



**AGENDA
FOR MEETING OF
THE UNIVERSITY OF TEXAS SYSTEM
BOARD OF REGENTS**

April 30 – May 1, 2018
Houston, Texas

Page

Monday, April 30, 2018

COMMITTEE MEETINGS (Working lunch at noon)	10:00 a.m. - 2:15 p.m.	
CONVENE THE BOARD IN OPEN SESSION TO CONSIDER AGENDA ITEMS	2:15 p.m.	
1. U. T. System: Annual Meeting with Officers of the U. T. System Student Advisory Council	2:15 p.m. Report/Discussion Ms. Jodie Gray, Chair	7
2. U. T. System Board of Regents: Award of Regents' Outstanding Student Awards in Arts and Humanities -- musical arts winners	2:50 p.m. Presentation Dr. Leslie	11
RECESS TO EXECUTIVE SESSION PURSUANT TO TEXAS GOVERNMENT CODE, CHAPTER 551	3:00 p.m.	
1. Consultation with Attorney Regarding Legal Matters or Pending and/or Contemplated Litigation or Settlement Offers – Section 551.071		
a. U. T. System Board of Regents: Discussion with Counsel on pending legal issues		
b. U. T. System Board of Regents: Discussion and appropriate action regarding legal issues concerning pending legal claims by and against U. T. System		
2. Individual Personnel Matters Relating to Officers or Employees – Section 551.074		
a. U. T. Health Science Center - San Antonio: Discussion and appropriate action regarding proposed compensation for John H. Calhoon, M.D., Professor and Chair, Department of Cardiothoracic Surgery, Director of the Heart and Vascular Institute, and Interim Director of the Pediatric Heart Center (Regents' Rules and Regulations, Rule 20204, regarding compensation for highly compensated employees)		
b. U. T. Southwestern Medical Center: Discussion and appropriate action regarding proposed new hire with tenure and compensation for Herbert John Zeh, III, M.D., Professor and Chair, Department of Surgery (Regents' Rules and Regulations, Rule 20204, regarding compensation for highly compensated employees)		

- c. **U. T. Health Science Center - Houston: Discussion and appropriate action regarding proposed new hire and compensation for Ali Dodge-Khatami, M.D., Ph.D., Professor, Department of Pediatric Surgery, Division of Pediatric Cardiovascular Surgery (Regents' *Rules and Regulations*, Rule 20204, regarding compensation for highly compensated employees)**
- d. **U. T. San Antonio: Discussion and appropriate action regarding approval of amendments to terms of Employment Agreement with Head Men's Basketball Coach**
- e. **U. T. System: Discussion and appropriate action regarding individual personnel matters relating to assignment and duties of the Chancellor, including responsibilities associated with the admissions procedures set forth in Regents' *Rules and Regulations*, Rule 40303**
- f. **U. T. System: Discussion with Vice Chancellor for Strategic Initiatives regarding assignment and duties, including responsibilities associated with providing information and data to the Board and U. T. System leadership**
- g. **U. T. Health Science Center - Tyler: Discussion with president regarding assignment and duties, including individual responsibilities associated with outlining a vision and plans for the future of the institution**
- h. **U. T. Medical Branch - Galveston: Discussion with president regarding assignment and duties, including individual responsibilities associated with outlining a vision and plans for the future of the institution**
- i. **U. T. System: Discussion and appropriate action regarding individual personnel matters relating to appointment, employment, evaluation, compensation, assignment, and duties of presidents (academic and health institutions); U. T. System Administration officers (Deputy Chancellor, Executive Vice Chancellors, and Vice Chancellors); other officers reporting directly to the Board (Chancellor, General Counsel to the Board, and Chief Audit Executive); Board members, task force members, and advisory council members; and U. T. System and institutional employees**

RECONVENE THE BOARD IN OPEN SESSION TO CONSIDER ACTION, IF ANY, ON EXECUTIVE SESSION ITEMS AND TO RECESS

5:30 p.m.
approximately

	Board Meeting	Page
<u>Tuesday, May 1, 2018</u>		
RECONVENE THE BOARD IN OPEN SESSION TO CONSIDER AGENDA ITEMS	<i>8:00 a.m.</i>	
3. U. T. System Board of Regents: Approval of Consent Agenda items and consideration of any items referred to the full Board	<i>8:05 a.m.</i> Action	12
4. U. T. System Board of Regents: Discussion and possible action regarding appointments to the University Lands Advisory Board	<i>8:10 a.m.</i> Action	13
5. U. T. System: Discussion and appropriate action regarding a budget reallocation of \$1,672,680 of Available University Funds (AUF) to expedite completion of enhancement projects in the UTShare PeopleSoft environments; and finding that the expenditure of AUF for this purpose is appropriate	<i>8:15 a.m.</i> Action <i>Mr. David Crain</i>	14
6. U. T. System: 86th Texas Legislative Session Preview	<i>8:20 a.m.</i> Report <i>Mr. McBee</i>	30
7. U. T. System Board of Regents: Progress reports from task forces	<i>8:35 a.m.</i> Report <i>Vice Chairman Hildebrand Regent Eltife</i>	31
8. U. T. System Board of Regents: Recognition of U. T. academic and health institution and U. T. System Administration recipients of the 2018 Regents' Outstanding Employee Awards	<i>8:55 a.m.</i> Presentation	32
9. U. T. System Board of Regents: Presentation of Certificate of Appreciation to Student Regent Jaciel Castro and Comments	<i>9:10 a.m.</i> Presentation	35
10. U. T. System Board of Regents: Presentation of Certificate of Appreciation to Chancellor McRaven and Comments	<i>9:25 a.m.</i> Presentation	36
STANDING COMMITTEE RECOMMENDATIONS AND REPORTS TO THE BOARD	<i>9:40 a.m.</i>	
RECESS TO EXECUTIVE SESSION PURSUANT TO TEXAS GOVERNMENT CODE, CHAPTER 551 (Working lunch at noon)	<i>10:00 a.m.</i>	
1. Deliberation Regarding Security Devices or Security Audits – Sections 551.076 and 551.089		
U. T. System Board of Regents: Discussion and appropriate action regarding update on safety and security issues, including security audits and the deployment of security personnel and devices		
2. Deliberations Regarding the Purchase, Exchange, Lease, Sale, or Value of Real Property – Section 551.072		
U. T. Austin: Discussion regarding the lease, uses, or value of property related to the Brackenridge Tract, including Lions Municipal Golf Course, Austin, Travis County, Texas		

3. Negotiated Contracts for Prospective Gifts or Donations – Section 551.073
 - a. **U. T. System Academic Institutions: Discussion and appropriate action regarding proposed negotiated gifts with potential naming features**
 - b. **U. T. System Health Institutions: Discussion and appropriate action regarding proposed negotiated gifts with potential naming features**
4. Consultation with Attorney Regarding Legal Matters or Pending and/or Contemplated Litigation or Settlement Offers – Section 551.071
 - a. **U. T. System Board of Regents: Discussion with Counsel on pending legal issues**
 - b. **U. T. Austin: Discussion regarding legal issues related to the utilization of the Brackenridge Tract, including Lions Municipal Golf Course, Austin, Travis County, Texas**
5. Individual Personnel Matters Relating to Officers or Employees – Section 551.074
 - a. **U. T. System: Discussion and appropriate action regarding individual personnel matters relating to appointment, employment, evaluation, compensation, assignment, and duties of presidents (academic and health institutions); U. T. System Administration officers (Deputy Chancellor, Executive Vice Chancellors, and Vice Chancellors); other officers reporting directly to the Board (Chancellor, General Counsel to the Board, and Chief Audit Executive); Board members, task force members, and advisory council members; and U. T. System and institutional employees**
 - b. **U. T. System: Discussion with Vice Chancellor for Strategic Initiatives regarding assignment and duties, including responsibilities associated with providing information and data to the Board and U. T. System leadership**
 - c. **U. T. El Paso: Discussion with president regarding assignment and duties, including individual responsibilities associated with outlining a vision and plans for the future of the institution**
 - d. **U. T. Tyler: Discussion with president regarding assignment and duties, including individual responsibilities associated with outlining a vision and plans for the future of the institution**
 - e. **U. T. System: Discussion of individual personnel matters relating to Chancellor search**

RECONVENE THE BOARD IN OPEN SESSION TO CONSIDER ACTION, IF ANY, ON EXECUTIVE SESSION ITEMS

*2:00 p.m.
approximately*

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*2:15 p.m.
approximately*

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

INTRODUCTION

The U. T. System Student Advisory Council will meet with the Board of Regents to discuss recommendations of the Council and plans for the future. The Council's recommendations are set forth on the following pages.

Council members scheduled to attend are:

Chair: Ms. Jodie Gray, U. T. Health Science Center - San Antonio, Graduate School of Biomedical Science, Ph.D. candidate, Radiological Sciences

Undergraduate Student Success Working Group: Mr. J.W. Van Der Schans, U. T. Dallas, International Political Economy

Campus Life Working Group: Mr. Peter Averack, U. T. Rio Grande Valley, Communications Studies

Graduate and Health Education Working Group: Mr. Juan Herrejon, U. T. Southwestern Medical Center, Medical Student

Diversity and Inclusion Working Group: Mr. Johnathan Cereceres, U. T. El Paso, Political Science and Chicano Studies

2018-2019 Chair: Mr. Matthew Mendoza, Ph.D. candidate, U. T. Southwestern Medical Center, Neuroscience Graduate Program

BACKGROUND INFORMATION

The U. T. System Student Advisory Council was established in 1989 to provide input to the U. T. System Board of Regents working through and with the Chancellor and U. T. System Administration on issues of student concern. The operating guidelines of the Council require that recommendations have a multi-institutional focus and that the Council explore individual campus issues with institutional administrators prior to any consideration thereof. The Student Advisory Council consists of two student representatives from each U. T. System institution in addition to four elected officers and meets three times a year in Austin.



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Student Advisory Council
sac@utsystem.edu
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TO: Chancellor William H. McRaven, UT System
FROM: The 2017 - 2018 UT System Student Advisory Council
DATE: March 27, 2018
RE: Update of Work of the 2017 – 2018 Student Advisory Council

We are honored to present the work and recommendations of the 2017-2018 Student Advisory Council. Our student representatives from all fourteen U. T. System institutions united to conduct extensive research to identify Systemwide issues of student interest and provide feedback on current policy issues from a solutions-driven perspective. We thank you for the privilege to represent the 214,000 students that comprise our collective student body. As students continue to claim more active roles in all aspects of their educational experience, our opportunity to speak for them at the System level becomes more and more invaluable.

We applaud the framework that The University of Texas System provides us to officially represent the student voice as System continually examines ways to adapt and improve in tandem with the ever-changing climate of higher education. We wholeheartedly believe that systematic review of our successes and areas in need of improvement directly benefits our students and highlights U. T. System's dedication to all facets of student success.

The recommendations of this year's Student Advisory Council have taken the form of memoranda that are geared towards key members of the U. T. System Administration and have been distributed throughout our entire working year. These memoranda are solutions-oriented recommendations that have been extensively researched and drafted by Student Advisory Council members representing diverse student populations from all U. T. institutions. Through our process of the research and writing, we enjoyed the opportunity to collaborate with numerous U. T. System representatives such as administrators and the Faculty Advisory Council to assist in identifying and implementing workable solutions. Attached is a list of completed and in-progress projects as they fall within each of our four key areas of interest: Campus Life, Diversity and Inclusion, Graduate and Health Education, and Student Success.

We thank you for the opportunity to serve the student body of the U. T. System this past year. We are grateful for the dedication you have demonstrated to our students and continue to be grateful for the time you invest in our Council's work. We look forward to our invitation to discuss our recommendations in more detail with the Board in April/May.

Jodie P. Gray
Chair, Student Advisory Council 2017-2018

Working Group	Leadership	Purpose	Policy Issues	Status
Campus Life	Peter Averack, U. T. Rio Grande Valley (Chair) Austin Blane Reynolds, U. T. Austin (Vice-Chair)	To consider various policy issues that impact the student experience and impact overall health, safety, and well-being	Student Engagement for Graduate Students	Research was conducted, and the issue is referred to future Student Advisory Council members for possible action.
			Increasing Healthy Food Options for Students	Research was conducted, and the issue is referred to future Student Advisory Council members for possible action.
			Student Mental Health and Wellness	A letter of support was provided to U. T. System leadership in February 2018. U. T. System Board of Regents voted unanimously to approve initiatives presented by Dr. Mercer (U. T. System) and Dr. Brownson (U. T. Austin).
			Emergency Disaster Preparation	In the wake of Hurricane Harvey, the working group spoke with institutional leadership and U. T. System experts about infrastructure, support, and response to Hurricane Harvey and decided to raise awareness that there is a great deal of assets in place that are focused on both people and resources. A memorandum was shared with U. T. System experts in disaster preparedness in April 2018.
Diversity and Inclusion	Johnathan Cereceres, U. T. El Paso (Chair) Marcus Thomas, U. T. San Antonio (Vice-Chair)	To address policy issues that enhance campus inclusion for a variety of stakeholder groups and to create a more open, inclusive campus environment	Use of Inclusive Gender Pronouns	A memorandum outlining models for gender pronoun inclusion was shared in April 2018 with U. T. System leadership. It encourages collaboration with U. T. System Registrars and the Texas Higher Education Coordinating Board Common Application Committee.
			Advising Best Practices for First-Generation Students	Recommendations were shared with the Student Success Working Group for inclusion in their advising-related recommendations and memorandum.
			Enhanced Community Resources for Deferred Action for Childhood	A memorandum outlining models for campus community resources was shared with other

			Arrivals (DACA) Students	student government leadership Systemwide and statewide in April 2018.
Health and Graduate Education	Lane Warmbrod, U. T. Medical Branch – Galveston (Former Chair, September 2017 through February 2018) Juan Herrejon, U. T. Southwestern Medical Center (Acting Chair)	To address academic policy issues facing graduate students and students at U. T. System health institutions	Communication Mechanisms for Curriculum Updates	A memorandum was shared with Executive Vice Chancellor Greenberg that encourages enhanced two-way communication between faculty/administrators and students at health institutions who provide feedback on curriculum committee decisions.
			Letter of Support for Parental Leave Effort with the Faculty Advisory Council	Research was conducted and the working group collaborated with the Faculty Advisory Council on possible recommendations. The group defers this issue to future Student Advisory Council members to continue collaborative work with the Faculty Advisory Council.
			Faculty Training Opportunities	A memorandum was shared with Executive Vice Chancellor Greenberg and Associate Vice Chancellor Francis that encourages that U. T. System Health Institutions offer “Active Learning Workshops” for faculty members.
Student Success (Academic)	John W. (JW) Van Der Schans, U. T. Dallas (Chair) Montana Meeker, U. T. San Antonio (Vice-Chair)	To address policy issues that enhance student success, retention, and graduation at U. T. System academic institutions	Support for Ongoing Initiatives in Student Advising	A memorandum outlining support for current U. T. System advising initiatives was sent to Associate Vice Chancellor Karoff in April 2018.
			Support for Open Educational Resources and Textbook Affordability/Access	A memorandum encouraging a Systemwide initiative to enhance Open Educational Resources for students was shared with Associate Vice Chancellors Karoff and Francis in April 2018.
			U. T. System Coordinated Admissions Program	A memorandum was provided to Associate Vice Chancellor Mercer and Executive Vice Chancellor Leslie, U. T. System Office of Academic Affairs in December 2017 asking for the discontinuation of the program in its current form.

In addition to the work represented in the table above, the 2017–2018 Student Advisory Council provided feedback about changes to U. T. System Board of Regents’ *Rules and Regulations*, provided feedback related to leadership qualities that students value, and collaborated with the Faculty Advisory Council.

2. **U. T. System Board of Regents: Award of Regents' Outstanding Student Awards in Arts and Humanities -- musical arts winners**

REPORT

Executive Vice Chancellor Leslie will report on the results of the Regents' Outstanding Student Awards in Arts and Humanities.

BACKGROUND INFORMATION

In recognition of its support of the arts and humanities, the Board of Regents authorized the Office of Academic Affairs to establish the Regents' Outstanding Student Awards in Arts and Humanities on February 9, 2012. The awards program is designed to foster excellence in student performance, reward outstanding students, stimulate the arts and humanities, and promote continuous quality in education. This year's awards are for the musical arts.

The nominees were evaluated on tone production, technique, rhythm, intonation, interpretation, overall quality of performance, and diction (for vocalists), with the following recognitions:

- **Mr. Henry Johnston**, guitar, U. T. Austin (solo/duet performance)
- "The Prophets" Trumpet Ensemble: **Mr. Jacob Aun, Mr. Elijah Ontiveros, Mr. Juan Pablo Palacios, Mr. Isaac Ponce, and Mr. Paul Reid**, U. T. El Paso (outstanding instrumental performance by a group)

3. **U. T. System Board of Regents: Approval of Consent Agenda items and consideration of any items referred to the full Board**

RECOMMENDATION

The Board will be asked to approve the [Consent Agenda](#) items and will discuss any items referred for consideration by the full Board.

4. **U. T. System Board of Regents: Discussion and possible action regarding appointments to the University Lands Advisory Board**

RECOMMENDATION

Chairman Tucker and Vice Chairman Hildebrand may recommend appointments to the University Lands Advisory Board.

BACKGROUND INFORMATION

On March 19, 2018, the Board of Regents approved changes to the membership structure for the University Lands Advisory Board (ULAB), effective immediately, as follows:

- five members appointed by The University of Texas System Board of Regents;
- three members appointed by The Texas A&M University System Board of Regents; and
- the Commissioner of the General Land Office.

Further, at least two of the members appointed by the U. T. System Board and at least one of the members appointed by the A&M System Board must be current Regents, with the ULAB Chairman to be named by the U. T. System Board. In addition, at least three of the members appointed by the U. T. System Board and at least two of the members appointed by the A&M System Board must have industry experience.

5. U. T. System: Discussion and appropriate action regarding a budget reallocation of \$1,672,680 of Available University Funds (AUF) to expedite completion of enhancement projects in the UTShare PeopleSoft environments; and finding that the expenditure of AUF for this purpose is appropriate

RECOMMENDATION

The Chancellor concurs with the recommendation of the Deputy Chancellor and the Executive Vice Chancellor for Business Affairs that the U. T. System Board of Regents approve a budget reallocation request of \$1,672,680 of Available University Funds (AUF) to expedite completion of the following enhancement projects in the UTShare PeopleSoft environments:

1. Salary Encumbrance Enhancement: This project is to create a custom Salary Encumbrance process for PeopleSoft that would provide the following enhancements: a validation tool, encumbrance-related reports, campus specific scheduling, and reference and training materials. This enhancement will be accomplished in the following three phases:
 - PHASE I: Development of a custom salary encumbrance program and validation tool as a replacement for current salary encumbrance application;
 - PHASE II: Add fringe to the custom salary encumbrance process; enhance and develop salary encumbrance reports; and
 - PHASE III: Automate salary encumbrance processing.
2. Payroll Retro Funding Enhancement: This project is a compilation of change requests to provide either additional function or stabilization to the retro funding processes. There are five areas included in this project enhancement as follows:
 - Year End Processing;
 - Guidelines for Year End Processing;
 - Fringe Redistribution;
 - Work Study Modification; and
 - Pre/Post Distribution Reports.
3. Time and Labor Stabilization: This project is intended to stabilize the PeopleSoft Human Capital Management (HCM) Absence Management and Time and Labor modules. This project will address the following:
 - Address deficiencies in the current system's programming and configuration;
 - Deploy unused delivered features supporting time and leave processing;
 - Allow institutions to retire their interim time reporting solutions; and
 - Address problems to improve employee leave balance reporting.
4. Travel and Expense Stabilization: This project is a compilation of various change requests that will enhance and/or apply a compliance change to the PeopleSoft Travel and Expense module. The purpose of the project is to provide additional functionality, simplify current processes, and/or meet necessary regulatory requirements.

5. Finance Encumbrance Liquidation: This project will address a compilation of various campus incidents that range from calculation errors, Oracle bugs, business process issues, and side effects from Financial Management System (FMS) modifications. The goal is to identify each issue, determine root cause, and provide the institution with a resolution to better manage finance encumbrances. The secondary portion of this effort is to coordinate data cleanup for each of the issues at the option of each institution.

The Board is also asked to find that the expenditure of AUF for this purpose is appropriate under the responsibilities of U. T. System Administration to provide technical assistance and services to the institutions and to coordinate activities of the U. T. System institutions using these information systems.

Mr. David Crain, Associate Vice Chancellor for Shared Information Services and Interim Chief Information Officer, will present an overview of U. T. Shared Information Services using the PowerPoint on the following pages.

BACKGROUND INFORMATION

On August 9, 2006, a study by BearingPoint, which defined "shared services" as the name given to a specific model for consolidating redundant information technology and business services in large organizations with multiple, geographically distributed units, was presented to the Board. Shared services is a proven organizational strategy for achieving cost savings realized through economies of scale; process improvements attained through standardization; and universal application of institutionally preferred practices. On October 4, 2006, the Board approved three shared services initiative projects, formalizing the U. T. System Shared Services Initiative with clear definition and objectives, utilization of best practices, and direct U. T. investment. One of the three shared services projects approved by the Board was the North Texas Student Information System (SIS) Pilot Project, which included U. T. Arlington, U. T. Dallas, and U. T. Tyler, and was later named TexSIS.

On August 12, 2010, the Board approved the initial funding for the shared services initiative project to implement a single instance of PeopleSoft HCM/FIN, which was later named UTShare. Implementation of UTShare began in 2011.

The U. T. Share Executive Committee, comprised of representatives from participating institutions, provides governance for the shared services initiative projects. The U. T. Share Operating Committee recommends and the U. T. Share Executive Committee approves changes to project management that will provide more efficiency and greater cost savings. For example, in 2016, a change was recommended and approved to shift from a costly consulting and hosting services partner to in-house staffing and services at a much lower cost. In-house staffing and services are provided by U. T. System Administration Shared Information Services. The five enhancement projects listed above were recommended by the U. T. Share Operating Committee, and approved by the U. T. Share Executive Committee as the highest priorities for expedited completion. The funding will primarily be used for staff augmentation services to implement the proposed enhancement projects. U. T. System will utilize staff augmentation services from existing contracts, including the contract with Precision Task Group (PTG), for which an amendment to increase the cap will be presented to the Board for consideration later this year.

These needed projects cannot be completed in the expedited timeline recommended by the institutions without the additional resources being requested because available U. T. System Administration Shared Information Services resources are currently being utilized to implement PeopleSoft HCM/FMS at U. T. Rio Grande Valley by September 1, 2018.

The current shared services implementation of PeopleSoft is estimated to save between \$12-\$15 million annually compared to each institution running a stand-alone Enterprise Resource Planning (ERP) system. These savings are expected to grow to \$15-\$18 million per year once implementation at U. T. Rio Grande Valley is complete.

The very high-level roadmap for The University of Texas System PeopleSoft shared services initiative as agreed to by the U. T. Share Executive Committee is to

- finish the U. T. Rio Grande Valley implementation;
- upgrade all PeopleSoft instances to the newest release;
- migrate all HCM/FMS instances to a single environment; and
- deploy the Oracle Business Intelligence Applications (OBIA).

U. T. System Shared Information Services (UT SIS) Overview

Mr. David Crain, Associate Vice Chancellor for Shared Information Services and Interim Chief Information Officer

U. T. System Board of Regents' Meeting
April/May 2018



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Who is UT SIS?

- UT SIS is a department within the Deputy Chancellor's Office in support of the U. T. System Shared Services Initiative.
- UT SIS is engaged in the development and management of shared U. T. Systemwide information technology solutions supporting The University of Texas academic institutions and System Administration.



What is Shared Services?

"Shared services" is the name given to a specific model for consolidating redundant information technology and business services in large organizations with multiple, geographically distributed units.



How does Shared Services Apply to UT SIS?

The basic premise is that efficiency and effectiveness are best obtained by U. T. System and its institutions sharing responsibility and resources. This strategy is accomplished through the use of:

- shared governance;
- collaboration and commonality;
- one version of software;
- shared hardware and data centers;
- configuration and development; and
- shared resources.



History of UT SIS?

- Following a study by BearingPoint presented to the U. T. System Board of Regents in August 2006, the Board formalized the U. T. System Shared Services Initiative.
- In October 2006, the Board approved three shared services initiative projects, one being North Texas Student Information System Pilot Project, which included U. T. Arlington, U. T. Dallas, and U. T. Tyler.
- In August 2010, the Board approved the initial funding to implement a single instance of PeopleSoft Human Resources and Financial Management systems.
- In January 2015, UT SIS staff officially moved from U. T. Arlington to U. T. System Administration's payroll.
- In 2016, significant changes were made including a shift from costly consulting and hosting services to in-house staffing and services at a much lower cost.



What does UT SIS Provide?

UT SIS provides the PeopleSoft Enterprise Resource Planning System (ERP) and related applications to the following:

- U. T. Arlington
- U. T. Dallas
- U. T. El Paso
- U. T. Permian Basin
- U. T. Rio Grande Valley (not yet implemented)
- U. T. San Antonio
- U. T. Tyler
- U. T. System Administration



UT SIS Customer Details

Institution	Student Information System (SIS)	Human Capital Management (HCM)	Financial Management System (FMS)
U. T. Arlington	✓	✓	✓
U. T. Dallas	✓	✓	✓
U. T. El Paso		✓	✓
U. T. Permian Basin	✓	✓	✓
U. T. Rio Grande Valley	In Progress	In Progress	In Progress
U. T. San Antonio		✓	✓
U. T. Tyler	✓	✓	✓
U. T. System Administration		✓	✓

UT Share institutions have a combined operating budget of \$3,757,582,833 (including AUF funds).

Source: 2017 U. T. System Operating Budget Summaries



Why bother with Shared Services?

- Shared Services for ERP applications typically save between 20% and 45% of total ERP cost.

Source: The Shared Service Roundtable, March 2015

- ERP Shared Services reduce costs through economies of scale. Through sharing, an institution uses fewer overall resources: fewer managers, developers, infrastructure, etc.
- ERP Shared Services also help create improved ways of working through standardization, simplification, and common reporting that result in both decreased costs and quality improvements.



What does an ERP (like PeopleSoft) normally cost?

- Average ERP implementation costs are 6.5% of an organizations annual revenue (would equate to \$244,242,884 for UT SIS customers)
Source: 2016 Panorama Annual ERP Report
- 2 - 4% of annual revenue is the normal range of cost to maintain an ERP system once implemented (would be between \$75,151,657 and \$150,303,313 for UT SIS Customers)
Source: Gene Hammons, Practice Director, Software Selection and Implementation, Vaco Resources



What do ERP systems cost Higher Education?

- Institutions with a Carnegie classification of “Very High Research” spend an average of \$343 per student full-time equivalent (FTE).

(The average spend of 74 institutions reported on the 2015 Core Data Survey).

- This average amount of \$343.10 per student FTE for UT Share institutions’ 127,372 students would be \$43,701,333 in annual spending for current UT SIS customer institutions.

(The seven academic institutions working with UT SIS have a student FTE count of 127,372 according to 2015 IPEDS reports)



What does U. T. System spend on UT SIS?

- The FY 2017 operating budget for UT SIS was \$23,575,022
 - did not include \$5,000,000 capital replacement costs for the hardware and infrastructure on which the applications run (Board Approval August 25, 2016)
 - did not include Year One \$3,300,464 to upgrade to the latest PeopleSoft version while implementing U. T. Rio Grande Valley (Board Approval April 10, 2017)
- The FY 2018 operating budget for UT SIS is \$21,331,615 (\$22,820,415 originally approved)
 - does not include Year Two \$7,670,536 to upgrade to the latest PeopleSoft version while also implementing U. T. Rio Grande Valley (Board Approval August 24, 2017)
- The FY 2019 operating budget request for UT SIS will include an increase to support additional applications and U. T. Rio Grande Valley
 - will not include Year Three \$2,629,000 to upgrade to the latest PeopleSoft version while also implementing U. T. Rio Grande Valley (Board Approval August 24, 2017)



UT SIS Cost Analysis and Summary

- U. T. System is experiencing significant savings by having implemented the ERP systems as a shared service. These savings can be seen by comparing the average Higher Education ERP cost to the UT SIS budget.
- An exact comparison to other entities is not possible for a number of reasons:
 - Some UT Share institutions still have separate Campus Solution Systems
 - U. T. Dallas is not in the shared instance (UT SIS runs their system separately)
 - U. T. System Administration ERP system cost is not included in this direct cost comparison because there are no student FTE counts (prorating the comparative cost based on operating budgets would make the average Higher Education ERP benchmark approximately \$50 million)
- U. T. System is saving at least 33% (approximately \$12-18 million per year) by running a shared service when compared to peers. This falls right in line with the average savings of 20-45% reported by the Shared Service Roundtable.
- When compared to cross industry ERP costs of \$75 to \$150 million to maintain ERP systems for an organization the size of U. T. System, U. T. System is saving between 60 and 80%.



UT Share Staffing Analysis

Evidence that efficiency and savings is being achieved can be seen by looking at the average number of central IT FTE at UT Share institutions compared to peers. In other words, UT Share institutions have fewer IT staff than other institutions at least in part because they do not need to provide stand-alone ERP applications: Source: Educause Core Data Survey 2016

- US Higher Education institutions have an average of 7.9 central IT FTE per 1000 Institutional FTE
- UT Share institutions central IT FTE per 1000 Institutional FTE
 - U. T. Arlington= 6.12
 - U. T. Dallas= 7.78 (not in the shared instance so require more ERP staff)
 - U. T. El Paso= 4.73
 - U. T. San Antonio= 6.41
 - U. T. Permian Basin= 2.68
 - U. T. Rio Grande Valley= 10 (currently running stand-alone ERP systems)
 - U. T. Tyler= 3.6



6. U. T. System: 86th Texas Legislative Session Preview

REPORT

Mr. Barry McBee, Vice Chancellor and Chief Governmental Relations Officer, will present a preview of the 86th Texas Legislative Session, including a summary of the institutions' budget and legislative priorities based on recent visits with all institutions, System Administration budget and legislative priorities, issues affecting all of Texas higher education, and the general budgetary and legislative climate for the 86th Session.

7. **U. T. System Board of Regents: Progress reports from task forces**

REPORTS

Vice Chairman Hildebrand may report on the work of the Houston Land Task Force, and Regent Eltife may report on the work of the System Review and Structure Task Force.

8. U. T. System Board of Regents: Recognition of U. T. academic and health institution and U. T. System Administration recipients of the 2018 Regents' Outstanding Employee Awards

INTRODUCTION

Chairman Tucker and Chancellor McRaven will recognize the recipients of the inaugural 2018 Regents' Outstanding Employee Awards. Award recipients are listed on the following pages.

BACKGROUND INFORMATION

On November 9, 2016, the U. T. System Employee Advisory Council recommended to the Board the establishment of the Regents' Outstanding Employee Award program, and funding from the Internal Lending Program was approved on August 24, 2017, as part of the FY 2018 U. T. System operating budget. This award program was created to recognize full-time, benefits eligible, nonfaculty employees who have shown outstanding performance, innovation, enthusiasm, and dedication in their job.

Thirty awards will be made each year across the 14 U. T. institutions and U. T. System Administration. The winners will receive a certificate, a \$10,000 monetary award, and an invitation for the awardee and a guest to a luncheon ceremony in Austin. First-year winners will also receive a Chancellor's challenge coin.

Nomination Process

The candidate selection is a rigorous campus-based process followed by evaluations at the Employee Advisory Council and System Administration levels to determine the finalists. Equal consideration is made to employees across all job categories, and selection is based on the impact the employee has made on their individual job and how this impact has helped improve their institution. Selection criteria is based on superior performance, outstanding customer service, acts that enhance the image of the institution and/or community outreach, and teamwork.

Award nominees must have been employed by their local institution for at least the past two consecutive years, must be employed at the nominating U. T. institution as of the date of the distribution of the awards, must be in good standing from their most recent performance evaluation, and must have clearly demonstrated high levels of proficiency in the areas outlined in the Nomination Process.

Selection Process

Upon receiving the nominations from each campus, the U. T. System Employee Advisory Council reviews and recommends applications to a selection committee comprised of U. T. System Administration staff members who are appointed by the Deputy Chancellor and Executive Vice Chancellors. The Office of the Chancellor administers the program on behalf of the U. T. System Board of Regents and candidates will be notified of award decisions by the end of April each year.

2018 Regents' Outstanding Employee Award Recipients

The University of Texas at Arlington

- Jeff Johnson, Director, Facilities Management Administration
- Molly Albart, Director of Planning, Assessment and Student Success, Student Affairs

The University of Texas at Austin

- Armando Blanco, Supervisor, Production Management and Construction Services
- Mark-Anthony Zuniga, Academic Advisor, Department of Theatre and Dance
- Athena Reynolds, Associate Director, Budget Office

The University of Texas at Dallas

- Nora Hernandez, Academic Advisor III, School of Economic Political and Policy Sciences
- David Taylor, Laboratory Manager, Physics Department

The University of Texas at El Paso

- Alberto "Beto" Lopez, Assistant VP - Institutional Advancement, Events and University Relations
- Azuri Gonzalez, Director, Center for Civic Engagement

The University of Texas of the Permian Basin

- Joe Sanders, University Registrar, Registrar's Office

The University of Texas Rio Grande Valley

- Dalyn Ruiz, Campus Affairs Coordinator, University Events
- Barbara Garza, Director of P-16 Initiatives, P-16 Outreach Office

The University of Texas at San Antonio

- John Shaffer, Associate Director, Student Success and Professional Development, The Graduate School
- Brent Tyroff, Senior Electrician III, Operations and Maintenance

The University of Texas at Tyler

- Jason DiStefano, Laboratory/Technical Services Supervisor, Lecturer, Chemistry and Biochemistry

The University of Texas Southwestern Medical Center

- Tomas Armendariz, Manager Nursing, AS Neurosciences
- Wendy Bishop, Department Administrator, Clinical Sciences
- Julia Rand, Certified Medical Office Assistant, DS Imaging

The University of Texas Medical Branch at Galveston

- Scott Woodby, Nurse Clinician V, Medical Intensive Care Unit (MICU) and Cardiac Care Unit (CCU)
- Chad Connally, Program Manager, Biocontainment and Emergency Management
- Mike Mastrangelo, Program Director, Institutional Preparedness, Facilities Risk Management

The University of Texas Health Science Center at Houston

- Misty Ottman, Program Manager - Research, Emergency Medicine
- Arthur Lupkowski, Human Resources Assistant III, Human Resources

The University of Texas Health Science Center at San Antonio

- Gloria Matthews, Business Administrator, Pediatrics-Endocrinology
- JoAnn Lieberman, Academic Programs Coordinator, Pediatrics – Housestaff

The University of Texas M. D. Anderson Cancer Center

- Carol Wildrick, Clinical Nurse, Outpatient
- Laura Wiedemann, Child Life Specialist, Division of Pediatrics
- Pamela (Sat-Siri) Sumler, Massage Therapist, Integrative Medicine Center

The University of Texas Health Science Center at Tyler

- Christiana Guthrie, Respiratory Clinic Education Coordinator, Pulmonary Clinic

The University of Texas System Administration

- Herman "Hank" Wilke, Senior Construction Inspector, Office of Facilities Planning and Construction

9. **U. T. System Board of Regents: Presentation of Certificate of Appreciation to Student Regent Jaciel Castro and Comments**

10. **U. T. System Board of Regents: Presentation of Certificate of Appreciation to Chancellor McRaven and Comments**