be calculated based on \$0.63 per square foot, except that to the extent that square footage within the resaca bordering the property exceeds 10% of the total square footage, the price per square foot for that overage shall be \$0.00 per square foot. Based on current information, the total purchase price is estimated to be \$2,110,900. Approximately 34% of the total cost to purchase the subject property will be paid from U. T. Brownsville institutional fund balances, and approximately 66% of the total cost will be funded by U. T. System Revenue Financing System debt.

7. U. T. El Paso: Authorization to purchase real property and improvements located at 3401 North Mesa Street, El Paso, El Paso County, Texas, from Mr. Gene, Mr. Tracy, and Mr. Michael McIntyre for a purchase price not to exceed fair market value as established by independent appraisals, for use as a university-related child day care facility and for future programmed development of campus expansion

On behalf of The University of Texas at El Paso, the Board

- a. authorized purchase of the real property and improvements located at 3401 North Mesa Street, El Paso, El Paso County, Texas, from Mr. Gene, Mr. Tracy, and Mr. Michael McIntyre for a purchase price not to exceed fair market value as established by independent appraisals, plus all due diligence expenses, closing costs, and other costs and expenses to complete the acquisition of the property as deemed necessary or advisable by the Executive Director of Real Estate, for use as a university-related child day care facility and for future programmed development of campus expansion; and
- b. authorized the Executive Director of Real Estate to execute all documents, instruments, and other agreements, subject to approval of all such documents as to legal form by the Office of General Counsel, and to take all further actions deemed necessary or advisable to carry out the purpose and intent of the foregoing action.

The subject property and improvements, consisting of an 8,536 square foot one-story commercial building on a 57,080 square foot lot, will be purchased at a price not to exceed fair market value as established by independent appraisals. The property is ideally located between North Mesa Street and Sun Bowl Drive and is immediately adjacent to U. T. El Paso property and across the street from the Swimming and Fitness Center and the Helen of Troy Softball Field.

To fund the purchase, U. T. El Paso will use Permanent University Fund (PUF) debt allocated on August 10, 2006, to the Physical Sciences/Engineering Core Facility. Accordingly, the PUF debt associated with the

Physical Sciences/Engineering Core Facility will be reduced by the acquisition costs of the subject property; the total project cost of that facility will be reduced from \$85,000,000 to approximately \$83,800,000, with funding of approximately \$7,300,000 from PUF and \$76,500,000 from Tuition Revenue Bonds.

8. U. T. Permian Basin: Authorization to accept a gift of approximately 40 acres of unimproved land located at the intersection of State Highway 191 and Farm Market 1788, Midland County, Texas, described as the surface interest in 40 acres out of Section 42, Block 40, T-1-S, T&P RR. Co. Survey, Midland County, Texas, from Scharbauer Brothers & Co., LP, a Texas limited partnership, for the purpose of constructing the Arts, Convocation, and Classroom Facility

On behalf of The University of Texas of the Permian Basin, the Board

- a. authorized acceptance of a gift of unimproved land located at the intersection of State Highway 191 and Farm Market 1788, Midland County, Texas, described as the surface interest in 40 acres out of Section 42, Block 40, T-1-S, T&P RR. Co. Survey, Midland County, Texas, from Scharbauer Brothers & Co., LP, a Texas limited partnership, for the purpose of constructing the Arts, Convocation, and Classroom Facility; and
- b. authorized the Executive Director of Real Estate to negotiate the terms of the gift deed within certain parameters and to execute all documents, instruments, and other agreements, subject to approval of all such documents as to legal form by the Office of General Counsel, and to take all further actions deemed necessary or advisable to carry out the purpose and intent of the foregoing action.

The subject property consists of the surface interest, owned by Scharbauer Brothers & Co., LP, in 40 acres of unimproved land, which is adjacent to U. T. Permian Basin's Center for Energy and Economic Diversification (CEED) building. The gift will be used as the site for the new Arts, Convocation, and Classroom Facility.

9. U. T. Austin: Discussion of compact priorities

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

REPORT AND RECOMMENDATIONS OF THE HEALTH AFFAIRS COMMITTEE (Pages 52 - 55).--Committee Chairman Clements reported that the Health Affairs Committee met in open session to consider those matters on its agenda and to formulate recommendations for The University of Texas System Board of Regents. Unless otherwise indicated, the actions set forth in the Minute Orders that follow were recommended by the Health Affairs Committee and approved in open session by the U. T. System Board of Regents:

1. U. T. System Board of Regents: Amendment to the Regents' *Rules and Regulations*, Series 40601, Section 1.15(d) concerning changing the name of the U. T. Health Science Center - San Antonio Medical School to School of Medicine

The Board amended the Regents' *Rules and Regulations*, Series 40601, Section 1.15(d), concerning institutions comprising The University of Texas System, to read as set forth below:

Sec. 1 Official Titles. The U. T. System is composed of the institutions and entities set forth below. To insure uniformity and consistence of usage throughout the U. T. System, the institutions and their respective entities shall be listed in the following order and the following titles (short form of title follows) shall be used:

...

1.15 The University of Texas Health Science Center at San Antonio (U. T. Health Science Center – San Antonio)

...

(d) The University of Texas Health Science Center at San Antonio School of Medicine (U. T. Health Science Center – San Antonio School of Medicine)

....

Note from the General Counsel to the Board: Although the agenda materials specified the new name as The University of Texas School of Medicine at San Antonio, President Cigarroa intended the name to be The University of Texas Health Science Center at San Antonio School of Medicine.

2. U. T. Medical Branch - Galveston: Approval of a Doctor of Physical Therapy (DPT) degree program

Pursuant to the Regents' *Rules and Regulations*, Series 40307, the Board

- a. established a Doctor of Physical Therapy (DPT) degree program at The University of Texas Medical Branch at Galveston; and
- b. approved submission of the proposal to the Texas Higher Education Coordinating Board for review and appropriate action.

This program is in accordance with the national trend to recognize the increasing complexity and science-based practice of physical therapy by moving the entry level of physical therapist education from the current Master of Physical Therapy (MPT) degree to the clinical doctorate.

The DPT degree program will replace the current MPT program as a professional doctorate leading to qualifications to obtain state licensure to practice physical therapy. Curricular changes will focus on the practitioner's ability to provide primary access to care. The program is designed to give students enhanced knowledge of pathophysiology, diagnostic imaging, and pharmacology and will also require additional mentoring under master clinicians to ensure that didactic knowledge translates into skills.

There are currently 10 physical therapist educational programs in Texas: eight are in public institutions, one is at a private institution (Hardin-Simmons University), and a program is offered by the U.S. Army at Fort Sam Houston in connection with Baylor University. Both Hardin-Simmons University and the U.S. Army-Baylor program provide the DPT as the entry-level degree. Of the eight public institutions, four operate within The University of Texas System: The University of Texas Health Science Center at San Antonio, The University of Texas Southwestern Medical Center at Dallas, The University of Texas Medical Branch at Galveston, and The University of Texas El Paso. All plan to eventually move the degree to the DPT. U. T. Southwestern Medical Center - Dallas requested and was granted approval from the Board of Regents on August 11, 2005, to establish the DPT degree program. In 2004, there were 184 applicants and the number increased to 204 in 2005 and again increased to 242 in 2006 for only 44 slots.

The DPT degree program will be administered within the Department of Physical Therapy, School of Allied Health Sciences; will be a nine-semester program consisting of 101 to 103 semester credit hours including didactic work and 40 weeks of full-time, guided clinical practice; and 11 of the core faculty will have doctoral degrees and faculty support from the School of Medicine, the School of Nursing, and the Graduate School of Biomedical Sciences as well as the School of Allied Health Sciences. Each core faculty member will advise eight to nine students.

Since the current MPT program will be phased out as the new DPT program is phased in, the costs will be slowly shifted into the new program. It is expected that the costs of operating the program will be approximately 10% greater than the costs for the MPT. This additional cost will be recovered from increases in differential tuition and by the third to fifth year of the program, formula funding will pay for the expanded program length. In the fifth year of the new program, one new, full-time faculty position will be added to accommodate the additional 13 to 15 semester credit hours in the DPT program compared to the current MPT program. Existing facilities will be adequate for the program.

3. U. T. Health Science Center - San Antonio: Authorization to purchase approximately 4.23 acres of unimproved real property located on Treasure Hills Boulevard and Haine Drive in Harlingen, Texas, being a part of Block 180, San Benito Land and Water Company Subdivision, Harlingen, Cameron County, Texas, from Valley Baptist Medical Center, a Texas nonprofit corporation, Valley Baptist Medical Development Corporation, a Texas nonprofit corporation, and Valley Baptist Realty Corporation, a Texas corporation, for a purchase price of \$67,000 for the purposes of providing access to and maintaining visibility for the Regional Academic Health Center (RAHC) in Harlingen, Texas

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

- a. authorized purchase of approximately 4.23 acres of unimproved real property located on Treasure Hills Boulevard and Haine Drive in Harlingen, Texas, being a part of Block 180, San Benito Land and Water Company Subdivision, Harlingen, Cameron County, Texas, from Valley Baptist Medical Center, a Texas nonprofit corporation, Valley Baptist Medical Development Corporation, a Texas nonprofit corporation, and Valley Baptist Realty Corporation, a Texas corporation, for a purchase price of \$67,000, plus all due diligence expenses, closing costs, and other costs and expenses to complete the acquisition of the property as deemed necessary or advisable by the Executive Director of Real Estate, for the purposes of providing access to and maintaining visibility for the Regional Academic Health Center (RAHC) in Harlingen, Texas; and
- b. authorized the Executive Director of Real Estate to execute all documents, instruments, and other agreements, subject to approval of all such documents as to legal form by the Office of General Counsel, and to take all further actions deemed necessary or advisable to carry out the purpose and intent of the foregoing action.

The subject property is contiguous to the Lower Rio Grande Valley RAHC site owned by the Board of Regents of The University of Texas System for the use and benefit of U. T. Health Science Center - San Antonio.

On May 13, 1999, the Board of Regents approved the acceptance of a gift of approximately 26.239 acres in Harlingen, Texas, for the Harlingen Medical Education Division of the RAHC. At the time of the initial gift, U. T. System also acquired an access easement across the subject property for access to Treasure Hills Boulevard from the initial RAHC building.

The acquisition will accommodate ongoing construction and future development needs of the RAHC to obtain greater flexibility and control over ingress and egress to its existing building and to the current construction site, and for various utility easements.

To fund the purchase, U. T. Health Science Center - San Antonio will use Tuition Revenue Bond debt allocated on August 12, 2004, to the Harlingen Teaching/Learning Lab, which will be reduced from \$25.5 million to approximately \$25.433 million.

Note from the General Counsel to the Board: A correction is made to reflect three entities as seller: Valley Baptist Medical Center, a Texas nonprofit corporation, Valley Baptist Medical Development Corporation, a Texas nonprofit corporation, and Valley Baptist Realty Corporation, a Texas corporation. Only Valley Baptist Medical Development Corporation, a Texas corporation, was initially identified as seller.

4. U. T. System: Discussion of uncompensated care within the U. T. System and the Code Red Report

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

5. U. T. System: Quarterly report on health issues by Executive Vice Chancellor Shine

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

REPORT AND RECOMMENDATIONS OF THE FACILITIES PLANNING AND CONSTRUCTION COMMITTEE (Pages 56 - 86).--Committee Chairman Barnhill reported that the Facilities Planning and Construction Committee met in open session to consider those matters on its agenda and to formulate recommendations for The University of Texas System Board of Regents. Unless otherwise indicated, the actions set forth in the Minute Orders that follow were recommended by the Facilities Planning and Construction Committee and approved in open session by the U. T. System Board of Regents:

1. U. T. System: Consideration of possible designation of projects as architecturally or historically significant and selection of Rafael Viñoly Architects/Kirksey Architects, New York, New York, as architect for the South Texas Research Facility project at U. T. Health Science Center - San Antonio
 - U. T. Brownsville The Village at Fort Brown - Phase II
 - U. T. Dallas Service Compound
 - U. T. Dallas Student Housing Living/Learning Center
 - U. T. Dallas Student Services Building

See the Committee Minutes (Page 1) for selection of Rafael Viñoly Architects/Kirksey Architects, New York, New York, as architect for the South Texas Research Facility project at The University of Texas Health Science Center at San Antonio.

2. U. T. System: Amendment of the FY 2006-2011 Capital Improvement Program and the FY 2007-2008 Capital Budget to include projects; approval of total project costs; authorization of institutional management; appropriation of funds and authorization of expenditure; and resolution regarding parity debt
 - U. T. Austin Energy Efficiency and Conservation - Phase I
 - U. T. Austin Patterson Hall Laboratory and Life Safety Renovation
 - U. T. Austin Utility Infrastructure Project - Phase II
 - U. T. Brownsville The Village at Fort Brown - Phase II
 - U. T. Dallas Center for BrainHealth Second Floor Renovation
 - U. T. Dallas Service Compound
 - U. T. Dallas Student Services Building
 - U. T. Dallas Student Housing Living/Learning Center
 - U. T. Health Science Center - San Antonio Medical School Sprinkler Installation

The Board

- a. amended the FY 2006-2011 Capital Improvement Program (CIP) and the FY 2007-2008 Capital Budget to include the nine projects listed on the next page.

- The University of Texas at Austin Energy Efficiency and Conservation - Phase I
- U. T. Austin Patterson Hall Laboratory and Life Safety Renovation
- U. T. Austin Utility Infrastructure Project - Phase II
- The University of Texas at Brownsville - The Village at Fort Brown - Phase II
- The University of Texas at Dallas Center for BrainHealth Second Floor Renovation
- U. T. Dallas Service Compound
- U. T. Dallas Student Services Building
- U. T. Dallas Student Housing Living/Learning Center
- The University of Texas Health Science Center at San Antonio Medical School Sprinkler Installation

b. appropriated funding for the following five institutionally managed projects:

- U. T. Austin Energy Efficiency and Conservation - Phase I
- U. T. Austin Patterson Hall Laboratory and Life Safety Renovation
- U. T. Austin Utility Infrastructure Project - Phase II
- U. T. Dallas Service Compound
- U. T. Health Science Center - San Antonio Medical School Sprinkler Installation

Institutional Facilities Management personnel have the experience and capability to manage all aspects of the work;

c. appropriated funding for the U. T. Dallas Center for BrainHealth Second Floor Renovation repair and rehabilitation project; and

d. resolved in accordance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System that

- parity debt shall be issued to pay the projects' cost, including any costs prior to the issuance of such parity debt;
- sufficient funds will be available to meet the financial obligations of the U. T. System, including sufficient Pledged Revenues as defined in the Master Resolution to satisfy the Annual Debt Service Requirements of the Financing System, and to meet all financial obligations of the U. T. System Board of Regents relating to the Financing System; and

- U. T. Austin and U. T. Dallas, which are "Members" as such term is used in the Master Resolution, possess the financial capacity to satisfy their direct obligation as defined in the Master Resolution relating to the issuance by the U. T. System Board of Regents of tax-exempt parity debt in the aggregate amounts of \$17,500,000 for the Energy Efficiency and Conservation - Phase I project and \$49,500,000 for the Utility Infrastructure Project - Phase II project at U. T. Austin, and \$3,280,000 for the Service Compound project at U. T. Dallas.

These off-cycle projects have been approved by U. T. System staff and meet the criteria for inclusion in the CIP.

Background on Academic Projects

The Energy Efficiency and Conservation – Phase I project at U. T. Austin involves three distinct elements that will implement projects focused on reducing electrical, steam and chilled water, and domestic water requirements for campus buildings. Included in this project are lighting retrofits, steam trap replacements, and water conservation initiatives throughout the campus. The funding will be \$17,500,000 from Revenue Financing System Bond Proceeds. U. T. Austin requested institutional management for this project.

The Patterson Hall Laboratory and Life Safety Renovation project at U. T. Austin involves a series of repair and rehabilitation projects in J. T. Patterson Hall to renovate multiple laboratories for the College of Natural Sciences totaling 11,845 gross square feet and to upgrade 150,000 gross square feet to accomplish needed life and safety upgrades. J. T. Patterson Hall is a five-story building with a basement that houses classrooms, research facilities, and offices for the Departments of Biology, Neurobiology, and Computational Biology. All projects funded from Permanent University Fund (PUF) Bond Proceeds that include Science and Technology Acquisition and Retention (STARs) Program and Library, Equipment, Repair and Rehabilitation (LERR) funds have previously been approved by the U. T. System Board of Regents to support the recruitment and retention of the best qualified faculty at both academic and health institutions by providing additional resources to build and enhance infrastructure. The funding will be \$1,575,974 from Available University Funds (AUF), \$2,281,976 from PUF Bond Proceeds, \$100,000 from Designated Tuition, \$31,343 from Interest on Local Funds, and \$510,707 from Unexpended Plant Funds for a total project cost of \$4,500,000. U. T. Austin requested institutional management for this project.

The Utility Infrastructure Project – Phase II at U. T. Austin involves a series of phased projects that will continue improving the existing utility infrastructure to increase efficiency, improve reliability, and meet campus energy

requirements. The project will replace a 1965 13 megawatt (MW) gas turbine generator and waste heat boiler with a larger (approximately 25MW) and more efficient gas turbine generator and boiler. In addition, the project will address chilled water needs for the campus through the addition of a cold water storage tank with an estimated capacity of 39,000 ton-hours to be built on a parking lot west of the new Harris Substation. The project also includes upgrades to cooling systems in Chilling Stations 3 and 4. Additional efficiency will be achieved through the installation of peaking generators within an existing power footprint and inlet air cooling for gas turbine operation. The funding will be \$49,500,000 from Revenue Financing System Bond Proceeds. U. T. Austin requested institutional management for this project.

The Village at Fort Brown – Phase II project at U. T. Brownsville will consist of approximately 102,000 gross square feet with the construction of a 400-bed dormitory style development. The individual suites are anticipated to consist of a restroom separating two 2-bedroom units. Study areas and TV lounges are envisioned on each floor of the dormitory. The project will provide a new commons building containing a control desk, a student gathering area, and a multipurpose classroom. Also included in the project will be laundry facilities, mail facilities, and a cooking area for use by students. The funding will be \$17,000,000 from Revenue Financing System Bond Proceeds.

The project will be located on the Fort Brown Peninsula, which was identified in the Campus Master Plan as the housing zone due to strategic location and adjacencies to the recreation center and existing Student Union Building. The campus currently houses 234 beds at The Village at Fort Brown. A campus study determined the need for 800 beds to service the campus community. Future developments in this area will address the remaining identified needs and include food service and retail developments.

The Center for BrainHealth Second Floor Renovation project at U. T. Dallas is a repair and rehabilitation project that will address the build-out of approximately 20,474 gross square feet of the second floor of the existing Center for BrainHealth building. Additionally, some improvements to the grounds and other minor building renovations are included in the project. The funding will be \$5,000,000 from Gifts. If there is some delay in receiving the donor gift funding, the project may proceed with expenditures from the President's discretionary funds. This project will complete the state-of-the-art facility for the study of brain health. The new space will house more than 55 researchers, research assistants, postdoctoral fellows, and support staff and will provide dedicated research space to measure brain change in response to novel cognitive interventions in brain disease across the life span and in healthy brain aging.

The Service Compound project at U. T. Dallas will consist of seven new buildings of approximately 49,780 gross square feet. These new facilities will replace old, inadequate buildings that can no longer fulfill their required functions or that have to be relocated in association with the construction of the Natural Science and Engineering Research Laboratory (NSERL) building. The project will include the construction of four new pre-engineered metal buildings to house the Facilities Management Offices, Facilities Management Shops, surplus and custodial storage, and an equipment storage facility. Two new metal frame greenhouses with plastic exterior coverings and a new concrete block police dispatch facility will also be constructed. The funding will be \$3,280,000 from Revenue Financing System Bond Proceeds, \$1,550,000 from Unexpended Plant Funds, and \$302,000 from Auxiliary Enterprise Balances for a total project cost of \$5,132,000. U. T. Dallas requested institutional management for this project.

The Student Services Building project at U. T. Dallas will consist of approximately 86,500 gross square feet to construct a two-story structure consolidating student service functions in one location. This building is important to meet the needs of the growing campus enrollment and will provide a one-stop center to significantly ease the burden of doing business for all students. The funding will be \$27,500,000 with funding from Revenue Financing System Bond Proceeds.

This facility was supported by a vote developed by Student Government to provide better quality service to the student body. This project is presently awaiting legislative approval of the student fee before design can be initiated. Also, after the Legislature's approval, the U. T. System Board of Regents will be requested to approve the assessment of the new fee to become effective the following academic year.

The Student Housing Living/Learning Center project at U. T. Dallas will include the construction of a 300-bed multistory student housing complex with approximately 126,000 gross square feet that will promote student interaction both academically and socially. Current facilities are operating at close to 100% occupancy. The funding will be \$37,800,000 from Revenue Financing System Bond Proceeds.

Background on the Health Project

The Medical School Sprinkler Installation project at U. T. Health Science Center – San Antonio will install fire sprinkler lines down the corridors of the Medical School to protect employees and property. The funding will be \$2,600,000 from PUF Bond Proceeds and \$600,000 from Unexpended Plant Funds for a total project cost of \$3,200,000. U. T. Health Science Center – San Antonio requested institutional management for this project.

3. U. T. Arlington: Maverick Activities Center (formerly Student Activities Building) - Amendment of the FY 2006-2011 Capital Improvement Program and the FY 2007-2008 Capital Budget to increase total project cost; appropriation of funds and authorization of expenditure; and resolution regarding parity debt

The Board approved the recommendations for the Maverick Activities Center (formerly Student Activities Building) project at The University of Texas at Arlington as follows:

Project Number: 301-226

Architecturally or Historically Significant: Yes No

Project Delivery Method: Construction Manager at Risk

Substantial Completion Date: January 2008

Total Project Cost:	<u>Source</u>	<u>Former</u>	<u>Current</u>
	Revenue Financing System Bond Proceeds	\$30,000,000	\$34,500,000

- a. amend the FY 2006-2011 Capital Improvement Program (CIP) and the FY 2007-2008 Capital Budget to increase the total project cost from \$30,000,000 to \$34,500,000;
- b. appropriate funds and authorize expenditure of funds of \$4,500,000 from Revenue Financing System Bond Proceeds; and
- c. resolve in accordance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System that
 - parity debt shall be issued to pay the project's cost, including any costs prior to the issuance of such parity debt;
 - sufficient funds will be available to meet the financial obligations of the U. T. System, including sufficient Pledged Revenues as defined in the Master Resolution to satisfy the Annual Debt Service Requirements of the Financing System, and to meet all financial obligations of the U. T. System Board of Regents relating to the Financing System; and
 - U. T. Arlington, which is a "Member" as such term is used in the Master Resolution, possesses the financial capacity to satisfy its direct obligation as defined in the Master Resolution relating to the issuance by the U. T. System Board of Regents of tax-exempt parity debt in the aggregate amount of \$4,500,000.

Debt Service

The total \$34,500,000 in Revenue Financing System debt will be repaid from net revenues generated from campus recreation fees. Average annual debt service on the project is estimated at \$2,500,000. The institution's debt service coverage is expected to be at least 2.1 times and average 2.9 times over FY 2007 - FY 2012.

Previous Board Actions

On August 11, 2005, the repair and rehabilitation project was included in the CIP with a preliminary project cost of \$16,370,000 with funding appropriated from Revenue Financing System Bond Proceeds. On May 10, 2006, the Board approved the design development plans and increased the total project cost to \$30,000,000 with funding appropriated from Revenue Financing System Bond Proceeds. On September 18, 2006, the nonhonorific naming for the project was approved as the Maverick Activities Center (MAC).

Project Description

This project will add 83,000 gross square feet of new space to the existing Activities Building and renovate 102,000 gross square feet of existing space. The project scope will renovate the entrances, existing locker rooms, existing basketball courts, and auditorium. The project scope will add 19,000 gross square feet for a weight and fitness space, a 1/7 mile fitness track, two courts to the existing two basketball courts, a student social area, a learning computer area, and training and office spaces to accommodate the needs of the Campus Recreation programs.

The additional funding of \$4,500,000 to increase the total project cost is to cover escalating construction costs that have taken place in the construction industry since the formulation of the project's original budget. Value engineering exercises have been conducted and the project scope cannot be reduced further without significantly affecting the facility program.

4. U. T. Austin: Darrell K Royal - Texas Memorial Stadium Expansion (formerly Darrell K Royal - Texas Memorial Stadium Fire and Life Safety/Improvement Planning) - Amendment of the FY 2006-2011 Capital Improvement Program and the FY 2007-2008 Capital Budget to increase total project cost; appropriation of funds and authorization of expenditure; and resolution regarding parity debt

The Board approved the recommendations for the Darrell K Royal - Texas Memorial Stadium Expansion project at The University of Texas at Austin as indicated on the next page.

Project Number: 102-081
Architecturally or Historically Significant: Yes No

Project Delivery Method: Construction Manager at Risk

Substantial Completion Date: August 2008

Total Project Cost:	<u>Source</u>	<u>Former</u>	<u>Current</u>
	Revenue Financing System Bond Proceeds	\$106,620,000	\$129,560,000
	Gifts	35,000,000	35,471,000
	Unexpended Plant Funds	<u>8,280,000</u>	<u>11,506,000</u>
		\$149,900,000	\$176,537,000

- a. amend the FY 2006-2011 Capital Improvement Program (CIP) and the FY 2007-2008 Capital Budget to increase the total project cost from \$149,900,000 to \$176,537,000;
- b. appropriate funds and authorize expenditure of funds of \$22,940,000 from Revenue Financing System Bond Proceeds, \$471,000 from Gifts, and \$3,226,000 from Unexpended Plant Funds; and
- c. resolve in accordance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System that
 - parity debt shall be issued to pay the project's cost, including any costs prior to the issuance of such parity debt;
 - sufficient funds will be available to meet the financial obligations of the U. T. System, including sufficient Pledged Revenues as defined in the Master Resolution to satisfy the Annual Debt Service Requirements of the Financing System, and to meet all financial obligations of the U. T. System Board of Regents relating to the Financing System; and
 - U. T. Austin, which is a "Member" as such term is used in the Master Resolution, possesses the financial capacity to satisfy its direct obligation as defined in the Master Resolution relating to the issuance by the U. T. System Board of Regents of tax-exempt parity debt in the aggregate amount of \$22,940,000.

Debt Service

The \$129,560,000 in total Revenue Financing System debt will be repaid from net revenues generated from stadium seating and concessions. Average

annual debt service on the project is estimated at \$9.5 million. Once the project is complete, debt service coverage is expected to be at least 1.3 times and average 2.0 times over FY 2009 - FY 2038.

Previous Board Actions

On December 10, 2004, the project was included in the CIP with a preliminary project cost of \$5,000,000 with funding from Auxiliary Enterprise Balances. On August 11, 2005, the Board approved the design development plans and increased the total project cost to \$10,000,000 with funding from Revenue Financing System Bond Proceeds. On September 22, 2005, the Chancellor approved increasing the total project cost to \$11,000,000. On November 10, 2005, the Board approved the increase in total project cost from \$11,000,000 to \$15,000,000 with funding appropriated from Revenue Financing System Bond Proceeds. On January 17, 2006, the Interim Associate Vice Chancellor for Facilities Planning and Construction approved the nonhonorific name change for the project from Darrell K Royal - Texas Memorial Stadium Fire and Life Safety/Improvement Planning to the Darrell K Royal - Texas Memorial Stadium Expansion. On February 8, 2006, the Board approved the design development plans, increased the total project cost to \$149,900,000, and funding was appropriated.

Project Description

This project began as a comprehensive feasibility and planning study of the Darrell K Royal - Texas Memorial Stadium. The full scope of options and associated costs for improving the fire and life safety of the stadium have been recommended to define current code and infrastructure needs.

The Stage I - Bellmont Hall Renovation portion of the Stadium Fire and Life Safety/Improvement Planning project will address several life safety concerns within the existing Bellmont Hall and will provide waterproofing and structural repairs and building system upgrades. The project will also include renovation and expansion of the ninth floor Centennial Room, the addition of fixed seating at that level, and renovations to the eighth floor Press Box area to accommodate additional working press.

The Stage 2 - North End Zone Expansion portion of the Stadium Fire and Life Safety/Improvement Planning project will address fire and life safety issues present in the existing North End Zone. The existing North End Zone structure will be demolished and replaced by a new structure housing cheering facilities, production TV crew services/facilities, ticketing, patron services, and the athletic academic advising facilities. The new upper levels will encompass services for the uncovered club seats, suites, and the upper concourse leading to the upper grandstands with patron services. Stadium seating capacity will be expanded to over 90,000 spectators upon completion.

The additional funding of \$26,637,000 for the increase to the total project cost is necessary to provide funds to complete enhancements to the new scoreboard; finish out the Athletics Academic Suite on Level 5; add temporary bleachers in the South End Zone for the 2006 and 2007 football seasons; add a hydrotherapy area in the W. A. "Tex" Moncrief, Jr. - V. F. "Doc" Neuhaus Athletic Center; add underground utility relocations; add abatement of hazardous materials; conduct necessary repairs to the guardrails at the east grandstand; add fire protection sprinklers on the open North End Zone concourses; add an elevator to provide code-compliant accessibility; add fire protection sprinklers on the existing Level 5 concourse at the west grandstand; finish out the Basement Level Commissary; complete site work for the Earl Campbell statue placement; add toilet rooms to comply with applicable codes; cover escalation of the cost of the base North End Zone structure; relocate 16 existing oak trees; and add a floor slab for a future Level 7.

A gift for a Health and Fitness/Kinesiology Museum on North End Zone Level 5 has been received, and may trigger a small build-out project as a separate CIP project at a future time.

5. U. T. Austin: UFCU Disch-Falk Field - Amendment of the FY 2006-2011 Capital Improvement Program and the FY 2007-2008 Capital Budget to increase total project cost; appropriation of funds and authorization of expenditure; and resolution regarding parity debt

The Board approved the recommendations for the UFCU (University Federal Credit Union) Disch-Falk Field project at The University of Texas at Austin as follows:

Project Number: 102-225
Architecturally or Historically Significant: Yes No

Project Delivery Method: Construction Manager at Risk
Substantial Completion Date: February 2008

Total Project Cost:	<u>Source</u>	<u>Former</u>	<u>Current</u>
	Revenue Financing System Bond Proceeds	\$16,100,000	\$16,800,000
	Gifts	<u>\$ 7,000,000</u>	<u>\$ 9,000,000</u>
		\$23,100,000	\$25,800,000

- a. amend the FY 2006-2011 Capital Improvement Program (CIP) and the FY 2007-2008 Capital Budget to increase the total project cost from \$23,100,000 to \$25,800,000;

- b. appropriate funds and authorize expenditure of funds of \$700,000 from Revenue Financing System Bond Proceeds and \$2,000,000 from Gifts; and
- c. resolve in accordance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System that
 - parity debt shall be issued to pay the project's cost, including any costs prior to the issuance of such parity debt;
 - sufficient funds will be available to meet the financial obligations of the U. T. System, including sufficient Pledged Revenues as defined in the Master Resolution to satisfy the Annual Debt Service Requirements of the Financing System, and to meet all financial obligations of the U. T. System Board of Regents relating to the Financing System; and
 - U. T. Austin, which is a "Member" as such term is used in the Master Resolution, possesses the financial capacity to satisfy its direct obligation as defined in the Master Resolution relating to the issuance by the U. T. System Board of Regents of tax-exempt parity debt in the aggregate amount of \$700,000.

Debt Service

The \$16,800,000 in total Revenue Financing System debt will be repaid from net revenues generated from ticket sales and gift revenue. Average annual debt service on the project is estimated at \$1.2 million. Once the project is complete, debt service coverage is expected to be at least 1.3 times and average 1.5 times over FY 2008 – FY 2015.

Previous Board Actions

On August 11, 2005, the project was included in the CIP with a preliminary project cost of \$18,000,000 with funding of \$11,000,000 from Revenue Financing System Bond Proceeds and \$7,000,000 from Gifts. On October 12, 2005, the Board approved the name change from Disch-Falk Field to UFCU Disch-Falk Field. On May 10, 2006, the Board approved the design development plans, increased the total project cost to \$21,000,000, and appropriated funding of \$14,000,000 from Revenue Financing System Bond Proceeds and \$7,000,000 from Gifts. On July 14, 2006, the Chancellor approved increasing the total project cost to \$23,100,000.

Project Description

This project includes abatement of existing asbestos-containing materials and lead-based paint; renovations and expansion of the seating areas; renovations to the press box and ticket office, player development areas, and public concourses and plazas; renovations and upgrades to concessions and restrooms; replacement of the field lighting system; a new facade; upgrades to the sound system; a new spectator club area; and new spectator suites. This increase of \$2,700,000 is necessary to provide for additional improvements to player development areas, increased accessibility for patrons, and fire and life safety elements.

6. U. T. Dallas: Vivarium and Experimental Space - Approval of appropriation of funds and authorization of expenditure and resolution regarding parity debt

The Board approved the recommendations for the Vivarium and Experimental Space project at The University of Texas at Dallas as follows:

Project No: 302-261
Project Delivery Method: Competitive Sealed Proposals
Substantial Completion Date: December 2007

Total Project Cost:	<u>Source</u>	<u>Current</u>
	Tuition Revenue Bond Proceeds	\$12,000,000
	Permanent University Fund Bond Proceeds	<u>\$ 3,000,000</u>
		\$15,000,000

- a. appropriate funds and authorize expenditure of funds of \$12,000,000 from Tuition Revenue Bond Proceeds and \$3,000,000 from Permanent University Fund (PUF) Bond Proceeds; and
- b. resolve in accordance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System that
 - parity debt shall be issued to pay the project's cost, including any costs prior to the issuance of such parity debt;
 - sufficient funds will be available to meet the financial obligations of the U. T. System, including sufficient Pledged Revenues as defined in the Master Resolution to satisfy the Annual Debt Service Requirements of the Financing System, and to meet all financial obligations of the U. T. System Board of Regents relating to the Financing System; and

- U. T. Dallas, which is a "Member" as such term is used in the Master Resolution, possesses the financial capacity to satisfy its direct obligation as defined in the Master Resolution relating to the issuance by the U. T. System Board of Regents of tax-exempt parity debt in the aggregate amount of \$12,000,000.

Debt Service

The 79th Texas Legislature authorized \$12,000,000 of Tuition Revenue Bonds for a vivarium and experimental space at U. T. Dallas. Annual debt service on the \$12,000,000 of Tuition Revenue Bonds is estimated at \$1.05 million. While the debt service is payable from pledged revenues, it is expected the State will reimburse debt service on tuition revenue through general revenue appropriations.

Previous Board Actions

On June 20, 2006, the project was included in the Capital Improvement Program (CIP) with a preliminary project cost of \$15,000,000 with funding of \$12,000,000 from Tuition Revenue Bond Proceeds and \$3,000,000 from Revenue Financing System Bond Proceeds. On August 10, 2006, the Board approved revising the funding to \$12,000,000 from Tuition Revenue Bond Proceeds and \$3,000,000 from PUF Bond Proceeds. On September 18, 2006, the Chancellor approved the design development plans.

Project Description

This repair and rehabilitation project involves the build-out of 10,000 gross square feet of the current shell space in the basement of the new Natural Science and Engineering Research Laboratory (NSERL) to contain a vivarium and experimental space for neuroscience and neuroengineering faculty. The facility will support progress in building the key areas of molecular biology and biomedical engineering.

7. U. T. El Paso: Bioscience Research Building (formerly Biosciences Facility) - Amendment of the FY 2006-2011 Capital Improvement Program and the FY 2007-2008 Capital Budget to increase total project cost; approval to transfer Permanent University Fund Bond Proceeds; appropriation of funds and authorization of expenditure; and reduction of total project cost for the Science and Engineering Core Facilities Upgrade

The Board approved the recommendations for the Bioscience Research Building (formerly Biosciences Facility) project at The University of Texas at El Paso as indicated on the next page.

Project Delivery Method: Construction Manager at Risk

Substantial Completion Date: July 2007

Total Project Cost: Bioscience Research Building (Project No. 201-114)	<u>Source</u>	<u>Former</u>	<u>Current</u>
	Permanent University Fund Bond Proceeds	\$ 8,500,000	\$17,500,000
	Revenue Financing System Bond Proceeds	\$ 5,750,000	\$ 5,750,000
	Tuition Revenue Bond Proceeds	\$12,750,000	\$12,750,000
	National Institutes of Health Grant	<u>\$ 3,500,000</u>	<u>\$ 3,500,000</u>
		\$30,500,000	\$39,500,000

Total Project Cost: Science and Engineering Core Facilities Upgrade (Project No. 201-279)	<u>Source</u>	<u>Former</u>	<u>Current</u>
	Permanent University Fund Bond Proceeds	\$35,100,000	\$26,100,000
	Revenue Financing System Bond Proceeds	<u>\$ 3,900,000</u>	<u>\$ 3,900,000</u>
		\$39,000,000	\$30,000,000

- a. amend the FY 2006-2011 Capital Improvement Program (CIP) and the FY 2007-2008 Capital Budget to increase the total project cost from \$30,500,000 to \$39,500,000;
- b. approve the transfer of Permanent University Fund (PUF) Bond Proceeds in the amount of \$9,000,000 from the Science and Engineering Core Facilities Upgrade project;
- c. appropriate funds and authorize expenditure of funds; and
- d. reduce the total project cost from \$39,000,000 to \$30,000,000 for the Science and Engineering Core Facilities Upgrade project with funding of \$26,100,000 from PUF Bond Proceeds and \$3,900,000 from Revenue Financing System Bond Proceeds.

Previous Board Actions

Bioscience Research Building - On November 8, 2001, the project was included in the CIP with a preliminary project cost of \$19,250,000 with funding of \$12,750,000 from Tuition Revenue Bond Proceeds and \$6,500,000 from PUF Bond Proceeds. On February 14, 2002, the Board approved the increase of the total project cost to \$25,000,000 with additional funding of \$5,750,000 from Revenue Financing System Bond Proceeds. On August 8, 2002, the Board approved design development plans. On May 8, 2003, the Board approved the increase of the total project cost to \$27,000,000 with additional funding of \$2,000,000 from PUF Bond Proceeds. On February 10, 2005, the Board approved the increase of the total project cost to \$30,500,000 with additional funding of \$3,500,000 from a National Institutes of Health (NIH) Grant.

Science and Engineering Core Facilities Upgrade - On August 10, 2006, the project was included in the CIP at a preliminary project cost of \$39,000,000 with funding of \$35,100,000 from PUF Bond Proceeds and \$3,900,000 from Revenue Financing System Bond Proceeds.

Project Description

The Bioscience Research Building is a new, five-story, fully equipped, state-of-the-art biomedical and health science research building of approximately 84,000 gross square feet and includes site development and extension of site utilities. The transfer of the additional funding of \$9,000,000 from PUF Bond Proceeds from the Science and Engineering Core Facilities Upgrade project is required to fund a second biosafety laboratory level 3 (BSL-3) and interior build-out.

8. U. T. El Paso: Physical Sciences/Engineering Core Facility – Phase I - Approval of appropriation of funds and authorization of expenditure for the renovation portion of the project and resolution regarding parity debt

The Board approved the recommendations for the Physical Sciences/Engineering Core Facility – Phase I project at The University of Texas at El Paso as follows:

Project Number: 201-268
Project Delivery Method: Competitive Sealed Proposals

Substantial Completion Date: October 2009

Total Project Cost:	<u>Source</u>	<u>Current</u>
	Tuition Revenue Bond Proceeds	\$76,500,000
	Permanent University Fund Bond Proceeds	\$ 8,500,000
		\$85,000,000

Total Project Cost for Repair & Rehabilitation Portion:	<u>Source</u>	<u>Current</u>
	Tuition Revenue Bond Proceeds	\$21,000,000

- a. appropriate funds and authorize expenditure of funds of \$21,000,000 from Tuition Revenue Bond Proceeds for the renovation portion of the project; and
- b. resolve in accordance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System that
 - parity debt shall be issued to pay the project's cost, including any costs prior to the issuance of such parity debt;

- sufficient funds will be available to meet the financial obligations of the U. T. System, including sufficient Pledged Revenues as defined in the Master Resolution to satisfy the Annual Debt Service Requirements of the Financing System, and to meet all financial obligations of the U. T. System Board of Regents relating to the Financing System; and
- U. T. El Paso, which is a "Member" as such term is used in the Master Resolution, possesses the financial capacity to satisfy its direct obligation as defined in the Master Resolution relating to the issuance by the U. T. System Board of Regents of tax-exempt parity debt in the aggregate amount of \$21,000,000.

Debt Service

The 79th Texas Legislature authorized \$76,500,000 of Tuition Revenue Bonds for a physical sciences/engineering core facility. Annual debt service on \$21,000,000 of Tuition Revenue Bonds is estimated at \$1.83 million. While the debt service is payable from pledged revenues, it is expected the State will reimburse debt service on tuition revenue through general revenue appropriations.

Previous Actions

On August 11, 2006, the project was included in the Capital Improvement Program (CIP) with a preliminary project cost of \$85,000,000 with funding of \$76,500,000 from Tuition Revenue Bond Proceeds and \$8,500,000 from Permanent University Fund (PUF) Bond Proceeds. In September 2006, the Chancellor approved the design development plans for the renovation portion of the project.

Project Description

The repair and rehabilitation portion of the project involves upgrades to the thermal energy plant necessary to support the future new sciences building, completion of shell space in the engineering annex building, renovation and modernization of classroom and teaching laboratories, roof replacement, expansion of the central campus utilities underground service loop, and safety improvements to meet campus fire and life safety codes. The design development for the new work will be presented at a later date.

9. U. T. San Antonio: Laurel Village - Amendment of the FY 2006-2011 Capital Improvement Program and the FY 2007-2008 Capital Budget to increase the total project cost; approval to revise the funding sources; approval to transfer funds; reduction of total project cost for Chaparral Village; appropriation of funds and authorization of expenditure; and resolution regarding parity debt

The Board approved the recommendations for the Laurel Village project at The University of Texas at San Antonio as follows:

Project Number: 401-211
Project Delivery Method: Competitive Sealed Proposals

Substantial Completion Date: June 2008

Total Project Cost:	<u>Source</u>	<u>Former</u>	<u>Current</u>
Laurel Village	Revenue Financing System Bond Proceeds	\$39,182,000	\$43,182,000
	Auxiliary Enterprise Balances		<u>\$ 1,000,000</u>
			\$44,182,000

Total Project Cost:	<u>Source</u>	<u>Former</u>	<u>Current</u>
Chaparral Village	Revenue Financing System Bond Proceeds	\$42,500,000	\$42,000,000
	Auxiliary Enterprise Balances	<u>\$ 1,000,000</u>	
		\$43,500,000	

- a. amend the FY 2006-2011 Capital Improvement Program (CIP) and the FY 2007-2008 Capital Budget to increase the total project cost from \$39,182,000 to \$44,182,000;
- b. revise the funding sources;
- c. approve the transfer of funding of \$500,000 from Revenue Financing System Bond Proceeds and \$1,000,000 from Auxiliary Enterprise Balances from the Chaparral Village project;
- d. reduce the total project cost for the Chaparral Village project from \$43,500,000 to \$42,000,000;
- e. appropriate additional funds and authorize expenditure of funds of \$2,062,000 from Revenue Financing System Bond Proceeds from the August 8, 2006, approval to increase the total project cost, \$3,500,000 for the Road Runner Café addition from Revenue Financing System Bond Proceeds, and \$8,620,000 from Revenue Financing System Bond Proceeds previously approved for a total of \$14,182,000; and

- f. resolve in accordance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System that
- parity debt shall be issued to pay the project's cost, including any costs prior to the issuance of such parity debt;
 - sufficient funds will be available to meet the financial obligations of the U. T. System, including sufficient Pledged Revenues as defined in the Master Resolution to satisfy the Annual Debt Service Requirements of the Financing System, and to meet all financial obligations of the U. T. System Board of Regents relating to the Financing System; and
 - U. T. San Antonio, which is a "Member" as such term is used in the Master Resolution, possesses the financial capacity to satisfy its direct obligation as defined in the Master Resolution relating to the issuance by the U. T. System Board of Regents of tax-exempt parity debt in the aggregate amount of \$43,182,000.

Debt Service

The total \$43,182,000 in Revenue Financing System debt will be repaid from housing and other operating revenues. Overall debt service on the project is estimated at \$2.7 million annually. The project's debt service coverage is expected to be at least 1.0 times and reach 1.3 times coverage by FY 2009.

Previous Board Actions

On August 7, 2003, the project was included in the CIP with a preliminary project cost of \$20,500,000 with funding from Revenue Financing System Bond Proceeds. On August 12, 2004, the Board approved the increase of the preliminary project cost from \$20,500,000 to \$27,000,000 with funding from Revenue Financing System Bond Proceeds. On November 5, 2004, the Board approved the design development plans and appropriated funding of \$27,000,000 from Revenue Financing System Bond Proceeds. With the adoption of the FY 2006-2011 CIP on August 11, 2005, the Board approved the increase of the total project cost from \$27,000,000 to \$35,620,000. The additional funding of \$8,620,000 was not appropriated at that time. On August 8, 2006, the Chancellor approved the increase of the total project cost from \$35,620,000 to \$39,192,000 with additional funding of \$1,500,000 from Revenue Financing System Bond Proceeds from the Chaparral Village project and an additional \$2,062,000 of Revenue Financing System Bond Proceeds.

Project Description

U. T. San Antonio requested an increase in the total project cost for the Laurel Village project from \$39,182,000 to \$44,182,000 to expand the Road Runner Café. The \$5,000,000 increase will be funded with \$1,000,000 from Auxiliary Enterprise Balances, \$500,000 from Revenue Financing System Bond Proceeds transferred from the Chaparral Village project, and additional funding of \$3,500,000 from Revenue Financing System Bond Proceeds approved as a new appropriation. The Chaparral Village total project cost is being reduced from \$43,500,000 to \$42,000,000 with funding from Revenue Financing System Bond Proceeds.

- 10. U. T. San Antonio: Renovations of Physical Plant Building - Amendment of the FY 2006-2011 Capital Improvement Program and the FY 2007-2008 Capital Budget to increase total project cost and appropriation of funds and authorization of expenditure

The Board approved the recommendations for the Renovations of Physical Plant Building project at The University of Texas at San Antonio shown as follows:

Project No: 401-285
Institutionally Managed: Yes No
Project Delivery Method: Competitive Sealed Proposals

Substantial Completion Date: December 2007

Total Project Cost:	<u>Source</u>	<u>Former</u>	<u>Current</u>
	Unexpended Plant Funds	\$2,700,000	\$3,436,000

- a. amend the FY 2006-2011 Capital Improvement Program (CIP) and the FY 2007-2008 Capital Budget to increase the total project cost from \$2,700,000 to \$3,436,000; and
- b. appropriate additional funds in the amount of \$736,000 from Unexpended Plant Funds and authorize expenditure of funds.

Previous Board Action

On August 8, 2006, the project was included in the CIP with a preliminary project cost of \$2,700,000 with funding from Unexpended Plant Funds.

Project Description

The institutionally-managed repair and rehabilitation project will transform the 32-year-old building into a facility to accommodate the U. T. San Antonio Police Department, Parking and Transportation, and the Information

Technology Department. This project will provide program space to include offices, a communications center, training rooms, locker rooms, access control, holding rooms, and a shared lobby. This project will also upgrade and replace existing building systems, public restrooms, circulation space, and will provide additional building security.

The additional funding of \$736,000 to increase the total project cost is to cover escalating construction costs that have taken place in the construction industry since the formulation of the project's original budget.

11. U. T. Tyler: University Center Renovation/Expansion (Phase I) - Amendment of the FY 2006-2011 Capital Improvement Program and the FY 2007-2008 Capital Budget to increase total project cost; appropriation of funds and authorization of expenditure; and resolution regarding parity debt

The Board approved the recommendations for the University Center Renovation/Expansion (Phase I) project at The University of Texas at Tyler as follows:

Project Number: 802-227

Architecturally or Historically Significant: Yes No

Project Delivery Method: Competitive Sealed Proposals

Substantial Completion Date: August 2007

Total Project Cost:	<u>Source</u>	<u>Former</u>	<u>Current</u>
	Revenue Financing System Bond Proceeds	\$11,900,000	\$15,300,000

- a. amend the FY 2006-2011 Capital Improvement Program (CIP) and the FY 2007-2008 Capital Budget to increase the total project cost from \$11,900,000 to \$15,300,000;
- b. appropriate funds and authorize expenditure of funds of \$3,400,000 from Revenue Financing System Bond Proceeds; and
- c. resolve in accordance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System that
 - parity debt shall be issued to pay the project's cost, including any costs prior to the issuance of such parity debt;
 - sufficient funds will be available to meet the financial obligations of the U. T. System, including sufficient Pledged Revenues as defined in the Master Resolution to satisfy the Annual Debt

- Service Requirements of the Financing System, and to meet all financial obligations of the U. T. System Board of Regents relating to the Financing System; and
- U. T. Tyler, which is a "Member" as such term is used in the Master Resolution, possesses the financial capacity to satisfy its direct obligation as defined in the Master Resolution relating to the issuance by the U. T. System Board of Regents of tax-exempt parity debt in the aggregate amount of \$3,400,000.

Debt Service

The \$15,300,000 in total Revenue Financing System debt will be repaid from student union fees. Average annual debt service on the project is estimated at \$1.15 million. The project's debt service coverage is expected to be at least 1.0 times and average 1.3 times through FY 2015.

Previous Board Actions

On August 11, 2005, the project was included in the CIP with a preliminary project cost of \$11,000,000 with funding from Revenue Financing System Bond Proceeds. On November 10, 2005, the Board approved the design development plans and appropriated funding of \$11,000,000 from Revenue Financing System Bond Proceeds. On May 5, 2006, the total project cost was increased from \$11,000,000 to \$11,900,000 with the additional funding of \$900,000 from student union fees. On July 26, 2006, the student union fees funding source was revised to \$900,000 from Revenue Financing System Bond Proceeds and funding was appropriated.

Project Description

The project will consist of renovation of the first floor of the existing building to update building systems including HVAC, plumbing, electrical and telephone/data as well as the installation of a fire sprinkler system, and an expansion to meet increased space needs. The Phase I project will include expansion of food services, a bookstore, and meeting space and offices for support staff. The additional funding of \$3,400,000 to increase the total project cost will complete furniture and food service equipment for the build-out of student food services and cover escalating construction costs that have taken place in the construction industry since the formulation of the project's original budget.

12. U. T. Southwestern Medical Center - Dallas: Hazardous Waste Handling Facility - Amendment of the FY 2006-2011 Capital Improvement Program and the FY 2007-2008 Capital Budget to increase total project cost and appropriation of funds and authorization of expenditure

The Board approved the recommendations for the Hazardous Waste Handling Facility at The University of Texas Southwestern Medical Center at Dallas as indicated below:

Project Number: 303-121
Architecturally or Historically Significant: Yes No
Project Delivery Method: Competitive Sealed Proposals

Substantial Completion Date: January 2008

Total Project Cost:	<u>Source</u>	<u>Former</u>	<u>Current</u>
	Interest on Local Funds	\$3,080,000	\$3,900,000

- a. amend the FY 2006-2011 Capital Improvement Program (CIP) and the FY 2007-2008 Capital Budget to increase the total project cost from \$3,080,000 to \$3,900,000; and
- b. appropriate funds and authorize expenditure of funds of \$820,000 from Interest on Local Funds.

Previous Board Actions

On August 6, 2003, the project was included in the CIP with a preliminary project cost of \$4,500,000 with funding from Interest on Local Funds. On August 11, 2005, the Board approved the design development plans, reduced the total project cost to \$2,800,000 with funding from Interest on Local Funds, and appropriated funding. On September 19, 2006, the Chancellor approved increasing the total project cost to \$3,080,000.

Project Description

The project consists of new construction of approximately 6,920 gross square feet of building area and associated site improvements to provide adequate space for the operating requirements of the Environmental Health and Safety Department with regard to receipt and distribution of radioactive materials and controlled substances. The additional funding of \$820,000 to increase the total project cost is due to construction cost inflation.

Radioactive, chemical, and biomedical waste materials are strictly regulated by the Texas Natural Resource Conservation Commission and the Texas Department of Health, Bureau of Radiation Control. As a part of ongoing educational, research, and clinical activities, regulated wastes must be

collected and removed from functional areas of the general facilities. In addition, the growth of the campus is creating more regulated waste materials that have to be managed.

13. U. T. Medical Branch - Galveston: University Plaza Development - Approval of appropriation of funds and authorization of expenditure and resolution regarding parity debt

The Board approved the recommendations for the University Plaza Development project at The University of Texas Medical Branch at Galveston as follows:

Project No: 601-131
Architecturally or Historically Significant: Yes No
Project Delivery Method: Competitive Sealed Proposals
Substantial Completion Date: November 2006

Total Project Cost:	<u>Source</u>	<u>Current</u>
	Revenue Financing System Bond Proceeds	\$25,000,000
	Grants	<u>\$ 2,360,254</u>
		\$27,360,254

- a. appropriate funds and authorize expenditure of funds of \$10,000,000 from Revenue Financing System Bond Proceeds; and
- b. resolve in accordance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System that
 - parity debt shall be issued to pay the project's cost, including any costs prior to the issuance of such parity debt;
 - sufficient funds will be available to meet the financial obligations of the U. T. System, including sufficient Pledged Revenues as defined in the Master Resolution to satisfy the Annual Debt Service Requirements of the Financing System, and to meet all financial obligations of the U. T. System Board of Regents relating to the Financing System; and
 - U. T. Medical Branch - Galveston, which is a "Member" as such term is used in the Master Resolution, possesses the financial capacity to satisfy its direct obligation as defined in the Master Resolution relating to the issuance by the U. T. System Board of Regents of tax-exempt parity debt in the aggregate amount of \$10,000,000.

Debt Service

The \$25,000,000 in total Revenue Financing System debt will be repaid from net revenues generated from parking fees. Average annual debt service on the project is estimated at \$1.8 million. The institution's debt service coverage is expected to be at least 1.9 times and average 2.3 times over FY 2007 - FY 2012.

Previous Board Actions

On August 1, 2001, the project was included in the Capital Improvement Program (CIP) with a preliminary project cost of \$25,000,000 with funding of \$15,000,000 from Revenue Financing System Bond Proceeds and \$10,000,000 from Hospital Revenues, and designated as architecturally significant. On February 13, 2003, the Board approved design development plans and appropriated funding of \$15,000,000 from Revenue Financing System Bond Proceeds and \$10,000,000 from Hospital Revenues. On May 4, 2004, the Chancellor approved an increase in the total project cost and revised the funding sources to \$15,000,000 from Revenue Financing System Bond Proceeds, \$10,000,000 from Hospital Revenues, and \$360,254 from Grants for a total project cost of \$25,360,254. With the adoption of the CIP on August 11, 2005, the Board approved an increase in the total project cost and revised the funding sources to \$25,000,000 from Revenue Financing System Bond Proceeds and \$2,360,254 from Grants for a total project cost of \$27,360,254.

Project Description

The project involves the construction of a new entry plaza with a two-level parking structure including utility infrastructure and a loop road to support the build-out of the east portion of the U. T. Medical Branch - Galveston campus. The project is substantially complete and the appropriation of \$10,000,000 from Revenue Financing System Bond Proceeds will fully authorize the funding change adopted with the FY 2006-2011 CIP on August 11, 2005.

14. U. T. Health Science Center - Houston: Replacement Research Facility - Amendment of the FY 2006-2011 Capital Improvement Program and the FY 2007-2008 Capital Budget to revise funding sources; appropriation of funds and authorization of expenditure; and resolution regarding parity debt

The Board approved the recommendations for the Replacement Research Facility project at The University of Texas Health Science Center at Houston as indicated on the next page.

Project Number: 701-160
Architecturally or Historically Significant: Yes No

Project Delivery Method: Construction Manager at Risk

Substantial Completion Date: May 2007

Total Project Cost:	<u>Source</u>	<u>Former</u>	<u>Current</u>
	Tuition Revenue Bond Proceeds	\$23,600,000	\$23,600,000
	Permanent University Fund Bond Proceeds	\$18,000,000	\$18,000,000
	Insurance Claims	\$16,600,000	\$16,600,000
	Gifts	\$16,330,000	\$ 0
	Grants	\$ 6,000,000	\$ 6,000,000
	Revenue Financing System Bond Proceeds	<u>\$ 0</u>	<u>\$16,330,000</u>
		\$80,530,000	\$80,530,000

- a. amend the FY 2006-2011 Capital Improvement Program (CIP) and the FY 2007-2008 Capital Budget to revise the funding sources;
- b. appropriate funds and authorize expenditure of funds of \$16,330,000 from Revenue Financing System Bond Proceeds; and
- c. resolve in accordance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System that
 - parity debt shall be issued to pay the project's cost, including any costs prior to the issuance of such parity debt;
 - sufficient funds will be available to meet the financial obligations of the U. T. System, including sufficient Pledged Revenues as defined in the Master Resolution to satisfy the Annual Debt Service Requirements of the Financing System, and to meet all financial obligations of the U. T. System Board of Regents relating to the Financing System; and
 - U. T. Health Science Center - Houston, which is a "Member" as such term is used in the Master Resolution, possesses the financial capacity to satisfy its direct obligation as defined in the Master Resolution relating to the issuance by the U. T. System Board of Regents of tax-exempt parity debt in the aggregate amount of \$16,330,000.

Debt Service

The \$16,330,000 of Revenue Financing System debt will be repaid from net practice plan revenues. Average annual debt service on the project is

estimated at \$1.2 million. The institution's debt service coverage is expected to be at least 2.0 times and average 3.2 times over FY 2007 - FY 2012.

Previous Board Actions

Medical School Building - Rooftop Vivarium and Exterior Elevator:

On November 13, 2002, the Vivarium project was added to the CIP with a preliminary project cost of \$38,000,000 with funding from Insurance Proceeds. On August 7, 2003, the Board approved appropriation of \$7,300,000 from Tuition Revenue Bond Proceeds for the Vivarium project.

Basic Science Research Building (formerly Freeman Replacement Building):

On August 8, 2001, the project was included in the CIP with a preliminary project cost of \$80,000,000.

On August 12, 2004, the projects were combined and redesignated as the Replacement Research Facility and the preliminary project cost and funding were revised to a preliminary project cost of \$55,530,000 with funding of \$23,600,000 from Tuition Revenue Bond Proceeds, \$9,330,000 from Gifts, \$16,600,000 from Insurance Claims, and \$6,000,000 from Grants.

On November 5, 2004, the Board approved design development plans and appropriated and authorized expenditure of a preliminary project cost of \$55,530,000 with funding of \$23,600,000 from Tuition Revenue Bond Proceeds, \$9,330,000 from Gifts, \$16,600,000 from Insurance Claims, and \$6,000,000 from Grants.

On May 12, 2005, the Board approved the increase of the total project cost from \$55,530,000 to \$80,530,000 with funding of \$23,600,000 from Tuition Revenue Bond Proceeds, \$34,330,000 from Gifts, \$16,600,000 from Insurance Claims, and \$6,000,000 from Grants and appropriated the additional \$25,000,000 from Gifts.

On October 20, 2005, the Chancellor approved reallocating funding for the total project cost of \$80,530,000 with funding of \$32,930,000 from Tuition Revenue Bond Proceeds, \$25,000,000 from Gifts, \$16,600,000 from Insurance Claims, and \$6,000,000 from Grants.

On March 23, 2006, the Chancellor approved reallocating funding for the total project cost of \$80,530,000 with funding of \$23,600,000 from Tuition Revenue Bond Proceeds, \$34,330,000 from Gifts, \$16,600,000 from Insurance Claims, and \$6,000,000 from Grants.

On August 10, 2006, the Board approved revising the funding sources for the total project cost of \$80,530,000 with funding of \$23,600,000 from Tuition Revenue Bond Proceeds, \$16,330,000 from Gifts, \$16,600,000 from Insurance Claims, \$6,000,000 from Grants, and \$18,000,000 from Permanent University Fund (PUF) Bond Proceeds.

Project Description

The project consists of a six-story building consisting of 202,743 gross square feet of laboratory and vivarium space with supporting areas of office space and mechanical rooms. The vivarium occupies the top two floors with the bottom four floors being laboratory floors.

U. T. Health Science Center - Houston requested a revision to the funding sources of \$16,330,000 from Gifts to Revenue Financing System Bond Proceeds and appropriation of funding to complete the project scope.

15. U. T. Health Science Center - Houston: Biomedical Research and Education Facility, Dental Branch Replacement Building, and Mental Sciences Institute Replacement Facility - Amendment of the FY 2006-2011 Capital Improvement Program and the FY 2007-2008 Capital Budget to reduce the total project cost and revise funding source for the Mental Sciences Institute Replacement Facility; approval to combine three projects and redesignate as the Research Park Complex; and approval of the total project cost

The Board approved the recommendations for the Biomedical Research and Education Facility project, the Dental Branch Replacement Building project, and the Mental Sciences Institute Replacement Facility project at The University of Texas Health Science Center at Houston as follows:

Project Delivery Method:	Construction Manager at Risk		
Substantial Completion Date:	September 2010		
Total Project Cost: Mental Sciences Institute Replacement Facility (Project No. 701-040)	<u>Source</u>	<u>Former</u>	<u>Current</u>
	Hospital Revenues	\$ 6,000,000	
	Unexpended Plant Funds	\$16,500,000	\$19,500,000
		\$22,500,000	
Total Project Cost: Biomedical Research and Education Facility (Project No. 701-277)	<u>Source</u>	<u>Current</u>	
	Permanent University Fund Bond Proceeds	\$41,100,000	
	Gifts	\$20,900,000	
		\$62,000,000	
Total Project Cost: Dental Branch Replacement Building (Project No. 701-267)	<u>Source</u>	<u>Current</u>	
	Permanent University Fund Bond Proceeds	\$18,000,000	
	Tuition Revenue Bond Proceeds	\$60,000,000	
	Gifts	\$ 2,000,000	
		\$80,000,000	

Total Combined Project Cost:	<u>Source</u>	<u>Current</u>
Research Park Complex (Project No. 701-320)	Unexpended Plant Funds	\$ 19,500,000
	Permanent University Fund Bond Proceeds	\$ 59,100,000
	Tuition Revenue Bond Proceeds	\$ 60,000,000
	Gifts	<u>\$ 22,900,000</u>
		\$161,500,000

- a. amend the FY 2006-2011 Capital Improvement Program (CIP) and the FY 2007-2008 Capital Budget to reduce the total project cost and revise the funding source for the Mental Sciences Institute Replacement Facility project from \$22,500,000 from Hospital Revenues to \$19,500,000 from Unexpended Plant Funds;
- b. combine the Biomedical Research and Education Facility project, the Dental Branch Replacement Building project, and the Mental Sciences Institute Replacement Facility project; and redesignate as the Research Park Complex; and
- c. approve a total project cost of \$161,500,000 with funding of \$19,500,000 from Unexpended Plant Funds, \$59,100,000 from Permanent University Fund (PUF) Bond Proceeds, \$60,000,000 from Tuition Revenue Bond Proceeds, and \$22,900,000 from Gifts.

Previous Board Actions

Biomedical Research and Education Facility - On August 10, 2006, the project was included in the CIP with a preliminary project cost of \$62,000,000 with funding of \$41,100,000 from PUF Bond Proceeds and \$20,900,000 from Gifts.

Dental Branch Replacement Building - On August 10, 2006, the project was included in the CIP with a preliminary project cost of \$80,000,000 with funding of \$18,000,000 from PUF Bond Proceeds, \$60,000,000 from Tuition Revenue Bond Proceeds, and \$2,000,000 from Gifts.

Mental Sciences Institute Replacement Facility - On November 11, 1999, the project was included in the CIP with a preliminary project cost of \$20,700,000 with funding from Unexpended Plant Funds. On August 9, 2001, the Board approved reducing the total project cost to \$16,500,000 with funding from Unexpended Plant Funds. On August 8, 2002, the Board approved the increase to the total project cost to \$22,500,000 with funding of \$16,500,000 from Unexpended Plant Funds and \$6,000,000 from Hospital Revenues.

Project Description

Combining the projects into a single building complex will allow for increased flexibility of use of all the space over the life of the building with anticipated construction cost and time savings. The structure will be designed with three wings to allow individual identities to remain intact. This facility will be built in The University of Texas Research Park (UTRP), and combining the three buildings into one complex will be an efficient use of the valuable land asset.

16. U. T. M. D. Anderson Cancer Center: Center for Advanced Biomedical Imaging Research - Amendment of the FY 2006-2011 Capital Improvement Program and the FY 2007-2008 Capital Budget to increase the total project cost; revision of funding sources; and appropriation of funds and authorization of expenditure

The Board approved the recommendations for the Center for Advanced Biomedical Imaging Research project at The University of Texas M. D. Anderson Cancer Center as follows:

Institutionally Managed: Yes No

Architecturally or Historically Significant: Yes No

Project Delivery Method: Construction Manager at Risk

Substantial Completion Date: February 2008

Total Project Cost:	<u>Source</u>	<u>Former</u>	<u>Current</u>
	Grants	\$30,000,000	\$30,000,000
	Gifts	\$25,000,000	\$25,000,000
	Local Funds	\$ 0	\$33,000,000
		\$55,000,000	\$88,000,000

- a. amend the FY 2006-2011 Capital Improvement Program (CIP) and the FY 2007-2008 Capital Budget to increase the total project cost from \$55,000,000 to \$88,000,000;
- b. revise the funding sources; and
- c. appropriate additional funds and authorize expenditure of funds of \$33,000,000 from Local Funds.

Previous Board Actions

On August 7, 2003, the project was included in the CIP with a preliminary project cost of \$55,000,000 with funding of \$42,500,000 from Grants and

\$12,500,000 from Gifts. On August 11, 2006, the Board approved design development plans, revised funding sources, and appropriated funding of \$30,000,000 from Grants and \$25,000,000 from Gifts.

Project Description

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

The University of Texas Health Science Center at Houston, which has partnered with U. T. M. D. Anderson Cancer Center in the development of this facility, requested that the facility be enlarged to accommodate future research programs. The facility will include two floors of shell space for development by U. T. Health Science Center - Houston. U. T. M. D. Anderson Cancer Center requested approval to revise the total project cost.

The Center for Advanced Biomedical Imaging Research will be approximately 315,000 gross square feet. This project will build out approximately 134,000 gross square feet with the remainder shelled for build-out during future phases. The new research facility is to be located at The University of Texas Research Park (UTRP) on the South Campus in close proximity to the other research facility. The six-story building will house laboratories dedicated to the development and validation of positron emission tomography (PET) as well as magnetic resonance imaging (MRI) and optical imaging tracers.

This project involves multiple funding sources including support from the Texas Enterprise Fund. In addition, GE Healthcare will contribute sophisticated technology and instrumentation, including a cyclotron to produce radionuclides. The research will focus on both preclinical and clinical investigations using PET scanning to detect and monitor cardiovascular disease and cancer. Scientists will utilize sophisticated probes to seek out cancer cells with specific molecular abnormalities and image them with scanning and other technologies. New advances will enable physicians to select appropriate treatments and determine the effectiveness of cancer therapy within hours or days instead of months. The Center for Advanced Biomedical Imaging Research will be a unique program that brings together the expertise of GE Healthcare and researchers to create new ways of diagnosing cancer and cardiac disease and selecting appropriate therapy.

17. U. T. System: Archer Center Student Housing – Report on possibility of student housing in Washington, D.C.

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

RECONVENE BOARD OF REGENTS AS COMMITTEE OF THE WHOLE.--At 12:37 p.m., the Board reconvened as a committee of the whole.

SCHEDULED MEETING.--The next regularly scheduled meeting will be held on February 7-8, 2007, in Austin, Texas.

ADJOURNMENT.--There being no further business, the meeting was adjourned at 12:40 p.m.

/s/Francie A. Frederick
General Counsel to the Board of Regents

January 22, 2007

**THE UNIVERSITY OF TEXAS SYSTEM ADMINISTRATION
DOCKET NO. 128**

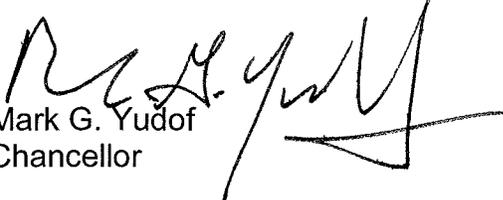
October 26, 2006

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 respective presidents and prepared by the institutions listed below are submitted for discussion and appropriate action regarding approval of the Docket at the meeting of the U. T. System Board of Regents on November 16, 2006. The Interim 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 - 5
The University of Texas at Arlington	Docket 6 - 10
The University of Texas at Austin	Docket 11 - 26
The University of Texas at Brownsville	Docket 27 - 31
The University of Texas at Dallas	Docket 32 - 38
The University of Texas at El Paso	Docket 39 - 51
The University of Texas – Pan American	Docket 52 - 61
The University of Texas of the Permian Basin	Docket 62 - 64
The University of Texas at San Antonio	Docket 65 - 72
The University of Texas at Tyler	Docket 73 - 74
The University of Texas Southwestern Medical Center at Dallas	Docket 75 - 78
The University of Texas Medical Branch at Galveston	Docket 79 - 85
The University of Texas Health Science Center at Houston	Docket 86 - 95
The University of Texas Health Science Center at San Antonio	Docket 96 - 98
The University of Texas M. D. Anderson Cancer Center	Docket 99 -107
The University of Texas Health Center at Tyler	Docket 108


Mark G. Yudof
Chancellor

xc: Other Members of
the Board

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

TRANSFERS OF FUNDS

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

Description	\$ Amount	RBC #
LIBRARY SPECIAL COLLECTIONS RESERVE		
1. Amount of Transfer:	75,000	10

From: U. T. System Administration

To: U. T. Austin

To transfer funds from the Library Special Collections Reserve to U. T. Austin for the purchase of the Oscar Hijuelos Archives. Mr. Hijuelos is the first American-born Hispanic to win a Pulitzer Prize for fiction. The collection will be an extremely important addition, a significant resource for scholars, and would complement the extensive modern literary holdings of the Harry Ransom Center.

COMPREHENSIVE PROPERTY PROTECTION PROGRAM

Catastrophic Self-Insurance Fund

2. Amount of Transfer:	892,723	11
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From: Comprehensive Property Protection Program
Catastrophic Self-Insurance Fund – Income

To: Comprehensive Property Protection Program
Catastrophic Self-Insurance Fund – All Expenses

Transfer of funds to cover the expenses associated with a claim by U. T. Medical Branch – Galveston for damage caused by Hurricane Rita.

OTHER FISCAL ITEMS

EMPLOYMENT AGREEMENTS

The following agreement effects the compensation and benefits provisions discussed and approved on August 10, 2006 by the U. T. System Board of Regents and reflected in the August 2006 Board meeting [Minutes](#). 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: Chancellor
Funds: \$476,400 annually (plus \$225,000 in deferred compensation)
Period: Beginning September 1, 2006
Description: Amendment to agreement for employment of Mark G. Yudof as Chancellor of The University of Texas System. The Chancellor shall hold office without fixed term subject to the pleasure of the Board. In addition to base salary, Chancellor Yudof will receive \$225,000 in deferred compensation. The Chancellor of The University of Texas System is required to reside in the Bauer House and use this home as the center for official occasions and developmental activities for which a housekeeper will be assigned. Other elements of compensation are the provision of a cellular telephone, cost of club memberships as agreed to by the Chairman of the Board, other official entertainment expenses, and out-of-pocket expenses for official travel. Expenses for official travel for Mrs. Yudof will be reimbursed pursuant to approved policy. Chancellor Yudof will continue to hold an appointment as Professor of Law, with tenure, and without additional compensation at the U. T. Austin School of Law. U. T. System will reimburse or provide for term life and long term care insurance, not to exceed the maximum policy limit authorized by the U. T. System insurance program available to employees.

OTHER FISCAL ITEMS (CONTINUED)

TRANSFER OF FUNDS

TEXAS PHYSICIANS UPPER PAYMENT LIMIT

The following request to authorize the transfer of funds as needed to participate in the Texas Physicians Upper Payment Limit Project has been administratively approved by the Chancellor and is recommended for approval by the U. T. System Board of Regents. U. T. System health institutions will receive supplemental payments for state-affiliated physician practice plans under the Project through a submission of a State Plan Amendment to the U.S. Department of Health and Human Services Centers for Medicare and Medicaid Services.

This change in reimbursement practice recognizes the unique role state-affiliated physician practice plans play in providing services to Medicaid recipients. As a result of the change in methodology, the State will obtain additional federal revenues for state-affiliated practice plans that bill Medicaid. The additional federal revenues will not increase state expenditures. Receipt of the supplemental funds will require a transfer of funds from the six U. T. System health institutions to U. T. System Administration to the State of Texas. The state matching funds required to obtain additional federal dollars will be provided by the state-affiliated physician practice plans at the health institutions.

The first supplemental payment to U. T. System institutions is tentatively scheduled for early December and covers the dates of services from May 1, 2004 through August 31, 2006. This transaction will require that U. T. System transfer approximately \$82.6 million to the state treasury for approximately three days to be used by the Texas Health and Human Services Commission as state matching funds to obtain additional federal revenues in the amount of approximately \$127.3 million. At the end of the three-day period, the original amount transferred will be returned along with additional federal revenue. These amounts are detailed below by institution but may vary slightly once final payments are calculated.

Federal Fiscal Year 2004 - 2006 Payments	UT System Transfer for State Share *	Federal Share *
UT SWMC	\$ 36,838,291	\$ 56,869,659
UT MB Galveston	\$ 16,662,488	\$ 25,674,609
UT HSC Houston	\$ 11,951,006	\$ 18,450,532
UT HSC San Antonio	\$ 6,849,188	\$ 10,571,043
UT MD Anderson	\$ 7,943,311	\$ 12,245,242
UT HC Tyler	\$ 2,308,442	\$ 3,563,440
Total Payment	\$ 82,552,726	\$ 127,374,525

All health institutions are involved and supportive of this change in payment methodology and the need for the initial matching payment.

*All amounts are estimated.

OTHER MATTERS

RECOGNITION OF MEMBERS

The Board of Regents is asked to recognize the following individuals listed below as members of the University of Texas Academy of Health Science Educators. Members are elected into this elite group of faculty, with 24 members to be elected in years one and two, and 12 members to be elected each year after.

FOUNDING MEMBERS

<u>Name</u>	<u>Institution</u>
Frank C. Arnett, M.D.	U. T. Health Science Center - Houston
L. Kay Bartholomew, Ed.D.	U. T. Health Science Center - Houston
L. Maximilian Buja, M.D.	U. T. Health Science Center - Houston
Robert M. Chamberlain, Ph.D.	U. T. M. D. Anderson Cancer Center
Jennifer Cuthbert, M.D.	U. T. Southwestern Medical Center - Dallas
Anne C. DeWitt, M.S.N., R.N.	U. T. Health Center - Tyler
Robert M. Esterl, M.D.	U. T. Health Science Center - San Antonio
Emil Freireich, M.D.	U. T. M. D. Anderson Cancer Center
Mark D. Holden, M.D.	U. T. Medical Branch - Galveston
Linda Johnson, Ph.D.	U. T. Health Science Center - San Antonio
Jonathan MacClements, M.D.	U. T. Health Center - Tyler
Michael G. Roth, Ph.D.	U. T. Southwestern Medical Center - Dallas
Linda R. Rounds, Ph.D.	U. T. Medical Branch - Galveston

ELECTED MEMBERS FOR 2006

<u>Name</u>	<u>Institution</u>
Michael Ahearn, Ph.D.	U. T. M. D. Anderson Cancer Center
Michael A. Ainsworth, M.D.	U. T. Medical Branch - Galveston
Robert Beach, M.D.	U. T. Medical Branch - Galveston
Dennis Blessing, Ph.D.	U. T. Health Science Center - San Antonio
Eugene Boisaubin, M.D.	U. T. Health Science Center - Houston
Dennis Burns, M.D.	U. T. Southwestern Medical Center - Dallas
Susan Cox, M.D.	U. T. Southwestern Medical Center - Dallas
David Hillis, M.D.	U. T. Southwestern Medical Center - Dallas
Mien-Chie Hung, Ph.D.	U. T. M. D. Anderson Cancer Center
Lynne Kirk, M.D.	U. T. Southwestern Medical Center - Dallas
Ellen Kraig, Ph.D.	U. T. Health Science Center - San Antonio
Steven A. Lieberman, M.D.	U. T. Medical Branch - Galveston
Richard Luduena, Ph.D.	U. T. Health Science Center - San Antonio
Marianne Marcus, R.N., Ed.D.	U. T. Health Science Center - Houston

OTHER MATTERS (CONTINUED)

RECOGNITION OF MEMBERS (CONTINUED)

ELECTED MEMBERS FOR 2006 (CONTINUED)

<u>Name</u>	<u>Institution</u>
Shirlyn McKenzie, Ph.D.	U. T. Health Science Center - San Antonio
John C. McMahon, Ph.D.	U. T. Health Science Center - Houston
Virginia Moyer, M.D.	U. T. Health Science Center - Houston
Philip R. Orlander, M.D.	U. T. Health Science Center - Houston
John Papaconstantinou, Ph.D.	U. T. Medical Branch - Galveston
Leslie Roeder, D.D.S.	U. T. Health Science Center - Houston
Gary Rosenfeld, Ph.D.	U. T. Health Science Center - Houston
John Sadler, M.D.	U. T. Southwestern Medical Center - Dallas
Stephen Tomasovic, Ph.D.	U. T. M. D. Anderson Cancer Center
Ellen Vitetta, Ph.D.	U. T. Southwestern Medical Center - Dallas

REAL ESTATE REPORT

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

Summary Report at August 31, 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 5/31/06	\$ 3,864,617	\$ 23,419,095	\$ 105,536,794	\$ 219,301,015	\$ 1,138,209	\$ 1,063,080	\$ 110,539,620	\$ 243,783,190
Increase or Decrease	(4,499)	6,746,232	(698,366)	6,226,418	-	-	(702,865)	12,972,650
Ending Value 8/31/06	\$ 3,860,118	\$ 30,165,327	\$ 104,838,428	\$ 225,527,433	\$ 1,138,209	\$ 1,063,080	\$ 109,836,755	\$ 256,755,840
Other Real Estate:								
Ending Value 5/31/06	\$ 110,824	\$ 110,824	\$ 238,876	\$ 238,876	\$ -	\$ -	\$ 349,700	\$ 349,700
Increase or Decrease	(1,092)	(1,092)	(9,201)	(9,201)	-	-	(10,293)	(10,293)
Ending Value 8/31/06	\$ 109,732	\$ 109,732	\$ 229,675	\$ 229,675	\$ -	\$ -	\$ 339,407	\$ 339,407

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

Details of individual assets by account furnished on request.

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

U. T. ARLINGTON

AMENDMENTS TO THE 2006-07 BUDGET

APPOINTMENTS AND PROMOTIONS

The following Requests for Budget Change (RBC) have been administratively approved by the Interim 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 ENGINEERING					
Mechanical and Aerospace					
1. Dale Anderson					1527
From: Professor (T)		100	09	122,262	
To: Professor Emeritus	9/1-5/31			0	
Electrical Engineering					
2. Adrian Fung					1528
From: Professor (T)		100	09	118,060	
To: Professor Emeritus	9/1-5/31			0	
COLLEGE OF LIBERAL ARTS					
English					
3. Nancy Wood					1537
From: Professor (T)		100	09	72,608	
To: Professor Emeritus	9/1-5/31			0	
Modern Languages					
4. Charles McDowell					1556
From: Professor (T)		100	09	59,814	
To: Professor Emeritus	9/1-5/31			0	

AMENDMENTS TO THE 2006-07 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 LIBERAL ARTS (Continued)					
Modern Languages (Continued)					
5. Elizabeth Ordonez					1533
From: Professor (T) and Acting Chair		100 SUPLT	09 09	60,030 6,000	
To: Professor Emeritus	9/1-5/31			0	
6. Jose Sanchez					1535
From: Associate Professor (T)		100	09	42,000	
To: Professor Emeritus	9/1-5/31			0	
7. Frederick Vina					1536
From: Associate Professor (T)		100	09	51,458	
To: Professor Emeritus	9/1-5/31			0	
OFFICE OF THE PROVOST					
Community and Service Learning					
College of Education					
Kinesiology					
8. Mary Ridgeway					1534
From: Director Professor (T)		50	09 09	120,000 49,091	
To: Professor Emeritus	9/1-5/31			0	
COLLEGE OF SCIENCE					
Psychology					
Professor					
9. Andrew S. Baum (T)	9/1-5/31	100	09	155,000	1653

AMENDMENTS TO THE 2006-07 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>	
SCHOOL OF SOCIAL WORK					
Social Work					
10. Pedro Lecca					1529
From: Professor (T)		100	09	58,446	
To: Professor Emeritus	9/1-5/31			0	
11. Nazneen Mayadas					1531
From: Professor (T)		100	09	76,236	
To: Professor Emeritus	9/1-5/31			0	
12. Charles Mindel					1532
From: Professor (T)		100	09	77,205	
To: Professor Emeritus	9/1-5/31			0	
COLLEGE OF EDUCATION					
Curriculum and Instruction					
Associate Professor					
13. Ann Cavallo (T)	9/1-5/31	100	09	75,000	1655

AMENDMENTS TO THE 2005-06 BUDGET

APPOINTMENTS AND PROMOTIONS

COLLEGE OF ENGINEERING					
Computer Science and Engineering					
Professor and Chair					
1. Fillia Makeon (T)	8/1-8/31	100	09	160,000	1510
Electrical Engineering					
Associate Professor					
2. Daniel W. Engels (T)	6/1-8/31	100	09	90,000	1448

AMENDMENTS TO THE 2005-06 BUDGET (CONTINUED)

TRANSFERS OF FUNDS

<u>Description</u>	<u>\$ Amount</u>	<u>RBC #</u>
PLANT FUNDS		
3. Amount of Transfer:	3,982,470	1446
From: Tenant Improvements - Fort Worth Rail Market Center		
To: Educational & General Budget Reserve		
For architectural and engineering fees, construction, data/telecom, and furniture and equipment.		
DESIGNATED FUNDS		
4. Amount of Transfer:	500,000	1454
From: Educational and General Budget Reserve		
To: Tenant Improvements - Fort Worth Rail Market Center		
Transfer of funds for building renovations at Fort Worth Rail Market Center.		
5. Amount of Transfer:	835,469	1516
From: Budget Shortfall Unallocated		
To: Designated Utilities Maintenance & Operations		
To fund utility budget shortfall for fiscal year 2006.		

OTHER FISCAL ITEMS

EMPLOYMENT AGREEMENTS

The following agreement effects the compensation and benefits provisions discussed and approved on August 10, 2006 by the U. T. System Board of Regents and reflected in the August 2006 Board meeting *Minutes*. 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: President
Funds: \$370,000 annually
Period: Beginning September 1, 2006
Description: Amendment of agreement for employment of James D. Spaniolo as President of The University of Texas at Arlington. The President reports to the Executive Vice Chancellor for Academic Affairs and shall hold office without fixed term subject to the pleasure of the Executive Vice Chancellor for Academic Affairs and approval by the Chancellor and the Board. Other elements of compensation are the cost of club memberships as approved by the Executive Vice Chancellor for Academic Affairs, other official entertainment expenses, and out-of-pocket expenses for official travel in accordance with the Regents' *Rules and Regulations*. While serving as President, Mr. Spaniolo's appointment as Professor, with tenure, in the Department of Communication, College of Liberal Arts at U. T. Arlington, is without compensation.

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: Cadence Design Systems
College/School/ Department: Electrical and Computer Engineering
Purpose: For research and academic support of students and faculty
Asset Type: Software Licenses
Value: \$6,710,900
2. Donor Name: Howard Hughes Medical Institute
College/School/ Department: Neurobiology
Purpose: To enhance research activities for the faculty
Asset Type: Equipment and furniture
Value: \$1,148,552
3. Donor Name: Paradigm
College/School/ Department: Institute for Geophysics
Purpose: For research and academic support of students and faculty
Asset Type: Software Licenses
Value: \$4,109,700
4. Donor Name: Tonner Hills SSP, LLC
College/School/ Department: Bureau of Economic Geology
Purpose: For research projects, and as may be needed by students, faculty, university researchers and the public
Asset Type: Core samples
Value: \$6,074,000

CONTRACTS

The following contracts have been administratively approved by the President or his delegate and the Interim 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: The Collegiate Licensing Company (CLC)
Funds: 90% of the first \$5 million of annual revenue 85% of the second \$5 million of annual revenue 92.5% of all annual revenue above \$10 million
Period: July 1, 2006 through June 30, 2016
Description: This agreement is between CLC and U. T. Austin and U. T. El Paso for licensing and administrative services regarding trademark policy.
2. Agency: The Collegiate Licensing Company (CLC)
Funds: 92.5% of annual revenue
Period: July 1, 2006 through June 30, 2016
Description: The agreement is between CLC and U. T. Arlington, U. T. Brownsville, U. T. Dallas, U. T. Pan American, U. T. Permian Basin, U. T. San Antonio, U. T. Tyler, U. T. Southwestern Medical Center - Dallas, U. T. Medical Branch - Galveston, U. T. Health Science Center - Houston, and U. T. Health Science Center - San Antonio for licensing and administrative services regarding trademark policy. U. T. Austin manages the contract for these institutions.
3. Agency: Public Radio Partners, Inc.
Funds: \$2,700,000
Period: September 1, 2006 through August 31, 2009
Description: U. T. Austin will contract for the provision of outsourced underwriting sales and management services on behalf of KUT-Radio.
4. Agency: Texas Department of Family and Protective Services
Funds: \$2,147,505
Period: September 1, 2006 through August 31, 2007
Description: U. T. Austin will operate a staff development and training program that supports the goals and objectives to meet the needs of the State plan for Title IV-E of the Social Security Act. To achieve this task, Texas Department of Family and Protective

CONTRACTS (CONTINUED)

GENERAL CONTRACTS (CONTINUED)

FUNDS COMING IN (CONTINUED)

Services (DFPS) contracts for short and long-term training at educational institutions to train current employees of DFPS, persons preparing for employment with DFPS, and foster or adoptive parents. The training must include content from various disciplines and knowledge bases relevant to child and family service policies, it must include programs and practices as they apply to foster care maintenance and adoption assistance, and contribute to child safety, well-being, and permanency of placement. U. T. Austin will provide training, certification and program support services through the School of Social Work to meet the needs of DFPS Child Protective Services, Adult Protective Services, Child Care Licensing, and the Statewide Intake Program staff, particularly to enable DFPS caseworkers and supervisors to provide professional social work services and to meet the DFPS legal mandate of preventing and addressing the abuse and neglect of children and of senior populations in Texas.

5. Agency: Amherst Center Offices II, Ltd.
Funds: \$1,267,132 plus tenant improvement costs not yet determined
Period: January 1, 2007 through March 31, 2011
Description: First amendment to a Space Lease Agreement entered into November 18, 2005. This amendment will expand the leased premises to include an additional 5,357 square feet of space at 4201 West Palmer Lane, Suite C-200, Austin, Texas, for use by U. T. Austin Center for Agile Technology.

CONTRACTS (CONTINUED)

CONTRACTS WITH AGENCY OF A FOREIGN GOVERNMENT

FUNDS GOING OUT

6. Agency: Palazzo Ducale, S.p.A.
Funds: \$38,400
Period: Effective August 2, 2006 through July 8, 2007
Description: U. T. Austin will collaborate to create a joint exhibition entitled "Luca Cambiaso 1527-1585," a collection of works of art by Luca Cambiaso and related artists for study in the galleries of both parties.

AMENDMENTS TO THE 2006-07 BUDGET

APPOINTMENTS AND PROMOTIONS

The following Requests for Budget Change (RBC) have been administratively approved by the Interim 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 ARCHITECTURE					
Associate Professor					
1. Michael Hollaran (T)	9/1-5/31	100	09	90,000	1503
Associate Professor					
2. Miroslava Benes (T)	9/1-5/31	100	09	85,000	1504
COLLEGE OF COMMUNICATION					
Journalism					
Frank A. Bennak, Jr. Chair in Journalism and Professor					
3. Tracy S. Dahlby (T)	9/1-5/31	100	09	100,000	1571
	9/1-5/31	SUPLT	09	25,000	
COLLEGE OF ENGINEERING					
4. Joydeep Ghosh (T)					1705
From:	Cullen Trust for Higher Education Endowed Professorship in Engineering #5 and Professor Professorship Supplement		100	09	113,801
		SUPLT	09	11,740	
To:	Schlumberger Centennial Chair in Engineering and Professor		100	09	135,541
5. Mukul M. Sharma (T)					1707
From:	Professor		100	09	141,499
To:	W. A. "Tex" Moncrief, Jr. Centennial Chair in Petroleum Engineering and Professor		100	09	141,499

AMENDMENTS TO THE 2006-07 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 FINE ARTS					
6. Robert Freeman (T)					1712
From: Effie Marie Cain Regents Chair In Fine Arts and Professor		100	09	140,000	
To: Susan Menefee Ragan Fellow in Fine Arts and Professor Fellowship Supplement		100 SUPLT	09 09	170,000 10,000	
7. Gerhardt Zimmerman (T)					1708
From: Professor		100	09	112,000	
To: Jack G. Taylor Regents Professorship in Fine Arts and Professor Professorship Supplement		100 SUPLT	09 09	112,000 3,000	
JACKSON SCHOOL OF GEOSCIENCES					
Geological Sciences & Institute for Geophysics Professor and Research Professor					
8. Terrence M. Quinn (T)	9/1-5/31	100	09	110,000	1632
Associate Professor and Research Professor					
9. Brian K. Horton (T)	9/1-5/31	100	09	100,000	1573
SCHOOL OF LAW					
10. Harold D. Laycock (T)					1634
From: Professor and Alice McKean Young Chair in Law Chair Supplement Associate Dean		50 SUPLT 50	09 09 12	206,294 16,000 275,058	
To: Alice McKean Young Chair Emeritus In Law	9/1-5/31			0	

AMENDMENTS TO THE 2006-07 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>	
SCHOOL OF LAW (Continued)					
James R. Dougherty Chair for Faculty Excellence and Professor and Vice Provost for Health Affairs					
11. William M. Sage (T)	9/1-5/31	50	09	172,000	1633
	9/1-5/31	SUPLT	09	10,000	
	9/1-8/31	50	12	242,667	
COLLEGE OF LIBERAL ARTS					
English					
12. Zulfikar Ghose (T)					1706
From: Professor		100	09	74,000	
To: Susan Taylor McDaniel Regents Professorship in Creative Writing #1 and Professor		100	09	74,000	
Associate Professor					
13. Gretchen Murphy (T)	9/1-5/31	100	09	75,000	1572
Philosophy					
14. Paul B. Woodruff (T)					1709
From: Darrell K Royal Regents Professor in Ethics and American Society and Professor		100	09	149,000	
To: Dean of Undergraduate Studies Darrell K Royal Regents Professor in Ethics and American Society and Professor		100	12	220,000	
		0	09	149,000	
LBJ SCHOOL OF PUBLIC AFFAIRS					
Professor and Director of the Strauss Center for International Security and Law					
15. James M. Lindsay (T)	9/1-5/31	0	09	140,000	1635
	9/1-5/31	SUPLT	09	50,000	
	9/1-8/31	100	12	165,000	

Prepared by:
U. T. Austin

Docket - 17

November 16, 2006

AMENDMENTS TO THE 2006-07 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>	
MCCOMBS SCHOOL OF BUSINESS					
16. Robert A. Peterson (T)					1713
From: John T. Stuart III Centennial Chair in Business and Professor		100	09	155,283	
Chair Supplement		SUPLT	09	24,500	
To: Associate Vice President for Research		100	12	207,044	
John T. Stuart III Centennial Chair in Business and Professor		0	09	155,283	
Chair Supplement		SUPLT	09	24,500	

AMENDMENTS TO THE 2005-06 BUDGET

APPOINTMENTS AND PROMOTIONS

<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 LIBERAL ARTS					
Government and Economics/Dean's Office					
1. Brian E. Roberts (T)					1440
From: Centennial Commission Chair in Liberal Arts and Professor		50	09	105,000	
Associate Dean		50	12	140,000	
To: Centennial Commission Chair in Liberal Arts and Professor	6/1-8/31	0	09	105,000	
Interim Associate Vice President for Information Technology Services	6/1-8/31	100	12	180,000	

AMENDMENTS TO THE 2005-06 BUDGET (CONTINUED)

TRANSFERS OF FUNDS

<u>Description</u>	<u>\$ Amount</u>	<u>RBC #</u>
EDUCATIONAL AND GENERAL FUNDS		
Vice President and Chief Financial Officer		
2. Amount of Transfer:	218,670	1496
From: State General Revenue Estimated Income		
To: Educational and General State Appropriations		
To record general revenue account reductions for commercial air travel for fiscal year 2005-06.		
SERVICE DEPARTMENT FUNDS		
University of Texas Libraries		
3. Amount of Transfer:	1,030,279	1421
From: Library Resource Sharing Project Operating Income		
To: Library Resource Sharing Project Books		
Transfer income to book expenditure account for payment of invoices.		
Vice President for Employee and Campus Services		
4. Amount of Transfer:	505,000	1478
From: University Printing Services Operating Income		
To: University Printing Services Plant Operations		
Transfer income to expenditure account to continue processing printing jobs through the end of fiscal year 2005-06.		

AMENDMENTS TO THE 2005-06 BUDGET (CONTINUED)

TRANSFERS OF FUNDS (CONTINUED)

<u>Description</u>	<u>\$ Amount</u>	<u>RBC #</u>
SERVICE DEPARTMENT FUNDS (Continued)		
Vice President for Employee and Campus Services (Continued)		
5. Amount of Transfer:	15,100,000	1422
From: Utility Plant Revolving Fund Operating Income		
To: Utility Plant Revolving Fund Fuel		
Transfer income to expenditure account to cover increased gas costs that will be recouped through billing.		
DESIGNATED FUNDS		
Vice President and Chief Financial Officer		
6. Amount of Transfer:	4,513,381	1426
From: Provision for Utilities Operating Income	4,513,381	
To: Purchased Utilities – Main Campus Utilities		
Electricity	276,000	
Gas	105,500	
Maintenance and Operation	4,131,881	
Transfer additional funds from central account for higher than budgeted utility costs on main campus due to increase in cost of natural gas.		
School of Law		
7. Amount of Transfer:	1,165,000	1502
From: School of Law Continuing Legal Education, Inc. – Operating Income		
To: School of Law Continuing Legal Education, Inc. – Maintenance, Operation and Equipment		
Budget over fee income to meet operating needs – printing of brochures, preparation of course packets/materials, and hotel expenses related to hosting Continuing Legal Education conferences (conference rooms, rooms for speakers, audio/visual rental).		

AMENDMENTS TO THE 2005-06 BUDGET (CONTINUED)

TRANSFERS OF FUNDS (CONTINUED)

<u>Description</u>	<u>\$ Amount</u>	<u>RBC #</u>
AUXILIARY ENTERPRISE FUNDS		
Intercollegiate Athletics		
8. Amount of Transfer:	750,000	1430
From: Intercollegiate Athletics for Men Operating Income		
To: Intercollegiate Athletics for Men Other Expenses		
Budget adjustments to cover expenses.		
9. Amount of Transfer:	2,500,000	1476
From: Intercollegiate Athletics for Men Operating Income	2,500,000	
To: Intercollegiate Athletics for Men Other Expenses	1,500,000	
Intercollegiate Athletics for Men Travel	1,000,000	
Transfer funds to reflect additional current year income to be received in excess of original budget to allow for funding of additional travel expenditures.		
10. Amount of Transfer:	1,000,000	1508
From: Intercollegiate Athletics for Men Operating Income		
To: Intercollegiate Athletics for Men Other Expenses		
Transfer funds for actual revenues received in excess of amount budgeted to allow for funding of additional operating expenses.		

AMENDMENTS TO THE 2005-06 BUDGET (CONTINUED)

TRANSFERS OF FUNDS (CONTINUED)

<u>Description</u>	<u>\$ Amount</u>	<u>RBC #</u>
AUXILIARY ENTERPRISE FUNDS (Continued)		
Housing and Food Service		
11. Amount of Transfer:	4,218,900	1477
From: Housing and Food Service Division Office Expenses – Operating Income		
To: Housing and Food Service Division Office Expenses – Food and Stores Operating Expenses		
Transfer from income to expense account for food service and grocery expenditures.		
PLANT FUNDS		
Physical Plant – Kinsolving		
12. Amount of Transfer:	670,225	1434
From: Auxiliary Enterprise Funds Housing and Food Services Division Office Expenses		
To: Physical Plant – KIN – Design and Roof Replacement – All Expenses		
Additional funding for roof replacement in Kinsolving Dormitory (KIN).		
Physical Plant - Campus		
13. Amount of Transfer:	1,030,000	1462
From: Auxiliary Enterprises – Housing and Food Service General Repair/Replacement Reserve Account		
To: Physical Plant – Campus – Exterior Egress At Roberts – All Expenses		
Additional funding for exterior and interior egress at Roberts Hall and Prather Hall dormitories.		

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 – PP4		
14. Amount of Transfer:	700,000	1463
From: Designated Funds – Business Services Central Funding Control Account Operating Income		
To: Physical Plant – PP4 – Phase II of PP Space Study – All Expenses		
Additional funding for the Physical Plant building renovation.		
Physical Plant – RLM		
15. Amount of Transfer:	585,000	1464
From: Designated Funds – Vice President and Chief Financial Officer – Research Enhancement Allotment		
To: Physical Plant – RLM – Downer Clean Room Renovation – All Expenses		
Funding for Downer Clean Room renovation in Robert Lee Moore Hall (RLM).		

OTHER FISCAL ITEMS

EMPLOYMENT AGREEMENTS

The following agreement effects the compensation and benefits provisions discussed and approved on August 10, 2006 by the U. T. System Board of Regents and reflected in the August 2006 Board meeting *Minutes*. 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: President
Funds: \$552,500 annually
Period: Beginning September 1, 2006
Description: Amendment of agreement for employment of William C. Powers, Jr. as President of The University of Texas at Austin. The President reports to the Executive Vice Chancellor for Academic Affairs and shall hold office without fixed term subject to the pleasure of the Executive Vice Chancellor for Academic Affairs and approval by the Chancellor and the Board. Other elements of compensation are the cost of club memberships as approved by the Executive Vice Chancellor for Academic Affairs, other official entertainment expenses, and out-of-pocket expenses for official travel in accordance with the Regents' *Rules and Regulations*. While serving as President, Mr. Powers' appointment as Professor of Law, with tenure, at the U. T. Austin School of Law, is without compensation. Additionally, he will hold an appointment to the Regents' Chair in Higher Education Leadership and will have access to the income from this chair for initiatives on campus. President Powers will continue to hold the Hines H. Baker and Thelma Kelley Baker Chair in Law.

SALE OF UNIVERSITY-OWNED PROPERTY

The following sale of surplus property has been administratively approved by the Interim Executive Vice Chancellor for Academic Affairs. A sale in the amount of \$100,000 or more requires approval by the U. T. System Board of Regents to comply with Regents' *Rules and Regulations*, Series 80201.

- Item Sold: Oceanographic marine research vessel "*Longhorn*"
Amount: Between \$600,000 to \$1,100,000
Purchaser: Not Yet Sold
Explanation: The sale is dictated by the age of the vessel (35 years) with some of the scientific equipment approaching obsolescence, the need for a major refit (anticipated to exceed \$1 million), a continuing decrease in funding for oceanographic research, especially in the Western Gulf of Mexico, the trend for ocean research to extend to depths that exceed the ship's capabilities, and the relatively minor amount of shipboard time (historically, only 6%) that actually supports research by U. T. Austin scientists and graduate students.

Method of Sale: At this time, U. T. Austin is investigating whether to sell the vessel using a broker or another commercially reasonable method.

Authorization: U. T. Austin is requesting that the Board authorize the Vice President and Chief Financial Officer for business Affairs, Kevin Hegarty, to sign documents related to the sale transaction, subject to approval by the Office of General Counsel.

OTHER MATTERS

APPROVAL OF DUAL POSITIONS OF HONOR, TRUST, OR PROFIT

The following item has been approved by the Interim Executive Vice Chancellor for Academic 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 the position and the appointment of Ms. James with The University of Texas at Austin. 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 appointment.

- | | |
|---------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Name: | Ms. Barbara Wand James |
| Title: | Project Director for the Texas Homeless Education Office,
Charles A. Dana Center for Science and Mathematics
Education |
| Position: | Member, Early Childhood Intervention Advisory Committee |
| Period: | September 20, 2006 to February 1, 2009 |
| Compensation: | None |
| Description: | Governor Rick Perry appointed Ms. James as a member of
the Early Childhood Intervention Advisory Committee. The
Interagency Council on Early Childhood Intervention relies
on the Advisory Committee for advice and recommendations
in order to provide better services to Texas families with
children with disabilities or development delays. |

U. T. BROWNSVILLE
AMENDMENTS TO THE 2006-07 BUDGET

APPOINTMENTS AND PROMOTIONS

The following Requests for Budget Change (RBC) have been administratively approved by the Interim 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 LIBERAL ARTS					
Behavioral Sciences					
1. Ethel L. Cantu (T)					1658
From: Master Technical Instructor		100	09	56,099	
To: Master Technical Instructor, Interim Dean	9/1-5/31	100	09	56,099	
	9/1-5/31	SUPL	09	14,400	
Dean of College of Liberal Arts					
2. Charles F. Dameron (T)					1652
From: Interim Dean of Liberal Arts		100	12	106,090	
To: Interim Dean of Liberal Arts	9/1-8/31	100	12	106,090	
Interim Vice President Academic Affairs	9/1-8/31	SUPL	12	14,400	
Modern Languages					
Assistant Professor					
3. Diego Ponce (T)	9/1-5/31	100	09	43,000	1607

AMENDMENTS TO THE 2006-07 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 SCIENCE, MATH & TECHNOLOGY					
Mathematics					
4. Jerzy Mogilski (T)					1651
From: Associate Professor		100	09	52,943	
To: Associate Professor	9/1-5/31	100	09	52,943	
Interim Chair	9/1-5/31	SUPL	09	9,333	
Chemistry and Environmental Sciences					
Assistant Professor					
5. Carlos Cintra Buenrostro (T)	9/1-5/31	100	09	52,000	1595
DEVELOPMENTAL GENERAL EDUCATION					
Developmental Education					
6. Terry Jay Phillips (T)					1663
From: Dean of General Studies		100	12	90,161	
To: Dean of General Studies	9/1-5/31	100	12	90,161	
Interim Dean of Science, Math, and Technology	5/1-8/31		04	5,000	
SCHOOL OF BUSINESS					
Accounting					
7. Janna L. Arney (T)					1660
From: Associate Professor		100	09	84,982	
To: Associate Professor	9/1-5/31	100	09	84,982	
Interim Associate Vice President for Academic Affairs	9/1-5/31	SUPL	09	12,000	
Office of the Dean of Business					
Professor and Dean					
8. Hugh Martin Shane (T)	9/1-8/31	100	12	139,050	1605

AMENDMENTS TO THE 2006-07 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>	
SCHOOL OF HEALTH SCIENCES					
Allied Health					
9. John McCabe (T)					1650
From: Associate Professor		100	09	86,904	
Chairperson		SUPL	03	6,799	
To: Associate Professor	9/1-5/31	100	09	86,904	
Director	6/1-8/31	SUPL	03	800	
Nursing					
10. Joe Lacher (T)					1666
From: Associate Professor		100	09	60,971	
		SUPL	03	20,324	
To: Associate Professor	9/1-5/31	100	09	60,971	
	6/1-8/31	100	03	20,324	
Program Director	9/1-8/31	SUPL	09	14,400	
11. Virginia Maldonado-Maxwell (T)					1667
From: Master Technical		100	09	42,552	
Instructor		SUPL	03	15,242	
To: Master Technical	9/1-5/31	100	09	42,552	
Instructor and	6/1-8/31	100	03	15,242	
Assistant Program Director	9/1-8/31	SUPL	12	1,600	

OTHER FISCAL ITEMS

EMPLOYMENT AGREEMENTS

The following agreement effects the compensation and benefits provisions discussed and approved on August 10, 2006 by the U. T. System Board of Regents and reflected in the August 2006 Board meeting *Minutes*. 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: President
Funds: \$275,263 annually (plus \$25,000 deferred compensation)
Period: Beginning September 1, 2006
Description: Amendment of agreement for employment of Juliet V. García as President of The University of Texas at Brownsville. The President reports to the Executive Vice Chancellor for Academic Affairs and shall hold office without fixed term subject to the pleasure of the Executive Vice Chancellor for Academic Affairs and approval by the Chancellor and the Board. In addition to base salary and deferred compensation, Dr. García will receive a one-time merit award of \$15,000 for fiscal year 2006-07. Other elements of compensation are the cost of club memberships as approved by the Executive Vice Chancellor for Academic Affairs, other official entertainment expenses, and out-of-pocket expenses for official travel in accordance with the Regents' *Rules and Regulations*. While serving as President, Dr. García's appointment as Professor, with tenure, in the College of Liberal Arts at U. T. Brownsville, is without compensation.

OTHER FISCAL ITEMS (CONTINUED)

EMPLOYMENT AGREEMENTS (CONTINUED)

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

1. Item: Head Baseball Coach
Funds: \$40,800 annually
Period: September 1, 2006 through July 31, 2007
Description: Initial agreement for employment of Head Baseball Coach, Joel Barta, for the above designated period following the standard coach's employment contract prepared by the Office of General Counsel.

2. Item: Head Women's Volleyball Coach
From: \$40,000 annually
To: \$40,800 annually
Salary
Percent
Change: 2.00
Description: Renewal agreement for employment of Head Volleyball Coach, Bruce Atkinson, for the designated period following the standard coach's employment contract prepared by the Office of General Counsel.

Incentive
Change: No Change

Period: September 1, 2006 through August 31, 2007

U. T. DALLAS

AMENDMENTS TO THE 2006-07 BUDGET

APPOINTMENTS AND PROMOTIONS

The following Requests for Budget Change (RBC) have been administratively approved by the Interim 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					
Aesthetic Studies					
1. Robert X. Rodriguez (T)					1735
From: Professor		100	09	84,013	
To: Arts and Humanities Chair No. 2 and Professor	9/1-5/31	100	09	84,013	
SCHOOL OF ECONOMIC, POLITICAL AND POLICY SCIENCES					
Economics					
Vibooti Shukla Professor and Professor					
2. Todd M. Sandler (T)	9/1-5/31	100	09	244,110	1732
SCHOOL OF MANAGEMENT					
Accounting					
3. Ashiq Ali (T)					1726
From: Ashbel Smith Professor		100 SUPLT	09 09	192,816 18,000	
To: Charles and Nancy Davidson Distinguished Professor of Accounting	9/1-5/31 9/1-5/31	100 SUPLT	09 09	192,816 18,000	

AMENDMENTS TO THE 2006-07 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>	
Information Systems					
4. Vijay Mookerjee (T)					1729
From: Ashbel Smith Professor		100	09	172,074	
To: Charles and Nancy Davidson Distinguished Professor of Information Systems	9/1-5/31	100	09	172,074	
Marketing					
5. Brian Ratchford (T)					1731
From: Ashbel Smith Professor		100	09	211,150	
To: Charles and Nancy Davidson Distinguished Professor of Marketing	9/1-5/31	100	09	211,150	
Operations Management					
6. Suresh Sethi (T)					1727
From: Ashbel Smith Professor		100	09	203,232	
To: Charles and Nancy Davidson Distinguished Professor of Operations Management	9/1-5/31	100	09	203,232	

AMENDMENTS TO THE 2006-07 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>	
SCHOOL OF NATURAL SCIENCES AND MATHEMATICS					
Biology					
Associate Professor					
7. Stephen Spiro (T)					1733
From: Associate Professor		100	09	90,000	
To: Associate Professor and Cecil H. and Ida Green Professor in Systems Biology No. 1	9/1-5/31	100	09	90,000	
Chemistry					
8. Richard Caldwell					1287
From: Professor (T)		100	09	113,000	
To: Professor Emeritus	9/1-5/31			0	
9. John Ferraris (T)					
From: Interim Dean and Professor and Program Head		100	12	210,071	1736
To: Interim Dean and Professor and Program Head and Cecil H. and Ida Green Chair in Systems Biology No. 1	9/1-5/31	100	12	210,071	

AMENDMENTS TO THE 2006-07 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>	
Mathematical Sciences					
10. Samuel Efromovich (T)					1734
From: Professor		100	09	125,000	
To: Associate Professor and Cecil H. and Ida Green Professor in Systems Biology No. 3	9/1-5/31	100	09	125,000	
Physics					
Associate Professor					
11. Kyeongjae Cho (T)	9/1-5/31	100	09	90,000	1684

AMENDMENTS TO THE 2005-06 BUDGET

APPOINTMENTS AND PROMOTIONS

<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					
History					
Associate Professor					
1. Nils H. Roemer (T)	7/1-8/31	100	09	72,000	1413
SCHOOL OF BEHAVIORAL AND BRAIN SCIENCES					
Communication Disorders					
Professor					
2. Christine A. Dollaghan (T)	8/1-8/31	100	09	93,000	1493

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>	
SCHOOL OF ECONOMIC, POLITICAL AND POLICY SCIENCES					
Economics					
Associate Professor					
3. Kevin Siqueira (T)	8/1-8/31	100	09	85,500	1495
Political Economy/Government					
Associate Professor					
4. Robert Lowry (T)	8/1-8/31	100	09	96,000	1494
Criminology					
Associate Professor					
5. John Worrall (T)	6/1-8/31	100	09	82,500	1414
ERIK JONSSON SCHOOL OF ENGINEERING AND COMPUTER SCIENCE					
Electrical Engineering					
6. Bruce Gnade (T)					1416
From: Professor		100	09	140,039	
To: Professor and Distinguished Chair of Microelectronics	9/1-5/31	100	09	140,039	
SCHOOL OF MANAGEMENT					
Accounting					
7. William M. Cready (T)					1452
From: Professor		100	09	187,200	
To: Ashbel Smith Professor	6/1-8/31	100	09	187,200	
Operations Management					
Associate Professor					
8. Yunzeng Wang (T)	7/1-8/31	100	09	150,000	1415

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>	
SCHOOL OF NATURAL SCIENCES AND MATHEMATICS					
Biology					
Associate Professor					
9. Stephen Spiro (T)	8/1-8/31	100	09	90,000	1459
Mathematical Sciences					
Professor					
10. Sam Efromovich (T)	8/1-8/31	100	09	125,000	1461

OTHER FISCAL ITEMS

EMPLOYMENT AGREEMENTS

The following agreement effects the compensation and benefits provisions discussed and approved on August 10, 2006 the U. T. System Board of Regents and reflected in the August 2006 Board meeting *Minutes*. 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: President
Funds: \$449,904 annually
Period: Beginning September 1, 2006
Description: Amendment of agreement for employment of David E. Daniel as President of The University of Texas at Dallas. The President reports to the Executive Vice Chancellor for Academic Affairs and shall hold office without fixed term subject to the pleasure of the Executive Vice Chancellor for Academic Affairs and approval by the Chancellor and the Board. In addition to base salary, Dr. Daniel will receive a one-time merit award of \$10,000 for fiscal year 2006-07. Other elements of compensation are the cost of club memberships as approved by the Executive Vice Chancellor for Academic Affairs, other official entertainment expenses, and out-of-pocket expenses for official travel in accordance with the Regents' *Rules and Regulations*. While serving as President, Dr. Daniel's appointment as Professor of Engineering and Computer Science, with tenure, in the College of Engineering and as Professor of Geosciences, with tenure, in the College of Natural Sciences at U. T. Dallas, is without compensation. He will also hold an appointment to the Eugene McDermott Distinguished Chair of University Leadership and have access to the income of this chair for initiatives on campus.

U. T. EL PASO

AMENDMENTS TO THE 2006-07 BUDGET

APPOINTMENTS AND PROMOTIONS

The following Requests for Budget Change (RBC) have been administratively approved by the Interim 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 ENGINEERING					
Mechanical and Industrial Engineering					
1. Ryan B. Wicker (T)					1601
From: Associate Dean – College of Engineering,		50	12	146,750	
Professor in Mechanical and Industrial Engineering,		50	09	100,936	
and Mr. and Mrs. MacIntosh Murchison Chair in Engineering No. 1		SUPLT	09	20,000	
To: Associate Dean – College of Engineering, and	9/1-8/31	50	12	146,750	
Professor in Mechanical and Industrial Engineering	9/1-5/31	50	09	100,936	
and Mr. and Mrs. MacIntosh Murchison Chair in Engineering No. 1	9/1-5/31	SUPLT	09	40,000	

AMENDMENTS TO THE 2006-07 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 HEALTH SCIENCES					
Health Promotions					
2. Joseph W. Tomaka (T)					1597
From: Associate Dean – College of Health Sciences, and Associate Professor in Health Promotions		50 SUPLT 50	12 12 09	103,971 2,000 78,159	
To: Associate Dean – College of Health Sciences, and Chair – Health Promotions and Associate Professor in Health Promotions		50 SUPLT SUPLT 50	12 12 09 09	103,971 2,000 2,000 78,159	
OFFICE OF THE PROVOST					
Office of the Provost					
3. Stephen B. Aley (T)					1674
From: Associate Professor in Biological Sciences		100	09	60,381	
To: Associate Provost and Associate Professor in Biological Sciences	9/1-8/31	100	12	90,000	
	9/1-5/31	WOS	09	60,381	
4. Roberto A. Osegueda (T)					1598
From: Vice Provost of Research and Professor in Civil Engineering and Professor in Materials Science/Engineering		100 WOS	12 09	154,423 108,092	
To: Vice President for Research and Professor in Civil Engineering and Professor in Materials Science/Engineering	9/1-8/31	100	12	154,423	
	9/1-5/31	WOS	09	108,092	

AMENDMENTS TO THE 2006-07 BUDGET (CONTINUED)

TRANSFERS OF FUNDS

<u>Description</u>	<u>\$ Amount</u>	<u>RBC #</u>
LIBRARY, EQUIPMENT, REPAIR AND REHABILITATION ALLOCATION (LERR)		
Reallocation of LERR Funds		
5. Amount of Transfer:	560,000	1701
From: Upgrading of Center for Transportation and Infrastructure Systems	560,000	
To: Technology Infrastructure Upgrade	500,000	
Education Building Classroom Renovations	60,000	

Reallocation of LERR funds awarded for Center for Transportation and Infrastructure Systems (CTIS) to projects for Technology Infrastructure Upgrades and College of Education Renovations. The CTIS upgrades will be separately funded as part of the Permanent University Fund award for upgrading of engineering and science facilities.

AMENDMENTS TO THE 2005-06 BUDGET

APPOINTMENTS AND PROMOTIONS

<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>	
OFFICE OF THE PROVOST					
1. Stephen B. Aley (T)					1594
From: Associate Professor in Biological Sciences		100	09	57,302	
To: Associate Provost and Associate Professor in Biological Sciences	8/1-8/31	100	12	90,000	
	8/1-8/31	WOS	09	57,302	

OTHER FISCAL ITEMS

EMPLOYMENT AGREEMENTS

The following agreement effects the compensation and benefits provisions discussed and approved on August 10, 2006 the U. T. System Board of Regents and reflected in the August 2006 Board meeting *Minutes*. 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: President
Funds: \$350,000 annually (plus \$30,000 in deferred compensation)
Period: Beginning September 1, 2006
Description: Amendment of agreement for employment of Diana S. Natalicio as President of The University of Texas at El Paso. The President reports to the Executive Vice Chancellor for Academic Affairs and shall hold office without fixed term subject to the pleasure of the Executive Vice Chancellor for Academic Affairs and approval by the Chancellor and the Board. Other elements of compensation are the cost of club memberships as approved by the Executive Vice Chancellor for Academic Affairs, other official entertainment expenses, and out-of-pocket expenses for official travel in accordance with the Regents' *Rules and Regulations*. While serving as President, Dr. Natalicio's appointment as Professor in Languages and Linguistics, with tenure, at U. T. El Paso, is without compensation.

OTHER FISCAL ITEMS (CONTINUED)

EMPLOYMENT AGREEMENTS (CONTINUED)

The following agreements have been awarded, have been approved by the Interim Executive Vice Chancellor for Academic Affairs, and are recommended for approval by the U. T. System Board of Regents. Such employment under these agreements is subject to the Constitution and Bylaws of the National Collegiate Athletic Association, any intercollegiate athletic conference of which The University of Texas at 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: Associate Head Softball Coach
From: \$39,784 annually
To: \$41,773 annually
Salary
Percent
Change: 5.00
Description: Renewal agreement for employment of Associate Head Softball Coach, James Rodriguez, for the designated period following the standard coach's employment contract prepared by the Office of General Counsel.
Incentive
Change: Actual Team Academic Progress Rate score of 925 decreased from \$1,000 bonus to \$500 bonus; Actual Team Academic Progress Rate score of 975 decreased from additional \$1,000 bonus to additional \$500 bonus.
Period: September 1, 2006 through August 31, 2007

OTHER FISCAL ITEMS (CONTINUED)

EMPLOYMENT AGREEMENTS (CONTINUED)

2. Item: Associate Head Softball Coach
- From: \$39,784 annually
- To: \$41,773 annually
- Salary
Percent
Change: 5.00
- Description: Renewal agreement for employment of Associate Head Softball Coach, Kathleen Rodriguez, for the designated period following the standard coach's employment contract prepared by the Office of General Counsel.
- Incentive
Change: Actual Team Academic Progress Rate score of 925 decreased from \$1,000 bonus to \$500 bonus; Actual Team Academic Progress Rate score of 975 decreased from additional \$1,000 bonus to additional \$500 bonus.
- Period: September 1, 2006 through August 31, 2007
3. Item: Athletics Director
- From: \$193,000 annually
- To: \$202,650 annually
- Salary
Percent
Change: 5.00
- Description: Amendment to the agreement for employment of Athletics Director, Robert W. Stull, for the designated period following the standard athletics' director employment contract prepared by the Office of General Counsel.

OTHER FISCAL ITEMS (CONTINUED)

EMPLOYMENT AGREEMENTS (CONTINUED)

Incentive
Change:

Previously Approved Incentives	Incentive Change
1. WAC Affiliated Bowl Appearance: One month base salary	1. NCAA Sanctioned Post-Season Play (Bowl Appearance): One month base salary
2. BCS or major bowl appearance (payout over \$1 million): Two months base salary	2. BCS Bowl Appearance: Two months base salary
3. NCAA Basketball (women) Tournament Appearance: \$5,000	3. NCAA Basketball (women) Tournament Appearance: \$5,000 for each game played
4. Graduation Rate 90% of Senior Class (all sports): One month base salary	4. All Sports Academic Progress Rate Cut Score of 925 and above: Two months base salary
5. Travel: no provision for immediate family	5. Reimbursement for family travel and reasonable expenses when attending functions on behalf of U. T. El Paso.

Period: September 1, 2002 through August 31, 2009

4. Item: Head Women's Basketball Coach

From: \$90,000 annually

To: \$90,900 annually

Salary
Percent
Change: 1.00

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.

Period: April 23, 2001 through August 31, 2008

OTHER FISCAL ITEMS (CONTINUED)

EMPLOYMENT AGREEMENTS (CONTINUED)

5. Item: Head Rifle Coach
From: \$41,702 annually
To: \$42,953 annually
Salary
Percent
Change: 3.00
Description: Renewal agreement for employment of Head Rifle Coach, George Brenzovich, for the designated period following the standard coach's employment contract prepared by the Office of General Counsel.
Period: September 1, 2006 through August 31, 2007
6. Item: Head Tennis Coach
From: \$38,617 annually
To: \$39,003 annually
Salary
Percent
Change: 1.00
Description: Renewal agreement for employment of Head Tennis Coach, Mary Campbell, for the designated period following the standard coach's employment contract prepared by the Office of General Counsel.
Period: September 1, 2006 through August 31, 2007
7. Item: Head Soccer Coach
From: \$47,241 annually
To: \$60,000 annually
Salary
Percent
Change: 27.01
Description: Renewal agreement for employment of Head Soccer Coach, Kevin R. Cross, for the designated period following the standard coach's employment contract prepared by the Office of General Counsel.
Period: September 1, 2006 through August 31, 2007

OTHER FISCAL ITEMS (CONTINUED)

EMPLOYMENT AGREEMENTS (CONTINUED)

8. Item: Head Strength and Conditioning Coach
- From: \$48,880 annually
- To: \$51,324 annually
- Salary
Percent
Change: 5.00
- Incentive
Change: Added: Winning Season (Football) equals one month salary bonus and National Collegiate Athletics Association Sanctioned Post-Season Play – Bowl Appearance (Football) equals one month salary bonus.
- Description: Renewal agreement for employment of Head Strength and Conditioning Coach, Kirk H. Davis, for the above designated period following the standard coach's employment contract prepared by the Office of General Counsel.
- Period: September 1, 2006 through August 31, 2007
9. Item: Head Men's and Women's Cross Country Coach
- From: \$45,000 annually
- To: \$47,250 annually
- Salary
Percent
Change: 5.00
- Description: Renewal agreement for employment of Head Men's and Women's Cross Country Coach, Paul N. Eren, for the designated period following the standard coach's employment contract prepared by the Office of General Counsel. Coach Eren is appointed 50% time as the Head Men's Cross Country Coach and 50% time as the Head Women's Cross Country Coach.
- Period: September 1, 2006 through August 31, 2007

OTHER FISCAL ITEMS (CONTINUED)

EMPLOYMENT AGREEMENTS (CONTINUED)

10. Item: Head Men's and Women's Track Coach
- From: \$79,276 annually
- To: \$83,240 annually
- Salary
Percent
Change: 5.00
- Description: Renewal agreement for employment of Head Men's and 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 Cross Country Coach and 50% time as the Head Women's Cross Country Coach.
- Period: September 1, 2006 through August 31, 2007
11. Item: Head Volleyball Coach
- From: \$55,000 annually
- To: \$55,000 annually
- Salary
Percent
Change: None
- Description: Renewal agreement for employment of Head Volleyball Coach, Kenneth Murphy, for the designated period following the standard coach's employment contract prepared by the Office of General Counsel.
- Period: September 1, 2006 through August 31, 2007

OTHER FISCAL ITEMS (CONTINUED)

EMPLOYMENT AGREEMENTS (CONTINUED)

12. Item: Head Women's Golf Coach
- From: \$46,592 annually
- To: \$47,990 annually
- Salary
Percent
Change: 3.00
- Description: Renewal agreement for employment of Head Women's Golf Coach, Jere Pelletier, for the designated period following the standard coach's employment contract prepared by the Office of General Counsel.
- Period: September 1, 2006 through August 31, 2007
13. Item: Head Coach Football
- From: \$245,000 annually
- To: \$250,000 annually
- Salary
Percent
Change: 2.04
- Description: Amendment to the agreement for employment of Head Football Coach, Michael Bruce Price, for the designated period following the standard coach's employment contract prepared by the Office of General Counsel.
- Incentive
Change: Added Performance Incentives: Conference USA Champion equals \$25,000 bonus; Major Bowl Appearance equals two month salary for \$1.5 million payout to BCS Bowl Appearance equals \$100,000.
- Period: December 21, 2003 through August 31, 2011

OTHER FISCAL ITEMS (CONTINUED)

EMPLOYMENT AGREEMENTS (CONTINUED)

14. Item: Head Men's Golf Coach
- From: \$48,512 annually
- To: \$48,997 annually
- Salary
Percent
Change: 1.00
- 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.
- Period: September 1, 2006 through August 31, 2007
15. Item: Head Men's Basketball Coach
- Funds: \$220,000 annually
- Period: August 14, 2006 through August 31, 2011
- Description: Initial agreement for employment of Head Men's Basketball Coach, Anthony Barbee, for the above designated period following the standard coach's employment contract prepared by the Office of General Counsel.

OTHER MATTERS

APPROVAL OF DUAL POSITIONS OF HONOR, TRUST, OR PROFIT

The following item has been approved by the Interim Executive Vice Chancellor for Academic 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 these offices or positions are of benefit to the State of Texas and The University of Texas and there is no conflict between holding these positions and the appointments of Drs. Duarte-Gardea and Roth with The University of Texas at El Paso. By approval of these items, the Board is also asked to find that holding these positions are of benefit to the State of Texas and The University of Texas and there is no conflict between the positions and the University appointment.

1. Name: Dr. Maria Duarte-Gardea
 Title: Associate Professor, Health Promotions Department
 Position: Diabetes Council, Texas
 Period: September 20, 2006 through February 1, 2011
 Compensation: None
 Description: In September 2006, Governor Rick Perry appointed Dr. Duarte-Gardea to the Diabetes Council, Texas.

2. Name: Dr. Timothy P. Roth
 Title: Chair and Professor, Economics and Finance Department
 Position: Appointment to the Texas Task Force on Appraisal Reform
 Period: August 21, 2006, through Pleasure of Governor
 Compensation: None
 Description: In August 2006, Governor Rick Perry appointed Dr. Roth to the Texas Task Force on Appraisal Reform.

U. T. PAN AMERICAN

AMENDMENTS TO THE 2006-07 BUDGET

APPOINTMENTS AND PROMOTIONS

The following Requests for Budget Change (RBC) have been administratively approved by the Interim 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>	
ACADEMIC AFFAIRS AND COLLEGE OF EDUCATION					
Office of the Provost					
Provost/Vice President for Academic Affairs and Professor					
1. Robert Paul Sale (T)	9/1-5/31	100	09	73,519	1585
	9/1-8/31	100	12	190,000	
COLLEGE OF HEALTH SCIENCES AND HUMAN SERVICES					
Cooperative Pharmacy Program					
Assistant Dean/Director of Cooperative Pharmacy Program and Associate Professor					
2. Amy H. Schwartz (T)	9/1-5/31	100	09	85,000	1586
	9/1-8/31	100	12	105,000	
Social Work					
Department Chair and Professor					
3. Hector Diaz (T)	9/1-5/31	100	09	68,000	1583
	9/1-5/31	SUPLT	09	6,000	
Dietetics					
Department Coordinator and Professor					
4. Bahram Faraji (T)					1686
From: Professor		100	09	66,684	
To: Professor	9/1-5/31	100	09	66,684	
Department Coordinator	9/1-8/31	SUPLT	12	5,000	

AMENDMENTS TO THE 2006-07 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 SCIENCE AND ENGINEERING					
Manufacturing Engineering Professor					
5. Alley C. Butler (T)	9/1-5/31	100	09	100,000	1588
COLLEGE OF EDUCATION					
Educational Leadership Interim Department Chair and Professor					
6. Jerry M. Lowe (T)	9/1-5/31	100	09	78,500	1591
	9/1-5/31	SUPLT	09	6,000	
Curriculum and Instruction Department Chair and Professor					
7. John W. McBride (T)					1661
From: Professor		100	09	87,450	
To: Professor	9/1-5/31	100	09	87,450	
Department Chair	9/1-5/31	SUPLT	09	8,000	
COLLEGE OF ARTS AND HUMANITIES					
Music					
8. Dahlia Guerra (T)					1577
From: Professor		100	09	68,603	
Department Chair		SUPLT	09	6,000	
To: Professor	9/1-5/31	100	09	68,603	
Dean	9/1-8/31	100	12	108,150	
9. Peter Dabrowski (T)					1665
From: Associate Professor		100	09	65,518	
To: Associate Professor	9/1-5/31	100	09	65,518	
Assistant Dean	9/1-8/31	SUPLT	12	7,500	

AMENDMENTS TO THE 2006-07 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 ARTS AND HUMANITIES (Continued)					
Music (Continued)					
10. Lorne W. O'Neil (T)					1668
From: Professor		100	09	58,515	
To: Professor	9/1-5/31	100	09	58,515	
Interim Chair	9/1-8/31	SUPLT	12	6,000	
Art					
Department Chair and Professor					
11. Anthony Crisafulli (T)	9/1-5/31	100	09	63,000	1589
	9/1-5/31	SUPLT	09	6000	
Modern Languages and Literature					
12. Maria Guadalupe Cortina (T)					1670
From: Associate Professor		100	09	52,392	
Assistant Dean		100	12	7,500	
To: Associate Professor	9/1-5/31	100	09	52,392	
Interim Department Chair	9/1-5/31	SUPLT	09	6,000	
English					
13. Rebekah Hamilton (T)					1669
From: Associate Professor		100	09	55,930	
To: Associate Professor	9/1-5/31	100	09	55,930	
Associate Dean	9/1-8/31	SUPLT	12	7,500	

AMENDMENTS TO THE 2006-07 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 BUSINESS ADMINISTRATION					
Accounting and Business Law Department Chair and Professor					
14. Keith W. Lantz (T)	9/1-5/31	100	09	115,000	1590
Economics and Finance Associate Professor					
15. Daniel Scott Sutter (T)	9/1-5/31	100	09	100,000	1593
16. Marc W. Simpson (T)					1671
From: Associate Professor		100	09	102,425	
To: Associate Professor	9/1-5/31	100	09	102,425	
Program Director	9/1-5/31	SUPLT	12	9,436	
Management, Marketing and International Business					
17. Opal Jane LeMaster (T)					1664
From: Professor		100	09	89,027	
To: Professor	9/1-5/31	100	09	89,027	
Associate Dean	9/1-8/31	SUPLT	12	7,500	
Math Professor					
18. Daniel Nourollah Riahi (T)	9/1-5/31	100	09	78,000	1592
Computer Information Systems and Quantitative Methods					
19. Kai Koong					1772
From: Associate Professor		100	09	102,903	
To: Professor (T)	9/1-5/31	100	09	107,274	

AMENDMENTS TO THE 2006-07 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 BUSINESS ADMINISTRATION (Continued)					
Computer Information Systems and Quantitative Methods (Continued)					
20. Lai C. Liu					1773
From: Associate Professor		100	09	97,937	
To: Associate Professor (T)	9/1-5/31	100	09	97,937	

AMENDMENTS TO THE 2005-06 BUDGET

APPOINTMENTS AND PROMOTIONS

<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 AND COLLEGE OF EDUCATION					
Office of the Provost					
Provost, Vice President for Academic Affairs and Professor					
1. Robert Paul Sale (T)	8/21-8/31	100	09	73,519	1576
	8/21-8/31	100	12	190,000	
COLLEGE OF HEALTH SCIENCES AND HUMAN SERVICES					
Cooperative Pharmacy Program					
Assistant Dean and Director of Cooperative Pharmacy Program and Associate Professor					
2. Amy H. Schwartz (T)	7/1-8/31	100	09	85,000	1578
	7/1-8/31	100	12	105,000	

TRANSFERS OF FUNDS

<u>Description</u>	<u>\$ Amount</u>	<u>RBC #</u>
BANNER PROJECT		
3. Amount of Transfer:	1,100,119	1685

From: Designated Tuition-Current Year Balances

To: Banner Project-Actual Expenditures and Current Encumbrances

Increase to the fiscal year 2006 budget from current year balances to provide funds for actual expenditures and current encumbrances. Banner is an automated Student Information System.

OTHER FISCAL ITEMS

EMPLOYMENT AGREEMENTS

The following agreement effects the compensation and benefits provisions discussed and approved on August 10, 2006 the U. T. System Board of Regents and reflected in the August 2006 Board meeting *Minutes*. 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: President
Funds: \$269,000 annually
Period: Beginning September 1, 2006
Description: Amendment of agreement for employment of Blandina Cárdenas as President of The University of Texas – Pan American. The President reports to the Executive Vice Chancellor for Academic Affairs and shall hold office without fixed term subject to the pleasure of the Executive Vice Chancellor for Academic Affairs and approval by the Chancellor and the Board. Other elements of compensation are the cost of club memberships as approved by the Executive Vice Chancellor for Academic Affairs, other official entertainment expenses, and out-of-pocket expenses for official travel in accordance with the Regents' *Rules and Regulations*. While serving as President, Dr. Cárdenas' appointment as Professor, with tenure, in the College of Education at U. T. Pan American, is without compensation.

OTHER FISCAL ITEMS (CONTINUED)

EMPLOYMENT AGREEMENTS (CONTINUED)

The following agreements have been awarded, have been approved by the Interim 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 Regents' *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 Golf Coach
From: \$32,145 annually
To: \$33,109 annually
Salary
Percent
Change: 3.00
Description: Renewal agreement for employment of Head Women's Golf Coach, Barbara L. Odale, for the designated period following the standard coach's employment contract prepared by the Office of General Counsel.
Incentive
Change: None
Period: July 1, 2006 through June 30, 2007
2. Item: Head Men's Basketball Coach
Funds: \$75,000 annually
Period: May 1, 2006 through March 31, 2009
Description: Initial agreement for employment of Head Men's Basketball Coach, Tom Schuberth, for the designated period following the standard coach's employment contract prepared by the Office of General Counsel.

OTHER FISCAL ITEMS (CONTINUED)

EMPLOYMENT AGREEMENTS (CONTINUED)

3. Item: Head Men's Golf Coach
- From: \$29,333 annually
- To: \$32,000 annually
- Salary
Percent
Change: 9.09
- Description: Renewal agreement for employment of Head Men's Golf Coach, Andrew Tredway, for the designated period following the standard coach's employment contract prepared by the Office of General Counsel.
- Incentive
Change: None
- Period: July 1, 2006 through July 31, 2007

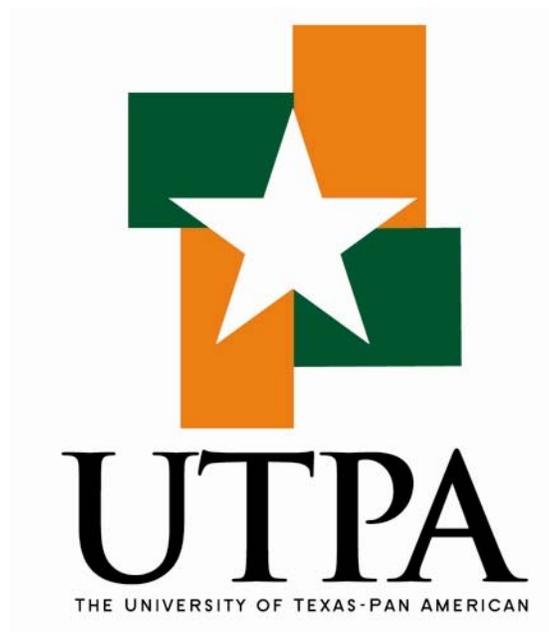
OTHER MATTERS

ADOPTION OF LOGO

The following item has been approved by the Interim Executive Vice Chancellor for Academic Affairs and the Office of Trademark Licensing and is submitted for approval by the U. T. System Board of Regents.

The logo is composed of four squares in the school colors of green and orange. The squares represent the compass and U. T. Pan American's sincere welcome to a diverse group of students. A white star, the symbol of the State of Texas, is imposed over the compass to represent student success, achievements, and the proud connection with the U. T. System and its various institutions.

Upon Regental approval of the logo shown below, the Office of Trademark Licensing will submit the graphic representation for trademark registration.



U. T. PERMIAN BASIN

AMENDMENTS TO THE 2006-07 BUDGET

APPOINTMENTS AND PROMOTIONS

The following Requests for Budget Change (RBC) have been administratively approved by the Interim 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 EDUCATION					
1. Patricio Jaramillo					1377
From: Professor (T)		100	12	104,564	
To: Professor Emeritus	9/1-8/31			0	
2. Thomas Parks					1781
From: Assistant Director		100	12	42,000	
To: Professor (T)	9/1-8/31	100	12	66,000	
3. Wilma Dye (T)					1780
From: Associate Professor		100	09	80,500	
To: Associate Professor Interim Assistant Dean	9/1-8/31	100	12	84,525	
4. William A. Watts					1376
From: Professor (T)		100	12	52,500	
To: Professor Emeritus	9/1-8/31			0	

AMENDMENTS TO THE 2005-06 BUDGET

APPOINTMENTS AND PROMOTIONS

<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 BUSINESS					
1. Corbett Gaulden (T)					1779
From: Professor and Assistant Dean		100	12	114,667	
To: Professor and Interim Dean	7/1-8/31	100	12	128,500	

OTHER FISCAL ITEMS

EMPLOYMENT AGREEMENTS

The following agreement effects the compensation and benefits provisions discussed and approved on August 10, 2006 the U. T. System Board of Regents and reflected in the August 2006 Board meeting *Minutes*. 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: President
Funds: \$270,000 annually (plus \$12,000 in deferred compensation)
Period: Beginning September 1, 2006
Description: Amendment of agreement for employment of W. David Watts as President of The University of Texas of the Permian Basin. The President reports to the Executive Vice Chancellor for Academic Affairs and shall hold office without fixed term subject to the pleasure of the Executive Vice Chancellor for Academic Affairs and approval by the Chancellor and the Board. In addition to base salary and deferred compensation, Dr. Watts will receive a one-time merit award of \$10,000 for fiscal year 2006-07. Other elements of compensation are the cost of club memberships as approved by the Executive Vice Chancellor for Academic Affairs, other official entertainment expenses, and out-of-pocket expenses for official travel in accordance with the Regents' *Rules and Regulations*. While serving as President, Dr. Watts' appointment as Professor of Sociology, with tenure, at U. T. Permian Basin, is without compensation.

U. T. SAN ANTONIO

AMENDMENTS TO THE 2006-07 BUDGET

APPOINTMENTS AND PROMOTIONS

The following Requests for Budget Change (RBC) have been administratively approved by the Interim 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					
Accounting					
Associate Professor					
1. Sharad Asthana (T)	9/1-5/31	100	09	145,000	1539
Professor and Janey S. Briscoe Chair in Business					
2. Dana A. Forgione (T)	9/1-5/31	100	09	185,000	1253
Associate Professor					
3. Emeka T. Nwaeze (T)	9/1-5/31	100	09	150,000	1543
Finance					
Associate Professor					
4. John K. Wald (T)	9/1-5/31	100	09	140,000	1549
Management					
Professor and Chair					
5. Robert Cardy (T)	9/1-5/31	100	09	135,000	1541
	9/1-8/31	SUPLT	12	14,000	
Professor					
6. Dianna L. Stone (T)	9/1-5/31	100	09	125,000	1547
Professor					
7. Eugene F. Stone-Romero (T)	9/1-5/31	100	09	125,000	1545

AMENDMENTS TO THE 2006-07 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 EDUCATION AND HUMAN DEVELOPMENT					
Counseling, Educational Psychology, Adult and Higher Education					
Associate Professor					
8. Paul A. Schutz (T)	9/1-5/31	100	09	67,000	1560
COLLEGE OF ENGINEERING					
Biomedical Engineering					
Professor and Interim Chair					
9. Anson Joo Ong (T)	9/1-5/31	100	09	128,000	1555
Civil and Environmental Engineering					
Professor and Chair					
10. Athanassios T. Papagiannakis (T)	9/1-5/31	100	09	125,000	1581
Mechanical Engineering					
Professor					
11. Chen F. Fengshan (T)	9/1-5/31	100	09	150,000	1553
Associate Professor					
12. Can Saygin (T)	9/1-5/31	100	09	90,000	1551
Office of the Dean					
13. Mauli C. Agrawal (T)					1522
From: Professor and Interim Dean		100	12	233,565	
		WOS	09	175,000	
To: Professor and Dean	9/1-8/31	100	12	233,565	
	9/1-5/31	WOS	09	175,000	
COLLEGE OF LIBERAL AND FINE ARTS					
Anthropology					
Associate Professor					
14. Carolyn L. Ehardt (T)	9/1-5/31	100	09	70,000	1562

AMENDMENTS TO THE 2006-07 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 LIBERAL AND FINE ARTS (Continued)					
Anthropology (Continued)					
15. James H. McDonald (T)					1525
From: Professor, Anthropology Chair and College of Science Associate Dean		100	09	71,355	
		SUPLT	12	7,200	
To: Professor, Anthropology Chair and College of Science Senior Associate Dean	9/1-5/31	100	09	71,355	
	9/1-8/31	SUPLT	12	7,200	
	9/1-8/31	SUPLT	12	36,000	
History					
16. Bruce C. Daniels (T)					1575
From: Professor		100	09	115,000	
To: Gilbert M. Denman Endowed Professorship in American History and Professor	9/1-5/31	100	09	115,000	
Music					
17. Bess E. Hieronymus					1243
From: Professor (T)		0	09	52,764	
To: Professor Emeritus	9/1-5/31			0	

AMENDMENTS TO THE 2006-07 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 PUBLIC POLICY					
Criminal Justice					
Associate Professor					
18. Leanne F. Alarid (T)	9/1-5/31	100	09	71,000	1564
Professor and Chair					
19. James M. Miller (T)	9/1-5/31	100	09	80,000	1567
	9/1-5/31	SUPLT	09	7,000	

AMENDMENTS TO THE 2005-06 BUDGET

APPOINTMENTS AND PROMOTIONS

<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					
Accounting					
Associate Professor					
1. Sharad Asthana (T)	8/18-8/31	100	09	145,000	1538
Professor and					
Janey S. Briscoe Chair in Business					
2. Dana A. Forgione (T)	8/18-8/31	100	09	185,000	1246
Associate Professor					
3. Emeka T. Nwaeze (T)	8/18-8/31	100	09	150,000	1542
Finance					
Associate Professor					
4. John K. Wald (T)	8/18-8/31	100	09	140,000	1548
Management					
Professor and Chair					
5. Robert Cardy (T)	8/18-8/31	100	09	135,000	1540
Professor					
6. Dianna L. Stone (T)	8/18-8/31	100	09	125,000	1546

Prepared by:
U. T. San Antonio

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November 16, 2006

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 BUSINESS (Continued)					
Management (Continued)					
Professor					
7. Eugene F. Stone-Romero (T)	8/18-8/31	100	09	125,000	1544
COLLEGE OF EDUCATION AND HUMAN DEVELOPMENT					
Counseling, Educational Psychology, Adult & Higher Education					
Associate Professor					
8. Paul A. Schutz (T)	8/18-8/31	100	09	67,000	1559
COLLEGE OF ENGINEERING					
Biomedical Engineering					
Professor and Interim Chair					
9. Anson Joo Ong (T)	8/18-8/31	100	09	128,000	1554
Civil and Environmental Engineering					
Professor and Chair					
10. Athanassios T. Papagiannakis (T)	8/18-8/31	100	09	125,000	1557
Mechanical Engineering					
Professor					
11. Chen F. Fengshan (T)	8/18-8/31	100	09	150,000	1552
Associate Professor					
12. Can Saygin (T)	8/18-8/31	100	09	90,000	1550
Office of the Dean					
13. Mauli C. Agrawal (T)					1689
From: Professor and Interim Dean		100	12	225,000	
		WOS	09	162,000	
To: Professor and Dean	7/15-8/31	100	12	233,565	
	7/15-8/31	WOS	09	162,000	

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 LIBERAL AND FINE ARTS					
Anthropology					
Associate Professor					
14. Carolyn L. Ehardt (T)	8/18-8/31	100	09	70,000	1561
15. James H. McDonald (T)					1690
From: Professor and Chair		100	09	69,277	
		SUPLT	12	7,200	
To: Professor, Anthropology					
Chair and College of Science					
Associate Dean	6/1-5/31	33.33	09	69,277	
	6/1-8/31	66.37	12	92,369	
	6/1-8/31	SUPLT	12	7,200	
COLLEGE OF PUBLIC POLICY					
Criminal Justice					
Associate Professor					
16. Leanne F. Alarid (T)	8/18-8/31	100	09	71,000	1563
Professor and Chair					
17. James M. Miller (T)	8/18-8/31	100	09	80,000	1565

OTHER FISCAL ITEMS

EMPLOYMENT AGREEMENTS

The following agreement effects the compensation and benefits provisions discussed and approved on August 10, 2006 the U. T. System Board of Regents and reflected in the August 2006 Board meeting *Minutes*. 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: President
Funds: \$340,000 annually (plus \$25,000 in deferred compensation)
Period: Beginning September 1, 2006
Description: Amendment of agreement for employment of Ricardo Romo as President of The University of Texas at San Antonio. The President reports to the Executive Vice Chancellor for Academic Affairs and shall hold office without fixed term subject to the pleasure of the Executive Vice Chancellor for Academic Affairs and approval by the Chancellor and the Board. Other elements of compensation are the cost of club memberships as approved by the Executive Vice Chancellor for Academic Affairs, other official entertainment expenses, and out-of-pocket expenses for official travel in accordance with the Regents' *Rules and Regulations*. While serving as President, Dr. Romo's appointment as Professor of History, with tenure, in the Behavioral and Cultural Studies Division of the College of Social and Behavioral Sciences at U. T. San Antonio, is without compensation.

OTHER FISCAL ITEMS (CONTINUED)

EMPLOYMENT AGREEMENTS (CONTINUED)

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

1. Item: Director of Intercollegiate Athletics
From: \$131,448 annually
To: \$131,448 annually
Salary
Percent
Change: None
Description: Amendment to the agreement for employment of Director of Intercollegiate Athletics, Lynn Hickey, for the designated period following the standard athletic director's contract prepared by the Office of General Counsel.
Incentive
Change: Added Plaza Club Membership for Director of Intercollegiate Athletics, Lynn Hickey
Period: September 1, 2006 through August 31, 2008

U. T. TYLER

AMENDMENTS TO THE 2006-07 BUDGET

APPOINTMENTS AND PROMOTIONS

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

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
COLLEGE OF EDUCATION AND PSYCHOLOGY Curriculum and Instruction Professor					
1. Michael Odell (T)	9/1-5/31	100	09	89,000	1676
COLLEGE OF ENGINEERING AND COMPUTER SCIENCE Civil and Environmental Engineering Professor					
2. Ronald W. Welch (T)	1/1-5/31	100	09	105,000	1678
	6/1-8/31	100	03	35,000	

OTHER FISCAL ITEMS

EMPLOYMENT AGREEMENTS

The following agreement effects the compensation and benefits provisions discussed and approved on August 10, 2006 the U. T. System Board of Regents and reflected in the August 2006 Board meeting *Minutes*. 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: President
Funds: \$321,000 annually (plus \$25,000 in deferred compensation)
Period: Beginning September 1, 2006
Description: Amendment of agreement for employment of Rodney H. Mabry as President of The University of Texas at Tyler. The President reports to the Executive Vice Chancellor for Academic Affairs and shall hold office without fixed term subject to the pleasure of the Executive Vice Chancellor for Academic Affairs and approval by the Chancellor and the Board. Other elements of compensation are the cost of club memberships as approved by the Executive Vice Chancellor for Academic Affairs, other official entertainment expenses, and out-of-pocket expenses for official travel in accordance with the Regents' *Rules and Regulations*. While serving as President, Dr. Mabry's appointment as Professor of Economics, with tenure, in the School of Liberal Arts at U. T. Tyler, is without compensation.

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: The Susan G. Komen Breast Cancer Foundation
College/School/ Department: Institution
Purpose: Funds will be used to establish the Wendy and Emery Reves International Biennial Breast Cancer Symposium and the Wendy and Emery Reves Breast Cancer Diagnostic and Treatment Center
Asset Type: Cash
Value: \$1,216,064

CONTRACTS

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

GENERAL CONTRACTS

FUNDS GOING OUT

1. Agency: Imprint Science, a division of Independent Medical Education, Inc.
Funds: \$1,375,650 annually based upon services provided
Period: January 1, 2006 through December 31, 2006
Description: Imprint Science will develop and implement medical education activities that support the educational needs related to the "Research Rounds XXI" infectious disease continuing education program.

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 Health Affairs and is recommended for approval by the U. T. System Board of Regents:

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
SOUTHWESTERN MEDICAL SCHOOL					
Obstetrics and Gynecology					
1. Steven L. Bloom (T)					1530
From: Professor		100	12	300,000	
To: Professor and Chair	7/25-8/31	100	12	300,000	

OTHER FISCAL ITEMS

EMPLOYMENT AGREEMENTS

The following agreement effects the compensation and benefits provisions discussed and approved on August 10, 2006 the U. T. System Board of Regents and reflected in the August 2006 Board meeting *Minutes*. 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: President
Funds: \$661,913 annually (plus \$230,000 in deferred compensation)
Period: Beginning September 1, 2006
Description: Amendment of agreement for employment of C. Kern Wildenthal as President of The University of Texas Southwestern Medical Center at Dallas. The President reports to the Executive Vice Chancellor for Health Affairs and shall hold office without fixed term subject to the pleasure of the Executive Vice Chancellor for Health Affairs and approval by the Chancellor and the Board. In addition to base salary and deferred compensation, Dr. Wildenthal will receive a supplement from practice plan funds of \$181,712 contingent on availability of funds. Other elements of compensation are the cost of club memberships as approved by the Executive Vice Chancellor for Health Affairs, other official entertainment expenses, and out-of-pocket expenses for official travel in accordance with the Regents' *Rules and Regulations*. While serving as President, Dr. Wildenthal's appointment as Professor, with tenure, at U. T. Southwestern Medical Center – Dallas, is without compensation.

U. T. MEDICAL BRANCH – GALVESTON

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: School of Medicine
Purpose: Gift in the amount of \$5,000,000 authorized on August 2, 2006 to be used as additional funding for the George P. and Cynthia Woods Mitchell Center for Alzheimer's Disease Research. The funds will be paid over five years at \$1,000,000 per year.
Asset Type: Cash
Value: \$5,000,000

2. Donor Name: The Sealy & Smith Foundation
College/School/ Department: School of Medicine
Purpose: Gift in the amount of \$3,000,000 for the acquisition of hospital equipment for emergency operations
Asset Type: Cash
Value: \$3,000,000

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: Department of Assistive and Rehabilitation Service
Division for Early Childhood Intervention
Funds: \$1,378,838
Period: September 1, 2006 through August 31, 2007
Description: U. T. Medical Branch - Galveston will continue a program of early childhood intervention services for children with developmental delay and continue a program of respite services for families of children enrolled in comprehensive services.
2. Agency: Texas Department of State Health Services
Funds: \$1,351,148
Period: September 1, 2006 through August 31, 2007
Description: U. T. Medical Branch - Galveston will continue to promote the reduction of injuries occurring from exposure to poisons and toxic substances through public and professional education and help reduce medical costs incurred by State of Texas residents by providing treatment recommendations.
3. Agency: Texas Department of State Health Services
Funds: \$1,123,226
Period: September 1, 2006 through August 31, 2007
Description: U. T. Medical Branch - Galveston will continue to provide family planning services which include medical, counseling, client education, referral, community education, and outreach services to Title X eligible individuals.
4. Agency: Texas Department of State Health Services
Funds: \$1,365,521
Period: September 1, 2006 through August 31, 2007
Description: U. T. Medical Branch - Galveston will continue to provide family planning services to Title XX eligible individuals.

CONTRACTS (CONTINUED)

GENERAL CONTRACTS (CONTINUED)

FUNDS COMING IN (CONTINUED)

5. Agency: United States of America, Department of Justice/
Federal Bureau of Prisons – Beaumont, Texas
Funds: \$17,002,405
Period: January 18, 2006 through January 17, 2007
Description: Modification to exercise the fourth option year for
U. T. Medical Branch – Galveston to continue to
provide managed health care services at the Federal
Correctional Complex in Beaumont, Texas.

AMENDMENTS TO THE 2006-07 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					
Anesthesiology					
Dean for Austin Programs					
Professor					
1. T. Samuel Shomaker (T)	9/1-8/31	100	12	320,000	1399
Pharmacology and Toxicology; Preventive Medicine and Community Health					
2. Mary L. Thomas					1505
From: Professor (T)		100	12	119,400	
To: Professor Emeritus	12/31			0	
Preventive Medicine and Community Health; Internal Medicine; Biochemistry and Molecular Biology					
3. Harold Sandstead					1631
From: Professor (T)		100	12	145,929	
To: Professor Emeritus	9/1			0	
Internal Medicine					
4. William J. de Groot					1775
From: Professor (T)		100	12	113,960	
To: Professor Emeritus	9/1-8/31			0	
Radiation Oncology; Biochemistry and Molecular Biology					
5. A. Neil Howell					1582
From: Professor (T)		50	12	144,657	
To: Professor Emeritus	9/1			0	

AMENDMENTS TO THE 2005-06 BUDGET

APPOINTMENTS AND PROMOTIONS

<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					
Family Medicine; Institute for Medical Humanities Professor; John P. McGovern Centennial Chair in Family Medicine and Director					
1. Howard Brody (T)	5/15-8/31	100	12	204,000	1398
Neuroscience and Cell Biology; Biomedical Engineering Center; Marine Biomedical Institute					
2. David J. McAdoo					1509
From: Professor (T)		100	12	126,467	
To: Professor Emeritus	8/31			0	
Neuroscience and Cell Biology; Internal Medicine					
3. Luis Reuss					1512
From: The Mason Guest Distinguished Professorship in Physiology and Biophysics, Professor (T)		100	12	194,256	
To: Professor Emeritus	8/31			0	
Graduate School – Biomedical Sciences; Marine Biomedical Institute					
4. William D. Willis					1513
From: Cecil H. and Ida M. Green Distinguished Chair in Neuroscience, Professor (T)		100	12	206,693	
To: Professor Emeritus	8/31			0	

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>	
SCHOOL OF MEDICINE (Continued)					
Pediatrics Infectious Disease and Immunology; Microbiology					
5. Roberto Garofalo					1507
From: Professor (T)		100	12	160,000	
To: Professor Emeritus	8/1			0	
Pharmacology and Toxicology Biomedical Engineering Center					
6. Gilbert R. Hillman					1514
From: Professor (T) Senior Scientist		100	12	106,080	
To: Professor Emeritus	8/31			0	
Biochemistry and Molecular Biology					
7. Richard M. Denney					1698
From: Adjunct Associate Professor		75	12	83,749	
To: Associate Professor Emeritus	9/1				
SCHOOL OF NURSING					
Office of the Dean; Internal Medicine					
8. Pamela Watson (T)					1680
From: Professor		100	12	222,640	
To: Chief Academic Officer; Professor	9/1-8/31	100	12	242,880	

OTHER FISCAL ITEMS

EMPLOYMENT AGREEMENTS

The following agreement effects the compensation and benefits provisions discussed and approved on August 10, 2006 the U. T. System Board of Regents and reflected in the August 2006 Board meeting *Minutes*. 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: President
Funds: \$604,582 annually (plus \$150,000 in deferred compensation)
Period: Beginning September 1, 2006
Description: Amendment of agreement for employment of John D. Stobo as President of The University of Texas Medical Branch at Galveston. The President reports to the Executive Vice Chancellor for Health Affairs and shall hold office without fixed term subject to the pleasure of the Executive Vice Chancellor for Health Affairs and approval by the Chancellor and the Board. In addition to base salary and deferred compensation, Dr. Stobo will receive a supplement from practice plan funds of \$164,385 contingent on availability of funds. Other elements of compensation are the cost of club memberships as approved by the Executive Vice Chancellor for Health Affairs, other official entertainment expenses, and out-of-pocket expenses for official travel in accordance with the Regents' *Rules and Regulations*. While serving as President, Dr. Stobo's appointment as Professor, with tenure, in the Department of Medicine at U. T. Medical Branch – Galveston, is without compensation.

U. T. HEALTH SCIENCE CENTER – HOUSTON

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: Technology License Agreement between The University of Texas System, (K. Lance Gould, M.D., inventor) and Positron Corporation
Funds: Royalty income of \$4,000 per software unit sold
Period: March 6, 2006 to March 5, 2026
Description: The U. T. System Board of Regents approved at its March 10, 2005 meeting a variance from the Regents' *Rules and Regulations* regarding royalty sharing for software developed by Dr. Gould. The Regents authorized the adjustment of the standard 50/50 percent royalty sharing provisions with Dr. Gould to 85/15 percent (Inventor/University) with a royalty rate of \$4,000/unit related to a proposed nonexclusive license to GE Healthcare. After the Board approved this variance, one major aspect of this arrangement never materialized; GE Healthcare never took a nonexclusive license and never funded any of Dr. Gould's research. However, recently, the Office of Technology Management at U. T. Health Science Center - Houston (UTHSC-H) has nonexclusively licensed Dr. Gould's software to the Positron Corporation for the same terms as previously approved by the Board for GE Health Care. The University now wishes to continue the waiver in the nonexclusive license agreement with Positron Corporation and any additional licensees for rights to the same software developed by the same faculty member, Dr. Gould, with the same royalty payment to UTHSC-H of \$4,000/unit sold.

To encourage the transfer of technology for commercialization generally and to specifically induce the introduction of Dr. Gould's software into the marketplace, the Weatherhead Foundation of Beachwood, Ohio, which funded the initial research,

CONTRACTS (CONTINUED)

GENERAL CONTRACTS (CONTINUED)

FUNDS COMING IN (CONTINUED)

has agreed to create and fund a new technology endowment at UTHSC-H in the amount of \$1,500,000 and to contribute an additional \$500,000 to an existing Weatherhead Endowment at Houston for Dr. Gould's research. The Weatherhead Foundation endowment funding is contingent upon UTHSC-H's agreement to adjust the standard 50/50 percent royalty sharing provisions with Dr. Gould to 85/15 percent (Inventor/University).

Series 90102 of the Regents' *Rules and Regulations* allows adjustment of the institutional allocation of royalties for all creators upon Board approval. Other deviations in individual cases require prior approval of the Board. This 85/15 percent royalty sharing arrangement would only apply to the multiparty arrangement between the Positron Corporation and any additional nonexclusive licensees to the software, UTHSC-H, the Weatherhead Foundation, and Dr. Gould, and is contingent upon receipt of the endowment. The parties have analyzed the economics of the arrangement and currently estimate that the benefits accruing to UTHSC-H through the aggregate \$2,000,000 in new Weatherhead Endowment funds are reasonable tradeoffs for the speculative proceeds of additional royalties that may accrue to UTHSC-H over time under the standard 50/50 percent royalty sharing arrangement. Review of this information indicates the variance from the institution's royalty sharing policy is, in this instance, in the best interest of UTHSC-H.

CONTRACTS (CONTINUED)

GENERAL CONTRACTS (CONTINUED)

FUNDS GOING OUT

2. Agency: Hartman REIT Operating Partnership II LP,
d/b/a Main Park II Business Center, Contract and
First Amendment
- Funds: Total monthly rental amount not to exceed \$1,864,605
plus monthly Common Area Maintenance Costs of
\$1,243 and monthly ad valorem taxes and insurance
costs of \$1,420
- Period: March 7, 2006 through May 31, 2016
- Description: First amendment to extend the current lease of
17,760 square feet from five to ten years and increase
the total rental amount from \$767,232 to a total rental
amount not to exceed \$1,864,605. The partial
hospitalization program at Harris County Psychiatric
Center is moving from its current lease space into the
new lease space located at 3610 Willowbend, Suite
1000, Houston, Texas.

AMENDMENTS TO THE 2006-07 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 HEALTH INFORMATION SCIENCES					
Health Information					
1. Jiajie Zhang (T)					1570
From: Professor and Associate Dean Research		100 SUPLT	12 12	150,000 17,200	
To: Professor and Doris L. Ross Professorship and Associate Dean Research	9/1-8/31 9/1-8/31	100 SUPLT	12 12	150,000 17,200	
Institute of Health Policy					
2. Stephen H. Linder (T)					1630
From: Associate Professor and Interim Director, Institute of Health Policy, Division of Management, Policy and Community Health		100 SUPLT	12 12	94,113 10,000	
To: Associate Professor and Associate Director, Institute of Health Policy, Division of Management, Policy and Community Health	10/1-8/31 10/1-8/31	100 SUPLT	12 12	94,113 10,000	

AMENDMENTS TO THE 2006-07 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 SCHOOL					
Microbiology and Molecular Genetics					
3. Theresa M. Koehler (T)					1648
From: Professor		100	12	125,000	
To: Professor, Hebert L. and Margaret W. DuPont Professorship in Biomedical Science Microbiology and Molecular Genetics	9/16-8/31	100	12	125,000	
Neurology					
4. James C. Grotta (T)					1711
From: Professor and Roy M. and Phyllis Gough Huffington Distinguished Chair of Neurology		100 SUPLT	12 12	177,313 99,444	
To: Roy M. and Phyllis Gough Huffington Distinguished Professor of Neurology, Professor and Chair, Department of Neurology and Director, Vascular Neurology Program	9/1-8/31 9/1-8/31 9/1-8/31	100 SUPLT AUG	12 12 12	194,416 134,443 10,570	

AMENDMENTS TO THE 2006-07 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>	
SCHOOL OF PUBLIC HEALTH					
San Antonio Regional Campus					
5. Frank I. Moore (T)					1743
From: Associate Professor		100	12	122,129	
To: Associate Professor and Interim Regional Dean	9/1-8/31 9/1-8/31	100 SUPLT	12 12	122,129 20,000	
Biostatistics					
6. Barry R. Davis (T)					1682
From: Professor and Director, Division of Biostatistics		100 SUPLT	12 12	166,175 15,000	
To: Professor	10/1-8/31	100	12	166,175	
7. Robert J. Hardy (T)					1683
From: Allen King Professor in Public Health		100 SUPLT	12 12	164,638 10,999	
To: Allen King Professor in Public Health and Director, Division of Biostatistics	10/1-8/31 10/1-8/31	100 SUPLT	12 12	169,638 25,999	
DENTAL BRANCH					
Oral Maxillofacial Surgery					
8. Mark E. Wong (T)					1699
From: Associate Professor and Chairman		100 SUPLT AUG	12 12 12	122,847 50,000 20,000	
To: Associate Professor and Chairman	9/1-8/31 9/1-8/31	100 SUPLT	12 12	132,847 50,000	
Associate Dean Research	9/1-8/31	AUG	12	20,000	

AMENDMENTS TO THE 2005-06 BUDGET

APPOINTMENTS AND PROMOTIONS

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
SCHOOL OF PUBLIC HEALTH					
Health Promotion and Behavioral Sciences					
1. Sally W. Vernon (T)					1418
From: Professor and Director, Division of Health Promotion and Behavioral Sciences		100 SUPLT	12 12	140,200 15,000	
To: Blair Justice, Ph.D. Professorship in Mind-Body Medicine in Public Health and Director, Division of Health Promotion and Behavioral Sciences	7/1-8/31 7/1-8/31	100 SUPLT	12 12	140,200 15,000	
2. John M. Swint (T)					1419
From: Professor and Director, Division of Management, Policy and Community Health		100 SUPLT	12 12	116,763 15,000	
To: George McMilian Fleming Professorship in Health Administration and Director, Division of Management, Policy and Community Health	7/1-8/31 7/1-8/31	100 SUPLT	12 12	116,763 15,000	

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 SCHOOL					
Neurology					
3. Jerry S. Wolinsky (T)					1443
From: Professor and Bartles Family Professorship and Professor Opal C. Rankin		100	12	187,022	
Professorship in Neurology		SUPLT	12	10,000	
To: Interim Dean and Professor and Bartles Family Professorship and Professor Opal C. Rankin	6/1-8/31	100	12	187,022	
Professorship in Neurology	6/1-8/31	SUPLT	12	122,978	
4. James C. Grotta (T)					1455
From: Professor and Roy M. and Phyllis Gough Huffington Distinguished Chair of Neurology		100	12	174,986	
		SUPLT	12	99,444	
		AUG	12	30,000	
To: Roy M. and Phyllis Gough Huffington Distinguished Professor of Neurology and Professor and Chair, Department of Neurology and Director of Vascular Neurology Program	7/1-8/31	100	12	194,416	
	7/1-8/31	SUPLT	12	134,443	
	7/1-8/31	AUG	12	10,570	

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 SCHOOL (Continued)					
Surgery					
5. Richard Andrassy (T)					1458
From:	Denton A. Cooley, M.D., Chair in Surgery, Professor and Chairman of the Department of Surgery and Associate Dean for Clinical Operations				
		100	12	261,656	
		SUPLT	12	133,416	
		AUG	12	280,583	
To:	Denton A. Cooley, M.D., Chair in Surgery, Professor and Chairman of the Department of Surgery and Associate Dean for Clinical Operations				
	5/1-8/31	100	12	261,656	
	5/1-8/31	SUPLT	12	153,416	
	5/1-8/31	AUG	12	280,583	

OTHER FISCAL ITEMS

EMPLOYMENT AGREEMENTS

The following agreement effects the compensation and benefits provisions discussed and approved on August 10, 2006 the U. T. System Board of Regents and reflected in the August 2006 Board meeting *Minutes*. 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: President
Funds: \$577,090 annually (plus \$115,000 deferred compensation)
Period: Beginning September 1, 2006
Description: Amendment of agreement for employment of James T. Willerson as President of The University of Texas Health Science Center at Houston. The President reports to the Executive Vice Chancellor for Health Affairs and shall hold office without fixed term subject to the pleasure of the Executive Vice Chancellor for Health Affairs and approval by the Chancellor and the Board. In addition to base salary and deferred compensation, Dr. Willerson will receive a supplement from practice plan funds of \$156,550 contingent on availability of funds. Other elements of compensation are the cost of club memberships as approved by the Executive Vice Chancellor for Health Affairs, other official entertainment expenses, and out-of-pocket expenses for official travel in accordance with the Regents' *Rules and Regulations*. While serving as President, Dr. Willerson's appointment as Professor, with tenure, at U. T. Health Science Center - Houston, is without compensation.

U. T. HEALTH SCIENCE CENTER – 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 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					
Medicine					
1. Robert A. Clark (T)					1500
From: Professor and Chair Dan F. Parman Chair		100	12	347,566	
To: Professor Dan F. Parman Distinguished Chair and Assistant Vice President for Clinical Research in the Department of the Vice President for Research	8/1-8/31 8/1-8/31	30 70	12 12	104,270 243,296	
Otolaryngology-Head and Neck Surgery					
2. Randal A. Otto (T)					1501
From: Professor, Chair, and Thomas W. Folbre Professorship		50	12	358,000	
To: Professor, Chair, Thomas W. Folbre Professorship, and Associate Dean for Ambulatory Services in the Office of the Dean of the School of Medicine	6/1-8/31	50	12	358,000	

OTHER FISCAL ITEMS

EMPLOYMENT AGREEMENTS

The following agreement effects the compensation and benefits provisions discussed and approved on August 10, 2006 the U. T. System Board of Regents and reflected in the August 2006 Board meeting *Minutes*. 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: President
Funds: \$531,998 annually (plus \$90,000 in deferred compensation)
Period: Beginning September 1, 2006
Description: Amendment of agreement for employment of Francisco G. Cigarroa as President of The University of Texas Health Science Center at San Antonio. The President reports to the Executive Vice Chancellor for Health Affairs and shall hold office without fixed term subject to the pleasure of the Executive Vice Chancellor for Health Affairs and approval by the Chancellor and the Board. In addition to base salary and deferred compensation, Dr. Cigarroa will receive a supplement from practice plan funds of \$143,268 contingent on availability of funds. Other elements of compensation are the cost of club memberships as approved by the Executive Vice Chancellor for Health Affairs, other official entertainment expenses, and out-of-pocket expenses for official travel in accordance with the Regents' *Rules and Regulations*. While serving as President, Dr. Cigarroa's appointment as Professor of Surgery, with tenure, at U. T. Health Science Center – San Antonio, is without compensation.

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. Metter with The University of Texas Health Science Center at San Antonio. By approval of this item, the Board is also asked to find that holding this position is of benefit to the State of Texas and The University of Texas and there is no conflict between this position and the University appointment.

- | | |
|---------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Name: | Darlene Metter, M.D. |
| Title: | Associate Professor, Department of Radiology |
| Position: | Member of the Texas Radiation Advisory Board |
| Period: | September 1, 2006 to April 16, 2007 |
| Compensation: | None |
| Description: | On September 1, 2006, Governor Rick Perry appointed Dr. Metter as a member of the Texas Radiation Advisory Board. Dr. Metter will attend quarterly meetings of the Advisory Board for the purpose of advising the Governor on radiation issues in the State of Texas. |

U. T. M. D. ANDERSON CANCER CENTER

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:

- | | |
|--------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------|
| Donor Name: | Anonymous donor |
| College/School/
Department: | Institution |
| Purpose: | To support the Division of Cancer Medicine research and education of targeted therapy to make speedy progress for the benefit of cancer patients |
| Asset Type: | Cash |
| Value: | \$2,000,000 |

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 GOING OUT

1. Agency: Cambridge Nassau Bay, LP
Funds: Approximately \$1,986,203 in base rent and approximately \$6,589.71 per month for operating expenses, to be reevaluated each year
Period: One hundred twenty months following the commencement date, which is estimated to be April 1, 2007, and up to two renewal options of five years each
Description: Space lease agreement (approximately 8,885 sq. ft.) for U. T. M. D. Anderson Cancer Center to provide technical and/or professional radiation oncology services or medical oncology/infusion therapy services and supporting medical services and related office space at 18100 St. Johns Drive, Nassau Bay, Texas
2. Agency: Interlink Health Services, Inc.
Funds: Transplant services and supplies will be reimbursed at the case rate for the standard number of case days for both inpatient and outpatient or the lesser of 90% of billed charges, subject to the Stop Loss Provision. The Stop Loss Provision states that in no case will Facility be paid less than 65% of billed charges for transplant services and supplies.
Period: July 1, 2006 through June 30, 2007
Description: Transplant network participation agreement

CONTRACTS (CONTINUED)

GENERAL CONTRACTS (CONTINUED)

FUNDS GOING OUT (CONTINUED)

3. Agency: eScription, Inc.
Funds: U. T. M. D. Anderson Cancer Center will pay a monthly usage fee and a per line transcription fee for the transcription and speech recognition software services. Total fees are dependant on U. T. M. D. Anderson Cancer Center's overall usage of the services, but are estimated to be at least \$5,000,000, including one-time start-up and hardware fees of \$194,850, a monthly subscription fee of \$3,700, and approximately \$130,535 per month for transcription fees in the first year.
Period: June 1, 2006 through December 31, 2008 with option to renew for up to three additional 12-month periods.
Description: Transcription and speech recognition software services including maintenance and support services
4. Agency: Epsilon Data Management, LLC
Funds: \$3,144,800 for the administration and operation of direct mail marketing services
Period: September 1, 2006 through August 31, 2008 with option to renew for up to three additional 12-month periods
Description: Direct mail marketing services (including program management, development of strategies, copy and mechanical art, copyrighting, media, consultants, production and purchasing, analysis and data management, technical capabilities, computer processing, shipping and postage, storage of supplies, and/or any necessary equipment, tools, and travel) for U. T. M. D. Anderson Cancer Center's Development Office.

AMENDMENTS TO THE 2006-07 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					
Surgical Oncology					
Associate Professor					
1. Jason Fleming (T)	9/1-8/31	100	12	295,000	1519
Pathology and Laboratory Medicine					
Associate Professor					
2. Mary Edgerton (T)	9/1-8/31	100	12	195,000	1520
Veterinary Medicine and Surgery					
3. Peggy T. Tinkey (T)					1470
From: Chair ad interim and Associate Professor		100	12	151,242	
		SUPLT	12	10,000	
To: Chair and Associate Professor	9/1-8/31	100	12	200,000	
Pediatrics					
4. Seth Corey					1472
From: Professor		100	12	178,694	
To: Professor (T)	9/1-8/31	100	12	194,694	
Gastrointestinal Medical Oncology					
5. Michael J. Fisch					1473
From: Associate Professor		100	12	194,004	
		SUPLT	12	10,000	
To: Associate Professor (T)	9/1-8/31	100	12	194,694	
		SUPLT	12	10,000	

AMENDMENTS TO THE 2006-07 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)					
General Internal Medicine, Ambulatory Treatment and Emergency Care					
6. Sai-ching J. Yeung					1474
From: Associate Professor		100	12	208,190	
To: Associate Professor (T)	9/1-8/31	100	12	218,190	
7. Maria Suarez-Almazor (T)					1489
From: Professor		100	12	200,000	
To: Professor and the Barnts Family Distinguished Professorship in Cancer Research	9/1-8/31	100	12	200,000	
Sarcoma Medical Oncology					
8. Robert S. Benjamin (T)					1485
From: Chair, Professor		100	12	342,375	
To: Chair, Professor and the P. H. and Fay E. Robinson Distinguished Professorship In Cancer Research	9/1-8/31	100	12	345,375	
Surgical Oncology					
9. Di-Hua Yu (T)					1488
From: Professor		100	12	193,059	
To: Professor and the Nylene Eckles Distinguished Professorship in Breast Cancer Research	9/1-8/31	100	12	196,059	

AMENDMENTS TO THE 2006-07 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)					
Blood and Marrow Transplantation					
10. Jeffrey J. Molldren (T)					1490
From: Professor		100	12	219,814	
To: Stem Cell Transplantation and Cellular Therapy Professor and the Virginia H. Cockrell Distinguished Professorship in Immunology	9/1-8/31	100	12	222,814	
Epidemiology					
11. Xi F. Wu (T)					1742
From: Professor		100	12	169,962	
To: Ashbel Smith Professor	9/1-8/31	100	12	169,962	
Thoracic/Head and Neck Medical Oncology					
12. Bonnie S. Glisson (T)					1740
From: Professor		100	12	258,773	
To: Ashbel Smith Professor	9/1-8/31	100	12	258,773	
RESEARCH					
Cancer Genetics					
13. Guillermina Lozano (T)					1471
From: Professor and Mattie Allen Fair Research Chair		100	12	201,743	
To: Chair, Professor and Mattie Allen Fair Research Chair	9/1-8/31	100	12	225,000	

AMENDMENTS TO THE 2006-07 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 (Continued)					
Anesthesiology and Pain Medicine Research					
14. Hui-Lin Pan (T)					1483
From: Professor		100	12	213,200	
To: Professor and the N. G. and Helen Hawkins Distinguished Professorship for Cancer Research	9/1-8/31	100	12	213,200	
Biochemistry and Molecular Biology					
15. Sharon R. Dent (T)					1484
From: Professor		100	12	160,322	
To: Professor and the Rebecca Meyer Brown and Joseph Mellinger Brown Chair in Basic Science Research	9/1-8/31	100	12	166,322	
16. Robert A. Schulz (T)					1741
From: Professor		100	12	175,000	
To: Ashbel Smith Professor	9/1-8/31	100	12	175,000	
Experimental Therapeutics					
17. Garth Powis (T)					1486
From: Chair, Professor		100	12	288,766	
To: Chair, Professor and the David Burton, Jr. Chair	9/1-8/31	100	12	288,766	

AMENDMENTS TO THE 2006-07 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 (Continued)					
Experimental Therapeutics (Continued)					
18. Varsha V. Gandhi (T)					1739
From: Professor		100		12168,590	
To: Ashbel Smith Professor	9/1-8/31	100		12168,590	
Immunology					
19. Miles F. Wilkinson (T)					1487
From: Professor		100	12	179,900	
To: Biochemistry and Molecular Biology Professor and the Ruby E. Rutherford Distinguished Professorship	9/1-8/31	100	12	182,900	
Molecular Genetics					
20. Benoit deCrombrughe (T)					1738
From: Professor and Hubert L. and Olive Stringer Distinguished Chair in Basic Science		100		12250,000	
To: Chair, Professor and Hubert L. and Olive Stringer Distinguished Chair in Basic Science	9/1-8/31	100	12	291,930	

OTHER FISCAL ITEMS

EMPLOYMENT AGREEMENTS

The following agreement effects the compensation and benefits provisions discussed and approved on August 10, 2006 the U. T. System Board of Regents and reflected in the August 2006 Board meeting *Minutes*. 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: President
Funds: \$657,368 annually (plus \$250,000 in deferred compensation)
Period: Beginning September 1, 2006
Description: Amendment of agreement for employment of John Mendelsohn as President of The University of Texas M. D. Anderson Cancer Center. The President reports to the Executive Vice Chancellor for Health Affairs and shall hold office without fixed term subject to the pleasure of the Executive Vice Chancellor for Health Affairs and approval by the Chancellor and the Board. In addition to base salary and deferred compensation, Dr. Mendelsohn will receive a supplement from practice plan funds of \$180,327 contingent on availability of funds. Other elements of compensation are the cost of club memberships as approved by the Executive Vice Chancellor for Health Affairs, other official entertainment expenses, and out-of-pocket expenses for official travel in accordance with the Regents' *Rules and Regulations*. While serving as President, Dr. Mendelsohn's appointment as Professor, with tenure pursuant to institutional policy, at U. T. M. D. Anderson Cancer Center, is without compensation.

U. T. HEALTH CENTER – TYLER

OTHER FISCAL ITEMS

EMPLOYMENT AGREEMENTS

The following agreement effects the compensation and benefits provisions discussed and approved on August 10, 2006 the U. T. System Board of Regents and reflected in the August 2006 Board meeting *Minutes*. 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: President
Funds: \$361,438 annually (plus \$25,000 in deferred compensation)
Period: Beginning September 1, 2006
Description: Amendment of agreement for employment of Kirk A. Calhoun as President of The University of Texas Health Center at Tyler. The President reports to the Executive Vice Chancellor for Health Affairs and shall hold office without fixed term subject to the pleasure of the Executive Vice Chancellor for Health Affairs and approval by the Chancellor and the Board. In addition to base salary and deferred compensation, Dr. Calhoun will receive a supplement from practice plan funds of \$93,132 contingent on availability of funds. Other elements of compensation are the cost of club memberships as approved by the Executive Vice Chancellor for Health Affairs, other official entertainment expenses, and out-of-pocket expenses for official travel in accordance with the Regents' *Rules and Regulations*. While serving as President, Dr. Calhoun's appointment as Professor at U. T. Health Center -Tyler, is without compensation.