

Meeting No. 1,067

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

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February 17-18, 2011

Austin, Texas

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OF  
THE UNIVERSITY OF TEXAS SYSTEM  
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MEETING NO. 1,067

THURSDAY, FEBRUARY 17, 2011.--The members of the Board of Regents of The University of Texas System convened at 9:34 a.m. on Thursday, February 17, 2011, in the Board Meeting Room, Ninth Floor, Ashbel Smith Hall, 201 West Seventh Street, Austin, Texas, with the following participation:

ATTENDANCE.--

<u>Present</u>	<u>Absent</u>
Chairman Powell	Regent-Designate Cranberg
Vice Chairman Foster	
Vice Chairman Hicks	
Vice Chairman Dannenbaum	
Regent Gary	
Regent Hall	
Regent Pejovich	
Regent Stillwell	
Regent Kalkwarf, Student Regent, nonvoting	

In accordance with a notice being duly posted with the Secretary of State and there being a quorum present, Chairman Powell called the meeting to order to consider the following agenda items.

1. U. T. System Board of Regents: Welcome to new Regents – Alexis “Alex” M. Cranberg and Wallace L. Hall, Jr.

Chairman Powell welcomed Regent Wallace L. Hall, Jr. to his first Board meeting and noted that Regent-Designate Alexis “Alex” M. Cranberg was not able to attend the meeting.

[On February 1, 2011, Governor Rick Perry appointed or reappointed the following individuals to the Board of Regents of The University of Texas System for terms to expire as noted:

Reappointment of Mr. R. Steven Hicks, Austin, Texas, for a term to expire February 1, 2015.

Reappointment of Ms. Brenda Pejovich, Dallas, Texas, for a term to expire February 1, 2017.

Mr. Wallace L. Hall, Jr., Dallas, Texas, for a term to expire February 1, 2017, to succeed Ms. Colleen McHugh whose term expired on February 1, 2011.

Mr. Alexis "Alex" Cranberg, Austin, Texas, for a term to expire February 1, 2017, to succeed Ms. Janiece Longoria whose term expired on February 1, 2011.

Each appointment was confirmed by the Senate. Mr. Hall, Mr. Hicks, and Ms. Pejovich took the oath of office on February 17, 2011, and Mr. Cranberg took the oath of office on February 23, 2011.]

2. U. T. System Board of Regents: Approval of Chairman's appointment of Chairmen of Board Committees and Regental Representatives; and notification of appointments to Standing Committees and Liaison roles for the record (Regents' Rules and Regulations, Rule 10402, regarding Committees and Other Appointments)

In accordance with the requirements of the Regents' *Rules and Regulations*, Rule 10402, Chairman Powell made recommendations in advance of the meeting and requested the concurrence of The University of Texas System Board of Regents on appointments of Committee Chairmen and on appointments of Board representatives to the Board for Lease of University Lands, the Board of Directors of The University of Texas Investment Management Company (UTIMCO), and the Board of Trustees of the Texas Growth Fund. The Committee and other appointments set forth below were before the Board on yellow paper.

Committee membership on all committees is listed below for the record. All appointments were effective immediately and remain in effect until new appointments are made.

## **Committees**

### Academic Affairs Committee

R. Steven Hicks, Chairman  
Robert L. Stillwell, Vice Chairman  
Paul L. Foster  
Wallace L. Hall, Jr.  
Brenda Pejovich

### Audit, Compliance, and Management Review Committee

Brenda Pejovich, Chairman  
Paul L. Foster, Vice Chairman  
Alexis "Alex" Cranberg  
Wallace L. Hall, Jr.

Facilities Planning and Construction Committee

Printice L. Gary, Chairman  
James D. Dannenbaum, Vice Chairman  
Alexis "Alex" Cranberg  
R. Steven Hicks  
Robert L. Stillwell

Finance and Planning Committee

Paul L. Foster, Chairman  
Printice L. Gary, Vice Chairman  
Alexis "Alex" Cranberg  
Wallace L. Hall, Jr.  
Brenda Pejovich

Health Affairs Committee

Robert L. Stillwell, Chairman  
James D. Dannenbaum, Vice Chairman  
Paul L. Foster  
Printice L. Gary  
Wallace L. Hall, Jr.

Technology Transfer and Research Committee

James D. Dannenbaum, Chairman  
R. Steven Hicks, Vice Chairman  
Alexis "Alex" Cranberg  
Printice L. Gary  
Brenda Pejovich

**Regental Representatives**

Athletics Liaisons  
R. Steven Hicks  
Robert L. Stillwell

Board for Lease of University Lands  
James D. Dannenbaum  
Printice L. Gary

Liaison to Governor's Office on Technology Transfer and Commercialization Issues  
James D. Dannenbaum

M. D. Anderson Services Corporation Board of Directors  
Robert L. Stillwell

Special Advisory Committee on the Brackenridge Tract  
Printice L. Gary  
Wm. Eugene Powell

Texas Growth Fund Board of Trustees  
Wm. Eugene Powell

The Type 2 Diabetes Risk Assessment Program Advisory Committee  
Brenda Pejovich

The University of Texas Investment Management Company (UTIMCO)  
Board of Directors  
Paul L. Foster  
Printice L. Gary  
R. Steven Hicks

RECESS.--At 9:37 a.m., Chairman Powell announced the Board would recess for meetings of the standing committees.

RECONVENE IN OPEN SESSION TO RECESS TO EXECUTIVE SESSION.--  
At 11:47 a.m., Chairman Powell announced a quorum present and said 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.--At 2:13 p.m., the Board reconvened in open session for the following actions taken on matters discussed in Executive Session.

1a. U. T. System Board of Regents: Discussion with Counsel on pending legal issues

No action was taken on this item.

1b. U. T. M. D. Anderson Cancer Center: Discussion of legal issues related to contracting and gift acceptance procedures

See also Item 2c on Page 5. No action was taken on this item.

1c. U. T. Austin: Discussion of legal issues related to lease of Lions Municipal Golf Course on the Brackenridge Tract, Austin, Travis County, Texas, to the City of Austin

See also Item 3 below and Item 4 on Page 8 for action taken on this item in Open Session.

2a. U. T. System: Discussion and appropriate action regarding individual personnel matters relating to appointment, employment, evaluation, compensation, assignment, and duties of U. T. System and institutional employees

No action was taken on this item.

2b. U. T. System: Discussion and appropriate action regarding individual personnel matters relating to appointment, employment, evaluation, compensation, assignment, and duties of presidents (academic and health institutions), U. T. System Administration officers (Executive Vice Chancellors and Vice Chancellors), other officers reporting directly to the Board (Chancellor, General Counsel to the Board, and Chief Audit Executive), and U. T. System and institutional employees

No action was taken on this item.

2c. U. T. M. D. Anderson Cancer Center: Discussion of individual personnel matters related to presidential search and to audit of contracting and gift acceptance procedures

See also Item 1b on Page 4. No action was taken on this item.

3. U. T. Austin: Discussion and appropriate action regarding lease of Lions Municipal Golf Course on the Brackenridge Tract, Austin, Travis County, Texas, to the City of Austin

See also Item 1c above and Item 4 on Page 8 for action taken on this item in Open Session.

4a. U. T. Arlington: Approval of proposed negotiated gifts with potential naming features

Vice Chairman Hicks moved that the Board of Regents authorize President Spaniolo and Vice Chancellor Safady to conclude negotiations necessary to

finalize and accept gifts to benefit The University of Texas at Arlington with potential naming features consistent with the terms outlined in Executive Session.

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

4b. U. T. Dallas: Approval of proposed negotiated gifts with potential naming features (Deferred)

This item was deferred.

4c. U. T. Tyler: Discussion and appropriate action regarding proposed negotiated gifts with potential naming features

Vice Chairman Foster moved that the Board of Regents authorize President Mabry and Vice Chancellor Safady to conclude negotiations necessary to finalize and accept gifts to benefit The University of Texas at Tyler with potential naming features consistent with the terms outlined in Executive Session.

Vice Chairman Hicks seconded the motion, which carried by acclamation.

4d. U. T. M. D. Anderson Cancer Center: Approval of proposed negotiated gifts with potential naming features

Upon motion by Vice Chairman Dannenbaum, seconded by Regent Stillwell, the Board authorized President Mendelsohn and/or Vice Chancellor Safady to conclude negotiations necessary to finalize and accept gifts to benefit The University of Texas M. D. Anderson Cancer Center with potential naming features consistent with the terms outlined in Executive Session.

The motion carried by acclamation.

4e. U. T. System: Approval of proposed negotiated gifts with potential naming features

Upon motion by Regent Stillwell, seconded by Regent Hall, the Board authorized Chancellor Cigarroa and Vice Chancellor Safady to conduct negotiations for gifts to benefit The University of Texas System with potential naming features consistent with the terms outlined in Executive Session.

The motion carried unanimously.

AGENDA ITEM

3. U. T. System Board of Regents: Discussion of U. T. System efficiency and productivity measures (Deferred)

The report on The University of Texas System efficiency and productivity measures was deferred.

RECESS.--At 2:16 p.m., Chairman Powell announced the Board would recess for meetings of the standing committees and would reconvene on the morning of February 18.

FRIDAY, FEBRUARY 18, 2011.--The members of the Board of Regents of The University of Texas System reconvened at 10:35 a.m. on Friday, February 18, 2011, in the Board Meeting Room, Ninth Floor, Ashbel Smith Hall, 201 West Seventh Street, Austin, Texas, with the following participation:

ATTENDANCE.--

<u>Present</u>	<u>Absent</u>
Chairman Powell	Regent-Designate Cranberg
Vice Chairman Foster	
Vice Chairman Hicks	
Vice Chairman Dannenbaum	
Regent Gary	
Regent Hall	
Regent Pejovich	
Regent Stillwell	
Regent Kalkwarf, Student Regent, nonvoting	

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

U. T. SYSTEM BOARD OF REGENTS: APPROVAL OF MINUTES.--The Minutes of the regular meetings of the Board of Regents of The University of Texas System held on November 10-11, 2010, and December 2-3, 2010, and the special called meeting held on December 17, 2010, in Austin, Texas, were approved as prepared by the Secretary to the Board of Regents. The official copy of these Minutes is recorded in the *Permanent Minutes*, Volume LVIII, Pages 6 - 123. (The Minutes of the February 8, 2011 meeting will be submitted for approval at the May Board meeting.)

AGENDA ITEMS, CONTINUED

4. U. T. Austin: Approval to allow expiration of lease of Lions Municipal Golf Course on the Brackenridge Tract, Austin, Travis County, Texas, to the City of Austin

Chairman Powell opened discussion related to the lease of the Lions Municipal Golf Course on the Brackenridge Tract, Austin, Travis County, Texas, to the City of Austin by saying the current lease is set to expire in 2019, and representatives of The University of Texas at Austin and The University of Texas System have been in conversation with representatives of the City of Austin concerning the future of the lease.

Following remarks from Vice Chancellor Burgdorf and Executive Director Mayne regarding the relevant portions of the lease and the recommendations from the Brackenridge Tract Task Force, Chairman Powell called on the following individuals from the public who had asked to speak, and a letter from Dr. Tommy Thomas was distributed to members of the Board.

- Ms. Linda Roudebush
- Ms. Mary Arnold
- Mr. August Harris III

Chairman Powell called on Regent Gary for a motion. Regent Gary moved that the U. T. System Board of Regents authorize Chairman Powell to provide formal notice to the City of Austin that, as recommended by the Brackenridge Tract Task Force, the Lions Municipal Golf Course lease be allowed to expire at the end of the current term in May 2019, and to advise the City of the Board's desire to continue open and ongoing dialogue with the City leadership on issues of mutual interest as the Board plans how best to utilize and redevelop the Brackenridge Tract in the coming years to benefit U. T. Austin. Regent Gary emphasized in his motion that he is not proposing that the Board terminate the lease early, but rather that the Board allow the lease to end at the conclusion of its current term in May 2019, approximately eight years from now, which should permit time for the City to plan for the future.

The motion was seconded by Vice Chairman Foster and carried with Vice Chairman Hicks abstaining from vote to avoid a perception of conflict since he is interested in the Tract both as a residential neighborhood and a commercial property owner. In his statement of disclosure, Vice Chairman Hicks said he fully understands the Board's fiduciary duty to use the Tract to advance U. T. Austin.

Regent Gary asked about the current market value of property and Ms. Mayne said the rental could be \$5.5 million per year on the ground lease. Regent Stillwell asked about early termination of the lease, and Vice Chancellor Burgdorf said the lease could unilaterally terminate by 2019.

On June 17, 1910, Colonel George W. Brackenridge, then a member of the U. T. System Board of Regents, gave a 500-acre tract in West Austin along both sides of the Colorado River to the Board for the benefit of U. T. Austin. The deed from Colonel Brackenridge states that the gift is made "for the purpose of advancing and promoting University education." Colonel Brackenridge had hoped that his gift would form the foundation of a new campus for U. T. Austin, but his dream was not realized. During the 100 years since Colonel Brackenridge's deed, some of the property that was geographically isolated from the remainder of the tract was sold and the proceeds were placed in an endowment for U. T. Austin and some of the property was utilized for road rights-of-way and utilities. Approximately 350 acres in the tract remain along both sides of Lake Austin Boulevard.

Portions of the remaining 350 acres are used by U. T. Austin for graduate student housing and a biological field lab. Other portions are leased for commercial purposes and for governmental and civic uses. Since 1924, a portion of the tract (now 141 acres) has been leased for a golf course. The present lease of the Lions Municipal Golf Course to the City of Austin was entered into in 1987 and amended in 1989 to extend its term to May 2019, with three 5-year extensions that can be cancelled by either the City or the Board.

The Board of Regents has periodically examined the uses of the Brackenridge Tract. Former Chairman James Huffines commenced the most recent review in July 2006 by appointing the Brackenridge Tract Task Force to study the tract and make recommendations to the Board. After more than a year of study, the Brackenridge Tract Task Force issued its written report in October 2007.

The Task Force report contained numerous findings and recommendations, including a recommendation concerning the Lions Municipal Golf Course lease, as follows:

The Lions Municipal Golf Course lease should be allowed to terminate at the end of its current term in 2019 and the Board should include the tract in the master planning process.

The Task Force's recommendation is based on its conclusion that the lease of the land for a public golf course at a rental rate that is substantially below what the property could generate were it used for other purposes does not meet the intent of Colonel Brackenridge's gift. Brackenridge was a great benefactor of several cities in Texas, and in fact, expressly conveyed some land for public park purposes, most notably the Brackenridge Park in San Antonio. He gave the Brackenridge Tract in Austin, however, specifically to support the educational mission of the University.

5. U. T. System Board of Regents: Amendments to the Regents' *Rules and Regulations*, Rule 31001 to add Section 2.3(e), regarding new nontenure-track titles

The Board amended the Regents' *Rules and Regulations*, Rule 31001 to add Section 2.3(e), regarding new nontenure-track titles, as set forth on the following page. The Rule adds nontenure-track titles to its inventory. The titles will be used by academic institutions and are parallel to the Clinical Professor titles used by the medical schools.

Sec. 2.3 Nontenure-Track Positions. Prefixes to academic and staff positions in which tenure cannot be acquired:

...

- (e) Professor in Practice, Associate Professor in Practice, and Assistant Professor in Practice. These titles may be used by the institutions of the U. T. System to designate regular part-time or full-time service for faculty involved in a professional experience program. Appointments to the faculty with a Professor in Practice title may be with or without pay and shall be for a period of time not to exceed one academic year. Such appointments shall terminate upon expiration of the stated period of appointment without notification of nonrenewal. If an institution determines that it is to the benefit of the institution, it may offer reappointment to a faculty member in accordance with the *Texas Education Code Section 51.943*.

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

Vice Chancellor Safady reported on the development performance of The University of Texas System institutions and presented recommendations for advancing philanthropic support.

STANDING COMMITTEE REPORTS TO THE BOARD.--At 12:05 p.m., Chairman Powell announced the Board would hear the reports and recommendations of the Standing Committees, which are set forth on Pages 12 - 57.

REPORT AND RECOMMENDATION OF THE AUDIT, COMPLIANCE, AND MANAGEMENT REVIEW COMMITTEE (Pages 12 - 13).--Committee Chairman Pejovich reported the Audit, Compliance, and Management Review Committee met in open session to consider a matter on its agenda and to formulate recommendations for The University of Texas System Board of Regents. Unless otherwise indicated, the action set forth in the Minute Order that follows was recommended by the Audit, Compliance, and Management Review Committee and approved in open session by the U. T. System Board of Regents.

1. U. T. System: Report on the Fiscal Year 2010 Annual Financial Report, including the report on the U. T. System Annual Financial Report Audit

This item was for consideration only by the Committee (see Committee Minutes for the Joint Meeting with the Finance and Planning Committee).

2. U. T. System: Report on clinical trial billing process

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

3. U. T. System: Report on the Systemwide internal audit activities, including the status of the information security program audits; and Internal Audit Department reports for U. T. Brownsville and U. T. San Antonio

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

4. U. T. System: Delegation of authority to select and negotiate with vendor to provide consulting services related to information security compliance effectiveness reviews and execute related agreements

The Board authorized Vice Chancellor and General Counsel Burgdorf, following additional consultation with the Chairman and the Chancellor, to select a business entity or entities to

- a. provide consulting services to The University of Texas System related to information security compliance effectiveness reviews as requested by the Board leadership;
- b. negotiate the terms, conditions, and scope of an agreement with the selected vendor, including a price deemed appropriate for the services to be provided; and

- c. execute all documents and take all further actions to implement the information security compliance effectiveness reviews and secure a final report promptly and efficiently.

Pursuant to a comprehensive Invitation for Offers, U. T. System Administration received proposals from seven vendors. Vice Chancellor Burgdorf formed an evaluation committee of U. T. System and campus executives and information technology professionals that narrowed the responding vendors to three finalists: Deloitte & Touche LLP, Verizon Business Network Services, Inc., and PricewaterhouseCoopers LLP. The evaluation committee had conducted personal interviews with representatives of the three finalists.

REPORT AND RECOMMENDATIONS OF THE FINANCE AND PLANNING COMMITTEE (Pages 14 - 33).--Committee Chairman Foster reported that the Finance and Planning Committee met in open session to consider those matters on its agenda and to formulate recommendations for The University of Texas System Board of Regents. Unless otherwise indicated, the actions set forth in the Minute Orders that follow were recommended by the Finance and Planning Committee and approved in open session by the U. T. System Board of Regents.

1. U. T. System: Approval of Docket No. 145

The Board approved *Docket No. 145*, which is attached following Page 57 in the official copy of the *Minutes*. The Docket 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.

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

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

3. U. T. System: Report on the Analysis of Financial Condition for Fiscal Year 2010

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

4. U. T. System: Approval of additional aggregate amount of \$9,558,000 of Revenue Financing System Equipment Financing for Fiscal Year 2011 and resolution regarding parity debt

The Board

a. approved an additional aggregate amount of \$9,558,000 of Revenue Financing System Equipment Financing for Fiscal Year 2011 as allocated to those University of Texas System institutions set out on Page 16; and

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

- parity debt shall be issued to pay the cost of equipment including costs incurred prior to the issuance of such parity debt;
- sufficient funds will be available to meet the financial obligations of the U. T. System, including sufficient Pledged Revenues as defined in the Master Resolution to satisfy the Annual Debt Service Requirements of the Financing System, and to meet all financial obligations of the U. T. System Board of Regents relating to the Financing System;
- the U. T. System institutions and U. T. System Administration, which are "Members" as such term is used in the Master Resolution, possess the financial capacity to satisfy their direct obligation as defined in the Master Resolution relating to the issuance by the U. T. System Board of Regents of tax-exempt parity debt in the aggregate amount of \$9,558,000 for the purchase of equipment; and
- this resolution satisfies the official intent requirements set forth in Section 1.150-2 of the *Code of Federal Regulations* that evidences the U. T. System Board of Regents' intention to reimburse project expenditures with bond proceeds.

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

On August 11, 2010, the U. T. System Board of Regents approved \$157,373,000 for equipment financing in Fiscal Year 2011. This item approves an additional aggregate amount of \$9,558,000 for equipment financing for Fiscal Year 2011.

Further details on the equipment to be financed and debt service coverage ratios for individual institutions can be found on Page 16.

APPROVAL OF U. T. SYSTEM EQUIPMENT FINANCING  
FY 2011 (February)

Institution	\$ Amount of Request	Description of Equipment Purchases	DSC*
U. T. Dallas	\$2,000,000	PeopleSoft ERP implementation	2.3x
U. T. El Paso	1,118,000	PeopleSoft ERP implementation, vehicle replacement, office equipment	2.1x
U. T. San Antonio	2,440,000	PeopleSoft ERP implementation	1.9x
U. T. Health Science Center - Tyler	4,000,000	Clinical and laboratory equipment	1.8x
<b>Total</b>	<b>\$9,558,000</b>		

\* Debt Service Coverage ("DSC") based on six-year forecasted Statement of Revenues, Expenses, and Changes in Net Assets ("SRECNA") for FY2011 – FY2016.

U. T. System Office of Finance Monday, January 31, 2011

5. U. T. System Board of Regents: Approval of a new investment strategy for debt proceeds, including amendments to the Separately Invested Funds Investment Policy Statement

The Board approved a new investment strategy for debt proceeds and amendments to the Separately Invested Funds (SIF) Investment Policy Statement as set forth on Pages 19 - 26.

On July 8, 2005, the Board authorized the centralized management of The University of Texas System operating reserves. Pursuant to the policies approved by the Board, debt proceeds are not permitted to be invested in the Intermediate Term Fund (ITF) due to the risk of loss of principal. Therefore, debt proceeds are invested in the Short Term Fund (STF). The STF is 100% invested in the Dreyfus Institutional Preferred Money Market Fund, a low-cost, AAA-rated, institutional money market fund that provides daily liquidity. The current annualized yield of the STF is 0.23%.

The U. T. System Office of Finance manages one of the largest municipal debt portfolios in the world and currently has \$1.1 billion of debt proceeds on hand. All of the debt proceeds are invested in the STF and are scheduled to be spent for capital construction over the next several years. The U. T. System Office of Finance recommended that a portion of the debt proceeds be invested in U.S. Treasury and Agency securities with a longer time horizon. This change in strategy will result in a higher than expected investment return and diversification away from a single money market fund, while maintaining adequate protection of principal and liquidity.

U. T. System staff has collaborated with The University of Texas Investment Management Company (UTIMCO) staff for the purposes of creating a laddered Treasury and Agency investment portfolio. The laddered portfolio will be invested by UTIMCO's internal portfolio managers and UTIMCO's office staff will provide the accounting services.

The SIF Investment Policy Statement was amended effective March 1, 2011, to allow for the investment of the U. T. System debt proceeds by UTIMCO and to provide appropriate investment guidelines for the funds. The amendments to the SIF Investment Policy Statement had previously been approved by the UTIMCO Board.

A summary of the amendments follows:

- Page 1, Purpose: debt proceeds as Accounts that are subject to this policy.
- Page 1, Investment Management, second paragraph: changed to reference the possibility of restrictions on the investment of the Debt Proceeds Accounts and Other Accounts.

- Page 2, Investment Objectives: added the investment objective for the debt proceeds.
- Page 3, Other Accounts: changed to state that these accounts do not include Debt Proceeds Accounts.
- Page 3, Asset Class Allocation, second paragraph: changed to recognize the possibility of restrictions on the investment of the Accounts.
- Page 4, Asset Class Allocation Policy: language changed from “other Account” to “trust” document and “trust or endowment” deleted so as to include Debt Proceeds Accounts; also amended to add that Asset Class allocation policy and ranges for the Debt Proceeds and other Accounts will be determined by the terms and conditions of any applicable documents.
- Page 5, Investment Grade Fixed Income: “Taxable Municipal securities” changed to “Municipal securities.”
- Page 6, Real Estate, Natural resources, last paragraph: changed to allow for “other controlling” document to limit the Account’s allowable investments.
- Page 7, Distributions: “to the beneficiaries” deleted.
- Page 8, Effective Date: changed to March 1, 2011.

## **THE UNIVERSITY OF TEXAS SYSTEM SEPARATELY INVESTED FUNDS INVESTMENT POLICY STATEMENT**

### **Purpose**

The Separately Invested Funds (the "Accounts") include the Endowment, Trust, Debt Proceeds, and Other Accounts established in the name of the Board of Regents of The University of Texas System (the "Board of Regents"), and are Accounts which are not solely invested in one of the pooled investment vehicles. These Accounts are not invested in the pooled investment vehicle because: a) they are charitable trusts; b) of investment restrictions incorporated into the trust/endowment document; c) of the inability to sell the gifted investment asset; d) they are assets being migrated upon liquidation into a pooled investment vehicle; e) they are debt proceeds with a short-intermediate investment horizon; or f) they are assets held by The University of Texas Investment Management Company ("UTIMCO") at the request of a University of Texas System institution for which UTIMCO does not have investment discretion (for example, tech stock). This policy covers the Accounts collectively. However, specific guidelines are applied to each individual account. Specific Account restrictions may not fall within the guidelines established in this policy.

### **Investment Management**

Article VII, Section 11b of the Texas Constitution authorizes the Board of Regents, subject to procedures and restrictions it establishes, to invest the Permanent University Fund (the "PUF") in any kind of investment and in amounts it considers appropriate, provided that it adheres to the prudent investor standard. This standard provides that the Board of Regents, in making investments, may acquire, exchange, sell, supervise, manage, or retain, through procedures and subject to restrictions it establishes and in amounts it considers appropriate, any kind of investment that prudent investors, exercising reasonable care, skill, and caution, would acquire or retain in light of the purposes, terms, distribution requirements, and other circumstances of the fund then prevailing, taking into consideration the investment of all the assets of the fund rather than a single investment. Pursuant to Section 51.0031(c) of the *Texas Education Code*, the Board of Regents has elected the PUF prudent investor standard to govern its management of the Accounts.

Ultimate fiduciary responsibility for the Accounts rests with the Board of Regents. Section 66.08, *Texas Education Code*, as amended, authorizes the Board of Regents, subject to certain conditions, to enter into a contract with a nonprofit corporation to invest funds under the control and management of the Board of Regents. The applicable trust/endowment document will apply to the management of each trust or endowment. The restrictions set forth in this policy and in any separate writing applicable to the Debt Proceeds Accounts and the Other Accounts will apply to the management of those Accounts.

Pursuant to an Investment Management Services Agreement between the Board of Regents and UTIMCO, the assets for the Accounts shall be managed by UTIMCO, which shall: a) recommend investment policy for the Accounts, b) determine specific Asset Class allocation targets, ranges and performance benchmarks consistent with the Accounts objectives, and if appropriate c) monitor the Accounts' performance against Accounts objectives. UTIMCO shall invest the Accounts' assets in conformity with this Policy Statement.

UTIMCO may select and terminate unaffiliated investment managers subject to any limitations stated herein. Managers shall be monitored for performance and adherence to investment disciplines.

### **Accounts Administration**

UTIMCO shall employ an administrative staff to ensure that all transaction and accounting records are complete and prepared on a timely basis. Internal controls shall be emphasized so as to provide for responsible separation of duties and adequacy of an audit trail. Custody of assets in the Accounts shall comply with applicable law and be structured so as to provide essential safekeeping and trading efficiency.

### **Investment Objectives**

Endowment Accounts - The primary investment objective shall be to invest the Accounts in assets that comply with the terms of the applicable trust/endowment document, taking into consideration the investment time horizon of the Accounts.

Trust Accounts - Trust Accounts are defined as either Foundation Accounts or Charitable Trusts ((Charitable Remainder Unitrusts (CRUT), Charitable Remainder Annuity Trusts (CRAT), Pooled Income Funds (PIF), or Charitable Trusts (CT)). The Board of Regents recognizes that the investment objective of a trust is dependent on the terms and conditions as defined in the trust document of each trust. The conditions that will affect the investment strategy are a) the trust payout provisions; b) the ages of the income beneficiaries; c) the ability to sell the gifted assets that were contributed to the trust; and d) consideration to investment preferences of the income beneficiaries. Taking these conditions into consideration, the fundamental investment objectives of the trust are to generate a low to moderate growth in trust principal and to provide adequate liquidity in order to meet the payout provisions of the trust.

Debt Proceeds Accounts – The primary investment objective shall be safety of principal and maintenance of adequate liquidity sufficient to meet the spend-out schedules of each Account, as provided by the U. T. System Office of Finance. Debt Proceeds Accounts, other than investments in cash as defined in the Liquidity Policy, will be invested in U.S. government obligations, including obligations of an

agency or instrumentality of the United States, taking into consideration the spending needs of the Accounts.

**Other Accounts** – These are all accounts which are not Endowment Accounts, Trust Accounts, or Debt Proceeds Accounts that hold assets not invested in one of the pooled investment vehicles. These accounts include agency funds, institution current purpose accounts, and tech stock accounts.

### **Asset Class Allocation**

Asset Class allocation is the primary determinant of the volatility of investment return and subject to the Asset Class allocation ranges specified herein, is the responsibility of UTIMCO. Specific Asset Class allocation positions may be changed from time to time based on the economic and investment outlook.

Unless otherwise restricted herein, the Accounts' assets shall be allocated among the following broad Asset Classes based upon their individual return/risk characteristics and relationships to other Asset Classes:

#### **Asset Classes:**

**Investment Grade Fixed Income** – Investment Grade Fixed Income represents ownership of fixed income instruments, including real and nominal, US and non-US, and across all maturities that are rated investment grade, including cash as defined in the Liquidity Policy.

**Credit-Related Fixed Income** – Credit-Related Fixed Income represents ownership of fixed income instruments, including real and nominal, US and non-US, and across all maturities that are rated below investment grade.

**Natural Resources** - Natural Resources represents ownership directly or in securities, the value of which are directly or indirectly tied to natural resources including, but not limited to, energy, metals and minerals, agriculture, livestock, and timber.

**Real Estate** - Real Estate represents primarily equity ownership in real property including public and private securities.

**Developed Country Equity** – Developed Country Equity represents ownership in companies domiciled in developed countries as defined by the composition of the MSCI World Index.

**Emerging Markets Equity** – Emerging Markets Equity represents ownership in companies domiciled in emerging economies as defined by the composition of the MSCI Emerging Markets Index. In addition, such definition will also include those companies domiciled in economies that have yet to reach MSCI

Emerging Markets Index qualification status (either through financial or qualitative measures).

In addition, life insurance and variable annuities may be acceptable investments.

### **Asset Class Allocation Policy**

The Asset Class allocation policy and ranges for the Endowment and Trust Accounts are dependent on the terms and conditions of the applicable trust/endowment or trust document. The Asset Class allocation policy and ranges for the Debt Proceeds and Other Accounts will be determined by the terms and conditions of any applicable documents. If possible, the Accounts' assets shall be diversified among different types of assets whose returns are not closely correlated in order to enhance the return/risk profile of the Accounts.

The Board of Regents delegates authority to UTIMCO to establish specific Asset Class allocation targets and ranges for each Account. UTIMCO may establish specific Asset Class allocation targets and ranges for or within the Asset Classes listed above as well as the specific performance benchmarks for each Asset Class.

### **Performance Measurement**

The investment performance of the actively managed Accounts, where cost effective, will be calculated and evaluated quarterly.

### **Investment Guidelines**

The Accounts must be invested at all times in strict compliance with applicable law.

Investment guidelines include the following:

#### General

- Investment guidelines for index, commingled funds, limited partnerships, and corporate vehicles managed externally shall be governed by the terms and conditions of the respective investment management contracts, partnership agreements or corporate documents.
- Investment guidelines of all other externally managed accounts as well as internally invested funds must be reviewed and approved by UTIMCO's Chief Investment Officer prior to investment of SIF assets in such investments.
- All investments will be U.S. dollar denominated assets unless held by an internal or external portfolio manager with the authority to invest in foreign currency denominated securities.

- No securities may be purchased or held which would jeopardize, if applicable, the Account's tax-exempt status.
- No internal investment strategy or program may purchase securities on margin or use leverage unless specifically authorized by the UTIMCO Board.
- No internal investment strategy or program employing short sales may be made unless specifically authorized by the UTIMCO Board.

The Account may utilize derivatives only in accordance with the Derivative Investment Policy.

#### Investment Grade Fixed Income

Permissible securities for investment include the securities within the component categories of the Barclays Aggregate Bond Index (BAGG). These component categories include investment grade government and corporate securities, agency mortgage pass-through securities, and asset-backed securities. These sectors are divided into more specific sub-sectors:

- 1) Government: Treasury and Agency;
- 2) Corporate: Industrial, Finance, Utility, and Yankee;
- 3) Mortgage-backed securities: GNMA, FHLMC, and FNMA;
- 4) Asset-backed securities;
- 5) Municipal securities; and
- 6) Commercial Mortgage-backed securities.

In addition to the permissible securities listed above, the following securities shall be permissible:

- a) Floating rate securities with periodic coupon changes in market rates issued by the same entities that are included in the BAGG as issuers of fixed rate securities;
- b) Medium term notes issued by investment grade corporations;
- c) Zero coupon bonds and stripped Treasury and Agency securities created from coupon securities; and
- d) Structured notes issued by BAGG qualified entities.

- U.S. Domestic Bonds must be rated investment grade, Baa3 or better by Moody's Investors Services, BBB- by Standard & Poor's Corporation, or BBB- or better by Fitch Investors Service at the time of acquisition.
- Not more than 35% of the Account's fixed income portfolio may be invested in non-U.S. dollar bonds. Not more than 15% of the Account's fixed income portfolio may be invested in bonds denominated in any one currency other than U.S. dollar.

- Non-dollar bond investments shall be restricted to bonds rated equivalent to the same credit standard as the U.S. Fixed Income Portfolio.
- Not more than 7.5% of the Account's fixed income portfolio may be invested in Emerging Market debt.
- International currency exposure may be hedged or unhedged at UTIMCO's discretion or delegated by UTIMCO to an external investment manager.
- Permissible securities for investment include Fixed Income Mutual Funds and Debt Index Funds as approved by UTIMCO's Chief Investment Officer.
- Permissible securities for investment include Fixed Income Variable Annuity Contracts as approved by UTIMCO's Chief Investment Officer.

Credit-Related Fixed Income

Not more than 5% of the market value of fixed income securities may be invested in corporate and municipal bonds of a single issuer.

Real Estate, Natural Resources, Developed Country Equity, and Emerging Markets Equity

- Not more than 25% of the market of equity securities may be invested in any one industry or industries (as defined by the standard industry classification code and supplemented by other reliable data sources) at cost.
- Not more than 5% of the market value of equity securities may be invested in the securities of one corporation at cost.
- Not more than 7.5% of the market value of equity and fixed income securities taken together may be invested in one corporation at cost.

The provisions concerning investment in Investment Grade Fixed Income, Credit-Related Fixed Income, and Real Estate, Natural Resources, Developed Country Equity, and Emerging Markets Equity shall not apply to Accounts when expressly prohibited by the terms and conditions of the applicable trust/endowment, trust or other controlling document. To the extent determined practical by the U. T. System Office of Development and Gift Planning Services, donor preferences will be considered in determining whether gifts of securities are held or sold.

## **Distributions**

Distributions of income or amounts from the Accounts shall be made as soon as practicable, either: a) based on the terms of the applicable trust instrument; b) following the fiscal quarter end for endowments; or c) based on specific requirements for other accounts.

## **Accounting**

The fiscal year of the Accounts shall begin on September 1st and end on August 31st. Trusts will also have a tax year end which may be different than August 31st. Market value of the Accounts shall be maintained on an accrual basis in compliance with Generally Accepted Accounting Principles ("GAAP"), Governmental Accounting Standards Board Statements, industry guidelines, or federal income tax laws, whichever is applicable. Significant asset write-offs or write-downs shall be approved by UTIMCO's Chief Investment Officer and reported to the UTIMCO Board. Assets deemed to be "other than temporarily impaired" as defined by GAAP shall be written off and reported to UTIMCO's Chief Investment Officer and the UTIMCO Board when material.

## **Valuation of Assets**

As of the close of business for each month, UTIMCO shall determine the fair market value of all assets in the Accounts. Such valuation of assets shall be based on the bank trust custody agreement in effect or other external source if not held in the bank custody account at the date of valuation. The final determination of the Accounts net assets for a month end close shall normally be completed within ten business days but determination may be longer under certain circumstances.

## **Compliance**

Compliance with this Policy will be monitored by UTIMCO's Chief Compliance Officer. UTIMCO's Chief Executive Officer, the UTIMCO Board, and the UTIMCO Audit & Ethics Committee will receive regular reports on UTIMCO's compliance with this Policy. All material instances of noncompliance, as determined by UTIMCO's Chief Compliance Officer and the Chair of the UTIMCO Audit & Ethics Committee, will require an action plan proposed by UTIMCO's Chief Executive Officer and approved by the Chairman of the UTIMCO Board with timelines for bringing the noncompliant activity within this Policy.

## **Securities Lending**

The Accounts may participate in a securities lending contract with a bank or nonbank security lending agent for purposes of realizing additional income. Loans of securities by the Accounts shall be collateralized by cash, letters of credit or securities issued or guaranteed by the U.S. Government or its agencies. The

collateral will equal at least 100% of the current market value of the loaned securities. The contract shall state acceptable collateral for securities loaned, duties of the borrower, delivery of loaned securities and collateral, acceptable investment of collateral and indemnification provisions. The contract may include other provisions as appropriate.

The securities lending program will be evaluated from time to time as deemed necessary by the UTIMCO Board. Monthly reports issued by the lending agent shall be reviewed by UTIMCO staff to insure compliance with contract provisions.

### **Investor Responsibility**

As a shareholder, the Accounts have the right to a voice in corporate affairs consistent with those of any shareholder. These include the right and obligation to vote proxies in a manner consistent with the unique role and mission of higher education as well as for the economic benefit of the Accounts. Notwithstanding the above, the UTIMCO Board shall discharge its fiduciary duties with respect to the Accounts solely in the interest of the beneficiaries, in compliance with the Proxy Voting Policy then in effect, and shall not invest the Accounts so as to achieve temporal benefits for any purpose, including use of its economic power to advance social or political purposes.

### **Amendment of Policy Statement**

The Board of Regents reserves the right to amend this Policy Statement as it deems necessary or advisable.

### **Effective Date**

The effective date of this policy shall be March 1, 2011.

6. U. T. System Board of Regents: The University of Texas Investment Management Company (UTIMCO) Performance Summary Report and Investment Reports for the quarter ended November 30, 2010

The November 30, 2010 UTIMCO Performance Summary Report is attached on Page 28.

The Investment Reports for the quarter ended November 30, 2010, are set forth on Pages 29 - 32.

Item I on Page 29 reports activity for the Permanent University Fund (PUF) investments. The PUF's net investment return for the quarter was 6.78% versus its composite benchmark return of 5.94%. The PUF's net asset value increased during quarter to \$11,620 million. The increase was due to \$295 million from PUF Land receipts, net investment return of \$727 million, less the quarterly distribution to the Available University Fund (AUF) of \$127 million.

Item II on Page 30 reports activity for the General Endowment Fund (GEF) investments. The GEF's net investment return for the quarter was 6.80% versus its composite benchmark return of 5.94%. The GEF's net asset value increased by \$464 million during the quarter to \$6,499 million.

Item III on Page 31 reports activity for the Intermediate Term Fund (ITF). The ITF's net investment return for the quarter was 5.56% versus its composite benchmark return of 4.66%. The net asset value increased during the quarter to \$4,411 million due to net investment return of \$232 million, net contributions of \$56 million, less distributions of \$33 million.

All exposures were within their asset class and investment type ranges except ITF, which was six basis points out of range for one day. Liquidity was within policy.

Item IV on Page 32 presents book and market values of cash, debt, equity, and other securities held in funds outside of internal investment pools. Total cash and equivalents, consisting primarily of institutional operating funds held in the Dreyfus money market fund, increased by \$467 million to \$2,457 million during the three months since the last reporting period. Market values for the remaining asset types were debt securities: \$24 million versus \$24 million at the beginning of the period; equities: \$49 million versus \$43 million at the beginning of the period; and other investments: \$5 million versus \$7 million at the beginning of the period.

## UTIMCO Performance Summary

November 30, 2010

	Net Asset Value 11/30/2010 (in Millions)	Periods Ended November 30, 2010 (Returns for Periods Longer Than One Year are Annualized)							
		Short Term		Year to Date		Historic Returns			
		1 Mo	3 Mos	Fiscal	Calendar	1 Yr	3 Yrs	5 Yrs	10 Yrs
<b>ENDOWMENT FUNDS</b>									
Permanent University Fund	\$ 11,620	(0.02%)	6.78%	6.78%	11.02%	12.21%	(0.76%)	5.03%	6.02%
General Endowment Fund		0.02	6.80	6.80	11.03	12.26	(0.79)	5.14	N/A
Permanent Health Fund	955	0.01	6.78	6.78	10.99	12.12	(0.86)	5.07	N/A
Long Term Fund	5,543	0.02	6.78	6.78	10.99	12.12	(0.86)	5.07	6.14
Separately Invested Funds	306	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Total Endowment Funds</b>	<b>18,424</b>								
<b>OPERATING FUNDS</b>									
Short Term Fund	2,233	0.02	0.07	0.07	0.22	0.23	1.38	2.88	2.64
Intermediate Term Fund	4,411	(1.13)	5.56	5.56	9.42	9.66	1.23	N/A	N/A
<b>Total Operating Funds</b>	<b>6,644</b>								
<b>Total Investments</b>	<b>\$ 25,068</b>								
<b>28</b>									
<b>VALUE ADDED (Percent)</b>									
Permanent University Fund		1.14%	0.84%	0.84%	3.53%	3.12%	3.00%	2.17%	2.15%
General Endowment Fund		1.18	0.86	0.86	3.54	3.17	2.97	2.28	N/A
Short Term Fund		0.01	0.04	0.04	0.11	0.12	0.50	0.39	0.20
Intermediate Term Fund		0.87	0.90	0.90	4.32	4.62	2.87	N/A	N/A
<b>VALUE ADDED (\$ IN MILLIONS)</b>									
Permanent University Fund	\$ 133	\$ 93	\$ 93	\$ 370	\$ 324	\$ 1,030	\$ 1,167	\$ 2,274	
General Endowment Fund	77	53	53	208	184	572	685	N/A	
Intermediate Term Fund	39	38	38	174	186	355	N/A	N/A	
<b>Total Value Added</b>	<b>\$ 249</b>	<b>\$ 184</b>	<b>\$ 184</b>	<b>\$ 752</b>	<b>\$ 694</b>	<b>\$ 1,957</b>	<b>\$ 1,852</b>	<b>\$ 2,274</b>	

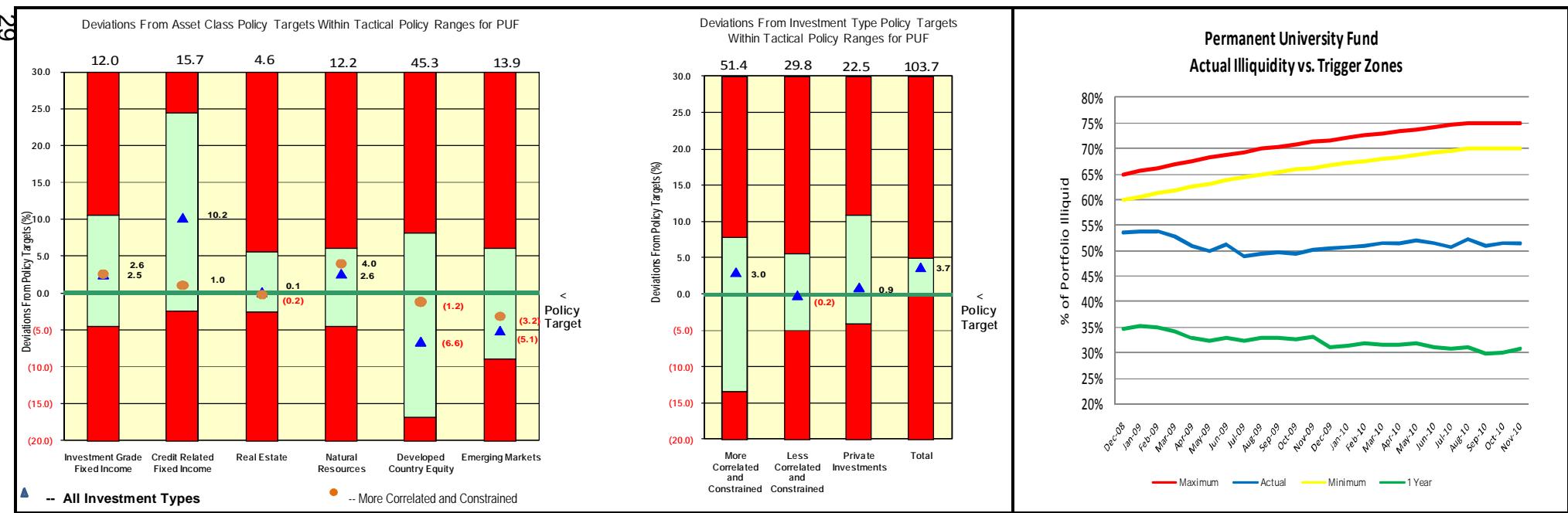
Footnotes available upon request.

**I. PERMANENT UNIVERSITY FUND**  
**Investment Reports for Periods Ended November 30, 2010**

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

<u>Summary of Capital Flows</u>						
(\$ millions)	Fiscal Year Ended August 31, 2010	Quarter Ended November 30, 2010	Fiscal Year to Date November 30, 2010			
Beginning Net Assets	\$ 9,674	\$ 10,725	\$ 10,725			
PUF Lands Receipts	338	295	295			
Investment Return (Net of Expenses)	1,229	727	727			
Distributions to AUF	(516)	(127)	(127)			
Ending Net Assets	<u>\$ 10,725</u>	<u>\$ 11,620</u>	<u>\$ 11,620</u>			

	<u>Fiscal Year to Date</u>				
	<u>Returns</u>		<u>Value Added</u>		
	Portfolio	Policy Benchmark	From Asset Allocation	From Security Selection	Total
<b>More Correlated and Constrained:</b>					
Investment Grade	-0.08%	-0.31%	-0.31%	0.02%	-0.29%
Credit-Related	5.28%	4.00%	-0.01%	0.00%	-0.01%
Real Estate	9.25%	8.49%	-0.02%	0.03%	0.01%
Natural Resources	15.76%	14.96%	0.31%	0.05%	0.36%
Developed Country	11.26%	10.95%	-0.34%	0.05%	-0.29%
Emerging Markets	11.30%	11.32%	-0.20%	-0.01%	-0.21%
<b>Total More Correlated and Constrained</b>	<b>8.78%</b>	<b>9.59%</b>		<b>-0.57%</b>	<b>0.14%</b>
<b>Less Correlated and Constrained</b>					
	4.95%	3.76%		-0.05%	0.41%
<b>Private Investments</b>					
	4.96%	0.68%		-0.08%	0.99%
<b>Total</b>	<b>6.78%</b>	<b>5.94%</b>		<b>-0.70%</b>	<b>0.54%</b>
					<b>0.84%</b>

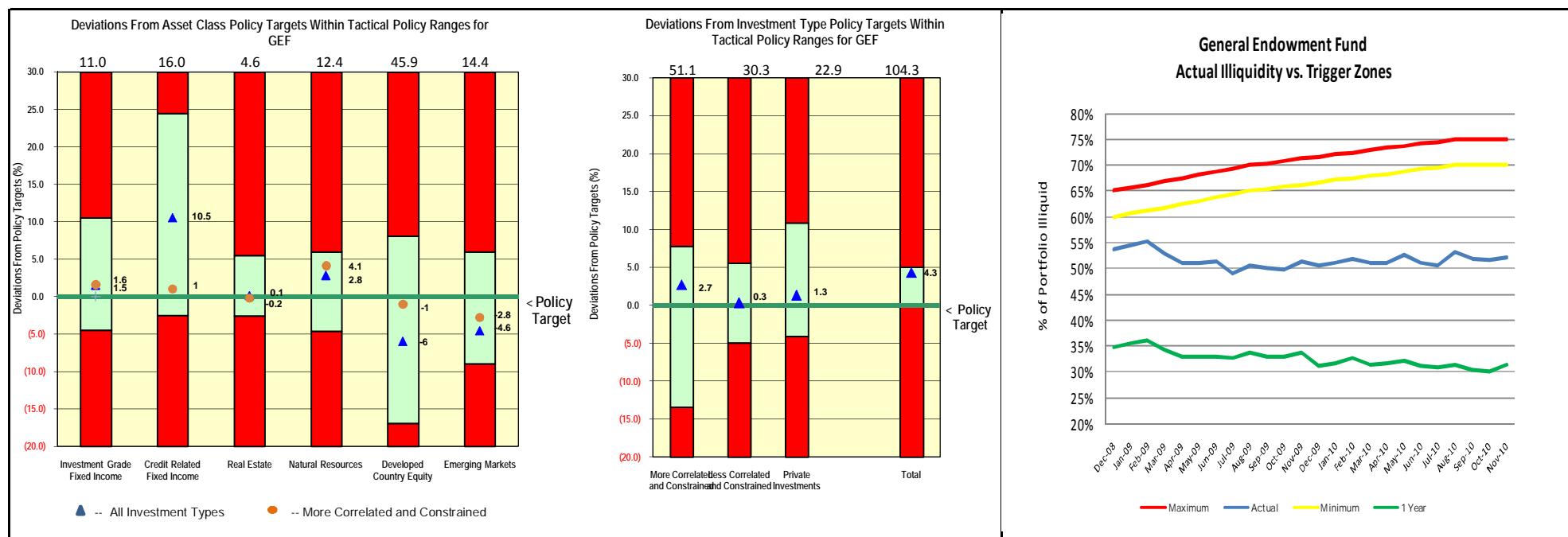


**II. GENERAL ENDOWMENT FUND**  
**Investment Reports for Periods Ended November 30, 2010**

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

<u>Summary of Capital Flows</u>				
(\$ millions)	Fiscal Year Ended August 31, 2010	Quarter Ended November 30, 2010	Fiscal Year to Date November 30, 2010	
Beginning Net Assets	\$ 5,359	\$ 6,035	\$ 6,035	
Contributions	285	129	129	
Withdrawals	(11)	(5)	(5)	
Distributions	(298)	(80)	(80)	
Investment Return (Net of Expenses)	700	420	420	
Ending Net Assets	<u>\$ 6,035</u>	<u>\$ 6,499</u>	<u>\$ 6,499</u>	

	<u>Fiscal Year to Date</u>				
	<u>Returns</u>		<u>Value Added</u>		
	Portfolio	Policy Benchmark	From Asset Allocation	From Security Selection	Total
<b>More Correlated and Constrained:</b>					
Investment Grade	0.03%	-0.31%	-0.30%	0.03%	-0.27%
Credit-Related	5.27%	4.00%	-0.01%	0.00%	-0.01%
Real Estate	9.24%	8.49%	-0.03%	0.03%	0.00%
Natural Resources	15.73%	14.96%	0.30%	0.04%	0.34%
Developed Country	11.33%	10.95%	-0.36%	0.08%	-0.28%
Emerging Markets	11.33%	11.32%	-0.19%	-0.01%	-0.20%
<b>Total More Correlated and Constrained</b>	<b>8.84%</b>	<b>9.59%</b>			
<b>Less Correlated and Constrained</b>					
	4.95%	3.76%	-0.03%	0.39%	0.36%
<b>Private Investments</b>					
	4.96%	0.68%	-0.07%	0.99%	0.92%
<b>Total</b>	<b>6.80%</b>	<b>5.94%</b>	-0.69%	1.55%	0.86%

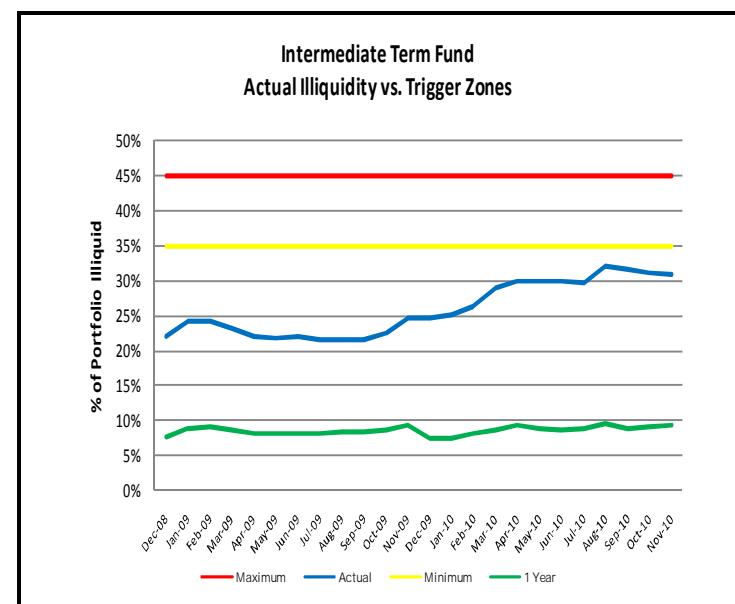
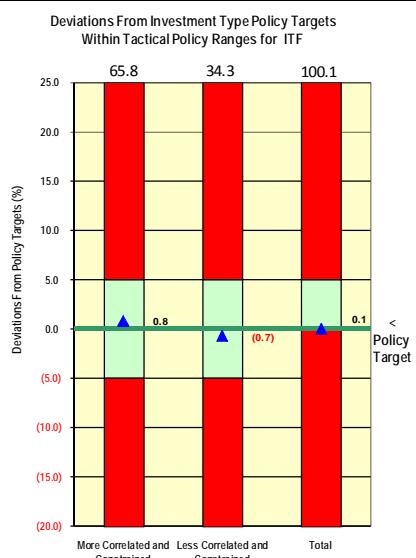
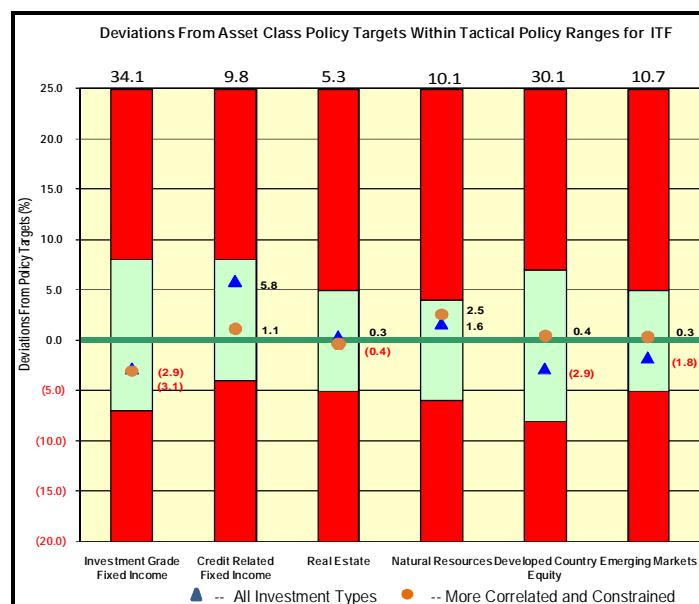


**III. INTERMEDIATE TERM FUND**  
**Investment Reports for Periods Ended November 30, 2010**

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

<u>Summary of Capital Flows</u>					
(\$ millions)	Fiscal Year Ended August 31, 2010	Quarter Ended November 30, 2010	Fiscal Year to Date November 30, 2010		
Beginning Net Assets	\$ 3,572	\$ 4,156	\$ 4,156		
Contributions	409	79	79		
Withdrawals	(112)	(23)	(23)		
Distributions	(119)	(33)	(33)		
Investment Return (Net of Expenses)	406	232	232		
Ending Net Assets	<u>\$ 4,156</u>	<u>\$ 4,411</u>	<u>\$ 4,411</u>		

	<u>Fiscal Year to Date</u>					
	<u>Returns</u>		<u>Value Added</u>			
	Portfolio	Policy Benchmark	From Asset Allocation	From Security Selection	Total	
<b>More Correlated and Constrained:</b>						
Investment Grade	0.32%	-0.31%	0.06%	0.22%	0.28%	
Credit-Related	6.65%	4.00%	0.01%	0.00%	0.01%	
Real Estate	9.21%	8.49%	-0.02%	0.02%	0.00%	
Natural Resources	15.09%	14.96%	0.16%	0.03%	0.19%	
Developed Country	11.24%	10.95%	0.01%	0.02%	0.03%	
Emerging Markets	11.06%	11.32%	-0.01%	-0.01%	-0.02%	
<b>Total More Correlated and Constrained</b>	<b>5.89%</b>	<b>5.12%</b>				
<b>Less Correlated and Constrained</b>						
	4.95%	3.76%	-0.06%	0.47%	0.41%	
<b>Private Investments</b>						
	0.00%	0.00%	0.00%	0.00%	0.00%	
<b>Total</b>	<b>5.56%</b>	<b>4.66%</b>				
			0.15%	0.75%	0.90%	



**IV. SEPARATELY INVESTED ASSETS**  
**Summary Investment Report at November 30, 2010**  
Report prepared in accordance with *Texas Education Code Sec. 51.0032*

ASSET TYPES	(\$ thousands)															
	CURRENT PURPOSE				ENDOWMENT & SIMILAR FUNDS		ANNUITY & LIFE INCOME FUNDS		AGENCY FUNDS		TOTAL EXCLUDING OPERATING FUNDS		OPERATING FUNDS (SHORT TERM FUND)		TOTAL	
	DESIGNATED		RESTRICTED		BOOK	MARKET	BOOK	MARKET	BOOK	MARKET	BOOK	MARKET	BOOK	MARKET		
<b>Cash &amp; Equivalents:</b>	<b>BOOK</b>	<b>MARKET</b>	<b>BOOK</b>	<b>MARKET</b>	<b>BOOK</b>	<b>MARKET</b>	<b>BOOK</b>	<b>MARKET</b>	<b>BOOK</b>	<b>MARKET</b>	<b>BOOK</b>	<b>MARKET</b>	<b>BOOK</b>	<b>MARKET</b>		
Beginning value 08/31/10	-	-	1,778	1,778	42,912	42,912	1,120	1,120	276,601	276,601	322,411	322,411	1,667,382	1,667,382	1,989,793	1,989,793
Increase/(Decrease)	-	-	152	152	(5,206)	(5,206)	124	124	(93,237)	(93,237)	(98,167)	(98,167)	565,240	565,240	467,073	467,073
Ending value 11/30/10	-	-	1,930	1,930	37,706	37,706	1,244	1,244	183,364	183,364	224,244	224,244	2,232,622	2,232,622	2,456,866	2,456,866
<b>Debt Securities:</b>																
Beginning value 08/31/10	-	-	306	306	10,932	12,075	10,330	11,273	-	-	21,568	23,654	-	-	21,568	23,654
Increase/(Decrease)	-	-	(155)	(155)	(35)	(152)	1,021	948	-	-	831	641	-	-	831	641
Ending value 11/30/10	-	-	151	151	10,897	11,923	11,351	12,221	-	-	22,399	24,295	-	-	22,399	24,295
<b>Equity Securities:</b>																
Beginning value 08/31/10	147	3,774	488	452	30,118	28,056	12,814	11,144	-	-	43,567	43,426	-	-	43,567	43,426
Increase/(Decrease)	-	(616)	(184)	(179)	(213)	3,477	1,387	2,543	-	-	990	5,225	-	-	990	5,225
Ending value 11/30/10	147	3,158	304	273	29,905	31,533	14,201	13,687	-	-	44,557	48,651	-	-	44,557	48,651
<b>Other:</b>																
Beginning value 08/31/10	-	-	4,843	4,843	-	-	386	137	1,846	1,846	7,075	6,826	-	-	7,075	6,826
Increase/(Decrease)	-	-	(1,289)	(1,289)	-	-	-	-	(746)	(746)	(2,035)	(2,035)	-	-	(2,035)	(2,035)
Ending value 11/30/10	-	-	3,554	3,554	-	-	386	137	1,100	1,100	5,040	4,791	-	-	5,040	4,791
<b>Total Assets:</b>																
Beginning value 08/31/10	147	3,774	7,415	7,379	83,962	83,043	24,650	23,674	278,447	278,447	394,621	396,317	1,667,382	1,667,382	2,062,003	2,063,699
Increase/(Decrease)	-	(616)	(1,476)	(1,471)	(5,454)	(1,881)	2,532	3,615	(93,983)	(93,983)	(98,381)	(94,336)	565,240	565,240	466,859	470,904
Ending value 11/30/10	147	3,158	5,939	5,908	78,508	81,162	27,182	27,289	184,464	184,464	296,240	301,981	2,232,622	2,232,622	2,528,862	2,534,603

Details of individual assets by account furnished upon request.

7. U. T. System: Report on the Fiscal Year 2010 Annual Financial Report, including the report on the U. T. System Annual Financial Report Audit

This item was for consideration only by the Committee (see Committee Minutes for the Joint Meeting with the Audit, Compliance, and Management Review Committee).

REPORT AND RECOMMENDATIONS OF THE ACADEMIC AFFAIRS COMMITTEE  
(Pages 34 - 42).--Committee Chairman Hicks reported that the Academic Affairs Committee met in open session to consider those matters on its agenda and to formulate recommendations for The University of Texas System Board of Regents. Unless otherwise indicated, the actions set forth in the Minute Orders that follow were recommended by the Academic Affairs Committee and approved in open session by the U. T. System Board of Regents.

1. U. T. Arlington: Authorization to enter into a Memorandum of Understanding with the City of Arlington to create and operate a community garden on approximately 0.49 of an acre of land west of and adjacent to U. T. Arlington's Environmental Center at 406 Summit Avenue, Arlington, Tarrant County, Texas, in support of the institution's sustainability initiative; and finding of public purpose

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

- a. granted authorization to enter into a Memorandum of Understanding with the City of Arlington to create and operate a community garden on approximately 0.49 of an acre of land west of and adjacent to U. T. Arlington's Environmental Center at 406 Summit Avenue, Arlington, Tarrant County, Texas, in support of the institution's sustainability initiative;
- b. determined that the community garden project with the City of Arlington serves a public purpose appropriate to the function of U. T. Arlington, and that the consideration to The University of Texas System and to U. T. Arlington for the community garden project is adequate; and
- c. authorized the Executive Director of Real Estate to execute the Memorandum of Understanding and all other 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 actions.

U. T. Arlington and the City of Arlington seek to create the Arlington Community Garden under the joint control of the institution and the City for use by City residents and faculty, staff, and students of U. T. Arlington. The establishment of a community garden will further the institution's efforts to lead in sustainability initiatives and will enable research by various U. T. Arlington divisions.

The City of Arlington has agreed to commit up to \$50,000 to create the community garden and to spend \$7,000 annually for water during the term of the agreement. In exchange, City residents will be able to use the garden. The institution estimates minimal annual operating and maintenance costs that will primarily consist of providing mulch from the institution's existing

supplies. The garden will be jointly managed by the institution and the City with the annual budget approved by U. T. Arlington and the City. Although the memorandum of understanding will have a five-year term, either party may terminate participation in the project on 120 days' notice.

The obligations of the City of Arlington and the rights and remedies of U. T. Arlington proposed under the memorandum of understanding are designed to comply with the requirements enunciated by the Attorney General of the State of Texas. In Opinion No. MW-373 (1981), the Texas Attorney General stated that, for the use of university property without cash rental payments to comply with the Texas Constitution, three requirements must be met: (1) the use of the property must serve a public purpose appropriate to the function of the university; (2) adequate consideration must be received by the university; and (3) the university must maintain controls over the user's activity to ensure that the public purpose is achieved.

U. T. Arlington has concluded for the reasons stated above that participation in the community garden project will serve a public purpose supporting the mission of the institution.

2. U. T. Austin: Authorization to purchase approximately 3.78 unimproved acres located in Austin, Travis County, Texas, near University Club Drive and approximately 0.2 of a mile north of the University of Texas Golf Club in Steiner Ranch, to be more particularly described as the Tennis Master Unit of the Steiner Ranch Master Unit No. 8 Master Condominiums, together with an undivided interest in the common elements, from Taylor Woodrow Communities/Steiner Ranch, Ltd., a Texas limited partnership, for a price not to exceed fair market value as determined by independent appraisals for use as the site of an indoor and outdoor tennis facility and related facilities

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

- a. granted authorization to purchase approximately 3.78 unimproved acres located in Austin, Travis County, Texas, near University Club Drive and approximately 0.2 of a mile north of the University of Texas Golf Club in Steiner Ranch, to be more particularly described as the Tennis Master Unit of the Steiner Ranch Master Unit No. 8 Master Condominiums, together with an undivided interest in the common elements, from Taylor Woodrow Communities/Steiner Ranch, Ltd., a Texas limited partnership, for a purchase price not to exceed fair market value as determined by independent appraisals, plus all due diligence expenses, closing costs, and other costs and expenses to complete the acquisition as deemed necessary or advisable by the Executive Director of Real Estate, for use as the site of an indoor and outdoor tennis facility and related facilities; and

- b. authorized 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.

The 3.78-acre condominium land unit includes a proportional interest in the common areas that include a roadway and parking and drainage areas. Acquisition of the property enables U. T. Austin to undertake the construction and operation of a tennis facility with six indoor tennis courts, four outdoor tennis courts, locker rooms for the institution's tennis teams, and related facilities.

The tennis facility will permit the institution's tennis teams to practice during inclement weather, properly prepare for indoor tournaments, and host collegiate competitions. The institution's current facilities do not permit such activities. The tennis facility will be near the privately-owned University of Texas Golf Club, a course that is also used by the institution's golf teams. The Golf Club is also the site of the U. T. Golf Academy, which provides academic, training, and other service areas benefiting the men's and women's varsity golf teams.

While a condominium interest in a building is more common than a condominium interest in land, the latter structure is being used with more frequency in Austin and other developing but highly regulated areas. A developer may opt for such a structure when subdividing is not feasible but separate ownership of parcels is desired or when there are common facilities intended to serve a number of parcels.

Steiner Ranch is a large planned community. The developer and seller, Taylor Woodrow Communities/Steiner Ranch, Ltd., has chosen to use a condominium regime to develop this part of the project to accommodate the needs of the tennis facility and a planned swimming pool and residential casitas on the adjoining condominium land units, all of which will share a common road and drainage area. Care is being taken to assure that U. T. Austin has sufficient control of its property to enable it to be developed as planned and to assure that common area costs are appropriately allocated.

The Declaration of Condominium Regime has not yet been filed of record in the Official Public Records of Travis County. Steiner Ranch Master Unit No. 8 Master Condominiums is to be established on the real property described as Lot 413, Block A, Steiner Ranch Phase One, Section 10A, a subdivision in Travis County, Texas, according to the subdivision plat recorded as Document No. 200300065 in the Official Public Records of Travis County, Texas.

Gift funds will be used to fund the purchase.

3. U. T. El Paso: Authorization to establish a Doctor of Nursing Practice (DNP) degree within the School of Nursing

Pursuant to the Regents' *Rules and Regulations*, Rule 40307, related to academic program approval standards, the Board

- a. established a Doctor of Nursing Practice (DNP) degree at The University of Texas at El Paso; and
- b. authorized submission of the proposal to the Texas Higher Education Coordinating Board for review and appropriate action.

The DNP degree program is designed to significantly increase the number of doctorally-trained primary care providers in the underserved El Paso community and to prepare bilingual health care providers who are well qualified to serve the needs of Hispanic populations in the border region and throughout the State of Texas. The program expects to contribute to the State's Closing the Gaps initiative by increasing the number of Hispanic doctoral graduates.

Requirements for the DNP degree include completing an approved program of coursework and developing a Clinical Scholarship Portfolio that demonstrates competency in evidence-based practice, clinical scholarship, and leadership skills, as well as systems knowledge. Familiarity with information technology, health care policy, and initiation, implementation, evaluation, and dissemination of an evidence-based clinical research project will also be required. The curriculum and learning objectives for the program are based on the "DNP Essentials," established by the American Association of Colleges of Nursing (AACN). The program will consist of a six-semester, 45-credit hour curriculum that includes 540 clinical hours, the majority of which (360) are to be completed as part of a capstone learning experience during a student's final semester of enrollment in the program.

All 24 tenured/tenure-track/clinical faculty members that will support the program are active clinicians with expertise in particular areas of nursing practice. Faculty members are principal investigators on grants totaling over \$12 million.

The program will be housed in a brand-new, state-of-the-art College of Health Sciences and School of Nursing building that will be completed in early 2011. The building will include laboratories, classrooms, research facilities equipped with the latest technological equipment, and a 15,000 square foot simulation center to study standardized patients.

The operating costs of the program total approximately \$1,719,234 over five years. Costs include \$143,000 in new faculty salaries, \$1,131,817 in

reallocated faculty salaries, \$205,505 for program administration, and \$238,912 to support new staff hires. Revenues of \$656,477 in formula funding, \$1,337,324 in reallocated funds, and \$338,033 in designated and differential student tuition are expected to fully fund the program.

4. [U. T. El Paso: Authorization to establish a Ph.D. degree in Ecology and Evolutionary Biology \(Deferred\)](#)

This item was deferred.

5. [U. T. Dallas: Approval to rename the Multipurpose and Administration Building as the Administration Building](#)

In accordance with the Regents' *Rules and Regulations*, Rule 80307, related to the Board's naming policy, the Board renamed the Multipurpose and Administration Building at The University of Texas at Dallas as the Administration Building.

The building was originally named the Multipurpose and Engineering Start-up Facility in 1987. The name was changed to the Multipurpose and Administration Building in 1990 when the Engineering Building opened.

U. T. Dallas has gradually moved academic functions out of the building and into a more modern and suitable classroom and laboratory space. The renaming is appropriate as the building will be used only for administrative functions and serves as the Administration Building for the University.

6. [U. T. San Antonio: Approval to rename the Physical Science Laboratory and the Life Science Laboratory as the Science Research Laboratories](#)

In accordance with the Regents' *Rules and Regulations*, Rule 80307, related to the Board's naming policy, the Board renamed the Physical Science Laboratory and the Life Science Laboratory at The University of Texas at San Antonio as the Science Research Laboratories.

The Physical Science Laboratory and the Life Science Laboratory were originally built in 1975 and are located on the west side of the main campus at the intersection of Sam Barshop and West Campus Road. The buildings, which have traditionally supported chemistry and biology research and teaching programs, have been renovated to meet the demands of research on campus and are now connected by a covered breezeway, creating a common building.

This naming is consistent with the U. T. San Antonio building guidelines and is appropriate as it better reflects the broad range of research being conducted in the common building – chemistry, biology, and physics research – and also offers flexibility for future research activities.

7. U. T. System Board of Regents: Amendment of the Regents' *Rules and Regulations*, Rule 40601, Section 1.3 to add Subsection (I) to reflect the creation of the University College at U. T. Arlington

The Board amended the Regents' *Rules and Regulations*, Rule 40601, Section 1.3, concerning institutions comprising The University of Texas System, to reflect the creation of the University College at The University of Texas at Arlington as set forth below:

Sec. 1 Official Titles. The U. T. System is composed of the institutions and entities set forth below. To ensure 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:

...

1.3 The University of Texas at Arlington (U. T. Arlington)

...

(I) The University of Texas at Arlington University College

...

The University College will provide academic advising for all freshman students. All first-year students will be admitted to and enroll in the College until they are either accepted into an existing major or enroll in the University Studies degree program. The University Studies degree program provides students with an opportunity to explore their interests through an interdisciplinary degree program that provides basic preparation for a variety of career paths that might not be well served through traditional university majors. Students seeking a degree in University Studies will graduate with a broad-based education in at least three fields of study.

*Texas Education Code Section 65.11 authorizes the Board of Regents to provide for the "names of the institutions and entities in The University of Texas System in such a way as will achieve the maximum operating efficiency of such institutions and entities[.]"*

8. U. T. Arlington: Approval of acceptance of gift of outdoor art

In accordance with Regents' *Rules and Regulations*, Rule 60101, Section 4.1, regarding outdoor works of art, the Board approved the acceptance of a gift of a steel sculpture for The University of Texas at Arlington.

The sculpture is a gift from the American Institute of Steel Construction. The sculpture's center column will be approximately 13 feet tall and the horizontal pieces will be approximately 8 feet in total length, extending 4 feet on each side of the center column. This steel sculpture, along with the tool kit (teaching guide, 3D computer-aided design [CAD] file of the steel sculpture, and a shear connection calculator tool) will be an important teaching tool for the School of Architecture and the College of Engineering.

The sculpture will be located in the plaza area between the School of Architecture and the Nanofab Building on the west side of the campus. All installation costs, including the foundation system, will be donated by a local contractor. Future expenses to maintain the sculpture will be minimal.

The installation of this steel sculpture is in keeping with U. T. Arlington's Campus Master Plan.

9. U. T. Austin: Approval of acceptance of gift of outdoor art

In accordance with Regents' *Rules and Regulations*, Rule 60101, Section 4.1, regarding outdoor works of art, the Board approved the acceptance of a gift of a bronze tarpon sculpture for the Marine Science Institute at The University of Texas at Austin.

U. T. Austin will accept a donation from the Jack and Valerie Guenther Foundation for the sculpture to be placed on the grounds of the Marine Science Institute Visitors Center located at 750 Channel View Drive in Port Aransas, Texas.

The outdoor art, to be sculpted by Mr. Kent Ullberg, who is recognized as one of the world's foremost wildlife sculptors, will depict a tarpon leaping into the air. The body of the fish will include images representing recognizable animal families to help demonstrate the interdependence of the ecosystem. A tarpon was suggested as the focal point because of its special meaning to the City of Port Aransas, which was historically named Tarpon, Texas. The sculpture will be made of bronze and will stand 8 to 10 feet in height, excluding the pedestal. It will be prominently displayed at the main entrance of the Institute, where it will attract attention to the Visitors Center and serve as a teaching tool for the thousands of school children that visit each year.

Mr. Jack Guenther is a 1956 alumnus of U. T. Austin and serves on the Chancellor's Council. Mrs. Valerie Guenther serves on the Chancellor's Council and on the U. T. Austin Marine Science Institute's Advisory Council.

The installation and minimal maintenance will be funded from gifts and the general budget of the Marine Science Institute.

10. U. T. Austin: Approval to use the previously approved conditional allocation of \$15 million from Permanent University Fund Bond Proceeds to finish out space in the Norman Hackerman Building

The Board approved the use of the previously approved conditional allocation of \$15 million from Permanent University Fund (PUF) Bond Proceeds to finish out space in the Norman Hackerman Building at The University of Texas at Austin to house the *Hydrogen from Sunlight* research project. This allocation is contingent upon U. T. Austin raising \$25 million in matching funds for the *Hydrogen from Sunlight* project within the next two years.

On March 3, 2010, the Board authorized \$15 million in PUF Bond Proceeds to be used as matching money for a federally-funded energy project. The money was intended to finish out the sixth floor of the newly opened Norman Hackerman Building on the U. T. Austin campus and to construct on that floor the laboratory and facilities necessary for the project.

The proposal, a joint project with the National Renewable Energy Laboratory, Massachusetts Institute of Technology, and The University of Colorado at Boulder was not successful. Nevertheless, U. T. Austin is uniquely positioned to lead efforts toward the development of low-cost efficient systems for the industrial production of hydrogen from sunlight. The University's newly proposed *Hydrogen from Sunlight* project is a reorganized approach to the original project, targeting the most significant and achievable components of the initial proposal. To undertake the *Hydrogen from Sunlight* project, U. T. Austin will still need to finish out the sixth floor of the Hackerman Building and construct the laboratory and facilities that were needed for the original joint project. The \$15 million in PUF Bond Proceeds for construction of the new project will be matched by \$25 million raised by U. T. Austin within the next two years. Additional program support for the project will come from other sources.

The high-level goals of the *Hydrogen from Sunlight* project are to create a distinctive venue focused on creating a solar hydrogen industry, combining scientific leadership, and the institutional capability for research and development to advance the science past today's barriers to technological development; to formulate the intellectual framework and roadmaps necessary to guide the development of the component technologies; and to inspire and educate future leaders who will launch and sustain the industry.

The approach toward these goals will focus on the following areas, which are essential for the successful development of a viable solar hydrogen process for energy production:

- a. photomaterial and electrocatalyst discovery via rapid synthesis/screening and computational chemistry;
- b. synthetic methods for the control of optimal nanostructure and morphology;
- c. characterization of semiconductor photoelectrochemical materials; and
- d. photoelectrochemical device design.

This project is expected to generate new business opportunities at the forefront of technology in Texas.

11. [U. T. Pan American: Approval to establish the U. T. Pan American Development Board](#)

Pursuant to the Regents' *Rules and Regulations*, Rule 60301, relating to development board of an institution, the Board approved the establishment of The University of Texas – Pan American Development Board to assist in development plans and programs of the institution with an emphasis on increasing private support for U. T. Pan American.

The Board of Trustees of The University of Texas – Pan American Foundation (Foundation) has been the *de facto* development board since 1982. The Foundation trustees, who serve as fiscal managers of the Foundation's assets, agree that the University needs an active, involved group of community and business leaders from the Rio Grande Valley to support more proactive fundraising efforts.

President Nelsen will have responsibility for and authority over the U. T. Pan American Development Board and will serve as a liaison between the Development Board and the Foundation Board to ensure coordinated fundraising efforts for the benefit of the University. An organizational meeting of the new board will be scheduled to draft bylaws in accordance with guidelines outlined by The University of Texas System Office of General Counsel.

REPORT AND RECOMMENDATIONS OF THE HEALTH AFFAIRS COMMITTEE (Pages 43 - 51).--Committee Chairman Stillwell 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. Southwestern Medical Center – Dallas: Authorization to change the official name of the institution to The University of Texas Southwestern Medical Center

The Board authorized

- a. the name of The University of Texas Southwestern Medical Center at Dallas be changed to The University of Texas Southwestern Medical Center; and
- b. the General Counsel to the Board to make appropriate editorial amendments to the Regents' *Rules and Regulations*, Rule 40601, to reflect the name change.

U. T. Southwestern Medical Center has extended the scope of its programs in Dallas to encompass substantial graduate medical education activities in Austin, in addition to graduate medical education programs in Fort Worth and other sites in Texas. The official name change reflects this evolution of extended educational and medical training programs and is commensurate with the institution's international stature.

*Texas Education Code Section 65.11 authorizes the Board of Regents to provide for the "names of the institutions and entities in The University of Texas System in such a way as will achieve the maximum operating efficiency of such institutions and entities[.]"*

2. U. T. M. D. Anderson Cancer Center: Authorization to acquire approximately 1.22 acres of unimproved land adjacent to the northeasterly property line of the institution's Michale E. Keeling Center for Comparative Medicine and Research, located in the Isaac Harris Survey, Abstract No. 38, Bastrop County, Texas, from Griffin Industries, Inc., a Kentucky corporation, in exchange for approximately 1.22 acres of unimproved land bounded on the south side by Farm to Market Road 2336 and located in the north corner of a 373.99-acre tract in the Isaac Harris Survey, Abstract No. 38, Bastrop County, Texas, conveyed to the Board of Regents by deed recorded in Volume 235, Page 799, Deed Records of Bastrop County, Texas, to enable the institution to better manage its campus land

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

- a. acquisition of approximately 1.22 acres of unimproved land adjacent to the northeasterly property line of the institution's Michale E. Keeling Center for Comparative Medicine and Research, located in the Isaac Harris Survey, Abstract No. 38, Bastrop County, Texas, from Griffin Industries, Inc., a Kentucky corporation, in exchange for approximately 1.22 acres of unimproved land bounded on the south side by Farm to Market Road 2336 and located in the north corner of a 373.99-acre tract in the Isaac Harris Survey, Abstract No. 38, Bastrop County, Texas, conveyed to the Board of Regents by deed recorded in Volume 235, Page 799, Deed Records of Bastrop County, Texas, to enable the institution to better manage its campus land; and
- 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.

U. T. M. D. Anderson Cancer Center's Michale E. Keeling Center for Comparative Medicine and Research campus in Bastrop, Texas, has approximately 1.22 unimproved acres separated from the remainder of the campus by Farm to Market Road 2336. That 1.22 acres, however, is adjacent to land owned by Griffin Industries, Inc. (Griffin). Conversely, Griffin owns approximately 1.22 unimproved acres adjacent to the institution's Bastrop campus.

Acquisition of the approximately 1.22 acres owned by Griffin in exchange for conveying to Griffin the institution's approximately 1.22 acres on the other side of Farm to Market Road 2336 allows the institution to improve the contiguity of campus land and enable the institution to better manage its campus land.

3. U. T. Health Science Center – San Antonio: Authorization to accept a gift of the surface estate only of approximately 3.8305 unimproved acres, being Lot 3, Block 23, Laredo Airport, City of Laredo, Webb County, Texas, from the City of Laredo for use for future programmed expansion of The University of Texas Health Science Center Regional Campus and as the site of a proposed outpatient medical clinic to be operated by the United States Department of Veterans Affairs (VA); authorization to enter into an option to ground lease and a ground lease of the 3.8305 acres for the proposed VA clinic; and finding of public purpose

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

- a. authorized acceptance of a gift of the surface estate only of approximately 3.8305 unimproved acres, being Lot 3, Block 23, Laredo Airport, City of Laredo, Webb County, Texas, from the City of Laredo for use for future programmed expansion of The University of Texas Health Science Center Regional Campus and as the site of a proposed outpatient medical clinic to be operated by the United States Department of Veterans Affairs (VA);
- b. authorized entering into an option to ground lease and a ground lease of the 3.8305-acre tract with the VA or its assignee as the site of the proposed VA outpatient medical clinic;
- c. determined that the lease of the land to the VA or its assignee for the stated reason serves a public purpose appropriate to the function of U. T. Health Science Center – San Antonio and that the consideration for the option and lease of the land is adequate; and
- d. authorized the Executive Director of Real Estate to execute all documents, instruments, or other agreements, and to take all further actions deemed necessary or advisable to carry out the purpose and intent of the foregoing actions.

The City of Laredo and U. T. Health Science Center – San Antonio have been in discussions for some time with respect to the gift of the subject property for use as the site of a proposed outpatient medical clinic to be operated by the VA. The subject property is immediately north of the existing campus of The University of Texas Health Science Center Regional Campus (the Regional Campus).

The City of Laredo will give the land to the Board of Regents with the restriction that the land be used for providing health care or health care education opportunities or for other educational purposes of The University of Texas System for 30 years from the date of the deed. A similar use

restriction appears in the prior two gift deeds from the City by which the Board of Regents acquired the initial 11.994 acres that make up the current Regional Campus.

The VA has expressed interest in locating a clinic on the subject 3.8305 acres utilizing a similar ground lease structure as was used for the VA's ambulatory clinic on approximately seven acres of the Regional Academic Health Center (RAHC) campus in Harlingen, which the Board of Regents approved on August 14, 2008. Once the property is acquired by the Board of Regents, the VA will be granted an option to ground lease the site. The VA will then solicit offers from private developers, with the goal of assigning the ground lease option to the selected developer for the construction by the developer of an outpatient clinic. Under VA procurement rules, U. T. Health Science Center – San Antonio cannot play a role in selecting the developer. The Health Science Center, however, is to have a role in working with the VA and the VA's architectural and engineering firm in developing the scope of work for the solicitation of offers.

The proposed clinic is anticipated to contain approximately 16,800 net usable square feet and will include a parking lot for no fewer than 120 parking spaces. The VA will lease the completed facilities from the developer for a term not to exceed 20 years, which is the maximum term of a space lease by the VA.

The term of the ground lease will be for an initial period of 20 years, plus the initial design, permitting, and construction period, and plus two 10-year renewal options. As required by the terms of the gift of land from the City of Laredo, there will be no cash rental for the ground lease until the earlier of the expiration of the initial 20-year term or the date on which the VA ceases to use the property for an outpatient medical clinic. Initial consideration for the ground lease will be the construction and operation of a VA outpatient medical clinic. Upon the expiration of the free rent period, rental will be charged at the fair market rental value of the land.

The Texas Attorney General has advised in Opinion No. MW-373 (1981), that, for the use of university property without cash rental payments to comply with the Texas Constitution, three requirements must be met: (1) the use of the property must serve a public purpose, appropriate to the function of the university; (2) adequate consideration must be received by the university; and (3) the university must maintain controls over the user's activity to ensure that the public purpose is achieved.

U. T. Health Science Center – San Antonio has concluded that the location of a VA clinic in close proximity to The University of Texas Health Science Center Regional Campus will serve the public purpose of augmenting opportunities for health professional education, graduate medical education, and clinical research at the institution. A transaction summary is set forth on the Pages 47 - 48.

### Transaction Summary

#### Gift

Institution: U. T. Health Science Center – San Antonio

Type of Transaction: Gift of unimproved land at no cost to the institution other than typical due diligence and closing costs

Grantor: City of Laredo

Total Area: The surface estate only of approximately 3.8305 unimproved acres, being Lot 3, Block 23, Laredo Airport, City of Laredo, Webb County, Texas

Improvements: No permanent improvements

Location: Immediately north of The University of Texas Health Science Center Regional Campus and located at the corners of Foster Avenue, Pappas Street, and N. Bartlett Avenue, Laredo, Webb County, Texas

Intended Use: Initial use as the site of a proposed outpatient medical clinic to be operated by the United States Department of Veterans Affairs and future programmed expansion of The University of Texas Health Science Center Regional Campus

#### Ground Lease

Institution: U. T. Health Science Center – San Antonio

Type of Transaction: Option to ground lease and ground lease

Lessee: United States Department of Veterans Affairs (VA) or its assigns

Leased Premises: Approximately 3.8305 unimproved acres, being Lot 3, Block 23, Laredo Airport, City of Laredo, Webb County, Texas

Permitted Use: Construction, operation, maintenance, and repair by a developer selected by the VA of an outpatient clinic for specialty outpatient care and/or VA medical care and patient services; initial improvements will consist of a building of approximately 16,800 net usable square feet and a parking lot for no fewer than 120 parking spaces

Ground Lease Term: Initial term of 20 years, plus two 10-year renewal terms

Consideration: No cash rental until the earlier of the expiration of the initial 20-year term or the date on which the VA ceases to use the property for an outpatient medical clinic; the initial consideration is the construction and operation of a VA outpatient medical clinic; upon the expiration of the free rent period, rental will be charged at the fair market rental value of the land

4. U. T. Medical Branch – Galveston: Authorization to acquire the 50% undivided interest of The Sealy & Smith Foundation, and/or its subsidiary, Magnolia Holding Company, both Texas nonprofit corporations, in and to 0.3697 of an acre, being all of Lot 2 and a portion of Lots 3 through 5, Block 667, and the abandoned right-of-way of Avenue A, Galveston, Galveston County, Texas, for use as a portion of the site of the planned clinical services building for the John Sealy Hospital

On behalf of The University of Texas Medical Branch at Galveston, the Board authorized

- a. acquisition of the 50% undivided interest of The Sealy & Smith Foundation, and/or its subsidiary, Magnolia Holding Company, both Texas nonprofit corporations, in and to 0.3697 of an acre, being all of Lot 2 and a portion of Lots 3 through 5, Block 667, and the abandoned right-of-way of Avenue A, Galveston, Galveston County, Texas, for use as a portion of the site of the planned clinical services building for the John Sealy Hospital; and
- b. the Executive Director of Real Estate to execute all documents, instruments, or other agreements, and to take all further actions deemed necessary or advisable to carry out the purpose and intent of the foregoing action.

On May 13, 2010, the Board of Regents approved a series of land transactions with The Sealy & Smith Foundation or Magnolia Holding Company (collectively, Sealy & Smith) to enable planning to continue for the clinical services building to serve the John Sealy Hospital and for a possible replacement Jennie Sealy Hospital. Additional surveying and title history work following that approval has revealed that an additional parcel for the clinical services wing, which was initially thought to be owned outright by the Board of Regents, is instead owned in 50% undivided interests by the Board of Regents and Sealy & Smith.

To clear up ownership of the entire site on which the clinical services building is to be constructed, Sealy & Smith will transfer its undivided interest in the subject property. The transfer will be at no cost to the Medical Branch other than closing costs and due diligence expenses.

At the Board meeting on February 18, 2011, Committee Chairman Stillwell introduced Vice President Fellman Seinsheimer and Director John Eckel of The Sealy & Smith Foundation Board of Directors. Chairman Powell also expressed appreciation to the Foundation for the continued and crucial support of U. T. Medical Branch – Galveston. He noted the Foundation's support has continued over eight decades and has been particularly appreciated during the institution's recovery from the devastation of Hurricane Ike. Executive Vice Chancellor Shine added that the Foundation's total contributions have exceeded \$600 million.

5. U. T. Medical Branch – Galveston: Approval to establish a Doctor of Nursing Practice degree program and submit the proposal to the Texas Higher Education Coordinating Board for review and appropriate action

Pursuant to the Regents' *Rules and Regulations*, Rule 40307, related to academic program approval standards, authorization was granted to

- a. establish a Doctor of Nursing Practice (DNP) degree program at The University of Texas Medical Branch at Galveston; and
- b. submit the proposal to the Texas Higher Education Coordinating Board for review and appropriate action.

U. T. Medical Branch – Galveston will implement the DNP program through its School of Nursing, with entry options at both the baccalaureate and post-Master's level, to prepare registered nurses for evidence-based nursing practice, including translating research into practice, evaluating evidence, applying research in decision making, and implementing viable clinical innovations to change practice. The program will include instruction in health care delivery systems, health economics and finance, health policy, research methods, translating evidence into practice, concepts in population health, and nursing leadership.

The DNP program will be bolstered by a planned partnership with the Department of Nursing at The University of Texas - Pan American and Prairie View A&M College of Nursing in Houston. The DNP partnership will include faculty support and distance learning resources to increase access to the program and increase diversity among the pool of program candidates.

The planned DNP curriculum will follow the essentials developed by the American Association of Colleges of Nursing (AACN) and the core competencies for nurse practitioners developed by the National Organization of Nurse Practitioner Faculties. The U. T. Medical Branch – Galveston DNP program reflects a Bachelor of Science in Nursing (BSN)-DNP curriculum and a post-Master of Science in Nursing (MSN)-DNP curriculum for MSN-prepared nurses who are already prepared as advanced practice nurses. An MSN-exit option will be available for students who do not continue through the entire program. For BSN-DNP students, the curriculum emphasizes a strong clinical component and the basic scientific foundation for an MSN-prepared nurse. The institution plans to limit enrollment in the DNP program for the first two years after implementation, during which time and beyond it will still be graduating MSN-prepared and advanced practice registered nurses.

The U. T. Medical Branch – Galveston School of Nursing employs a wide range of qualified faculty members with credentials commensurate with DNP education needs who are prepared to conduct clinical evaluation of students at distance sites via teleconferencing. With implementation of the planned DNP partnership, U. T. Pan American and Prairie View A&M will each have a

designated faculty member to provide leadership and support for schools on their campuses that will provide classroom and distance learning resources.

U. T. Medical Branch – Galveston does not plan to expand facilities and/or equipment specifically to support the DNP program. Most of the costs related to the program are reallocated from the existing MSN program, and a portion is related to additional faculty. The institution's School of Nursing has an ongoing program for updating its technology and equipment. The DNP program is not expected to strain resources needed to implement and sustain the program.

6. U. T. System: Quarterly report on health matters, including accountable care organizations and Cancer Prevention and Research Institute of Texas (CPRIT) awards

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

7. U. T. System: Discussion featuring research opportunities, accomplishments, and challenges at U. T. Southwestern Medical Center and U. T. Health Science Center – Tyler

This item was for consideration only by the Committee (see Minutes of the Special Health Affairs Committee meeting).

REPORT AND RECOMMENDATIONS OF THE FACILITIES PLANNING AND CONSTRUCTION COMMITTEE (Pages 52 - 56).--Committee Chairman Gary 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. Austin: High Performance Computing Facility Expansion - Amendment of the FY 2011-2016 Capital Improvement Program to include project (Preliminary Board approval)

The Board amended the Fiscal Year 2011-2016 Capital Improvement Program (CIP) to include the High Performance Computing Facility Expansion project at The University of Texas at Austin as follows:

Project No.:	102-627	
Project Delivery Method:	Construction Manager at Risk	
Substantial Completion Date:	September 2012	
Total Project Cost:	Source	Current
	Unexpended Plant Funds	\$55,000,000
	Available University Fund	\$ 1,000,000
		\$56,000,000
Investment Metrics:	<ul style="list-style-type: none"><li>• Leverage existing systems to compete for National Science Foundation grant with potential of \$54 million over next four years with potential for renewal.</li><li>• Maintain computing capacity at the highest levels to remain competitive in one of the University's highest strategic priorities.</li><li>• Continue to recruit the best faculty and graduate students.</li><li>• Increase national and international exposure by retaining the Top 10 ranking in supercomputing systems.</li></ul>	

In 2010, U. T. Austin and HMG & Associates, Inc., prepared a statement of Owner's Project Requirements for expanding the computer machine room at U. T. Austin's Texas Advanced Computing Center (TACC) with the goal of maintaining a competitive data center infrastructure for housing world-class computing systems. A thorough investigation by the consultants, combined with the Center's in-depth strategic research planning, has resulted in a compelling plan to meet the programmatic needs and growth goals of the Center while enhancing the Center's mission to advance science and society through the application of advanced computing technologies.

The High Performance Computing Facility Expansion will allow the TACC to submit a proposal for a National Science Foundation (NSF) grant that has the potential to bring \$54 million over the next four years, with \$30 million for the computing system plus an additional \$24 million for operations and activities, and the possibility of renewal for an additional \$54 million over an additional four years. This will give the University the ability to leverage its high-end data center for additional grant funding.

The expansion of the TACC data center will provide approximately 8,000 gross square feet of high-density data center space and an additional six megawatts of power. The facility will host high-end, research-focused computing systems for the TACC and will be built as an expansion to the existing Research Office Complex (ROC) building on the J. J. Pickle Research Campus. The project cost will cover the necessary building and utility improvements for the specialized facility needs of the TACC high-end data center including a power substation, electrical distribution system, and chiller. This project will also provide substantially more power capacity at the J. J. Pickle Research Campus to support the future growth of the University's research endeavors there.

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

2. U. T. Austin: U. T. Academy of Music - Amendment of the FY 2011-2016 Capital Improvement Program to include project (Preliminary Board approval)

The Board amended the Fiscal Year 2011-2016 Capital Improvement Program (CIP) to include the U. T. Academy of Music project at The University of Texas at Austin as follows:

Project No.:	102-624	
Project Delivery Method:	Design/Build	
Substantial Completion Date:	August 2013	
Total Project Cost:	Source Gifts	Current \$20,000,000
Investment Metrics:	By 2015	<ul style="list-style-type: none"><li>• The combined total enrollment of all current programs is approximately 330 students. It is projected that within the next five years, more than 2,000 children and adults will be enrolled.</li><li>• Current enrollment provided approximately \$120,000 in financial aid to graduate students who teach. Revenue from the Academy is expected to increase financial aid for graduate students to more than \$900,000 and pedagogical benefits to graduate students would increase proportionally.</li></ul>

The U. T. Academy of Music will provide approximately 60,000 gross square feet of classroom, rehearsal, and performance facilities along with administrative and support space. The building will include a 300-seat concert hall that, when not in use by the Academy, will be available as a performance space for the Sarah and Ernest Butler School of Music. This facility will be located on property east of Interstate Highway 35 and will house all noncredit instruction as well as provide pedagogical training for graduate music students. The Academy will generate significant job opportunities for instructors for graduate students and will provide quality noncredit musical instruction to children and adults in Greater Austin, a service to the community U. T. Austin is uniquely qualified to fill.

Programming will commence once all gift funds are acquired. The project has been approved by University of Texas System staff and meets the criteria for inclusion in the CIP. Approval of design development plans and authorization of expenditure of funding will be presented to the Board for approval at a later date.

3. U. T. Brownsville: Biomedical Research Facility II - Amendment of the FY 2011-2016 Capital Improvement Program to include project (Preliminary Board approval)

The Board amended the Fiscal Year 2011-2016 Capital Improvement Program (CIP) to include the Biomedical Research Facility II project at The University of Texas at Brownsville as follows:

Project No.:	902-618		
Project Delivery Method:	Construction Manager at Risk		
Substantial Completion Date:	April 2013		
Total Project Cost:	Source	Current	
	Grants	\$ 3,993,085	
	Higher Education Assistance Funds (HEAF)	\$ 760,591	
		\$ 4,753,676	
Investment Metrics:	By 2013	<ul style="list-style-type: none"><li>• Increase research by expanding infrastructure laboratories from 16 to 22, including 8,452 gross square feet</li><li>• Increase external funding by \$1.5 million on research expenditures</li><li>• Increase retention by providing approximately 12 part-time positions for students</li><li>• Increase productivity in research by recruitment of two professors</li></ul>	

The Biomedical Research Facility II will provide approximately 8,452 gross square feet for six research laboratories, private investigator research offices, support spaces, and a mechanical, electrical, and plumbing support system.

The project will connect to the Biomedical Research and Health Professions Building via a covered walkway. The National Institutes of Health (NIH) grant dictates allowable project costs. Higher Education Assistance Funds (HEAF) will cover costs in excess of, or ineligible for, NIH grant funding.

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

4. U. T. Permian Basin: Falcon's Nest Addition, Buildings 7-12 - Amendment of the FY 2011-2016 Capital Improvement Program to include project; approval of design development; appropriation of funds and authorization of expenditure; approval of evaluation of alternative energy economic feasibility; and resolution regarding parity debt (Final Board approval)

With a requirement to report at the May 2011 meeting on actual costs savings and determine if the contingency funds are needed, the Board amended the Fiscal Year 2011-2016 Capital Improvement Program (CIP) to include the Falcon's Nest Addition, Buildings 7-12 project at The University of Texas of the Permian Basin as set forth below:

Project No.:	501-345		
Project Delivery Method:	Competitive Sealed Proposals		
Substantial Completion Date:	June 2012		
Total Project Cost:	Source	Current	
	Revenue Financing System Bond Proceeds	\$6,000,000	
Investment Metrics:	<u>By 2012</u> <ul style="list-style-type: none"><li>• Student recruitment increased by 50 out-of-area students by Fall opening</li><li>• Obtain 100% occupancy (96 students)</li><li>• Increase by 25% meal plan utilization in new Student Multipurpose Center</li></ul>		
a.	approve design development plans;		
b.	appropriate funds and authorize expenditure of \$6,000,000 from Revenue Financing System Bond Proceeds;		
c.	approve the evaluation of alternative energy economic feasibility; and		
d.	resolve in accordance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System that <ul style="list-style-type: none"><li>• parity debt shall be issued to pay the project's cost, including any costs prior to the issuance of such parity debt;</li></ul>		

- 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. Permian Basin, 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 \$6,000,000.

### Debt Service

The \$6,000,000 in Revenue Financing System debt will be repaid from housing revenues. Annual debt service on the \$6,000,000 Revenue Financing System debt is expected to be approximately \$413,000. The institution's debt service coverage is expected to be at least 1.0 times and average 1.3 times over FY 2011-2016.

### Project Description

The apartment-style Falcon's Nest Addition will be a continuation of existing on-campus housing. The six buildings totaling approximately 30,000 gross square feet will house 96 students in two-story apartment buildings containing a total of 24 units. Each unit will consist of four bedrooms, two bathrooms, and a central living area. Students will have their meals in the recently completed Student Multipurpose Center.

Current housing facilities provide 560 beds and are operating at 90% occupancy. The waiting list for Fall 2010 was approximately 10-20 students. This new addition will provide students a full university life experience through a campus residential setting.

This project has been approved by U. T. System staff and meets the criteria for inclusion in the CIP.

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

APPROVAL OF STANDING COMMITTEE RECOMMENDATIONS.--At 12:15 p.m., the Board voted and approved the Standing Committee recommendations.

RECONVENE BOARD OF REGENTS AS COMMITTEE OF THE WHOLE FOR REMARKS BY CHAIRMAN POWELL.--Chairman Powell provided remarks on the beginning of his term as Chairman of the Board of Regents. He said the goal of The University of Texas System institutions is to improve the quality of the product, which is education, and to increase undergraduate enrollment and the number of degrees conveyed each year. He remarked on the need to reduce the cost of a baccalaureate degree and to operate the University enterprise more efficiently for greater productivity. He mentioned he would soon announce the establishment of two task forces: one on efficiency and one on distance learning. (Secretary's Note: Chairman Powell publicly announced the establishment, charge, and composition of the Task Force on University Excellence and Productivity and the Task Force on Blended and Online Learning on February 25, 2011.)

Chairman Powell also noted he had asked Vice Chairman Dannenbaum to spearhead technology transfer and commercialization initiatives (see Item 2 on Page 2 regarding appointment of Vice Chairman Dannenbaum as Chairman of the newly created standing committee, the Technology Transfer and Research Committee, and his reappointment as Liaison to Governor's Office on Technology Transfer and Commercialization Issues).

SCHEDULED MEETING.--The next regularly scheduled meeting will be held on May 11-12, 2011, in Austin, Texas.

ADJOURNMENT.--There being no further business, the meeting was adjourned at 12:00 p.m.

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

April 13, 2011

**THE UNIVERSITY OF TEXAS SYSTEM ADMINISTRATION  
DOCKET NO. 145**

The Docket for The University of Texas System Administration and the Dockets recommended by the respective presidents and prepared by the institutions listed below are submitted for discussion and appropriate action regarding approval of the Docket at the meeting of the U. T. System Board of Regents on February 18, 2011. The Chancellor, the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Business Affairs, the Executive Vice Chancellor for Health Affairs, and the Vice Chancellor and General Counsel concur in these recommendations.

<b>Institutions</b>	<b>Pages</b>
The University of Texas System Administration	Docket 1 - 3
The University of Texas at Arlington	Docket 4 - 5
The University of Texas at Austin	Docket 6 - 13
The University of Texas at Brownsville	Docket 14 - 15
The University of Texas at Dallas	Docket 16 - 18
The University of Texas at El Paso	Docket 19 - 23
The University of Texas - Pan American	Docket 24
The University of Texas of the Permian Basin	Docket 25
The University of Texas at San Antonio	Docket 26 - 29
The University of Texas Southwestern Medical Center at Dallas	Docket 30 - 33
The University of Texas Medical Branch at Galveston	Docket 34 - 36
The University of Texas Health Science Center at Houston	Docket 37 - 41
The University of Texas Health Science Center at San Antonio	Docket 42
The University of Texas M. D. Anderson Cancer Center	Docket 43 - 47
The University of Texas Health Science Center at Tyler	Docket 48

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## **U. T. SYSTEM ADMINISTRATION**

### **CONTRACTS**

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

#### **GENERAL CONTRACTS**

#### **FUNDS GOING OUT**

1. Agency:	Tolunay-Wong Engineers, Inc.
Funds:	U. T. System anticipates contracting expenditures to exceed \$1,000,000 per year of the contract
Period:	September 1, 2005 through August 31, 2011 (Contract is being brought forward for Board approval in anticipation of reaching the \$1,000,000 threshold where Board approval is required.)
Description:	The firm agrees to perform miscellaneous engineering and materials testing services for U. T. System on a job order basis. Services were competitively procured.
2. Agency:	Hahn, Texas
Funds:	\$1,000,000
Period:	February 21, 2011 through August 31, 2012
Description:	The firm agrees to develop a multistep, multichannel, integrated marketing campaign for the online Baccalaureate Accelerated Completion program to target the adult population in Texas who have earned college credits but have not completed a baccalaureate degree. The campaign will include a seamless marketing approach for one program that encompasses diverse degrees delivered by multiple universities. A marketing campaign will be implemented to include approved buys to diverse marketing formats. Target markets will be identified to ascertain the most effective methods to reach the audience with impact. The firm will develop and implement accountability measures to determine effectiveness of the marketing campaign.

## OTHER MATTERS

### APPROVAL OF NEWLY COMMISSIONED U. T. SYSTEM PEACE OFFICERS

In accordance with Chapter 51.203 of the *Texas Education Code*, the U. T. System Board of Regents is requested to approve the commissioning of the individuals listed below as peace officers effective December 17, 2010. The following officers have completed a course of training that included mandated Texas Commission on Law Enforcement Officer Standards and Education courses at The University of Texas System Police Training Academy and have successfully passed the State of Texas Peace Officer Licensing Examination.

<u>Name</u>	<u>Institution</u>
Juan E. Alegria	U. T. Brownsville
Troy D. Alvarado	U. T. Austin
Eugene G. Dominguez, Jr.	U. T. Permian Basin
Kevin Hicks	U. T. Dallas
Corey Keller	U. T. Dallas
Daniel S. McCoy	U. T. Southwestern Medical Center – Dallas
Belinda G. Moran	U. T. El Paso
Molly R. Ralph	U. T. Pan American
Jeffrey J. Rask	U. T. Austin
Tommy L. Richbourg	U. T. San Antonio
John M. Seda	U. T. San Antonio
Van E. Slusser	U. T. Brownsville
James V. Vernier	U. T. Arlington

## REAL ESTATE REPORT

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

Summary Report at November 30, 2010

#### FUND TYPE

	Current Purpose Restricted		Endowment and Similar Funds		Annuity and Life Income Funds		TOTAL	
	Book	Market	Book	Market	Book	Market	Book	Market
Land and Buildings:								
Ending Value 8/31/10	\$ 3,095,046	\$ 29,151,090	\$ 97,808,291	\$ 261,788,207	\$ 1,601,466	\$ 3,335,083	\$ 102,504,803	\$ 294,274,380
Increase or Decrease	37,100	110,040	-	590,857	1	1	37,101	700,898
Ending Value 11/30/10	\$ 3,132,146	\$ 29,261,130	\$ 97,808,291	\$ 262,379,064	\$ 1,601,467	\$ 3,335,084	\$ 102,541,904	\$ 294,975,278
Other Real Estate:								
Ending Value 8/31/10	\$ 60,805	\$ 60,805	\$ 139,240	\$ 139,240	\$ -	\$ -	\$ 200,046	\$ 200,046
Increase or Decrease	(1,532)	(1,532)	(2,587)	(2,587)	-	-	(4,119)	(4,119)
Ending Value 11/30/10	\$ 59,273	\$ 59,273	\$ 136,654	\$ 136,654	\$ -	\$ -	\$ 195,927	\$ 195,927

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

Details of individual assets by account furnished on request.

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

**U. T. ARLINGTON**

**AMENDMENTS TO THE 2009-10 BUDGET**

**TENURE APPOINTMENTS**

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

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

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		
			<u>No. Mos.</u>	<u>Rate \$</u>	<u>RBC #</u>
<b>COLLEGE OF EDUCATION</b> Curriculum and Instruction Professor 1. Marc Schwartz (T)	9/1-5/31	100	09	131,325	3391

Dr. Schwartz was initially hired and appointed on the Education, Mind, Brain, and Education Endowment account and not identified as a tenured professor and is now being corrected as tenure approval.

## **CONTRACTS**

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

### **GENERAL CONTRACTS**

#### **FUNDS COMING IN**

1. Agency:	Texas Commission on Environmental Quality (TCEQ)
Funds:	\$1,200,000
Period:	March 1, 2011 through August 31, 2013
Description:	U. T. Arlington and the U. T. Arlington Division for Enterprise Development will be assisting the TCEQ with measuring pollutants in ambient air, analyzing the data, and summarizing and reporting the results at four sites to be agreed upon in various locations in the Barnett Shale. None of the monitoring of natural gas wells will be done on campus.

## **U. T. AUSTIN**

### **CONTRACTS**

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

#### **GENERAL CONTRACTS**

#### **FUNDS GOING OUT**

1. Agency: The Stage Alliance
- Funds: Up to \$2,500,000 for the initial term and up to \$2,500,000 for each renewal period
- Period: December 1, 2010 through December 1, 2012, with option to renew for two additional two-year terms
- Description: The Stage Alliance will provide theatrical stagehand services to Texas Performing Arts on an as-needed basis for events at their U. T. Austin venues. Texas Performing Arts venues include, but are not limited to, the Nancy Lee and Perry R. Bass Concert Hall, Hogg Memorial Auditorium, Kate Broocks Bates Recital Hall, Ralph and Ruth McCullough Theatre, B. Iden Payne Theatre, and Oscar G. Brockett Theatre. Stagehand services are currently provided internally by university employees. The university wishes to outsource the stagehand and paymaster functions to improve organizational efficiency.

## AMENDMENTS TO THE 2010-11 BUDGET

### TENURE APPOINTMENTS

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

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

Description	Effective Date	% Time	Full-time Salary		RBC #			
			No. Mos.	Rate \$				
<b>COLLEGE OF COMMUNICATION</b>								
Radio, Television, Film								
1. Allucquere R. Stone*					3942			
From: Associate Professor (T)		100	09	61,721				
To: Associate Professor Emeritus	9/1-5/31				0			
*Professor Stone's Emeritus appointment is retroactive to September 1, 2010.								
<b>COCKRELL SCHOOL OF ENGINEERING</b>								
Electrical and Computer Engineering								
Cockrell Family Regents Chair in								
Engineering #1 and Professor								
2. Ahmed H. Tewfik (T)	10/1-5/31	100	09	210,000	3727			
RBC was inadvertently not included on the November 2010 Docket.								
Clint W. Murchison, Senior Fellow of								
Free Enterprise and Professor								
3. Robert M. Metcalfe (T)	1/16-5/31	0	09	150,000	3808			
Academic rate applies if Metcalfe returns to being a tenured faculty member.								
<b>COLLEGE OF LIBERAL ARTS</b>								
French and Italian								
4. Mary J. Baker					3943			
From: Professor (T)		100	09	64,200				
To: Professor Emeritus	1/16-5/31				0			

## AMENDMENTS TO THE 2010-11 BUDGET (CONTINUED)

### TENURE APPOINTMENTS (CONTINUED)

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
COLLEGE OF LIBERAL ARTS (Continued)					
French and Italian (Continued)					
5.    Jane N. Lippmann					3944
From:    Professor (T)		100	09	75,700	
To:      Professor Emeritus	1/16-5/31			0	
French and Italian/Slavic Languages					
6.    Seth L. Wolitz					3945
From:    Professor (T)		100	09	93,300	
To:      Professor Emeritus	1/16-5/31			0	
Germanic Studies					
7.    John M. Weinstock					3946
From:    Professor (T)		100	09	83,311	
To:      Professor Emeritus	1/16-5/31			0	
Linguistics					
8.    Robert D. King					3947
From:    Audre and Bernard Rapoport Regents Chair of Jewish Studies and Distinguished Teaching Professor (T)		100	09	156,200	
Chair Supplement	SUPLT		09	5,000	
To:      Audre and Bernard Rapoport Regents Chair Emeritus of Jewish Studies and Distinguished Teaching Professor Emeritus	1/16-5/31			0	

## AMENDMENTS TO THE 2010-11 BUDGET (CONTINUED)

### TENURE APPOINTMENTS (CONTINUED)

Description	Effective Date	% Time	Full-time Salary			RBC #			
			No. Mos.	Rate \$					
<b>COLLEGE OF LIBERAL ARTS (Continued)</b>									
Psychology									
9.	Dennis McFadden					3948			
From:	Ashbel Smith Professor (T) Professorship Supplement	100 SUPLT	09 09	130,501 4,500					
To:	Professor Emeritus	1/16-5/31			0				
Sociology									
10.	Norval D. Glenn					3949			
From:	Professor and Stiles Professorship In American Studies (T)	100 SUPLT	09 09	126,237 2,000					
To:	Stiles Professor Emeritus In American Studies	1/16-5/31			0				
Spanish and Portuguese									
Associate Professor									
11.	Lorraine M. Moore (T)	1/16-5/31	100	09	75,000	3802			
<b>COLLEGE OF NATURAL SCIENCES</b>									
Chemistry and Biochemistry									
12.	Stephen A. Monti*					3950			
From:	Professor (T) Executive Vice Provost	0 100	09 12	119,500 274,000					
To:	Professor Emeritus **Executive Vice Provost, Retired	9/1-5/31 48	12	0 274,000					
*Professor Monti's Emeritus appointment is retroactive to September 1, 2010.									
**Executive Vice Provost, retired administrative appointment is paid on an hourly basis.									

## AMENDMENTS TO THE 2010-11 BUDGET (CONTINUED)

### TENURE APPOINTMENTS (CONTINUED)

Description	Effective Date	% Time	Full-time Salary		RBC #
			No. Mos.	Rate \$	
COLLEGE OF NATURAL SCIENCES (Continued)					
Human Ecology					
13. Catherine A. Surra*					3951
From: Professor (T)		100	09	125,000	
To: Professor Emeritus	9/1-5/31				0
*Professor Surra's Emeritus appointment is retroactive to September 1, 2010.					
Mathematics					
Professor					
14. Peter Mueller (T)	1/16-5/31	100	09	260,000	3924
Neurobiology					
15. Austen Fox Riggs II					3952
From: Professor (T)		100	09	104,773	
To: Professor Emeritus	1/16-5/31				
Physics					
16. Lothar W. Frommhold*					3953
From: Professor (T)		100	09	87,960	
To: Professor Emeritus	9/1-5/31				0
*Professor Frommhold's Emeritus is retroactive to September 1, 2010.					
17. Claude W. Horton, Jr.*					3954
From: Professor (T)		100	09	121,381	
To: Professor Emeritus	9/1-5/31				0
*Professor Horton's Emeritus is retroactive to September 1, 2010.					

## AMENDMENTS TO THE 2010-11 BUDGET (CONTINUED)

### TENURE APPOINTMENTS (CONTINUED)

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
COLLEGE OF NATURAL SCIENCES (Continued)					
Physics (Continued)					
18. Leonard D. Kleinman					3955
From: Professor (T)		100	09	92,185	
To: Professor Emeritus	1/16-5/31				0
COLLEGE OF PHARMACY					
Pharmacy					
Coulter R. Sublett Fellow in					
Pharmacy and Professor					
19. Karen M. Vasquez (T)	1/16-5/31	100	09	138,750	3809

### TRANSFERS OF FUNDS

<u>Description</u>	<u>\$ Amount</u>	<u>RBC #</u>
DESIGNATED FUNDS - SCHOOL OF NURSING		
Central Texas Community Health Centers		
20. Amount of Transfer:	908,427	3728
From: Central Texas Community Health	908,427	
Centers - Operating Income		
To: Administrative and Professional		
Salaries	171,460	
Classified Salaries	501,900	
Fringe Benefits	210,067	
Wages	5,000	
Maintenance, Operation and		
Equipment	20,000	

Distribution of the allocation from the Central Texas Community Health Centers to set up a budget for Fiscal Year 2011.

## AMENDMENTS TO THE 2010-11 BUDGET (CONTINUED)

### TRANSFERS OF FUNDS (CONTINUED)

Description	\$ Amount	RBC #
<b>PROJECT MANAGEMENT AND CONSTRUCTION SERVICES</b>		
21. Amount of Transfer:	3,752,000	3804
From: Housing and Food Service General Repair and Replacement Reserve		
To: Jester Second Floor Dining Improvements All Expenses		
This transfer is for supplemental funding for the second floor dining entry improvements in Beauford H. Jester Center Residence Hall. The entry, the cashier's station, and several serving areas were renovated. The HVAC equipment and other utility systems that serve that area of the building were replaced and upgraded.		
22. Amount of Transfer:	600,000	3776
From: Jackson School of Geosciences Endowed Fund Royalty Payment Account Allocation for Budget Adjustments		
To: E. P. Schoch Building – Renovate Floors 1, 2 and 4 All Expenses		
Supplemental funding for the design and construction phase for renovation of the E. P. Schoch Building, Floors 1, 2 and 4.		

## OTHER MATTERS

### APPROVAL OF DUAL POSITIONS OF HONOR, TRUST, OR PROFIT

The following item has been approved by the Executive Vice Chancellor for Academic Affairs in accordance with the Regents' *Rules and Regulations*, Rule 30103 and is submitted for approval by the U. T. System Board of Regents. It has been determined that the holding of this 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. Orbach 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.

1. Name:	Raymond L. Orbach, Ph.D.
Title:	Director, Energy Institute Cockrell Family Chair in Engineering Joint appointments in the Department of Mechanical Engineering, Department of Physics, and the Jackson School of Geosciences
Position:	Member, Gulf of Mexico Research Initiative Research Board
Period:	June 1, 2010 through June 1, 2020
Compensation:	Reimbursement of expenses only
Description:	Governor Rick Perry appointed Dr. Orbach to the Gulf of Mexico Research Initiative Research Board. The Research Board is responsible for guiding the definition of the initiative's program, carrying out the review of the proposals received, deciding which projects and research consortia will be funded, and providing research guidance and assessment for the duration of the program. The ultimate goal of the research effort is to improve society's ability to understand and mitigate the impacts of hydrocarbon pollution and related stressors of the marine environment, with an emphasis on conditions found in the Gulf of Mexico. It is envisioned that the knowledge accrued will be applied not only to restore, but also to improve the long-term environmental health of the Gulf of Mexico.

**U. T. BROWNSVILLE**  
**AMENDMENTS TO THE 2010-11 BUDGET**  
**TENURE APPOINTMENTS**

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

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

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>			<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>		
<b>SCHOOL OF BUSINESS</b>						
Dean and Professor						
1. Mark J. Kroll (T)	1/1-8/31	100	12	185,000	3293	
	1/1-5/31	0	9	138,750		

## **CONTRACTS**

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

### **GENERAL CONTRACTS**

#### **FUNDS GOING OUT**

1. Agency:	GCA Educational Service of Texas, Inc.
Funds:	\$ 3,437,449.92
Period:	January 2, 2011 through August 31, 2013
Description:	Provide professional cleaning and maintenance services, including furnishing of personnel, equipment, materials and supplies (collectively "Custodial Services").

## **U. T. DALLAS**

## **CONTRACTS**

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

### **GENERAL CONTRACTS**

#### **FUNDS COMING IN**

1. Agency: Follett Higher Education Group, Inc.
- Funds: Approximately \$4,100,000
- Period: November 4, 2009 to October 31, 2019  
(with an option to extend to October 31, 2020)
- Description: License Agreement whereby Follett operates the U. T. Dallas Bookstore. This agreement is the culmination of competitive bidding and Office of General Counsel/Real Estate Office reviews. As the successful bidder, Follett has been operating the bookstore since November 2009, but the written agreement was delayed by redesign of the Campus Services and Bookstore Building and protracted negotiations. Follett will provide interior finish-out of the new bookstore facility (to be built in 2011). Follett will pay the University a \$200,000 financial cash contribution, a monthly license fee related to base use (license of space), and a royalty of non-textbook revenue; Follett will also reimburse a portion of University's utility costs. The expected value of the payments over the possible 11-year period is \$4.1 million.

## AMENDMENTS TO THE 2010-11 BUDGET

### TENURE APPOINTMENTS

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

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

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>			<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>		
<b>ECONOMIC, POLITICAL, AND POLICY SCIENCES</b>						
Public Affairs						
Professor						
1. Robert W. Taylor (T)	1/1-5/31	100	09	125,000	3890	
<b>SCHOOL OF NATURAL SCIENCES AND MATHEMATICS</b>						
Science Education						
2. Cynthia E. Ledbetter						3891
From: Professor (T)		100	09	80,490		
To: Professor Emeritus	2/1-5/31				0	

### TRANSFERS OF FUNDS

<u>Description</u>	<u>\$ Amount</u>	<u>RBC #</u>
<b>VICE PRESIDENT FOR RESEARCH</b>		
3. Amount of Transfer:	658,210	3874
From: Vice President for Research Patent Infringement Settlement - Revenue		
To: Vice President for Research Patent Infringement Settlement – Maintenance and Operation		

Budgeting funds received a settlement in case involving infringement of Professor Collin's patent.

## FEES AND MISCELLANEOUS CHARGES

### PARKING PERMIT FEES

Approval is recommended for the following parking permit fees to be effective beginning with the Fall Semester 2011. The proposed fees are consistent with the applicable statutory requirements under Section 54.505(b) of the *Texas Education Code* and have been administratively approved by the Executive Vice Chancellor for Academic Affairs.

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

	<u>Current Rates \$</u>	<u>Proposed Rates \$</u>	<u>Percent Increase</u>
<b>Annual fees:</b>			
<b><u>Student Permit Classifications</u></b>			
Green permit	85	89	5.0
Gold permit	149	156	5.0
Orange permit	226	237	5.0
Evening Orange permit	191	201	5.0
Waterview Green permit	125	131	5.0
Waterview Gold permit	185	194	5.0
<b><u>Faculty/Staff Classifications</u></b>			
Green permit	85	89	5.0
Gold permit	149	156	5.0
Orange permit	226	237	5.0
Purple permit	375	394	5.0
Reserved Purple permit	448	479	7.0

**U. T. EL PASO**  
**CONTRACTS**

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

**GENERAL CONTRACTS**

**FUNDS GOING OUT**

1. Agency:	Southeast Service Corporation dba SSC Service Solutions
Funds:	\$3,530,000
Period:	September 1, 2010 through August 31, 2012 with three additional one-year term options
Description:	Southeast Service Corporation will provide custodial services for specific campus buildings. Contract was not fully executed in time for the November 2010 Docket deadline.

## AMENDMENTS TO THE 2010-11 BUDGET

## TENURE APPOINTMENTS

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

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

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
COLLEGE OF LIBERAL ARTS Communication 1. Barthy A. Byrd					3930
From: Associate Professor (T)		100	09	61,912	
To: Associate Professor Emeritus	9/1			0	

English  
2. Bruce J. Lawson 3929  
From: Associate Professor (T) 100 09 59,637  
To: Associate Professor  
Emeritus 9/1 0

Dr. Lawson retired August 31, 2010. Request Associate Professor Emeritus status effective September 1, 2010.

## AMENDMENTS TO THE 2010-11 BUDGET (CONTINUED)

### TENURE APPOINTMENTS (CONTINUED)

Description	Effective Date	% Time	Full-time Salary		RBC #
			No. Mos.	Rate \$	
COLLEGE OF LIBERAL ARTS (Continued)					
Psychology					
3. Gerald W. Lucker					3928
From: Associate Professor (T)		50	09	67,479	
To: Associate Professor Emeritus	6/1				0
Approval of the title change is being requested now to allow President Natalicio the opportunity to announce the award of the honorary title at the spring commencement. The honorary title designation will not take effect until June 1, 2011.					
Psychology					
4. Roy S. Malpass					3926
From: Professor (T)		50	09	104,816	
To: Professor Emeritus	1/16				0
COLLEGE OF ENGINEERING					
Metallurgical and Materials Engineering					
5. Walter W. Fisher					3927
From: Professor (T)		50	09	100,787	
To: Professor Emeritus	6/1				0
Approval of the title change is being requested now to allow President Natalicio the opportunity to announce the award of the honorary title at the spring commencement. The honorary title designation will not take effect until June 1, 2011.					

## AMENDMENTS TO THE 2010-11 BUDGET (CONTINUED)

### TENURE APPOINTMENTS (CONTINUED)

Description	Effective Date	% Time	Full-time Salary		
			No. Mos.	Rate \$	RBC #
<b>COLLEGE OF SCIENCE</b>					
Biological Sciences					
6. Arthur H. Harris					3925
From: Professor (T)		100	09	92,573	
To: Professor Emeritus	6/1			0	

Approval of the title change is being requested now to allow President Natalicio the opportunity to announce the award of the honorary title at the spring commencement. The honorary title designation will not take effect until June 1, 2011.

## AMENDMENTS TO THE 2009-10 BUDGET

### TENURE APPOINTMENTS

Description	Effective Date	% Time	Full-time Salary		
			No. Mos.	Rate \$	RBC #
<b>COLLEGE OF BUSINESS ADMINISTRATION</b>					
Accounting					
7. Patricia Eason					3931
From: Associate Professor (T)		50	09	111,907	
To: Associate Professor Emeritus	8/16			0	

Dr. Eason retired late in the fiscal year and the Emeritus appointment was retroactive.

## FEES AND MISCELLANEOUS CHARGES

### PARKING PERMIT FEES

Approval is recommended for the following parking permit fees to be effective immediately. The proposed fees are consistent with the applicable statutory requirements under Section 54.505(b) of the *Texas Education Code* and have been administratively approved by the Executive Vice Chancellor for Academic Affairs.

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

	<u>Current Rates \$</u>	<u>Proposed Rates \$</u>	<u>Percent Increase</u>
<b>Spring 2011</b>			
<b>Faculty/Staff Classifications</b>			
Glory Road Garage	0	300	100.0
<b>Student Classifications</b>			
Glory Road Garage	0	195	100.0
<b>Fall 2011</b>			
<b>Faculty/Staff Classifications</b>			
Reserved – Campus	715	730	2.1
Inner Campus Orange	332	342	3.0
Inner Campus Red	382	392	2.6
Perimeter	197	207	5.1
Remote	132	142	7.6
Sun Bowl Garage - Nest	332	342	3.0
Sun Bowl Garage - Premium	382	392	2.6
Motorcycle	95	100	5.3

Note: Annual parking permit fees may be prorated for permits purchased for spring semester/summer session or for summer session only, and at the discretion of the institution; refunds may be made for fall semester enrollment/employment only.

**U. T. PAN AMERICAN**  
**AMENDMENTS TO THE 2010-11 BUDGET**  
**TENURE APPOINTMENTS**

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

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

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>			<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>		
<b>COLLEGE OF SOCIAL AND BEHAVIORAL SCIENCES</b>						
Sociology						
Provost/Vice President for Academic Affairs and Professor						
1. Havidán Rodríguez (T)	1/1-8/31 1/1-3/31	100 0	12 09	240,000 90,000		3788

**U. T. PERMIAN BASIN**  
**CONTRACTS**

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

**GENERAL CONTRACTS**

**FUNDS COMING IN**

1. Agency:	Custom Food Group
Funds:	Value less than \$40,000
Period:	March 1, 2011 through August 31, 2015, this agreement may be extended for one additional period, not exceeding two years, by written agreement of University and Contractor.
Description:	Custom Food Group will provide snack-vending service at approximately 13 sites located at the main campus. In accordance with <i>Texas Education Code</i> Section 51.945, students were provided with an opportunity to comment prior to determination that the institution should select this vending service provider.

## U. T. SAN ANTONIO

### CONTRACTS

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

#### GENERAL CONTRACTS

#### FUNDS GOING OUT

1. Agency: City of San Antonio  
Funds: Estimated total \$1,800,498 for the initial term and the renewal terms, together. Estimated cost is based on costs for six regular season home football games with estimated attendance between 10,000 to 15,000, and for one spring game per year. Cost will be greater if attendance exceeds 15,000.  
Period: November 2, 2010 through December 15, 2015  
Description: Options to renew for two additional one-year periods. Alamodome License Agreement for The University of Texas at San Antonio Intercollegiate Football Games.
  
2. Agency: Ticketmaster L.L.C.  
Funds: Estimated total \$1,089,000 for the initial term and the renewal term, together. License fees are \$60,000 per year. Vendor will also be paid up to 3% of the face value of tickets sold, which is estimated to be an additional \$61,000 per year.  
Period: August 1, 2010 through June 30, 2014  
Description: One option to renew for one additional five-year period. Ticketmaster's Licensed User Agreement for The University of Texas at San Antonio Intercollegiate Athletic Sporting Home Events.

## **CONTRACTS (CONTINUED)**

### **FOREIGN CONTRACT**

3. Agency: University College London ("UCL"), a foreign governmental entity.

Funds: £13,207.50 Great British Pound (GBP) (approximately \$20,690.84 US Dollars), based on residential rooms at a cost of £11,212.50 GBP and the classroom space at a cost of £1,995 GBP.

Period: July 23, 2011 through August 13, 2011

Description: Residential Space Lease Agreement and Classroom Space Reservation Form for The University of Texas at San Antonio, College of Liberal and Fine Arts London Study Abroad Program.

## AMENDMENTS TO THE 2010-11 BUDGET

### TRANSFER OF FUNDS

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

<u>Description</u>	<u>\$ Amount</u>	<u>RBC #</u>
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#### Renovations

1. Amount of Transfer: 530,000 3781

From: Facilities and Administration Reserve-Debt Service and Capital Outlay

To: Renovations, Science Engineering Lab, January 2010

Construction work for the Fluvial Geomorphology Lab and Engineering Lab in the Science Engineering Lab Building. Work will include architectural, structural, mechanical, electrical and plumbing, plus all associated work. Renovations will include technology infrastructure recommended by the Office of Information Technology, security features recommended by University Police, and safety features recommended by the Environmental Health, Safety and Risk Management Office.

#### Utility Enhancement Projects

2. Amount of Transfer: 1,738,100 3876

From: Utilities

To: Utility Enhancement Projects FY 2011

Funding will allow for Utility Enhancements for distribution of utilities at the Main Campus. Utility evaluations and upgrades are necessary for future capital projects, campus master plan, and current reliability and safety needs. This will assure that growth will be supported with optimized distribution of utilities.

## OTHER FISCAL ITEMS

### PURCHASE ORDERS – MORE THAN \$1,000,000 FOREIGN PURCHASE ORDER

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

#### FUNDS GOING OUT

1. Agency:	Universal Print Group Ltd. dba Uniprint based in Durban, South Africa
Funds:	Estimated \$1,138,702.85 in expenses for the aggregate total of all purchase orders. Above figure is based on estimated purchases awarded to Uniprint for three printing phases of the project. Additional purchases for printing are anticipated, costs are estimated not to exceed \$1,626,691.
Title/Description:	U. T. San Antonio received a grant of \$13 million from the United States Agency for International Development (USAID) to develop a literacy program in Malawi, South Africa. Out of these funds, the project will provide 2.2 million books for over 900 elementary schools in Malawi. Uniprint Purchase Orders for printing of learning materials are as follows: Purchase Order # 2010C01280 \$262,040.40 Purchase Order # 2010C01488 \$ 32,737.76 Purchase Order # 2011C00546 \$420,427.80 Purchase Order # 2011C00577 \$423,496.89

**U. T. SOUTHWESTERN MEDICAL CENTER – DALLAS**  
**CONTRACTS**

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

**GENERAL CONTRACTS**

**FUNDS COMING IN**

1. Agency: Children's Medical Center of Dallas  
Funds: \$1,200,000  
Period: January 16, 2011 through January 15, 2012  
Description: To provide transplantation laboratory services.
  
2. Agency: The Dallas County Hospital District d/b/a Parkland Health & Hospital System  
Funds: \$1,063,556 in estimated rent and operating expenses payable over a five-year term, which reflects a base rental of \$15.50 per square foot for the first lease year. The sublease allows for one three-year extension option at fair market rental; the rent and operating expenses payable for this option are estimated to be \$740,376. Dallas County Hospital District will reimburse U. T. Southwestern Medical Center monthly as additional rent for the cost of tenant improvements to the space (approximately \$180,000).  
Period: March 1, 2011 through February 29, 2016  
Description: Authorization to complete negotiations to sublease 11,752 square feet located at 5920 Forest Park, #602, Dallas, Texas 75235 for the joint U. T. Southwestern/Parkland Family Practice Residency Program. (See Item 7.)

## CONTRACTS (CONTINUED)

### GENERAL CONTRACTS (CONTINUED)

#### FUNDS GOING OUT

3. Agency: Chem-Aqua, Inc.  
Funds: \$1,168,500  
Period: December 1, 2010 through August 31, 2015  
Description: To provide water maintenance treatment on the campus.

4. Agency: Tecton Services, Inc.  
Funds: \$2,182,455  
Period: October 8, 2010 through March 11, 2011  
Description: To provide labor and material to renovate the Radiation Oncology Department and install Heating, Ventilation and Air Conditioning (HVAC) at U. T. Southwestern University Hospital - St. Paul. The contract award was not made until after the September 10, 2010, deadline for the November 2010 meeting.

5. Agency: Tecton Services, Inc.  
Funds: \$1,095,104  
Period: October 15, 2010 through January 3, 2011  
Description: To provide labor and material to demolish and renovate the exterior mechanical, electrical and plumbing at U. T. Southwestern University Hospital - St. Paul. The contract award was not made until after the September 10, 2010, deadline for the November 2010 meeting.

6. Agency: Sundurance Energy, LLC  
Funds: \$2,000,000  
Period: January 14, 2011 through July 20, 2011  
Description: To design and construct a solar photovoltaic system on the carport canopy on the campus to supply solar power to the thermal energy plant electrical room.

## CONTRACTS (CONTINUED)

### GENERAL CONTRACTS (CONTINUED)

#### FUNDS GOING OUT (CONTINUED)

7. Agency: Southwest Professional Building, LTD  
Funds: \$1,063,556 in estimated rent and operating expenses payable over a five-year term, which reflects a base rental of \$15.50 per square foot for the first lease year. The lease allows for one three-year extension option at fair market rental; the rent and operating expenses payable for this option are estimated to be \$740,376. U. T. Southwestern Medical Center will construct approximately \$180,000 of tenant improvements in the space.

Period: March 1, 2011 through February 29, 2016  
Description: Lease of clinical space for the joint U. T. Southwestern/Parkland Family Practice Residency Program. The property is 11,752 square feet located at 5920 Forest Park, #602, Dallas, Texas 75235. This space will be subleased to Parkland Health & Hospital System. (See Item 2.)

## AMENDMENTS TO THE 2010-11 BUDGET

### TENURE APPOINTMENTS

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

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

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>No. Mos.</u>	<u>Full-time Salary</u>	<u>RBC #</u>
SCHOOL OF MEDICINE					
Cell Biology					
1. Gaylord Throckmorton					3779
From: Professor (T)				93,400	
To: Professor Emeritus	9/1-8/31				0

**U. T. MEDICAL BRANCH – GALVESTON**  
**CONTRACTS**

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

**GENERAL CONTRACTS**

**FUNDS COMING IN**

1. Agency:	ValueOptions of Texas, Inc.
Funds:	\$1,542,934
Period:	December 1, 2010 through August 31, 2011
Description:	Continuation of contract for U. T. Medical Branch – Galveston to provide administration of uniform assessment, primary care medical screening services, care coordination of clinical subspecialty services, and clinical pharmacy services to indigent members of the NorthSTAR program. NorthSTAR is a publicly funded behavioral health program that serves the medically indigent and most Medicaid recipients that reside in a seven-county region surrounding Dallas and Fort Worth.

## AMENDMENTS TO THE 2010-11 BUDGET

### TENURE APPOINTMENTS

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

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

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		
			<u>No. Mos.</u>	<u>Rate \$</u>	<u>RBC #</u>
ACADEMIC ENTERPRISE					
Internal Medicine - Geriatrics					
Professor					
1. Labros Sidossis (T)	9/1-8/31	100	12	160,000	3782

This RBC was processed after the November 2010 Docket deadline.

## OTHER MATTERS

### APPROVAL OF DUAL POSITIONS OF HONOR, TRUST, OR PROFIT

The following item has been approved by the Executive Vice Chancellor for Health Affairs in accordance with the Regents' *Rules and Regulations*, Rule 30103 and is submitted for approval by the U. T. System Board of Regents. It has been determined that the holding of this 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. Baker with The University of Texas Medical Branch at Galveston. By approval of this item, the Board is also asked to find that holding this position is of benefit to the State of Texas and The University of Texas and there is no conflict between the position and the University.

1. Name: Jeffrey M. Baker, Ph.D.  
Title: Clinical Professor of Anesthesiology  
Position: Board Member, Texas State Board of Examiners of Psychologists  
Period: January 3, 2011 through October 31, 2015  
Compensation: None  
Description: The Texas State Board of Examiners of Psychologists is charged with protecting the public by ensuring that psychological services are provided to the people of Texas by qualified and competent practitioners who adhere to established professional standards. Dr. Baker was appointed by Governor Rick Perry.

**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:	Christopher K. Livingston, M.D., PA
Funds:	Base rent of \$27 per square foot per month (\$7,283.25) for the first five years and \$28 per square foot per month (\$7,553.00) for the second five years
Period:	February 1, 2011 through January 31, 2021
Description:	Lease 3,237 rentable square feet for administrative and medical practice and related services at UT Professional Building, 6410 Fannin, Suite 927, Houston, Texas 77030
2. Agency:	Texas Department of Family and Protective Services
Funds:	Maximum of \$2,998,316
Period:	September 1, 2010 through August 31, 2011
Description:	Interagency contract to create resources that will improve access to medical professionals with expertise in the diagnosis of child abuse or neglect for Child Protective Services
3. Agency:	The University of Texas at Austin on behalf of the McCombs School of Business
Funds:	Funds will exceed \$1,000,000. License fee of \$244,418 annually (\$61,104.50, quarterly), plus variable expenses
Period:	August 1, 2010 through July 31, 2011, with three automatic one-year renewals, terminable by U. T. Austin McCombs School of Business with 120 days' notice before the end of the then-current term
Description:	Classroom License Agreement-Fee for mostly nonexclusive use of certain School of Nursing rooms and facilities for educational classes (approximately 40,000 square feet total, based on the various times and activities involved) during evening and weekend hours at 6901 Bertner Avenue, Houston, Texas, 77030.

## AMENDMENTS TO THE 2010-11 BUDGET

### TENURE APPOINTMENTS

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

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

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		
			<u>No. Mos.</u>	<u>Rate \$</u>	<u>RBC #</u>
<b>DENTAL BRANCH</b>					
Research Office					
1. Karen Adler Storthz					3836
From: Professor and Associate Dean for Research (T)		100	12	110,033	
Department of Diagnostic Sciences					
To: Professor Emeritus	12/1-8/31			0	
<b>MEDICAL SCHOOL</b>					
Psychiatry and Behavioral Sciences					
2. Louis A. Faillace					3885
From: Professor (T)		100	12	162,860	
To: Professor Emeritus	12/1-8/31			0	
3. Robert W. Guynn					3832
From: Professor (T)		100	12	157,289	
		Augmentation	12	27,757	
To: Professor Emeritus	12/1-8/31			0	
4. John E. Overall					
From: Professor (T)		100	12	53,227	3892
To: Professor Emeritus	12/1-8/31			0	

**AMENDMENTS TO THE 2010-11 BUDGET (CONTINUED)****TENURE APPOINTMENTS (CONTINUED)**

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
SCHOOL OF PUBLIC HEALTH Biostatistics 5. Asha Seth Kapadia					3833
From: Professor (T)		100	12	98,523	
To: Professor Emeritus	12/1-8/31				0

## OTHER MATTERS

### THE UNIVERSITY OF TEXAS SYSTEM MEDICAL FOUNDATION, INC.

In accordance with the Articles of Incorporation, approval by the U. T. System Board of Regents is recommended for appointment of the following individuals to the Board of Directors for The University of Texas System Medical Foundation, Inc.

#### Reappointment Commencing January 1, 2011

<u>Name and Title</u>	<u>Address</u>	<u>Term Expired</u>
Brent King, M.D. Professor and Chairman, Department of Emergency Medicine and Executive Vice Dean for Clinical Affairs at the Medical School	1133 John Freeman Blvd., Houston, Texas 77030	December 31, 2010
Keely G. Smith, M.D. Assistant Professor, Pediatrics-Clinical, at the Medical School	6431 Fannin, Houston, Texas 77030	December 31, 2010
Patricia M. Butler, M.D. Associate Dean for Educational Programs at the Medical School	1133 John Freeman Blvd., Houston, Texas 77030	December 31, 2010

The University of Texas System Medical Foundation, Inc. is a nonprofit corporation organized strictly for educational and scientific purposes. The Foundation functions within the framework of The University of Texas Health Science Center at Houston for the purpose of training graduate medical students, referred to as house staff or residents. As part of their training, house staff are contracted with and paid a stipend plus fringe benefits for their services by local hospitals participating in the Affiliated Hospitals Residency Training Program at Houston.

The Bylaws and Articles of Incorporation of The University of Texas System Medical Foundation, Inc. provide that directors succeeding the initial directors shall be appointed by the U. T. System Board of Regents for terms of one year and provide that each director shall hold office until a successor has been appointed and qualified. Drs. King, Smith, and Butler are being recommended for reappointment as follows: Dr. King as President, Dr. Butler as Vice President, and Dr. Smith as Secretary/Treasurer.

## OTHER MATTERS (CONTINUED)

### APPROVAL OF DUAL POSITIONS OF HONOR, TRUST, OR PROFIT

The following item has been approved by the Executive Vice Chancellor for Health Affairs in accordance with the Regents' *Rules and Regulations*, Rule 30103 and is submitted for approval by the U. T. System Board of Regents. It has been determined that the holding of this 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. Emery with The University of Texas Health Science Center at Houston. 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.

1. Name: Robert J. Emery, DrPH, CHP, CIH, CSP, RBP, CHMM, CPP, ARM  
Title: Vice President, Safety, Health Environment and Risk Management at The University of Texas Health Science Center at Houston, and Associate Professor of Occupational Health at The University of Texas School of Public Health  
Position: Member, Texas Radiation Advisory Board  
Period: November 29, 2010 through April 16, 2011  
Compensation: None; travel expenses will be reimbursed  
Description: Governor Rick Perry appointed Dr. Emery to the Texas Radiation Advisory Board representing the hospital sector. The Board advises the State on radiation issues and reviews the rules, policies, and programs of State agencies that regulate radiation.

## U. T. HEALTH SCIENCE CENTER – SAN ANTONIO

### OTHER MATTERS

#### APPROVAL OF DUAL POSITIONS OF HONOR, TRUST, OR PROFIT

The following item has been approved by the Executive Vice Chancellor for Health Affairs in accordance with the Regents' *Rules and Regulations*, Rule 30103 and is submitted for approval by the U. T. System Board of Regents. It has been determined that the holding of this office or position is of benefit to the State of Texas and The University of Texas and there is no conflict between holding this position and the appointment of Dr. Fernandez 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 the position and the University.

1. Name: Miguel C. Fernandez, M.D.  
Title: Professor, School of Medicine  
Position: National Toxicology Program Board of Scientific Counselors  
Period: November 23, 2010 through June 2013  
Compensation: Members shall be paid at the rate of \$200 per day, plus per diem and travel expenses, as authorized by Section 5703, Title 5 *United States Code*, as amended, for persons in the Government service employed intermittently. Members who are officers or employees of the United States Federal Government shall not receive compensation for service on the Board.  
Description: Kathleen Sebelius, Secretary of Health and Human Services, appointed Dr. Fernandez to the National Toxicology Program Board of Scientific Counselors. This fifteen member board is a technical advisory body established to advise the National Toxicology Program Executive Committee and Program Director on matters relating to the scientific program content, to evaluate the scientific merits of the intramural and collaborative programs of the National Toxicology Program, and to provide external scientific advice on National Toxicology Program activities.

**U. T. M. D. ANDERSON CANCER CENTER**  
**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: The Richards Group, Inc.  
Funds: Costs are based on negotiated billing rates for services and cost of actual expenses. This Amendment No. 12 revises the total cap amount under the original agreement and amendments increasing the cap amount by \$8.91 million. Total costs incurred under this amendment commencing December 1, 2010, through the end of Fiscal Year 2011, will not exceed \$6,000,000.  
Period: This amendment utilizes the third optional renewal period, extending the agreement through August 31, 2011, by amending the term of the original agreement to a total of 42 months (March 1, 2008 through August 31, 2011), encompassing all amendments and renewal periods.  
Description: The amendment expands and revises the scope of services offered by the vendor. The vendor will continue to provide national advertising and marketing services, including brand planning and management, media planning and purchasing, development of creative concepts and advertising materials, strategic sponsorships and joint marketing opportunities, management of specific additional online elements, and competitive analysis.

## **CONTRACTS (CONTINUED)**

### **GENERAL CONTRACTS (CONTINUED)**

#### **FUNDS GOING OUT (CONTINUED)**

2. Agency: Marion Montgomery, Inc.

Funds: Costs are based on negotiated billing rates for services and cost of actual expenses. This Amendment No. 4 revises the total cap amount under the original agreement and prior amendments, increasing the cap amount by \$2.95 million. Total costs incurred under this amendment, commencing December 1, 2010 through the end of Fiscal Year 2011, will not exceed \$2,500,000.

Period: This amendment extends the agreement through June 26, 2011 by amending the term of the original agreement to a total of 36 months (June 27, 2008 through June 26, 2011), encompassing all amendments and renewal periods.

Description: The amendment expands and revises the scope of services offered by the vendor. The vendor will plan, create, produce, and measure communications and marketing programs for various departments that cover the Houston advertising market area with possible expansion to other local and regional markets. Vendor's services may include, but are not limited to, print advertising and media production and purchase, ad and advertorial copywriting, ad campaign planning and execution, local sponsorships and local events management, and public relations. Vendor may also support local broadcast and interactive media creation and production, and work with the institution to create other marketing programs as needed.

**AMENDMENTS TO THE 2010-11 BUDGET**  
**NEW AWARD OF TENURE APPOINTMENTS**

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

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>				
			<u>No. Mos.</u>	<u>Rate \$</u>	<u>RBC #</u>		
<b>MEDICAL STAFF</b>							
<b>Surgical Oncology</b>							
1. Isabelle Bedrosian					3761		
From: Assistant Professor		100	12	225,006			
To: Associate Professor (T)	9/1-8/31	100	12	302,000			
2. George J. Chang					3762		
From: Assistant Professor		100	12	225,006			
To: Associate Professor (T)	9/1-8/31	100	12	302,000			
3. Anthony Lucci					3765		
From: Associate Professor		100	12	321,712			
To: Professor (T)	9/1-8/31	100	12	353,793			
<b>Thoracic Head and Neck Medical Oncology</b>							
4. Faye M. Johnson					3763		
From: Assistant Professor		100	12	161,270			
To: Associate Professor (T)	9/1-8/31	100	12	199,000			
5. Anne Tsao					3770		
From: Assistant Professor		100	12	175,000			
To: Associate Professor (T)	9/1-8/31	100	12	205,000			

## AMENDMENTS TO THE 2010-11 BUDGET (CONTINUED)

### TENURE APPOINTMENTS (CONTINUED)

Description	Effective Date	% Time	Full-time Salary			RBC #
			No. Mos.	Rate \$		
MEDICAL STAFF (Continued)						
Pathology						
6. Alexander Lazar						3764
From: Assistant Professor		100	12	186,909		
To: Associate Professor (T)	9/1-8/31	100	12	217,000		
Genitourinary Medical Oncology						
7. Padmanee Sharma						3766
From: Assistant Professor		100	12	167,000		
To: Associate Professor (T)	9/1-8/31	100	12	199,000		
8. Arlene Siefker-Radtke						3767
From: Assistant Professor		100	12	176,017		
To: Associate Professor (T)	9/1-8/31	100	12	202,000		
Imaging Physics						
9. Jason Stafford						3768
From: Assistant Professor		100	12	192,519		
To: Associate Professor (T)	9/1-8/31	100	12	212,154		
Radiation Physics						
10. Uwe Titt						3769
From: Assistant Professor		100	12	141,920		
To: Associate Professor (T)	9/1-8/31	100	12	159,009		

**AMENDMENTS TO THE 2010-11 BUDGET (CONTINUED)**  
**TENURE APPOINTMENTS (CONTINUED)**

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
<b>RESEARCH STAFF</b>					
Immunology					
11. Chengming Zhu					3771
From: Assistant Professor		100	12	98,026	
To: Associate Professor (T)	9/1-8/31	100	12	109,929	
Biostatistics					
12. Yisheng Li					3794
From: Assistant Professor		100	12	102,665	
To: Associate Professor (T)	10/1-8/31	100	12	135,000	

**U. T. HEALTH SCIENCE CENTER – TYLER**

**CONTRACTS**

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

**GENERAL CONTRACTS**

**FUNDS GOING OUT**

1. Agency:	Morrison Healthcare Food Services
Funds:	\$4,339,465
Period:	January 1, 2011 through August 31, 2013
Description:	Full service food and non-alcoholic beverages services for U. T. Health Science Center –Tyler, for three years, with two one-year extensions.