



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

**August 19-20, 2015**  
Austin, Texas

	<b>Board Meeting</b>	<b>Page</b>
<b><u>Wednesday, August 19, 2015</u></b>		
COMMITTEE MEETINGS	<i>9:00 a.m.- 3:30 p.m.</i>	
CONVENE THE BOARD IN OPEN SESSION TO CONSIDER AGENDA ITEMS	<i>3:30 p.m.</i>	
1. <b>U. T. System: Annual Meeting with Officers of the U. T. System Faculty Advisory Council</b>	<b>Report/Discussion</b> <i>Dr. Ann Killary, Chair</i>	<b>6</b>
2. <b>U. T. System Board of Regents: Recognition of academic and health institution recipients of the 2015 Regents' Outstanding Teaching Awards</b>	<i>4:15 p.m.</i> <b>Report/Presentation</b> <i>Chancellor McRaven</i> <i>Dr. Leslie</i> <i>Dr. Greenberg</i>	<b>10</b>
RECESS	<i>4:30 p.m.</i> <i>approximately</i>	
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<b><u>Thursday, August 20, 2015</u></b>		
RECONVENE THE BOARD IN OPEN SESSION TO CONSIDER AGENDA ITEMS	<i>8:30 a.m.</i>	
3. <b>U. T. System Board of Regents: Approval of Consent Agenda items and referral of any items to the full Board or to Committee</b>	<i>8:35 a.m.</i> <b>Action</b>	<b>21</b>
4. <b>U. T. System Board of Regents: Approval of a new advisory body titled The University of Texas System Health Care Advisory Committee</b>	<i>8:40 a.m.</i> <b>Action</b> <i>Dr. Greenberg</i>	<b>22</b>
5. <b>U. T. System: Discussion and appropriate action on changes in admissions policies at the U. T. System academic institutions</b>	<i>8:50 a.m.</i> <b>Action</b> <i>Dr. Daniel</i>	<b>24</b>
6. <b>U. T. Austin: Report on the Clements Center for National Security</b>	<i>9:15 a.m.</i> <b>Report</b> <i>President Fenves</i> <i>Dr. William C. Inboden,</i> <i>Executive Director</i>	<b>25</b>

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STANDING COMMITTEE RECOMMENDATIONS AND REPORTS TO THE BOARD	<i>9:35 a.m. approximately</i>	
<b>7. U. T. System Board of Regents: Certificate of appreciation to former U. T. Dallas President David E. Daniel</b>	<b>9:50 a.m. Presentation</b>	<b>41</b>
RECESS TO EXECUTIVE SESSION PURSUANT TO <i>TEXAS GOVERNMENT CODE</i> , CHAPTER 551 (working lunch at noon)	<i>10:00 a.m. approximately</i>	
1. Deliberation Regarding Security Devices or Security Audits – Section 551.076		
<b>U. T. System Board of Regents: Discussion and appropriate action regarding safety and security issues, including security audits and the deployment of security personnel and devices</b>	<i>Dr. Kelley Director Heidingsfield</i>	
2. Negotiated Contracts for Prospective Gifts or Donations – Section 551.073		
a. <b>U. T. Austin: Discussion and appropriate action regarding proposed negotiated gifts with potential naming features</b>		
b. <b>U. T. Dallas: Discussion and appropriate action regarding proposed negotiated gifts with potential naming features</b>		
c. <b>U. T. Pan American: Discussion and appropriate action regarding proposed negotiated gifts with potential naming features</b>		
d. <b>U. T. Permian Basin: Discussion and appropriate action regarding proposed negotiated gifts with potential naming features</b>		
e. <b>U. T. Rio Grande Valley: Discussion and appropriate action regarding proposed negotiated gifts with potential naming features</b>		
f. <b>U. T. San Antonio: Discussion and appropriate action regarding proposed negotiated gifts with potential naming features</b>		
g. <b>U. T. Tyler: Discussion and appropriate action regarding proposed negotiated gifts with potential naming features</b>		
h. <b>U. T. Southwestern Medical Center: Discussion and appropriate action regarding proposed negotiated gifts with potential naming features</b>		
i. <b>U. T. Health Science Center - Houston: Discussion and appropriate action regarding proposed negotiated gifts with potential naming features</b>		
j. <b>U. T. M. D. Anderson Cancer Center: Discussion and appropriate action regarding proposed negotiated gifts with potential naming features</b>		

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

a. **U. T. System: Discussion and authorization to purchase land and improvements at 3000-3040 Waterview Parkway, Richardson, Collin County, Texas, from 3000 Waterview Parkway-Richardson, LLC, for use by U. T. Southwestern Medical Center and by U. T. Dallas**

*Dr. Kelley  
Interim President  
Wildenthal  
Mr. Tames*

b. **U. T. M. D. Anderson Cancer Center: Discussion and appropriate action to amend the lease of 4.09 acres of land located at the southwest corner of Bertner Avenue and Old Spanish Trail in Houston, Harris County, Texas, to expand the premises to include an additional approximately 1.25 acres leased to The Proton Therapy Center-Houston LTD., L.L.P., a Texas limited liability partnership, for expansion of clinical facilities**

*President DePinho,  
Mr. Fontaine, and  
Ms. Amy Hay,  
U. T. M. D. Anderson  
Cancer Center  
Mr. Tames*

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 and appropriate action regarding update on pending legal issues in *Fisher v. State of Texas, University of Texas at Austin, et al.***

c. **U. T. System Board of Regents: Discussion and appropriate action regarding legal issues concerning conflicts of interest and commitment, including standards of conduct and disclosure related to purchasing and Senate Bill 20**

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

e. **U. T. M. D. Anderson Cancer Center: Discussion and appropriate action concerning legal issues related to proposed creation of research consortium and institute with potential naming features**

f. **U. T. System Board of Regents: Discussion and appropriate action concerning legal issues related to litigation styled *Hall v. McRaven***

g. **U. T. Health Science Center - Houston: Discussion of legal issues related to review of allegations concerning compliance and policy issues**

5. Personnel Matters Relating to Appointment, Employment, Evaluation, Assignment, Duties, Discipline, or Dismissal of Officers or Employees – Section 551.074

a. **U. T. Dallas: Discussion and appropriate action, if any, concerning individual personnel matters related to presidential search**

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<p>b. <b>U. T. Medical Branch - Galveston: Discussion and appropriate action regarding proposed appointment of Craig McDonald, M.D., to provide orthopedic surgical services as an employee physician of U. T. Medical Branch - Galveston in Brazoria County, Texas (Regents' <i>Rules and Regulations</i>, Rule 20204, regarding compensation for highly compensated employees)</b></p>		
<p>c. <b>U. T. System: Discussion and appropriate action regarding individual personnel matters relating to appointment, employment, evaluation, compensation, assignment, and duties of presidents (academic and health institutions), U. T. System Administration officers (Executive Vice Chancellors and Vice Chancellors), other officers reporting directly to the Board (Chancellor, General Counsel to the Board, and Chief Audit Executive), U. T. System and institutional employees, and members of the Board of Regents, and related personnel aspects of the operating budget for Fiscal Year 2016</b></p>		
<p>d. <b>U. T. System: Discussion and appropriate action concerning individual personnel matters relating to appointment, employment, evaluation, compensation, assignment, and duties of U. T. System and institutional employees including employees covered by Regents' <i>Rules and Regulations</i>, Rule 20204, regarding compensation for highly compensated employees, and Rule 20203, regarding compensation for key executives</b></p>		
<p>e. <b>U. T. Health Science Center - Houston: Discussion and appropriate action regarding review of allegations concerning compliance and policy issues</b></p>		
<p>RECONVENE IN OPEN SESSION TO CONSIDER ACTION, IF ANY, ON EXECUTIVE SESSION ITEMS AND TO CONSIDER AGENDA ITEMS</p>	<p><i>2:30 p.m. approximately</i></p>	
<p>8. <b>U. T. M. D. Anderson Cancer Center: Discussion and appropriate action related to proposed creation of research consortium and institute with potential naming features</b></p>	<p><b>Action</b> <i>President DePinho</i></p>	<p><b>42</b></p>
<p>9. <b>U. T. System: Discussion and appropriate action regarding personnel aspects of the U. T. System Administration operating budget for Fiscal Year 2016</b></p>	<p><b>Action</b></p>	<p><b>43</b></p>
<p>10. <b>U. T. System: Approval of the nonpersonnel aspects of the operating budgets for Fiscal Year 2016, including the Permanent University Fund Bond Proceeds allocation for Library, Equipment, Repair and Rehabilitation Projects; allocation for the Science and Technology Acquisition and Retention Program; and additional funding for strategic priorities and campus support</b></p>	<p><b>Action</b> <i>Chancellor McRaven Dr. Hurn Dr. Klein</i></p>	<p><b>43</b></p>
<p>ADJOURN</p>	<p><i>3:00 p.m. approximately</i></p>	

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

**REPORT**

The U. T. System Faculty Advisory Council will meet with the Board to discuss accomplishments of the Council and plans for the future. The Council's priorities for the year are set forth on the following pages. Council members scheduled to attend are:

**Chair: Ann Killary, Ph.D.**, U. T. M. D. Anderson Cancer Center, Genetics

**Academic Affairs and Faculty Quality Committee: David Cordell, Ph.D.**, U. T. Dallas, Finance and Managerial Economics

**Governance Committee: Marc Cox, Ph.D.**, U. T. El Paso, Biological Sciences

**Health Affairs Committee: Donald Molony, M.D.**, U. T. Health Science Center - Houston, Internal Medicine - Renal

Former Chair Elizabeth Heise, Ph.D., is also scheduled to attend.

**BACKGROUND INFORMATION**

The University of Texas System Faculty Advisory Council was established in 1989 to provide a forum for communicating ideas and information between faculty, the Board of Regents, and the Executive Officers of U. T. System. Council guidelines require that recommendations have a multi-institutional focus and that the Council explore individual campus issues with institutional administrators prior to any consideration.

The Faculty Advisory Council consists of two faculty representatives from each U. T. System institution and meets quarterly. The Standing Committees of the Council are: Academic Affairs and Faculty Quality, Governance, and Health Affairs.

**The University of Texas System Faculty Advisory Council  
Report to the Board of Regents of the U. T. System**

The University of Texas System (U. T. System) faculty across 15 academic and health institutions are changing the world daily through excellence in teaching, mentoring, patient care, and cutting edge research. On campuses reaching from the farthest borders of the state to some of the largest universities and health institutions in the nation, U. T. System faculty number more than 19,000 and include 8 Nobel laureates, 44 National Academy of Sciences members, 59 National Academy of Engineering members, and 2 Pulitzer Prize recipients. U. T. System faculty educate over 217,000 undergraduate, graduate, and professional students annually and are leaders in academia within all disciplines and at all levels. At the health institutions, research faculty are uncovering new insights into complex cellular pathways, discovering novel mutations that underlie cancer development, and defining algorithms that interconnect cellular circuits using systems biology approaches critical for curing life's most devastating diseases. Clinical faculty are being innovative with novel therapies, performing lifesaving surgeries, and implementing life changing clinical trials. Faculty from U. T. System academic institutions publish regularly with top academic presses in subjects ranging from political theory and economic policy to engineering and educational reform, and are recognized nationally and internationally in both the arts and sciences. Faculty from the academic and health institutions receive prestigious teaching awards, including the Regents' Outstanding Teaching Awards that show a dedication and commitment to bringing the best of higher education to U. T. System. It is an honor and privilege for the U. T. System Faculty Advisory Council (FAC) to represent our exceptional faculty on issues common to all campuses in order to enhance the mission of the U. T. System to ensure that all students are educated to be productive, innovative, and engaged citizens.

During the 2014-2015 academic year, the FAC met with the Chancellor, Executive Vice Chancellors, U. T. System leaders and staff, members of the 84th Texas State Legislature, the Commissioner of the Texas Higher Education Coordinating Board, and members of the Board of Regents to discuss and address issues relevant to faculty across the U. T. System. The standing committees worked in-depth on issues related to curriculum and instruction, faculty performance, morale and academic leadership, as well as developed administrative policies relating to faculty, drafted model policies, and composed resolutions on important faculty issues.

One item of significance occurred at the August 20, 2014 meeting of the Board of Regents when Chairman Foster met with the council. Noting that a Student Regent sits on the Board, the question was asked whether it might be advisable for FAC to have similar representation on the Board. Chairman Foster indicated an interest in finding ways to improve faculty participation at the Board meetings. Subsequently, FAC received a letter from Chairman Foster and Chancellor McRaven inviting our participation at the Board meetings, including the Academic and Health Affairs Committees. The FAC would like formally to express our gratitude to Chairman Foster,

the Chancellor, and the Board for the opportunity for FAC to participate at both the Board meeting as well as the standing committee meetings.

**FAC Priorities for 2015-2016 Academic Year**

In the coming academic year, the council will address factors pertinent to student and faculty success. We will work in collaboration with U. T. System to develop novel mechanisms to support our outstanding faculty and encourage shared governance at all U. T. System institutions. Among items for consideration, three priorities have been identified.

**Priority 1: Faculty Shared Governance** is codified by Regents' *Rules and Regulations*, Rule 40101, Faculty Role in Educational Policy Formation, which states that "the faculties of the institutions regularly offering instruction shall have a major role in the governance of their respective institutions." The FAC and the faculty at all U. T. System institutions work through shared governance to ensure quality in teaching, research, creative activity, student life, and service while maintaining the most rigorous standards. The FAC will continue to prioritize the encouragement of shared governance at its U. T. System institutions for the betterment of the students and faculty.

**We will reexamine how faculty governance is achieved currently across our campuses with the intention of sharing best practices so that the FAC and U. T. System can further enhance faculty governance, dialogue and communication, and transparency. FAC will work to develop a model policy for best practices for shared governance on the U. T. System campuses.**

**Priority 2: Enhancing the Research Success of U. T. System Institutions.** FAC fully supports the efforts of Governor Abbott and Chancellor McRaven to increase the number of National Academy members and Nobel laureates at the U. T. System. In addition to these outstanding individuals, FAC would like to explore additional mechanisms to support and enhance the effectiveness of our existing research faculty. In light of recent reductions in national research funding, FAC believes that new and creative mechanisms should be explored to support and retain existing exemplary faculty members.

**FAC will identify novel mechanisms to increase support to our faculty within the U. T. System for research and educational-related activities, including the possible development of competitive research grants to support highly innovative, investigator-initiated research. We will work closely with U. T. System to identify ways to improve and better integrate research, infrastructure, and information technology throughout the U. T. System.**

**Priority 3: Enhance Efforts to Ensure Student Success and On-Time Graduation.** The Texas General Education Core Curriculum (core curriculum) was designed to ensure that all Texas undergraduate students enrolled in public institutions of higher education develop the essential knowledge and skills they need in order to be successful in college, in a career, in their communities, and in life. The skills and knowledge built into the core provide the foundational

intellectual tools and flexibility that are necessary for all subsequent academic study and professional training. Student success, graduation rates, and progress towards professional employment may well be influenced by the quality of the learning experience in the core curriculum. For various reasons, delivery of the core curriculum has undergone a number of recent changes, including expansion of dual credit classes in high schools, students electing to take all or part of the core curriculum at two-year colleges, the development of online versions of core classes by various credentialing entities, and a growing use of part-time faculty in on-campus core instruction at many colleges and universities.

**FAC will explore whether the variation in the delivery of the core curriculum is a factor in student learning and graduation rates throughout the U. T. System. We will design a study that examines our students' experience with the core curriculum relative to their subsequent academic success and graduation rates.**

In conclusion, the FAC would like to thank the Board of Regents for its ongoing support of the faculty and shared governance across the U. T. System. We look forward to working closely with the U. T. System Administration and the Board to bring forward important faculty issues and find effective solutions for the advancement of students and faculty and the overall well-being and excellence of the U. T. System institutions.



**2. U. T. System Board of Regents: Recognition of academic and health institution recipients of the 2015 Regents' Outstanding Teaching Awards**

PRESENTATION

Chancellor McRaven will recognize the 2015 recipients for the Regents' Outstanding Teaching Awards, as listed on the following pages . A short video presentation will be made at the meeting.

BACKGROUND INFORMATION

The Board of Regents of the U. T. System places the highest priority on undergraduate teaching at U. T. System universities and encourages teaching excellence by recognizing those faculty who deliver the highest quality of undergraduate instruction, demonstrate their commitment to teaching, and have a history and promising future of sustained excellence with undergraduate teaching in the classroom, in the laboratory, in the field, or online.

On August 14, 2008, the Board established the Regents' Outstanding Teaching Awards (ROTA), which are a symbol of the importance the Board places on the provision of teaching and learning of the highest order, in recognition of those who serve students in an exemplary manner and as an incentive for others who aspire to such service. These teaching awards complement existing ways in which faculty excellence is recognized and incentivized.

The Board allocated \$1 million per year for the awards for U. T. Austin and another \$1 million per year for the remaining academic institutions. On August 25, 2011, the Board expanded the program to the faculty at the six health institutions and allocated \$1 million per year for the awards. The allocations have been approved through Fiscal Year 2017.

Program details for the awards were approved by the Board on November 13, 2008, and modified to include one-time payments of \$25,000 each to the individual faculty members.

Among the academic institutions, awards are made according to faculty level, with no more than 76 awards for tenured faculty, tenure-track faculty, and contingent faculty (including adjuncts, lecturers, and instructional assistants). Across the health institutions, no more than 39 awards are made annually.

## **ROTA 2015 Winners (Academic Institutions)**

### **The University of Texas at Arlington**

**Shih-Ho “Simon” Chao, Ph.D., P.E.**

Associate Professor in Structural Engineering  
Department of Civil Engineering

**A. Raymond Elliott, Ph.D.**

Associate Professor of Spanish Linguistics  
Distinguished Teaching Professor  
Department of Modern Languages

**Deborah Hughes, MS, RN, CCRN**

Clinical Instructor  
College of Nursing and Health Innovation

**Judy LeFlore, Ph.D., RN, NNP-BC, ACPNP-AC&PC, ANEF, FAAN**

Interim Associate Dean and Chair  
Graduate Nursing  
Associate Dean for Simulation and Technology  
Samuel T. Hughes Professor of Nursing

**Sanjiv Sabherwal, Ph.D.**

Associate Professor and Distinguished Teaching Professor  
Department of Finance and Real Estate

**Jeffrey Witzel, Ph.D.**

Assistant Professor  
Department of Linguistics and TESOL

### **The University of Texas at Austin**

**Christina Bain, Ph.D.**

Associate Professor of Art Education  
Department of Art and Art History

**Bharath Chandrasekaran, Ph.D.**

Assistant Professor  
Communication Sciences and Disorders

**Robert B. Gilbert, Ph.D., P.E., D.GE**

Brunswick-Abernathy Professor in Soil Dynamics and Geotechnical Engineering  
Department of Civil; Architectural and Environmental Engineering

**Sharon E. Jarvis, Ph.D.**

University Distinguished Teaching Professor  
Associate Professor  
Associate Director for Research  
Annette Strauss Institute for Civic Life  
Department of Communication Studies

**Christine Julien, D.Sc.**

Associate Professor  
Department of Electrical and Computer Engineering

**Anita Latham, Ph.D.**

Senior Lecturer  
Biology Instructional Office

**Juan Miro, FAIA, LEED, AP**

Professor  
Associate Dean for Undergraduate Programs  
School of Architecture

**Jennifer Moon, Ph.D.**

Senior Lecturer  
Biology Instructional Office and Molecular Biosciences

**H. W. Perry, Jr., Ph.D.**

Associate Professor  
Department of Government and School of Law

**Rebecca Rossen, Ph.D.**

Assistant Professor  
Department of Theatre and Dance

**Kris Wilson, Ph.D.**

Senior Lecturer, School of Journalism  
Moody College of Communication

**The University of Texas at Brownsville**

**Daniel Hunter-Holly, DMA**

Associate Professor of Music  
Department of Music

**The University of Texas at Dallas**

**Monica Rankin, Ph.D.**

Associate Professor of History  
School of Arts & Humanities

**The University of Texas at El Paso**

**David J. Carrejo, Ph.D.**

Associate Professor of Mathematics Education  
Department of Teacher Education

**Brad Cartwright, Ph.D.**

Assistant Professor of Practice  
Director, Center for History Teaching and Learning  
Department of History

**Sandor Dorgo, Ph.D., CSCS,D\***

Associate Professor  
Department of Kinesiology

**Pei-Ling Hsu, Ph.D.**

Assistant Professor of Science Education  
Teacher Education

**Helmut Knaust, Ph.D.**

Associate Professor  
Department of Mathematical Sciences

**Oscar Macchioni, D.M.A.**

Associate Professor of Piano  
Assistant Chair  
Music Department

**Homer Nazeran, Ph.D., CPEng. (Biomed.)**

Professor  
Electrical and Computer Engineering  
Biomedical Engineering Graduate Degree Programs

**Sasha Pimentel, Ph.D.**

Assistant Professor  
Department of Creative Writing

**Raymond C. Rumpf, Ph.D.**

Director, EM Lab  
Associate Professor  
Department of Electrical and Computer Engineering

**Liz Walsh, Ph.D.**

Professor  
Department of Biological Sciences

**The University of Texas-Pan American**

**Colin Charlton, Ph.D.**

Associate Professor and Coordinator of First Year Writing Programs  
Department of English

**Jose J. Gutierrez-Gonzalez, Ph.D.**

Associate Professor  
Chemistry Department

**Christine F. Reilly, Ph.D.**

Assistant Professor  
Department of Computer Science

**Emmett Tomai, Ph.D.**

Assistant Professor  
Department of Computer Science

**Horacio Vasquez, Ph.D.**

Associate Professor  
Department of Mechanical Engineering

**Jorge Vidal, Ph.D.**

Lecturer I  
Economics and Finance

**The University of Texas of the Permian Basin**

**Michael Crain, M.S.**

Director of Entrepreneurial Development  
College of Business & Engineering

**The University of Texas at San Antonio**

**Kathryn Brown, Ph.D.**

Associate Professor  
Department of Anthropology

**Kirsten E. Gardner, Ph.D.**

Associate Professor  
Department of History and American Studies

**Patricia A. Jaramillo, Ph.D.**

Lecturer III  
Department of Public Administration

**Jerome P. Keating, Ph.D.**

Professor  
Department of Management Science and Statistics

**Ram Krishnan, Ph.D.**

Assistant Professor  
Department of Electrical and Computer Engineering

**Deborah Moon Wagner, M.A.**

Lecturer III  
Department of Anthropology

**Valerie Sponsel, Ph.D., D.Sc.**

Professor of Biology  
Ricardo Romo Ph.D. Endowed Professor  
Department of Biology  
Honors College

**The University of Texas at Tyler**

**Susan Doty, MBA**

Senior Lecturer in Economics  
Director of the Center for Economic Education and Financial Literacy  
Department of Social Sciences

## **ROTA 2015 Winners (Health Institutions)**

### **The University of Texas Southwestern Medical Center**

**Joseph P. Albanesi, Ph.D.**

Professor with tenure, Department of Pharmacology- School of Medicine

**Benjamin M. Greenberg, M.D., MHS**

Associate Professor, Department of Neurology and Neurotherapeutics and the Department of Pediatrics- School of Medicine

**Kimberly A. Hoggatt Krumwiede, M.A.**

Associate Professor, Assistant Dean of Student Affairs and Educational Technology  
School of Health Professions

**David J. Klocko, MPAS, PA-C**

Associate Professor, Academic Coordinator  
Department of Physician Assistant Studies  
School of Health Professions

**John Phelan, Ph.D.**

Assistant Professor of Human Anatomy  
School of Medicine

**Clifford Y. Wai, M.D.**

Associate Professor  
Fellowship Director  
Division of Urogynecology and Reconstructive Pelvic Surgery,  
Department of Obstetrics and Gynecology  
School of Medicine

### **The University of Texas Medical Branch at Galveston**

**Kimberly M. Brown, M.D., FACS**

Associate Professor  
Director, Surgical Simulation and  
Advanced Minimally Invasive Laparoscopic and Robotic Surgery  
Associate Program Director, General Surgery Residency  
Medical Director, Physician Assistant Studies Program  
James Edwin Thompson, M.D., Family Professor of Surgical Simulation  
Department of Surgery – School of Medicine

**Lisa D. Cain, Ph.D.**

Distinguished Teaching Professor  
Assistant Dean for Faculty Affairs  
Associate Professor, Department of Neuroscience and Cell Biology- School of Medicine  
Associate Member, Institute for the Medical Humanities  
Director, Medical School Enrichment Programs, Office of Student Affairs and Admissions  
School of Medicine

**Mark D. Holden, M.D., FACP**

Director, Division of General Internal Medicine  
Vice Chair for Undergraduate and Continuing Medical Education  
Professor, Department of Internal Medicine- School of Medicine

**Susan D. McCammon, M.D., MFA**

Associate Professor  
Vice Chairman  
Presidency Program Director  
Co-Director for the Center for Cancers of the Head and Neck  
Jehu Matthew Robison Distinguished Professor of Otolaryngology  
Department of Otolaryngology- Head and Neck Surgery- School of Medicine

**Victor E. Reyes, Ph.D.**

Professor, Departments of Pediatrics and Microbiology & Immunology  
School of Medicine

**Carolyn J. Utsey, PT, Ph.D.**

Chair and Associate Professor  
School of Health Professions

**The University of Texas Health Science Center at San Antonio**

**Yui-Wing Francis Lam, Pharm.D.**

Professor, Department of Pharmacology  
Associate Professor, Department of Medicine

**John C. Lee, Ph.D.**

Professor  
Department of Biochemistry

**Robert J. Nolan Jr., M.D.**

Professor, Associate Chairman, Associate Dean for Graduate Medical Education  
Department of Pediatrics



**Jean A. Petershack, M.D.**

Professor/Clinical, Pediatric Clerkship Director  
Department of Pediatrics

**Omid B. Rahimi, Ph.D.**

Associate Professor, Department of Cellular & Structural Biology

**Rajeev Suri, M.D.**

Associate Professor Radiology with Tenure  
Associate Professor, Graduate School of Radiological Sciences  
Department of Radiology

**Karen B. Troendle, D.D.S., MPH**

Distinguished Teaching Professor  
Director of Direct Restorations  
Department of Comprehensive Dentistry

**The University of Texas Health Science Center at Houston**

**Andrew J. Bean, Ph.D.**

Professor, Department of Neurobiology and Anatomy  
Adjunct Professor, Department of Pediatrics, M. D. Anderson Cancer  
Center  
Associate Dean for Graduate Education, U. T. M. D. Anderson Cancer  
Center/UTMDACC Graduate School of Biomedical Sciences

**George L. Delclos, M.D., MPH, Ph.D., F.C.C.P.**

Professor, Division of Epidemiology, Human Genetics and Environmental Sciences  
Adjunct Professor, Center for Research in Occupational Health, Department of  
Experimental and Life Sciences Popeu Fabra University, Barcelona, Spain  
Clinical Professor, Department of Preventative Medicine and Community Health  
Clinical Associate Professor of Medicine, Department of Medicine Baylor College of  
Medicine  
Professor, School of Nursing  
Associate Professor (Adjunct appointment), Department of Industrial Engineering-  
University of Houston Cullen College of Engineering

**Herbert L. DuPont, M.D.**

Director, Center for Infectious Diseases, Professor of Infectious Diseases - School of  
Public Health  
Chief, Internal Medicine Service – Baylor St. Luke’s Medical Center  
Mary W. Kelsey Distinguished Chair in Medical Sciences – School of Medicine  
The Baylor College of Medicine H. Irving Schweppe, Jr., M.D. Chair in Internal Medicine  
and Vice Chairman, Department of Medicine  
Clinical Professor, Department of Medicine and Adjunct Professor, Department of  
Microbiology and Immunology Baylor College of Medicine

Professor, Graduate Schools of Biomedical Sciences, Houston  
Professor, Graduate Schools of Biomedical Sciences Baylor College of Medicine  
Department of Molecular Virology and Microbiology  
Adjunct Professor, Department of Infectious Diseases, Internal Medicine, U. T. M. D.  
Anderson Cancer Center  
Adjunct Professor, Department of Clinical Services and Administration, University of  
Houston College of Pharmacy

**Raymond G. Koeppen, B.S., D.D.S., M.S., MBA, FACP**

Chair, Associate Professor, Department of Restorative Dentistry and Prosthodontics –  
School of Dentistry

**Michael C. Lorenz, Ph.D.**

Assistant Professor, Department of Microbiology and Molecular Genetics – School of  
Medicine

**Pedro Mancias, M.D.**

Assistant Dean, Diversity and Inclusion/Admissions and Student Affairs – School of  
Medicine

Associate Professor, Departments of Neurology and Pediatrics – School of Medicine  
Director of Neurology Services, Shriner's Hospitals Houston  
Director of Pediatric Electromyography, Children's Memorial Hermann Hospital

**Christine M. Markham, Ph.D.**

Associate Professor for Health Promotion and Behavioral Sciences  
Associate Director Center for Health Promotion and Prevention Research  
School of Public Health

**Joanne L. Oakes, M.D., FACEP**

Assistant Dean, Educational Programs  
Associate Professor of Emergency Medicine, Non-Tenure Track, Clinical Track  
Department of Emergency Medicine – School of Medicine  
Clinical Associate Professor, Department of Biomedicine, College of Biomedical  
Sciences and Health Professions

**Evan G. Pivalizza, MBChB**

Professor, Department of Anesthesiology – School of Medicine

**Han Zhang, M.D.**

Associate Professor, Department of Neurobiology and Anatomy – School of Medicine  
Adjunct Professor, Medical School of Yangzhou University, China

**The University of Texas M. D. Anderson Cancer Center**

**Suzieann Bass, MBA, MAED**

Assistant Professor, School of Health Professions

**Christopher Crane, M.D.**

Professor, Department of Radiation Oncology, Division of Radiation Oncology

**Paul A. Scheet, Ph.D.**

Associate Professor, Department of Epidemiology, Division of the Office of Vice President, Cancer Prevention and Population Sciences  
Regular Member, The University of Texas Graduate School of Biomedical Sciences  
Associate Professor, Epidemiology, The University of Texas School of Public Health  
Associate Professor, Biostatistics, The University of Texas School of Public Health

**Jill Schumacher, Ph.D.**

Associate Professor, Department of Genetics  
Associate Dean of Graduate Education, The University of Texas Graduate School of Biomedical Sciences Houston  
Associate Professor, The University of Texas Graduate School of Biomedical Sciences Houston

**Pamela T. Soliman, M.D., Ph.D.**

Associate Professor, Department of Gynecologic Oncology and Reproductive Medicine, Division of Surgery

**The University of Texas Health Science Center at Tyler**

**Emmanuel Elueze, M.D., Ph.D., MPA, FACP**

Chair and Associate Professor of Medicine, Department of Medicine  
Director of Medical Education  
Program Director, Internal Medicine Residency Program, Good Shepherd Medical Center, Longview, Texas  
Primary Care Internist, Good Shepherd Medicine Clinic, Longview, Texas  
Medical Director, Palliative Care Consult Service, Good Shepherd Medical Center, Longview, Texas

3. **U. T. System Board of Regents: Approval of Consent Agenda items and referral of any items to the full Board or to Committee**

**RECOMMENDATION**

The Board will be asked to approve the Consent Agenda items located at the back of the book under the Consent Agenda tab.

**4. U. T. System Board of Regents: Approval of a new advisory body titled The University of Texas System Health Care Advisory Committee**

RECOMMENDATION

The Chancellor concurs with the recommendation of the Executive Vice Chancellor for Health Affairs that the U. T. System Board of Regents approve a new advisory body titled The University of Texas System Health Care Advisory Committee, composed of individuals who collectively have expertise in the following areas of health and health care operations: clinical and business operations, finance, reimbursement, law, policy, and quality of care. The membership of the Health Care Advisory Committee should include a minimum of three and maximum of seven members.

BACKGROUND INFORMATION

Higher education systems in Texas utilize a nine-member governing board entrusted with significant fiduciary responsibilities over all aspects of a statewide complex enterprise. Specifically, the U. T. System Board of Regents oversees 15 academic and health institutions with a consolidated \$16 billion operating budget, \$65 billion balance sheet, and more than 200,000 students.

In the increasingly technical world of health care delivery, with rapid changes in payment approaches, organizational alignment, and performance assessment, it is important that U. T. System Board of Regents and U. T. System Administration have access to the advice and guidance of experienced leaders in the field.

In May 2014, after recognizing that the oversight of U. T. System University Lands required unique and specialized expertise, the Board of Regents established the University Lands Advisory Board (ULAB). For similar reasons, it is recommended that the Board of Regents establish a Health Care Advisory Committee (HCAC). The HCAC would have no governance authority, but would serve an advisory and review role on behalf of the Board of Regents.

In addition to specific duties listed below, the HCAC will advise the Board of Regents, the Chancellor, the Office of Health Affairs, the Office of Academic Affairs, and the U. T. System health institutions by providing a rapid response mechanism to deal with time-sensitive matters and additional health care expertise to help the Board of Regents discharge their responsibilities more fully.

HCAC advisory duties would include:

- Recommending strategic direction;
- Reviewing major initiatives, joint ventures, contracts, and affiliations;
- Recommending a balanced scorecard of financial and clinical performance measures to be reviewed quarterly;

- Reviewing operations and making recommendations as appropriate; and
- Recommending policy for approval by the Board of Regents or the Chancellor.

The Board of Regents will retain all of its statutory responsibilities and authorities to:

- Approve institutional budgets;
- Appoint members of HCAC;
- Purchase and sell any property;
- Approve policy recommendations and set policy;
- Approve decisions critical to the mission including compensation parameters; and
- Modify HCAC responsibilities.

The Chairman of the Board of Regents and the Chancellor will propose HCAC appointees for approval by the Board of Regents at a future meeting.

5. **U. T. System: Discussion and appropriate action on changes in admissions policies at the U. T. System academic institutions**

RECOMMENDATION

Deputy Chancellor Daniel will present recommended changes to admissions policies and procedures for U. T. System academic institutions.

**6. U. T. Austin: Report on the Clements Center for National Security**

REPORT

President Fenves will introduce Executive Director William Inboden for a report on activities of the Clements Center for National Security at U. T. Austin. A PowerPoint presentation is set forth on the following pages.

BACKGROUND INFORMATION

On February 14, 2013, the Board approved the honorific naming of a new pilot program at U. T. Austin as the William P. Clements, Jr. Center for History, Strategy, and Statecraft to recognize the life and career of former Governor Clements and the support of the Clements Foundation. On May 20, 2015, the Center's Board of Advisors changed the name of the Center to the Clements Center for National Security.

The Clements Center for National Security was designed to instill a better understanding of history among students, scholars, policymakers, and the general public as it relates to national security policy and statecraft. The Center's goal continues to address a deficit in the historical understanding of national security policy in contemporary statecraft. The program draws on the best insights of diplomatic, military, political, and international history for training the next generation of national security scholars and policymakers.

The Clements Foundation partnered with U. T. Austin through a gift of \$2.5 million to fund and develop the four-year pilot program. The life and career of the late Governor Clements, particularly his Defense Department leadership during pivotal years in the nation's history, exemplify a judicious attention to history and its relationship to statecraft.



# Clements Center for National Security

Dr. William Inboden, Executive Director

U. T. System Board of Regents' Meeting  
August 2015



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Applying the insights of history to  
strengthen American national security, and  
training the next generation of national  
security leaders





“Let us never send the president of the United States to the conference table as the head of the second-strongest nation in the world.”

-Deputy Secretary of Defense William P. Clements, Jr. 1973





Camp David, August 2007



## What Makes Us Unique?

- Focus on history
- Values: Patriotism and strong national security policy
- Teaching: Training students for national security careers



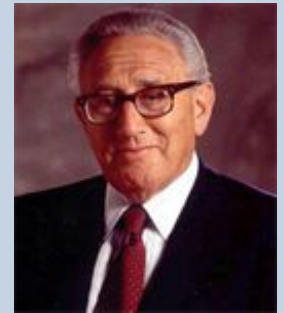


“The Clements Center is a first-of-its kind endeavor that will bring the study of history to bear on improving American national security policy and helping maintain our status as the world’s preeminent nation.”

-Former Secretary of Defense Robert Gates



# Who Supports and Endorses Us? Statecraft Board of Reference



## What We Do

- Teaching: Educating the next generation of national security leaders and scholars
- Research: Applying historical insights to national security policy
- Convening: Bringing together national security policymakers, scholars, and students





## Intelligence Studies Project

- Stephen Slick, decorated 30-year veteran of CIA's Clandestine Service
- Joint Program with Strauss Center
- Very few university programs in nation focused on intelligence
- Unique student research project for Director of National Intelligence (DNI)
- Workshops with National Security Agency and National Intelligence Council
- Upcoming speakers: CIA Director John O. Brennan, DNI James R. Clapper



## Teaching

- Class on intelligence, presidential leadership, history of warfare, American diplomatic history, and Afghanistan war
- London Maymester on U.S.-U.K. strategic tradition
- Summer seminar in history and strategy
- Undergraduate and Graduate Fellows
- Marine Corps command and staff college exercise



## Research

- Postdoctoral Fellows
- History of Iraq surge
- Lecture series
- Policy advising to senior officials, members of Congress, presidential candidates, allied leaders, and governments
- Upcoming conferences: AEI Presidency, Reagan, Clements, and Nixon/Ford
- NIC workshop on strategic assumptions
- Publications: books, articles, and policy reports





# Convening



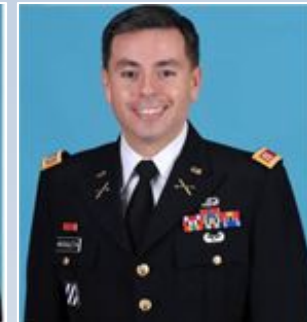
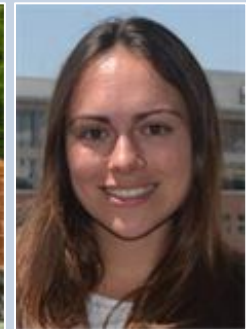


THE UNIVERSITY OF TEXAS AT AUSTIN  
**CLEMENTS CENTER**  
FOR NATIONAL SECURITY

HISTORY • STRATEGY • STATECRAFT

## Assessing Impact

- Attracting world-class students
- Placing our graduates
- Influencing policy
- Creating competitors



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Where do we go from here?



## Development

**Over \$9.3 million raised since launch in 2013**

Over 90 distinct donors

- Next phase: Creating an endowment to anchor a world-class center
- \$2 million given and \$2 million additional pledged for endowment



7. **U. T. System Board of Regents: Certificate of appreciation to former U. T. Dallas President David E. Daniel**



8. **U. T. M. D. Anderson Cancer Center: Discussion and appropriate action related to proposed creation of research consortium and institute with potential naming features**

**RECOMMENDATION**

A recommendation may be made at the meeting concerning the proposed creation of a research consortium and institute with potential naming features at U. T. M. D. Anderson Cancer Center.

**9. U. T. System: Discussion and appropriate action regarding personnel aspects of the U. T. System Administration operating budget for Fiscal Year 2016**

**RECOMMENDATION**

The Chancellor concurs with the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Health Affairs, and the Executive Vice Chancellor for Business Affairs that approval be granted regarding personnel aspects of the U. T. System Administration operating budget for Fiscal Year 2016 as included in the next agenda item (Item 10). See Executive Session Items 5c and 5d related to the personnel aspects of the U. T. System Operating Budgets.

**10. U. T. System: Approval of the nonpersonnel aspects of the operating budgets for Fiscal Year 2016, including the Permanent University Fund Bond Proceeds allocation for Library, Equipment, Repair and Rehabilitation Projects; allocation for the Science and Technology Acquisition and Retention Program; and additional funding for strategic priorities and campus support**

**RECOMMENDATION**

The Chancellor, with the concurrence of the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Business Affairs, the Executive Vice Chancellor for Health Affairs, and the presidents of the U. T. System institutions recommends that the nonpersonnel aspects of the U. T. System Operating Budgets for Fiscal Year (FY) 2016, including Educational and General Funds, Auxiliary Enterprises, Grants and Contracts, Designated Funds, Restricted Current Funds, and Medical, Dental, Nursing, and Allied Health Faculty Services, Research and Development Plans, as summarized below, be approved for funding and implementation during FY 2016.

In making this recommendation, Chancellor McRaven seeks the Board's understanding that the ongoing U. T. System Administration strategic assessment and organizational review may impact determinations about the priority of funding and staffing for the projects and initiatives included in the recommended U. T. System Administration budget. He requests that the Board agree that, should any previously approved projects or funding allocations be identified as not consistent with the strategic assessment or not clearly identified as an effective mission for U. T. System Administration, he be allowed the flexibility to reallocate or eliminate those projects and funding in the approved budget. It is further recommended that the Chancellor also be authorized to make nonsubstantive editorial corrections to the approved budget, and that subsequent adjustments be reported to the U. T. System Board of Regents through the Consent Agenda subject to the requirements of the Budget Rules and Procedures. Chancellor McRaven will present the following recommended items utilizing the presentation on [Pages 46 - 72](#):

- FY 2016 Operating Budget
- FY 2016 Library, Equipment, Repair and Rehabilitation (LERR) Budget
- FY 2016 allocation of the Science and Technology Acquisition and Retention (STARs) program
- FY 2015 and 2016 additional funding for strategic priorities and campus support

It is recommended that Permanent University Fund (PUF) Bond Proceeds in the amount of \$35 million be appropriated directly to the institutions to fund LERR Projects for FY 2016.

It is also recommended that \$30 million of PUF Bond Proceeds be appropriated through the Faculty STARs program to provide additional funding to build and enhance research infrastructure to attract and retain the best qualified faculty. Through a competitive proposal process determined by U. T. System Administration, funds will be distributed for the purpose of recruiting or retaining top researchers. Vice Chancellor Hurn and Associate Vice Chancellor Klein will report on progress made as a result of the STARs program utilizing the presentations on [Pages 73 - 88](#).

In addition, it is requested that \$57,673,480 of Available University Funds (AUF) and \$148,988,000 of PUF Bond Proceeds be authorized and funded for strategic priorities and campus support as follows:

1. Shared Data Center Capacity and Capabilities Enhancement: \$11,100,000 of PUF to increase shared data center capacity and capabilities in support of critical health, research, and administrative computing needs.
2. Research Computing Cyberinfrastructure - Phase 2: \$5,500,000 of PUF and \$9,320,000 of AUF in FY 2016 to continue to provide a competitive advantage to research and support faculty recruitment and retention by funding the ongoing evolution of the U. T. Research Cyberinfrastructure through expanded support for Big Health Analytics.
3. Increase U. T. System Network Performance: \$4,413,000 of PUF and \$2,587,000 of AUF in FY 2016 to increase performance of the U. T. System Network to support growth in health, research, and administrative computing needs.
4. U. T. Rio Grande Valley Medical School: \$10,000,000 of PUF in FY 2016 to be used for eligible capital expenses associated with the start-up of the U. T. Rio Grande Valley Medical School. On December 6, 2012, the Board of Regents approved \$100,000,000 of unspecified resources to be used for start-up costs for the Medical School. Two previous distributions from this allocation of \$5,000,000 approved on May 15, 2014, and \$15,000,000 approved on November 6, 2014, were distributed to U. T. Health Science Center - San Antonio to be used for eligible capital expenses on behalf of the Medical School. This distribution would be made directly to U. T. Rio Grande Valley Medical School.
5. Tuition Revenue Bond (TRB) Project Funding Shortfalls: \$114,700,000 of PUF in FY 2016 for additional funding needed for projects funded from TRBs at the U. T. System institutions proposed to be added to the Capital Improvement Plan (See Facilities Planning and Construction Committee Agenda Item 6 on [Page 293](#)).
6. Projects at U. T. Permian Basin: \$3,275,000 of PUF in FY 2016 for three projects at U. T. Permian Basin: 1) renovation of space to serve as headquarters and operational base for University police, 2) STEM Charter Academy expansion of facility space, and 3) renovation of Founders Building B to house the U. T. Permian Basin Early College High School.
7. U. T. Horizon Fund: \$10,000,000 of AUF in FY 2015 to support the U. T. Horizon Fund (See Technology Transfer and Research Committee Agenda Item 5 on [Page 360](#)). The Horizon Fund invests in companies commercializing U. T. innovations.

8. Diabetes Obesity Control Initiative - Phase 2: \$15,000,000 from AUF in FY 2015 to support Phase 2 of the U. T. Systemwide Diabetes Obesity Control Initiative. The funds will also serve as seed money to attract an additional \$30,000,000 of philanthropy, grants, and industry funds (See Health Affairs Committee Agenda Item 6 on [Page 253](#)).
9. Lease Termination Agreement: \$766,480 of AUF in FY 2016 to pay a negotiated termination fee under a Lease Termination Agreement for office space at 1901 Pennsylvania Avenue, Washington, D.C., previously occupied by the U. T. System Office of Federal Relations. A cost analysis was prepared by the U. T. System Office of General Counsel's Real Estate Office and it was determined to be in the best interest of U. T. System to relocate the office, pay the termination fee, and be relieved of all obligations under the lease from and after December 31, 2015.
10. Support for UTShare Institutions: \$19,500,000 of AUF in FY 2015 to continue sponsored projects data cleanup, reconciliation, and remediation begun in February 2015, and support UTShare institutions in efforts to improve PeopleSoft functionality.
11. Branding and Marketing: \$500,000 of AUF for FY 2016 to engage an external agency to provide counsel for the U. T. System branding and marketing task force, expenses associated with teams and external focus groups, and external public relations assistance to ensure enhanced media opportunities while an internal communications team is put in place.

Item 5 related to TRB Funding Shortfalls, Item 7 related to the U. T. Horizon Fund, and Item 8 related to the U. T. Systemwide Diabetes Obesity Control Initiative are addressed in greater detail in separate agenda items referenced above, are subject to funding limitations established in the associated agenda item, and are contingent on approval of the respective agenda items by the U. T. System Board of Regents.

#### BACKGROUND INFORMATION

A supplemental volume of the budget materials titled "Operating Budget Summaries and Reserve Allocations for Library, Equipment, Repair and Rehabilitation and Faculty STARs" was provided to all Regents prior to the meeting and is available online at <http://utsystem.edu/board-of-regents/meetings/board-meeting-2015-08-19>.

The appropriation of PUF Bond Proceeds will be presented in the Fiscal Year 2016 LERR Budget, along with Faculty STARs, and is subject to the budget rules adopted therein and the requirements of the U. T. Systemwide *UTS168 Capital Expenditure Policy*. The allocation of LERR funds to the U. T. System institutions was developed from prioritized lists of projects submitted by the institutions and reviewed by U. T. System Administration staff. Additionally, PUF Bond Proceeds appropriated above to LERR and Faculty STARs must be spent in accordance with the Article VII, Section 18 of the Texas Constitution. PUF Bond Proceeds may only be used for the purpose of acquiring land either with or without permanent improvements, constructing and equipping buildings or other permanent improvements, major repair and rehabilitation of buildings and other permanent improvements, acquiring capital equipment, and acquiring library books and library materials.

See the previous Open Session Item 9 and Executive Session Items 5c and 5d related to the personnel aspects of the U. T. System Operating Budgets.

# The University of Texas System Fiscal Year 2016 Operating Budget

U. T. System Board of Regents' Budget Briefing  
August 2015



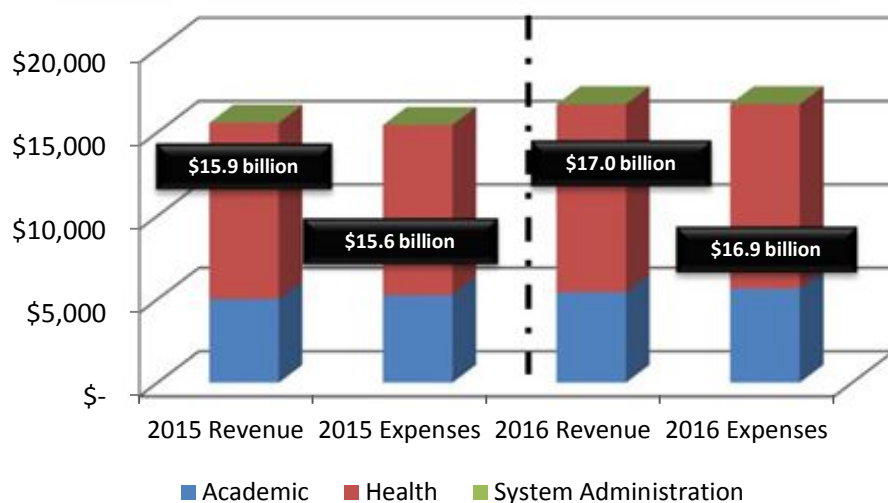
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# Budget Highlights

**Total Budgeted Revenue and Expenses FY 2015 and FY 2016**



## Budgeted Revenue

FY 2016 - \$17.0 billion  
 \$1.1 billion more than FY 2015  
 7.1% more than FY 2015

### Major Drivers (in millions)

- Local and Private Sponsored Programs - \$188
- Sales and Services of Hospital and Clinics - \$181
- State Appropriations - \$159

## Budgeted Expenses

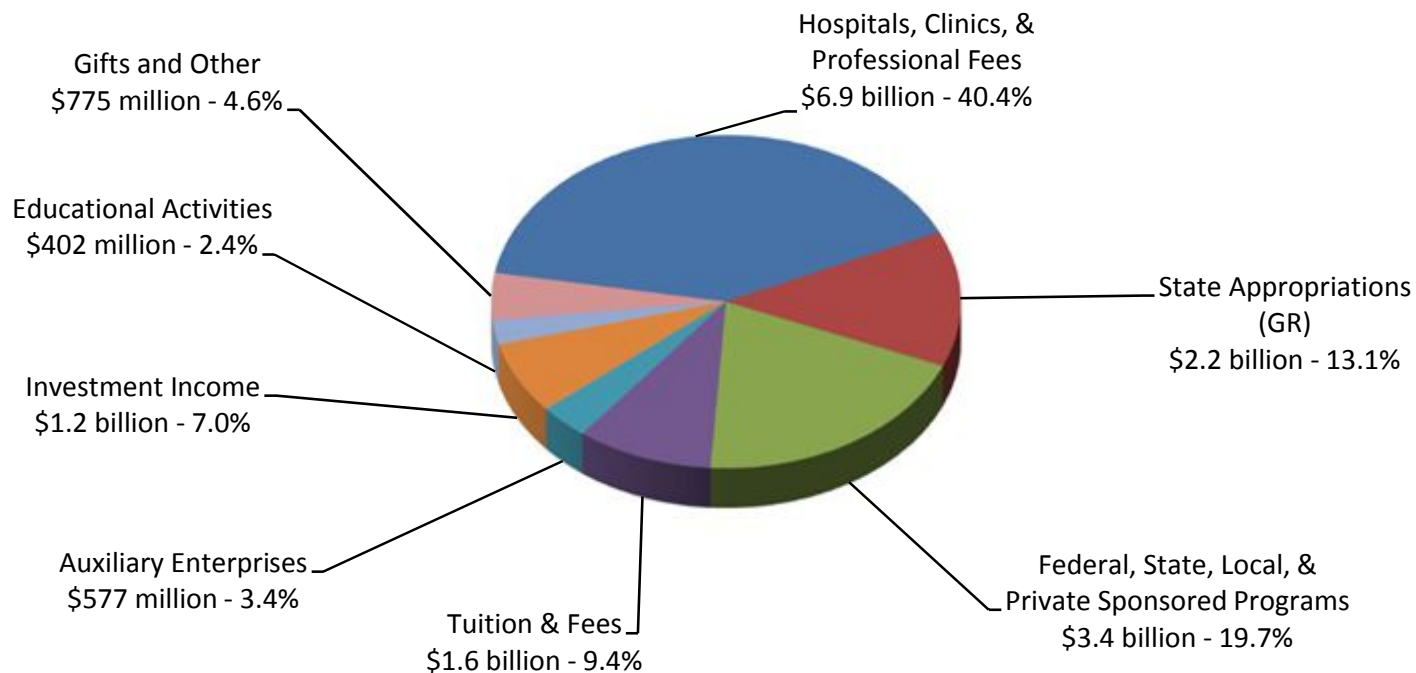
FY 2016 - \$16.9 billion  
 \$1.3 billion more than FY 2015  
 8.1% more than FY 2015

### Major Drivers (in millions)

- Instructional/Academic Support - \$530
- Hospital and Clinics - \$412
- Research - \$160



# Where the Money Comes From - FY 2016



**\$17.0 Billion**



# Budgeted Revenue Changes-FY 2016 over 2015

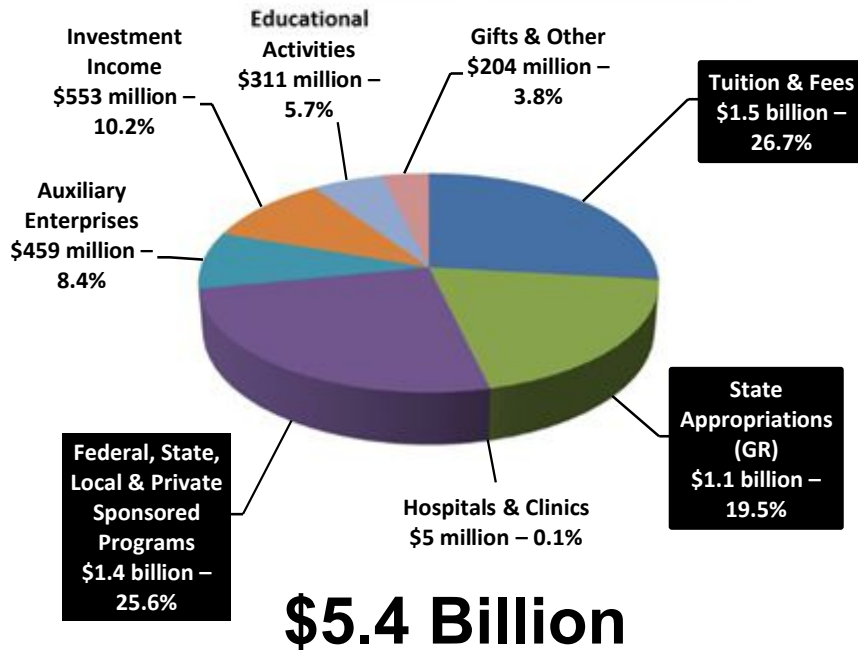
	FY 2015 Adjusted Budget	FY 2016 Budget	Budget Increase (Decrease)	
			Amount	Percent
Local & Private Sponsored Programs (operating)	\$ 1,089	\$ 1,277	\$ 188	17.3%
Sales & Services of Hospital & Clinics	5,051	5,232	181	3.6%
State Appropriations & HEAF	2,074	2,233	159	7.7%
Professional Fees	1,503	1,629	126	8.4%
Investment Income	1,106	1,190	84	7.6%
Tuition & Fees	1,515	1,598	83	5.5%
State/Local Sponsored Programs (nonoperating)	3	80	77	2269.7%
Gifts	333	400	67	20.0%
Sales & Services of Educational Activities	352	402	50	14.2%
Auxiliary Enterprises	530	577	47	8.9%
Other Operating Revenue	335	376	41	12.3%
State Sponsored Programs (operating)	276	305	29	10.5%
Federal Sponsored Programs (nonoperating)	300	304	4	1.3%
Federal Sponsored Programs (operating)	1,404	1,390	(14)	-1.0%
<b>Total</b>	<b>\$ 15,871</b>	<b>\$ 16,993</b>	<b>\$ 1,122</b>	<b>7.1%</b>



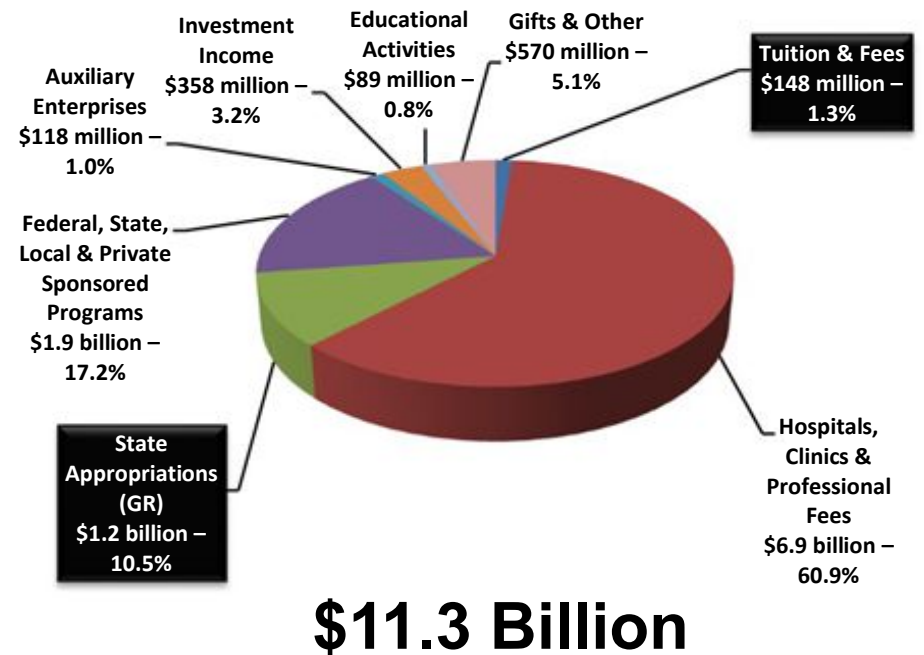


# Where the Money Comes From FY 2016

## Academic Institutions

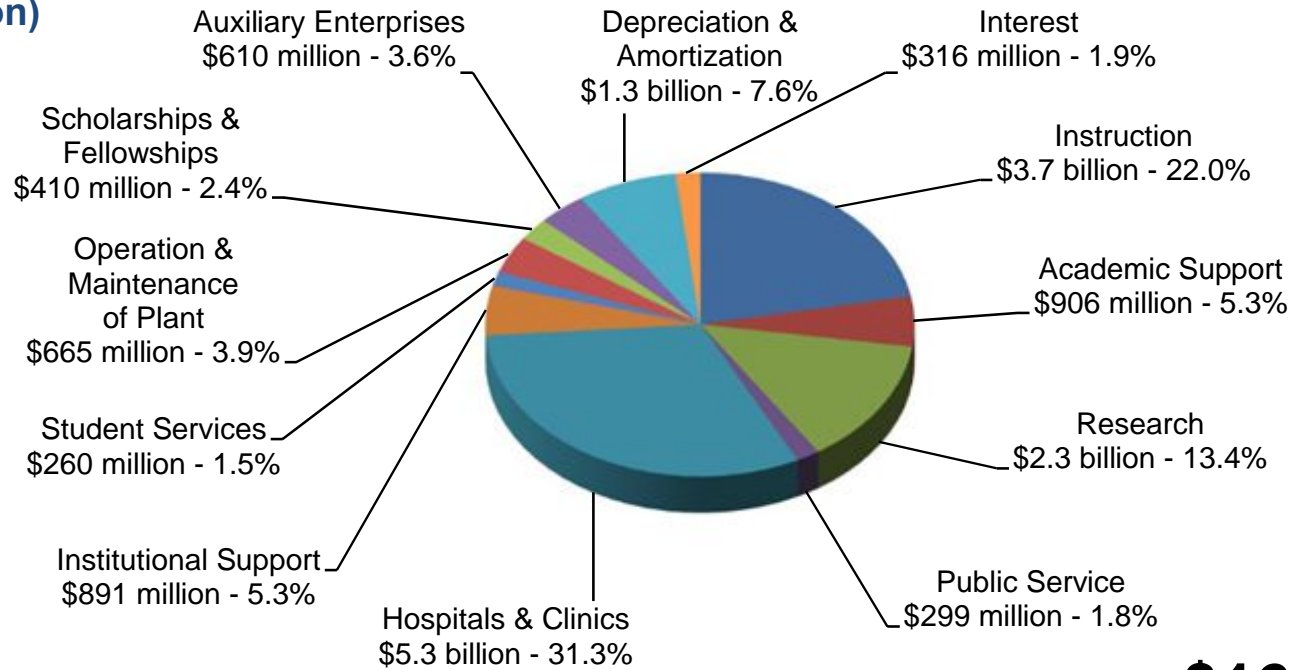


## Health Institutions



# Where the Money Goes - FY 2016

(By Function)



**\$16.9 Billion**

Note: General Revenue covers 13.2% of Total Expenses



# Budgeted Expenses Changes-FY 2016 over 2015

	FY 2015 Adjusted Budget	FY 2016 Budget	Budget Increase (Decrease)	
			Amount	Percent
Instruction & Academic Support	\$ 4,106	\$ 4,636	\$ 530	12.9%
Hospitals & Clinics	4,890	5,302	412	8.4%
Research	2,113	2,274	161	7.6%
Institutional Support	826	891	65	7.8%
Public Service	255	299	44	17.1%
Auxiliary Enterprises	570	610	40	7.0%
Student Services	231	260	29	12.6%
Depreciation & Amortization	1,264	1,279	15	1.2%
Transfers for Debt Service Interest	301	315	14	4.8%
Scholarships & Fellowships	412	410	(2)	-0.3%
Operations & Maintenance	698	665	(33)	-4.8%
<b>Total</b>	<b>\$ 15,666</b>	<b>\$ 16,941</b>	<b>\$ 1,275</b>	<b>8.1%</b>



## Budgeted Expenses - Academic Institutions (in millions)

	Fiscal Year 2015	Fiscal Year 2016	Dollar & Percent Change	
U. T. Arlington	\$ 534.5	\$ 596.6	\$ 62.1	11.6%
U. T. Austin	2,693.2	2,799.6	106.4	4.0%
U. T. Brownsville	126.0	0.6	(125.4)	-99.5%
U. T. Dallas	545.6	611.0	65.4	12.0%
U. T. El Paso	402.1	432.2	30.1	7.5%
U. T. Pan American	271.3	-	(271.3)	-100.0%
U. T. Permian Basin	66.9	72.7	5.8	8.7%
U. T. Rio Grande Valley	-	477.8	477.8	n/a
U. T. San Antonio	489.0	515.5	26.5	5.4%
U. T. Tyler	118.6	136.1	17.5	14.7%
<b>Total Academic</b>	<b>\$ 5,247.2</b>	<b>\$ 5,642.1</b>	<b>\$394.9</b>	<b>7.5%</b>

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Meeting of the U. T. System Board of Regents - Meeting of the Board



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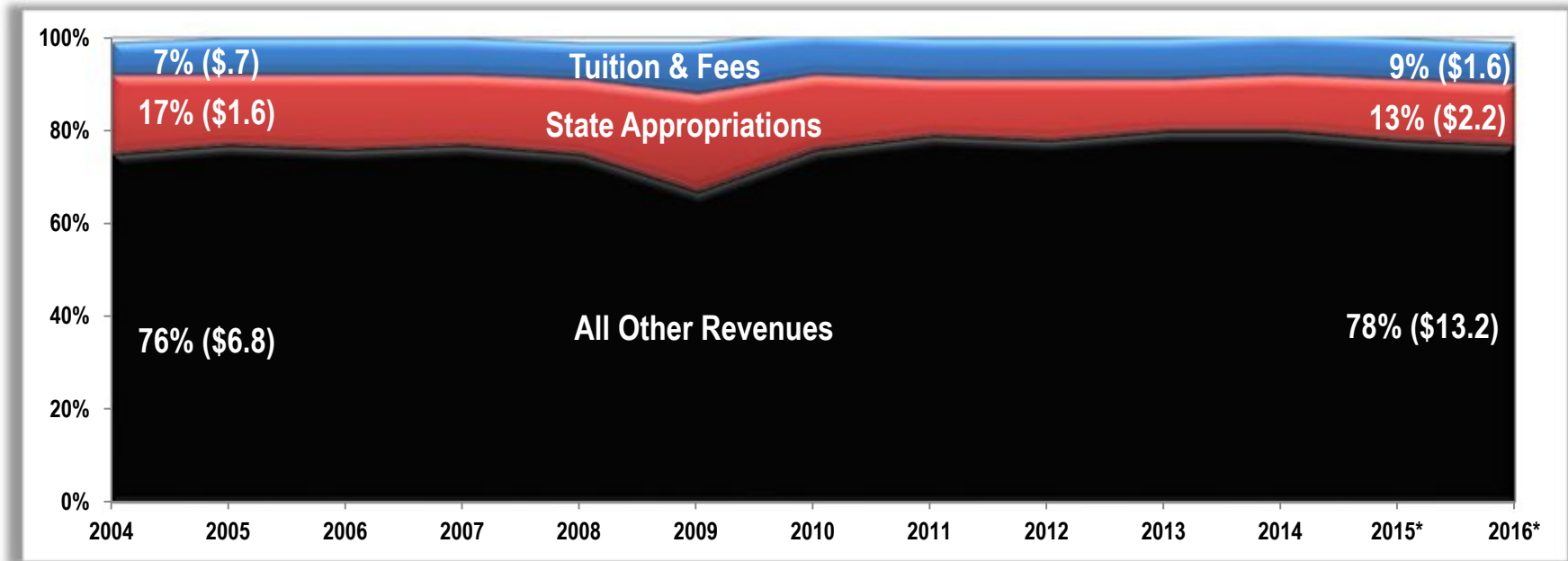
U. T. System Office of the Controller  
 August 2015  
 Slide 8

## Budgeted Expenses - Health Institutions (in millions)

	Fiscal Year 2015	Fiscal Year 2016	Dollar & Percent Change	
U. T. Southwestern Medical Center	\$ 2,239.2	\$ 2,539.3	\$ 300.1	13.4%
U. T. Medical Branch - Galveston	1,733.3	1,948.5	215.2	12.4%
U. T. Health Science Center - Houston	1,213.7	1,379.5	165.8	13.7%
U. T. Health Science Center - San Antonio	781.9	794.8	12.9	1.6%
U. T. M. D. Anderson Cancer Center	4,073.7	4,207.7	134.0	3.3%
U. T. Health Science Center - Tyler	164.6	183.0	18.4	11.2%
<b>Total Health</b>	<b>\$ 10,206.4</b>	<b>\$ 11,052.8</b>	<b>\$ 846.4</b>	<b>8.3%</b>



# Key Revenues as a Percentage of Total Revenues (in billions)



Source: Exhibit B of Annual Financial Report

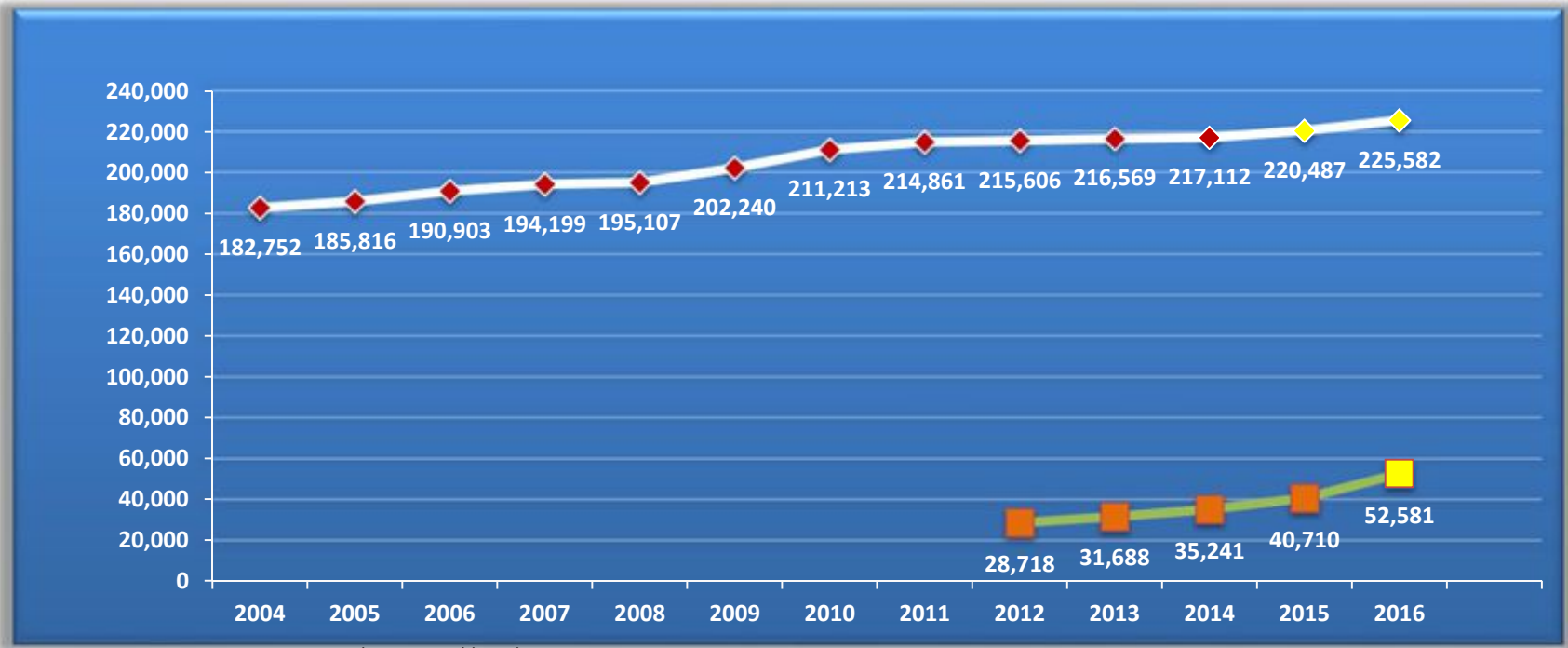
Note: "Other Revenues" for FY 2009 includes investment losses  
 FY 2015 based on projected year-end; FY 2016 based on budget



# Total Fall Enrollment and Students Enrolled in at Least One Fall Online Course

Actual FY 2004-2014 and Projected FY 2015-2016

56



Source: FY 2004-2014: U. T. System Productivity Dashboard  
 Source: FY 2015 and 2016: Estimated projections from institutions

◆ Total Enrollment    ■ # of Students Enrolled in at Least one Fall Online Course

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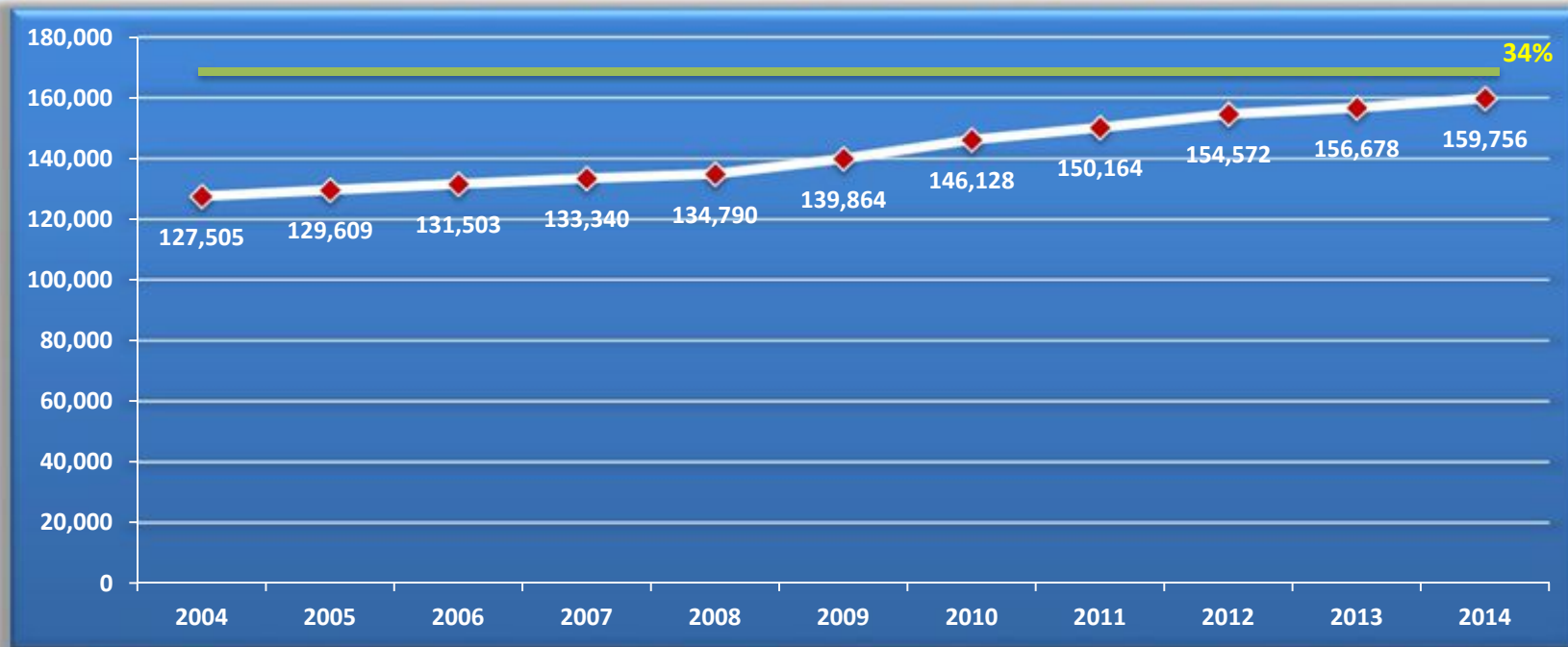


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# Student Full-time Equivalent Trends (FTE)

U. T. System Academic Institutions and Proportion of Student FTEs to Other State Four-Year Institutions



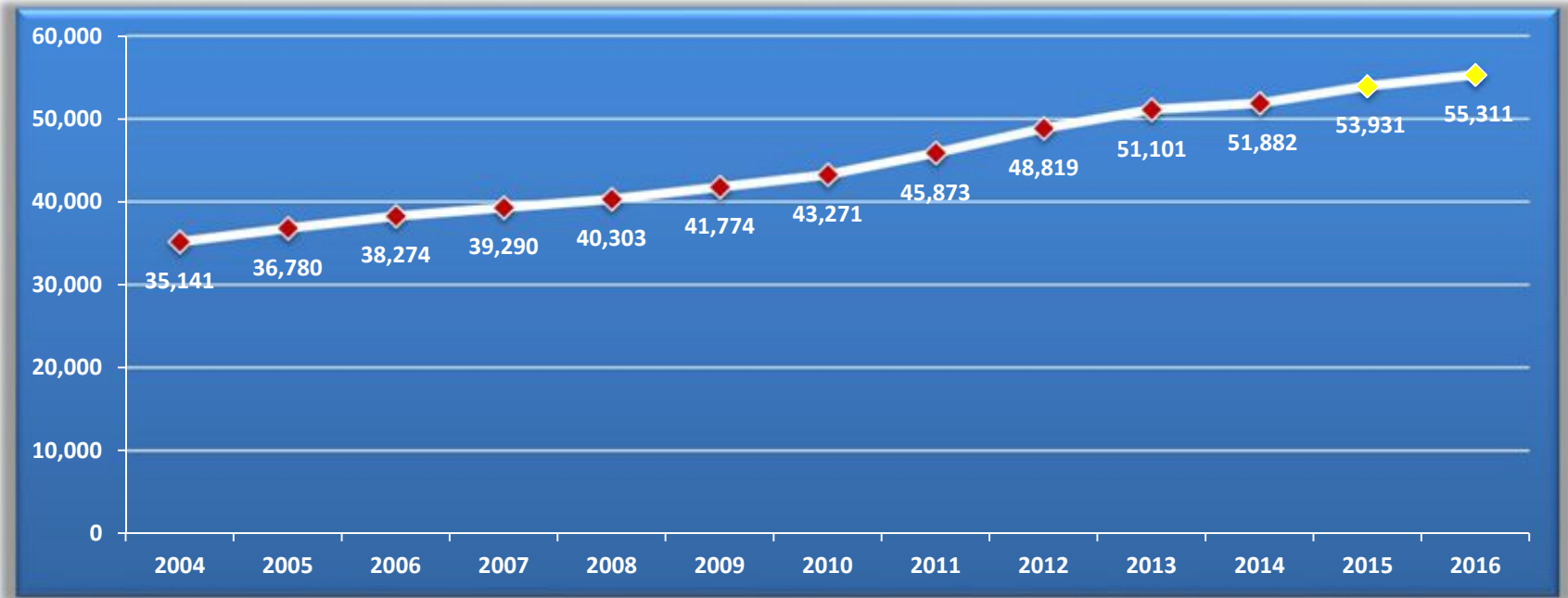
◆ U. T. System Academic Institutions, Total Student FTEs    ■ % U. T. System Academic Institutions to Other Four Year Institutions in Texas





# Total Degrees Awarded

Actual FY 2004-2014 and Projected FY 2015-2016



Source: 2004-2014: U. T. System Productivity Dashboard  
Source: 2015 and 2016: Estimated projections from institutions

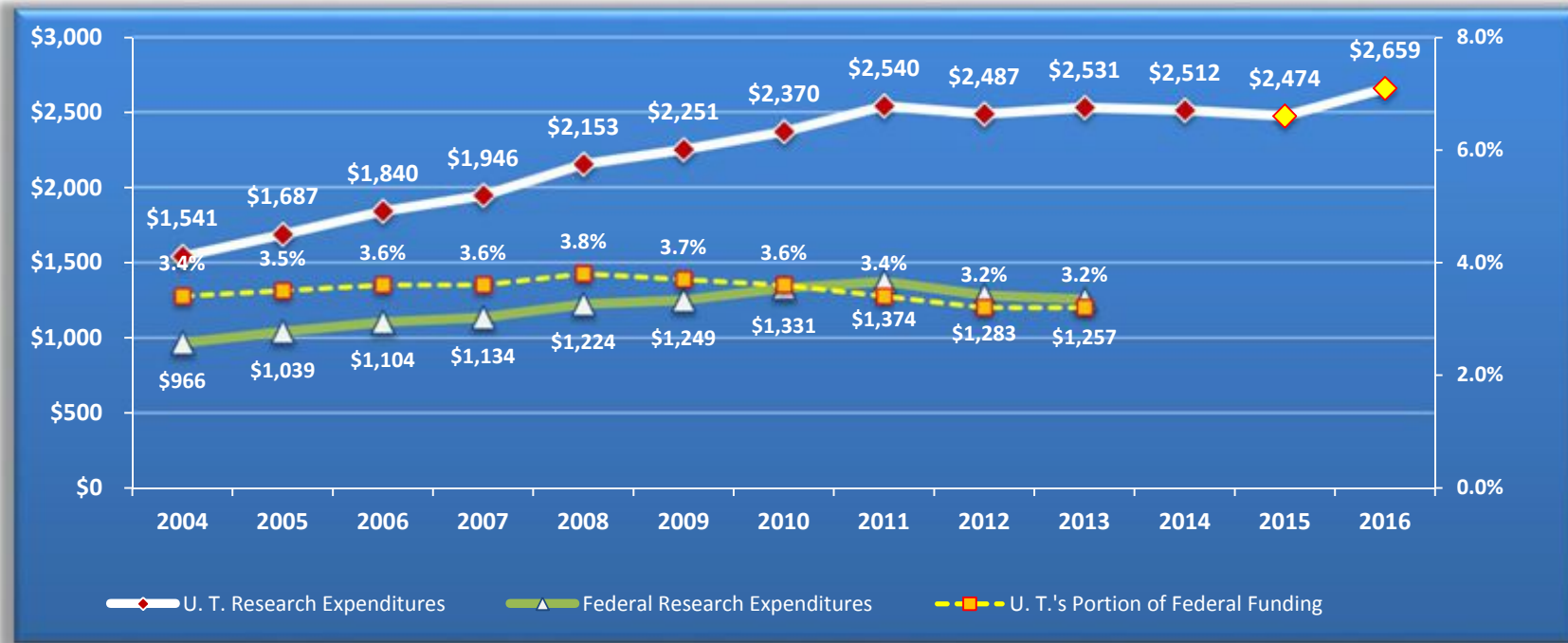


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# Research Expenditure Trends (in millions)

Actual FY 2004-2014 and Projected FY 2015-2016

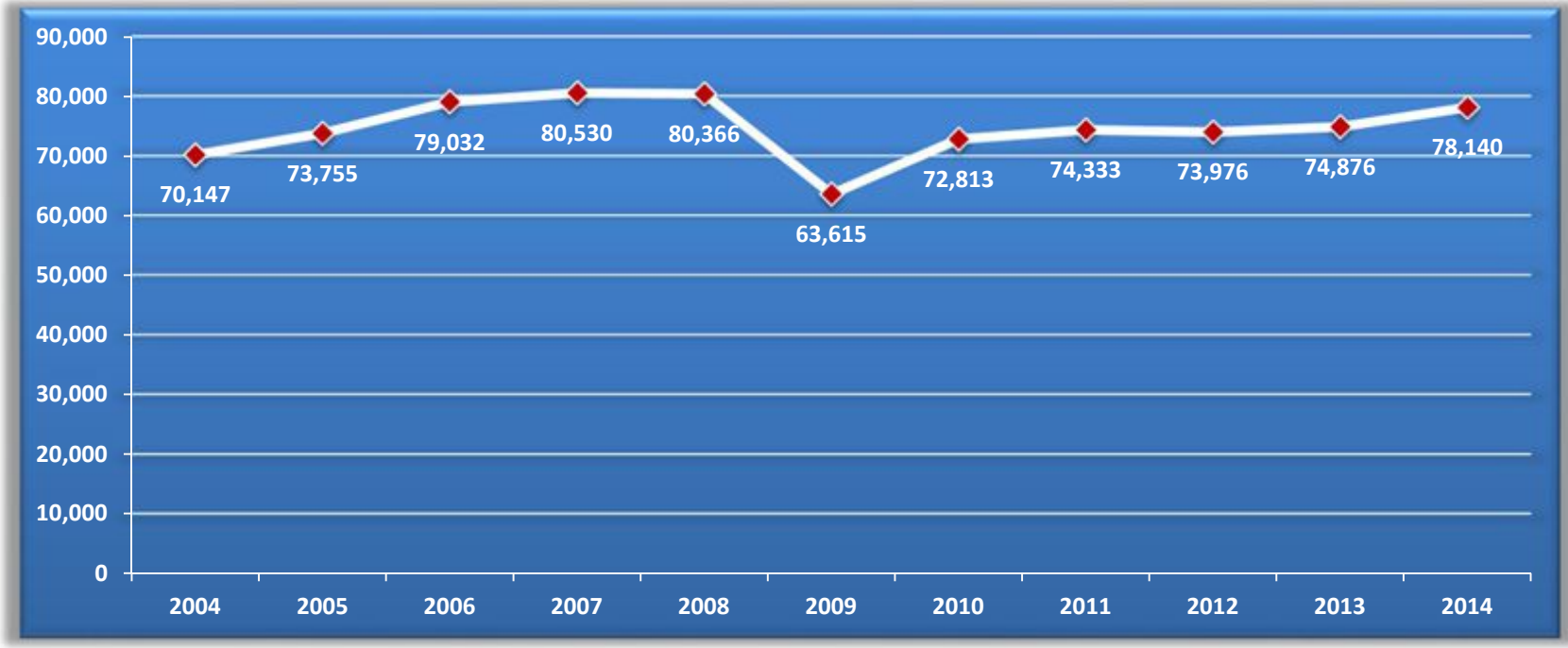


Source: National Science Foundation data

Note: Amounts shown for FY 2015 and 2016 are estimates based on budgets for those respective years

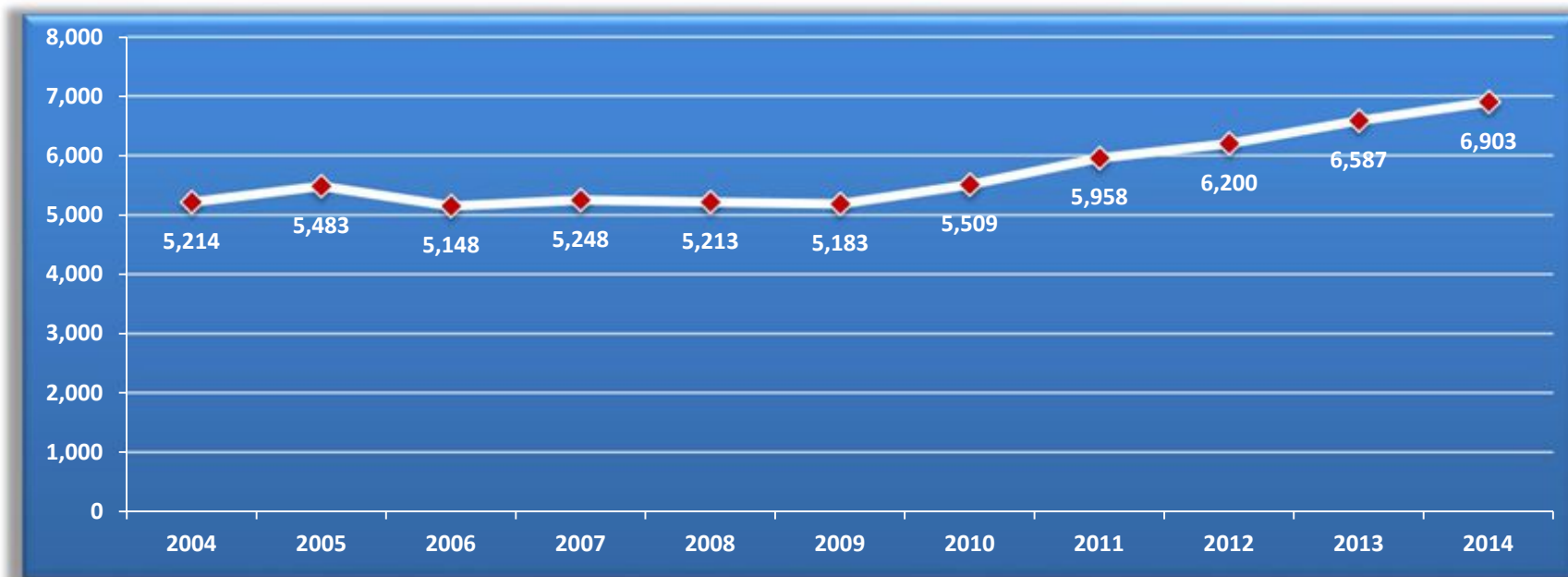


# Hospital Admissions FY 2004-2014



Note: Decline in FY 2009 attributable to interruption in service as a result of Hurricane Ike

# Outpatient Visits FY 2004-2014 (in thousands)



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# The University of Texas System Administration

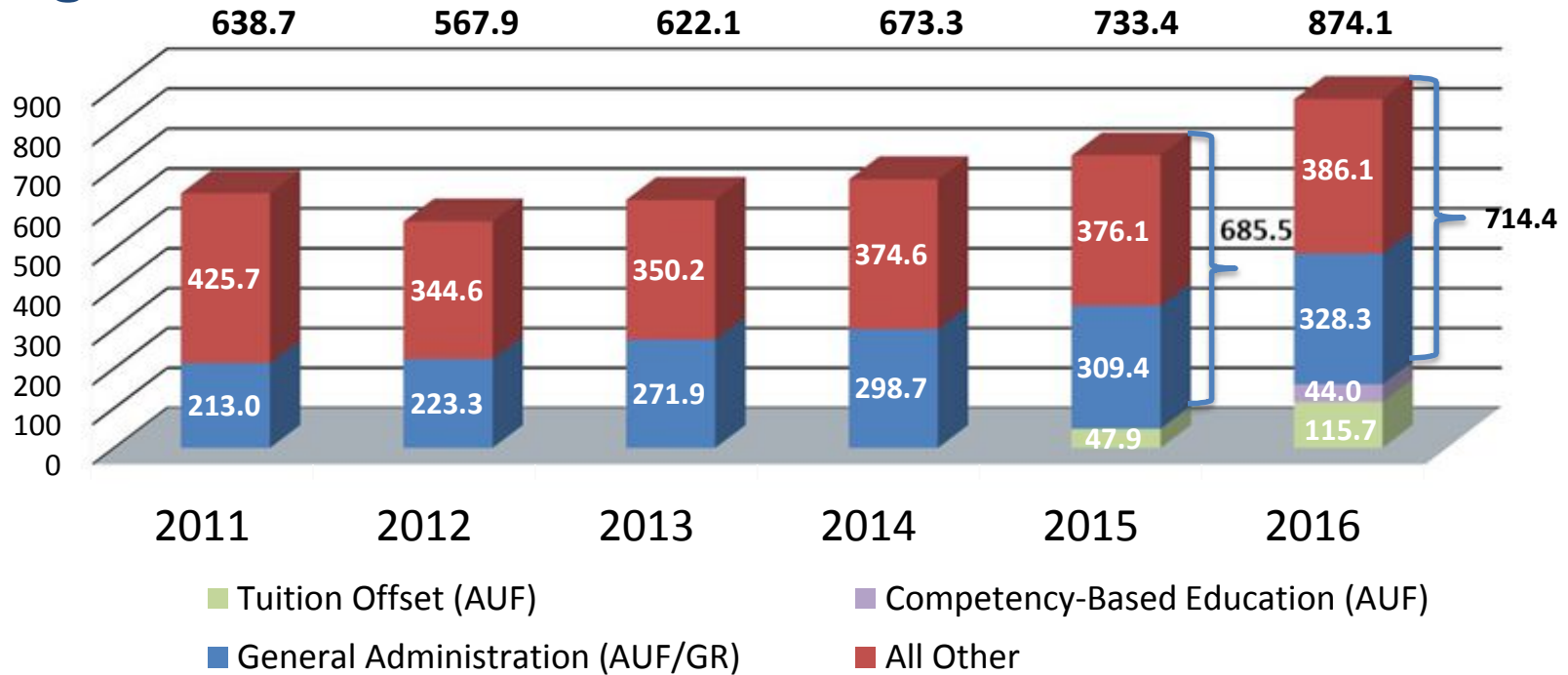


# U. T. System Administration

	FY 2015	FY 2016	% Change
<b>FTEs</b>			
FY 2015 Current	733.43	733.43	
Changes	-	140.67	19.18%
FY 2016 Proposed		<u>874.10</u>	
<b>Expenditures</b>			
Administrative and Professional Salaries	\$ 39,345,311	43,327,139	10.12%
Classified Salaries	28,238,575	39,811,560	40.98%
Wages	1,137,476	1,130,030	-0.65%
Fringes	17,505,304	22,025,059	25.82%
Travel	2,477,127	2,667,874	7.70%
Maintenance, Operations, and Other	77,285,646	95,354,147	23.38%
Depreciation	13,136,497	13,267,688	1.00%
Subtotal	\$ <u>179,125,936</u>	<u>217,583,497</u>	<u>21.47%</u>
Systemwide Software Licenses/Maintenance	20,102,528	20,077,756	-0.12%
Interest Expense	85,413,668	87,562,622	2.52%
<b>Total Expenditures</b>	<b>\$ <u>284,642,132</u></b>	<b><u>325,223,875</u></b>	<b><u>14.26%</u></b>



# U. T. System Administration Budgeted FTEs FY 2011-2016



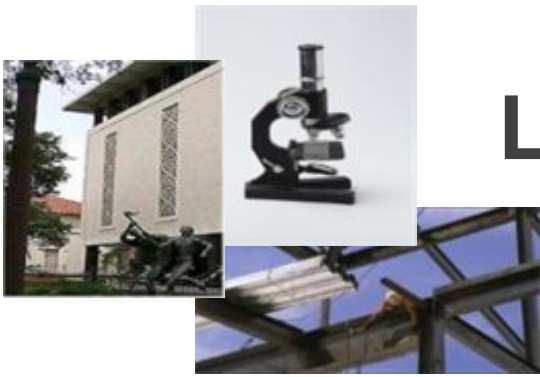
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# Library, Equipment, Repair and Rehabilitation





# Library, Equipment, Repair and Rehabilitation FY 2016-\$35 million

Academic Institutions	\$15,950,000
Health Institutions	\$13,050,000
Collaborative Projects	
U. T. Health Science Center Tyler and U. T. Tyler Vivarium Alterations and Additions Phase 2	\$2,000,000
Academic Library Collection Enhancement Program	\$4,000,000
<b>Total</b>	<b>\$35,000,000</b>

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# Library, Equipment, Repair and Rehabilitation Academic Institutions

U. T. Arlington	\$2,073,500
U. T. Austin	\$3,828,000
U. T. Dallas	\$2,073,500
U. T. El Paso	\$2,073,500
U. T. Permian Basin	\$955,000
U. T. Rio Grande Valley	\$1,917,791
U. T. San Antonio	\$2,073,500
U. T. Tyler	\$955,209
<b>Total</b>	<b>\$15,950,000</b>



## Library, Equipment, Repair and Rehabilitation Health Institutions

U. T. Southwestern Medical Center	\$2,200,000
U. T. Medical Branch - Galveston	\$2,200,000
U. T. Health Science Center - Houston	\$2,200,000
U. T. Health Science Center - San Antonio	\$2,023,000
U. T. M. D. Anderson Cancer Center	\$2,100,000
U. T. Health Science Center - Tyler	\$2,327,000
<b>Total</b>	<b>\$13,050,000</b>





# Faculty Science and Technology Acquisition and Retention (STARs) Program



# Faculty STARs-FY 2016

Faculty STARs Program – Academic Institutions	\$15,000,000
Faculty STARs Program – Health Institutions	\$15,000,000

## Benefits of Faculty STARs

- Recruit and retain best faculty in the nation
- Develop and strengthen research capacity
- Pending and issued patents
- Encourage future research and excellence
- Collaboration with outside entities

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# Additional Funding Requests



## Summary of Additional Funding Requests

	AUF	PUF
Shared Data Center Capacity and Capabilities Enhancement	-	\$11,100,000
Research Computing Cyberinfrastructure – Phase 2	\$9,320,000	\$5,500,000
U. T. System Network Performance	\$2,587,000	\$4,413,000
U. T. Rio Grande Valley Medical School	-	\$10,000,000
Tuition Revenue Bond Project Funding Shortfalls	-	\$114,700,000
Projects at U. T. Permian Basin	-	\$3,275,000
U. T. Horizon Fund	\$10,000,000	-
Diabetes Obesity Control Initiative – Phase 2	\$15,000,000	-
Lease Termination Agreement, Office of Federal Relations	\$766,480	-
Support for UTShare Institutions	\$19,500,000	-
Branding and Marketing Efforts	\$500,000	-
Total by Fund	<u>\$57,673,480</u>	<u>\$148,988,000</u>
<b>TOTAL AMOUNT REQUESTED <u>\$206,661,480</u></b>		

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# The Board of Regents' STARs Program Return on Investment at Academic Institutions

Dr. Dale Klein

Associate Vice Chancellor for Research, Academic Affairs

U. T. System Board of Regents' Meeting  
August 2015





# Purpose of the STARs Program

- Increase research capacity
- Focus on Science, Technology, Engineering, and Mathematics (STEM) fields



## Criteria for STARs awards

- Current or potential membership in a National Academy
- National and international reputation

## Evaluation process

- Very rigorous
- External reviews



## STARs Awards FY 2005 - 2011

- 149 faculty received STARs funding
- Performance evaluated after three years

## Return on Investment Analysis

- External funds generated
- Contributions and recognition



# Return on Investment by Institution: Research Grants

	UTA	UTAUS	UTD	UTEP	UTSA	Total
Competitive STARs Awarded	\$ 7,180,562	\$ 33,656,200	\$ 11,500,000	\$ 10,028,438	\$ 3,990,000	\$ 66,355,200
Institutional Match	\$ 1,100,000	\$ 22,640,381	\$ 6,350,000	\$ 4,092,293	\$ 930,850	\$ 35,113,524
<b>Total Investment</b>	<b>\$ 8,280,562</b>	<b>\$ 56,296,581</b>	<b>\$ 17,850,000</b>	<b>\$ 14,120,731</b>	<b>\$ 4,920,850</b>	<b>\$ 101,468,724</b>
Research Grants Since Award	\$ 41,288,448	\$ 449,358,190	\$ 70,351,882	\$ 160,662,817	\$ 32,748,075	\$ 754,409,412
<b>Net Return on Investment</b>	<b>\$ 33,007,886</b>	<b>\$ 393,061,609</b>	<b>\$ 52,501,882</b>	<b>\$ 146,542,086</b>	<b>\$ 27,827,225</b>	<b>\$ 652,940,688</b>



# Return on Investment: Sources of Funding

	UTA	UTAUS	UTD	UTEP	UTSA
<b>Sponsored External Funding</b>	\$ 34,263,807	\$ 406,558,649	\$ 61,714,922	\$ 156,870,561	\$ 31,581,687
<b>Corporate Support</b>	\$ 2,170,641	\$ 33,482,021	\$ 7,354,539	\$ 3,777,256	\$ 798,784
<b>Private Gifts</b>	\$ 4,854,000	\$ 9,317,520	\$ 1,282,421	\$ 15,000	\$ 367,604
<b>TOTAL</b>	<b>\$ 41,288,448</b>	<b>\$ 449,358,190</b>	<b>\$ 70,351,882</b>	<b>\$ 160,662,817</b>	<b>\$ 32,748,075</b>

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# Return on Investment: Patents and Students

	UTA	UTAUS	UTD	UTEP	UTSA
Patents Issued	27	97	11	10	5
Patents Pending	26	257	9	9	11
<b>TOTAL</b>	<b>53</b>	<b>354</b>	<b>20</b>	<b>19</b>	<b>16</b>
Sponsored Graduate Students	202	1,620	113	403	147
Postdoctoral Students Sponsored	79	214	47	68	52
<b>TOTAL</b>	<b>281</b>	<b>1,834</b>	<b>160</b>	<b>471</b>	<b>199</b>



# Return on Investment: Professional Recognitions

	UTA	UTAUS	UTD	UTEP	UTSA
<b>Scientific Articles Published</b>	697	2,533	488	813	433
<b>Editors/Editorial Boards</b>	115	73	48	118	111
<b>Books/Chapters Published</b>	78	108	46	117	364
<b>National Awards Received</b>	11	22	22	43	24
<b>National Academy Appointments</b>	0	5	0	0	0
<b>Collaborations</b>	176	249	205	614	182
<b>National and International Scholarly Board Appointments</b>	52	20	28	437	75

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# STARs Recruitments





# An Outstanding Investment to Strengthen Research and Teaching Faculty

STARs Program has been incredibly successful in helping institutions recruit high-quality faculty

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FY 2005 to FY 2011 Investment	\$ 66,355,200
Institutional Match	\$ 35,113,524
<b>Total UT Investment</b>	<b>\$ 101,468,724</b>
External Funds Generated	\$ 754,409,412
<b>Net Return</b>	<b>\$ 652,940,688</b>

Sponsored Graduate Students	2,485
Postdoctoral Students Sponsored	460
<b>Total Students/Postdocs Sponsored</b>	<b>2,945</b>



# U. T. System Faculty Science and Technology Acquisition and Retention (STARS) Program for Health Institutions and the Future

Dr. Patricia D. Hurn  
Vice Chancellor for Research and Innovation  
The University of Texas System

U. T. System Board of Regents' Meeting  
August 2015



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# Health Research Institutions

FY 2004-2011, STARS and  
STARS Plus  
funding awarded to health  
institutions \$76.6M

- 61 faculty members recruited or retained
- \$570M in external research funding for their institutions; Return on Investment \$493M
- 50 patents and 30 patents pending
- 1300 published articles in refereed journals, plus 6 books
- 411 graduate and postdoctoral students
- 1 Nobel Prize winner, 5 National Academy of Science, 2 Institute of Medicine

New needs and continued  
support of  
U. T. System Board of Regents  
evolves into creation of  
new categories of award

## New Categories of Award

- Rising STARS (2011)
- Translational STARS (2012)
- Teaching STARS (2012)



# 2013-2015: Great acceleration in applications from the institutions, doubled the total number of awards (136)

	STARS	Rising STARS	Translational STARS	Teach STARS
UTSWMC	12	22	4	-
UTMB	5	6	2	-
UTHSCH	9	5	-	-
UTHSCSA	4	7	3	2
UTMDACC	30	19	1	-
UTHSCT	-	2	3	-
<b>TOTAL</b>	<b>60</b>	<b>61</b>	<b>13</b>	<b>2</b>

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# Rising STARS are highly important to build a research heritage



FY 14-15	Stars Investment (\$250K each)	Extramural Awards	Return
UTSWMC	\$2.75M	\$21.3M	\$18.5M
UTMB	\$750K	Pending	-
UTHSCH	\$250K	Pending	-
UTHSCSA	\$1.0M	\$7.7M	\$6.7M
UTMDACC	\$2.75M	\$4.2M	\$1.45M
<b>TOTAL</b>	<b>\$7.5M</b>	<b>\$33.2M</b>	<b>\$25.7M</b>

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# Governor's University Research Initiative (GURI)

- Matching funds for recruitment of a “distinguished researcher”
  - e.g. Nobelist or member of a National Academy
- Priority fields STEM and Medicine
- Must be new recruit from outside of Texas
- Match is equal to the amount that the institution commits to the recruitment
- Institutional funding match can not arise from appropriated General Revenue funds, so STARS will be highly significant



# Conclusions

- Since 2005, STARS has been an outstanding investment to strengthen research and teaching faculty
- Investments even at early career stages show large return
- Increased STARS funds are needed to capture new GURI opportunities

