



**SCHEDULE OF EVENTS
FOR
BOARD OF REGENTS' MEETING**

July 10, 2014
Austin, Texas

*U. T. System Administration, Ashbel Smith Hall, 9th Floor, 201 West Seventh Street
Office of the Board of Regents: 512/499-4402*

Note:

The U. T. System Board of Regents will meet from 9:00 a.m. to approximately 3:30 p.m. on Thursday, July 10, 2014. Meetings are tentatively scheduled to follow each other consecutively but may start earlier or later than the posted time depending on the length of the discussions and the reports of previous meetings. Please note that the estimated times and sequence of events are only approximate and that the times and order of individual committee meetings or meeting topics may be adjusted as necessary.

Academic Affairs Committee and Facilities Planning and Construction Committee	....	9:00 a.m.
Health Affairs Committee and Facilities Planning and Construction Committee	.....	10:30 a.m.
Meeting of the Board - Open Session	.....	11:30 a.m.
Meeting of the Board - Executive Session	.....	1:00 p.m.
Reconvene in Open Session	.....	3:00 p.m.
Adjourn	.....	3:30 p.m. <i>approximately</i>



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

July 10, 2014
Austin, Texas

Note:

The U. T. System Board of Regents will meet from 9:00 a.m. to approximately 3:30 p.m. on Thursday, July 10, 2014. Meetings are tentatively scheduled to follow each other consecutively but may start earlier or later than the posted time depending on the length of the discussions and the reports of previous meetings. Please note that the estimated times and sequence of events are only approximate and that the times and order of individual committee meetings or meeting topics may be adjusted as necessary.

	Board Meeting	Page
CONVENE THE BOARD IN OPEN SESSION TO RECESS TO COMMITTEE MEETINGS		
Joint Meeting of the Academic Affairs Committee and the Facilities Planning and Construction Committee	9:00 a.m. Action <i>Dr. Reyes</i> <i>Mr. O'Donnell</i> <i>Academic Presidents</i>	55
U. T. System: Discussion and appropriate action regarding request for approval of academic institutions' list of projects as submitted to the Texas Legislature for Tuition Revenue Bond funding		
Break		
Joint Meeting of the Health Affairs Committee and the Facilities Planning and Construction Committee	10:30 a.m. Action <i>Dr. Greenberg</i> <i>Mr. O'Donnell</i> <i>Health Presidents</i>	63
U. T. System: Discussion and appropriate action regarding request for approval of health institutions' list of projects as submitted to the Texas Legislature for Tuition Revenue Bond funding		
RECONVENE THE BOARD IN OPEN SESSION TO CONSIDER REPORTS AND RECOMMENDATIONS FROM STANDING COMMITTEES AND VOTES	11:30 a.m.	
Academic Affairs Committee Health Affairs Committee Facilities Planning and Construction Committee		
CONSIDER AGENDA ITEMS	11:35 a.m.	
1. U. T. System Board of Regents: Approval of Consent Agenda items and referral of any items to the full Board	Action	5
2. U. T. System: Presentation by McKinsey Global Institute on Open data: Unlocking innovation and performance with liquid information	11:40 a.m. Report <i>John W. Lin, M.D.,</i> <i>McKinsey & Company</i>	6
3. U. T. System Board of Regents: Approval of proposed new Regents' Rules and Regulations, Rule 50702, titled Confidentiality and Security of Education Records Subject to the Family Educational Rights and Privacy Act (FERPA)	12:00 p.m. Action	7
4. U. T. System Board of Regents: Proposed appointments to the University Lands Advisory Board	12:05 p.m. Action	11

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|--|---|--|-----------|
| 5. | U. T. Austin: Approval to establish a Doctor of Medicine degree program | 12:10 p.m.
Action
<i>President Powers</i>
<i>Dr. Reyes</i> | 12 |
| 6. | U. T. Rio Grande Valley: Approval to establish a Doctor of Medicine degree program | 12:15 p.m.
Action
<i>President Bailey</i>
<i>Dr. Reyes</i> | 19 |
| 7. | U. T. Rio Grande Valley: Approval to implement freshman, transfer, and graduate admissions criteria | 12:20 p.m.
Action
<i>President Bailey</i>
<i>Dr. Reyes</i> | 25 |
| 8. | U. T. Austin: Approval to enter into an affiliation agreement with Travis County Healthcare District, dba Central Health, and Community Care Collaborative to provide needed permanent and ongoing funding for the establishment and operation of the U. T. Austin Dell Medical School | 12:25 p.m.
Action
<i>President Powers</i>
<i>Dr. Reyes</i> | 41 |
| 9. | U. T. Austin: Request to approve a) proposed contract with International Business Machines Corporation (IBM) to provide services to execute the Administrative Systems Modernization Program, including implementing and integrating Workday, Inc.'s cloud-based Enterprise Resource Planning (ERP) system; and b) authorize expenditure of \$27 million from Designated Funds and Educational and General Revenue Funds | 12:35 p.m.
Action
<i>President Powers</i>
<i>Mr. Bradley Englert,</i>
<i>Associate Vice</i>
<i>President and</i>
<i>Chief Information</i>
<i>Officer, U. T. Austin</i> | 42 |
| 10. | U. T. System: Discussion related to the provision of complimentary tickets to third parties | 12:45 p.m.
Discussion | 53 |
| RECESS TO EXECUTIVE SESSION PURSUANT TO TEXAS GOVERNMENT CODE, CHAPTER 551 (working lunch) | | 1:00 p.m.
<i>approximately</i> | |
| 1. | Deliberations Regarding the Purchase, Exchange, Lease, Sale, or Value of Real Property – Section 551.072 | | |
| 2. | 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: Discussion and appropriate action concerning legal issues related to admission issues | | |
| c. | U. T. M. D. Anderson Cancer Center: Discussion and appropriate action related to legal issues concerning term tenure | | |
| d. | U. T. Southwestern Medical Center: Discussion and appropriate action related to potential settlement of litigation involving the Estate of Joan N. Calder | | |
| e. | U. T. System: Discussion and appropriate action related to legal issues concerning duties and responsibilities of officers of U. T. System Administration and members of the Board of Regents | | |

3. Negotiated Contracts for Prospective Gifts or Donations –
Section 551.073

Dr. Safady

- a. **U. T. Austin: Discussion and appropriate action regarding proposed negotiated gifts with potential naming features**
- b. **U. T. Dallas: Discussion and appropriate action regarding proposed negotiated gifts with potential naming features**
- c. **U. T. Pan American: Discussion and appropriate action regarding proposed negotiated gifts with potential naming features**
- d. **U. T. San Antonio: Discussion and appropriate action regarding proposed negotiated gifts with potential naming features**
- e. **U. T. Health Science Center - Houston: Discussion and appropriate action regarding proposed negotiated gifts with potential naming features**

4. Deliberation Regarding Security Devices or Security Audits –
Section 551.076

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

*Dr. Kelley
Director Heidingsfield*

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

- a. **U. T. System Board of Regents: Discussion of individual personnel matters related to the Chancellor search**
- 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), and U. T. System and institutional employees**
- c. **U. T. Austin: Discussion and appropriate action related to recommendation by Executive Vice Chancellor for Academic Affairs concerning employment of William C. Powers, Jr., as President of The University of Texas at Austin**

RECONVENE IN OPEN SESSION TO CONSIDER ACTION ON
EXECUTIVE SESSION ITEMS AND TO CONSIDER AGENDA ITEMS

*3:00 p.m.
approximately*

11. **U. T. System: Report and appropriate action on admissions processes**

Action
Chancellor Cigarroa

54

ADJOURN

*3:30 p.m.
approximately*

1. **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.

2. **U. T. System: Presentation by McKinsey Global Institute on Open data: Unlocking innovation and performance with liquid information**

REPORT

The Board will hear an invited presentation about open data in higher education introduced by John W. Lin, M.D., Principal at McKinsey & Company, Chicago, Illinois.

The presentation will describe the findings from the recent McKinsey Global Institute research effort on the impact of open data on education and six other domains (e.g., health care) and will also draw implications and frame questions for the U. T. System as it considers its role in defining the future of open data in higher education

Big data analytics make it possible to work through massive amounts of real-time and historical information to find unseen patterns and discover anomalies that can indicate opportunities for new products and services and new ways of operating more efficiently.

Now, a complementary trend is underway. Open data -- the release of information by governments and private institutions and the sharing of private data to enable insights across industries -- provides additional depth to big data applications and makes entirely new ones possible. This trend appears to have profound implications for governments and public institutions, including public institutions of higher education.

A McKinsey Open Data Report is available at

http://www.mckinsey.com/~media/McKinsey/dotcom/Insights/Business%20Technology/Open%20data%20Unlocking%20innovation%20and%20performance%20with%20liquid%20information/MGI_OpenData_Full_report_Oct2013.ashx

3. **U. T. System Board of Regents: Approval of proposed new Regents' Rules and Regulations, Rule 50702, titled Confidentiality and Security of Education Records Subject to the Family Educational Rights and Privacy Act (FERPA)**

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Health Affairs, and the Vice Chancellor and General Counsel that the Regents' *Rules and Regulations* be amended to add new Rule 50702, titled Confidentiality and Security of Education Records Subject to the Family Educational Rights and Privacy Act (FERPA) to ensure that U. T. System institutions and U. T. System have internal policies that incorporate the U.S. Department of Education recommendations for best practices with respect to ensuring the privacy and security of student education records and that are crafted to ensure consistent and effective compliance with the Family Educational Rights and Privacy Act (FERPA).

BACKGROUND INFORMATION

FERPA is a federal law (20 U.S.C. § 1232g; 34 CFR Part 99) that protects the privacy of student education records. The law applies to all secondary institutions of education that receive funds under an applicable program of the U.S. Department of Education (DOE). Student education records are defined very broadly by FERPA to include any record maintained by the institution that is directly related to a student who is in attendance (or records made while that student was in attendance) at the institution. FERPA applies to all such records, even if the student is no longer in attendance unless the student is deceased. Generally, schools must have written permission from the student to release any personally identifiable information (PII) derived from a student's education record.

However, within the institution, any administrator, faculty or staff members who require access to a student education records to perform his or her official duties may do so. In addition, the Board of Regents and officials and staff of the offices that comprise U. T. System Administration are authorized, as "State Education Authorities" (SEAs) as defined by FERPA, to access a U. T. System institution's student education records as needed to exercise their official duties to provide oversight and support to the institutions and to exercise their respective legal obligations to evaluate and audit the institutions federal or state educational programs.

FERPA requires educational institutions subject to FERPA and SEAs that access the education records of institutions that these SEAs oversee to have administrative, physical, and technological safeguards designed to ensure that only authorized individuals may access a particular education record and that all such individuals utilize the records only for that purpose and only as permitted by FERPA. Institutions and SEAs are also required to ensure that education records are maintained securely at all times.

At the direction of Chancellor Cigarroa, U. T. System has taken steps to ensure the implementation of and compliance with revisions to the training, policies, and procedures applicable to all U. T. System officers and employees to strengthen the protection afforded to all

U. T. System education records, as well as revisions to the processes by which third parties are permitted to access and/or maintain education records through outsourcing or other third party contracts.

New Regents' Rule 50702 is designed to ensure that U. T. System institutions and U. T. System have procedures in place to ensure that access to and maintenance of education records complies with FERPA, other applicable state and federal law, and U. T. System policies. The Rule requires such policies to be included in each institution's Handbook of Operating Procedure to ensure that the policies are reviewed and approved by the Office of General Counsel and the Office of Academic Affairs or Health Affairs, as appropriate.

In accordance with this Rule, U. T. System has also drafted a Systemwide policy that will ensure that each U. T. System institution and U. T. System's FERPA policies are consistent and effective and that the policies ensure that each institution's administrators, faculty, and staff receive training on how to identify and properly manage the categories of education records they are likely to encounter and to assist System employees to respond effectively to Public Information Requests that involve student education records. In conjunction with these efforts, U. T. System has adopted an internal FERPA policy applicable to all offices within U. T. System; and the Office of General Counsel has revised and improved its model FERPA policy and the model notices that U. T. System institutions are required to provide to enrolled students regarding their rights under FERPA.

**The University of Texas System
Rules and Regulations of the Board of Regents**

Rule: 50702

1. Title

Confidentiality and Security of Education Records Subject to the Family Educational Rights and Privacy Act (FERPA)

2. Rule and Regulation

- Sec. 1 At the direction of the Chancellor, The University of Texas System shall adopt a Systemwide policy to provide guidance to U. T. System institutions, as well as the offices within System Administration, on compliance with the Family Educational Rights and Privacy Act (FERPA). The purpose of the policy is to promote consistency and best practices throughout U. T. System with regard to FERPA compliance.
- Sec. 2 Each U. T. System institution and The University of Texas System Administration (U. T. System Administration) shall adopt a policy in accordance with the Systemwide policy described in Section 1 as part of its Handbook of Operating Procedures. The policies adopted by U. T. System institutions pursuant to this Rule must also comply with the model FERPA policy developed by the Office of General Counsel that incorporates best practices designed to ensure the confidentiality and security of Education Records.
- Sec. 3 Each U. T. System institution and U. T. System Administration shall adopt a process for the review of all proposed contracts to determine if the services will involve the outsourcing of, or any other access to or maintenance of, Education Records or Personally Identifiable Information from an Education Record, by a third party contractor. All such contracts shall include terms that ensure that that the contractor will employ FERPA privacy and security safeguards as to all of the institution's Education Records that the contractor or its subsequent subcontractors will maintain and/or access pursuant to the contract.

3. Definitions

Education Record – any record that is directly related to a Student; and created and/or maintained by or for a U. T. System institution, as well as Personally Identifiable Information about a Student derived from an Education Record.

**The University of Texas System
Rules and Regulations of the Board of Regents**

Rule: 50702

FERPA – Family Education Rights and Privacy Act; 20 U.S.C. § 1232g and 34 CFR Part 99.

Personally Identifiable Information – any information derived from an Education Record which can be used alone, or in combination with, other information known to a requestor or the university community, to identify a student. It includes, but is not limited to: the student’s name; the name of the student’s parent or other family members; the address of the student or student’s family; a personal identifier, such as the student’s social security number, student number, or biometric record.

Student – any person who is or was enrolled at a U. T. System institution and any other person who is included within a U. T. System’s institution’s FERPA policy’s definition of a Student.

4. Relevant Federal and State Statutes

Family Educational Rights and Privacy Act: [20 U.S.C. § 1232g](#)

[34 Code of Federal Regulations Part 99](#) – Family Educational Rights and Privacy

5. Relevant System Policies, Procedures, and Forms

Regents’ *Rules and Regulations*, [Rule 10101](#), Board Authority and Duties

Regents’ *Rules and Regulations*, [Rule 20201](#), Presidents

[Model Family Educational Rights and Privacy \(FERPA\) Policy](#), Office of General Counsel

[Model Notice of Student Rights under FERPA and Notice Concerning Directory Information](#)

4. **U. T. System Board of Regents: Proposed appointments to the University Lands Advisory Board**

RECOMMENDATION

Chairman Foster and Chancellor Cigarroa will recommend the appointment of individuals to the University Lands Advisory Board.

BACKGROUND INFORMATION

On May 15, 2014, the Board of Regents established the ULAB composed of the following:

- Four (4) appointments by The University of Texas System Board of Regents, including at least one external member with industry experience
- One (1) Representative from The Texas A&M University System
- The Executive Vice Chancellor for Business Affairs of the U. T. System (ex officio and nonvoting)

Regents' *Rules and Regulations*, Rule 10402, regarding Committees and Other Appointments, was subsequently editorially amended to include the ULAB.

ULAB members advise the Board on operations and management of the University Lands Office, including the hiring of the Chief Executive, reviewing and recommending budgets to the Board, and providing strategic direction.

5. U. T. Austin: Approval to establish a Doctor of Medicine degree program

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Powers that authorization, pursuant to the Regents' *Rules and Regulations*, Rule 40307, related to academic program approval standards, be granted to

- a. establish a Doctor of Medicine degree at U. T. Austin; and
- b. submit the proposal to the Texas Higher Education Coordinating Board for review and appropriate action.

BACKGROUND INFORMATION

Program Description

The doctoral degree program in medicine is designed to educate students to become physicians who are skilled clinicians, biomedical scientists, professional leaders, and innovators in the ongoing transformation of the health care system in Texas and nationally. The program will be the first doctoral program in medicine to be initiated at a major established research university in the United States for several decades. In addition to building a faculty dedicated to medicine, it will draw on the University's existing teaching and research strengths in natural sciences, engineering, and relevant fields in the social sciences and humanities. Students in medicine will benefit from interdisciplinary training in fields such as cell and molecular biology, neuroscience, biomedical engineering, chemistry, public health, sociology, psychology, and health care policy. The program in medicine also will draw on the University's well regarded programs in nursing, pharmacy, and social work to educate young physicians in interprofessional team settings that prepare them to function effectively in the health care system of the future, to provide acute and complex care safely and efficiently, and to maintain and improve the health of individuals in the community.

The program will employ a unique curriculum in both delivery and content including an accelerated curriculum and dual degree and/or research opportunities. The development of curriculum elements and the sequencing of their delivery for the inaugural class are ongoing. Work groups have been examining core content areas, innovative curriculum integration opportunities, and delivery methods that utilize state- of-the-art technology to maximize the student learning experience. The curriculum features early clinical experiences and interprofessional education while affording students the opportunity for interdisciplinary training in fields such as the social sciences and humanities, biomedical sciences, engineering, and public health and policy. Research and scholarly activity will be required of all students, and a substantial number of students will be afforded the opportunity to obtain a dual degree in these or related fields.

Need and Student Demand

Job Market Need

The need for skilled personnel in Texas and nationally to oversee and provide health care services remains high and is expected to grow over the next several decades. Nationally, an aging population and technological advances in medicine are the principal drivers of this demand. In Texas generally, and in Central Texas specifically, the increased need for skilled medical personnel is also a function of rapid population growth across age groups, as well as rising rates of health conditions such as obesity and associated diseases such as diabetes, hypertension, heart disease, and cancer. In addition, roughly 26% of Central Texans are uninsured and that rate continues to rise. Physicians in training and teaching hospitals serve a high proportion of the uninsured and underinsured populations.

Projected Supply and Demand					
Full-time Equivalent Physicians Active in Patient Care, 2008-2025					
Year	Supply All Specialties	Demand All Specialties	Shortage All Specialties	Shortage Primary Care	Shortage Non-Primary Care
2008	699,100	706,500	7,400	7,400	0
2010	709,700	723,400	13,700	9,000	4,700
2015	735,600	798,500	62,900	29,800	33,100
2020	759,800	851,300	91,500	45,400	46,100
2025	785,400	916,000	130,600	65,800	64,800

State specific data is updated annually by the Association of American Medical Colleges (AAMC). The most current data reported by the AAMC in the “2013 State Physician Workforce Data Book” shows Texas ranked among the highest in retention rates for trainees and among the lowest ranked states in physician workforce as summarized in the tables below. Texas ranks second nationally in physicians retained from undergraduate medical education (UME) (59.4% stay in Texas to practice) and fifth nationally in physicians retained from graduate medical education (GME) (58% stay in Texas to practice). Moreover, when physicians complete both UME and GME training in Texas, over 80% stay in the State of Texas to practice. However, Texas continues to rank among the lowest nationally in ratios of patient care physicians and primary care physicians per capita. Increasing the physician workforce in Texas therefore requires filling the educational pipeline.

Locally, the Austin metropolitan statistical area (MSA) had a 2012 population of over 1.8 million with a 37.3% population growth rate from 2000 to 2010 and expects an additional 35.3% increase in population, reaching over 2.3 million in 2020. The population of Austin and Central Texas, like certain other regions of the state and nation, include communities with unmet needs for health care. Engaging this population, and all underserved populations, is a critical scientific and social task for many medical schools in Texas. The U. T. Austin Dell Medical School is well-positioned to contribute through a multipronged, sustainable commitment to community engagement, expanded local access to health care and health care providers, new models of

service-learning involving interprofessional teams, community and university-based research, and scientific, managerial, and public policy innovation in the Austin MSA and Central Texas community.

Existing Programs and Graduation Numbers

There are 141 full members of the AAMC with doctoral programs in medicine that have received final approval and full accreditation from the Liaison Committee on Medical Education (LCME) in the United States. Nine medical schools in Texas, eight of which are public institutions, are full members of the AAMC. There are limited growth opportunities at existing programs in the state and even with projected increases in enrollment rates, the State of Texas will still fall short in its ability to supply an adequate number of physicians to its population. As of 2013, the ratio of physicians per 100,000 in Texas is 207.9 with the national average at 244.5, ranking Texas number 42 of 50 states. The most recent enrollment and graduation data for Texas medical schools is included in the table below.

Texas Medical Schools Enrollment and Graduation, 2008-2013										
	Matriculates					Degrees Conferred				
	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013
Baylor	176	186	185	185	185	157	152	176	165	191
TX A&M	135	141	151	201	204	79	76	100	117	134
TX Tech Paul Foster	0	40	59	84	78	0	0	0	0	40
TX Tech	140	140	143	150	149	124	145	144	130	149
Univ of N TX	175	186	201	230	230	128	151	159	166	172
UTMB	230	229	228	226	230	200	219	215	237	221
UT Houston	230	230	230	240	235	189	221	241	214	234
UT San Antonio	220	220	220	216	214	197	210	216	207	225
UT Southwestern	235	227	230	230	235	233	204	207	227	221

Source: Texas Higher Education Coordinating Board and medical schools. Prepared by: Texas Medical Association, Medical Education Dept., 12/2013

The U. T. Austin Dell Medical School is uniquely positioned to reach the Austin MSA and Central Texas community with its resources and clinical partnerships. The School's doctoral program in medicine would not unnecessarily duplicate similar programs in Texas as none of the nine medical schools are based in the Austin MSA and only one school, Texas A&M University, has a presence in the Central Texas Higher Education Region (Region 7).

Student Demand

Admission into medical school programs in Texas continues to be a highly competitive process. In 2013, only 1,587 of the 4,734 total medical school applicants (33%) matriculated into a Texas program. Although the number of students who are accepted and matriculate into Texas programs has slightly increased over the last several years as additional student positions are created in existing programs, the number of applicants also grows each year. In 2012, 12.3% of medical school applicants whose legal state of residence is Texas matriculated into schools outside of the State of Texas.

It is reasonable to expect that student demand for admission into medical school programs in the State of Texas will continue to remain high and that the applicant pool will continue to remain strong in the future. The new program at U. T. Austin would allow for additional placement opportunities for many qualified applicants.

Student recruiting efforts would not begin until the accrediting body for medical schools, the LCME, granted the U. T. Austin Dell Medical School preliminary accreditation status, per their regulations. Preliminary accrediting status is projected for the Summer 2015. At that point, the U. T. Austin Dell Medical School would opt to become a participating school with the Texas Medical and Dental Schools Application Service (TMDSAS), the state's centralized application service currently utilized by all public medical schools in Texas. The Summer 2015 timeframe coincides with the opening of the TMDSAS application for individuals applying to programs that begin Summer 2016, when the U. T. Austin Dell Medical School anticipates matriculating its charter class of 50 students. That number is expected to grow once the school is established and fully accredited. Pending preliminary accreditation from the LCME, the charter class of 50 students will matriculate in July 2016 and would graduate in May 2020 at the completion of the four-year program. The maximum number of students in the program at any given time is 200 full-time medical students.

Program Quality

The new doctoral program in medicine will be evaluated through the faculty contributions, the accreditation process, the achievement of program objectives, monitoring the quality of experience, and implementing a plan for performance and program improvement.

Faculty

Core and support faculty have not yet been identified or hired at the time of proposal submission. The medical school core and support faculty members will reflect a range of clinical, scientific, and interdisciplinary backgrounds. Faculty members with core scientific and academic interests will be recruited from other institutions around the country or by creating joint appointments for current U. T. Austin faculty. The institution has a track record of successful faculty recruitment in other disciplines, and expects similar success for its doctoral program in medicine. Faculty members with primarily clinical responsibilities will be recruited by the institution as its curriculum develops. A large pool of talented individuals already exists in Austin from academic programs (e.g., U. T. Southwestern GME Clinical faculty), a nonacademic teaching hospital (e.g., Seton Healthcare Family), and private practices. The institution anticipates that additional clinical faculty members will be drawn from a pool of individuals outside Austin and outside Texas who are attracted by the scientific and intellectual resources of the institution, the clinical opportunities, and the overall quality of life in Central Texas.

The U. T. Austin Dell Medical School will expect a level of research and scholarship from its faculty that is consistent with the expectations set forward by the U. T. System and U. T. Austin. It is expected that it will be comparable to those at other medical schools in the U. T. System. The institution anticipates the ability to draw the interest of faculty who are currently maintaining high levels of professional productivity and who have an interest in cultivating the rich scientific and clinical resources to build the infrastructure of the new medical school.

The plan for anticipated faculty availability in the first five years of the program is on the next page.

Proposed Five-Year Faculty Hiring Plan (Full-Time Equivalents)					
	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5
	2016-17	2017-18	2018-19	2019-20	2020-21
Dean	1	1	1	1	1
Basic Science Educators	16	16	16	16	16
Basic Science Research Faculty	23	24	25	25	25
Clinical Science Educators	12	12	12	12	12
Clinical Research Faculty	19	28	30	32	32
Clinical Faculty	150	150	160	175	200
Total	221	231	244	261	286

Accreditation

The accreditation body for medical schools is the LCME, a 70-year-old organization formed to oversee medical education in the United States through a partnership of the American Medical Association (AMA) and AAMC. The LCME has developed an extensive set of standards and procedures to ensure educational program quality. These are rigorously enforced through a process that involves continuous data collection and self-study by administration, faculty, and students that leads to periodic site visits by a team who evaluates adherence to the standards and documents a recommendation to the full LCME Council. The Council then determines, by vote, whether to grant accreditation. New programs seeking LCME accreditation undergo a stepwise review and accreditation process.

Achievement of Objectives

Achievement of program objectives by students at the U. T. Austin Dell Medical School will be monitored in several ways. Students' fund of knowledge will be assessed during the preclinical years via internal written examinations, supplemented in some courses by laboratory examinations and faculty evaluations of small group performance, and by administering Objective Structured Clinical Exams (OSCEs) in both the basic science and clinical years. Standardized end-of-rotation comprehensive National Board of Medical Examiners (NBME) subject shelf examinations will also be administered during the clinical years to assess students' fund of knowledge, supplemented by internal written and oral examinations, and faculty and resident evaluations. Mastery of curriculum content will also be addressed by the requirement that all graduates of the U. T. Austin Dell Medical School pass steps one and two of the United States Medical Licensing Exam (USMLE).

Quality of Experience

Students' opinions about the quality of their educational experiences in the preclinical years, including their assessment of the clarity of learning objectives, the relationship between published learning objectives and course/examination content, and the value of their preclinical courses in preparing them for their clinical rotations are obtained via the AAMC Medical Student Graduation Questionnaire given to each graduate. The quality of their clinical experiences is also addressed in the same survey via an extensive list of very detailed, specific questions.

Performance and Program Improvement

Student performances on internal and standardized shelf examinations are monitored on an ongoing basis by course directors and the various subcommittees of a curriculum oversight committee. Student feedback following tests and student feedback from course evaluations is carefully reviewed by course directors and, where indicated, modifications will be made to the examination and/or course structure and content.

Revenue and Expenses

Projected Enrollment	5-Year Total
Number of Students Used for Formula Funding Calculation	50
Total Number of Students	50

Expenses	5-Year Total
<i>Faculty</i>	\$169.9M
Salaries and Benefits	\$169.9
<i>Graduate Students</i>	\$0
N/A	\$0
<i>Staff & Administration</i>	\$54.4
Program Administration Salaries and Benefits	\$30.1
Clerical/Staff Salaries and Benefits	\$24.3
<i>Other Expenses</i>	\$446.6M
Supplies and Materials	\$145.8M
Library & IT resources	\$26.4M
Equipment	\$145.7M
Facilities	\$107.3M
Recruitment and Turnover	\$21.4M
Total Expenses	\$670.9M

Revenue	5-Year Total
<i>From Student Enrollment</i>	\$61.9M
Formula Funding	\$47.7M
Tuition and Fees	\$14.2M
<i>From Institutional Funds</i>	\$150M
AUF and STARS	\$150M
<i>From Other Revenue Sources</i>	\$395.4M
Central Health, Grants, Seton, Philanthropy	\$395.4M
Total Revenue	\$607.3M

Notes:

1. Supplies & Materials include Operating Lab expenses, Core Lab expenses, and administrative maintenance and operations (M&O) expenses.
2. Equipment consists of the nonsalary portion of faculty start-up packages, which are expected to be spent on moveable lab and educational equipment.
3. Facilities consist of the operating expenses and debt service for the buildings occupied by U. T. Austin employed staff and faculty.
4. Other includes faculty recruitment and turnover costs.

Costs vs. Funding Sources. For the 5-year period reported, the total costs exceed total funding sources by approximately \$67M. However, this does not account for the favorable balances accumulated in the three years preceding the opening of the medical school that will be intentionally accumulated to fund start-up expenses. Additionally, by Year 5, the annual funding sources exceed the annual costs and this is projected to continue in the projected periods beyond Year 5.

Coordinating Board Criteria

The proposed program meets all applicable Coordinating Board criteria for new doctoral degree programs.

6. **U. T. Rio Grande Valley: Approval to establish a Doctor of Medicine degree program**

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Bailey that authorization, pursuant to the Regents' *Rules and Regulations*, Rule 40307, related to academic program approval standards, be granted to

- a. establish a Doctor of Medicine degree at U. T. Rio Grande Valley; and
- b. submit the proposal to the Texas Higher Education Coordinating Board for review and appropriate action.

BACKGROUND INFORMATION

Program Description

The new doctoral degree program in medicine at the U. T. Rio Grande Valley campus will educate physicians to be skilled clinicians, biomedical scientists, educators, and professional leaders and innovators in the ongoing transformation of the health care system regionally and throughout Texas, as well as nationally and internationally. The U. T. Rio Grande Valley Medical School will adapt an innovative curriculum, CIRCLE, which has been implemented at The University of Texas Health Science at San Antonio. The acronym CIRCLE (Curricular Integration, Researchers, Clinicians, Leaders, Educators) represents an integrated four-year medical school education program carefully constructed and sequenced, vertically and horizontally, integrating basic and clinical sciences throughout all four years.

The foundational 20-month preclinical curriculum is taught in 10 sequential learning modules (nine organ systems) and three longitudinal modules (clinical skills training, language of medicine, and technology of medicine). Within each module there is progression of knowledge in a systematic fashion as follows: normal structure and function, pathogenesis and pathophysiology of the condition or disorder, clinical manifestations of the condition or disorder, pharmacotherapeutic interventions for the condition or disorder, clinical and translational research and evidence-based medicine approach for the condition or disorder, epidemiology or prevention of the condition or disorder, and interpretation of diagnostic tests.

The third year clinical curriculum includes four-week blocks of core clerkships in emergency medicine and neurology; six-week blocks for family medicine, obstetrics and gynecology, pediatrics and psychiatry; and eight-week blocks for internal medicine and surgery. A longitudinal educational experience will be woven through the entire academic year to address curricular items that are common to all clerkships. The longitudinal block of time will provide a venue for introduction of interprofessional experiences with other health care professionals on campus, further integration of basic and clinical sciences, cultural competencies, patient safety and quality improvement, health economics and policy, and incorporation of cutting-edge technology such as basics of ultrasonography and other imaging technologies. Third year elective experiences will allow students to explore other specialties and subspecialties or engage in research before the fourth year while still consolidating core knowledge and skills.

Need and Student Demand

Job Market Need

The need for skilled personnel in Texas and nationally to oversee and provide health care services is high and is expected to grow over the next several decades. Texas ranks 41st nationally in the number of patient care physicians per population (183 per 100,000 compared to national average of 226 per 100,000; the state median is 218). In regards to the number of primary care physicians, Texas ranks 46th nationally with 70 practitioners per 100,000 population in comparison with a U.S. average of 90 (and state median of 90)¹.

In the Rio Grande Valley specifically, the increased need for skilled medical personnel is also a function of rapid population growth across all age groups, as well as rising rates of obesity and associated diseases such as diabetes, hypertension, heart disease, and cancer. Furthermore, a 2011 local community health assessment in the Rio Grande Valley found that the overall uninsured rate for the region including Willacy, Hidalgo, and Cameron counties was roughly 41%, in comparison with 31% for the State of Texas². Physicians in training and teaching hospitals serve a high proportion of uninsured and Medicaid populations.

The 2008 “Physician Workforce and Graduate Medical Education in Texas” report from the Texas Health Care Policy Council highlighted a number of challenges facing Texas:

- State Demographer’s middle growth scenario implies a need for a 50% increase in specialists, and a 40% increase in primary care physicians by 2025.
- The state’s population is increasing rapidly. It is plausible that by 2040, the population of Texas will exceed 50 million and it is prudent to plan for future demands.
- The state’s population and its medical professionals are aging. This is expected to increase health care demand and need at the same time as the supply is contracting. Other states are also facing the same demographic demands, which will make it more difficult for Texas to attract doctors from other states or from foreign countries. A significant portion of the Texas population already resides in medically underserved areas.
- Texas’ rate of physicians per 100,000 persons is below national rates. This is particularly evident in border and rural areas of Texas, where the rates are typically below the state’s rate for direct patient care specialties.
- As the population ages, demand for specialists that provide the care particular to the needs of the over 65 demographic is expected to rise significantly. Specialties that are significantly below national averages are neurosurgery (especially along the Mexico border), obstetrics and gynecology, pediatrics, and psychiatry.

The Rio Grande Valley is designated as one of the most medically underserved regions in the United States. While Texas lags behind the national average for physicians, the 12 counties that make up the Rio Grande Valley have even lower ratios of physicians to population. This region of Texas is an environment that is different and unique geographically, culturally, and medically.

¹ 2013 State Physician Workforce Data Book, AAMC Center for Workforce Studies, November 2013

² “2011 Professional Research Consultants (PRC) Community Health Report” This health needs assessment was sponsored by Valley Baptist Health System and conducted by PRC, Omaha, Nebraska. The survey included 400 adults in Cameron County and 100 each in Willacy County and Hidalgo County. Residents of Starr County were not included.

Medical students will have the opportunity to be part of community-based projects aimed at improving health or research efforts seeking solutions to address the complex health issues of this region. This is an opportunity that benefits students and the local community.

The impact of federal health care reform on the need for physicians, while uncertain, strongly suggests that demand will exceed projected supply. The following paragraphs and table are from a 2010 report by the Association of American Medical Colleges (AAMC):

- Health care reform (the Patient Protection and Accountable Care Act - PPACA or more commonly known as ACA) signed into law in March 2010 is expected to make health insurance coverage available to more than 30 million previously uninsured Americans by 2014. It will also improve coverage and access to care for many others. Questions have been raised as to whether there will be a sufficient supply of physicians and other health professionals to serve the nation, especially in light of concerns that the nation is facing potentially significant shortages even before health care reform.
- A 2008 AAMC report concluded that the nation was likely to face a significant shortage of physicians in the future under a variety of scenarios. While the report included a scenario of universal coverage, that scenario does not adequately reflect the final ACA provisions. Therefore, to assess the potential impact of the ACA on the expected shortage, the AAMC Center for Workforce Studies, working with The Lewin Group (who assisted AAMC on the development of the original projections) has updated the 2008 projections to reflect the actual ACA provisions, and also incorporated more recent physician supply and utilization data and updated population projections. Based on these revisions, under a most plausible scenario described below, a national overall shortage of 91,500 and 130,600 active patient care physicians in 2020 and 2025, respectively, is projected, together with a primary care shortage of 45,400 and 65,800 physicians in 2020 and 2025, as indicated in the table on the next page.

Projected Supply and Demand, Full-time Equivalent Physicians Active in Patient Care, 2008-2025³

Year	Supply – All Specialties	Demand – All Specialties	Shortage – All Specialties	Shortage – Primary Care	Shortage – Non-Primary Care
2008	699,100	706,500	7,400	7,400	0
2010	709,700	723,400	13,700	9,000	4,700
2015	735,600	798,500	62,900	29,800	33,100
2020	759,800	851,300	91,500	45,400	46,100
2025	785,400	916,000	130,600	65,800	64,800

³ Association of American Medical Colleges, The Impact of Health Care Reform on the Future Supply and Demand for Physicians Updated Projections Through 2025 (June 2010)

In support of the establishment of the new South Texas medical school, U. T. Health Science Center - San Antonio will offer a new South Texas Clinical Education Campus (CEC) track in Fall 2014. The first cohort of 15 students will matriculate in Fall 2014 in San Antonio, then complete their third and fourth years of clinical training at the South Texas Clinical Education Campus (STCEC) at the Regional Academic Health Center (RAHC) in Harlingen. In July 2016 (FY 2017), the new South Texas medical school anticipates the charter class of 50 students will begin and will graduate in May 2020 at the completion of the four-year program. At a minimum, the entering class size of 50 will remain constant for the first four years to allow appropriate time to ramp up the program faculty and infrastructure.

Student Demand

Texas ranks second nationally in physicians retained from Undergraduate Medical Education (UME) (59% stay here to practice) and fifth nationally in Physicians Retained from Graduate Medical Education (GME) (58% stay to practice). Moreover, when physicians complete both UME and GME training in Texas, over 80% stay to practice. Increasing the physician workforce in Texas therefore requires filling the educational pipeline; fact that is even more salient for the Rio Grande Valley.

Enrollment Projections

	Year 1 (FY 2017)	Year 2 (FY 2018)	Year 3 (FY 2019)	Year 4 (FY 2020)	Year 5 (FY 2021)
UTHSCSA South Texas CEC Track Students in their 3rd & 4th years	MS3 - 15	MS3 - 15 MS4 - 15	MS4 - 15		
UTRGV Medical School Students	MS1 - 50	MS1 - 50 MS2 - 50	MS1 - 50 MS2 - 50 MS3 - 50	MS1 - 50 MS2 - 50 MS3 - 50 MS4 - 50	MS1 - 50 MS2 - 50 MS3 - 50 MS4 - 50
Cumulative Headcount	65	130	165	200	200
FTSE	65	130	165	200	200
Graduates	0	15 *South TX CEC Students will graduate from UTHSCSA	15 *South TX CEC Students will graduate from UTHSCSA	50 First graduating class from UTRGV Medical School	50 Second graduating class from UTRGV Medical School

Program Quality

The innovative Liaison Committee on Medical Education (LCME)-accredited curriculum includes a carefully structured and sequenced educational experience in which basic and clinical sciences are taught throughout the four years. While there are a number of support faculty members currently in place at the RAHC in Harlingen who will transition over to the new medical school, the core and support faculty will be hired during the next five years. The medical school core and support faculty members will reflect a range of clinical, scientific, and interdisciplinary

backgrounds. Faculty members with core scientific and academic interests will be recruited from other institutions around the country or by creating joint appointments for current U. T. Brownsville and U. T. Pan American faculty. The five-year faculty recruitment plan/hiring schedule is included below.

The first key hire was that of the school's inaugural dean in February 2014. The strategic hiring of subsequent key staff and faculty to support the medical school will ensue as the ramp up activities accelerates. It is estimated that a staff of approximately 30 full-time employees (FTEs) will be hired over the next five years to support the school's programmatic elements. Currently, there are six basic science faculty members at the Regional Academic Health Center (RAHC) in Edinburg. It is estimated that with the hiring of the Diabetes Center Founding Director and Director of the RAHC in Edinburg that an additional eight basic scientists will be hired in 2014. Initial plans include the establishment of two main departments: the Department of Preclinical Education and the Department of Clinical Education. The Department of Preclinical Education will be composed of two chairs, Basic Sciences and Population Health and Statistics. U. T. Health Science Center San Antonio in Harlingen is currently home to over 181 clinical faculty members. Additional faculty members will be recruited as Clerkship Directors and Clinical Chairs. In the next three years, the expansion of GME programs in the Rio Grande Valley will result in additional faculty members.

In addition to the numerous medical and surgical faculty that will be added with the new medical school, U. T. Brownsville and U. T. Pan American are jointly participating in a U. T. System initiative, ValleySTARS, to recruit 20 new faculty positions in Science, Technology, Engineering, and Mathematics (STEM) fields. The plan is to hire a critical mass of faculty/researcher groups that will substantially address the scientific, education, and health-related problems facing the community.

Five Year Faculty Recruitment Plan/Hiring Schedule	Year 1	Year 2	Year 3	Year 4	Year 5	Total
	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	
Dean	1	1	1	1	1	5
Preclinical Basic Science Chairs	2	2	2	2	2	10
Preclinical Basic Science Faculty	10	23	23	23	23	102
Preclinical Behavioral Science Faculty	3	5	5	5	5	23
Clinical Science Chairs	7	7	7	7	7	35
Clinical Faculty GME – PD/APD/Core	45	45	45	45	45	225
Clinical Science Faculty	15	34	38	43	46	176
Adjunct Clinical Faculty	181	186	196	211	236	1010
TOTAL	264	303	317	337	365	1586

Revenue and Expenses

Projected Enrollment	5-Year Total
Number of Students Used for Formula Funding Calculation: 2018-19 Biennium	50
2020-21 Biennium	150
Total Number of Students:	200

Expenses	5-Year Total
<i>Faculty</i>	
Salaries	\$180,216,614
Benefits (25%)	\$45,051,153
<i>Staff & Administration</i>	
Administrative Staff Salaries	\$45,858,718
Staff Benefits (25%)	\$11,464,679
<i>Other Expenses</i>	
Academic & Research Admin	\$46,944,869
Utilities, Info Tech & Renovations	\$32,689,765
Admin Support, Library, Malpractice	\$47,741,565
Research Labs & Startup Costs	\$25,950,000
Total Expenses	\$435,917,363

Revenue	5-Year Total
<i>From Student Enrollment</i>	
Formula Funding	\$24,186,190
Tuition and Fees	\$13,175,000
<i>From Institutional Funds</i>	
UT System	\$50,000,000
<i>From Grant Funds</i>	
Grant Revenue	\$14,993,007
<i>From Other Revenue Sources</i>	
General Revenue	\$215,272,993
Hospital Residency Support	\$104,201,921
Clinical Revenue/DSRIP	\$74,908,448
Total Revenue	\$496,737,559

Coordinating Board Criteria

The proposed program meets all applicable Coordinating Board criteria for new doctoral degree programs.

7. **U. T. Rio Grande Valley: Approval to implement freshman, transfer, and graduate admissions criteria**

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Bailey that the U. T. System Board of Regents approve the proposed implementation of admissions criteria for freshman, transfer, and graduate students.

BACKGROUND INFORMATION

Undergraduate Studies

The U. T. System Task Force on the U. T. Rio Grande Valley Inaugural Class Admissions Process was charged with (1) creating a target profile of the initial freshman and new transfer cohorts for U. T. Rio Grande Valley, (2) designing policy and practice that would increase the likelihood of recruiting students identified in the target profile, (3) recommending admissions criteria designed to optimize student access and success, and (4) providing alternative pathways for potential U. T. Rio Grande Valley students who do not initially qualify for admission. See attachment as set forth on the following pages.

Over the course of several months, the Task Force carefully analyzed both historical and current data related to student access, success, and regional population characteristics. The Task Force first identified factors and characteristics that were more likely to result in college readiness and overall student success at U. T. Brownsville and U. T. Pan American and at other comparable and aspirational institutions. Many institutions that enroll large numbers of first-generation students use standardized tests, high-school grade point averages (GPA), and other academic factors as primary factors in admissions processes. There is also strong evidence to suggest that holistic admissions are often more predictive of student success because they allow for the consideration of noncognitive variables to complement the use of traditional academic factors. Many nationally-ranked universities use holistic review processes to identify students who are smart, accomplished, and college-ready; the kind of students who are most likely to succeed in college and complete a degree program at U. T. Rio Grande Valley.

The Task Force recommends that U. T. Rio Grande Valley implement a tiered holistic admissions process for first-time students beginning with the Fall 2015 inaugural class. Under Texas law, the Top 10% of each graduating class in Texas will be automatically admitted. All other entering freshmen will receive a holistic admissions review. For first-time transfer students, students who have earned an associate's degree or who have completed at least 24 semester credit hours (SCH) with a 2.0 GPA will be automatically admitted. Alternative admissions pathways include (1) Summer Bridge Programs and Workshops, and (2) community college transfer.

Graduate Studies

The following admissions requirements for master's and doctoral programs, as set forth on the following pages, have been reviewed and administratively approved by the Executive Vice Chancellor for Academic Affairs.

The minimum admissions criteria for all graduate programs at U. T. Rio Grande Valley include the following unless a higher standard is included in the program-specific criteria:

- Earned baccalaureate degree from a regionally accredited institution in the United States or a recognized international equivalent in a field similar to that of the graduate program to which application is being made;
- Minimum undergraduate GPA of 3.0 overall required for clear admission; Graduate Record Examinations (GRE) or Graduate Management Admission Test (GMAT) entrance exams, when required, must be taken within five years of application, unless otherwise specified; and
- International students: Minimum language proficient requirement of 550 in the paper-based Test of English as a Foreign Language (TOEFL) (213 computer-based, 79 Internet-based or 6.5 International English Language Testing System [IELTS]) or successful completion of the highest level of the U. T. Rio Grande Valley Language Institute.

A graduate program may require higher admissions criteria than shown above and may have additional requirements of the applicants. Some programs may admit on a conditional basis if an applicant does not meet the minimum undergraduate GPA requirement for clear admission or program-specific criteria.

Admission to each program is based on a holistic review of the application materials.

**Recommendations from the Task Force
on the
U. T. Rio Grande Valley Inaugural Class Admissions Process**

General Admissions Criteria for First-Time Freshmen

Based on the research, the task force recommends that U. T. Rio Grande Valley implement a holistic admissions process for first-time students beginning with the Fall 2015 inaugural class. Texas law requires that U. T. Rio Grande Valley admit the top 10 percent of students from each graduating class. However, according to this recommendation, all other applicants would undergo a holistic review. A holistic admissions process will provide the flexibility needed to modify the weights associated with specific criterion, allowing U. T. Rio Grande Valley to mold its student body to incorporate the most promising students in the region while attracting high-caliber students from across Texas, the nation, and the world. The table below lists the general admissions criteria proposed for Fall 2015.

Recommended Admission Standards for Fall 2015 Entering Freshmen

High School Rank	Admissions Tier	SAT/ACT Required
Top 10%	Guaranteed Admission	Yes
All others	Holistic Review A combination of factors will be considered, including, but not limited to: <ul style="list-style-type: none"> • Class rank • Prior college hours • Test scores (SAT/ACT) • Rigor of high school course work • Leadership experience • Community involvement • Stated goals 	Yes

General Admissions Criteria for Transfer Students

Transfer students at U. T. Brownsville and U. T. Pan American have much higher graduation rates than native students. In line with the requirements outlined at U. T. System institutions for transfer admissions, the task force recommends that U. T. Rio Grande Valley automatically admit students with an associate's degree. For those transfer students who have not achieved an associate's degree, students must have earned at least 24 semester credit hours with a minimum 2.0 GPA to be admitted. For students with less than 24 semester credit hours, freshman admission standards would apply.

The University of Texas Rio Grande Valley: Admissions criteria for graduate programs

13.0301.00 Doctor of Education in Curriculum and Instruction

1. Earned master's degree from a regionally accredited United States institution or a recognized international equivalent with a minimum grade point average (GPA) of 3.25 on all graduate work.
2. Graduate Record Examinations (GRE) general test.
3. Documentation of five years of experience in education or related field, of which three years must be classroom teaching experience.
4. Submission of personal statement describing goals, experiences, scholarly accomplishments, reasons for obtaining this degree, and possible research questions or topics of interest.
5. Submission of resume.
6. Submission of three professional letters of recommendation from individuals with first-hand knowledge of applicant's professional qualities and scholarly potential with reference forms.

13.0401.00 Doctor of Education in Educational Leadership

1. Earned master's degree in Education or related field with a minimum GPA of 3.0.
2. Submission of three letters of recommendation from academic and/or professional sources.
3. Submission of resume showing professional presentations, publications, grants, recognitions (e.g., honors and awards for leadership, teaching, academics), five years full-time leadership, supervisory experiences or classroom experience (college/university level, school/district, business, military, regional, state-level, international, other) leadership activity in community organizations, professional associations, or community service.
4. Submission of personal statement, maximum of five pages double spaced, including the following headings: Purpose for Pursuing an Ed.D. in Educational Leadership; Description of Professional Goals; and Commitment and Dedication.
5. Submission of writing sample following the guideline provided by the program.
6. Participation of finalists in the program's Assessment Center, a daylong session to evaluate the applicant's verbal, written, and analytical skills.

51.2310.00 Doctor of Philosophy in Rehabilitation Counseling

1. Earned master's degree from an accredited institution in a field related to rehabilitation counseling with a minimum graduate GPA of 3.25.
2. GRE general test.
3. Submission of three letters of recommendation.

4. Submission of personal statement.
5. Documentation of two years of professional experience with people with disabilities.
6. Personal interview.

52.0101.00 Doctor of Philosophy in Business Administration

1. Graduate Management Admission Test (GMAT) or GRE general test with scores submitted by February 1st for admission the following Fall.
2. Submission of three letters of recommendation from academic sources.
3. Submission of a personal statement describing goals, experiences, scholarly accomplishments, reasons for obtaining the degree, and possible research questions or topics of interest.
4. Submission of resume or curriculum vitae.

09.0100.00 Master of Arts in Communication

1. GRE general test.
2. Bachelor's degree in Communication or a bachelor's degree in business or social science or related field required.
3. Submission of three letters of recommendation.
4. Submission of 500-word essay on personal goals related to degree.

11.0401.00 Master of Science in Information Technology

1. Bachelor's degree in computer science or a bachelor's degree in another field and courses and/or experience that prepare the applicant for graduate work in computer science or information technology.
2. Submission of letter of intent.
3. Submission of resume.

11.0701.00 Master of Science in Computer Science

1. GRE general test.
2. Bachelor's degree in computer science or a bachelor's degree in another field and courses and/or experience that prepare the applicant for graduate work in computer science.
3. Submission of letter of intent.
4. Submission of resume.

13.0201.00 Master of Education in Bilingual Education

1. Minimum undergraduate GPA of 3.25 overall.
2. If applicant does not meet minimum undergraduate GPA criterion, GRE general test with minimum scores of 150 Verbal, 141 Quantitative, and 4.0 Analytical are required for clear admission.
3. Submission of two letters of recommendation.
4. Submission of personal statement essay in English and Spanish.
5. Submission of resume.

6. Submission of Texas Examination of Educator Standards (TExES) or Examination for the Certification of Educators in Texas (ExCET) Certificate.
7. Documentation of one year of teaching experience.

13.0301.00 Master of Education in Curriculum and Instruction

1. If applicant does not meet minimum undergraduate GPA criterion, GRE general test with minimum scores of 150 Verbal, 141 Quantitative, and 4.0 Analytical are required for clear admission.
2. Submission of resume.
3. Submission of essay with statement of goals.

13.0401.00 Master of Education in Educational Leadership

1. If applicant does not meet minimum undergraduate GPA criterion, GRE general test with minimum scores of 150 Verbal, 141 Quantitative, and 4.0 Analytical are required for clear admission.
2. Submission of resume.
3. Submission of letter of intent.
4. Submission of teaching certificate with a minimum of two years of teaching experience.

13.0501.00 Master of Education in Educational Technology

1. If applicant does not meet minimum undergraduate GPA criterion, GRE general test with minimum scores of 150 Verbal, 141 Quantitative, and 4.0 Analytical are required for clear admission.
2. Submission of resume.
3. Submission of letter of intent.

13.1001.00 Master of Education in Special Education

1. If applicant does not meet minimum undergraduate GPA criterion, GRE general test with minimum scores of 150 Verbal, 141 Quantitative, and 4.0 Analytical are required for clear admission.
2. Submission of two letters of recommendation.
3. Submission of resume.
4. Submission of letter of intent.
5. Demonstrated knowledge of special education or knowledge of individual differences through (a) state certification in special education; (b) three hours of undergraduate coursework in special education with a grade of 'B' or better; or (c) coursework in a related field such as psychology, early childhood education, or speech pathology.

13.1001.01 Master of Education in Educational Diagnostician

1. If applicant does not meet minimum undergraduate GPA criterion, GRE general test with minimum scores of 150 Verbal, 141 Quantitative, and 4.0 Analytical are required for clear admission.

2. Submission of three letters of recommendation.
3. Submission of resume.
4. Submission of statement of purpose.
5. Submission of most recent Professional Development and Appraisal System (PDAS).
6. Submission of documentation of teaching certificate.
7. Criminal background check.

13.1101.00 *Master of Education in Counseling and Guidance*

1. If applicant does not meet minimum undergraduate GPA criterion, GRE general test with minimum scores of 150 Verbal, 141 Quantitative, and 4.0 Analytical are required for clear admission.
2. Submission of three letters of recommendation at least one of which must be from a former professor.
3. Submission of resume.
4. Submission of letter of intent.
5. Personal interview.
6. Criminal background check.

13.1202.00 *Master of Education in Elementary Education*

1. If applicant does not meet minimum undergraduate GPA criterion, GRE general test with minimum scores of 150 Verbal, 141 Quantitative, and 4.0 Analytical are required for clear admission.
2. Submission of resume.
3. Submission of letter of intent.
4. Submission of teaching certificate.

13.1205.00 *Master of Education in Secondary Education*

1. If applicant does not meet minimum undergraduate GPA criterion, GRE general test with minimum scores of 150 Verbal, 141 Quantitative, and 4.0 Analytical are required for clear admission.
2. Submission of resume.
3. Submission of letter of intent.
4. Submission of teaching certificate.

13.1210.00 *Master of Education in Early Childhood Education*

1. If applicant does not meet minimum undergraduate GPA criterion, GRE general test with minimum scores of 150 Verbal, 141 Quantitative, and 4.0 Analytical are required for clear admission.
2. Submission of resume.
3. Submission of letter of intent.

13.1315.00 *Master of Education in Reading and Literacy*

1. If applicant does not meet minimum undergraduate GPA criterion, GRE general test with minimum scores of 150 Verbal, 141 Quantitative, and 4.0 Analytical are required for clear admission.

2. Submission of two letters of recommendation from individuals knowing the applicant in a professional or academic capacity.
3. Submission of a one to two page letter of intent indicating reasons for pursuing the degree.
4. Submission of resume.
5. Minimum of 15 undergraduate hours in reading or a related field.
6. Applications to Reading Specialist track: Submission of teaching certificate and teacher service record showing a minimum of two years of teaching experience.
7. Personal interview for applicants to the reading specialist track.

13.1401.00 *Master of Arts in English as a Second Language*

1. A bachelor's degree in any field.
2. If applicant does not meet minimum undergraduate GPA criterion, GRE general test with minimum scores of 153 Verbal and 4.0 Analytical are required for conditional admission.
3. Submission of letter of intent demonstrating interest in program and articulation of goals.
4. Submission of resume including education and work experience.
5. English language ability will be judged on the resume and submitted letter of intent; therefore, applications should be certain to use appropriate, formal academic English.
6. Nonnative English speakers who did not graduate from an English-medium high school and university must meet the minimum language proficiency requirements.

14.1001.00 *Master of Science in Engineering – Electrical Engineering*

1. GRE general test.
2. BS in Electrical Engineering, Computer Engineering, or similarly named program with content equivalent to an Accreditation Board for Engineering and Technology (ABET)-accredited BS in Electrical Engineering.
3. Submission of letter of intent.
4. Submission of resume.

14.1901.00 *Master of Science in Engineering – Mechanical Engineering*

1. GRE general test.
2. Bachelor's degree in mechanical engineering or a bachelor's degree in another field with courses and/or experience that prepare the applicant for graduate work in mechanical engineering or materials science engineering, depending upon the track the student opts to follow.
3. Submission of three letters of recommendation on applicant's ability to pursue graduate studies.
4. Submission of letter of intent.
5. Submission of resume.

- 14.3601.00 *Master of Science in Engineering – Manufacturing Engineering***
1. GRE general test.
 2. BS degree in engineering, science, computer science, or business.
 3. Submission of letter of intent.
 4. Submission of resume.
- 15.1501.00 *Master of Science in Engineering Management***
1. GRE general test.
 2. BS degree in engineering, science, computer science, or business.
 3. Submission of letter of intent.
 4. Submission of resume.
- 16.0103.00 *Master of Arts in Spanish Translation and Interpreting***
1. GRE general test. Minimum scores: 146 Verbal and 4.0 Analytical Writing. A GRE waiver may be granted if the application holds a U. T. Rio Grande Valley Graduate Certificate in the field (Translation, Medical Interpreting, Court Interpreting) with a minimum GPA of 3.0 or holds a state court or medical interpreting license.
 2. Submission of three academic or professional letters of recommendation.
 3. Satisfactory performance on the translation of a document from English to Spanish and from Spanish to English and an interview either in person or online.
- 16.0905.00 *Master of Arts in Spanish***
1. GRE general test.
 2. Submission of an academic paper written in Spanish for an upper-level undergraduate course.
 3. Submission of three letters of recommendation.
 4. Submission of letter of intent.
 5. Personal interview.
- 23.0101.00 *Master of Arts in English***
1. GRE general test.
 2. BA in English or a minimum of 12 upper-level undergraduate hours in English or related field.
 3. Submission of writing sample, a written academic paper suitable for an upper-division course.
- 23.1302.00 *Master of Fine Arts in Creative Writing***
1. Submission of three letters of recommendation.
 2. Submission of letter of intent.
 3. Submission of portfolio of creative work.

26.0101.00 Master of Science in Biology

1. GRE general test.
2. Minimum undergraduate GPA of 3.0 in upper-level biology courses.
3. Undergraduate degree with major in biology or 30 hours of undergraduate courses in biological sciences or closely related disciplines, with 15 hours at the upper-level, with completion of three credit hours in four of the following categories: genetics, evolution, ecology, molecular and cell biology, organismal biology, and physiology.
4. Submission of two letters of recommendation.
5. Submission of letter of intent.
6. Submission of name of prospective supervisor.

27.0101.00 Master of Science in Mathematics

1. GRE general test.
2. Bachelor's degree in mathematics or related field with a minimum of 12 hours of upper-division mathematics or statistics course work and a grade of 'B' or better on all upper-division mathematics and/or statistics course work.
3. Submission of two letters of recommendation.
4. Submission of letter of intent.

30.9999.00 Master of Arts in Interdisciplinary Studies

1. GRE general test.
2. Submission of statement of purpose and goals for pursuing the degree.
3. Submission of resume.
4. Concentration specific requirements may apply, such as a minimum number of undergraduate hours in the concentration area and a minimum undergraduate GPA in the concentration area.

30.999.00 Master of Science in Interdisciplinary Studies

1. GRE general test.
2. Submission of statement of purpose and goals for pursuing the degree.
3. Submission of resume.
4. Concentration specific requirements may apply, such as a minimum number of undergraduate hours in the concentration area and a minimum undergraduate GPA in the concentration area.

31.0505.00 Master of Science in Exercise Science

1. If applicant does not meet minimum undergraduate GPA criterion but has a GPA of at least 2.5, a personal interview is required for consideration of conditional admission.
2. Submission of two letters of recommendation.
3. Submission of resume.
4. Submission of statement of purpose in pursuing the degree.

31.0505.00 Master of Science in Kinesiology

1. If applicant does not meet minimum undergraduate GPA criterion but has a GPA of at least 2.5, a personal interview is required for consideration of conditional admission.
2. Submission of two letters of recommendation.
3. Submission of resume.
4. Submission of statement of purpose in pursuing the degree.

40.0501.00 Master of Science in Chemistry

1. GRE general test.
2. Undergraduate degree with major in chemistry or 32 hours of undergraduate courses in Chemistry. A minimum GPA of 3.0 is required for undergraduate Chemistry course work.
3. Submission of statement of interest explaining objectives in pursuing the degree and area of interest within chemistry, biochemistry, or material science.
4. Submission of two letters of recommendation.

40.0801.00 Master of Science in Physics

1. GRE general test with expected range of GRE Quantitative scores of >158 for admitted students.
2. Submission of two letters of recommendation.
3. Submission of statement of purpose.

42.2704.00 Master of Arts in Experimental Psychology

1. GRE general test. Minimum scores: 153 Verbal and 144 Quantitative.
2. Undergraduate course in statistics and/or research methods with a grade of B or better.
3. Submission of three letters of recommendation.
4. Letter of intent of 400-500 words.

42.2801.00 Master of Arts in Clinical Psychology

1. GRE general test with preferred minimum scores of 153 Verbal and 144 Quantitative.
2. Submission of 1,500 word essay on goals and degree options.
3. Submission of resume.
4. Submission of three letters of recommendation.

42.2805.00 Master of Arts in School Psychology

1. If applicant does not meet minimum undergraduate GPA criterion, GRE general test with minimum scores of 150 Verbal, 141 Quantitative, and 4.0 Analytical are required for conditional admission.
2. Bachelor's or master's degree in a related field preferred.

3. Submission of three letters of recommendation from individuals in a position to judge the professional and academic potential of the applicant. At least one should be from a university professor in the applicant's major area of study.
4. Submission of a letter of intent indicating reasons for pursuing the degree.

40.0501.00 Master of Science in Criminal Justice

1. If applicant does not meet minimum undergraduate GPA criterion but has a GPA of 2.5-2.99, GRE general test with minimum scores of 146 Verbal, 150 Quantitative, and 3.5 Analytical are required for conditional admission.
2. Submission of three letters of recommendation from previous college professors.
3. Submission of letter of intent.

44.0401.00 Master of Public Administration

1. Submission of three names of individuals who may be contacted for a personal or professional recommendation.
2. Submission of personal statement detailing reasons for pursuing the degree and professional goals indicating references to previous employment and experience.

44.0501.00 Master of Public Policy and Management

1. Submission of two letters of recommendation, one of which should be academic.
2. Submission of letter of intent.
3. Submission of a 750-word essay analyzing a public policy issue and discussing what insights into that issue they expect to gain in pursuit of the degree.

44.0701.00 Master of Social Work

1. Submission of three letters of recommendations.
2. Submission of personal narrative statement.
3. Submission of writing sample.

45.1101.00 Master of Science in Sociology

1. GRE general test.
2. Submission of two letters of recommendation.
3. Submission of an essay explaining the purpose in pursuing the degree and career objectives.

50.0702.00 Master of Fine Arts in Art

1. Submission of three letters of recommendation.
2. Statement of purpose describing artistic direction and professional goals.

3. Minimum of 60 hours of art at the undergraduate level.
4. Submission of 15-20 digital images of recent works in major area of concentration.

50.0901.00 Master of Music

1. Submission of three letters of recommendation.
2. Submission of letter of intent.
3. Submission of essay on professional goals.
4. Submission of resume.
5. Personal interview.
6. Audition for performance track; audition/video recording of conducting large ensemble for conducting track; writing sample for ethnomusicology track; video recording of sample teaching including corresponding lesson plan for music education track.

51.0000.00 Master of Science in Health Sciences

1. Bachelor's degree in allied health science, business, or related field.
2. Submission of two letters of recommendation.
3. Submission of a letter of intent.
4. Documentation of certification or licensure to practice as a Medical Laboratory Scientist in the United States required for applicants to the Clinical Lab Sciences track.

51.0201.00 Master of Science in Communication Sciences and Disorders

1. GRE general test taken within prior two years.
2. Submission of three letters of recommendation or reference checklists.
3. Submission of 500-word essay on goals in pursuing degree.
4. Submission of resume.

51.0912.00 Master in Physician Assistant Studies

1. Minimum undergraduate GPA of 3.0 on last 30 hours of course work.
2. Completion of the following prerequisite course work with a GPA of 3.0 or better.
 - General Biology I and General Biology II
 - Genetics
 - Anatomy & Physiology I and Anatomy & Physiology II
 - Microbiology
 - General Chemistry I and General Chemistry II
 - Organic Chemistry or Biochemistry
 - General Psychology or Abnormal Psychology
 - Statistics
3. Submission of three letters of recommendation.
4. Submission of personal statement.
5. Submission of resume.
6. Documentation of 50 hours of shadowing.

51.2306.00 Master of Science in Occupational Therapy (OT)

1. GRE general test. Minimum scores: 150 Verbal, 140 Quantitative, 2.5 Analytical Writing.
2. Specified undergraduate course work completed within five years of the February 1st application deadline with a grade of "C" or better and 3.0 GPA on all prerequisite course work.
 - Anatomy & Physiology I (lecture & lab)
 - Anatomy & Physiology II (lecture & lab)
 - Basic Statistics
 - Psychology of Lifespan
 - Abnormal Psychology
 - Anthropology or Sociology
 - Biomechanics
 - General Physics I (lecture & lab)
 - Technical Writing
 - Medical Terminology
3. Submission of three letters of recommendation.
4. Submission of personal statement addressing (a) why you select OT as a career, (b) how an OT degree relates to your immediate and long-term professional goals, and (c) describe how your personal, educational, and professional background will help you achieve your goals.
5. Documented volunteer hours or experiences.
6. Submission of application to Occupational Therapist Centralized Application Service (OTCAS).
7. Personal interview.
8. Signed Family Educational Rights and Privacy Act (FERPA) Consent allowing community-based Occupational Therapists to evaluate application materials.

51.2310.00 Master of Science in Rehabilitation Counseling

1. Submission of one letter of recommendation from an employer and one letter of recommendation from a former professor.
2. Submission of a double-spaced, two-page, typed essay as to why you want to pursue a Master's degree in Rehabilitation Counseling and become a counselor. Applicants must include educational and career goals as well as any other pertinent personal characteristics deemed appropriate. Please include information about work experience related to the field of rehabilitation and past interactions involving individuals with disabilities (i.e., daily, weekly, monthly).

51.3802.00 Master of Science in Nursing Administration

1. BS in Nursing or other baccalaureate degree plus the successful completion of Transition to Graduate Nursing course.
2. Submission of short essay including reason for seeking admission, anticipated personal gain, relevant preparation, and future professional plans.
3. Successful completion of undergraduate statistics course.
4. Documentation of current license to practice nursing in Texas.
5. Criminal background check.
6. Evidence of current immunizations required by the Texas Department of Health for students in health-related academic programs.

51.3802.00 Master of Science in Nursing Practitioner

1. BS in Nursing.
2. Submission of resume.
3. Submission of letter of intent.
4. Successful completion of undergraduate statistics course.
5. Documentation of current license to practice nursing in Texas.
6. Criminal background check.
7. Evidence of current immunizations required by the Texas Department of Health for students in health-related academic programs.

51.3802.00 Master of Science in Nursing Education

1. BS in Nursing or other baccalaureate degree plus the successful completion of Transition to Graduate Nursing course.
2. Submission of short essay including reason for seeking admission, anticipated personal gain, relevant preparation, and future professional plans.
3. Successful completion of undergraduate statistics course.
4. Documentation of current license to practice nursing in Texas.
5. Criminal background check.
6. Evidence of current immunizations required by the Texas Department of Health for students in health-related academic programs.

52.0201.00 Master of Business Administration

1. GMAT with minimum score of 400 or GRE with minimum score of 146 Verbal and 146 Quantitative. A waiver for the GMAT may be granted to those applicants who show proof of one of the following: have more than four years of professional managerial experience, earned graduate degree (master's or doctoral), or graduated with an undergraduate GPA of 3.8 or higher on a zero to four point scale.
2. Submission of two letters of recommendations.
3. Respond to five short answer questions provided on application to demonstrate writing competency and communication skills.

52.0301.00 Master of Accountancy

1. GMAT. A waiver for the GMAT may be granted to those applicants who show proof of one of the following: have current Certified Public Accountant (CPA) license, hold a graduate degree (master's or doctoral) from an Association to Advance Collegiate Schools of Business (AACSB)-accredited university, or have graduated with an undergraduate GPA of 3.25 or higher on a zero to four point scale overall and on all accounting course work.
2. Submission of two letters of recommendations.
3. Letter of intent.
4. Current resume.

52.0301.00 Master of Science in Accounting

1. GMAT. A waiver for the GMAT may be granted to those applicants who show proof of one of the following: have current CPA license, hold a graduate degree (master's or doctoral) from an AACSB-accredited university, or have graduated with an undergraduate GPA of 3.25 or higher on a zero to four point scale overall and on all accounting course work.
2. Submission of two letters of recommendations.
3. Letter of intent.
4. Current resume.

54.0101.00 Master of Arts in History

1. GRE general test.
2. Submission of two letters of recommendation.
3. Submission of letter of intent.
4. Submission of writing sample of at least five pages with citations and bibliography.
5. Minimum of 12 hours of upper-division and nine hours of lower-division History course work.

8. U. T. Austin: Approval to enter into an affiliation agreement with Travis County Healthcare District, dba Central Health, and Community Care Collaborative to provide needed permanent and ongoing funding for the establishment and operation of the U. T. Austin Dell Medical School

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs, the Vice Chancellor and General Counsel, and President Powers that the U. T. System Board of Regents approve authorization for U. T. Austin to enter into an affiliation agreement with the Travis County Healthcare District, dba Central Health, and the Community Care Collaborative for the purpose of providing important permanent and ongoing funding for the establishment and operation of the U. T. Austin Dell Medical School as a premier medical institution and to meet its vision for creation of new paradigms in clinical care, education, and innovation.

BACKGROUND INFORMATION

The Affiliation Agreement is one among several that are being negotiated and finalized for the funding, support, development, accreditation, operation, and growth of the U. T. Austin Dell Medical School.

On May 3, 2012, the U. T. System Board of Regents approved (i) Available University Funds (AUF) equal to the greater of \$25 million annually or a 3% increase in the annual AUF distribution to U. T. Austin from 45 to 48% for the Dell Medical School, and (ii) \$5 million per year for eight years for faculty recruitment to the Dell Medical School. Both factors were contingent on the continuation of current or increased levels of support for graduate medical education residency programs and clinical faculty positions by the Seton Family of Hospitals and local community support of \$35 million per year for the direct support of the Dell Medical School.

The Affiliation Agreement provides the \$35 million per year of local community support based upon the November 6, 2012 vote by the residents of Travis County, which authorized an increase in the tax rate for Central Health to fund improved health care in Travis County, including permanent ongoing funding support of U. T. Austin for the development and operation of the Dell Medical School.

The Affiliation Agreement has an initial term of 25 years. It will renew automatically for successive 25 year terms. The \$35 million per year permitted investment payment that U. T. Austin will receive will be used in its discretion to facilitate and enhance the (i) development, accreditation, and ongoing operation of the U. T. Austin Dell Medical School and its administrative infrastructure; (ii) recruitment, retention, and work of the U. T. Austin Dell Medical School faculty, residents, medical students, researchers, administrators, staff, and other clinicians; and (iii) other related activities and functions addressed in the Affiliation Agreement. This funding is critical to U. T. Austin Dell Medical School's vision and goal of creating new paradigms in clinical care, education, and innovation, and transforming health care for better quality, access, efficiency in health care delivery, and lower costs. The Dell Medical School will engage in functions and activities that will redound to the health and welfare of the residents of Travis County and provide ongoing and significant community benefits that support Central Health educational and training programs.

9. **U. T. Austin: Request to a) approve proposed contract with International Business Machines Corporation (IBM) to provide services to execute the Administrative Systems Modernization Program, including implementing and integrating Workday, Inc.'s cloud-based Enterprise Resource Planning (ERP) system; and b) authorize expenditure of \$27 million from Designated Funds and Educational and General Revenue Funds**

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Business Affairs, and the Vice Chancellor and General Counsel that the U. T. System Board of Regents

- a. approve a contract with International Business Machines Corporation (IBM) to provide services to execute the Administrative Systems Modernization Program, including implementing and integrating Workday, Inc.'s cloud-based Enterprise Resource Planning (ERP) system; and
- b. authorize expenditure of \$27 million from Designated Funds and Educational and General Revenue Funds to execute the Administrative Systems Modernization Program, including implementing and integrating the Workday ERP system as well as other non-Workday applications in use by U. T. Austin.

President Powers and Mr. Bradley Englert, Associate Vice President and Chief Information Officer, will make a presentation set forth on the following pages.

BACKGROUND INFORMATION

The Administrative Systems Modernization Program (ASMP 2.0) is a set of projects to modernize the University's administrative systems, business processes, data management, and technical architecture.

The existing technology toolsets are reaching the end of their usefulness, making it more risky to rely on them. As they have aged, it has become increasingly difficult and expensive to integrate with other systems, add new business functions, and maintain best practices.

As part of ASMP 2.0, the University selected Workday's ERP as the modern, cloud-based system to replace existing human resource, payroll, and financial systems. The Board of Regents approved a contract with Workday at its December 12, 2013 meeting and authorized \$30 million for 60 months with an option to renew an additional 60 months. At that meeting, U. T. Austin advised the Board that a vendor would be needed to implement and integrate the Workday ERP system.

Selecting a vendor started with a two-phase Request for Qualification process. Phase One began in July 2013 when interested vendors were asked to respond to a set of high-level functional requirements, which resulted in qualifying vendors advancing to Phase Two. Phase Two vendors were asked for proposals in response to a detailed set of requirements expressed in a Letter of Instruction (LOI) dated October 14, 2013. Vendor demonstrations were held at

U. T. Austin on December 2, 2013 and December 9, 2013. On March 3, 2014, the University notified IBM that it had been selected to provide services if a contract could be negotiated and executed.

The University of Texas at Austin Contract with International Business Machines Corporation (IBM)

Mr. Bradley Englert, Associate Vice President and Chief Information
Officer

U. T. System Board of Regents' Meeting
Meeting of the Board
July 2014

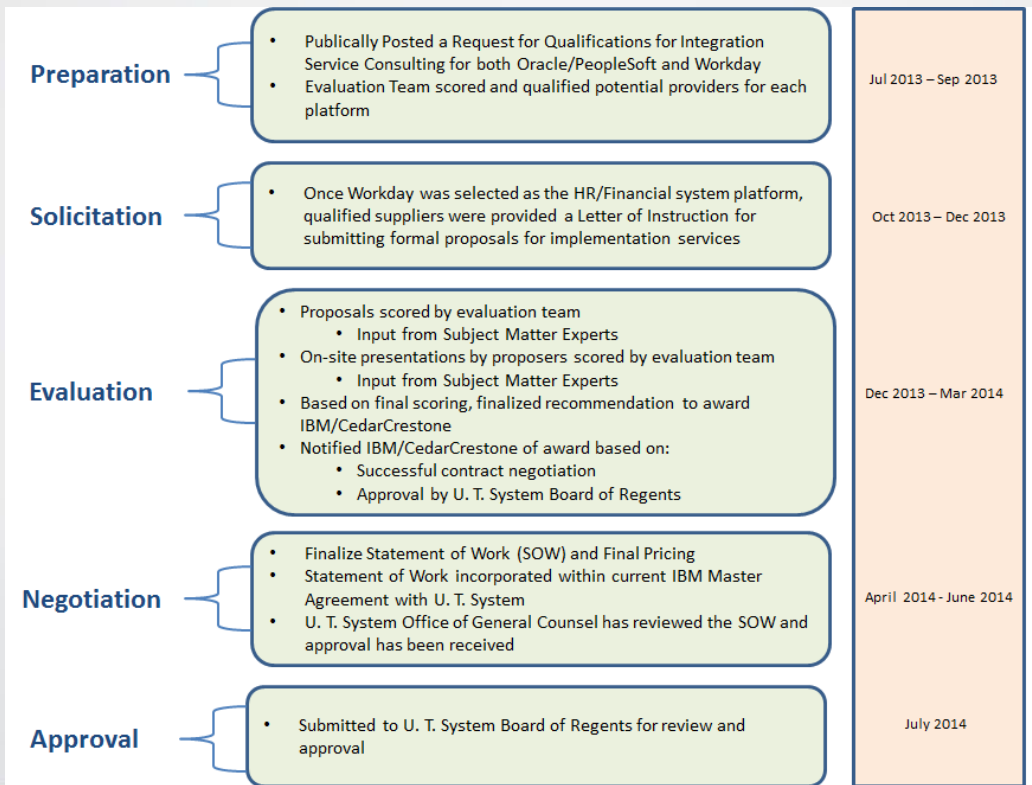


Administrative Systems Modernization Program

- IBM, and subcontractor CedarCrestone, will provide services to execute the Administrative Systems Modernization Program (ASMP).
- The scope includes implementation and integration of Workday Human Resource/Payroll and Financials, design a new technical environment, and optimization of business intelligence and strategic reporting capabilities.
- Services to be provided include project management, business process redesign, technical architecture design, configuration, software development, data management design, security configuration, internal controls set-up, testing, conversion, training, documentation, knowledge transfer, cultural change management and communications, deployment support, and post-implementation support.



Rigorous Procurement Process



IBM/Cedar Crestone Recommendation



“IBM is a leader in the delivery of successful ERP management system engagements, from completeness of vision to ability to execute.”

Source: Gartner Research Note: Magic Quadrant for ERP Implementation Services, North America

Subcontractor CedarCrestone delivers higher education consulting services for next-generation applications and technology.

- ✓ 11 of 14 Workday projects in higher education were supported by CedarCrestone
- ✓ 1,000+ software projects for over 300 higher education institutions
- ✓ 200+ consultants specialize in higher education

IBM/CedarCrestone Clients

Higher Education Workday Clients



Texas IBM Clients



- U. T. Health Science Center - Houston
- U. T. Health Science Center - San Antonio
- U. T. Medical Branch - Galveston
- U. T. Southwestern Medical Center
- U. T. Arlington
- U. T. El Paso
- U. T. Dallas

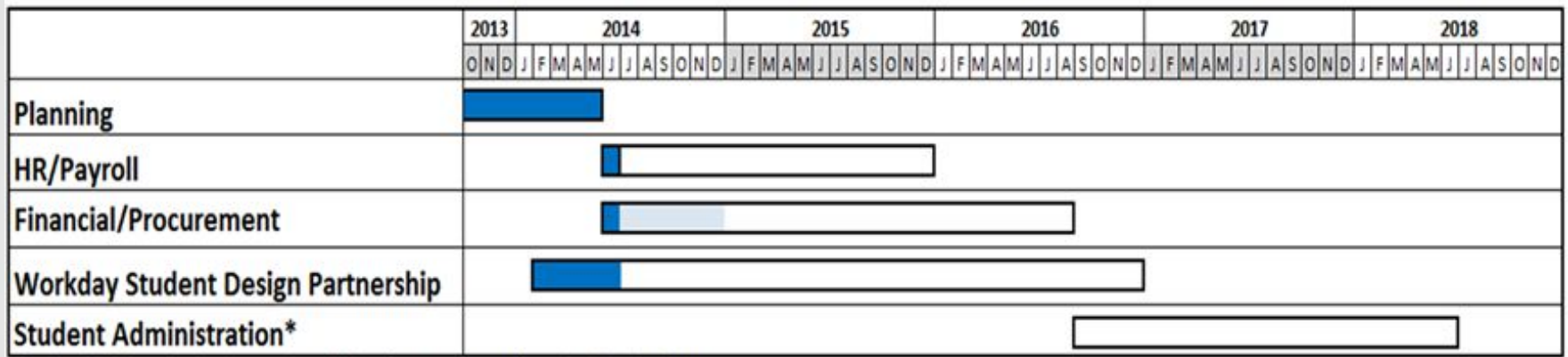


- Department of Health and Human Services
- Texas Comptroller of Public Accounts
- Office of the Attorney General
- Teacher Retirement System of Texas
- Texas Workforce Commission
- Texas Education Agency



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Implementation Timeline



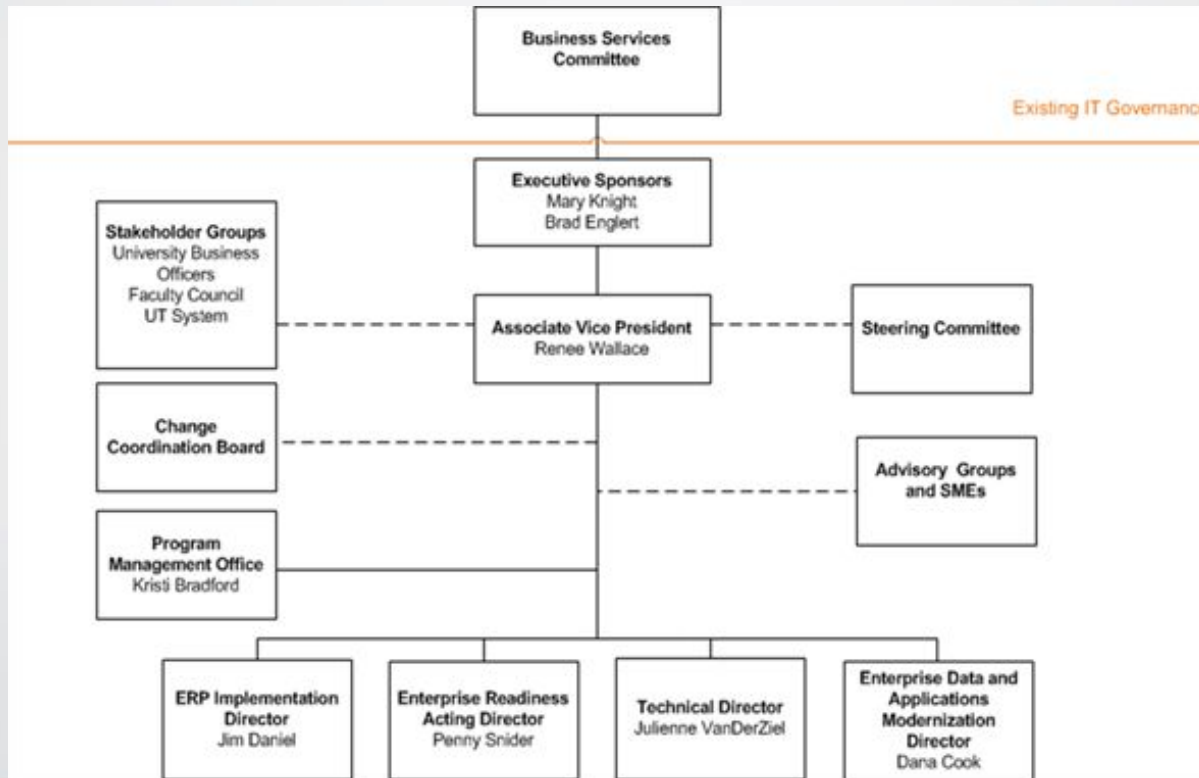
*Student Administration implementation will be a future project and is not included in this contract



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ASMP Organizational Structure



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



Workday 10-Year Implementation and Operating Costs

(without Shared Services)
as of June 2014
(in millions)

	<u>Implementation Costs</u>	<u>Operating Costs</u>	<u>Total Costs</u>
External Costs			
IBM/CedarCrestone Consulting Services (Requesting approval)	26.9	0.0	26.9
Workday Subscription--Approved Dec 2013 (1)	12.0	18.0	30.0
Subtotal External Costs:	38.9	18.0	56.9
Internal Costs- Approved as part of annual campus budget			
U. T. Austin Labor (2)	18.1	10.0	28.1
New Technical Environment	10.0	3.9	13.9
Subtotal Internal Costs	28.1	13.9	42.0
Estimated Total Cost	\$67.0	\$31.9	\$ 98.9

- (1) \$30 million of Workday subscription costs distributed between Implementation (\$12 million) and Operating (\$18 million)
(2) Includes contingency



In Summary

- IBM is a leader in the delivery of successful, large scale administrative systems modernization programs
- Subcontractor CedarCrestone has supported 11 of 14 Workday implementations in higher education
- U. T. Austin seeks Board of Regents' approval to procure implementation services from IBM and subcontractor CedarCrestone

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10. **U. T. System: Preliminary discussion related to the provision of complimentary tickets to third parties**

DISCUSSION

Chancellor Cigarroa will begin a discussion related to the provision of complimentary tickets to third parties.

11. **U. T. System: Report and appropriate action on admissions processes**

RECOMMENDATION

Chancellor Cigarroa will report on best practices in admissions processes for U. T. System institutions and make recommendations concerning admissions issues.

U. T. System: Discussion and appropriate action regarding request for approval of academic institutions' list of projects as submitted to the Texas Legislature for Tuition Revenue Bond funding

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Business Affairs, and the Presidents of the respective U. T. System academic institutions that the U. T. System Board of Regents approve the following projects for submission to the Texas Legislature for Tuition Revenue Bond (TRB) funding.

A chart summarizing the projects is set forth on the following pages.

ACADEMIC INSTITUTIONS

- U. T. Arlington:** Science and Engineering Innovation and Research Building
College of Nursing and Allied Health Professions Academic and Research Building
- U. T. Austin:** Robert A. Welch Hall Renovation
McCombs School of Business Renovation
- U. T. Dallas:** Engineering Building
Science Building
- U. T. El Paso:** Interdisciplinary Research Facility (Barry/Burges Hall Replacement)
College of Business Administration Complex
- U. T. Permian Basin:** School of Engineering Building
Kinesiology and Athletic Complex
- U. T. Rio Grande Valley:**
- Brownsville Campus:** Multipurpose Academic Center
Fine Arts and Classrooms Building
Student Success and Administrative Building

Pan American Campus: Interdisciplinary Engineering and Academic Studies Building

U. T. San Antonio: Instructional Science and Engineering Building

Peter T. Flawn Building Renovations and Adaptive Reuse

U. T. Tyler: STEM Building

BACKGROUND INFORMATION

If approved for TRB funding by the Legislature, each project will be submitted to the Board of Regents for addition to the Capital Improvement Program and design development approval.

Academic Institutions - 84th Legislative Session - Capital Project Requests

INSTITUTION	NAME OF FACILITY PROPOSED	BRIEF PROJECT DESCRIPTION	PROJECT TYPE	TRB REQUEST	TOTAL PROJECT COST	\$/GSF	OFPC COMPARABLE PROJECTS RANGE (\$/GSF)	OFPC COMPARABLE PROJECTS RANGE AVG (\$/GSF)	ADDITIONAL COMMENTS
UT Arlington	Science and Engineering Innovation and Research Building (SEIR)	<p>Priority #1</p> <p>This project entails the construction of a new 210,000 GSF Science & Engineering Innovation & Research (SEIR) Building, along with integration and renovation of the existing 210,612 GSF Life Science Building (LSB), which was constructed in 1970; including a small in-fill construction on the existing building. The new SEIR Building will connect to the existing Life Science structure via a two-level sky-bridge at levels 3 and 4. The new building will add approximately 210,000 GSF. The 1st floor will include large multi-use collaborative space which will be available for all instructional programs on campus as such space is in short supply. Inclusion of these spaces in the program will increase efficiencies and save instructional budgeted dollars. Innovative research and teaching labs will comprise the majority of the 2nd, 3rd, and 4th floors, providing approximately 120,000 GSF. The 5th floor will be "shelled" for future build-out as an Animal Research Facility and additional research labs. The SEIR will specifically house Bioengineering, the new Resource Engineering program, Architectural Engineering, Engineering Management, Biology, Science, and Health Science programs. LSB is occupied by College of Science and includes Biology, Psychology, Bio-Engineering, the Animal Research Facility, research offices, and a significant number of lecture halls and dedicated laboratories. Technological advancements have necessitated the complete refurbishment of the existing teaching and research labs.</p>	New Construction and Repair and Rehabilitation	\$ 190,000,000	\$ 211,000,000	\$486	\$323-\$755 Reno; \$577-\$851 New	\$595	Institutional Funds = \$21M RFS
UT Arlington	College of Nursing and Allied Health Professions Academic and Research Building	<p>Priority #2</p> <p>This project involves the construction of a new 200,000 square foot College of Nursing and Allied Health Professions Academic and Research Building to primarily serve as a multidisciplinary research, development, and training facility. This facility will house state-of-the-art classroom facilities, research lab space for Nursing and Kinesiology, faculty offices, media productions for at-distance instruction, professional advising staff located in an enrollment and student services center, computer testing centers/labs and an expanded Smart Hospital. The building will further serve to enhance collaborations with other existing units having emphases in the area of "Health and Human Condition". The proposed building will provide the much needed space to address the growing needs of the College of Nursing and Allied Health Professions allowing enrollment in this discipline to increase (double) to meet the nursing and other healthcare needs of the State of Texas. The facility will also address an overcrowded condition in the Department of Kinesiology providing state-of-the-art research lab space this is desperately needed.</p>	New Construction	\$ 99,000,000	\$ 110,000,000	\$550	\$480 - \$849	\$614	Institutional Funds = \$11M RFS

Academic Institutions - 84th Legislative Session - Capital Project Requests

INSTITUTION	NAME OF FACILITY PROPOSED	BRIEF PROJECT DESCRIPTION	PROJECT TYPE	TRB REQUEST	TOTAL PROJECT COST	\$/GSF	OFPC COMPARABLE PROJECTS RANGE (\$/GSF)	OFPC COMPARABLE PROJECTS RANGE AVG (\$/GSF)	ADDITIONAL COMMENTS
UT Austin	Robert A. Welch Hall Renovation	<p>Priority #1 This project involves the renovation of the existing 312,420 GSF Robert A. Welch Hall building and will help transform the College of Natural Sciences (CNS) into a multidisciplinary program-based organization and will improve their ability to recruit and retain talented faculty and accommodate program growth projections. The renovation will provide modern laboratory and classroom spaces, as well as new infrastructure to support the teaching and research mission of the College. The renovation will allow for flexible responses to changes in science research and education, and improved space utilization will allow CNS to achieve its strategic goals in terms of enrollment, research funding, and development of interdisciplinary programs.</p>	Repair and Rehabilitation	\$ 100,000,000	\$ 125,000,000	400	\$302 - \$768	\$452	Institutional Funds = \$25M Unexpended Plant Funds
UT Austin	McCombs School of Business Renovation	<p>Priority #2 This project involves a major renovation of the existing McCombs School of Business buildings on the University of Texas at Austin campus to create an expanded center to support needed innovations in the curriculum, such as team exercises and use of technology, that are impossible in the current facilities. The project will include a variety of renovations and building systems upgrades on all floors and areas of the existing buildings, including approximately 384,000 GSF. This includes creating new, highly flexible classrooms, offices and support areas. The renovation will enable the School to add faculty, thus reducing the student-to-faculty ratio, consistent with the strategic plan.</p>	Repair and Rehabilitation	\$ 105,000,000	\$ 170,000,000	\$443	\$429 - \$692	\$524	Institutional Funds = \$40M Gifts and \$25M Unexpended Plant Funds
UT Dallas	Engineering Building	<p>Priority #1 This project involves a 200,000 square foot, multi-story building that will accommodate enrollment of 2,000 additional students, 57 tenured and tenure-track faculty members, and 10 senior lecturers for the School of Engineering and Computer Science. UT Dallas urgently needs additional space to accommodate expanded student enrollment, increased degree production, and improved graduation rates. Space is becoming UT Dallas's limiting factor in meeting its objective to become a major, nationally competitive "tier one" research university serving highly qualified students who may otherwise leave Texas.</p>	New Construction	\$ 99,000,000	\$ 110,000,000	\$550	\$523 - \$735	\$652	Institutional Funds = \$11M RFS
UT Dallas	Science Building	<p>Priority #2 This project will contain approximately 175,000 square foot that will provide efficiently designed space to support the optimal productivity of the faculty and staff of the UT Dallas Departments of Physics and of Mathematical Sciences as they carry out their teaching, advising, and research activities. The building will also provide acutely needed space for classrooms specifically designed for math and physics instruction, and laboratories both for instruction and for those types of physics research that do not involve specialized infrastructure elements. This building will accommodate university growth of 1,750 additional students, 50 tenured and tenure-track faculty members, and 20 senior lecturers. A well-designed building of adequate size will directly improve student success in these two "gateway" disciplines and provide new synergistic energy in research projects founded in theoretical and computational science.</p>	New Construction	\$ 95,000,000	\$ 95,000,000	\$543	\$342-\$684	\$515	

Academic Institutions - 84th Legislative Session - Capital Project Requests

INSTITUTION	NAME OF FACILITY PROPOSED	BRIEF PROJECT DESCRIPTION	PROJECT TYPE	TRB REQUEST	TOTAL PROJECT COST	\$/GSF	OFPC COMPARABLE PROJECTS RANGE (\$/GSF)	OFPC COMPARABLE PROJECTS RANGE AVG (\$/GSF)	ADDITIONAL COMMENTS
UT El Paso	Interdisciplinary Research Facility (Barry/Burges Hall Replacement)	Priority #1 This project will construct a 293,000 square foot building which will integrate research, institutional research support and teaching spaces. The proposed facility supports UTEP's long established vision to become the first national research university with a 21st century demographic. The proposed facility will require demolition of two adjacent and underutilized campus buildings, both of which were originally constructed as student dormitories nearly 50 years ago. Replacing them with a state-of-the-art research facility will make productive and efficient use of this prime location and will help accelerate UTEP's progress toward becoming a nationally recognized research university.	New Construction	\$ 117,000,000	\$ 130,000,000	\$355	\$348 - \$649	\$485	Significant demolition included in TPC. Institutional funds = \$13M Local funds
UT El Paso	College of Business Administration Complex	Priority #2 This project will construct a new College of Business Administration (COBA) Complex comprising 215,000 GSF/ 139,750 NASF. The complex will accommodate all COBA undergraduate and graduate programs, an Executive Education Center and academic conference space. The proposed project will contribute significantly to the implementation of UTEP's strategic plan and its continued progress toward becoming the first national research (Tier One) university with a 21st century student demographic. It will increase capacity to recruit and retain highly competitive faculty members, as well as graduate and undergraduate students with whom they will work, and greatly expand business education opportunities at all levels for residents of the surrounding region.	New Construction	\$ 94,500,000	\$ 105,000,000	\$366	\$323 - \$520	\$487	"\$/GSF" is for new building only. Costs for Parking Structure (\$19,000/space = \$9.5M) is within range for UTEP design standards. Thermal plant (\$1.5M) is appropriate for 500 Tons + back-up and utilities. Institutional Funds = \$10.5M.
UT Permian Basin	School of Engineering Building	Priority #1 The project calls for the construction of an estimated 80,000 GSF engineering building on the Midland campus to provide more efficient operation of current bachelor's degree programs in petroleum and mechanical engineering; programs of critical importance to the continued growth of the regional economy. The facility will also allow space for Industrial Technology program expansions in areas relevant to the petroleum industry. The building will include space for classrooms, instructional labs, research endeavors, administrative offices and student support services.	New Construction	\$ 60,000,000	\$ 60,000,000	\$750	\$589 - \$863	\$733	Significant premium for complex construction in Midland / Odessa
UT Permian Basin	Kinesiology and Athletic Complex	Priority #2 This project will house the Kinesiology Department classrooms, labs, offices, and storage areas; house the Athletic Training Major's classrooms, lab, training room, storage, and office spaces; house a Strength and Conditioning Center for Kinesiology, Athletics, and student recreational use; provide locker rooms, office space, storage space, and restroom facilities for all outdoor athletic teams (Baseball, Softball, Men's Soccer, Women's Soccer, Cross Country, Track, Golf, & Tennis); and provide athletics with satellite administration office space. State-of-the-art labs will enhance the department's ability to recruit additional students and enhance SCH generation at both the undergraduate and graduate levels.	New Construction	\$ 6,250,600	\$ 8,450,600	\$200	\$352 - \$479	\$414	No premium added: Simple construction. Institutional Funds = \$2.2M

Academic Institutions - 84th Legislative Session - Capital Project Requests

INSTITUTION	NAME OF FACILITY PROPOSED	BRIEF PROJECT DESCRIPTION	PROJECT TYPE	TRB REQUEST	TOTAL PROJECT COST	\$/GSF	OFPC COMPARABLE PROJECTS RANGE (\$/GSF)	OFPC COMPARABLE PROJECTS RANGE AVG (\$/GSF)	ADDITIONAL COMMENTS
UT Rio Grande Valley (Brownsville Campus)	Multipurpose Academic Center	<p>Priority #1</p> <p>The project will add an academic facility with a total of 177,527, GSF. The facility will include 132,527 GSF for much needed classrooms for science, biology, chemistry, environmental sciences, and physics and an additional 45,000 GSF will provide space for general purpose classrooms. 294,955 GSF is currently being leased from TSC and other private property owners. The lifespan of the leases is between two and six years; therefore, UTRGV Brownsville campus has an urgent need to begin to construct new buildings for classroom space, science labs and student support services to meet current enrollment needs. Failure to acquire additional space will seriously curtail the future growth of the Brownsville campus of UTRGV. Without state support, the project will be deferred indefinitely.</p>	New Construction	\$ 50,600,000	\$ 50,600,000	\$285	\$308 - \$496	\$464	
UT Rio Grande Valley (Brownsville Campus)	Fine Arts and Classrooms Building	<p>Priority #2</p> <p>This project will construct a Fine Arts and Classroom building with a total of 155,174 GSF to provide music education teaching space and general purpose classrooms. This space is needed to replace space that is currently being leased from TSC. It will provide some additional space to accommodate student enrollment. The facility will include 30,000 GSF of flexible learning spaces to serve not only music education but other disciplines as well. Without state support, the project will be deferred indefinitely.</p>	New Construction	\$ 50,400,000	\$ 50,400,000	\$325	\$433 - \$568	\$517	
UT Rio Grande Valley (Brownsville Campus)	Student Success and Administrative Building	<p>Priority #3</p> <p>This project will construct 181,715 GSF for a Student Success and Administrative Building. A total of 154,282 GSF is needed to replace space that is currently being leased from TSC and provide additional space to accommodate student enrollment in the areas of student support and services. Included will be 27,433 GSF for learning enrichment spaces that would include collaborative spaces equipped with technology to interact with students located in any of the locations of UTRGV. Without state support, the project will be deferred indefinitely.</p>	New Construction	\$ 54,700,000	\$ 54,700,000	\$301	\$267 - \$350	\$324	
UT Rio Grande Valley (Edinburg Campus)	Interdisciplinary Engineering and Academic Studies Building	<p>Priority #1</p> <p>This project will create an additional 124,304 GSF with 80,798 assignable square feet of much needed space. The spaces will include a large lecture auditorium with a 250-seat capacity, several 150-seat lecture halls, 60-seat classrooms, and faculty offices. Although particular emphasis will be placed on preparation of engineering students, this flexible facility will also address space requirements for other disciplines as needed. The project will also include an outdoor pavilion to be used as a gathering area and study space to relieve pressure on more expensive indoor space and also to support academic events. Without state support, the project will be deferred indefinitely.</p>	New Construction	\$ 42,500,000	\$ 50,000,000	\$402	\$433 - \$544	\$499	Institutional Funds = \$7.5M with \$5M from RFS and \$2.5M from Gifts

Academic Institutions - 84th Legislative Session - Capital Project Requests

INSTITUTION	NAME OF FACILITY PROPOSED	BRIEF PROJECT DESCRIPTION	PROJECT TYPE	TRB REQUEST	TOTAL PROJECT COST	\$/GSF	OFPC COMPARABLE PROJECTS RANGE (\$/GSF)	OFPC COMPARABLE PROJECTS RANGE AVG (\$/GSF)	ADDITIONAL COMMENTS
UT San Antonio	Instructional Science and Engineering Building	<p>Priority #1</p> <p>This project includes a new 175,000 GSF Instructional Science and Engineering Building (ISE) that will provide an additional 105,000 assignable square feet. Subject to further program development, the proposed facility is expected to provide 60,000 ASF of teaching labs, 12,000 ASF of classrooms, 18,000 ASF of faculty offices and 15,000 ASF of engineering research labs. The ISE is a critical element in the University's strategic plan for providing state-of-the-art space for Science, Technology, Engineering, and Mathematics (STEM) education and research. It will also support programs that enhance the teaching skills of students preparing them for careers in science instruction at K-12 institutions.</p>	New Construction	\$ 95,000,000	\$ 115,000,000	\$657	495 - 788	\$635	Project includes a high percentage of tech-enabled science and engineering teaching labs, fume hoods, flex teaching spaces. Institutional Funds = \$20M
UT San Antonio	Peter T. Flawn Building Renovations and Adaptive Reuse	<p>Priority #2</p> <p>This project includes approximately 185,362 GSF of renovations and adaptive reuse of the University's original science building, the Peter T. Flawn Building, to transform technologically obsolete laboratories that will be vacated upon completion of the planned Instructional Science and Engineering Building into state of the art classroom and research spaces ensuring that the University's STEM teaching facilities reflect up-to-date technology, safety, and security characteristics. This project will address both the University's classroom space deficit, capital renewal backlog, and need for faculty expansion. In addition to creating more classrooms, this renovation and adaptive reuse will include a Learning Commons that will provide the space and resources necessary to support STEM education outside of the classroom. The Learning Commons will offer library resources, tutoring facilities and group study spaces designed to support the emphasis on teamwork and communications that is integral to the STEM curriculum.</p>	Repair and Rehabilitation	\$ 42,500,000	\$ 42,500,000	\$229	\$314 - \$437	\$376	

Academic Institutions - 84th Legislative Session - Capital Project Requests

INSTITUTION	NAME OF FACILITY PROPOSED	BRIEF PROJECT DESCRIPTION	PROJECT TYPE	TRB REQUEST	TOTAL PROJECT COST	\$/GSF	OFPC COMPARABLE PROJECTS RANGE (\$/GSF)	OFPC COMPARABLE PROJECTS RANGE AVG (\$/GSF)	ADDITIONAL COMMENTS
UT Tyler	STEM Building	<p>Priority #1 This project will build a STEM addition to the current Business Building and renovate the existing Building. The new construction portion of the project will include approximately 104,700 GSF and will provide much-needed space for classrooms, student learning, teaching laboratories, and faculty offices. The proposed project will play a central role in facilitating the University's strategy to be a destination campus committed to innovative programs, and will help to attain the goal of 14,000 students by 2020. The existing Business Building houses the Business section of our College of Business and Technology (CBT) and the College of Arts and Sciences (CAS). Due to significant growth in both colleges, the building does not have enough room to hold the Technology portion of CBT, creating a fragmentation of the College. A STEM addition would provide a way to bring the entire college together while creating more space for CAS. The STEM addition will create needed additional room for a projected influx of new Chemistry and Biology majors. The addition will also create room for the newly created University College and allow our academic success and career services programs to move into the academic heart of our campus. Moving our highly successful tutoring and supplemental instruction programs as well as job placement activities to a central academic space, rather than on the fringe of such space where it is currently located, will help our students stay focused on progress toward degree and timely graduation.</p>	New Construction	\$ 76,000,000	\$ 76,000,000	\$487	\$272 - \$719	\$544	Comparable ranges are weighted averages of space use.
Total All Academic Institutions				\$ 1,377,450,600	\$ 1,563,650,600				

U. T. System: Discussion and appropriate action regarding request for approval of health institutions' list of projects as submitted to the Texas Legislature for Tuition Revenue Bond funding

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs, the Executive Vice Chancellor for Business Affairs, and the Presidents of the respective U. T. System health institutions that the U. T. System Board of Regents approve the following projects for submission to the Texas Legislature for Tuition Revenue Bond (TRB) funding.

A chart summarizing the projects is set forth on the following pages.

HEALTH INSTITUTIONS

U. T. Southwestern Medical Center:	Vivarium and Research Infrastructure Reinvestment
U. T. Medical Branch - Galveston:	Health Education Center
U. T. Health Science Center - Houston:	Renovation and Modernization of Educational and Research Facilities New South Campus Building
U. T. Health Science Center - San Antonio:	Facilities Renewal and Renovation
U. T. M. D. Anderson Cancer Center:	Sheikh Zayed Bin Sultan Nahyan Building for Personalized Cancer Care (previously approved by the Board)
U. T. Health Science Center - Tyler:	Facility Renovation for Physician Residents Training

BACKGROUND INFORMATION

If approved for Tuition Revenue Bond (TRB) funding by the Legislature, each project (unless already approved by the Board as indicated above) will be submitted to the Board of Regents for addition to the Capital Improvement Program and design development approval.

Health Institutions - 84th Legislative Session - Capital Project Requests

INSTITUTION	NAME OF FACILITY PROPOSED	BRIEF PROJECT DESCRIPTION	PROJECT TYPE	TRB REQUEST	TOTAL PROJECT COST	\$/GSF	OFPC COMPARABLE PROJECTS RANGE (\$/GSF)	OFPC COMPARABLE PROJECTS RANGE AVG (\$/GSF)	ADDITIONAL COMMENTS
UT Southwestern Medical Center	Vivarium and Research Infrastructure Reinvestment	Priority #1 Projects will include vivarium additions and renovations on both the South and North Campuses in order to increase overall animal research capacity. A significant portion of this project is to also remodel and modernize aged academic faculty space, teaching facilities, and biomedical laboratories that were constructed 28 to 55 years ago. The expected life of the remodeled space is between 20 and 30 years. In addition, new thermal piping will be constructed to replace aged thermal utility lines corroded by sub-surface water and will have an expected life of 50 to 100 years.	New Construction and Repair and Rehabilitation	\$ 109,800,000	\$ 218,900,000	\$384	\$518 - \$1447	\$1,019	Institutional Funds = \$42M Internal Funds and \$67.1M RFS
UT Medical Branch - Galveston	Health Education Center	Priority #1 This project will consist of 160,000 gross square feet of resilient and advanced technology education space and will promote inter-professional education in the schools of Medicine, Nursing, Health Professions and Graduate Biomedical Sciences. The facility will feature a standardized patient and simulation center to be used by students in all health science disciplines and will include classroom space, conference rooms, educational offices and administrative space to accommodate the planned growth of UTMB's educational programs.	New Construction	\$ 67,800,000	\$ 90,400,000	\$565	\$480 - \$849	\$656	Institutional Funds = \$22.6M Gifts
UT Health Science Center - Houston	Renovation and Modernization of Educational and Research Facilities	Priority #1 This renovation project will include the Medical School Building (882,000 GSF); School of Public Health Reuel A. Stallones Building (232,000 GSF); and University Center Tower-School of Biomedical Informatics (345,000 GSF). The proposed upgrades will ensure efficient functionality in their crucial role of supporting teaching and research. A recent facility audit identified significant renovation and modernization needs in these three buildings which were all build in the 1970's.	Repair and Rehabilitation	\$ 123,900,000	\$ 177,000,000	\$121	\$314 - \$445	\$367	Institutional Funds = \$53.1M
UT Health Science Center - Houston	New South Campus Building	Priority #2 This project includes a new 260,000 square foot building on the university's South Campus to house expanding academic programs and to allow strategic redeployment of administrative functions. Growing programs such as the School of Public Health, School of Biomedical Informatics and the Children's Learning Institute have space needs that cannot be met in the existing university inventory. Additionally, administrative functions now occupy space in main TMC Campus locations that could be repurposed for key medical / research / academic needs.	New Construction	\$ 91,000,000	\$ 130,000,000	\$500	\$480 - \$849	\$656	Institutional Funds = \$39M
UT Health Science Center - San Antonio	Facilities Renewal and Renovation	Priority #1 This project will include renovation of the existing 1,339,758 GSF Medical and Dental School, Nursing School, Library, Core Computing Center, and Classroom Modernization. It will also include Research Lab upgrades, Fire & Life Safely facility renewals, and two emergency generators. It is necessary to replace significant building systems, such as mechanical, electrical, plumbing, medical gases, security and safety in order to repurpose the space and improve its functionality for new uses in the Medical and Dental School. Funding would reduce the current deferred maintenance backlog by approximately 80%.	Repair and Rehabilitation	\$ 114,000,000	\$ 130,000,000	\$97	\$288 - \$400	\$335	Institutional Funds = \$16M

Health Institutions - 84th Legislative Session - Capital Project Requests

INSTITUTION	NAME OF FACILITY PROPOSED	BRIEF PROJECT DESCRIPTION	PROJECT TYPE	TRB REQUEST	TOTAL PROJECT COST	\$/GSF	OFPC COMPARABLE PROJECTS RANGE (\$/GSF)	OFPC COMPARABLE PROJECTS RANGE AVG (\$/GSF)	ADDITIONAL COMMENTS
UT MD Anderson Cancer Center	Sheikh Zayed Bin Sultan Nahyan Building for Personalized Cancer Care	<p>Priority #1</p> <p>This project consists of a new 636,404 gross square feet (GSF) research building constructed on MD Anderson's main campus. It will include two research laboratory wings and will be joined with two adjacent office wings by a central collaboration core space in the middle. The facility will include clinical laboratories, translational and basic science research laboratory space, clinical programs and other supporting space, such as equipment support areas, offices and conferencing facilities to integrate the delivery of basic and clinical research in support of Personalized Cancer Care. It will provide necessary space to accommodate the expanding research mission of MD Anderson and related academic programs. The facility will enhance the capacity for the institution to sustain its national rankings and achievements as a leading research-driven patient care institution focused on developing and advancing the most innovative therapeutics, diagnostics, early detection and prevention techniques to combat cancer. This project is currently on the Capital Improvement Program with a TPC of \$272,800,000.</p>	New Construction	\$ 70,000,000	\$ 361,000,000	\$568	\$435 - \$779	\$589	Institutional Funds = \$291M with \$100M from Gifts and \$191 from Patient Income
UT Health Science Center - Tyler	Facility Renovation for Physician Residents Training	<p>Priority #1</p> <p>This project will renovate areas displaced by the newly created mental health units and improve 43,023 GSF of existing 1970's-era teaching spaces to maintain accreditation for physician residency programs. Health Science Center - Tyler recently entered into partnership with the Department of State Health Services to significantly increase capacity in our state's mental health system. The additional beds has had, and will continue to have, a dramatic impact on the ability to provide adequate physical space to train physicians residents. Renovations would allow HSC-Tyler to continue operations of new mental health units and maintain accreditation for physician residency programs, which have specific space requirements for resident training.</p>	Repair and Rehabilitation	\$ 15,000,000	\$ 18,500,000	\$430	\$272 - \$390	\$321	No true comparable projects in OFPC's database. We assume the institution has scoped and estimated the work adequately. Institutional Funds = \$3.5M Local Funds
Total All Health Institutions				\$ 591,500,000	\$ 1,125,800,000				



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CONSENT AGENDA**

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Austin, Texas

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ACADEMIC INSTITUTIONS

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U. T. SYSTEM ADMINISTRATION

1. Contract (funds going out) - U. T. System: eCollege.com, a wholly owned subsidiary of NCS Pearson, Inc. to provide online educational services

Agency: eCollege.com, a wholly owned subsidiary of NCS Pearson, Inc.

Funds: Expected to exceed \$1,000,000 over the life of the contract including renewal options

Source of Funds: Determined by the institution when contracting services are obtained

Period: August 20, 2012 through August 20, 2014, with three remaining optional one-year renewals. This Systemwide Master Services Agreement is being brought forward for approval in anticipation of aggregate institutional projects reaching the \$1,000,000 threshold where Board approval is required.

Description: eCollege.com Master Services Agreement for online educational services provides for academic and health institutions to initiate work orders for online educational services. Services were competitively procured in 2011 by Request for Proposal (RFP). Other contracts awarded from the 2011 RFP, including Academic Partnerships and Institutional Connections, were previously approved by the Board.

2. Contract (funds going out) - U. T. System: Marcis & Associates, Inc., to provide an additional day porter

Agency: Marcis & Associates, Inc.

Funds: Approximately \$1,318,112, which is an increase of \$10,408 above the original contract amount of \$1,307,704 approved by the Board in February 2010

Source of Funds: General Revenue Funds

Period: April 1, 2014 through August 31, 2014

Description: Custodial services including one additional day porter to provide support for meeting room setups, common area and restroom care and cleaning, and providing Office of Facilities Management with an additional resource when a day porter is out or when there is a heavy meeting schedule for all five

downtown U. T. System Administration buildings and the Police Academy in Austin, Texas. This contract amendment is being brought forward for Board approval to exceed the amount of \$1,307,704 approved by the Board on February 5, 2010.

3. Employment Agreement - U. T. System: Appointment of Guy H. Bailey, Ph.D., as President of U. T. Rio Grande Valley

The following agreement has been approved by the Chancellor and Executive Vice Chancellor for Academic Affairs, has been signed by Dr. Bailey, and is recommended for approval by the U. T. System Board of Regents. Terms of employment under this agreement are subject to Regents' *Rules and Regulations*, Rules 10501 and 20201, and *Texas Education Code* Section 51.948.

Item: President

Funds: \$600,000 annually

Period: Beginning June 15, 2014

Description: Agreement for employment of Dr. Guy H. Bailey as President of The University of Texas Rio Grande Valley. The President reports to the Chancellor and the Executive Vice Chancellor for Academic Affairs and shall hold office without fixed term, subject to the pleasure of the Executive Vice Chancellor for Academic Affairs and approval by the Chancellor and Board of Regents. All reasonable moving expenses from Vestavia Hills, Alabama, to McAllen, Texas, will be reimbursed. Dr. Bailey will be reimbursed for commuting costs including airfare, accommodations, and meals associated with the transition as well as temporary housing costs during the first year of Presidency to establish permanent residence. During his Presidency, Dr. Bailey will hold an appointment as Professor, with tenure, in the Department of English at U. T. Rio Grande Valley without compensation. The employment agreement is set out on the following pages.



The University of Texas System
Nine Universities. Six Health Institutions. Unlimited Possibilities.

Office of Academic Affairs
601 Colorado Street, Austin, Texas 78701
Phone: 512-499-4233 Fax: 512-499-4240

May 20, 2014

CONFIDENTIAL

Dr. Guy Bailey
608 Longwood Place
Vestavia Hills, Alabama 35226

Dear Dr. Bailey:

On behalf of the Board of Regents of The University of Texas System, it is my pleasure to offer you the position of President of The University of Texas Rio Grande Valley, effective June 15, 2014. Your annual salary rate as of that date will be \$600,000. You are entitled to other State-paid fringe benefits required to be provided to higher education employees by State law and for which you are eligible. Among these benefits are State-paid OASI, longevity pay, workers' compensation liability, insurance coverage, retirement, insurance premium sharing, and paid leave.

The presidents of The University of Texas academic campuses are selected by the Board of Regents of The University of Texas System and serve without fixed term, subject to the pleasure of the Executive Vice Chancellor for Academic Affairs and approval by the Chancellor and Board of Regents.

Additional elements of your compensation package are:

- a. You are eligible to participate in the Board of Regents' "Incentive Plan for The University of Texas System Presidents and System Administration Executive Officers" subject to the requirements and terms specified therein. The compensation earned from this incentive plan will vary depending on your attainment of certain specific performance goals.
- b. The cost of club membership(s) approved by the Executive Vice Chancellor for Academic Affairs will be paid, including initial fees for joining the club and all properly documented and reasonable business-related expenses. All personal expenses, including the portion of dues related to personal use, is calculated based on the personal expenses for that month as a percent of total expenses. That percentage is applied to the dues owed to determine the personal amount.
- c. Appointment as Professor, with tenure, in the Department of English at U. T. Rio Grande Valley, with a beginning academic rate of \$200,000. During your presidency, you will not be paid your salary as Professor. When your administrative appointment as President ends you will be entitled to return to your tenured faculty position as professor, consistent with Regents' Rule 31007, which governs tenured appointments at U. T. Rio Grande Valley, and to be compensated at your academic salary rate. *Texas Education Code*, Section 51.948, states that if a university administrator is reassigned to a faculty or other position at the institution, the institution cannot pay that person a salary that exceeds the salary of other persons with similar qualifications performing similar duties.

The University of Texas at Arlington
 The University of Texas at Austin
 The University of Texas at Brownsville
 The University of Texas at Dallas
 The University of Texas at El Paso
 The University of Texas – Pan American
 The University of Texas of the Permian Basin
 The University of Texas at San Antonio
 The University of Texas at Tyler

The University of Texas Southwestern Medical Center
 The University of Texas Medical Branch at Galveston
 The University of Texas Health Science Center at Houston
 The University of Texas Health Science Center at San Antonio
 The University of Texas M. D. Anderson Cancer Center
 The University of Texas Health Science Center at Tyler

www.utssystem.edu

- d. State law allows the grant of development leave at the individual's academic salary rate for one year to a faculty member who has held an administrative position at the institution for more than four years. An administrator who receives development leave must return to work (as a faculty member) at a U.T. System institution for an amount of time equal to the amount of time the administrator received development leave or repay the institution for all the costs of the development leave. To the extent required by law, these provisions will apply in your situation. The specific length of the development leave will be negotiated dependent on your term of service as President and other pertinent considerations should you leave the presidency and return to the faculty.

Please note that the benefits described in (c) may, at the discretion of the Board be denied should you be terminated from the position of President for good cause, as determined by the Board.

Business-related travel and entertainment expenses shall be in accordance with the Regents' Rules 20205, and with current travel and entertainment budgets of the institution. Reasonable expenses will be paid directly or reimbursed as appropriate.

Appropriate and timely submission of documentation required for reimbursement of travel and entertainment expenditures is required by the Regents' Rules 20205. Quarterly reports on travel and entertainment shall be filed with the Executive Vice Chancellor for Academic Affairs.

Full-time faculty and administrative and professional staff employed by the U. T. System may not be employed in any outside work or activity or receive from an outside source any compensation or serve on an outside board until a description of the nature and extent of the employment or activity and the range of any compensation has been approved by the Chancellor.

Your base salary is all inclusive and there are no additional allowances provided for housing or automobile consistent with the Regents' *Rules and Regulations* on compensation for chief administrative officers. Reimbursement will be made for mileage associated with business use of a vehicle in accordance with the latest published Internal Revenue Service guidelines, the State Travel Regulations Act (*Texas Government Code*, Chapter 660) and applicable institutional policies. There is no separate provision for the use of a cellular telephone or other wireless device. Such use shall follow the policy for wireless devices at your institution.

The University of Texas System will also make direct payments for the actual costs of reasonable expenses related to moving and storage, if needed, of household, personal, and professional possessions from Vestavia Hills, Alabama to McAllen, Texas. Please contact Suzanne Revisore in the Office of Academic Affairs, before making any arrangements related to relocation.

The University will reimburse you for commuting costs incurred by you including airfare, accommodations, and meals associated with your transition, consistent with IRS guidelines. The University will compensate you for reasonable temporary housing costs during the first year of your Presidency prior to the arrival of your family to establish permanent residence.

Information about benefits including health insurance, disability, life insurance and retirement has been transmitted under separate cover.

Page 3
May 20, 2014

Some elements in this compensation package will be subject to federal income tax and as such will be subject to withholding and reported on the W-2 form along with base salary paid. You should consult your tax adviser as to the handling of business or other offsetting deductions.

I look forward to the opportunity to work with you as President of The University of Texas Rio Grande Valley. If you have any questions, please let me know.

Sincerely,



Pedro Reyes, Ph.D.
Executive Vice Chancellor for Academic Affairs
Ashbel Smith Professor of Education Policy

Accepted: Guy Bailey Date: 5/20/14

PR/smr

xc: Chancellor Francisco G. Cigarroa, M.D.
Randy Wallace, Associate Vice Chancellor – Controller and Chief Budget Officer
Francie Frederick, General Counsel to the Board of Regents

4. Employment Agreement - **U. T. System**: Appointment of Juliet V. García, Ph.D., as Special Advisor for South Texas to the Executive Vice Chancellor for Academic Affairs effective September 1, 2014, with an annual salary rate of \$311,783

Dr. García will lead and develop a leadership program institute for U. T. Rio Grande Valley, will serve as director effective September 1, 2015, and will provide advice and guidance for initiatives involving South Texas. The terms of the employment agreement are set out on the following pages.



The University of Texas System
Nine Universities. Six Health Institutions. Unlimited Possibilities.

Office of Academic Affairs
601 Colorado Street, Austin, Texas 78701
Phone: 512-499-4233 Fax: 512-499-4240

CONFIDENTIAL

May 27, 2014

The University of Texas at Arlington
The University of Texas at Austin
The University of Texas at Brownsville
The University of Texas at Dallas
The University of Texas at El Paso
The University of Texas - Pan American
The University of Texas
of the Permian Basin
The University of Texas at San Antonio
The University of Texas at Tyler

Chancellor Francisco G. Cigarroa, M.D.
Office of the Chancellor
The University of Texas System
601 Colorado Street
Austin, Texas 78701

Chairman Paul Foster
U. T. System Board of Regents
Office of the Board of Regents
201 W. 7th Street
Austin, Texas 78701

Vice Chairman R. Steven Hicks
U. T. System Board of Regents
Office of the Board of Regents
201 W. 7th Street
Austin, Texas 78701

The University of Texas
Southwestern Medical Center
The University of Texas
Medical Branch at Galveston
The University of Texas
Health Science Center at Houston
The University of Texas
Health Science Center at San Antonio
The University of Texas
M. D. Anderson Cancer Center
The University of Texas
Health Science Center at Tyler

Dear Chancellor Cigarroa, Chairman Foster, and Vice Chairman Hicks:

I write today to inform you that The University of Texas at Brownsville (UTB) President Juliet García has informed me that she intends to announce her resignation as President effective August 31, 2014.

In her twenty-two years as President, Dr. García has made significant accomplishments including moving forward a number of transformative initiatives. Her major achievements include the successful establishment of the educational partnership between UTB and Texas Southmost College; the development of a campus that serves all students in Cameron County and beyond; and the development of a world class astrophysics program that is among the best funded research centers of its kind. Her strong leadership has made UTB a leading UT System institution in online education. Also, she founded a world-class chess program at UTB. Dr. García has truly helped shape an institution that has become a source of strong regional, national, state, and UT System pride.

www.utssystem.edu

To continue to utilize Dr. García's enormous experience and skills, I recommend her appointment, subject to the Board of Regents' approval, to a position at UT System Administration as Special Advisor (for South Texas) reporting to me, the Executive Vice Chancellor for Academic Affairs, at an annual salary rate of \$311,783 effective September 1, 2014. As Special Advisor, Dr. García will be assigned to lead and develop a leadership program institute for the UT System and the Rio Grande Valley, and will also be responsible for obtaining financial and other support for the development of the leadership institute from foundations and other donors.

I further propose a continued appointment for Dr. García as director of the leadership institute when she returns to The University of Texas Rio Grande Valley (UTRGV) as a faculty member at the end of her UT System appointment which concludes on August 31, 2015. In consideration for her role as director of the System-wide leadership institute while she is a tenured faculty member at UTRGV, the UT System Administration will reimburse UTRGV for a portion of Dr. García's time, utilizing Available University Fund dollars as the Institute is under the oversight of the Office of Academic Affairs. UT System Administration will reimburse UTRGV up to \$100,000 for each year in which Dr. García remains in the director role, for a period of time not to exceed three years following the completion of her appointment as special advisor (for South Texas) to the Office of Academic Affairs.

The services provided to the UT System will include advising on how to position UTRGV and other UT institutions, to develop strong partnerships that will improve education, the economy, and the quality of health of border communities. Dr. García will also provide advice on building international relationships between UTRGV and Latin America, using her extensive contacts and international reputation.

Dr. García's faculty appointment as a Professor in the College of Liberal Arts at UTB and future appointment as a tenured faculty member at UTRGV will be compensated at a minimum of the approved academic rate guaranteed for the current fiscal year in her presidential appointment letter.

Finally, during the one year in which Dr. García holds an appointment at UT System Administration and for each of the following three years in which she may serve in an administrative capacity supporting the leadership institute, Dr. García will be expected to lead development efforts to assure funding is secured for the Institute. At the conclusion of this time period (September 1, 2014 - August 31, 2018) the institute should be financially self-sufficient to support its administrative and other expenses.

With respect,

A handwritten signature in black ink, appearing to read 'Pedro Reyes', followed by a horizontal line.

Pedro Reyes, Ph.D.

Executive Vice Chancellor for Academic Affairs

cc: Ms. Francie Frederick, General Counsel to the Board of Regents
Dr. Guy Bailey, UTRGV President-elect
Mr. Randy Wallace

5. Employment Agreement - **U. T. System**: Appointment of Robert S. Nelsen, Ph.D., as Special Advisor to the Executive Vice Chancellor for Academic Affairs effective September 3, 2014, with an annual salary rate of \$307,500

Dr. Nelsen will be responsible for several very important initiatives, such as fundraising for U. T. Rio Grande Valley and providing advice and guidance for initiatives involving South Texas. The terms of the employment agreement are set out on the following pages.



The University of Texas System
Nine Universities. Six Health Institutions. Unlimited Possibilities.

Office of Academic Affairs
601 Colorado Street, Austin, Texas 78701
Phone: 512-499-4233 Fax: 512-499-4240

CONFIDENTIAL

June 6, 2014

- The University of Texas at Arlington
- The University of Texas at Austin
- The University of Texas at Brownsville
- The University of Texas at Dallas
- The University of Texas at El Paso
- The University of Texas – Pan American
- The University of Texas of the Permian Basin
- The University of Texas at San Antonio
- The University of Texas at Tyler

Chancellor Francisco G. Cigarroa, M.D.
Office of the Chancellor
The University of Texas System
601 Colorado Street
Austin, Texas 78701

Chairman Paul Foster
U. T. System Board of Regents
Office of the Board of Regents
201 W. 7th Street
Austin, Texas 78701

Vice Chairman R. Steven Hicks
U. T. System Board of Regents
Office of the Board of Regents
201 W. 7th Street
Austin, Texas 78701

- The University of Texas Southwestern Medical Center
- The University of Texas Medical Branch at Galveston
- The University of Texas Health Science Center at Houston
- The University of Texas Health Science Center at San Antonio
- The University of Texas M. D. Anderson Cancer Center
- The University of Texas Health Science Center at Tyler

Dear Chancellor Cigarroa, Chairman Foster, and Vice Chairman Hicks:

I write today to inform you that University of Texas-Pan American (UTPA) President Robert Nelsen has informed me that he intends to resign as President effective September 2, 2014.

In his four years as President, Dr. Nelsen has accomplished a great deal, and The University of Texas System (UT System) and UTPA owe him a debt of gratitude for moving a number of tough initiatives forward. President Nelsen has truly helped shape an institution that has become a source of strong regional, national and state pride. His major achievements include providing leadership that resulted in UTPA being elevated from a “comprehensive masters” to a “doctoral serving institution” and being named as The College of the Year (2013) by the National Hispanic Institute. Under Dr. Nelsen, fundraising at UTPA has increased over 50%, and the University received notable financial awards, including grants to expand the Physician Assistant Program (\$2 million), creation of STEM Education Center (\$3.7 million) and an NSF ADVANCE grant (\$4.1 million).

www.utssystem.edu

To benefit from Dr. Nelsen's considerable experience and skills, I recommend his appointment, subject to the Board of Regents' approval, to a position at UT System Administration as Special Advisor to me, the Executive Vice Chancellor for Academic Affairs, at an annual salary rate of \$307,500, effective September 3, 2014 through August 31, 2015. As Special Advisor, Dr. Nelsen will report to me and will be responsible for several very important initiatives, such as fundraising for UT System and The University of Texas Rio Grande Valley (UTRGV), and providing advice and guidance for initiatives involving South Texas. Over the last four years, President Nelsen has developed numerous relationships with UTPA alumni and many others. These relationships are a wonderful asset on which President Nelsen can build to assist the new administration at UTRGV with raising capital for the new institution.

I further propose that at the conclusion of Dr. Nelsen's UT System appointment, he be provided with the option to be appointed as a tenured Professor at UTRGV. Dr. Nelsen's faculty appointment will be compensated at the appropriate academic rate.

With respect,



Pedro Reyes, Ph.D.
Executive Vice Chancellor for Academic Affairs

cc: Ms. Francie Frederick, General Counsel to the Board of Regents
Mr. Randy Wallace, Associate Vice Chancellor, Controller and
Chief Business Officer

6. Employment Agreement - U. T. System: Appointment of Daniel H. Sharphorn, J.D., as Vice Chancellor and General Counsel effective June 16, 2014

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

Item:	Vice Chancellor and General Counsel
Funds:	\$390,000 annually
Period:	Beginning June 16, 2014
Description:	Agreement for employment of Daniel H. Sharphorn, J.D., as Vice Chancellor and General Counsel of The University of Texas System. The Vice Chancellor and General Counsel reports to the Chancellor and shall hold office without fixed term subject to the pleasure of the Chancellor. Monthly dues, professional memberships, continuing education allowances, and reasonable travel expenses related to U. T. System business will be reimbursed by U. T. System Administration. The employment agreement is set out on the following page.



The University of Texas System
Nine Universities. Six Health Institutions. Unlimited Possibilities.

Office of the Chancellor
601 Colorado Street, Austin, Texas 78701-2982
Phone: 512 499 4201 Fax: 512 499 4215

Personal and Confidential

June 11, 2014

- The University of Texas at Arlington
- The University of Texas at Austin
- The University of Texas at Brownsville
- The University of Texas at Dallas
- The University of Texas at El Paso
- The University of Texas - Pan American
- The University of Texas of the Permian Basin
- The University of Texas at San Antonio
- The University of Texas at Tyler

Mr. Daniel Sharphorn
Vice Chancellor and General Counsel, *ad interim*
The University of Texas System Administration
201 West 7th Street
Austin, Texas 78701

Dear Dan:

I am delighted to offer you the appointment of Vice Chancellor and General Counsel for The University of Texas System, effective June 16, 2014. In your position as the Vice Chancellor and General Counsel, you will report directly to the Chancellor and shall hold office without fixed term, subject to the pleasure of the Chancellor.

- The University of Texas Southwestern Medical Center
- The University of Texas Medical Branch at Galveston
- The University of Texas Health Science Center at Houston
- The University of Texas Health Science Center at San Antonio
- The University of Texas M. D. Anderson Cancer Center
- The University of Texas Health Science Center at Tyler

Your initial compensation will be \$390,000 gross annual salary to be paid monthly. In addition, monthly dues, professional memberships, continuing education allowances, as well as reasonable travel expenses related to U. T. business, will be reimbursed by System Administration.

Dan, it is a great honor to offer you this position as you have distinguished yourself while serving as Vice Chancellor and General Counsel, *ad interim*. I extend my thanks to you for all of the work you and your team have accomplished while you served in the interim capacity. Your leadership and counsel is vital to the well-being of the entire U. T. System.

To indicate your acceptance of these terms, please sign and date this letter and return a copy to my office. Our office will coordinate with you on a public announcement upon receiving your signed acceptance. I look forward to working together with you.


www.utssystem.edu

*A privilege to work
with you!*
Francisco

FGC:jbp

With greatest respect,

Francisco G. Cigarroa
Francisco G. Cigarroa, M.D.
Chancellor



Signature of Acceptance

6/11/14

Date

7. Other Fiscal Matters - U. T. System: Approval for the U. T. System Supply Chain Alliance (Alliance) to disburse to affiliated, non-U. T. System institutions a share of supplier-paid fees the affiliates generate through Alliance contract purchases, and proposed finding of public purpose

Recommendation: The U. T. System Supply Chain Alliance (Alliance) requests approval to disburse to all existing and future affiliated, non-U. T. System institutions a percentage of supplier-paid administrative fees the affiliates generate through their purchases under Alliance-procured group purchase agreements. Sharing would take into account affiliate purchases made since January 1, 2014, with fee disbursements to begin in March 2015. The precise percentage to be shared may be adjusted from time to time, with the prior approval of the chief business officers and chief procurement officers of U. T. System institutions through Alliance governance processes. The current approved percentage is 25%.

Authorization is requested for the Executive Vice Chancellor for Business Affairs to execute all necessary documents and agreements, subject to approval as to legal form by the Office of General Counsel, and to take all further actions deemed necessary or advisable to carry out the purpose and intent of the foregoing actions.

Finding of Public Purpose: The Board of Regents is also asked to determine that (1) the disbursement of administrative fees to non-U. T. System affiliates serves a public purpose appropriate to the function of U. T. System; (2) the benefit received by U. T. System in return for such sharing is adequate; and (3) U. T. System has adequate safeguards in place to ensure that the public purpose will continue to be met on an ongoing basis.

Background: The Alliance leverages the U. T. System's collective purchasing power to make group purchases of goods and services on behalf of Alliance members and affiliates. These group purchases are designed to achieve better pricing and purchase terms than any institution could achieve on its own. All U. T. System institutions are members of the Alliance, and they, along with U. T. System, govern the Alliance's activities. The Alliance also has 10 non-U. T. System institution affiliates (e.g., Baylor College of Medicine) that participate in Alliance-procured group purchase agreements and generate approximately \$60,000 annually in administrative fees, but play no role in governing the Alliance's activities.

Under the Alliance's group purchase agreements, suppliers typically pay administrative fees to the Alliance equal to one to three percent of net revenue received by the suppliers from purchases under the agreements. These administrative fees fund the Alliance's operations, and any excess is distributed annually to Alliance members.

At present, Alliance affiliates do not share in the administrative fees generated by their purchases, resulting in relatively low affiliate participation. Instead, Alliance affiliates often prefer working with other professional group purchasing organizations (GPOs), because the GPOs share administrative fees with their affiliates.

Sharing administrative fees with affiliates is expected to:

- drive greater affiliate participation, giving the Alliance greater leverage to negotiate even better pricing and terms for U. T. System institutions, thus lowering costs of purchased goods and services;
- benefit the general public, since lower purchase costs will help control the need for taxpayer support of U. T. System institutions; and
- result in a net increase in excess administrative fees distributed annually to U. T. System institutions.

Affiliates are required to sign an affiliation agreement, committing them to comply with all applicable laws relating to receipt of any fees disbursed by the Alliance, and U. T. System has the right to terminate at will any affiliation agreement (and cease any further sharing of fees), upon 30 days' notice to the affiliate.

The above-described sharing of fees with affiliates has been unanimously approved, under Alliance governance processes, by the chief business officers and chief procurement officers of all U. T. System institutions.

8. Other Matters - U. T. System Academic Institutions: Approval to submit list of items for consideration by the Texas Legislature for Exceptional Item funding

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Business Affairs, and the Presidents of the U. T. System academic institutions that the U. T. System Board of Regents approve the following projects for submission to the Texas Legislature for Exceptional Item funding.

U. T. Arlington

University College for Student Success
U. T. Arlington Research Institute (UTARI)

U. T. Austin

Marine Science Institute Boat Basin Repairs

U. T. Dallas

Engineering for Life
Academic Bridge Program

U. T. El Paso

Pharmacy Program Expansion
Centennial Scholars Program
Student Leadership Academy

U. T. Permian Basin

The Rural Digital University
Petroleum Engineering Research and Applications Institute
John Ben Shepperd Crisis Leadership Center

U. T. Rio Grande Valley

School of Medicine (SOM) / Regional Academic Health Center (RAHC)
Biomedical Sciences Research
Coastal Studies Research Center
Center for Bilingual Studies Translation and Interpretation Initiative
South Texas Water Research Focus
Energy Research Focus
Texas Academy of Mathematics and Science

U. T. San Antonio

San Antonio Life Sciences Institute (SALSI)
Small Business Development Center
South-West Texas Border Network Small Business Development Center (SBDC)
Small Business Development Center (SBDC) Texas Export Initiative
Texas Data Center

U. T. Tyler

Distant Site Upper Level Nursing Programs

9. Other Matters - U. T. System Health Institutions: Approval to submit list of items for consideration by the Texas Legislature for Exceptional Item funding

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs, the Executive Vice Chancellor for Business Affairs, and the Presidents of the U. T. System health institutions that the U. T. System Board of Regents approve the following projects for submission to the Texas Legislature for Exceptional Item funding.

U. T. Southwestern Medical Center

Center for Regenerative Science and Medicine
Texas Health and Aging Study

U. T. Medical Branch - Galveston

Combating Texas' Emerging Infections
Trans Texas Vaccine Institute
Regenerative Medicine

U. T. Health Science Center - Houston

School of Biomedical Informatics (SBMI)
New Regional UTHealth Campus
Center for Healthcare Quality and Safety

U. T. Health Science Center - San Antonio

Regional Campus Laredo (RCL)
San Antonio Life Sciences Institute (SALSI)

U. T. M. D. Anderson Cancer Center

Childhood Cancer Genome Project
Umbilical Cord Blood Bank Research
Rare and Aggressive Breast Cancer Research Program

U. T. Health Science Center - Tyler

Degree Granting
Northeast Texas Consortium (NETNet) Program

ACADEMIC INSTITUTIONS

10. Contract (funds coming in) - U. T. Austin: Coca-Cola Refreshments USA, Inc. will execute a Pouring Rights Agreement, which will allow it to be the exclusive provider of fountain drinks and bottled water for sale by Intercollegiate Athletics' concessionaire at sporting events

Agency: Coca-Cola Refreshments USA, Inc.

Funds: \$7,000,000 Exclusivity Fee (payable in seven annual installments)

Period: August 1, 2014 through August 31, 2021

Description: Coca-Cola Refreshments USA, Inc. will provide certain beverages, bottled water, dispensing and storage equipment at on-campus Intercollegiate Athletic events and at all ticketed events held in the: (i) Darrell K Royal - Texas Memorial Stadium, (ii) UFCU Disch-Falk Field, (iii) Mike A. Myers Track and Soccer Stadium, (iv) Tennis Center, (v) Red and Charline McCombs Softball Field, and (vi) Frank C. Erwin, Jr., Special Events Center. Beverages may also be sold in the Gregory Gymnasium and the Recreational Sports Center during events conducted by Intercollegiate Athletics. Coca-Cola Refreshments USA, Inc. was selected through the Request for Proposal process.

11. Contract (funds coming in) - U. T. Austin: The Gatorade Company for Gatorade placement at Intercollegiate Athletics events

Agency: The Gatorade Company

Funds: \$2,600,000

Period: July 1, 2014 through July 31, 2021

Description: Agreement for Gatorade merchandise to be exclusively placed on all Intercollegiate Athletics' U. T. Austin-team courtside, sideline, and bench areas, and Intercollegiate Athletics' hosted sports camps and clinics. The Gatorade Company was selected through the Request for Proposal process.

12. Contract (funds coming in) - U. T. Austin: Amendment to Cotton Bowl Stadium Agreement to use the Cotton Bowl Stadium in Dallas, Texas, for the annual football game between U. T. Austin and the University of Oklahoma

Agency: State Fair of Texas, the Board of Regents of the University of Oklahoma, and City of Dallas, Texas

Funds: \$6,000,000

Period: July 10, 2014 through October 31, 2025

Description: Second Amendment to Cotton Bowl Stadium Agreement to use the Cotton Bowl Stadium in Dallas, Texas, for the annual football game between U. T. Austin and the University of Oklahoma. Agreement extends the original term for five more years from 2021 through 2025.