

Meeting No. 1,006

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

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May 10-11, 2006

Austin, Texas

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MEETING NO. 1,006

WEDNESDAY, MAY 10, 2006.--The members of the Board of Regents of The University of Texas System convened at 2:45 p.m. on Wednesday, May 10, 2006, in the Board Meeting Room, Ninth Floor, Ashbel Smith Hall, 201 West Seventh Street, Austin, Texas, with the following participation:

ATTENDANCE.--

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

Absent
Regent Craven

Counsel and Secretary Frederick

In accordance with a notice being duly posted with the Secretary of State and there being a quorum present, Chairman Huffines called the meeting to order.

RECESS TO EXECUTIVE SESSION.--At 2:47 p.m., Chairman Huffines announced the Board would recess to convene in Executive Session pursuant to *Texas Government Code* Sections 551.071, 551.072, 551.073, and 551.074 to consider those matters listed on the Executive Session agenda.

RECONVENE IN OPEN SESSION.--At 5:27 p.m., the Board reconvened in open session and took the following actions on matters discussed in Executive Session.

- 1a. U. T. System: Discussion and appropriate action regarding intellectual property litigation strategy including ongoing and proposed intellectual property litigation at U. T. Arlington and separate intellectual property litigation at U. T. Austin (Deferred)

This item was deferred.

- 1b. U. T. System: Discussion with counsel concerning pending legal issues

No action was taken on this item.

- 2a. U. T. Medical Branch - Galveston: Authorization and related terms of marketing and sale of the real property and improvements located at 1301 Market Street, Galveston, Galveston County, Texas, with the net sale proceeds to be used to establish an endowed faculty position in support of the institution's Parkinson's disease program and to match the Herzog Foundation Challenge Grant at the institution for indigent patients' pharmaceutical needs

Vice Chairman Clements moved that the Executive Director of Real Estate be authorized to

- a. market and sell the real property and improvements located at 1301 Market Street, Galveston, Galveston County, Texas, through a competitive offer process, with the sale proceeds, net of all closing costs and other costs and expenses to complete the sale as deemed necessary by the Executive Director of Real Estate, to be used to establish an endowed faculty position in support of The University of Texas Medical Branch at Galveston's Parkinson's disease program and to match the Herzog Foundation Challenge Grant at the institution for indigent patients' pharmaceutical needs; and
- b. execute all documents, instruments, and other agreements, with the concurrence of the Vice Chancellor and General Counsel and take all further actions deemed necessary or advisable to market and sell the real property and improvements in accordance with the parameters outlined in Executive Session.

Regent McHugh seconded the motion, which carried unanimously.

- 2b. U. T. Arlington: Approval to negotiate the sublease of approximately 21,600 rentable square feet of improvements and associated parking located at 1401 Jones Street, Fort Worth, Tarrant County, Texas, from the Board of Directors of Tax Increment Reinvestment Zone Number Three, City of Fort Worth, for The University of Texas at Arlington Fort Worth Higher Education Center

Upon motion by Vice Chairman Krier, seconded by Regent Caven, the Board

- a. authorized the Executive Director of Real Estate to negotiate a sublease for the benefit of The University of Texas at Arlington in accordance with the parameters outlined in Executive Session from the Board of Directors of Tax Increment Reinvestment Zone Number Three, City of Fort Worth, of approximately 21,600 rentable square feet of improvements and associated parking located at 1401 Jones Street in downtown Fort Worth, Tarrant County, Texas, for the Fort Worth Higher Education Center; and
- b. authorized the Executive Director of Real Estate to execute all documents, instruments, and other agreements, subject to approval of all such documents as to legal form by the Office of General Counsel, and to take all further actions deemed necessary or advisable to carry out the purpose and intent of the foregoing actions within the parameters outlined in Executive Session.

Regent Estrada was recorded as abstaining from vote on this item because, while his firm has no direct relation with the Tax Increment Reinvestment Zone Number Three, his firm serves as financial advisor to the City of Fort Worth.

The motion carried by acclamation.

- 3a. U. T. Austin: Approval to accept negotiated conditional gifts from the Michael & Susan Dell Foundation to fund the Computer Sciences Building (to be named the Dell Computer Science Hall) and to assist in the building of a Dell Pediatric Research Institute

Regent Caven moved that The University of Texas System Board of Regents authorize the Presidents of The University of Texas at Austin and The University of Texas Health Science Center at Houston (see Item 3b on Page 4), with the prior review and approval of the Chancellor and the Vice Chancellor and General Counsel, to negotiate and conclude arrangements to accept potential gifts to benefit their respective institutions in accordance with the proposals presented in Executive Session with the understanding the gifts will be announced after satisfactory conclusion of such negotiations.

Regent Barnhill seconded the motion, which carried unanimously.

Counsel and Secretary's Note: On May 15, 2006, negotiated conditional gifts were announced from the Michael & Susan Dell Foundation to assist in funding the Computer Sciences Building (\$10 million matching gift for a total project cost of \$67 million, see Item 11 on Page 50) (to be named the Dell Computer Science Hall) and \$38 million to assist in the building of a Dell Pediatric Research Institute to benefit U. T. Austin.

- 3b. U. T. Health Science Center – Houston and U. T. Austin: Approval to accept negotiated conditional gifts from the Michael & Susan Dell Foundation to fund the Michael & Susan Dell Center for Advancement of Healthy Living

Regent Caven moved that The University of Texas System Board of Regents authorize the Presidents of The University of Texas at Austin (see Item 3a on Page 3) and The University of Texas Health Science Center at Houston, with the prior review and approval of the Chancellor and the Vice Chancellor and General Counsel, to negotiate and conclude arrangements to accept potential gifts to benefit their respective institutions in accordance with the proposals presented in Executive Session with the understanding the gifts will be announced after satisfactory conclusion of such negotiations.

Regent Barnhill seconded the motion, which carried unanimously.

Counsel and Secretary's Note: On May 15, 2006, a negotiated gift of \$2 million was announced from the Michael & Susan Dell Foundation to create the Michael & Susan Dell Center for Advancement of Healthy Living, a research and obesity prevention center on the Austin campus that will be run by the U. T. Public Health School – Houston.

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

No action was taken on this item.

RECESS.--At 5:30 p.m., Chairman Huffines announced the Board would recess for the meeting of the Audit, Compliance, and Management Review Committee at 8:00 a.m. on May 11.

THURSDAY, MAY 11, 2006.--The members of the Board of Regents of The University of Texas System reconvened at 9:20 a.m. on Thursday, May 11, 2006, in the Board Meeting Room, Ninth Floor, Ashbel Smith Hall, 201 West Seventh Street, Austin, Texas, with the following participation:

ATTENDANCE.--

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

Absent
Vice Chairman Krier
Regent Craven

Counsel and Secretary Frederick

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

AGENDA ITEM

1. U. T. System: Annual Meeting with Officers of the U. T. System Student Advisory Council

Chairman Huffines called on Mr. Brent Chaney, Chair of The University of Texas System Student Advisory Council (SAC), for introductory remarks and to introduce members of the Council.

Mr. Matthew Ramirez reported on the recommendation of the Health and Graduate Affairs Committee to implement a drug testing policy. Regent Haley inquired as to the origin of the recommendation and Mr. Ramirez responded the recommendation is the result of an incident at a non-U. T. university. Executive Vice Chancellor Shine agreed the issue needs attention and questioned when testing should take place, and Mr. Ramirez responded that the Committee's recommendation relates to when a person is involved in patient care. Executive Vice Chancellor Sullivan responded that the proposal also involves curriculum and student health services. Vice Chancellor and General Counsel Burgdorf outlined the legal ramifications of initiating a random drug testing program for students.

Mr. Omar Ochoa presented the recommendations of the Financial and Legislative Affairs Committee for institutions to begin setting tuition locks or guarantees for incoming students based on their academic program's expected time of completion and to implement standard dates for the tuition-setting process at each institution. Dr. Sullivan said The University of Texas at Dallas and The University of Texas at El Paso are experimenting with locked-in tuition and she said a model needs to be used and such a model from other universities is being reviewed. She said the instructions to presidents regarding the tuition process will address these points and she thanked the Council for bringing forward these issues. Regent Estrada urged that the model leave some room for discretionary judgment for students in unexpected circumstances or special needs and to not penalize them.

Mr. Franco Marquez addressed the recommendations of the Academic Affairs Committee to require an online degree audit plan evaluation tool at each institution and to require advising accountability. Regent Haley encouraged U. T. System to facilitate such a degree audit plan and Dr. Sullivan said each campus will have some type of audit plan. She said she will seriously review the request for advising accountability. Mr. Marquez also spoke to the recommendation to develop a transfer equivalency guide that is useable by all U. T. System schools. Dr. Sullivan said The University of Texas at Austin program is nonproprietary and might be used at other campuses but the issue might be compatibility at other campuses.

Ms. Stephanie Rich reported on the United to Serve initiative and the efforts of U. T. System in the Capital Area Food Bank. She addressed the recommendation of the Student Involvement and Campus Life Committee to create and moderate a network. Dr. Sullivan said this follows the lines of the portal created for the SAC through the SharePoint software program and the Office of Academic Affairs at U. T. System could adapt what has been done to make this happen, with its principal role being to facilitate and monitor the site.

Chairman Huffines remarked that each student's presentation included a note about graduation rates and he applauded these efforts. He referenced the status of past SAC recommendations included on Pages 9-14 of the Agenda materials.

Regent Haley congratulated the students for their commitment to these initiatives and assured the SAC representatives that the discussion is taken seriously by the Board. He asked Mr. Ochoa if students would accept a slight tuition increase each year or if a flat increase would be preferred and Mr. Ochoa said predictability is the most important factor. Regent Haley then asked Executive Vice Chancellor Sullivan if information about transfer credit could be made available and Dr. Sullivan responded affirmatively but it would not be possible to require each campus to accept the equivalency.

Chancellor Yudof commended the students on their recommendations.

U. T. SYSTEM BOARD OF REGENTS: APPROVAL OF MINUTES.--The Minutes of the regular meeting of the Board of Regents of The University of Texas System held on February 8-9, 2006, in Austin, Texas, were approved as prepared by the Counsel and Secretary to the Board. The official copy is recorded in the *Permanent Minutes*, Volume LIII, Pages 222 - 486.

The Board also approved the Minutes of the special meetings of the Board of Regents of the U. T. System held on March 28, 2006, and April 27, 2006, in Austin, Texas, as prepared by the Counsel and Secretary to the Board. The official copy is recorded in the *Permanent Minutes*, Volume LIII, Pages 487 - 510.

AGENDA ITEMS (CONTINUED)

2. U. T. System Board of Regents: Approval of proposed appointments of members to the Board of Directors of The University of Texas Investment Management Company (UTIMCO) (Deferred)

The item related to proposed appointments of members to the Board of Directors of The University of Texas Investment Management Company (UTIMCO) was deferred.

3. U. T. System Board of Regents: Amendment to the Regents' *Rules and Regulations*, Series 20201, Section 1 (Presidential Selection)

The Board amended the Regents' *Rules and Regulations*, Series 20201, Section 1 to read as set forth on Pages 8 - 10.

These amendments provide that the Executive Vice Chancellor for Academic Affairs or the Executive Vice Chancellor for Health Affairs serves as Chairman of the Presidential Search Advisory Committee unless the Chairman of the Board of Regents makes another appointment; provide for development of a timetable for the Advisory Committee's work; and encourage consideration of candidates with diverse professional backgrounds and experiences. The amendments are in accordance with the request by Chairman Huffines at the December 2004 meeting for modifications to the presidential search procedures to result in a shorter and more efficient search and selection process.

1. Title

Presidents

2. Rule and Regulation

Sec. 1 Presidential Selection. The Board of Regents selects the president of each institution.

1.1 Advisory Committee. When there is to be a vacancy in the office of a president, an Advisory Committee shall be established to recommend candidates to the Board. No person who elects to be a candidate for the vacancy may serve on the Advisory Committee. The Executive Vice Chancellor for Health Affairs or the Executive Vice Chancellor for Academic Affairs shall serve as Chairman of the Advisory Committee unless the Chairman of the Board makes another appointment. Committee membership is as follows:

- (a) At least one Regent to be appointed by the Chairman of the Board.
- (b) Two presidents from the U. T. System to be appointed by the Chairman of the Board.
- (c) The Executive Vice Chancellor for Academic or Health Affairs.
- (d) Three faculty members from the institution involved. At least two of the members shall have the rank of associate professor or higher. The method of selection for faculty members shall be determined by the faculty governance of the campus.
- (e) One Dean to be selected by the Deans' Council of the institution involved for academic institutions. At health-related institutions, the member will be the Dean of the Medical School or in the absence of that position the member will be a senior representative of the teaching program of the institution selected by the Chairman of the Board.

- (f) One student, in good academic standing, from the institution involved. The method of selection shall be determined by the student governance of the campus or, if there is no student governance, by the Chairman of the Board. If the institution does not have students, this category of representation shall be omitted.
 - (g) The President of the alumni association of the campus involved. If the institution does not have an active alumni organization, an alumnus of the institution may be selected by the Chairman of the Board.
 - (h) One nonfaculty employee of the institution involved. The method of selection shall be determined by the staff or employee council of the institution involved. If there is no staff or employee council, selection will be by the Chairman of the Board.
 - (i) At least two representatives of the institution's external constituency who have demonstrated a deep interest in and support of the institution, its programs, and its role in community activities to be appointed by the Chairman of the Board.
- 1.2 Diversity of Members. Campus constituent groups with responsibility for selection of Advisory Committee representatives are expected to consider diversity, particularly as it relates to minority and female representation. Unless there are unusual delays in faculty, staff, or student representative selection that postpone initiation of the committee process, the Chairman of the Board will make his or her appointments to the Advisory Committee after campus selections to maximize the prospect that the total committee composition reflects diversity. The Chairman's appointments to the Advisory Committee will be made following due consideration of input from members of the Board, the institutional leadership, and community leaders.
- 1.3 Selection Criteria. Selection criteria for the president shall relate to the needs of the individual institution.

- 1.4 Responsibilities of the Committee Chairman. The Committee Chairman shall develop a timetable for the Committee's work, in consultation with the Chairman of the Board, and shall initiate mechanisms to develop an appropriate candidate pool and to seek information on the several candidates.
- 1.5 Responsibilities of the Advisory Committee. The Advisory Committee shall inquire from competent sources as to the candidates' academic, administrative, and business abilities.
- 1.6 Interviews. The Advisory Committee may interview candidates as a part of its selection process. Interviews should be conducted on the basis that the confidentiality of the process is critical to its ultimate success.
- 1.7 Recommendation. The Advisory Committee shall submit to the Board, through its Chairman, a list of no more than 10 recommended candidates with no preference indicated. Candidates recommended shall have received a majority vote of the Committee. The Committee shall strive to include candidates with diverse professional backgrounds and experiences.
- 1.8 Finalists. The Board determines which candidates will be further interviewed prior to naming a finalist or finalists. If none of the names submitted by the Advisory Committee is satisfactory to the Board of Regents, the Board in its discretion may either name a new committee or proceed to select a president under such other procedures as in its discretion it may deem proper and appropriate.
- 1.9 Alternate Process. When the Board of Regents has candidate(s) from recent searches at other institutions, from within the U. T. System, and/or of national prominence from outside the U. T. System to advance for consideration, the Chairman of the Board of Regents shall appoint a Special Committee to provide the Board with advice and evaluation consistent with that usually provided by an Advisory Committee. The Special Committee shall be composed as specified above for the Advisory Committee but will not include members of the Board of Regents. The Special Committee shall not extend its consideration beyond those candidates referred to it by the Board of Regents without specific concurrence from the Board.

4. U. T. System Board of Regents: Adoption of Regents' *Rules and Regulations*, Series 40602, related to Organized Research Units

To specify the procedures for establishing and reviewing organized research units, the Board adopted a new rule related to support of Organized Research Units as Regents' *Rules and Regulations*, Series 40602, as set forth on Pages 12 - 14. The Rule was considered by the Academic Affairs Committee and the Health Affairs Committee on May 10, 2006 (see Committee Minutes).

Since 1996, the Offices of Academic and Health Affairs have maintained a set of informal guidelines to facilitate the development of organized research units within the institutions. On August 11, 2005, the Board asked that suggested procedures related to the establishment and periodic review of centers, institutes, and similar research units be presented for review at a future meeting.

1. Title

Organized Research Units

2. Rule and Regulation

Sec. 1 Functions of an organized research unit. An Organized Research Unit (ORU) is established to provide support for interdisciplinary research that complements the academic goals of departments of instruction and research. These units are typically referenced as institutes, laboratories, or centers. The functions of an ORU are to

- 1.1 Facilitate research and research collaborations;
- 1.2 Disseminate research results through conferences, meetings, and other activities;
- 1.3 Strengthen graduate and undergraduate education by providing students with training opportunities and access to facilities;
- 1.4 Seek extramural research funds; and
- 1.5 Carry out university and public service programs related to the ORU's research expertise.

Sec. 2 Designation of ORUs. Units included as organized research units normally carry one of the designations listed and defined below. Institute, Laboratory, and Center are the most commonly used designations.

- 2.1 Institute. A major unit that coordinates and promotes faculty and student research on a continuing basis over an area so wide that it extends across department, school or college, or campus boundaries. The unit enhances and supports broad-based research efforts. The unit may also engage in public service activities stemming from its research program, within the limits of its stated objectives.
- 2.2 Laboratory. A nondepartmental organization that establishes and maintains facilities for research in several departments, sometimes with the help of full-time research staff appointed in accordance with institutional policy. A laboratory in which substantially all participating faculty members are from the same academic department is a departmental laboratory and not an ORU.

- 2.3 Center. A unit that furthers research in a designated field or a unit engaged primarily in providing research facilities for other units and departments. Centers with anticipated annual budgets of at least \$3,000,000, representing the sum of research grants and contracts managed through the Center's operations as well as institutional and other funding, are in this category.
- 2.4 Non-ORU Center. The term Center may be used for research units not formally constituted as ORUs. Centers with an anticipated annual budget of less than \$3,000,000 may be constituted upon approval of the campus president or designee. The campus shall periodically review non-ORU centers and programs.
- Sec. 3 Procedure for Establishment of ORUs. An ORU is established upon submittal and approval of a proposal by the president and the Executive Vice Chancellor for Academic Affairs or the Executive Vice Chancellor for Health Affairs. The proposal should describe the purpose and benefits of the ORU to the institution, the faculty members and other participants, research and other activity plans, space requirements, and budget needs. If institutional space or funds are committed, confirmation of such commitments from the appropriate institutional representative should be included in the proposal.
- Sec. 4 Named ORU. Proposals to name an ORU for an individual or an entity must comply with the provisions of Regents' *Rules and Regulations*, Series 80307, related to honorific and gift-related namings, and should be submitted to the appropriate Executive Vice Chancellor. The ORU naming will only be maintained as long as the ORU is active.
- Sec. 5 Advisory Committee or Council. Each ORU is headed by a director and will have an advisory committee/council that assists the director in setting the unit's goals and may assist by critically evaluating its effectiveness on a continuing basis. The creation of an advisory committee/council must be approved by the Board of Regents in accordance with Regents' *Rules and Regulations*, Series 60302.

- Sec. 6 Procedures for Review. Periodic review of ORUs is necessary to ensure consistency with institutional goals and priorities and the institution's need to sustain a capacity to innovate. Each ORU should be reviewed at least every six years. An ad hoc committee shall be formed to assess the ORU's original goals and objectives, its present functioning, recent accomplishments, future plans, adequacy of space and budget allocations, and future prospects to contribute to the institution's vision and mission. The committee's report will be forwarded to the president, who, in consultation with others, will determine whether the ORU should continue, be phased out, or be discontinued. The president shall forward the recommendation and ad hoc committee's report to the Executive Vice Chancellor for Academic Affairs or the Executive Vice Chancellor for Health Affairs.
- Sec. 7 ORU Reviews and Approvals. The periodic reviews and the establishment of institutes, laboratories, and centers must be filed with the Office of Academic Affairs or Health Affairs. Such office will maintain and make available to the Board of Regents an inventory of those organized research units throughout The University of Texas System.

5. U. T. System Board of Regents: Amendment to the Regents' *Rules and Regulations*, Series 31001, Section 2.4 (Honorific Titles)

Regents' *Rules and Regulations*, Series 31001, Section 2.4, regarding honorific titles, was amended to clarify that the use of the title Distinguished Teaching Professor is permissible at all approved academies of distinguished teachers within The University of Texas System. The revised Rule reads as follows:

2.4 Honorific Titles

...

- (b) Distinguished Teaching Professor. Members of an institutional academy of distinguished teachers, approved by the Chancellor, the Executive Vice Chancellor for Academic Affairs, or the Executive Vice Chancellor for Health Affairs, may use the honorific title Distinguished Teaching Professor to recognize faculty members who have made significant contributions to education.

....

6. U. T. System Board of Regents: Amendments to the Regents' *Rules and Regulations*, Series 80307, regarding Naming of Facilities to be retitled Naming Policy

The Board retitled the Regents' *Rules and Regulations*, Series 80307, regarding Naming of Facilities, as Naming Policy and approved amendments as set forth on Pages 17 - 21. The Policy includes a namings approvals chart at Section 9 of the Rule and a revision to new Section 3 to delete a sentence included in the Agenda materials that requires a report of delegated naming be included in the annual operating budget submission or updated Capital Improvement Program (CIP) (see congressional style on Page 17). Vice Chancellor for External Relations Safady will collect these reports but the reports will not be required to be part of the budget or CIP submissions.

Former Regents' *Rules and Regulations*, Series 80307, sets forth The University of Texas System's general policy on namings of institutional facilities, programs, and streets. The goal of the revisions to the Regents' *Rules* is to ensure that all namings are carefully considered on a case-by-case basis, in accordance with procedures established by the Office of External Relations. If a U. T. System institution is to honor the name of any individual, corporation, or other organization, it is critical that the activities of such individual, corporation, or organization be in alignment with the mission and purpose of the U. T. System and its institutions. As provided in the

revisions, any naming for a corporate entity (defined in the Policy as a “corporate or other legal entity”) will also include a careful investigation into the corporation's financial and ethical status and confirmation that no conflicts of interest exist.

All namings for streets and prominent facilities or programs will require approval by the Board. All other namings will require approval by the Chancellor, or in certain circumstances, the institutional president.

All corporate namings, whether for prominent or less prominent facilities or programs, will require careful consideration at the U. T. System level to ensure avoidance of any conflicts of interest. The requirement that all street namings require Board approval has been the historical practice for those namings. Adding the requirement to this Rule formalizes the long-standing policy.

Regent Caven expressed concern about requirements for corporate namings with the exception of athletic facilities, which are considered essentially a long-term lease that can be reviewed and renewed at different points in time. He said his concern stems from corporations that can change in character. Vice Chancellor Burgdorf said a corporate naming agreement will accompany a naming request and such agreement will address concerns of corporate scandal, merger acquisition, name change, bankruptcy, and criminal conviction of executive officers. Mr. Burgdorf explained that if one of these incidents occurs, the institution would have the option to terminate the agreement but there would not be an option to return monies already paid. Vice Chancellor Safady said most current named facilities at U. T. System institutions are either athletic facilities or in established business or medical schools, such as the EDS Financial Trading and Technology Center, the AIM Investment Center, and the Ford Career Center, all in the Red McCombs School of Business at The University of Texas at Austin. Dr. Safady said research of universities across the country indicates namings are considered on a case-by-case basis and there are no prohibitions. She said extraordinary gifts by corporations to name entire facilities is rare today.

1. Title

Naming Policy

2. Rule and Regulation

Sec. 1 General. Before proceeding with any naming, institutions must carefully consider all circumstances surrounding the naming, including the overall benefit to the institution and whether displaying the name is and will continue to be a positive reflection on the institution. Any naming of Facilities and Programs must undergo a high level of consideration and due diligence to ensure that the name comports with the purpose and mission of the U. T. System and its institutions. No naming shall be permitted for any corporation or individual whose public image, products, or services may conflict with such purpose and mission.

Sec. 2 Naming of Prominent Facilities and Prominent Programs. Each Prominent Naming must be approved by the Board of Regents via the agenda. Recommendations for any Prominent Naming shall be forwarded to the Board of Regents with recommendations of the Chancellor, the Executive Vice Chancellor for Academic or Health Affairs, the Vice Chancellor for External Relations, and the president of the institution, according to procedures established by the Office of External Relations.

Sec. 3 Naming of Less Prominent Facilities and Less Prominent Programs. The Board of Regents has delegated naming authority for Less Prominent Facilities and Less Prominent Programs to each president based on a set of general guidelines that are reviewed and approved by the Chancellor, except that any Corporate Naming requires approval by the Chancellor and compliance with the procedures set forth below in Section 8, including the requirement for advance consultation. ~~A report of each naming that did not require approval by the Board of Regents shall be included with the annual operating budget submission or updated Capital Improvement Program.~~ The Vice Chancellor for External Relations will make final determinations as to what types of Facilities and Programs may be considered Less Prominent.

- Sec. 4 Naming of Streets. The naming of all streets located on campus must be approved by the Board of Regents. Recommendations for any street names shall be forwarded to the Board of Regents with recommendations of the Chancellor, the Executive Vice Chancellor for Academic or Health Affairs, the Vice Chancellor for External Relations, and the president of the institution.
- Sec. 5 Honorific Naming. Under appropriate circumstances, Facilities and Programs may be named for individuals who have made exemplary or meritorious contributions to the U. T. System or any of its institutions or society. Any naming in honor of campus administrative officials, faculty, staff, or elected or appointed public officials shall normally occur only after the campus employment or public service has concluded.
- Sec. 6 Gift-Related Naming. Facilities and Programs may be named under the terms of a negotiated gift agreement to memorialize or otherwise recognize substantial gifts and significant donors or individuals designated by donors. Each institution shall develop guidelines for what constitutes substantial and significant donations to warrant a gift-related naming. Institutional donor guidelines must be approved by the Executive Vice Chancellor for Academic or Health Affairs, the Vice Chancellor for External Relations, and the Vice Chancellor and General Counsel for inclusion in the institutional *Handbook of Operating Procedures*.
- Sec. 7 Naming Related to Development Campaign. When a Prominent Naming is contemplated as part of a development campaign, that campaign, the proposed naming, and the associated private-fund contributions to be sought shall have prior approval of the institution's president, the Executive Vice Chancellor for Academic or Health Affairs, the Vice Chancellor for External Relations, the Chancellor, and the Board of Regents as required in Series 60301 of the Regents' *Rules and Regulations* concerning the development board of an institution.
- Sec. 8 Corporate Naming. Each Corporate Naming for Prominent Facilities or Programs must be approved by the Board of Regents. Each Corporate Naming for Less Prominent Facilities or Programs must be approved by the Chancellor.

- 8.1 Special Considerations. The Office of External Relations must complete a detailed due diligence review, in accordance with policies and procedures established by that office, of the corporation prior to any Corporate Naming. Each Corporate Naming must be analyzed to ensure that there are no conflicts of interest. Certain restrictions may also apply to any proposed naming of a Facility financed with the proceeds of tax-exempt bonds.

- 8.2 Procedures for Corporate Naming. Before negotiating a possible Corporate Naming, the president shall send a written request, in compliance with procedures established by the Office of External Relations, to the Executive Vice Chancellor for Academic or Health Affairs. Following review and approval in accordance with the procedures set forth herein and in the procedures established by the Office of External Relations, the institution shall negotiate a gift agreement with the corporation, using the Standard Corporate Naming Gift/Licensing Agreement prepared by the Office of General Counsel. Any substantive variations to the standard agreement must be approved by the Office of General Counsel. The Executive Vice Chancellor for Academic or Health Affairs shall have authority to sign such gift agreements after appropriate approval.

Sec. 9 Namings Approvals Chart

	Corporate*	Non-Corporate
Prominent**	Board of Regents	Board of Regents
Less Prominent***	Chancellor	Institutional President

* In addition to the approvals specified in this chart, all requests for Corporate Naming must be forwarded in writing by the institution’s president to the Executive Vice Chancellor for Academic or Health Affairs (as appropriate), the Vice Chancellor for External Relations, and the Office of General Counsel; must be recommended by the Chancellor; and must otherwise comply with specific guidelines relating to Corporate Naming.

** In addition to the approvals specified in this chart, all requests for naming for Prominent Facilities and Programs (as defined in Regents' *Rule*, Series 80307) must be recommended by the Chancellor, the Executive Vice Chancellor for Academic or Health Affairs (as appropriate), and the Vice Chancellor for External Relations, and must comply with procedures established by the Office of External Relations. The Vice Chancellor for External Relations, in consultation with the Executive Vice Chancellor for Academic or Health Affairs (as appropriate), makes final determinations as to which Facilities and Programs are considered Prominent.

*** Any naming for Less Prominent Facilities and Programs shall be based on a set of general guidelines that are reviewed and approved by the Chancellor. The Vice Chancellor for External Relations, in consultation with the Executive Vice Chancellor for Academic or Health Affairs (as appropriate), makes final determinations as to which Facilities and Programs are considered Less Prominent.

Sec. 10 Announcements. No institution shall announce the naming of any Facility or Program prior to the final approval required by this Rule.

3. Definitions

Facilities - all physical facilities and buildings.

Prominent Facilities - buildings; athletic facilities; other prominent facilities, such as wings of buildings, major components of buildings, large auditoria, concert halls, atriums, prominent outdoor spaces, and clinics.

Less Prominent Facilities - Facilities such as laboratories, classrooms, seminar or meeting rooms, and patient rooms that the Vice Chancellor for External Relations, in consultation with the Executive Vice Chancellor for Academic or Health Affairs, determines are less prominent and therefore not within the category of Prominent Facilities.

Programs - all nonphysical entities.

Prominent Programs - major entities, such as colleges, schools, academic departments, and prominent academic centers, programs and institutes.

Less Prominent Programs - academic centers, programs, and institutes that the Vice Chancellor for External Relations, in

consultation with the Executive Vice Chancellor for Academic or Health Affairs, determines are less prominent and therefore not within the category of Prominent Programs.

Corporate Naming - the naming of any Facility or Program after a corporate or other legal entity.

Prominent Naming - the naming of Prominent Facilities or Prominent Programs.

7. U. T. System Board of Regents: Adoption of Regents' Rules and Regulations, Series 20205, relating to expenditures for travel, entertainment, and housing by the Chancellor and presidents of the U. T. System

The Board adopted a new rule, related to expenditures for travel, entertainment, and housing by the Chancellor and presidents of The University of Texas System, as Regents' *Rules and Regulations*, Series 20205, set forth on Pages 24 - 27, which includes an amendment proposed by Chairman Huffines to require a summary of the president's expenses to be provided to the Board annually following a format to be developed by the Executive Vice Chancellor for Business Affairs. The amendment is shown in congressional style at Section 7.3.

In the performance of their unique roles, the Chancellor and presidents of the U. T. System (or chief administrators), are frequently called upon to travel on behalf of the U. T. System and its institutions; to extend official hospitality to important visitors; and to entertain guests in conjunction with alumni and development activities, campus events, and other official functions. As a public institution, the U. T. System must make the most efficient and effective use of funds entrusted to it by various constituencies when making expenditures for those purposes and must be able to demonstrate compliance with applicable laws and rules. Additionally, the U. T. System must ensure that expenditures support the mission and purpose of the U. T. System and are not made for a private purpose.

This Rule is an effort to recognize the importance of oversight and accountability, transparency, and fiscal responsibility in the expenditure of funds for travel, entertainment, and housing by a chief administrator through the following requirements:

- All foreign travel, excluding travel to Mexico or Canada, must be approved in advance by the Chairman of the Board of Regents for the Chancellor and by the appropriate Executive Vice Chancellor for the presidents.
- Expenditures that exceed \$10,000 for the furnishing, maintenance, or repair of a residence or its grounds owned by the U. T. System must be approved in advance by a committee composed of the Executive Vice Chancellor for Business Affairs, the Vice Chancellor and General Counsel, and the Counsel and Secretary to the Board of Regents.
- Reimbursements to the Chancellor must be reviewed and approved by the Counsel and Secretary to the Board of Regents before payment. Reimbursements to a president of a U. T. System institution must be reviewed and approved by the institution's chief business officer before payment.

- A chief administrator must request reimbursement for travel, entertainment, or housing expenses within 90 days of the date on which the expense was incurred.
- Chief administrators must file quarterly reports of travel, entertainment, and housing expenses incurred on their behalf or on behalf of their spouses. The Chancellor's report will be reviewed by the Chairman of the Board of Regents and each president's report will be reviewed by the appropriate Executive Vice Chancellor.
- Audits will be performed annually on travel, entertainment, and housing expenses incurred on behalf of chief administrators or their spouses. The results will be shared with the Audit, Compliance, and Management Review Committee of the Board of Regents.

In addition, U. T. System staff will review and propose needed revisions to current U. T. System administrative policies related to travel, business expenses, and other reimbursements.

1. Title

Expenditures for Travel, Entertainment, and Housing by Chief Administrators

2. Rule and Regulation

Sec. 1 Purpose. The University of Texas System Administration and U. T. System institutions are governed by State law and rules and regulations promulgated under those laws, as well as System-wide and institutional policies and procedures, concerning expenses incurred by officials for travel, entertainment, and housing. While recognizing the unique role of the Chancellor and presidents in representing the U. T. System and its institutions, the Board of Regents also recognizes the importance of oversight and accountability, transparency, and fiscal responsibility. The purpose of this Rule is to prescribe, clarify, and provide uniformity in the approval, review, and audit process for travel, entertainment, and housing expenses incurred by the Chancellor and presidents.

Sec. 2 Prudent Use of Funds. In the performance of their unique roles, the chief administrators are frequently called upon to travel on behalf of the U. T. System and its institutions, to extend official hospitality to important visitors, and to entertain guests in conjunction with alumni and development activities, campus events, and other official functions. As a public institution, the U. T. System must make the most efficient and effective use of funds entrusted to it by various constituencies when making expenditures for those purposes and must be able to demonstrate compliance with applicable laws and rules. Additionally, the U. T. System must ensure that expenditures support the mission and purpose of the System and that the expenditures are not made for a private purpose.

Sec. 3 Travel Expenditures. All expenditures for travel by a chief administrator or his or her spouse must be for a business purpose of the U. T. System or the institution and must comply with all laws and policies of the institution and the U. T. System. All foreign travel, excluding travel to Canada or Mexico, must be approved in advance by the Chairman of the Board of Regents for the Chancellor and by the appropriate Executive Vice Chancellor for the presidents.

- Sec. 4 Housing Expenditures. All expenditures that exceed \$10,000 for the furnishing, maintenance, or repair of a residence or its grounds owned by the U. T. System must be approved in advance by a committee composed of the Executive Vice Chancellor for Business Affairs, the Vice Chancellor and General Counsel, and the Counsel and Secretary to the Board of Regents. Prior approval by the committee is not required for expenditures made on an emergency basis to prevent damage to property.
- Sec. 5 Documentation and Review. Each chief administrator shall comply with all documentation requirements imposed by law and System Administration and institutional policies for travel, entertainment, and housing expenses, including providing detailed receipts and information on the purpose of the expense and the individuals or groups attending the event.
- 5.1 Each chief administrator shall take all necessary and reasonable steps to ensure that all employees follow applicable procedures for expense reimbursement.
- 5.2 Reimbursements to the Chancellor must be reviewed and approved by the Counsel and Secretary to the Board of Regents before payment. Reimbursements to a president of a U. T. System institution must be reviewed and approved by the institution's chief business officer before payment. Evidence of review must be documented in writing.
- Sec. 6 Timeliness of Requests for Reimbursements. A chief administrator must request any reimbursement for travel, entertainment, or housing expenses within 90 days of the date on which the expense was incurred.
- Sec. 7 Reporting. Each chief administrator shall file quarterly reports of travel, entertainment, and housing expenses in a format to be developed by the Executive Vice Chancellor for Business Affairs. The Chancellor shall file the report with the Counsel and Secretary to the Board of Regents for review by the Chairman of the Board of Regents. Each president shall file the report with the appropriate Executive Vice Chancellor. The reports are due not later than the 30th day of January, April, July, and October.
- 7.1 Quarterly Reporting on Travel, Entertainment, and Housing. The quarterly reports must include each expense that exceeds \$100 and that is reimbursed to the chief administrator during the quarter or directly paid to a vendor on the chief administrator's behalf.

(This does not apply to events hosted by a chief administrator for development activities or to honor faculty, staff, or other guests, at which more than 10 individuals are present.) The report must include the payee, the date and amount of the expense, the type and, if applicable, the location of the event/expense, the participants if any, the business purpose of the expense, and the account to be charged for the expense.

7.2 Reporting on Reimbursable Spousal Expenses. The quarterly reports must include each travel, meal, or incidental expense that exceeds \$100 and that is reimbursed to a chief administrator's spouse during the quarter or directly paid to a vendor on the spouse's behalf. The report must include the information specified by Section 7.1 above.

7.3 Annual Summary. A summary of the expense reports will be provided to the Board of Regents annually in a format to be developed by the Executive Vice Chancellor for Business Affairs.

Sec. 8 Audits. Within 90 days after the end of each fiscal year, the System Audit Office shall audit the travel, entertainment, and housing expenses for which the Chancellor or spouse has been reimbursed or that have been directly paid on the Chancellor's or spouse's behalf. Within 90 days after the end of each fiscal year, the office that performs internal audits at each institution shall audit the travel, entertainment, and housing expenses for which the president or spouse has been reimbursed or that have been paid directly to a vendor on the president's or spouse's behalf. The U. T. System Director of Audits shall provide guidance and direction to the institutional auditors as appropriate.

8.1 The System Audit Office shall submit the results of the audit to the Chairman of the Board with a copy to the Counsel and Secretary to the Board of Regents. The institutional audit offices shall submit the results of the audit to the System Audit Office with copies to the appropriate Executive Vice Chancellor.

8.2 All audits shall be submitted to the Audit, Compliance, and Management Review Committee for review during a quarterly meeting of the Committee.

3. Definitions

Chief Administrator – means the Chancellor and the president of each U. T. System institution.

Entertainment Expenses – includes expenses for meals and events involving others.

Housing Expenses – includes expenses related to any state-owned residence, but does not include the salary supplement described by the Regents' *Rules and Regulations*, Series 20202.

Travel Expenses – includes transportation, lodging, meals, and other expenses incurred in connection with travel, but does not include any meals or other entertainment expenses for others.

SPECIAL ANNOUNCEMENT ON THE UNIVERSITY OF TEXAS SYSTEM CONTRIBUTIONS TO THE 2005 STATE EMPLOYEES CHARITABLE CAMPAIGN.-
-Chairman Huffines congratulated employees of The University of Texas System for their contributions to the 2005 State Employees Charitable Campaign as they recorded the largest individual group charitable contribution total in the System's history and are the recipients of the award for the highest per capita giving and of the Rising Star Award for the most overall improved campaign. Employees of the nine academic campuses, six health institutions, U. T. System Administration, and land management offices pledged over \$3.2 million. This record amount is 12% larger than last year's pledge level, and represents 37% of the total 2005 State Employee contributions raised across the state from all state agencies. Mr. Michael Trevino and Ms. Margo Hamby of the Office of External Relations will receive certificates recognizing their special efforts in conducting the campaign. On behalf of the members of the Board, Chairman Huffines commended employees for their commitment to charitable service and giving beyond the normal workload.

SPECIAL REPORTS

8. U. T. System: Report on computer security issues

In response in part to two recent incidents on The University of Texas at Austin campus, Chancellor Yudof reported on privacy of social security numbers and protection of computer assets. He said a more complete report would be discussed at a future Board meeting.

Chancellor Yudof pointed out challenges associated with decentralization of recordkeeping and committed to work on changing the culture of the institutions to ensure computer security. He noted insufficient assurance activities and committed to implement changes. Since 2003, there was a vulnerability assessment, applications were analyzed, and institutions developed an action plan. In 2004, confidentiality of social security numbers was addressed and policies have been produced and implemented. He felt there has been substantial progress and will come forward with recommendations to strengthen the information technology (IT) function at U. T. System and to request institutions designate an executive officer to be in charge of IT security. The Chancellor committed to consolidate rules on IT security into one document and to direct institutions to place security action plans into an assurance list.

Regent Rowling asked if any of the recent stolen personal information was being misused and President Powers said there is no direct evidence to that effect but there are reports of irregular activities from victims and it is not known if these are directly related to the incidents at U. T. Austin. Chairman Huffines directed that the problem be resolved as soon as possible. President Powers assured the Chairman he takes the matter seriously.

9. U. T. System: Legislative update and preparation for the 80th Legislative Session

Mr. Steven R. Collins, Interim Vice Chancellor for Governmental Relations, provided an update on the status of the Texas Legislative Special Session and on The University of Texas System preparations for the 80th Regular Legislative Session, such as the Office of Governmental Relations tracking of interim committees, establishment of the working groups, and the review of the legislative online services to be used during the next session.

10. U. T. System: Update on development of the U. T. System Strategic Plan

Dr. Geri H. Malandra, Associate Vice Chancellor for Institutional Planning and Accountability, provided a progress report on the development of The University of Texas System Strategic Plan and said a completed plan will be presented to the Board at the August 2006 meeting.

11. U. T. System: Annual report on research and technology transfer

Dr. Robert E. Barnhill, Vice Chancellor for Research and Technology Transfer, presented the first annual report on research and technology transfer for The University of Texas System, using a PowerPoint presentation.

12. U. T. System: Report on Borderplex Health Council

Executive Vice Chancellor Shine introduced a report on the Borderplex Health Council by saying The University of Texas System has a number of activities in South Texas, including the Regional Academic Health Center (RAHC), and said there is an interest in better integration between the academic and health institutions.

A video was shown describing the health needs in South Texas including the shortage of nurses and the prevalence of diabetes in the region.

Chairman Huffines called on Regent McHugh who attended the opening of the RAHC laboratories in McAllen. Regent McHugh said the coalition is a good example of collaboration for the U. T. System and she said the growth in the Rio Grande Valley and complementary growth in the U. T. System institutions is remarkable.

The Borderplex Health Council was established to facilitate and promote multi-institutional collaboration in education and research for addressing the health challenges of the border region. The members of this Council include

The University of Texas Health Science Center at San Antonio, The University of Texas Health Science Center at Houston, The University of Texas - Pan American, and The University of Texas at Brownsville.

The Council is comprised of the presidents from each institution and Dr. Juliet V. García, President of U. T. Brownsville, is Chair of the Borderplex Health Council. The Council is to meet three times per year and is responsible for prioritizing areas of study and enhancing the educational and biomedical research infrastructure along the South Texas Border Region. The Council will also solicit funding for research from various sources including federal, state, and private foundations. One of the goals is to integrate public health, disease prevention, and population-based studies.

RECESS FOR COMMITTEE MEETINGS AND COMMITTEE REPORTS TO THE BOARD.--At 11:23 a.m., the Board recessed for meetings of the Standing Committees, and Chairman Huffines announced the Board would reconvene to approve the report and recommendations of the committees.

The meetings of the Standing Committees were conducted in open session, and the reports and recommendations thereof are set forth on Pages 31 - 88.

REPORT AND RECOMMENDATIONS OF THE FINANCE AND PLANNING COMMITTEE (Pages 31 - 43).--Committee Chairman Rowling reported that the Finance and Planning Committee met in open session to consider those matters on its agenda and to formulate recommendations for The University of Texas System Board of Regents. Unless otherwise indicated, the actions set forth in the Minute Orders that follow were recommended by the Finance and Planning Committee and approved in open session by the U. T. System Board of Regents:

1. U. T. System: Discussion and appropriate action related to approval of Docket No. 126

The Board approved *Docket No. 126* in the form distributed by the Counsel and Secretary to the Board. It is attached following Page 88 in the official copy of the *Minutes* and is made a part of the record of this meeting.

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

The item on Page Docket - 2 involving the appointment of Mr. Barry R. McBee as Vice Chancellor for Governmental Relations was found to be in the best interest of The University of Texas System, as required by *Texas Education Code* Section 51.948.

To avoid any appearance of a possible conflict of interest, Regent Caven was recorded as abstaining from vote on Audit Director Chaffin's salary adjustment on Page Docket - 1 because of his relationship to Mr. Chaffin.

Item 1 on Page Docket - 7 related to the contract between The University of Texas at Austin and Exxon Mobil Corporation was deferred for approval at a future meeting.

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

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

3. U. T. System Board of Regents: Approval of annual distributions from the Permanent Health Fund, the Long Term Fund, and the Intermediate Term Fund

Upon recommendation of the Board of Directors of The University of Texas Investment Management Company (UTIMCO), the Board approved that

- a. the distribution rate for the Permanent Health Fund (PHF) be increased from \$0.0482 per unit to \$0.0496 per unit effective November 30, 2006;
- b. the distribution rate for The University of Texas System Long Term Fund (LTF) be increased from \$0.2764 per unit to \$0.2844 per unit effective November 30, 2006; and
- c. the distribution rate for the U. T. System Intermediate Term Fund (ITF) remain at 3.0% per annum for Fiscal Year 2007.

The spending policy objectives of the PHF and LTF are to

- a. provide a predictable stable stream of distributions over time;
- b. ensure that the inflation-adjusted value of the distributions is maintained over the long term; and
- c. ensure that the inflation-adjusted value of the assets of the PHF and the LTF, as appropriate after distributions, is maintained over the long term.

The spending formula under the PHF Investment Policy Statement and the LTF Investment Policy Statement increases distributions at the rate of inflation subject to a distribution range of 3.5% to 5.5% of the average market value of the PHF assets and LTF assets for each fund's respective trailing 12 fiscal quarters. The U. T. System Board of Regents has full authority to alter distribution rates at its sole discretion.

The 2.9% increase in the PHF distribution rate of \$0.0482 to \$0.0496 per unit was based on the PHF's Investment Policy Statement to increase the distributions by the average rate of inflation for the trailing 12 quarters. The PHF's distribution rate calculated using the prior 12-quarter average value of the PHF is 4.9%, within the range of 3.5% to 5.5% set forth in the PHF Investment Policy Statement. The distribution rate of \$0.0496 per unit was approved by the UTIMCO Board on March 30, 2006.

The 2.9% increase in the LTF distribution rate from \$0.2764 to \$0.2844 per unit was based on the LTF's Investment Policy Statement to increase the distributions by the average rate of inflation for the trailing 12 quarters. The LTF's distribution rate calculated using the prior 12-quarter average value

of the LTF is 5.0%, within the range of 3.5% to 5.5% set forth in the LTF Investment Policy Statement. The increase in the consumer price index for the prior three years as of November 30, 2005, was 2.9%. The distribution rate of \$0.2844 per unit was approved by the UTIMCO Board on March 30, 2006.

The distribution rate for the ITF was set at 3.0% per annum for the remainder of Fiscal Year 2006 by the UTIMCO Board and the Board of Regents at their January 17, 2006 and February 9, 2006 meetings, respectively. The recommendation for the rate to remain at 3.0% for Fiscal Year 2007 was approved by the UTIMCO Board on March 30, 2006.

4. U. T. System Board of Regents: Investments Report for the quarter ended February 28, 2006, and The University of Texas Investment Management Company (UTIMCO) Performance Summary Report

The Investments Report for the quarter ended February 28, 2006, is summarized below.

Item I on Page 35 reports activity for the Permanent University Fund (PUF) investments. The PUF's net investment return for the quarter end was 4.71% versus its composite benchmark return of 5.43%. The PUF's net asset value increased by \$234.0 million since the beginning of the quarter to \$9,798.6 million. This change in net asset value includes increases due to contributions from PUF land receipts and net investment return and a decrease due to a \$257.3 million distribution to complete the annual distribution from the PUF to the Available University Fund (AUF).

Item II on Page 36 reports activity for the General Endowment Fund (GEF) investments. The GEF's net investment return for the quarter was 4.75% versus its composite benchmark return of 5.43%. The GEF's net asset value increase during the quarter to \$5,228.5 million was made up of a large foundation contribution and investment return, net of a \$105.5 million withdrawal from the Medical Liability Self Insurance Fund to invest in the Intermediate Term Fund.

Item III on Page 37 reports activity for the Intermediate Term Fund (ITF). The ITF was implemented on February 1, 2006. The initial contribution to the ITF was \$2,930.9 million. The decrease to the quarter ending value of \$2,920.0 million was made up of expenses, investment return, and \$7.3 million in distributions based on a 3% per annum distribution rate. During the first month since inception, the net investment return was negative .11% versus the performance benchmark of 0%.

Item IV on Page 38 reports activity for the Short Intermediate Term Fund (SITF). The SITF was fully liquidated on January 31, 2006. All participants reinvested this money into the ITF or Short Term Fund. Total net investment return on the SITF was .66% for the two-month period ended January 31, 2006.

Item V on Page 39 presents book and market value of cash, debt, equity, and other securities held in funds outside of internal investment pools. The large decrease in cash and equivalents and equity securities reflects operating funds withdrawn and invested in the ITF. Total cash and equivalents, consisting primarily of institutional operating funds held in the Dreyfus money market fund, decreased by \$1,339.9 million to \$1,177.9 million during the three months since the last reporting period. Market values for the remaining asset types were debt securities: \$46.4 million versus \$46.2 million at the beginning of the period; equities: \$81.6 million versus \$364.9 million at the beginning of the period; and other investments: \$105.7 million versus \$1.3 million at the beginning of the period.

The February 28, 2006, UTIMCO Performance Summary Report is attached on Page 40.

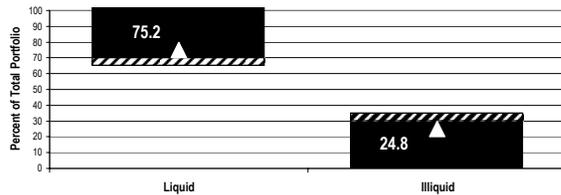
I. PERMANENT UNIVERSITY FUND Investment Reports for Periods Ended February 28, 2006

Prepared in accordance with Texas Education Code Sec. 51.0032

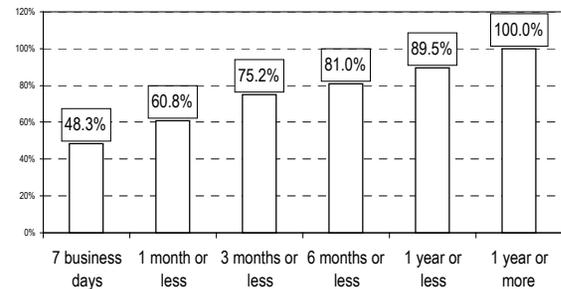
Summary of Capital Flows

(\$ millions)	Fiscal Year Ended August 31, 2005	Quarter Ended February 28, 2006	Fiscal Year to Date February 28, 2006
Beginning Net Assets	\$ 8,087.9	\$ 9,564.6	\$ 9,426.7
PUF Lands Receipts	193.0	47.3	117.4
Investment Return	1,538.0	466.1	649.8
Expenses	(51.0)	(22.1)	(38.0)
Distributions to AUF	(341.2)	(257.3)	(357.3)
Ending Net Assets	\$ 9,426.7	\$ 9,798.6	\$ 9,798.6

PUF Liquidity Policy Profile As of February 28, 2006

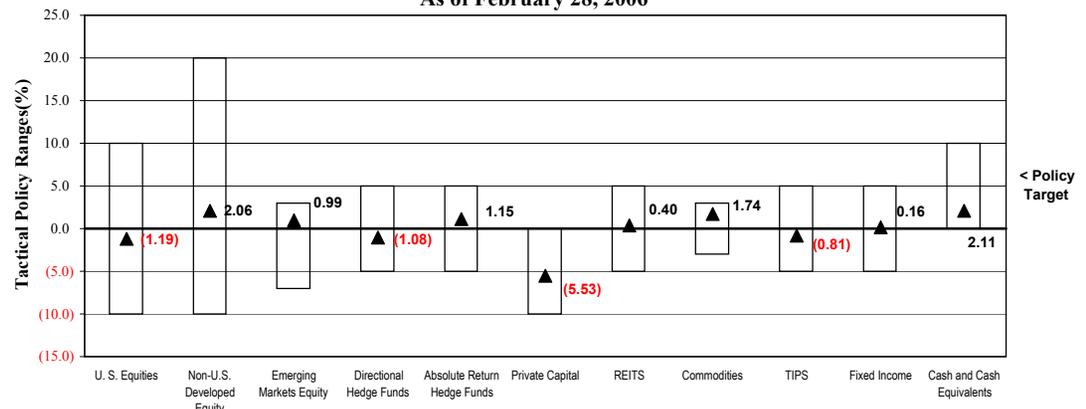


PUF Detailed Liquidity Profile as of February 28, 2006



	February 28, 2006		Fiscal Year to Date				
	Portfolio Exposure	Policy Target	Returns		Value Added		Total
			Portfolio	Policy Benchmark	From Asset Allocation	From Security Selection	
Cash and Cash Equivalents	2.11%	0.00%	2.00%	1.87%	0.05%	0.00%	0.05%
U.S. Equities	18.81%	20.00%	3.34%	6.56%	-0.01%	-0.65%	-0.66%
Non-U.S. Developed Equities	12.06%	10.00%	16.94%	15.14%	0.25%	0.18%	0.43%
Emerging Markets	7.99%	7.00%	23.19%	30.09%	-0.15%	-0.45%	-0.60%
Directional Hedge Funds	8.92%	10.00%	4.42%	4.19%	0.01%	0.02%	0.03%
Absolute Return Hedge Funds	16.15%	15.00%	5.43%	3.21%	0.00%	0.34%	0.34%
REITS	5.40%	5.00%	14.00%	13.06%	0.00%	0.04%	0.04%
Commodities	4.74%	3.00%	-9.86%	-12.54%	-0.42%	0.09%	-0.33%
TIPS	4.19%	5.00%	0.22%	-0.09%	0.06%	0.02%	0.08%
Fixed Income	10.16%	10.00%	-0.19%	-0.11%	-0.04%	-0.01%	-0.05%
Total Marketable Securities	90.53%	85.00%	6.27%	6.99%	-0.25%	-0.42%	-0.67%
Private Capital	9.47%	15.00%	9.94%	13.32%	-0.14%	-0.48%	-0.62%
Total	100.00%	100.00%	6.64%	7.93%	-0.39%	-0.90%	-1.29%

Deviations From Policy Targets Within Tactical Policy Ranges As of February 28, 2006



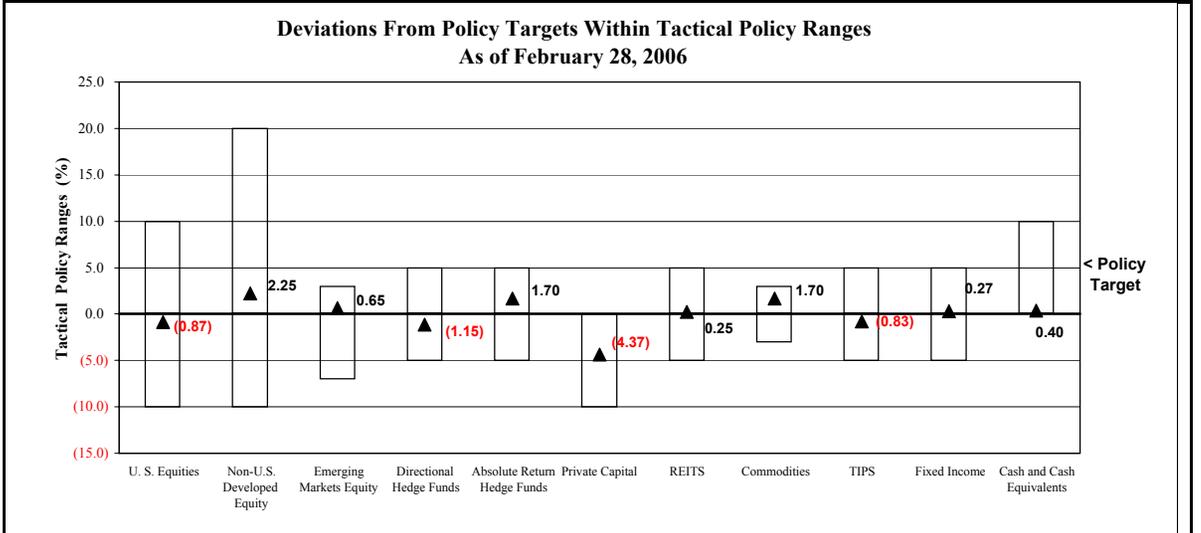
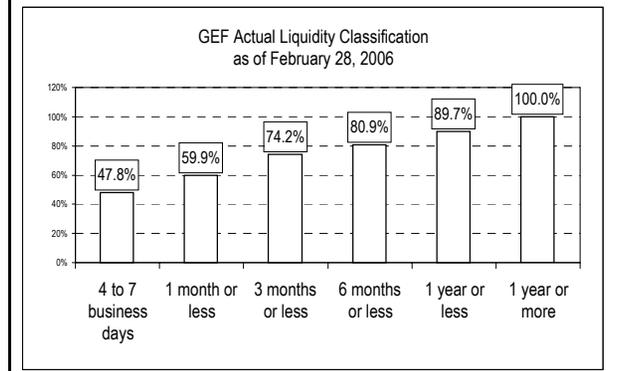
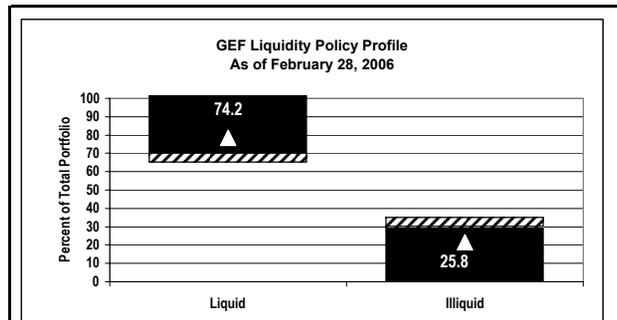
II. GENERAL ENDOWMENT FUND

Investment Reports for Periods Ended February 28, 2006

Prepared in accordance with Texas Education Code Sec. 51.0032

Summary of Capital Flows			
(\$ millions)	Fiscal Year Ended August 31, 2005	Quarter Ended February 28, 2006	Fiscal Year to Date February 28, 2006
Beginning Net Assets	\$ 4,207.6	\$ 4,989.1	\$ 4,926.8
Contributions	139.2	155.2	187.2
Withdrawals	(4.7)	(105.5)	(105.5)
Distributions	(206.4)	(55.6)	(109.5)
Investment Return	814.2	255.8	347.8
Expenses	(23.1)	(10.5)	(18.3)
Ending Net Assets	\$ 4,926.8	\$ 5,228.5	\$ 5,228.5

	February 28, 2006		Fiscal Year to Date				
	Portfolio Exposure	Policy Target	Returns		Value Added		Total
			Portfolio	Policy Benchmark	From Asset Allocation	From Security Selection	
Cash and Cash Equivalents	0.40%	0.00%	2.00%	1.87%	0.04%	0.00%	0.04%
U.S. Equities	19.13%	20.00%	3.62%	6.56%	-0.04%	-0.60%	-0.64%
Non-U.S. Developed Equities	12.25%	10.00%	16.74%	15.14%	0.24%	0.15%	0.39%
Emerging Markets	7.65%	7.00%	22.74%	30.09%	-0.21%	-0.47%	-0.68%
Directional Hedge Funds	8.85%	10.00%	4.32%	4.19%	0.02%	0.01%	0.03%
Absolute Return Hedge Funds	16.70%	15.00%	5.37%	3.21%	0.00%	0.33%	0.33%
REITS	5.25%	5.00%	14.13%	13.06%	-0.01%	0.04%	0.03%
Commodities	4.70%	3.00%	-9.90%	-12.54%	-0.40%	0.09%	-0.31%
TIPS	4.17%	5.00%	0.22%	-0.09%	0.06%	0.02%	0.08%
Fixed Income	10.27%	10.00%	0.10%	-0.11%	-0.04%	0.02%	-0.02%
Total Marketable Securities	89.37%	85.00%	6.21%	6.99%	-0.34%	-0.41%	-0.75%
Private Capital	10.63%	15.00%	9.65%	13.32%	-0.10%	-0.52%	-0.62%
Total	100.00%	100.00%	6.56%	7.93%	-0.44%	-0.93%	-1.37%



III. INTERMEDIATE TERM FUND

Investment Reports for Periods Ended February 28, 2006

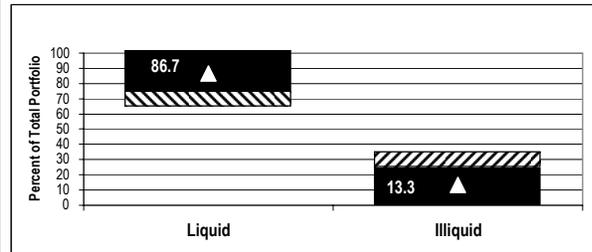
Prepared in accordance with Texas Education Code Sec. 51.0032

Summary of Capital Flows

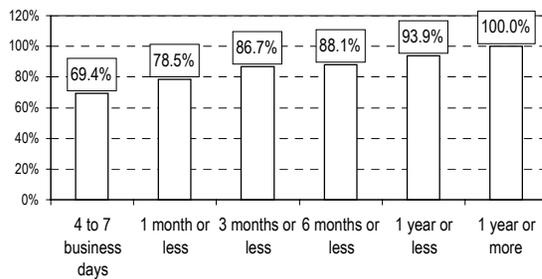
(\$ millions)	Month Ended February 28, 2006	Inception to Date
Beginning Net Assets	\$ -	\$ -
Contributions	2,930.9	2,930.9
Withdrawals	-	-
Distributions	(7.3)	(7.3)
Investment Return	(3.3)	(3.3)
Expenses	(0.3)	(0.3)
Ending Net Assets	<u>\$ 2,920.0</u>	<u>\$ 2,920.0</u>

ITF Liquidity Policy Profile

As of February 28, 2006



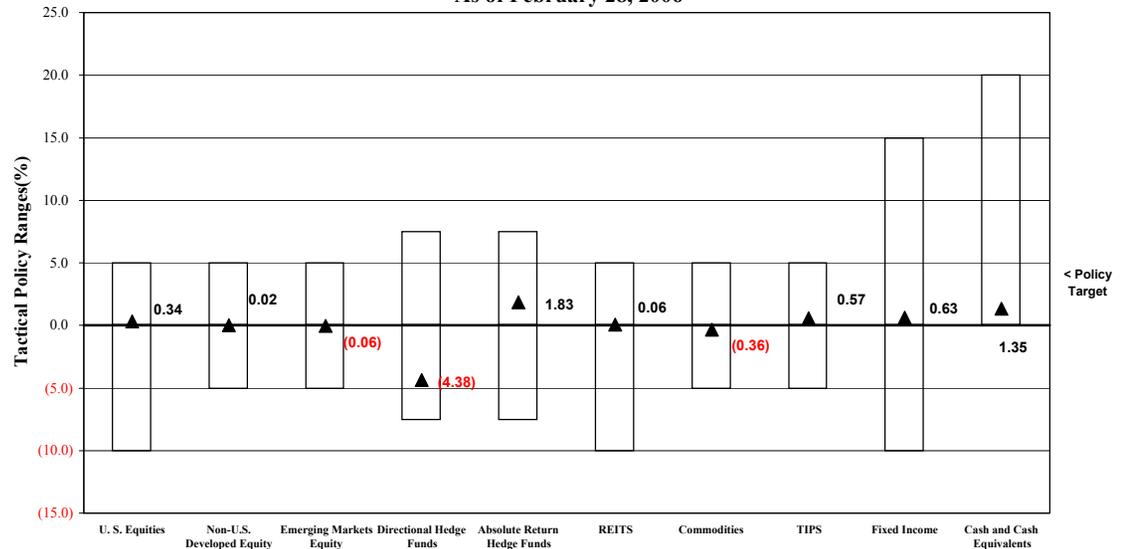
ITF Detailed Liquidity Profile as of February 28, 2006



	February 28, 2006		One Month				
			Returns		Value Added		Total
	Portfolio Exposure	Policy Target	Portfolio	Policy Benchmark	From Asset Allocation	From Security Selection	
Cash and Cash Equivalents	1.35%	0.00%	0.34%	0.33%	0.00%	0.00%	0.00%
U.S. Equities	15.34%	15.00%	-0.64%	0.18%	0.00%	-0.12%	-0.12%
Non-U.S. Developed Equities	5.02%	5.00%	-0.06%	-0.22%	0.00%	0.01%	0.01%
Emerging Markets Equities	4.94%	5.00%	-1.51%	-0.12%	0.00%	-0.07%	-0.07%
Directional Hedge Funds	8.12%	12.50%	0.89%	0.56%	-0.04%	0.04%	0.00%
Absolute Return Hedge Funds	14.33%	12.50%	0.82%	0.52%	0.02%	0.04%	0.06%
REITS	10.06%	10.00%	1.97%	2.19%	0.00%	-0.02%	-0.02%
Commodities	4.64%	5.00%	-8.61%	-8.85%	-0.01%	0.01%	0.00%
TIPS	10.57%	10.00%	0.39%	-0.05%	0.00%	0.04%	0.04%
Fixed Income	25.63%	25.00%	0.28%	0.33%	0.00%	-0.01%	-0.01%
Total Marketable Securities	100.00%	100.00%	-0.11%	0.00%	-0.03%	-0.08%	-0.11%

Deviations From Policy Targets Within Tactical Policy Ranges

As of February 28, 2006



IV. SHORT INTERMEDIATE TERM FUND
Investment Report for Periods Ended February 28, 2006
Report prepared in accordance with *Texas Education Code Sec. 51.0032*

	(\$ millions)			
	FY04-05	FY05-06		
	Full Year	1st Qtr	2nd Qtr	Year-to-Date
Beginning Net Assets	\$ 1,178.0	\$ 1,222.4	\$ 1,208.5	\$ 1,222.4
Net Contributions (Withdrawals)	46.0	(0.5)	(1,208.7)	(1,209.2)
Investment Return	30.0	(2.6)	7.5	4.9
Expenses	(0.5)	(0.1)	(0.10)	(0.2)
Distributions of Income	(31.1)	(10.7)	(7.2)	(17.9)
Ending Net Assets	\$ 1,222.4	\$ 1,208.5	\$ -	\$ -
Net Asset Value per Unit	9.914	9.805	-	-
No. of Units (End of Period)	123,305,429	123,251,937	-	-
Total Net Investment Return	2.48%	-0.20%	0.66% *	0.45% *

* Fund terminated January 31, 2006. Net Investment Return is for the period ended January 31, 2006.

V. SEPARATELY INVESTED ASSETS
Summary Investment Report at February 28, 2006
Report prepared in accordance with *Texas Education Code Sec. 51.0032.*

(\$ thousands)														
ASSET TYPES	FUND TYPE													
	CURRENT PURPOSE				ENDOWMENT &		ANNUITY & LIFE		AGENCY FUNDS		OPERATING FUNDS		TOTAL	
	DESIGNATED		RESTRICTED		SIMILAR FUNDS		INCOME FUNDS		AGENCY FUNDS		OPERATING FUNDS		TOTAL	
	BOOK	MARKET	BOOK	MARKET	BOOK	MARKET	BOOK	MARKET	BOOK	MARKET	BOOK	MARKET	BOOK	MARKET
Cash & Equivalents:														
Beginning value 11/30/05	3,179	3,179	6,145	6,145	56,264	56,264	601	601	120,846	120,846	2,330,743	2,330,743	2,517,778	2,517,778
Increase/(Decrease)	1,313	1,313	(3,284)	(3,284)	26,401	26,401	191	191	(118,558)	(118,558)	(1,245,931)	(1,245,931)	(1,339,868)	(1,339,868)
Ending value 2/28/06	4,492	4,492	2,861	2,861	82,665	82,665	792	792	2,288	2,288	1,084,812	1,084,812	1,177,910	1,177,910
Debt Securities:														
Beginning value 11/30/05	-	-	263	211	29,850	29,666	16,181	16,322	-	-	-	-	46,294	46,199
Increase/(Decrease)	-	-	-	1	28	(123)	418	346	-	-	-	-	446	224
Ending value 2/28/06	-	-	263	212	29,878	29,543	16,599	16,668	-	-	-	-	46,740	46,423
Equity Securities:														
Beginning value 11/30/05	27	7,632	1,903	1,631	40,680	47,109	20,379	24,839	-	-	315,787	283,680	378,776	364,891
Increase/(Decrease)	-	(268)	1,506	1,504	(3,801)	(2,796)	1,198	1,997	-	-	(315,787)	(283,680)	(316,884)	(283,243)
Ending value 2/28/06	27	7,364	3,409	3,135	36,879	44,313	21,577	26,836	-	-	-	-	61,892	81,648
Other:														
Beginning value 11/30/05	-	-	1,205	1,205	2	2	234	86	-	-	-	-	1,441	1,293
Increase/(Decrease)	105,487	105,487	(1,066)	(1,066)	(1)	(1)	5	19	-	-	-	-	104,425	104,439
Ending value 2/28/06	105,487	105,487	139	139	1	1	239	105	-	-	-	-	105,866	105,732

Details of individual assets by account furnished upon request.

UTIMCO Performance Summary

February 28, 2006

	Net Asset Value 2/28/2006 (in Millions)	Periods Ended February 28, 2006 (Returns for Periods Longer Than One Year are Annualized)										
		One Month	Calendar Year To Date	Three Months	Fiscal Year To Date	Six Months	One Year	Two Years	Three Years	Four Years	Five Years	Ten Years
ENDOWMENT FUNDS												
Permanent University Fund	\$ 9,798.6	(0.06)	2.80	4.71	6.64	6.64	12.70	12.19	18.36	11.31	8.00	9.62
General Endowment Fund		0.04	2.86	4.75	6.56	6.56	12.50	12.11	18.55	11.46	8.34	N/A
Permanent Health Fund	966.0	0.11	2.89	4.75	6.53	6.53	12.38	12.02	18.42	11.34	8.21	N/A
Long Term Fund	4,262.4	0.11	2.89	4.75	6.54	6.54	12.39	12.03	18.44	11.37	8.26	10.29
Separately Invested Funds	326.9	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total Endowment Funds	15,353.9											
OPERATING FUNDS												
Short Term Fund	1,084.8	0.34	0.70	1.05	2.00	2.00	3.54	2.53	2.04	1.96	2.30	3.99
Intermediate Term Fund	2,920.0	(0.11)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total Operating Funds	4,004.8											
Total Investments	\$ 19,358.7											
BENCHMARKS (1)												
Permanent University Fund: Policy Portfolio		0.34	3.67	5.43	7.93	7.93	14.60	12.59	15.49	9.31	5.90	10.33
General Endowment Fund: Policy Portfolio		0.34	3.67	5.43	7.93	7.93	14.60	12.59	15.49	9.31	5.94	10.15
Short Term Fund: 90 Day Treasury Bills Average Yield		0.33	0.64	0.96	1.87	1.87	3.38	2.44	2.00	1.92	2.26	3.83
Intermediate Term Fund: Policy Portfolio		(0.00)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
VALUE ADDED (2)												
Permanent University Fund		(0.40)	(0.86)	(0.72)	(1.29)	(1.29)	(1.89)	(0.41)	2.87	2.00	2.10	(0.71)
General Endowment Fund		(0.29)	(0.81)	(0.68)	(1.37)	(1.37)	(2.10)	(0.48)	3.06	2.15	2.40	N/A
Permanent Health Fund		(0.23)	(0.78)	(0.68)	(1.41)	(1.41)	(2.22)	(0.57)	2.93	2.02	2.28	N/A
Long Term Fund		(0.23)	(0.77)	(0.68)	(1.39)	(1.39)	(2.21)	(0.56)	2.95	2.06	2.32	0.14
Short Term Fund		0.01	0.06	0.09	0.13	0.13	0.16	0.08	0.04	0.04	0.04	0.16
Intermediate Term Fund		(0.11)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

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

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

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

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

UTIMCO 5/11/2006

5. U. T. System: Authorization to enter into contracts with retirement programs vendors to be effective September 1, 2006

The Board authorized The University of Texas System to enter into contracts with the following vendors to provide retirement products and services for the Optional Retirement Program (ORP), the UTSaver Tax Sheltered Annuity Program (UTSaver TSA), the UTSaver Deferred Compensation Plan (UTSaver DCP), and The University of Texas System Governmental Retirement Arrangement (UTGRA) effective September 1, 2006, as follows:

- a. To provide mutual funds
 - Fidelity Investments, Boston, Massachusetts
- b. To provide mutual funds, a fixed annuity, and a variable annuity
 - AIG VALIC, Houston, Texas
 - ING Life Insurance and Annuity Company, Hartford, Connecticut
 - Lincoln Financial Group, Fort Wayne, Indiana
 - MetLife Resources, New York, New York
 - TIAA-CREF, New York, New York

It was also reported to the Board that the current contract for administration of UTGRA has been handled by the Physicians Referral Service at The University of Texas M. D. Anderson Cancer Center, but effective September 1, 2006, U. T. System Administration will serve as trustee and administrator of the program.

To avoid any appearance of a possible conflict of interest, Regent Craven was recorded as abstaining from vote because she is a director of two AIG companies. Vice Chairman Krier was recorded as abstaining because of her affiliation with USAA. USAA is a current vendor, but did not respond to the new Request for Proposals (RFP) for vendors.

The following additional disclosures were made but Vice Chancellor Burgdorf and Counsel and Secretary Frederick advised the disclosures did not preclude discussion or vote:

- | | |
|--------------------------|---|
| • Chairman Huffines | Fidelity holdings |
| • Vice Chairman Clements | AIG holdings |
| • Vice Chairman Krier | ING and Fidelity holdings |
| • Regent Barnhill | AIG holdings |
| • Regent Caven | AIG holdings |
| • Regent Craven | Fidelity and MetLife Resources holdings |
| • Regent Estrada | Lincoln Financial Group holdings |
| • Regent McHugh | Fidelity holdings |

The U. T. System currently contracts with eight vendors to provide products and services for the ORP and UTGRA, with six of the eight also offering products and services for the UTSaver DCP. These contracts expire on August 31, 2006.

For the UTSaver TSA product, the U. T. System does not hold contracts with the existing vendors. There are approximately 140 UTSaver TSA vendors and one currently authorized UTGRA vendor receiving employee contributions.

On December 15, 2005, the U. T. System issued an RFP to select a common set of retirement vendors to offer products and services for all U. T. System retirement programs. The purpose of the RFP was to competitively and comparatively select retirement vendors by seeking the following core competencies: (1) experience in multivendor higher education markets, (2) ability to provide products and services in all four plan types, (3) overall financial stability, (4) competitively priced products, (5) excellent long-term investment performance history, (6) comprehensive communication and education capabilities, (7) compliance with U. T. System policies and State law, (8) ability to provide investment guidance to all employees, (9) outstanding recordkeeping systems, and (10) state-of-the-art employee service capabilities.

The RFP was developed with the assistance of an outside consulting firm, Rudd and Wisdom, Inc., and nine vendors responded. Through close coordination with Rudd and Wisdom, Inc., U. T. System analyzed all nine proposals submitted and determined that certain vendors provide superior retirement products and services. In accordance with *Texas Administrative Code*, Chapter 25, as promulgated by the Texas Higher Education Coordinating Board (THECB), the U. T. System contracted with a minimum of four qualified companies, including at least one company that offers 403(b)(1) annuity accounts and one company that offers 403(b)(7) custodial accounts.

Through utilizing this competitive bid process, the U. T. System Office of Employee Benefits will achieve substantial decreases in product cost, expansion of investment options, enhancement of investment services to be provided to retirement program participants, improved vendor accountability, and strengthened relationships between U. T. System and the approved vendors.

Employees will continue to be permitted to contribute to their current vendors or to choose to contribute to one or more of the contracting vendors; however, U. T. System is considering the development of a policy to address whether future contributions should be allowed to continue to the vendors who were not selected or to current vendors that chose not to respond to the RFP.

6. U. T. System Board of Regents: Amendment to the Regents' *Rules and Regulations*, Series 20204, regarding determining and documenting the reasonableness of compensation

The definition of what constitutes total annual compensation contained in the Regents' *Rules and Regulations*, Series 20204, regarding determining and documenting the reasonableness of compensation, was amended to read as follows:

3. Definitions

...

Total Annual Compensation – includes salaries or wages, practice plan supplements, incentive plan payments, and unpaid deferred compensation and excludes employer-provided insurance, expense allowances, employer contributions to Teachers Retirement System of Texas and Optional Retirement Program, and other fringe benefits.

This amendment to the Regents' *Rules* corrects an accounting and documentation problem to exclude employer contributions for retirement programs.

7. U. T. System: Overview of U. T. System energy savings initiatives

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

REPORT AND RECOMMENDATIONS OF THE ACADEMIC AFFAIRS COMMITTEE (Pages 44 - 59).--In the absence of Committee Chairman Krier, Regent Caven reported that the Academic Affairs Committee met in open session to consider those matters on its agenda and to formulate recommendations for The University of Texas System Board of Regents. Unless otherwise indicated, the actions set forth in the Minute Orders that follow were recommended by the Academic Affairs Committee and approved in open session by the U. T. System Board of Regents.

1. U. T. System: Reports, graduation rate targets, and goals from academic presidents, Executive Vice Chancellor Sullivan, and Academic Affairs Committee members

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

2. U. T. System: Report on FY 2005 post-tenure review

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

3. U. T. System Board of Regents: Adoption of Regents' *Rules and Regulations*, Series 40602, related to Organized Research Units

Action on the adoption of Regents' *Rules and Regulations*, Series 40602, related to Organized Research Units, was considered during the open session of the Board meeting on May 11, 2006, and was approved at that time (see Item 4 on Page 11).

4. U. T. Austin: Request to accept the Lady Bird Johnson Wildflower Center, Austin, Texas, as a gift (Deferred)

The item concerning acceptance of the Lady Bird Johnson Wildflower Center, Austin, Texas, for the benefit of The University of Texas at Austin as a gift was deferred.

5. U. T. Austin: Delegation of approval for selection of artists and site locations for statues of Mr. César Chávez and The Honorable Barbara Jordan

The Board delegated approval to President William C. Powers, Jr., for the selection of artists and site locations for statues of Mr. César Chávez and The Honorable Barbara Jordan to be erected on The University of Texas at Austin campus. Committee Chairman Krier said the Item was modified from the Agenda Book to delegate this approval from The University of Texas System Board of Regents to President Powers.

The Board approved a \$2.00 per semester or Summer Session fee on August 7, 2003, for the construction of two statues on the U. T. Austin campus, one of Mr. César Chávez and one of The Honorable Barbara Jordan. These statues had been proposed by U. T. Austin students and a student referendum was passed in Spring 2003 asking the Texas Legislature to authorize the Board of Regents to establish a fee for the statues. This authority is found in *Texas Education Code* Section 54.5135, which became effective on June 20, 2003. Pursuant to the law, the Board of Regents authorized collection of the fee for eight semesters and four Summer Sessions. The funds collected through the fee are to be divided evenly to fund the two statues and any funding excess would go to scholarships in the name of César Chávez or Barbara Jordan as designated in the statute under which the legislature authorized the Regents to collect the fees.

Two institutional committees were appointed to solicit and review artist proposals and to recommend the selection of the sculptor for each. The projected timetable calls for dedication of the César Chávez statue in March 2007, and the Barbara Jordan statue in April 2007.

César Chávez Statue

The César Chávez Statue Advisory Committee, composed predominantly of students, with the help of the Texas Commission on the Arts, conducted a nationwide search for artists specializing in bronze statues. The Committee received 70 applications, and four semifinalists were selected. The semifinalists were awarded \$5,000 each to create a maquette that portrayed their concept for the proposed statue and each semifinalist visited the campus to view the then proposed statue site and meet with the César Chávez Statue Advisory Committee to discuss ideas for the project. Maquettes were displayed on campus and members of the University community were given the opportunity to provide feedback.

Mr. Pablo Eduardo was unanimously selected as the recommended finalist because his design best captured the strength, leadership, and spirituality of Mr. César Chávez. Mr. Eduardo's work references were outstanding and supported his selection as a great artist with superior craftsmanship. The statue will be 8 feet tall, which is consistent with the size of other statues on campus.

The cost for design, fabrication, transportation, installation, and the artist's fee total \$275,000. The cost for site preparation will be determined after a site is selected. The projected fee income for the statue is \$444,864.

Barbara Jordan Statue

The Barbara Jordan Statue Advisory Committee, composed predominantly of students, also conducted a nationwide search. Seventy-five nationally-known artists submitted proposals. Four semifinalists were selected and each semifinalist visited the campus to view the statue site and other campus statues, and meet with the Barbara Jordan Statue Advisory Committee to discuss ideas for the project. Each finalist was awarded \$5,000 to create a maquette of his proposed statue design. In August 2005, each artist delivered his maquette to campus and submitted a proposed timeline for project completion, proposed budget, and design concept.

The completed maquettes were displayed on campus in the Gregory Gymnasium where students, staff, and faculty as well as members of the Austin community provided feedback on each of the designs. The semifinalists made presentations to the Barbara Jordan Statue Advisory Committee and jurists from the Texas Commission on the Arts.

Ultimately, the jurists from the Texas Commission on the Arts and the Advisory Committee selected Mr. Kim Crowley as the recommended finalist for the statue commission. The jurists and Committee found Mr. Crowley's design to be powerful and unique and one that captured the attention of those who viewed his work. Information obtained from the artist's references supported his selection as an extremely professional and creative artist. The Committee found Mr. Crowley to be both prompt and professional in meeting the deadlines established by the Committee and creative in his response to suggested changes in his work.

The total cost for the Barbara Jordan Statue Project is projected to be \$444,864, including design, fabrication, delivery, and installation of the sculpture, site preparation, and related costs. The projected fee income for the statue is \$444,864.

The statue is proposed for the Battle Oaks area between the Texas Union and 24th Street. The figure of The Honorable Barbara Jordan will be slightly oversized. The statue will be visually anchored to the site by a bronze text band that frames both sides and the rear of the piece and is flush with the concrete ground surface. The text, in recessed lettering, reads: "I am not going to sit here and be an idle spectator to the diminution, the subversion, the destruction of the Constitution."

[General Counsel's Note: In Fall 2006, following concerns about the Crowley design, a second nationwide search was conducted and the Barbara Jordan Statue Advisory Committee recommended and President Powers selected Mr. Bruce Wolfe as the artist to create a statue of The Honorable Barbara Jordan.]

6. U. T. Dallas: Approval to expand preliminary planning authority for Ph.D. degrees in Translation Studies and in Arts and Technology

The Board approved

- a. expansion of preliminary planning authority for The University of Texas at Dallas to seek a Ph.D. degree in Translation Studies and a Ph.D. degree in Arts and Technology; and
- b. submission of the proposal to the Texas Higher Education Coordinating Board for review and appropriate action.

The Ph.D. program in Translation Studies will be designed to produce a new generation of professionals, scholars, and teachers in the emerging field of Translation Studies.

The Ph.D. program in Arts and Technology will be designed to produce a new generation of professionals, scholars, and teachers in an emerging field that draws from the convergence of research in the humanities, the creative and performing arts, visual communications design, engineering, and computer science.

7. U. T. San Antonio: Authorization to establish a doctoral program in Marketing within the Ph.D. in Business Administration degree program

The Board granted authorization to

- a. establish a doctoral program in Marketing within the Ph.D. in Business Administration degree program at The University of Texas at San Antonio; and
- b. submit the proposal to the Texas Higher Education Coordinating Board for review and appropriate action.

In addition, the Coordinating Board will be asked to change the U. T. San Antonio Table of Programs to reflect authorization for the degree program.

The Ph.D. in Business Administration offers students the opportunity to specialize in one of four areas of emphasis: Accounting, Finance, Information Technology, and Organization and Management Studies. Leading professionals in the field of marketing will be prepared to address shortages of faculty in this field and to produce graduates with the advanced knowledge required to conduct original academic research aimed at solving practical marketing problems.

Students admitted to the program will take 62 semester credit hours of post-Master's coursework. The program requires 46 hours of organized coursework beyond the Master's degree distributed as follows: 18 hours of foundation courses in research methods and statistics, 19 hours of designated electives in the area of marketing, and nine hours of support work, which may include courses outside the field of Business Administration, such as Psychological Measurement or Statistics. The program also requires four hours of supervised research/comprehensive exam and 12 hours of dissertation. The foundation courses are required for all of the areas of emphasis of the Ph.D. in Business Administration degree program.

Seven members of the Department of Marketing comprise the core faculty who will contribute to the delivery of the courses that comprise the area of emphasis in Marketing. Three additional tenure-track faculty members will join the department by Fall 2006.

Existing facilities are more than adequate to support the program. Funds requested for equipment in years one and two will be used to provide networked computers for Ph.D. students. The program will be administered in the College of Business with support from faculty and staff who currently administer the Ph.D. in Business Administration. Thus, current administrative support is adequate.

The cost of operating the program across five years is approximately \$970,800. This includes \$80,000 for faculty salaries, \$864,000 for graduate student support, \$18,500 for library and information technology resources, and \$8,300 for equipment, supplies, and materials. Revenues of \$699,343 from formula funding and the reallocation of \$920,000 in existing university resources are expected to be sufficient to fully fund the program.

8. U. T. San Antonio: Approval to expand preliminary planning authority for a Doctor of Musical Arts in Performance and Pedagogy, Choral Conducting

The Board approved

- a. expansion of degree planning authority for The University of Texas at San Antonio to include a Doctor of Musical Arts (D.M.A.) degree in Performance and Pedagogy, Choral Conducting; and
- b. submission of the proposal to the Texas Higher Education Coordinating Board for review and appropriate action.

The objective of the D.M.A. program in Performance and Pedagogy, Choral Conducting will be to attract a large cross-section of students holding degrees in music education, vocal performance, choral conducting, musicology, and perhaps the physical sciences.

The degree will respond to the ongoing need for fully credentialed choral conductors and will provide a unique and forward-looking approach to the field of choral music direction.

9. U. T. San Antonio: Approval to expand preliminary planning authority for a Ph.D. in Child Development and a Ph.D. in Public Administration and Social Service Professions

The Board approved

- a. expansion of preliminary planning authority for The University of Texas at San Antonio to include a Ph.D. degree in Child Development and a Ph.D. degree in Public Administration and Social Service Professions; and
- b. submission of the proposal to the Texas Higher Education Coordinating Board for review and appropriate action.

The Ph.D. program in Child Development will help meet the need for doctoral-level professionals trained to address the growing need for researchers who address the issues of child health and learning, as well as for individuals responsible for developing educational policies to optimize outcomes in those areas.

The Ph.D. program in Public Administration and Social Service Professions will facilitate collaborations that will yield interdisciplinary approaches to consequential research questions, ensuring their attractiveness to funding agencies. Specifically, this degree program will integrate curricula and research across the Departments of Public Administration, Criminal Justice, and Social Work.

10. U. T. San Antonio: Approval to expand preliminary planning authority for an M.A. in City/Urban, Community, and Regional Planning and an M.A. in Health and Kinesiology

The Board approved

- a. expansion of degree planning authority for The University of Texas at San Antonio to include a Master of Arts (M.A.) in City/Urban, Community, and Regional Planning and an M.A. in Health and Kinesiology; and
- b. submission of the proposal to the Texas Higher Education Coordinating Board for review and appropriate action.

The M.A. program in City/Urban, Community, and Regional Planning will complement and strengthen existing graduate programs at U. T. San Antonio in architecture and public administration and complement the M.S. in Architecture with an international practice focus. The degree will afford opportunities for dual-degree programs with architecture, public administration, and criminal justice for students who do not want to major in urban and regional planning but have a secondary interest in it.

The M.A. in Health and Kinesiology will replace the existing M.A. in Education with concentration in Health and Kinesiology and will increase graduate credit hour production at no additional cost to the University by utilizing existing courses, facilities, and faculty and by attracting new students to U. T. San Antonio. The M.A. program will include a core set of courses that all Master's degree students will be required to take, as well as specific courses that will build expertise in Health and Kinesiology. These changes will provide the department with a focused initiative to meet the academic needs of students seeking graduate preparation in Health and Kinesiology.

11. U. T. Austin: Dell Computer Science Hall (formerly Computer Sciences Building) - Amendment of the FY 2006-2011 Capital Improvement Program and the FY 2006-2007 Capital Budget to include project

The Board amended the FY 2006-2011 Capital Improvement Program and the FY 2006-2007 Capital Budget to include the Dell Computer Science Hall (formerly the Computer Sciences Building) project at The University of Texas at Austin as follows. The building was named Dell Computer Science Hall in accordance with Executive Session Item 3a on Page 3.

Architecturally or Historically Significant: Yes No [Note: Project determined to be architecturally significant at the 5/10/06 Facilities Planning and Construction Committee meeting.]

Project Delivery Method: Construction Manager at Risk

Substantial Completion Date: June 2010

Total Project Cost: Source \$67,000,000
Gifts

Project Description

The project will construct a new computer sciences building of approximately 138,500 gross square feet with five levels plus a basement. A wing will connect to two levels of T. U. Taylor Hall and the Applied Computational Engineering and Sciences (ACES) Building. The cost to demolish the existing Chilling Station No. 2 is included in the cost of this project (see Item 14 on Page 54).

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

This off-cycle project has been approved by University of Texas System staff and meets the criteria for inclusion in the Capital Improvement Program.

12. U. T. Austin: Renovation of John W. Hargis Hall with Visitor Center - Amendment of the FY 2006-2011 Capital Improvement Program and the FY 2006-2007 Capital Budget to include project; approval of total project cost; appropriation of funds and authorization of expenditure; and resolution regarding parity debt

The Board amended the FY 2006-2011 Capital Improvement Program and the FY 2006-2007 Capital Budget to include the Renovation of John W. Hargis Hall with Visitor Center project at The University of Texas at Austin as follows:

Architecturally or Historically Significant: Yes No

Project Delivery Method: Construction Manager at Risk

Substantial Completion Date: June 2008

Total Project Cost:	<u>Source</u>	
	Gifts	\$1,000,000
	Revenue Financing System Bond Proceeds	<u>\$2,500,000</u>
		\$3,500,000

- a. approve a total project cost of \$3,500,000 with funding of \$2,500,000 from Revenue Financing System Bond Proceeds and \$1,000,000 from Gifts;
- b. appropriate and authorize expenditure of funds; and
- c. resolve in accordance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System that
 - parity debt shall be issued to pay the project's cost, including any costs prior to the issuance of such parity debt;
 - sufficient funds will be available to meet the financial obligations of the U. T. System, including sufficient Pledged Revenues as defined in the Master Resolution to satisfy the Annual Debt

Service Requirements of the Financing System, and to meet all financial obligations of the U. T. System Board of Regents relating to the Financing System; and

- U. T. Austin, which is a "Member" as such term is used in the Master Resolution, possesses the financial capacity to satisfy its direct obligation as defined in the Master Resolution relating to the issuance by the U. T. System Board of Regents of tax-exempt parity debt in the aggregate amount of \$2,500,000.

Debt Service

At the Committee meeting on May 10, Committee Chairman Krier said this Item was modified from the Agenda Book to include repayment of the \$2,500,000 in Revenue Financing System debt from Designated Tuition rather than from indirect cost funds returned to U. T. Austin by the Legislature. Debt service coverage on the project is expected to average 3.7 times over FY 2006 - FY 2011.

Project Description

The project will renovate John W. Hargis Hall to upgrade the building for life safety and accessibility compliance, add a visitor center, and make improvements to space that houses the Office of Freshman Admissions. The work will include interior renovation of offices, lounges, conference rooms, multi-media rooms, one large public theatre, public space, and the reception area as well as renovation of public restrooms and kitchen. The scope includes remediation of existing building deficiencies including failure at the building envelope to control thermal and moisture infiltration, upgrades to the mechanical, plumbing, electrical, and technology infrastructure, and structural corrections to damage caused by age, moisture, and termite infiltration. In addition, corrections will be made to the building egress system to address fire and life safety issues and accessibility compliance. The Visitor Center will be located adjacent to the Office of Freshman Admissions to more effectively provide information about the University, its history, and its activities. John W. Hargis Hall, located north of the Frank C. Erwin, Jr. Special Events Center at the corner of Martin Luther King, Jr. Boulevard and Red River Street, was named in 1987 for the former special assistant to the president at U. T. Austin.

This off-cycle repair and rehabilitation project has been approved by University of Texas System staff and meets the criteria for inclusion in the Capital Improvement Program.

13. U. T. Austin: Student Activity Center - Amendment of the FY 2006-2011 Capital Improvement Program and the FY 2006-2007 Capital Budget to include project

The Board amended the FY 2006-2011 Capital Improvement Program and the FY 2006-2007 Capital Budget to include the Student Activity Center project at The University of Texas at Austin as follows:

Project No: 102-248

Architecturally or Historically Significant:

Yes No

[Note: Project determined to be architecturally significant at the 5/10/06 Facilities Planning and Construction Committee meeting.]

Project Delivery Method: Construction Manager at Risk

Substantial Completion Date: June 2011

Total Project Cost: Source
Revenue Financing System Bond Proceeds \$44,000,000

Project Description

The Student Activity Center will include 125,000 gross square feet to incorporate many aspects of student life including a food court, lounge space, student media, and entertainment venues. The Student Activity Center will be located on the East Mall, close to the Dr. Martin Luther King, Jr., statue, Gregory Gymnasium, and the new Gregory Gymnasium Aquatic Complex. Although the need for more student activity space has been recognized for a number of years, in 2005, students from across campus were successful in moving the project forward as a student referendum.

There are over 950 student organizations on campus and space is limited to accommodate the current needs and the potential growth resulting from a diverse student body.

This off-cycle project has been approved by University of Texas System staff and meets the criteria for inclusion in the Capital Improvement Program.

14. U. T. Austin: Chilling Station Replacement - Amendment of the FY 2006-2011 Capital Improvement Program and the FY 2006-2007 Capital Budget to include project; approval of preliminary project cost; and authorization of institutional management

The Board amended the FY 2006-2011 Capital Improvement Program and the FY 2006-2007 Capital Budget to include the Chilling Station Replacement project at The University of Texas at Austin as follows:

Project Number: 102-245

Institutionally Managed: Yes No

Architecturally or Historically Significant: Yes No

Project Delivery Method: Construction Manager at Risk

Substantial Completion Date: September 2008

Total Project Cost: Source
Revenue Financing System Bond Proceeds \$35,000,000

- a. approve a preliminary project cost of \$35,000,000 with funding from Revenue Financing System Bond Proceeds; and
- b. authorize U. T. Austin to manage the total project budgets, appoint architects, approve facility programs, prepare final plans, and award contracts.

Project Description

Institutional management will construct a new building of approximately 27,000 gross square feet to replace Chilling Station No. 2 that contains equipment approximately 50 years old. The project will also involve building a new cooling tower within the power plant complex to serve the chillers. Chilling Station No. 2 and the related cooling tower will be demolished after this new Chilling Station Replacement is completed. The cost to demolish Chilling Station No. 2 is included in the Computer Sciences Building project (see Item 11 on Page 50). The project will occupy a site adjacent to the Hal C. Weaver Power Plant complex.

U. T. Austin Facilities Management personnel have the experience and capability to manage all aspects of the work.

This off-cycle project has been approved by University of Texas System staff and meets the criteria for inclusion in the Capital Improvement Program.

15. U. T. Dallas: Campus Landscape Enhancement Project - Amendment of the FY 2006-2011 Capital Improvement Program and the FY 2006-2007 Capital Budget to include project; approval of total project cost; and appropriation of funds and authorization of expenditure

The Board amended the FY 2006-2011 Capital Improvement Program and the FY 2006-2007 Capital Budget to include the Campus Landscape Enhancement Project at The University of Texas at Dallas as follows:

Architecturally or Historically Significant:

Yes No

Project Delivery Method: Competitive Sealed Proposals

Substantial Completion Date: September 2007

Total Project Cost:

<u>Source</u>	
Gifts	\$10,000,000

- a. approve a total project cost of \$10,000,000 with funding from Gifts; and
- b. appropriate and authorize expenditure of funds.

Project Description

The project will enhance the campus perimeter along the Campbell Road frontage, the University Boulevard entrance, the campus central plaza surrounded by the McDermott Library, the Student Union, the Founders Building, and the Cecil H. and Ida Green Center for the Study of Science and Society.

The secondary project elements include enhancement of the north mall and Rutherford Avenue, and recommendations regarding parking, vehicular traffic, and placement of future buildings and housing.

This off-cycle repair and rehabilitation project has been approved by University of Texas System staff and meets the criteria for inclusion in the Capital Improvement Program.

16. U. T. El Paso: Basketball Complex - Amendment of the FY 2006-2011 Capital Improvement Program and the FY 2006-2007 Capital Budget to include project; approval of preliminary project cost; and approval to name the facility as The Paul Foster and Jeff Stevens Basketball Complex (name later changed to Foster • Stevens Basketball Center)

The Board amended the FY 2006-2011 Capital Improvement Program and the FY 2006-2007 Capital Budget to include the Basketball Complex project at The University of Texas at El Paso as follows:

Architecturally or Historically Significant:

Yes No

Project Delivery Method: Construction Manager at Risk

Substantial Completion Date: August 2008

Total Project Cost:

<u>Source</u>	
Gifts	\$10,600,000

- a. approve a preliminary project cost of \$10,600,000 with funding from Gifts; and
- b. name the facility as The Paul Foster and Jeff Stevens Basketball Complex.

Project Description

The facility will be located adjacent to the Don Haskins Special Events Center and will be used by both the men's and women's basketball programs. The facility will contain three basketball practice courts, locker rooms, a strength and conditioning area, academic support rooms, coaches' offices for both men's and women's programs, and a multiuse room for team functions and donor pregame functions. The new complex may also contain the University Ticket Center that is currently housed in a small building that will be demolished.

Mr. Paul L. Foster and Mr. Jeff A. Stevens have gained excellent reputations for their extraordinary support of educational, civic, and charitable activities in the El Paso region. Mr. Paul L. Foster is the President, Chief Executive Officer, and a director of Western Refining, Inc. He has more than 25 years of oil industry and marketing experience. He has been a resident of El Paso since 1991, and has served throughout the local community and state in numerous positions.

Mr. Jeff A. Stevens joined Western Refining, Inc., in 2000 and serves as Executive Vice President and is also a member of the Board of Directors.

He has more than 19 years of oil industry and marketing experience and serves the El Paso community as a member of the Sun Bowl Association Board of Directors.

See Items 1 and 2 on Page Docket - 18 related to approval of gifts from Mr. Foster and Mr. Stevens.

This off-cycle project has been approved by University of Texas System staff and meets the criteria for inclusion in the Capital Improvement Program.

Note: Prior to the groundbreaking ceremony on August 15, 2007, the donors requested the name of the facility be changed to the Foster • Stevens Basketball Center.

17. U. T. Pan American: Authorization to purchase approximately 2.42 acres of unimproved land described as the east 40 feet of Lot 4, Section 273, and the west 40 feet of Lot 3, Section 273, out of the Texas-Mexican Railway Company Survey, Edinburg, Hidalgo County, Texas, from Hidalgo County Irrigation District No. 1, at a purchase price not to exceed the fair market value as established by an independent appraisal, for surface parking and other future campus uses

The Board granted authorization, on behalf of The University of Texas - Pan American, to

- a. purchase approximately 2.42 acres of unimproved land described as the east 40 feet of Lot 4, Section 273, and the west 40 feet of Lot 3, Section 273, out of the Texas-Mexican Railway Company Survey, Edinburg, Hidalgo County, Texas, from Hidalgo County Irrigation District No. 1, at a purchase price not to exceed the fair market value as established by an independent appraisal, plus all due diligence expenses, closing costs, and other costs and expenses to complete the acquisition of the property as deemed necessary or advisable by the Executive Vice Chancellor for Business Affairs or the Executive Director of Real Estate, for surface parking and other future campus uses; and
- b. authorize the Executive Vice Chancellor for Business Affairs or the Executive Director of Real Estate to execute all documents, instruments, and other agreements, subject to approval of all such documents as to legal form by the Office of General Counsel, and to take all further actions deemed necessary or advisable to carry out the purpose and intent of the foregoing action.

The subject property consists of approximately 2.42 acres of land with 80 feet of frontage on Schunior Street and improved with a concrete-lined drainage canal that adjoins and connects the existing U. T. Pan American campus and the 16.42-acre and 18.96-acre tracts that the institution recently acquired in accordance with authorizations from the Board dated August 11, 2005, and January 12, 2006, respectively. The subject property was identified as a critical acquisition in the Campus Master Plan updated by the firm of Good, Fulton & Farrell in January 2005.

The Hidalgo County Irrigation District No. 1 will retain a 15-foot wide drainage easement across the property. Physical Plant Reserves, currently held for future planned capital projects, will be used to fund the purchase not to exceed fair market value. The appraised value is \$129,195 if the open canal is replaced with buried pipe within an easement, or \$115,830 if the canal remains as is and within an easement (Professional Appraisal Services, Inc., September 14, 2005, and March 20, 2006).

18. U. T. Pan American: Science Building Renovation - Amendment of the FY 2006-2011 Capital Improvement Program and the FY 2006-2007 Capital Budget to include project; approval of total project cost; approval of transfer of funds; and reduction of total project cost for the Education Complex

The Board amended the FY 2006-2011 Capital Improvement Program and the FY 2006-2007 Capital Budget to include the Science Building Renovation project at The University of Texas - Pan American as follows:

Architecturally or Historically Significant:

Yes No

Project Delivery Method:

Competitive Sealed Proposals

Substantial Completion Date:

July 2006

Total Project Cost: Education Complex

<u>Source</u>	<u>Former</u>	<u>Current</u>
Tuition Revenue Bond Proceeds	\$22,000,000	\$21,015,000

Total Project Cost: Science Building Renovation

<u>Source</u>	
Tuition Revenue Bond Proceeds	\$ 985,000
Higher Education Assistance Fund (HEAF)	<u>\$ 1,010,000</u>
	\$ 1,995,000

- a. approve a total project cost of \$1,995,000 with funding of \$985,000 from Tuition Revenue Bond Proceeds and \$1,010,000 from the Higher Education Assistance Fund (HEAF);
- b. approve the transfer of Tuition Revenue Bond Proceeds in the amount of \$985,000 from the Education Complex project; and

- c. reduce the total project cost from \$22,000,000 to \$21,015,000 for the Education Complex project.

Project Description

Transfer of the remaining \$985,000 of Tuition Revenue Bond Proceeds from the completed Education Complex project will allow the finish out of the third floor area of the Science Building. The space will contain four teaching laboratories, two research laboratories, and 24 faculty offices. The use of the Tuition Revenue Bond Proceeds must be in accordance with the language of *Texas Education Code* Section 55.1732; however, Section 55.1732 (d) provides that any portion of the proceeds of bonds authorized by this section for one or more specified projects at an institution that is not required for the specified projects may be used to renovate existing structures and facilities at the institution.

This off-cycle project has been approved by University of Texas System staff and meets the criteria for inclusion in the Capital Improvement Program.

19. U. T. Brownsville: Discussion of compact priorities

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

20. U. T. Pan American: Discussion of compact priorities

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

REPORT AND RECOMMENDATIONS OF THE HEALTH AFFAIRS COMMITTEE (Pages 60 - 66).--Committee Chairman Clements reported that the Health Affairs Committee met in open session to consider those matters on its agenda and to formulate recommendations for The University of Texas System Board of Regents. Unless otherwise indicated, the actions set forth in the Minute Orders that follow were recommended by the Health Affairs Committee and approved in open session by the U. T. System Board of Regents:

1. U. T. Medical Branch - Galveston: Discussion of long-term plan for clinical activities and Jennie Sealy Hospital Replacement project

This item was considered only during the joint meeting of the Facilities Planning and Construction Committee and the Health Affairs Committee (see joint Committee Minutes).

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

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

3. U. T. Southwestern Medical Center - Dallas: Approval of revisions to U. T. Southwestern Health Systems Bylaws to add a new Article 6 on Affiliated-Physician-Related Committees

The Board approved the addition of Article 6 on Affiliated-Physician-Related Committees, as set out on Pages 62 - 63, to The University of Texas Southwestern Health Systems Bylaws.

Authority to create certified nonprofit health corporations (CNPHCs) at each University of Texas System health institution was granted by the Board of Regents on April 14, 1994, with the provision that each corporation adopt model articles of incorporation and model bylaws and submit a business plan for approval. The CNPHCs were designed to provide the health institutions with the necessary capability to react to market demands by ensuring (1) an adequate referral base of patients to meet the medical education needs of the institutions, and (2) the continued fiscal viability of their Medical Services, Research and Development Plans (MSRDP). The CNPHCs were an alternative to licensure as a health maintenance organization (HMO) that would permit the institutions to accept risk contracts for physician services. CNPHCs are regulated by the Texas Medical Board, pursuant to *Texas Occupations Code* Section 162.001.

U. T. Southwestern Health Systems, a CNPHC, was established in 1994 to enhance revenues of The University of Texas Southwestern Medical Center at Dallas primarily by establishing health care joint ventures and contracting for delivery of inpatient and outpatient health care services. U. T. Southwestern Health Systems is certified by the Texas Medical Board and is a qualified tax-exempt organization under Section 501(c)(3) of the *Internal Revenue Code* of 1986.

Pursuant to the Bylaws, the CNPHC has one Member who is the incumbent President of U. T. Southwestern Medical Center - Dallas. A Board of at least three directors, appointed by the Member, currently manages U. T. Southwestern Health Systems. Standing and special committees perform duties assigned by the Board of Directors. The current directors are Kern Wildenthal, M.D., Ph.D.; Willis C. Maddrey, M.D.; John McConnell, M.D.; and Robert Rege, M.D.

Numerous nonsubstantive revisions were made to the Bylaws of U. T. Southwestern Health Systems with approval of the Executive Vice Chancellor for Health Affairs in March 2006. The nonsubstantive changes were made to streamline the governance and operations of the organization.

Article 6 of the Bylaws is new and substantive, compelled by the recent acquisition of the assets and operations of St. Paul University Hospital by U. T. Southwestern Medical Center - Dallas and the desire to encourage community physicians to maintain their admitting privileges at the hospital. To further this goal, U. T. Southwestern Medical Center - Dallas initiated the creation of a physician network that would clinically integrate community physicians with U. T. Southwestern Medical Center - Dallas physicians at the now renamed University Hospital - St. Paul. This network, called University of Texas Southwestern Clinically Affiliated Physicians (UTSCAP), will be administered by U. T. Southwestern Health Systems. UTSCAP members will be included in managed care contracts negotiated by U. T. Southwestern Health Systems and in quality improvement efforts for University Hospital - St. Paul through a committee structure similar to that currently afforded to U. T. Southwestern Medical Center - Dallas physicians. The private physicians will pay a membership fee to UTSCAP in return for UTSCAP benefits.

ARTICLE 6.
AFFILIATED-PHYSICIAN-RELATED COMMITTEES

6.1 Affiliated-Physician-Related Committees

(a) Managed Care Committee. The Managed Care Committee shall approve managed care contracts for UT Southwestern Clinically Affiliated Physicians (“UTSCAP”), and make recommendations to the Board as appropriate. The Chairman of the Managed Care Committee shall be approved by the Medical Director of UTSCAP.

(b) Quality Improvement Committee. The Quality Improvement Committee is responsible for evaluating ongoing measurements of clinical care to assess the effectiveness of care delivered and to evaluate and develop preventative measures. In addition, it is charged with planning and implementing improvements related to clinical quality. The Committee reviews and approves Clinical Practice Guidelines. The Committee makes recommendations for improvement and reports to the UTSHS Board of Directors. The Chairman of the Quality Improvement Committee shall be approved by the Medical Director of UTSCAP. The Committee shall be comprised of physician members representative of multiple areas of practice. The Quality Improvement Committee shall have two subcommittees, the Credentialing Committee and the Utilization Management Committee. Other subcommittees may be appointed as the Quality Improvement Committee determines are necessary.

(i) Credentialing Committee: The Credentialing Committee shall develop policies for credentialing and recredentialing practitioners, and review and approve providers for participation within the provisions of the Credentialing Policies. This Committee has final authority for all credentialing and recredentialing decisions, and for termination of participating practitioners and providers, and shall make recommendations to the Quality Improvement Committee for other disciplinary action as appropriate. The Chairman of the Credentialing Committee shall be approved by the Medical Director of UTSCAP.

(ii) Utilization Management Committee. The Utilization Management (UM) Committee shall be chaired by a physician approved by the Chairman of the Board with the approval of the Medical Director of UTSCAP. Six committee members shall be appointed by the Chairman of the Board and approved by the Medical Director of the Clinically Affiliated Physicians. The Utilization Management Program is designed to ensure that patients receive access to timely, appropriate and affordable quality care and services. Key aspects of service addressed in the UM Program are medical necessity, appropriateness, availability, and accessibility. The Utilization Management Committee is charged with annual review and implementation of the UM Program, regular review of UM data, and implementation of corrective actions whenever indicated.

6.2 Special Committees. The Board may designate one or more special committees to perform such duties that are not inconsistent with the Articles of Incorporation or these Bylaws as shall be assigned by the Board. Each special committee shall consist of two (2) or more persons appointed by the chairman of the board, with the approval of the Board, who may, but need not be, directors of the Corporation. A special committee shall limit its activities to those for which it is designated and shall have no power to act except as specifically conferred by the Board. A special committee shall stand dissolved upon the completion of the duties assigned. All special committees shall operate in an advisory capacity to the Board, unless given specific authority to act by the Board.

6.3 Quorum and Voting. A majority of the members of a committee shall constitute a quorum for the transaction of business at any meeting of the committee and the act of a majority of those present and voting at meeting of the committee where such quorum is established shall be the act of the committee. Attendance or voting by proxy shall not be permitted.

6.4 Meetings and Notices. Meetings of a committee may be called by the chairman of the Board or the chairman of the committee. Each committee shall meet as often as is necessary to perform its duties. Notice may be given at any time and in any manner reasonably designed to inform the committee members of the time and place of the meetings. Meetings of Committees may be held via telephone or email when practicable. Each committee shall keep minutes of its proceedings.

6.5 Resignations and Removals. Any member of a committee may resign at any time by giving notice to the chairman of the committee or the secretary of the Corporation. Unless otherwise specified in the notice, such resignation shall take effect upon receipt. The acceptance of such resignation shall not be necessary to make it effective. The Board may remove a member of any committee at any time with or without being required to state a cause for removal.

6.6 Vacancies. A vacancy on a committee shall be filled for the unexpired portion of the term in the same manner in which an original appointment to such committee is made.

4. U. T. Medical Branch - Galveston: Authorization to purchase real property and improvements located at 1314 Strand, Galveston, Galveston County, Texas, from Ms. Doris Rodriguez, at fair market value as established by an independent appraisal, for parking and for future programmed development of campus expansion

The Board

- a. authorized The University of Texas Medical Branch at Galveston to purchase the real property and improvements located at 1314 Strand, Galveston, Galveston County, Texas, from Ms. Doris Rodriguez for \$95,000, plus all due diligence expenses, closing costs, and other costs and expenses to complete the acquisition of the property as deemed necessary or advisable by the Executive Vice Chancellor for Business Affairs or the Executive Director of Real Estate, for parking and for future programmed development of campus expansion; and
- b. authorized the Executive Vice Chancellor for Business Affairs or the Executive Director of Real Estate to execute all documents, instruments, and other agreements, subject to approval of all such documents as to legal form by the Office of General Counsel, and to take all further actions deemed necessary or advisable to carry out the purpose and intent of the foregoing action.

The subject property and improvements, consisting of a 1,963-square foot frame house on a 5,160-square foot lot, will be purchased for \$95,000, the value established by an independent appraisal. The property is across the street from the institution's materials management warehouse and Facilities Operations and Management offices, and will be used for parking and for future programmed development of campus expansion.

Previously, U. T. Medical Branch - Galveston sought and obtained Board approval for acquisition of properties contiguous to the campus, including the geographical area bounded by 13th and 14th Streets and Strand and Harborside, within which area the subject property is located. On December 2, 1993, the Board of Regents authorized the acquisition of several parcels of real property located within the same city block and several nearby blocks, and on November 13, 1996, the Board authorized the acquisition of additional properties near the subject property. U. T. Medical Branch - Galveston will use Institutional Funds to fund the purchase.

During the Health Affairs Committee meeting on May 10, 2006, Ms. Florence Mayne, Executive Director of Real Estate, disclosed that the seller, Ms. Doris Rodriguez, is an employee at U. T. Medical Branch - Galveston. Ms. Mayne noted the property was inherited by Ms. Rodriguez, and the seller is not in a decision-making capacity at the University.

5. U. T. M. D. Anderson Cancer Center: Report on quality improvement and patient safety

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

6. U. T. Health Science Center - San Antonio: Mechanical Electrical Plumbing (MEP) Upgrades, Phase I - Amendment of the FY 2006-2011 Capital Improvement Program and the FY 2006-2007 Capital Budget to include project; approval of total project cost; approval of transfer of funds and authorization of expenditure; authorization of institutional management; and reduction of total project cost for the Children's Cancer Research Institute

The Board amended the FY 2006-2011 Capital Improvement Program and the FY 2006-2007 Capital Budget to include the Mechanical Electrical Plumbing (MEP) Upgrades, Phase I project at The University of Texas Health Science Center at San Antonio as follows:

Project No.: 402-249

Architecturally or Historically Significant: Yes No

Institutionally Managed: Yes No

Project Delivery Method: Competitive Sealed Proposals

Substantial Completion Date: July 2006

Total Project Cost: Children's Cancer Research Institute	<u>Source</u> Revenue Financing System Bond Proceeds	<u>Former</u> \$49,500,000	<u>Current</u> \$47,507,972
Total Project Cost: MEP Upgrades, Phase I	<u>Source</u> Revenue Financing System Bond Proceeds		\$1,922,028

- a. approve a total project cost of \$1,922,028 with funding from Revenue Financing System Bond Proceeds;
- b. approve the transfer of Revenue Financing System Bond Proceeds in the amount of \$1,922,028 from the Children's Cancer Research Institute project and authorize expenditure;
- c. authorize U. T. Health Science Center - San Antonio to manage the total project budgets, appoint architects, approve facility programs, prepare final plans, and award contracts; and
- d. reduce the total project cost from \$49,500,000 to \$47,507,972 for the Children's Cancer Research Institute project.

Project Description

Transfer of the remaining appropriated funding of \$1,922,028 from Revenue Financing System Bond Proceeds from the completed Children's Cancer Research Institute project will provide for mechanical, electrical, and plumbing upgrades to the existing University of Texas Medical School at San Antonio and University of Texas Dental School at San Antonio located on the main campus.

U. T. Health Science Center - San Antonio Facilities Management personnel have the experience and capability to manage all aspects of the work.

This off-cycle project has been approved by University of Texas System staff and meets the criteria for inclusion in the Capital Improvement Program.

[Counsel and Secretary's Note: Following the May 11, 2006 Board meeting, a correction in the total project cost from \$1,992,028 to \$1,922,028 was made for the MEP upgrades.]

7. U. T. System: Report on FY 2005 post-tenure review

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

8. U. T. System Board of Regents: Adoption of Regents' Rules and Regulations, Series 40602, related to Organized Research Units

Action on the adoption of Regents' *Rules and Regulations*, Series 40602, related to Organized Research Units, was considered during the open session of the Board meeting on May 11, 2006, and was approved at that time (see Item 4 on Page 11).

9. U. T. M. D. Anderson Cancer Center: Discussion of U. T. M. D. Anderson Cancer Center's proposed participation in investment as a limited partner in The Madelin Fund, L.P.

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

REPORT AND RECOMMENDATIONS OF THE FACILITIES PLANNING AND CONSTRUCTION COMMITTEE (Pages 67 - 86).--Committee Chairman Barnhill reported that the Facilities Planning and Construction Committee met in open session to consider those matters on its agenda and to formulate recommendations for The University of Texas System Board of Regents. Unless otherwise indicated, the actions set forth in the Minute Orders that follow were recommended by the Facilities Planning and Construction Committee and approved in open session by the U. T. System Board of Regents:

1. U. T. System: Consideration of possible designation of projects as architecturally or historically significant

- U. T. Austin Chilling Station Replacement
- U. T. Austin Computer Sciences Building
- U. T. Austin Renovation of John W. Hargis Hall with Visitor Center
- U. T. Austin Student Activity Center
- U. T. Dallas Campus Landscape Enhancement Project
- U. T. El Paso Basketball Complex

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

For the record, the Dell Computer Science Hall (formerly the Computer Sciences Building) and the Student Activity Center, both at The University of Texas at Austin, were declared architecturally significant. (See Facilities Planning and Construction Committee Minutes on Page 1 and these Board Minutes on Page 50 related to the Dell Computer Science Hall and Page 53 related to the Student Activity Center.)

2. U. T. Arlington: Student Activities Building Renovation and Expansion - Phase I - Amendment of the FY 2006-2011 Capital Improvement Program and the FY 2006-2007 Capital Budget to increase total project cost; approval of design development; approval of evaluation of alternative energy economic feasibility; appropriation of funds and authorization of expenditure; and resolution regarding parity debt

The Board approved the recommendations for the Student Activities Building Renovation and Expansion - Phase I project at The University of Texas at Arlington as follows:

Project Number: 301-226

Architecturally or Historically Significant: Yes No

Project Delivery Method: Construction Manager at Risk

Substantial Completion Date: January 2008

Total Project Cost:	<u>Source</u>	<u>Former</u>	<u>Current</u>
	Revenue Financing System Bond Proceeds	\$16,370,005	\$30,000,000

- a. amendment of the FY 2006-2011 Capital Improvement Program and the FY 2006-2007 Capital Budget to increase the total project cost;
- b. approve design development plans;
- c. approval of evaluation of alternative energy economic feasibility;
- d. appropriate funds and authorize expenditure of funds; and
- e. resolve in accordance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System that
 - parity debt shall be issued to pay the project's cost, including any costs prior to the issuance of such parity debt;
 - sufficient funds will be available to meet the financial obligations of the U. T. System, including sufficient Pledged Revenues as defined in the Master Resolution to satisfy the Annual Debt Service Requirements of the Financing System, and to meet all financial obligations of the U. T. System Board of Regents relating to the Financing System; and
 - U. T. Arlington, which is a "Member" as such term is used in the Master Resolution, possesses the financial capacity to satisfy its direct obligation as defined in the Master Resolution relating to the issuance by the U. T. System Board of Regents of tax-exempt parity debt in the aggregate amount of \$13,629,995.

Debt Service

The total \$30,000,000 in Revenue Financing System debt will be repaid from net revenues generated from campus recreation fees. Average annual debt service on the project is estimated at \$2.1 million. The institution's debt service coverage with the inclusion of this project is expected to be at least 2.5 times and average 2.8 times over FY 2006 - FY 2011.

Previous Board Action

On August 11, 2005, the repair and rehabilitation project was included in the Capital Improvement Program (CIP) with a preliminary project cost of \$16,370,005 with funding appropriated from Revenue Financing System Bond Proceeds.

Project Description

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

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

The economic impact of the project was reported to the U. T. System Board of Regents as part of the design development presentation.

3. U. T. Austin: Performing Arts Center Infrastructure Upgrades Phase I and II - Approval of design development and approval of evaluation of alternative energy economic feasibility

Conditioned on approval of the material proposed for the windows (see Committee Minutes), the Board approved the recommendations for the Performing Arts Center Infrastructure Upgrades Phase I and II project at The University of Texas at Austin as follows:

Project Number: 102-159
Architecturally or Historically Significant: Yes No

Project Delivery Method: Design/Build
Substantial Completion Date: September 2008

Total Project Cost:	<u>Source</u>	<u>Current</u>
	Revenue Financing System Bond Proceeds	\$14,200,000
	Unexpended Plant Funds	\$ 500,000
		<u>\$14,700,000</u>

- a. approve design development plans for the exterior appearance of the south elevation of the building resulting from the entry lobby/atrium expansion; and
- b. approve the evaluation of alternative energy economic feasibility.

Previous Board Actions

On November 13, 2002, the Phase I project was included in the Capital Improvement Program (CIP) with a preliminary project cost of \$400,000 for Programming only with funding from Designated Tuition. Boora Architects was selected for the repair and renovation project for fire and life safety upgrades to the facility. On August 8, 2003, the Phase II project was included in the CIP with a preliminary project cost of \$7,600,000 with funding from Revenue Financing System Bond Proceeds. With the adoption of the CIP on August 11, 2005, Phase I and Phase II of the project were combined in the CIP and the total project cost increased to \$14,700,000 to include additional renovation work and program enhancement work as described in the program document as opportunities for enhanced egress, accessibility, and performing art center support spaces. The total project cost is funded with \$14,200,000 from Revenue Financing System Bond Proceeds and \$500,000 from Unexpended Plant Funds. The lobby/atrium was expanded and, as a result, the south facade was changed and enhanced. Because of the proposed change to the exterior appearance, this project was brought back to the Board of Regents for review and approval.

Project Description

The project is a repair and rehabilitation project consisting of fire and life safety upgrades for the exit path, the fire protection, the mechanical system, and exposed finishes.

Renovation work will include changes to the exterior appearance of the south elevation of the building lobby/atrium at all levels.

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

The economic impact of the project was reported to The University of Texas System Board of Regents as part of the design development presentation.

4. U. T. Austin: Renovations to UFCU Disch-Falk Field - Amendment of the FY 2006-2011 Capital Improvement Program and the FY 2006-2007 Capital Budget to increase total project cost; approval of design development; approval of evaluation of alternative energy economic feasibility; appropriation of funds and authorization of expenditure; and resolution regarding parity debt

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

Project Number: 102-225

Architecturally or Historically Significant: Yes No

Project Delivery Method: Construction Manager at Risk

Substantial Completion Date: February 2008

Total Project Cost:	<u>Source</u>	<u>Former</u>	<u>Current</u>
	Revenue Financing System Bond Proceeds	\$11,000,000	\$14,000,000
	Gifts	<u>\$ 7,000,000</u>	<u>\$ 7,000,000</u>
		\$18,000,000	\$21,000,000

- a. amendment of the FY 2006-2011 Capital Improvement Program and the FY 2006-2007 Capital Budget to increase the total project cost;
- b. approve design development plans;
- c. approval of evaluation of alternative energy economic feasibility;
- d. appropriate funds and authorize expenditure of funds; and
- e. 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 \$3,000,000.

Debt Service

The \$14,000,000 in total Revenue Financing System debt will be repaid from net revenues generated from ticket sales. Average annual debt service on the project is estimated at \$1.2 million. The institution's debt service coverage with the inclusion of this project is expected to be at least 1.02 times and average 1.08 times over FY 2008 - FY 2010.

Previous Board Actions

On August 11, 2005, the project was included in the Capital Improvement Program (CIP) with a preliminary project cost of \$18,000,000 with funding of \$11,000,000 from Revenue Financing System Bond Proceeds and \$7,000,000 from Gifts. On October 12, 2005, the Board approved the name change from Disch-Falk Field to the UFCU Disch-Falk Field.

Project Description

This project includes abatement of existing asbestos-containing materials and lead-based paint; renovations and expansion to the seating areas, the press box, player development areas, and public concourses and plazas; renovations and upgrades to concessions and restrooms; renovations to the ticket office; replacement of the field lighting system; a new facade; upgrades to the sound system; a new spectator club area; and new spectator suites. The increase in the total project cost will provide additional improvements to player development areas, accessibility, and fire and life safety elements.

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

The economic impact of the project was reported to the U. T. System Board of Regents as part of the design development presentation.

5. U. T. Health Science Center - San Antonio: Cyclotron Addition - Approval of design development; approval of evaluation of alternative energy economic feasibility; and appropriation of funds and authorization of expenditure

The Board approved the recommendations for the Cyclotron Addition project at The University of Texas Health Science Center at San Antonio as follows:

Architecturally or Historically Significant:

Yes No

Project Delivery Method: Construction Manager at Risk

Substantial Completion Date: January 2007

Total Project Cost:	<u>Source</u>	<u>Current</u>
	Gifts	\$1,600,000
	Library, Equipment, Repair and Rehabilitation	\$ 500,000
	Unexpended Plant Funds	<u>\$ 900,000</u>
		\$3,000,000

- a. approve design development plans;
- b. approve the evaluation of alternative energy economic feasibility; and
- c. appropriate funds and authorize expenditure of funds.

Previous Board Action

On November 10, 2005, the project was included in the Capital Improvement Program (CIP) with a preliminary project cost of \$3,000,000 with funding of \$1,600,000 from Gifts, \$900,000 from Unexpended Plant Funds, and \$500,000 from Library, Equipment, Repair and Rehabilitation (LERR).

Project Description

This project will add approximately 3,000 gross square feet to the Robert F. McDermott Clinical Science Building. Recently, Dr. Peter Fox, Director of the Research Imaging Center (RIC), was successful in recruiting a renowned scientist who requires a state-of-the-art dual beam, negative ion cyclotron. The RIC is used to study basic mechanisms of cognition, learning, development, and aging in animal models for human diseases. One of the RIC's most heavily used resources is the cyclotron. The cyclotron is now a 13 year old single-beam system producing radiotracers that are used for imaging. The purchase of a new cyclotron and associated radio-synthetic equipment will approximately triple the production capacity of the present cyclotron and support radiopharmaceutical research.

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

The economic impact of the project was reported to The University of Texas System Board of Regents as part of the design development presentation.

6. U. T. Health Science Center - Houston: Expansion of RAHC Public Health Satellite - Amendment of the FY 2006-2011 Capital Improvement Program and the FY 2006-2007 Capital Budget to decrease total project cost; approval of design development plans; approval of evaluation of alternative energy economic feasibility; revision of funding sources; appropriation of funds and authorization of expenditure; and authorization of institutional management

The Board approved the recommendations for the Expansion of RAHC (Regional Academic Health Center) Public Health Satellite project at The University of Texas Health Science Center at Houston as follows:

Project Number: 701-250
Institutionally Managed: Yes No
Architecturally or Historically Significant: Yes No

Project Delivery Method: Design/Build
Substantial Completion Date: February 2007

Total Project Cost:	<u>Source</u>	<u>Former</u>	<u>Current</u>
	Grants	\$3,000,000	
	Unexpended Plant Funds	\$1,000,000	
		\$4,000,000	
	Library, Equipment, Repair and Rehabilitation		\$3,000,000

- a. amendment of the FY 2006-2011 Capital Improvement Program and the FY 2006-2007 Capital Budget to decrease the total project cost;
- b. approve design development plans;
- c. approve the evaluation of alternative energy economic feasibility;
- d. revise funding sources;

- e. appropriate funds and authorize expenditure of funds; and
- f. authorize U. T. Health Science Center - Houston to manage the total project budgets, appoint architects, approve facility programs, prepare final plans, and award contracts.

Previous Board Action

On August 7, 2003, the project was included in the Capital Improvement Program (CIP) with a preliminary project cost of \$4,000,000 with funding of \$3,000,000 from Grants and \$1,000,000 from Unexpended Plant Funds.

Project Description

U. T. Health Science Center - Houston requested institutional management for the project. The scope of the project was revised to complete approximately 7,600 gross square feet of shell space already existing in the building and to create 4,500 gross square feet of new space in the corner area adjoining the two wings of the existing building. This addition will be used for Biosafety Level Three (BSL-3) laboratory space on the second floor, and community outreach and population-based research on the first floor. The funding sources were revised from \$3,000,000 from Grants and \$1,000,000 from Unexpended Plant Funds to \$3,000,000 from Library, Equipment, Repair and Rehabilitation (LERR).

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

The economic impact of the project was reported to The University of Texas System Board of Regents as part of the design development presentation.

U. T. Health Science Center - Houston Facilities Management personnel have the experience and capability to manage all aspects of the work.

7. U. T. M. D. Anderson Cancer Center: Braeswood Parking Garage - Amendment of the FY 2006-2011 Capital Improvement Program and the FY 2006-2007 Capital Budget to increase total project cost; approval of design development; approval of evaluation of alternative energy economic feasibility; appropriation of funds and authorization of expenditure; and resolution regarding parity debt

The Board approved the recommendations for the Braeswood Parking Garage project at The University of Texas M. D. Anderson Cancer Center as follows:

Project Number: 703-252
Institutionally Managed: Yes No
Architecturally or Historically Significant: Yes No

Project Delivery Method: Design/Build
Substantial Completion Date: August 2007

Total Project Cost:	<u>Source</u>	<u>Former</u>	<u>Current</u>
	Revenue Financing System Bond Proceeds	\$20,000,000	\$35,000,000
	Hospital Revenues	<u>\$ 6,000,000</u>	<u>\$ 8,500,000</u>
		\$26,000,000	\$43,500,000

- a. amendment of the FY 2006-2011 Capital Improvement Program and the FY 2006-2007 Capital Budget to increase the total project cost;
- b. approve design development plans;
- c. approval of evaluation of alternative energy economic feasibility;
- d. appropriate funds and authorize expenditure of funds; and
- e. 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. M. D. Anderson Cancer Center, 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 \$35,000,000.

Debt Service

The \$35,000,000 in Revenue Financing System debt will be repaid from net revenues generated from parking fees. Average annual debt service on the project is estimated at \$3.2 million. Assuming U. T. M. D. Anderson Cancer Center owns the whole project, debt service coverage on the project is expected to be at least 0.64 times and average 1.96 times over FY 2009 – FY 2038.

Previous Board Action

On August 7, 2003, the project was included in the Capital Improvement Program (CIP) with a preliminary project cost of \$26,000,000 with funding of \$20,000,000 from Revenue Financing System Bond Proceeds and \$6,000,000 from Hospital Revenues.

Project Description

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

The Braeswood Parking Garage will be used to accommodate parking needs for the Faculty Center Tower, Jesse H. Jones Rotary House International, and future valet requirements. Existing parking facilities and current prioritization leave a main campus shortfall of parking spaces. U. T. M. D. Anderson Cancer Center requires significantly more parking spaces to correct the shortfall and support upcoming facilities such as the Faculty Center Tower. The Braeswood Parking Garage will be designed to accommodate up to 2,400 vehicles. In addition to the design and construction of the parking garage, the revised total project cost includes design services only for a future pedestrian bridge connecting the parking garage to the main campus facilities.

Texas Government Code Section 2166.403 requires the governing body of a State agency to verify in an open meeting the economic feasibility of incorporating alternative energy devices into a new State building or an addition to an existing building. Therefore, the Project Architect prepared an evaluation for this project in accordance with the Energy Conservation Design

Standards for New State Buildings. This evaluation determined that alternative energy devices such as solar, wind, biomass, or photovoltaic energy are not economically feasible for the project.

The economic impact of the project was reported to the U. T. System Board of Regents as part of the design development presentation.

8. U. T. Arlington: Energy Performance Contract - Amendment of the FY 2006-2011 Capital Improvement Program and the FY 2006-2007 Capital Budget to increase total project cost; appropriation of funds and authorization of expenditure; and resolution regarding parity debt

The Board approved the recommendations for the Energy Performance Contract project at The University of Texas at Arlington as follows:

Project Number: 301-228
Institutionally Managed: Yes No
Architecturally or Historically Significant: Yes No
Project Delivery Method: Performance Contract

Substantial Completion Date: August 2007

Total Project Cost:	<u>Source</u>	<u>Former</u>	<u>Current</u>
	Revenue Financing System Bond Proceeds	\$15,000,000	\$18,000,000

- a. amendment of the FY 2006-2011 Capital Improvement Program and the FY 2006-2007 Capital Budget to increase the total project cost;
- b. appropriate additional funding of \$3,000,000 from Revenue Financing System Bond Proceeds and authorize expenditure; and
- c. resolve in accordance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System that
 - parity debt shall be issued to pay the project's cost, including any costs prior to the issuance of such parity debt;

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

Debt Service

The incremental \$3,000,000 in Revenue Financing System debt will be repaid from energy cost savings. The institution's debt service coverage is expected to average 2.98 times over FY 2006 - FY 2011.

Previous Board Action

On August 11, 2005, the repair and rehabilitation project was included in the Capital Improvement Program (CIP) with a preliminary project cost of \$15,000,000 with funding appropriated from Revenue Financing System Bond Proceeds.

Project Description

U. T. Arlington has been working closely with Siemens Buildings Technologies, Inc. and Carter & Burgess, Inc. engineering firms to determine the most attractive energy cost reduction measures to incorporate into the project. Buildings have been surveyed for electrical, HVAC, water, passive, and renewable energy measures and annual dollar savings have been reported. The study has resulted in the acceptance of 18 energy cost reduction measures, thus the increase in the total project cost.

9. U. T. Austin: Applied Research Lab Expansion - Phase II - Amendment of the FY 2006-2011 Capital Improvement Program and the FY 2006-2007 Capital Budget to increase total project cost and appropriation of funds and authorization of expenditure

The Board approved the recommendations for the Applied Research Lab Expansion - Phase II project at The University of Texas at Austin as follows on Page 80.

Project Number: 102-080

Architecturally or Historically Significant: Yes No

Project Delivery Method: Design/Build

Substantial Completion Date: April 2007

Total Project Cost:	<u>Source</u> Grants	<u>Former</u> \$3,000,000	<u>Current</u> \$3,500,000
----------------------------	-------------------------	------------------------------	-------------------------------

- a. amendment of the FY 2006-2011 Capital Improvement Program and the FY 2006-2007 Capital Budget to increase the total project cost; and
- b. appropriate additional funds and authorize expenditure of funds.

Previous Board Action

On August 8, 2001, the project was included in the Capital Improvement Program (CIP) with a preliminary project cost of \$2,500,000 with funding from Grants. On February 9, 2006, the Board approved the design development plans, increased the total project cost to \$3,000,000, and funding was appropriated from Grants.

Project Description

This project will provide increased research space for the Applied Research Lab by adding approximately 17,000 gross square feet to the existing McKinney Wing at the J. J. Pickle Research Campus with additional administrative offices and technical work spaces. The increase in total project cost will allow for the project scope and increases in costs and fees.

10. U. T. Austin: Nueces Garage - Amendment of the FY 2006-2011 Capital Improvement Program and the FY 2006-2007 Capital Budget to reduce total project cost and redesignate project as the San Antonio Garage Additional Parking Levels

The Board approved the recommendations for the Nueces Garage project at The University of Texas at Austin as follows:

Project Number: 102-246

Architecturally or Historically Significant: Yes No

Project Delivery Method: Design/Build

Substantial Completion Date: February 2008

Total Project Cost:	<u>Source</u>	<u>Former</u>	<u>Current</u>
	Revenue Financing System Bond Proceeds	\$20,500,000	\$8,500,000

a. amendment of the FY 2006-2011 Capital Improvement Program and the FY 2006-2007 Capital Budget to reduce the total project cost; and

b. redesignate the project as the San Antonio Garage Additional Parking Levels.

Previous Board Action

On August 7, 2003, the project was included in the Capital Improvement Program (CIP) with a preliminary project cost of \$20,500,000 with funding from Revenue Financing System Bond Proceeds.

Project Description

A new parking garage on Nueces Street has been planned for years, but a joint effort with a property owner never materialized and U. T. Austin has no vacant land west of campus on which to build a new garage. The top of the existing San Antonio Garage offers the best immediate solution to the shortage of parking to serve the west side of campus. Two additional levels of parking will be constructed to add 400 new parking spaces to the San Antonio Garage.

11. U. T. Southwestern Medical Center - Dallas: Laboratory Research and Support Building (formerly Biosafety Level Three Laboratory) - Amendment of the FY 2006-2011 Capital Improvement Program and the FY 2006-2007 Capital Budget to increase total project cost; appropriation of funds and authorization of expenditure; and resolution regarding parity debt

The Board approved the recommendations for the Laboratory Research and Support Building [formerly Biosafety Level Three (BSL-3) Laboratory] project at The University of Texas Southwestern Medical Center at Dallas as follows:

Project Number: 303-203

Architecturally or Historically Significant: Yes No

Project Delivery Method: Construction Manager at Risk

Substantial Completion Date: December 2007

Total Project Cost:	<u>Source</u>	<u>Former</u>	<u>Current</u>
	Revenue Financing System Bond Proceeds	\$25,000,000	\$36,600,000

a. amendment of the FY 2006-2011 Capital Improvement Program and the FY 2006-2007 Capital Budget to increase the total project cost;

- b. appropriate additional funding of \$11,600,000 from Revenue Financing System Bond Proceeds and authorize expenditure; 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. Southwestern Medical Center - 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 \$11,600,000.

Debt Service

The \$36,600,000 in Revenue Financing System debt will be repaid from indirect cost recovery revenues. Annual debt service on the Laboratory Research and Support Building is estimated at \$3.06 million. Overall debt service coverage ratios on projects financed with indirect cost recoveries at U. T. Southwestern Medical Center - Dallas are projected to range from 0.91 times to 2.26 times and average 1.35 times from FY 2006 - FY 2015.

Previous Board Actions

On August 7, 2003, the project was included in the Capital Improvement Program (CIP) with a preliminary project cost of \$9,600,000 with funding of \$7,200,000 from Grants and \$2,400,000 from Unexpended Plant Funds. On May 12, 2005, the Board approved the design development plans and increased the total project cost to \$25,000,000 with revised funding appropriated from Revenue Financing System Bond Proceeds.

Project Description

The facility will be a four-story building containing approximately 76,111 gross square feet. Two floors will serve as pathogen-free vivarium facilities for animal holding; procedures; laboratories; cage

washing and autoclave; and associated material handling and storage. The increase in total project cost is to finish out the shell space in the remaining two floors. The need to complete the space is based on recruitment plans for department chairs and expansion of the vivarium.

12. U. T. M. D. Anderson Cancer Center: Bastrop Research and Education Building (Phase I of the Bastrop Facility Strategic Plan) - Amendment of the FY 2006-2011 Capital Improvement Program and the FY 2006-2007 Capital Budget to increase total project cost; revision of funding sources; and appropriation of funds and authorization of expenditure

The Board approved the recommendations for the Bastrop Research and Education Building (Phase I of the Bastrop Facility Strategic Plan) project at The University of Texas M. D. Anderson Cancer Center as follows:

Project Number: 703-195

Architecturally or Historically Significant: Yes No

Project Delivery Method: Construction Manager at Risk

Substantial Completion Date: January 2007

Total Project Cost:	<u>Source</u>	<u>Former</u>	<u>Current</u>
	Revenue Financing System Bond Proceeds	\$10,000,000	
	Hospital Revenues (Phase I)	\$ 7,000,000	\$26,000,000
	Grants (Phase I)	<u>\$ 4,000,000</u>	<u>\$ 4,000,000</u>
		\$21,000,000	\$30,000,000

- a. amendment of the FY 2006-2011 Capital Improvement Program and the FY 2006-2007 Capital Budget to increase the total project cost;
- b. revise funding sources; and
- c. appropriate funds and authorize expenditure of \$19,000,000 from Hospital Revenues.

Previous Board Actions

On August 7, 2003, the project was included in the Capital Improvement Program (CIP) with a preliminary project cost of \$9,000,000 with funding from Hospital Revenues. With the adoption of the FY 2006-2011 CIP on August 11, 2005, the project was included in the CIP with a preliminary project cost of \$21,000,000 with funding of \$10,000,000 from Revenue Financing System Bond Proceeds, \$7,000,000 from Hospital Revenues,

and \$4,000,000 from Grants. On November 10, 2005, the Board approved the Bastrop Research and Education Building (BREB) (Phase I) design development plans and appropriated \$7,000,000 from Hospital Revenues and \$4,000,000 from Grants.

Project Description

The scope of the project was increased to build out previous portions of the building not relating to the core functions. U. T. M. D. Anderson Cancer Center requested a revision to the funding sources for the second stage of the BREB at a combined total project cost of \$30,000,000, inclusive of both stages. The project consists of a building of approximately 34,000 gross square feet to provide basic research laboratories, education space, primate research laboratories, pathology support, and various site and infrastructure upgrades. The building will be consistent with the low rise/low profile theme of the Bastrop campus and will contain a combination of laboratories, offices, conference, and teaching spaces.

The recruitment of Christian Abee, D.V.M., to the Bastrop campus has created a need to house his owl monkey and squirrel monkey colonies. Dr. Abee had already secured a National Institutes of Health (NIH) grant at his previous position with the University of South Alabama. This grant is currently being transferred to U. T. M. D. Anderson Cancer Center. Combining the scope of the NIH grant with the BREB and the previously scheduled pathology renovation for this campus revealed that efficiencies could be gained by combining these programs into one building. The BREB will support institutional objectives for accommodating vivarium and office space needs, and increasing research, education, and support space with the construction of this new facility.

13. U. T. M. D. Anderson Cancer Center: South Campus Vivarium Facility - Amendment of the FY 2006-2011 Capital Improvement Program and the FY 2006-2007 Capital Budget to increase total project cost and appropriation of funds and authorization of expenditure

The Board approved the recommendations for the South Campus Vivarium Facility project at The University of Texas M. D. Anderson Cancer Center as follows:

- Project Number:** NA
- Institutionally Managed:** Yes No
- Architecturally or Historically Significant:** Yes No
- Project Delivery Method:** Construction Manager at Risk

Substantial Completion Date: July 2007

Total Project Cost:	<u>Source</u>	<u>Former</u>	<u>Current</u>
	Hospital Revenues	\$25,000,000	\$45,000,000
a.	amendment of the FY 2006-2011 Capital Improvement Program and the FY 2006-2007 Capital Budget to increase the total project cost; and		
b.	appropriate funds and authorize expenditure of \$20,000,000 from Hospital Revenues.		

Previous Board Action

On August 11, 2005, the project was included in the Capital Improvement Program (CIP) with a preliminary project cost of \$25,000,000 with funding from Hospital Revenues. On November 10, 2005, the Board approved the design development plans and appropriated \$25,000,000 from Hospital Revenues.

Project Description

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

U. T. M. D. Anderson Cancer Center continues to develop the South Campus area with increasing numbers of researchers being located at the South Campus and new buildings being constructed. Adequate and convenient access to animals has become critical. To address this need, this project is a redevelopment of the existing Physical Plant Building. Upon completion, the existing Physical Plant Building will include animal holding, procedure, and attendant support functions.

The South Campus Vivarium was originally conceived as a five phase expansion of the existing Vivarium within the R. E. "Bob" and Vivian L. Smith Research Building. The existing Smith Research Building Vivarium is currently at over 95% capacity. With the recent completion of the South Campus Research Building Two and the impending construction of the Center for Advanced Biomedical Imaging Research Building, the forecasted requirements for research animals on the South Campus now exceed the animal capacity originally planned for Phase I. U. T. M. D. Anderson Cancer Center needs to move forward with Phases II through V to provide adequate animal housing on the South Campus. Phases II through V allow for additional animal housing and support infrastructure, required mechanical equipment, and office space for additional staff.

14. U. T. Austin: Approval to Name the Visitors' Center at McDonald Observatory as the Frank N. Bash Visitors' Center at McDonald Observatory

The Board approved the naming of the Visitors' Center at McDonald Observatory as the Frank N. Bash Visitors' Center at McDonald Observatory to recognize the significant contributions and commitment of Dr. Frank N. Bash to the McDonald Observatory.

Dr. Bash dedicated a significant part of his professional career to the development of McDonald Observatory as a premier site for professional astronomers and casual observers alike. Dr. Bash began teaching in the Astronomy Department at U. T. Austin as a Faculty Associate in 1967, and in 1981 he became a Professor. He served as Chairman of the Astronomy Department from 1982 to 1986. He served from 1989-2003 as Director of McDonald Observatory and led the effort for the design, funding, and construction of The William P. Hobby - Robert E. Eberly Spectroscopic Survey Telescope, which has the largest primary mirror in the world. He also led the effort to expand the public outreach programs of McDonald Observatory through construction of the Observatory's Visitors' Center, development of the Texas Astronomy Education Center, and *StarDate* radio, which reaches millions of people each day in English, Spanish, and German.

A gift of \$2 million was made in 1999 by Mr. William C. Nowlin, Jr., and Mrs. Bettye H. Nowlin, Austin, Texas, which completed the funding needed for construction of the Visitors' Center. At the time of the gift, Mr. and Mrs. Nowlin expressed their desire that the Visitors' Center building be named in honor of Dr. Bash. Dr. Bash retired as Director of McDonald Observatory in 2003 and from his faculty position in May 2006.

RECONVENE AS COMMITTEE OF THE WHOLE.--At 11:30 a.m., the Board reconvened as a committee of the whole to consider an item remaining on the agenda.

U. T. System Board of Regents: Presentation of certificate of appreciation to Executive Vice Chancellor for Academic Affairs Teresa A. Sullivan

Chairman Huffines announced that Executive Vice Chancellor Sullivan is leaving The University of Texas System at the end of this month to become the Provost at the University of Michigan. On behalf of members of the Board, he thanked Dr. Sullivan for her years of distinguished service and outstanding contributions to The University of Texas at Austin, the U. T. System, and to the State of Texas. He then presented the following certificate to Dr. Sullivan who received a standing ovation.

CERTIFICATE OF APPRECIATION

The Board of Regents

Expresses to

TERESA A. SULLIVAN, PH.D.

Its Sincere Appreciation for Her
Distinguished Service and Outstanding Contributions

to

The University of Texas at Austin
1975 - 1976
and
1981 - 2002

and to

The University of Texas System
as
Executive Vice Chancellor for Academic Affairs
2002 - 2006

(signed by all members of the Board)

SCHEDULED MEETING.--The next regularly scheduled meeting will be held on July 13-14, 2006, in Austin, Texas.

ADJOURNMENT.--There being no further business, the meeting was adjourned at 11:35 a.m.

/s/ Francie A. Frederick
Counsel and Secretary to the Board

August 8, 2006

THE UNIVERSITY OF TEXAS SYSTEM ADMINISTRATION
DOCKET NO. 126

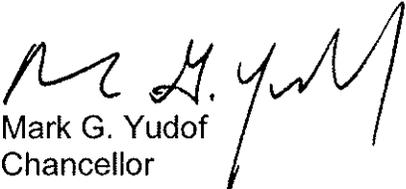
April 20, 2006

TO MEMBERS OF THE FINANCE AND PLANNING COMMITTEE:

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

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

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


Mark G. Yudof
Chancellor

xc: Other Members of
the Board

Prepared by:
U. T. System Administration

Docket - i

May 11, 2006

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

APPOINTMENTS AND PROMOTIONS

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

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

TRANSFERS OF FUNDS

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

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

OTHER FISCAL ITEMS

EMPLOYMENT AGREEMENTS

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

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

OTHER MATTERS

APPROVAL OF DUAL POSITIONS OF HONOR, TRUST, OR PROFIT

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

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

REAL ESTATE REPORT

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

Summary Report at February 28, 2006

FUND TYPE

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

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

Details of individual assets by account furnished on request.

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

U. T. AUSTIN

GIFTS

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

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

GIFTS (CONTINUED)

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

CONTRACTS

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

GENERAL CONTRACTS

FUNDS COMING IN

1. Agency: Exxon Mobil Corporation
Funds: \$1,265,000
Period: January 13, 2006 through January 31, 2010
Description: U. T. Austin shall receive funding for the Center for American History to direct and manage the research and writing of a book-length history of the Exxon Mobil Corporation for the years 1975 through 2000.
2. Agency: Texas A&M University
Funds: \$1,250,000
Period: Effective April 7, 2006 through August 31, 2008
Description: In support of shared storage facilities, U. T. Austin will receive funding in support of one-fourth of the cost of the expansion of a remote storage facility located at Pickle Research Center in return for the use of up to one-fourth of the storage capacity by Texas A&M University.

5-11-2006 Item 1 Page Docket-7 was deferred for approval at a future meeting.

FUNDS GOING OUT

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

AMENDMENTS TO THE 2005-06 BUDGET

APPOINTMENTS AND PROMOTIONS

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

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

AMENDMENTS TO THE 2005-06 BUDGET (CONTINUED)

APPOINTMENTS AND PROMOTIONS (CONTINUED)

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

AMENDMENTS TO THE 2005-06 BUDGET (CONTINUED)

TRANSFERS OF FUNDS

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

AMENDMENTS TO THE 2005-06 BUDGET (CONTINUED)

TRANSFERS OF FUNDS (CONTINUED)

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

FEES AND MISCELLANEOUS CHARGES

PARKING PERMIT FEES

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

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

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

FEES AND MISCELLANEOUS CHARGES (CONTINUED)

PARKING PERMIT FEES (CONTINUED)

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

OTHER MATTERS

APPROVAL OF DUAL POSITIONS OF HONOR, TRUST, OR PROFIT

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

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

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

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

APPOINTMENTS AND PROMOTIONS

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

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

AMENDMENTS TO THE 2005-06 BUDGET (CONTINUED)

APPOINTMENTS AND PROMOTIONS (CONTINUED)

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

U. T. DALLAS

AMENDMENTS TO THE 2005-06 BUDGET

APPOINTMENTS AND PROMOTIONS

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

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

U. T. EL PASO

GIFTS

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

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

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

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

AMENDMENTS TO THE 2005-06 BUDGET

APPOINTMENTS AND PROMOTIONS

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

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

OTHER FISCAL ITEMS

EMPLOYMENT AGREEMENTS

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

1. Item: Head Women's Basketball Coach

From: \$70,000 annually

To: \$90,000 annually

Salary
Percent
Change: 28.57

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

Incentive
Change:

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

OTHER FISCAL ITEMS (CONTINUED)

EMPLOYMENT AGREEMENTS (CONTINUED)

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

Period: April 23, 2001 through August 31, 2008

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

Funds: \$45,000 annually

Period: September 1, 2005 through August 31, 2006

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

OTHER FISCAL ITEMS (CONTINUED)

EMPLOYMENT AGREEMENTS (CONTINUED)

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

OTHER FISCAL ITEMS (CONTINUED)

EMPLOYMENT AGREEMENTS (CONTINUED)

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

Period: September 1, 2005 through August 31, 2006

4. Item: Head Women's Track Coach

From: \$37,750 annually

To: \$39,638 annually

Salary
Percent
Change: 5.00

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

OTHER FISCAL ITEMS (CONTINUED)

EMPLOYMENT AGREEMENTS (CONTINUED)

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

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

Period: September 1, 2005 through August 31, 2006

OTHER FISCAL ITEMS (CONTINUED)

EMPLOYMENT AGREEMENTS (CONTINUED)

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

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

Incentive
 Change:

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

OTHER FISCAL ITEMS (CONTINUED)

EMPLOYMENT AGREEMENTS (CONTINUED)

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

Period: March 29, 2004 through August 31, 2011

7. Item: Head Men's Golf Coach

From: \$47,099 annually

To: \$48,512 annually

Salary
Percent
Change: 3.00

OTHER FISCAL ITEMS (CONTINUED)

EMPLOYMENT AGREEMENTS (CONTINUED)

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

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

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

Period: April 23, 2001 through August 31, 2006

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

APPOINTMENTS AND PROMOTIONS

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

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

OTHER FISCAL ITEMS

EMPLOYMENT AGREEMENTS

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

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

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

OTHER FISCAL ITEMS (CONTINEUD)

EMPLOYMENT AGREEMENTS (CONTINUED)

3. Item: Head Women's Basketball Coach
- From: \$70,005 annually
- To: \$70,967 annually
- Salary
Percent
Change: 1.37
- Incentive
Change: None
- Period: April 1, 2005 through March 31, 2008
- Description: Renewal agreement for employment of Head Women's Basketball Coach, DeAnn Craft, for the designated period following the standard coach's employment contract prepared by the Office of General Counsel.

U. T. PERMIAN BASIN

CONTRACTS

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

GENERAL CONTRACTS

FUNDS GOING OUT

1. Agency: Howard College
Funds: \$1,610,950
Period: October 1, 2006 through September 30, 2010
Description: U. T. Permian Basin will reimburse Howard College for services performed that will benefit the Hispanic-Serving Institutions Programs. These services include rigorous academic instruction, mentoring and tutoring, career advisement, counseling, and professional development for educators.

U. T. SAN ANTONIO

AMENDMENTS TO THE 2005-06 BUDGET

APPOINTMENTS AND PROMOTIONS

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

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
COLLEGE OF SCIENCES					
Dean and Professor					
1. George Perry (T)	1/1-8/31	100	12	215,000	1247
	1/1-8/31		09	170,000	
VICE PRESIDENT FOR RESEARCH AND GRADUATE STUDIES					
Vice President and Professor					
2. Robert W. Gracy (T)	2/1-8/31	100	12	215,000	1245
	2/1-8/31		09	180,000	

U. T. SOUTHWESTERN MEDICAL CENTER - DALLAS

GIFTS

The following gift has been received, has been administratively approved by the President or his delegate, and is recommended for approval by the U. T. System Board of Regents:

1. Donor Name: Anonymous Donor
College/School/ Department: Institution
Purpose: This represents a second installment on a combined commitment of \$24,000,000 over three years to the Advanced Neuroimaging and Basic Neuroscience Plan. These funds will be used to add to the corpus of the Junior Faculty Endowment Fund, to purchase advanced neuroimaging equipment, and to establish an operating endowment for the Advanced Neuroimaging and Basic Neuroscience Plan.
Asset Type: Cash
Value: \$4,500,000

Note: A related gift of \$2,000,000 to establish an operating endowment for the Advanced Research Imaging Center has been previously accepted administratively.

AMENDMENTS TO THE 2005-06 BUDGET

APPOINTMENTS AND PROMOTIONS

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

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
SOUTHWESTERN MEDICAL SCHOOL					
Biochemistry					
1. Patrick G. Harran (T)					1181
From: Professor, Biochemistry		100	12	125,000	
To: Professor, Biochemistry and the Mary Nell and F. Andrew Bell Distinguished Chair in Biochemistry	1/1-8/31	100	12	125,000	
Pediatrics					
2. Julio Perez-Fontan (T)					1191
From: Professor, Pediatrics		100	12	309,000	
To: Professor, Pediatrics and Associate Dean for Pediatric Services and Program Development	1/1-8/31	100	12	309,000	

U. T. MEDICAL BRANCH - GALVESTON

CONTRACTS

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

GENERAL CONTRACTS

FUNDS COMING IN

1. Agency: Dallas County Hospital District
Funds: \$3,672,000
Period: March 1, 2006 through February 29, 2008
Description: U. T. Medical Branch - Galveston will provide primary health care services to juvenile detainees assigned to the Dallas County Juvenile Department.

2. Agency: Texas Department of State Health Services
Funds: \$1,106,376
Period: January 1, 2006 through August 31, 2006
Description: U. T. Medical Branch - Galveston will provide Title X eligible individuals comprehensive family planning services which shall include medical, counseling, client education, referral, community education, and outreach services.

AMENDMENTS TO THE 2005-06 BUDGET

APPOINTMENTS AND PROMOTIONS

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

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
SCHOOL OF MEDICINE					
Obstetrics and Gynecology					
1. Russell R. Snyder (T)					1193
From: Associate Professor		100	12	242,447	
To: Dr. J. L. Jenkins and Dr. J. L. Jenkins, Jr., Endowed Professorship in Gynecology and Associate Professor	1/1-8/31	100	12	242,447	
Office of Dean of Medicine; Obstetrics and Gynecology Maternal Fetal Medicine					
2. Valerie M. Parisi (T)					1192
From: Dean of Medicine Thomas N. and Gleaves T. James Distinguished Chair Professor		100	12	445,000	
To: Dean of Medicine Chief Academic Officer and Vice President for Academic Program Administration and Services Thomas N. and Gleaves T. James Distinguished Chair Professor	1/1-8/31	100	12	485,000	

OTHER MATTERS

APPROVAL OF DUAL POSITIONS OF HONOR, TRUST, OR PROFIT

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

- | | |
|---------------|---|
| Name: | Gary Kesling, Ph.D. |
| Title: | Clinical Associate Professor, School of Medicine, Department of Surgery |
| Position: | Appointment as Chair of the Combined Injury Prevention and Data Informatics and Research Committee for the Governor's EMS and Trauma Advisory Council |
| Period: | February 20, 2006 through February 20, 2008 |
| Compensation: | None |
| Description: | The Chair of the Governor's EMS and Trauma Advisory Council appointed Dr. Gary Kesling as Chair of the Combined Committee on February 20, 2006 to serve a two-year term. The Council provides recommendations on EMS and trauma systems regulations to the Texas Department of State Health Services. |

U. T. HEALTH SCIENCE CENTER - HOUSTON

GIFTS

The following gift has been received, has been administratively approved by the President or his delegate and is recommended for approval by the U. T. System Board of Regents:

- | | |
|--------------------------------|--|
| Donor Name: | The Cullen Foundation |
| College/School/
Department: | Institution |
| Purpose: | To support the New Frontiers Campaign for capital use in the construction of the Brown Foundation Institute of Molecular Medicine for the Prevention of Human Diseases |
| Asset Type: | Cash |
| Value: | \$2,150,000 |

AMENDMENTS TO THE 2005-06 BUDGET

APPOINTMENTS AND PROMOTIONS

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

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
MEDICAL SCHOOL					
Internal Medicine					
1. Michael W. Bungo (T)					1180
From: Associate Dean for Harris County Programs		100	12	236,500	
Professor in Cardiology		SUPLT	12	45,000	
		MSRDP	12	30,000	
To: Vice Dean for Clinical Affairs at the Medical School	11/16-8/31	100	12	236,500	
Professor in Cardiology	11/16-8/31	SUPLT	12	95,000	
	11/16-8/31	MSRDP	12	30,000	
GENERAL ADMINISTRATION					
Academic Affairs – Vice President Strategic Affairs					
2. Ronald Johnson (T)					1214
From: Vice President of Strategic Affairs		100	12	198,220	
To: Chief Diversity Officer Office of Cultural and Institutional Diversity	12/16-8/31	100	12	198,220	

FEES AND MISCELLANEOUS CHARGES

RENTAL RATES

Approval is recommended for the following rental rates to be effective beginning June 1, 2006. The proposed rates are consistent with applicable statutory requirements under Section 55.16 of the *Texas Education Code* and have been administratively approved by the Executive Vice Chancellor for Health Affairs.

	<u>Current Rates \$</u>	<u>Proposed Rates \$</u>	<u>Percent Increase</u>
<u>Per Month</u>			
University Housing			
<u>7900 Cambridge, Houston, Texas</u>			
Plan A, 1 Bedroom, 570 square feet	500	510	2.00
Plan B, 1 Bedroom, 680 square feet	540	550	1.85
Plan C, 2 Bedroom, 960 square feet	715	730	2.10
Plan D, 3 Bedroom, 1060 square feet	815	830	1.84
University Housing			
<u>885 El Paseo, Houston, Texas</u>			
Unit 1, 2 Bedroom, 985 square feet	895	920	2.79
Unit 2, 1 Bedroom, 622 square feet	595	615	3.36
Unit 3, 1 Bedroom, 650 square feet	615	635	3.25
Unit 4, 1 Bedroom, 693 square feet	650	670	3.07
Unit 5, 1 Bedroom, 590 square feet	575	595	3.48
Unit 6, 2 Bedroom, 927 square feet	795	820	3.14
Unit 7, 2 Bedroom, 870 square feet	795	820	3.14

FEES AND MISCELLANEOUS CHARGES (CONTINUED)

PARKING PERMIT FEES

Approval is recommended for the following parking permit fees to be effective beginning September 1, 2006. The proposed fees are consistent with the applicable statutory requirements under Section 51.202 of the *Texas Education Code* and have been administratively approved by the Executive Vice Chancellor for Health Affairs.

	<u>Current Rates \$</u>	<u>Proposed Rates \$</u>	<u>Percent Increase</u>
Monthly Fees:			
University Center Tower Garage <u>7000 Fannin, Houston, Texas</u>			
Faculty/Staff	70.00	80.00	14.29
Faculty/Staff (payroll deduction)	65.00	75.00	15.38
Faculty/Staff Street	100.00	110.00	10.00
Faculty/Staff Street (payroll deduction)	95.00	105.00	10.53
Faculty/Staff P2	95.00	105.00	10.53
Faculty/Staff P2 (payroll deduction)	90.00	100.00	11.11
Non-Tenant/Non-UT	86.60	97.43	12.51
Non-Tenant/Non-UT Street	113.66	124.49	9.53
Non-Tenant/Non-UT P2	108.25	119.08	10.00
Operations Center Building Surface Lots <u>1851 Crosspoint, Houston, Texas</u>			
OCB A	35.00	45.00	28.57
OCB A (payroll deduction)	30.00	40.00	33.33
OCB A (non-UT)	32.48	43.30	33.31
OCB B	30.00	40.00	33.33
OCB B (payroll deduction)	25.00	35.00	40.00
OCB B (non-UT)	27.06	37.89	40.02
OCB C	20.00	30.00	50.00
OCB C (payroll deduction)	15.00	25.00	66.67
OCB C (non-UT)	16.24	27.06	66.63
Mental Sciences Institute Surface Lots <u>1300 Moursund, Houston, Texas</u>			
Lot BB	72.00	82.00	13.89
Lot BB (payroll deduction)	67.00	77.00	14.93

Note: Non-UT permit holders pay the payroll deduction amount plus 8.25% tax.

U. T. M. D. ANDERSON CANCER CENTER

GIFTS

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

1. Donor Name: The Cynthia and George Mitchell Foundation
College/School/ Department: Institution
Purpose: Capital Improvement Program
Asset Type: Cash
Value: \$2,000,000

2. Donor Name: The Robert J. Kleberg, Jr. and Helen C. Kleberg Foundation
College/School/ Department: Institution
Purpose: South Campus Research Institute Molecular Markers
Asset Type: Cash
Value: \$3,000,000

3. Donor Name: Mr. and Mrs. George P. Mitchell
College/School/ Department: Institution
Purpose: Capital Improvement Program
Asset Type: Cash
Value: \$2,000,000

CONTRACTS

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

GENERAL CONTRACTS

FUNDS COMING IN

1. Agency: Canadian Medical Network
Funds: Reimbursement for covered services will be 85% of billed charges. Charges are solely determined by U. T. M. D. Anderson Cancer Center.
Period: November 1, 2005 through October 31, 2006 with automatic renewals for successive one-year terms.
Description: Medical services provided including treatment for oncology related diseases.

AMENDMENTS TO THE 2005-06 BUDGET

APPOINTMENTS AND PROMOTIONS

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

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
MEDICAL STAFF					
Clinical Cancer Prevention					
1. Scott Lippman (T)					1163
From: Chair, Professor and Ellen F. Knisely Distinguished Chair in Colon Cancer Research		100	12	2328,306	
To: Chair of Thoracic/Head and Neck Medical Oncology Department, Professor and Charles A. LeMaistre Distinguished Chair	1/1-8/31	100	12	333,000	
Thoracic/Head and Neck Medical Oncology					
2. David Stewart (T)					1164
From: Professor Chair ad interim		100 SUPLT	12 12	276,080 12,000	
To: Professor	1/1-8/31	100 SUPLT	12 12	276,080 12,000	

AMENDMENTS TO THE 2005-06 BUDGET (CONTINUED)

APPOINTMENTS AND PROMOTIONS (CONTINUED)

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
MEDICAL STAFF (Continued)					
Genitourinary Medical Oncology					
3. Wadih Arap (T)					1166
From: Professor		100	12	225,254	
To: Professor and Hubert L. and Olive Stringer Professorship for Cancer Treatment and Research	11/1-8/31	100	12	228,254	
Allied Health – School of Health Sciences					
4. Michael J. Ahearn					1167
From: Dean, Allied Health Programs		100	12	175,800	
To: Dean, Allied Health Programs and Professor (T)	9/1-8/31	100	12	175,800	
Extramural Programs					
5. Thomas Brown (T)					1182
From: Vice President, Extramural Programs and Professor		100	12	307,000	
To: Gastrointestinal Medical Oncology Professor	12/12-8/31	100	12	307,000	

AMENDMENTS TO THE 2005-06 BUDGET (CONTINUED)

APPOINTMENTS AND PROMOTIONS (CONTINUED)

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
MEDICAL STAFF (Continued)					
Division of Cancer Medicine					
6. Waun K. Hong (T)					1212
From: Division Head, Chair and Professor		100	12	395,556	
To: Division Head, Professor and Samsung Distinguished University Chair	9/1-8/31	100	12	395,556	
Academic Affairs, Vice President Office					
7. Stephen Tomasovic (T)					1227
From: Vice President and Professor		100		12315,000	
To: Senior Vice President and Professor	2/1-8/31	100	12	330,000	

AMENDMENTS TO THE 2005-06 BUDGET (CONTINUED)

APPOINTMENTS AND PROMOTIONS (CONTINUED)

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
RESEARCH					
Genitourinary Medical Oncology Research					
8. Renata Pasqualini (T)					1165
From: Professor		100	12	149,610	
To: Professor and Helen Buchman and Stanley Joseph Seeger Research Professorship	11/1-8/31	100	12	152,610	
Lymphoma/Myeloma					
9. Larry W. Kwak (T)					1211
From: Chair, Professor and the Moshe Talpaz Endowed Chair in Immunology		100	12	297,648	
To: Chair, Professor and the Jane and John Justin Distinguished Chair in Leukemia Research	2/1-8/31	100	12	297,648	