

Meeting No. 1,225

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

Pages 1 - 162

February 23 - 24, 2022

Austin, Texas

MEETING NO. 1,225

WEDNESDAY, FEBRUARY 23, 2022.-- The members of the Board of Regents of The University of Texas System convened at 1:30 p.m. on Wednesday, February 23, 2022, in the Board Room, Second Floor, The University of Texas System Building, 210 West Seventh Street, Austin, Texas, with the below meeting participation:

ATTENDANCE.--

Present _____

Chairman Eltife

Vice Chairman Longoria

Vice Chairman Weaver

Regent Crain

Regent Hicks

Regent Jiles

Regent Perez

Regent Stedman

Regent Warren

Regent Nguyen, Student Regent, nonvoting

CONVENE THE BOARD IN OPEN SESSION TO RECESS TO EXECUTIVE SESSION.-- At 1:30 p.m., in accordance with a notice being duly posted with the Secretary of State and there being a quorum present, Chairman Eltife called the meeting to order in Open Session.

RECESS TO EXECUTIVE SESSION.--At 1:31 p.m., the Board recessed to Executive Session, pursuant to *Texas Government Code* Section 551.071 and 551.074, to consider the matters listed on the Executive Session agenda.

RECONVENE THE BOARD IN OPEN SESSION FOR POSSIBLE ACTION ON EXECUTIVE SESSION ITEMS AND TO RECESS TO COMMITTEE MEETINGS.-- Chairman Eltife reconvened the Board in Open Session at 2:38 p.m. to consider action on the following items.

- 1a. U. T. Rio Grande Valley: Consideration, discussion, and appropriate action regarding recommendation of Faculty Hearing Tribunal concerning termination of Roberto Pena, Ph.D., a tenured faculty member

Vice Chairman Weaver made the following motion:

Based upon the evidentiary record from the faculty tribunal hearing regarding the termination of Roberto Peña, Ph.D., a tenured faculty member at The University of Texas Rio Grande Valley, as provided to the U. T. System Board of Regents, I move that the Board

1. accept the faculty tribunal's January 14, 2022 findings in their entirety, and;
2. accept the conclusion of the tribunal that the greater weight of the credible evidence of Dr. Peña's actions taken together constitute good cause for the termination of his tenured faculty appointment at U. T. Rio Grande Valley.

I further move that the Board determine that good cause exists to terminate Dr. Peña's employment and vote to terminate him from the U. T. Rio Grande Valley faculty effective immediately.

Finally, I move that the Board direct the General Counsel to the Board to prepare a document noting the reasons for the Board's actions regarding these findings, conclusions, and recommendation of termination and communicate them to Dr. Peña.

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

- 1b. U. T. Medical Branch - Galveston: Discussion and appropriate action regarding individual personnel matters associated with John Sealy Hospital Modernization construction project

No action was taken on this item.

2. U. T. Medical Branch - Galveston: Discussion and appropriate action regarding legal issues associated with John Sealy Hospital Modernization construction project

No action was taken on this item.

RECESS.--There being no further business, the meeting was recessed at 2:40 p.m. to convene the Board in Committee Meetings.

STANDING COMMITTEES.--The Board convened in Open Session for Standing Committee meetings from 2:40 p.m. – 4:30 p.m.

ADJOURNMENT.--There being no further business, the meeting was adjourned following Standing Committee meetings at 4:30 p.m. to reconvene on February 24, 2022.

THURSDAY, FEBRUARY 24, 2022.-- The members of the Board of Regents of The University of Texas System reconvened at 9:03 a.m. on Thursday, February 24, 2022, in the Board Room, Second Floor, The University of Texas System Building, 210 West Seventh Street, Austin, Texas, with the below meeting participation:

ATTENDANCE.--

<u>Present</u>	<u>Absent</u>
Chairman Eltife	
Vice Chairman Longoria	
Vice Chairman Weaver	
Regent Crain	
Regent Hicks	
Regent Jiles	
Regent Perez	
Regent Stedman	
Regent Nguyen, Student Regent, nonvoting	
Regent Warren	

CONVENE THE BOARD IN OPEN SESSION TO CONSIDER AGENDA ITEMS.--At 9:03 a.m., in accordance with a notice being duly posted with the Secretary of State and there being a quorum present, Chairman Eltife called the meeting to order in Open Session to consider action on the following items.

Chairman Eltife called for a moment of silence in response to the news of war in Europe and its impact on our military and their families.

Chairman Eltife then congratulated U. T. San Antonio Roadrunners football team for winning the Conference USA Championship.

Chairman Eltife also congratulated U. T. Austin student, Jaskaran Singh, a senior finance and economic major, who won the final round of the *Jeopardy!* National College Championship, earning the grand prize of \$250,000.

Recognition of service of Dr. Teik C. Lim as President *ad interim* at U. T. Arlington

Chairman Eltife thanked Dr. Teik Lim for his service at U. T. Arlington in his capacity as President *ad interim*. He then called on Chancellor Milliken for comments.

Remarks by Chancellor Milliken

The role of an institutional leader is never an easy one. Dr. Lim took on the mantle as Interim President of U. T. Arlington in the spring of 2020, right as the challenges and transformation of the Covid pandemic were beginning to become apparent. He served our System, our state, and our students and faculty with poise, continuing to advance that institution in a number of ways that will forever benefit U. T. Arlington long after he assumes his new role as president of the New Jersey Institute of Technology. We know he'll do exceptional work to advance access and success there, just as he has done at Arlington.

Before he was elevated to the position of president *ad interim*, he was provost and chief academic affairs officer at U. T. Arlington where he began his work at that institution and continued as interim president overseeing the attainment of Texas Tier One status, the fourth university in the state to achieve that. He's helped us solidify and grow relationships with private partners in the Metroplex, legislators, alumni, and others.

I want to join the Board and associate myself with the Chairman's remarks that Teik Lim has been an outstanding administrator for U. T. Arlington at the U. T. System. He has become a good friend and we wish him all the best in his new exciting role.

CERTIFICATE OF APPRECIATION

The Board of Regents

Expresses to

TEIK C. LIM, Ph.D.

Sincere Appreciation for His
Distinguished Service and Outstanding Contributions at
The University of Texas at Arlington

as

Professor, Department of Mechanical and Aerospace Engineering
2017 – 2022

Provost and Vice President for Academic Affairs
2017 – 2020

President *ad interim*
2020 – 2022

STANDING COMMITTEE RECOMMENDATIONS AND REPORTS TO THE BOARD.--
At 9:08 a.m., Chairman Eltife announced the Board would hear the reports and recommendations of the Standing Committees, which are set forth on Pages 5 - 82.

REPORT OF THE AUDIT, COMPLIANCE, AND RISK MANAGEMENT COMMITTEE
(Pages 5 - 6).--Unless otherwise indicated, the actions set forth in the Minute Orders
that follow were recommended and approved by the Board in Open Session.

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

There were no items assigned for review by this Committee.

2. U. T. System: Authorization to settle property insurance claims for Hurricane Hanna and delegation of authority to Chief Compliance and Risk Officer

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor concurs in the recommendation of the Chief Compliance and Risk Officer and the Interim Executive Vice Chancellor for Business Affairs that the U. T. System Board of Regents:

- a. approve, in accordance with Regents' Rule 80601, final settlement of the property insurance claims for Hurricane Hanna covered under the Comprehensive Property Protection Plan (CPPP) in the amount of \$12,750,309.27, and
- b. delegate authority to Chief Compliance and Risk Officer to execute all related Proofs of Loss and other settlement documents.

BACKGROUND INFORMATION

The Comprehensive Property Protection Plan (CPPP) provides coverage to U. T. institutions for named windstorms, fire, and all other perils through a combination of commercial insurance and interim financing. The CPPP commercial insurance coverage is subject to a large deductible that varies by type of loss and loss location. The deductible is funded with a combination of interim financing provided by the CPPP Fund and underlying National Flood Insurance Program (NFIP) and Texas Windstorm Insurance Association (TWIA) policies purchased by institutions.

Hurricane Hanna made landfall in South Texas on July 25, 2020, with up to 18 inches of rain reported in the Rio Grande Valley area. The storm impacted U. T. Rio Grande Valley at the Edinburg campus with flood and wind damage to multiple buildings.

The applicable CPPP deductible for the Hurricane Hanna claim is \$5 million with an institution deductible of \$250,000. On February 25, 2021, the U. T. System Board of Regents approved Revenue Financing System (RFS) debt totaling \$4.75 million to finance capital costs related to Hurricane Hanna property losses that were within the CPPP deductible. At the time, the estimated loss for Hurricane Hanna was approximately \$10 million. The adjusted loss amount is \$12,750,309.27.

U. T. Rio Grande Valley has already received \$3,883,978.90 in advances from insurance and \$4.75 million from CPPP, leaving \$3,866,330.37 to be paid by commercial insurance.

After applying the \$5 million deductible, the final recovery from commercial insurance is \$7,750,309.27.

3. U. T. System: Report on the status of the triennial Systemwide Quality Assessment Review of internal audit activities

This item was for consideration only by the Committee.

4. U. T. System: Fiscal Year 2021 Consolidated Annual Financial Report, including the Independent Auditors' Report, and audits of the financial statements of U. T. Austin, U. T. M. D. Anderson Cancer Center, U. T. Southwestern Medical Center, and U. T. Medical Branch - Galveston and for funds managed by The University of Texas/Texas A&M Investment Management Company (UTIMCO)

This item was for consideration only by this Committee and the Finance and Planning Committee (Item 1) in a joint meeting.

REPORT OF THE FINANCE AND PLANNING COMMITTEE (Page 7).--

Unless otherwise indicated, the actions set forth in the Minute Orders that follow were recommended and approved by the Board in Open Session.

1. U. T. System: Fiscal Year 2021 Consolidated Annual Financial Report, including the Independent Auditors' Report, and audits of the financial statements of U. T. Austin, U. T. M. D. Anderson Cancer Center, U. T. Southwestern Medical Center, and U. T. Medical Branch - Galveston and for funds managed by The University of Texas/Texas A&M Investment Management Company (UTIMCO)

This item was for consideration only by this Committee and the Audit, Compliance, and Risk Management Committee (Item 4) in a joint meeting.

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

There were no items referred from the Consent Agenda.

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

This item was for consideration only by the Committee.

4. U. T. System: Report on the Analysis of Financial Condition for Fiscal Year 2021

This item was for consideration only by the Committee.

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

This item was for consideration only by the Committee.

REPORT OF THE ACADEMIC AFFAIRS COMMITTEE (Pages 8 - 50).-- Unless otherwise indicated, the actions set forth in the Minute Orders that follow were recommended and approved by the Board in Open Session.

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

There were no items referred from the Consent Agenda.

- 2a. U. T. El Paso: Discussion and appropriate action regarding proposed changes to admission criteria for the Master of Education in Educational Diagnostician degree program

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and the institutional president that the U. T. System Board of Regents approve changes to the criteria for admission to the Master of Education (M.Ed.) in Educational Diagnostician degree program at U. T. El Paso as described on the following pages.

BACKGROUND INFORMATION

U. T. El Paso requests approval to change admission criteria for the M.Ed. in Educational Diagnostician degree program. The changes will clarify information on the admissions process and licensure requirements for the Educational Diagnostician degree program. The updates to the admission requirements are intended to facilitate and document a more comprehensive and holistic admissions process and to align with guidelines set forth by the Texas Education Agency.

Current Unconditional Admission Criteria	Proposed Unconditional Admission Criteria
<ul style="list-style-type: none"> The applicant must have two (2) years of teaching experience prior to applying to this program. Students who participate in internships with agencies or school districts requiring background checks must successfully pass the background check to complete this requirement. Additionally, a background check is required to be certified as a school diagnostician in the state of Texas. 	<ul style="list-style-type: none"> The applicant must have two (2) years of teaching <u>experience prior to applying to this program, in an accredited public, private, or parochial school approved by the Texas Education Agency (TEA)</u> prior to applying to this program. Students who participate in internships with agencies or school districts requiring background checks must successfully pass the background check to complete this requirement. Additionally, a background check is required to be certified as a school diagnostician in the state of Texas.
	<ul style="list-style-type: none"> <u>A minimum 3.0 GPA on cumulative record (or 3.0 GPA in Education-Related Courses or final 60 undergraduate credit hours) prior to admission.</u>
	<ul style="list-style-type: none"> <u>Applicants are screened based on the quality of their applications and the candidate's potential for success in the program via the assessment of the educational diagnostician program admissions committee. Students must include the following in their applications:</u> <ol style="list-style-type: none"> <u>Curriculum Vitae/Resume</u> <u>Statement of intent</u> <u>Two professional letters of reference</u> <u>Official undergraduate transcripts</u> <u>Current teaching certificate documenting at least two years of classroom teaching</u> <u>Documentation of professional liability insurance</u>

Current Conditional (Probationary) Admission Criteria	Proposed Conditional (Probationary) Admission Criteria
<ul style="list-style-type: none">• All students were admitted under conditional admissions pending successful progress toward degree.	<ul style="list-style-type: none">• All students were admitted under conditional admissions pending successful progress toward degree
	<ul style="list-style-type: none">• <u>In the case of international students who do not meet the TOEFL requirements set forth by the Graduate School, request for full admission will be considered upon oral and written evaluation at time of interview and successful progress in first semester of graduate work.</u>

- 2b. U. T. El Paso: Discussion and appropriate action regarding proposed changes to admission criteria for the Master of Education in Mental Health Counseling degree program T. El Paso: Approval to establish a Doctor of Philosophy in Sociology degree program

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and the institutional president that the U. T. System Board of Regents approve changes to the criteria for admission to the Master of Education (M.Ed.) in Mental Health Counseling degree program at U. T. El Paso as described on the following pages.

BACKGROUND INFORMATION

U. T. El Paso requests approval to change admission criteria to the M.Ed. in Mental Health Counseling degree program. The changes will clarify information on the admissions process and licensure requirements. The updates to the admission requirements are intended to facilitate and document a more comprehensive and holistic admissions process and to align with guidelines set forth in the Council for Accreditation of Counseling and Related Educational Programs.

Current Unconditional Admission Criteria	Proposed Unconditional Admission Criteria
<ul style="list-style-type: none"> • 3.0 GPA on cumulative record (all courses) prior to admission. 	<ul style="list-style-type: none"> • <u>A minimum</u> 3.0 GPA on cumulative record <u>(all courses) (or previous 60 hours completed as evaluated by the counseling admission committee)</u> prior to admission.
	<ul style="list-style-type: none"> • <u>Applicants are screened based on the quality (e.g., meet GPA requirements, fully address all prompts, clearly indicate intent and rationale to become a school counselor) of their applications and potential for success in the program via the assessment of the counseling program admissions committee. Students must include the following in their applications:</u> <ol style="list-style-type: none"> <u>1. Curriculum Vitae/Resume</u> <u>2. Statement of intent</u> <u>3. Statement on diversity</u> <u>4. Statement on interpersonal relationships</u> <u>5. Three professional letters of references</u> <u>6. Official undergraduate transcripts (from each of the colleges or universities the applicant previously attended)</u> <u>Applicants who do not meet standards in the above documents may be considered for conditional admission.</u>
Current Conditional (Probationary) Admission Criteria	Proposed Conditional (Probationary) Admission Criteria
<ul style="list-style-type: none"> • No current conditional criteria are listed on the graduate catalog website. 	

	<ul style="list-style-type: none">• <u>Below 3.0 GPA on cumulative record with supplemental evidence of academic proficiency.</u>
	<ul style="list-style-type: none">• <u>Applicants are screened based on the quality (e.g., meet GPA requirements, fully address all prompts, clearly indicate intent and rationale to become a school counselor) of their applications and potential for success in the program via the assessment of the counseling program admissions committee. Students must include the following in their applications:</u><ol style="list-style-type: none">1. Curriculum Vitae/Resume2. Statement of intent3. Statement on diversity4. Statement on interpersonal relationships5. Three professional letters of references6. Official undergraduate transcripts (from each of the colleges or universities the applicant previously attended)

2c. U. T. El Paso: Discussion and appropriate action regarding proposed changes to admission criteria for the Master of Education in School Counseling degree program

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and the institutional president that the U. T. System Board of Regents approve changes to the criteria for admission to the Master of Education (M.Ed.) in School Counseling degree program at U. T. El Paso as described on the following pages.

BACKGROUND INFORMATION

U. T. El Paso requests approval to change admission criteria to the M.Ed. in School Counseling degree program. The changes will clarify information on the admissions process and licensure requirements. The updates to the admission requirements are intended to facilitate and document a more comprehensive and holistic admissions process and to align with guidelines set forth by the Texas Education Agency.

Current Unconditional Admission Criteria	Proposed Unconditional Admission Criteria
<ul style="list-style-type: none">• 3.0 GPA on cumulative record (all courses) prior to admission.	<ul style="list-style-type: none">• <u>A minimum</u> 3.0 GPA on cumulative record <u>(all courses) (or previous 60 hours completed as evaluated by the counseling admission committee)</u> prior to admission.
<ul style="list-style-type: none">• SPED 5320 Spec Ed-Historical Legal Basis is an additional prerequisite requirement, but may be taken after admission to the program. Successful completion of an alternative certification program also meets prerequisite requirements but you still need to complete SPED 5320 Spec Ed-Historical Legal Basis.	<ul style="list-style-type: none">• SPED 5320 Spec Ed-Historical Legal Basis is an additional <u>prerequisite co-requisite</u> requirement, <u>but and</u> may be taken after admission to the program. <u>Successful completion of an alternative certification program also meets prerequisite requirements but you still need to complete SPED 5320 Spec Ed-Historical Legal Basis. Previous education and work experience may meet the requirement of this co-requisite. Such a decision is determined by the school counseling program coordinator in collaboration with the department admission committee.</u>

	<ul style="list-style-type: none">• <u>Applicants are screened based on the quality (e.g., meet GPA requirements, fully address all prompts, clearly indicate intent and rationale to become a school counselor) of their applications and potential for success in the program via the assessment of the counseling program admissions committee.</u> <u>Students must include the following in their applications:</u><ol style="list-style-type: none">1. <u>Curriculum Vitae/Resume</u>2. <u>Statement of intent</u>3. <u>Statement on diversity</u>4. <u>Statement on interpersonal relationships</u>5. <u>Three professional letters of references</u>6. <u>Official undergraduate transcripts (from each of the colleges or universities the applicants previously attended)</u><p><u>Applicants who do not meet standards in the above documents may be considered for conditional admission.</u></p>
Current Conditional (Probationary) Admission Criteria	Proposed Conditional (Probationary) Admission Criteria
<ul style="list-style-type: none">• No current conditional criteria are listed on the graduate catalog website.	

	<ul style="list-style-type: none">• <u>Applicants are screened based on the quality of their application and potential for success in the program via the assessment of the counseling program admissions committee.</u> <u>Students must include the following in their application:</u><ol style="list-style-type: none">1. <u>Curriculum Vitae/Resume</u>2. <u>Statement of intent</u>3. <u>Statement on diversity</u>4. <u>Statement on interpersonal relationships</u>5. <u>Three professional letters of references</u>6. <u>Official undergraduate transcripts (from each of the colleges or universities the applicant previously attended)</u>
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- 2d. U. T. El Paso: Discussion and appropriate action regarding proposed changes to admission criteria for the Master of Education in Special Education degree program

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and the institutional president that the U. T. System Board of Regents approve changes to the criteria for admission to the Master of Education (M.Ed.) in Special Education degree program at U. T. El Paso as described on the following pages.

BACKGROUND INFORMATION

U. T. El Paso requests approval to change admission criteria to the M.Ed. in Special Education degree program. The changes will clarify information on the admissions process and licensure requirements for the degree program. The updates to the admission requirements are intended to facilitate and document a more comprehensive and holistic admissions process and to align with guidelines set forth by the Texas Education Agency.

Current Unconditional Admission Criteria	Proposed Unconditional Admission Criteria
<ul style="list-style-type: none"> • Valid Texas Teaching Certificate or equivalent 	<ul style="list-style-type: none"> • No change
<ul style="list-style-type: none"> • All options require a valid Texas Teaching Certificate in Generic Special Education. 	<ul style="list-style-type: none"> • No change
<ul style="list-style-type: none"> • Three (3) years of teaching experience by time of program completion. 	<ul style="list-style-type: none"> • No change
	<ul style="list-style-type: none"> • <u>A minimum 3.0 GPA on cumulative record (or 3.0 GPA in Education-Related Courses or final 60 undergraduate credit hours) prior to admission.</u>
	<ul style="list-style-type: none"> • <u>Applicants are screened based on the quality of their applications and the candidate's potential for success in the program via the assessment of the special education program admissions committee. Students must include the following in their applications:</u> <ol style="list-style-type: none"> <u>1. Curriculum Vitae/Resume</u> <u>2. Statement of intent (including their intent for selecting their concentration)</u> <u>3. Two professional letters of reference</u> <u>4. Official undergraduate transcripts</u>
Current Conditional (Probationary) Admission Criteria	Proposed Conditional (Probationary) Admission Criteria
<ul style="list-style-type: none"> • All students were admitted under conditional admissions pending successful progress toward degree. 	<ul style="list-style-type: none"> • <u>All students were admitted under conditional admissions pending successful progress toward degree.</u>

	<ul style="list-style-type: none">• <u>In the case of international students who do not meet the TOEFL requirements set forth by the Graduate School, request for full admission will be considered upon oral and written evaluation at time of interview and successful progress in first semester of graduate work</u>
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2e. U. T. Permian Basin: Discussion and appropriate action regarding proposed changes to admission criteria for the Master of Arts in Spanish degree program

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and the institutional president that the U. T. System Board of Regents approve changes to the criteria for admission to the Master of Arts in Spanish online degree program at U. T. Permian Basin as described below.

BACKGROUND INFORMATION

U. T. Permian Basin requests approval for minor admission criteria modifications to its M.A. in Spanish degree program. These changes are designed to provide additional opportunities and flexibility for students to enroll in the master's program in response to an increased demand for graduate-level Spanish education in the State of Texas and beyond. The program prepares students with cultural competence and language proficiency to work in a diverse set of professional positions such as dual-language bilingual instructors, translators, foreign correspondents, technical editors/writers/readers, administrators, and other social and human services positions.

Current Unconditional Admission Criteria	Proposed Unconditional Admission Criteria
<ul style="list-style-type: none">• A bachelor's degree from an accredited institution.	<ul style="list-style-type: none">• A bachelor's degree <u>in Spanish</u> from an accredited institution.
<ul style="list-style-type: none">• GPA of at least 3.0 in the last 60 credit hours leading toward a bachelor's degree.	<ul style="list-style-type: none">• No change

<ul style="list-style-type: none"> • Six-page essay in Spanish required for students who do not have a BA in Spanish. 	<ul style="list-style-type: none"> • Six page essay in Spanish required for students who do not have a BA in Spanish.
<ul style="list-style-type: none"> • Official transcripts 	<ul style="list-style-type: none"> • No change
<ul style="list-style-type: none"> • Note: Candidates who have not completed at least 18 undergraduate semester credit hours in Spanish will be required to enroll in additional courses to complete preparation for graduate work. 	<ul style="list-style-type: none"> • Note: Candidates who have not completed at least 18 undergraduate semester credit hours in Spanish will be required to enroll in additional courses to complete preparation for graduate work.
Current Conditional (Probationary) Admission Criteria	Proposed Conditional (Probationary) Admission Criteria
<ul style="list-style-type: none"> • A bachelor's degree from an accredited institution. 	<ul style="list-style-type: none"> • No change
<ul style="list-style-type: none"> • GPA of at least 2.5 in the last 60 credit hours leading toward a bachelor's degree. 	<ul style="list-style-type: none"> • No change
<ul style="list-style-type: none"> • Six-page essay in Spanish required for students who do not have a BA in Spanish. 	<ul style="list-style-type: none"> • Six page essay in Spanish required for students who do not have a BA in Spanish.

<ul style="list-style-type: none">• At least one of the following:<ol style="list-style-type: none">a. Minimum GRE score of 150 (or higher in Verbal and Quantitative sections) orb. The student has either a BA in Spanish or a Minor in Spanish.	<ul style="list-style-type: none">• At least one of the following:<ol style="list-style-type: none">a. Minimum GRE score of 150 (or higher in Verbal and Quantitative sections) orb. The student has either a BA in Spanish or a Minor in Spanish <u>or 12 hours of upper-level Spanish undergraduate coursework</u>, orc. <u>An essay in Spanish (Candidates who do not have a BA or a Minor in Spanish or 12 hours of upper-level Spanish undergraduate coursework from an accredited university must write a six-page essay.)</u> <u>Note for candidates submitting an essay: a candidate may be recommended to enroll in additional undergraduate courses to complete preparation for graduate work.</u>
<ul style="list-style-type: none">• Official transcripts	<ul style="list-style-type: none">• No change

2f. U. T. Rio Grande Valley: Discussion and appropriate action regarding proposed changes to admission criteria for the Master of Education in Bilingual Education degree program

The Board approved the following recommendation:

RECOMMENDATION

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

BACKGROUND INFORMATION

U. T. Rio Grande Valley requests approval to remove the Graduate Record Examination (GRE) as an admission requirement for the M.Ed. in Bilingual Education degree program for students with an undergraduate Grade Point Average (GPA) below 3.0. Data demonstrated no statistically significant differences between students with less than an undergraduate GPA of 3.0 (GRE required) and those with an undergraduate GPA above 3.0 (GRE not required). Graduate students admitted to the M.Ed. in Bilingual Education degree program performed similarly on cumulative graduate GPA regardless of their undergraduate GPA.

Current Unconditional Admission Criteria	Proposed Unconditional Admission Criteria
<ul style="list-style-type: none"> Undergraduate GPA of at least 3.0 in the last 60 semester credit hours. If applicant does not meet the minimum undergraduate GPA criterion of 3.0, GRE general test with minimum scores of 150 Verbal, 141 Quantitative, and 4.0 Analytical are required for conditional admission. 	<ul style="list-style-type: none"> Undergraduate GPA of at least 3.0 in the last 60 semester credit hours. If applicant does not meet the minimum undergraduate GPA criterion of 3.0, GRE general test with minimum scores of 150 Verbal, 141 Quantitative, and 4.0 Analytical are required for conditional admission.
<ul style="list-style-type: none"> A 250-500 word essay a) explaining interest in graduate studies or b) chosen specialization 	<ul style="list-style-type: none"> No change
<ul style="list-style-type: none"> Resume 	<ul style="list-style-type: none"> No change
<ul style="list-style-type: none"> Documentation of one of the following: <ol style="list-style-type: none"> Teacher certification in the U.S. or Licenciatura or equivalent from another country, in a field related to education or language, or Employment in a charter school, private school, or a community college, For applicants without teaching certification or experience, conditional admission may be considered. 	<ul style="list-style-type: none"> No change

Current Conditional (Probationary) Admission Criteria	Proposed Conditional (Probationary) Admission Criteria
<ul style="list-style-type: none">Students with an undergraduate GPA of less than 3.0 and/or GRE scores below the requirements for clear admission will be holistically reviewed by admissions committee to determine whether they meet overall criteria for clear or conditional admission.	<ul style="list-style-type: none">Students with an undergraduate GPA of less than 3.0 and/or GRE scores below the requirements for clear admission will be holistically reviewed by admissions committee to determine whether they meet overall criteria for clear or conditional admission. <ins>If applicant does not meet the minimum undergraduate GPA criterion of 3.0, the applicant will be evaluated holistically through reflecting professional goals, GPA, professional success from resume, and success on related prior course work to determine whether they meet the criteria for clear or conditional admission.</ins>

2g. U. T. Rio Grande Valley: Discussion and appropriate action regarding proposed changes to admission criteria for the Master of Education in Curriculum and Instruction degree program

The Board approved the following recommendation:

RECOMMENDATION

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

BACKGROUND INFORMATION

U. T. Rio Grande Valley requests approval to remove the Graduate Record Examination (GRE) as an admission requirement for the M.Ed. in Curriculum and Instruction degree program for students with an undergraduate Grade Point Average (GPA) below 3.0. Data demonstrated no statistically significant differences between students with less than an undergraduate GPA of 3.0 (GRE required) and those with

an undergraduate GPA above 3.0 (GRE not required). Graduate students admitted to the M.Ed. in Curriculum and Instruction degree program performed similarly on cumulative graduate GPA regardless of their undergraduate GPA.

Current Unconditional Admission Criteria	Proposed Unconditional Admission Criteria
<ul style="list-style-type: none"> Undergraduate GPA of at least 3.0 in the last 60 semester credit hours. If applicant does not meet the minimum undergraduate GPA criterion of 3.0, GRE general test with minimum scores of 150 Verbal, 141 Quantitative, and 4.0 Analytical are required for conditional admission. 	<ul style="list-style-type: none"> Undergraduate GPA of at least 3.0 in the last 60 semester credit hours. If applicant does not meet the minimum undergraduate GPA criterion of 3.0, GRE general test with minimum scores of 150 Verbal, 141 Quantitative, and 4.0 Analytical are required for conditional admission.
<ul style="list-style-type: none"> A 250-500 word essay with statement of goals, including academic and professional objectives. 	<ul style="list-style-type: none"> No change
<ul style="list-style-type: none"> Resume 	<ul style="list-style-type: none"> No change
Current Conditional (Probationary) Admission Criteria	Proposed Conditional (Probationary) Admission Criteria
<ul style="list-style-type: none"> Students with an undergraduate GPA of less than 3.0 and/or GRE scores below the requirements for clear admission will be holistically reviewed by admissions committee to determine whether they meet overall criteria for clear or conditional admission. 	<ul style="list-style-type: none"> Students with an undergraduate GPA of less than 3.0 and/or GRE scores below the requirements for clear admission will be holistically reviewed by admissions committee to determine whether they meet overall criteria for clear or conditional admission. <u>If applicant does not meet the minimum undergraduate GPA criterion of 3.0, the applicant will be evaluated holistically through reflecting professional goals, GPA, professional success from resume, and success on related prior course work to determine whether they meet the criteria for clear or conditional admission.</u>

2h. U. T. Rio Grande Valley: Discussion and appropriate action regarding proposed changes to admission criteria for the Doctor of Education in Curriculum and Instruction degree program

The Board approved the following recommendation:

RECOMMENDATION

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

BACKGROUND INFORMATION

U. T. Rio Grande Valley requests approval to remove the Graduate Record Examination (GRE) as an admission requirement for the Ed.D. in Curriculum and Instruction degree program. Graduate Grade Point Average (GPA) and GRE data of students previously admitted to the Ed.D. in Curriculum and Instruction degree program were analyzed to determine the effectiveness of the GRE as a predictor of graduate student success, including the population of students who were required to submit GRE scores and the population of students who received a waiver of GRE requirements as a result of the pandemic. No statistically significant relationship was found between students admitted based on GPA and GRE scores and students admitted based only on GPA scores.

Current Unconditional Admission Criteria	Proposed Unconditional Admission Criteria
<ul style="list-style-type: none">• Earned master's degree from an accredited United States institution or a recognized international equivalent with a minimum grade point average (GPA) of 3.25 on all graduate work.	<ul style="list-style-type: none">• No change
<ul style="list-style-type: none">• GRE general test	<ul style="list-style-type: none">• GRE general test
<ul style="list-style-type: none">• Three professional letters of recommendation from individuals with first-hand knowledge of the applicant's professional qualities and scholarly potential.	<ul style="list-style-type: none">• No change

<ul style="list-style-type: none">• Documentation of three years of experience in education or equivalent experiences in relevant professional fields.	<ul style="list-style-type: none">• No change
<ul style="list-style-type: none">• Personal statement describing goals, experiences, scholarly accomplishments, reasons for obtaining the degree, and possible research questions or topics of interest.	<ul style="list-style-type: none">• No change
<ul style="list-style-type: none">• Resume	<ul style="list-style-type: none">• No change

2i. U. T. Rio Grande Valley: Discussion and appropriate action regarding proposed changes to admission criteria for the Master of Education in Educational Leadership degree program

The Board approved the following recommendation:

RECOMMENDATION

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

BACKGROUND INFORMATION

U. T. Rio Grande Valley requests approval to remove the Graduate Record Examination (GRE) as an admission requirement for the M.Ed. in Educational Leadership degree program for students with an undergraduate Grade Point Average (GPA) below 3.0. Data demonstrated no statistically significant differences between students with less than an undergraduate GPA of 3.0 (GRE required) and those with an undergraduate GPA above 3.0 (GRE not required). Graduate students admitted to the M.Ed. in Educational Leadership degree program performed similarly on cumulative graduate GPA regardless of their undergraduate GPA.

Current Unconditional Admission Criteria	Proposed Unconditional Admission Criteria
<ul style="list-style-type: none"> Undergraduate GPA of at least 3.0 in the last 60 semester credit hours. If applicant does not meet the minimum undergraduate GPA criterion of 3.0, GRE general test with minimum scores of 150 Verbal, 141 Quantitative, and 4.0 Analytical are required for conditional admission. 	<ul style="list-style-type: none"> Undergraduate GPA of at least 3.0 in the last 60 semester credit hours. If applicant does not meet the minimum undergraduate GPA criterion of 3.0, GRE general test with minimum scores of 150 Verbal, 141 Quantitative, and 4.0 Analytical are required for conditional admission.
<ul style="list-style-type: none"> A 250-500 word essay with statement detailing professional goals and reasons for pursuing the graduate degree. 	<ul style="list-style-type: none"> No change
<ul style="list-style-type: none"> Resume 	<ul style="list-style-type: none"> No change
Current Conditional (Probationary) Admission Criteria	Proposed Conditional (Probationary) Admission Criteria
<ul style="list-style-type: none"> Students with an undergraduate GPA of less than 3.0 and/or GRE scores below the requirements for clear admission will be holistically reviewed by admissions committee to determine whether they meet overall criteria for clear or conditional admission. 	<ul style="list-style-type: none"> Students with an undergraduate GPA of less than 3.0 and/or GRE scores below the requirements for clear admission will be holistically reviewed by admissions committee to determine whether they meet overall criteria for clear or conditional admission. <u>If applicant does not meet the minimum undergraduate GPA criterion of 3.0, the applicant will be evaluated holistically through professional goals, GPA, professional success from resume, and success on related prior course work to determine whether they meet the criteria for clear or conditional admission.</u>

2j. U. T. Rio Grande Valley: Discussion and appropriate action regarding proposed changes to admission criteria for the Master of Education in Educational Technology degree program

The Board approved the following recommendation:

RECOMMENDATION

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

BACKGROUND INFORMATION

U. T. Rio Grande Valley requests approval to remove the Graduate Record Examination (GRE) as an admission requirement for the M.Ed. in Educational Technology degree program for students with an undergraduate Grade Point Average (GPA) below 3.0. Data demonstrated no statistically significant differences between students with less than an undergraduate GPA of 3.0 (GRE required) and those with an undergraduate GPA above 3.0 (GRE not required). Graduate students admitted to the M.Ed. in Educational Technology degree program performed similarly on cumulative graduate GPA regardless of their undergraduate GPA.

Current Unconditional Admission Criteria	Proposed Unconditional Admission Criteria
<ul style="list-style-type: none">Undergraduate GPA of at least 3.0 in the last 60 semester credit hours. If applicant does not meet the minimum undergraduate GPA criterion of 3.0, GRE general test with minimum scores of 150 Verbal, 141 Quantitative, and 4.0 Analytical are required for conditional admission.	<ul style="list-style-type: none">Undergraduate GPA of at least 3.0 in the last 60 semester credit hours. If applicant does not meet the minimum undergraduate GPA criterion of 3.0, GRE general test with minimum scores of 150 Verbal, 141 Quantitative, and 4.0 Analytical are required for conditional admission.
<ul style="list-style-type: none">Letter of intent	<ul style="list-style-type: none">No change
<ul style="list-style-type: none">Resume	<ul style="list-style-type: none">No change

Current Conditional (Probationary) Admission Criteria	Proposed Conditional (Probationary) Admission Criteria
<ul style="list-style-type: none">Students with an undergraduate GPA of less than 3.0 and/or GRE scores below the requirements for clear admission will be holistically reviewed by admissions committee to determine whether they meet overall criteria for clear or conditional admission.	<ul style="list-style-type: none">Students with an undergraduate GPA of less than 3.0 and/or GRE scores below the requirements for clear admission will be holistically reviewed by admissions committee to determine whether they meet overall criteria for clear or conditional admission. <ins>If applicant does not meet the minimum undergraduate GPA criterion of 3.0, the applicant will be evaluated holistically through reflecting professional goals, GPA, professional success from resume, and success on related prior course work to determine whether they meet the criteria for clear or conditional admission.</ins>

- 2k. U. T. Rio Grande Valley: Discussion and appropriate action regarding proposed changes to admission criteria for the Master of Education in Reading and Literacy degree program

The Board approved the following recommendation:

RECOMMENDATION

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

BACKGROUND INFORMATION

U. T. Rio Grande Valley requests approval to remove the Graduate Record Examination (GRE) as an admission requirement for the M.Ed. in Reading and Literacy degree program for students with an undergraduate Grade Point Average (GPA) below 3.0. Data demonstrated no statistically significant differences between students with less than an undergraduate GPA of 3.0 (GRE required) and those with

an undergraduate GPA above 3.0 (GRE not required). Graduate students admitted to the M.Ed. in Reading and Literacy degree program performed similarly on cumulative graduate GPA regardless of their undergraduate GPA.

Current Unconditional Admission Criteria	Proposed Unconditional Admission Criteria
<ul style="list-style-type: none"> Undergraduate GPA of at least 3.0 in the last 60 semester credit hours. If applicant does not meet the minimum undergraduate GPA criterion of 3.0, GRE general test with minimum scores of 150 Verbal, 141 Quantitative, and 4.0 Analytical are required for conditional admission. 	<ul style="list-style-type: none"> Undergraduate GPA of at least 3.0 in the last 60 semester credit hours. If applicant does not meet the minimum undergraduate GPA criterion of 3.0, GRE general test with minimum scores of 150 Verbal, 141 Quantitative, and 4.0 Analytical are required for conditional admission.
Current Conditional (Probationary) Admission Criteria	Proposed Conditional (Probationary) Admission Criteria
<ul style="list-style-type: none"> Students with an undergraduate GPA of less than 3.0 and/or GRE scores below the requirements for clear admission will be holistically reviewed by admissions committee to determine whether they meet overall criteria for clear or conditional admission. 	<ul style="list-style-type: none"> Students with an undergraduate GPA of less than 3.0 and/or GRE scores below the requirements for clear admission will be holistically reviewed by admissions committee to determine whether they meet overall criteria for clear or conditional admission. <u>If applicant does not meet the minimum undergraduate GPA criterion of 3.0, the applicant will be evaluated holistically through reflecting professional goals, GPA, professional success from resume, and success on related prior course work to determine whether they meet the criteria for clear or conditional admission.</u>

2I. U. T. Rio Grande Valley: Discussion and appropriate action regarding proposed changes to admission criteria for the Master of Education in Special Education degree program

The Board approved the following recommendation:

RECOMMENDATION

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

BACKGROUND INFORMATION

U. T. Rio Grande Valley requests approval to remove the Graduate Record Examination (GRE) as an admission requirement for the M.Ed. in Special Education degree program for students with an undergraduate Grade Point Average (GPA) below 3.0. Data demonstrated no statistically significant differences between students with less than an undergraduate GPA of 3.0 (GRE required) and those with an undergraduate GPA above 3.0 (GRE not required). Graduate students admitted to the M.Ed. in Special Education degree program performed similarly on cumulative graduate GPA regardless of their undergraduate GPA.

Current Unconditional Admission Criteria	Proposed Unconditional Admission Criteria
<ul style="list-style-type: none">Undergraduate GPA of at least 3.0 in the last 60 semester credit hours. If applicant does not meet the minimum undergraduate GPA criterion of 3.0, GRE general test with minimum scores of 150 Verbal, 141 Quantitative, and 4.0 Analytical are required for conditional admission.	<ul style="list-style-type: none">Undergraduate GPA of at least 3.0 in the last 60 semester credit hours. If applicant does not meet the minimum undergraduate GPA criterion of 3.0, GRE general test with minimum scores of 150 Verbal, 141 Quantitative, and 4.0 Analytical are required for conditional admission.
<ul style="list-style-type: none">Two letters of recommendation	<ul style="list-style-type: none">No change
<ul style="list-style-type: none">Letter of intent	<ul style="list-style-type: none">No change
<ul style="list-style-type: none">Resume	<ul style="list-style-type: none">No change

<ul style="list-style-type: none">• Demonstrated knowledge of special education or knowledge of individual differences through (a) state certification in special education; (b) three hours of undergraduate coursework in special education with a grade of 'B' or better; or (c) coursework in a related field such as psychology, early childhood education, or speech pathology.	<ul style="list-style-type: none">• No change
Current Conditional (Probationary) Admission Criteria	Proposed Conditional (Probationary) Admission Criteria
<ul style="list-style-type: none">• Students with an undergraduate GPA of less than 3.0 and/or GRE scores below the requirements for clear admission will be holistically reviewed by admissions committee to determine whether they meet overall criteria for clear or conditional admission.	<ul style="list-style-type: none">• Students with an undergraduate GPA of less than 3.0 and/or GRE scores below the requirements for clear admission will be holistically reviewed by admissions committee to determine whether they meet overall criteria for clear or conditional admission. <ins>Students with an undergraduate GPA of less than 3.0 will be holistically reviewed by admissions committee to determine whether they meet overall criteria for clear or conditional admission.</ins>

- 2m. U. T. Rio Grande Valley: Discussion and appropriate action regarding proposed changes to admission criteria for the Master of Education in Teacher Leadership degree program

The Board approved the following recommendation:

RECOMMENDATION

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

BACKGROUND INFORMATION

U. T. Rio Grande Valley requests approval to remove the Graduate Record Examination (GRE) as an admission requirement for the M.Ed. in Teacher Leadership degree program for students with an undergraduate Grade Point Average (GPA) below 3.0. Data demonstrated no statistically significant differences between students with less than an undergraduate GPA of 3.0 (GRE required) and those with an undergraduate GPA above 3.0 (GRE not required). Graduate students admitted to the M.Ed. in Teacher Leadership degree program performed similarly on cumulative graduate GPA regardless of their undergraduate GPA.

Current Unconditional Admission Criteria	Proposed Unconditional Admission Criteria
<ul style="list-style-type: none"> • Bachelor's degree from a regionally accredited institution in the United States or a recognized international equivalent in a similar or related field. 	<ul style="list-style-type: none"> • No change
<ul style="list-style-type: none"> • Undergraduate GPA of at least 3.0 in the last 60 semester credit hours. If applicant does not meet the minimum undergraduate GPA criterion of 3.0, GRE general test with minimum scores of 150 Verbal, 141 Quantitative, and 4.0 Analytical are required for conditional admission. 	<ul style="list-style-type: none"> • Undergraduate GPA of at least 3.0 in the last 60 semester credit hours. If applicant does not meet the minimum undergraduate GPA criterion of 3.0, GRE general test with minimum scores of 150 Verbal, 141 Quantitative, and 4.0 Analytical are required for conditional admission.
<ul style="list-style-type: none"> • Professional statement detailing professional goals, campus leadership experience and reasons for pursuing a Masters in Education in Teacher Leadership. 	<ul style="list-style-type: none"> • No change
<ul style="list-style-type: none"> • Resume including educational background and work experience. 	<ul style="list-style-type: none"> • No change
<ul style="list-style-type: none"> • Teaching certificate with a minimum of 3 years of teaching experience. 	<ul style="list-style-type: none"> • No change

Current Conditional (Probationary) Admission Criteria	Proposed Conditional (Probationary) Admission Criteria
<ul style="list-style-type: none">Students with an undergraduate GPA of less than 3.0 and/or GRE scores below the requirements for clear admission will be holistically reviewed by admissions committee to determine whether they meet overall criteria for clear or conditional admission.	<ul style="list-style-type: none">Students with an undergraduate GPA of less than 3.0 and/or GRE scores below the requirements for clear admission will be holistically reviewed by admissions committee to determine whether they meet overall criteria for clear or conditional admission. <ins>If applicant does not meet the minimum undergraduate GPA criterion of 3.0, the applicant will be evaluated holistically through reflecting professional goals, GPA, professional success from resume, and success on related prior course work to determine whether they meet the criteria for clear or conditional admission.</ins>

3. U. T. System Academic Institutions: Discussion and appropriate action regarding proposed revisions to Mission Statements for U. T. Arlington, U. T. Austin, U. T. Dallas, and U. T. Tyler and reaffirmation of Mission Statements for U. T. El Paso, U. T. Permian Basin, U. T. Rio Grande Valley, and U. T. San Antonio

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor of Academic Affairs, and the institutional presidents that proposed changes to the Mission Statements for U. T. Arlington, U. T. Austin, U. T. Dallas, and U. T. Tyler, as set forth on the following pages be approved by the U. T. System Board of Regents.

Further, the Board is asked to reaffirm the Mission Statements for U. T. El Paso, U. T. Permian Basin, U. T. Rio Grande Valley, and U. T. San Antonio as set forth on the following pages.

BACKGROUND INFORMATION

In 2013, the Texas Legislature repealed *Texas Education Code* Section 61.051(e), which directed the Texas Higher Education Coordinating Board to review the mission statements of public institutions, typically, every four years. However, each institution is required to have a mission statement under *Texas Education Code* Section 51.359. Section 51.352 of the Code, regarding the Responsibility of Governing Boards, requires governing boards to "insist on clarity of focus and mission of each institution under its governance." *Regents' Rules and Regulations*, Rule 10402, states that the Academic Affairs Committee or the Health Affairs Committee must review proposed changes to institutional mission statements.

Approval of this item will help to ensure compliance with the Southern Association of Colleges and Schools (SACS) requirements regarding the periodic review and approval of each institution's mission statement by its governing board.

U. T. Arlington

CURRENT mission statement (approved May 10, 2017)

The University of Texas at Arlington is a comprehensive research, teaching, and public service institution whose mission is the advancement of knowledge and the pursuit of excellence. The University is committed to the promotion of lifelong learning through its academic and continuing education programs and to the formation of good citizenship through its community service learning programs. The diverse student body shares a wide range of cultural values and the University community fosters unity of purpose and cultivates mutual respect.

As a University, we affirm our commitment to the following objectives:

- The University is committed to comprehensive programs of academic research. This research effort requires attracting and retaining scholars who promote a culture of intellectual curiosity, rigorous inquiry, and high academic standards among their fellow faculty and the students they teach. We ensure a culture of creativity, innovation, and entrepreneurship, which includes the translation of university discoveries for the benefit of society.
- The University prepares students for full, productive lives and informed and active citizenship. To that end, we have developed undergraduate and graduate curricula and classroom practices that engage students actively in the learning process. Outside the classroom a wide range of student organizations and activities contribute to the learning environment. Our service learning program offers students the opportunity to supplement their academic study with internships in a variety of community settings, testing their skills and aptitudes and challenging their values. State-of-the-art teaching technologies, distance education, and off-site instruction afford access to off-campus as well as traditional students. Non-degree certificate and continuing education programs offer practical, aesthetic, and intellectually stimulating opportunities for community learners, for individual courses or a sustained program of study.
- The mission of a university can be achieved only when its students, faculty, staff, and administrators value and promote free expression in an atmosphere of tolerance, responsibility, and trust. The University regards these attributes as prerequisites for any community of learners and vigilantly strives to maintain them.
- Mindful of its role as a resource to the community, locally, nationally, and internationally, the University continually seeks partnerships with public and private concerns in order to advance the economic, social, and cultural welfare of its constituencies. We serve the needs of the North Texas community by sponsoring public lectures and academic symposia, as well as artistic, musical, and dramatic productions.

PROPOSED mission statement

The University of Texas at Arlington is a comprehensive teaching, research and public service institution dedicated to the advancement of knowledge through scholarship and creative work.

The University is committed to providing access and ensuring student success, and to a culture of innovation, entrepreneurship, and commercialization of discoveries by our community of scholars.

The University promotes lifelong learning through its academic, continuing education and experiential learning programs. The faculty, staff and student community share diverse cultural values that foster inclusivity and cultivate mutual respect.

U. T. Austin

CURRENT mission statement (approved May 10, 2017)

The mission of The University of Texas at Austin is to achieve excellence in the interrelated areas of undergraduate education, graduate education, research, and public service.

The university provides superior and comprehensive educational opportunities at the baccalaureate through doctoral and special professional educational levels. It contributes to the advancement of society through research, creative activity, scholarly inquiry and the development and dissemination of new knowledge, including the commercialization of University discoveries. The university preserves and promotes the arts, benefits the state's economy, serves the citizens through public programs, and provides other public service.

PROPOSED mission statement

The mission of The University of Texas at Austin is to achieve excellence in the interrelated areas of undergraduate education, graduate education, research, and public service. The university provides superior and comprehensive educational opportunities at the baccalaureate through doctoral and special professional educational levels.

The university contributes to the advancement of society through research, creative activity, scholarly inquiry and the development and dissemination of new knowledge, including the commercialization of University discoveries. The university preserves and promotes the arts, benefits the state's economy, serves the citizens through public programs, and provides other public service.

U. T. Dallas

CURRENT mission statement (approved May 10, 2017)

The University of Texas at Dallas provides the State of Texas and the nation with excellent, innovative education and research. The University is committed to graduating well-rounded citizens whose education has prepared them for rewarding lives and productive in a constantly changing world to continually improving educational and research programs in the arts and sciences, engineering, and management and to assisting the commercialization of intellectual capital generated by students, staff, and faculty.

PROPOSED mission statement

The University of Texas at Dallas provides the State of Texas and the nation with excellent, innovative education and research. The University is committed to graduating well-rounded members of the global community whose education has prepared them for rewarding lives and productive careers in a constantly changing world; to continually improving educational and research programs in the humanities, arts, sciences, engineering, and management; and to assisting the commercialization of intellectual capital generated by students, staff, and faculty.

U. T. El Paso

CURRENT mission statement (approved February 27, 2020)

UTEP is a comprehensive public research university that is increasing access to excellent higher education. We advance discovery of public value and positively impact the health, culture, education, and economy of the community we serve.

U. T. Permian Basin

CURRENT mission statement (approved February 26, 2019)

As a regional, comprehensive institution, The University of Texas Permian Basin serves a diverse community of students from the region, the state, and beyond. Through excellence in student-centered teaching, learning, research, and public service, the University cultivates engaged citizens and impacts lives while advancing technology and the public interests of West Texas.

U. T. Rio Grande Valley

CURRENT mission statement (approved May 10, 2017)

To transform the Rio Grande Valley, the Americas, and the world through an innovative and accessible educational environment that promotes student success, research, creative works, health and well-being, community engagement, sustainable development, and commercialization of university discoveries.

U. T. San Antonio

CURRENT mission statement (approved July 9, 2019)

The University of Texas at San Antonio is dedicated to the advancement of knowledge through research and discovery, teaching and learning, community engagement and public service. As an institution of access and excellence, UTSA embraces multicultural traditions, and serves as a center for intellectual and creative resources as well as a catalyst for socioeconomic development and the commercialization of intellectual property - for Texas, the nation, and the world.

U. T. Tyler

CURRENT mission statement (approved May 1, 2018)

U. T. Tyler is committed to student success by providing a uniquely balanced student experience in an environment of innovative teaching and research shaped to serve and advance the educational, economic, technological, and public interests of East Texas and beyond.

U. T. Health Science Center - Tyler

CURRENT mission statement (approved November 13, 2003)

The mission statement for U. T. Health Center - Tyler is to serve East Texas and beyond through excellent patient care and community health, comprehensive education, and innovative research.

PROPOSED combined mission statement

U. T. Tyler is a comprehensive public university. We help our students, patients, and community members achieve their educational and health goals by offering a combination of excellence in higher education, innovative research, public services, and advanced healthcare delivery.

4. U. T. System: Discussion and appropriate action regarding authorization of funding to supplement funding for tuition and fees

Committee Chairman Weaver made the following motion:

I move that the Board approve the creation of The University of Texas System Board of Regents' Promise Plus Endowment, an endowed fund to be used as described in the agenda item, with funding of \$300 million to establish the Endowment from the following sources:

- a. \$37 million from the sharing of Fiscal Year 2021 investment returns on the Intermediate Term Fund in accordance with the Board's Allocation Policy for Non-Endowment Funds;
- b. \$158 million generated for strategic investment through the U. T. System Internal Lending Program; and
- c. \$105 million generated through the monetization of certain interest rate hedges.

I further move that the Board approve supplemental funding from various sources, including the Internal Lending Program, as needed, that when combined with distributions from the Endowment fund, provide a minimum of \$15 million of aggregate annual support.

The motion was seconded by Regent Perez and carried unanimously.

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Health Affairs, and the interim Executive Vice Chancellor for Business Affairs that the U. T. System Board of Regents approve the creation of an endowed fund, to be held permanently, with the distributions from the endowed fund to be used to expand existing programs that supplement federal, state, and institutional grants to cover the full cost of tuition, mandatory fees, and other costs of attendance for eligible resident, full-time undergraduate students who have unmet financial need at U. T. academic institutions other than U. T. Austin.

BACKGROUND INFORMATION

On July 9, 2019, the Board of Regents approved a special one-time supplemental distribution from the Permanent University Fund into the Available University Fund for FY 2020 in the amount of \$250 million and directed that the entire U. T. System share be allocated to U. T. Austin to be used solely for the creation of an endowed fund, to be held permanently, with the distributions from the endowed fund to be used to supplement federal, state, and institutional grants to cover the full cost of tuition and fees for low-income, in-state undergraduate students at U. T. Austin. Approval of this item will help fund the creation of a similar endowment to assist students at U. T. institutions other than U. T. Austin.

5. U. T. System: Academic Institutions: Discussion and appropriate action regarding low-producing degree programs recommended for consolidation or elimination by the Texas Higher Education Coordinating Board, and delegation of authority to the Executive Vice Chancellor for Academic Affairs to approve consolidation or elimination of future degree programs identified as low-producing

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and the institutional presidents that the following low-producing degree programs recommended for consolidation or elimination by the Texas Higher Education Coordinating Board be retained:

Institution	Program Name	Degree	Recommended Action
U. T. Austin	Architectural History	MA	Retain
	European Studies	BA	Retain
	Latin American Studies	PhD	Retain
	Italian Studies	BA	Retain
	Portuguese	BA	Retain
	Jewish Studies	BA	Retain
	Dance	MFA	Retain
	Music Composition	BM	Retain
	Jazz	BM	Retain
	International Business	BBA	Retain
U. T. El Paso	Education	MA	Retain
U. T. San Antonio	Neuroscience	PhD	Retain
	Mathematics	MS	Retain
	Art History	MA	Retain
U. T. Tyler	Criminal Justice	MS	Retain
U. T. Permian Basin	Information Systems	BS	Retain
	Spanish	MA	Retain
	Biology	MS	Retain
	Criminal Justice Admin.	MS	Retain
	History	MA	Retain

It is also recommended that the Board delegate authority to the Executive Vice Chancellor for Academic Affairs to approve retention, consolidation, or elimination of future academic institution degree programs identified as low-producing.

BACKGROUND INFORMATION

Texas Education Code Section 61.0512(f) permits the Texas Higher Education Coordinating Board (Coordinating Board) to recommend the consolidation or elimination of a degree program based on the number of degrees awarded by the program and requires that the Coordinating Board make such recommendations to an institution's governing board. The governing board may accept or reject the Coordinating Board's recommendation. *Regents' Rules and Regulations*, Rule 31003, Sec. 2.3, authorizes the Executive Vice Chancellor to close degree programs.

The Coordinating Board's administrative rules for low-producing programs (Texas Administrative Code, Title 19, Chapter 4, Subchapter R, Rules 4.285 to 4.290) allow Coordinating Board staff to recommend consolidation or closure of any nonexempt degree program that has been identified as low-producing for three or more consecutive years. If the governing board does not accept the recommendation, the programs must be identified on the next Legislative Appropriations Request.

Coordinating Board Rule 4.287 defines low-producing programs as follows:

- (4) Low-Producing Degree Programs--Degree programs that do not meet the following minimum standards for degrees awarded in the program:
 - (A) For career technical certificates, associate and bachelor's programs, an average of five degrees awarded per academic year, to total not fewer than twenty-five degrees awarded for any five-year period;
 - B) For master's programs, an average of three degrees awarded per academic year, to total not fewer than fifteen degrees awarded for any five-year period; and
 - (C) For doctoral and special professional degrees, an average of two degrees awarded per academic year, to total not fewer than ten degrees awarded for any five-year period.

In May 2021, the Coordinating Board recommended the closure or consolidation of 27 low-producing programs at five U. T. academic institutions. The 27 programs constitute only .016% of the total degree programs offered by the academic institutions. The five institutions request retention for 21 programs and provided the justification responses set forth on the following pages.

If the retention is approved, the Office of Academic Affairs will notify the Coordinating Board of the Board of Regents' action and will report the continued programs on the U. T. System Legislative Appropriations Request.

The current process for institutional and System review and recommendations concerning low-producing programs is well-established and robust. In accordance with a process developed jointly by the Office of Academic Affairs and the Office of Health Affairs, an institution requesting to retain a program must submit a rationale and an action plan designed to recruit, retain, and graduate more students from the program. The Office of Academic Affairs and the Office of Health Affairs, working with the Office of Institutional Research and Analysis, have also developed a dashboard to monitor the progress of each low-producing program as part of its annual review.

Some programs are small by design and will continue to be reported as low producing by the Coordinating Board despite being recently approved for continuance. For programs proposing improvements, it can take at least four years for demonstrable improvement to be reflected in retention and completion rates.

However, the Coordinating Board is required to continue reporting such programs as low producing, necessitating repetitive action by the Board of Regents. Based upon experience with the review practices now in place at the institutions and the exercise of oversight and approval by the Chancellor and the Executive Vice Chancellor for Academic Affairs, the recommended delegation will remove the need for Board consideration of these items and streamline the agenda preparation process.

On a biennial basis, the Executive Vice Chancellor for Academic affairs will provide the Board with a report identifying those low-producing programs approved for retention.

[Secretary's Note: At the request of the Office of Academic Affairs, a change was made to the chart above to remove UTSA's American Studies program from the low-producing programs chart as it was inadvertently included and to be consistent with the following attachment.]

U. T. Austin

Architectural History

The M.A. in Architectural History program qualifies for a permanent exemption from low-producing status under Rule 4.289 (Exemptions), criterion number two, of the Texas Administrative Code regarding review of low-producing programs. No additional cost is associated with this degree. The M.A. (or equivalent) is a prerequisite for admission to the Ph.D. program. It provides an exit ramp for students unable to meet doctoral requirements. It does not impose additional costs beyond modest fellowships. It does not require uniquely dedicated faculty or staff assignments. The program requires 30 hours of graduate courses. As an action for streamlining recruitment and administration, the School of Architecture implemented a structural change in 2019, creating an umbrella of Master's Advanced Studies for small master's programs: Architectural History, Architectural Studies, Historic Preservation, and Sustainable Design.

European Studies

The B.A. in European Studies (EUS) major has three tracks and consists of 30 total hours, including 24 hours of upper division and 18 hours in residence, as well as six hours of upper-division coursework in a single foreign language, a capstone thesis course, and an approved study abroad program or internship in a European country. While the EUS major has appeared on the FY 2021 Low-Producing Programs Report, institutional data indicates that the major has had 25 graduates over the past five years, and 50 declared EUS majors over the same period. Elimination of the program will not result in any cost savings; the programs recurrent budget is minimal and serves to pay for the basic needs of the Center for European Studies.

Latin American Studies

The Ph.D. in Latin American Studies program was relaunched in 2014 with a financially sustainable plan to annually enroll between three and five students. The 2016-2020 reporting period includes the transitional period of fundamental changes in the Latin American Studies Doctoral Program, and therefore the graduation rate was low. Since 2015, the cohort size has averaged 3.7 new Ph.D. students per year and advancement to candidacy dropped favorably to 3.7 years. Between 2017 and 2021, the Latin American Studies program has graduated a total of 12 doctoral students. The projected graduation rate for doctoral students for the 2021-2027 period is 3.4 per year (24 students over a 7-year period). This will more than fulfill the 2 student per year benchmark established by Texas Higher Education Coordinating Board (THECB).

Italian Studies

The B.A. in Italian Studies was first flagged as low-producing in 2019. At that time, the B.A. in Italian Studies did not meet the definition of low-producing, as provided by the THECB. In tracking multiple majors, the number of graduates for the B.A. in Italian

Studies was 26 between Fall 2014 and Summer 2019. The number of graduates for the B.A. in Italian Studies was 22 between Fall 2016 and Summer 2021. The differential may be accounted for by the effects of the pandemic on higher education from Spring 2020 to Summer 2021(i.e., prolonged time to graduation or inability to continue with the degree). In addition, the program has not been able to run its summer abroad program in Rome 2020 and 2021, which has been traditionally a main way to recruit new majors. The elimination of the program will not result in cost savings. There are no additional expenses required to continue operating the B.A. in Italian Studies.

Portuguese

The B.A. in Portuguese's overall enrollment numbers in upper-division courses have been increasing, and the number of minors in Portuguese is also increasing (currently 40 declared minors). The global pandemic has affected overall enrollment numbers in lower-division courses (that fuels the subsequent upper-division enrollment) for the short-term. This is a temporary drop, and numbers are already returning now that U. T. Austin can promote and recruit on campus, especially among existing Spanish and International Relations and Global Studies classes, which is where the major most often receives its students. Over the years the program has been modified and changed to address the issues of enrollment. An attempt to combine a major in both Spanish and Portuguese was met with limited success. Portuguese content in the curriculum was not as prominent, and so there was a return to offering a specific major in Portuguese (since 2020). It is suspected that part of the low number of majors in the past five years is explained by the transition from the combined to a separate major.

Jewish Studies

The B.A. in Jewish Studies, which consists of 27 semester credit hours, was first flagged as low-producing in 2017. Since then, in accordance with previous action plans, the program has launched new initiatives and committed strategic resources aimed at recruiting, retaining, and graduating more Jewish Studies majors. Since the last report, the Schusterman Center for Jewish Studies at U. T. Austin has launched an additional internship program located in Jerusalem, added two transcript-recognized minors, and begun a search for an Assistant Director, who will have primary responsibility for the undergraduate program, including recruitment and retention. Currently, the program has eight students enrolled as majors in Jewish Studies. Nine students graduated from the program between Fall 2016 and Summer 2021, an increase from the seven students who graduated in the five-year period spanning Fall 2014 and Summer 2019 that was covered in the last report. Considering that the Schusterman Center and its major are completely self-funded and that the implemented changes are showing measurable, positive results, U. T. Austin is in a strong position to continue the B.A. in Jewish Studies.

Dance

The M.F.A. in Dance, situated within the Department of Theatre and Dance, is an intensive, two-year (60-hour) practiced-based degree. It is the standard degree requirement for placement in many professional destinations, within Texas and nationally, for careers as faculty in higher education, as choreographers and directors, as performers, and as arts program administrators. In 2017, the program was restructured with financial support for a small, defined enrollment in tandem with strong student funding support. Admissions has intentionally focused on a strong cohort of two to three students each year, beginning Fall 2018; and the program has been restructured to allow 60 completed hours (M.F.A. requirement) within two years (including summer study), thus facilitating an expected consistent enrollment of approximately four to six students in any given year.

Music Composition

The Bachelor of Music (B.M.) in Composition, a 120-hour degree at the Butler School of Music, was designed to be a selective, limited enrollment degree for the program to provide a superior student experience, to complement the graduate composition program, and to match available faculty and facility resources. Composers are required to have regular performances of their music, and therefore, enrollment is proportional to the School's performance program. Significant increase would strain that resource. The program's current size allows enrolled students to have an exceptional experience within the composition student community that justifies its continuation and preserves its quality. At the same time, U. T. Austin was able to increase enrollment in the program while maintaining its excellence, with eight new students matriculating in 2021 (B.M. and B.A. combined), a trend that is expected to continue.

Jazz

The Bachelor of Music in Jazz, a 120-hour degree at the Butler School of Music, was designed to be a selective, limited enrollment degree for the program to provide a superior student experience, to complement extant graduate jazz studies degrees and student population, and to match available faculty and facility resources. The program's current size provides unique opportunities for student involvement and justifies the program's continuation while preserving its quality. The program also plays an important part in enhancing the diversity of the Butler School of Music, and of the University at large. Recent efforts to increase enrollment in the program while maintaining its excellence were hampered somewhat by the pandemic, but 12 new students matriculated in Fall 2021.

International Business

The B.B.A. in International Business (IB) does not meet the threshold for designation as a low-producing program, per the THECB's definition. In the most recent five-year period of Fall 2016 to Summer 2021, 138 students have declared International Business as their major. Of those students, 36 were double majors. Costs/savings associated with the elimination of the B.B.A. in International Business would be minimal.

U. T. El Paso

Education

The U. T. El Paso College of Education made strategic changes to the M. A. in Education degree plan, effective Fall 2020, increasing enrollment while addressing program needs in the College, as well as creating a master's-level teacher certification pathway for students seeking both alternative certification and a master's degree. The revised M.A. addresses the need for a master's pathway for students seeking initial teacher certification that is distinct from other masters' pathways in education, which are typically geared toward in-service rather than pre-service teachers. Because these changes are very recent, there has not been time to see an increase in the number of graduates from this program. Given that the substantial enrollment increase began in Fall 2020 (from four in 2017 to 53 in Fall 2021), it will take another year, at a minimum, to show impacts on graduation, and several years before the five-year total will change.

U. T. San Antonio

Neuroscience

THECB has listed the Neurobiology Ph.D. degree program at U. T. San Antonio as a low-producing degree program. This is due to a previous combination of a low number of faculty and problems with the recruitment and retention of students. Following efforts to improve excellence while expanding the program, the number of student publications and presentations per year has roughly doubled since 2015. A culture of grantsmanship has also been instilled, with Neuroscience Ph.D. students receiving five prestigious federal and private fellowships in the last two years. Steps currently being taken to improve the Neuroscience program include:

- Increased faculty hiring to 15 core faculty members.
- Increased focus on student recruiting that resulted in a 75% increase in applications in 2019-2020 from the 2016-2018 period.
- Graduate Advisors of Record (GAR) implemented multiple new activities to improve the retention and graduation resulting in only one out of 25 students failing to progress in the program since admission in 2015.
- A new 2018-2019 requirement for the student to meet with their dissertation committee once per semester.
- New curriculum content related to critical thinking, writing, and research proposal.

Mathematics

All master's programs in mathematics at U. T. San Antonio are undergoing a modernization of the curriculum consistent with advanced graduate studies at R1 Research institutions in Texas. The cost of maintaining any of the master's programs in mathematics can be traced to only the cost of keeping a GAR, which is one course release (faculty workload time allocated to work other than teaching) per year. U. T. San Antonio anticipates that the following initiatives will result in a total increase of at a minimum seven students per year in the M.A. in Mathematics by 2025:

- Increases in the number of and salary for teaching assistantships.
- Development of common core requirements across all master's programs.
- Increases in the number of international students, specifically targeting Latin American countries with fully bilingual department staff.
- Increases in scholarships through the Graduate School to incentivize enrollment.

Art History

Although the Art History Master's program is small, it has an excellent track record of recruiting top-tier students. The Art History degree program began enacting several strategies to increase enrollments three years ago including intensified recruiting efforts, curricular enhancements, and the addition of two faculty members. While those efforts have had measurable success, several additional developments provide confidence that the program is on a trajectory to be removed from the low-producing program status. These developments include:

- Development of a new dual M.F.A./M.A. degree program with a predicted enrollment increase of two to three students per year.
- Merging of U. T. San Antonio and the Southwest School of Art (Fall 2022) that will provide expanded faculty, new studios, and heightened visibility at a downtown campus, boosting recruitment into both the M.F.A. program and the new dual degree program.

U. T. Tyler

Criminal Justice

The Criminal Justice M.S. degree program faculty have made specific efforts to attract students to the program. The number of graduates in recent academic years reflect an upward trend. At the conclusion of Academic Year 2021, the five-year running total of graduates will exceed 15, and with the current number of students enrolled in the program, the number of graduates is expected to continue its upward trajectory. Additionally, five-year cumulative graduation rates remain at or above the minimum for

the low-producing designation. This program is highly cost effective. The program is operated with existing full-time faculty in Criminal Justice and strategic use of adjuncts. Closure would result in no cost savings and a net loss of income. Steps currently being taken to improve the Criminal Justice program include:

- Implementing an accelerated degree program that allows a student to complete a Bachelor's and Master's degree in 5 years. This is occurring as part of an ongoing Quality Enhancement Plan for the Department of Social Sciences, which is anticipated to move more undergraduates directly into the graduate program.
- Serious consideration of a graduate certificate in Criminal Justice, which will enhance the skill sets of active professionals.
- A newly implemented three-track, fully comprehensive approach to the undergraduate program in Criminal Justice has been met with early success and a clear increase in the number of students majoring in Criminal Justice.
- A fully implemented online option for the Criminal Justice degree is expected to attract students.

U. T. Permian Basin

Information Systems

The B.S. in Information Systems has been an active academic program at U. T. Permian Basin since 2003. During the past decade the program has produced a total of 45 (FY2010 - FY2020) program graduates. Most recently, the B.S. in Information Systems degree program has produced a total of 22 graduates within the past five-year period (FY2016 - FY2020). It is estimated that U. T. Permian Basin assumes a yearly financial gain of \$34,611 to maintain and operate the B. S. in Information Systems. Steps taken to improve the Information Systems program include:

- Computer Science will double the number of majors and the BSIS will parallel this growth.
- New cybersecurity, gaming, and software developmental camps will add synergy (post-COVID).
- Information Systems courses and programs have been modernized for relevancy to security and big data.
- Created six B.S. in Information Systems related workforce development certificates that will provide synergy.
- New Cyber Center will offer Information Systems certificates, consulting, and workshops to industry.
- Creation of a new Department of Computer, Cyber & Information Sciences (CCIS) that emphasizes the Information Systems degree in its offerings.

Spanish

The M.A. in Spanish has been an active academic program at U. T. Permian Basin since 2004. During the past decade the program has produced a total of 26 (FY2010 - FY2020) program graduates. Most recently, the M.A. in Spanish program has produced a total of two graduates within the past five-year period (FY2016 - FY2020). Steps taken to improve the M.A. in Spanish program include:

- M.A. in Spanish degree program has transitioned to online format only.
- Advertisement and recruitment with an outside vendor for the online program.
- Addition of Spanish to general education courses.
- A new online Spanish certificate for first responders.
- Reduced M.A. to 30 hours (down from 36 hours) as allowed by U. T. System.
- Other considerations include eliminating the thesis options and a review of admissions criteria.

Biology

The M.S. in Biology has been an active academic program at U. T. Permian Basin since 1974. During the past decade, the program has produced a total of 24 (FY2010 - FY2020) program graduates. Most recently, the M.S. in Biology degree program has produced a total of seven graduates within the past five-year period (FY2016 - FY2020). The M.S. in Biology is one of the most important programs in the future of U. T. Permian Basin due to its potential for growth and to produce elevated levels of research in the biomedical field and to produce pre-health alumni. It is estimated that U. T. Permian Basin assumes a yearly financial loss of \$71,503 to maintain and operate the M.S. in Biology. Steps being taken to improve the program include:

- Addition of an Accelerated Master's Program which is expected to matriculate at least seven students per year when fully implemented.
- Increases in the number of graduate assistants to eight M.S. Biology per year from cost savings (cost recovery from eliminating adjuncts and coaches).
- Goal set to increase undergraduate Biology program enrollment (which serves as a feeder for the Master's program) by 7-10% each year to approximately 350 undergraduate students from the current total of 244 students.

Criminal Justice Administration

The M.S. in Criminal Justice Administration has been an active academic program at U. T. Permian Basin since 1996. During the past decade the program has produced a total of 24 (FY2010 - FY2020) program graduates. Most recently, the M.S. in Criminal Justice Administration degree program has produced a total of seven graduates within the past five-year period (FY2016 - FY2020). It is estimated that U. T. Permian Basin assumes a yearly financial loss of only \$7,806 to maintain and operate the M.S. in Criminal Justice Administration. Steps being taken to improve the program include:

- A reduction of the program to 30 hours (down from 36 hours) as allowed by U. T. System.
- Contract with outside vendor for statewide online and professional marketing and program restructuring.
- The Program Outreach Advisory Board is scheduled to meet consistently.
- Addition of an accelerated master's program from the B.S. to M.S. to better facilitate the matriculation of U. T. Permian Basin undergraduates.

History

The M.A. in History has been an active academic program at U. T. Permian Basin since 1974. During the past decade the program has produced a total of 27 (FY2010 - FY2020) program graduates. Most recently, the M.A. in History degree program has produced a total of eight graduates within the past five-year period (FY2016 - FY2020). It is estimated that U. T. Permian Basin assumes a yearly financial loss of only \$10,014 to maintain and operate the M.A. in History. Steps being taken to improve the program include:

- Offering the program fully online, in-person, and remote (asynchronous) format to attract students from a broader geographic area.
- Contracting with an outside vendor for marketing and recruitment.
- Addition of Graduate History Certificate to support enrollment and program growth.
- Reducing the program to 30 hours (down from 36 hours) as allowed by U. T. System.

6. U. T. Dallas: Report on the Long-Range Financial Plan for The University of Texas at Dallas

This item was for consideration only by the Committee.

REPORT OF THE HEALTH AFFAIRS COMMITTEE (Pages 51 - 60).-- Unless otherwise indicated, the actions set forth in the Minute Orders that follow were recommended and approved by the Board in Open Session.

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

There were no items referred from the Consent Agenda.

2. U. T. System Health Institutions: Discussion and appropriate action regarding low-producing degree programs recommended for consolidation or elimination by the Texas Higher Education Coordinating Board, and delegation of authority to the Executive Vice Chancellor for Health Affairs to approve retention of future degree programs identified as low-producing

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs and the institutional presidents that the following low-producing degree programs recommended for consolidation or elimination by the Texas Higher Education Coordinating Board be retained:

Institution	Program Name	Degree	Recommended Action
U. T. Medical Branch at Galveston	Clinical Science	Ph.D.	Retain
U. T. Health Science Center at San Antonio	Medical Health Physics	M.S.	Retain
U. T. Health Science Center at San Antonio	Personalized Molecular Medicine	M.S.	Retain
U. T. M. D. Anderson Cancer Center	Cytotechnology	B.S.	Retain

It is also recommended that the Board delegates authority to the Executive Vice Chancellor for Health Affairs to approve retention of future health institution degree programs identified as low producing.

BACKGROUND INFORMATION

Texas Education Code Section 61.0512(f) permits the Texas Higher Education Coordinating Board (Coordinating Board) to recommend the consolidation or elimination of a degree program based on the number of degrees awarded by the program and requires that the Coordinating Board make recommendations to an institution's governing board. The governing board may accept or reject the Coordinating Board's recommendation. If the governing board chooses to not accept

the recommendation of the Coordinating Board, then the university system must identify the programs that were recommended for consolidation or closure on its next Legislative Appropriations Request (LAR). If the minimum standard is not achievable and in accordance with a process developed jointly by the Office of Health Affairs and the Office of Academic Affairs, the institution must submit a rationale and an action plan designed to recruit, retain, and graduate more students from the program. *Regents' Rules and Regulations*, Rule 31003, Sec. 2.3, authorizes the Executive Vice Chancellor to close degree programs.

The Coordinating Board administrative rules for low-producing programs (*Texas Administrative Code*, Title 19, Chapter 4, Subchapter R, Rules 4.285 to 4.290) allow Coordinating Board staff to recommend consolidation or closure of any nonexempt degree program that has been identified as low-producing for three or more consecutive years. If the governing board does not accept the recommendation, the programs must be identified on the next Legislative Appropriations Request.

Coordinating Board Rule 4.287 defines low-producing programs as follows:

- (4) Low-Producing Degree Programs--Degree programs that do not meet the following minimum standards for degrees awarded in the program:
 - (A) For career technical certificates, associate and bachelor's programs, an average of five degrees awarded per academic year, to total not fewer than twenty-five degrees awarded for any five-year period;
 - (B) For master's programs, an average of three degrees awarded per academic year, to total not fewer than fifteen degrees awarded for any five-year period; and
 - (C) For doctoral and special professional degrees, an average of two degrees awarded per academic year, to total not fewer than ten degrees awarded for any five-year period.

In May 2021, the Coordinating Board recommended the closure or consolidation of eight low-producing programs at three health institutions within the U. T. System. The eight programs constitute only 3% of the total degree programs offered by the health institutions. The three institutions request retention of four programs and provided the justification responses set forth on the following pages.

If retention is approved, the Office of Health Affairs will notify the Coordinating Board of the Board of Regents' action and will report the continued programs on the U. T. System Legislative Appropriations Request.

The current process for institutional and System review and recommendations concerning low-producing programs is well-established and robust. In accordance with a process developed jointly by the Office of Health Affairs and the Office of Academic Affairs, an institution requesting to retain a program must submit a rationale and an action plan designed to recruit, retain, and graduate more students

from the program. The Office of Health Affairs and the Office of Academic Affairs, working with the Office of Institutional Research and Analysis, have also developed a dashboard to monitor the progress of each low-producing program as part of its annual review.

Some programs are small by design and will continue to be reported as low producing by the Coordinating Board despite being recently approved for continuance. For programs proposing improvements, it can take at least four years for demonstrable improvement to be reflected in retention and completion rates. However, the Coordinating Board is required to continue reporting such programs as low producing, necessitating repetitive action by the Board of Regents. Based upon experience with the review practices now in place at the institutions and the exercise of oversight and approval by the Chancellor and the Executive Vice Chancellor for Health Affairs, the recommended delegation will remove the need for Board consideration of these items and streamline the agenda preparation process.

On a biennial basis, the Executive Vice Chancellor for Health Affairs will provide the Board with a report identifying those low-producing programs approved for retention.

U. T. Medical Branch - Galveston

Data Related to the Program

Unduplicated Headcount (certified data reported to THECB)	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Fall 2021
Ph.D. in Clinical Science	8	6	8	15	16	16

Degrees Awarded (certified data reported to THECB)	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Ph.D. in Clinical Science	1	2	0	0	0

Summary of Institution's Response

The research environment at U. T. Medical Branch - Galveston provides many opportunities for clinical research and support during training and career development. Clinical research resources include the Institute for Translational Science (ITS) Clinical Research Center, which has been awarded continuous National Institute of Health funding for over 47 years and provides inpatient and outpatient facilities, experienced nursing staff, biostatistical and study design support, computer support, and various specialized equipment for human research. ITS provides core resources in biostatistics, bioinformatics, genomics, proteomics, metabolomics, and community outreach.

The program will focus on increasing recruitment of medical doctors with research interests, medical students seeking to pursue a combined M.D./Ph.D. degree, and faculty members in programs with terminal masters who seek to augment their research skills.

U. T. Health Science Center - San Antonio

Data Related to the Programs

Unduplicated Headcount (certified data reported to THECB)	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Fall 2021
M.S. in Medical Health Physics	2	2	2	1	2	2
M.S. in Personalized Molecular Medicine			1	10	19	16

Degrees Awarded (certified data reported to THECB)	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
M.S. in Medical Health Physics		1			1
M.S. in Personalized Molecular Medicine				1	7

Summary of Institution's Response

M.S. Personalized Molecular Medicine: Approval to launch this stand-alone master's degree program was given in Spring 2018, but the Coordinating Board has linked the reporting of graduates with the previous M.S. in Molecular Medicine, a degree program which has been discontinued by the institution. Approved in Spring 2018, the M.S. in Personalized Molecular Medicine enrolled one student for Fall 2018 and nine entering students for Fall 2019. Eight students have graduated from the program through the end of FY 2021, with the program expected to meet the minimum number of graduates by the end of FY 2022.

M.S. Medical Health Physics: This unique, nationally accredited professional Medical Health Physics degree program is the only one in Texas and the only graduate degree program in the Coordinating Board's classification of instructional program code in Texas. The degree program leverages resources across the institution and requires only one course that is not part of existing Ph.D. programs offered by the institution. While enrollment in the program will continue to be limited, the program is unique and offered at minimal cost to the institution.

U. T. M. D. Anderson Cancer Center

Data Related to the Program

Unduplicated Headcount (certified data reported to THECB)	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Fall 2021
B.S. in Cytotechnology	3	0	0	4	16	18

Degrees Awarded (certified data reported to THECB)	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
B.S. in Cytotechnology	3	0	0	0	7

Summary of Institution's Response

B.S. in Cytotechnology: The institution has expanded its enrollment since the reactivation of the program in 2019, which is expected to increase the number of degrees awarded. The program is one of only 19 cytotechnology programs in the nation and the only program in Texas. Graduates will supply a critical shortage in this specialized field. The program has two full-time personnel, making the direct cost for this degree program affordable to the institution.

3. U. T. System Health Institutions: Discussion and appropriate action regarding proposed revisions to Mission Statement for U. T. Medical Branch at Galveston, and reaffirmation of Mission Statements for U. T. Southwestern Medical Center, U. T. Health Science Center at Houston, U. T. Health Science Center at San Antonio, and U. T. M. D. Anderson Cancer Center

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs and the institutional president that proposed changes to the Mission Statement for U. T. Medical Branch - Galveston as set forth in congressional style on the following pages be approved by the U. T. System Board of Regents.

Further, the Board is asked to reaffirm the Mission Statements for U. T. Southwestern Medical Center, U. T. Health Science Center - Houston, U. T. Health Science Center - San Antonio, U. T. M. D. Anderson Cancer Center as set forth on the following pages.

BACKGROUND INFORMATION

In 2013, the Texas Legislature repealed *Texas Education Code* Section 61.051(e), which directed the Texas Higher Education Coordinating Board to review the mission statements of public institutions, typically, every four years. However, each public institution of higher education is required to have a mission statement under *Texas Education Code* Section 51.359. Section 51.352 of the Code, regarding the Responsibility of Governing Boards, requires governing boards to "insist on clarity of focus and mission of each institution under its governance." *Regents' Rules and Regulations*, Rule 10402, states that the Academic Affairs Committee or the Health Affairs Committee must review proposed changes to institutional mission statements.

Further, approval of institutional mission statements helps ensure compliance with the Southern Association of Colleges and Schools Commission on Colleges accreditation requirements regarding the periodic review and approval of each institution's mission statement by its governing board.

U. T Southwestern Medical Center

CURRENT mission statement – (approved May 1, 2018)

Promoting health and a healthy society that enables achievement of full human potential

We:

EDUCATE

Physicians, scientists, and caregivers optimally prepared to serve the needs of patients and society

DISCOVER

Research that solves for unmet needs by finding better treatments, cures, and prevention with a commitment to ensuring real world application

HEAL

Best care possible today, with continuous improvement and innovation for better care tomorrow

U. T. Medical Branch – Galveston

CURRENT mission statement – Revised (approved February 15, 2018)

Mission, Vision, and Values Statement

Preamble

The University of Texas Medical Branch at Galveston's mission is to improve health for the people of Texas and around the world. UTMB is an inclusive, collaborative community of forward-thinking educators, scientists, clinicians, staff, and students dedicated to a single purpose - improving health. We prepare future health professionals for practice, public service, and lifelong learning through innovative curricula and individualized educational experiences. We advance understanding and treatment of illness and injury through groundbreaking research, in lab and at the bedside, including the commercialization of such research, as appropriate. We deliver skilled and patient-centered health care, and we continue to shape the future of health sciences education, research, and clinical care by always asking, "What's next?"

Mission

To improve health ~~for the people of Texas and around the world~~ by offering innovative education and training, pursuing cutting-edge research, and providing the highest quality patient care.

Vision

We work together to ~~work wonders as we~~ define the future of health care and ~~strive to~~ be the best ~~in all of our endeavors~~.

Values

~~Our values define our culture and guide our every interaction.~~

~~We demonstrate compassion for all.~~

~~We always act with integrity.~~

~~We show respect to everyone we meet.~~

~~We embrace diversity to best serve a global community.~~

~~We promote excellence and innovation through lifelong learning.~~

U. T. Health Science Center - Houston

CURRENT mission statement – (approved May 6, 2020)

As a comprehensive health science university, the mission of The University of Texas Health Science Center at Houston is to educate health science professionals, discover and translate advances in the biomedical and social sciences, and model the best practices in clinical care and public health.

We pursue this mission in order to advance the quality of human life by enhancing the diagnosis, treatment, and prevention of disease and injury, as well as promoting individual health and community well-being.

U. T. Health Science Center - Houston

CURRENT mission statement – (approved May 6, 2020)

As a comprehensive health science university, the mission of The University of Texas Health Science Center at Houston is to educate health science professionals, discover and translate advances in the biomedical and social sciences, and model the best practices in clinical care and public health.

We pursue this mission in order to advance the quality of human life by enhancing the diagnosis, treatment, and prevention of disease and injury, as well as promoting individual health and community well-being.

U. T. Health Science Center - San Antonio

CURRENT mission statement – (approved August 24, 2017)

The mission of The University of Texas Health Science Center at San Antonio is to make lives better through excellence in education, research, health care and community engagement.

Strategies for achieving this mission are:

- Educating a diverse student body to become excellent health care providers and scientists.
 - Engaging in research to understand health and disease.
 - Commercializing discoveries, as appropriate, to benefit the public.
 - Providing compassionate and culturally proficient health care.
 - Engaging our community to improve health.
 - Influencing thoughtful advances in health policy.
-

U. T. M. D. Anderson Cancer Center

CURRENT mission statement – (approved May 6, 2021)

The mission of The University of Texas M. D. Anderson Cancer Center is to eliminate cancer in Texas, the nation, and the world through outstanding programs that integrate patient care, research, and prevention, and through education for undergraduate and graduate students, trainees, professionals, employees, and the public.

REPORT OF THE FACILITIES PLANNING AND CONSTRUCTION COMMITTEE

(Pages 61 - 83).--Unless otherwise indicated, the actions set forth in the Minute Orders that follow were recommended and approved in Open Session.

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

There were no items referred from the Consent Agenda.

2. U. T. Austin: Boiler Replacement - Amendment of the current Capital Improvement Program to include project; approval of total project cost; appropriation of funds; and resolution regarding parity debt

The Board approved the following recommendation:

RECOMMENDATION

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

- a. amend the current CIP and approve a total project cost of \$43,900,000;
- b. appropriate funds of \$43,900,000 with funding from the Revenue Financing System (RFS) Bond Proceeds; and
- c. resolve in accordance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System that parity debt shall be issued to pay the project's cost, including any costs prior to the issuance of such parity debt; sufficient funds will be available to meet the financial obligations of the U. T. System, including sufficient Pledged Revenues as defined in the Master Resolution to satisfy the Annual Debt Service Requirements of the Financing System, and to meet all financial obligations of the U. T. System Board of Regents relating to the Financing System; and U. T. Austin, which is a "Member" as such term is used in the Master Resolution, possesses the financial capacity to satisfy its direct obligation as defined in the Master Resolution relating to the issuance by the U. T. System Board of Regents of tax-exempt parity debt in the aggregate amount of \$43,900,000.

BACKGROUND INFORMATION

Debt Service

The \$43,900,000 in RFS debt will be recovered from generated utility rates. Annual debt service on the \$43,900,000 in RFS debt is expected to be \$2.44 million. The institution's Scorecard Rating of 2.3 at fiscal year-end 2021 is below the maximum threshold of 6.0 and demonstrates that the institution has the financial capacity to satisfy its direct obligations related to parity debt.

Previous Action

On April 8, 2021, the Chancellor approved this project for Definition Phase.

Project Description

U. T. Austin operates a cogeneration system that is considered the most efficient, reliable, resilient, and cost-effective campus utility system in the United States. The proposed project will demolish two existing 1945 vintage, 75,000 pounds/hour steam boilers and replace them with two new 175,000 pounds/hour steam boilers inside the Carl J. Eckhardt Heating and Power Plant on the main campus. The scope will include all necessary electrical gear, controls, instrumentation, controls programming, and emissions monitoring and control systems required to comply with air emissions requirements. The planned boiler system replacement will renew the steam system with the same or improved design principles and efficiencies of the existing system.

This proposed repair and rehabilitation project has been approved by U. T. System staff and meets the criteria for inclusion in the CIP. Design development plans and authorization of expenditure of funding will be presented to the President for approval at a later date. Pursuant to a May 10, 2017 Board of Regents approval, effective September 1, 2017, U. T. Austin has delegated authority for institutional management of construction projects under the continued oversight of the Office of Capital Projects.

The University of Texas at Austin Boiler Replacement

Project Information

Project Number	102-1352
CIP Project Type	Repair & Rehabilitation
Facility Type	Utilities/Infrastructure
Management Type	Institutional Management
Institution's Project Advocate	Ryan Thompson, Associate Director, Power Plant and Chilling Station Operations
Project Delivery Method	Construction Manager-at-Risk
Gross Square Feet (GSF)	N/A

Project Funding

	<u>Proposed</u>
Revenue System Financing Bond Proceeds ¹	<u>\$43,900,000</u>
Total Project Cost	<u>\$43,900,000</u>

¹ Revenue System Financing (RFS) Bond Proceeds are expected to be recovered from generated utility rates.

Project Cost Detail

	Cost
Building Cost *project does not meet the definition	\$ -
Fixed Equipment	12,970,000
Site Development	2,130,000
Furniture and Moveable Equipment	-
Institutionally Managed Work	350,000
Architectural/Design Services	3,100,000
Project Management	14,710,000
CIP Support Services	-
Insurance	600,000
Other Professional Fees	-
Project Contingency	9,500,000
Other Costs – Interim Interest	540,000
Total Project Cost	\$43,900,000

Project Planning

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

Project Milestones

Definition Phase Approval	April 2021
Addition to CIP	February 2022
Design Development Approval	September 2022
Construction Notice to Proceed	October 2022
Substantial/Final Completion	October 2023

3. U. T. El Paso: Advanced Manufacturing and Aerospace Center - Amendment of the current Capital Improvement Program to include project

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs, the Interim Executive Vice Chancellor for Business Affairs, and the institutional president that the U. T. System Board of Regents amend the current Capital Improvement Program (CIP) to include the Advanced Manufacturing and Aerospace Center project at The University of Texas at El Paso.

BACKGROUND INFORMATION

Previous Actions

On July 20, 2020, the Chancellor approved this project for Definition Phase.

Project Description

The proposed Advanced Manufacturing and Aerospace Center (AMAC) project will construct a four-story building on the main campus in the Bhutanese style of the university. The facility will house two of the University's institutes, W.M. Keck Center for 3D Innovation and Aerospace Center. The project will provide usable program space for institute specific research and fabrication laboratories, administrative spaces, as well as shared core analytical laboratories and support laboratories. Providing state-of-the-art laboratories and industry engaging facilities will bring under one roof facilities and additional laboratory space to support future research and educational opportunities for each institute.

The AMAC will house growing research and teaching program in additive manufacturing and aerospace. The AMAC's on-campus facility will substantially increase the advanced manufacturing and aerospace research and teaching space, with plans to train more than 600 graduate and undergraduate students annually. The AMAC will augment test facilities for rocket engines and drones currently located in East El Paso County. UTEP is a national leader in additive manufacturing using specialty materials and embedding electronics in 3D-printed materials.

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

The University of Texas at El Paso Advanced Manufacturing and Aerospace Center

Project Information

Project Number	201-1312
CIP Project Type	New Construction
Facility Type	Classroom, General
Management Type	Office of Capital Projects
Institution's Project Advocate	Mark McGurk, Vice President for Business Affairs
Project Delivery Method	Construction Manager-at-Risk
Gross Square Feet (GSF)	85,613

Project Funding

	<u>Proposed</u>
Permanent University Fund Bond Proceeds ¹	<u>\$70,000,000</u>
Total Project Cost	\$70,000,000

¹ Permanent University Fund (PUF) Bond Proceeds were approved by the Board on November 14, 2019.

Project Cost Detail

	Cost
Building Cost	\$44,321,990
Fixed Equipment	1,458,788
Site Development	5,933,843
Furniture and Moveable Equipment	3,200,000
Institutionally Managed Work	4,560,775
Architectural/Design Services	4,110,000
Project Management	626,000
CIP Support Services	500,000
Insurance	964,496
Other Professional Fees	2,735,504
Project Contingency	1,588,604
Other Costs	-
Total Project Cost	\$70,000,000

**The University of Texas at El Paso
Advanced Manufacturing and Aerospace Center**
(continued)

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

Advanced Manufacturing and Aerospace Center	\$518		
Texas Higher Education Coordinating Board Average – Laboratory, General	\$716		
	Low Quartile	Median	High Quartile
Other U. T. System Projects	\$492	\$539	\$611
Other National Projects	\$408	\$465	\$631

Investment Metrics

- Train 600 graduate and undergraduate students annually by 2030
- Recruit and retain top-tier faculty members to increase research revenues by 2030

Project Planning

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

Project Milestones

Definition Phase Approval	July 2020
Addition to CIP	February 2022
Design Development Approval	August 2022
Construction Notice to Proceed	October 2022
Substantial Completion	December 2024
Final Completion	December 2025

Basis of Design

The planned building life expectancy includes the following elements:

Enclosure: 40 years
Building Systems: 20 years
Interior Construction: 15 years

4. U. T. Rio Grande Valley: Interdisciplinary Academic Building B - Amendment of the current Capital Improvement Program to include project; approval of total project cost; approval of design development; appropriation of funds and authorization of expenditure; and resolution regarding parity debt

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs, the Interim Executive Vice Chancellor for Business Affairs, and the institutional president that the U. T. System Board of Regents amend the current Capital Improvement Program (CIP) to include the Interdisciplinary Academic Building B project and approve the recommendations for the project at The University of Texas Rio Grande Valley as follows:

- a. amend the Capital Improvement Program to include project and approve a total project cost of \$11,706,457;
- b. approve design development plans;
- c. appropriate funds of \$11,706,457 with funding of \$2,786,457 from Tuition Revenue Bond (TRB) Proceeds and \$8,920,000 from Revenue Financing System (RFS) Bond Proceeds; 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 parity debt shall be issued to pay the project's cost, including any costs prior to the issuance of such parity debt; sufficient funds will be available to meet the financial obligations of the U. T. System, including sufficient Pledged Revenues as defined in the Master Resolution to satisfy the Annual Debt Service Requirements of the Financing System, and to meet all financial obligations of the U. T. System Board of Regents relating to the Financing System; and U. T. Rio Grande Valley, 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 \$8,920,000.

BACKGROUND INFORMATION

Debt Service

The \$8,920,000 in RFS debt will be repaid from Designated Funds. Annual debt service on the \$8,920,000 in RFS debt is expected to be \$496,000. The institution's Scorecard Rating of 2.3 at fiscal year-end 2021 is below the maximum threshold of 6.0 and demonstrates that the institution has the financial capacity to satisfy its direct obligations related to parity debt.

Previous Actions

On June 14, 2021, the Chancellor approved a minor project (below \$10 million) with a total project cost of \$9,806,457 with funding of \$2,786,457 from Tuition Revenue Bond Proceeds saved from the Interdisciplinary Academic Building and \$7,020,000 of Revenue Financing System Bond Proceeds approved by the Board on November 18, 2021 for this project. On January 12, 2022, the Chancellor approved this project for Definition Phase, as the total project cost was increased above the \$10 million threshold requiring inclusion in the CIP.

Project Description

The UTRGV Department of Human Health & Performance delivers high quality undergraduate and master's programs in kinesiology, exercise science, and health at the Brownsville and Edinburg Campuses. In the absence of dedicated space on the Brownsville campus, the Department is currently separated into three leased buildings and one owned building.

The proposed project, located on the southern section of the Brownsville campus, will house faculty and administrative offices, research space, laboratory space, and teaching space. The building will serve as a critical area in support of theory-based lecture courses for faculty to demonstrate teaching methodology, sports skills, and fitness and wellness concepts. It will serve to support student demonstrations in pedagogical courses offered in the major programs of study in kinesiology, exercise science, and health. In addition, it will provide research spaces to support faculty and student research activities. A centralized department will allow for greater administrative efficiency and will facilitate student and faculty interaction and learning.

This proposed project has been approved by U. T. System staff and meets the criteria for inclusion in the CIP and design development approval. As this project was underway as an institutionally managed minor project, it has been determined that this project remain managed by UTRGV Facilities Management personnel who have the experience and capability to manage all aspects of the work.

The University of Texas Rio Grande Valley Interdisciplinary Academic Building B

Project Information

Project Number	903-943B
CIP Project Type	New Construction
Facility Type	Laboratory, General
Management Type	Institutional Management
Institution's Project Advocate	Dr. Michael Lehker, Dean of the College of Health Professions
Project Delivery Method	Construction Manager-at-Risk
Gross Square Feet (GSF)	16,754

Project Funding

	<u>Proposed</u>
Tuition Revenue Bond Proceeds ¹	\$ 2,786,457
Revenue Financing System Bond Proceeds ²	<u>8,920,000</u>
Total Project Cost	\$11,706,457

¹Tuition Revenue Bond Proceeds approved in 2015

²Revenue Financing System (RFS) Bond Proceeds to be repaid from Designated Funds

Project Cost Detail

	Cost
Building Cost	\$8,536,441
Fixed Equipment	51,347
Site Development	709,212
Furniture and Moveable Equipment	800,000
Institutionally Managed Work	200,000
Architectural/Design Services	599,218
Project Management	-
CIP Support Services	117,064
Insurance	-
Other Professional Fees	204,852
Project Contingency	473,949
Other Costs	14,374
Total Project Cost	\$11,706,457

**The University of Texas Rio Grande Valley
Interdisciplinary Academic Building B**
(continued)

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

Interdisciplinary Academic Building B	\$510		
Texas Higher Education Coordinating Board Average – Laboratory, General	\$715		
	Low Quartile	Median	High Quartile
Other U. T. System Projects	\$475	\$515	\$601
Other National Projects	\$548	\$661	\$868

Investment Metric

- Increase assignable square feet of instruction and research laboratories by 2023

Project Planning

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

Project Milestones

Definition Phase Approval	January 2022
Addition to CIP	February 2022
Design Development Approval	February 2022
Construction Notice to Proceed	March 2022
Substantial Completion	July 2023
Final Completion	September 2023

Basis of Design

The planned building life expectancy includes the following elements:

Enclosure: 50 years
Building Systems: 25 years
Interior Construction: 25 years

5. [U. T. M. D. Anderson Cancer Center: Expand Rotary House International Hotel - Amendment of the current Capital Improvement Program to include project](#)

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs, the Interim Executive Vice Chancellor for Business Affairs, and the institutional president that the U. T. System Board of Regents amend the current Capital Improvement Program (CIP) to include the Expand Rotary House International Hotel project at The University of Texas M. D. Anderson Cancer Center.

BACKGROUND INFORMATION

Previous Action

On March 14, 2018, the Chancellor approved this project for Definition Phase.

Project Description

The Jesse H. Jones Rotary House International Hotel was constructed to provide lodging and accommodations for patients undergoing treatment at U. T. M. D. Anderson in the Texas Medical Center. Upon completion, the hotel had a combination of 322 guest rooms and suites. In 2007, the facility was updated to refresh the guest rooms and suites, corridors, and associated furnishings, to renovate the lobby and dining areas, and to bring the hotel into compliance with then current Life Safety Code requirements.

The proposed project involves the expansion of the hotel to provide additional guest rooms and suites, with the construction of a 12-story wing immediately adjacent to and interconnected with the hotel. This new wing is expected to accommodate 180 guest rooms and suites. The project also involves renovating space within the existing hotel to improve the amenities areas to meet the needs of the increased guest population that will necessitate the removal of seven existing guest rooms and suites from service, which will result in a net increase of 173 guest rooms and suites. Upon completion of the project, the hotel is expected to have a total of 495 guest rooms and suites.

Expansion of the hotel is needed to support the institution's commitment and strategy to making it easier for patients to access treatment at the institution's facilities on the Texas Medical Center Campus. Historically, hotel occupancy is over 80% Sunday through Thursday and frequently reaches 100% at some point during those days of the week.

This proposed project has been approved by U. T. System staff and meets the criteria for inclusion in the CIP. Design development plans and authorization of expenditure of funding will be presented to the Board for approval at a later date. Pursuant to a Memorandum of Understanding effective September 1, 2020, U. T. M. D. Anderson Cancer Center has delegated authority for institutional management of construction projects under the continued oversight of the Office of Capital Projects.

The University of Texas M. D. Anderson Cancer Center Expand Rotary House International Hotel

Project Information

Project Number	703-1178
CIP Project Type	New Construction
Facility Type	Other
Management Type	Institutional Management
Institution's Project Advocate	Tim Peglow, Associate Vice President for Patient Care & Cancer Prevention Facilities
Project Delivery Method	Construction Manager-at-Risk
Gross Square Feet (GSF)	153,300 New Construction 42,600 Repair & Rehabilitation

Project Funding

	<u>Proposed</u>
Revenue Financing System Bond Proceeds ¹	\$63,400,000
Auxiliary Enterprises Balances	<u>\$20,100,000</u>
Total Project Cost	\$83,500,000

¹ Revenue Financing System (RFS) Bond Proceeds to be repaid from Auxiliary Enterprises Balances from ongoing hotel operations

Project Cost Detail

	Cost
Building Cost (Total)	\$59,357,700
New Construction	49,417,600
Repair and Rehabilitation of existing RHI areas	9,940,100
Fixed Equipment	3,255,600
Site Development	1,171,100
Furniture and Moveable Equipment	4,892,200
Institutionally Managed Work	3,602,600
Architectural/Design Services	3,976,300
Project Management	2,236,400
CIP Support Services	-
Insurance	1,630,700
Other Professional Fees	141,900
Project Contingency	2,860,900
Other Costs	374,600
Total Project Cost	\$83,500,000

**The University of Texas M. D. Anderson Cancer Center
Expand Rotary House International Hotel
(continued)**

Building Cost per GSF

Expand Rotary House International Hotel	\$303
Hospitality/Lodging (Regional Cost Data)	\$336-\$480

Project Planning

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

Project Milestones

Definition Phase Approval	March 2018
Addition to CIP	February 2022
Design Development Approval	August 2022
Construction Notice to Proceed	November 2022
Substantial Completion	November 2024
Final Completion	December 2024

6. U. T. M. D. Anderson Cancer Center: Renovate ioMRI Suites and Robot Row - Main Building - Floor 5 - Amendment of the current Capital Improvement Program to include project; approval of total project cost; and appropriation of funds

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs, the Interim Executive Vice Chancellor for Business Affairs, and the institutional president that the U. T. System Board of Regents amend the current Capital Improvement Program (CIP) to include the Renovate ioMRI Suites and Robot Row - Main Building - Floor 5 project at The University of Texas M. D. Anderson Cancer Center as follows:

- a. amend the current CIP and approve a total project cost of \$26,000,000; and
- b. appropriate funds of \$26,000,000 from Hospital Revenues.

BACKGROUND INFORMATION

Previous Action

On May 22, 2019, the Chancellor approved this project for Definition Phase as the Renovate Main Building ORs 28, 29, and 30 project.

Project Description

The proposed project will renovate two surgical areas located on Floor 5 of the Albert B. and Margaret M. Alkek Hospital within the institution's Main Building complex. The project will involve extensive renovation to be completed in two phases. Phase 1 is to include the complete demolition of operating rooms (ORs) 28, 29, & 30, and adjacent areas in order to provide a new intraoperative MRI (Magnetic Resonance Imaging) suite and two general operating rooms that will ultimately replace the existing functions. Phase 2 is to include the complete demolition of the existing space, in order to construct space for three new robotics-equipped ORs.

The project is being implemented to create less congested operating rooms and to provide a more permanent location for OR equipment to reduce the risks associated with relocating from one OR to another. This project will support the institution's efforts to optimize the layout and use of this area of the surgical floor.

This proposed repair and rehabilitation project has been approved by U. T. System staff and meets the criteria for inclusion in the CIP. Design development plans and authorization of expenditure of funding will be presented to the President for approval at a later date. Pursuant to a Memorandum of Understanding effective September 1, 2020, U. T. M. D. Anderson Cancer Center has delegated authority for institutional management of construction projects under the continued oversight of the Office of Capital Projects.

The University of Texas M. D. Anderson Cancer Center Renovate ioMRI Suites and Robot Row - Main Building - Floor 5

Project Information

Project Number	703-1179
CIP Project Type	Repair and Rehabilitation
Facility Type	Healthcare Facility, Hospital
Management Type	Institutional Management
Institution's Project Advocate	Abigail Caudle, M.D.
Project Delivery Method	Vice President for Procedural Medical Operations
Gross Square Feet (GSF)	Design/Build
	5,760

Project Funding

	<u>Proposed</u>
Hospital Revenues	<u>\$26,000,000</u>
Total Project Cost	\$26,000,000

Project Cost Detail

	Cost
Building Cost	\$14,720,300
Fixed Equipment	4,255,600
Site Development	-
Furniture and Moveable Equipment	283,700
Institutionally Managed Work	510,700
Architectural/Design Services	1,705,500
Project Management	1,300,000
CIP Support Services	-
Insurance	482,300
Other Professional Fees	141,900
Project Contingency	2,600,000
Other Costs	-
Total Project Cost	\$26,000,000

Project Planning

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

**The University of Texas M. D. Anderson Cancer Center
Renovate ioMRI Suites and Robot Row - Main Building - Floor 5
(continued)**

Project Milestones

Definition Phase Approval	May 2019
Addition to CIP	February 2022
Design Development Approval	March 2022
Construction Notice to Proceed	June 2022
Substantial Completion	January 2024
Final Completion	May 2024

7. U. T. Dallas: Arts and Performance Complex - Athenaeum, Phase I - Amendment of the current Capital Improvement Program to increase total project cost; approval of design development; appropriation of funds and authorization of expenditure; and resolution regarding parity debt

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs, the Interim Executive Vice Chancellor for Business Affairs, and the institutional president that the U. T. System Board of Regents approve the recommendation for the Arts and Performance Complex - Athenaeum, Phase I project at The University of Texas at Dallas as follows:

- a. amend the current Capital Improvement Program (CIP) to increase the total project from \$56,800,000 to \$58,344,000;
- b. approve design development plans;
- c. appropriate funds and authorize expenditure of \$58,344,000 with funding of \$24,544,000 from Revenue Financing System (RFS) Bond Proceeds and \$33,800,000 from Gifts; 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 parity debt shall be issued to pay the project's cost, including any costs prior to the issuance of such parity debt; sufficient funds will be available to meet the financial obligations of the U. T. System, including sufficient Pledged Revenues as defined in the Master Resolution to satisfy the Annual Debt Service

Requirements of the Financing System, and to meet all financial obligations of the U. T. System Board of Regents relating to the Financing System; and U. T. Dallas, which is a "Member" as such term is used in the Master Resolution, possesses the financial capacity to satisfy its direct obligation as defined in the Master Resolution relating to the issuance by the U. T. System Board of Regents of tax-exempt parity debt in the aggregate amount of \$24,544,000.

BACKGROUND INFORMATION

Debt Service

The \$24,544,000 in RFS debt will be repaid from institutional funds. Annual debt service on the \$24,544,000 in RFS debt is expected to be \$1.37 million. The institution's Scorecard Rating of 2.7 at fiscal year-end 2021 is below the maximum threshold of 6.0 and demonstrates that the institution has the financial capacity to satisfy its direct obligations related to parity debt.

Previous Actions

On August 12, 2019, the Chancellor approved this project for Definition Phase. On November 18, 2021, the project was included in the CIP with a total project cost of \$56,800,000 with funding of \$33,800,000 from Gifts and \$23,000,000 from RFS Bond Proceeds.

Project Description

The Arts and Performance Complex is a planned arts district to include a museum, performance hall, parking garage, and a future gallery building. The Athenaeum, Phase I project will house the Trammell and Margaret Crow Museum of Asian Art, along with other galleries, offices, seminar rooms, and space for art storage and conservation. Additionally, the facility is intended to house the Edith O'Donnell Institute of Art History, the Dr. Brettell library collection, and gallery space for visiting exhibits.

Establishing the Athenaeum as part of the campus gateway, the two-story facility will be sited south of the Naveen Jindal School of Management building, and to the east of University Parkway. Future projects will be presented to the Board as developed.

The proposed increase in total project cost is attributed to increase in material costs and supply chain issues.

The University of Texas at Dallas Arts and Performance Complex – Athenaeum, Phase I

Project Information

Project Number	302-1254
CIP Project Type	New Construction
Facility Type	Other
Management Type	Office of Capital Projects
Institution's Project Advocates	Amy Hofland, Sr. Director, Crow Museum of Asian Art Calvin D. Jamison, VP Facilities and Economic Dev. Rafael Martin, VP and Chief of Staff Inga H. Musselman, Provost and VP Academic Affairs
Project Delivery Method	Construction Manager-at-Risk
Gross Square Feet (GSF)	68,459

Project Funding

	<u>Current</u>	<u>Proposed</u>
Gifts ¹	\$33,800,000	\$33,800,000
Revenue Financing System Bond Proceeds ²	<u>23,000,000</u>	<u>24,544,000</u>
Total Project Cost	\$56,800,000	\$58,344,000

¹Gifts are not fully collected or committed at this time; however, U. T. Dallas has operating reserves to cover any shortfall.

² RFS funds to be repaid from institutional funds

Project Cost Detail

	Cost
Building Cost	\$41,938,206
Fixed Equipment	-
Site Development	2,415,000
Furniture and Moveable Equipment	500,000
Institutionally Managed Work	850,000
Architectural/Design Services	4,766,177
Project Management	1,700,000
CIP Support Services	500,000
Insurance	933,500
Other Professional Fees	1,350,080
Project Contingency	1,201,264
Other Costs	2,189,773
Total Project Cost	\$58,344,000

**The University of Texas at Dallas
Arts and Performance Complex – Athenaeum, Phase I**
(continued)

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

Arts and Performance Complex – Athenaeum, Phase I	\$612		
Museum/Performing Arts in Dallas (Regional Cost Data)	\$668-\$835		
	Low Quartile	Median	High Quartile
Other U. T. System Projects	\$785	\$1,263	\$1,954
Other National Projects	\$414	\$746	\$1,058

Investment Metric

- Assume stewardship of art collections by 2024

Project Planning

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

Project Milestones

Definition Phase Approval	August 2019
Addition to CIP	November 2021
Design Development Approval	February 2022
Construction Notice to Proceed	July 2022
Substantial Completion	March 2024
Final Completion	April 2024

Basis of Design

The planned building life expectancy includes the following elements:

Enclosure: 50 years
Building Systems: 25 years
Interior Construction: 25 years

8. **U. T. Medical Branch - Galveston: John Sealy Hospital Modernization Phase III - Amendment of the current Capital Improvement Program to increase total project cost; approval to revise funding sources; appropriation of funds; and resolution regarding parity debt**

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs, the Interim Executive Vice Chancellor for Business Affairs, and the institutional president that the U. T. System Board of Regents approve the recommendations for the John Sealy Hospital Modernization Phase III project at The University of Texas Medical Branch at Galveston as follows:

- a. amend the current Capital Improvement Program (CIP) to increase the total project cost from \$54,000,000 to \$146,843,178;
- b. revise funding sources to include Revenue Financing System (RFS) Bond Proceeds;
- c. appropriate funds and authorize expenditure of \$146,843,178 with \$15,000,000 from Permanent University Fund (PUF) Bond Proceeds, \$37,809,985 from Gifts, \$34,033,193 from Hospital Revenues and \$60,000,000 from RFS Bond Proceeds; 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 parity debt shall be issued to pay the project's cost, including any costs prior to the issuance of such parity debt; sufficient funds will be available to meet the financial obligations of the U. T. System, including sufficient Pledged Revenues as defined in the Master Resolution to satisfy the Annual Debt Service Requirements of the Financing System, and to meet all financial obligations of the U. T. System Board of Regents relating to the Financing System; and U. T. Medical Branch - Galveston, which is a "Member" as such term is used in the Master Resolution, possesses the financial capacity to satisfy its direct obligation as defined in the Master Resolution relating to the issuance by the U. T. System Board of Regents of tax-exempt parity debt in the aggregate amount of \$60,000,000.

BACKGROUND INFORMATION

Debt Service

The \$60,000,000 in RFS debt will be repaid from Hospital Revenues. Annual debt service on the total \$60,000,000 RFS debt is expected to be \$3.34 million. The institution's Scorecard Rating of 5.3 at fiscal year-end 2021 is below the maximum threshold of 6.0 and demonstrates that the institution has the financial capacity to satisfy its direct obligations related to parity debt.

Previous Actions

On May 21, 2019, the Chancellor approved this project for Definition Phase. On November 10, 2016, the Board approved an allocation of \$15,00,000 in Permanent University Bond (PUF) Bond Proceeds. On May 14, 2019, the Chancellor approved the extension of use of PUF Bond Proceeds through November 2022. On August 15, 2019, the project was included in the Capital Improvement Program with a total project cost of \$54,000,000 with funding of \$25,000,00 from Gifts, \$15,000,000 from PUF Bond Proceeds, and \$14,000,000 from Hospital Revenues.

Project Description

The John Sealy Hospital Modernization Phase III project follows a series of expansion and modernization projects. Phase I was completed in 2012, upgrading portions of the interior layout and building systems on several floors. The Phase II scope encompassed the façade replacement and modernization of the AB and EF Wings (9 floors) and CD Wing (4 floors) for women, infants, and children, including the Neonatal Intensive Care Unit (NICU). The facade replacement and modernization of the AB and EF Wings (66% of the project scope) were completed in 2021. After reducing the scope of the Phase II project and mutual agreement to end the relationship with the project's Construction Manager-at-Risk, to move past issues caused by the COVID-19 pandemic, and to accommodate unforeseen cost impacts due to changes in the construction market, UTMB proposes completing the remaining Phase II scope (modernization of the CD Wing with façade replacement) in the Phase III project. This proposed total project cost change will address that scope and also include the transfer of approximately \$3,000,000 of purchased equipment and materials from Phase II to Phase III. This scope will now be called Phase IIIA and encompasses the remaining 34% of the women, infants, and children, including NICU expansions. This portion of the project will include 42,385 gross square feet of shell space that will provide updated infrastructure and code compliance features but will not be fully built-out.

Phase IIIB will include the addition of an inpatient rehabilitation unit, outpatient behavioral health services, the relocation and expansion of cancer services and renovated physician sleep rooms. This combined project (Phase III A and B) modernizes Levels 3, 5, 6, 7, 8, 9, 10 and 12 of John Sealy Hospital (JSH), and Level 8 of John Sealy Annex (JSA).

This proposed repair and rehabilitation project has been approved by U. T. System staff and meets the criteria for inclusion in the CIP. Design development plans and authorization of expenditure of funding will be presented to the President for approval at a later date. Pursuant to Board of Regents approval on September 1, 2020, UTMB has delegated authority for institutional management of construction projects, with additional participation and oversight of the Office of Capital Projects.

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

Project Information

Project Number	601-1100
CIP Project Type	Repair and Rehabilitation
Facility Type	Healthcare Facility, Hospital
Management Type	Institutional Management
Institution's Project Advocate	Rebecca Korenek, EVP, Business Development and Chief Strategy Officer
Project Delivery Method	Construction Manager-at-Risk
Gross Square Feet (GSF)	214,783
Shell Space (GSF)	42,385

Project Funding

	<u>Current</u>	<u>Proposed</u>
Permanent University Fund Bond Proceeds ¹	\$15,000,000	\$15,000,000
Gifts ²	25,000,000	37,809,985
Hospital Revenues	14,000,000	34,033,193
Revenue Financing System Bond Proceeds ³	<u>0</u>	<u>\$60,000,000</u>
Total Project Cost	\$54,000,000	\$146,843,178

¹ Permanent University Fund (PUF) Bond Proceeds were approved by the Board in November 2016

² Gifts are not fully collected or committed at this time; any shortfall will be replaced by operating reserves.

³ Revenue Financing System (RFS) Bond Proceeds to be repaid with Hospital Revenues

**The University of Texas Medical Branch at Galveston
John Sealy Hospital Modernization Phase III**
(continued)

Project Cost Detail

	Cost
Building Cost (Total)	\$98,232,748
John Sealy Hospital (R&R)	82,597,698
Exterior Façade replacement	10,754,127
Exterior Entrance Canopy replacement	693,900
Additional square footage to each floorplate (New Construction)	4,187,023
Fixed Equipment	117,600
Site Development	8,463,384
Furniture and Moveable Equipment	9,853,057
Institutionally Managed Work	6,179,198
Architectural/Design Services	6,632,315
Project Management	3,549,135
CIP Support Services	-
Insurance	5,477,730
Other Professional Fees	2,554,000
Project Contingency	5,784,010
Other Costs	-
Total Project Cost	\$146,843,178

Project Planning

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

Project Milestones

Definition Phase Approval	May 2019
Addition to CIP	August 2019
Design Development Approval	August 2022
Construction Notice to Proceed	March 2023
Substantial Completion	September 2024
Final Completion	December 2025

APPROVAL OF STANDING COMMITTEE RECOMMENDATIONS AND REPORTS TO THE BOARD.--At 9:14 a.m., the Board voted and unanimously approved the Standing Committee recommendations.

Following the vote on Committee recommendations, Chairman Eltife commented on the transformational nature of the Board's approval to establish the Promise Plus Program to provide tuition assistance to eligible students at U. T. institutions other than U. T. Austin.

AGENDA ITEMS

1. [U. T. System Board of Regents: Approval of Consent Agenda and consideration of any item referred to the full Board](#)

Chairman Eltife noted the following related to the Consent Agenda:

- Item 2 concerns approval for the terms of employment for Jonathan Pruitt as Executive Vice Chancellor for Business Affairs. In approving this item, the Board is asked to make a finding that the terms of employment for Mr. Pruitt are in the best interest of U. T. System.
- Item 3 seeks approval for reallocation of TRB funding authorizations for U. T. Austin campus projects to move funding allocated for the renovation of the Physics, Math, and Astronomy Building to the renovation of the Microelectronics Research Center at the J.J. Pickle Research Campus.
- Under Items 10 and 11 regarding service agreements entered into on behalf of U. T. Austin's Dell Medical School, the Board is asked to authorize possible annual renewals, at approved rates, with the understanding that notice of such renewals will be provided in advance to the Executive Vice Chancellor for Academic Affairs.
- As noted yesterday in the Health Affairs Committee, terms of the proposed real estate purchase requested by UTMB under Item 28 do not include the rights of first refusal or first offer to purchase other nearby tracts owned by the seller.
- For Item 29, U. T. Health Science Center - Houston requests approval of an interagency agreement with Texas Health and Human Services Commission to operate the new inpatient mental health hospital in Houston.

Regent Jiles moved approval on the Consent Agenda, which was seconded by Regent Hicks. The Board then approved the Consent Agenda, which is set forth on Pages 108 - 162.

In approving the Consent Agenda, the Board expressly authorized that any contracts or other documents or instruments approved therein may be executed by officials of

the University of Texas System or respective U. T. institution involved, as appropriate.

2. U. T. System Board of Regents: Discussion and appropriate action regarding amendments to Regents' *Rules and Regulations*, Rule 10402 (Committees and Other Appointments) and Rule 20401 (Audit, Compliance, and Risk Management Programs) regarding systemwide audit principles and practices

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor concurs in the recommendation of the Audit, Compliance, and Risk Management Committee Chairman, the U. T. System Chief Audit Executive, and the General Counsel to the Board of Regents that the U. T. System Board of Regents approve amendments to Regents' *Rules and Regulations*, Rule 10402 (Committees and Other Appointments) and Rule 20401 (Audit, Compliance, and Risk Management Programs) as set out on the following pages.

BACKGROUND INFORMATION

Regents' Rule 10402 (Committees and Other Appointments) and Rule 20401 (Audit, Compliance, and Risk Management Programs) set forth guiding principles and practices for the Board's Audit, Compliance, and Risk Management Committee and U. T. System's internal audit program.

The proposed revisions clarify provisions regarding the duties of the Audit, Compliance, and Risk Management Committee and the administration of the internal audit program and memorialize recommended best practices that have already been implemented in U. T. System operations. The two-tier audit committee structure is designed to position the Chief Audit Executives to provide assurance and consulting services with maximum independence, and the proposed revisions reinforce these goals.

The proposed amendments are budget-neutral and were reviewed by the U. T. institutional presidents and representatives of the Student Advisory Council, the Faculty Advisory Council, and the Employee Advisory Council.

a. Amend *Regents' Rule* 10402, Section 1.6 as set forth below:

1. Standing Committees.

....

1.6 Duties of the Audit, Compliance, and Risk Management Committee. The Audit, Compliance, and Risk Management Committee (ACRMC) shall:

- (a) ~~Be primarily responsible for the Systemwide risk oversight function of the Board of Regents. Provide relevant information from risk management activities, risk assessments and reviews, and reports both internal and external to the Board of Regents.~~
- (a) ~~(a) Provide strategic oversight and direction to Systemwide internal audit activities, (b) Direct, advise, and review the U. T. System Audit Office in the exercise of Systemwide internal audit, a primary source of independent and objective risk information.~~
- (b) ~~Conduct appointment, evaluation, and dismissal duties, specifically: By extension, each institution's audit committee chair is considered a risk advisor to the chair of this committee and their authority is derived from the Board of Regents. The ACRMC Chairman approves the appointment of institutional audit committee chairs.~~
 - i. Approve the appointment of System Administration and institutional audit committee chairs. By extension, this recognizes the role of the System Administration and institutional audit committees as risk advisors to the ACRMC and their authority derived from the Board of Regents.
 - ii. Take personnel actions regarding appointment and dismissal of the U. T. System Chief Audit Executive following recommendations by the General Counsel to the Board of Regents and the Chancellor. The U. T. System Chief Audit Executive shall hold office subject to the pleasure of the ACRMC.
 - iii. Perform the annual evaluation of the U. T. System Chief Audit Executive.
 - iv. Provide concurrence with any president's appointment and dismissal of institutional chief audit executives with advice and recommendation from the U. T. System Chief Audit Executive.

- (c) Consider, review, and when appropriate refer to the full Board of Regents matters regarding the activities of the Office of Systemwide Compliance, as an integral component of Systemwide risk oversight.
 - (d) Be primarily responsible for the Systemwide risk oversight function of the Board of Regents. Provide relevant information from risk management activities, risk assessments and reviews, and reports both internal and external to the Board of Regents.
 - (e) Consider, review, and when appropriate refer to the full Board of Regents matters regarding the activities of the Office of Risk Management, Office of Information Security, ~~the External Auditor~~, and any other management function with a significant Systemwide risk oversight role.
 - (e)(f) Consider, review, and recommend to the full Board of Regents factors to be considered in establishing Board and Board Committee risk tolerance and risk mitigation strategies.
- ...

b. Revise Regents' *Rules and Regulations*, Rule 20401, Section 1 as set forth below:

Sec. 1 Audit Program. The Chancellor, as chief executive officer of the U. T. System, is responsible for ensuring the implementation of appropriate audit procedures for the U. T. System. Accordingly, the U. T. System Chief Audit Executive (CAE) prepares an executive summary of all internal audit activity by the U. T. System internal auditors and the institutional internal auditors for the Chancellor, and functions as a primary source of independent and objective information to the Audit, Compliance, and Risk Management Committee (ACRMC) of the Board of Regents.

1.1 The U. T. System CAE plays an important role in enabling the ACRMC to achieve its objectives for oversight of the Audit Program through:

- (a) Providing information regarding risks and issues identified through audit activities.
- (a)(b) Facilitating, ~~as needed~~, the ACRMC Chairman's interactions with Institutional Audit Committee Chairs ~~and enabling robust sharing of risk and issue information.~~
- (b)(c) Assisting the ACRMC in following leading practices through the establishment of necessary formal meetings, executive sessions, and other important protocols.
- (c) ~~Recommending practices to improve the ACRMC.~~

1.2 U. T. System Chief Audit Executive's Responsibilities. The U. T. System CAE is charged with assuring that an effective internal audit

function is in place Systemwide. The U. T. System CAE accomplishes this ~~through~~ oversight ~~by performing~~ of the following ~~activities at U. T. System Administration and all U. T. System institutions:~~

- (a) Establishing methodologies that support conformance with required professional standards. This guidance includes, but is not limited to, annual plan development, prioritization and communication of findings, reporting, audit committee support, and quality assurance activities.
- (a)(b) Developing a Systemwide internal audit plan based on a comprehensive risk assessment and coordinating the implementation of the audit plan with the chief audit executives at all U. T. System institutions.
- (c) Participating with the institution's president in the selection of any institution's CAE to provide recommendation and advice to the ACRMC Chair prior to appointment.
- (d) Assessing circumstances surrounding proposed termination of any institution's CAE to provide recommendation and advice to the ACRMC Chair prior to dismissal.
- (e) Participating in the annual performance review for each institution's CAE.
- (e)(f) Providing audit assistance to the Chancellor, the Executive Vice Chancellors, and the Vice Chancellors in the exercise of their responsibilities.
- (b) ~~Providing support and advice to each institution's internal audit committee. This includes:~~
 - (i) ~~interviewing all candidates for an open institutional CAE position,~~
 - (ii) ~~participating in the annual performance review for each institution's CAE, and~~
 - (iii) ~~participating, with the institution's president and chair of the institution's audit committee, in any decision to terminate the employment of an institution's CAE.~~
- (c) ~~Establishing the standards and methodology to be followed by all U. T. System internal auditors in:~~
 - (i) ~~preparation of the annual institutional audit plan,~~
 - (ii) ~~documentation required for all internal audit work papers,~~
 - (iii) ~~establishment of a standard internal audit reporting format, and~~

- ~~(iv) provision of direction concerning findings that must be reported to the ACRMC.~~
 - ~~(d) Establishing a quality assurance and improvement program that includes monitoring and assessments, to the extent considered necessary by the CAE, to evaluate the internal auditors' conformance with prescribed standards.~~
 - ~~(f) Providing information to the ACRMC in Executive Session concerning personnel matters relating to appointment, employment, evaluation, assignment, duties, discipline, or dismissal of individual U. T. System employees involved in internal audit functions.~~
- 1.3 ~~Appointment and Evaluation of the CAE. The CAE shall be appointed by the ACRMC after nomination by the Chancellor. The CAE shall hold office subject to the pleasure of the ACRMC and the Chancellor. The Chancellor's actions regarding the CAE are subject to review and approval by the ACRMC.~~
- 1.4 ~~The U. T. System internal auditors are the internal auditors for the U. T. System and augment the audit work of the institutional internal auditor and the State Auditors at the institutions of the U. T. System.~~

3. U. T. System Board of Regents: Discussion and appropriate action regarding proposed revisions to Regents' *Rules and Regulations*, Rule 10501 (Delegation to Act on Behalf of the Board), Section 2, regarding contracts related to athletic conference membership

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor, the Executive Vice Chancellor for Academic Affairs, and the Vice Chancellor and General Counsel recommend that the U. T. System Board of Regents add a new Regents' *Rules and Regulations*, Rule 10501 (Delegation to Act on Behalf of the Board), Subsection 2.2.13 on Athletic Conference Memberships as follows and renumber the remaining portions of the Rule:

Delegation to Act on Behalf of the Board

...

Sec. 2 Delegation

...

2.2 Contracts Not Requiring Board Approval. The following contracts or agreements, including purchase orders and vouchers, do not require prior approval by the Board of Regents.

...

2.2.12 Athletic employment agreements. Contracts, contract revisions, and contract extensions with athletic directors and coaches except those with total annual compensation of \$1 million or greater or those with proposed multiyear contracts totaling \$1 million or greater.

(a) Contracts, contract revisions, and contract extensions for individuals with total annual compensation of \$1 million or greater or those with proposed multiyear contracts totaling \$1 million or greater may be negotiated and executed by the President following consultation with the Chancellor, the Executive Vice Chancellor for Academic Affairs, the Vice Chancellor and General Counsel, and the Chairman of the Board of Regents and additional consultation, as requested by the

Chairman, to determine if special circumstances require an offer or contract change to be made prior to a scheduled meeting of the Board and if the proposed offer or contract change is in the best interest of the institution.

- (b) Such special circumstance contracts shall be submitted to the Board for formal approval via the Consent Agenda at the next appropriate meeting of the Board as required by [Rule 20204](#) of these Rules.
- (c) Alternatively, the President may seek prior approval of the Board to negotiate with a slate of identified individuals within defined contract terms and proceed, if authorized, to hire an athletic director or coach and submit a contract for formal approval by the Board as set out in (b) above.
- (d) It is the expectation of the Board, the Chancellor, and the Executive Vice Chancellor for Academic Affairs that each President will assure the Chairman, the Chancellor, and the Executive Vice Chancellor for Academic Affairs are provided advance notice of proposed hirings and potential terms of employment related to such contracts in advance of an offer or publication or public distribution of information to allow for meaningful consultations and/or approvals.

2.2.13 Athletic conference memberships. Contracts related to joining or changing an institution's athletic conference membership may be negotiated and executed by the President following consultation as required by Subsection 2.2.12, above, for the determination of special circumstances. Following such consultation, such special circumstance contracts shall be submitted to the Board for formal approval via the Consent Agenda at the next appropriate meeting of the Board.

....

BACKGROUND INFORMATION

The proposed new Regents' Rule 10501, Section 2.2.13 provides an additional Board delegation that would allow a President to negotiate and execute a contract related to joining or changing athletics conferences if it is determined that special circumstances require a contract to be negotiated or executed prior to the next scheduled meeting of the Board.

The special circumstances process has been successfully utilized to enable institutions to be responsive to athletic employment opportunities and to negotiate contracts in a time frame that is standard in that industry. Similar circumstances apply in the context of athletic conference membership, warranting Board consideration of a Rule amendment that would allow use of this process for those transactions.

This revision does not impact the full-time equivalent (FTE) employee count Systemwide and is budget neutral. The proposed Rules change was reviewed by the institutional presidents and representatives of the Student Advisory Council, the Faculty Advisory Council, and the Employee Advisory Council.

4. U. T. System: Discussion and appropriate action to authorize ownership documents related to securities to be held in a digital format

Vice Chairman Longoria asked whether there will be back-up hard copy in case the digital version is unavailable and General Counsel to the Board Frederick responded in the affirmative, noting it will usually be held by a third party, but we will have access to it.

The Board then approved the following recommendation:

RECOMMENDATION

The Chancellor, the Executive Vice Chancellor for Business Affairs, and the Vice Chancellor and General Counsel recommend that the U. T. System Board of Regents:

- a. Allow ownership documents related to securities such as stock certificates and convertible promissory notes to be held in digital format; and
- b. Direct the General Counsel to the Board to revise Regents' *Rules and Regulations*, Rule 70101 (Authority to Accept and Manage Assets) to effect the above authorization.

BACKGROUND INFORMATION

UTIMCO currently holds stock certificates of securities managed by, or held on behalf of, an institutional president.

There has been an accelerating migration by portfolio companies toward online management of stock certificates by third party vendors. With online management, the stock ledger is managed virtually on behalf of the company issuer, and the stockholder logs in to see and manage its certificates.

The proposed authorizations allow flexibility for an institutional president to hold stock certificates in a digital format without obtaining an additional paper certificate to provide to UTIMCO.

5. U. T. System: Report on development performance for the U. T. Institutions

Vice Chancellor Safady reported on development performance of the U. T. Institutions for Fiscal Year 2021 and made recommendations for advancing philanthropic support, using the PowerPoint presentation set forth on the following pages.

Philanthropic Performance and Outcomes Across U. T. Institutions, FY 2021

Dr. Randa Safady, Vice Chancellor for External Relations,
Communications and Advancement Services

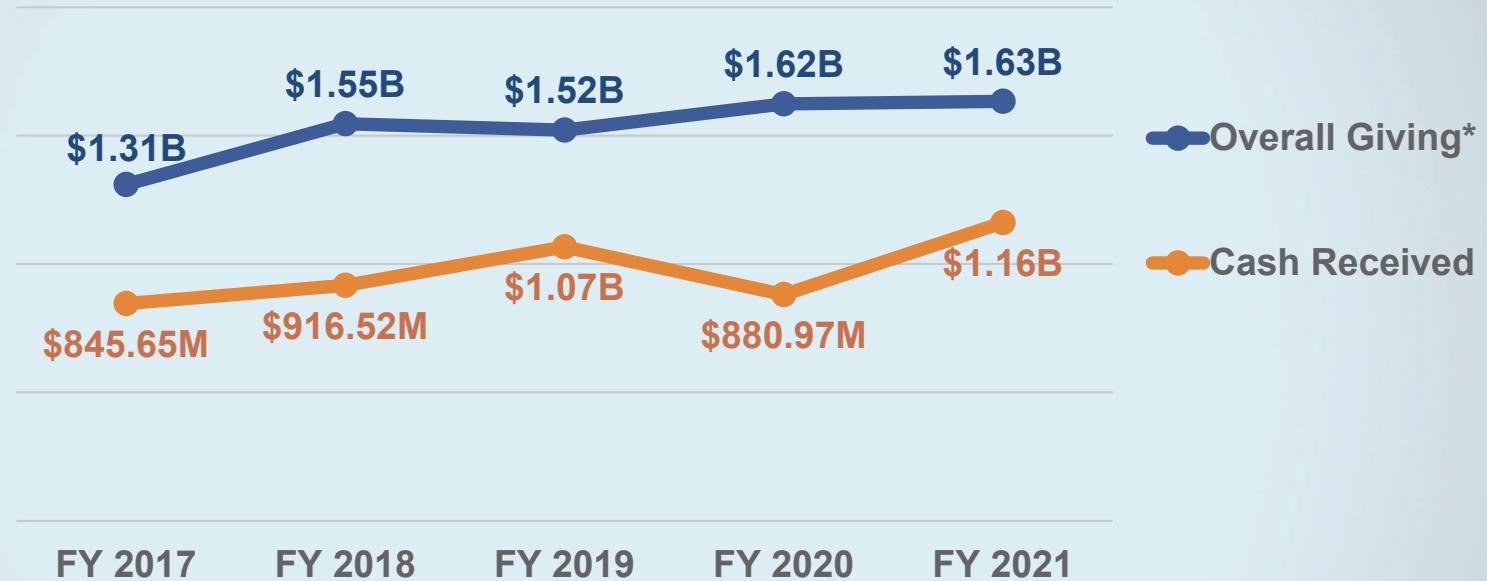
U. T. System Board of Regents Meeting
February 2022



THE UNIVERSITY *of* TEXAS SYSTEM
THIRTEEN INSTITUTIONS. UNLIMITED POSSIBILITIES.

Overall Giving and Cash Received FY 2017-2021

Minutes - 95

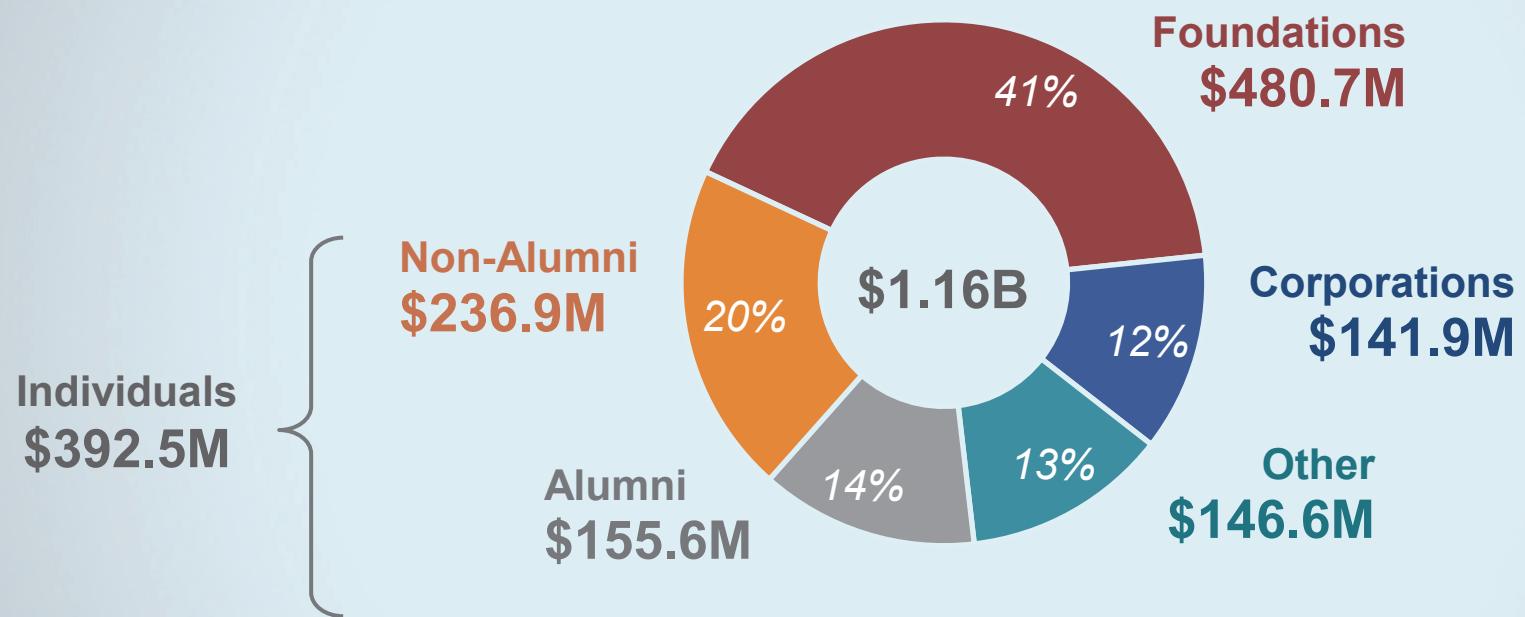


*Overall Giving = cash, pledges and new testamentary commitments at present value



THE UNIVERSITY OF TEXAS SYSTEM
THIRTEEN INSTITUTIONS. UNLIMITED POSSIBILITIES.

Sources of Cash Gifts in FY 2021



Total Individual Donor Count FY 2017-2021



Minutes - 97

<i>Alumni of Record:</i>	1,278,090	1,394,619	1,457,555	1,514,106	1,549,281
<i>Participation Rate:</i>	5.69%	5.01%	5.00%	4.33%	4.26%



THE UNIVERSITY OF TEXAS SYSTEM
THIRTEEN INSTITUTIONS. UNLIMITED POSSIBILITIES.

Designation of Cash Gifts in FY 2021

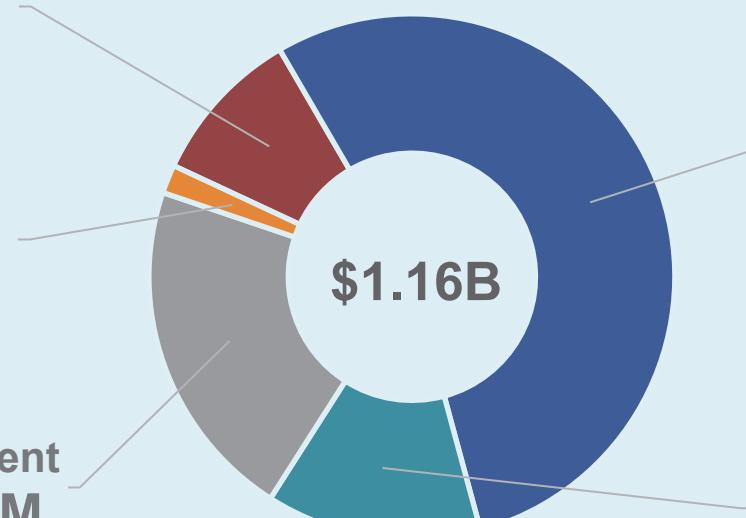
Current Operations
Unrestricted
\$114.3M

**Deferred Other
Purposes**
\$702.5K

Endowment
\$250.0M

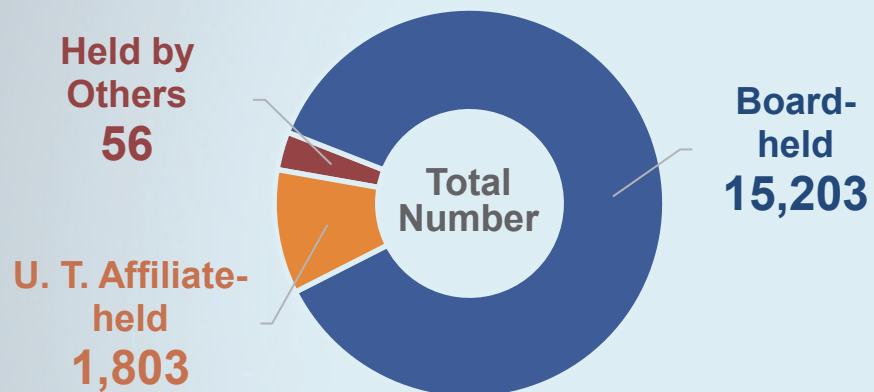
Current Operations
Restricted
\$640.2M

**Property, Buildings
and Equipment**
\$156.6M

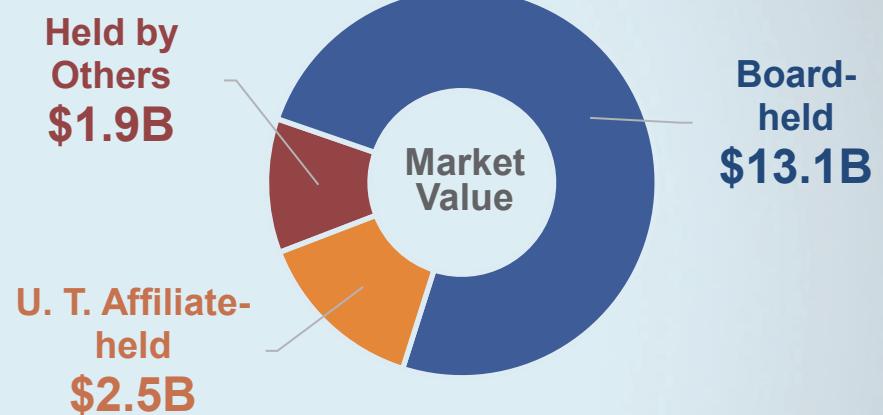


Endowment Status FY 2021

Minutes - 99



17,062 total endowments held by Board and external entities



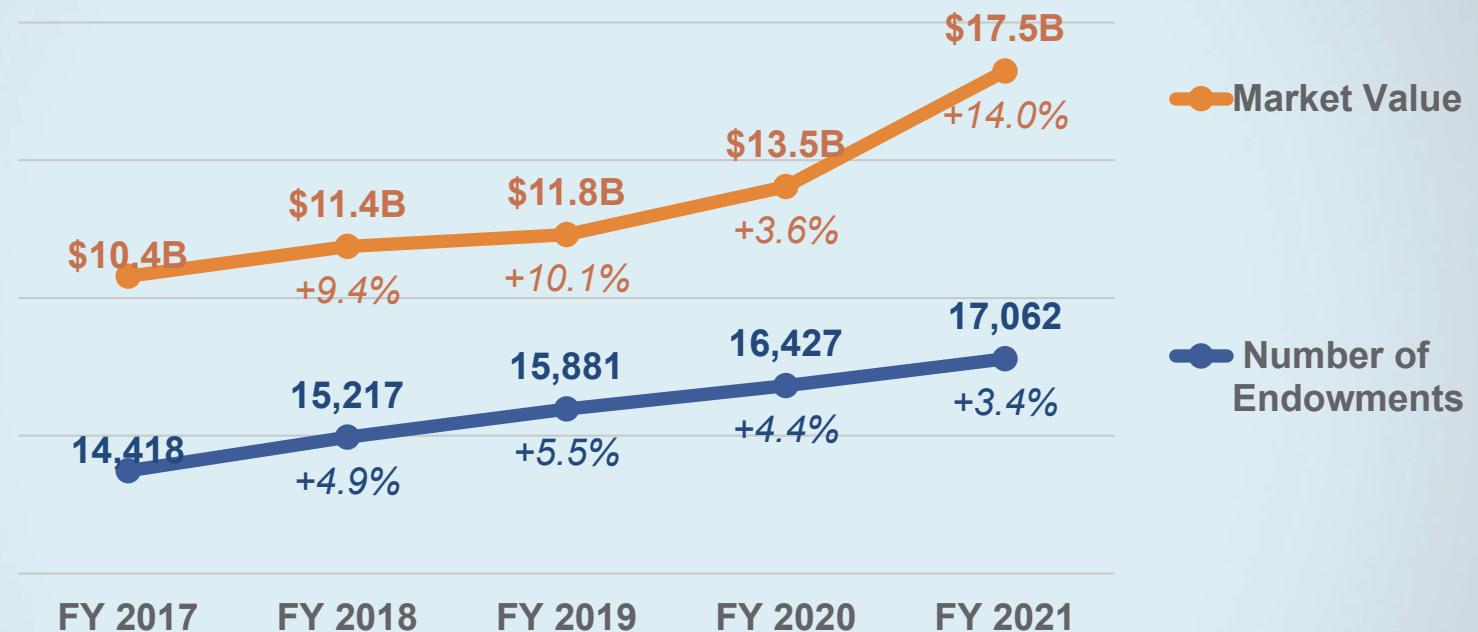
\$17.5 billion in total market value



THE UNIVERSITY OF TEXAS SYSTEM
THIRTEEN INSTITUTIONS. UNLIMITED POSSIBILITIES.

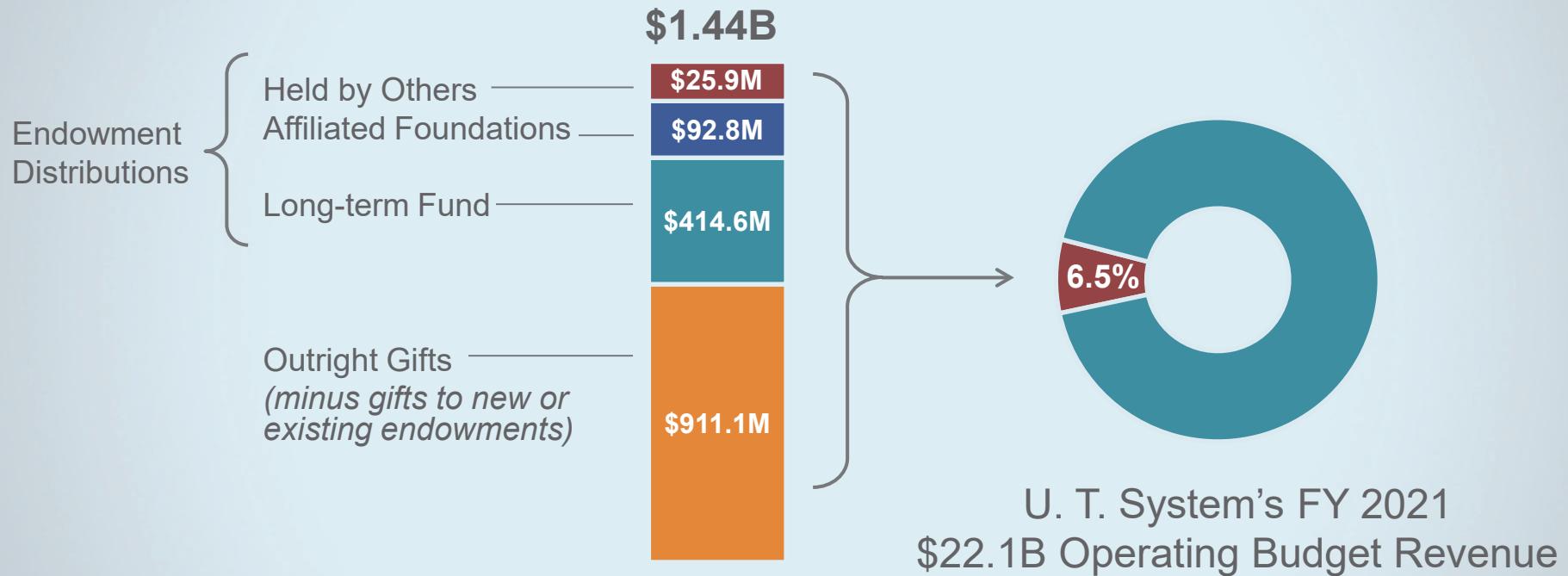
Endowment Growth FY 2020-2021

Minutes - 100



THE UNIVERSITY OF
TEXAS SYSTEM
THIRTEEN INSTITUTIONS. UNLIMITED POSSIBILITIES.

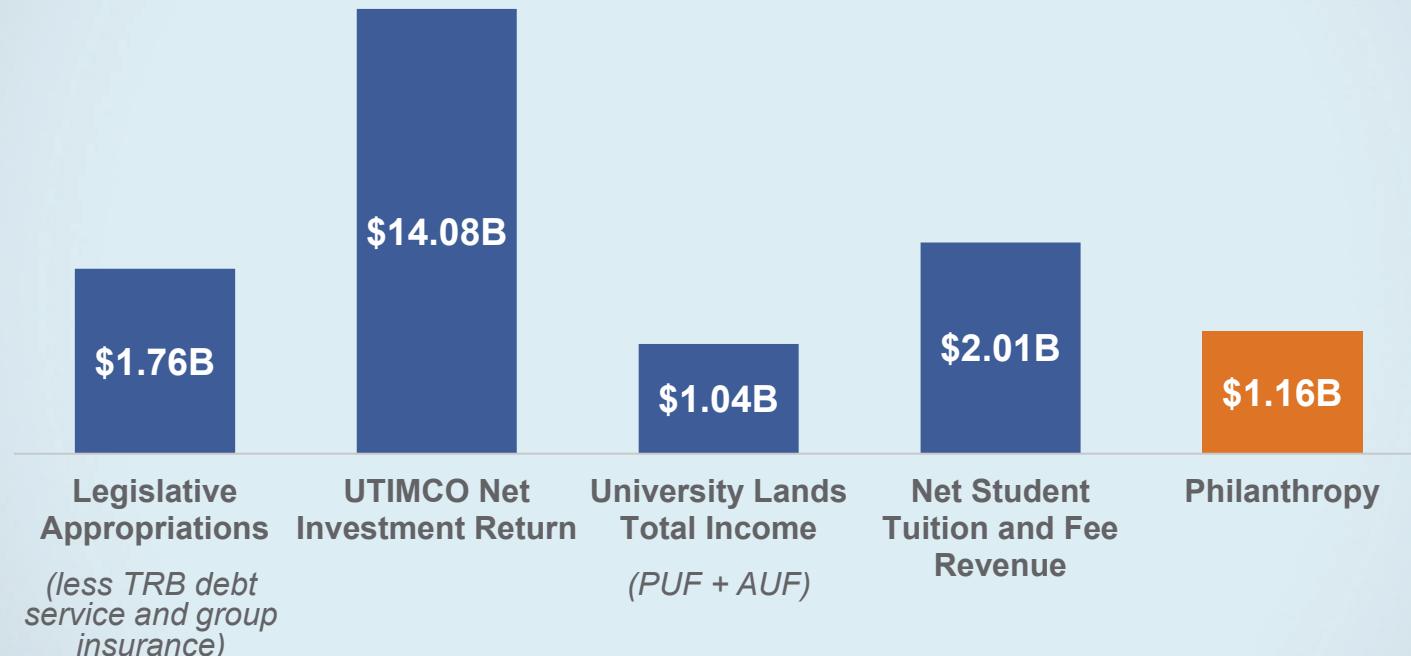
Impact of Philanthropy in FY 2021



THE UNIVERSITY OF
TEXAS SYSTEM
THIRTEEN INSTITUTIONS. UNLIMITED POSSIBILITIES.

Select Revenue Sources in FY 2021

Philanthropy is a major revenue source for U. T. institutions



THE UNIVERSITY of TEXAS SYSTEM
THIRTEEN INSTITUTIONS. UNLIMITED POSSIBILITIES.

Philanthropy in Higher Education – Nationally

- Traditional revenue sources are no longer predictable.
- Competition for donors and philanthropic dollars has increased.
- Solutions are becoming more complex and challenging.
- Communication landscape is exploding.



Going Forward in Philanthropy – U. T. Institutions

- Root fundraising strategy in data
- Modernize our outreach
- Personalize donor engagement
- Enhance donor relations
- Focus on Key Performance Indicators for fundraising



6. U. T. Austin: Discussion and appropriate action regarding a request for an allocation of Available University Fund (AUF) proceeds to support the William P. Clements, Jr. Center for National Security

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Health Affairs, and the interim Executive Vice Chancellor for Business Affairs that the U. T. System Board of Regents approve an annual allocation of \$2 million of Available University Fund (AUF) proceeds to U. T. Austin for the William P. Clements, Jr. Center for National Security for Fiscal Years 2023-2027.

BACKGROUND INFORMATION

U. T. Austin requests additional support for the William P. Clements, Jr. Center for National Security for continued operations in Fiscal Years 2023-2027. Established in 2013 with the support of distinguished policymakers and scholars, the Clements Center is a nonpartisan research and policy center uniquely positioned in the Office of the President at U. T. Austin and draws on the best insights of diplomatic and military history to train the next generation of national security leaders.

On November 10, 2016, the Board appropriated \$10 million of AUF to U. T. Austin for the National Security Network (NSN) to support both the William P. Clements, Jr. Center for National Security and The Robert S. Strauss Center for International Security and Law. An additional \$8.2 million of AUF approved in the FY 2018 U. T. System Administration Operating Budget was later transferred to U. T. Austin for NSN. On August 10, 2018, the Board appropriated an additional \$3 million of AUF, increasing total AUF support of the NSN to \$21.2 million.

RECESS TO EXECUTIVE SESSION.--At 9:41 a.m. the Board recessed to Executive Session, pursuant to *Texas Government Code Sections 551.071, 551.072, 551.073, 551.074, 551.076, and 551.089* to consider the matters listed on the Executive Session agenda.

RECONVENE THE BOARD IN OPEN SESSION TO CONSIDER ACTION, IF ANY, ON EXECUTIVE SESSION ITEMS.--Chairman Eltife reconvened the Board in Open Session at 9:56 a.m. to consider action on the following items.

- 1a. U. T. System: Discussion and appropriate action regarding individual personnel matters relating to appointment, employment, evaluation, compensation, assignment, and duties of presidents (academic and health institutions including interim presidents); U. T. System Administration officers (Executive Vice Chancellors and Vice Chancellors); other officers reporting directly to the Board (Chancellor, General Counsel to the Board, and Chief Audit Executive); Board members; and U. T. System and institutional employees

No action was taken on this item.

- 1b. U. T. M. D. Anderson Cancer Center: Discussion and appropriate action regarding proposed compensation for Deborah A. Kuban, M.D., Vice President, Cancer Network Clinical Operations, Department of the Senior Vice President for Cancer Network Clinical and Academic Development, and Professor, Department of Radiation Oncology (Regents' Rules and Regulations, Rule 20204, regarding compensation for highly compensated employees)

Regent Crain made the following motion:

I move that the U. T. System Board of Regents approve the proposed changes in compensation for Dr. Deborah A. Kuban under Agenda Item 1b, within the parameters outlined and recommended in Executive Session.

I further move that the Board find that these compensation changes are in the best interest of U. T. M. D. Anderson Cancer Center, as well as U. T. System, as required by state law.

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

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

Vice Chairman Longoria made the following motion:

I move that the U. T. system Board of Regents authorize Chancellor Milliken, Vice Chancellor Safady, and the Presidents of U. T. El Paso and U. T. Health Science Center - Houston to conclude negotiations necessary to finalize, approve, and accept gifts and to finalize and execute any agreements related to gift-associated namings consistent with the terms and conditions outlined and recommended in Executive Session.

The motion was seconded by Regent Jiles and carried unanimously.

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

See related Item 2a for action taken in Open Session.

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

No action was taken on this item.

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

No action was taken on this item.

4. U. T. System Board of Regents: Discussion and appropriate action regarding safety and security issues, including security audits and the deployment of security personnel and devices

No action was taken on this item.

5. Deliberations Regarding the Purchase, Exchange, Lease, Sale, or Value of Real Property – Section 551.072

No action was taken on this item.

ADJOURNMENT.--There being no further business, the meeting was adjourned at 9:57 a.m.

/s/

Tina E. Montemayor
Secretary to the Board of Regents
February 24, 2022



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| 1. | Minutes - U. T. System Board of Regents: Approval of Minutes of the regular meeting held November 17-18, 2021; and the special called meetings held December 15, 2021, January 7, 2022, and February 1, 2022 | 112 |
| 2. | Employment Agreement - U. T. System: Appointment of Jonathan Pruitt as Executive Vice Chancellor for Business Affairs at The University of Texas System | 112 |

AUDIT, COMPLIANCE, AND RISK MANAGEMENT COMMITTEE

No items for Consent Agenda

FINANCE AND PLANNING COMMITTEE

- | | | |
|----|--|------------|
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FACILITIES PLANNING AND CONSTRUCTION COMMITTEE

No items for Consent Agenda

MEETING OF THE BOARD

1. Minutes - U. T. System Board of Regents: Approval of Minutes of the regular meeting held November 17-18, 2021; and the special called meetings held December 15, 2021, January 7, 2022, and February 1, 2022

2. Employment Agreement - U. T. System: Appointment of Jonathan Pruitt as Executive Vice Chancellor for Business Affairs at The University of Texas System

The employment agreement summarized below has been approved by the Chancellor and is recommended for approval by the U. T. System Board of Regents.

Item:	Executive Vice Chancellor for Business Affairs
Funds:	\$650,000 annually
Period:	Beginning March 1, 2022
Description:	Agreement for employment of Mr. Jonathan Pruitt as Executive Vice Chancellor for Business Affairs. The Executive Vice Chancellor for Business Affairs reports to the Chancellor and shall hold office without a fixed term, subject to the pleasure of the Chancellor. The employment agreement is set forth on the following pages.



THE UNIVERSITY *of* TEXAS SYSTEM
THIRTEEN INSTITUTIONS. UNLIMITED POSSIBILITIES.

Office of the Chancellor
210 West 7th Street
Austin, Texas 78701-2982
512-499-4201
WWW.UTSYSTEM.EDU

January 19, 2022

Mr. Jonathan Pruitt
[REDACTED]

Dear Jonathan:

I am delighted to offer you the position of Executive Vice Chancellor for Business Affairs at The University of Texas System, effective March 1, 2022.

As Executive Vice Chancellor for Business Affairs, you will report to the Chancellor and hold office without a fixed term, according to the Rules and Regulations of the Board of Regents. Your annual salary will be \$650,000, paid in monthly installments. You will be entitled to all standard UT System fringe benefits under state law, including retirement plan contributions, group insurance plans, and leave entitlement. Details will be provided by the Office of Talent and Innovation, and information on the UT System's plans is available at the following link:

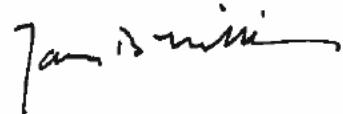
<https://www.utsystem.edu/offices/employee-benefits>

The UT System will pay the reasonable, actual expenses related to moving your household, personal and professional possessions from North Carolina to Texas. During the period prior to March 1, 2022, the UT System will pay reasonable, actual travel and associated expenses related to relocation and onboarding activities in Texas. All moving and relocation expenses will be subject to approval by the Chancellor's designee and subject to applicable taxes.

Once we have received your acceptance of this offer, the Office of Talent and Innovation will contact you to initiate your new hire process. This offer is contingent upon the successful completion of a criminal background check and approval of compensation by the UT System Board of Regents.

If these terms are agreeable, please sign and date this letter and return it to my office. We are exceedingly pleased that you will be joining the UT family, and we stand ready to assist in your transition to the UT System and the Office of Business Affairs.

Sincerely,



James B. Milliken
Chancellor


Accepted:

1/19/22
Date

AUDIT, COMPLIANCE, AND RISK MANAGEMENT COMMITTEE

No items for Consent Agenda

FINANCE AND PLANNING COMMITTEE

3. Other Fiscal Matters - U. T. System Board of Regents: Reallocation of funding authorizations for U. T. Austin campus projects incorporated in Senate Bill 52 (87th Legislature, Third Called Session), such that amounts allocated for the renovations of the Physics, Math, and Astronomy Building and the Microelectronics Research Center at the J.J. Pickle Research Campus are now to be used for renovation by U. T. Austin of the Microelectronics Research Center

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs, the Vice Chancellor for Governmental Relations, and the Interim Executive Vice Chancellor for Business Affairs that the U. T. System Board of Regents approve the reallocation of \$56,153,542 previously authorized bonding authority for the Renovation of the Physics, Math, and Astronomy Building at U. T. Austin to now be used for the Renovation of the Microelectronics Research Center at the J. J. Pickle Research Campus.

During its third special session, the 87th Legislature passed and the Governor signed Senate Bill 52 relating to issuance of revenue bonds to fund capital projects at institutions of higher education, including authorization for the U. T. System Board of Regents to issue \$56,153,542 of bonds for Renovation of the Physics, Math, and Astronomy Building at U. T. Austin and \$56,153,542 of bonds for Renovation of the Microelectronics Research Center at the J. J. Pickle Research Campus codified under *Texas Education Code* Section 55.1792.

The proposed reallocation, consistent with *Texas Education Code* Section 55.1792(e), will permit the renovation of the Microelectronics Research Center to include innovation-oriented semiconductor chip fabrication facility focusing on visionary and forward-looking technologies that will support U. T. Austin's leading-edge research and education needs, better position the U. T. System and the State of Texas to effectively compete for a share of \$13 billion of federal funding in the CHIPS Act, and cement Texas as a national leader in the semiconductor industry.

If authorization for reallocation is approved, notice will be given to the Texas Higher Education Coordinating Board and approval from the Office of the Governor and the Legislative Budget Board will be requested as required by SB 52.

4. Contract (funds going out) - U. T. System: Amendment to Systemwide Master Subscription Agreement with Meltwater News US Inc. to provide access to Newsfeed to monitor print, online, and broadcast news and social media

Agency: Meltwater News US Inc.

Funds: \$1,200,000 over the full five-year term

Period: February 24, 2022 through October 31, 2022

Description: Meltwater News US Inc. will provide Systemwide access to Newsfeed to monitor print, online, and broadcast news and social media. The original Systemwide Agreement, which was competitively bid, was effective November 1, 2017 through October 31, 2022, and had a spending cap of \$900,000. This Amendment to the original Systemwide Agreement raises the spending cap for the remainder of the contract term by \$300,000, for a total cost of \$1,200,000.

5. Contract (funds going out) - U. T. System: Amendment to Agreement with Predictable Business Strategies, LLC, dba PBS of Texas, LLC, to provide U. T. System with custodial services

Agency: Predictable Business Strategies, LLC, dba PBS of Texas, LLC

Funds: \$3,000,000 over the full five-year term

Period: November 15, 2021 through February 28, 2023

Description: Amendment of existing contract with Predictable Business Strategies, LLC, dba PBS of Texas, LLC, to provide custodial services, including cleaning and maintenance, to the U. T. System Building (UTSB) (including Lease Areas), the U. T. System Police Academy, the University Lands Building – Midland, and the U. T. Education and Research Center at Laredo.

The initial Agreement effective March 1, 2018 through February 28, 2021, with two one-year renewal options, provided services to RTSB and the U. T. System Police Academy; and was approved by the Board of Regents on February 27, 2018, with a spending cap of \$2,400,000. The First Amendment, effective June 22, 2020, added RTSB Lease Areas and University Lands Building – Midland to the Services Areas covered; the Second Amendment, effective November 25, 2020, added three new Service Areas in Austin; the Third Amendment, effective March 1, 2021, extended the term for the first one-year renewal;

the Fourth Amendment, effective October 1, 2021, added legislatively required provisions; and this Fifth Amendment adds custodial services to the U. T. Education and Research Center at Laredo. If this request is approved, the total funding for the remaining term of this Agreement is capped at \$3,000,000. The initial Agreement was competitively bid.

6. Contract (funds going out) - U. T. System: Amendment to Agreement with Precision Task Group, Inc., to provide information technology (IT) staff augmentation services

Agency: Precision Task Group, Inc.

Funds: \$2,900,000

Period: March 1, 2022 through December 15, 2024

Description: Precision Task Group, Inc., to provide flexible staff augmentation services to 1) support efforts to improve PUF and AUF land administration processes and systems; and 2) provide staffing resources for custom development, data architecture, system architecture, business analysis, and project management.

This contract was competitively bid. The original Agreement dated December 16, 2019, had a fee cap of \$500,000.

An Amendment to the Agreement was entered on September 29, 2020, and approved by the Board of Regents on November 19, 2020, increasing the fee cap to \$1,900,000. This Amendment increases the fee cap to \$2,900,000, to allow continuation, if desired, of the current level of services through February 2023. U. T. System may terminate this contract at any time with thirty days written notice and the System is only obligated to pay for work satisfactorily performed prior to termination.

7. **Other Matters - U. T. System: Approval of the Fiscal Year 2023 Budget Preparation Policies including the Calendar for budget operations, and the Annual Operating Budget Rules and Procedures**

With the concurrence of the Interim Executive Vice Chancellor for Business Affairs, the Executive Vice Chancellor for Academic Affairs, and the Executive Vice Chancellor for Health Affairs, the Chancellor recommends that the U. T. System Board of Regents approve the Budget Preparation Policies set out on Pages 119-121, including the Calendar for budget operations on Page 122, and the Annual Operating Budget Rules and Procedures on Pages 123-136 for use in preparing the Fiscal Year (FY) 2023 Annual Operating Budget for the U. T. System.

The U. T. System FY 2023 Budget Preparation Policies are consistent with the regulations and directives included in the General Appropriations Act and other general law enacted by the 87th Texas Legislature. As written, this policy provides general direction to the U. T. System institutions. No substantive changes have been made to the Annual Operating Budget Rules and Procedures for FY 2023 and they align with applicable Regents' Rules.

1. **General Guidelines** - The regulations and directives included in the *General Appropriations Act* as enacted by the 87th Texas Legislature serve as the basis for these guidelines and policies. In preparing the draft of the FY 2023 Operating Budget, the president of each institution should adhere to guidelines and policies as detailed below and as included in the *General Appropriations Act*. The Assistant Vice Chancellor, Budget and Planning will issue detailed instructions regarding the implementation of those regulations and directives into the institutional budget process.

The president of each institution should examine the resources used at the institution and, where possible, redirect resources toward high priority mission critical activities and strategic competitive investments that are consistent with the goals and objectives included in the institution's Strategic Plan.

Overall budget totals, including retaining reasonable reserves for potential future financial shortfall, must be limited to the funds available for the year from General Revenue Appropriations, Estimates of Educational and General Income, and limited use of institutional unappropriated balances.

2. **Maintenance of Operating Margin and Use of Prior Year Balances** - Institutions should make all reasonable efforts to maintain a favorable operating margin within the FY 2023 Operating Budget. Use of prior year balances should be limited to critical items, unique opportunities, or projects funded from prior year income committed for that purpose. Generally, balance usage should be reserved for nonrecurring activities. Balance usage cannot be recommended to the U. T. System Board of Regents for approval without the consent of the Chancellor, the appropriate Executive Vice Chancellor, and the Assistant Vice Chancellor, Budget and Planning.
3. **Salary Guidelines** - Recommendations regarding salary policy are subject to the following directives:

Salaries Proportional by Fund - Unless otherwise restricted, payment for salaries, wages, and benefits paid from appropriated funds, including local funds and educational and general funds as defined in *Texas Education Code* Section 51.009 (a) and (c), shall be proportional to the source of funds.

Merit Increases and Promotions - Institutions should consider available resources and resolution of any major salary inequities when implementing merit salary increases for faculty and staff.

As defined in *Texas Education Code* Section 51.962, an employee must have been employed by the institution for the six months immediately preceding the effective date

of the increase to be eligible for a merit increase, and at least six months must have elapsed since the employee's last merit salary increase. These limitations also apply to one-time merit payments.

Merit increases or advances in rank for faculty are to be on the basis of teaching effectiveness, research, and public service.

Merit increases or promotions for administrative and professional staff and classified staff are to be based on evaluation of performance in areas appropriate to work assignments.

In accordance with Regent's *Rules and Regulations*, performance appraisals are to be conducted annually for all employees of the U. T. System. The U. T. System Administration Office of Talent and Innovation will issue specific guidance related to this requirement.

Other Increases - Equity adjustments, competitive offers, and increases to accomplish contractual commitments should also consider merit where appropriate, subject to available resources. Subject to guidance issued by the Assistant Vice Chancellor, Budget and Planning, such increases should be noted and explained in the supplemental data accompanying the budget.

New Positions - Subject to available resources, new administrative and professional staff, classified staff, and faculty positions are to be requested only when justified by workloads or to meet needs for developing new programs.

Reporting - The Assistant Vice Chancellor, Budget and Planning will issue guidance on reporting of compensation changes and amounts. It is expected that required reports will encompass highly compensated and high-ranking personnel covered by Regents' *Rules and Regulations*, Rules 20203 and 20204 along with those individuals receiving significant changes in compensation.

4. **Staff Benefits Guidelines** - Recommendations regarding the State contribution for employee staff benefits such as group insurance premiums, teacher retirement, and optional retirement are subject to legislative determination via the *General Appropriations Act*. Payments for benefits, including for retirees, should comply with the provisions of Accounting Policy Statements No. 11, "Benefits Proportional by Fund" and the *General Appropriations Act*. The Assistant Vice Chancellor, Budget and Planning will issue instructions regarding the implementation of the benefits into the budget process.

5. **Other Employee Benefits** - Employer contributions to the self-insured Unemployment Compensation Fund are based on an actuarial study. Workers' Compensation Insurance rates are experience-rated for each institution. Appropriate instructions will be issued regarding the implementation of Unemployment Compensation Fund and Workers' Compensation Insurance Benefits.
6. **Other Operating Expenses Guidelines** - Increases in Maintenance, Operation, Equipment, and Travel are to be justified by expanded workloads, for developing new programs, or for correcting past deferrals or deficiencies.
7. **Calendar** - In the event of unforeseen circumstances, authority is delegated to the Assistant Vice Chancellor, Budget and Planning to modify the Calendar.



THE UNIVERSITY OF TEXAS SYSTEM

FY 2023 OPERATING BUDGET CALENDAR

February 24, 2022	Board of Regents takes appropriate action on budget preparation policies and budget rules
April 29, 2022	Request for Library, Equipment, Repair and Rehabilitation new project instructions and information on balances subject to lapse are sent to institutions
May 14-27, 2022	Institution Budget Meetings with U. T. System Administration
June 1, 2022	Budget instructions issued by U. T. System Administration
June 1, 2022	New Library, Equipment, Repair and Rehabilitation project requests due to U. T. System Administration
June 27, 2022	Draft budget documents due to U. T. System Administration (summary-level with optional detail)
June 29-July 6, 2022	Technical budget review with U. T. System Administration
July 11, 2022	Final budget documents due to U. T. System Administration (summary-level and optional detail)
July 12, 2022	Reports on highly compensated staff covered by Regents' Rule 20204, institutional top ten salaries and high-ranking staff salaries due to U. T. System Administration
August 5, 2022	Operating Budget Summaries provided to the Office of the Board of Regents
August 15, 2022	Detail budget due date (if not previously submitted)
August 25, 2022	Board of Regents takes appropriate action on Operating Budget and compensation of Presidents and Executive Officers
November 17, 2022	Board of Regents takes appropriate action on budget changes resulting from August 15 detail budget

THE UNIVERSITY OF TEXAS SYSTEM

OPERATING BUDGET RULES AND PROCEDURES

For Fiscal Year Ending August 31, 2023

A. INITIAL BUDGET

1. Any transfers subsequent to the approval of the initial budget shall be made only after careful consideration of the allocations, transfer limitations, and general provisions of the current general appropriations act. (See B. Budget Amendments)
2. All appointments are subject to the provisions of the U. T. System Board of Regents' *Rules and Regulations* ("Regents' Rules") for the governance of The University of Texas System.
3. The established merit policy will be observed in determining salary rates.
4. All academic salary rates in the instructional departments of the academic institutions are nine-month rates (September 1 - May 31) unless otherwise specified. In the health-related institutions, all salary rates are twelve-month rates unless otherwise specified.
5. All appointments of classified personnel are based on twelve-month rates and are made within appropriate salary ranges as defined by the classified personnel Pay Plan approved by the president or Chancellor. All appointments of administrative and professional personnel are based on twelve-month rates.
6. Compensation for continuing personnel services (for a period longer than one month), though paid for on an hourly basis, is not to be paid out of maintenance and equipment, or like appropriations, except upon specific approval of the president of the institution or the Chancellor.
7. All maintenance and operation, equipment, and travel appropriations are for twelve months (September 1 - August 31) and should be budgeted and expended accordingly.

B. BUDGET AMENDMENTS

1. Items requiring approval of the U. T. System Administration and subsequent approval by the U. T. System Board of Regents through the Consent Agenda
 - a. New appointments of tenured faculty (Regents' Rule 31007).
 - b. Award of tenure to any faculty member (Regents' Rule 31007).
 - c. New appointments as Regental Professor (Regents' Rule 31001). Titles set forth in Regents' Rule 20301 including Chancellor Emeritus, President Emeritus and similar honorary designations are conferred by the U. T. System Board of Regents.
 - d. Appointments, promotions, and salary increases involving the president (Regents' Rules 20201, 20202, 20203).
 - e. New contracts or contract changes involving athletic directors or head coaches whose total annual compensation, or total contractual compensation, equals or exceeds the amounts specified by Regents' Rule 10501 Section 2.2.12.
 - f. Compensation changes for Key Executives as defined by Regents' Rule 20203.
 - g. Compensation for personnel whose total annual compensation for the first time is, or may exceed, \$1,000,000 during the year (Highly Compensated Personnel) and who are not subject to B.1.e or B.2.f (Regents' Rule 20204).
 - h. Compensation changes for Highly Compensated Personnel greater than five percent (Regents' Rule 20204).
 - i. Increases in budgeted amounts from income or unappropriated balances for Educational and General, Auxiliary Enterprises, Designated Funds, Service Departments, Revolving Funds, and Plant Funds, subject to the thresholds established in B.5 below.
 - j. Increases to Plant Funds which result from transfers from Educational and General Funds, Auxiliary Enterprises, Designated Funds, Service Departments, and Revolving Funds, subject to the thresholds established in B.5 below.
2. Items requiring approval of U. T. System Administration (no Consent Agenda approval required)
 - a. Reappropriation of prior year Educational and General Fund balances, subject to the thresholds established in B.5 below.
 - b. Increases in budgeted amounts from income or unappropriated balances for Educational and General, Auxiliary Enterprises, Designated Funds, Service Departments, Revolving Funds, and Plant Funds, subject to the thresholds established in B.5 below.

- c. Increases to Plant Funds which result from transfers from Educational and General Funds, Auxiliary Enterprises, Designated Funds, Service Departments, and Revolving Funds, subject to the thresholds established in B.5 below.
 - d. Compensation changes for Highly Compensated Personnel whose change in total annual compensation is five percent or less and whose initial compensation was previously approved by the U. T. System Board of Regents (Regents' Rule 20204).
 - e. Appointments and promotions involving administrative and professional personnel reporting directly to the president.
3. Items requiring approval of the president only (Chancellor for U. T. System Administration)
- a. All interdepartmental transfers.
 - b. All budget transfers between line-item appropriations within a department.
 - c. Increases in budgeted amounts from income or unappropriated balances for Educational and General Funds, Auxiliary Enterprises, Designated Funds, Service Departments, and Revolving Funds, subject to the thresholds established in B.5 below.
 - d. Reallocation of unallocated Faculty Salaries. All unfilled and uncommitted line-item faculty salary positions will lapse to the institutional "Unallocated Faculty Salaries" account.
 - e. Reappropriation of Prior Year Educational and General Fund Balances, subject to the thresholds established in B.5 below.
 - f. Promotions involving tenured faculty.
 - g. New honorary title appointments as Dean Emeritus, Chair Emeritus, Professor Emeritus, and similar honorary designations (Regents' Rule 31001).
 - h. Transactions involving all other personnel except those specified in B.1.a, B.1b, B.1c, B.1d, B.1e, B.1f, B.1g, B.1h, B.2d, and B.2e as defined above.
 - i. Changes in sources of funds, changes in time assignments, and other changes in status for personnel categorized in Item B.1, provided no change in the individual's salary rate is involved. In the case of Medical Faculty, this provision applies to "Total Compensation."
 - j. Summer Session Budgets.
 - k. Clinical faculty appointments or changes, including medical or hospital staff, without salary provided the clinical faculty member is not considered to be Highly Compensated Personnel.

4. Effective date of appointments and compensation increases

- a. Any increase in approved compensation for the current fiscal year without a change in classification or position is not to be effective prior to the first day of the month in which the required final approval of the rate change is obtained.
- b. A compensation increase resulting from an appointment to another classification or to a position involving new and different duties may be made effective to the time of the first performance of duties under the new appointment.
- c. The effective date of an appointment is the date on which the individual is first to perform service for the institution under that appointment.
- d. The original appointment during a fiscal year of a person not in a budget for that year or not under an existing appointment for that year may relate back to the first performance of duties during the fiscal year although such person may have been employed in a previous fiscal year and although increased compensation for the same classification or position is involved.

5. Budget amendment criteria

- a. Institutions other than U. T. System Administration with budgeted revenue, including transfers from the Available University Fund, of \$1 billion or more will have a threshold of:
 - i. For B.1i and B.1j – Equal to or greater than \$5,000,000 (budget increase approval on Consent Agenda)
 - ii. For B.2a – Equal to or greater than \$2,000,000 (reappropriation of E&G balances approval by U. T. System Administration)
 - iii. For B.2b and B.2c – Equal to or greater than \$2,000,000 and less than \$5,000,000 (budget increase approval by U. T. System Administration)
 - iv. For B.3c and B.3e – Less than \$2,000,000 (approval by president)
- b. Institutions other than U. T. System Administration with budgeted revenue, including transfers from the Available University Fund, between \$250 million and \$1 billion will have a threshold of:
 - i. For B.1i and B.1j – Equal to or greater than \$2,500,000 (budget increase approval on Consent Agenda)
 - ii. For B.2a – Equal to or greater than \$1,000,000 (reappropriation of E&G balances approval by U. T. System Administration)
 - iii. For B.2b and B.2c – Equal to or greater than \$1,000,000 and less than \$2,500,000 (budget increase approval by U. T. System Administration)
 - iv. For B.3c and B.3e – Less than \$1,000,000 (approval by president)

- c. Institutions other than U. T. System Administration with budgeted revenue, including transfers from the Available University Fund, less than \$250 million will have a threshold of:
 - i. For B.1i and B.1j – Equal to or greater than \$1,000,000 (budget increase approval on Consent Agenda)
 - ii. For B.2a – Equal to or greater than \$250,000 (reappropriation of E&G balances approval by U. T. System Administration)
 - iii. For B.2b and B.2c – Equal to or greater than \$250,000 and less than \$1,000,000 (budget increase approval by U. T. System Administration)
 - iv. For B.3c and B.3e – Less than \$250,000 (approval by president)
- d. U. T. System Administration will have a threshold of:
 - i. For B.1i and B.1j – Equal to or greater than \$1,000,000 (budget increase approval on Consent Agenda)
 - ii. For B.2a and B.3e – All amounts may be approved by the Chancellor (reappropriation of E&G balances)
 - iii. For B.2b, B.2c, and B.3c – All amounts less than \$1,000,000 may be approved by the Chancellor (budget increase approval)
 - iv. Notwithstanding i., ii., and iii., the Chancellor may authorize any budget amendment in the U. T. System revolving insurance funds without limitation.
- e. Notwithstanding a., b., and c. of this section, the president of an institution may authorize any budget amendment related to hospital patient care activities or Medical, Dental, Nursing, and Faculty Services Research and Development Plans, the Allied Health Faculty Services Plan or the Physicians Referral Service Plan without limitation if the budget increase is supported by a corresponding increase in revenue. This exception does not apply to increases from unappropriated balances.

C. OTHER CONSIDERATIONS

- 1. All appropriations not actually expended or encumbered by August 31 will automatically lapse to the Unappropriated Balance Account except for those reallocated pursuant to Item B.2a and Item B.3e.
- 2. Compensation indicated as "MSRDP Funds," "DSRDP Funds," "PRS Funds," "FSRDP Funds," "Allied Health Faculty Services Plan" or "Nursing Clinical Enterprise Health Services, Research and Development Plan" is contingent upon its being earned or available in accordance with the regulations applicable to the appropriate Medical Service Research and Development Plan, Dental Service Research and Development Plan, Physicians Referral Service Plan, Faculty Services Research and Development Plan, Allied Health Faculty Services Plan, or Nursing Clinical Enterprise Health Services Research and Development Plan.
- 3. Budgeted expenditures authorized from sources of funds other than Educational and General Funds are contingent upon receipt of such funds. Appointments from such fund sources will not become an obligation of the institution in the event the supplemental or grant funds are not realized.
- 4. Leaves of Absence may be granted only in accordance with provisions contained in Regents' Rule 30201.

5. In these Rules, Compensation means total annual compensation as defined by Regents' Rule 20204 or total compensation under a multiyear contract.
6. Appropriations of the Available University Fund are subject to the appropriation limitations and notice requirements found in the General Appropriations Act.

THE UNIVERSITY OF TEXAS SYSTEM

FACULTY WORKLOAD REQUIREMENTS FOR ACADEMIC INSTITUTIONS

For Fiscal Year Ending August 31, 2023

FACULTY WORKLOAD REQUIREMENTS FOR ACADEMIC INSTITUTIONS

The general workload policy for faculty employed at U. T. System academic institutions is set forth in Regents' Rule 31006. Through established shared governance processes, each academic institution has been authorized by the U. T. System Board of Regents to establish a faculty workload policy that adheres to the provisions and reporting requirements of Rule 31006. As required by *Texas Education Code* Section 51.402 and Rule 31006, each academic institution has included their faculty workload policy in this operating budget.

THE UNIVERSITY OF TEXAS SYSTEM

MEDICAL, DENTAL, NURSING, FACULTY SERVICES RESEARCH AND DEVELOPMENT PLANS, ALLIED HEALTH FACULTY SERVICES PLAN AND PHYSICIANS REFERRAL SERVICE

For Fiscal Year Ending August 31, 2023

RULES AND PROCEDURES

1. These Rules and Procedures are to be used for the Medical, Dental, Nursing, and Faculty Services Research and Development Plans, the Allied Health Faculty Services Plan and Physicians Referral Service (“the Plans”) Budgets in conjunction with the Rules and Procedures for the General Operating Budget.
2. Budgeted expenditures authorized from the Plans are contingent upon receipt of such funds. Appointments and other budget transactions from such fund sources shall not become an obligation of any institution in the event the funds are not realized.
3. All income for professional services earned by members of the plans, except royalties, payments for editing scientific publications, and consultation fees as a regional or national consultant to any branch of the U.S. Government as approved by the U. T. System Board of Regents shall be deposited in the appropriate institution’s institutional Trust Fund Account.
4. Administration, operation, and disbursement of funds shall be in accordance with each institutional plan approved by U. T. System Administration and the U. T. System Board of Regents.
5. At U. T. M. D. Anderson Cancer Center, associate members’ earnings will be contingent upon the earned income of the member in accordance with the services rendered to the patient assigned to the member’s specialty by the chief of the major service. All payments will be approved by the Executive Council of the Physicians Referral Service.
6. Budgeted funds can be used for staff retirement and insurance benefits, for actual travel or supplemental travel expenses for attending meetings for the benefit of any institution, for memberships and dues in medical organizations, for official entertainment, and for such other disbursements as may be authorized by the president consistent with the policies approved by the U. T. System Board of Regents and the U. T. System Administration. These expenditures must be in the best interests of the research, educational and patient care activities of any institution and in the best interest of maintaining a distinguished scientific staff for such purposes and activities.

THE UNIVERSITY OF TEXAS SYSTEM

PERMANENT UNIVERSITY FUND (PUF) BOND PROCEEDS FOR LIBRARY, EQUIPMENT, REPAIR AND REHABILITATION (LERR)

AND FACULTY SCIENCE AND TECHNOLOGY ACQUISITION AND RETENTION (STARs)
AND SIMILAR FUNDED PROGRAMS BUDGET RULES AND PROCEDURES

For Fiscal Year Ending August 31, 2023

A. INITIAL BUDGET

1. U. T. System institutions are authorized to purchase approved Library and Equipment items and to contract for Repair and Rehabilitation projects following standard purchasing and contracting procedures. This includes expenditures for STARs (including Faculty and Rising STARs), or similar funded programs.
2. Transfers by the U. T. System Administration of allocated funds to institutional control or to vendors will coincide with vendor payment requirements.
3. Final approval of specific Repair and Rehabilitation projects will be in accordance with U. T. System Board of Regents established procedures for construction projects.
4. All expenditures are subject to the provisions of the Texas *Constitution* of the State of Texas and the U. T. System Board of Regents' Rules and Regulations for the governance of The University of Texas System.

B. BUDGET AMENDMENTS

1. U. T. System institutions are authorized to purchase approved Library and Equipment items and to contract for Repair and Rehabilitation projects following standard purchasing and contracting procedures. This includes expenditures for STARs (including Faculty and Rising STARs), or similar funded programs.
 - a. Substitute Library or Equipment purchases in excess of \$1 million that are not on the approved list.
 - b. Substitute Repair and Rehabilitation projects in excess of \$1 million that are not on the approved list.
2. Items requiring approval of U. T. System Administration (no Consent Agenda approval required)
 - a. Substitute Library or Equipment purchases of \$1 million or less that are not on the approved list.
 - b. Substitute Repair and Rehabilitation projects of \$1 million or less that are not on the approved list.

- c. Transfers of appropriated funds between approved Library, Equipment, Repair and Rehabilitation items.
- d. Transfer of STARS funding between the Faculty STARS program and the Rising STARS program.

C. OTHER CONSIDERATIONS

- 1. All LERR appropriations must be expended within 36 months from the date of the award or the appropriation will lapse and be made available for future Systemwide reallocation.
- 2. All STARS or similar program appropriations must be expended within 36 months from the time the faculty member arrives on campus or the appropriation will lapse and be made available for future Systemwide reallocation.
- 3. Notwithstanding the limitations adopted at the time LERR, STARS, or other similar funding was authorized, these *Budget Rules and Procedures* apply to all previously authorized LERR, STARS and similar funding.
- 4. In accordance with the *UTS 168 Capital Expenditure Policy*, LERR and STARS funding that is incorporated into a Major Project will be defined as PUF and will be subject to rules applicable to all Major Projects. Major Projects are defined by Regents' Rule 80301.

THE UNIVERSITY OF TEXAS SYSTEM

PERMANENT UNIVERSITY FUND (PUF) BOND PROCEEDS FOR LIBRARY, EQUIPMENT, REPAIR AND REHABILITATION (LERR) AND FACULTY SCIENCE AND TECHNOLOGY ACQUISITION AND RETENTION (STARs) AND SIMILAR FUNDED PROGRAMS EXPENDITURE GUIDELINES

For Fiscal Year Ending August 31, 2023

A. AUTHORIZATION OF PUF BOND PROCEEDS FOR LERR, STARs, OR SIMILARLY FUNDED PROGRAMS

Article VII, Section 18 (b) of the Texas *Constitution* authorizes the U. T. System Board of Regents to issue bonds and notes secured by the U. T. System's interest in the Permanent University Fund for the purpose of:

- acquiring land, with or without permanent improvements;
- constructing and equipping buildings or other permanent improvements;
- major repair and rehabilitation of buildings and other permanent improvements;
- acquiring capital equipment; and
- acquiring library books and library materials.

It is for the last three purposes noted above that the U. T. System Board of Regents has established the LERR, STARs (including Faculty and Rising STARs), and similarly funded programs.

B. RETENTION OF RECORDS

The Internal Revenue Service requires that invoice documentation supporting capital expenditures, including LERR, STARs and similar programs funded with proceeds of tax-exempt bonds, be maintained for a period ending three (3) years after the complete extinguishment of the bonds. Pursuant to the Texas *Constitution*, PUF bonds may be structured with a maximum maturity of 30 years. In order to comply with the IRS requirement and *UTS 181 Policy for Post Bond Issuance Federal Tax Compliance*, U. T. institutions shall maintain invoice documentation for 35 years for any capital expenditures funded with tax-exempt proceeds.

C. ELIGIBILITY FOR PROGRAM FUNDS

Eligibility for LERR, STARs, or other similar funded programs is the same as eligibility for PUF bond proceeds as set forth in the Texas *Constitution*.

D. GENERAL GUIDELINES FOR USE OF PROGRAM FUNDS

In addition to meeting the constitutional requirements outlined above, the general guideline to determine whether an item is eligible for LERR, STARs, or similar funded programs, is that it must have a useful life of at least one year. The following sections are provided to assist with that determination. These guidelines are not intended to be exhaustive and any questions regarding LERR, STARs, or similar funded program eligibility should be directed to the U. T. System Administration Office of Budget and Planning.

Repair and Rehabilitation of Buildings or Other Permanent Improvements

Major repairs or rehabilitation of buildings or other permanent improvements include, but are not limited to, repairs, renovations, replacements, or betterments that are normally expected to extend the useful life, improve operating efficiency, eliminate health and safety hazards, correct structural or mechanical defects, upgrade the quality of existing facilities, or convert these assets to more useful functions, but that are not considered routine maintenance.

The cost of major repairs or rehabilitation of buildings or other improvements can include the contract price or cost of construction and other costs that would be applicable to make the building or improvement suitable for its intended use.

Acquisition of Capital Equipment

Capital equipment is generally regarded as nonexpendable, tangible personal property having a useful life of more than one year. The acquisition cost for equipment includes the net invoice price, including any modifications, attachments, accessories, or auxiliary apparatus necessary to make it usable for the purpose for which it is acquired. In addition, taxes, duty, in-transit insurance, freight, and installation charges are also included as part of the acquisition cost. Capital equipment, including software, that will be used Systemwide, or between and among U. T. institutions and System Administration, is eligible for LERR, STARs, or similar program funds.

Warranties and Similar Service Features

The cost of warranties and similar service features related to a purchase of capital equipment (such as maintenance agreements and loaner programs) are not eligible for LERR, STARs, or similar program funds as these are considered operating expenses. This ineligibility also applies to warranty and similar service feature costs separately identified during original purchase. For example, a warranty agreement charge that is separately identified on a Laptop purchase is not allowed.

Software

Any capitalized costs associated with the development or implementation of software, including personnel costs (salaries), are eligible for LERR, STARs, or similar funded programs if they are incurred in the Application Development Stage. This principle applies whether the salaries are paid to employees of the institution or to outside parties. See *UTS 142.13 Accounting and Financial Reporting for Intangible Assets* at <https://www.utsystem.edu/sites/policy-library/policies/uts-14213-accounting-and-financial-reporting-intangible-assets>. Training costs related to software usage are discussed below.

The purchase of bundled software included as part of the initial acquisition of computer hardware is capitalizable regardless of threshold and therefore eligible for LERR, STARs, or similar program funds.

Software maintenance costs are considered operating expenses and therefore are not eligible for LERR, STARs, or similar program funds as these are considered operating expense.

Costs for software licenses with a useful life extending beyond one year that will be owned are eligible for LERR, STARs, or similar program funds. Leased or licensed software that requires the payment of an annual fee (i.e., does not have a useful life extending beyond one year) and that will not be owned when the license expires is not eligible for LERR, STARs, or similar program funds.

Employee Training and Travel Costs

Employee training and travel costs are not eligible for LERR or STARs program funds as these are considered operating expenses.

Operating Expenses

Consumables, which generally include those items that have an expected useful life of less than one year, are not eligible for LERR or STARs program funds as these are considered operating expenses. Some examples include, but are not limited to: chemicals, gases, paper, staplers and other office supplies, toner cartridges, medical supplies, disposal services, and laboratory supplies.

Examples of other operating expenses that are not eligible for LERR or STARs program funds include, but are not limited to: monthly telephone services, animals, software maintenance cost, and routine maintenance.

Acquisition of Library Books and Library Materials

The acquisition of library books and library materials is eligible for LERR. A library book is generally defined as a literary composition bound into a separate volume and identifiable as a separate copyrighted unit. Library materials are information sources other than books, including journals, periodicals, microforms, audio/visual media, computer-based information, manuscripts, maps, documents, and similar items that provide information essential to the learning process or enhance the quality of university library programs. A purchase of a license for library materials is allowable if the license period is in excess of one year. Annual license subscriptions and payments are not eligible for LERR.

The acquisition cost of library books and library materials can include the invoice price, freight-in, handling and insurance, binding, electronic access charges, reproduction, and other like costs required to put these assets in place, except for library salaries.

Prohibition for Student Housing, Athletics, and Auxiliary Enterprises

Article VII, Section 18 (d) of the Texas *Constitution* prohibits the use of PUF bond proceeds, and therefore the use of LERR, STARs, and similar program funds, for student housing, intercollegiate athletics, or auxiliary enterprises.

E. SPECIAL PROGRAM FUNDING

Allocations of STARS funding by the Board of Regents are for the Faculty STARS program. With appropriate approvals those funds can be redirected to the Rising STARS program.

Faculty STARS Program

The Faculty STARS program funded by PUF bond proceeds supports the recruitment and retention of the best-qualified faculty at both academic and health institutions by providing additional resources to build and enhance research infrastructure. Because the Faculty STARS program is funded in the same manner as LERR, the same guidelines apply, and each item must have a useful life of more than one year. Faculty STARS funds are available for laboratory renovation and equipment purchases; however, faculty and other staff salaries cannot be paid from Faculty STARS funds.

There are three related program goals that form the basis of the Faculty STARS program:

- recruit senior faculty with national prominence; and
- improve the quality of new faculty and research capacity of the institutions by augmenting the start-up packages for tenure and tenure-track faculty; and
- retain high quality faculty who have had offers from another research institution or have the potential to leave because of limited access to quality equipment or laboratories.

Rising STARS Program

The Rising STARS program makes up to \$300,000 available for recruitment of promising faculty members who are recruited in a tenure track position at any academic level, i.e. assistant, associate or full professor. Rising STARS funding is limited to the same equipment and renovation expenditure restrictions as Faculty STARS.

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

**THE UNIVERSITY OF TEXAS SYSTEM
SEPARATELY INVESTED ASSETS
Managed by U. T. System
Summary Report at November 30, 2021**

	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 08/31/2021	\$ 3,209,757	\$ 18,342,793	\$ 97,747,463	\$ 579,163,383	\$ -	\$ -	\$ 100,957,220	\$ 597,506,176
Increase or Decrease	(91,925)	(89,896)	-	1,098,468	-	-	(91,925)	1,008,572
Ending Value 11/30/2021	<u>\$ 3,117,832</u>	<u>\$ 18,252,897</u>	<u>\$ 97,747,463</u>	<u>\$ 580,261,851</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 100,865,295</u>	<u>\$ 598,514,748</u>
Other Real Estate:								
Ending Value 08/31/2021	\$ -	\$ -	\$ 5	\$ 5	\$ -	\$ -	\$ 5	\$ 5
Increase or Decrease	-	-	-	-	-	-	-	-
Ending Value 11/30/2021	\$ -	\$ -	\$ 5	\$ 5	\$ -	\$ -	\$ 5	\$ 5

Report prepared in accordance with Sec. 51.0032 of the *Texas Education Code*. Details of individual assets by account furnished on request.

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

ACADEMIC AFFAIRS COMMITTEE

9. **Request for Budget Change - U. T. Arlington: Tenure Appointment -- amendment to the 2021-2022 budget**

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

Description	Effective Date	% Time	Full-time Salary		
			No. Mos.	Rate \$	RBC #
College of Architecture, Planning and Public Affairs					
Public Affairs and Planning Assistant Vice Provost for Academic Planning and Policy and Professor Amber Smallwood					
From: Professor		100	12	145,600	11710
To: Professor (T)	2/24-8/31	100	12	145,600	

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

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

Funds: \$7,900,000 over the total five-year term; thereafter, \$4,000,000 annually

Period: September 1, 2021 through August 31, 2022; with the authority to extend for additional one-year periods if desired

Description: Under the initial Agreement, Seton Family of Hospitals compensated Dell Medical School for the services of two physicians to provide professional medical Program Director Services from December 17, 2017 through August 31, 2018. The fees paid are based on a percentage of each physicians' time at a rate determined by level of skill and practice area. On August 15, 2019, U. T. Austin obtained

Board approval for the First Amendment to increase the contract value to \$5,000,000. In 2020, the Second Amendment extended the term, added additional providers, replaced some providers, and updated the payment rates, with an increased total contract value of \$5,234,044. This Third Amendment extends the term to August 31, 2022, adds additional providers, replaces some providers, and updates the payment rates, with an increased total contract value of approximately \$7,900,000 through the end of the term. Going forward, to address additional potential renewals, approval of a contract value of \$4,000,000 annually is requested, with the understanding that notice of the desired renewal be provided in advance to the Executive Vice Chancellor for Academic Affairs.

11. Contract (funds coming in) - U. T. Austin: Amended and Restated Master Services Agreement by and between Central Texas Community Health Centers, dba CommUnityCare, on behalf of the Dell Medical School at U. T. Austin, for the provision of clinical professional services

Agency: Central Texas Community Health Centers, dba CommUnityCare (CUC), a Texas nonprofit corporation

Funds: Approximately \$9,400,000 during the five-year term; thereafter, \$2,500,000 annually

Period: December 1, 2021 through December 31, 2023; with three automatic renewals of one year each, with the authority to extend to additional one-year terms if desired

Description: The Amended and Restated Master Services Agreement, together with its amendments, is a Master Agreement for the provision of clinical professional services by physicians employed by U. T. Austin to CUC and was created to provide high-quality health care services to the community and to improve health outcomes. The base Agreement allows for the addition of individual, customized exhibits detailing the expected effort and compensation terms for each individual physician covered under the agreement. The parties have replaced a prior Agreement with this updated version and anticipate the total contract value to be approximately \$9,400,000 over the term of the agreement. Going forward, should the Agreement be amended to extend the term, the Board is asked to approve a value of \$2,500,000 annually, with the understanding that notice of the desired renewal be provided in advance to the Executive Vice Chancellor for Academic Affairs.

12. **Request for Budget Change - U. T. Austin: Tenure Appointment -- amendment to the 2021-2022 budget**

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

Description	Effective Date	% Time	Full-time Salary		RBC #
			No. Mos.	Rate \$	
Dell Medical School					
Medicine					
Associate Professor					
Curry Koenig (T)	2/1-8/31	100	12	244,000	11709

13. **Employment Agreement - U. T. Austin: Approval of terms of Employment Agreement for new Offensive Pass Game Coordinator/Wide Receivers Football Coach Brennan Marion**

The following terms of the Employment Agreement for new Offensive Pass Game Coordinator/ Wide Receivers Football Coach Brennan Marion have been approved by the Chancellor, the Executive Vice Chancellor for Academic Affairs, and the Vice Chancellor and General Counsel and are recommended for approval by the U. T. System Board of Regents. If the terms are approved, total compensation for the contract period will be in excess of \$1 million. The Agreement references the Constitution and Bylaws of the National Collegiate Athletic Association, any intercollegiate athletic conference of which The University of Texas at Austin is a member, the Regents' *Rules and Regulations*, and the policies of The University of Texas at Austin. A violation of the provisions of such constitution, bylaws, rules, regulations, or policies may be grounds for suspension without pay and/or dismissal.

Proposed: **Guaranteed compensation:**

Annual Salary:
 Contract Year 1: \$400,000
 Contract Year 2: \$400,000
 Contract Year 3: \$425,000

Automobile: One dealer car

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

Relocation and Temporary Housing Allowance: \$29,000

Tickets: In accordance with Athletics Department's policies and procedures, and based on availability

Assumption of Previous Contractual Obligation: U. T. Austin will make a one-time payment of \$105,000, to Offensive Pass Game Coordinator/Wide Receivers Football Coach's previous employer, University of Pittsburgh, to satisfy a contractual obligation owed as a result of the voluntary termination of Offensive Pass Game Coordinator/ Wide Receivers Football Coach's previous employment agreement. U. T. Austin agrees to make the Offensive Pass Game Coordinator/Wide Receivers Football Coach whole for any tax liability incurred as a result of such payment.

Nonguaranteed compensation:

Sports Camps and Clinics: In accordance with Athletics Department's policies and procedures and determined by the Head Coach and Vice President and Athletics Director

Incentives:

Team performance incentives: maximum of 19% of that year's annual salary

Source of Funds: Intercollegiate Athletics

Period: December 31, 2021 through February 29, 2024

14. Employment Agreement - U. T. Austin: Approval of terms of Employment Agreement for new Running Backs Football Coach Tashard Choice

The following terms of the Employment Agreement for new Running Backs Football Coach Tashard Choice have been approved by the Chancellor, the Executive Vice Chancellor for Academic Affairs, and the Vice Chancellor and General Counsel and are recommended for approval by the U. T. System Board of Regents. If the terms are approved, total compensation for the contract period will be in excess of \$1 million. The Agreement references the Constitution and Bylaws of the National Collegiate Athletic Association, any intercollegiate athletic conference of which The University of Texas at Austin is a member, the Regents' *Rules and Regulations*, and the policies of The University of Texas at Austin. A violation of the provisions of such constitution, bylaws, rules, regulations, or policies may be grounds for suspension without pay and/or dismissal.

Proposed: **Guaranteed compensation:**

Annual Salary:

Contract Year 1: \$500,000

Contract Year 2: \$500,000

Contract Year 3: \$550,000

Automobile: One dealer car

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

Relocation and Temporary Housing Allowance: \$29,000

Tickets: In accordance with Athletics Department's policies and procedures, and based on availability

Assumption of Previous Contractual Obligation: U. T. Austin will make a one-time payment of \$150,000, to Running Backs Football Coach's previous employer, Georgia Institute of Technology, to satisfy a contractual obligation owed as a result of the voluntary termination of Running Backs Football Coach's previous employment agreement. U. T. Austin agrees to make the Running Backs Football Coach whole for any tax liability incurred as a result of such payment.

Nonguaranteed compensation:

Sports Camps and Clinics: In accordance with Athletics Department's policies and procedures and determined by the Head Coach and Vice President and Athletics Director

Incentives:

Team performance incentives: maximum of 19% of that year's annual salary

Source of Funds: Intercollegiate Athletics

Period: December 20, 2021 through February 29, 2024

15. **Request for Budget Change - U. T. El Paso: New Hires with Tenure -- amendment to the 2021-2022 budget**

The following Requests for Budget Changes (RBC) have been administratively approved by the Chancellor and 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 \$				
College of Business Administration								
Accounting and Information Systems								
Chair and Professor Kevin Eric Dow (T)	1/16-8/31	100 SUPP	09 12	\$194,000 \$2,667	11711			
College of Health Sciences								
Dean's Office and Rehabilitation Sciences								
Associate Dean and Associate Professor Stacy A. Wagovich (T)	3/1-8/31	50 50	09 12	\$97,500 \$130,000	11712			

16. **Request for Budget Change - U. T. Permian Basin: New Hire with Tenure -- amendment to the 2021-2022 budget**

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

Description	Effective Date	% Time	Full-time Salary		RBC #			
			No. Mos.	Rate \$				
College of Engineering								
Department of Engineering								
Associate Dean of Engineering and Associate Professor of Mechanical Engineering Monica Annamarie Gray (T)	1/3-8/31	100	12	150,000	11692			

17. **Contract (funds going out) - U. T. Rio Grande Valley: Contract for Sale and Purchase of Natural Gas with Cokinos Energy Corporation**

Agency: Cokinos Energy Corporation

Funds: Not exceed \$1,500,000 over the full five-year term

Period: November 1, 2021 through October 31, 2024; with option to renew for two one-year additional terms

Description: Contract for sale and purchase of natural gas with Cokinos Energy Corporation for Cokinos to supply estimated monthly natural gas for U. T. Rio Grande Valley.

18. **Request for Budget Change - U. T. Rio Grande Valley: Tenure Appointment -- amendment to the 2019-2020 budget**

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

Description	Effective Date	% Time	Full-time Salary		
			No. Mos.	Rate \$	RBC #
School of Nursing					
School of Nursing					
Executive Vice Dean and Associate Professor					
MaryJane Lewitt (T)	10/21-12/31	100	12	150,000	11715

Note: Appointment to be retroactive to October 21, 2019, to correct clerical error in the delayed processing of the recommendation.

19. Contract (funds going out) - U. T. San Antonio: Job Order Contracting Agreements with The Pounds Group LLC, dba Sullivan Contracting Services; Nobel Texas Builders, LLC; Waterman Construction, LLC; and Skanska USA Building Inc., to provide job order contracting services for minor construction projects

Agencies: The Pound Group LLC, dba Sullivan Contracting Services; Nobel Texas Builders, LLC; Waterman Construction, LLC; and Skanska USA Building Inc.

Funds: For each Agreement with each entity listed above, possible fees of up to \$10,000,000 for the entire term, including all renewal terms. Total fees may increase or decrease depending on volume of construction projects. Each job order issued under each contract will be independently evaluated and executed.

Period: Initial two-year term beginning December 1, 2021, with three additional two-year renewal options, with each renewal option being at U. T. San Antonio's discretion.

Description: The Agreements secure job order contracting services to support U. T. San Antonio's minor construction and renovation projects.

The Agreements resulted from a competitive Request for Proposal (RFP) intended to select multiple contractors. The highest-ranked proposals were selected under the RFP.

20. **Gift - U. T. San Antonio: Authorization to accept the gift of a sculpture to be placed outdoors in front of the new School of Data Science and the National Security Collaboration Center in downtown San Antonio**

Description: U. T. San Antonio requests approval to accept the donation of a sculpture from the estate of the late Fletcher Benton by his daughter, Ashlie Benton, on behalf of The Fletcher Benton Foundation. The sculpture will be placed in front of the new School of Data Science and the National Security Collaboration Center located in downtown San Antonio at 506 Dolorosa Street. The building is scheduled to open in July 2022.

The outdoor art, entitled "Drum Rhythm No. 11", is eight feet long by eight feet wide and 18 feet tall. It has a diameter of nine feet and weighs 3,500 pounds. The sculpture is made of Corten Steel and was completed by Mr. Benton in 2012.

As part of the expansion effort in downtown San Antonio, U. T. San Antonio is committed to creating interesting, engaging, pedestrian-friendly spaces. The gift of "Drum Rhythm No. 11" was facilitated through the university's partnership with Centro San Antonio to support the city's effort to establish San Antonio as a placemaking leader through art. The sculpture complements the design elements of the San Pedro Creek Culture Park, located adjacent to the new School of Data Science Building.

Donor: Fletcher Benton was a prominent American artist and sculptor of large-scale geometric and shaped forms of steel. He received his B.F.A. from Miami University and an honorary doctorate of Fine Arts from Santa Clara University. Beginning in the 1960's, Benton experimented with movement in geometric pattern pieces. In the 1970's he transitioned to traditional sculpture forms using bronze and steel. His work is included in the collections of the Metropolitan Museum of Art, The Victoria and Albert Museum, and the San Francisco Museum of Art among many others. In 2008, Benton received the International Sculpture Center's Lifetime Achievement in Contemporary Sculpture Award. Benton passed away on June 26, 2019. His daughter Ashlie manages his estate and owns a California-based design shop.

Value/Expenses:

In January 2022, Roth Fine Art Appraisals provided a report concluding that the fair market value of the sculpture is \$171,550.

The university's building contractor Whiting-Turner will assume the costs of moving the sculpture from its current location in San Francisco and installing it in its new location in downtown San Antonio. The installation will include a concrete pad with a brushed finish. Long-term maintenance costs will be assumed by the university, funded out of the general budget for the new building set aside for exterior art. U. T. San Antonio has a long-term plan for maintenance over the next 15 to 20 years, with an estimated cost of \$2,000 per year.



HEALTH AFFAIRS COMMITTEE

21. Contract (funds going out) - U. T. Southwestern Medical Center: Agreement with Netsync Network Solutions to provide service for Cisco equipment, products, and associated maintenance

Agency: Netsync Network Solutions

Funds: \$30,000,000 over the three-year term and two optional one-year renewals

Period: January 1, 2022 through December 31, 2025; with the option to renew for two additional one-year terms

Description: Netsync Network Solutions will provide service for Cisco equipment, products, and associated maintenance. The contract was awarded following a recent Request for Proposal process.

22. Contract (funds going out) - U. T. Southwestern Medical Center: Southwest Transplant Alliance, Inc., to provide organ procurement

Agency: Southwest Transplant Alliance, Inc.

Funds: \$15,000,000

Period: February 1, 2022 through January 31, 2024; with the option to renew for three additional one-year terms

Description: Southwest Transplant Alliance, Inc., will provide organ procurement and coordination of anatomical gift donations of organs, tissues, and eyes. This Agreement was not competitively bid as, under the *Texas Government Code*, Chapter 2254.003, a government entity may not select a provider of professional services on the basis of competitive bids, but instead must make the selection based on the demonstrated competence and qualifications to perform the services and for a fair and reasonable price.

23. **Lease - U. T. Southwestern Medical Center:** Authorization to lease up to approximately 33,000 square feet of space at 2999 Olympus Boulevard, Dallas, Dallas County, Texas, from EPC-CW 13, LLC, or its successors or assigns, for mission purposes to include medical office and clinical use

Description: Authorization to lease up to approximately 33,000 square feet of space located at 2999 Olympus Boulevard, Dallas, Dallas County, Texas, for mission purposes to include medical office and clinical use.

The space is located on the third floor a 10-story office building presently under construction and scheduled for completion in May of 2022. The location is near the intersection of South Belt Line Road and IH 635 in the northwest area of Dallas within the master planned community of Cypress Waters, which includes office, multi-family, and retail uses.

The location provides the institution an excellent opportunity to expand its growing Family Medicine platform into this area of the Dallas-Fort Worth Metroplex.

U. T. Southwestern Medical Center intends to initially occupy approximately 20,000 square feet of space and it is anticipated the Lease will contain a right of first refusal provision allowing the institution to lease an additional 13,000 square feet on the third floor. The institution is considering leasing the entire 33,000 square feet at the outset of the primary term and the estimates below reflect expenditures for the entire space.

Lessor: EPC-CW13, LLC; a domestic limited liability company, or its successors or assigns, or a related entity

Term: The lease is scheduled to commence in the third quarter of 2022 and is for a period of 10 years and five months, with two five-year renewal periods thereafter.

Lease Cost: Annual base rental rate is initially \$28 per square foot, net of operating expenses, taxes and insurance which will be paid by the institution. Additionally, the institution will be responsible for its share of electrical costs for the project and these expenditures are included in the estimated operating expenses. The base rent escalates by 2.5% annually for a total estimated amount of \$10,352,000 over the initial term of the lease for the entire 33,000 square feet. Base rent for the first five months of the lease is abated. The estimated lease cost over the initial term, including rent, operating expenses, taxes and insurance is projected to be approximately \$14,644,000. The rent, operating expenses, taxes and insurance over the renewal terms are an estimated additional \$19,262,000.

Tenant Improvements: The Lessor will cause the buildout to be performed and will provide a \$60 per square foot tenant finish allowance, which the Institution intends will be applied to the entire 33,000 square feet and is estimated to be approximately \$1,980,000. The institution estimates it may spend up to an additional approximately \$190 per square foot in tenant improvement costs to finish the space as required for its uses; accordingly, U. T. Southwestern Medical Center will be responsible for up to approximately \$6,270,000 in finish out costs.

Total Project Cost: The total base rent along with estimated operating expenses, taxes, insurance, and excess tenant improvements the institution will be responsible for is projected to be approximately \$20,914,000 for the initial term. If the institution were to exercise both of the renewal options for the approximately 33,000 square feet, based on the assumptions described above, the total cost of occupancy over the extended term of the lease is estimated to be approximately \$40,176,000.

24. **Lease - U. T. Southwestern Medical Center:** Authorization to increase size of space lease from approximately 40,303 square feet of space to approximately 46,884 square feet of space at 7609 Preston Road, Plano, Collin County, Texas, from Children's Health Clinical Operations, dba Children's Medical Center of Dallas, or its successors or assigns, for mission purposes, including medical and clinical uses

Description: U. T. Southwestern Medical Center requests approval to increase the size of a previously approved space lease of up to approximately 40,303 square feet of office space to approximately 46,884 square feet of space located at 7609 Preston Road in Plano, Collin County, Texas, for mission purposes to include medical and clinical uses. In August of 2020, The Board of Regents authorized the institution to lease up to approximately 40,303 square feet at this location. However, U. T. Southwestern Medical Center intends to occupy a larger lease space on the second and third floors rather than the space on the third and fourth floors as initially programmed because the larger space is better suited to meet its needs.

Lessor: Children's Health Clinical Operations, a Texas nonprofit corporation, or its successor or assigns

Term: Proposed 120 months with a commencement date anticipated in the first quarter of 2022.

Lease Cost:	The annual rental rate begins at \$31.00 per square foot, with Lessor abating the first four months, for a total cost of approximately \$968,936 in year one. Rent escalates by 2.5% annually for a total approximate amount of \$15,799,000 over the full term for the approximately 46,884 square feet of space. This is a full-service lease with typical operating expenses, including taxes, insurance, utilities, and common area maintenance being included in the rental rate. However, U. T. Southwestern Medical Center is responsible for a few expenses such as medical waste disposal, document shredding, and internet cable service, and the cost is estimated to be \$2.00 per square foot annually or approximately \$1,050,600 over the 10-year term assuming a 2.5% annual increase.
Tenant Improvements:	The premises are currently built out. Lessor will renovate the existing space to Lessee's requirements and provide a \$50 per square foot tenant improvement allowance equal to an estimated \$2,344,200. Any additional improvement costs will be at Lessee expense. U. T. Southwestern Medical Center projects an additional approximately \$170 per square foot, or approximately \$7,970,300, will be required to be funded by the institution to pay for expected improvement costs above the allowance provided by Lessor.
Total Project Cost:	Projected to be approximately \$24,819,500, which includes rent for the entire space, Lessee funded expenses, and tenant improvement costs.

25. **Contract (funds going out) - U. T. Medical Branch - Galveston: Accuity Delivery Systems, LLC, to provide medical record review for reimbursement accuracy**

Agency: Accuity Delivery Systems, LLC

Funds: \$8,424,000 over the full five-year term

Period: December 21, 2021 through December 20, 2024; with two one-year renewal options

Description: Accuity Delivery Systems, LLC (Accuity) will review U. T. Medical Branch - Galveston medical records prior to billing to accurately and appropriately capture the level of care provided, patient health status, and other clinical information through accurate and compliant physician documentation thereby leading to increased reimbursement values. The Agreement also contains a 90-day pilot period wherein Accuity will not charge U. T. Medical Branch - Galveston for services, and U. T. Medical Branch - Galveston may terminate the Agreement without further contractual obligation. The total estimated value of this Agreement is \$8,424,000.

This Agreement was procured via a Sole Source Exclusive Acquisition Justification as this is the only vendor providing this service utilizing certified staff to perform the work.

26. **Request for Budget Change - U. T. Medical Branch - Galveston: New Hire with Tenure -- amendment to the 2021-2022 budget**

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

Description	Effective Date	% Time	Full-time Salary		RBC #
			No. Mos.	Rate \$	
School of Medicine					
Department of Preventive Medicine and Population Health Professor Tse-Chuan Yang (T)	9/1-8/31	100	12	149,000	11691

27. **Lease - U. T. Medical Branch - Galveston:** Authorization of approximately 68,541 square feet of leased space and authorization to increase the leased area by approximately 6,723 square feet to approximately 75,264 square feet and lease additional space in the future, all located at 250 Blossom Street, Webster, Texas, from G & E Healthcare REIT Mountain Plains TX LLC, or related entity for mission purposes including clinical, research and educational uses

Description: U. T. Medical Branch - Galveston (UTMB) requests approval to increase the size of space lease of approximately 68,541 square feet by approximately 6,723 square feet to approximately 75,264 square feet and lease additional space in the future all located at 250 Blossom Street, Webster, Texas, for clinical, research, and educational uses.

In 2018, the Board of Regents approved leasing space in the building to provide a location for a group of physicians to be employed as UTMB faculty and increase the clinical presence in the area. The authorization provided for UTMB to lease the necessary physician office space and investigate the assumption of the physicians existing leases at the location for an estimated \$30,000,000 primary term lease obligation. However, the resulting transaction was a direct lease with the Landlord of approximately 61,253 square feet of space for a longer term that included renewal options and rental expenditures exceeding the previously approved \$30,000,000 amount for the assumption of the physicians existing leases. The direct lease also provides UTMB a right of first refusal to acquire the property if the Landlord receives a bona fide purchase offer from a third party and Landlord desires to sell.

Additionally, the existing lease contains a right of first refusal provision allowing UTMB to lease additional space that may be available in the building. UTMB has previously exercised this right of first refusal to lease additional space and executed a first lease amendment to increase the space size by approximately 7,288 square feet to its current approximately 68,541 square feet.

Board of Regents authorization of the first amendment to the lease and the expenditure of the additional funds in excess of the \$30,000,000 referenced above allowing for a longer-term direct lease with the Landlord was inadvertently not obtained. Presently, the rental expenditures along with tenant improvement costs funded by UTMB that are associated with the approximately 68,541 square foot lease are estimated to be approximately \$104,631,000 and authorization of the lease and expenditure of these funds is sought, along with the increase in space size described below.

The recommended additional increase in space size to approximately 75,624 square feet is the result of a second right of first refusal opportunity, which will allow UTMB to continue to expand and provide needed services to the growing area. The additional rental expenditures along with tenant improvement costs funded by UTMB for the approximately 6,723-square-foot expansion are estimated to be approximately \$10,396,561 over the term, inclusive of the renewal options.

Authorization is sought for the expenditure of funds for the approximately 68,541 square foot direct lease with the Landlord, the increase in the size of the space lease to approximately 75,624 square feet, and for possible future space size increases at rental rates not exceeding fair market value as described below.

Lessor: G & E Healthcare REIT Mountain Plains TX LLC or related entity, successors or assigns

Term: The original base lease term is for a period of 15 years and there are three five-year renewal options thereafter. The First Amendment is coterminous with the base lease and the Second Amendment is intended to be coterminous as well.

Lease Cost: The initial base rental rate for the space size increase of 6,723 square feet is approximately \$23.15 per square foot and is consistent with the rent schedule in the existing lease which incorporates estimated annual FMV rent growth of two percent. The estimated amount of base rent and operating expenses for the primary term for the entire approximately 75,264 square feet is approximately \$47,546,000 plus an additional estimated \$66,249,000 for the three five-year renewal options.

Tenant Improvements: Landlord will replace ceiling tiles and lighting in a portion of the 6,723 square foot expansion space as well as provide approximately \$4.50 per square foot in tenant improvement allowance for approximately 3,028 square feet of the approximately 6,723 square foot space. The Institution projects an additional expenditure of approximately \$772,101 for improvements to the expansion space.

Additional Future Lease Space:	UTMB may desire to lease additional space within the building in the future as the existing right of first refusal to lease additional space provision allows. The total building size is approximately 109,426 square feet. Were the Board of Regents to authorize the additional approximately 6,723 square feet of space, UTMB would occupy approximately 75,264 square feet of the building and the portion of the building not occupied by UTMB would be approximately 33,802 square feet. In the event that all or a portion of the 33,802 square feet becomes available, UTMB requests authority to lease all or part of the additional future space at rental rates not exceeding fair market value. The estimated amount of base rent, operating expenses and tenant improvements to be funded by UTMB if the entire remaining 33,802 square feet were to be occupied is projected to be approximately \$51,336,000, which assumes the term is coterminous with the existing lease, includes the renewal periods, the existing lease rental rate schedule is utilized and does not exceed fair market value, and UTMB spends \$100 per square foot on tenant improvements.
Total Cost:	The estimated amount of base rent, operating expenses and tenant improvements to be funded by UTMB for the entire approximately 75,264 square feet, inclusive of the approximately 6,723 square feet, is projected to be approximately \$115,027,000. In the event UTMB pursues an opportunity to add additional future space to the existing lease, it is projected that may include up to an additional \$51,336,000, if the entire 33,802 square feet not presently occupied by UTMB were to be leased by UTMB as described above.

28. Purchase - U. T. Medical Branch - Galveston: Authorization to purchase an undeveloped approximately 1.72 acres on Professional Park Drive, Webster, Harris County, Texas, from HCM Development, LLC, a Texas limited liability company, for future expansion of the institution's Clear Lake campus with a right of first refusal and right of first offer to purchase other nearby tracts owned by seller

Description: Authorization to purchase three parcels totaling approximately 1.72 acres located along the south line, north line, and east line of Professional Park Drive, within Clear Lake Professional Park, City of Webster, Harris County, Texas. The property will be used by the institution for future expansion of its Clear Lake campus.

Seller: HCM Development, LLC, a Texas limited liability company, or a related entity

Purchase Price: Not to exceed fair market value as determined by independent appraisal; appraisal confidential pursuant to *Texas Education Code Section 51.951*.

[Secretary's Note: Following distribution of agenda materials, Item 28 was amended to reflect new terms of the proposed real estate purchase requested by UTMB that do not include the rights of first refusal or first offer to purchase other nearby tracts owned by the seller.]

29. Interagency Agreement (funds coming in) - U. T. Health Science Center - Houston: To operate an inpatient mental health hospital

Agency: Texas Health and Human Services Commission

Funds: \$39,709,760

Period: Date of execution through August 31, 2023, with four automatic two-year renewals

Description: Pursuant to an Interagency Cooperation Contract, U. T. Health Science Center - Houston will operate the new inpatient mental health hospital known as the John S. Dunn Behavioral Sciences Center. U. T. Health Science Center - Houston will be responsible for the day-to-day operations of the hospital.

30. **Contract (funds going out) - U. T. Health Science Center - San Antonio: ECG Management Consultants, LLC, to provide hospital operational consulting services to support the activation of the Multispecialty and Research Hospital**

Agency: ECG Management Consultants, LLC

Funds: The total cost of services under this Agreement, including all expenses, is estimated to be \$9,225,544.

Period: January 15, 2022 through September 30, 2024

Description: ECG Management Consultants, LLC, will provide operational guidance to U. T. Science Center - San Antonio on the development of its new inpatient facility, the UT Health Multispecialty and Research Hospital. Services will include project management, operations design, and detailed project planning and schedules to ensure efficient hospital operations and successful activation of the new Multispecialty Research Hospital opening in 2024. The programs to be developed include clinical and operational design to achieve necessary accreditation, staffing models and training programs, technology configuration plans, and a facility activation program. The Agreement was competitively bid.

31. **Request for Budget Change - U. T. Health Science Center - San Antonio: New Hires with Tenure -- amendment to the 2021-2022 budget**

The following Requests for Budget Changes (RBC) have been administratively approved by the Chancellor and the Executive Vice Chancellor for Health 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 \$		
School of Medicine						
Cell Systems and Anatomy Professor Gang Huang (T)	9/1-8/31	100	12	185,000		11670
Gastroenterology						
Professor Mansour Zadeh (T)	10/1-8/31	100	12	275,000		11708
School of Health Professions						
Health Sciences Professor Giselle Carnaby (T)	10/1-8/31	100	12	171,000		11707

32. Contract (funds going out) - U. T. M. D. Anderson Cancer Center: Huron Consulting LLC to deliver information technology services

Agency: Huron Consulting LLC

Funds: Total cost of services under this Agreement, including all renewals, is estimated to be \$32,950,000.

Period: December 1, 2021 through November 30, 2026; with three one-year renewal options

Description: Huron Consulting Services LLC will offer resources consisting of trained and experienced personnel to provide project-based support, including implementation services, to U. T. M. D. Anderson Cancer Center's Information Services division in the following work areas: Electronic Health Record, and Enterprise Business Systems. The Agreement was competitively bid.

33. Contract (funds going out) - U. T. M. D. Anderson Cancer Center: Perficient, Inc., to deliver information technology services

Agency: Perficient, Inc.

Funds: Total cost of services under this Agreement, including all renewals, is estimated to be \$10,000,000.

Period: January 1, 2022 through December 31, 2026; with three one-year renewal options

Description: Perficient, Inc., will offer resources consisting of trained and experienced personnel to provide project-based support, including implementation services, to U. T. M. D. Anderson Cancer Center's Information Services division in the following work areas: Enterprise Business Systems. The Agreement was competitively bid.

34. Contract (funds going out) - U. T. M. D. Anderson Cancer Center: Agreement with Jacobs Project Management Co. to provide project management services for various construction or renovation projects

Agency: Jacobs Project Management Co.

Funds: Total contract value is estimated to be \$12,000,000 over the full five-year term, including the two year term of the Second Amendment, although the maximum amount is indeterminable at this time.

Period: September 27, 2020 through September 26, 2022; with no renewal options remaining

Description: Jacobs Project Management Co. will act as a project manager to provide repair, renovation, and rehabilitation services on a per-project basis as requested by U. T. M. D. Anderson Cancer Center. Services are on a nonexclusive, indefinite quantity basis, and there is no minimum amount of work required.

The initial Agreement was competitively bid and did not require Board approval as the anticipated contract value was within the institution's delegated approval threshold. The initial Agreement was effective September 27, 2017 through September 26, 2019. The First Amendment extended the contract term to September 26, 2020, and did not increase the contract value. The Second Amendment extended the term through September 26, 2022. On May 6, 2021, along with the Second Amendment to extend the term, the estimated contract value of \$6,000,000 was approved by the Board. The estimated contract value of the Second Amendment has now increased to \$12,000,000, although the maximum amount is undeterminable at this time. There are no changes to the Second Amendment other than the increase in estimated contract value.

35. Contract (funds going out) - U. T. M. D. Anderson Cancer Center: Agreement with Broaddus & Associates, Inc., to provide project management services for various construction or renovation projects

Agency: Broaddus & Associates, Inc.

Funds: The total contract value is estimated to be \$10,500,000 over the full five-year term, including the two year term of the Second Amendment, although the maximum amount is indeterminable at this time.

Period: August 14, 2020 through August 13, 2022; with no renewal options

Description: Broaddus & Associates, Inc., will act as a project manager to provide project management services for projects on a per-project basis as requested by U. T. M. D. Anderson Cancer Center. Services are on a nonexclusive, indefinite quantity basis, and there is no minimum amount of work required. The Master Agreement dated August 14, 2017, and the First Amendment dated August 14, 2019, did not require Board approval as the cap amount was within the institution's delegated approval threshold. The First Amendment extended the term one year and amended the Historically Underutilized Business rider. The Second Amendment extended the term. On August 20, 2020, along with the Second Amendment to extend the term, the contract value of \$6,500,000 was approved by the Board. The estimated contract value of the Second Amendment has now increased to \$10,500,000, although the maximum amount is indeterminable at this time. There are no changes to the Second Amendment other than the increase in estimated contract value. The Master Agreement was competitively bid.

36. **Request for Budget Change - U. T. M. D. Anderson Cancer Center: New Hire with Tenure -- amendment to the 2021-2022 budget**

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

Description	Effective Date	% Time	Full-time Salary		
			No. Mos.	Rate \$	RBC #
Department of Neuroradiology					
Division of Diagnostic Imaging Chair, Professor Max Wintermark (T)	2/7-8/31	100	12	573,000	11704

37. **Purchase - U. T. M. D. Anderson Cancer Center: Authorization to purchase improved land totaling approximately 3.96 acres containing an approximate 45,080-square-foot commercial structure located at the southeast corner of State Highway 249 and Lake Road and to obtain a 24-month right of first refusal on an adjacent improved tract of land of approximately 3.65 acres containing two commercial structures of approximately 16,054 square feet and approximately 24,125 square feet, all in in Houston, Harris County, Texas, from 21614 Tomball LLC, for future mission use including clinical facilities**

Description: Purchase of improved land totaling approximately 3.96 acres containing an approximate 45,080-square-foot single-story commercial structure located at the southeast corner of State Highway 249 and Lake Road in Houston, Harris County, Texas. The facility is currently built out as a fitness center. The adjacent right of first refusal property contains two single story commercial structures of approximately 16,054 and 24,125 square feet, and is configured with shared driveways. The right of first refusal will be valid for approximately 24 months from closing; if exercised, U. T. M. D. Anderson Cancer Center will seek authorization to purchase at that time. The institution will use the property for mission use, including the development and operation of clinical facilities.

Seller: 21614 Tomball LLC, a Texas limited liability corporation, or a related entity

Purchase Price: Not to exceed fair market value as determined by an independent appraisal. The purchase price may be adjusted based on the actual area of the property or improvements, as further determined by survey or re-measurement; appraisal confidential pursuant to *Texas Education Code* Section 51.951.

FACILITIES PLANNING AND CONSTRUCTION COMMITTEE

No items for Consent Agenda