

Meeting No. 992

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

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May 11-12, 2005

Austin, Texas

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MEETING NO. 992

WEDNESDAY, MAY 11, 2005.--The members of the Board of Regents of The University of Texas System convened at 3:45 p.m. on Wednesday, May 11, 2005, 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 Hunt
Regent Barnhill
Regent Caven
Regent Estrada
Regent Rowling

Absent

Vice-Chairman Krier
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 3:47 p.m., Chairman Huffines announced the Board would recess to convene in Executive Session pursuant to *Texas Government Code* Sections 551.071 and 551.074 to consider those matters listed on the Executive Session agenda.

RECONVENE IN OPEN SESSION.--At 5:20 p.m., the Board reconvened in open session and took the following action on matters discussed in Executive Session:

- 1a. U. T. Austin: Approval to settle the intellectual property lawsuit titled Board of Regents of The University of Texas System, on behalf of The University of Texas at Austin, and Hydro Quebec v. Nippon Telephone and Telegraph Corporation

Upon motion by Regent Rowling, seconded by Vice-Chairman Hunt, the Chancellor and the Office of General Counsel were authorized to settle, on behalf of The University of Texas at Austin, the intellectual property lawsuit titled *Board of Regents of The University of Texas System, on behalf of The University of Texas at Austin, and Hydro Quebec v. Nippon Telephone and Telegraph Corporation* in accordance with the parameters discussed in Executive Session.

The motion carried unanimously.

- 1b. U. T. System: Discussion of legal issues related to Los Alamos National Laboratory

No action was taken related to legal issues concerning Los Alamos National Laboratory.

- 2a. U. T. System: Consideration of individual personnel matters relating to evaluation of presidents, U. T. System officers and employees

No action was taken concerning personnel matters relating to evaluation of presidents or officers and employees of The University of Texas System.

- 2b. U. T. System: Consideration of individual personnel matters relating to appointment, employment, evaluation, compensation, assignment, and duties of presidents, U. T. System officers and employees

No action was taken related to general personnel matters relating to appointment, employment, evaluation, compensation, assignment, and duties of presidents or officers and employees of The University of Texas System.

RECESS.--At 5:23 p.m., Chairman Huffines announced the Board would reconvene at 9:00 a.m. in Open Session on Thursday, May 12, 2005.

THURSDAY, MAY 12, 2005.--The members of the Board of Regents of The University of Texas System reconvened at 9:05 a.m. on Thursday, May 12, 2005, 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 Hunt
Vice-Chairman Krier
Regent Barnhill
Regent Caven
Regent Estrada
Regent Rowling

Absent

Regent Craven

Counsel and Secretary Frederick

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

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

On behalf of the members of the Board of Regents, Chairman Huffines thanked representatives of The University of Texas System Student Advisory Council (SAC) for their hard work over the last year and for their constructive suggestions and productive dialog. Mr. Huffines said the Council serves a valuable role to the Board of Regents.

Mr. Josh Warren, Chair of the Council, discussed the following accomplishments of the Council over the past year:

- Council members used technology to increase their productivity between the three regularly scheduled meetings by enhancing communications through use of a web-board discussion model.
- The Council was restructured by reducing the number of committees.
- Recommendations were streamlined by focusing on a few action items.

- The student health insurance program was revamped and some benefits were changed.
- Students continued volunteering with United To Serve in conjunction with the Office of the Chancellor.
- On invitation by the Office of the Chancellor, Mr. Warren participated in a panel discussion on accountability and learning assessments at the annual meeting of the Association of American Colleges and Universities.

Mr. Warren then introduced the following Committee Chairs for presentations on a select number of recommendations included in materials in the Agenda Book. He commended Committee members for their work and for their service to the Council.

Academic Affairs Committee: Mr. Patrick Nicholas "Nick" Staha

Student Involvement and Campus Life Committee: Mr. Staha presented in the absence of Ms. Laura Rashedi

Graduate and Health Affairs Committee: Mr. Casey Townsend

Financial and Legislative Affairs Committee: Mr. Brent Chaney

Mr. Warren also introduced the following Council members in attendance: Mr. Isaac Dozier and Mr. Ryan Vallejo from The University of Texas at El Paso, Mr. Jonathan Edward Moody from The University of Texas Southwestern Medical Center at Dallas, and Mr. Dustin Tallent from The University of Texas at Tyler.

There was discussion about how students were impacted by recent tuition increases, financial aid, and implementation of a proposed code of honor. The students shared personal experiences and views and Chairman Huffines said he had heard the students have creative ideas for improving graduation rates. He asked representatives of the Council to meet with Executive Vice Chancellor Sullivan and Executive Vice Chancellor Shine to discuss those ideas. Regent Estrada said he would be interested in a further study about the effects of tuition increases on students and he asked that the Council have input on any future U. T. System tuition study. Chairman Huffines committed to a review of extending SAC terms to ensure continuity and consistency and he commended the student representatives for their involvement.

U. T. 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 9-10, 2005, 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 LII, Pages 238 - 372.

The Board also approved the Minutes of the special meetings of the Board of Regents of the U. T. System held on March 10, April 1, and April 28, 2005, in Austin, Texas, as prepared by the Counsel and Secretary to the Board. The official copy is recorded in the *Permanent Minutes*, Volume LII, Pages 373 - 464.

SPECIAL ITEMS

1. U. T. System: Approval to participate in the Request for Proposal for a management and operations contract for the Los Alamos National Laboratory

Chairman Huffines commended Chancellor Yudof and his team for working diligently to develop recommendations concerning possible participation in the Request for Proposal (RFP) for a management and operations contract for the Los Alamos National Laboratory. He noted members of the Board had several hearings on the topic, including a forum on The University of Texas at Austin campus last week. He emphasized that it has been the Board's intention to be deliberate and transparent in this process and he called on Chancellor Yudof for remarks.

Chancellor Yudof's Remarks

At our last meeting, we discussed the renewed potential for a bid to participate in the contract for management and operation of Los Alamos National Laboratory. Since then, at the Board's direction, we have engaged in discussions about a partnership, specifically about a partnership with Lockheed Martin.

The focus of our concerns throughout the process has been twofold: ensuring that we carefully assess the risks and benefits of such a partnership and evaluating our capacity to contribute to work at the National Laboratory and, therefore, to the security of the nation. Those concerns, at least to this point, have been addressed to our satisfaction.

Anyone who has followed the news over the last several years knows that Los Alamos has had some serious difficulties and those difficulties raise warning flags about potential risks. However, the past problems at the Laboratory involve issues of security, environment, and managerial judgment at the highest level.

The role contemplated by The University of Texas System would involve none of these high risk enterprises. Instead, we are talking about a relationship with an industrial partner who would assume those responsibilities. We would assume only those responsibilities directly related to our core competencies. We would be full-fledged partners with a seat at the table. But we would be charged with bringing the academic, scientific, and technological perspective to the fore. As a result, we would be protected not only by national statute but by our constrained role at the Lab. In fact, the indemnification is such that our legal liability is no more than we assume every day in the operation of our campuses.

In contrast with these limited risks, the potential benefits are immense. They include:

- Networking with other universities as well as the scientists and engineers at Los Alamos;
- New research opportunities for our scientists, faculty, and graduate students; and
- Contributing to the scientific integrity of a great national enterprise.

The opportunity to fully evaluate, restructure, and reinvigorate the work of our largest and, arguably, most important national laboratory is rare. For the first time since the creation of Los Alamos, the Department of Energy is challenging American industry and academia to come forward with their best guidance about how its vital work can be done better and more safely. We believe that higher education must be a part of answering that question. There may be industrial bidders who could do the job alone but, without access to the best minds in academia, they could not do it as well.

As a consequence, we have a duty to evaluate our own capacity to make this venture a success. We know that we would bring tremendous strengths to the effort. Indeed, it is my judgment that there are only two systems in this nation that could bring that type of strength to the effort: the University of California and The University of Texas.

In this System, we manage \$2 billion worth of research every year. We have an excellent record of recruiting top-notch scientists and engineers. We are outstanding educators. Our scientists and faculty members are accomplished at the peer review process. They review each other. They review faculty. They review student work. There

are few academic institutions in the country that have the scope of experience necessary to contribute to the work of our national laboratories.

The U. T. System is a good fit for this important job. I believe that we have a responsibility to work through a partnership agreement with Lockheed Martin and offer our services to the nation.

Vice Chancellor Barnhill summarized comments made by Dr. Neal Lane, Dr. Larry Faulkner, and former Ambassador C. Paul Robinson at the April 28, 2005 meeting of the Board. He said the U. T. System/Sandia model proposed by The Honorable Robinson calls for industry to perform the day-to-day management of the lab while academia -- the U. T. System and its partners -- would provide and enable the research leadership. Dr. Barnhill reminded members of the Board of the four pillars of the agreement with Sandia:

1. Overseeing the peer review process for research done at the facility;
2. Engaging in brokering research that is a reflection of core academic competencies;
3. Creating educational opportunities for scientists at the Laboratory; and
4. Assisting in the development of professional careers of scientists at the Laboratory.

[Note: Vice-Chairman Krier asked that future documents include wordsmithing to reflect opportunities for scientists at universities and at the Lab especially in reference to pillar 3 (creating educational opportunities) and pillar 4 (developing professional careers).]

Dr. Barnhill emphasized that the four pillars provide opportunities for U. T. System students, faculty, staff, and others. He passed out a draft document on aligning of Los Alamos interests with the U. T. System. (Dr. Barnhill's [handout](#) is on file in the Office of the Board of Regents.) He spoke about opportunities for collaboration with The Texas A&M University System and several other universities in providing various aspects of the four pillars.

Vice Chancellor Barnhill explained the purpose of the new Office of Research and Technology Transfer is to develop and enhance large-scale research collaborations and opportunities throughout the U. T. System with many types of partners.

Chairman Huffines said the University of California, the current operator of Los Alamos, announced that it would partner with Bechtel National, Inc. for a potential bid. Vice-Chairman Clements asked about the timeline of the RFP and Chancellor Yudof explained the Department of Energy will issue the RFP about mid-May and the process will culminate in an award expected in Spring 2006. If U. T. System were successful, there would be a transition period and he thought management would change hands at the end of 2006.

Chairman Huffines said this is the largest procurement contract for the Department of Energy, is a historic opportunity, and is a significant decision for the Board.

Following further discussion, Regent Caven moved

- a. that the Board of Regents authorize the Chancellor and other U. T. System officials, at his discretion, to participate, as he determines appropriate to the interest and expertise of The University of Texas System, in response to the Request for Proposal (RFP) to be issued by the U.S. Department of Energy for a management and operations contract for the Los Alamos National Laboratory, contingent upon the Chancellor's determination that there are no provisions in the final RFP creating unreasonable risks or liability exposure for the U. T. System;
- b. that the Board of Regents delegate to the Chairman and the Chancellor the authority to execute necessary agreements and legal documentation including teaming agreements with Lockheed Martin Corporation and other appropriate parties, as reviewed and approved by the Office of General Counsel, which define and limit U. T. System's participation to areas of core competency as determined by the Chancellor; and
- c. that the Board of Regents approve the budgeting and expenditure of funds up to \$1.2 million for the purpose of participation in the RFP process described above.

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

2. U. T. System: Approval of U. T. System's Strategic Planning Framework Proposal for 2005-2006

Chairman Huffines made the following remarks concerning The University of Texas System's Strategic Planning Framework Proposal for 2005-2006:

Remarks by Chairman Huffines

Need:

- The Board of Regents has a critical responsibility to establish a planning framework for the U. T. System. Its role is to articulate an overall vision for the System as a whole, and to oversee the alignment of this vision with System and institution assets, plans, activities, investments, and results.
- The Board's most recent planning document was approved in December 2000.
- We are working in an environment of accelerating local, national, and global change -- in demographics, in our economy, and in education. It is time now for the Board to reassess its vision for the next 5 to 10 years and develop a bold, updated, integrated strategic framework that will inform its deliberations and decision making.

The Plan:

- Over the past three years, the Board, the System, and the 15 U. T. System institutions have created a strong platform for this initiative.
- We already know quite a bit about our goals and how to measure our progress through: the System's comprehensive accountability reports, institutional Compacts, institutional strategic or long-range plans, centers of excellence, presidential work plans, the Washington Advisory Group report, the Capital Planning Task Force report on "Assessing the Need for Capital Required to Close the Gaps at U. T. System Academic Institutions," and the Academic and Health Affairs retreats.
- I would like the Board to build on all of this preparation, as we step back and articulate our strategic direction and priorities for the next 5 to 10 years.
- No later than June 2006, we will complete our statement of direction, one that we can use to frame agendas, evaluate proposals, assess performance, and make decisions.
- I have asked Vice-Chairman Krier to co-chair this Task Force on Planning, and Chancellor Yudof has appointed Dr. Malandra to coordinate these efforts. I would like to ask Dr. Malandra to highlight some of the specifics in the framework presented in the agenda materials.

Dr. Geri H. Malandra, Associate Vice Chancellor for Institutional Planning and Accountability, provided the following remarks:

Remarks by Dr. Malandra

The planning framework:

- We have drafted a multilevel framework for U. T. System planning that reflects the size and complexity of our System. The timing and elements of this multilayered approach are illustrated in the table on Page 10.4 of the Agenda Book.
- Why we do this is illustrated in the slide on Page 10.5 of the Agenda Book. Through our activities and our planning efforts, our goal is to organize our work and demonstrate that we do, in fact, provide service and add value to Texas students, citizens, patients, and communities, by attending to all three kinds of questions: Are we doing the right things? Are we doing those things in the right way? And, are we spending our resources in the right way?
- This framework recognizes the shared and interrelated roles and responsibilities that the Board of Regents, the U. T. System, and each institution have to think and plan strategically about our work.
- Through the accountability reports, the institutional Compacts, and presidents' work plans, we have already been working toward a clearer alignment of goals, priorities, activities, and measures of progress.
- To get started, we have distilled several strategic themes (on Pages 10.2 and 10.4 of the Agenda Book), that we suggest are and should be addressed at the Board, System, and institution level.
- The planning initiative that Chairman Huffines has described will be a cornerstone of this framework. It will
 - delineate the U. T. System's big, long-range goals, priorities, and areas of emphasis looking 5 and 10 years into the future;
 - provide a primary source of alignment and reference for System and institution planning; and
 - provide benchmarks to assess progress.

- At the same time, the Board's plan will not replace what each institution is and must do to develop its own strategic and long-range plans.
 - We recognize that institutions engage in planning for numerous reasons, and that the cycle of regional accreditation has a major impact.
 - So, in this overall framework, we are asking institutions to note the date of their next accreditation review, and related date when they will update their strategic or long-range plan as part of the preparation for that review.
- Ultimately, the planning process may be more valuable than the piece of paper on which the plan is written.
- We look forward to talking and working with you as we move forward on this important initiative.

Chairman Huffines continued his remarks:

Remarks by Chairman Huffines

Next steps:

- Let me conclude by briefly outlining our plans.
- I expect the result to be a concise, timely, and meaningful written statement of the Board's strategic direction over the next 5 to 10 years, including specific benchmarks. Our plan should be aligned with projected academic, health care, research, and capital needs and investments. And it must also be aligned with the state's Closing the Gaps goals and any other comprehensive plan for higher education.
- We will build on the ideas discussed at the Academic and Health Affairs Board retreats last fall and on ideas and issues raised by U. T. System institutions in the Compacts or other planning documents, and by the System Administration.
- To undertake this streamlined and highly focused effort, the task force will be charged to consult with broader groups of people including the Faculty Advisory Council, Student Advisory Council, Employee Advisory Council, Council of Academic Institutions, Council of Health Institutions, the Chancellor's Council, and others as they consider the external and internal issues that are most likely to present opportunities and challenges to us over the next 5 to 10 years.

- We may invite outside experts to meet with the Task Force or the Board in the coming months.
- The Task Force will prepare a preliminary outline of the new plan to be available for discussion at the Board's December 2005 retreat.
- This initiative should be completed no later than June 2006.

U. T. System Administration and Board plans will be completed by Spring 2006 and institution plans will be completed in alignment with the accreditation cycle. Chairman Huffines said discussions over the past 18 months on accountability and institutional compacts tie the various U. T. System initiatives together.

3. U. T. Board of Regents: Reappointment of Mr. R. D. Burck as Advisory Director of the Board of Directors of The University of Texas Investment Management Company (UTIMCO)

The Board reappointed Mr. R. D. (Dan) Burck as Advisory Director of The University of Texas Investment Management Company (UTIMCO) Board of Directors to serve a term ending March 31, 2006.

Mr. Burck has served as an advisory director of the UTIMCO Board of Directors since September 18, 2002. As Chancellor of the U. T. System, Mr. Burck previously served as a member of the UTIMCO Board of Directors from June 1, 2000 to August 1, 2002. When he was Executive Vice Chancellor for Business Affairs, he held an interim appointment to the UTIMCO Board of Directors from February 22, 1996 to April 25, 1996.

4. U. T. Board of Regents: Resolution to celebrate the 50th anniversary of the Bexar County Hospital District's University Health System

Chairman Huffines said an additional Agenda Item had been sent to members of the Board, was before them on yellow paper, and had been posted with the Secretary of State relating to acknowledgement of the 50th anniversary of the University Health System. He said Vice-Chairman Clements, as Chairman of the Health Affairs Committee, joined him in recommending this proclamation.

Upon motion by Vice-Chairman Krier, seconded by Regent Estrada, the Board adopted the resolution set forth on Page 13 to celebrate the 50th anniversary of the Bexar County Hospital District's University Health System.

RESOLUTION

Whereas, For the past half-century, the University Health System has been committed to continuously improving the health and well-being of the people of Bexar County, South Texas, and the world;

Whereas, The University Health System promotes the good health of the community by providing the highest quality of care to both inpatients and outpatients, by supporting the teaching of the next generation of health professionals, and by supporting research thereby advancing medical knowledge and improving the delivery of patient care;

Whereas, The University Health System, in partnership with The University of Texas Health Science Center at San Antonio, has achieved many medical "firsts" for South Texas, including the first heart, lung and heart-lung transplants, as well as the first newborn heart transplant;

Whereas, The University Health System's University Hospital, the leading civilian trauma center in Bexar County, treats more than 70,000 patients each year, meets the highest national standards, and is designated as a Level-I Trauma Center capable of providing care for the most seriously injured trauma patients;

Whereas, The University Health System has provided quality health care to millions of patients throughout the years and has consistently been recognized as one of the nation's best hospitals;

Whereas, The University Health System Board of Managers and Bexar County Commissioners Court work closely with the leadership of The University of Texas Health Science Center at San Antonio on many important health issues in the community;

Whereas, The University Health System has been a valuable partner in health education with The University of Texas Health Science Center at San Antonio; and

Whereas, The University Health System continues to be an indispensable component in creating a healthier future for Texas.

Therefore, Be It Resolved, That the Board of Regents of The University of Texas System ask that all residents of this state join us in honoring the University Health System and in celebrating the University Health System's numerous accomplishments and efforts to improve health care throughout the past 50 years.

RECESS FOR COMMITTEE MEETINGS AND COMMITTEE REPORTS TO THE BOARD.--At 11:00 a.m., the Board recessed for meetings of the Standing Committees, and Chairman Huffines announced that at the conclusion of each committee meeting the Board would reconvene to approve the report and recommendations of that committee.

The meetings of the Standing Committees were conducted in open session, and the reports and recommendations thereof are set forth on the following pages.

REPORT AND RECOMMENDATIONS OF THE FINANCE AND PLANNING COMMITTEE (Pages 15 - 42).--Committee Chairman Hunt reported that the Finance and Planning Committee met in open session to consider those matters on its agenda and to formulate recommendations for the U. T. System Board of Regents. Unless otherwise indicated, the actions set forth in the Minute Orders that follow were recommended by the Finance and Planning Committee and approved in open session by the U. T. System Board of Regents:

1. U. T. System: Approval of *Docket No. 122*

The Board approved *Docket No. 122* in the form distributed by the Counsel and Secretary to the Board. It is attached following Page 70 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 Docket items involving the appointments of Dr. Robert E. Barnhill as Vice Chancellor for Research and Technology Transfer and Mr. Barry D. Burgdorf as Vice Chancellor and General Counsel were found to be in the best interest of The University of Texas System, as required by *Texas Education Code* Section 51.948. Additionally, notice of the appointment of Dr. David E. Daniel as President of The University of Texas at Dallas was provided to the Legislative Budget Board.

To avoid any appearance of a possible conflict of interest, Regent Barnhill was recorded as abstaining from vote on Item 2 on Page Docket - 13 related to the contract between The University of Texas at Austin and Lone Star Ice Cream, Inc., because of a possible financial interest in the products sold. Vice-Chairman Clements and Regent Barnhill were recorded as abstaining from vote on Item 1 on Page Docket - 18 related to the contract between The University of Texas at Brownsville and Valley Coca-Cola Bottling Company and from vote on Item 5 on Page Docket - 43 related to the gift from GE Medical Systems to The University of Texas Southwestern Medical Center at Dallas because of stock holdings.

2. U. T. System: Approval of the Fiscal Year 2006 Budget Preparation Policies and Calendar for budget operations

The Board approved the following Budget Preparation Policies and Calendar for preparation of the Fiscal Year 2006 Operating Budget for The University of Texas System:

U. T. System Fiscal Year 2006 Budget Preparation Policies

General Guidelines - The regulations and directives that will be included in the General Appropriations Act enacted by the 79th Texas Legislature serve as the basis for budget preparation guidelines and policies. In preparing the draft of the Fiscal Year 2006 Operating Budget, the president of each institution should adhere to guidelines and policies as detailed below and to other directives included in the General Appropriations Act. After legislative approval of the General Appropriations Act, the Chancellor will issue detailed instructions regarding the implementation of those regulations and directives into the institutional budget process.

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

Salary Policy Guidelines - Recommendations regarding salary policy are subject to the following directives:

1. Salaries Proportional by Fund - Unless otherwise restricted, payment for salaries, wages, and benefits paid from appropriated funds, including local funds and educational and general funds as defined in *Texas Education Code* Section 51.009 (a) and (c), shall be proportional to the source of funds.
2. Merit Increases and Promotions - Subject to available resources and resolution of any major salary inequities, institutions should give priority to implementing merit salary increases for faculty and staff.

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

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

To be eligible for a merit increase, staff must have been employed by the institution for at least six consecutive months ending August 31, 2005, and at least six months must have elapsed since the employee's last merit salary increase.

3. Other Increases - Equity adjustments, competitive offers, and increases to accomplish contractual commitments should also consider merit where appropriate, subject to available resources.
4. New Positions - Subject to available resources, new positions are to be included in the budget only when justified by workloads or to meet needs for developing new programs.

Staff Benefits Guidelines - Recommendations regarding the State contribution for employee staff benefits such as group insurance premiums, teacher retirement, and optional retirement are subject to legislative determination via the General Appropriations Act.

Other Employee Benefits - Employer contributions to the self-insured Unemployment Compensation Fund are based on an actuarial study. Workers' Compensation Insurance rates are experience-rated for each institution. Appropriate instructions will be issued regarding the implementation of Unemployment Compensation Fund and Workers' Compensation Insurance Benefits.

Other Operating Expenses Guidelines - Increases in Maintenance, Operation, Equipment, and Travel are to be justified by expanded workloads, for developing new programs, or for correcting past deferrals or deficiencies.

Budget Reductions and Limitations - The General Appropriations Act may contain provisions requiring budget reductions and budget restrictions.

2006 Operating Budget Calendar

May 11 - 12, 2005	U. T. System Board of Regents approves budget policies
June 2 - 10, 2005	Major goals and priorities/resource allocation hearings with System Administration
June 24, 2005	Draft budget documents due to System Administration
June 30 - July 7, 2005	Technical budget review with System Administration
July 13, 2005	Final budget documents due to System Administration
July 29, 2005	Operating Budget Summaries mailed to U. T. System Board of Regents
August 10 - 11, 2005	U. T. System Board of Regents approves Operating Budget
August 23, 2005	Approved budget documents due to System Administration

The U. T. System FY 2006 Budget Preparation Policies will be consistent with the regulations and directives included in the General Appropriations Act to be enacted by the 79th Legislature. As written, this policy provides general direction to the U. T. System institutions and may be modified as necessary to conform to the legislation, as finally passed.

A Board Committee, chaired by former Regent Lowell H. Lebermann, Jr., recognized the challenge of developing an institutional budget prior to approval of a general appropriations act during a legislative year and recommended that individual salaries not be included in the institutional operating budgets submitted for approval to the Board of Regents but be available for review in separate salary rosters. This recommendation was adopted by the Board in December 1994.

Consistent with ongoing deregulation, oversight, and accountability initiatives, there is no longer a requirement for separate salary rosters to be developed annually in advance of the August meeting of the U. T. System Board of Regents. The change does not impact the current procedure for Board review of the salaries for U. T. System Executive Officers, Presidents, and those reporting directly to the Board. Consistent with current delegation, the

Chancellor has approval authority for U. T. System employees and certain employees for whom final salary approval has not been delegated to the presidents.

3. U. T. System Board of Regents: Report on Investments for quarter ended February 28, 2005, Liquidity Profile, and Performance Report by Ennis Knupp + Associates

The Report on Investments for The University of Texas System for the quarter ended February 28, 2005, for the Permanent University Fund (PUF), General Endowment Fund (GEF), Permanent Health Fund (PHF), Long Term Fund (LTF), Short Intermediate Term Fund (SITF), and Separately Invested Assets as prepared by The University of Texas Investment Management Company (UTIMCO) is summarized below.

Pages 21 - 27 contain the Summary Reports on Investments for the three months ended February 28, 2005.

Item I on Pages 21 - 22 reports summary activity for the Permanent University Fund (PUF) investments. The PUF's net investment return for the three months was 4.83% versus its composite benchmark return of 2.65%. The PUF's net asset value increased by \$184 million since the beginning of the quarter to \$8,832.2 million. This change in net asset value includes increases due to contributions from PUF land receipts and net investment return, and a decrease of \$255.9 million due to completing the annual distribution for the fiscal year ending August 31, 2005.

Item II on Pages 23 - 25 reports summary activity for the General Endowment Fund (GEF), the Permanent Health Fund (PHF), and the Long Term Fund (LTF). The GEF's net investment return for the three months was 4.79% versus its composite benchmark return of 2.65%. The GEF's net asset value increased \$188.0 million since the beginning of the quarter to \$4,691.7 million.

Item III on Page 26 reports summary activity for the Short Intermediate Term Fund (SITF). Total net investment return on the SITF was .40% for the three months versus the SITF's performance benchmark of negative .05%. The SITF's net asset value increased by \$7.4 million since the beginning of the quarter to \$1,206.4 million. This increase in net asset value was due to net contributions to the SITF.

Item IV on Page 27 presents book and market value of cash, debt, equity, and other securities held in funds outside of internal investment pools. Total cash and equivalents, consisting primarily of institutional operating funds held in the Dreyfus money market fund, decreased by \$51.7 million to \$2,467.1 million

during the three months since the last reporting period. Market values for the remaining asset types were debt securities: \$51.1 million versus \$56.6 million at the beginning of the period; equities: \$296.4 million versus \$217.3 million at the beginning of the period; and other investments: \$2.0 million versus \$.1 million at the beginning of the period.

The PUF and GEF Combined Liquidity Profile for February 28, 2005, is set forth on Page 28.

An [Executive Summary](#) of the Performance Report on investments for the quarter ended February 28, 2005, as prepared by Ennis Knupp + Associates was included in the Agenda Book and is on file in the Office of the Board of Regents.

I. PERMANENT UNIVERSITY FUND (1)

a.) Summary Investment Report at February 28, 2005 (2)

	(\$ millions)			
	FY03-04	FY04-05		
	Full Year	1st Qtr	2nd Qtr	Year-to-Date
Beginning Net Assets	7,244.8	8,087.9	8,648.2	8,087.9
PUF Lands Receipts (3)	146.7	67.7	31.1	98.8
Investment Return	1,070.2	583.9	420.7	1,004.6
Expenses	(25.8)	(6.0)	(11.9)	(17.9)
Distributions to AUF	(348.0)	(85.3)	(255.9)	(341.2)
Ending Net Assets	8,087.9	8,648.2	8,832.2	8,832.2
AUF Distribution:				
From PUF Investments	348.0	85.3	255.9	341.2
From Surface Income	7.6	1.0	2.5	3.5
Total	355.6	86.3	258.4	344.7
Total Net Investment Return	14.73%	7.23%	4.83%	12.40%

(1) Report prepared in accordance with *Texas Education Code* Sec. 51.0032.

(2) General - The Investment Summary Report excludes PUF Lands mineral and surface interests with estimated August 31, 2004 values of \$722.1 million and \$164.0 million, respectively.

(3) PUF Lands Receipts - As of February 28, 2005: 1,135,462 acres under lease; 513,531 producing acres; 3,138 active leases; and 2,068 producing leases.

I. PERMANENT UNIVERSITY FUND (continued)

b.) Comparison of Asset Allocation Versus Endowment Neutral Policy Portfolio
and Net Investment Return for the three months ended February 28, 2005

	Asset Allocation	Endowment Neutral Policy Portfolio	Actual Net Investment Return	Endowment Neutral Policy Portfolio Return (1)	Benchmark
Cash and Cash Equivalents	0.7%	0.0%	0.53%	0.54%	90 Day T-Bills Average Yield
U. S. Equities	25.1%	25.0%	2.70%	2.41%	80% Russell 3000 Index plus 20% Dow Jones Wilshire Real Estate Securities Index
Global Equities	21.2%	17.0%	8.77%	7.50%	Morgan Stanley Capital International - All Country World Free ex U.S., net
Equity Hedge Funds	9.6%	10.0%	4.66%	1.55%	90 Day T-Bills Average Yield plus 4%
Absolute Return Hedge Funds	14.4%	15.0%	4.26%	1.30%	90 Day T-Bills Average Yield plus 3%
Commodities	5.0%	3.0%	2.03%	1.82%	Goldman Sachs Commodity Index minus 100 basis points
Fixed Income	14.0%	15.0%	1.24%	1.08%	66.7% Lehman Brothers Aggregate Bond Index plus 33.3% Lehman Brothers US Index Treasury Inflation Protected Securities
Total Marketable Securities	<u>90.0%</u>	<u>85.0%</u>	4.29%	2.94%	
Private Capital	10.0%	15.0%	9.87%	1.00%	Venture Economics' Periodic IRR Index
Total	<u><u>100.0%</u></u>	<u><u>100.0%</u></u>	4.83%	2.65%	

(1) The benchmark return for the endowment neutral policy portfolio is calculated by summing the neutrally weighted index return (% weight for the asset class multiplied by the benchmark return for the asset class) for the various asset classes in the endowment portfolio for the period reported.

II. GENERAL ENDOWMENT FUND (1)(2)

a.) Summary Investment Report at February 28, 2005

(\$ millions)

	FY03-04	FY04-05		
	Full Year	1st Qtr	2nd Qtr	Year-to-Date
Beginning Net Assets	3,584.8	4,207.6	4,503.7	4,207.6
Net Contributions	559.5	95.5	118.6	214.1
Investment Return	559.0	315.0	223.2	538.2
Expenses	(9.6)	(1.8)	(6.5)	(8.3)
Allocations (3)	(486.1)	(112.6)	(147.3)	(259.9)
Ending Net Assets	4,207.6	4,503.7	4,691.7	4,691.7
Net Asset Value per Unit	117.595	126.278	132.324	132.324
Units and Percentage Ownership (End of Period):				
PHF	6,923,785 19.4%	6,846,092 19.2%	6,773,278 19.1%	6,773,278 19.1%
LTF	28,857,142 80.6%	28,818,941 80.8%	28,683,029 80.9%	28,683,029 80.9%
Total	35,780,927 100.0%	35,665,033 100.0%	35,456,307 100.0%	35,456,307 100.0%
Total Net Investment Return	14.77%	7.39%	4.79%	12.54%

(1) Report prepared in accordance with *Texas Education Code Sec. 51.0032*.

(2) On March 1, 2001, the Permanent Health Fund (PHF) and Long Term Fund (LTF) purchased units in the newly created General Endowment Fund (GEF). The initial number of units was based on the PHF's and LTF's contribution of its net values as of February 28, 2001.

(3) The GEF allocates its net investment income and realized gain (loss) to its unit holders based on their ownership of GEF units at month end. The allocated amounts are reinvested as GEF contributions. The allocation is proportional to the percentage of ownership by the unit holders, and therefore, no additional units are purchased.

II. GENERAL ENDOWMENT FUND (continued)

b.) Unit Holders' Summary Investment Report at February 28, 2005 (1)

(\$ millions)

	FY03-04	FY04-05		
	Full Year	1st Qtr	2nd Qtr	Year-to-Date
PERMANENT HEALTH FUND				
Beginning Net Assets	745.0	814.4	864.7	814.4
Investment Return	108.6	60.1	41.4	101.5
Expenses	(0.7)	(0.2)	-	(0.2)
Distributions (Payout)	(38.5)	(9.6)	(9.6)	(19.2)
Ending Net Assets	814.4	864.7	896.5	896.5
Net Asset Value per Unit (2)	0.993200	1.054513	1.093241	1.093241
No. of Units (End of Period)	820,000,000	820,000,000	820,000,000	820,000,000
Distribution Rate per Unit	0.04700	0.01175	0.01175	0.023500
Total Net Investment Return	14.60%	7.36%	4.79%	12.50%
LONG TERM FUND				
Beginning Net Assets	2,839.8	3,393.3	3,639.0	3,393.3
Net Contributions	276.5	37.7	22.5	60.2
Investment Return	441.1	253.1	175.4	428.5
Expenses	(6.1)	(3.7)	0.1	(3.6)
Distributions (Payout)	(158.0)	(41.4)	(41.7)	(83.1)
Ending Net Assets	3,393.3	3,639.0	3,795.3	3,795.3
Net Asset Value per Unit (2)	5.585	5.923	6.139	6.139
No. of Units (End of Period)	607,622,749	614,379,162	618,174,345	618,174,345
Distribution Rate per Unit	0.264500	0.067425	0.067425	0.134850
Total Net Investment Return	14.59%	7.36%	4.80%	12.51%

(1) The Permanent Health Fund (PHF) and Long Term Fund (LTF) are internal mutual funds for the pooled investment of endowment funds. The PHF is comprised of endowments for health-related institutions of higher education and the LTF is comprised of privately raised endowments and other long-term funds of U. T. System institutions.

(2) The asset allocation of the PHF and LTF is representative of the asset allocation for the GEF.
A nominal amount of cash is held in PHF and LTF to pay expenses incurred separately by these funds.

II. GENERAL ENDOWMENT FUND (continued)

c.) Comparison of Asset Allocation Versus Endowment Neutral Policy Portfolio
and Net Investment Return for the three months ended February 28, 2005

	Asset Allocation	Endowment Neutral Policy Portfolio	Actual Net Investment Return	Endowment Neutral Policy Portfolio Return (1)	Benchmark
Cash and Cash Equivalents	-0.2%	0.0%	0.53%	0.54%	90 Day T-Bills Average Yield
U.S. Equities	25.0%	25.0%	2.68%	2.41%	80% Russell 3000 Index plus 20% Dow Jones Wilshire Real Estate Securities Index
Global Equities	21.3%	17.0%	8.87%	7.50%	Morgan Stanley Capital International - All Country World Free ex U.S., net
Equity Hedge Funds	9.6%	10.0%	4.61%	1.55%	90 Day T-Bills Average Yield plus 4%
Absolute Return Hedge Funds	14.6%	15.0%	4.29%	1.30%	90 Day T-Bills Average Yield plus 3%
Commodities	5.1%	3.0%	2.00%	1.82%	Goldman Sachs Commodity Index minus 100 basis points
Fixed Income	14.2%	15.0%	1.16%	1.08%	66.7% Lehman Brothers Aggregate Bond Index plus 33.3% Lehman Brothers US Index Treasury Inflation Protected Securities
Total Marketable Securities	89.6%	85.0%	4.26%	2.94%	
Private Capital	10.4%	15.0%	9.66%	1.00%	Venture Economics' Periodic IRR Index
Total	100.0%	100.0%	4.79%	2.65%	

(1) The benchmark return for the endowment neutral policy portfolio is calculated by summing the neutrally weighted index return (% weight for the asset class multiplied by the benchmark return for the asset class) for the various asset classes in the endowment portfolio for the period reported.

III. SHORT INTERMEDIATE TERM FUND (1)

Summary Investment Report at February 28, 2005

(\$ millions)

	FY03-04 Full Year	FY04-05		
		1st Qtr	2nd Qtr	Year-to-Date
Beginning Net Assets	1,435.3	1,178.0	1,199.0	1,178.0
Net Contributions (Withdrawals)	(261.3)	22.8	9.5	32.3
Investment Return	33.2	4.3	4.9	9.2
Expenses	(0.6)	(0.2)	-	(0.2)
Distributions of Income	(28.6)	(5.9)	(7.0)	(12.9)
Ending Net Assets	1,178.0	1,199.0	1,206.4	1,206.4
Net Asset Value per Unit	9.927	9.911	9.894	9.894
No. of Units (End of Period)	118,671,708	120,971,065	121,930,268	121,930,268
Total Net Investment Return	2.49%	0.34%	0.40%	0.74%

(1) Report prepared in accordance with *Texas Education Code* Sec. 51.0032.

IV. SEPARATELY INVESTED ASSETS

Summary Investment Report at February 28, 2005

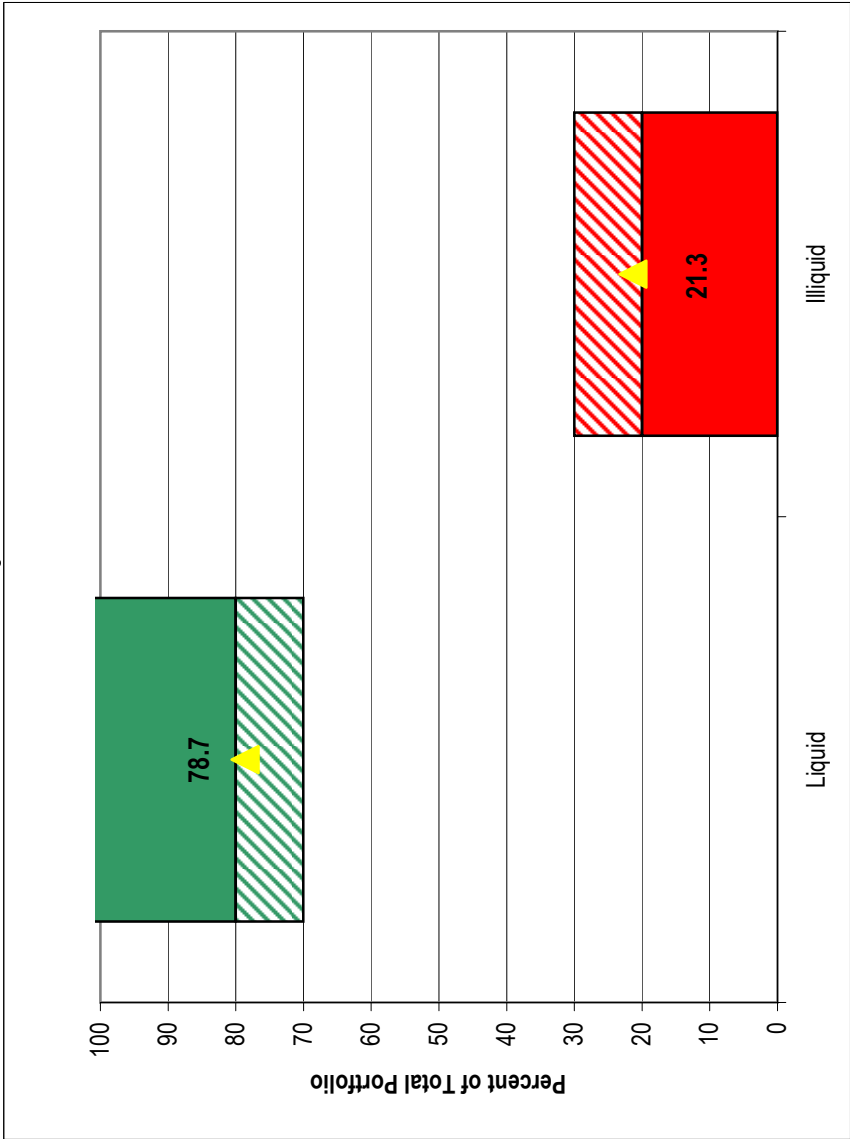
(\$ thousands)

ASSET TYPES	FUND TYPE											
	CURRENT PURPOSE			ENDOWMENT &			ANNUITY & LIFE			AGENCY FUNDS		
	DESIGNATED	RESTRICTED		SIMILAR FUNDS		INCOME FUNDS		OPERATING FUNDS		TOTAL		
	BOOK	MARKET	BOOK	MARKET	BOOK	MARKET	BOOK	MARKET	BOOK	MARKET	BOOK	MARKET
Cash & Equivalents:												
Beginning value 11/30/04	4,211	4,211	2,259	2,259	57,017	57,017	561	561	2,454,805	2,454,805	2,518,853	2,518,853
Increase/(Decrease)	(1,490)	(1,490)	(32)	(32)	14,391	14,391	1,985	1,985	(66,575)	(66,575)	(51,719)	(51,719)
Ending value 02/28/05	2,721	2,721	2,227	2,227	71,408	71,408	2,546	2,546	2,388,230	2,388,230	2,467,134	2,467,134
Debt Securities:												
Beginning value 11/30/04	-	-	263	206	40,110	40,358	15,326	16,083	-	-	55,699	56,647
Increase/(Decrease)	-	-	-	1	(5,381)	(5,369)	239	(167)	-	-	(5,142)	(5,535)
Ending value 02/28/05	-	-	263	207	34,729	34,989	15,565	15,916	-	-	50,557	51,112
Equity Securities:												
Beginning value 11/30/04	46	9,100	1,956	1,598	39,560	44,529	20,820	23,281	-	-	235,675	217,299
Increase/(Decrease)	(12)	373	(81)	(121)	1,440	1,674	84	556	-	-	76,610	79,137
Ending value 02/28/05	34	9,473	1,875	1,477	41,000	46,203	20,904	23,837	-	-	312,285	296,436
Other:												
Beginning value 11/30/04	-	-	24	24	9	9	202	64	-	-	235	97
Increase/(Decrease)	-	-	1,893	1,893	(6)	(6)	4	22	-	-	1,891	1,909
Ending value 02/28/05	-	-	1,917	1,917	3	3	206	86	-	-	2,126	2,006

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

PUF and GEF Combined Liquidity Profile

February 28, 2005



The solid bar on the left indicates the Policy range for investments categorized as "liquid". The solid bar on the right indicates the Policy range for investments categorized as "illiquid". The shaded sections of the bars indicate trigger zones requiring special action by the UTIMCO Board or the Liquidity Committee. For example, the allowable range for illiquid investments is 0% to 30% of the total portfolio. However, any illiquid investments made in the 20% to 30% trigger zone requires prior approval by the Liquidity Committee or the UTIMCO Board.

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

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

- a. the fiscal year distribution from the Permanent University Fund (PUF) to the Available University Fund (AUF) be increased by 4.7% from \$341,174,270 to \$357,337,255 effective September 1, 2005. The distribution is an amount equal to 4.75% of the trailing 12-quarter average of the net asset value of the PUF. The increase in the distribution is a direct result of the increase in the market value of the PUF, as reflected in the trailing 12-quarter average;
- b. the distribution rate for the Permanent Health Fund (PHF) be increased from \$0.0470 per unit to \$0.0482 per unit effective November 30, 2005; and
- c. the distribution rate for The University of Texas System Long Term Fund (LTF) be increased from \$0.2697 per unit to \$0.2764 per unit effective November 30, 2005.

For comparative purposes, the distributions from the PUF, PHF, and LTF represent 4.05%, 4.41%, and 4.50% of each respective fund's market value as of February 28, 2005.

The PUF Investment Policy states that the annual distribution from the PUF to the AUF shall be an amount equal to 4.75% of the trailing 12-quarter average of the net asset value of the PUF for the quarter ending February of each fiscal year. Per this formula, the amount to be distributed from the PUF for Fiscal Year 2005-2006 is \$357,337,255 as calculated on the following page.

Quarter Ended	Net Asset Value
5/31/02	7,303,322,636
8/31/02	6,738,274,515
11/30/02	6,397,124,818
2/28/03	6,299,971,921
5/31/03	6,850,946,583
8/31/03	7,244,827,576
11/30/03	7,655,088,067
2/29/04	8,218,934,425
5/31/04	7,997,992,228
8/31/04	8,087,877,617
11/30/04	8,648,150,213
02/28/05	8,832,164,283
	<hr/>
	\$ 90,274,674,882
Number of Quarters	12
Average Net Asset Value	<hr/>
	\$ 7,522,889,574
Distribution Percentage	4.75%
FY 2005-06 Distribution	<hr/>
	\$ 357,337,255

Article VII, Section 18 of the Texas Constitution requires that the amount of distributions to the AUF be determined by the U. T. System Board of Regents in a manner intended to provide the AUF with a stable and predictable stream of annual distributions and to maintain over time the purchasing power of PUF investments and annual distributions to the AUF. The Constitution further limits the U. T. System Board's discretion to set annual PUF distributions to the satisfaction of three tests:

1. The amount of PUF distributions to the AUF in a fiscal year must be not less than the amount needed to pay the principal and interest due and owing in that fiscal year on PUF bonds and notes. The distribution of \$357,337,255 is substantially greater than PUF bonds debt service of \$105,305,880 projected for Fiscal Year 2005-2006.

System	Debt Service
U. T.	\$ 86,681,122
TAMU	18,624,758
Total	<hr/>
	\$ 105,305,880

Sources: U. T. System Office of Finance
Texas A&M University System Office of
Treasury Services

2. The U. T. System Board may not increase annual PUF distributions to the AUF (except as necessary to pay PUF debt service) if the purchasing power of PUF investments for any rolling 10-year period has not been preserved. As the schedule on the following page indicates, the average annual increase in the rate of growth of the value of

PUF investments (net of expenses, inflation, and distributions) for the trailing 10-year period ended February 28, 2005, was 5.03%.

Average Annual	Percent
Rate of Total Return	10.71%
Mineral Interest Receipts	1.35%
Expense Rate	(0.15)% (1)
Inflation Rate	(2.43)%
Distribution Rate	(4.45)%
Net Real Return	5.03%

(1) Paid from AUF until 1/01/00

3. The annual distribution from the PUF to the AUF during any fiscal year made by the U. T. System Board may not exceed an amount equal to 7% of the average net fair market value of PUF investment assets as determined by the U. T. System Board (except as necessary to pay PUF bonds debt service). The annual distribution rate calculated using the trailing 12-quarter average value of the PUF is within the 7% maximum allowable distribution rate.

Value of PUF Investments (1)	Distribution	Distribution as a % of Value of PUF Investments	Maximum Allowed Rate
\$7,522,889,574	\$357,337,255	4.75%	7.00%

(1) Source: UTIMCO

The spending policy objectives of the PHF and LTF are to

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

The goal is for the average spending rate of the PHF or the LTF, as appropriate, over time not to exceed the average annual investment return of such fund after inflation to preserve the purchasing power of such fund's distributions and underlying assets.

Unless otherwise established by UTIMCO and approved by the U. T. System Board, the spending formula under the PHF Investment Policy and the LTF Investment Policy 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 LTF assets and PHF assets for each fund's respective trailing 12 fiscal quarters. The Investment Policies expressly reserve to the U. T. System Board the ability to approve a per unit distribution amount for the PHF and the LTF, as appropriate, that, in the Board's judgment, would be more appropriate than the formula rate calculated by the spending policy provisions.

The distribution rate for the PHF had been held at \$.0470 for four years since Fiscal Year 2002 because the PHF's net asset value was less than the original PHF contributions of \$820.0 million due to difficult financial markets in the initial years of the PHF. However, as of November 30, 2004, the PHF's net asset value was \$864.7 million. The 2.6% increase in the PHF distribution rate of \$.0470 to \$.0482 per unit is based on the PHF Investment Policy to increase the distributions by the average rate of inflation for the trailing 12 quarters. The increase in the consumer price index for the prior three years as of November 30, 2004, was 2.5%. The PHF's distribution rate calculated using the prior 12-quarter average value of the PHF is 5.2%, within the range of 3.5% to 5.5% set forth in the PHF Investment Policy. The distribution rate of \$.0482 per unit was approved by the UTIMCO Board on March 31, 2005.

In addition to the spending policy objectives for the LTF (described above), the LTF Investment Policy expressly recognizes that, under the Uniform Management of Institutional Funds Act, the U. T. System Board may distribute from the LTF the net appreciation, realized and unrealized, in the fair market value of LTF assets over the historic dollar value of the fund. The 2.5% increase in the LTF distribution rate from \$0.2697 to \$0.2764 per unit is based on the LTF Investment Policy to increase the distributions by the average rate of inflation for the trailing 12 quarters. The increase in the consumer price index for the prior three years as of November 30, 2004, was 2.5%. The LTF's distribution rate calculated using the prior 12-quarter average value of the LTF is 5.3%, within the range of 3.5% to 5.5% set forth in the LTF Investment Policy. The distribution rate of \$.2764 per unit was approved by the UTIMCO Board on March 31, 2005.

5. U. T. System Board of Regents: Adoption of Resolutions Amending the First and Fifth Supplemental Resolutions to the Master Resolution Establishing the Revenue Financing System Commercial Paper Programs

The Board

- a. adopted the third and first Resolutions amending the First and Fifth Supplemental Resolutions to the Master Resolution, substantially in the form presented to the Board on Pages 34 - 39, providing for additional defeasance provisions; and
- b. authorized appropriate officers and employees of The University of Texas System to take any and all actions necessary to carry out the intentions of the U. T. System Board of Regents.

On February 9, 1995, the U. T. System Board of Regents adopted the Amended and Restated First Supplemental Resolution to the Master Resolution Establishing the Revenue Financing System Commercial Paper Notes, Series A Program. On May 13, 2004, the U. T. System Board of Regents reauthorized the Fifth Supplemental Resolution to the Master Resolution Establishing the Revenue Financing System Taxable Commercial Paper Notes, Series B Program. Chapter 1207 of the *Texas Government Code* now provides a broader list of eligible securities that may be deposited into an escrow account to defease outstanding debt. Adoption of the Resolutions amend the First and Fifth Supplemental Resolutions to make the list of eligible defeasance securities consistent with current State law and to allow all future refunding transactions involving outstanding commercial paper notes to be accomplished in a more efficient manner.

THIRD AMENDING RESOLUTION
AMENDING THE AMENDED AND RESTATED
FIRST SUPPLEMENTAL RESOLUTION
TO THE MASTER RESOLUTION
ESTABLISHING THE REVENUE FINANCING SYSTEM
COMMERCIAL PAPER PROGRAM

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

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

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

WHEREAS, the Amended and Restated First Supplemental Resolution to the Master Resolution Establishing The University of Texas System Revenue Financing System was adopted by the Board on February 9, 1995 and amended by resolutions of the Board adopted on November 13, 1997 and August 8, 2002 (the "First Supplement") to establish an interim financing program pursuant to which the Board has issued its Revenue Financing System Commercial Paper Notes, Series A (the "Notes") to provide interim financing for capital improvements and to finance equipment purchases; and

WHEREAS, the Board deems it necessary to amend the First Supplement to conform the defeasance provisions relating to Notes to those used in other Revenue Financing System obligations as authorized by Chapter 1207, *Texas Government Code*, as amended.

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

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

Section 2. The First Supplement is hereby amended by adding a new Section 6.12 to read as follows:

"Section 6.12. Additional Defeasance Provisions.

Notwithstanding the provisions of Section 12(c) of the Master Resolution, in connection with the defeasance of the Notes pursuant to Section 12 of the Master Resolution, the term Government Obligations shall mean (i) direct, noncallable obligations of the United States of America, including obligations that are unconditionally guaranteed by the United States of America, (ii) noncallable obligations of an agency or instrumentality of the United States of America, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date of the purchase thereof are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, and (iii) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that, on the date the governing body of the Issuer adopts or approves the proceedings authorizing the financial arrangements are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent."

Section 3. The Chairman of the Board, the Vice-Chairmen of the Board, the Counsel and Secretary to the Board of Regents of The University of Texas System, the U. T. System Representatives, and the other officers, employees, and agents of the Board are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they may deem necessary or advisable in order to effectuate the purposes of this Resolution. In addition, the Chairman of the Board, the Vice-Chairmen of the Board, the Chancellor, the Executive Vice Chancellor for Business Affairs, the Associate Vice Chancellor for Finance, the Director of Finance, and Bond Counsel are hereby authorized to approve, subsequent to the date of the adoption of this Resolution, any technical amendments to this Resolution as may be required by (i) Fitch Investors Service, L.P., Moody's Investors Service, Inc., or Standard & Poor's Ratings Group, a Division of McGraw-Hill, Inc. as a condition to the granting or maintenance of a rating on the Notes acceptable to a U. T. System Representative or (ii) by the Attorney General's office in connection with the review of this Resolution.

Section 4. This amendment to the First Supplement shall take effect when none of the Notes outstanding on the date of adoption of this Resolution are outstanding.

Section 5. The recitals set forth in the preamble to this Resolution are hereby incorporated into this Resolution and made a part hereof for all purposes.

Section 6. It is hereby found and determined that each of the officers and members of the Board was duly and sufficiently notified officially and personally, in advance, of the time, place, and purpose of the Meeting at which this Resolution was adopted, and that this Resolution would be introduced and considered for adoption at said meeting; that said meeting was open to the public, and public notice of the time, place, and purpose of said meeting was given, all as required by Chapter 551, *Texas Government Code*.

PASSED AND ADOPTED, this

ATTEST:

Counsel and Secretary to the
Board of Regents of
The University of Texas System

(SEAL)

FIRST AMENDING RESOLUTION
AMENDING THE REAUTHORIZATION OF FIFTH
SUPPLEMENTAL RESOLUTION TO THE MASTER
RESOLUTION ESTABLISHING THE REVENUE FINANCING
SYSTEM TAXABLE COMMERCIAL PAPER PROGRAM

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

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

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

WHEREAS, the Reauthorization of the Fifth Supplemental Resolution to the Master Resolution Establishing The University of Texas System Revenue Financing System was adopted by the Board on May 13, 2004 (the "Fifth Supplement") to establish a taxable interim financing program pursuant to which the Board has issued its Revenue Financing System Commercial Paper Notes, Series B (the "Taxable Notes") to provide taxable interim financing for capital improvements and to finance equipment purchases; and

WHEREAS, the Board deems it necessary to amend the Fifth Supplement to conform the defeasance provisions relating to Taxable Notes to those used in other Revenue Financing System obligations as authorized by Chapter 1207, *Texas Government Code*, as amended.

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

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

Section 2. The Fifth Supplement is hereby amended by adding a new Section 6.11 to read as follows:

"Section 6.11. Additional Defeasance Provisions.

Notwithstanding the provisions of Section 12(c) of the Master Resolution, in connection with the defeasance of the Notes pursuant to Section 12 of the Master Resolution, the term Government Obligations shall mean (i) direct, noncallable obligations of the United States of America, including obligations that are unconditionally guaranteed by the United States of America, (ii) noncallable obligations of an agency or instrumentality of the United States of America, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date of the purchase thereof are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, and (iii) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that, on the date the governing body of the Issuer adopts or approves the proceedings authorizing the financial arrangements are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent."

Section 3. The Chairman of the Board, the Vice-Chairmen of the Board, the Counsel and Secretary to the Board of Regents of The University of Texas System, the U. T. System Representatives, and the other officers, employees, and agents of the Board are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they may deem necessary or advisable in order to effectuate the purposes of this Resolution. In addition, the Chairman of the Board, the Vice-Chairmen of the Board, the Chancellor, the Executive Vice Chancellor for Business Affairs, the Associate Vice Chancellor for Finance, the Director of Finance, and Bond Counsel are hereby authorized to approve, subsequent to the date of the adoption of this Resolution, any technical amendments to this Resolution as may be required by (i) Fitch Investors Service, L.P., Moody's Investors Service, Inc., or Standard & Poor's Ratings Group, a Division of McGraw-Hill, Inc. as a condition to the granting or maintenance of a rating on the Taxable Notes acceptable to a U. T. System Representative or (ii) by the Attorney General's office in connection with the review of this Resolution.

Section 4. This amendment to the Fifth Supplement shall take effect when none of the Taxable Notes outstanding on the date of adoption of this Resolution are outstanding.

Section 5. The recitals set forth in the preamble to this Resolution are hereby incorporated into this Resolution and made a part hereof for all purposes.

Section 6. It is hereby found and determined that each of the officers and members of the Board was duly and sufficiently notified officially and personally, in advance, of the time, place, and purpose of the Meeting at which this Resolution was adopted, and that this Resolution would be introduced and considered for adoption at said meeting; that said meeting was open to the public, and public notice of the time, place, and purpose of said meeting was given, all as required by Chapter 551, *Texas Government Code*.

PASSED AND ADOPTED, this

ATTEST:

Counsel and Secretary to the
Board of Regents of
The University of Texas System

(SEAL)

6. U. T. System Board of Regents: Regents' *Rules and Regulations*, Series 10501 - Amendment to increase the amount delegated for lease or purchase of routine medical equipment and services

The Regents' *Rules and Regulations*, Series 10501 was amended to read as set forth below to allow the health institutions to purchase or lease routine medical equipment and services with a value of more than \$1 million if the institutions follow all statutory and regulatory standards for procurement under the group purchasing program:

2. Rule and Regulation

. . .

Sec. 4 Contracts Not Requiring Board Approval. The following contracts or agreements, including purchase orders and vouchers, do not require prior approval by the Board of Regents regardless of the contract amount.

. . .

4.5 Routine Supplies. Contracts or agreements for the purchase of routinely purchased supplies.

4.6 Group Purchases. Purchases made under a group purchasing program that follow all applicable statutory and regulatory standards for procurement.

. . .

4.15 Health Operations. Contracts or agreements for the procurement of routine services or the purchase or lease of routine medical equipment, required for the operation or support of a hospital or medical clinic, if the services or equipment were competitively procured.

. . .

3. Definitions

. . .

Group Purchasing Program - for purposes of this Series, a purchasing program established by (1) a state agency that is authorized by law to procure goods and services for other state agencies, such as the

Texas Building and Procurement Commission and the Texas Department of Information Resources; or (2) a group purchasing organization in which the institution participates, such as Novation, Premier, Western States Contracting Alliance, and U.S. Communities Government Purchasing Alliance.

. . . .

These amendments to the Regents' *Rules and Regulations* add a new exemption from required Board approval of contracts with a value of more than \$1 million for contracts or agreements associated with the purchase or lease of routine medical equipment or services, required for the operation or support of a hospital or medical clinic, if the equipment or services were competitively procured.

The amendments also (1) define the term "group purchasing program" and (2) clarify that purchases under group purchasing programs must follow all applicable statutory and regulatory standards for procurement. These amendments will facilitate the appropriate use of the group purchasing program exemption.

7. U. T. System Board of Regents: Amendment to the Regents' *Rules and Regulations*, Series 70301 (Matters Relating to Real Property), Section 4

The Regents' *Rules and Regulations*, Series 70301, Section 4, regarding matters relating to real property, was amended by adding a new Section 4.4 to read as follows:

Sec. 4 Delegation of Authority. . . .

4.4 If approval of the Board of Regents is required by Section 3 of Series 10501 of the Regents' *Rules and Regulations* before the real property may be sold or leased to a third party, the following information shall be provided to the Board of Regents with the request for approval:

- (a) a description of the process used to select the third party and the rationale for using the process described;
- (b) a description of the process used to set the consideration to be received by U. T. System; and
- (c) a statement of the appraised value as determined by an independent appraisal conducted no earlier than

12 months prior to the Board of Regents' meeting date at which the sale or lease is to be presented for approval.

The amendment to the Regents' *Rules and Regulations* formalizes and documents the process by which sales and leases of University of Texas System-owned real property in excess of \$1 million in value are submitted to the Board of Regents for approval.

8. U. T. System Board of Regents: Amendment to the Regents' *Rules and Regulations*, Series 80103, Section 2.4 (Solicitation)

The Regents' *Rules and Regulations*, Series 80103, Section 2.4, related to solicitation, was amended to read as set forth below:

- 2.4 Services. Any offering of services and related products by a third party or by U. T. System and/or one or more of its institutions on behalf of a third party (a "Third Party Service Offering") established and maintained primarily for the convenience of students, staff, faculty, or patients. Such Third Party Service Offering must be established and maintained pursuant to a written agreement between the third party and the affected U. T. System entity or entities and such written agreement:
- (a) clearly sets forth the nature and scope of the solicitation activities that the third party is permitted to undertake on U. T. System property and is construed to prohibit any solicitation activities not specifically enumerated in such written agreement;
 - (b) is of specified duration with defined renewal procedures and periods; and
 - (c) includes appropriate provisions to protect the privacy of students, faculty, staff, and patients and requires compliance with Section 2 above.

This amendment to the Regents' *Rules and Regulations* authorizes University of Texas System officers to exercise additional flexibility to allow private contractors to offer services and products on campus property, provided the offerings are primarily for the convenience of students, faculty, staff, or patients. The amendment clarifies that more expansive service offerings are permitted, if targeted to the convenience of an institution's constituents, and puts in place a process to ensure such service offerings are carefully planned and renewed in coordination with the U. T. System Offices of Business Affairs and General Counsel.

REPORT AND RECOMMENDATIONS OF THE ACADEMIC AFFAIRS COMMITTEE (Pages 43 - 46).--Committee Chairman Krier reported that the Academic Affairs Committee met in open session to consider those matters on its agenda and to formulate recommendations for the U. T. 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. Pan American: Health Services Administration Building - Amendment of the FY 2004-2009 Capital Improvement Program and the FY 2004-2005 Capital Budget to include project; appropriation of funds and authorization of expenditure; and authorization of institutional management

The Board amended the FY 2004-2009 Capital Improvement Program and the FY 2004-2005 Capital Budget to include the Health Services Administration Building 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:

Source
Designated Tuition

\$1,500,000

- a. approve a preliminary project cost of \$1,500,000 with funding from Designated Tuition;
- b. appropriate funds and authorize expenditure of \$1,500,000 from Designated Tuition; and
- c. authorize U. T. Pan American to manage the total project budgets, appoint architects, approve facility programs, prepare final plans, and award contracts.

The project will renovate an existing 3,000 gross square foot building to approximately 7,500 gross square feet to house the health-care services administration for the Health and Kinesiology Physiology/Recreation Center project.

U. T. Pan American 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.

2. U. T. Arlington: Authorization to establish a Ph.D. in Educational Leadership and Policy Studies

The Board authorized

- a. establishment of a Ph.D. in Educational Leadership and Policy Studies degree program at The University of Texas at Arlington; and
- b. submission of 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. Arlington Table of Programs to reflect authorization for the proposed degree program.

The doctoral program in Educational Leadership and Policy Studies seeks to engage graduate students in education and other leaders in the Dallas/Fort Worth/Arlington Metroplex in research-driven policy and policy discussions that affect the future course of Kindergarten through Post Secondary (K-16) education. To that end, the Department of Educational Leadership and Policy Studies will offer the major curriculum for K-16 Educational Leadership. Each course will include a research focus and requirement.

Students will participate in scholarly work with their mentors, including grants, research, and publications throughout their course of study. The program is designed to fully prepare graduates of the program to be faculty at research-intensive/extensive universities.

Full-time tenured and tenure-track faculty from the College of Education will form the core of this program. In addition, two full-time tenure-track faculty will be added effective September 2005 and three full-time tenure-track faculty will be added in the next three years, totaling 13 full-time tenured and tenure-track faculty to support the program. A limited number of highly qualified part-time faculty will be selected for their unique expertise in particular areas. Full-time tenured and tenure-track faculty from other university departments, specifically Political Science, Sociology, Psychology, Urban and Public Affairs, and Social Work, will support the program. No graduate students will teach courses; however, graduate assistants will be required to assist faculty research efforts.

Estimated expenditures for the first five years of the Ph.D. in Educational Leadership and Policy Studies total \$1,773,023. This includes \$963,775 in new faculty salaries; \$180,000 reallocated for program administration; \$308,448 for new graduate assistants; \$90,800 for clerical support; \$2,500 for supplies and materials; \$5,000 for new library and information technology resources; \$9,000 for equipment; and \$213,500 for summer school salaries.

U. T. Arlington will commit \$180,000 of existing resources in addition to \$1,239,147 generated from formula income beginning the third year, \$180,000 from Graduate Incremental Tuition, and \$235,980 from other funding coming from Designated Tuition.

Upon approval by the Coordinating Board, the next appropriate catalog published at U. T. San Antonio will be amended to reflect this action.

3. U. T. San Antonio: Authorization to establish a Ph.D. in Applied Statistics/Demography

The Board authorized

- a. establishment of a Ph.D. in Applied Statistics/Demography at The University of Texas at San Antonio; and
- b. submission of 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 proposed degree program.

The Applied Statistics/Demography degree program will be offered by the Department of Management Science and Statistics in the College of Business. The program will draw on the extensive health-related expertise of faculty at The University of Texas Health Science Center at San Antonio and on U. T. San Antonio-based faculty from The University of Texas Health Science Center at Houston School of Public Health. The program is designed to prepare students with the ability to make predictions and forecasts, design experiments, and analyze large complex data sets that are requisite to success in the fields of biostatistics and applied demography.

The program requires 48 semester credit hours of organized coursework and 12 semester credit hours of dissertation beyond the Master's degree. Students will be able to specialize in either Biostatistics/Bioinformatics or Applied Demography.

The Biostatistics/Bioinformatics track is designed to train students to collaborate with medical researchers to design clinical trials, evaluate new treatment for diseases, and assess the safety and effectiveness of medications. The Applied Demography tracks will focus on demography related to health-care issues, such as marketing and planning health-related projects, or related to policy issues undertaken by governments, school districts, and various local, regional, and federal agencies. Both the

Biostatistics/Bioinformatics track and the Applied Demography tracks are designed to prepare students to work in academic and nonacademic research settings.

Eleven members of the Department of Management Science and Statistics, two additional tenured or tenure-track faculty from other departments at U. T. San Antonio, three faculty members at U. T. Health Science Center - San Antonio, and nine faculty members at U. T. Health Science Center - Houston's School of Public Health, San Antonio location, will contribute to the delivery of the program. It is estimated that four tenure-track faculty members will be hired during the first five years of the program and will contribute approximately 50% of their time to its delivery. Existing facilities and equipment are adequate to support the doctoral program.

The cost of operating the program in the fifth year, when the program is fully developed, will be approximately \$1,734,430. This includes \$1,005,430 for faculty salaries, \$700,000 for graduate student support and \$29,000 for supplies, materials, equipment, and information technology resources. Revenues of \$1,379,590 from formula funding, \$100,000 in external funding, and the reallocation of \$1,517,000 in existing university resources are expected to be sufficient to fully fund the program.

Upon approval by the Coordinating Board, the next appropriate catalog published at U. T. San Antonio will be amended to reflect this action.

[Counsel and Secretary's Note: Following review and a site visit by the Texas Higher Education Coordinating Board staff on November 11, 2005, U. T. San Antonio will recommend to the Coordinating Board creation of two distinct Ph.D. programs: one in Applied Statistics and one in Applied Demography. The change is only to the administrative structure, with the Applied Statistics Ph.D. program offered through the College of Business and the Applied Demography Ph.D. program offered through the College of Public Policy.]

REPORT AND RECOMMENDATIONS OF THE HEALTH AFFAIRS COMMITTEE
(Pages 47 - 50).--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 U. T. System Board of Regents. Unless otherwise indicated, the actions set forth in the Minute Orders that follow were recommended by the Health Affairs Committee and approved in open session by the U. T. System Board of Regents:

1. U. T. System: Amendment of the U. T. System Professional Medical Liability Benefit Plan to add U. T. System institutions (Deferred)

The item concerning amendment of The University of Texas System Professional Medical Liability Benefit Plan to add U. T. System institutions was deferred.

2. U. T. Health Science Center - Houston: Approval of a Doctor of Nursing Practice (DNP) degree program

The Board

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

A task force of the American Association of Colleges of Nursing (AACN) has worked for the past two years on its vision for a new practice doctorate since the Ph.D. and Doctor of Science in Nursing programs are both research degrees. Additionally, a nationally standardized curriculum that will assure the public and other professionals of a standard set of competencies for the DNP graduates has been developed by the AACN Task Force. The DNP degree program is designed to prepare recognized Advanced Practice Nurses (APNs) to be credentialed for hospital staff privileges, to demonstrate high-level clinical skills, and to fill the gap between scientific findings of research and standard practice by taking research findings and incorporating them into existing protocols. The program will include individualized analysis and examination of evidence-based literature and correct protocols. The DNP program has the potential for increasing the number of nurses qualified to teach in nursing schools.

A number of physicians and nurses with expertise in acute and critical care will assist in the teaching. New faculty will have expertise to teach courses in acute care, primary care, and gerontology and will be expected to have a doctoral degree, teaching experience, and an active research program.

Implementation of the DNP will not require any new state funds and no new facilities or facility alterations are planned. This program will be funded from a reallocation of resources within the School of Nursing through changes in the Master of Science in Nursing (MSN) degree program. The projected cost of the program for the first year is \$509,500, increasing to \$685,500 in the second year and thereafter when the program is fully operational.

Upon approval by the Coordinating Board, the next appropriate catalog published at U. T. Health Science Center - Houston will be amended to reflect this action.

3. U. T. M. D. Anderson Cancer Center: Authorization to acquire approximately 42.4 acres of unimproved real property at Ellington Field in Houston, Harris County, Texas (Ellington Site) at fair market value, to exchange with the U.S. Government Department of Defense (DOD) for approximately 18 acres of land and improvements located at 1850 and 1902 Old Spanish Trail, Houston, Harris County, Texas (DOD Site); authorization to lease back the DOD Site to the U.S. Government; and finding of public purpose

Authorization was granted by The University of Texas System Board of Regents, on behalf of The University of Texas M. D. Anderson Cancer Center, to

- a. acquire approximately 42.4 acres of unimproved real property at Ellington Field in Houston, Harris County, Texas (Ellington Site) for a price not to exceed the fair market value as determined 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 the purpose of conveying the Ellington Site to the U.S. Government Department of Defense (DOD), together with approximately \$17.6 million in cash from institutional funds, in exchange for the conveyance by the U.S. Government Department of Defense to the U. T. System of approximately 18 acres of land and improvements located at 1850 and 1902 Old Spanish Trail, Houston, Harris County, Texas (DOD Site);

- b. enter into a lease for a period not to exceed four years from the date of closing with the U.S. Government Department of Defense to occupy the DOD Site during construction by the Department of Defense of the Ellington Site joint military Reserve facilities;
- c. determine that lease of the DOD Site and improvements thereon to the U.S. Government for the stated reasons serves a public purpose appropriate to the function of U. T. M. D. Anderson Cancer Center and that the consideration to the U. T. System and U. T. M. D. Anderson Cancer Center for lease of the DOD Site is adequate; and
- d. 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 actions.

The long-term strategic plan for U. T. M. D. Anderson Cancer Center calls for development of The University of Texas Research Park on land located south of Old Spanish Trail. As part of its strategic plan and following approval by the U. T. System Board of Regents on November 12, 1998, the institution has been working on acquiring the adjacent DOD Site. In 1999, the Texas Legislature authorized the U. T. System to acquire the site by purchase, gift, or exchange (Chapter 854, 1999 Texas General Laws 3524, 76th Legislature, Regular Session). The Army, Navy, and Marine Corps Reserves currently use two facilities on the DOD Site, which encompasses approximately 18 acres of land on the south side of Old Spanish Trail between U. T. M. D. Anderson Cancer Center's Mid-campus Area and its U. T. Research Park. This land is located squarely in the southward path of growth of U. T. M. D. Anderson Cancer Center and the Texas Medical Center, and is contiguous to U. T. M. D. Anderson Cancer Center's 35 acres south of Old Spanish Trail.

Federal law previously required U. T. M. D. Anderson Cancer Center to acquire replacement land; to construct new, replacement facilities; and then to exchange that land and facilities for the DOD Site. In 2004, Congress passed new legislation that enables U. T. M. D. Anderson Cancer Center to acquire replacement land and immediately transfer that land, plus cash as appropriate, for the DOD Site. The obligation to construct new, replacement facilities under the 2004 legislation resides with the U.S. Government and, during the construction period, the U.S. Government will lease the DOD Site from U. T. M. D. Anderson Cancer Center for use by the Reserve units.

Effecting the exchange at this time, pursuant to the 2004 federal legislation, and leasing back the site to the U.S. Government for no cash rental for a period not to exceed four years, serves a public purpose appropriate to the function of U. T. M. D. Anderson Cancer Center and provides adequate consideration for the U. T. System for the following reasons:

- establishes a fixed price at current appraised value in an escalating market, thus allowing U. T. M. D. Anderson Cancer Center to avoid market risk, development risk, and the financial responsibility for any changes in scope to the new joint use facility;
- enhances the overall value of the contiguous U. T. Research Park land;
- enables the activities of the Reserves on the DOD Site to continue while a new joint use facility is built; and
- represents U. T. M. D. Anderson Cancer Center's best chance of acquiring the DOD Site, inasmuch as the DOD Site cannot be acquired by condemnation.

Counsel and Secretary's Note: Differing appraisal methods used for demolition costs changed the appraised value of the DOD Site and, consequently, changed the resulting cash equalization payment from \$17.6 million to \$18.2 million between the time that the May 9-10, 2005 and July 8, 2005 Agenda Items were prepared.

REPORT AND RECOMMENDATIONS OF THE FACILITIES PLANNING AND CONSTRUCTION COMMITTEE (Pages 51 - 70).--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 U. T. System Board of Regents. Unless otherwise indicated, the actions set forth in the Minute Orders that follow were recommended by the Facilities Planning and Construction Committee and approved in open session by the U. T. System Board of Regents:

1. U. T. Austin: Institute for Geophysics and Advanced Computing Center - Amendment of the FY 2004-2009 Capital Improvement Program and the FY 2004-2005 Capital Budget to increase the total project cost; approval to revise funding sources; 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 Institute for Geophysics and Advanced Computing Center project at The University of Texas at Austin as follows:

Project Number: 102-128

Architecturally or Historically Significant: Yes ☐ No ☒

Project Delivery Method: Construction Manager at Risk

Substantial Completion Date: September 2006

Total Project Cost:	<u>Source</u>	<u>Former</u>	<u>Current</u>
	Designated Tuition	\$18,000,000	
	Revenue Financing System Bond Proceeds		\$16,944,000
	Interest on Local Funds		<u>\$ 3,500,000</u>
			\$20,444,000

- a. amend the FY 2004-2009 Capital Improvement Program (CIP) and the FY 2004-2005 Capital Budget to increase the total project cost;
- b. revise the funding sources;
- c. approve design development plans;
- d. approve the evaluation of alternative energy economic feasibility;
- e. appropriate funds and authorize expenditure of funds; and

- f. resolve in accordance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System that
- parity debt shall be issued to pay the project's cost, including any costs prior to the issuance of such parity debt;
 - sufficient funds will be available to meet the financial obligations of the U. T. System, including sufficient Pledged Revenues as defined in the Master Resolution to satisfy the Annual Debt Service Requirements of the Financing System, and to meet all financial obligations of the U. T. 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. Board of Regents of tax-exempt parity debt in the aggregate amount of \$16,944,000.

Debt Service

The \$16,944,000 debt service in Revenue Financing System debt will be repaid from indirect cost recovery from the building use and the John A. and Katherine G. Jackson endowment. Total annual debt service on the project is estimated at \$1,165,839. Debt service coverage on the project is expected to be at least 5.99 times.

Previous Board Action

On August 8, 2001, the project was included in the CIP with a preliminary project cost of \$18,000,000 with funding from Designated Tuition.

Project Description

The project, which is located on the J. J. Pickle Research Campus, will consist of a three-story facility with approximately 95,000 gross square feet to include research offices; work areas; seminar and training areas for the Institute for Geophysics; and offices and a computer machine room for the Texas Advanced Computing Center (TACC). Common spaces will include a reception area, display areas, a lunch room, and parking. This facility will provide advanced computing resources, including both computing systems and software, and will house research development activities that enhance the capabilities of advanced computing resources.

The increase in total project cost will provide a new, three-story connection between the existing Bureau of Economic Geology Building and the new building, and funding for 24 additional offices for the TACC. Changing the funding for the current planned scope of the project will adjust the financial model to optimize the amount of debt on the project.

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. 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. Board of Regents as part of the design development presentation.

2. U. T. Austin: MRI Imaging Center, Phase I and II - Amendment of the FY 2004-2009 Capital Improvement Program and the FY 2004-2005 Capital Budget to reduce appropriation of funds; approval to increase funding source; appropriation of funds and authorization of expenditure; and resolution regarding parity debt

The Board approved the recommendations for the MRI Imaging Center, Phase I and II projects at The University of Texas at Austin as follows:

Project Number: 102-197
Architecturally or Historically Significant: Yes ☐ No ☒

Project Delivery Method: Construction Manager at Risk

Substantial Completion Date: November 2005

Total Project Cost:	Source	Former	Current
	Unexpended Plant Funds	\$2,100,000	\$1,500,000
	Revenue Financing System Bond Proceeds	\$2,550,000	\$3,150,000
	Gifts	<u>\$ 850,000</u>	<u>\$ 850,000</u>
		\$5,500,000	\$5,500,000

- a. amend the FY 2004-2009 Capital Improvement Program (CIP) and the FY 2004-2005 Capital Budget to reduce the appropriation of funds in the amount of \$2,100,000 to \$1,500,000 from Unexpended Plant Funds;
- b. increase the funding source from \$2,550,000 to \$3,150,000 from Revenue Financing System Bond Proceeds;

- c. appropriate funds and authorize expenditure of additional funds of \$600,000; and
- d. resolve in accordance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System that
 - parity debt shall be issued to pay the project's cost, including any costs prior to the issuance of such parity debt;
 - sufficient funds will be available to meet the financial obligations of the U. T. System, including sufficient Pledged Revenues as defined in the Master Resolution to satisfy the Annual Debt Service Requirements of the Financing System, and to meet all financial obligations of the U. T. 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. Board of Regents of tax-exempt parity debt in the aggregate amount of \$600,000.

Debt Service

The additional \$600,000 in Revenue Financing System debt will be repaid from net lease revenues generated by the project. Annual debt service on the total \$3,150,000 is estimated at \$204,912. Debt service coverage on the project is expected to be at least 1.25 times and average 1.36 times over the first five years of operation.

Previous Board Actions

On February 4, 2004, the project was included in the CIP with a preliminary project cost of \$5,500,000 with funding from Grants. On August 12, 2004, the Board approved the design development plans and revised the funding sources for a total project cost of \$5,500,000 with funding of \$2,100,000 from Unexpended Plant Funds, \$2,550,000 from Revenue Financing System Bond Proceeds, and \$850,000 from Grants.

Project Description

The MRI Imaging Center, Phase I and II at U. T. Austin will construct a facility containing approximately 9,000 gross square feet to house a 3-Tesla Magnetic Resonance Imaging (MRI) system. U. T. Austin will utilize the new MRI Imaging Center to focus on education and research in the fields of

imaging, bio-behavioral substance abuse disorders, and bioengineering. Modifying the funding sources will more specifically reflect the actual and final financing for the project and will allow completion of construction.

U. T. Austin has developed a relationship with the Central Texas Veterans Health Care System (CTVHCS) and The University of Texas Medical Branch at Galveston to establish a joint imaging center. CTVHCS will use the MRI Center primarily for research concerning the aging process, brain and spinal cord injuries, dementia and neuronal degeneration, major psychosis, mood disorder and stress, sensory disorder, and substance abuse.

3. U. T. Dallas: Parking Garage I - Approval of design development; approval of evaluation of alternative energy economic feasibility; appropriation of funds and authorization of expenditure; and resolution regarding parity debt (Deferred)

The item related to the Parking Garage I project at The University of Texas at Dallas was deferred by the Facilities Planning and Construction Committee on May 11, 2005.

4. U. T. Pan American: Student Housing Phase II - Amendment of the FY 2004-2009 Capital Improvement Program and the FY 2004-2005 Capital Budget to decrease the 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 Housing Phase II project at The University of Texas - Pan American as follows:

Project Number: 901-125

Architecturally or Historically Significant: Yes ☐ No ☒

Project Delivery Method: Design/Build

Substantial Completion Date: August 2006

Total Project Cost:	<u>Source</u>	<u>Former</u>	<u>Current</u>
	Revenue Financing System Bond Proceeds	\$12,800,000	\$12,500,000

- a. amend the FY 2004-2009 Capital Improvement Program (CIP) and the FY 2004-2005 Capital Budget to decrease the total project cost;
- b. approve design development plans;
- c. approve the 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. Board of Regents relating to the Financing System; and
 - U. T. Pan American, 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. Board of Regents of tax-exempt parity debt in the aggregate amount of \$12,500,000.

Debt Service

The \$12,500,000 in Revenue Financing System debt will be repaid from net revenues generated on the project. Total annual debt service on the project is estimated at \$1,045,992. Overall debt service coverage is expected to average 1.43 times over the next five years of operation.

Previous Board Action

On March 10, 2005, the project was included in the CIP with a preliminary project cost of \$12,800,000 with funding from Revenue Financing System Bond Proceeds.

Project Description

The project will contain dormitory-style housing with 400 beds in two residential four-story buildings. This state-of-the-art residential facility will house undergraduate students and be arranged in a suite configuration. Common areas will include study rooms, computer rooms, meeting rooms, and support areas. The total project cost was decreased to match the debt capacity to move the project forward.

Two dormitories built in 1969 house a total of 384 beds. The Student Housing Phase I project completed in May 2000 provides housing for approximately 225 students. Even with this project, occupancy for on-campus housing is full.

Because of the 1,000 additional freshmen anticipated for Fall 2006 from the UTPA GEARUP program to encourage students to take a college-track program in high school and prepare for college attendance, the new residence hall will attract more students to stay on campus.

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. 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. Board of Regents as part of the design development presentation.

5. U. T. San Antonio: Biotechnology, Sciences and Engineering Building, Phase II (Formerly East Campus Building Phase I) – Amendment of the FY 2004-2009 Capital Improvement Program and the FY 2004-2005 Capital Budget to decrease the total project cost; approval of design development; and approval of evaluation of alternative energy economic feasibility

The Board approved the recommendations for the Biotechnology, Sciences and Engineering Building, Phase II (Formerly East Campus Building Phase I) project at The University of Texas at San Antonio as follows:

Project Number: 401-205

Architecturally or Historically Significant: Yes ☐ No ☒

Project Delivery Method: Competitive Sealed Proposals

Substantial Completion Date: December 2007

Total Project Cost:	<u>Source</u>	<u>Former</u>	<u>Current</u>
	Revenue Financing System Bond Proceeds	\$72,000,000	
	Gifts	\$ 3,000,000	
	Funding source to be identified at a later date:	-	\$56,000,000
		\$75,000,000	\$56,000,000

- a. amend the FY 2004-2009 Capital Improvement Program (CIP) and the FY 2004-2005 Capital Budget to decrease the total project cost to \$56,000,000 from funds to be identified at a later date;
- b. approve design development plans; and
- c. approve the evaluation of alternative energy economic feasibility.

Previous Board Actions

On November 13, 2003, the project was added to the CIP as the East Campus Building Phase I with a preliminary project cost of \$75,000,000 with funding of \$72,000,000 from Revenue Financing System Bond Proceeds and \$3,000,000 from Gifts. On April 12, 2004, the Chancellor approved the non-honorific name change for the project.

Project Description

The project will consist of approximately 150,000 gross square feet to house research facilities for the College of Engineering and the Department of Physics and Astronomy in the College of Sciences. Planning includes seminar rooms and conferencing facilities, research laboratories, faculty and staff offices, and student and faculty support facilities. The decrease in the total project cost will provide the four-story research building with two of the four levels shelled pending additional funding. Approval of funding sources will be revised and authorization of any spending and debt will occur at a later date.

The new Biotechnology, Sciences and Engineering Building, Phase II will support new research programs in engineering and physics being pursued in areas of bioengineering, biomolecular modeling, emerging infectious agents, oncology, bioinformatics, aerospace research, environmental sciences, and neurobiology as well as enabling the recruitment of high-quality research faculty.

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. 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. Board of Regents as part of the design development presentation.

6. U. T. San Antonio: Recreation and Wellness Facilities, Phase II - Amendment of the FY 2004-2009 Capital Improvement Program and the FY 2004-2005 Capital Budget to decrease the total project cost; approval to revise funding sources; 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 Recreation and Wellness Facilities, Phase II project at The University of Texas at San Antonio as follows:

Project Number: 401-212

Architecturally or Historically Significant: Yes ☐ No ☒

Project Delivery Method: Competitive Sealed Proposals

Substantial Completion Date: July 2007

Total Project Cost:	<u>Source</u>	<u>Former</u>	<u>Current</u>
	Revenue Financing System Bond Proceeds	\$44,000,000	\$39,000,000
	Unexpended Plant Funds		\$ 1,000,000
	Student Fees		<u>\$ 2,000,000</u>
			\$42,000,000

- a. amend the FY 2004-2009 Capital Improvement Program (CIP) and the FY 2004-2005 Capital Budget to decrease the total project cost;
- b. revise the funding sources;
- c. approve design development plans;
- d. approve the evaluation of alternative energy economic feasibility;
- e. appropriate funds and authorize expenditure of funds; and
- f. resolve in accordance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System that
 - parity debt shall be issued to pay the project's cost, including any costs prior to the issuance of such parity debt;
 - sufficient funds will be available to meet the financial obligations of the U. T. System, including sufficient Pledged Revenues as defined in the Master Resolution to satisfy the Annual Debt Service

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

- U. T. San Antonio, which is a "Member" as such term is used in the Master Resolution, possesses the financial capacity to satisfy its direct obligation as defined in the Master Resolution relating to the issuance by the U. T. Board of Regents of tax-exempt parity debt in the aggregate amount of \$39,000,000.

Debt Service

The \$39,000,000 in Revenue Financing System debt will be repaid from net revenues generated from an increased fee for health services. Total annual debt service on the project is estimated at \$2,833,308. Debt service coverage for health services is expected to be at least 1.21 times and average 1.41 times over the next five years of operation.

Previous Board Action

On August 12, 2004, the project was included in the CIP with a preliminary project cost of \$44,000,000 with funding from Revenue Financing System Bond Proceeds.

Project Description

The project will consist of 131,473 gross square feet of new construction to include indoor and outdoor pools, gymnasiums, a jogging track, new locker areas, student services, and support areas. The second element of the project will renovate approximately 30,986 gross square feet to create recreation areas, support spaces, health services, and parking areas. The decrease in the total project cost is due to removal of the Child Development Center, Phase II component.

This facility is needed to provide quality recreation and wellness opportunities essential to student services while keeping pace with enrollment growth including renovation to existing space and life safety upgrades.

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. 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. Board of Regents as part of the design development presentation.

7. U. T. San Antonio: Thermal Energy Plant No. 2 - Amendment of the FY 2004-2009 Capital Improvement Program and the FY 2004-2005 Capital Budget to increase the total project cost; appropriation of additional funds and authorization of expenditure; and resolution regarding parity debt

The Board approved the recommendations for the Thermal Energy Plant No. 2 project at The University of Texas at San Antonio as follows:

Project Number: 401-177

Architecturally or Historically Significant: Yes ☐ No ☒

Project Delivery Method: Competitive Sealed Proposals

Substantial Completion Date: April 2006

Total Project Cost:	<u>Source</u>	<u>Former</u>	<u>Current</u>
	Revenue Financing System Bond Proceeds	\$16,500,000	\$25,900,000

- a. amend the FY 2004-2009 Capital Improvement Program (CIP) and the FY 2004-2005 Capital Budget to increase the total project cost from \$16,500,000 to \$25,900,000 with additional funding of \$9,400,000 from Revenue Financing System Bond Proceeds;
- b. appropriate additional funds 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. Board of Regents relating to the Financing System; and
 - U. T. San Antonio, which is a "Member" as such term is used in the Master Resolution, possesses the financial capacity to satisfy its direct obligation as defined in the Master Resolution relating to the issuance by the U. T. Board of Regents of tax-exempt parity debt in the aggregate amount of \$9,400,000.

Debt Service

The additional \$9,400,000 debt service in Revenue Financing System debt will be repaid from parking fees generated by the project. Total annual debt service on the project is estimated at \$682,900. Debt service coverage for parking operations is expected to be at least 1.33 times and average 1.50 times over the first five years of operation.

Previous Board Actions

On August 7, 2003, the project was included in the CIP with a preliminary project cost of \$8,000,000 with funding from Designated Tuition. On November 5, 2004, the Board approved design development plans, a change in funding source, and increased the total project cost to \$16,500,000 with funding from Revenue Financing System Bond Proceeds.

Project Description

The scope of the project will be increased with the addition of a five-level, 530-space parking garage. The Thermal Energy Plant will support the University Center Expansion Phase III; Biotechnology, Sciences and Engineering Building, Phase II; and the Recreation and Wellness Facilities, Phase II.

8. U. T. San Antonio: University Center Expansion Phase III - Amendment of the FY 2004-2009 Capital Improvement Program and the FY 2004-2005 Capital Budget to decrease the 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 University Center Expansion Phase III project at The University of Texas at San Antonio as follows:

Project Number: 401-174

Architecturally or Historically Significant: Yes ☐ No ☒

Project Delivery Method: Competitive Sealed Proposals

Substantial Completion Date: November 2007

Total Project Cost:	<u>Source</u>	<u>Former</u>	<u>Current</u>
	Revenue Financing System Bond Proceeds	\$32,200,000	\$25,000,000
	Parking Fees		<u>\$ 200,000</u>
			\$25,200,000

- a. amend the FY 2004-2009 Capital Improvement Program (CIP) and the FY 2004-2005 Capital Budget to decrease the total project cost;
- b. approve design development plans;
- c. approve the 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. Board of Regents relating to the Financing System; and
 - U. T. San Antonio, which is a "Member" as such term is used in the Master Resolution, possesses the financial capacity to satisfy its direct obligation as defined in the Master Resolution relating to the issuance by the U. T. Board of Regents of tax-exempt parity debt in the aggregate amount of \$25,000,000.

Debt Service

The \$25,000,000 in Revenue Financing System debt will be repaid from net revenues generated by the project. Total annual debt service on the project is estimated at \$1,816,223. Upon completion, the project is expected to achieve debt service coverage of at least 1.35 times.

Previous Board Action

On August 7, 2003, the project was included in the CIP with a preliminary project cost of \$32,200,000 with funding from Revenue Financing System Bond Proceeds.

Project Description

The project will consist of facilities to include meeting rooms; food services and dining facilities; student advising and administrative offices; program and reception space for student organizations including a large function venue, student lounges, and study spaces; an art gallery; and storage/support

areas. The decrease in total project cost is due to the removal of the parking garage component that will be included with the Thermal Energy Plant No. 2 project (see Item 7 on Page 61).

This expansion is needed to provide essential student services while keeping pace with enrollment growth including renovation of existing space and life safety upgrades.

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. 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. Board of Regents as part of the design development presentation.

9. U. T. Southwestern Medical Center - Dallas: Biosafety Level Three Laboratory - Amendment of the FY 2004-2009 Capital Improvement Program and the FY 2004-2005 Capital Budget to increase the total project cost; approval to revise funding sources; approval of design development; approval of evaluation of alternative energy economic feasibility; appropriation of funds and authorization of expenditure; resolution regarding parity debt; and redesignation of project as the Clean Rodent Housing/Biosafety Level Three Laboratory

The Board approved the recommendations for the Biosafety Level Three 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>
	Grants	\$7,200,000	
	Unexpended Plant Funds	\$2,400,000	
	Revenue Financing System Bond Proceeds	-	\$25,000,000
		\$9,600,000	\$25,000,000

- a. amend the FY 2004-2009 Capital Improvement Program (CIP) and the FY 2004-2005 Capital Budget to increase the total project cost;
- b. revise the funding sources;

- c. approve design development plans;
- d. approve the evaluation of alternative energy economic feasibility;
- e. appropriate funds and authorize expenditure of funds;
- f. resolve in accordance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System that
 - parity debt shall be issued to pay the project's cost, including any costs prior to the issuance of such parity debt;
 - sufficient funds will be available to meet the financial obligations of the U. T. System, including sufficient Pledged Revenues as defined in the Master Resolution to satisfy the Annual Debt Service Requirements of the Financing System, and to meet all financial obligations of the U. T. 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. Board of Regents of tax-exempt parity debt in the aggregate amount of \$25,000,000; and
- g. redesignate the project as the Clean Rodent Housing/Biosafety Level Three Laboratory.

[Note: U. T. Southwestern Medical Center - Dallas requested the name of this project be changed to the Laboratory Research and Support Building. This redesignation will be included in the next amendment of the CIP.]

Debt Service

The \$25,000,000 debt service in Revenue Financing System debt will be repaid from indirect cost recovery revenues. Total annual debt service on the project is estimated at \$2,179,614. Debt service coverage on the project is expected to be at least 1.24 times and average 1.85 times over the first seven years of operation.

Previous Board Action

On August 7, 2001, the project was included in the 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.

Project Description

The facility is projected to be four stories containing 75,780 gross square feet. Two floors will initially be finished-out as barrier-free vivarium facilities to include areas for animal holding, procedures, cage-washing, autoclave, and associated material handling and storage. The remaining two floors will initially be shell space for future research and support. The building will require two loading docks, one for clean incoming material and one for dirty outgoing material.

This building is necessary to provide a facility to house and conduct research using pathogen-free rodents. The south campus has only a small area for pathogen-free animal holding and research. In addition, the autoclave equipment serving the area is at the end of its useful life and cannot support the pathogen-free area. Several studies were prepared to evaluate the feasibility of remodeling existing space. Those studies indicated that it was more costly and disruptive to remodel than to build a new building. After the new building is occupied, the existing pathogen-free area will be converted to nonpathogen-free space.

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. 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. Board of Regents as part of the design development presentation.

10. U. T. Health Science Center - Houston: Replacement Research Facility - Amendment of the FY 2004-2009 Capital Improvement Program and the FY 2004-2005 Capital Budget to increase the total project cost and appropriation of funds and authorization of expenditure

The Board approved the recommendations for the Replacement Research Facility project at The University of Texas Health Science Center at Houston as follows:

Project Number: 701-160

Architecturally or Historically Significant: Yes ☐ No ☒

Project Delivery Method: Competitive Sealed Proposals

Substantial Completion Date: August 2005

Total Project Cost:	<u>Source</u>	<u>Former</u>	<u>Current</u>
	Tuition Revenue Bond Proceeds	\$23,600,000	\$23,600,000
	Insurance Claims	\$16,600,000	\$16,600,000
	Gifts	\$ 9,330,000	\$34,330,000
	Grants	\$ 6,000,000	\$ 6,000,000
		<u>\$55,530,000</u>	<u>\$80,530,000</u>

- a. amend the FY 2004-2009 Capital Improvement Program (CIP) and the FY 2004-2005 Capital Budget to increase the total project cost; and
- b. appropriate additional funds and authorize expenditure of funds of \$25,000,000 from Gifts.

Previous Board Actions

- Medical School Building - Rooftop Vivarium and Exterior Elevator

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

- Basic Science Research Building (formerly Freeman Replacement Building)

On August 8, 2001, the project was included in the CIP with a preliminary project cost of \$80,000,000. On August 12, 2004, the projects were combined and redesignated as the Replacement Research Facility and the preliminary project cost and funding were revised to a preliminary project cost of \$55,530,000 with funding of \$23,600,000 from Tuition Revenue Bond Proceeds, \$9,330,000 from Gifts, \$16,600,000 from Insurance Claims, and \$6,000,000 from Grants.

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

Project Description

The project consists of a six-story, 208,000 gross square foot research and vivarium building with two completed vivarium floors, one completed research floor, and three shell floors.

The scope of the project will be increased to include the build-out of three shelled floors. Completion of the build-out at this time is important to avoid increased moving costs and to avoid disruption of the students, faculty, and research subjects by the noise and inconvenience of ongoing construction after occupancy of the building.

11. U. T. Health Science Center - San Antonio: Teaching/Learning Lab - Laredo - 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 Teaching/Learning Lab - Laredo project at The University of Texas Health Science Center at San Antonio as follows:

Project Number: 402-136

Architecturally or Historically Significant: Yes ☐ No ☒

Project Delivery Method: Construction Manager at Risk

Substantial Completion Date: September 2007

Total Project Cost:	<u>Source</u> Tuition Revenue Bond Proceeds	<u>Former</u> \$12,700,000
----------------------------	--	-------------------------------

- a. approve design development plans;
- b. approve the evaluation of alternative energy economic feasibility;
- c. appropriate funds and authorize expenditure of funds; and
- d. resolve in accordance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System that
 - parity debt shall be issued to pay the project's cost, including any costs prior to the issuance of such parity debt;
 - sufficient funds will be available to meet the financial obligations of the U. T. System, including sufficient Pledged Revenues as defined in the Master Resolution to satisfy the Annual Debt Service Requirements of the Financing System, and to meet all financial obligations of the U. T. Board of Regents relating to the Financing System; and
 - U. T. System institutions, which are "Members" as such term is used in the Master Resolution, possess the financial capacity to satisfy their direct obligation as defined in the Master Resolution relating to the issuance by the U. T. Board of Regents of tax-exempt parity debt in the aggregate amount of \$12,700,000.

Debt Service

Annual debt service on the \$12,700,000 of Tuition Revenue Bonds is projected to be \$1,107,244. While the annual debt service is payable from Pledged Revenues, it is expected that the debt service on Tuition Revenue Bonds will be reimbursed through General Revenue Appropriations.

Previous Board Action

On August 8, 2001, the project was included in the Capital Improvement Program (CIP) with a preliminary project cost of \$12,700,000 with funding from Tuition Revenue Bond Proceeds.

Project Description

The project will provide approximately 38,337 gross square feet dedicated to instruction and research. The primary activity areas include an instructional skills lab, clinic simulation, instruction classrooms, a library, office administration, and a shell area for future laboratory space. The project will also include renovation of approximately 1,240 square feet in the existing D. D. Hachar Building.

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. 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. Board of Regents as part of the design development presentation.

12. U. T. M. D. Anderson Cancer Center: Honorific naming of the animal facility in the Clinical Research Building as The John H. Jardine Center for Veterinary Medicine and Surgery

The Board approved the naming of the animal facility in the Clinical Research Building at The University of Texas M. D. Anderson Cancer Center as The John H. Jardine Center for Veterinary Medicine and Surgery.

The animal facility contains 54,857 square feet in the basement of the Clinical Research Building, which opened in 1999. The space includes five operating rooms, two specialized surgical laboratories, an intensive care unit, a micro-surgery suite for training reconstructive and plastic surgeons, diagnostic imaging equipment for Magnetic Resonance Imaging (MRI) and Computed Tomography (CT) scans, comprehensive pathology and laboratory medicine

suites, a cobalt radiotherapy unit, a clinic devoted to nonsurgical procedures, a tumor biology laboratory, specialized housing for large animals, and offices for veterinary faculty and staff.

The late John H. Jardine, D.V.M., became U. T. M. D. Anderson Cancer Center's first veterinarian when he joined the staff in 1962. For almost 30 years, he directed the veterinary medical and surgical services that were an increasingly important part of the institution's contributions to cancer research and patient care. When he retired in 1991 as head of the Division of Veterinary Medicine and Surgery, U. T. M. D. Anderson Cancer Center had the largest program supporting animal research at a comprehensive cancer center in the country.

* * * * *

RECONVENE.--At 11:08 a.m., the Board reconvened as a committee of the whole.

SCHEDULED MEETINGS.--The next scheduled meeting will be held on July 8, 2005, in Austin.

ADJOURNMENT.--There being no further business, the meeting was adjourned at 11:10 a.m.

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

July 6, 2005

**THE UNIVERSITY OF TEXAS SYSTEM ADMINISTRATION
DOCKET NO. 122**

April 5, 2005

TO MEMBERS OF THE FINANCE AND PLANNING COMMITTEE:

Woody L. Hunt, Chairman
John W. Barnhill, Jr.
H. Scott Caven, Jr.
Cyndi Taylor Krier
Robert B. Rowling

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 approval as appropriate at the meeting of the U. T. Board of Regents on May 12, 2005. The Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Business Affairs, the Executive Vice Chancellor for Health Affairs, and the Vice Chancellor and General Counsel, and I concur in these recommendations.

<u>Institutions</u>	<u>Pages</u>
The University of Texas System Administration	Docket 1 - 5
The University of Texas at Arlington	Docket 6 - 11
The University of Texas at Austin	Docket 12 - 17
The University of Texas at Brownsville	Docket 18 - 24
The University of Texas at Dallas	Docket 25 - 27
The University of Texas at El Paso	Docket 28 - 30
The University of Texas - Pan American	Docket 31 - 33
The University of Texas of the Permian Basin	Docket 34
The University of Texas at San Antonio	Docket 35 - 39
The University of Texas at Tyler	Docket 40 - 41
The University of Texas Southwestern Medical Center at Dallas	Docket 42 - 47
The University of Texas Medical Branch at Galveston	Docket 48 - 54
The University of Texas Health Science Center at Houston	Docket 55 - 58
The University of Texas Health Science Center at San Antonio	Docket 59 - 60
The University of Texas M. D. Anderson Cancer Center	Docket 61 - 64


Mark G. Yudof
Chancellor

xc: Other Members of
the Board

Prepared by:
U. T. System Administration

Docket - i

May 12, 2005

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U. T. SYSTEM ADMINISTRATION

CONTRACTS

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

GENERAL CONTRACTS

FUNDS COMING IN

1. Agency: Domaine Cordier U.S.A., Inc.
Funds: \$2,500,000
Period: June 1, 2005 through December 31, 2012
Description: Amendment to a prior approved surface lease No. 6762 covering approximately 1,110 acres of land located in Pecos County, Texas. The amendment modifies the base minimum payment and royalty structure and also provides for an investment by Domanie Cordier U.S.A., Inc. in the Pecos County Vineyard to support new plantings and grafting.

FUNDS GOING OUT

2. Agency: Teachscape, Inc.
Funds: \$1,095,000
Period: June 7, 2004 through July 31, 2005
Description: For Project CORE (Comprehensive Online Resources for Educators), an online professional development resource funded through the Texas Education Agency, Teachscape, Inc. will build online courses and learning materials, develop and implement a pilot program, provide the technology platform to host the project, as well as technical and content support.

AMENDMENTS TO THE 2004-05 BUDGET

TRANSFERS OF FUNDS

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. Board of Regents:

<u>Description</u>	<u>\$ Amount</u>	<u>RBC #</u>
PERMANENT UNIVERSITY FUND (PUF) BONDS LIBRARY, EQUIPMENT, REPAIR AND REHABILITATION (LERR)		
1. Amount of Transfer:	500,000	458

From: U. T. Austin - Library Storage Facility

To: U. T. Arlington - Library Storage Facility

U. T. Austin currently has Board approval to construct a \$4.8 million Library Storage Facility funded from various funding sources including \$500,000 of PUF Bonds. At the time this project was approved the facility was to serve both U. T. Austin and U. T. Arlington. The project has been indefinitely delayed and U. T. Arlington is now facing a critical need for such a facility, as identified in recommendations included in the last accreditation review by the Southern Association of Colleges and Schools. As a result, U. T. Austin has agreed to the transfer of \$500,000 of PUF Bond funds to U. T. Arlington to construct a Library Storage Facility.

The \$500,000 will be used to fund a project to construct a library storage facility on the U. T. Arlington campus. Total cost of this project is below the threshold for a Capital Improvement Program project, and the project will be tracked as a LERR project.

OTHER FISCAL ITEMS

EMPLOYMENT AGREEMENTS

The following agreements have been awarded and approved by the Chancellor, and are recommended for approval by the U. T. Board of Regents:

1. Item: Vice Chancellor for Research and Technology Transfer

 Funds: \$250,000 annually

 Period: Beginning April 1, 2005

 Description: Agreement for employment of Vice Chancellor for Research and Technology Transfer, Robert E. Barnhill. Dr. Barnhill will report to and is responsible to the Chancellor and shall hold office without fixed term, subject to the pleasure of the Chancellor. Compensation also includes \$8,400 annual automobile allowance to be paid monthly. System Administration will reimburse reasonable moving expenses from Lawrence, Kansas, to Austin, Texas, in addition to some club and professional memberships, continuing education allowances, and reasonable business-related expenditures. The Chancellor has proposed a tenure-track appointment, without salary, in the Department of Mathematics at U. T. Austin.
2. Item: Vice Chancellor and General Counsel

 Funds: \$245,000 annually

 Period: Beginning February 14, 2005

 Description: Agreement for employment of Vice Chancellor and General Counsel, Barry D. Burgdorf. Vice Chancellor Burgdorf will report to and is responsible to the Chancellor and shall hold office without fixed term, subject to the pleasure of the Chancellor. Compensation also includes \$8,400 annual automobile allowance to be paid monthly. System Administration will reimburse some club and professional memberships, continuing education allowances, and reasonable business-related expenditures.

OTHER MATTERS

APPROVAL OF NEWLY COMMISSIONED U. T. SYSTEM PEACE OFFICERS

In accordance with Section 51.203 of the *Texas Education Code*, the U. T. Board of Regents is requested to approve the commissioning of the individuals listed below as peace officers effective December 17, 2004. The following officers have completed a course of training that included mandated Texas Commission on Law Enforcement Officer Standards and Education courses at The University of Texas System Police Training Academy and have successfully passed the State of Texas Peace Officer Licensing Examination.

<u>Name</u>	<u>Institution</u>
Shawn Dee Carr	U. T. Medical Branch - Galveston
Casey J. Davis	U. T. Health Science Center - Houston
Jonah Lewis Davis	U. T. Health Center - Tyler
Tiffani M. Deauvearo	U. T. Health Science Center - Houston
Lucio De La Garza	U. T. Brownsville
Jonathan Forrest King	U. T. Arlington
Joshua N. McMahan	U. T. Permian Basin
Manuel J. Renteria, Jr.	U. T. Permian Basin
Michael Brandon Reynolds	U. T. Health Center - Tyler
Robert B. Rigney	U. T. San Antonio
Larry D. Robertson	U. T. Austin
Michael Wayne Seale	U. T. Health Center - Tyler
Jessenia Skelton	U. T. San Antonio
Matthew W. Stacy	U. T. San Antonio
Tracy Don Staggs	U. T. Austin
David J. Vitrella	U. T. Health Science Center - Houston
Gavriel C. Wisneski	U. T. Health Science Center - Houston
Virginia Yu	U. T. Austin

REAL ESTATE REPORT

THE UNIVERSITY OF TEXAS SYSTEM REAL ESTATE ASSETS

Managed by U. T. System Real Estate Office

Summary Report at February 28, 2005

FUND TYPE											
Current Purpose Restricted				Endowment & Similar Funds		Annuity & Life Income Funds		TOTAL			
Book		Market		Book		Market		Book		Market	
Land & Buildings:											
Ending Value 11/30/04											
\$	4,105,635	\$	22,303,330	\$	107,368,602	\$	203,593,867	\$	673,644	\$	598,515
Increase or Decrease											
11,680		22,180		351,701		374,162		464,565		464,565	
Ending Value 2/28/05											
\$	4,117,315	\$	22,325,510	\$	107,720,303	\$	203,968,029	\$	1,138,209	\$	1,063,080
Other Real Estate:											
Ending Value 11/30/04											
\$	130,305	\$	130,305	\$	320,894	\$	320,894	\$	-	\$	-
Increase or Decrease											
(7,563)		(7,563)		(7,852)		(7,852)		-		-	
Ending Value 2/28/05											
\$	122,742	\$	122,742	\$	313,042	\$	313,042	\$	-	\$	-

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

Details of individual assets by account furnished on request.

U. T. ARLINGTON

CHANGES TO ADMISSION CRITERIA

The following listing summarizes the changes proposed to admission criteria to be included in the Graduate Catalog of The University of Texas at Arlington. The changes have been administratively approved by the Executive Vice Chancellor for Academic Affairs and are recommended for approval by the U. T. Board of Regents:

Proposed Revisions to the U. T. Arlington Graduate Catalog

In fall 2005, the Educational Testing Service will begin to phase out the current paper-based and computer-based Test of English as a Foreign Language (TOEFL) and Test of Spoken English (TSE) replacing them with the internet-based TOEFL (TOEFL iBT) comprised of four independently scored and scaled subtests. The TOEFL iBT will first launch in the United States on September 22, 2005, followed by Canada, France, Italy, and Germany on October 22, 2005. The rest of the world will follow in stages throughout 2006. Elimination of the old examinations and changes in the manner in which the new examination will be scored, obliges U. T. Arlington to revise admission and graduate assistant English proficiency requirements to reflect these changes. U. T. Arlington will accept official scores from students who have taken the current TOEFL and TSE examinations and use them in admissions and assistantship screening processes until Educational Testing Service ceases to report them, sometime in 2008. Minimum standards for acceptable performance on these examinations will remain unchanged. However, in fall 2005 and thereafter, U. T. Arlington will accept the TOEFL iBT for admissions and assistantship screening as an alternative to the current TOEFL and TSE tests. New minimum standards for performance on each subtest and total score of the TOEFL iBT are proposed below.

The new criteria were developed after careful analysis of the TOEFL iBT and consultation with knowledgeable members of the U. T. Arlington faculty. Every effort was made to set the new criteria for demonstrating acceptable levels of English language for admission and assistantships at a level commensurate with those established for use with the older version of the TOEFL and TSE. U. T. Arlington will monitor the effects of these new criteria and propose modifications if needed.

Many programs have adopted the minimum standards specified by the Graduate School in their admission and assistantship processes. These departments will modify their Catalog information to reflect the changes specified below if they are approved. Some programs, however, may wish to set higher minimum standards. If so, these proposals will be submitted to and reviewed by the Dean of Graduate Studies before being placed on the Docket for final review and approval.

CHANGES TO ADMISSION CRITERIA (CONTINUED)

Minimum TOEFL, TSE and TOEFL iBT Scores Required for Admission

Minimum scores required for admission on the older version of the TOEFL (550 on the paper-based or 213 on the computer-based version) and TSE (40) will remain in effect. However, U. T. Arlington will accept TOEFL iBT scores as an alternative measure of English proficiency as the Educational Testing Service replaces the older tests with the TOEFL iBT. Students taking the new TOEFL iBT must attain a minimum total test score of 79 and meet or exceed the following scores on each of the sections of the test to be considered for admission at U. T. Arlington:

Writing:	22	Reading:	20
Speaking:	21	Listening:	16

AMENDMENTS TO THE 2004-05 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. Board of Regents:

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
COLLEGE OF ENGINEERING					
Electrical Engineering					
1. Zeynep Celik-Butler (T)					584
From: Professor and		100	09	117,515	
Interim Director of		SUPLT	12	10,000	
Nanofab Research Center					
To: Professor and	1/1-5/31	100	09	120,000	
Director of Nanofab	1/1-8/31	SUPLT	12	10,000	
Research Center					
Mechanical and Aerospace Engineering					
2. Seung M. You (T)					585
From: Professor and		100	09	80,199	
Research Supplement		SUPLT	09	10,000	
To: Professor and	2/1-5/31	100	09	80,199	
Associate Chair	2/1-5/31	SUPLT	09	3,600	
Research Supplement	2/1-5/31	SUPLT	09	10,000	
COLLEGE OF SCIENCE					
Office of the Dean of Science					
3. Paul B. Paulus (T)					529
From: Interim Dean		100	12	140,000	
Psychology Professor		WOS	09	92,307	
To: Dean	11/22-8/31	100	12	150,000	
Psychology Professor	11/22-5/31	WOS	09	92,307	

AMENDMENTS TO THE 2004-05 BUDGET (CONTINUED)

TRANSFERS OF FUNDS

<u>Description</u>	<u>\$ Amount</u>	<u>RBC #</u>
VICE PRESIDENT FINANCE AND ADMINISTRATION		
4. Amount of Transfer:	600,000	523

From: VPFA – Designated Tuition Debt Fee Income

To: VPAC – Data Processing Security (DPS) Building Fort Worth Operating
Income

To cover the costs for moving the U. T. Arlington Office of Information Technology (OIT) operations to the DPS Building at 200 E. Loop 820, Ft. Worth, Texas. Costs include rent, furnishings and equipment, fire and life safety, engineering fees, and OIT/Telecom and other miscellaneous expenses for the balance of fiscal year 2005.

PARKING AND TRAFFIC REGULATIONS

The following listing summarizes the substantive changes proposed to Parking and Traffic Regulations of U. T. Arlington. They have been approved by the Executive Vice Chancellor for Academic Affairs and the Office of General Counsel and are incorporated in model regulations approved by the U. T. Board of Regents. These regulations supersede all prior Parking and Traffic Regulations and continue in effect until modified.

<u>Page Number(s)</u>	<u>Summary of Proposed Substantive Change</u>
21	Section VI. K.5. Residents of University apartments may receive no more than two (2) permits to park.
23-24	Section VI. N.1. Residence halls and apartment residents are restricted from parking in other resident and apartments lots where they do not reside.
25-26	Section VII. Delete "Driving" and add "Moving" Offenses in title. Add statements regarding University citations for moving violations. Delete "Defective muffler" and "illegal turns."
26-27	Section VII. Add statements regarding Miscellaneous Violations including Fire Alarms and Loud or Excessive Noise Violations.
34	Section VIII. J.1.b. Delete "or for displaying a forged or altered permit."
35	Section VIII. J.1.g. Add statement "or for any moving violations" for any vehicle's involvement contributing to an accident on a University campus.
35	Section VIII. J.1.h. Add statement "or for a forged or altered permit" for any vehicle violation of displaying a permit that has been filed as lost or stolen.

FEES AND MISCELLANEOUS CHARGES

OTHER FEES AND CHARGES

The following new charge recommended for approval by the U. T. Board of Regents and inclusions in institutional catalogs has been approved by the Executive Vice Chancellor for Academic Affairs. The recommended charge is consistent with applicable statutory requirements under Section 54.504 and Section 55.16 of the *Texas Education Code*.

<u>Name/Description</u>	<u>\$ Amount of Fee</u>
GRADUATE PROGRAM ENHANCEMENT FEE* To defray costs of support and professional development for all graduate students.	6 per credit hour

* This fee replaces the fee of \$13 per credit hour previously assessed to nonresident graduate students.

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. Board of Regents:

1. Donor Name: Mr. William Broyles, Jr.
College/School/ Department: Harry Ransom Humanities Research Center
Purpose: enhancement of collections
Asset Type: Collection of Russian photographs from the 1930s, 1940s, and 1950s
Value: \$1,048,900
2. Donor Name: Houston Endowment Inc.
College/School/ Department: College of Fine Arts, Jack S. Blanton Museum of Art
Purpose: building construction, Blanton Museum Phase II
Asset Type: Cash
Value: \$3,000,000
3. Donor Name: Nortel Networks
College/School/ Department: College of Engineering, Department of Electrical and Computer Engineering
Purpose: Support for undergraduate and research activities
Asset Type: Optical Networking equipment and supporting test equipment
Value: \$4,402,478
4. Donor Name: Sun Microsystems, Inc.
College/School/ Department: Texas Advanced Computing Center
Purpose: Academic Excellence Grant for the Sun Terascale Visualization System Project - to enhance scientific visualization technology
Asset Type: Equipment
Value: \$3,784,359

CONTRACTS

The following contracts or agreements 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. Board of Regents:

GENERAL CONTRACTS

FUNDS COMING IN

1. Agency: Compass Group, USA, Inc.
Funds: Greater of \$200,000 guaranteed annually or royalty payments of 15% or 31% depending on type of snack and one-time bonus of \$15,000
Period: January 1, 2005 through December 31, 2006
Description: OGC Standard Vending Machine Contract Company to provide vending machines to various locations at U. T. Austin providing snacks and beverages to the campus community.
2. Agency: Lone Star Ice Cream, Inc.
Funds: 25% commission on sales and \$10,000 one-time bonus
Period: January 1, 2005 through December 31, 2006
Description: OGC Standard Vending Machine Contract Company to provide vending machines to various locations at U. T. Austin providing ice cream snacks to the campus community.
3. Agency: Pisces Foods, LP, d/b/a Wendy's
Funds: \$1,000,000
Period: June 1, 2005 through May 31, 2018
Description: Amendment to a Food Service Agreement entered into June 1, 2003; amendment will extend the term an additional ten years and will add a second location at U. T. Austin and revise financial terms.

GENERAL CONTRACTS (CONTINUED)

FUNDS GOING OUT

4. Agency: Norman Mailer, individual
Funds: \$2,500,000
Period: April 21, 2005, pending Board of Regents' approval
Description: U. T. Austin agrees to purchase the existing Norman Mailer Archive that consists of his works, correspondence and related materials and any similar materials that Mr. Mailer shall create subsequent to the delivery of the existing Archive to U. T. Austin. Source of funding for the Mailer Archives will be one-half gift funds raised specifically to acquire the Archives and one-half institutional funds dedicated to strengthening the research capacity of U. T. Austin.
5. Agency: WiTel Communications, LLC
Funds: Should not exceed \$3,258,500
Period: March 1, 2005 through February 28, 2025
Description: Under a Dark Fiber Indefeasible Right To Use (IRU) Agreement, U. T. Austin will acquire from WiTel an exclusive IRU for certain optical fibers in WiTel's fiber optic communication system. Under a Collocation and Maintenance Agreement, U. T. Austin will acquire from WiTel certain collocation rights and maintenance services in connection with U. T. Austin's use of the optical fibers.

AMENDMENTS TO THE 2004-05 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. 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					
Journalism					
1. Stephen D. Reese (T)					598
From: Professor		100	09	92,000	
To: Jesse H. Jones Professorship					
In Journalism and					
Professor	1/16-5/31	100	09	92,000	
Professorship Supplement	1/16-5/31	SUPLT	09	5,000	
COLLEGE OF NATURAL SCIENCES					
Chemistry and Biochemistry					
2. Richard J. Lagow (T)					551
From: Louis N. Vaquelin Regents Professorship					
In Organic Chemistry and					
Professor		100	09	84,614	
Professorship Supplement		SUPLT	09	9,580	
To: Louis N. Vaquelin Regents					
Professor Emeritus in					
Inorganic Chemistry	1/16-5/31				
Physics and Chemical Engineering					
Institute for Computational Engineering and Sciences (ICES)					
Chair in Computational Mathematics and Professor					
3. James R. Chelikowsky (T)					
Physics	1/16-5/31	44	09	180,000	504
Chemical Engineering	1/16-5/31	44	09	180,000	
ICES Chair	1/16-8/31	12	09	180,000	

AMENDMENTS TO THE 2004-05 BUDGET (CONTINUED)

TRANSFERS OF FUNDS

<u>Description</u>	<u>\$ Amount</u>	<u>RBC #</u>
SERVICE DEPARTMENTS FUNDS		
Information Technology Services		
4. Amount of Transfer:	500,000	625

From: ITS Telecommunications and Networking
UTX Telephone System –
Operating Income

To: ITS Telecommunications and Networking
UTX Telephone System –
Maintenance, Operation, and Equipment

Transfer income received from telecommunication charges to expenditure account for immediate use. Expenditures include payment of monthly telephone services and equipment purchases.

PLANT FUNDS

Physical Plant – Kinsolving Dormitory		
5. Amount of Transfer:	622,000	555

From: Auxiliary Enterprise Funds
Housing and Food Services –
Division Office Other Expenses

To: Kinsolving Dormitory –
Renovate 1st Floor Dining Area
All Expenses Account

Funding for renovation of the first floor dining service area in Kinsolving Dormitory.

AMENDMENTS TO THE 2004-05 BUDGET (CONTINUED)

TRANSFERS OF FUNDS (CONTINUED)

<u>Description</u>	<u>\$ Amount</u>	<u>RBC #</u>
PLANT FUNDS (Continued)		
Utilities - Kinsolving		
6. Amount of Transfer:	600,000	607
From: Housing and Food Services General Repair And Replacement Reserve Account		
To: Kinsolving Dormitory – Electrical Distribution Gear All Expenses Account		
Funding for electrical distribution gear upgrade in Kinsolving Dormitory.		
Physical Plant – Disch Falk Field		
7. Amount of Transfer:	560,000	570
From: Intercollegiate Athletics for Men Other Expenses Account		
To: Disch Falk Field – Replace Scoreboard All Expenses Account		
Funding for replacement of the scoreboard at Disch Falk Field.		

U. T. BROWNSVILLE

CONTRACTS

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

GENERAL CONTRACTS

FUNDS COMING IN

1. Agency: Valley Coca-Cola Bottling Company
Funds: \$750,000 and Royalties
Period: November 1, 2004 through October 31, 2014
Description: Valley Coca-Cola Bottling Company agrees to furnish and service all beverage vending machines on the campus.

FUNDS GOING OUT

2. Agency: Marcis and Associates, Corp.
Funds: \$2,373,595
Period: November 1, 2004 through August 31, 2007
Description: Marcis and Associates agrees to furnish all labor (including both day and night personnel), materials, tools, supplies, and equipment required to provide custodial services for all buildings of Texas Southmost College and U. T. Brownsville. The vendor was selected from twelve respondents following a competitive bid process. Approval is subject to Marcis and Associates providing a performance bond meeting the requirements of the Office of General Counsel.

AMENDMENTS TO THE 2004-05 BUDGET

APPOINTMENTS AND PROMOTIONS

The following Requests for Budget Change (RBC) have been administratively approved as required by the Executive Vice Chancellor for Academic Affairs and are recommended for approval by the U. T. 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						
Engineering Technology						
1.	José Amieva (T)					383
From:	Assistant Master Technical Instructor		100	09	49,974	
To:	Assistant Master Technical Instructor	9/1-5/31	100	09	49,974	
	and Laboratory Coordinator	9/1-8/31	SUPLT	12	10,000	
Physics and Astronomy						
2.	Natalia Guevara (T)					409
From:	Associate Professor		100	09	52,031	
To:	Associate Professor	9/1-5/31	100	09	52,698	
	and Department Chair	9/1-5/31	SUPLT	09	6,667	
Professor						
3.	Richard Price (T)	9/1-5/31	100	09	91,500	403
SCHOOL OF BUSINESS						
Accounting						
4.	Carol B. Collinsworth (T)					384
From:	Assistant Professor		100	09	85,000	
To:	Assistant Professor	9/1-5/31	100	09	64,973	
	and Department Chair	9/1-5/31	SUPLT	09	6,667	

AMENDMENTS TO THE 2004-05 BUDGET (CONTINUED)

APPOINTMENTS AND PROMOTIONS (CONTINUED)

<u>Description</u>		<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
				<u>No. Mos.</u>	<u>Rate \$</u>	
SCHOOL OF BUSINESS (Continued)						
Accounting (Continued)						
5.	R.B. Vinson (T)					405
From:	Associate Professor and Department Chair		100 SUPLT	09 09	65,783 6,667	
To:	Associate Professor	9/1-5/31	100	09	65,783	
6.	Kamal Said (T)					399
From:	Assistant Professor		100	09	78,000	
To:	Visiting Professor	9/1-5/31	100	09	78,780	
Business Administration						
7.	Rafael Otero (T)					393
From:	Assistant Professor		100	09	67,180	
To:	Associate Professor and Department Chair	9/1-5/31 9/1-5/31	100 SUPLT	09 09	67,180 8,000	
8.	Rafael Otero (T)					539
From:	Associate Professor and Department Chair		100 SUPLT	09 09	67,180 8,000	
To:	Associate Professor Department Chair and Co-Interim Dean	9/1-5/31 9/1-5/31 1/1-8/31	100 SUPLT SUPLT	09 09 12	67,180 8,000 8,000	
9.	James Storbeck (T)					395
From:	Associate Professor		100	09	77,165	
To:	Professor	9/1-5/31	100	09	77,165	

AMENDMENTS TO THE 2004-05 BUDGET (CONTINUED)

APPOINTMENTS AND PROMOTIONS (CONTINUED)

<u>Description</u>		<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
				<u>No. Mos.</u>	<u>Rate \$</u>	
SCHOOL OF BUSINESS (Continued)						
Business Technology						
10.	Mary Sullivan (T)					540
From:	Associate Professor		100	09	65,509	
	and Department Chair		SUPLT	09	8,000	
To:	Associate Professor	9/1-5/31	100	09	65,509	
	Department Chair and	9/1-5/31	SUPLT	09	8,000	
	Co-interim Dean	1/1-8/31	SUPLT	12	8,000	
COLLEGE OF LIBERAL ARTS						
English and Speech						
11.	William Harris (T)					407
From:	Master Technical Instructor		100	09	55,189	
To:	Master Technical Instructor	9/1-5/31	100	09	55,189	
	and Department Chair	9/1-5/31	SUPLT	09	12,000	
Modern Languages						
12.	Thomas Welther (T)					396
From:	Assistant Professor		100	09	40,582	
To:	Assistant Master					
	Technical Instructor	9/1-5/31	100	09	47,661	
Social Sciences						
13.	John S. Robey (T)					534
From:	Professor		100	09	62,278	
	and Department Chair		SUPLT	09	6,667	
To:	Professor	1/1-5/31	100	09	62,278	

AMENDMENTS TO THE 2004-05 BUDGET (CONTINUED)

APPOINTMENTS AND PROMOTIONS (CONTINUED)

<u>Description</u>		<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
				<u>No. Mos.</u>	<u>Rate \$</u>	
COLLEGE OF LIBERAL ARTS (continued)						
Social Sciences (Continued)						
14.	Charles C. Chapman (T)					536
From:	Associate Professor		100	09	47,865	
To:	Associate Professor	1/1-5/31	100	09	47,865	
	and Department Chair	1/1-5/31	SUPLT	09	6,667	
SCHOOL OF HEALTH SCIENCES						
Allied Health						
15.	Shamina Davis (T)					400
From:	Master Technical Instructor		100	09	69,396	
	and Program Director		SUPLT	09	800	
To:	Master Technical Instructor	9/1-5/31	100	09	69,396	
Nursing						
16.	Karen Fuss-Sommer (T)					386
From:	Associate Master Technical Instructor		100	09	54,304	
To:	Associate Master Technical Instructor, Program Director, and Special Assignment for the Dean	9/1-5/31 9/1-8/31	100 SUPLT	12 12	54,304 5,163	
SCHOOL OF EDUCATION						
School of Specialties						
17.	Maria Olivia Rivas (T)					394
From:	Associate Professor		100	09	76,483	
To:	Professor	9/1-5/31	100	09	76,483	
	and Department Chair	9/1-5/31	SUPLT	09	8,000	

AMENDMENTS TO THE 2004-05 BUDGET (CONTINUED)

APPOINTMENTS AND PROMOTIONS (CONTINUED)

<u>Description</u>		<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
				<u>No. Mos.</u>	<u>Rate \$</u>	
SCHOOL OF EDUCATION (Continued)						
Curriculum and Instruction						
18.	Reynaldo Ramirez (T)					410
From:	Associate Professor		100	09	53,911	
To:	Associate Professor and Department Chair	9/1-5/31 9/1-5/31	100 SUPLT	09 09	53,911 8,000	
Pre-K 16						
19.	Margarita Mancillas (T)					408
From:	Assistant Vice President		100	12	85,170	
To:	Faculty Associate for Resources Development and Research	9/1-8/31	100	12	70,000	
Center for Civic Engagement						
20.	Joseph Zavaletta (T)					402
From:	Associate Professor and Director		100	09	65,409	
To:	Associate Professor and Director	9/1-8/31	100	12	87,720	
ACADEMIC AFFAIRS						
21.	José G. Martín (T)					537
From:	Vice President and Provost		100	12	136,188	
To:	Provost	1/10-8/31	100	12	140,000	

AMENDMENTS TO THE 2004-05 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>	
ACADEMIC AFFAIRS (Continued)					
22. Ruth Ann Ragland (T)					568
From: Associate Vice President		100	12	97,381	
Professor		WOS	09	69,132	
To: Vice President	1/13-8/31	100	12	125,000	
Professor	1/13-8/31	WOS	09	69,132	

U. T. DALLAS

CONTRACTS

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

GENERAL CONTRACTS

FUNDS GOING OUT

1. Agency: Trinity Railway Express (TRE)
Funds: \$6,300 annually
Period: December 1, 2004 and continue thereafter until terminated by either party (minimum 30 day notice)
Description: TRE grants a license to U. T. Dallas to construct, install, and maintain a fenced, graveled, vehicular parking area of approximately 14,000 square feet located on the TRE right of way.

2. Agency: SunGard SCT Inc. acting by and through Texas A&M University – Corpus Christi
Funds: \$2,428,882
Period: December 3, 2004 – Implementation Completion
Description: Amendment to June 28, 2002 Interagency Cooperation Contract to include a software license grant, additional annual maintenance fee, and information services for component systems to be licensed.

OTHER FISCAL ITEMS

EMPLOYMENT AGREEMENTS

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

1. Item: President

Funds: \$390,000 annually

Period: Beginning June 1, 2005

Description: Agreement for employment of David E. Daniel as President of The University of Texas at Dallas. The President reports to the Chancellor and the Executive Vice Chancellor for Academic Affairs and shall hold office without fixed term subject to the pleasure of the Chancellor. President Daniel will receive \$42,600 as a salary supplement in lieu of a housing allowance pursuant to approved policy. All reasonable moving expenses from Urbana-Champaign, Illinois, to Dallas, Texas, will be reimbursed. Real estate commissions not to exceed \$25,000 on the sale of the home in Illinois is to be reimbursed. Medical insurance premiums will be paid for the first 90 days of employment. President Daniel is also appointed as the Eugene McDermott Distinguished Chair of University Leadership and a Professor, with tenure, in the Erik Jonsson School of Engineering and Computer Sciences, with an initial academic rate of \$140,000 per year. During his presidency, Dr. Daniel will not be paid a salary as Professor.

OTHER MATTERS

APPROVAL OF DUAL POSITIONS OF HONOR, TRUST, OR PROFIT

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

1. Name: Dr. David E. Daniel
 Title: President, Eugene McDermott Distinguished Chair of
 University Leadership, and Professor
 Position: Appointment to Board of Nuclear and Radiation Studies
 Period: April 1, 2005 through December 31, 2006
 Compensation: None
 Description: The purpose of the Board of Nuclear and Radiation
 Studies (NRS) is to help ensure that the public, workers, and
 environment are protected through the appropriate
 management of all types of radioactive waste, including mixed
 waste. The prime concern of the NRS is that waste
 management regulations, plans, and practices be based on
 sound scientific, technological, and procedural foundations.
 The NRS will consider policy issues, as appropriate, including
 the public policy, sociological, and ethical aspects of
 radioactive waste management. To accomplish this purpose,
 the NRS reviews plans and programs, evaluates progress,
 conducts studies, recommends programs and actions,
 provides assessments, and furnishes advice and counsel.

U. T. EL PASO

AMENDMENTS TO THE 2004-05 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. 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 HEALTH SCIENCES					
Health Promotions					
1. Leslie O. Schulz (T)					580
From: College of Health Sciences - Office of the Dean - Dean Department of Health Promotions - Professor		100 WOS	12 09	143,000 102,062	
To: College of Health Sciences - Office of the Dean - Dean Department of Health Promotions - Professor Charles H. and Shirley T. Leavell Endowed Chair in Nursing and Health Sciences - Professor	12/1-8/31 12/1-5/31 12/1-5/31	100 WOS SUPLT	12 09 09	143,000 102,062 4,500	
VICE PRESIDENT FOR ACADEMIC AFFAIRS					
Provost and Professor, Geological Sciences					
2. Richard S. Jarvis (T)		100 WOS	12 09	200,000 80,000	579

AMENDMENTS TO THE 2004-05 BUDGET (CONTINUED)

TRANSFERS OF FUNDS

<u>Description</u>	<u>\$ Amount</u>	<u>RBC #</u>
UNIVERSITY RESEARCH FUND		
3. Amount of Transfer:	2,688,306	454
From: University Research Fund		
To: Graduate Program Development and Enhancement	1,000,000	
Doctoral Student Support	250,000	
Research Support	1,125,000	
Fringe Benefits	313,306	

Funds will be used to support salaries and fringe benefits for doctoral and graduate student research positions. Funds will also be used for the acquisition of new equipment and maintenance contracts for existing equipment utilized by various research centers on campus.

OTHER MATTERS

APPROVAL OF DUAL POSITIONS OF HONOR, TRUST, OR PROFIT

The following item has been approved by the Executive Vice Chancellor for Academic Affairs in accordance with the Regents' *Rules and Regulations*, Series 30103 and is submitted for approval by the U. T. 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. Dailey with The University of El Paso. By approval of this item, the Board is also asked to find that holding this position is of benefit to the State of Texas and The University of Texas and there is no conflict between the position and the University appointment.

1. Name: Dr. Maceo Crenshaw Dailey, Jr.
 Title: Associate Professor, History Department and Director,
 African American Studies
 Position: Reappointment to the Texas Council for the Humanities
 Period: February 11, 2005 through December 31, 2006
 Compensation: None
 Description: In February 2005 Governor Rick Perry reappointed Dr. Dailey
 to the Texas Council for the Humanities. The Texas Council
 for the Humanities reviews funding proposals to the National
 Endowment for the Humanities for projects which are related
 to exploring the history and many diverse cultures of Texas.

U. T. PAN AMERICAN

AMENDMENTS TO THE 2004-2005 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. Board of Regents:

Description	Effective Date	% Time	Full-time Salary		RBC #
			No. Mos.	Rate \$	
COLLEGE OF EDUCATION					
Educational Leadership					
1.	Velma Dora Mechaca Ochoa (T)				509
From:	Professor	100	09	76,874	
	Chair of Department	SUPLT	09	2,000	
To:	Interim Dean	1/24-8/31 100	12	105,000	
	Professor	9/1-5/31 WOS	09	76,874	
COLLEGE OF SOCIAL & BEHAVIORAL SCIENCES					
Sociology					
2.	Elena Maria Bastida (T)				510
From:	Professor	100	09	88,000	
To:	Professor	9/1-5-31 100	09	88,000	
	Director for the Center on Aging and Health	6/1-8/31 SUPLT	03	7,333	
COLLEGE OF HEALTH SCIENCES AND HUMAN SERVICES					
Rehabilitation Services					
3.	Bruce Jay Reed (T)				511
From:	Professor	100	09	62,727	
	Department Coordinator	SUPLT	09	2,000	
To:	Interim Dean	1/1-8/31 100	12	110,000	
	Professor	9/1-5/31 WOS	09	62,727	

AMENDMENTS TO THE 2004-05 BUDGET (CONTINUED)

APPOINTMENTS AND PROMOTIONS (CONTINUED)

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>No. Mos.</u>	<u>Full-time Salary</u>		<u>RBC #</u>
				<u>Rate \$</u>		
COLLEGE OF HEALTH SCIENCES AND HUMAN SERVICES (Continued)						
Cooperative Pharmacy						
4. Patricia Ludi Canales (T)						573
From: Assistant Professor		100	09	57,414		
		SUPLT	03	19,138		
To: Interim Assistant Dean	1/1-8/31	100	12	90,000		
Assistant Professor	9/1-5/31	WOS	09	57,414		
COLLEGE OF ARTS AND HUMANITIES						
Music						
5. Wallace Edward Tucker (T)						571
From: Professor		100	09	64,946		
Assistant Dean		SUPLT	12	7,500		
To: Interim Dean	1/24-8/31	100	12	105,000		
Professor	9/1-5/31	WOS	09	64,946		
ACADEMIC AFFAIRS						
Office of Research and Sponsored Projects						
6. Wendy A. Lawrence-Fowler (T)						572
From: Associate Vice President		100	12	103,626		
Professor		WOS	09	66,805		
To: Interim Director for Center of Distance Learning	1/10-5/31	SUPLT	05	2,500		
Associate Vice President	9/1-8/31	100	12	103,626		
Professor		WOS	09	66,805		

OTHER FISCAL ITEMS

EMPLOYMENT AGREEMENTS

The following agreement has been awarded, has been approved by the Executive Vice Chancellor for Academic Affairs, and is recommended for approval by the U. T. Board of Regents. Such employment under this agreement is subject to the Constitution and Bylaws of the National Collegiate Athletic Association, any intercollegiate athletic conference of which The University of Texas - Pan American is a member, and the *Rules and Regulations* of the Board of Regents of The University of Texas System 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
Funds: \$34,313 annually
Period: February 1, 2005 through January 31, 2006
Description: Agreement for employment of Head Women's Volleyball Coach, David M. Thorn, for the above designated period following the standard coach's employment contract prepared by the Office of General Counsel.

U. T. PERMIAN BASIN

AMENDMENTS TO THE 2004-05 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. 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						
1.	William Fannin (T)					623
From:	Vice President for Academic Affairs		100	12	128,850	
To:	Provost and Vice President for Academic Affairs	2/10-8/31	100	12	128,850	
STUDENT SERVICES						
2.	Susan Lara (T)					624
From:	Director Bilingual Education/H.S.I.		100	12	85,696	
To:	Interim Vice President for Student Services	1/10-08/31	100	12	95,000	

U. T. SAN ANTONIO
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. Board of Regents. Such employment under these agreements is subject to the Constitution and Bylaws of the National Collegiate Athletic Association, any intercollegiate athletic conference of which The University of Texas at San Antonio is a member, and the *Rules and Regulations* of the Board of Regents of The University of Texas System and the policies of The University of Texas at San Antonio. The violation of the provisions of such constitution, bylaws, rules or regulations shall be grounds for suspension without pay or dismissal.

1. Item: Head Women's Golf Coach

 Funds: \$3,083 monthly

 Period: January 4, 2005 through June 30, 2008

 Description: Agreement for employment of Head Women's Golf Coach, Holly Tothe, for the above designated period following the standard coach's employment contract prepared by the Office of General Counsel.

2. Item: Head Women's Soccer Coach

 Funds: \$4,000 monthly

 Period: February 21, 2005 through January 1, 2008

 Description: Agreement for employment of Head Women's Soccer Coach, Stephen Ballard, for the above designated period following the standard coach's employment contract prepared by the Office of General Counsel.

PARKING AND TRAFFIC REGULATIONS

The following listing summarizes the substantive changes proposed to Parking and Traffic Regulations of The University of Texas at San Antonio. They have been approved by the Executive Vice Chancellor for Academic Affairs and the Office of General Counsel and are incorporated in model regulations approved by the U. T. Board of Regents. These regulations supersede all prior Parking and Traffic Regulations and continue in effect until modified.

<u>Page Number(s)</u>	<u>Summary of Proposed Substantive Change</u>
1, 9	Section I and VI revised to reference new classes of parking permits.
3	Include electronic notification via University electronic mail address in Section I(13).
3, 10, 11, 14	Sections I, VI, VII, and VIII concerning citations appealed or paid, change deadline from 10 business days to 14 calendar days.
4	Proposed amendment to Section I(17) to authorize police to impound abandoned vehicles.
8	Section VI revised to prorate parking fees.
11	Section VII, Enforcement Fees - late fees clarified.
11, 12, 13	Section VII, Enforcement Fees, proposed fee increases for Codes 1000 (Moving Traffic Violations), 2000 (Gross Violations of Permit Issuance), 3000 (Basic Parking Violations), and 4000 (Minor Parking Violations).
18	Proposed revisions to downtown campus parking to include new parking lots and delete references to the City of San Antonio agreement.

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. 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 these positions and the appointment of Dr. Ricardo Romo with The University of Texas at San Antonio. By approval of these items, the Board is also asked to find that holding these positions are of benefit to the State of Texas and The University of Texas and there is no conflict between the positions and the University appointments.

1. Name: Dr. Ricardo Romo
 Title: President
 Position: Appointment to Board of Directors of the San Antonio Branch of the Federal Reserve Bank of Dallas
 Period: January 1, 2005 – December 31, 2007
 Compensation: \$200 per meeting, Travel Expenses, and \$375 quarterly
 Description: Each Federal Reserve Bank has a board of directors, whose members work closely with their Reserve Bank president to provide grassroots economic information and input on management and monetary policy decisions. These boards are drawn from the general public and the banking community and oversee the activities of the organization.

They also appoint the presidents of the Reserve Banks, subject to the approval of the Board of Governors. Reserve Bank boards consist of nine members: six serving as representatives of non-banking enterprises and the public (non-bankers) and three as representatives of banking. The Federal Reserve branch offices have five or seven member boards that provide vital information concerning regional economies.

OTHER MATTERS (CONTINUED)

APPROVAL OF DUAL POSITIONS OF HONOR, TRUST, OR PROFIT (CONTINUED)

2. Name: Dr. Ricardo Romo
 Title: President
 Position: Appointment to the Public Advisory Committee for the Texas
 Higher Education Opportunity Project
 Period: September 1, 2001 through August 31, 2005
 Compensation: None
 Description: The Public Advisory Committee is comprised of key
 stakeholders from the State of Texas that will react to the
 interim findings and suggest ways to translate the research
 findings into practical solutions for the Texas Top 10%
 Project.
3. Name: Dr. Ricardo Romo
 Title: President
 Position: Appointment to the Committee on Education of the United
 Nations Educational, Scientific and Cultural Organization
 (UNESCO)
 Period: January 1, 2005 through January 1, 2008
 Compensation: None
 Description: In 2004, Secretary of State Colin Powell appointed President
 Romo to the Committee on Education of the United Nations
 Educational, Scientific and Cultural Organization. UNESCO
 functions as a laboratory of ideas and a standard-setter to
 forge universal agreements on emerging ethical issues. The
 Organization also serves as a clearinghouse – for the
 dissemination and sharing of information and knowledge –
 while helping Member States to build their human and
 institutional capacities in diverse fields. UNESCO promotes
 international cooperation among its 190+ Member States
 and six Associate Members in the fields of education,
 science, culture, and communication.

OTHER MATTERS (CONTINUED)

APPROVAL OF DUAL POSITIONS OF HONOR, TRUST, OR PROFIT (CONTINUED)

4. Name: Dr. Ricardo Romo
 Title: President
 Position: Appointment to Board of Directors of the White House
 Initiative on Historically Black Colleges and Universities
 Period: Appointed on February 12, 2002; Serves at the pleasure of
 President Bush
 Compensation: None
 Description: The Board issues an Annual Federal Plan for Assistance to
 Historically Black Colleges and Universities (HBCUs) to the
 President on participation by HBCUs in federally-sponsored
 programs; provides advice to the Secretary of Education and
 makes recommendations in reports to the President on how
 to increase the private sector role in strengthening HBCUs,
 with particular emphasis on enhancing institutional
 infrastructure and facilitating planning, development, and the
 use of new technologies to ensure the goal of long-term
 viability and enhancement of these institutions. Members
 are appointed by the President and include representatives
 of Historically Black Colleges and Universities, other
 institutions of higher education, business, and financial
 institutions, private foundations, and secondary education.

U. T. TYLER

AMENDMENTS TO THE 2004-05 BUDGET

TRANSFERS OF FUNDS

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. Board of Regents:

<u>Description</u>	<u>\$ Amount</u>	<u>RBC #</u>
Construction of Baseball/Softball Fields		
1. Amount of Transfer:	971,926	515

From: Fund Balance for Athletics fee, Bookstore
and Vending Commission Revenue

To: Baseball/Softball Capital Construction Account

To transfer funds for construction of Baseball/Softball fields.

FEES AND MISCELLANEOUS CHARGES

MEDICAL SERVICES FEE

Approval is recommended for establishment of the following medical services fees to be effective beginning with the spring semester 2006. These fees have been the subject of appropriate student input and have been administratively approved by the Executive Vice Chancellor for Academic Affairs. Consistent with *Texas Education Code* Section 54.50891, students and administrators will be provided an opportunity, if requested, to offer recommendations to the Board as to the type and scope of medical services that should be provided.

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

	<u>Current Rates \$</u>	<u>Proposed Rates \$</u>	<u>Percent Increase</u>
<u>For each regular semester</u>			
Student Health Clinic Facility Per Student	n/a	35	n/a
<u>Term of six weeks or fewer</u>			
Student Health Clinic Facility Per Student	n/a	15	n/a

U. T. SOUTHWESTERN MEDICAL CENTER - DALLAS

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. Board of Regents:

1. Donor Name: Eugene McDermott Foundation
College/School/ Department: Institution
Purpose: To support additional enhancements to the Medical Center's public spaces
Asset Type: Cash
Value: \$500,000
2. Donor Name: William A. and Elizabeth B. Moncrief Foundation
College/School/ Department: Radiation Oncology
Purpose: Construction of the Moncrief Radiation Oncology Center
Asset Type: Cash
Value: \$1,000,000 (represents the final installment on a total commitment of \$7,500,000)
3. Donor Name: The Cain Foundation
College/School/ Department: Institution
Purpose: To support the establishment of a Comprehensive Center in Mobility Research
Asset Type: Cash
Value: \$500,000
4. Donor Name: The Harry S. Moss Heart Trust
College/School/ Department: Cardiology
Purpose: To support heart disease research programs
Asset Type: Cash
Value: \$570,000

GIFTS (CONTINUED)

5. Donor Name: GE Medical Systems
College/School/
Department: Internal Medicine
Purpose: To support Gulf War Syndrome research
Asset Type: Cash
Value: \$1,700,000
6. Donor Name: Anonymous Donor
College/School/
Department: Neuroscience
Purpose: To support neuroscience research programs
Asset Type: 66,000 shares, BP p.l.c., common stock valued at
\$3,877,830 and \$122,170 cash
Value: \$2,000,000 (represents the final installment of a \$4,000,000
commitment)

AMENDMENTS TO THE 2004-05 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. Board of Regents:

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
SOUTHWESTERN MEDICAL SCHOOL					
Obstetrics and Gynecology					
1. F. Gary Cunningham (T)					631
From: Professor, Chair, Beatrice and Miguel Elias Distinguished Chair in Obstetrics and Gynecology, and Jack A. Pritchard Professorship in Obstetrics and Gynecology		100	12	335,000	
To: Professor and Beatrice and Miguel Elias Distinguished Chair in Obstetrics and Gynecology	1/1-8/31	100	12	335,000	

AMENDMENTS TO THE 2004-05 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>	
SOUTHWESTERN MEDICAL SCHOOL (Continued)						
Orthopaedic Surgery						
2.	Robert W. Bucholz (T)					542
From:	Professor, Chairman, Doctor Charles F. Gregory Chair in Orthopaedic Surgery and W. B. Carrell Professorship in Orthopaedic Surgery		100	12	378,000	
To:	Professor, Chairman, Doctor Charles F. Gregory Chair in Orthopaedic Surgery, W. B. Carrell Professorship in Orthopaedic Surgery and Aaron A. Hofmann, M.D. and Suzanne Hofmann Distinguished Chair in Orthopaedic Surgery in Honor of Richard E. Jones, M.D.	2/1-8/31	100	12	378,000	
Internal Medicine						
3.	Jennifer A. Cuthbert (T)					564
From:	Professor		100	12	150,400	
To:	Professor, Associate Dean for Undergraduate Medical Education	2/1-8/31	100	12	150,400	

AMENDMENTS TO THE 2004-05 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>	
SOUTHWESTERN MEDICAL SCHOOL (Continued)						
Ophthalmology						
4.	Harrison D. Cavanaugh (T)					565
From:	Professor, Dr. W. Maxwell Thomas Chair in Ophthalmology		100	12	258,000	
To:	Professor, Dr. W. Maxwell Thomas Chair in Ophthalmology and Associate Dean for Clinical Services	2/1-8/31	100	12	258,000	
Dermatology						
5.	Robert S. Taylor (T)					593
From:	Professor		100	12	520,000	
To:	Professor, J. B. Howell Professorship in Melanoma Education and Detection	3/1-8/31	100	12	520,000	
Internal Medicine						
6.	Chandra Mohan (T)					594
From:	Associate Professor		100	12	104,500	
To:	Associate Professor, Walter M. and Helen D. Bader Professorship in Arthritis and Autoimmune Disease Research	3/1-8/31	100	12	104,500	

AMENDMENTS TO THE 2004-05 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>	
SOUTHWESTERN MEDICAL SCHOOL (Continued)						
Internal Medicine (Continued)						
7.	Robert D. Toto (T)					595
From:	Professor		100	12	192,700	
To:	Professor, Mary M. Conroy Professorship In Kidney Disease	3/1-8/31	100	12	192,700	
Ophthalmology						
8.	Jerry Y. Niederkorn (T)					596
From:	Professor, George A. and Nancy P. Shutt Professorship In Medical Science		100	12	196,300	
To:	Professor, George A. and Nancy P. Shutt Professorship In Medical Science and J. Wayne Streilein, M.D. Professorship in Immunology	3/1-8/31	100	12	196,300	
Surgery						
9.	James F. Huth (T)					612
From:	Professor, Occidental Chemical Chair in Cancer Research		100	12	287,800	
To:	Professor, Occidental Chemical Chair in Cancer Research	2/1-8/31	100	12	316,600	

U. T. MEDICAL BRANCH – GALVESTON

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. Board of Regents:

1. Donor Name: The Brown Foundation, Inc.
 College/School/
 Department: School of Medicine/Dean's Office
 Purpose: Support of the National Biocontainment Laboratory
 Asset Type: Cash
 Value: \$750,000

AMENDMENTS TO THE 2004-05 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. 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					
Internal Medicine					
Professor					
1. William J. Calhoun (T)	3/1-8/31	100	12	325,000	587
Internal Medicine					
2. Joseph M. Shabot (T)					586
From: Professor		100	12	252,450	
To: Raymond L. Gregory					
Professorship in Internal					
Medicine, Professor	3/1-8/31	100	12	252,450	
Office of the Dean of Medicine;					
Obstetrics and Gynecology					
Maternal Fetal Medicine					
Dean of Medicine; Professor					
3. Valerie M. Parisi (T)	10/1-8/31	100	12	425,000	513

AMENDMENTS TO THE 2004-05 BUDGET (CONTINUED)

APPOINTMENTS AND PROMOTIONS (CONTINUED)

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
SCHOOL OF MEDICINE (Continued)					
Institute for Medical Humanities; Preventive Medicine and Community Health					
4. Harold Y. Vanderpool (T)					583
From: Professor		100	12	101,983	
To: Dr. and Mrs. Joseph T. Painter Distinguished Professorship in Teaching Excellence, Professor	1/1-8/31	100	12	101,983	
Human Biological Chemistry and Genetics; Marine Biomedical Institute; Sealy Center for Molecular Science					
5. Jose R. Perezpolo (T)					614
From: Professor and Chair Ad Interim; Adjunct Member; Acting Director		85	12	218,929	
To: Professor and Chair; Adjunct Member; Acting Director	3/1-8/31	85.72	12	230,000	

AMENDMENTS TO THE 2004-05 BUDGET (CONTINUED)

APPOINTMENTS AND PROMOTIONS (CONTINUED)

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
SCHOOL OF MEDICINE (Continued)					
Microbiology; Obstetrics and Gynecology Research; Obstetrics and Gynecology Resident Training					
6. Bogdan Nowicki (T)					620
From: Professor; Resident		100	12	109,908	
To: Mary and J. Palmer Saunders Professorship for Excellence in Teaching, Professor; Resident	9/1-8/31	100	12	109,908	
Microbiology; Pathology; Virology					
7. Alan D. Barrett (T)					619
From: Professor		100	12	189,579	
To: Leon Bromberg Professorship for Excellence in Teaching, Professor	9/1-8/31	100	12	189,579	

AMENDMENTS TO THE 2004-05 BUDGET (CONTINUED)

APPOINTMENTS AND PROMOTIONS (CONTINUED)

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
SCHOOL OF MEDICINE; COMMUNITY OUTREACH Family Medicine; Pediatric Administrative Office; Institutional and Correctional Health; Community Outreach					
8. Benny G. Raimer (T)					616
From: Professor; Vice President for Community Outreach		100	12	329,394	
To: Professor; Vice President for Community Outreach and Correctional Managed Care	1/1-8/31	100	12	329,394	
SCHOOL OF ALLIED HEALTH Physical Therapy					
9. David D. Wise					613
From: Associate Professor (T)		100	12	66,722	
To: Associate Professor	9/1-8/31	100	12	66,722	

OTHER FISCAL ITEMS

PURCHASE ORDERS – MORE THAN \$1,000,000

The following purchase order has been administratively approved by the President and is recommended for approval by the U. T. Board of Regents:

FUNDS GOING OUT

1. Agency: JEOL USA, Inc.
Funds: \$1,725,139
Title/Description: Cryo-Electron Microscope System and all related attachments and accessories. The System will be utilized by the Department of Human Biological Chemistry and Genetics at U. T. Medical Branch – Galveston.

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. 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. Rounds 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 appointment.

1. Name: Linda R. Rounds, Ph.D., RN, FNP
 Title: Associate Professor, School of Nursing
 Position: Reappointment to the Board of Nurse Examiners
 Period: February 17, 2005 through January 31, 2011
 Compensation: None
 Description: Governor Rick Perry has reappointed Dr. Rounds to the Board of Nurse Examiners to continue to serve as chair. The Board of Nurse Examiners is empowered with the responsibility and legal authority for ensuring society competent practitioners of nursing. The Board fulfills this responsibility by licensing qualified practitioners.

U. T. HEALTH SCIENCE CENTER - HOUSTON

GIFTS

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

1. Donor Name: The Cullen Foundation
College/School/ Department: Institution
Purpose: Support the New Frontiers Campaign for the Brown Foundation Institute of Molecular Medicine for the Prevention of Human Diseases

Asset Type: Cash
Value: \$2,100,000

AMENDMENTS TO THE 2004-05 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. 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					
Biochemistry and Molecular Biology					
1. Henry W. Strobel (T)					466
From: Professor		100	12	165,600	
To: Professor, and Associate					
Dean-Faculty Affairs,	9/1-8/31	94	12	155,664	
Assistant Dean-Student	9/1-8/31	5	12	8,280	
Affairs	9/1-8/31	1	12	1,656	
Neurobiology & Anatomy					
2. Michael D. Mauk (T)					561
From: Professor		100	12	145,000	
To: William M. Wheless III Professor					
in Biomedical Sciences	9/1-8/31	100	12	145,000	

AMENDMENTS TO THE 2004-05 BUDGET (CONTINUED)

APPOINTMENTS AND PROMOTIONS (CONTINUED)

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
SCHOOL OF PUBLIC HEALTH					
Behavioral Sciences					
3. Guy S. Parcel (T)					544
From: Executive Dean and John McGovern					
Professorship in Health Promotion, and Executive Dean-Public Health, and Executive Dean-President's Office					
Development-General	1/1-8/31	100	12	200,000	
Administration	1/1-8/31	SUPLT	12	52,500	
To: Dean and John P. McGovern					
Professorship in Health Promotion- Executive Dean-Public Health; and Dean and John P. McGovern					
Professorship in Health Promotion- President's Office Development- General Administration; and Dean and John P. McGovern					
Professorship in Health					
Promotion-Office of the	1/1-8/31	100	12	241,000	
Dean	1/1-8/31	SUPLT	12	60,000	

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

- | | |
|---------------|---|
| Name: | Michael M. Seale, M.D. |
| Title: | Assistant Dean for Correctional Medicine |
| Position: | Reappointment as Commissioner of the Texas Commission on Jail Standards |
| Period: | February 8, 2005 through January 31, 2011 |
| Compensation: | None |
| Description: | The Texas Commission on Jail Standards promulgates written rules and procedures that establish minimum standards, inspection procedures, enforcement policies, and technical assistance for jail facilities under its jurisdiction. This policy-making body consists of nine members who are appointed by the Governor to staggered six-year terms. |

U. T. HEALTH SCIENCE CENTER – SAN ANTONIO

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. Board of Regents:

- | | | |
|----|-----------------|--|
| 1. | Donor Name: | Sam E. and Ann Barshop |
| | College/School/ | Graduate School of Biomedical Sciences |
| | Department: | Sam and Ann Barshop Center for Longevity and Aging Studies |
| | Purpose: | The fourth pledge payment to the Sam and Ann Barshop Center for the continuance of nationally acknowledged and outstanding research in longevity and aging studies |
| | Asset Type: | Cash |
| | Value: | \$800,000 |

- | | | |
|----|-----------------|---|
| 2. | Donor Name: | Stanley I. Glickman, M.D. |
| | College/School/ | School of Medicine |
| | Department: | Ophthalmology |
| | Purpose: | Funds to create a new permanent endowment in the Department of Ophthalmology to be named the Stanley I. Glickman, M.D., Chair for Ophthalmic Research |
| | Asset Type: | Cash |
| | Value: | \$500,000 |

OTHER MATTERS

APPROVAL OF DUAL POSITIONS OF HONOR, TRUST, OR PROFIT

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

- | | |
|---------------|---|
| Name: | Georgiana S. Gross, M.P.H., R.D., L.D. |
| Title: | Clinical Instructor in the Department of Pediatrics |
| Position: | Member of the Texas State Board of Examiners of Dietitians |
| Period: | November 24, 2004 through September 1, 2009 |
| Compensation: | Reimbursement of \$0.35 per mile, \$80 for hotel, and \$30 per day for meals |
| Description: | On November 24, 2004, Governor Rick Perry appointed Ms. Gross as a member of the Texas State Board of Examiners of Dietitians for a term to expire September 1, 2009. |
- | | |
|---------------|--|
| Name: | Carol Reineck, Ph.D., RN, CCRN, CNAA |
| Title: | Assistant Professor and Interim Chair, Department of Acute Nursing and Family Nursing Care |
| Position: | Member of the Nursing Workforce Data Section of the Texas Statewide Health Coordination Council |
| Period: | February 2004 to 2010 |
| Compensation: | None |
| Description: | On December 9, 2003, the Texas Statewide Health Coordination Council selected Dr. Reineck for membership to the Nursing Workforce Data Section for a term beginning February 2004. |

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. Board of Regents:

1. Donor Name: The John and Jane Justin Charitable Trust
College/School/ Department: Institution
Purpose: Leukemia Research
Asset Type: Cash
Value: \$1,000,000
2. Donor Name: The Cynthia and George Mitchell Charitable Remainder Unitrust
College/School/ Department: Institution
Purpose: Construction of George and Cynthia Mitchell Basic Sciences Research Building
Asset Type: Cash
Value: \$3,000,000
3. Donor Name: The Greater Houston Community Foundation
College/School/ Department: Institution
Purpose: Construction of George and Cynthia Mitchell Basic Sciences Research Building
Asset Type: Cash
Value: \$1,000,000
4. Donor Name: The Cynthia and George Mitchell Foundation
College/School/ Department: Institution
Purpose: Construction of George and Cynthia Mitchell Basic Sciences Research Building
Asset Type: Cash
Value: \$1,000,000
5. Donor Name: The Robert J. Kleberg, Jr. and Helen C. Kleberg Foundation
College/School/ Department: Institution
Purpose: Molecular Diagnostic Program
Asset Type: Cash
Value: \$2,000,000

GIFTS (CONTINUED)

- | | | |
|----|-----------------|---|
| 6. | Donor Name: | Mr. and Mrs. Eugene V. Amoroso |
| | College/School/ | |
| | Department: | Institution |
| | Purpose: | Eugene V. Amoroso Professorship |
| | Asset Type: | Cash |
| | Value: | \$541,384 |
| 7. | Donor Name: | Louise Jarrett Moran Holding Fund |
| | College/School/ | |
| | Department: | Institution |
| | Purpose: | Building and Renovation needs – George and Cynthia
Mitchell Basic Sciences Research Building |
| | Asset Type: | Cash |
| | Value: | \$504,000 |

AMENDMENTS TO THE 2004-05 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. 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						
Anesthesiology & Pain Medicine						
1.	Mohamed Naguib (T)	12/30-8/31	100	12	285,000	
Urology						
2.	Colin P. Dinney (T)					531
From:	Professor		100	12	321,696	
			SUPLT	12	6,000	
To:	Chair, Professor	1/18/31	100	12	390,000	
Urology						
3.	David A. Swanson (T)					532
From:	Chair, Professor and N. G. and Helen T. Hawkins Professorship		100	12	435,546	
To:	Professor and N. G. and Helen T. Hawkins Professorship	1/1-8/31	100	12	435,546	
Lymphoma/Myeloma						
4.	Larry W. Kwak (T)					575
From:	Chair, Professor		100	12	280,000	
To:	Chair, Professor and the Moshe Talpaz Endowed Chair	9/1-8/31	100	12	280,000	

AMENDMENTS TO THE 2004-05 BUDGET (CONTINUED)

APPOINTMENTS AND PROMOTIONS (CONTINUED)

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
MEDICAL STAFF (Continued)					
Blood & Marrow Transplantation, Department of Leukemia					
5. Michael Andreeff (T)					576
From: Professor and Hubert L. and Olive Stringer Professorship		100	12	290,895	
To: Professor and Paul and Mary Haas Chair	9/1-8/31	100	12	293,895	
RESEARCH					
Biochemistry & Molecular Biology					
6. William H. Klein (T)					507
From: Chair, Professor and Robert A. Welch Distinguished Chair		100	12	270,345	
To: Chair, Professor and Robert A. Welch Distinguished Chair, Administrative Director – George and Cynthia Mitchell Basic Sciences Research Building	1/1-8/31 1/1-8/31	100 SUPLT	12 12	270,345 10,000	
Immunology					
7. Stephen E. Ullrich (T)					577
From: Professor		100	12	160,840	
To: Professor and Dallas/Ft. Worth Living Legend Professorship	9/1-8/31	100	12	163,840	