

Meeting No. 1,020

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

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August 22-23, 2007

Austin, Texas

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OF
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MEETING NO. 1,020

WEDNESDAY, AUGUST 22, 2007.--The members of the Board of Regents of The University of Texas System convened at 12:32 p.m. on Wednesday, August 22, 2007, in the Board Meeting Room, Ninth Floor, Ashbel Smith Hall, 201 West Seventh Street, Austin, Texas, with the following participation. Although scheduled to be held at The University of Texas – Pan American, the meeting was relocated to Austin due to the threat of Hurricane Dean.

ATTENDANCE.--

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

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

RECESS TO EXECUTIVE SESSION.--At 12:32 p.m., Chairman Huffines announced the Board would recess to convene in Executive Session pursuant to *Texas Government Code* Sections 551.071, 551.072, 551.073, and 551.074 to consider those matters listed on the Executive Session agenda.

RECONVENE IN OPEN SESSION.--At 2:57 p.m., the Board reconvened in open session and took the following actions on matters discussed in Executive Session.

- 1a. U. T. System: Discussion and appropriate action regarding individual personnel matters relating to appointment, employment, evaluation, compensation, assignment, and duties of U. T. System and institutional employees

No discussion held.

- 1b. 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 Director of Audits), and U. T. System and institutional employees and related personnel aspects of the operating budget for the year ending August 31, 2008

Action on the personnel aspects of the Fiscal Year 2008 Operating Budget was deferred for consideration at the Board meeting on Thursday, August 23, and was approved at that time (See Item 10 on Page 42).

- 1c. U. T. System: Discussion regarding individual personnel matters relating to appointment, employment, evaluation, compensation, assignment, and duties of U. T. System and institutional employees including employees covered by Regents' Rules and Regulations, Series 20204, regarding determining and documenting the reasonableness of compensation

No action was taken on this item.

- 2a. U. T. System Board of Regents: Discussion with Counsel on pending legal issues

No action was taken on this item.

- 2b. U. T. Pan American: Authorization to settle pending litigation titled Board of Regents of The University of Texas System v. Geraldine F. Glick and Robert Edward Glick, Joint Independent Executors of the Estate of Kenith S. Glick, Deceased; Martha P. Glick and Judith Gail Glick, Joint Independent Executors of the Estate of Kemper H. Glick, Deceased; Geraldine F. Glick, Individually; Martha P. Glick, Individually; and Gordon Bloomfield, regarding the purchase of approximately 18.96 acres with improvements out of Lot 4, Block 273, Texas-Mexican Railway Company's Survey, Edinburg, Hidalgo County, Texas, for initial use for parking and for future programmed development of campus expansion; and resolution regarding parity debt

Regent McHugh moved that The University of Texas System Board of Regents take the following actions on behalf of The University of Texas – Pan American:

- a. authorize the Office of General Counsel to settle the pending condemnation litigation to acquire on behalf of U. T. Pan American approximately 18.96 acres of land with improvements out of Lot 4,

Block 273, Texas-Mexican Railway Company's Survey, in Edinburg, Hidalgo County, Texas, for parking and future campus expansion in accordance with the proposal presented in Executive Session. The property is described by metes and bounds on the Exhibit A that I am submitting to the General Counsel to the Board for inclusion in the Minutes of the Board (Page 4); and

- b. resolve in accordance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System that
- parity debt shall be issued to pay a portion of the project's cost, including any costs prior to the issuance of such parity debt;
 - sufficient funds will be available to meet the financial obligations of the U. T. System, including sufficient Pledged Revenues as defined in the Master Resolution to satisfy the Annual Debt Service Requirements of the Financing System, and to meet all financial obligations of the U. T. System Board of Regents relating to the Financing System;
 - U. T. Pan American, which is a "Member" as such term is used in the Master Resolution, possesses the financial capacity to satisfy its direct obligation as defined in the Master Resolution relating to the issuance by the U. T. System Board of Regents of tax-exempt parity debt in the aggregate amount not to exceed \$1 million; and
 - this resolution satisfies the official intent requirements set forth in Section 1.150-2 of the *Code of Federal Regulations* that evidences the Board's intention to reimburse project expenditures with bond proceeds.

The motion was seconded by Regent Barnhill and carried by acclamation.

J.E. SAENZ & ASSOCIATES, INC.
211 EAST WISCONSIN ROAD
EDINBURG, TEXAS 78539
(956) 383-2984 (956) 383-3736

METES AND BOUNDS DESCRIPTION
TRACT 1

Being a 18.96 acre tract of land out of Lot 4, Block 273, Texas-Mexican Railway Company's Survey, Hidalgo County, Texas, as per map recorded in Volume 24, Pages 168-171, Deed Records of Hidalgo County, Texas, said 18.96 acre tract of land being more particularly described by metes and bounds as follows;

COMMENCING: At a half (1/2) inch iron rod found at the Northwest corner of Lot 4, THENCE South 08° 59'00" West, with the West boundary line of said Lot 4, a distance of 660.01 feet to a pk-nail set for the Northwest corner of this tract of land and the POINT OF BEGINNING;

THENCE South 80° 53'00" East, at 30.00 feet pass a five-eighths (5/8) inch iron rod found at the East right-of-way line of Jackson Road, at 1320.00 feet in all to a half (1/2) inch iron rod set at the East boundary line of said Lot 4 for the Northeast corner of this tract of land;

THENCE South 08° 59'00" West, with said East boundary line a distance of 660.28 feet to a half (1/2) inch iron rod set at the Southwest corner of said Lot 4 for the Southeast corner of this tract of land;

THENCE North 80° 53'00" West, a distance of 1064.00 feet to a three-quarter (3/4) inch iron pipe found for the Southwest corner of this tract of land;

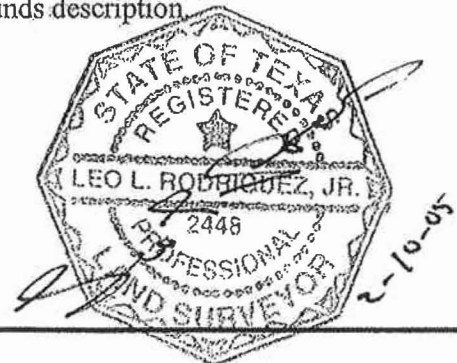
THENCE North 08° 59'00" East, a distance of 150.01 feet to a three-quarter (3/4) inch iron pipe found for the corner of this tract of land;

THENCE North 41° 56'00" West, a distance of 47.70 feet to a three-quarter (3/4) inch iron pipe found for a corner of this tract of land;

THENCE North 80° 53'00" West, at 189.00 feet pass a five-eighths (5/8) inch iron rod found at the East right-of-way line of said Jackson Road, at 219.00 feet in all to a pk-nail set at the West boundary line of said Lot 4 for a corner of this tract of land;

THENCE North 08° 59'00" East, with said West boundary line a distance of 480.28 feet to the POINT OF BEGINNING, containing, 18.96 acres of land more or less.

A plat of even survey date herewith accompanies this metes and bounds description



- 3a. U. T. Tyler: Approval to conclude negotiations and execute documents related to a negotiated gift with a potential naming feature for the College of Nursing and Health Sciences

and

- 3b. U. T. Tyler: Approval to conclude negotiations and execute documents related to a negotiated gift with a potential naming feature for the Palestine Campus Building

Vice Chairman Krier moved that the Board of Regents authorize President Mabry and Vice Chancellor Safady to conclude negotiations and execute documents related to the acceptance of gifts to benefit The University of Texas at Tyler, with related naming features for the College of Nursing and Health Sciences and the Palestine Campus Building, consistent with the parameters discussed in Executive Session.

The motion was seconded by Regent Estrada and carried unanimously.

- 3c. U. T. Health Science Center – San Antonio: Discussion related to a proposed negotiated gift

No action was taken on this item.

RECESS FOR MEETINGS OF STANDING COMMITTEES.--At 3:00 p.m., Chairman Huffines announced the Board would recess for meetings of several Standing Committees.

RECONVENE IN OPEN SESSION TO RECESS TO EXECUTIVE SESSION.--At 5:30 p.m., Chairman Huffines announced the Board would recess to convene in Executive Session pursuant to *Texas Government Code* Sections 551.071, 551.072, 551.073, and 551.074 to consider matters not considered during the Executive Session earlier today (August 22) as listed on the Executive Session agenda.

RECONVENE IN OPEN SESSION TO RECESS.--At 8:00 p.m., the Board reconvened in open session. No action was taken on any matter discussed in Executive Session. Chairman Huffines announced the Board would recess for the meetings of the Student, Faculty, and Staff Campus Life Committee and the Health Affairs Committee beginning at 8:30 a.m. on August 23.

THURSDAY, AUGUST 23, 2007.--The members of the Board of Regents of The University of Texas System reconvened at 10:15 a.m. on Thursday, August 23, 2007, in the Board Meeting Room, Ninth Floor, Ashbel Smith Hall, 201 West Seventh Street, Austin, Texas, with the following participation:

ATTENDANCE.--

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

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

U. T. SYSTEM BOARD OF REGENTS: APPROVAL OF MINUTES.--The Minutes of the regular meetings of the Board of Regents of The University of Texas System held on May 9-10, 2007, and July 11, 2007, in Austin, Texas, were approved as prepared by the General Counsel to the Board of Regents. The official copy is recorded in the *Permanent Minutes*, Volume LIV, Pages 433 - 567.

AGENDA ITEMS

1. U. T. System: Chancellor's Quarterly Update including comments on the accomplishments of U. T. System over the past five years

In his quarterly report, delivered essentially as set forth on Pages 7 - 10, Chancellor Yudof focused on highlights of The University of Texas System accomplishments over the past five years.

Remarks by Chancellor Mark G. Yudof

It seems impossible but this month I celebrated my fifth year as Chancellor of The University of Texas System. And so, I thought it might be worthwhile to use today's quarterly report as a brief recap of what all of us, together, have accomplished over the last five years.

Early this summer Vice Chancellor Safady worked with me to put together a written piece on the subject ... and that was mailed to you earlier this summer. The title of the white paper is "Laying the Groundwork for the Future: Advancements and Innovations at the U. T. System" and that is a good summary of what we have done.

Over the last 100 years or so, the U. T. System has grown by fits and starts, adding institutions and administrative responsibilities, often without much thought to the overall structural or governance issues involved. Since 1891, when the medical branch opened in Galveston, we have grown from a system with two campuses to a system of 15 institutions.

And, the last 25 years have witnessed tremendous changes in the demands on public higher education, the sources and reliability of its funding, and the environment in which it functions.

When I began my service as Chancellor, the Board made it clear that the time for "readaptation" had arrived. We set out to energize the System and transform it into a national model of leadership for academic and health institutions.

Those of you who were on the Board in 2002 will recall that we affirmed the idea that a system of academic and health institutions must be more than the sum of its parts.

Therefore, the fundamental challenge for us is straightforward. The System, acting through the Board of Regents and System Administration, must provide more than oversight and direction; it must facilitate, enhance, and magnify the work of the individual campuses.

The first step in moving toward that vision was to change the nature of System Administration – to lift it above its traditional role of implementing, authorizing, counting, and sorting. We wanted to develop an organization that sees its primary role as adding value, enhancing efficiencies, and constantly evaluating and reevaluating which System activities contribute to that role and which do not. We have done that and more.

Rodin, once asked about a bust he was sculpting of Theodore Roosevelt, responded that it was his job to get the blood flowing through the marble. That is an apt description of my job. It is a continuing effort to get the blood of energy and innovation flowing through the marble of organization ... to help bring out the best in every person and office at the U. T. System.

One example is delegating more responsibility for facilities and construction for those campuses able to undertake such activities. At another level, it is stimulating collaborative efforts such as the San Antonio Life Sciences Initiative in San Antonio. And still another example is the creation of the Intermediate Term Fund (ITF), which has added tens of millions of dollars to the campuses.

Peter Drucker said, "Plans are only good intentions unless they immediately degenerate into hard work." And we have worked hard. When I say "we," I want to make sure that the Board understands that you are very much a part of that "we."

I cannot imagine that there is a board in corporate or academic America that has worked harder.

I will not go into detail because you have the detail in Vice Chancellor Safady's report. But I want to remind you of the highlights of what we have accomplished together in the last five years.

We have

- hired five institution presidents and nine of ten Executive Vice Chancellors and Vice Chancellors,
- created the Office of Administration to consolidate the operational aspects of U. T. System Administration and created two completely new divisions – the Office of the Vice Chancellor for Research and Technology Transfer and the Office of the Vice Chancellor for Strategic Management,
- initiated the institutional compact process,
- developed the State's first System-wide accountability framework, which has become a national model for accountability and performance reporting,
- begun the use of student learning assessment instruments,
- adopted accounting and audit reforms that allow the U. T. System to operate within the spirit of Sarbanes-Oxley,
- contracted for the first comprehensive audit of the entire 15-campus system, also the first such audit at any public university system in Texas,
- created the U. T. System's first Strategic Plan in many years – one which will help us align our efforts and our resources with our goals for the next 10 years,

- and, the funds approved at this meeting for international activities, an academic leadership institute, a development program to assist the campuses, and shared services will tangibly advance that Strategic Plan.
- Additionally, we have completed a review of eight of our academic campuses, identifying their strengths and areas that they need to improve to enhance their research capacities,
- initiated the Science and Technology Acquisition and Retention (STARs) program to help recruit and retain outstanding faculty,
- created the Chancellor's Teaching Health Fellows programs to reward exceptional faculty,
- established a partnership with Sandia National Laboratory and, in partnership with Lockheed Martin and others, developed a proposal that made the U. T. System one of two finalists for management of the Los Alamos National Laboratory,
- concluded a top-to-bottom review of the management and oversight of The University of Texas Investment Management Company (UTIMCO),
- won authorization to keep indirect cost reimbursement funds and to set designated tuition,
- developed and implemented the Board's process for setting tuition for the academic campuses,
- established the Institute for Public School Initiatives (IPSI),
- produced a statewide public television series that describes how higher education helps generate solutions for challenges facing Texas,
- authorized the U. T. System Competitiveness Initiative, the largest single financial commitment in the System's history, and
- we have made our way through three legislative sessions with reasonable success and most of our dignity intact.

As I said, these are only the highlights – and, as the Board well knows, each of the accomplishments mentioned here represents months of work by many people.

And I have to say that I am proud of the fact that we have accomplished everything with a System Administration staff which – with the approval of the budget today (See Item 10 on Page 42), despite increased funding and new hires – still has almost precisely the same number of employees as we had in 2003.

Over these last five years, we have built and encouraged collaboration among our institutions, we have increased the efficiency and effectiveness of the System, we have raised the national profile of the U. T. System, and we have assumed leadership for forward thinking educational policies at the state and national level.

Our work is, by no means, complete. It is, in fact, an ongoing process of constant evaluation and innovation. But we have made tremendous progress and I want to congratulate the Board and System staff for their success.

And, of course, I want to say how honored I was by my appointment as Chancellor ... and by the continuing confidence the Board has had in me.

2. U. T. System Board of Regents: Amendment to the Regents' *Rules and Regulations*, Series 10402 (Committees and Other Appointments) to add reference to the Type 2 Diabetes Risk Assessment Program Advisory Committee

The Regents' *Rules and Regulations*, Series 10402, regarding Committees and Other Appointments, was amended to add the Type 2 Diabetes Risk Assessment Program Advisory Committee as follows:

Sec. 7 Type 2 Diabetes Risk Assessment Program Advisory Committee. Pursuant to Senate Bill 415, passed by the 80th Legislature, Regular Session (to be codified in the future as a replacement for portions of *Texas Health and Safety Code* Chapter 95), one member of the Board of Regents will serve on the Type 2 Diabetes Risk Assessment Program Advisory Committee for the program administered by The University of Texas - Pan American Border Health Office.

This amendment implements a portion of Senate Bill 415, passed by the Texas Legislature in 2007, to require that one member of the Board of Regents serve on the Type 2 Diabetes Risk Assessment Program Advisory Committee. The program is for K-12 students who attend public or private schools.

3. U. T. System Board of Regents: Amendment to the Regents' *Rules and Regulations*, Series 20201 (Presidents), Section 4.9 concerning changes to an institution's *Handbook of Operating Procedures*

The Board amended the Regents' *Rules and Regulations*, Series 20201, Section 4.9 to read as set forth below to ensure that input is received by an institution's faculty governance body for forthcoming changes to the *Handbook of Operating Procedures* (HOP) pertaining to areas of faculty responsibility.

Sec. 4 Duties and Responsibilities. Within the policies and regulations of the Board of Regents and under the supervision and direction of the appropriate Executive Vice Chancellor, the president has general authority and responsibility for the administration of that institution. Specifically, the president is expected, with the appropriate participation of the staff, to:

...

4.9 Cause to be prepared and submitted to the appropriate Executive Vice Chancellor and the Vice Chancellor and General Counsel for approval, the rules and regulations for the governance of the institution and any related amendments. Such rules and regulations shall constitute the *Handbook of Operating Procedures* for that institution. Any rule or regulation in the institutional *Handbook of Operating Procedures* that is in conflict with any rule or regulation in the Regents' *Rules and Regulations* is null and void and has no effect.

(a) Input from the faculty, staff, and student governance bodies for the institution will be sought for all significant changes to an institution's *Handbook of Operating Procedures*. The institutional *Handbook of Operating Procedures* will include a policy for obtaining this input that is in accordance with a model policy developed by the Office of General Counsel.

(b) Sections of the *Handbook of Operating Procedures* that pertain to the areas of faculty responsibility as defined in Regents' *Rules and Regulations*, Series 40101 titled Faculty Role in Educational Policy Formulation will be explicitly designated in the *Handbook of Operating Procedures*. The president, with the faculty governance body of the campus, shall develop procedures to assure formal review by the faculty governance body before

such sections are submitted for approval. The formal review should be done within a reasonable timeframe (60 days or less).

.....

Input on all significant changes to an institution's HOP must be sought from the institution's faculty, staff, and student governance bodies. The amendment to the Regents' *Rules* requires each HOP to include a policy for obtaining this input and to include designation of areas of faculty responsibilities. Each president is to work with the faculty to develop procedures to assure formal review by the faculty governance body prior to approval of related changes in the HOP.

4. U. T. System Board of Regents: Amendments to the Regents' *Rules and Regulations*, Series 30601, concerning U. T. System-wide discipline and dismissal of classified employees (Deferred)

The item proposing amendments to the Regents' *Rules and Regulations*, Series 30601, concerning The University of Texas System-wide discipline and dismissal of classified employees, was deferred.

5. U. T. System Board of Regents: Amendment to the Regents' *Rules and Regulations*, Series 31002 and Series 31007, delegating to the presidents the authority to approve all faculty appointments with the exception of the initial award of tenure

The Board amended the Regents' *Rules and Regulations* as set forth below:

- a. Series 31002, Section 3, concerning the reappointment of nontenured faculty members, was amended to read as follows to delegate that authority currently exercised by the Board be delegated to the president of an institution.

Sec. 3 Notice and Approval by President Required. Upon expiration of an appointment period, reappointment of nontenured members of the faculty may be accomplished only by approval of the president of an institution. Reappointment of members of the faculty who are serving a seven-year term appointment to a succeeding seven-year term appointment may be accomplished only by notice by the president of an institution or his or her delegate. No nontenured member of the faculty shall expect continued employment beyond the period of his or her current appointment. Any commitment to employ a nontenured

member of the faculty beyond the period of his or her current employment shall have no force and effect until approved by the president of the institution.

- b. Series 31007, Section 6, requiring that "all faculty appointments be approved by the Board," was amended to read as follows to delegate to the president of an institution all faculty appointments with the exception of the initial award of tenure.

Sec. 6 Board Approval. The award of tenure is subject to the approval of the Board of Regents.

All appointments and promotions involving faculty were required to be approved by the Board. Such approvals were handled via approval of the institutional budget. Delegation of authority to the president of each institution to make all faculty appointments, with the exception of the initial award of tenure, will promote operational efficiency within The University of Texas System. Such appointments must comply with other provisions of the Regents' *Rules* such as those concerning the reasonableness of compensation.

Further, the General Counsel to the Board was authorized to make additional nonsubstantive edits to the *Rules* as needed to implement this delegation.

- 6. U. T. System Board of Regents: Amendment to the Regents' *Rules and Regulations*, Series 40401, Section 3 concerning approval of certain fees and charges and Section 4 concerning approval of method of payment

The Regents' *Rules and Regulations*, Series 40401, Sections 3 and 4 were amended to read as set forth below:

- Sec. 3 Approval of Certain Fees and Charges. The Board of Regents delegates to the presidents the authority to assess and collect the following fees and other charges, upon a finding by the president that such fees and other charges and changes to such fees and other charges are required for the fee or other charge to reasonably reflect the actual cost to the institution of the materials or services to be provided. The approval authority is conditioned on prior review and approval by the Executive Vice Chancellor for Academic Affairs or the Executive Vice Chancellor for Health Affairs.
 - (a) Matriculation Fee, as authorized by *Texas Education Code* Section 54.006(a)

- (b) Fees Associated with the Option to Pay Tuition by Installment, as authorized by *Texas Education Code* Section 54.007
- (c) Supplemental Fees for coaching or individual instruction, as authorized by *Texas Education Code* Section 54.051(l)
- (d) Laboratory Fees, as authorized by *Texas Education Code* Section 54.501(a)
- (e) Incidental Fees, as authorized by *Texas Education Code* Section 54.504
- (f) Charges and Fees for Certain Payments, related to electronic funds transfer or credit card payment, as authorized by *Texas Education Code* Section 54.5011
- (g) Continuing Education Course Fees, as authorized by *Texas Education Code* Section 54.545 and further detailed in Series 40403
- (h) Fees and Other Charges for rentals, rates, and charges for certain occupancy, services, use and availability of facilities or services, as authorized by *Texas Education Code* Section 55.16.

Sec. 4 Approval of Method of Payment. The Board of Regents delegates to the presidents of the institutions the authority to collect the payment of tuition, fees, and other charges in accordance with those methods prescribed or authorized by statute.

These amendments to the Regents' *Rules and Regulations* codify previous delegations related to the approval of selected new fees and fee changes and authorize additional delegation to the presidents to approve laboratory fees by course and specific course-related incidental fees after review and approval by the appropriate Executive Vice Chancellor.

State law requires the charge of a mandatory laboratory fee of \$2 to \$30 for each laboratory course at a general academic institution. The former approval process required Board approval of each course's lab fee but allowed a president to modify a previously approved lab fee. The Regents' *Rules* amendment simplifies that process.

For course-related incidental fees, the Board has approved a range of charges for course-related fees at each institution. The former process required resubmission of each course-related fee for approval.

7. U. T. System Board of Regents: Amendment to the Regents' *Rules and Regulations*, Series 80307, regarding corporate namings, to address namings for Less Prominent Facilities and Programs and to limit time for naming approvals

To simplify the procedure for corporate namings of Less Prominent Facilities and Programs and to limit to 180 days the period for execution of an agreement following a naming approval, the Regents' *Rules and Regulations*, Series 80307 was amended to read as follows:

Sec. 1 General. Before proceeding with any naming, institutions must carefully consider all circumstances surrounding the naming, including the overall benefit to the institution and whether displaying the name is and will continue to be a positive reflection on the institution.

1.1 Review. Any naming of Facilities and Programs must undergo a high level of consideration and due diligence to ensure that the name comports with the purpose and mission of the U. T. System and the U. T. System institutions. No naming shall be permitted for any corporation or individual whose public image, products, or services may conflict with such purpose and mission.

1.2 Time Limitation for Approval. Naming approvals granted under this rule are valid for a period not to exceed 180 days from the date of approval. After approval of a naming, the naming agreement must be executed within 180 days of that approval. If that does not occur, the naming must be resubmitted for approval.

...

Sec. 8 Corporate Naming. Each Corporate Naming for Prominent Facilities or Programs must be approved by the Board of Regents. Each Corporate Naming for Less Prominent Facilities or Programs must be approved by the Chancellor.

...

8.2 Procedures for Corporate Naming. Before negotiating a possible Corporate Naming, the president shall send a written request, in compliance with procedures established by the Office of External Relations, to the Executive Vice Chancellor for Academic or Health Affairs. Except in the case of Less Prominent Facilities or Programs, the institution shall negotiate an agreement with the corporation, using the

Standard Corporate Naming Gift/Licensing Agreement prepared by the Office of General Counsel. Any substantive variations to the standard agreement must be approved by the Office of General Counsel. The Executive Vice Chancellor for Academic or Health Affairs shall have authority to sign such agreements after appropriate review and approval.

8. U. T. System: Allocation of \$177.2 million of Permanent University Fund (PUF) Bond Proceeds for the following projects and discussion of the Drug Development Institute

- Center for Structural Engineering Research, U. T. Arlington
- The Dell Pediatric Research Institute, The University of Texas at Austin
- Arts and Technology Facility, U. T. Dallas
- College of Health Sciences Complex, U. T. El Paso
- Arts, Convocation, and Classroom Facility, U. T. Permian Basin
- School of Medicine Transformation Initiative, U. T. Health Science Center – San Antonio
- Fire and Life Safety Projects at U. T. Arlington, U. T. Austin, U. T. El Paso, U. T. San Antonio, U. T. Medical Branch – Galveston, U. T. Health Science Center – Houston, and U. T. Health Science Center – San Antonio

Executive Vice Chancellor Kelley reviewed each project as included in Table 1 on Pages 18 - 20, noting the Agenda Item had been revised as before the Board on yellow paper. He remarked that, other than The Dell Pediatric Research Institute, The University of Texas at Austin (See Item 9, Page 25), the projects listed are not on the Capital Improvement Program (CIP) but are expected to be considered at a future Board meeting. He reviewed the Constitutional debt capacity for the Permanent University Fund (PUF), which is at a \$350 million capacity limit as of today (August 23) or 20% of the book value of the PUF. He said the volatility of the debt capacity is the reason for the change from a proposed PUF allocation of \$182.2 million included in the Agenda materials to \$177.2 million in the revised Agenda Item. He summarized by saying that, to get a jump start on these projects, the campuses will be asked to fund the priority projects in the next 24 months and to fund the second and third priority projects over the next 36 months.

For construction projects with a private funding component in the source of funding, Chairman Huffines noted it is essential that the money must be committed or in place before the project is started or there must be capacity for plenty of Revenue Financing System debt. Regent Rowling cautioned on the limitations of authorizing PUF Bond Proceeds, noting that there is not a lot of excess PUF.

Vice Chairman Krier asked that all projects include impact metrics for success and Chancellor Yudof responded he will come back with a recommendation to the Board on a uniform practice concerning timing of submission of these metrics.

Executive Vice Chancellor Shine outlined the proposed University of Texas System institute for new drug and biologics development. Dr. C. Thomas Caskey, Director of the Brown Foundation Institute of Molecular Medicine for the Prevention of Human Diseases at The University of Texas Health Science Center at Houston, and Dr. Brent Iverson, Interim Director of the Texas Institute of Drug and Diagnostic Development (TI-3D) located at The University of Texas at Austin, also spoke about the proposed Drug Development Institute at U. T. Health Science Center - Houston. Chancellor Yudof indicated that if the Institute would be a U. T. System facility, Available University Funds (AUF) could be used for the operating budget. Regent Rowling cautioned that the initiative could lead to substantial commercial involvement, going past education and research. Chancellor Yudof clarified the mission would be to encourage pharmaceutical companies to come to Texas and to invest in these areas and Executive Vice Chancellor Shine agreed the drug development process would be used as part of the educational enterprise and could result in a partnership with a pharmaceutical company(ies).

Following presentation of the next item, Item 9 on Page 21, regarding the FY 2008-2013 Capital Improvement Program (CIP) and the FY 2008-2009 Capital Budget, the Board approved the allocation of \$177,200,000 of PUF Bond Proceeds for 13 capital projects listed in Attachment 1 on Pages 24 - 34 with a total project cost estimated at approximately \$507,600,000. The balance of the project funding will be solidified over the next several months and will be brought back to the Board for i) approval of the total project cost for each project including identified funding sources and ii) approval of amendments to the FY 2008-2013 Capital Improvement Program.

**Table 1
Proposed PUF Project Descriptions**

Priorities for Academic Institutions

(\$ in millions)

Research (\$M)	Clinical (\$)	Teaching (\$M)	Project Name	Project Type	TPC	Proposed PUF	Project Description
\$34.0			UT Arlington Center for Structural Engineering Research	New construction	\$ 34.0	\$ 25.0	Plans include three floors, basement, and penthouse of office space and reaction floor research space, totaling 84,500 sq. ft., constructed on donated land. This is one of the campus key research and industry collaboration areas. \$4 million is available in "in-kind" contributions toward the total cost. Project is not on the CIP list yet.
			Fire and Life Safety Projects		\$ 11.6	\$ 4.3	
			UT Austin Dell Pediatric Research Institute	New construction	\$ 97.0	\$ 25.0	Current CIP indicates total project cost at \$97 million. The facility is the first step in the creation of a biomedical research campus for UT Austin in collaboration with several UT health campuses. Additional \$15 million (AUF) and \$5 million (Faculty STARS) will be proposed for allocation towards faculty start-up operations.
\$97.0			Fire and Life Safety Projects		\$ 7.0	\$ 2.6	
			UT Dallas Arts and Technology Facility	New construction	\$ 81.0	\$ 45.0	Signature state-of-the-art research & instructional building for emerging media technology; associated parking, renovation of vacated space and demolition of existing Visual Arts building. Note: Would serve fastest growing undergraduate and graduate program on campus with strong industry demand for graduates. No other source of funding available. Project is not on CIP list yet; total cost and potential phasing remain to be analyzed in detail. Additional project scope includes a match for gift funds for extensive beautification of surrounding campus.
		\$81.0	UT El Paso College of Health Sciences Complex	New construction	\$ 60.0	\$ 50.0	Health sciences complex located on or contiguous to the main campus & near major health facilities to house health-related programs & activities. Note: Would serve one of UTEP's and the region's fastest growing educational and employment areas. No other source of funding is available. Project is for Phase I construction.
\$7.7	\$4.3	\$48.0	Fire and Life Safety Projects		\$ 1.6	\$ 0.6	
			UT Permian Basin Arts, Convocation, and Classroom Facility	New construction	\$ 66.0	\$ 3.5 ¹	Current CIP indicates total project cost at \$51 million. Revised plan is to construct \$66 million performing arts center with classrooms. This facility will also serve as a convocation center for various UTPB functions. A 2,500 seat auditorium will be constructed with parking for 1,500 vehicles.
		\$66.0	UT San Antonio Fire and Life Safety Projects		\$ 0.9	\$ 0.4	
Academic Institutions' Proposed Total						\$ 156.40	

FOOTNOTE

1: This \$3.5 million is in addition to the \$3.0 million previously approved in August 2006.

**Table 1
Proposed PUF Project Descriptions**

Priorities for Health Institutions

(\$ in millions)

Research (\$M)	Clinical (\$)	Teaching (\$M)	Project Name	Project Type	Proposed PUF	Project Description	
			Health Science Ctr San Antonio School of Medicine Transformation Initiative	Renovation	\$ 122.0	\$ 10.0	Allocation would assist with, but not cover the entire capital investment portion of the School of Medicine's Transformation Plan. That Plan includes: renovation of research lab space to accommodate the recruitment of the Chair of Medicine; an additional floor to the new ambulatory clinic building; and expansion of Multi-Disciplinary Student Teaching Labs and other classroom teaching venues. Allocation specific to the recruitment of this Chair may be made from STARS.
\$48.1	\$25.8	\$48.1					
			Fire and Life Safety Projects		\$ 18.7	\$ 6.9	
			Medical Branch Galveston				
			Fire and Life Safety Projects		\$ 5.5	\$ 3.0	
			Health Science Ctr Houston				
			Fire and Life Safety Projects		\$ 2.3	\$ 0.9	
			Health Institutions' Proposed Total			<u>\$ 20.80</u>	
			TOTAL: ACADEMIC and HEALTH PRIORITIES			<u>\$ 177.20</u> ²	
			TOTAL: NET OF FIRE AND LIFE SAFETY			<u>\$ 158.50</u>	
\$186.8			TOTAL RESEARCH (excl. Fire and Life Safety)				
	\$30.1		TOTAL CLINICAL (excl. Fire and Life Safety)				
		\$243.1	TOTAL TEACHING (exc. Fire and Life Safety)				

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FOOTNOTE

2: Summarization of Fire and Life Safety proposals outlined on page 3.

Recommendations were developed using the principles that:

1. investments should be aligned with the UT System and campus strategic plans
2. investments should be targeted at projects with the potential to make a long-term significant improvement in a distinctive strength of the campus.
3. investments are critical because few, if any other, sources of funding exist
4. investments would be made in just a few bigger projects, not on every eligible campus
5. the recommendations recognize the proposals from other campuses are vital and valid, but that the project and/or campus may not be as ready as those selected.

**Table 1
Proposed PUF Project Descriptions**

Fire & Life Safety Summarization

(\$ in millions)

	TPC	Proposed PUF
UT Arlington		
Fire and Life Safety Projects	\$ 11.6	\$ 4.3
UT Austin		
Fire and Life Safety Projects	\$ 7.0	\$ 2.6
UT El Paso		
Fire and Life Safety Projects	\$ 1.6	\$ 0.6
UT San Antonio		
Fire and Life Safety Projects	\$ 0.9	\$ 0.4
Academic Fire & Life Safety Allocations		<u>\$ 7.9</u>
Health Science Ctr San Antonio		
Fire and Life Safety Projects	\$ 18.7	\$ 6.9
Medical Branch Galveston		
Fire and Life Safety Projects	\$ 5.5	\$ 3.0
Health Science Ctr Houston		
Fire and Life Safety Projects	\$ 2.3	\$ 0.9
Health Fire & Life Safety Allocations		<u>\$ 10.8</u>

High priority projects include installation of fire alarms, fire sprinkler systems, fire pumps, smoke exhausts, and means of egress. Categories of buildings affected are medical facilities (patient care), high-rise buildings, large assembly occupancies, highly populated academic buildings with lecture auditoriums and large traffic flows, and laboratory or special hazard use buildings.

9. U. T. System: Adoption of the six-year Capital Improvement Program (CIP) for Fiscal Years 2008-2013; approval of the Capital Budget for Fiscal Year 2008-2009; redesignation of previously approved projects in the CIP; reduction of previously appropriated funds for repair and rehabilitation projects deleted or decreased in scope; appropriation of additional funds for previously approved projects with increased total project costs; appropriation of funds for new repair and rehabilitation projects initiated in the Capital Budget; approval of the use of Revenue Financing System parity debt for repair and rehabilitation projects initiated in the Capital Budget for which Revenue Financing System Bonds are identified as a funding source, and resolution regarding parity debt; consideration of possible designation of new and existing projects as architecturally or historically significant; approval of additional appropriation and authorization of expenditure for three previously approved projects

Executive Vice Chancellor Kelley presented a PowerPoint presentation on The University of Texas System Capital Improvement Program (CIP) for Fiscal Years 2008-2013 and noted the total for the proposed projects had been reduced by \$35 million to withdraw the Specialty Care Center at Victory Lakes project at The University of Texas Medical Branch at Galveston.

President Mendelsohn also presented a PowerPoint on the significant number of projects in the proposed CIP for The University of Texas M. D. Anderson Cancer Center. He said the Alkek Hospital Expansion is the largest project in the proposal.

To assure that the proposed projects are consistent with institutional needs, missions, and priorities, and that the funding sources are realistic, comments were invited from the Chairmen of the Academic Affairs, Health Affairs, and Facilities Planning and Construction Committees.

The Board then

- a. adopted the U. T. System CIP for Fiscal Years 2008-2013 as set forth in the Summary of Projects (Attachment 1 on Pages 24 - 34);
- b. approved the Capital Budget for Fiscal Year 2008-2009 as set forth in the Summary of Projects (Attachment 1 on Pages 24 - 34);
- c. approved the redesignation of projects previously approved in the CIP as set forth in Attachment 2 on Page 35;
- d. reduced previously appropriated funds in an aggregate amount of \$38,360,000 for repair and rehabilitation projects deleted or decreased in scope in the FY 2008-2009 Capital Budget as reflected in the Deleted or Reduced Appropriations column in Attachment 3 on Pages 36 - 39;

- e. appropriated new or additional funding with increased total project costs for previously approved repair and rehabilitation projects in an aggregate amount of \$47,000,000 as reflected in the FY 2008-2009 Capital Budget as set forth in the New or Additional Appropriations column in Attachment 3 on Pages 36 - 39;
- f. appropriated funding in an aggregate amount of \$525,241,000 for new repair and rehabilitation projects initiated in the FY 2008-2009 Capital Budget as reflected in the Appropriations for Projects Initiated in the Capital Budget column in Attachment 3 on Pages 36 - 39;
- g. appropriated additional funding from Revenue Financing System Bond Proceeds for previously approved projects in an aggregate amount of \$4,100,000 for the Expansion to Parking Lot 12 project at U. T. San Antonio and the Basic Science Renovation project and the Library Facilities Upgrade project at U. T. Medical Branch - Galveston in Attachment 4 on Page 40;
- h. approved the use of \$21,900,000 Revenue Financing System parity debt for certain construction and repair and rehabilitation projects in the FY 2008-2009 Capital Budget for which Revenue Financing System Bond Proceeds have been identified as all or a portion of the funding for the U. T. System institutions as set forth in Attachment 4 on Page 40;
- i. approved the recommendation that proposed new and existing projects have been reviewed, and that the Battle Hall Complex, Renovation project and the Littlefield Home and Carriage House Renovations project at The University of Texas at Austin have been determined as historically significant;
- j. appropriated funding and authorized expenditure of \$1,570,000 from Gifts to Grants for the Galveston National Laboratory project at U. T. Medical Branch - Galveston as set forth in Attachment 5 on Page 41; and
- k. appropriated additional funding and authorized expenditure of \$34,500,000 and \$22,200,000 from Hospital Revenues for the Smithville Facility Strategic Plan project and the T. Boone Pickens Academic Tower project, respectively, at U. T. M. D. Anderson Cancer Center as set forth in Attachment 5 on Page 41.

The CIP is a six-year projection of major repair and rehabilitation and new construction projects to be implemented and funded from institutions and U. T. System-wide revenue sources. Projects included in the CIP correspond to the highest priority needs identified in the long-range strategic planning

process and institutional capital renewal plans as determined by the Facilities Renewal Model presented to the Facilities Planning and Construction Committee of the U. T. System Board of Regents on July 1, 2002. Future projects listed in the CIP are for consideration when funding has been secured.

Adoption of the CIP authorizes U. T. System Administration and the institutional administration to expend up to 3% of the preliminary project cost to develop the formal Project Building Program document, select the Project Architect, and develop preliminary project plans. These funds will be appropriated by the institution initially but may be reimbursed from project funds after design development approval and appropriation of project funds by the U. T. System Board of Regents.

The Capital Budget is the first two years of the six-year CIP. Approval of the Capital Budget authorizes and appropriates funding amounts and sources for identified major repair and rehabilitation projects that are not architecturally or historically significant. Authorization of these projects and appropriation of these funds allow these projects to be presented to the Associate Vice Chancellor for Facilities Planning and Construction for design development plan approval and authorization for expenditure of funds and subsequent execution of the project by the administrative staff without returning to the U. T. System Board of Regents for further approvals. The U. T. System Board of Regents approves the design development plans for all major projects other than repair and rehabilitation projects that are not architecturally or historically significant.

The redesignation of projects in the CIP was requested by the institutions to more accurately reflect the work to be accomplished.

**The University of Texas System
 FY 2008-2013 Capital Improvement Program
 Major Construction Projects Summary**

	CIP Project Cost Total	FY 2008-2009 Proj. Exp. Total
<u>Academic Institutions</u>		
<u>The University of Texas at Arlington</u>		
<i>Institutionally Managed</i>		
Arlington Regional Data Center Electrical Upgrade	\$ 2,800,000	2,560,457
Civil Engineering Lab Building	5,400,000	4,948,057
Energy Performance Contract	18,000,000	8,682,936
Subtotal Inst Mgd	\$ 26,200,000	16,191,450
<i>OFPC Managed</i>		
Engineering Research Complex	\$ 125,430,000	23,124,434
Maverick Activities Center	34,500,000	14,702,308
Subtotal OFPC Mgd	\$ 159,930,000	37,826,742
Subtotal U. T. Arlington	\$ 186,130,000	54,018,192
<u>The University of Texas at Austin</u>		
<i>Institutionally Managed</i>		
Chilling Station Replacement	\$ 40,900,000	33,614,940
Energy Efficiency and Conservation - Phase I	17,500,000	13,862,404
Painter Hall - Mechanical System Upgrades/Space Renovation	6,300,000	0
Patterson Hall Laboratory and Life Safety Renovations	4,725,000	2,324,700
Regional Data Center Study	500,000	0
Utility Infrastructure Projects - Phase II	49,500,000	31,741,825
Subtotal Inst Mgd	\$ 119,425,000	81,543,859
<i>OFPC Managed</i>		
Art Building and Museum Renovation	\$ 3,500,000	2,391,188
AT&T Executive Education and Conference Center	131,300,000	79,308,921
Battle Hall Complex, Renovation	15,000,000	325,940

	CIP Project Cost Total	FY 2008-2009 Proj. Exp. Total
Biomedical Engineering Building	\$ 57,100,000	33,990,310
College of Communication Building-New	45,000,000	10,572,599
Darrell K Royal - Texas Memorial Stadium Expansion	176,537,000	59,067,782
Dell Computer Science Hall	67,000,000	7,857,172
Elementary Charter School Permanent Facility	19,000,000	14,958,350
Experimental Science Building / Vivarium / Phase 1 – Robert A. Welch H	175,000,000	46,757,310
Garrison Hall Renovations	11,440,000	4,424,142
Geology Building Addition	500,000	42,234
H. J. Lutcher Stark Center for Physical Culture and Sports	5,500,000	5,012,597
Hogg Auditorium Renovation	15,000,000	5,113,750
Jack S. Blanton Museum of Art - Phase I and II	88,500,000	21,571,207
LBJ Library Plaza, Lady Bird Johnson Center and LBJ School Renovations	47,250,000	33,416,941
Library and Artifact High-Density Repository	3,550,000	3,230,646
Littlefield Home and Carriage House Renovations	15,000,000	1,499,068
Marine Science Institute Wetlands Education Center	5,000,000	338,346
Performing Arts Center Infrastructure Upgrades - Phase I and II	14,700,000	12,195,000
Phase 2 - Robert A. Welch Hall	25,000,000	6,148,358
Renovation of John W. Hargis Hall with Visitor Center	3,500,000	3,053,508
Renovations to UFCU Disch-Falk Field	26,500,000	13,336,719
Research Office Complex	34,694,000	3,709,389
San Antonio Garage Additional Parking Levels	8,500,000	7,351,557
School of Nursing Addition	4,000,000	3,647,505
Speedway Mall North of 21st Street and East Mall/East Mall Fountain, P	12,000,000	10,483,956
Student Activity Center	44,000,000	9,946,447
The Dell Pediatric Research Institute, The University of Texas at Aus	97,000,000	74,189,576
UT Administration Building Renovations	33,000,000	0
Subtotal OFPC Mgd	\$ 1,184,071,000	473,940,518
Subtotal U. T. Austin	\$ 1,303,496,000	555,484,387

The University of Texas at Brownsville

OFPC Managed

	CIP Project Cost Total	FY 2008-2009 Proj. Exp. Total
Science and Technology Learning Center	\$ 33,800,000	7,290,313
The Village at Fort Brown - Phase II	17,000,000	12,935,727
Subtotal OFPC Mgd	\$ 50,800,000	20,226,040
Subtotal U. T. Brownsville	\$ 50,800,000	20,226,040

The University of Texas at Dallas

Institutionally Managed

Campus Fire and Life Safety Improvements and Campus Infrastructure Upg	\$ 7,726,000	4,123,273
Major Renovation and Repair Projects	2,408,000	0
Service Compound	5,132,000	131,966
Waterview Science and Technology Center	2,950,000	611,430
Subtotal Inst Mgd	\$ 18,216,000	4,866,669

OFPC Managed

Campus Landscape Enhancement Project	\$ 10,000,000	9,133,493
Center for BrainHealth Second Floor Renovation	5,000,000	4,119,230
Founders Renovation	27,793,750	12,443,048
Frances and Mildred Goad Building	15,317,500	0
Math, Science and Engineering Teaching-Learning Center	27,000,000	8,243,021
Natural Science and Engineering Research Laboratory	85,000,000	0
Power Distribution Upgrade Study	175,000	111,382
Student Housing Living/Learning Center	37,800,000	27,064,037
Student Services Building	27,500,000	11,018,140
Vivarium and Experimental Space	15,000,000	12,871,782
Subtotal OFPC Mgd	\$ 250,586,250	85,004,133
Subtotal U. T. Dallas	\$ 268,802,250	89,870,802

The University of Texas at El Paso

Institutionally Managed

Build out of the Upper Floors of Kelly Hall	\$ 2,400,000	1,978,686
Union West Renovations - 2nd Floor	1,000,000	904,771
Subtotal Inst Mgd	\$ 3,400,000	2,883,457

	CIP Project Cost Total	FY 2008-2009 Proj. Exp. Total
<i>OFPC Managed</i>		
Bioscience Research Building	\$ 41,500,000	33,515,400
Physical Sciences / Engineering Core Facility	83,800,000	32,242,038
Science and Engineering Core Facilities Upgrade	28,000,000	4,521,702
Swimming and Fitness Center-Phase II	32,000,000	3,533,617
The Paul Foster and Jeff Stevens Basketball Complex	13,000,000	11,259,947
University Bookstore	5,900,000	5,016,000
Subtotal OFPC Mgd	\$ 204,200,000	90,088,704
Subtotal U. T. El Paso	\$ 207,600,000	92,972,161
 <u>The University of Texas - Pan American</u>		
<i>Institutionally Managed</i>		
New Chiller	\$ 1,200,000	321,465
Old Computer Center Renovation	2,000,000	1,835,484
Student Health Clinic	1,500,000	222,561
Subtotal Inst Mgd	\$ 4,700,000	2,379,510
 <i>OFPC Managed</i>		
Business Administration Addition and Renovation	\$ 15,500,000	3,467,062
Fine Arts Academic and Performance Complex	49,745,000	18,348,468
Research Facility	16,400,000	5,679,845
Starr County Upper Level Center	7,500,000	5,377,988
Wellness and Recreation Sports Complex	25,687,153	5,590,733
Subtotal OFPC Mgd	\$ 114,832,153	38,464,096
Subtotal U. T. Pan American	\$ 119,532,153	40,843,606
 <u>The University of Texas of the Permian Basin</u>		
<i>OFPC Managed</i>		
Science and Technology Complex	\$ 56,000,000	24,767,731
Student Housing Phase IV	6,160,000	1,347,733
Student Multipurpose Center	12,000,000	2,420,952

	CIP Project Cost Total	FY 2008-2009 Proj. Exp. Total
The Wagner Noel Performing Arts Center	\$ 66,000,000	16,531,490
Subtotal OFPC Mgd	\$ 140,160,000	45,067,906
Subtotal U. T. Permian Basin	\$ 140,160,000	45,067,906

The University of Texas at San Antonio

Institutionally Managed

Campus Roadway and Parking Improvements	\$ 4,510,000	1,451,400
Expansion to Parking Lot 12	2,000,000	1,692,000
Monterey Building Renovations	2,700,000	1,047,794
Renovation of Physical Plant Building	3,436,000	2,388,280
Surface Parking - West Campus	2,600,000	2,368,344
Subtotal Inst Mgd	\$ 15,246,000	8,947,818

OFPC Managed

Combined Science Facility Renovations - 1604 Campus	\$ 22,500,000	16,740,219
Engineering Building, Phase II	82,500,000	55,295,407
Laurel Village at UTSA	44,182,000	32,300,625
Recreation and Wellness Facilities, Phase II	45,700,000	18,038,232
Thermal Energy Plant No. 2/Garage	30,025,000	18,105,527
University Center Expansion, Phase III	33,300,000	25,429,522
Subtotal OFPC Mgd	\$ 258,207,000	165,909,532
Subtotal U. T. San Antonio	\$ 273,453,000	174,857,350

The University of Texas at Tyler

OFPC Managed

Bill Ratliff Engineering and Science Complex	\$ 34,850,000	0
Completion/Renovation /Expansion for Engineering and Sciences	49,300,000	37,652,932
Mr. and Mrs. Joseph Z. Ornelas Residence Hall	16,884,000	0
Palestine Campus Expansion	7,000,000	5,629,354
University Center Renovation/Expansion (Phase I)	15,300,000	11,611,241
Subtotal OFPC Mgd	\$ 123,334,000	54,893,527

	CIP Project Cost Total	FY 2008-2009 Proj. Exp. Total
Subtotal U. T. Tyler	\$ 123,334,000	54,893,527

Total Academic Institutions	\$ 2,673,307,403	1,128,233,971
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Health Institutions

The University of Texas Southwestern Medical Center at Dallas

Institutionally Managed

Biotechnology Development Complex	\$ 46,100,000	40,327,479
Central Pathology Laboratory	4,000,000	3,534,634
Clements Building Finish-Out	14,600,000	12,901,415
Expand Physical Plant Department	3,330,000	2,953,188
North Campus High Voltage Substation	8,500,000	206,457
South Campus Utility Improvements	13,635,000	11,044,350
Subtotal Inst Mgd	\$ 90,165,000	70,967,523

OFPC Managed

Hazardous Waste Handling Facility	\$ 3,900,000	2,173,282
Laboratory Research and Support Building	36,600,000	20,553,695
Subtotal OFPC Mgd	\$ 40,500,000	22,726,977

OFPC Monitored

Biotechnology Development Complex Phase 2	\$ 55,320,000	302,234
Clinical Campus Phase 2	360,000,000	26,661,386
North Campus Phase 5	156,000,000	45,625,254
Outpatient Building Finish-Out	68,600,000	185,684

Subtotal OFPC Mon	\$ 639,920,000	72,774,558
Subtotal U. T. S.M.C. Dallas	\$ 770,585,000	166,469,058

The University of Texas Medical Branch at Galveston

Institutionally Managed

Basic Science Renovation	\$ 8,600,000	231,631
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	CIP Project Cost Total	FY 2008-2009 Proj. Exp. Total
Blocker Burn Unit Renovation	\$ 6,000,000	5,365,714
Diagnostic Imaging, Equipment and Infrastructure	60,000,000	7,792,053
Labor and Delivery Renovation	8,000,000	7,154,286
Linear Accelerator Replacement	5,000,000	2,122,536
Rebecca Sealy Hospital Renovation	9,850,000	8,095,530
Sprinkler System Installation for Patient Care Areas	5,000,000	4,600,000
Utility Production Equipment	15,000,000	1,107,143
Subtotal Inst Mgd	\$ 117,450,000	36,468.893
<i>OFPC Managed</i>		
1108 Strand Renovation	\$ 9,800,000	32,566
Galveston National Laboratory	173,671,123	82,105,794
Jennie Sealy Hospital Replacement	250,000,000	10,606,459
Library Facilities Upgrade	8,900,000	314,830
Research Facilities Expansion	77,180,000	62,759,526
Student Housing	10,000,000	1,307,071
TDCJ Hospital Cladding and Security Systems	10,400,000	1,452,598
Subtotal OFPC Mgd	\$ 539,951,123	158,578.844
Subtotal U. T. M.B. Galveston	\$ 657,401,123	195,047.737

The University of Texas Health Science Center at Houston

Institutionally Managed

Expansion of RAHC Public Health Satellite	\$ 4,200,000	2,733,051
Expansion of School of Health Information Sciences	3,000,000	1,476,000
Repair of the Medical School Building, Phase I	60,808,102	0
Subtotal Inst Mgd	\$ 68,008,102	4,209.051

OFPC Managed

Campus Parking Garage, Phase I, South Campus	\$ 7,500,000	4,293,750
Fayez S. Sarofim Research Building	112,170,000	0
Replacement Research Facility	80,530,000	0
UT Research Park Complex	161,500,000	53,907,891
Subtotal OFPC Mgd	\$ 361,700,000	58,201.641

	CIP Project Cost Total	FY 2008-2009 Proj. Exp. Total
Subtotal U. T. H.S.C. Houston	\$ 429,708,102	62,410,692

The University of Texas Health Science Center at San Antonio

Institutionally Managed

Medical School Sprinkler Installation	\$ 3,200,000	2,747,774
MEP Upgrades, Phase I	1,922,029	0
Subtotal Inst Mgd	\$ 5,122,029	2,747,774

OFPC Managed

Academic and Clinical Research Building	\$ 25,433,000	7,537,416
Academic Building	12,700,000	4,612,105
Cyclotron Addition	4,400,000	2,865,432
Emergency, Fire and Safety Initiative, Phase I	8,900,000	4,623,993
Medical Arts and Research Center	95,000,000	75,723,044
South Texas Research Facility	150,000,000	29,121,595
Subtotal OFPC Mgd	\$ 296,433,000	124,483,585
Subtotal U. T. H.S.C. San Antonio	\$ 301,555,029	127,231,359

The University of Texas M. D. Anderson Cancer Center

Institutionally Managed

Administrative Support Building - Phase 1	\$ 194,695,000	43,712,150
Administrative Support Building - Phase 2	30,976,000	2,542,486
Administrative Support Building - Phase 3	20,031,000	185,920
Alkek Expansion	293,200,000	59,251,806
Alkek Expansion - Renovations to Existing Facility	68,000,000	0
American Disabilities Act Upgrades	18,400,000	7,556,837
Backfill Phase III	91,600,000	21,420,308
Basic Science Research Building Two	254,800,000	0
Bastrop Facility Strategic Plan	50,000,000	33,936,170
Bastrop Facility Strategic Plan Phase 2	20,000,000	1,551,457
BF/BRB Infrastructure Repairs Beyond 2011	10,000,000	0
Braeswood Parking Garage	43,500,000	33,930,000

	CIP Project Cost Total	FY 2008-2009 Proj. Exp. Total
Center for Advanced Biomedical Imaging Research (Buildout)	\$ 44,060,000	18,290,698
Center for Advanced Biomedical Imaging Research Building	88,000,000	54,503,808
Center for Targeted Therapy Research Building	95,400,000	26,660,883
CRR Renovation Budget FY2008-2009	14,290,000	6,980,342
Data Center Expansion	20,000,000	2,074,033
Demolish OST Buildings	4,000,000	136,370
Diagnostic and Treatment Building	190,030,000	14,189,550
Energy Management Projects Phase II	15,500,000	4,650,074
Extended Stay Motel	10,000,000	1,614,894
Exterior Cladding Main Campus	7,700,000	1,515,899
Future Emergency Management Projects	20,000,000	2,378,217
Garage 10 Expansion	30,900,000	3,126,189
Garage 5 Demolition	1,000,000	769,774
Guhn Road Data Center Renovation	5,000,000	4,376,190
HMB Demolition and Infrastructure	10,000,000	4,024,444
Legacy North Building	300,000,000	2,073,879
Main Building Utility Plan - Phase 2	20,000,000	177,876
Main Building Utility Plan - Phase I	6,750,000	840,959
Main Campus Hazardous Waste Storage Facility	3,240,000	1,679,025
Materials Management	11,276,000	2,110,592
Mid Campus Parking Facility	32,500,000	7,837,253
Mid-Campus Infrastructure	16,600,000	14,832,811
MSI Building Demolition	2,500,000	0
Pawnee Infrastructure Development	4,000,000	2,072,872
Pawnee Warehouse #2	5,000,000	673,237
People Mover	80,000,000	8,499,009
Pressler Garage One Expansion	5,200,000	0
Pressler No. 2 Garage	16,700,000	0
Redevelopment - Phase I	56,000,000	13,918,270
Redevelopment - Phase II	53,300,000	0
Research Lab Renovations	25,000,000	7,429,392
Research Recruitment Renovations	25,000,000	1,108,974

	CIP Project Cost Total	FY 2008-2009 Proj. Exp. Total
RHI Renovations and Repairs	\$ 18,200,000	2,606,146
ROC Replacement	6,027,000	5,526,795
Roof Replacement Program - Bates Freeman, AC, New Clark, Gimbel	4,000,000	0
Rotary House International Phase III	55,800,000	16,697,294
Satellite Facilities	14,980,000	3,415,212
Smithville Facility Strategic Plan	60,500,000	17,945,840
South Campus Hazardous Waste and Chemical Storage Facilities	2,670,000	467,250
South Campus Parking Garage 2	9,860,000	7,921,381
South Campus Parking Garage 3	10,000,000	1,808,696
South Campus Research and Technical Support Center	100,000,000	24,114,624
South Campus Vivarium Facility	45,000,000	32,520,097
South Campus Vivarium Imaging Facility	4,000,000	3,680,000
SRB Exhaust Fans	2,250,000	781,482
T. Boone Pickens Academic Tower	167,200,000	92,842,937
Transfusion Medicine Relocation	3,225,000	2,941,967
UTRP Central Utility Plant 2	30,000,000	9,666,831
UTRP Electric Reliability	5,000,000	2,112,121
UTRP Utilities and Maintenance Facilities - Phase 2	10,000,000	3,418,750
UTRP Utilities and Maintenance Facilities - Phase I	20,000,000	14,460,927
Subtotal Inst Mgd	\$ 2,882,860,000	655,560,998
Subtotal U. T. M. D. A.C.C.	\$ 2,882,860,000	655,560,998

The University of Texas Health Center at Tyler

Institutionally Managed

Campus Electrical Distribution System Upgrade and Expansion	\$ 950,000	860,823
Subtotal Inst Mgd	\$ 950,000	860,823

OFPC Managed

Academic Center	\$ 23,121,000	6,098,164
Subtotal OFPC Mgd	\$ 23,121,000	6,098,164
Subtotal U. T. H.C. Tyler	\$ 24,071,000	6,958,987

	CIP Project Cost Total	FY 2008-2009 Proj. Exp. Total
Total Health Institutions	\$ 5,066,180,254	1,213,678,831
Total Major Construction Projects	\$ 7,739,487,657	2,341,912,802

Note: The Specialty Care Center at Victory Lakes project at U. T. Medical Branch – Galveston has been deleted from the CIP.

THE UNIVERSITY OF TEXAS SYSTEM
FY 2008-2013 Capital Improvement Program

Attachment 2

PROJECTS REDESIGNATED IN THIS CIP

<u>Institution</u>	<u>Previously Approved Project Name</u>	<u>Redesignated Project Name</u>
<u>UT Arlington</u>	Engineering Lab Building Addition, Engineering Research Building, and Expansion of Engineering Research Building combined	Engineering Research Complex
<u>UT Austin</u>	LBJ Plaza Renovation/Lady Bird Johnson Center	LBJ Library Plaza, Lady Bird Johnson Center and LBJ School Renovations
	1616 Guadalupe Regional Data Center Study	Regional Data Center Study
	The University of Texas Executive Education and Conference Center	AT&T Executive Education and Conference Center
<u>UT Pan American</u>	Animal Research Facility	Research Facility
<u>UT Permian Basin</u>	Arts, Convocation, and Classroom Facility at CEED	The Wagner Noël Performing Arts Center
<u>UT SWMC - Dallas</u>	Ambulatory Clinic Building and Parking Garage	Outpatient Building Finish-Out
<u>UTMB - Galveston</u>	TDCJ Hospital Cladding Restoration	TDCJ Hospital Cladding and Security Systems
<u>UTHSC - Houston</u>	Research Park Complex	UT Research Park Complex
<u>UTMDACC</u>	Faculty Center Tower	T. Boone Pickens Academic Tower
	HMB Demolition	HMB Demolition and Infrastructure
	New Patient Care Facilities and Parking (Part A and B)	Legacy North Building
	Mid-Campus Central Parking Facility	Mid Campus Parking Facility
	UT Research Park Garage 2	South Campus Parking Garage 2
	UT Research Park Garage 3	South Campus Parking Garage 3
	UTRP Utilities and Maintenance Facilities (split into phases)	UTRP Utilities and Maintenance Facilities - Phase 1 UTRP Utilities and Maintenance Facilities - Phase 2

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**The University of Texas System
Fiscal Years 2008-2009 Capital Budget Repair and Rehabilitation Projects**

Attachment 3

	<u>Previously Approved Projects</u>			<u>New Projects</u>	<u>Total Projects</u>
	Current Appropriations	Deleted or Reduced Appropriations	New or Additional Appropriations	Appropriations For Projects Initiated in the Capital Budget	Capital Budget Total Project Costs
UT Arlington					
Arlington Regional Data Center Electrical Upgrade (IM)				2,800,000	2,800,000
Energy Performance Contract (IM)	18,000,000				18,000,000
Maverick Activities Center	34,500,000				34,500,000
Subtotal	52,500,000			2,800,000	55,300,000
UT Austin					
Art Building and Museum Renovation			3,500,000		3,500,000
Battle Hall Complex, Renovation				15,000,000	15,000,000
Darrell K Royal-Texas Memorial Stadium Expansion	176,537,000				176,537,000
Energy Efficiency and Conservation - Phase I (IM)	17,500,000				17,500,000
Garrison Hall Renovations	11,440,000				11,440,000
Geology Building Addition				500,000	500,000
H. J. Lutcher Stark Center for Physical Culture and Sports	5,500,000				5,500,000
Hogg Auditorium Renovation	15,000,000				15,000,000
LBJ Library Plaza, Lady Bird Johnson Center and LBJ School Renovations	47,250,000				47,250,000
Littlefield Home and Carriage House Renovations				15,000,000	15,000,000
Painter Hall - Mechanical System Upgrades/Space Renovations (IM)	6,300,000				6,300,000
Patterson Hall Laboratory and Life Safety Renovations (IM)	4,725,000				4,725,000
Performing Arts Center Infrastructure Upgrades - Phase I and II	14,700,000				14,700,000
Phase 2 - Robert A. Welch Hall*	25,000,000	(25,000,000)	25,000,000		25,000,000
Renovation of John W. Hargis Hall with Visitor Center	3,500,000				3,500,000
Renovations to UFCU Disch-Falk Field	26,500,000				26,500,000
School of Nursing Addition	4,000,000				4,000,000
Speedway Mall North of 21st St. & East Mall/East Mall Fountain	12,000,000				12,000,000
UT Administration Building Renovations (IM)				33,000,000	33,000,000
Utility Infrastructure Projects - Phase II (IM)	49,500,000				49,500,000
Subtotal	419,452,000	(25,000,000)	28,500,000	63,500,000	486,452,000
UT Dallas					
Campus Fire and Life Safety Improvements and Campus Infrastructure Upgrade (IM)	7,726,000				7,726,000
Campus Landscape Enhancement Project	10,000,000				10,000,000
Founders Renovation	27,793,750				27,793,750
Frances and Mildred Goad Building	15,317,500				15,317,500
Major Renovation and Repair Projects (IM)	2,408,000				2,408,000
Power Distribution Upgrade Study	175,000				175,000
Vivarium and Experimental Space	15,000,000				15,000,000
Waterview Science and Technology Center (IM)	2,950,000				2,950,000
Subtotal	81,370,250				81,370,250

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**The University of Texas System
Fiscal Years 2008-2009 Capital Budget Repair and Rehabilitation Projects**

Attachment 3

	<u>Previously Approved Projects</u>			<u>New Projects</u>	<u>Total Projects</u>
	Current Appropriations	Deleted or Reduced Appropriations	New or Additional Appropriations	Appropriations For Projects Initiated in the Capital Budget	Capital Budget Total Project Costs
<u>UT El Paso</u>					
Build out of the Upper Floors of Kelly Hall (IM)	2,400,000				2,400,000
Sciences and Engineering Core Facilities Upgrade	28,000,000				28,000,000
Union West Renovations - 2nd Floor (IM)	1,000,000				1,000,000
Subtotal	31,400,000				31,400,000
<u>UT Pan American</u>					
Old Computer Center Renovation (IM)				2,000,000	2,000,000
Subtotal				2,000,000	2,000,000
<u>UT San Antonio</u>					
Campus Roadway and Parking Improvements (IM)	4,510,000				4,510,000
Combined Science Facility Renovations - 1604 Campus	22,500,000				22,500,000
Expansion to Parking Lot 12 (IM)	1,500,000		500,000		2,000,000
Monterey Building Renovation (IM)	2,700,000				2,700,000
Renovation of Physical Plant Building (IM)	3,436,000				3,436,000
Surface Parking - West Campus (IM)				2,600,000	2,600,000
Subtotal	34,646,000		500,000	2,600,000	37,746,000
<u>UT Tyler</u>					
Completion/Renovation/Expansion for Engineering, Science and Technology Building	49,300,000				49,300,000
University Center Renovations/Expansion	15,300,000				15,300,000
Subtotal	64,600,000				64,600,000
<u>UT Southwestern Medical Center - Dallas</u>					
Central Pathology Laboratory (IM)				4,000,000	4,000,000
Clements Building Finish-Out (IM)				14,600,000	14,600,000
South Campus Utility Improvements (IM)				13,635,000	13,635,000
Subtotal				32,235,000	32,235,000
<u>UTMB Galveston</u>					
1108 Strand Renovation	9,800,000				9,800,000
Basic Science Renovation (IM)	6,000,000		2,600,000		8,600,000
Blocker Burn Unit Renovation (IM)				6,000,000	6,000,000
Diagnostic Imaging, Equipment and Infrastructure (IM)				60,000,000	60,000,000
Labor and Delivery Renovation (IM)				8,000,000	8,000,000
Library Facilities Upgrade	7,900,000		1,000,000		8,900,000
Linear Accelerator Replacement (IM)				5,000,000	5,000,000
Rebecca Sealy Hospital Renovation (IM)√	9,850,000	(4,000,000)	4,000,000		9,850,000
Research Facilities Expansion	77,180,000				77,180,000

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**The University of Texas System
Fiscal Years 2008-2009 Capital Budget Repair and Rehabilitation Projects**

Attachment 3

	<u>Previously Approved Projects</u>			<u>New Projects</u>	<u>Total Projects</u>
	Current Appropriations	Deleted or Reduced Appropriations	New or Additional Appropriations	Appropriations For Projects Initiated in the Capital Budget	Capital Budget Total Project Costs
Sprinkler System Installation for Patient Care Areas (IM)				5,000,000	5,000,000
TDCJ Hospital Cladding and Security Systems (IM)•	6,560,000	(6,560,000)	10,400,000		10,400,000
Utility Production Equipment (IM)				15,000,000	15,000,000
Subtotal	117,290,000	(10,560,000)	18,000,000	99,000,000	223,730,000
<u>UT HSC Houston</u>					
Expansion of School of Health Information Sciences (IM)	3,000,000				3,000,000
Repair of the Medical School Building, Phase I (IM)	60,808,102				60,808,102
Subtotal	63,808,102				63,808,102
<u>UTHSC San Antonio</u>					
Emergency , Fire and Safety Initiative, Phase I	8,900,000				8,900,000
Medical School Sprinkler Installation (IM)	3,200,000				3,200,000
MEP Upgrades, Phase I (IM)	1,922,029				1,922,029
Subtotal	14,022,029				14,022,029
<u>UTMDACC</u>					
Administrative Support Building - Phase 2 (IM)	30,976,000				30,976,000
Administrative Support Building - Phase 3 (IM)				20,031,000	20,031,000
Alkek Expansion - Renovations to Existing Facility (IM)				68,000,000	68,000,000
American Disabilities Act Upgrades (IM)	18,400,000				18,400,000
Backfill Phase III (IM)	91,600,000				91,600,000
BF/BRB Infrastructure Repairs Beyond 2011 (IM)				10,000,000	10,000,000
Center for Advanced Biomedical Imaging Research (Buildout)				44,060,000	44,060,000
CRR Renovation Budget FY 2008-2009 (IM)				14,290,000	14,290,000
Demolish OST Building (IM)				4,000,000	4,000,000
Energy Management Projects Phase II (IM)	15,500,000				15,500,000
Exterior Cladding Main Campus (IM)	10,000,000	(2,300,000)			7,700,000
Future Emergency Management Projects (IM)				20,000,000	20,000,000
Garage 5 Demolition (IM)				1,000,000	1,000,000
Guhn Road Data Center Renovation (IM)	5,000,000				5,000,000
HMB Demolition and Infrastructure (IM)	10,000,000				10,000,000
Main Building Utility Plan - Phase I (IM)				6,750,000	6,750,000
Main Building Utility Plan - Phase 2 (IM)				20,000,000	20,000,000
MSI Building Demolition (IM)	3,000,000	(500,000)			2,500,000
Pawnee Infrastructure Development				4,000,000	4,000,000
Redevelopment-Phase I (IM)	56,000,000				56,000,000
Redevelopment-Phase II (IM)				53,300,000	53,300,000
Research Lab Renovations (IM)	25,000,000				25,000,000
Research Recruitment Renovations (IM)				25,000,000	25,000,000
RHI Renovations and Repairs (IM)				18,200,000	18,200,000
Roof Replacement Program Gimbel, Bates Freeman, AC, New Clark, Gimbel(IM)	4,000,000				4,000,000

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**The University of Texas System
Fiscal Years 2008-2009 Capital Budget Repair and Rehabilitation Projects**

Attachment 3

	<u>Previously Approved Projects</u>			<u>New Projects</u>	<u>Total Projects</u>
	Current Appropriations	Deleted or Reduced Appropriations	New or Additional Appropriations	Appropriations For Projects Initiated in the Capital Budget	Capital Budget Total Project Costs
South Campus Vivarium Facility (IM)	45,000,000				45,000,000
South Campus Vivarium Imaging Facility (IM)				4,000,000	4,000,000
SRB Exhaust Fans (IM)				2,250,000	2,250,000
Transfusion Medicine Relocation (IM)				3,225,000	3,225,000
UTRP Electric Reliability (IM)				5,000,000	5,000,000
Subtotal	283,500,000	(2,800,000)		323,106,000	634,782,000
<u>UTHC - Tyler</u>					
Campus Electrical Distribution System Upgrade and Expansion (IM)	950,000				950,000
Subtotal	950,000				950,000
Totals	1,163,538,381	(38,360,000)	47,000,000	525,241,000	1,728,395,381

(IM) - Institutionally Managed

*changed funding source from previously appropriated RFS to Gifts

√changed funding source from previously appropriated Gifts to Hospital Revenues

•changed funding source from previously appropriated Hospital Revenues to Grants and increased TPC

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Approval of Revenue Financing System Debt
For Certain Construction and Repair and Rehabilitation Projects in the FY 2008-2013 Capital Improvement Program

Institution	Project	Type 1/	Total Project Cost	Amount of RFS or TRB	Type of Debt	Institution DSC 2/
U. T. Arlington	Arlington Regional Data Center Electrical Upgrade (IM)	R&R	2,800,000	1,300,000	RFS	
U. T. Austin	UT Administration Building Renovations	R&R	33,000,000	18,000,000	RFS	
U. T. San Antonio	Expansion to Parking Lot 12 Surface Parking - West Campus (IM)	R&R/Inc	2,000,000	500,000	RFS	
		R&R	2,600,000	2,600,000	RFS	
U. T. Medical Branch - Galveston	Basic Science Renovation Library Facilities Upgrade	R&R/Inc	8,600,000	2,600,000	RFS	
		R&R/Inc	8,900,000	1,000,000	RFS	
Total			57,900,000	26,000,000		

1/ IM = Institutionally Managed; R&R = Repair and Rehabilitation; INC = Increase in RFS Debt.

2/ Institutional Debt Service Coverage ("DSC") is net revenue divided by debt service. TRB DSC is based on the U. T. System's combined financial forecast.

**Request to Amend the University of Texas System
FY 2008-2013 Capital Improvement Program and FY 2008-2009 Capital Budget**

Attachment 5

Existing CIP Projects to Receive Modified Funding and/or Revised Project Cost

Project Name	Existing TPC	Adds	New TPC	Existing Funding (In millions)					New/Additional Funding (In millions)				
				RFS	TRB	Gifts	Grants	Hosp. Rev.	RFS	TRB	Gifts	Grants	Hosp. Rev.
<u>UT Medical Branch - Galveston</u> Galveston National Laboratory	173,671,123		173,671,123		57.00	1.57	115.10			57.00		116.67	
<u>UTMD Anderson Cancer Center</u> Smithville Facility Strategic Plan	26,000,000	34,500,000	60,500,000					26.00					60.50
T. Boone Pickens Academic Tower	145,000,000	22,200,000	167,200,000	80.00				65.00	80.00				87.20
Totals	344,671,123	56,700,000	401,371,123	80.00	57.00	1.57	115.10	91.00	80.00	57.00	0.00	116.67	147.70

10. U. T. System: Approval of the nonpersonnel aspects of the operating budgets for the fiscal year ending August 31, 2008, and Permanent University Fund (PUF) Bond Proceeds allocation for Library, Equipment, Repair and Rehabilitation (LERR) Projects for FY 2008

Chairman Huffines remarked that a revised Agenda Item concerning the nonpersonnel aspects of the operating budgets for the fiscal year ending August 31, 2008, and Permanent University Fund (PUF) Bond Proceeds allocation for Library, Equipment, Repair and Rehabilitation (LERR) Projects for FY 2008 was before the Board on yellow paper. The amount of \$4,083,000 for the purchase of enterprise compliance and configuration manager (ECCM) software and maintenance was deferred.

Chairman Huffines added that in reviewing the proposed budget, the Board

- has had the benefit of input from the Special Compensation Committee, a new process started in 2007,
- has also reviewed lists showing compensation for the 10 most highly compensated individuals at each institution, and
- has reviewed compensation proposals related to individuals covered by the Board's policy on determining and documenting the reasonableness of compensation.

He noted that approval of the budget includes approval of the personnel issues as summarized in the budget supplement titled Operating Budget Summaries and Reserve Allocations for Library, Equipment, Repair and Rehabilitation, including the appointment of emeritus faculty at The University of Texas - Pan American.

Chairman Huffines also said he has asked Chancellor Yudof to evaluate current University of Texas System Administration space and lease needs and to report back to the Board next spring, by February if possible, on a long-term plan for U. T. System Administration space needs.

Regent Rowling then moved that the U. T. System Operating Budgets for the fiscal year ending August 31, 2008, including the compensation for those individuals requiring Board approval as recommended to and considered by the Board in Executive Session yesterday (August 22), and Auxiliary Enterprises, Grants and Contracts, Designated Funds, Restricted Current Funds, and Medical and Dental Services, Research and Development Plans be approved, with delegation to the Chancellor to authorize new or extended deferred compensation agreements, with the concurrence of the appropriate Executive Vice Chancellor, consistent with the Board's discussion in Executive Session.

Approval of the budget for Fiscal Year 2008 includes the appropriation of \$30 million of Permanent University Fund (PUF) Bond Proceeds to fund LERR projects and \$3.5 million for the North Texas Student Information System (SIS) Pilot Project.

Further, LERR appropriations not expended or obligated by contract or purchase order within six months after the close of Fiscal Year 2008 are to be available for future System-wide reallocation.

Additionally, the Chancellor was authorized to make editorial corrections therein and subsequent adjustments will be reported to the U. T. System Board of Regents through the docket.

Regent Estrada seconded the motion, which carried by acclamation. Regent Caven was recorded as abstaining from vote on the portion of the budget related to the U. T. System Audit Office.

The U. T. System operating budgets are a part of the official copy of the Minutes and are made a part of the record of this meeting.

See the Executive Session item related to the personnel aspects of the U. T. System Operating Budget (Item 1b on Page 2). Approved salaries for U. T. System Executive Officers and Presidents are set forth on Pages 45 - 53.

In presenting initiatives proposed for the U. T. System Administration budget, Chancellor Yudof highlighted new sites for the UTeach program, additional student assessment in technological skills, increased participation in the student learning assessment, a director of community college initiatives, a travel safety consultant, and initiatives related to assist campus development services and an academic leadership institute (see description on Page 6.40 of the Agenda Book).

Vice Chairman Krier requested clarification on the additional 80 full-time equivalent (FTE) positions for U. T. System Administration, noting that Chancellor Yudof had earlier stated the U. T. System Administration employee level had remained at approximately the same number of employees as five years ago (see Chancellor Yudof's remarks on highlights from the past five years in Item 1 on Page 7). Chancellor Yudof explained his statement referred to administrative positions paid from Available University Funds (AUF) as opposed to positions funded by other sources, for example, grants. Associate Vice Chancellor Wallace pointed out that the 12.5 new positions for U. T. System Administration are included in the 260.9 FTEs (Slide 20) and the 80 new positions for self-supporting

departments were part of the 531.1 FTEs, and not part of the 792 FTEs included in Slide 16 on Page 6.23 of the Supplemental Materials (Volume 2) of the Agenda Book. (The [revised PowerPoint](#) is on file in the Office of the Board of Regents.) Chancellor Yudof noted the 80 new positions will be paid from fees or state or federal grants.

The operating budget of \$10.7 billion System-wide represents an increase of \$656 million (6.6%) over FY 2007 primarily due to increased investments in education, research and healthcare.

The \$30 million for LERR Projects for Fiscal Year 2008 authorizes the purchase of approved equipment items and library materials and to contract for repair and rehabilitation projects following standard purchasing and contracting procedures within approved dollar limits. Substitute equipment purchases or repair and rehabilitation projects are to receive prior approval by the Chancellor, the appropriate Executive Vice Chancellor and, where required, the U. T. System Board of Regents. Transfers by U. T. System Administration of allocated funds to institutional control or to vendors will coincide with vendor payment requirements. Final approval of specific repair and rehabilitation projects will be in accordance with procedures for construction projects established by the U. T. System Board of Regents.

An additional \$3,500,000 in PUF Bond Proceeds is for the North Texas Student Information System Pilot Project. This was a supplemental request to the \$8,000,000 approved by the Board on October 4, 2006. The object of the project is to achieve cost savings through economies of scale, process improvements attained through standardization, universal application of institutionally preferred practices, improved and more consistent reporting, and the improvement of services for students, faculty, and staff. This supplement provides necessary funds for services identified during the vendor bid reviews, inclusion of upgrade implementation services for The University of Texas at Arlington, and assistance to The University of Texas at Tyler for their portion of the implementation.

Compensation for Academic Presidents

THE UNIVERSITY OF TEXAS SYSTEM

SALARIES OF THE ACADEMIC INSTITUTION PRESIDENTS

Approved for Fiscal Year Ending August 31, 2008

	Approved 2007 Rate	Approved 2008 Rate	Dollar Increase	Percentage Increase
ACADEMIC INSTITUTION PRESIDENTS				
U.T. Arlington				
<i>James Spaniolo</i>				
Salary Rate	\$ 370,000	389,000	19,000	5.1%
Deferred Compensation	-	-	-	-
Total Compensation	\$ 370,000	389,000	19,000	5.1%
U.T. Austin				
<i>William C. Powers, Jr.</i>				
Salary Rate	\$ 552,500	577,500	25,000	4.5%
Deferred Compensation	-	50,000	50,000	-
Total Compensation	\$ 552,500	627,500	75,000	13.6%
U.T. Brownsville				
<i>Juliet V. Garcia</i>				
Salary Rate	\$ 275,263	286,274	11,011	4.0%
Deferred Compensation**	25,000	25,000	-	0.0%
Sub-Total Compensation	\$ 300,263	311,274	11,011	3.7%
One-time Merit	15,000	-	-15,000	
Total Compensation	\$ 315,263	311,274	-3,989	-1.3%

Note: All Presidents are paid \$65,945 from General Revenue and the difference is paid from other institutional fund sources

**Vests 8/31/2008

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Compensation for Academic Presidents

THE UNIVERSITY OF TEXAS SYSTEM

SALARIES OF THE ACADEMIC INSTITUTION PRESIDENTS

Approved for Fiscal Year Ending August 31, 2008

	Approved 2007 Rate	Approved 2008 Rate	Dollar Increase	Percentage Increase
ACADEMIC INSTITUTION PRESIDENTS (Cont'd)				
U.T. Dallas				
<i>David E. Daniel</i>				
Salary Rate	\$ 449,904	468,404	18,500	4.1%
Deferred Compensation	-	25,000	25,000	-
Sub-Total Compensation	\$ 449,904	493,404	43,500	9.7%
One-time Merit	10,000	-	-10,000	
Total Compensation	\$ 459,904	493,404	33,500	7.3%
U.T. El Paso				
<i>Diana S. Natalicio</i>				
Salary Rate	\$ 350,000	364,000	14,000	4.0%
Deferred Compensation**	30,000	30,000	-	0.0%
Sub-Total Compensation	\$ 380,000	394,000	14,000	3.7%
One-time Merit	-	10,000	10,000	
Total Compensation	\$ 380,000	404,000	24,000	6.3%
U.T. Pan American				
<i>Blandina Cárdenas</i>				
Salary Rate	\$ 269,000	283,000	14,000	5.2%
Deferred Compensation	-	-	-	
Sub-Total Compensation	\$ 269,000	283,000	14,000	5.2%
One-time Merit	-	10,000	10,000	
Total Compensation	\$ 269,000	293,000	24,000	8.9%

Note: All Presidents are paid \$65,945 from General Revenue and the difference is paid from other institutional fund sources

**Vests 8/31/2009

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Compensation for Academic Presidents

THE UNIVERSITY OF TEXAS SYSTEM

SALARIES OF THE ACADEMIC INSTITUTION PRESIDENTS

Approved for Fiscal Year Ending August 31, 2008

	Approved 2007 Rate	Approved 2008 Rate	Dollar Increase	Percentage Increase
ACADEMIC INSTITUTION PRESIDENTS (Cont'd)				
U.T. Permian Basin				
<i>W. David Watts</i>				
Salary Rate	\$ 275,000	285,000	10,000	3.6%
Deferred Compensation**	12,000	15,000	3,000	100.0%
Sub-Total Compensation	\$ 287,000	300,000	13,000	4.5%
One-time Merit	10,000	10,000	-	
Total Compensation	\$ 297,000	310,000	13,000	4.4%
U.T. San Antonio				
<i>Ricardo Romo</i>				
Salary Rate	\$ 340,000	353,600	13,600	4.0%
Deferred Compensation***	25,000	25,000	-	0.0%
Total Compensation	\$ 365,000	378,600	13,600	3.7%
U.T. Tyler				
<i>Rodney H. Mabry</i>				
Salary Rate	\$ 321,000	329,025	8,025	2.5%
Deferred Compensation****	25,000	30,000	5,000	-
Total Compensation	\$ 346,000	359,025	13,025	3.8%

Note: All Presidents are paid \$65,945 from General Revenue and the difference is paid from other institutional fund sources

**Vests 8/31/2009

***Vests 8/31/2008

****Vests 8/31/2007

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Compensation for Health Presidents

THE UNIVERSITY OF TEXAS SYSTEM

SALARIES OF HEALTH INSTITUTION PRESIDENTS

Approved for Fiscal Year Ending August 31, 2008

	Approved 2007 Rate	Approved 2008 Rate	Dollar Increase	Percentage Increase
<u>HEALTH INSTITUTION PRESIDENTS</u>				
U.T. Medical Branch - Galveston				
<i>David L. Callender**</i>				
Salary Rate	\$ 609,325	609,325	-	0.0%
Deferred Compensation	150,000	150,000	-	0.0%
Practice Plan	165,675	165,675	-	0.0%
Total Compensation	<u>\$ 925,000</u>	<u>925,000</u>	-	0.0%
U.T. Health Science Center - Houston				
<i>James T. Willerson</i>				
Salary Rate	\$ 577,090	605,944	28,854	5.0%
Deferred Compensation***	115,000	115,000	-	0.0%
Practice Plan	156,550	164,377	7,827	5.0%
Total Compensation	<u>\$ 848,640</u>	<u>885,321</u>	36,681	4.3%
U.T. Health Science Center - San Antonio				
<i>Francisco G. Cigarroa</i>				
Salary Rate	\$ 531,998	585,197	53,199	10.0%
Deferred Compensation****	90,000	100,000	10,000	11.1%
Practice Plan	143,268	157,595	14,327	10.0%
Total Compensation	<u>\$ 765,266</u>	<u>842,792</u>	77,526	10.1%

Note: All Presidents are paid \$65,945 from General Revenue and the difference is paid from other institutional fund sources

** Dr. Callender became President-designate 7/1/2007 and becomes President effective 9/1/2007.

***Vests 8/31/2009

****Vests 8/31/2009

Compensation for Health Presidents

THE UNIVERSITY OF TEXAS SYSTEM

SALARIES OF HEALTH INSTITUTION PRESIDENTS

Approved for Fiscal Year Ending August 31, 2008

	Approved 2007 Rate	Approved 2008 Rate	Dollar Increase	Percentage Increase
HEALTH INSTITUTION PRESIDENTS (Cont'd)				
U.T. Southwestern Medical Center - Dallas				
<i>Kern Wildenthal</i>				
Salary Rate	\$ 661,913	733,514	71,601	10.8%
Deferred Compensation**	230,000	230,000	-	0.0%
Practice Plan	181,712	201,368	19,656	10.8%
Total Compensation	<u>\$ 1,073,625</u>	<u>1,164,882</u>	91,257	8.5%
U.T. M. D. Anderson Cancer Center				
<i>John Mendelsohn</i>				
Salary Rate	\$ 657,368	729,919	72,551	11.0%
Deferred Compensation***	250,000	250,000	-	0.0%
Practice Plan	180,327	200,230	19,903	11.0%
Total Compensation	<u>\$ 1,087,695</u>	<u>1,180,149</u>	92,454	8.5%
U.T. Health Center Tyler				
<i>Kirk Calhoun</i>				
Salary Rate	\$ 361,438	375,895	14,457	4.0%
Deferred Compensation****	25,000	45,000	20,000	80.0%
Practice Plan	93,132	96,857	3,725	4.0%
Total Compensation	<u>\$ 479,570</u>	<u>517,752</u>	38,182	8.0%

Note: All Presidents are paid \$65,945 from General Revenue and the difference is paid from other institutional fund sources

** Vests 8/31/2009

***Vests 8/31/2007

****Vests 8/31/2009

Compensation for Chancellor and Executive Officers

THE UNIVERSITY OF TEXAS SYSTEM

SALARIES OF EXECUTIVE OFFICERS

Approved for Fiscal Year Ending August 31, 2008

	Approved 2007 Rate	Approved 2008 Rate	Dollar Increase	Percentage Increase
<u>U. T. SYSTEM ADMINISTRATION</u>				
Chancellor				
<i>Mark G. Yudof</i>				
Salary Rate	\$ 476,400	500,000	23,600	5.0%
Deferred Compensation**	225,000	250,000	25,000	11.1%
Life Insurance	17,277	17,277	-	0.0%
Sub-Total Compensation	<u>\$ 718,677</u>	<u>767,277</u>	48,600	6.8%
One-time Merit	25,000	25,000	-	
Total Compensation	<u>\$ 743,677</u>	<u>792,277</u>	48,600	6.5%
Executive Vice Chancellor for Academic Affairs				
<i>David B. Prior***</i>				
Salary Rate	\$ 360,000	360,000	-	0.0%
Total Compensation	<u>\$ 360,000</u>	<u>360,000</u>	-	0.0%
Executive Vice Chancellor for Business Affairs				
<i>Scott C. Kelley</i>				
Salary Rate	\$ 313,400	330,000	16,600	5.3%
Total Compensation	<u>\$ 313,400</u>	<u>330,000</u>	16,600	5.3%
Executive Vice Chancellor for Health Affairs				
<i>Kenneth I. Shine</i>				
Salary Rate	\$ 532,327	575,000	42,673	8.0%
Sub-Total Compensation	<u>\$ 532,327</u>	<u>575,000</u>	42,673	8.0%
One-time Merit	25,000	40,000	15,000	
Total Compensation	<u>\$ 557,327</u>	<u>615,000</u>	57,673	10.3%

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Compensation for Chancellor and Executive Officers

THE UNIVERSITY OF TEXAS SYSTEM
SALARIES OF EXECUTIVE OFFICERS

Approved for Fiscal Year Ending August 31, 2008

	Approved 2007 Rate	Approved 2008 Rate	Dollar Increase	Percentage Increase
<u>U. T. SYSTEM ADMINISTRATION (Cont'd)</u>				
Vice Chancellor for Administration				
<i>Tonya Moten Brown</i>				
Salary Rate	\$ 255,000	262,650	7,650	3.0%
Total Compensation	\$ 255,000	262,650	7,650	3.0%
Vice Chancellor for External Relations				
<i>Randa S. Safady</i>				
Salary Rate	\$ 293,400	315,000	21,600	7.4%
Sub-Total Compensation	\$ 293,400	315,000	21,600	7.4%
One-time Merit	10,000	30,000	20,000	
Total Compensation	303,400	345,000	41,600	13.7%
Vice Chancellor and General Counsel				
<i>Barry Burgdorf</i>				
Salary Rate	\$ 310,750	325,000	14,250	4.6%
Sub-Total Compensation	\$ 310,750	325,000	14,250	4.6%
One-time Merit	15,000	30,000	15,000	
Total Compensation	\$ 325,750	355,000	29,250	9.0%

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Compensation for Chancellor and Executive Officers

THE UNIVERSITY OF TEXAS SYSTEM

SALARIES OF EXECUTIVE OFFICERS

Approved for Fiscal Year Ending August 31, 2008

	Approved 2007 Rate	Approved 2008 Rate	Dollar Increase	Percentage Increase
U. T. SYSTEM ADMINISTRATION (Cont'd)				
Vice Chancellor for Governmental Relations				
<i>Barry McBee</i>				
Salary Rate	\$ 238,400	250,000	11,600	4.9%
Total Compensation	\$ 238,400	250,000	11,600	4.9%
One-time Merit	-	10,000	10,000	
Total Compensation	\$ 238,400	260,000	21,600	9.1%
Vice Chancellor for Federal Relations				
<i>William Shute</i>				
Salary Rate	\$ 216,400	221,810	5,410	2.5%
Total Compensation	\$ 216,400	221,810	5,410	2.5%
Vice Chancellor for Research and Technology Transfer				
<i>H. Keith McDowell**</i>				
Salary Rate	\$ 250,000	250,000	-	0.0%
Supplement***	25,000	25,000	-	0.0%
Total Compensation	\$ 275,000	275,000	-	0.0%
Vice Chancellor for Strategic Management				
<i>Geri Malandra</i>				
Salary Rate	\$ 225,000	275,000	50,000	22.2%
Total Compensation	\$ 225,000	275,000	50,000	22.2%

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Compensation for Chancellor and Executive Officers

THE UNIVERSITY OF TEXAS SYSTEM

SALARIES OF EXECUTIVE OFFICERS

Approved for Fiscal Year Ending August 31, 2008

	Approved 2007 Rate	Approved 2008 Rate	Dollar Increase	Percentage Increase
U. T. SYSTEM ADMINISTRATION (Cont'd)				
General Counsel to the Board of Regents				
<i>Francie A. Frederick</i>				
Salary Rate	\$ 272,536	290,000	17,464	6.4%
Deferred Compensation	-	15,000	15,000	-
Sub-Total Compensation	\$ 272,536	305,000	32,464	11.9%
One-time Merit	15,000	-	-15,000	-
Total Compensation	<u>287,536</u>	<u>305,000</u>	17,464	6.1%
Director of Audits				
<i>Charles G. Chaffin**</i>				
Salary Rate	\$ 248,000	255,440	7,440	3.0%
Total Compensation	<u>\$ 248,000</u>	<u>255,440</u>	7,440	3.0%

11. U. T. System Board of Regents: Approval of Permanent University Fund (PUF) Bond Proceeds allocation for the Science and Technology Acquisition and Retention (STARs) Program

The Board appropriated \$10,000,000 of Permanent University Fund (PUF) Bond Proceeds to provide additional funding to build and enhance research infrastructure to attract and retain the best qualified faculty known as the Science and Technology Acquisition and Retention (STARs) Program. Through a competitive proposal process determined by The University of Texas System Administration, funds will be distributed for the purpose of recruiting top researchers.

Further, STARs appropriations not expended or obligated by contract or purchase order within six months after the close of Fiscal Year 2008 are to be available for future System-wide reallocation unless specific authorization to continue obligating the funds is given by the appropriate Executive Vice Chancellor upon recommendation of the president of the institution.

On August 12, 2004, the U. T. System Board of Regents approved an allocation of funds to be awarded to institutions to help attract and retain the best qualified faculty. Funded through PUF Bond Proceeds, this awards program, named Faculty STARs, provided funding to help purchase state-of-the-art research equipment and make necessary laboratory renovations to encourage faculty members to perform their research at U. T. institutions. In August 2004, the Board allocated \$59 million for this program. In Fiscal Year 2006, \$15 million was allocated with an additional \$20 million allocated in Fiscal Year 2007.

With the exception of a portion of funding distributed noncompetitively to academic institutions in Fiscal Year 2005, recipients of the STARs awards are selected through a competitive process. The program is centrally administered by U. T. System for start-up or retention packages for tenured faculty of proven quality who are recommended from the institutions by a faculty group at the nominating university. A peer review committee chaired by the appropriate Executive Vice Chancellor examines the STARs awards at the U. T. System Administration level and makes recommendations. The funds are available only for laboratory renovation and equipment purchases. Consistent with other PUF bond funded programs, the STARs award may not be spent on operations.

The program is making a significant contribution toward accomplishing the goal of developing and further strengthening the research capacity of the institutions within U. T. System. The competitive program has helped U. T. institutions recruit and retain some of the best researchers in the nation, recognized nationally and internationally for their scholarly achievements. Since the program's inception, these individuals have made a significant impact to U. T.

System institutions through research grants, collaborations made with outside entities, and pending and issued patents as well as by encouraging future research and excellence.

12. U. T. System: Authorization for the U. T. System to extend an option to lease previously granted to the Office of the Governor of the State of Texas with regard to 6,300 acres in the West Texas Lands in Pecos County to allow land to be available to FutureGen Industrial Alliance, Inc., for long-term lease and injection and storage of carbon dioxide (CO₂)

The Board authorized the Vice Chancellor and General Counsel to negotiate and take actions as necessary to allow The University of Texas System to extend by six months an option to lease, previously granted to the Office of the Governor of the State of Texas with respect to 6,300 acres of University Lands in Pecos County, to allow the lands to be made available to FutureGen Industrial Alliance, Inc. (FutureGen) for the purpose of offering, through a 50-year lease term, for the injection and storage of carbon dioxide (CO₂). The subject properties are illustrated in Exhibit A on Page 9 of the April 27, 2006 Minutes. The authorization was conditioned upon the following provisions:

- a. The extension would be on essentially the same terms and conditions as the initial option to lease, with the area redefined to conform to the current area of interest.
- b. The consideration for any lease ultimately issued will be determined by the U. T. System obtaining independent appraisals and gathering other valuation information and will be negotiated with FutureGen. The value and terms of the lease will require the approval of the Board for Lease of University Lands and the U. T. System Board of Regents.
- c. The option is contingent on the lease of any injection and storage site allowing for horizontal drilling from adjacent tracts to access oil and gas resources beneath the CO₂ storage area and other agreed activities that will not disturb CO₂ storage.

FutureGen is a \$1 billion, public-private partnership to locate, design, build, and operate the world's first coal-fueled, zero-emissions power plant. The partnership is comprised of American Electric Power, Anglo American llc, BHP Billiton, China Huaneng Group, CONSOL Energy Inc., Foundation Coal Corporation, Kennecott Energy Company, Peabody Energy, and Southern Company. FutureGen has released a Request for Proposals (RFP) for the FutureGen Host Site.

One of the requirements set forth in the RFP is the ownership of or access to property suitable for siting a CO₂ injection facility and the long-term underground storage of a large quantity of CO₂. Acting through the Bureau of Economic Geology at the John A. and Katherine G. Jackson School of Geosciences at The University of Texas at Austin, the State of Texas has developed two site proposals in response to the RFP. One site is located in East Texas and does not affect University Lands or other property controlled by U. T. System. The other site, the subject property, is in the Permian Basin region proximate to oil and gas producing lands (West Texas Lands), the surface of which is owned and controlled by U. T. System and the mineral rights to which are subject to lease by the Board for Lease of University Lands. The subject property will be needed by FutureGen for injection purposes if the West Texas site, near Penwell, Texas, is selected as the final site for the FutureGen project. The final site selection for the FutureGen project is expected to be made in Fall 2007.

On April 19, 2006, the Board for Lease of University Lands passed a resolution concurring in the decision of the U. T. System to join the State of Texas in submitting the Texas response to the FutureGen RFP and setting conditions to protect the value of the Permanent University Fund (PUF) minerals. A copy of the resolution is attached on Pages 5 - 7 of the April 27, 2006 Minutes.

The Board of Regents authorized the existing Option to Lease by Resolution on April 27, 2006.

RECESS FOR COMMITTEE MEETINGS AND COMMITTEE REPORTS TO THE BOARD.--At 12:15 p.m., the Board recessed for meetings of the Standing Committees, and Chairman Huffines announced the Board would reconvene to approve the report and recommendations of the committees.

The meetings of the Standing Committees were conducted in open session, and the reports and recommendations thereof are set forth on Pages 57 - 144.

REPORT AND RECOMMENDATIONS OF THE AUDIT, COMPLIANCE, AND MANAGEMENT REVIEW COMMITTEE (Page 57).--Committee Chairman Estrada reported that the Audit, Compliance, and Management Review Committee had no matters to consider on its agenda.

1. U. T. System: Report on the status of the Proposed Plan for the Fiscal Year 2007 U. T. System Financial Statements Audit

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

2. U. T. System Board of Regents: Approval of the Audit, Compliance, and Management Review Committee Charter and Responsibilities Checklist

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

3. U. T. System: Review of System-wide Annual Audit Plan Process

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

4. U. T. System: Report on System-wide Institutional Compliance Activities, including System-wide Information Security

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

5. U. T. System: Report on System-wide Internal Audit Activity

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

REPORT AND RECOMMENDATIONS OF THE FINANCE AND PLANNING COMMITTEE (Pages 58 - 107).--Committee Chairman Rowling reported that the Finance and Planning Committee met in open session to consider those matters on its agenda and to formulate recommendations for The University of Texas System Board of Regents. Unless otherwise indicated, the actions set forth in the Minute Orders that follow were recommended by the Finance and Planning Committee and approved in open session by the U. T. System Board of Regents.

1. U. T. System: Approval of Docket No. 131

The Board approved *Docket No. 131* in the form distributed by the General Counsel to the Board of Regents. It is attached following Page 146 in the official copy of the *Minutes* and is made a part of the record of this meeting.

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

The item on Page Docket - 2 involving the appointment of Dr. H. Keith McDowell as Vice Chancellor for Research and Technology Transfer was found to be in the best interest of the U. T. System, as required by *Texas Education Code* Section 51.948.

Regent Estrada was recorded as abstaining from vote on the contract between The University of Texas at Austin and the Federal Reserve Bank of Dallas on Page Docket - 16, Item 4, because he is a director of the Federal Reserve Bank.

Additionally, Regent Barnhill was recorded as abstaining from vote on the contract between The University of Texas at San Antonio and Time Warner Cable, Inc., on Page Docket - 71, Item 2, because of stock holdings and Vice Chairman Clements, Regent Barnhill, and Regent Rowling abstained from vote on the agreement between The University of Texas Health Science Center at Houston and ExxonMobil Foundation on Page Docket - 114, Item 2, because of stock holdings in ExxonMobil.

Notice of the appointment of David L. Callender, M.D., as President of The University of Texas Medical Branch at Galveston effective September 1, 2007, on Page Docket - 108 was provided to the Legislative Budget Board.

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

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

3. U. T. System: Approval of transfer of funds between Legislative Appropriation items during the biennium beginning September 1, 2007

To provide for the most effective utilization of the General Revenue Appropriations during the biennium beginning September 1, 2007, the following resolution was adopted by the Board:

RESOLUTION

Pursuant to the appropriate transfer provisions of the General Appropriations Act of the 80th Legislature, it is hereby resolved that the State Comptroller be requested to make necessary transfers within the Legislative Appropriations (and/or Informational Items of Appropriation) from the General Revenue Fund as authorized by the Chief Financial Officer of each entity as follows:

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 at Dallas
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 Center at Tyler
The University of Texas System Administration

4. U. T. System: Approval to exceed the full-time equivalent limitation on employees paid from appropriated funds

Article IX, Section 6.14 of the General Appropriations Act places a limit on the number of full-time equivalent (FTE) employees paid from appropriated funds that an institution may employ without written approval of the Governor and the Legislative Budget Board. To exceed the FTE limitation, a request must be submitted by the governing board and must include the date on which the board approved the request, a statement justifying the need to exceed the limitation, the source of funds to be used to pay the salaries, and an explanation as to why the functions of the additional FTEs cannot be performed within current staffing levels.

The Board approved those institutions, as set forth in the table on Page 61, to exceed the number of FTE employees for Fiscal Year 2008 that are authorized in Article III of the General Appropriations Act. The University of Texas at Austin, The University of Texas at Dallas, The University of Texas - Pan American, The University of Texas of the Permian Basin, 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, and The University of Texas Health Center at Tyler did not exceed the FTE limitation. Further, as required by Article IX, Section 6.14 of the General Appropriations Act, The University of Texas System Board of Regents will submit a request to the Governor's Office and the Legislative Budget Board to grant approval for these institutions to exceed the authorized number of FTE employees paid from appropriated funds.

[Note from the General Counsel to the Board of Regents: On September 4, 2007, the U. T. System Board of Regents submitted the required letter and supporting materials to the Governor's Office and the Legislative Budget Board.]

The University of Texas System
Approval to Exceed Full-time Equivalent Limitation on Employees Paid From Appropriated Funds
For Period September 1, 2007 through August 31, 2008

Approval to Exceed Cap - by NACUBO* Function

	<u>Faculty</u>	<u>Staff</u>	<u>Total</u>
Instruction	513.16	239.17	752.33
Academic Support	-	9.80	9.80
Research	80.52	172.72	253.24
Public Service	1.70	3.66	5.36
Hospitals and Clinics	33.35	731.23	764.58
Institutional Support	-	135.46	135.46
Student Support	-	29.67	29.67
Operations and Maintenance of Plant	-	351.59	351.59
Scholarships and Fellowships	-	1.25	1.25
Total	<u>628.73</u>	<u>1,674.55</u>	<u>2,303.28</u>

Approval to Exceed Cap - by Institution

	<u>FY 2008 Cap</u>	<u>Approval to Exceed Cap</u>		
		<u>Faculty</u>	<u>Staff</u>	<u>Total</u>
U. T. Arlington	2,247.90	10.00	-	10.00
U. T. Austin	6,619.10	-	-	- **
U. T. Brownsville	554.00	128.17	153.05	281.22
U. T. Dallas	1,322.60	-	-	- **
U. T. El Paso	1,797.90	17.50	12.50	30.00
U. T. Pan American	1,896.10	-	-	- **
U. T. Permian Basin	306.40	-	-	- **
U. T. San Antonio	2,041.00	36.20	1.30	37.50
U. T. Tyler	481.80	18.61	17.30	35.91
Total Academic Institutions	<u>17,266.80</u>	<u>210.48</u>	<u>184.15</u>	<u>394.63</u>
U. T. Southwestern Medical Center	1,240.10	373.40	401.70	775.10
U. T. Medical Branch - Galveston	5,534.70	-	-	- **
U. T. Health Science Center - Houston	1,869.60	-	-	- **
U. T. Health Science Center - San Antonio	2,516.70	-	-	- **
U. T. M. D. Anderson Cancer Center	11,947.20	44.85	1,078.70	1,123.55
U. T. Health Center - Tyler	740.70	-	-	- **
Total Health Institutions	<u>23,849.00</u>	<u>418.25</u>	<u>1,480.40</u>	<u>1,898.65</u>
U. T. System Administration	249.00	-	10.00	10.00
U. T. System Total	<u>41,364.80</u>	<u>628.73</u>	<u>1,674.55</u>	<u>2,303.28</u>

*NACUBO - National Association of College and University Business Officers

** U. T. Austin, U. T. Dallas, U. T. Pan American, U. T. Permian Basin, U. T. Medical Branch - Galveston, U. T. Health Science Center - Houston, U. T. Health Science Center - San Antonio, and U. T. Health Center - Tyler will not exceed their cap.

5. U. T. System: Approval of Optional Retirement Program employer contribution rates for Fiscal Year 2008

The Board approved the Optional Retirement Program (ORP) employer contribution rates for Fiscal Year 2008 as follows:

- a. 8.5% for all institutions and The University of Texas System Administration with respect to employees who participated in the ORP prior to September 1, 1995; and
- b. for all other employees, an employer contribution rate as recommended by each institution and set forth on Page 64.

Prior to September 1, 1995, the ORP employer contribution rate was 8.5% for all ORP participants. An enactment by the 74th Texas Legislature reduced ORP employer contributions to participants from 8.5% to 6.0%, effective September 1, 1995. However, U. T. System was permitted to grandfather those employees participating in the ORP during the 1994-95 biennium. This resulted in a two-tiered ORP employer contribution rate for U. T. System employees: those who participated in ORP during the 1994-95 biennium continued to receive 8.5%, while those who did not participate during the 1994-95 biennium received 6.0%.

The 78th Texas Legislature enacted *Texas Government Code*, Section 830.2015, which expanded the definition of a grandfathered employee from one who had participated during the 1994-95 biennium to one who had participated in the ORP prior to September 1, 1995. The legislation also granted permissive authority for institutions of higher education to set the ORP employer contribution rate for grandfathered and nongrandfathered participants at any percentage level between the amount appropriated by the State and 8.5%. In the General Appropriations Act, the 80th Texas Legislature has increased the appropriated rate from 6.0% to 6.58% for the 2008-09 biennium. It is not required that the rate be the same for grandfathered employees, nor that the rate be the same for all U. T. System institutions.

Given the diversity of the U. T. System institutions and the differential budget impact for each institution, each institutional president was asked to propose its ORP employer contribution rates for grandfathered and nongrandfathered participants as noted in the chart on Page 64.

- For Fiscal Year 2008, with respect to grandfathered employees hired prior to September 1, 1995, all U. T. System institutions elected to continue the current 8.5% employer contribution rate.

- For nongrandfathered participants hired after September 1, 1995, five institutions (The University of Texas at Arlington, The University of Texas at Austin, The University of Texas at Dallas, The University of Texas - Pan American, and The University of Texas Southwestern Medical Center at Dallas) elected to increase the ORP employer contribution rate from the rate established by the Board for Fiscal Year 2007.
- Of the five, U. T. Arlington has elected an increase in the contribution rate from 6.5% to 7.0% while the remaining four elected an increase in the contribution rate from 7.0% to 7.5%.
- Six institutions (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 Medical Branch at Galveston, The University of Texas M. D. Anderson Cancer Center, and The University of Texas Health Center at Tyler) and U. T. System Administration will continue the contribution rate of 8.5% as approved by the Board for Fiscal Year 2007.
- The remaining institutions (The University of Texas at Brownsville, The University of Texas at El Paso, The University of Texas Health Science Center at Houston, and The University of Texas Health Science Center at San Antonio) will adopt the rate of 6.58% as established by the legislature.

The governing board of an institution of higher education has the authority to set the ORP employer contribution rates in accordance with rules issued by the Texas Higher Education Coordinating Board. Under those rules, the governing board is to determine the employer contribution rates once per year, to be effective for the entire year. All institutions will implement the employer contribution rates effective September 1, 2007, with the exception of U. T. Austin. Because of the number of employees this will impact and the required analysis of each individual's tax deferrals to ensure compliance with the *Internal Revenue Code*, U. T. Austin will implement the new employer contribution rate change beginning with paychecks issued on or after January 1, 2008.

**The University of Texas System
FY 2008 Optional Retirement Program Contribution Rates**

Grandfathered Employees	2007 Rate	2008 Rate	2008 Participants	2008 Total Cost	Cost Above 6.58%
U. T. Arlington	8.50%	8.50%	437	3,381,723	763,805
U. T. Austin*	8.50%	8.50%	1,361	16,243,713	3,669,168
U. T. Brownsville	8.50%	8.50%	136	779,551	176,087
U. T. Dallas	8.50%	8.50%	201	1,806,730	408,320
U. T. El Paso	8.50%	8.50%	248	1,606,745	362,935
U. T. Pan American	8.50%	8.50%	165	1,029,832	232,621
U. T. Permian Basin	8.50%	8.50%	33	220,991	49,918
U. T. San Antonio	8.50%	8.50%	290	2,111,436	476,936
U. T. Tyler	8.50%	8.50%	94	590,498	133,383
U. T. Southwestern Medical Center - Dallas	8.50%	8.50%	498	7,596,696	1,715,959
U. T. Medical Branch - Galveston	8.50%	8.50%	1,126	8,400,462	1,897,516
U. T. Health Science Center - Houston	8.50%	8.50%	472	5,930,470	1,339,589
U. T. Health Science Center - San Antonio	8.50%	8.50%	481	5,343,391	1,206,978
U. T. M. D. Anderson Cancer Center	8.50%	8.50%	511	9,590,842	2,166,401
U. T. Health Center - Tyler	8.50%	8.50%	44	448,479	101,303
U. T. System Administration	8.50%	8.50%	34	381,630	86,203
TOTAL			6,131	\$ 65,463,189	\$ 14,787,122

Nongrandfathered Employees	2007 Rate	2008 Rate	2008 Participants	2008 Total Cost	Cost Above 6.58%
U. T. Arlington	6.50%	7.00%	345	1,784,077	150,000
U. T. Austin*	7.00%	7.50%	1,390	8,784,550	1,077,572
U. T. Brownsville	6.00%	6.58%	154	576,566	-
U. T. Dallas	7.00%	7.50%	315	2,531,030	311,315
U. T. El Paso	6.00%	6.58%	405	1,708,487	-
U. T. Pan American	7.00%	7.50%	243	1,162,091	142,549
U. T. Permian Basin	8.50%	8.50%	73	358,324	80,939
U. T. San Antonio	8.50%	8.50%	412	2,264,209	511,445
U. T. Tyler	8.50%	8.50%	159	886,448	200,233
U. T. Southwestern Medical Center - Dallas	7.00%	7.50%	1,275	10,483,118	1,285,929
U. T. Medical Branch - Galveston	8.50%	8.50%	617	7,726,608	1,745,304
U. T. Health Science Center - Houston	6.00%	6.58%	650	5,894,180	-
U. T. Health Science Center - San Antonio	6.00%	6.58%	650	5,195,761	-
U. T. M. D. Anderson Cancer Center	8.50%	8.50%	949	14,065,343	3,177,113
U. T. Health Center - Tyler	8.50%	8.50%	44	992,931	197,277
U. T. System Administration	8.50%	8.50%	40	478,637	108,114
TOTAL			7,721	\$ 64,892,360	\$ 8,987,790

*U. T. Austin will implement on 1/1/2008.

6. U. T. System: Discussion regarding estimated costs associated with the U. T. System-wide common chart of accounts initiative

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

7. U. T. System Board of Regents: Adoption of a Resolution authorizing the issuance, sale, and delivery of Permanent University Fund Bonds not to exceed \$300,000,000, adoption of Liquidity Resolution, and authorization to complete all related transactions

The Board

- a. adopted a Resolution, substantially in the form previously approved by The University of Texas System Board of Regents, authorizing the issuance, sale, and delivery of Board of Regents of The University of Texas System Permanent University Fund Bonds in one or more installments in an aggregate principal amount not to exceed \$300,000,000 to be used to refund certain outstanding Permanent University Fund Bonds, to refund all or a portion of the then outstanding Permanent University Fund Flexible Rate Notes, Series A, to provide new money to fund construction and acquisition costs, and to pay the costs of issuance;
- b. adopted a Liquidity Resolution, substantially in the form previously approved by the U. T. System Board of Regents, covenanting to provide internal liquidity support for certain Permanent University Fund Bonds issued by the U. T. System and authorizing amendments to the Security Purchase Agreement with The University of Texas Investment Management Company (UTIMCO), relating to the U. T. System's variable rate note and bond programs; and
- c. authorized appropriate officers and employees of U. T. System as set forth in the resolutions to take any and all actions necessary to carry out the intentions of the U. T. System Board of Regents within the limitations and procedures specified therein; to make certain covenants and agreements in connection therewith; and to resolve other matters incident and related to the issuance, sale, security, and delivery of such Bonds.

Adoption of the Resolution authorizes the advance or current refunding of a portion of certain outstanding Permanent University Fund (PUF) Bonds provided that an advance refunding exceeds a minimum 3% present value debt service savings threshold. An advance refunding involves issuing bonds to refund outstanding bonds more than 90 days in advance of the call date whereas a current refunding involves issuing bonds to refund outstanding bonds within 90 days of the call date. Refunding bonds are issued at lower

interest rates thereby producing debt service savings. Adoption of this Resolution provides the flexibility to select the particular bonds to be refunded depending on market conditions at the time of pricing.

As provided in the Resolution, the potential bonds to be refunded include the outstanding PUF Bonds, Series 1997, Series 2002A, Series 2004A&B, Series 2005A&B, and Series 2006A-C.

The Resolution also authorizes the current refunding of all or a portion of the PUF Flexible Rate Notes, Series A. The PUF Flexible Rate Note program is used to provide interim financing for PUF projects approved by the Board. Adoption of the Resolution permits the interim financing provided through the Notes to be replaced with long-term financing. The Resolution also authorizes the issuance of bonds to provide new money to fund the capital costs of eligible projects.

Proceeds from the Bonds related to refunding outstanding debt will be used to purchase U.S. government or other eligible securities to be placed in one or more escrow accounts. Proceeds from the escrowed securities will be used to redeem the refunded bonds and the refunded Flexible Rate Notes.

On November 10, 2005, the U. T. System Board of Regents adopted a resolution covenanting to use lawfully available funds to purchase certain PUF notes and Revenue Financing System (RFS) variable rate debt obligations in the event these obligations could not be remarketed. Adoption of the Liquidity Resolution expands liquidity provided from lawfully available funds of the U. T. System Board of Regents to include variable rate PUF Bonds.

8. U. T. System Board of Regents: Amendment to the Regents' Rules and Regulations, Series 70202, concerning the Interest Rate Swap Policy, and adoption of resolutions authorizing certain bond enhancement agreements for Revenue Financing System debt and Permanent University Fund debt

The Board amended the Regents' *Rules and Regulations*, Series 70202, concerning the Interest Rate Swap Policy, to read as set forth on Pages 69 - 74.

The Board also adopted resolutions substantially in the form set out on Pages 75 - 89 (the Resolutions) authorizing appropriate officers of The University of Texas System to enter into bond enhancement agreements related to its Revenue Financing System (RFS) and Permanent University Fund (PUF) debt programs in accordance with the amended U. T. System Interest Rate Swap Policy and to take any and all actions necessary to carry out the intentions of the U. T. System Board of Regents.

Regents' *Rules and Regulations*, Series 70202, concerning the Interest Rate Swap Policy, was approved by the U. T. System Board of Regents on February 13, 2003.

Prior to the passage of Senate Bill 968 by the 80th Legislature, the U. T. System Board of Regents executed interest rate swap agreements related to its RFS debt under general authority provided to various state and local issuers under *Texas Government Code*, Chapter 1371. Additionally, while the U. T. System Board of Regents has had specific legislative authority to execute swaps since 1985, it did not have specific authority to make payments under interest rate swap agreements related to PUF debt from Available University Fund (AUF) monies. During the 80th Legislative Session, various U. T. System staff worked with members of the Legislature on Senate Bill 968, which modernizes the statutory authority governing interest rate swaps and provides increased flexibility to issuers to better manage risk related to their debt programs.

Included in Senate Bill 968 is the addition of *Texas Education Code* Section 65.461, which provides specific authority to the U. T. System Board of Regents to enter into "bond enhancement agreements," which includes interest rate swaps and related agreements, in connection with administration of the U. T. System's RFS and PUF debt programs.

The swap policy amendments update the policy to reference the new statutory authority provided to the U. T. System Board of Regents under *Texas Education Code* Section 65.461 to execute bond enhancement agreements related to both RFS and PUF debt, to accommodate changes made to *Texas Government Code*, Chapter 1371 by Senate Bill 968, and to make other nonsubstantive changes.

The International Swaps and Derivatives Association, Inc. (ISDA) Master Agreement is a standardized legal agreement for derivative transactions between swap counterparties that contains standardized definitions, terms, and representations governing such transactions. The U. T. System has ISDA Master Agreements in place with six swap counterparties related to RFS debt. The form of the ISDA Master Agreement has been previously approved by the U. T. System Board of Regents and each of these ISDA Master Agreements has been approved by the Texas Attorney General.

Approval of this item (i) authorizes the execution of additional ISDA Master Agreements related to PUF debt in substantially the same form as those previously approved by the U. T. System Board of Regents in connection with RFS debt, and (ii) authorizes the execution of confirmations and other agreements to enter into bond enhancement agreement transactions related to RFS and PUF debt in accordance with the U. T. System Interest Rate Swap Policy. The determination to utilize bond enhancement agreements will be made based on market conditions at the time of pricing. The Chairman

of the Board of Regents and the Chairman of the Finance and Planning Committee will be informed in advance of any proposed transactions to be undertaken pursuant to the resolutions.

1. Title

Interest Rate Swap Policy

2. Rule and Regulation

- Sec. 1 Authority. *Texas Education Code*, Chapter 55, including Section 55.13, *Texas Education Code*, Chapter 65, including Section 65.461, and *Texas Government Code*, Chapter 1371, including Section 1371.056, authorize the Board of Regents (Board) of The University of Texas System (U. T. System) to enter into interest rate management agreements and bond enhancement agreements (collectively “swaps”).
- Sec. 2 Purpose. This policy will govern the use of swaps in connection with the U. T. System’s management of its debt programs, including the Permanent University Fund and Revenue Financing System debt programs. By using swaps in a prudent manner, the U. T. System can increase the U. T. System’s financial flexibility, provide opportunities for interest rate savings, allow the U. T. System to actively manage asset and liability interest rate risk, take advantage of market opportunities to lower the overall cost of debt, balance interest rate risk, or hedge other exposures. The use of swaps must be tied directly to U. T. System debt instruments. The U. T. System shall not enter into swaps for speculative purposes.
- Sec. 3 Legality/Approval. Prior to entering into a swap, the U. T. System must receive approval from the Board of Regents (which may include a delegation of authority to an Authorized Representative to enter into one or more swaps) and any required approvals from the Texas Attorney General and the Texas Bond Review Board. The U. T. System will also secure an opinion acceptable to the Authorized Representative from legal counsel that the swap is a legal, valid, and binding obligation of the U. T. System and that entering into the swap complies with applicable State and federal laws.
- Sec. 4 Form of Agreements. Each interest rate swap shall contain terms and conditions as set forth in the International Swaps and Derivatives Association, Inc. (ISDA) Master Agreement, as amended, and such other terms and conditions including schedules, credit support annexes, and confirmations as deemed necessary by an Authorized Representative.

- Sec. 5 Methods of Procuring Swaps. Swaps can be procured via competitive bids or on a negotiated basis with counterparties or its credit support providers having credit ratings of 'A' or 'A2' or better from Standard & Poor's or Moody's, respectively.
- 5.1 Competitive. The competitive bid should include a minimum of three firms. An Authorized Representative may allow a firm or firms not submitting the bid that produces the lowest cost to match the lowest bid and be awarded a specified percentage of the notional amount of the swap.
- 5.2 Negotiated. An Authorized Representative may procure swaps by negotiated methods in the following situations:
- (a) A determination is made by an Authorized Representative that due to the complexity of a particular swap, a negotiated bid would result in the most favorable pricing;
 - (b) An Authorized Representative makes a determination that, in light of the facts and circumstances, doing so will promote the U. T. System's interests by encouraging and rewarding innovation; or
 - (c) A determination is made by an Authorized Representative that a competitive bid would likely create market pricing effects that would be detrimental to the interests of the U. T. System.
- Sec. 6 Counterparty Risk. Counterparty risk is the risk of a failure by one of the U. T. System's swap counterparties to perform as required under a swap. To mitigate this risk, the U. T. System will 1) diversify its exposure among highly rated swap counterparties satisfying the rating criteria set forth in Section 5 above; 2) require collateralization as set forth below; and 3) include an optional termination event if the counterparty (or its credit support provider, if applicable) is downgraded below a second (lower) threshold.
- 6.1 Value Owed by Counterparty. To limit and diversify the U. T. System's counterparty risk and to monitor credit exposure to each counterparty, the U. T. System may not enter into a swap with an otherwise qualified counterparty unless the cumulative mark-to-market value owed by

the counterparty (and its credit support provider, if applicable) to the U. T. System shall be less than or equal to the applicable threshold amount set forth in Section 6.3 below.

6.2 Calculation of Value Owed. The value owed shall be the sum of all mark-to-market values between the subject counterparty and the U. T. System regardless of the type of swap, net of collateral posted by the counterparty. Collateral will consist of cash, U.S. Treasury securities, and Federal Agency securities guaranteed unconditionally by the full faith and credit of the U.S. Government. Collateral shall be deposited with a third party trustee acceptable to U. T. System or as mutually agreed upon between U. T. System and each counterparty.

6.3 Threshold Amounts Based on Credit Rating. Specific threshold amounts by counterparty are based on the cumulative mark-to-market value of the swap(s) and the credit rating of the counterparty or its credit support provider. The threshold amounts are as follows:

(a) AAA / Aaa	\$30 million
(b) AA+ / Aa1	\$25 million
(c) AA / Aa2	\$20 million
(d) AA- / Aa3	\$15 million
(e) A+ / A1	\$10 million
(f) A / A2	\$ 5 million

6.4 Downgraded Rating. If the credit rating of a counterparty or its credit support provider is downgraded such that the cumulative mark-to-market value of all swaps between such counterparty and the U. T. System exceeds the maximum permitted by this policy, the counterparty must post collateral or provide other credit enhancement that is satisfactory to the U. T. System and ensures compliance with this policy.

Sec. 7 Termination Risk. The U. T. System shall consider the merits of including a provision that permits it to optionally terminate a swap at any time over the term of the swap (elective termination right). In general, exercising the right to optionally terminate a swap should produce a benefit to the U. T. System, either through receipt of a payment from a termination, or if a

termination payment is made by the U. T. System, a conversion to a more beneficial debt instrument or credit relationship. If no other remedies are available, it is possible that a termination payment by the U. T. System may be required in the event of termination of a swap due to a counterparty default or following a decrease in credit rating.

- Sec. 8 Amortization Risk. The amortization schedules of the debt and associated swap should be closely matched for the duration of the swap. Mismatched amortization schedules can result in a less than satisfactory hedge and create unnecessary risk. In no circumstance may (i) the notional amount of a swap exceed the principal amount of the related debt at any time, or (ii) the term of a swap extend beyond the final maturity date of the related debt instrument, or in the case of a refunding transaction, beyond the final maturity date of the refunding bonds.
- Sec. 9 Basis Risk. Basis risk arises as a result of movement in the underlying variable rate indices that may not be in tandem, creating a cost differential that could result in a net cash outflow from the U. T. System. Basis risk can also result from the use of floating, but different, indices. To mitigate basis risk, any index used as part of a swap shall be a recognized market index, including but not limited to the Securities Industry and Financial Markets Association (SIFMA) Municipal Swap Index or the London Interbank Offered Rate (LIBOR).
- Sec. 10 Tax Risk. Tax risk is the risk that tax laws will change, resulting in a change in the marginal tax rates on swaps and their underlying assets. Tax risk is also present in all tax-exempt debt issuances. The Office of Finance should continually monitor and evaluate tax risk.
- Sec. 11 Interest Rate Risk. Additional interest rate risk can be created by entering into certain types of swaps. Interest rate risk is risk that costs associated with variable rate exposure increase as a result of changes in market interest rates. The Office of Finance will incorporate the impact of each swap on the overall debt portfolio.
- Sec. 12 Reporting.
- 12.1 The Office of Finance staff will report to the Board within 30 days of completion of any swap transaction.

- 12.2 The Annual Financial Report prepared by the U. T. System and presented to the Board of Regents will discuss the status of all swaps. The report shall include a list of all swaps with notional value and interest rates, a list of counterparties (and credit support providers, if applicable) and their respective credit ratings, and other key terms.

3. Definitions

Authorized Representative – includes the Executive Vice Chancellor for Business Affairs, the Vice Chancellor and General Counsel, the Associate Vice Chancellor for Finance, and the Director of Finance.

Counterparty – a participant in a swap who exchanges payments based on interest rates or other criteria with another counterparty.

Counterparty Long-Term Debt Rating – lowest prevailing rating from Standard & Poor's / Moody's.

Hedge – a transaction entered into to reduce exposure to market fluctuations.

Interest Rate Swap – a swap in which two parties agree to exchange future net cash flows based on predetermined interest rates or indices calculated on an agreed notional amount. An interest rate swap is not a debt instrument and there is no exchange of principal.

ISDA Master Agreement – the International Swaps and Derivatives Association, Inc. (ISDA), is the global trade association for the derivatives industry. The ISDA Master Agreement is the basic governing document that serves as a framework for all interest rate swaps and certain other types of swaps between two counterparties. It is a standard form used throughout the industry. It is typically negotiated once, prior to the first swap transaction, and remains in force for all subsequent swap transactions.

London Interbank Offered Rate (LIBOR) – the rate of interest at which banks borrow funds from other banks in the London interbank market. It is a commonly used benchmark for swaps.

Mark-to-Market – calculation of the value of a financial instrument (like an interest rate swap) based on the current market rates or prices of the underlying indices.

Maximum cumulative mark-to-market – value of swaps owed to the U. T. System by counterparty (net of collateral posted).

Notional Amount – the size of the swap and the dollar amount used to calculate interest payments.

SIFMA Index - (formerly known as the Bond Market Association (BMA) Municipal Swap index). The principal benchmark for floating rate payments for tax-exempt issuers. The index is a national rate based on a market basket of high-grade, seven-day, tax-exempt variable rate bond issues.

A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF BOND ENHANCEMENT AGREEMENTS RELATING TO REVENUE FINANCING SYSTEM DEBT AND AUTHORIZING AND APPROVING OTHER INSTRUMENTS AND PROCEDURES RELATING TO SAID AGREEMENTS

WHEREAS, the Board of Regents (the "Board") of The University of Texas System (the "System") is the governing body of the System, an institution of higher education under the *Texas Education Code* and an agency of the State of Texas; and

WHEREAS, on February 14, 1991, the Board adopted the First Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System and amended such resolution on October 8, 1993, and August 14, 1997 (referred to herein as the "Master Resolution"); and

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

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

WHEREAS, the Board has adopted the Supplemental Resolutions to the Master Resolution authorizing the issuance of Parity Debt thereunder as special, limited obligations of the Board payable solely from and secured by a lien on and pledge of Pledged Revenues pledged for the equal and proportionate benefit and security of all owners of Parity Debt; and

WHEREAS, the Board has previously entered into certain Executed Master Agreements (as defined herein) with certain counterparties setting forth the terms and conditions applicable to each Confirmation (as defined herein) executed thereunder; and

WHEREAS, the Board hereby desires to severally authorize each Authorized Representative (as defined in the System's Interest Rate Swap Policy, a copy of which is attached hereto as Exhibit A) to enter into Bond Enhancement Agreements (as defined herein) from time to time, all as provided in this Resolution.

NOW THEREFORE BE IT RESOLVED, that

SECTION 1. Pursuant to the International Swaps and Derivatives Association, Inc. ("ISDA") Master Agreement dated as of December 6, 2005, between the Board and Bank of America, N.A., the ISDA Master Agreement dated as of December 6, 2005, between the Board and Goldman Sachs Mitsui Marine Derivative Products, L.P., the ISDA Master Agreement dated as of May 2, 2006, between the Board and JPMorgan Chase Bank, National Association, the ISDA Master Agreement dated as of December 6, 2005 and Amended and Restated as of

April 21, 2006, between the Board and Lehman Brothers Commercial Bank, the ISDA Master Agreement dated as of May 1, 2006, between the Board and Merrill Lynch Capital Services, Inc., and the ISDA Master Agreement dated as of December 6, 2005, between the Board and Morgan Stanley Capital Services Inc. (collectively, the "Executed Master Agreements", copies of which are attached hereto as Exhibit B) and any New Master Agreements (as defined below, and collectively with the Executed Master Agreements, the "Master Agreements") authorized by Section 4 of this Resolution, each Authorized Representative is hereby severally authorized to act on behalf of the Board in accepting and executing confirmations under one or more of the Master Agreements (each, a "Confirmation", and collectively with the applicable Master Agreement, a "Bond Enhancement Agreement") when, in his or her judgment, the execution of such Confirmation is consistent with this Resolution, the System's Interest Rate Swap Policy and either (i) the transaction is expected to reduce the net interest to be paid by the Board with respect to any then outstanding Parity Debt or Parity Debt anticipated to be issued in the future over the term of the Bond Enhancement Agreement or (ii) the transaction is in the best interests of the Board given the market conditions at that time.

SECTION 2. The Board hereby determines that any such Bond Enhancement Agreement entered into by an Authorized Representative pursuant to this Resolution is necessary or appropriate to place the Board's obligations with respect to its outstanding Parity Debt or Parity Debt anticipated to be issued in the future on the interest rate, currency, cash flow or other basis set forth in such Bond Enhancement Agreement as approved and executed on behalf of the Board by an Authorized Representative. Each Bond Enhancement Agreement constitutes a "Credit Agreement" as defined in the Master Resolution and a "bond enhancement agreement" under Section 65.461 of the *Texas Education Code* ("Section 65.461"). Pursuant to Section 65.461, a Bond Enhancement Agreement authorized and executed by an Authorized Representative under this Resolution shall not be considered a "credit agreement" under Chapter 1371 of the *Texas Government Code*, as amended ("Chapter 1371"), unless specifically designated as such by such Authorized Representative. In the event an Authorized Representative elects to treat a Bond Enhancement Agreement authorized by this Resolution as a "credit agreement" under Chapter 1371 and this Resolution has not previously been submitted to the Attorney General by an Authorized Representative, such Authorized Representative shall submit this Resolution to the Attorney General for review and approval in accordance with the requirements of Chapter 1371 as the proceedings authorizing Bond Enhancement Agreements entered into by the Board pursuant to this Resolution.

SECTION 3. The costs of any Bond Enhancement Agreement and the amounts payable thereunder shall be payable out of Pledged Revenues and each Bond Enhancement Agreement shall constitute Parity Debt under the Master Resolution, except to the extent that a Bond Enhancement Agreement provides that an obligation of the Board thereunder shall be payable from and secured by a lien on Pledged Revenues subordinate to the lien securing the payment of the Parity Debt. The Board determines that this Resolution shall constitute a Supplemental Resolution to the Master Resolution and as required by Section 5(a) of the Master Resolution, the Board further determines that upon the delivery of the Bond Enhancement Agreements authorized by this Resolution it will have sufficient funds to meet the financial obligations of the System, including sufficient Pledged Revenues to satisfy the Annual Debt Service Requirements of the Financing System and to meet all financial obligations of the Board relating to the

Financing System and that the Members on whose behalf such Bond Enhancement Agreements are entered into possess the financial capacity to satisfy their Direct Obligations after taking such Bond Enhancement Agreements into account. The maximum term of each Bond Enhancement Agreement authorized by this Resolution shall not exceed the maturity date of the then outstanding related Parity Debt or the related Parity Debt anticipated to be issued in the future, as applicable. The notional amount of any Bond Enhancement Agreement authorized by this Resolution shall not at any time exceed the aggregate principal amount of the then outstanding related Parity Debt and related Parity Debt anticipated to be issued in the future, as applicable; provided that the aggregate notional amount of multiple Bond Enhancement Agreements relating to the same Parity Debt may exceed the principal amount of the related Parity Debt if such Bond Enhancement Agreements are for different purposes, as evidenced for example by different rates for calculating payments owed, and the aggregate notional amount of any such Bond Enhancement Agreements for the same purpose otherwise satisfies the foregoing requirements. In the event a Bond Enhancement Agreement is entered into under this Resolution in connection with the anticipated issuance of Parity Debt, such Bond Enhancement Agreement shall provide for (i) its termination if such Parity Debt is not issued on or prior to the effective date of such Bond Enhancement Agreement, or its amendment in such event to replace such anticipated Parity Debt with then outstanding Parity Debt having the same types of interest rates (fixed or variable) as the anticipated Parity Debt, and (ii) the adjustment of its notional amount so that such notional amount does not exceed at any time the actual principal amount of such anticipated Parity Debt as issued. No Confirmation entered into pursuant to this Resolution shall contain early termination provisions at the option of the counterparty except upon the occurrence of an event of default or an additional termination event, as prescribed in the applicable Master Agreement. No Bond Enhancement Agreement authorized by this Resolution shall be payable at a rate greater than the maximum rate allowed by law. An Authorized Representative may obtain credit enhancement for any Bond Enhancement Agreement if such Authorized Representative, as evidenced by a certificate delivered to the General Counsel to the Board, has determined that after taking into account the cost of such credit enhancement, such credit enhancement will reduce the amount payable by the Board pursuant to such Bond Enhancement Agreement; provided that the annual cost of credit enhancement on any Bond Enhancement Agreement entered into pursuant to this Resolution may not exceed 0.25% of the notional amount of such Bond Enhancement Agreement. No Bond Enhancement Agreement may be executed and delivered under this Resolution after August 31, 2008.

SECTION 4. Each Authorized Representative is hereby authorized to enter into ISDA Master Agreements (the "New Master Agreements") with counterparties satisfying the ratings requirements of the System's Interest Rate Swap Policy. Such New Master Agreements shall be in substantially the same form as the Executed Master Agreements, with such changes as, in the judgment of an Authorized Representative, with the advice and counsel of the Office of General Counsel and Bond Counsel, are necessary or desirable (i) to carry out the intent of the Board as expressed in this Resolution, (ii) to receive approval of this Resolution by the Attorney General of the State of Texas, if pursuant Section 2 of this Resolution, an Authorized Representative elects to designate any Bond Enhancement Agreement entered into by the Board pursuant to this Resolution as a "credit agreement" under Chapter 1371, (iii) to accommodate the credit structure or requirements of a particular counterparty or (iv) to incorporate comments received or anticipated to be received from any credit rating agency relating to a New Master Agreement.

Each Authorized Representative is authorized to enter into such New Master Agreements and to enter into Confirmations thereunder in accordance with this Resolution and in furtherance of and to carry out the intent hereof.

SECTION 5. Each Authorized Representative is hereby further severally authorized to enter into amendments to the Master Agreements to allow Confirmations thereunder to be issued and entered into with respect to any then outstanding Parity Debt or Parity Debt anticipated to be issued in the future and to make such other amendments in accordance with the terms of the respective Master Agreements as in the judgment of such Authorized Representative, with the advice and counsel of the Office of General Counsel and Bond Counsel, are necessary or desirable to allow the Board to achieve the benefits of the Bond Enhancement Agreements in accordance with and subject to the System's Interest Rate Swap Policy and this Resolution.

SECTION 6. In addition to the authority otherwise granted in this Resolution, each Authorized Representative is hereby severally granted continuing authority to enter into the following specific transactions pursuant to a Confirmation upon satisfaction of the following respective conditions:

(A) Floating-to-fixed rate interest rate swap transactions under which the Board would pay an amount based upon a fixed rate of interest and the counterparty would pay an amount based upon a variable rate of interest with respect to Parity Debt then outstanding bearing interest at a variable rate and Parity Debt anticipated to be issued in the future that will bear interest at a variable rate, as applicable. Prior to entering into such transaction, an Authorized Representative must deliver to the General Counsel to the Board a certificate to the effect that (i) the synthetic fixed rate to the Board pursuant to the swap transaction is lower than the rate available to the Board for comparable fixed rate debt at the time of the swap transaction, and (ii) if the variable rate being paid or expected to be paid by the Board on the applicable Parity Debt is computed on a basis different from the calculation of the variable rate to be received under the swap transaction over the stated term of such swap transaction, the basis risk of the transaction is expected to be minimal based upon historical relationships between such bases.

(B) Fixed-to-floating rate interest rate swap transactions under which the Board would pay an amount based on a variable rate of interest and the counterparty would pay an amount based on a fixed rate of interest, with respect to Parity Debt then outstanding bearing interest at a fixed rate and Parity Debt anticipated to be issued in the future that will bear interest at a fixed rate, as applicable. Prior to entering into such transaction the Authorized Representative must deliver to the General Counsel to the Board a certificate to the effect that converting such portion of fixed rate Parity Debt to a variable rate pursuant to the fixed-to-floating interest rate swap transaction would be beneficial to the System by (i) lowering the anticipated net interest cost on the Parity Debt to be swapped against or (ii) assisting in the System's asset/liability management by matching a portion of its variable rate assets with variable rate Parity Debt.

(C) Basis swap transactions under which the Board would pay a variable rate of interest computed on one basis, such as the Securities Industry and Financial Markets Association Municipal Swap Index, and the counterparty would pay a variable rate of interest computed on a different basis, such as the London Interbank Offered Rate ("LIBOR"), with

respect to a designated maturity or principal amount of outstanding Parity Debt and Parity Debt anticipated to be issued in the future, as applicable. Prior to entering into such transaction, an Authorized Representative must deliver to the General Counsel to the Board a certificate to the effect that by entering into the basis swap transaction the Board is expected to be able to (i) achieve spread income or upfront cash payments, (ii) preserve call option and advance refunding capability on its Parity Debt, (iii) lower net interest cost by effecting a percent of LIBOR synthetic refunding without issuing additional bonds or acquiring credit enhancement, (iv) lower net interest cost on Parity Debt by layering tax risk on top of a traditional fixed rate financing, (v) preserve liquidity capacity, or (vi) avoid the mark to market volatility of a fixed-to-floating or floating-to-fixed swap in changing interest rate environments.

(D) Interest rate locks, caps, floors, and collars for the purpose of limiting the exposure of the Board to adverse changes in interest rates in connection with outstanding Parity Debt or additional Parity Debt anticipated to be issued in the future. Prior to entering into such a transaction, an Authorized Representative must deliver to the General Counsel to the Board a certificate to the effect that such transaction is expected to limit or eliminate such exposure.

SECTION 7. Except as further limited by the immediately succeeding sentence, to the extent the Board receives payments pursuant to a Bond Enhancement Agreement, such payments shall be applied for any lawful purpose. In the event an Authorized Representative elects to treat a Bond Enhancement Agreement authorized by this Resolution as a "credit agreement" under Chapter 1371 and such Bond Enhancement Agreement is executed and delivered pursuant to Chapter 1371, to the extent that the Board receives payments pursuant to such a Bond Enhancement Agreement, such payments shall be applied as follows: (i) to pay (A) debt service on the Parity Debt or anticipated issuance of Parity Debt related to the Bond Enhancement Agreement, or (B) the costs to be financed by the Parity Debt or anticipated issuance of Parity Debt related to the Bond Enhancement Agreement; provided that, if applicable, such costs shall have been approved for construction by the Board and that the applicable projects have received the required approval or review of the Texas Higher Education Coordinating Board to the extent and as required by the provisions of Section 61.058 of the *Texas Education Code*; (ii) to pay other liabilities or expenses that are secured on parity with or senior to the Parity Debt or anticipated issuance of Parity Debt related to the Bond Enhancement Agreement; or (iii) to the extent that costs set forth in (i) and (ii) have been satisfied, for any other lawful purpose.

SECTION 8. No Bond Enhancement Agreement may be entered into under this Resolution with respect to the Board's obligations under an anticipated future issuance of Parity Debt unless such anticipated issuance of future debt shall have been recognized by official action of the Board pursuant to either (i) the Board's prior adoption of a resolution authorizing the issuance of such debt, including a resolution delegating the parameters of such issuance to an Authorized Representative, (ii) the Board's prior approval of its then current Capital Improvement Plan contemplating the financing of the projects to be financed by such anticipated issuance of debt and the amount of such debt to be issued, or (iii) the Board's action pursuant to this section with respect to Parity Debt anticipated to be issued to refund outstanding Parity Debt. To the extent that a Bond Enhancement Agreement is entered into under this Resolution with respect to the Board's obligations under an anticipated future issuance of Parity Debt, an Authorized Representative must also deliver to the General Counsel to the Board a certificate

with respect to such anticipated Parity Debt stating: (i) the anticipated issuance date of such Parity Debt or a range of anticipated dates of up to six months for such issuance, provided that such date or range of dates may not be more than the lesser of seventy-two (72) months after the date of the applicable Confirmation or the latest date contemplated for the issuance of such Parity Debt in the Board's then current Capital Improvement Plan; (ii) whether such Parity Debt will bear interest at a fixed or variable rate; (iii) if such Parity Debt will bear interest at a fixed rate, what fixed interest rate or range of interest rates with respect to such Parity Debt is anticipated; (iv) if such Parity Debt will bear interest at a variable rate, what basis is anticipated to be used to compute such variable rate; (v) the assumed maturity schedule and amortization for such Parity Debt, including the assumed interest cost; (vi) the anticipated purposes for which the proceeds of such Parity Debt will be used; and (vii) for Parity Debt anticipated to be issued for new money projects, a list or description of such projects anticipated to be financed, provided that each such project must be contemplated for financing with Parity Debt by the Board's then current Capital Improvement Plan. If the conditions in this section are satisfied, the Board hereby authorizes each Authorized Representative to enter into a Bond Enhancement Agreement in connection with Parity Debt anticipated to be issued to refund any existing Parity Debt, provided that as certified by an Authorized Representative to the General Counsel to the Board, such Parity Debt, when taking into consideration the effect of such Bond Enhancement Agreement, is anticipated to result in a present value savings in connection with such refunding of at least 3.0% (determined in the manner set forth in the resolution approved by the Board of even date herewith authorizing the issuance of additional Parity Debt), and in such event, the Board hereby declares its intention to cause such Parity Debt to be issued.

SECTION 9. Each Authorized Representative and all officers or officials of the Board are severally authorized to execute and deliver such other agreements and documents as are contemplated by this Resolution and the Master Agreements or are otherwise necessary in connection with entering into Confirmations and Bond Enhancement Agreements as described in this Resolution, as any such officer or official shall deem appropriate, including without limitation, officer's certificates, legal opinions, and credit support documents.

SECTION 10. All officers or officials of the Board and its agents and counsel are authorized to take all such further actions, to execute and deliver such further instruments and documents in the name and on behalf of the Board to pay all such expenses as in his or her judgment shall be necessary or advisable in order fully to carry out the purposes of this Resolution.

EXHIBIT A

**INTEREST RATE SWAP POLICY
OF THE UNIVERSITY OF TEXAS SYSTEM**

EXHIBIT B

EXECUTED MASTER AGREEMENTS

Note: The [Executed Master Agreements](#) are on file in the Office of the Board of Regents.

A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF BOND
ENHANCEMENT AGREEMENTS RELATING TO PERMANENT UNIVERSITY
FUND DEBT AND AUTHORIZING AND APPROVING OTHER INSTRUMENTS
AND PROCEDURES RELATING TO SAID AGREEMENTS

August 23, 2007

WHEREAS, the Board of Regents (the “Board”) of The University of Texas System (the “System”) is the governing body of the System, an institution of higher education under the *Texas Education Code* and an agency of the State of Texas (the “State”); and

WHEREAS, the Permanent University Fund is a constitutional fund and public endowment created in the Texas Constitution of 1876, as created, established, implemented and administered pursuant to Sections 10, 11, 11a, 11b, 15 and 18 of Article VII of the Constitution of the State, as amended, and by other applicable present and future constitutional and statutory provisions, and further implemented by the provisions of Chapter 66, *Texas Education Code*, as amended, the “Permanent University Fund”); and

WHEREAS, the Available University Fund is defined by the Constitution of the State and consists of distributions made to it from the total return on all investment assets of the Permanent University Fund, including the net income attributable to the surface of Permanent University Fund land, as determined by the Board pursuant to Section 18 of Article VII of the Constitution of the State (the “Available University Fund”); and

WHEREAS, Section 18 of Article VII of the Constitution of the State, as may hereafter be amended (the “Constitutional Provision”), authorizes the Board to issue bonds and notes (“PUF Debt”) not to exceed a total amount of 20% of the cost value of investments and other assets of the Permanent University Fund, exclusive of real estate, at the time of issuance thereof and to pledge all or any part of its two-thirds interest in the Available University Fund (the “Interest of the System”) to secure the payment of the principal of and interest on PUF Debt, for the purpose of acquiring land, constructing and equipping buildings or other permanent improvements, major repair and rehabilitation of buildings and other permanent improvements, acquiring capital equipment and library books and library materials, and refunding bonds or notes issued under the Constitutional Provision or prior law, at or for the System Administration and institutions of the System as listed in the Constitutional Provision; and

WHEREAS, the Constitutional Provision also provides that out of the Interest of the System in the Available University Fund there shall be appropriated an annual sum sufficient to pay the principal and interest due on PUF Debt, and the remainder of the Interest of the System in the Available University Fund (the “Residual AUF”) shall be appropriated for the support and maintenance of The University of Texas at Austin and the System Administration; and

WHEREAS, the Board has been presented with the form of an International Swaps and Derivatives Association, Inc. Master Agreement (including the Schedule and Credit Support Annex thereto) attached hereto as Exhibit A; and

WHEREAS, the Board hereby desires to severally authorize each Authorized Representative (as defined in the U.T. System’s Interest Rate Swap Policy, a copy of which is attached hereto as Exhibit B) to enter into Bond Enhancement Agreements (as defined herein) from time to time, all as provided in this Resolution.

NOW THEREFORE BE IT RESOLVED, that

SECTION 1. Each Authorized Representative is hereby severally authorized to enter into International Swaps and Derivatives Association, Inc. Master Agreements (the “Master Agreements”) with counterparties satisfying the ratings requirements of the U.T. System Interest Rate Swap Policy, and such Master Agreements shall be in substantially the same form as set forth in Exhibit A hereto, with such changes as, in the judgment of an Authorized Representative, with the advice and counsel of the U.T. Office of General Counsel and Bond Counsel, are necessary or desirable (i) to carry out the intent of the Board as expressed in this Resolution, (ii) to receive approval of this Resolution by the Attorney General of the State of Texas, if pursuant to Section 2 of this Resolution, an Authorized Representative elects to designate any Bond Enhancement Agreement entered into by the Board pursuant to this Resolution as a “credit agreement” under Chapter 1371 of the *Texas Government Code*, as amended (“Chapter 1371”), (iii) to accommodate the credit structure or requirements of a particular counterparty, or (iv) to incorporate comments received or anticipated to be received from any credit rating agency relating to a Master Agreement.

Each Authorized Representative is further severally authorized to act on behalf of the Board in accepting and executing confirmations under one or more of the Master Agreements (each, a “Confirmation,” and collectively with the applicable Master Agreement, a “Bond Enhancement Agreement”) when, in his or her judgment, the execution of such Confirmation is consistent with this Resolution, the U.T. System Interest Rate Swap Policy and either (i) the transaction is expected to reduce the net interest to be paid by the Board with respect to any then outstanding PUF Debt or PUF Debt anticipated to be issued in the future over the term of the Bond Enhancement Agreement or (ii) the transaction is in the best interests of the Board given the market conditions at that time.

SECTION 2. The Board hereby determines that any such Bond Enhancement Agreement entered into by an Authorized Representative pursuant to this Resolution is necessary or appropriate to place the Board’s obligations with respect to its outstanding PUF Debt or PUF Debt anticipated to be issued in the future on the interest rate, currency, cash flow or other basis set forth in such Bond Enhancement Agreement as approved and executed on behalf of the Board by an Authorized Representative. Each Bond Enhancement Agreement constitutes a “bond enhancement agreement” under Section 65.461 of the *Texas Education Code* (“Section 65.461”). Pursuant to Section 65.461, a Bond Enhancement Agreement authorized and executed by an Authorized Representative under this Resolution shall not be considered a “credit agreement” under Chapter 1371, unless specifically designated as such by such Authorized Representative. In the event an Authorized Representative elects to treat a Bond Enhancement Agreement authorized by this Resolution as a “credit agreement” under Chapter 1371 and such Authorized Representative has not previously submitted this Resolution to the Attorney General, such Authorized Representative shall submit this Resolution to the Attorney General for review and approval in accordance with the requirements of Chapter 1371 as the proceedings authorizing Bond Enhancement Agreements entered into by the Board pursuant to this Resolution.

SECTION 3. The costs of any Bond Enhancement Agreement and the amounts payable thereunder shall be payable from the Residual AUF as a cost of the support and maintenance of System administration or from any other source that is legally available to make such payments. The maximum term of each Bond Enhancement Agreement authorized by this Resolution shall not exceed the maturity date of the then outstanding related PUF Debt or the related PUF Debt anticipated to be issued in the future, as applicable. The notional amount of any Bond Enhancement Agreement authorized by this Resolution shall not at any time exceed the aggregate principal amount of the then outstanding related PUF Debt or related PUF Debt anticipated to be issued in the future, as applicable; provided that the aggregate notional amount of multiple Bond Enhancement Agreements relating to the same PUF Debt may exceed the principal amount of the related PUF Debt if such Bond Enhancement Agreements are for

different purposes, as evidenced for example by different rates for calculating payments owed, and the aggregate notional amount of any such Bond Enhancement Agreements for the same purpose otherwise satisfies the foregoing requirements. In the event a Bond Enhancement Agreement is entered into under this Resolution in connection with the anticipated issuance of PUF Debt, such Bond Enhancement Agreement shall provide for (i) its termination if such PUF Debt is not issued on or prior to the effective date of such Bond Enhancement Agreement, or its amendment in such event to replace such anticipated PUF Debt with then outstanding PUF Debt having the same types of interest rates (fixed or variable) as the anticipated PUF Debt, and (ii) the adjustment of its notional amount so that such notional amount does not exceed at any time the actual principal amount of such anticipated PUF Debt as issued. No Confirmation entered into pursuant to this Resolution shall contain early termination provisions at the option of the counterparty except upon the occurrence of an event of default or an additional termination event, as prescribed in the applicable Master Agreement. No Bond Enhancement Agreement authorized by this Resolution shall be payable at a rate greater than the maximum rate allowed by law. An Authorized Representative may obtain credit enhancement for any Bond Enhancement Agreement if such Authorized Representative, as evidenced by a certificate delivered to the General Counsel to the Board, has determined that after taking into account the cost of such credit enhancement, such credit enhancement will reduce the amount payable by the Board pursuant to such Bond Enhancement Agreement; provided that the annual cost of credit enhancement on any Bond Enhancement Agreement entered into pursuant to this Resolution may not exceed 0.25% of the notional amount of such Bond Enhancement Agreement. No Bond Enhancement Agreement may be executed and delivered under this Resolution after August 31, 2008.

SECTION 4. Each Authorized Representative is hereby further severally authorized to enter into amendments to the Master Agreements to allow Confirmations thereunder to be issued and entered into with respect to any then outstanding PUF Debt or PUF Debt anticipated to be issued in the future and to make such other amendments in accordance with the terms of the respective Master Agreements as in the judgment of such Authorized Representative, with the advice and counsel of the Office of General Counsel and Bond Counsel, are necessary or desirable to allow the Board to achieve the benefits of the Bond Enhancement Agreements in accordance with and subject to the System's Interest Rate Swap Policy and this Resolution.

SECTION 5. In addition to the authority otherwise granted in this Resolution, each Authorized Representative is hereby severally granted continuing authority to enter into the following specific transactions pursuant to a Confirmation upon satisfaction of the following respective conditions:

(A) Floating-to-fixed rate interest rate swap transactions under which the Board would pay an amount based upon a fixed rate of interest and the counterparty would pay an amount based upon a variable rate of interest with respect to PUF Debt then outstanding bearing interest at a variable rate and any PUF Debt anticipated to be issued in the future that will bear interest at a variable rate, as applicable. Prior to entering into such transaction, an Authorized Representative must deliver to the General Counsel to the Board a certificate to the effect that (i) the synthetic fixed rate to the Board pursuant to the swap transaction is lower than the rate available to the Board for comparable fixed rate debt at the time of the swap transaction, and (ii) if the variable rate being paid or expected to be paid by the Board on the applicable PUF Debt is computed on a basis different from the calculation of the variable rate to be received under the swap transaction over the stated term of such swap transaction, the basis risk of the transaction is expected to be minimal based upon historical relationships between such bases.

(B) Fixed-to-floating rate interest rate swap transactions under which the Board would pay an amount based upon a variable rate of interest and the counterparty would pay an amount based upon a fixed rate of interest, with respect to PUF Debt then outstanding bearing interest at a fixed rate or PUF Debt anticipated to be issued in the future that will bear interest at a fixed rate, as applicable. Prior to

entering into such transaction, an Authorized Representative must deliver to the General Counsel to the Board a certificate to the effect that converting such portion of fixed rate PUF Debt to a variable rate pursuant to the fixed-to-floating interest rate swap transaction would be beneficial to the System by (i) lowering the anticipated net interest cost on the PUF Debt to be swapped against or (ii) assisting in the System's asset/liability management by matching a portion of its variable rate assets with variable rate PUF Debt.

(C) Basis swap transactions under which the Board would pay a variable rate of interest computed on one basis, such as the Securities Industry and Financial Markets Association Municipal Swap Index, and the counterparty would pay a variable rate of interest computed on a different basis, such as a designated maturity of the London Interbank Offered Rate ("LIBOR"), with respect to a given principal amount of PUF Debt then outstanding or PUF Debt anticipated to be issued in the future, as applicable. Prior to entering into such transaction, an Authorized Representative must deliver to the General Counsel to the Board a certificate to the effect that by entering into the basis swap transaction the Board is expected to be able to (i) achieve spread income or upfront cash payments, (ii) preserve call option and advance refunding capability on its PUF Debt, (iii) lower net interest cost by effecting a percent of LIBOR synthetic refunding without issuing additional bonds or acquiring credit enhancement, (iv) lower net interest cost on PUF Debt by layering tax risk on top of a traditional fixed rate financing, (v) preserve liquidity capacity, or (vi) avoid the mark to market volatility of a fixed-to-floating or floating-to-fixed swap in changing interest rate environments.

(D) Interest rate locks, caps, floors, and collars for the purpose of limiting the exposure of the Board to adverse changes in interest rates in connection with outstanding PUF Debt or additional PUF Debt anticipated to be issued in the future. Prior to entering into such a transaction, an Authorized Representative must deliver to the General Counsel to the Board a certificate to the effect that such transaction is expected to limit or eliminate such exposure. Any such transaction may be evidenced by the execution of a Confirmation or other agreement or instrument deemed necessary by an Authorized Representative.

SECTION 6. Except as provided in the immediately succeeding sentence, to the extent the Board receives payments pursuant to a Bond Enhancement Agreement, such payments shall be applied for any lawful purpose. In the event an Authorized Representative elects to treat a Bond Enhancement Agreement authorized by this Resolution as a "credit agreement" under Chapter 1371 and such Bond Enhancement Agreement is executed and delivered pursuant to Chapter 1371, to the extent that the Board receives payments pursuant to such a Bond Enhancement Agreement, such payments shall be applied: (i) to pay (A) debt service on the PUF Debt or anticipated issuance of PUF Debt related to the Bond Enhancement Agreement, or (B) the costs to be financed by the PUF Debt or anticipated issuance of PUF Debt related to the Bond Enhancement Agreement; provided that, if applicable, such costs shall have been approved for construction by the Board and that the applicable projects have received the required approval or review of the Texas Higher Education Coordinating Board to the extent and as required by the provisions of Section 61.058 of the *Texas Education Code*; (ii) to pay other liabilities or expenses that are secured on parity with or senior to the PUF Debt or anticipated issuance of PUF Debt related to the Bond Enhancement Agreement; or (iii) to the extent that costs set forth in (i) and (ii) have been satisfied, for any other lawful purpose.

SECTION 7. No Bond Enhancement Agreement may be entered into under this Resolution with respect to the Board's obligations under an anticipated future issuance of PUF Debt unless such anticipated issuance of future debt shall have been recognized by official action of the Board pursuant to either (i) the Board's prior adoption of a resolution authorizing the issuance of such debt, including a resolution delegating the parameters of such issuance to an Authorized Representative, (ii) the Board's prior approval of its then current Capital Improvement Plan contemplating the financing of the projects to

be financed by such anticipated issuance of debt and the amount of such debt to be issued, or (iii) the Board's action pursuant to this section with respect to PUF Debt anticipated to be issued to refund outstanding PUF Debt. To the extent that a Bond Enhancement Agreement is entered into under this Resolution with respect to the Board's obligations under an anticipated future issuance of PUF Debt, an Authorized Representative must also deliver to the General Counsel to the Board a certificate with respect to such anticipated PUF Debt stating: (i) the anticipated issuance date of such PUF Debt or a range of anticipated dates of up to six months for such issuance, provided that such date or range of dates may not be more than the lesser of seventy-two (72) months after the date of the applicable Confirmation or the latest date contemplated for the issuance of such PUF Debt in the Board's then current Capital Improvement Plan; (ii) whether such PUF Debt will bear interest at a fixed or variable rate; (iii) if such PUF Debt will bear interest at a fixed rate, what fixed interest rate or range of interest rates with respect to such PUF Debt is anticipated; (iv) if such PUF Debt will bear interest at a variable rate, what basis is anticipated to be used to compute such variable rate; (v) the assumed maturity schedule and amortization for such PUF Debt, including the assumed interest cost; (vi) the anticipated purposes for which the proceeds of such PUF Debt will be used; and (vii) for PUF Debt anticipated to be issued for new money projects, a list or description of such projects anticipated to be financed, provided that each such project must be contemplated for financing with PUF Debt by the Board's then current Capital Improvement Plan.

If the conditions in this section are satisfied, the Board hereby authorizes each Authorized Representative to enter into a Bond Enhancement Agreement in connection with PUF Debt anticipated to be issued to refund any existing PUF Debt, provided that as certified by an Authorized Representative to the General Counsel of the Board, such PUF Debt, when taking into consideration the effect of such Bond Enhancement Agreement, is anticipated to result in a present value savings in connection with such refunding of at least 3.0% (determined in the manner set forth in the resolution approved by the Board of even date herewith authorizing the issuance of additional PUF Debt), and in such event, the Board hereby declares its intention to cause such PUF Debt to be issued.

SECTION 8. Each Authorized Representative and all officers or officials of the Board are severally authorized to execute and deliver such other agreements and documents as are contemplated by this Resolution and the Master Agreements or are otherwise necessary in connection with entering into Confirmations and Bond Enhancement Agreements as described in this Resolution, as any such officer or official shall deem appropriate, including without limitation, officer's certificates, legal opinions, and credit support documents.

SECTION 9. All officers or officials of the Board and its agents and counsel are authorized to take all such further actions, to execute and deliver such further instruments and documents in the name and on behalf of the Board to pay all such expenses as in his or her judgment shall be necessary or advisable in order fully to carry out the purposes of this Resolution.

EXHIBIT A

FORM OF MASTER AGREEMENT

The Form of [Master Agreement](#) is on file in the Office of the Board of Regents.

EXHIBIT B

**INTEREST RATE SWAP POLICY
OF THE UNIVERSITY OF TEXAS SYSTEM**

9. U. T. System: Approval of an aggregate amount of \$102,957,000 of Revenue Financing System Equipment Financing for Fiscal Year 2008 and resolution regarding parity debt

The Board

- a. approved an aggregate amount of \$102,957,000 of Revenue Financing System Equipment Financing as allocated to The University of Texas System institutions as set out on Page 91; and
- b. resolved in accordance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System that
 - parity debt shall be issued to pay the cost of equipment including costs incurred prior to the issuance of such parity debt;
 - sufficient funds will be available to meet the financial obligations of the U. T. System, including sufficient Pledged Revenues as defined in the Master Resolution to satisfy the Annual Debt Service Requirements of the Financing System, and to meet all financial obligations of the U. T. System Board of Regents relating to the Financing System;
 - the institutions and U. T. System Administration, which are "Members" as such term is used in the Master Resolution, possess the financial capacity to satisfy their direct obligation as defined in the Master Resolution relating to the issuance by the U. T. System Board of Regents of tax-exempt parity debt in the aggregate amount of \$102,957,000 for the purchase of equipment; and
 - this resolution satisfies the official intent requirements set forth in Section 1.150-2 of the *Code of Federal Regulations* that evidences the Board's intention to reimburse project expenditures with bond proceeds.

APPROVAL OF U. T. SYSTEM EQUIPMENT FINANCING
FY 2008

Institution	\$ Amount of Request	Description of Expected Equipment Purchases	DSC*
U. T. Austin	\$1,500,000	Classroom equipment, research equipment, and information technology hardware	4.4x
U. T. Dallas	4,000,000	General purpose equipment and equipment, software, and services for the Pilot Shared Services project	3.5x
U. T. El Paso	1,632,000	Technology infrastructure, facilities maintenance equipment, vehicle replacement, parking control software and equipment, elevator purchase and installation, and conference services management system	2.3x
U. T. San Antonio	2,425,000	Scientific equipment, lab equipment, and vehicle purchases	3.1x
U. T. Southwestern Medical Center - Dallas	45,000,000	Information resources equipment, clinical and hospital equipment, and non-clinical equipment	2.3x
U. T. Medical Branch - Galveston	14,000,000	Clinical and information technology equipment	1.9x
U. T. Health Science Center - San Antonio	4,000,000	Cyclotron, research, clinical & information technology equipment	1.4x
U. T. M. D. Anderson Cancer Center	25,000,000	Medical equipment, research equipment, and diagnostic equipment	4.5x
U.T. Health Center - Tyler	5,000,000	New telephone system, clinical equipment, and diagnostic equipment	3.2x
U. T. System Administration	400,000	Information technology equipment	N/A
Total		\$102,957,000	

* Debt Service Coverage ("DSC") based on actual results for FY06.

U. T. System Office of Finance, July 23, 2007

10. U. T. System Board of Regents: Adoption of Eighteenth Supplemental Resolution authorizing Revenue Financing System Bonds in an amount not to exceed \$675,000,000; adoption of a standard provisions resolution; authorization to complete all related transactions; and resolution regarding parity debt

The Board

- a. adopted the Eighteenth Supplemental Resolution to the Master Resolution, containing terms in substantially the form approved by the Board of Regents on November 13, 2003, authorizing the issuance, sale, and delivery of Board of Regents of The University of Texas System Revenue Financing System Bonds in one or more installments in an aggregate principal amount not to exceed \$675,000,000 for the purpose of refunding a portion of the outstanding Revenue Financing System Commercial Paper Notes, Series A; to provide new money to fund construction and acquisition costs of projects in the Capital Improvement Program (CIP); to current or advance refund certain outstanding Revenue Financing System Bonds to produce present value debt service savings; and to pay the costs of issuance and any original issue discount;
- b. adopted a standard provisions resolution approving certain standard provisions and procedures applicable to bonds issued pursuant to the supplemental resolutions to the Master Resolution authorizing the issuance, sale, and delivery of Board of Regents of The University of Texas System Revenue Financing System Bonds; and
- c. authorized appropriate officers and employees of the U. T. System as set forth in the Eighteenth Supplemental Resolution to take any and all actions necessary to carry out the intentions of the U. T. System Board of Regents, within the limitations and procedures specified therein, to make certain covenants and agreements in connection therewith; and to resolve other matters incident and related to the issuance, sale, security, and delivery of such Bonds.

In compliance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System adopted by the U. T. System Board of Regents on February 14, 1991, amended on October 8, 1993, and August 14, 1997, and upon delivery of the Certificate of an Authorized Representative as required by Section 5 of the Master Resolution, the Board resolved that

- a. sufficient funds will be available to meet the financial obligations of the U. T. System, including sufficient Pledged Revenues as defined in the

Master Resolution to satisfy the Annual Debt Service Requirements of the Financing System, and to meet all financial obligations of the Board relating to the Financing System; and

- b. the institutions, which are "Members" as such term is used in the Master Resolution, possess the financial capacity to satisfy their direct obligation as defined in the Master Resolution relating to the issuance by the U. T. System Board of Regents of tax-exempt parity debt.

The Eighteenth Supplemental Resolution (Resolution) authorizes the refunding of certain outstanding Revenue Financing System (RFS) Bonds provided that an advance refunding exceeds a minimum 3% present value debt service savings threshold. An advance refunding involves issuing bonds to refund outstanding bonds in advance of the call date. Refunding bonds are issued at lower interest rates thereby producing debt service savings. The Resolution provides the flexibility to select the particular bonds to be refunded depending on market conditions at the time of pricing. The particular bonds to be refunded will be called for redemption on the first practical optional redemption date for each series of refunded bonds occurring after the delivery of the refunding bonds.

In addition, the Resolution authorizes refunding a portion of the outstanding Revenue Financing System Commercial Paper Notes, Series A, refunding certain outstanding RFS Bonds for savings, and new money to fund construction and acquisition costs of projects in the Capital Improvement Program. Generally, commercial paper debt is issued to fund projects during the construction phase and the debt is not amortized. Once construction is complete, the commercial paper is refunded with bonds. Depending on the level of interest rates at the time of pricing, outstanding commercial paper and new money for construction may be financed with long-term debt.

The Resolution also authorizes remarketing, tender, auction, and broker-dealer agreements customarily utilized in connection with the types of variable rate instruments authorized.

The purpose of the standard provisions resolution is to gather provisions that do not change into a single resolution that can be incorporated by reference rather than repeating the standard provisions in each subsequent supplemental resolution.

Note: The Eighteenth Supplemental Resolution, standard provisions resolution, and forms of auction and broker-dealer agreements contain terms that are substantially the same as those contained in the Thirteenth through Seventeenth Supplemental Resolutions and forms of auction and broker-dealer agreements previously approved by the Board on November 13, 2003, for use as standard agreements.

11. U. T. System Board of Regents: Report on Treasury Working Group

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

12. U. T. System Board of Regents: Approval of amendments to the Allocation Policy for Non-Endowment Funds

The Board approved amendments to The University of Texas System Allocation Policy for Non-Endowment Funds (Allocation Policy) to be effective September 1, 2007. The revised policy is set forth on Pages 95 - 96.

The Allocation Policy was approved by the U. T. System Board of Regents on November 10, 2005, and implemented on February 1, 2006, as part of the centralization of non-endowment funds. The Allocation Policy is intended to ensure that sufficient liquidity is available at all times to meet the needs of the U. T. System institutions and U. T. System Administration, while ensuring that all funds not needed for short-term liquidity purposes are invested with an appropriate time horizon to enhance the total return of the non-endowment funds. Eligible U. T. System institutions with at least \$5 million of non-endowment funds on the last day of a calendar month and a current financial condition rating from the U. T. System Office of the Controller of "Watch" or better invest in the Intermediate Term Fund (ITF) pursuant to the Allocation Policy. Formerly, 85% of an institution's non-endowment funds were to be invested in the ITF with a corresponding target allocation for the AAA-rated money market Short Term Fund (STF) of 15% (within a range of 10-20%).

The primary amendment to the Allocation Policy is to increase the target allocation in the ITF from 85% to 90%, with the remaining 10% in the STF (within a range of 5-15%). This is based on a review of actual daily data dating back to 2002. During the first 12 months of operation of the ITF, the maximum daily outflow represented just 2.6% of the combined non-endowment funds (ITF and STF). The 10% target in the STF (plus debt proceeds) should provide more than ample operating liquidity going forward. All other changes to the Allocation Policy were editorial in nature.

The University of Texas System Allocation Policy for Non-Endowment Funds

Purpose

The University of Texas System Allocation Policy for Non-Endowment Funds (“Allocation Policy”) is intended to ensure that sufficient liquidity is available at all times to meet the needs of the institutions and System Administration, while ensuring that all funds not needed for short-term liquidity purposes are invested with an appropriate time horizon to enhance the total return of the Non-Endowment Funds. Eligible Institutions with at least \$5 million of Non-Endowment Funds on the last day of a calendar month and a current financial condition rating from the System Administration Office of the Controller of “Watch” or better will invest in the Intermediate Term Fund (“ITF”) pursuant to this policy. Exceptions for funds that would otherwise be invested pursuant to this policy may be made only with the approval of an Authorized Representative.

Allocation and Rebalancing

At the beginning of each month, each institution shall have a minimum of \$5 million invested in the Short Term Fund (“STF”). The target allocation for Non-Endowment Funds held by Eligible Institutions shall be 10% in the STF and 90% in the ITF. Institutions that are ineligible to invest in the ITF shall be 100% invested in the STF. If an institution ceases being an Eligible Institution as measured on the last day of any month, then it must rebalance such that 100% of its Non-Endowment Funds are in the STF, unless approval is obtained from an Authorized Representative.

Eligible Institutions are required to rebalance when the projected allocation to the STF at month-end is less than 5% or greater than 15% of the institution’s Non-Endowment Funds, or when a cash inflow or outflow is scheduled to occur during the next calendar month that is likely to result in the institution having less than 5% or more than 15% of its Non-Endowment Funds in the STF at the end of the next calendar month. Each Chief Business Officer is responsible for rebalancing to ensure the institution’s Non-Endowment Funds are within this target range, which will be reviewed on a monthly basis by the System Administration Office of Finance. At least five days prior to the end of each month, each institution should check its balance in the STF and the ITF to determine if rebalancing will be necessary. If necessary, ITF transactions should be initiated on or before the last business day of the month. ITF transactions will be effective on the first business day of the following month. For ITF transactions greater than \$25 million, the institution should provide notice to The University of Texas Investment Management Company (UTIMCO) at least three business days in advance to facilitate UTIMCO’s ability to transact efficiently.

Sharing of Investment Returns

If the total investment return on the ITF in a fiscal year is in excess of the national Consumer Price Index (“CPI-U”) published by the Bureau of Labor Statistics plus 3.0%, then the amount in excess of the CPI-U plus 3.0% will be split, with 90% of the excess return being retained by the institutions and 10% being distributed to System Administration. Any funds distributed to System Administration will be used exclusively for strategic initiatives that benefit the institutions, and all expenditures of the funds by System Administration will require approval of the Board of Regents.

No excess returns will be distributed to System Administration unless the cumulative total investment return of the ITF, measured from the inception date of the ITF through the most recent fiscal year end, is also in excess of the cumulative total return of the CPI-U plus 3.0% (per year) for the same period.

Definitions

Authorized Representative – The Executive Vice Chancellor for Business Affairs at System Administration or the Associate Vice Chancellor for Finance at System Administration.

Eligible Institutions – Institutions with at least \$5 million of Non-Endowment Funds on the last day of a month and a current financial condition rating from the System Administration Office of the Controller of “Watch” or better.

Intermediate Term Fund (ITF) – The ITF is a pooled fund for the investment of Non-Endowment Funds that are not required to be invested in the Short Term Fund. Refer to the ITF Investment Policy for more information.

Non-Endowment Funds – Non-Endowment Funds include all non-endowment monies owned by the Board of Regents or under the control of the Board of Regents. Funds that are legally required to be invested elsewhere, such as funds held at the State Treasury and certain trust funds, are excluded from this policy. Due to Internal Revenue Service restrictions governing tax-exempt debt such as yield restriction and spend-out requirements, debt-related funds are also specifically excluded from this policy. Exceptions for Non-Endowment Funds that would otherwise be invested pursuant to this policy may be made only with the approval of an Authorized Representative.

Short Term Fund (STF) – The STF is an institutional money market mutual fund, currently the Dreyfus Institutional Preferred Money Market Fund (Dreyfus Fund). The STF provides daily liquidity and safety of principal by investing in short-term money market obligations. Refer to the STF Investment Policy for more information.

13. U. T. System Board of Regents: Investment Reports for the fiscal quarter ended May 31, 2007, and The University of Texas Investment Management Company (UTIMCO) Performance Summary Report

The Investment Reports for the fiscal quarter ended May 31, 2007, are summarized below.

Item I on Page 98 reports activity for the Permanent University Fund (PUF) investments. The PUF's net investment return for the quarter was 6.74% versus its composite benchmark return of 5.89%. The PUF's net asset value increased by \$705.0 million since the beginning of the quarter to \$11,763.6 million. This change in net asset value includes increases due to contributions from PUF land receipts and net investment return, and the third payment of the annual distribution to the Available University Fund (AUF) for \$100.2 million.

Item II on Page 99 reports activity for the General Endowment Fund (GEF) investments. The GEF's net investment return for the quarter was 6.77% versus its composite benchmark return of 5.89%. The GEF's net asset value increased during the quarter to \$6,435.5 million.

Item III on Page 100 reports activity for the Intermediate Term Fund (ITF). The ITF's net investment return for the quarter was 4.06% versus its composite benchmark return of 2.84%. The net asset value increased to \$3,740.0 million due to net contributions (\$173.3 million), net distributions (-\$27.1 million), and net investment return (\$154.6 million).

Item IV on Page 101 presents book and market value of cash, debt, equity, and other securities held in funds outside of internal investment pools. Total cash and equivalents, consisting primarily of institutional operating funds held in the Dreyfus money market fund, increased by \$.3 million to \$1,621.0 million during the three months since the last reporting period. Market values for the remaining asset types were debt securities: \$33.9 million versus \$32.4 million at the beginning of the period; equities: \$73.9 million versus \$72.1 million at the beginning of the period; and other investments: \$.1 million versus \$1.6 million at the beginning of the period.

The May 31, 2007, UTIMCO Performance Summary Report is attached on Page 102. The Dow Jones Wilshire Real Estate Securities Index (the DJWRESI) is the approved benchmark for the REITS (Real Estate Investment Trusts) asset class, included in the Endowment Investment Policy Portfolios and reported for comparison with REITS manager returns. Effective July 1, 2007, the DJWRESI underwent a routine minor change in the construction of its underlying holdings. UTIMCO staff, in concurrence with University of Texas System staff and Mr. Bruce Myers from Cambridge Associates, determined that this change does not constitute a "change in a benchmark" requiring action by the UTIMCO Board and U. T. System Board of Regents. No prior period index or benchmark returns will be restated; the same index, constructed under a slightly different methodology will continue to be used on a go-forward basis.

I. PERMANENT UNIVERSITY FUND

Investment Reports for Periods Ended May 31, 2007

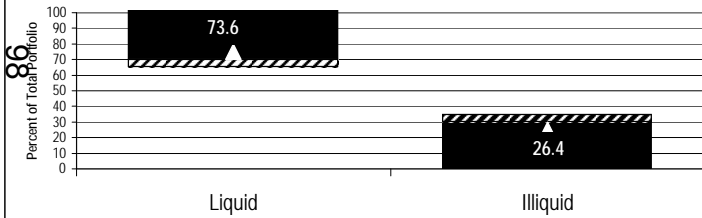
Prepared in accordance with *Texas Education Code Sec. 51.0032*

Summary of Capital Flows

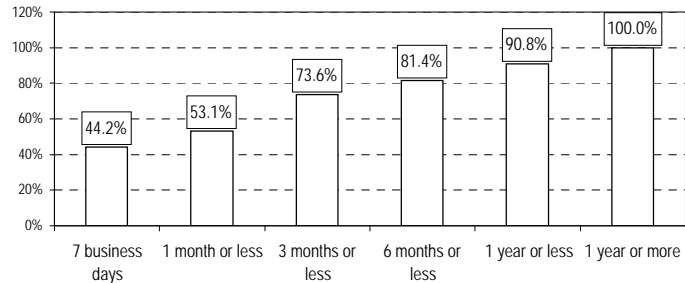
(\$ millions)	Fiscal Year Ended August 31, 2006	Quarter Ended May 31, 2007	Fiscal Year Ended August 31, 2007
Beginning Net Assets	\$ 9,426.7	\$ 11,058.6	\$ 10,313.4
PUF Lands Receipts	214.9	71.2	207.2
Investment Return	1,111.7	759.9	1,603.2
Expenses	(82.6)	(25.9)	(59.7)
Distributions to AUF	(357.3)	(100.2)	(300.5)
Ending Net Assets	\$ 10,313.4	\$ 11,763.6	\$ 11,763.6

	May 31, 2007		Fiscal Year to Date				
			Returns		Value Added		
	Portfolio Exposure	Policy Target	Portfolio	Policy Benchmark	From Asset Allocation	From Security Selection	Total
Cash and Cash Equivalents	4.42%	0.00%	4.01%	3.90%	-0.35%	0.00%	-0.35%
U.S. Equities	23.08%	20.00%	19.45%	19.55%	0.11%	-0.02%	0.09%
Non-U.S. Developed Equity	11.49%	10.00%	18.14%	22.25%	0.05%	-0.39%	-0.34%
Emerging Markets Equity	8.14%	7.00%	31.76%	33.15%	0.33%	-0.09%	0.24%
Directional Hedge Funds	9.69%	10.00%	16.40%	8.60%	-0.01%	0.79%	0.78%
Absolute Return Hedge Funds	14.00%	15.00%	13.56%	8.60%	0.00%	0.76%	0.76%
REITS	4.62%	5.00%	18.47%	15.02%	-0.02%	0.16%	0.14%
Commodities	3.50%	3.00%	-11.51%	-6.76%	-0.43%	-0.17%	-0.60%
TIPS	3.49%	5.00%	0.83%	0.74%	0.15%	0.01%	0.16%
Fixed Income	7.00%	10.00%	3.16%	3.43%	0.28%	-0.03%	0.25%
Total Marketable Securities	89.43%	85.00%	14.61%	13.33%	0.11%	1.02%	1.13%
Private Capital	10.57%	15.00%	19.83%	16.46%	-0.31%	0.51%	0.20%
Total	100.00%	100.00%	15.14%	13.81%	-0.20%	1.53%	1.33%

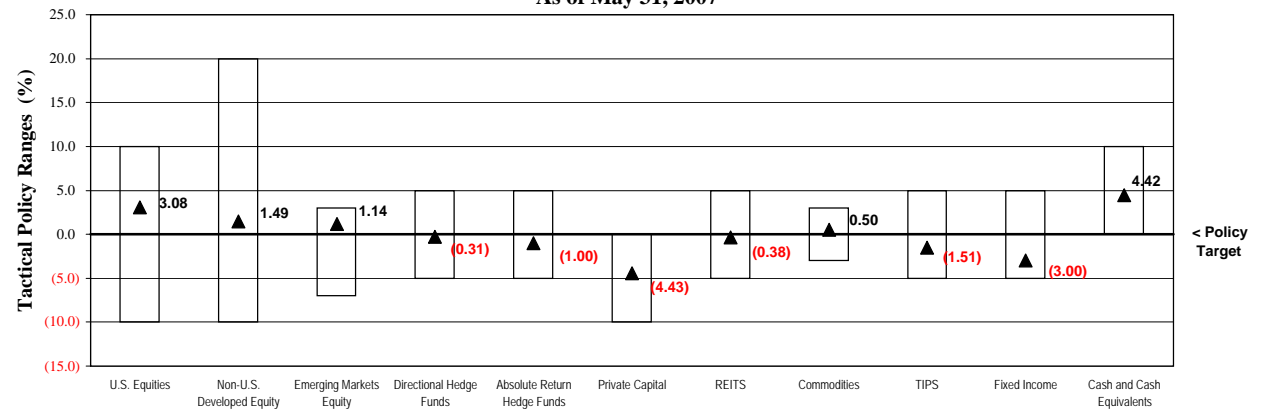
PUF Liquidity Policy Profile As of May 31, 2007



PUF Detailed Liquidity Profile as of May 31, 2007



Deviations From Policy Targets Within Tactical Policy Ranges As of May 31, 2007



II. GENERAL ENDOWMENT FUND

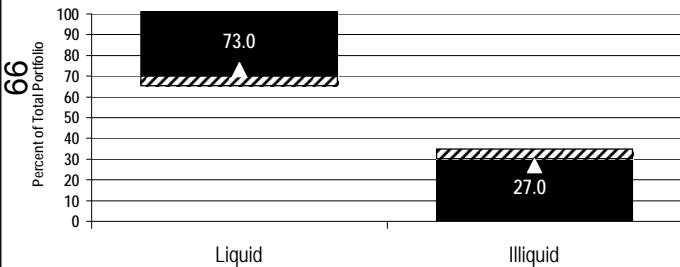
Investment Reports for Periods Ended May 31, 2007

Prepared in accordance with Texas Education Code Sec. 51.0032

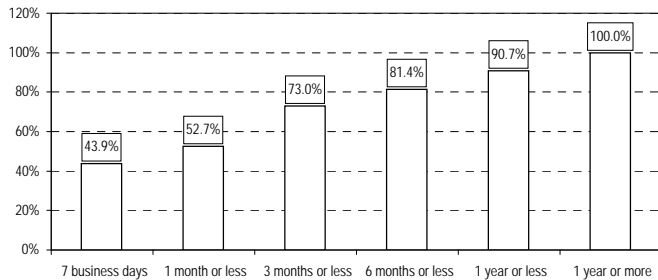
Summary of Capital Flows

(\$ millions)	Fiscal Year Ended August 31, 2006	Quarter Ended May 31, 2007	Fiscal Year Ended August 31, 2007
Beginning Net Assets	\$ 4,926.8	\$ 5,996.8	\$ 5,427.8
Contributions	273.9	89.6	316.4
Withdrawals	(108.0)	-	(1.9)
Distributions	(220.0)	(60.3)	(178.8)
Investment Return	593.3	421.2	898.9
Expenses	(38.2)	(11.8)	(26.9)
Ending Net Assets	\$ 5,427.8	\$ 6,435.5	\$ 6,435.5

GEF Liquidity Policy Profile
As of May 31, 2007



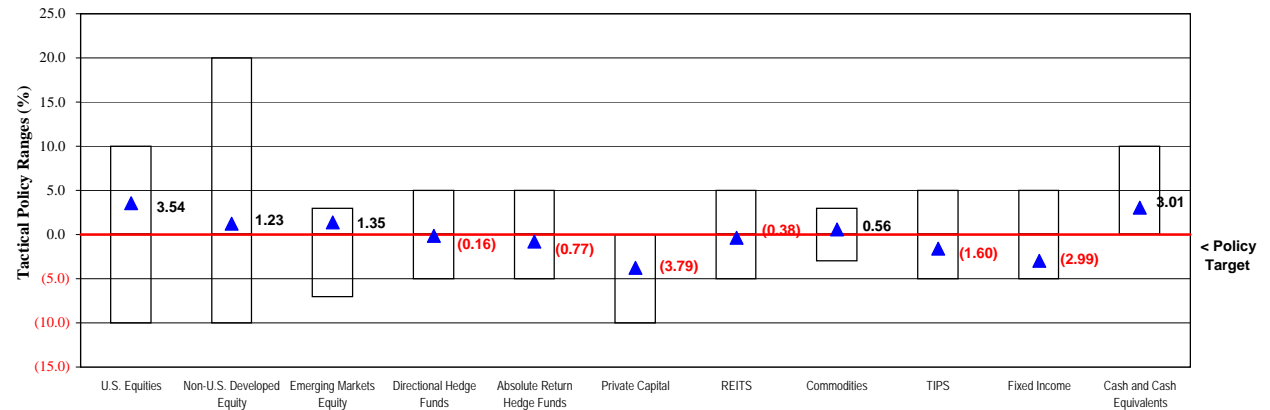
GEF Detailed Liquidity Profile
as of May 31, 2007



Fiscal Year to Date

	May 31, 2007		Returns		Value Added		
	Portfolio Exposure	Policy Target	Portfolio	Policy Benchmark	From Asset Allocation	From Security Selection	Total
Cash and Cash Equivalents	3.01%	0.00%	4.01%	3.90%	-0.28%	0.00%	-0.28%
U.S. Equities	23.54%	20.00%	19.32%	19.55%	0.14%	-0.05%	0.09%
Non-U.S. Developed Equity	11.23%	10.00%	18.17%	22.25%	0.03%	-0.39%	-0.36%
Emerging Markets Equity	8.35%	7.00%	31.92%	33.15%	0.28%	-0.08%	0.20%
Directional Hedge Funds	9.84%	10.00%	16.41%	8.60%	0.00%	0.79%	0.79%
Absolute Return Hedge Funds	14.23%	15.00%	13.56%	8.60%	0.00%	0.77%	0.77%
REITS	4.62%	5.00%	18.53%	15.02%	-0.03%	0.17%	0.14%
Commodities	3.56%	3.00%	-11.55%	-6.76%	-0.40%	-0.17%	-0.57%
TIPS	3.40%	5.00%	0.86%	0.74%	0.18%	0.01%	0.19%
Fixed Income	7.01%	10.00%	3.18%	3.43%	0.28%	-0.03%	0.25%
Total Marketable Securities	88.79%	85.00%	14.73%	13.33%	0.20%	1.02%	1.22%
Private Capital	11.21%	15.00%	22.21%	16.46%	-0.37%	0.86%	0.49%
Total	100.00%	100.00%	15.52%	13.81%	-0.17%	1.88%	1.71%

Deviations From Policy Targets Within Tactical Policy Ranges
As of May 31, 2007

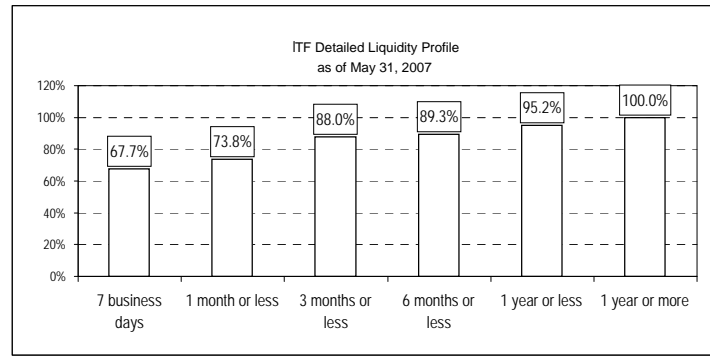
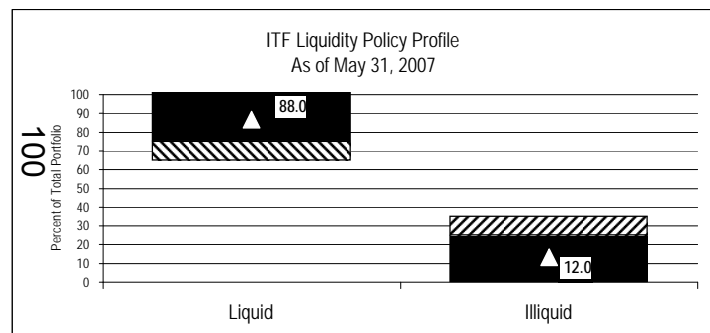


III. INTERMEDIATE TERM FUND Investment Reports for Periods Ended May 31, 2007

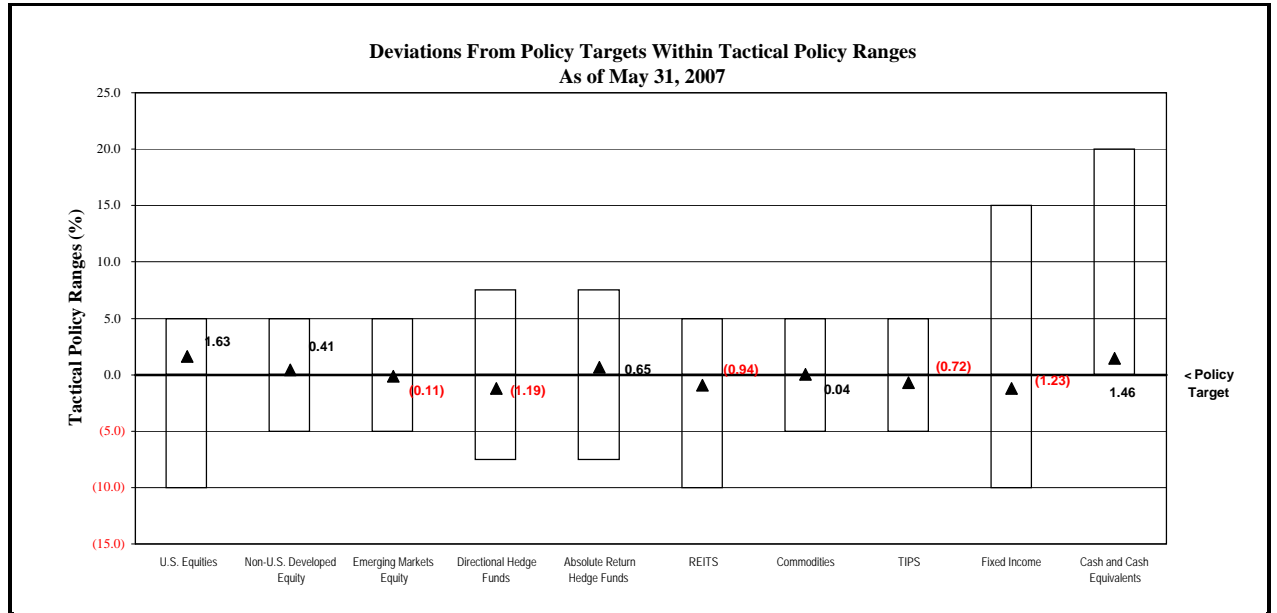
Prepared in accordance with Texas Education Code Sec. 51.0032

Summary of Capital Flows

(\$ millions)	Fiscal Year Ended August 31, 2006	Quarter Ended May 31, 2007	Fiscal Year Ended August 31, 2007
Beginning Net Assets	\$ -	\$ 3,519.2	\$ 3,048.8
Contributions	3,112.3	173.3	603.2
Withdrawals	(111.2)	(69.2)	(189.5)
Distributions	(52.7)	(27.1)	(76.0)
Investment Return	115.4	154.6	381.8
Expenses	(15.0)	(10.8)	(28.3)
Ending Net Assets	\$ 3,048.8	\$ 3,740.0	\$ 3,740.0



	May 31, 2007		Fiscal Year to Date				
	Portfolio Exposure	Policy Target	Returns		Value Added		
			Portfolio	Policy Benchmark	From Asset Allocation	From Security Selection	Total
Cash and Cash Equivalents	1.46%	0.00%	4.01%	3.90%	-0.10%	0.00%	-0.10%
U.S. Equities	16.63%	15.00%	19.64%	19.55%	0.07%	0.01%	0.08%
Non-U.S. Developed Equity	5.41%	5.00%	19.75%	22.25%	0.02%	-0.11%	-0.09%
Emerging Markets Equity	4.89%	5.00%	31.32%	33.15%	-0.05%	-0.08%	-0.13%
Directional Hedge Funds	11.31%	12.50%	16.42%	8.60%	-0.10%	0.96%	0.86%
Absolute Return Hedge Funds	13.15%	12.50%	13.23%	8.60%	0.01%	0.58%	0.59%
REITS	9.06%	10.00%	17.68%	15.02%	0.03%	0.23%	0.26%
Commodities	5.04%	5.00%	-9.99%	-6.76%	-0.02%	-0.18%	-0.20%
TIPS	9.28%	10.00%	0.80%	0.74%	0.02%	0.01%	0.03%
Fixed Income	23.77%	25.00%	3.23%	3.43%	0.00%	-0.05%	-0.05%
Total	100.00%	100.00%	11.02%	9.77%	-0.12%	1.37%	1.25%



IV. SEPARATELY INVESTED ASSETS
Summary Investment Report at May 31, 2007
 Report prepared in accordance with *Texas Education Code Sec. 51.0032*

ASSET TYPES	(\$ thousands)															
	FUND TYPE															
	CURRENT PURPOSE		RESTRICTED		ENDOWMENT & SIMILAR FUNDS		ANNUITY & LIFE INCOME FUNDS		AGENCY FUNDS		TOTAL EXCLUDING OPERATING FUNDS		OPERATING FUNDS (SHORT TERM FUND)		TOTAL	
	BOOK	MARKET	BOOK	MARKET	BOOK	MARKET	BOOK	MARKET	BOOK	MARKET	BOOK	MARKET	BOOK	MARKET	BOOK	MARKET
Cash & Equivalents:																
Beginning value 02/28/07	1,727	1,727	2,320	2,320	79,933	79,933	7,311	7,311	2,877	2,877	94,168	94,168	1,266,676	1,266,676	1,360,844	1,360,844
Increase/(Decrease)	126	126	(482)	(482)	(51,297)	(51,297)	401	401	19,985	19,985	(31,267)	(31,267)	291,420	291,420	260,153	260,153
Ending value 05/31/07	1,853	1,853	1,838	1,838	28,636	28,636	7,712	7,712	22,862	22,862	62,901	62,901	1,558,096	1,558,096	1,620,997	1,620,997
Debt Securities:																
Beginning value 02/28/07	-	-	263	222	17,817	18,240	13,890	13,964	-	-	31,970	32,426	-	-	31,970	32,426
Increase/(Decrease)	-	-	-	-	560	421	1,386	1,082	-	-	1,946	1,503	-	-	1,946	1,503
Ending value 05/31/07	-	-	263	222	18,377	18,661	15,276	15,046	-	-	33,916	33,929	-	-	33,916	33,929
Equity Securities:																
Beginning value 02/28/07	29	8,143	509	587	32,855	38,568	19,512	24,797	-	-	52,905	72,095	-	-	52,905	72,095
Increase/(Decrease)	(5)	(514)	219	241	(258)	2,218	(1,487)	(164)	-	-	(1,531)	1,781	-	-	(1,531)	1,781
Ending value 05/31/07	24	7,629	728	828	32,597	40,786	18,025	24,633	-	-	51,374	73,876	-	-	51,374	73,876
Other:																
Beginning value 02/28/07	-	-	527	527	4	4	272	116	918	918	1,721	1,565	-	-	1,721	1,565
Increase/(Decrease)	-	-	(511)	(511)	-	-	11	-	(918)	(918)	(1,418)	(1,429)	-	-	(1,418)	(1,429)
Ending value 05/31/07	-	-	16	16	4	4	283	116	-	-	303	136	-	-	303	136
Total Assets:																
Beginning value 02/28/07	1,756	9,870	3,619	3,656	130,609	136,745	40,985	46,188	3,795	3,795	180,764	200,254	1,266,676	1,266,676	1,447,440	1,466,930
Increase/(Decrease)	121	(388)	(774)	(752)	(50,995)	(48,658)	311	1,319	19,067	19,067	(32,270)	(29,412)	291,420	291,420	259,150	262,008
Ending value 05/31/07	1,877	9,482	2,845	2,904	79,614	88,087	41,296	47,507	22,862	22,862	148,494	170,842	1,558,096	1,558,096	1,706,590	1,728,938

Details of individual assets by account furnished upon request.

UTIMCO Performance Summary

May 31, 2007

	Net Asset Value 5/31/2007 (in Millions)	Periods Ended May 31, 2007 (Returns for Periods Longer Than One Year are Annualized)										
		One Month	Three Months	Calendar Year To Date	Six Months	Fiscal Year To Date	One Year	Two Years	Three Years	Four Years	Five Years	Ten Years
ENDOWMENT FUNDS												
Permanent University Fund	\$ 11,763.6	2.10	6.74	9.09	10.26	15.14	17.85	16.23	15.28	16.45	12.45	9.72
General Endowment Fund		2.09	6.77	9.30	10.50	15.52	18.23	16.35	15.35	16.55	12.62	N/A
Permanent Health Fund	1,107.3	2.07	6.71	9.23	10.41	15.45	18.17	16.27	15.28	16.44	12.51	N/A
Long Term Fund	5,328.2	2.07	6.71	9.23	10.41	15.46	18.17	16.28	15.28	16.45	12.53	10.28
Separately Invested Funds	170.8	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total Endowment Funds	18,369.9											
OPERATING FUNDS												
Short Term Fund	1,558.1	0.45	1.33	2.19	2.65	4.01	5.38	4.72	3.79	3.09	2.78	3.97
Intermediate Term Fund	3,740.0	1.20	4.06	6.13	6.21	11.02	14.17	N/A	N/A	N/A	N/A	N/A
Total Operating Funds	5,298.1											
Total Investments	\$ 23,668.0											
BENCHMARKS (1)												
Permanent University Fund: Policy Portfolio		1.97	5.89	7.29	8.15	13.81	16.95	15.52	14.33	14.41	10.85	10.06
General Endowment Fund: Policy Portfolio		1.97	5.89	7.29	8.15	13.81	16.95	15.52	14.33	14.41	10.85	9.68
Short Term Fund: 90 Day Treasury Bills Average Yield		0.44	1.34	2.14	2.59	3.90	5.20	4.51	3.66	3.00	2.71	3.79
Intermediate Term Fund: Policy Portfolio		0.84	2.84	4.68	4.62	9.77	12.98	N/A	N/A	N/A	N/A	N/A
VALUE ADDED (2)												
Permanent University Fund		0.13	0.85	1.80	2.11	1.33	0.90	0.71	0.95	2.04	1.60	(0.34)
General Endowment Fund		0.12	0.88	2.01	2.35	1.71	1.28	0.83	1.02	2.14	1.77	N/A
Permanent Health Fund		0.10	0.82	1.94	2.26	1.64	1.22	0.75	0.95	2.03	1.66	N/A
Long Term Fund		0.10	0.82	1.94	2.26	1.65	1.22	0.76	0.95	2.04	1.68	0.60
Short Term Fund		0.01	(0.01)	0.05	0.06	0.11	0.18	0.21	0.13	0.09	0.07	0.18
Intermediate Term Fund		0.36	1.22	1.45	1.59	1.25	1.19	N/A	N/A	N/A	N/A	N/A

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

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

Effective August 10, 2006, benchmark returns for the PUF and GEF policy portfolios were also restated for periods beginning January 1, 2006 through April 30, 2006, and for the ITF policy portfolio for periods beginning February 1, 2006 to April 30, 2006, to replace benchmark returns for the Hedge Fund asset class due to integrity concerns regarding existing benchmarks. Specifically, composites of Standard & Poor's investable hedge fund indices were replaced with the MSCI Investable Hedge Fund Index.

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

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

14. U. T. System Board of Regents: Approval of the Annual Budget, including the capital expenditures budget, and Annual Fee and Allocation Schedule for The University of Texas Investment Management Company (UTIMCO)

Upon recommendation of The University of Texas Investment Management Company (UTIMCO) Board of Directors, the Annual Budget was approved as set forth on Page 104, which includes the capital expenditures budget and the Annual Fee and Allocation Schedule for the fiscal year ending August 31, 2008, as set forth on Page 107. Charts showing costs as a percentage of average total assets under management and active management value added are set forth on Pages 105 - 106.

An Annual Budget of \$64.6 million for Fiscal Year 2008 was approved by the UTIMCO Board on July 11, 2007. The budget is an increase of \$16.8 million or 35% from the Fiscal Year 2007 forecast.

Of the \$64.6 million Fiscal Year 2008 budget, \$15.4 million is for UTIMCO services and \$6.5 million is for non-investment manager services such as custodial, legal, audit, and consulting services charged to the Funds. This combined \$21.9 million compares to the \$17.5 million Fiscal Year 2007 forecast or an increase of \$4.4 million, \$3.1 million of which is compensation-related resulting from budgeting to fill open positions and promotions/raises for existing staff.

The remainder of the Budget is for investment manager annual and performance fees charged directly to the Funds. The budgeted increase is primarily driven by fund performance assumptions.

The Annual Fee and Allocation Schedule shows the allocation of the budgeted expenses among University of Texas System funds. The fees are to be paid quarterly. The capital expenditures budget totaling \$.4 million is included with the total Annual Budget.



	2006/07 Budget	2006/07 Forecast	2007/08 Budget	2007/08 Budget vs 2006/07 Forecast	
(\$ in millions)					
UTIMCO Services	\$	\$	\$	\$	%
Salaries	\$ 5.9	\$ 5.0	\$ 6.0	\$ 1.0	21%
Bonus	2.9	1.8	3.3	1.5	82%
Employee Benefits	1.0	0.8	1.2	0.4	56%
Payroll taxes	0.4	0.3	0.4	0.1	37%
Total Compensation	10.2	7.9	10.9	3.0	39%
Other Personnel Related Costs	0.6	0.6	0.7	0.1	9%
Occupancy	1.2	1.4	1.6	0.2	15%
Travel	0.4	0.2	0.4	0.2	98%
Other Direct	1.5	1.9	1.8	(0.1)	-6%
Total UTIMCO Services	13.9	12.0	15.4	3.4	28%
Direct Costs to Funds				\$	%
Custodian Fees and Other Direct Costs	1.3	1.5	1.5	\$ -	4%
Performance & Risk Measurement and Analytics	1.8	1.4	1.5	0.1	7%
Consultant Fees	1.4	1.2	1.3	0.1	7%
Legal & Audit	1.3	1.2	1.9	0.7	62%
Other	0.3	0.2	0.3	0.1	20%
Cost to Funds Excluding Investment Manager Fees	6.1	5.5	6.5	1.0	18%
UTIMCO + Non-Investment Manager Cost to Funds	20.0	17.5	21.9	4.4	25%
Investment Manager Fees Charged to Funds	16.8	16.8	19.0	2.2	13%
Inv Mgr Performance Fees Charged to Funds	20.6	13.5	23.7	10.2	76%
Total Investment Manager Fees	37.4	30.3	42.7	12.4	41%
Grand Total	\$ 57.4	\$ 47.8	\$ 64.6	\$ 16.8	35%

Capital Expenditures				\$	%
Ongoing	\$ 0.2	\$ 0.2	\$ 0.2	\$ -	0%
Expansion	-	-	0.2	0.2	100%
Total Capital Expenditures	\$ 0.2	\$ 0.2	\$ 0.4	\$ 0.2	100%



THE UNIVERSITY OF TEXAS
INVESTMENT MANAGEMENT COMPANY

(\$ in millions)

	Actual					Projected	Budget - AUM Flat	Budget - AUM 3%
	FY 02	FY 03	FY 04	FY 05	FY 06	FY 07	FY 08	FY 08
Average Total Assets Under Management (AUM):	\$ 13,716	\$ 14,034	\$ 15,470	\$ 17,245	\$ 19,372	\$ 22,162	\$ 22,162	\$ 22,827
Costs excluding Investment Manager Expenses								
UTIMCO Services	\$5	\$7	\$8	\$10	\$11	\$12	\$15	\$15
Costs to Funds (Other than Investment Manager)	<u>5</u>	<u>4</u>	<u>4</u>	<u>5</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>7</u>
UTIMCO + Non-Investment Manager Cost to Funds	\$10	\$11	\$12	\$15	\$16	\$18	\$22	\$22
Costs/AUMs (basis points)								
UTIMCO Services	3	5	5	6	6	5	7	7
Costs to Funds (Other than Investment Manager)	<u>4</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>2</u>	<u>3</u>	<u>3</u>	<u>3</u>
UTIMCO Services + Costs to Funds	7	8	8	9	8	8	10	10
Investment Manager Fees								
Annual Management Fees								
Netted Against Net Asset Value/Capital Balance	\$51	\$53	\$62	\$77	\$111	\$149	\$170	\$170
Charged to Funds	<u>11</u>	<u>9</u>	<u>13</u>	<u>13</u>	<u>18</u>	<u>17</u>	<u>19</u>	<u>19</u>
Total Annual Management Fees	\$62	\$62	\$75	\$90	\$129	\$166	\$189	\$189
Performance Fees								
Netted Against Net Asset Value/Capital Balance	\$12	\$44	\$57	\$91	\$81	\$234	\$158	\$158
Charged to Funds	<u>4</u>	<u>3</u>	<u>9</u>	<u>16</u>	<u>30</u>	<u>13</u>	<u>24</u>	<u>24</u>
Total Performance Fees	\$16	\$47	\$66	\$107	\$111	\$247	\$182	\$182
Total Investment Manager Fees	\$78	\$109	\$141	\$197	\$240	\$413	\$371	\$371
Costs/AUMs (basis points)								
Annual Management Fees	45	44	48	52	67	75	85	83
Performance Fees	<u>12</u>	<u>33</u>	<u>43</u>	<u>62</u>	<u>57</u>	<u>111</u>	<u>82</u>	<u>80</u>
Total Fees	57	77	91	114	124	186	167	163

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Active Management Value Added

PUF & GEF	Return Year ending <u>August 31, 2002</u>	Return Year ending <u>August 31, 2003</u>	Return Year ending <u>August 31, 2004</u>	Return Year ending <u>August 31, 2005</u>	Return Year ending <u>August 31, 2006</u>	Return 10 months ending <u>June 30, 2007</u>
Passive Portfolio Return <i>(70% S&P 500; 30% Lehman Agg Bond)</i>	-10.49%	10.23%	9.95%	10.07%	6.72%	12.77%
PUF & GEF Actual Return <i>Net of Fees</i>	-7.28%	12.21%	14.68%	18.78%	11.13%	15.19%
Active Management Net Value Added Return	3.21%	1.98%	4.73%	8.71%	4.41%	2.42%
Net Value Added Fiscal YTD (\$ in thousand)	\$ 358,301	\$ 201,473	\$ 520,522	\$ 1,060,864	\$ 630,702	\$ 386,811
"Tactical" Allocation Decisions YTD	\$ -	\$ -	\$ -	\$ (87,461)	\$ (40,227)	\$ (73,080)
Net Value Added Excluding Tactical Decisions	\$ 358,301	\$ 201,473	\$ 520,522	\$ 1,148,325	\$ 670,929	\$ 459,891

**UTIMCO Budget
Annual Fee and Allocation Schedule
For the fiscal year ending August 31, 2008**

	The Permanent University Fund (PUF)	The Permanent Health Fund (PHF)	The University of Texas		The University of Texas System Intermediate Term Fund (ITF)	Short Term Fund (STF)	Separately Invested Endowments and Charitable Trust Accounts	Total
			System Long Term Fund (LTF)	General Endowment Fund (GEF)				
(\$ millions)								
Market Value 2/28/07	\$ 11,059	\$ 1,047	\$ 4,950	\$ 5,997	\$ 3,519	\$ 1,267	\$ 200	\$ 22,042
UTIMCO Management Fee (includes all operating expenses associated with the general management of the Funds)	\$ 7.5	\$ 0.9	\$ 4.4		\$ 2.6			\$ 15.4
Allocation Ratio	49%	6%	29%		17%			100%
Direct Expenses of the Fund								
External Management Fees	\$ 9.7	\$ -	\$ -	\$ 5.3	\$ 4.0			\$ 19.0
External Management Fees - Performance Based	12.8	-	-	6.8	4.1			23.7
Other Direct Costs	3.2	-	0.2	2.1	1.0			6.5
Total Direct Expenses of the Fund	25.7	-	0.2	14.2	9.1		-	49.2
TOTAL	\$ 33.2	\$ 0.9	\$ 4.6	\$ 14.2	\$ 11.7		-	\$ 64.6
Percentage of Market Value (in basis points)								
UTIMCO Services	6.8	8.6	8.8	-	7.2			7.0
Direct Expenses of the Fund	23.3	23.9	24.0	-	26.0			22.3
TOTAL	30.1	32.5	32.8	-	33.2			29.3

REPORT AND RECOMMENDATIONS OF THE ACADEMIC AFFAIRS COMMITTEE (Pages 108 - 116).--Committee Chairman Krier reported that the Academic Affairs Committee met in open session to consider those matters on its agenda and to formulate recommendations for The University of Texas System Board of Regents. Unless otherwise indicated, the actions set forth in the Minute Orders that follow were recommended by the Academic Affairs Committee and approved in open session by the U. T. System Board of Regents.

1. U. T. Arlington: Authorization to establish a Doctor of Nursing Practice (DNP) degree in the School of Nursing

Pursuant to the Regents' *Rules and Regulations*, Series 40307, related to academic program approval standards, the Board granted authorization to

- a. establish a Doctor of Nursing Practice (DNP) degree in the School of Nursing at The University of Texas at Arlington; and
- b. submit the proposal to the Texas Higher Education Coordinating Board for review and appropriate action.

The DNP degree will build on the Master of Science in Nursing (MSN) preparation as a nurse practitioner (NP) and will provide advanced content and clinical experiences designed to prepare the graduates to assume expert leadership, clinical, and educator roles. The outcomes for the DNP program are to (1) implement evidence-based healthcare in selected populations, (2) demonstrate leadership in promoting quality improvement in healthcare systems, (3) conduct clinical research to evaluate care and promote evidence-based practice, (4) apply the healthcare policy process in the promotion of evidence-based practice, and (5) coordinate interdisciplinary care of selected populations.

The DNP program includes 36 semester credit hours that will be designed to expand the students' expertise in health policy, leadership, information systems, epidemiology, clinical research, and a clinical area of specialization. The clinically-focused research experience provides students the opportunity to evaluate current evidence-based practices to develop a clinically-focused research project that will address important practice issues in the students' areas of expertise. The DNP program also includes a clinical residency that will expand students' leadership and clinical expertise in an area of choice. The expertise of the DNP graduate will be documented in a detailed clinical portfolio that will include the leadership, policy, informatics, and expert clinical learning experiences and projects the students complete during their residencies.

The DNP program meets the essential criteria identified by the American Association of Colleges of Nursing (AACN) (2006) for the DNP degree. In Fall 2006, AACN membership voted to mandate the DNP degree for nurses obtaining preparation as NPs by 2015. This DNP degree addresses the mandate of AACN and provides the nurses of Texas with an opportunity to obtain the DNP education.

U. T. Arlington proposes to enroll 15 new DNP students each year. The first year of the program is part time and the second year is full time so students might complete the program in two years. Currently, Texas has only one DNP program, which enrolled 16 students in Fall 2006. Thus, there is a need for an additional DNP program in Texas so NPs do not leave the state to obtain this degree.

Ten expert, tenured, tenure-track, associate, and full clinical professors in the School of Nursing will provide the instruction needed for the DNP program. The School of Nursing has over \$2,800,000 in external funding for the 2006-07 academic year. A total of five new faculty positions will be created over the first five years of the DNP (one new faculty member each year) to cover the instruction required in the Bachelor of Science in Nursing (BSN) and MSN programs as faculty are reassigned to teach in the DNP program.

The cost for operating the DNP program over five years is approximately \$1,633,648. This includes \$1,215,900 for faculty salaries (\$960,000 for fall and spring and \$255,900 for summer), \$132,000 for program administration, \$89,748 for graduate assistants' support, and \$196,000 for staff support. The projected revenues to be generated total \$1,945,876, with \$1,110,596 from formula funding, \$812,430 from other State funding, and \$22,850 from a School of Nursing fund. These revenues are expected to be sufficient to fully fund the program.

2. U. T. Dallas: Honorific naming of the NanoTech Institute as the Alan G. MacDiarmid NanoTech Institute

The Board approved the honorific naming of the NanoTech Institute at The University of Texas at Dallas as the Alan G. MacDiarmid NanoTech Institute to recognize the contributions of Nobel Prize Laureate, Dr. Alan G. MacDiarmid, to U. T. Dallas.

Dr. MacDiarmid (1927-2007) joined U. T. Dallas in August 2002 when he filled the newly created James Von Ehr Distinguished Chair in Science and Technology. He was affiliated with the University a year earlier as a distinguished scholar-in-residence. Dr. MacDiarmid shared the 2000 Nobel Prize in chemistry with Dr. Alan Heeger and Dr. Hideki Shirakawa for their discoveries that plastics can be made electrically conductive, thus creating

the field of conducting polymers, also known as "synthetic metals." Some of the practical applications of his research include rechargeable batteries, gas sensors, and light-emitting devices.

In recent years, Dr. MacDiarmid pioneered research in the field of nano-electronics and became a champion of the emerging field of renewable energy. He was a member of the National Academy of Sciences and the National Academy of Engineering. Dr. MacDiarmid graduated with a chemistry degree from Victoria University in Wellington in 1951. He received a Master of Science in 1952 and a doctoral degree in 1953 from the University of Wisconsin. In 1955, he received a second Ph.D. from Cambridge University.

The NanoTech Institute brings together researchers with diverse backgrounds to focus on the application of nanotechnology to energy harvesting, conversion, and storage; on the synthesis and properties of photonic crystals, carbon nanotubes, bio-assembled materials, solar cells, organic light-emitting diodes, and artificial muscles; and on the creation of materials with extreme properties. NanoTech Institute researchers have produced the toughest known fiber, the first electronic textiles based on nanotubes, a new technology for thermal energy harvesting, the first twist-spun nanotube yarns, the fabrication of strong nanotube sheets at industrially-useful rates, electrically powered and fuel-driven artificial muscles that generate a hundred times higher forces than natural muscles with comparable actuation strokes, and experimental and theoretical insights into the structure and properties of nanostructured materials.

3. U. T. Dallas: Center for BrainHealth - Acceptance of gifts of outdoor works of art

The Board accepted three outdoor works of art, specifically the "Lincoln Centre Eagle" by Mr. Ken Ullberg, an untitled sculpture by Mr. Robert Russin, and the "Fan" by Mr. David Lee Brown for display at The University of Texas at Dallas Center for BrainHealth, located at 2200 West Mockingbird Lane, Dallas.

The institution's Outdoor Art Committee reviewed and recommended the gift of works of art to President Daniel. The donor, a corporate entity that wishes to remain anonymous, and U. T. Dallas have entered into a Charitable Contribution Agreement that has been signed by President Daniel and is effective immediately.

Mr. Ken Ullberg, who created the Lincoln Centre Eagle, has won numerous gold medals for his sculptures and his works are displayed worldwide. Mr. Robert Russin, whose work is displayed nationally, created the untitled

sculpture, made of pink marble and brass. Mr. David Lee Brown, who created the Fan, has works on display in Japan, the U.S., and Saudi Arabia.

All installation, lighting, storage, and transportation charges for these works of art will be covered by funds donated to the Center for BrainHealth as part of the recent gift of \$5 million from the T. Boone Pickens Foundation of which \$1 million has been allocated to exterior work at the Center including concrete interlocking pavers for the parking lot, exterior tree lighting, and landscaping. Placement of these outdoor works of art is consistent with the institution's Campus Master Plan.

4. U. T. Permian Basin: Authorization to accept a \$2 million gift from the Helen Greathouse Charitable Trust and to name the multiuse recital hall in The Wagner Noël Performing Arts Center as the Helen Greathouse Hall

The Board accepted a \$2 million gift from the Helen Greathouse Charitable Trust for construction costs for The Wagner Noël Performing Arts Center at The University of Texas of the Permian Basin and approved the naming of the multiuse recital hall in the facility as the Helen Greathouse Hall.

The Helen Greathouse Charitable Trust was created by Mrs. Helen Greathouse in 1997 to carry on the philanthropic endeavors that she and her late husband, Mr. Barney Greathouse, pursued during their lifetimes.

Mr. Greathouse, a pharmacist, was involved in the community, offering free medicine to children whose families could not afford to buy medicines. He was a Director of First National Bank, served on the Board of the Texas Methodist Foundation, and was a Director of the Midland Chamber of Commerce. Along with former President George H. W. Bush and two other prominent citizens, Mr. Greathouse chartered the Commercial Bank & Trust, now Chase Bank, in Midland.

Following Mr. Greathouse's untimely death in 1973, his wife created the Helen Greathouse Charitable Trust, which became her source of giving back to the community. Mrs. Helen Lee Maddox Greathouse passed away in 2001.

Since 1999, the Helen Greathouse Charitable Trust had given U. T. Permian Basin a total of \$365,000 for projects such as the student recreation building renovation, the Helen Greathouse Scholarship, the Midland County Scholarship, and the music program.

5. U. T. San Antonio: Honoring naming of an outdoor area adjacent to the Biotechnology, Sciences and Engineering Building as the Robert J. Kleberg, Jr. and Helen C. Kleberg Commons (Kleberg Commons)

The Board approved the honorific naming of an outdoor area adjacent to the Biotechnology, Sciences and Engineering (BSE) Building at The University of Texas at San Antonio as the Robert J. Kleberg, Jr. and Helen C. Kleberg Commons (Kleberg Commons).

The area is a convenient outdoor gathering and dining space for U. T. San Antonio students, faculty, and staff, especially those of the nearby College of Sciences and College of Engineering. Located at ground level on the northeast side of the new BSE Building, the 5,500 square foot area provides a quiet retreat from the rigorous and intense academic environments within the BSE Building and other surrounding science and engineering teaching and research facilities.

The naming of this popular gathering place celebrates the past generosity of the Robert J. Kleberg, Jr. and Helen C. Kleberg Foundation of San Antonio and its ongoing commitment to helping U. T. San Antonio move closer to premier research university status.

Mr. Kleberg, the grandson of Captain Richard King of the King Ranch in South Texas, died on October 13, 1974, and Mrs. Helen Campbell Kleberg died on June 12, 1963.

A major donor to U. T. San Antonio at a critical time in the development of the University's bioscience efforts, the Kleberg Foundation has provided \$1,825,300 in gifts to support a comprehensive bioscience initiative and to help purchase equipment for two important research facilities for the College of Sciences.

6. U. T. Arlington: Authorization to purchase approximately 2.58 acres and improvements located at 700 and 808 South Center Street, Arlington, Tarrant County, Texas, from the Hong Family Trust for a purchase price of \$2.9 million for initial use as open space and for future programmed development of campus expansion

On behalf of The University of Texas at Arlington, the Board granted approval to

- a. purchase approximately 2.58 acres and improvements located at 700 and 808 South Center Street, Arlington, Tarrant County, Texas, from the Hong Family Trust for a purchase price of \$2.9 million, plus all due diligence expenses, closing costs, and other costs and expenses to complete the acquisition of the property as deemed necessary or advisable by the Executive Director of Real Estate, for initial use as open space and for future programmed development of campus expansion; and
- b. authorize the Executive Director of Real Estate to execute all documents, instruments, and other agreements, subject to approval of all such documents as to legal form by the Office of General Counsel, and to take all further actions deemed necessary or advisable to carry out the purpose and intent of the foregoing action.

The subject 2.58-acre property consists of two tracts located on the west side of South Center Street, between West Third Street and West Mitchell Street in Arlington, Texas. The tracts are contiguous to the campus boundaries and complete U. T. Arlington's assembly of the block in which the parcels are located. The property lies within the boundaries of the institution's Campus Master Plan approved by the Board on May 11, 2000, and the institution's Campus Master Plan that was presented to the Board on May 9, 2007. The property is also in U. T. Arlington's legislatively-approved acquisition zone.

The property is improved with multifamily residential complexes known as the Coronado Apartments and Hamilton House Apartments, comprising approximately 53,739 gross square feet. U. T. Arlington plans to demolish the improvements and landscape the property, which is adjacent to a tributary of Johnson Creek, as open space for the campus. The property will be held for future programmed development of campus expansion. Institutional funds from operations will be used to fund the purchase.

7. U. T. Dallas: Authorization to ground lease approximately 13.8 acres located on Waterview Parkway, south of the Dallas Area Rapid Transit right-of-way, consisting of approximately 12.8 acres out of U. T. D. Synergy Park - Phase I plus approximately one acre at the rear of 17919 Waterview Parkway, Dallas, Collin County, Texas, to the Dallas International School, a Texas nonprofit corporation, for a term not to exceed 75 years plus an initial construction period not to exceed 30 months, for construction and operation of a prekindergarten through secondary private school

On behalf of The University of Texas at Dallas, the Board granted approval to

- a. ground lease approximately 13.8 acres located on Waterview Parkway, south of the Dallas Area Rapid Transit right-of-way, consisting of approximately 12.8 acres out of U. T. D. Synergy Park - Phase I plus approximately one acre at the rear of 17919 Waterview Parkway, Dallas, Collin County, Texas, to the Dallas International School, a Texas nonprofit corporation, for a term not to exceed 75 years (40 years and one 20-year and one 15-year renewal option) plus an initial construction period not to exceed 30 months on the terms stated below, for construction and operation of a prekindergarten through secondary private school; and
- b. authorize the Executive Director of Real Estate to execute all documents, instruments, and other agreements, subject to approval of all such documents as to legal form by the Office of General Counsel, and to take all further actions deemed necessary or advisable to carry out the purpose and intent of the foregoing action.

The Dallas International School will lease the subject property, which is vacant and is located on a site across Waterview Parkway from the U. T. Dallas main campus, to construct and operate a private prekindergarten through secondary school. U. T. Dallas will lease the subject property at a market rental based on the fair market value of the property as determined by an independent appraisal. Rent will grow through increases every five years and periodic reappraisals.

The Dallas International School is a private, coeducational school currently offering a rigorous prekindergarten through middle school curricula featuring an international perspective and extensive instruction in French, English, and Spanish. Relocation of the Dallas International School from its current Dallas location allows the school to extend its curricula to include high school. The Dallas International School is affiliated with the Mission Laïque, a French nonprofit corporation that promotes French-speaking schools worldwide. U. T. Dallas selected the Dallas International School through direct negotiations on the basis of the unique attributes of that school, including its pedagogy, extensive foreign language instruction, and international outlook. Locating the Dallas International School adjacent to its campus offers U. T. Dallas faculty

and staff more convenient educational options for their children, and creates the opportunity for shared programs that will benefit both institutions.

The Dallas International School will construct and operate its school facilities at its own expense. The Mission Laique will provide a guaranty of the lease until the construction of the improvements is complete. The lease gives U. T. Dallas the right to approve the plans and specifications of the improvements and limits the use of the property to a school offering prekindergarten through secondary education. The ground lease also contains provisions in which the tenant indemnifies the landlord for all matters arising from the tenant's use or occupancy of or activities on the premises and acknowledges and agrees that the landlord will not be liable for the acts or omissions of the tenant.

The property consists of a 12.82-acre main tract that is vacant and an additional one-acre tract that is at the rear of a U. T. Dallas facility and that the tenant may opt to include in the ground lease. The latter parcel was initially intended for expansion of the existing facility, but U. T. Dallas has determined that no such expansion is required.

8. U. T. San Antonio: Authorization to purchase approximately 2.70 acres and improvements located at 402 West Nueva Street, San Antonio, Bexar County, Texas, from Mr. and Mrs. Bob W. Coleman at a purchase price not to exceed fair market value as determined by independent appraisals for use as an academic facility

On behalf of The University of Texas at San Antonio, the Board granted approval to

- a. purchase approximately 2.70 acres and improvements located at 402 West Nueva Street, San Antonio, Bexar County, Texas, from Mr. and Mrs. Bob W. Coleman at a purchase price not to exceed fair market value as determined by independent appraisals, plus all due diligence expenses, closing costs, and other costs and expenses to complete the acquisition of the property as deemed necessary or advisable by the Executive Director of Real Estate, for use as an academic facility; and
- b. authorize the Executive Director of Real Estate to execute all documents, instruments, and other agreements, subject to approval of all such documents as to legal form by the Office of General Counsel, and to take all further actions deemed necessary or advisable to carry out the purpose and intent of the foregoing action.

The subject property is located directly across the elevated Interstate Highway 35 from the U. T. San Antonio Downtown Campus. The University has a long-term lease with the Texas Department of Transportation for

parking beneath the highway. The site is improved with a 49,725 square foot vacant light manufacturing building built in 1970 with a subsequent addition and associated paved parking for approximately 150 vehicles.

U. T. San Antonio will renovate the facility to relocate one or more academic units from its 1604 Campus to maximize the availability of square footage in the core of the 1604 Campus for additional classrooms and faculty offices. The institution is considering relocating a significant portion of the Art Department to the subject property, providing it adjacency to U. T. San Antonio's College of Architecture and proximity to many of the city's growing downtown art venues and museums. Relocation of the Art Department will make available approximately 35,000 square feet of academic space located in the core of the 1604 Campus.

The acquisition of additional land and improvements at the Downtown Campus is in accordance with the University's 2007-2016 Strategic Plan, recently forwarded to The University of Texas System Administration for review and approval.

During the feasibility period for acquisition of the property, the institution will evaluate the improvements to estimate renovation costs. It is anticipated that total cost after renovations will be significantly less than the cost of new construction. Institutional funds will be used to fund the purchase.

President Ricardo Romo and Ms. Florence Mayne, Executive Director of Real Estate, reported a third appraisal of \$3,600,000 (Richard Dugger, MAI, CRE, Dugger, Canaday, Grafe, Inc., August 14, 2007) was received and a verbal agreement between the parties of \$3,100,000 was reached on the purchase price.

9. U. T. System Board of Regents: Reports from academic presidents, Executive Vice Chancellor Prior, and Academic Affairs Committee members

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

REPORT AND RECOMMENDATIONS OF THE HEALTH AFFAIRS COMMITTEE (Pages 117 - 124).--Committee Chairman Clements reported that the Health Affairs Committee met in open session to consider those matters on its agenda and to formulate recommendations for The University of Texas System Board of Regents. Unless otherwise indicated, the actions set forth in the Minute Orders that follow were recommended by the Health Affairs Committee and approved in open session by the U. T. System Board of Regents.

1. U. T. System: Approval to set The University of Texas System Professional Medical Liability Benefit Plan premium rates for Fiscal Year 2008 and to distribute a portion of Plan premium returns

The Board approved that for The University of Texas System Professional Medical Liability Benefit Plan (Plan) for Fiscal Year 2008

- a. premium rates for faculty and resident participants be reduced by 40%, with the exception of medical student out-of-state externship rates, which will be reduced by 50%;
- b. all other Plan Participant premium rates, including institutional and medical student rates, remain unchanged; and
- c. as part of a three-to-four-year plan to reduce the Plan fund balance to minimal reserve requirements, \$30 million be distributed from Plan premium returns as follows: \$25 million to the participating U. T. System institutions pro rata in accordance with the premium contributions of Plan Participants at each participating institution and \$5 million to establish a major new System-wide initiative in health science and professional education.

The Board approved the premium rates for faculty and residents for Fiscal Year 2008 as set forth in Exhibit 1 (Pages 119 - 120). The Board also approved distribution of \$25 million in Plan premium returns to participating institutions as set forth in Exhibit 2 (Page 121).

The health science and professional education effort to be funded with \$5 million from the Plan will have two areas of focus, both of which will benefit the Plan by improving patient care and research leading to improved litigation positions.

First, funding will be used for the creation of a U. T. System Web site, which will make web-based curricula available to all health schools in the U. T. System, including those on academic campuses. These courses may have been developed by a health school within or outside the U. T. System. Funds may be used to pay licensing fees to make the best courses available. In

addition, specific courses may be created through this project by teams of U. T. faculty who may be from several campuses. A library of "virtual patients" will be created, including interviews, history, physical examinations, tests, x-rays, and biopsies, which can be used by individual students or groups of students for learning or testing purposes. A collection of teaching materials, e.g., electrocardiograms, pathologic specimens, and endoscopic views, which can be used for teaching purposes upon achieving copyright permission, will be available across the U. T. System. This dispersal of information and greater availability of education will, over the long term, decrease the risk of significant litigation related to malpractice claims.

The second portion of the program will be a competitive grant program to fund transformational changes in education, including the uses of technology, reorganization of curricula, and interdisciplinary learning by multiple health professional students who might be joined, for example, by health policy or law students. An outcome of this activity will be the improved quality of care and patient safety in the U. T. System, further reducing the chances of costly and time-consuming litigation. This project titled "Transformational Programs in Health Education" will be led by the newly-appointed Executive Director of Academic Programs in the Office of Health Affairs and will be implemented in collaboration with members of the U. T. System Academy of Health Science Education and the academies at the various U. T. System campuses.

Exhibit 1

The University of Texas System Professional Medical Liability Benefit Plan
Summary of Annual Rates* by Risk Class by Institution

Institution	Physician Risk Class 1				Percentage Rate Change	
	Rates As of 9/1/2006		Proposed Rates As of 9/1/2007		Staff	Resident
	Staff	Resident	Staff	Resident		
UTMDACC	\$1,025	\$959	\$612	\$576	-40%	-40%
UTSWMC	1,019	953	612	576	-40%	-40%
UTMB	1,675	1,567	1,008	936	-40%	-40%
UTHSCH	1,624	1,519	972	912	-40%	-40%
UTHSCSA	1,214	1,137	732	684	-40%	-40%
UTHCT	1,452	1,358	876	816	-40%	-40%
UTAustin	1,214	1,137	732	684	-40%	-40%
UTA	1,214	1,137	732	684	-40%	-40%
UTSA	1,214	1,137	732	684	-40%	-40%

Institution	Physician Risk Class 2				Percentage Rate Change	
	Rates As of 9/1/2006		Proposed Rates As of 9/1/2007		Staff	Resident
	Staff	Resident	Staff	Resident		
UTMDACC	\$1,603	\$1,500	\$960	\$900	-40%	-40%
UTSWMC	1,594	1,491	960	900	-40%	-40%
UTMB	2,620	2,453	1,572	1,476	-40%	-40%
UTHSCH	2,541	2,378	1,524	1,428	-40%	-40%
UTHSCSA	1,899	1,780	1,140	1,068	-40%	-40%
UTHCT	2,272	2,126	1,368	1,272	-40%	-40%
UTAustin	1,899	1,780	1,140	1,068	-40%	-40%
UTA	1,899	1,780	1,140	1,068	-40%	-40%
UTSA	1,899	1,780	1,140	1,068	-40%	-40%

Institution	Physician Risk Class 3				Percentage Rate Change	
	Rates As of 9/1/2006		Proposed Rates As of 9/1/2007		Staff	Resident
	Staff	Resident	Staff	Resident		
UTMDACC	\$2,562	\$2,397	\$1,536	\$1,440	-40%	-40%
UTSWMC	2,546	2,382	1,524	1,428	-40%	-40%
UTMB	4,185	3,918	2,508	2,352	-40%	-40%
UTHSCH	4,059	3,799	2,436	2,280	-40%	-40%
UTHSCSA	3,034	2,843	1,824	1,704	-40%	-40%
UTHCT	3,630	3,396	2,184	2,040	-40%	-40%
UTAustin	3,034	2,843	1,824	1,704	-40%	-40%
UTA	3,034	2,843	1,824	1,704	-40%	-40%
UTSA	3,034	2,843	1,824	1,704	-40%	-40%

Institution	Physician Risk Class 4				Percentage Rate Change	
	Rates As of 9/1/2006		Proposed Rates As of 9/1/2007		Staff	Resident
	Staff	Resident	Staff	Resident		
UTMDACC	\$4,765	\$4,458	\$2,856	\$2,676	-40%	-40%
UTSWMC	4,735	4,430	2,844	2,664	-40%	-40%
UTMB	7,785	7,287	4,668	4,368	-40%	-40%
UTHSCH	7,550	7,066	4,536	4,236	-40%	-40%
UTHSCSA	5,642	5,288	3,384	3,168	-40%	-40%
UTHCT	6,750	6,317	4,056	3,792	-40%	-40%
UTAustin	5,642	5,288	3,384	3,168	-40%	-40%
UTA	5,642	5,288	3,384	3,168	-40%	-40%
UTSA	5,642	5,288	3,384	3,168	-40%	-40%

Exhibit 1 (cont'd)

The University of Texas System Professional Medical Liability Benefit Plan
Summary of Annual Rates by Risk Class by Institution

Institution	Physician Risk Class 5				Percentage Rate Change	
	Rates As of 9/1/2006		Proposed Rates As of 9/1/2007		Staff	Resident
	Staff	Resident	Staff	Resident		
UTMDACC	\$7,019	\$6,568	\$4,212	\$3,936	-40%	-40%
UTSWMC	6,976	6,526	4,188	3,912	-40%	-40%
UTMB	11,468	10,735	6,876	6,444	-40%	-40%
UTHSCH	11,120	10,408	6,672	6,240	-40%	-40%
UTHSCSA	8,312	7,791	4,992	4,680	-40%	-40%
UTHCT	9,943	9,306	5,964	5,580	-40%	-40%
UTAustin	8,312	7,791	4,992	4,680	-40%	-40%
UTA	8,312	7,791	4,992	4,680	-40%	-40%
UTSA	8,312	7,791	4,992	4,680	-40%	-40%

Institution	General Dentist Risk Class A				Percentage Rate Change	
	Rates As of 9/1/2006		Proposed Rates As of 9/1/2007		Staff	Resident
	Staff	Resident	Staff	Resident		
UTMDACC	358	335	\$216	\$204	-40%	-40%
UTSWMC	357	333	216	204	-40%	-40%
UTMB	586	548	348	324	-40%	-40%
UTHSCH	568	532	336	324	-40%	-40%
UTHSCSA	425	398	252	240	-40%	-40%
UTHCT	508	475	300	288	-40%	-40%
UTAustin	425	398	252	240	-40%	-40%
UTA	425	398	252	240	-40%	-40%
UTSA	425	398	252	240	-40%	-40%

Institution	Oral Surgery Risk Class B				Percentage Rate Change	
	Rates As of 9/1/2006		Proposed Rates As of 9/1/2007		Staff	Resident
	Staff	Resident	Staff	Resident		
UTMDACC	1,603	1,500	\$960	\$900	-40%	-40%
UTSWMC	1,594	1,491	960	900	-40%	-40%
UTMB	2,620	2,453	1,572	1,476	-40%	-40%
UTHSCH	2,541	2,378	1,524	1,428	-40%	-40%
UTHSCSA	1,899	1,780	1,140	1,068	-40%	-40%
UTHCT	2,272	2,126	1,368	1,272	-40%	-40%
UTAustin	1,899	1,780	1,140	1,068	-40%	-40%
UTA	1,899	1,780	1,140	1,068	-40%	-40%
UTSA	1,899	1,780	1,140	1,068	-40%	-40%

*For ease in administration, all premium rates have been rounded.

Exhibit 2
The University of Texas System Professional Medical Liability Benefit Plan
Proposed Distribution of Plan Returns

Pro Rata Distribution to Institutions (rounded for ease in presentation):

<u>Institution</u>	<u>*2007 Premium</u>	<u>% Distribution</u>	<u>Distribution</u>
UTA	\$ 1,065	0.005%	\$ 1,298
UTD	1,422	0.007%	1,732
UTSA	3,121	0.015%	3,802
UTAustin	37,435	0.182%	45,606
UTHCT	209,250	1.020%	254,923
UTHSCH	2,498,547	12.176%	3,043,907
UTHSCSA	3,795,520	18.496%	4,623,972
UTMDACC	2,636,053	12.846%	3,211,427
Medical Foundation	1,639,406**	7.989%	1,997,241
UTSWMC	4,100,985	19.984%	4,996,110
UTMB	5,598,084	27.280%	6,819,983
Total	<u>20,520,889</u>	<u>100.000%</u>	<u>\$ 25,000,000</u>

*Includes FY2006 final billing adjustments of \$40,686.

**Estimated Medical Foundation 4th quarter premium amount.

Health Science and Professional Education Initiative:

5,000,000

TOTAL PROPOSED DISTRIBUTION

\$ 30,000,000

2. U. T. Health Science Center - San Antonio: Honoring naming of the library at the Regional Academic Health Center (RAHC) in Harlingen, Texas, as the Mario E. Ramirez, M.D. Library

The Board approved the honorific naming of the library at the Regional Academic Health Center (RAHC) in Harlingen, Texas, as the Mario E. Ramirez, M.D. Library to honor former Regent Ramirez and to recognize the significant contributions he has made to The University of Texas System and to the citizens of South Texas.

The library comprises 8,595 square feet and houses significant files and historical documents collected by Dr. Ramirez, including documentation of the building of the first hospital in Roma, Texas, and correspondence with four Presidents of the United States.

Dr. Ramirez spent his career encouraging young people to enter the health professions and providing quality and accessible healthcare for thousands of citizens in South Texas. He served as a member of the Board of Regents of The University of Texas System from 1989-1995, as a member of the Texas Higher Education Coordinating Board from 1979-1986, and as the first Hispanic President of the Texas Medical Association from 1979-1980. From 1995-2007, Dr. Ramirez was employed as Vice President for South Texas Programs at The University of Texas Health Science Center at San Antonio.

3. U. T. Health Science Center - San Antonio: Honoring naming of the cyclotron wing of the Research Imaging Center on the Greehey Academic and Research Campus as The Ruth McLean Bowman Bowers Cyclotron Wing

The Board approved the honorific naming of the cyclotron wing of the Research Imaging Center on the Greehey Academic and Research Campus as The Ruth McLean Bowman Bowers Cyclotron Wing to recognize the significant contributions and commitment of Mrs. Ruth McLean Bowers to The University of Texas Health Science Center at San Antonio and to the lives of its patients.

The Research Imaging Center is a laboratory dedicated to biomedical imaging research. Its mission is to perform basic and clinical research using noninvasive, biomedical imaging methods for measuring the structure and function of living organisms. A recent gift of \$1.6 million from Mrs. Ruth McLean Bowman Bowers made possible the purchase of a second cyclotron for the Center and provided space for radiochemistry production laboratories. Less than five research centers in the nation have two cyclotrons. The addition of the second cyclotron allows U. T. Health Science Center - San Antonio to recruit additional imaging scientists and positions the institution among the most prestigious, state-of-the-art imaging research centers in the country.

Since 1994, Mrs. Bowers has been an avid supporter of the U. T. Health Science Center - San Antonio with cumulative gifts of approximately \$2 million. She has been an active member of the President's Council for 14 years and is a founding member of the Ambassador's Circle for the Greehey Children's Cancer Research Institute.

Her contributions to civic and philanthropic causes in San Antonio are legendary throughout South Texas and beyond. Among her many distinguished awards are the 2002 San Antonio Annual Humanitarian Award, League of Women Voters 2005 Stars of San Antonio, and induction into the San Antonio Women's Hall of Fame on March 1, 2007.

4. U. T. M. D. Anderson Cancer Center: Authorization to ground lease approximately 0.5430 of an acre of unimproved land located at Braeswood Boulevard and Pressler Street from the Texas Medical Center, a Texas nonprofit corporation, and to convey an excavation and access easement covering approximately 0.4697 of an acre of unimproved land adjacent to Brays Bayou between Braeswood Boulevard and Holcombe Boulevard to the Harris County Flood Control District, a political subdivision, both tracts being located in the P. W. Rose Survey, Abstract 645, Houston, Harris County, Texas, to facilitate construction of a parking garage

On behalf of The University of Texas M. D. Anderson Cancer Center, the Board granted approval to

- a. ground lease approximately 0.5430 of an acre of unimproved land located at Braeswood Boulevard and Pressler Street, P. W. Rose Survey, Abstract 645, Houston, Harris County, Texas, from the Texas Medical Center, a Texas nonprofit corporation, for use as an access driveway to a parking garage to be constructed and owned by U. T. M. D. Anderson Cancer Center;
- b. convey an excavation and access easement covering approximately 0.4697 of an acre of unimproved land adjacent to Brays Bayou between Braeswood Boulevard and Holcombe Boulevard, P. W. Rose Survey, Abstract 645, Houston, Harris County, Texas, to the Harris County Flood Control District, a political subdivision, to facilitate construction of the parking garage; and
- c. authorize the Executive Director of Real Estate to execute all documents, instruments, and other agreements, subject to the approval of all such documents as to legal form by the Office of General Counsel, and to take all further actions deemed necessary or advisable to carry out the purpose and intent of the foregoing actions.

U. T. M. D. Anderson Cancer Center plans to build a 2,400-car parking garage on an approximately 6.2616-acre tract adjacent to Brays Bayou in Houston, Texas. The garage will serve the T. Boone Pickens Academic Tower, which is presently under construction, and the Jesse H. Jones Rotary House International. The U. T. M. D. Anderson Cancer Center Campus Master Plan approved by the Board on May 11, 2000, envisions a parking garage to serve the Jesse H. Jones Rotary House International. The garage was approved by the Board for inclusion in the Capital Improvement Program on May 11, 2006. The plans for the garage call for an access driveway to the parking garage to cross a 0.5430-acre tract owned by the Texas Medical Center.

The Texas Medical Center is willing to grant the institution a long-term lease of 99 years, plus one 99-year renewal option, to permit the driveway to cross the 0.5430-acre tract. The Cancer Center will pay Texas Medical Center a prepaid ground rental of \$1.2 million and grant the Texas Medical Center an easement over an adjoining approximately 0.0918 of an acre for possible future construction by the City of Houston or the Texas Medical Center of the extension of Pressler Street. Total rental for the 99-year extension term is \$99. Local hospital margins will be used to fund the lease.

Related to the garage construction project is a channel-widening project by the Harris County Flood Control District. On June 13, 2000, the Harris County Commissioners Court adopted the "Brays Bayou Flood Damage Reduction Plan," which includes channel widening of Brays Bayou from the upstream side of Holcombe Boulevard to the downstream side of South Braeswood Boulevard in the Texas Medical Center. To implement the plan, the Harris County Flood Control District requires the acquisition of an easement across a 0.4697-acre tract that is adjacent to the existing Brays Bayou. The Harris County Flood Control District will pay the Cancer Center \$1,720,157 for the easement. Soil excavated within the easement area will be used by U. T. M. D. Anderson Cancer Center as fill material in the construction of the parking garage.

Regent Craven was recorded as abstaining from vote on this item because she serves on the Texas Medical Center Board.

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

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

REPORT AND RECOMMENDATIONS OF THE FACILITIES PLANNING AND CONSTRUCTION COMMITTEE (Pages 125 - 144).--Committee Chairman Barnhill reported that the Facilities Planning and Construction Committee met in open session to consider those matters on its agenda and to formulate recommendations for The University of Texas System Board of Regents. Unless otherwise indicated, the actions set forth in the Minute Orders that follow were recommended by the Facilities Planning and Construction Committee and approved in open session by the U. T. System Board of Regents.

1. U. T. Pan American: Selection of architect for the Fine Arts Academic and Performance Complex

See the Committee Minutes (Page 1) for selection of Holzman Moss Architecture with PBS&J as architect for the Fine Arts Academic and Performance Complex project at The University of Texas - Pan American.

2. U. T. System: Approval of fee recommendations for the Office of Facilities Planning and Construction effective immediately

The Board

- a. authorized the new fee structure, as set forth on Page 127, based on total project cost, less institutionally-managed procurements, for The University of Texas System Office of Facilities Planning and Construction (OFPC) to fully fund the cost of project management;
- b. approved implementation of the new fee structure effective immediately for all projects that have not received final plan approval;
- c. approved collection of 5% of the fee at approval of inclusion in the Capital Improvement Program (CIP), 35% at approval of design development, 45% at the start of construction of notice to proceed, 10% at substantial completion, and 5% at final completion; and
- d. authorized the Chancellor to grant exceptions to the new fee for projects presently in design for which a hardship can be demonstrated.

The current OFPC fee structure was approved by the U. T. System Board of Regents on May 8, 1996. New strategic initiatives being implemented for the CIP include three major categories: CIP program accountability, CIP program performance, and OFPC organization. To manage and complete the 2007 OFPC strategic initiatives, the following information and data were considered:

- Organizational structure
- Services, mission and vision statement, and core processes budgets
- Financial history
- Quality improvement
- Fixed and variable costs in project management
- Indirect costs
- Optimization of project management
- Cost differentials in management of new construction and renovation projects
- External rate surveys of both higher education and private sector services
- Fee options
- Current and projected unfunded liability for completion of projects under construction

The revised rate schedule has been developed to reflect both project scale and complexity for new and renovation projects with a primary objective that each project covers its own management cost. The schedule will be applied using a mathematical formula that interpolates the correct percentage for projects with costs that fall between specific ranges, and will be implemented for all projects that have not received approval of final plans.

Should a hardship result due to budget constraints for a particular project presently in design, the Chancellor is authorized to consider the merits of the request and to approve a waiver of the fee.

Office of Facilities Planning and Construction Fees

New Projects Cost Range		Dormitories, Garages, Warehouses	Classrooms, Offices, Other Buildings	Health, Research, Special Education
Over	\$150,000,000	2.50%	2.75%	3.00%
Over	100,000,000	2.75%	3.00%	3.25%
Over	50,000,000	3.00%	3.25%	3.50%
Over	25,000,000	3.25%	3.50%	3.75%
Over	15,000,000	3.50%	3.75%	4.00%
Over	10,000,000	3.75%	4.00%	4.25%
Over	1,000,000	4.00%	4.25%	4.50%
<u>Renovation and Renewal</u>				
Over	\$150,000,000	3.00%	3.33%	3.66%
Over	100,000,000	3.33%	3.66%	3.99%
Over	50,000,000	3.66%	3.99%	4.33%
Over	25,000,000	3.99%	4.33%	4.66%
Over	15,000,000	4.33%	4.66%	4.99%
Over	10,000,000	4.66%	4.99%	5.32%
Over	2,000,000	4.99%	5.32%	5.66%

Prepared by Office of Facilities Planning and Construction
August 23, 2007

3. U. T. Austin: Library and Artifact High-Density Repository (formerly Library Storage Facility) - Approval of design development; appropriation of funds and authorization of expenditure; and approval of evaluation of alternative energy economic feasibility (Deferred)

The item related to the Library and Artifact High-Density Repository at The University of Texas at Austin was deferred.

4. U. T. El Paso: University Bookstore - Approval of design development; appropriation of funds and authorization of expenditure; approval of evaluation of alternative energy economic feasibility; and resolution regarding parity debt

The Board approved the recommendations for the University Bookstore project at The University of Texas at El Paso as follows:

Project No.: 201-333

Project Delivery Method: Competitive Sealed Proposals

Substantial Completion Date: April 2009

Total Project Cost:	<u>Source</u>	<u>Former</u>	<u>Current</u>
	Revenue Financing System Bond Proceeds	\$5,500,000	\$5,900,000

Impact Metrics:

- Utilization/gross square feet (GSF)
 - Revenue/GSF
- Preliminary metrics or other appropriate metrics as determined by U. T. El Paso and U. T. System. Beginning May 2007, the U. T. System, in collaboration with the respective institution, will begin identifying Impact Metrics intended to track the effectiveness of new institution facility use once the facility becomes operational.

- a. approve design development plans;
- b. appropriate funds and authorize expenditure of funds;
- c. approve the evaluation of alternative energy economic feasibility; and
- d. resolve in accordance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System that
 - parity debt shall be issued to pay the project's cost, including any costs prior to the issuance of such parity debt;

- sufficient funds will be available to meet the financial obligations of the U. T. System, including sufficient Pledged Revenues as defined in the Master Resolution to satisfy the Annual Debt Service Requirements of the Financing System, and to meet all financial obligations of the U. T. System Board of Regents relating to the Financing System; and
- U. T. El Paso, which is a "Member" as such term is used in the Master Resolution, possesses the financial capacity to satisfy its direct obligation as defined in the Master Resolution relating to the issuance by the U. T. System Board of Regents of tax-exempt parity debt in the aggregate amount of \$5,900,000.

Debt Service

The \$5,900,000 in Revenue Financing System debt will be repaid from bookstore revenues. Annual debt service on the project is expected to be approximately \$504,000. The project's debt service coverage is expected to be at least 2.4 times and average 2.9 times over FY 2008-2013.

Previous Board Actions

On February 8, 2007, the project was included in the Capital Improvement Program (CIP) with a total project cost of \$5,500,000 with funding from Revenue Financing System Bond Proceeds. With the adoption of the FY 2008-2013 CIP (see Item 9 on Page 21), the total project cost will increase to \$5,900,000 with funding from Revenue Financing System Bond Proceeds.

Project Description

The new bookstore will consist of a two-story building containing 24,000 gross square feet located at the intersection of University Avenue and Sun Bowl Drive adjacent to the new parking garage. The building will provide a modern and expanded retail facility in an area of campus with high visibility, and be accessible and convenient to students, staff, faculty, and other customers of the community at large. The U. T. System Board of Regents approved an agreement dated February 7, 2007, between U. T. El Paso and Follett Higher Education Group, Inc., wherein U. T. El Paso will construct the building and Follett will manage and operate the bookstore.

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

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

5. U. T. Permian Basin: Science and Technology Complex - Approval of design development; appropriation of funds and authorization of expenditure; approval of evaluation of alternative energy economic feasibility; and resolution regarding parity debt

The Board approved the recommendations for the Science and Technology Complex project at The University of Texas of the Permian Basin as follows:

Project No.: 501-263
Project Delivery Method: Competitive Sealed Proposals

Substantial Completion Date: January 2010

Total Project Cost:	<u>Source</u>	<u>Current</u>
	Tuition Revenue Bond Proceeds	\$54,000,000
	Permanent University Fund Bond Proceeds	\$ 2,000,000
		\$56,000,000

Total Project Cost for New Construction:	<u>Source</u>	<u>Current</u>
	Tuition Revenue Bond Proceeds	\$50,000,000

Total Project Cost for Repair & Rehabilitation Portion:	<u>Source</u>	<u>Current</u>
	Tuition Revenue Bond Proceeds	\$ 4,000,000
	Permanent University Fund Bond Proceeds	\$ 2,000,000
		\$ 6,000,000

Impact Metrics:

- Semester classroom hours delivered/gross square feet (GSF)
- Utilization/GSF

Preliminary metrics or other appropriate metrics as determined by U. T. Permian Basin and U. T. System. Beginning May 2007, the U. T. System, in collaboration with the respective institution, will begin identifying Impact Metrics intended to track the effectiveness of new institution facility use once the facility becomes operational.

- approve design development plans;
- appropriate funds and authorize expenditure of funds of \$50,000,000 from Tuition Revenue Bond Proceeds for the new construction portion of the project;
- approve the evaluation of alternative energy economic feasibility; and
- resolve in accordance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System that

- parity debt shall be issued to pay the project's cost, including any costs prior to the issuance of such parity debt;
- sufficient funds will be available to meet the financial obligations of the U. T. System, including sufficient Pledged Revenues as defined in the Master Resolution to satisfy the Annual Debt Service Requirements of the Financing System, and to meet all financial obligations of the U. T. System Board of Regents relating to the Financing System; and
- U. T. Permian Basin, which is a "Member" as such term is used in the Master Resolution, possesses the financial capacity to satisfy its direct obligation as defined in the Master Resolution relating to the issuance by the U. T. System Board of Regents of tax-exempt parity debt in the aggregate amount of \$50,000,000.

Debt Service

The 79th Legislature authorized \$54,000,000 of Tuition Revenue Bonds for a science and technology complex of which \$50,000,000 is being appropriated at this time. While the debt service is payable from pledged revenues, it is expected that the State will reimburse debt service on Tuition Revenue Bonds through general revenue appropriations.

Previous Board Actions

On August 11, 2006, the project was included in the Capital Improvement Program (CIP) with a total project cost of \$56,000,000 with funding of \$54,000,000 from Tuition Revenue Bond Proceeds and \$2,000,000 from Permanent University Fund (PUF) Bond Proceeds. On February 8, 2007, the Board approved the appropriation of \$6,000,000 for the renovation portion of the project with funding of \$4,000,000 from Tuition Revenue Bond Proceeds and \$2,000,000 from PUF Bond Proceeds.

Project Description

The project consists of the construction of a new building with wings for undergraduate and graduate science, computer science teaching and research, and campus-wide information systems support. The facility includes classrooms and classroom and research laboratories as well as support space for chemistry, physics, biology, and computer science. Most of the functions that will occupy the new spaces are currently housed in the Mesa Building. The two separate buildings originally included in the Science and Technology Complex for Tuition Revenue Bond funding will now be constructed as one building with two distinct wings, one for science and one for technology.

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

6. U. T. Southwestern Medical Center - Dallas: North Campus Phase 5 - Approval of design development; appropriation of funds and authorization of expenditure; approval of evaluation of alternative energy economic feasibility; and resolution regarding parity debt

The Board approved the recommendations for the North Campus Phase 5 project at The University of Texas Southwestern Medical Center at Dallas as follows:

Project No.: 303-288
Institutionally Managed: Yes No
Project Delivery Method: Construction Manager at Risk

Substantial Completion Date: November 2010

Total Project Cost:	<u>Source</u>	<u>Current</u>
	Tuition Revenue Bond Proceeds	\$ 42,000,000
	Permanent University Fund Bond Proceeds	\$ 42,000,000
	Revenue Financing System Bond Proceeds	\$ 29,000,000
	Gifts	\$ 43,000,000
		\$156,000,000

Impact Metrics:

- Growth in research funding/Assignable square footage (ASF) research space
- Increase in number of faculty
- Recruitment of new chairs in cell biology, pathology, and radiology, and new pediatric research institute director
- Increase in number and size of National Institutes of Health (NIH) grants

Preliminary metrics or other appropriate metrics as determined by U. T. Southwestern Medical Center – Dallas and U. T. System. Beginning May 2007, the U. T. System, in collaboration with the respective institution, will begin identifying Impact Metrics intended to track the effectiveness of new institution facility use once the facility becomes operational.

- a. approve design development plans;
- b. appropriate funds and authorize expenditure of funds;

- c. approve the evaluation of alternative energy economic feasibility; and
- d. resolve in accordance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System that
 - parity debt shall be issued to pay the project's cost, including any costs prior to the issuance of such parity debt;
 - sufficient funds will be available to meet the financial obligations of the U. T. System, including sufficient Pledged Revenues as defined in the Master Resolution to satisfy the Annual Debt Service Requirements of the Financing System, and to meet all financial obligations of the U. T. System Board of Regents relating to the Financing System; and
 - U. T. Southwestern Medical Center - Dallas, which is a "Member" as such term is used in the Master Resolution, possesses the financial capacity to satisfy its direct obligation as defined in the Master Resolution relating to the issuance by the U. T. System Board of Regents of tax-exempt parity debt in the aggregate amount of \$71,000,000.

Debt Service

The 79th Legislature authorized \$42,000,000 of Tuition Revenue Bonds for a biomedical research building. While the debt service is payable from pledged revenues, it is expected that the State will reimburse debt service on Tuition Revenue Bonds through general revenue appropriations. The \$29,000,000 in Revenue Financing System debt will be repaid from indirect cost recovery. Annual debt service on the Revenue Financing System portion of the project is expected to be approximately \$2,200,000. The institution's debt service coverage is expected to be at least 1.7 times and average 2.1 times over FY 2008-2013.

Previous Board Action

On August 10, 2006, the project was included in the Capital Improvement Program (CIP) with a total project cost of \$156,000,000 with funding of \$42,000,000 from Tuition Revenue Bond Proceeds, \$42,000,000 from Permanent University Fund (PUF) Bond Proceeds, \$29,000,000 from Revenue Financing System Bond Proceeds, and \$43,000,000 from Gifts.

Project Description

The project will be constructed in two stages. The first stage involves the building shells. The second stage will comprise the building finish out. The initial Phase 5, Stage 1 shell building project will consist of a 12-story, 328,398 gross square foot tower building, including one floor of parking. The facility will include a one-level, 3,000 gross square foot imaging center with structurally isolated grade level, vibration damped space for electron microscopes and cryotech support, and spaces for light microscopes, prep labs, and offices. The new thermal energy plant with capability to provide environmental control infrastructure for campus development will be included in this phase. Site work, including landscape, bridges and roads, and revisions to the adjacent flood control channel, will enhance the immediate campus environment and establish connections to existing buildings and campus entrances. A new telecommunications switch will also be installed along with relocation of the existing sanitary sewer to clear the site for this project and future phases. The Stage 2 project will be comprised of the finish out of four floors for research labs with support and administrative space and the finish out of the imaging center.

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

7. U. T. Health Science Center - Houston: U. T. Research Park Complex - Approval of design development of the Biomedical Research and Education Facility portion of the project; appropriation of funds and authorization of expenditure; and approval of evaluation of alternative energy economic feasibility

The Board approved the recommendations for the Biomedical Research and Education Facility (BREF) portion of the U. T. Research Park Complex project at The University of Texas Health Science Center at Houston as follows:

Project No.: 701-320
Project Delivery Method: Construction Manager at Risk
Substantial Completion Date: September 2010

Total Project Cost for the Research Park Complex:	<u>Source</u>	<u>Former</u>	<u>Current</u>
	Unexpended Plant Funds	\$ 19,500,000	\$ 22,900,000
	Permanent University Fund Bond Proceeds	\$ 59,100,000	\$ 59,100,000
	Tuition Revenue Bond Proceeds	\$ 60,000,000	\$ 60,000,000
	Gifts	<u>\$ 22,900,000</u>	<u>\$ 2,000,000</u>
	Revenue Financing System Bond Proceeds		<u>\$ 17,500,000</u>
		\$161,500,000	\$161,500,000
Total Project Cost for BREF (Stage 1) of the Research Park Complex:	<u>Source</u>		
	Permanent University Fund Bond Proceeds		\$ 41,100,000
	Unexpended Plant Funds		<u>\$ 22,900,000</u>
			<u>\$ 64,000,000</u>

Impact Metrics:

- Semester classroom hours delivered/Assignable square footage (ASF) classroom and class lab ASF
 - Research expenditures/ASF research space
- Preliminary metrics or other appropriate metrics as determined by U. T. Health Science Center – Houston and U. T. System. Beginning May 2007, the U. T. System, in collaboration with the respective institution, will begin identifying Impact Metrics intended to track the effectiveness of new institution facility use once the facility becomes operational.

- a. approve design development plans for the BREF portion of the project;
- b. appropriate funds and authorize expenditure of funds in the amount of \$64,000,000 with funding of \$41,100,000 from Permanent University Fund (PUF) Bond Proceeds and \$22,900,000 from Unexpended Plant Funds for the BREF portion of the project; and
- c. approve the evaluation of alternative energy economic feasibility.

Previous Board Actions

Biomedical Research and Education Facility (BREF) - On August 10, 2006, the project was included in the Capital Improvement Program (CIP) with a preliminary project cost of \$62,000,000 with funding of \$41,100,000 from PUF Bond Proceeds and \$20,900,000 from Gifts.

Dental Branch Replacement Building - On August 10, 2006, the project was included in the CIP with a preliminary project cost of \$80,000,000 with funding of \$18,000,000 from PUF Bond Proceeds, \$60,000,000 from Tuition Revenue Bond Proceeds, and \$2,000,000 from Gifts.

Mental Sciences Institute Replacement Facility - On November 11, 1999, the project was included in the CIP with a preliminary project cost of \$20,700,000 with funding from Unexpended Plant Funds. On August 9, 2001, the Board approved reducing the total project cost to \$16,500,000 with funding from Unexpended Plant Funds. On August 8, 2002, the Board approved the increase in the total project cost to \$22,500,000 with funding of \$16,500,000 from Unexpended Plant Funds and \$6,000,000 from Hospital Revenues.

U. T. Research Park Complex - On November 16, 2006, the three projects mentioned above were combined, redesignated as the U. T. Research Park Complex, and funding was revised for a total project cost of \$161,500,000 with funding of \$60,000,000 from Tuition Revenue Bond Proceeds, \$59,100,000 from PUF Bond Proceeds, \$19,500,000 from Unexpended Plant Funds, and \$22,900,000 from Gifts. With the adoption of the FY 2008-2013 CIP, the project scope was increased to include a parking garage and the funding sources were revised to \$60,000,000 from Tuition Revenue Bond Proceeds, \$59,100,000 from PUF Bond Proceeds, \$22,900,000 from Unexpended Plant Funds, \$2,000,000 from Gifts, and \$17,500,000 from Revenue Financing System Bond Proceeds for a total project cost of \$161,500,000.

Project Description

Located at the U. T. Research Park, this project consists of two new six-story buildings intended to house three programs: stem cell research, neurosciences, and a dental branch. The first building to be constructed (Stage 1) will be the BREF combined with the Neuroscience Building (NB), and the second building (Stage 2), which will be connected to the first building, will be the Dental Branch Replacement Building (DBRB). The scope of the entire project has been revised to include a 400-space parking garage allowing for structural integration with the Central Plant for improved efficiency and site usage.

The BREF construction will consist of a six-story structure of approximately 153,000 gross square feet to house the Neuroscience program and the Biomedical Research and Education program along with 23,000 gross square feet for the Central Plant and associated site utilities and amenities for the structure. The BREF will occupy the fourth, fifth, and sixth floors and provide for stem cell research laboratories, office, and computational areas. The 69,000 gross square feet in the building designated as shell space for the Neuroscience program will occupy the first, second, and third floors.

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

8. U. T. Health Science Center - San Antonio: South Texas Research Facility - Approval of design development; appropriation of funds and authorization of expenditure; approval of evaluation of alternative energy economic feasibility; and resolution regarding parity debt

The Board approved the recommendations for the South Texas Research Facility (STRF) project at The University of Texas Health Science Center at San Antonio as follows:

Project No.: 402-275
Architecturally or Historically Significant: Yes No

Project Delivery Method: Construction Manager at Risk

Substantial Completion Date: December 2010

Total Project Cost:	<u>Source</u>	<u>Former</u>	<u>Current</u>
	Tuition Revenue Bond Proceeds	\$ 60,000,000	\$ 60,000,000
	Permanent University Fund Bond Proceeds	\$ 40,000,000	\$ 46,000,000
	Gifts	<u>\$ 50,000,000</u>	<u>\$ 44,000,000</u>
		\$150,000,000	\$150,000,000

Impact Metrics:

- Percent efficiency of the building
- Wet lab space/percent of assignable square footage (ASF)
- Number of principle investigators (PIs) to be recruited based on new available space
- New potential research expenditure based on added space for investigators

Preliminary metrics or other appropriate metrics as determined by U. T. Health Science Center – San Antonio and U. T. System. Beginning May 2007, the U. T. System, in collaboration with the respective institution, will begin identifying Impact Metrics intended to track the effectiveness of new institution facility use once the facility becomes operational.

- a. approve design development plans;
- b. appropriate funds and authorize expenditure of funds;
- c. approve the evaluation of alternative energy economic feasibility; and
- d. resolve in accordance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System that
 - parity debt shall be issued to pay the project's cost, including any costs prior to the issuance of such parity debt;

- sufficient funds will be available to meet the financial obligations of the U. T. System, including sufficient Pledged Revenues as defined in the Master Resolution to satisfy the Annual Debt Service Requirements of the Financing System, and to meet all financial obligations of the U. T. System Board of Regents relating to the Financing System; and
- U. T. Health Science Center - San Antonio, which is a "Member" as such term is used in the Master Resolution, possesses the financial capacity to satisfy its direct obligation as defined in the Master Resolution relating to the issuance by the U. T. System Board of Regents of tax-exempt parity debt in the aggregate amount of \$60,000,000.

Debt Service

The 79th Legislature authorized \$60,000,000 of Tuition Revenue Bonds for a new research facility. While the debt service is payable from pledged revenues, it is expected that the State will reimburse debt service on Tuition Revenue Bonds through general revenue appropriations.

Previous Board Actions

On August 10, 2006, the project was included in the Capital Improvement Program (CIP) with a total project cost of \$150,000,000 with funding of \$60,000,000 from Tuition Revenue Bond Proceeds, \$40,000,000 from Permanent University Funds (PUF) Bond Proceeds, and \$50,000,000 from Gifts and designated as architecturally significant. With the adoption of the FY 2008-2013 CIP (see Item 9 on Page 21), the funding was revised to \$60,000,000 from Tuition Revenue Bond Proceeds, \$46,000,000 from PUF Bond Proceeds, and \$44,000,000 from Gifts.

Project Description

The project consists of the construction of a new building with approximately 221,000 gross square feet of new research space to be constructed adjacent to the Greehey Children's Cancer Research Institute. The facility will allow significant expansion of basic and translational research programs. Translational research allows the physician to assess a clinical problem to be studied in the laboratory when those studies could not feasibly be conducted in humans. The translational research emphasizes the rapid adoption of evidence-based interventions in routine clinical settings. Research to be carried out in the STRF will focus on translational research in scientific areas highly relevant to South Texas. An important focus will be the training of future clinician scientists from the South Texas region.

The institution plans to develop a National Center for Integrative Sciences (NCIS) in this facility. The goal for the NCIS would be significant expansion and integration of U. T. Health Science Center - San Antonio research and that of its partners, resulting in basic and translational research breakthroughs in the following areas: regenerative medicine, nanomedicine, molecular therapeutics, and metabolic biology. NCIS will facilitate collaboration of scientists across multiple disciplines.

The project will also include administrative offices, an expansion of the existing Vivarium located at the Greehey Children's Cancer Research Institute, surface parking for approximately 600 cars, and site improvements.

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

9. U. T. M. D. Anderson Cancer Center: Alkek Expansion - Approval of design development; appropriation of funds and authorization of expenditure; approval of evaluation of alternative energy economic feasibility; and resolution regarding parity debt

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

Project No.: 703-272
Institutionally Managed: Yes No
Project Delivery Method: Design/Build

Substantial Completion Date: January 2013

Total Project Cost:	<u>Source</u>	<u>Former</u>	<u>Current</u>
	Hospital Revenues	\$ 56,000,000	\$ 69,200,000
	Revenue Financing System Bond Proceeds	<u>\$224,000,000</u>	<u>\$224,000,000</u>
		\$280,000,000	\$293,200,000

Impact Metrics:

- Admissions
- Patient days
- Number of inpatient beds in operation

Preliminary metrics or other appropriate metrics as determined by U. T. M. D. Anderson Cancer Center and U. T. System. Beginning May 2007, the U. T. System, in collaboration with the respective institution, will begin identifying Impact Metrics intended to track the effectiveness of new institution facility use once the facility becomes operational.

- a. approve design development plans;
- b. appropriate funds and authorize expenditure of funds;
- c. approve the evaluation of alternative energy economic feasibility; and
- d. resolve in accordance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System that
 - parity debt shall be issued to pay the project's cost, including any costs prior to the issuance of such parity debt;
 - sufficient funds will be available to meet the financial obligations of the U. T. System, including sufficient Pledged Revenues as defined in the Master Resolution to satisfy the Annual Debt Service Requirements of the Financing System, and to meet all financial obligations of the U. T. System Board of Regents relating to the Financing System; and
 - U. T. M. D. Anderson Cancer Center, which is a "Member" as such term is used in the Master Resolution, possesses the financial capacity to satisfy its direct obligation as defined in the Master Resolution relating to the issuance by the U. T. System Board of Regents of tax-exempt parity debt in the aggregate amount of \$224,000,000.

Debt Service

The \$224,000,000 in Revenue Financing System debt will be repaid from hospital revenues. Annual debt service on the project is expected to be approximately \$16,300,000. The institution's debt service coverage is expected to be at least 4.5 times and average 4.9 times over FY 2008-2013.

Previous Board Actions

On July 14, 2006, the project was included in the Capital Improvement Program (CIP) with a total project cost of \$280,000,000 with funding of \$56,000,000 from Hospital Revenues and \$224,000,000 from Revenue Financing System Bond Proceeds. With the adoption of the FY 2008-2013 CIP (see Item 9 on Page 21), the total project cost was increased to \$293,200,000 with funding of \$69,200,000 from Hospital Revenues and \$224,000,000 from Revenue Financing System Bond Proceeds.

Project Description

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

The project will construct five new inpatient floors in the Albert B. and Margaret M. Alkek Tower with additional support space provided for pharmacy, nursing support, an additional post anesthesia care unit, and intensive care unit beds. The existing 12th floor will be renovated to address infrastructure issues associated with the current protected environment. Two floors of the Lutheran Pavilion Patient Tower will be vacated to provide horizontal expansion for surgery services on Level 5 and diagnostic imaging services on Level 3. Beds from these floors will be relocated to the new Alkek Tower floors. Initially, four shelled floors will be included in the Alkek Expansion with shell space to build out two floors in 2014 and two floors in 2016.

The Alkek Tower was designed to accommodate an additional nine floors. The structural design was planned with locations for additional elevator capacity, mechanical distributions systems, as well as future crane placement.

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

10. U. T. Austin: The Dell Pediatric Research Institute, The University of Texas at Austin - Approval of the use of \$25 million of Permanent University Fund (PUF) Bond Proceeds, \$15 million of Available University Funds (AUF), and \$5 million of Science and Technology Acquisition and Retention (STARs) Program funding; revision of funding sources to increase Revenue Financing System Bond Proceeds pending receipt of Gift and Grant funding; appropriation of funds and authorization of expenditure; and resolution regarding parity debt

The Board reviewed the project included on the revised Agenda Item before them on yellow paper and approved the recommendations for The Dell Pediatric Research Institute, The University of Texas at Austin project as follows:

Project No.: 102-257
Project Delivery Method: Design/Build
Substantial Completion Date: November 2008

Total Project Cost:	<u>Source</u>	<u>Former</u>	<u>Current</u>
	Grants	\$38,000,000	\$ 8,000,000
	Gifts	\$38,000,000	\$ 8,000,000
	Revenue Financing System Bond Proceeds	<u>\$21,000,000</u>	<u>\$56,000,000</u>
	Permanent University Fund Bond Proceeds		<u>\$25,000,000</u>
		\$97,000,000	\$97,000,000

- a. revise the funding sources from \$38,000,000 from Grants, \$38,000,000 from Gifts, and \$21,000,000 from Revenue Financing System Bond Proceeds to \$8,000,000 from Grants, \$8,000,000 from Gifts, \$56,000,000 from Revenue Financing System Bond Proceeds, and \$25,000,000 from Permanent University Fund Bond (PUF) Proceeds;
- b. authorize a separate allocation of \$15,000,000 from Available University Funds (AUF) and \$5,000,000 from the Science and Technology Acquisition and Retention (STARs) Program to fund faculty start-up costs and operations;
- c. appropriate funds and authorize expenditure of funds of \$56,000,000 from Revenue Financing System Bond Proceeds and \$25,000,000 from PUF (see related Item 8 on Page 16); and
- d. resolve in accordance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System that
 - parity debt shall be issued to pay the project's cost, including any costs prior to the issuance of such parity debt;

- sufficient funds will be available to meet the financial obligations of the U. T. System, including sufficient Pledged Revenues as defined in the Master Resolution to satisfy the Annual Debt Service Requirements of the Financing System, and to meet all financial obligations of the U. T. System Board of Regents relating to the Financing System; and
- U. T. Austin, which is a "Member" as such term is used in the Master Resolution, possesses the financial capacity to satisfy its direct obligation as defined in the Master Resolution relating to the issuance by the U. T. System Board of Regents of tax-exempt parity debt in the aggregate amount of \$56,000,000.

Debt Service

Revenue Financing System debt of \$56,000,000 will be issued as short-term commercial paper repayable from Gifts, Grants, and indirect cost return from research revenues. The Michael and Susan Dell Foundation has committed \$38,000,000 towards construction, subject to the receipt of an equal amount of matching Gifts. This interim debt financing is necessary to facilitate the accelerated construction timeline and bridge the timing of receipt of the Gifts and Grants. The \$25,000,000 of PUF debt will be repaid from the AUF.

Previous Board Actions

On June 20, 2006, the project was included in the Capital Improvement Program (CIP) with a total project cost of \$97,000,000 with funding of \$21,000,000 from Revenue Financing System Bond Proceeds, \$38,000,000 from Gifts, and \$38,000,000 from Grants. On August 10, 2006, the Board approved design development plans. On October 13, 2006, the Associate Vice Chancellor for Facilities Planning and Construction approved the nonhonorific name change to The Dell Pediatric Research Institute, The University of Texas at Austin.

Project Description

Located on the site of the former Robert Mueller Municipal Airport and adjacent to the new Dell Children's Medical Center of Central Texas, the 150,000 gross square foot Dell Pediatric Research Institute will establish Austin as a center of excellence for children's health issues. The Dell Pediatric Research Institute will comply with the guidelines of the Master Development Agreement and the approved master plan established for the redevelopment of the 700-acre former airport site. This facility will provide research, laboratory, and office space that will facilitate interdisciplinary collaboration between academic research, medical research, and clinical initiatives supporting the health and welfare of children. The design for the

facility provides flexible research space with an open floor area fully served by mechanical, electrical, plumbing, and architectural environments supporting the anticipated research program. The flexibility of the building will support research-specific build-out and incorporates moveable casework, overhead utility carrier services, internationally recognized requirements for laboratory support space, and additional support and service spaces for the administrative requirements of the research program, and for building maintenance and operations.

The previously approved funding is required to allow construction activity to proceed on schedule for a November 2008 completion pending the extended schedule for the collection of Gift funds.

The \$15,000,000 from AUF and \$5,000,000 from the STARs Program will fund faculty start-up costs and operations. The STARs monies will be used primarily for equipment while the AUF balances could be used for any eligible operating costs associated with start-up operations.

RECONVENE BOARD OF REGENTS AS COMMITTEE OF THE WHOLE.--At 12:20 p.m., the Board reconvened as a committee of the whole.

13. U. T. System Board of Regents: Presentation of certificate of appreciation to President John D. Stobo, M.D.

On behalf of the Board, Chairman Huffines presented a certificate of appreciation, as follows, to John D. Stobo, M.D., on the occasion of his retirement as President of The University of Texas Medical Branch at Galveston. Dr. Stobo, who served as President of U. T. Medical Branch - Galveston for the past 10 years, will continue to serve on the institution's faculty and as Executive Director for Academic Programs in the Office of Health Affairs through contract with The University of Texas System.

CERTIFICATE OF APPRECIATION

The Board of Regents

Expresses to

JOHN D. STOBO, M.D.

Its Sincere Appreciation for His

Distinguished Service and Outstanding Contributions

to

The University of Texas System

as

President

at

The University of Texas Medical Branch at Galveston

1997 - 2007

Following a round of applause, President Stobo thanked the members of the Board for the privilege to serve the U. T. System.

14. U. T. System Board of Regents: Election of Regent H. Scott Caven, Jr., as Vice Chairman (Regents' Rules and Regulations, Series 10102, Section 3)

Upon recommendation by Chairman Huffines, the Board elected Regent H. Scott Caven, Jr., as a Vice Chairman of the Board. Regents' *Rules and Regulations*, Series 10102, Section 3 provides for the election of three Vice Chairmen of the Board of Regents.

For the record, the Vice Chairmen of the Board are:

Rita C. Clements
Cyndi Taylor Krier
H. Scott Caven, Jr.

15. U. T. Dallas: Approval to accept anonymous gift of art

Chairman Huffines stated that an additional caption was posted with the Secretary of State to allow discussion and action concerning a recommendation from President Daniel and Vice Chancellor Safady that the Board authorize the acceptance of a gift of artwork, with an estimated value of at least \$15 million, to benefit The University of Texas at Dallas. The gift, which was accepted, is being made by an anonymous donor with the requirement that the artwork is to be sold and the proceeds are to be used for landscaping projects at U. T. Dallas.

SCHEDULED MEETING.--The next regularly scheduled meeting will be held on November 8-9, 2007, in Austin, Texas.

ADJOURNMENT.--There being no further business, the meeting was adjourned at 12:25 p.m.

/s/Francie A. Frederick
General Counsel to the Board of Regents

September 26, 2007

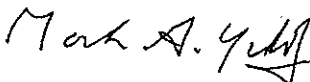
**THE UNIVERSITY OF TEXAS SYSTEM ADMINISTRATION
DOCKET NO. 131**

August 9, 2007

TO MEMBERS OF THE FINANCE AND PLANNING COMMITTEE:

The Docket for The University of Texas System Administration and the Dockets recommended by the respective presidents and prepared by the institutions listed below are submitted for discussion and appropriate action regarding approval of the Docket at the meeting of the U. T. System Board of Regents on August 23, 2007. The Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Business Affairs, the Executive Vice Chancellor for Health Affairs, the Vice Chancellor and General Counsel, and I concur in these recommendations.

<u>Institutions</u>	<u>Pages</u>
The University of Texas System Administration	Docket 1 - 4
The University of Texas at Arlington	Docket 5 - 13
The University of Texas at Austin	Docket 14 - 34
The University of Texas at Brownsville	Docket 35 - 40
The University of Texas at Dallas	Docket 41 - 48
The University of Texas at El Paso	Docket 49 - 54
The University of Texas - Pan American	Docket 55 - 62
The University of Texas of the Permian Basin	Docket 63 - 70
The University of Texas at San Antonio	Docket 71 - 85
The University of Texas at Tyler	Docket 86 - 90
The University of Texas Southwestern Medical Center at Dallas	Docket 91 -101
The University of Texas Medical Branch at Galveston	Docket 102 -113
The University of Texas Health Science Center at Houston	Docket 114 -120
The University of Texas Health Science Center at San Antonio	Docket 121 -127
The University of Texas M. D. Anderson Cancer Center	Docket 128 -134



Mark G. Yudof
Chancellor

xc: Other Members of
the Board

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U. T. SYSTEM ADMINISTRATION
AMENDMENTS TO THE 2006-07 BUDGET

TRANSFERS OF FUNDS

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

<u>Description</u>	<u>\$ Amount</u>	<u>RBC #</u>
DESIGNATED FUNDS		
1. Amount of Transfer:	650,000	18
From: Damage Payments on West Texas Lands - Income		
To: Damage Payments on West Texas Lands – All Expenses		
To fund grazing lessee improvement and repair expenditures such as fencing, brush control, and water development for livestock and wildlife, resulting in added value to grazing leases and oil and gas operations.		
LIBRARY, EQUIPMENT, REPAIR AND REHABILITATION		
2. Amount of Transfer:	134,818	19
From: Equipment Reserve – Allocated for Budget	134,818	
To: Ashbel Smith Hall Cooling Tower Roof Replacement	7,486	
Ashbel Smith Hall Domestic Hot Water Boiler Replacement	8,000	
O. Henry Hall Flat Roofs Replacement	19,332	
Colorado Building Heating Boilers Replacement	100,000	

The funds are required to replace the cooling tower roof and domestic hot water boiler for Ashbel Smith Hall, to replace the flat roofs on O. Henry Hall, and to replace the heating boiler in the Colorado Building.

OTHER FISCAL ITEMS

EMPLOYMENT AGREEMENTS

The following agreement has been awarded, has been approved by the Chancellor, and is recommended for approval by the U. T. System Board of Regents. Such employment under this agreement is subject to the Regents' *Rules and Regulations*, Series 10501 and *Texas Education Code*, Section 51.948.

1. Item: Vice Chancellor for Research and Technology Transfer
Funds: \$250,000 annually
Period: Beginning June 1, 2007
Description: Agreement for employment of Vice Chancellor for Research and Technology Transfer, Dr. H. Keith McDowell. The Vice Chancellor for Research and Technology Transfer reports to and is responsible to the Chancellor and shall hold office without fixed term subject to the pleasure of the Chancellor. Due to Dr. McDowell's retiree status, he is not eligible to participate in the mandatory retirement program, for state retirement matching contributions, or to elect payment of out-of-pocket medical premiums using pre-tax dollars. In lieu of these benefits, the agreement provides for a supplement equivalent to 10 percent of the approved annual base pay. U. T. System Administration will reimburse club and professional memberships, continuing education expenses, and reasonable travel expenses. Additionally, U. T. System Administration will make payment for the actual costs of reasonable expenses related to moving household, personal, and professional possessions. During his employment, Dr. McDowell will hold a non tenure-track appointment without compensation in the Department of Chemistry at U. T. Arlington.

OTHER MATTERS

APPROVAL OF NEWLY COMMISSIONED U. T. SYSTEM PEACE OFFICERS

In accordance with Section 51.203 of the *Texas Education Code*, formal approval of the U. T. System Board of Regents is requested for the commissioning of the individuals listed below as peace officers effective June 14, 2007. The following officers have completed a course of training that included mandated Texas Commission on Law Enforcement Officer Standards and Education courses at The University of Texas System Police Training Academy and have successfully passed the State of Texas Peace Officer Licensing Examination.

<u>Name</u>	<u>Institution</u>
Miguel Armando Ascencio	U. T. Health Science Center - Houston
Homar Bahena	U. T. Brownsville
Karla M. Beckner	U. T. Dallas
Joseph R. Davis	U. T. Health Science Center - Houston
Joshua D. Dobbs	U. T. Tyler
Joseph P. Elliott	U. T. Austin
Ashley Marie Keene	U. T. Austin
Matthew J. Krawczak	U. T. Health Science Center - Houston
Stacey J. Manns	U. T. San Antonio
Jamie L. Martinelli	U. T. San Antonio
Michael Brandon Milner	U. T. Health Science Center - Houston
Terry K. Morrison	U. T. Arlington
Edward David Murray, III	U. T. Austin
Victor H. Nolasco	U. T. Health Science Center - Houston
Scott D. Rhoads	U. T. Austin
Mark F. Routson	U. T. Dallas
Joseph R. Silas	U. T. Austin
Raul Tenorio	U. T. Health Science Center - Houston
Angelina M. Vega	U. T. San Antonio
Terry E. Walker	U. T. Austin
Phillip T. Young	U. T. Southwestern Medical Center - Dallas

REAL ESTATE REPORT

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

Summary Report at May 31, 2007

	FUND TYPE							
	Current Purpose Restricted		Endowment & Similar Funds		Annuity & Life Income Funds		TOTAL	
	Book	Market	Book	Market	Book	Market	Book	Market
Land & Buildings:								
Ending Value 2/28/07	\$ 3,685,119	\$ 29,990,328	\$ 105,263,629	\$ 224,589,498	\$ 1,021,980	\$ 946,851	\$ 109,970,728	\$ 255,526,677
Increase or Decrease	(19,588)	(75,000)	126,591	(1,172,054)	-	-	107,004	(1,247,054)
Ending Value 5/31/07	\$ 3,665,532	\$ 29,915,328	\$ 105,390,220	\$ 223,417,444	\$ 1,021,980	\$ 946,851	\$ 110,077,732	\$ 254,279,623
Other Real Estate:								
Ending Value 2/28/07	\$ 100,819	\$ 100,819	\$ 173,832	\$ 173,832	\$ -	\$ -	\$ 274,652	\$ 274,652
Increase or Decrease	(1,159)	(1,159)	(5,863)	(5,863)	-	-	(7,022)	(7,022)
Ending Value 5/31/07	\$ 99,660	\$ 99,660	\$ 167,970	\$ 167,970	\$ -	\$ -	\$ 267,630	\$ 267,630

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

Details of individual assets by account furnished on request.

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

U. T. ARLINGTON

CONTRACTS

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

GENERAL CONTRACTS

FUNDS COMING IN

1. Agency: 2001 Trinity Fund, LLC
Funds: \$391,000 bonus plus 27% royalty share
(U. T. Arlington may also take payment in kind.)
Period: April 17, 2007 through April 16, 2008, primary term,
and for so long thereafter as oil or gas is produced in
paying quantities
Description: Oil and gas lease covering the campus of
U. T. Arlington (406 acres). The lease allows for
exploration and production of the campus and some
surrounding areas at five designated drilling sites,
subject to restrictions related to environmental issues,
noise, and disruption. The drilling and operations will
be conducted by Carrizo Oil and Gas Company.

CHANGES TO ADMISSIONS CRITERIA

The following changes, in congressional style, to admission criteria for the Aerospace Engineering program are proposed for inclusion in the Graduate Catalog of The University of Texas at Arlington. The changes have been administratively approved by the Executive Vice Chancellor for Academic Affairs and are recommended for approval by the U. T. System Board of Regents.

Aerospace Engineering (AE)

Admission Criteria

Admission to the graduate program in AE is based on equal weighting of the following six criteria:

1. An overall GPA, as calculated by the Graduate School, of 3.0 or higher in undergraduate coursework for Master's of Science-S. (M.S.) and Master's of Engineering (M.Engr). applicants, and ~~3.0~~ 3.2 for Ph.D. Track and Ph.D. applicants.
2. Relevance of the student's previous degrees to the AE curriculum.
3. Reputation of the universities or colleges the student has attended.
4. A GRE score of at least 400 (verbal) and 650 (quantitative) for M.S. and M.Engr. applicants, and at least 500 (verbal) and 750 (quantitative) for Ph.D. Track and Ph.D. applicants.
5. Three satisfactory written recommendation letters from prior professors or supervisors.
6. A written essay on the student's goals and reasons for pursuing graduate studies.

AMENDMENTS TO THE 2006-07 BUDGET

APPOINTMENTS AND PROMOTIONS

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

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
COLLEGE OF LIBERAL ARTS					
Criminology and Criminal Justice					
1. Alejandro Del Carmen (T)					2074
From: Associate Professor and Acting Chair		100 SUPLT	09 09	72,149 6,000	
To: Associate Professor and Chair	3/26-5/31	100 SUPLT	09 09	72,149 6,000	
Theatre Arts					
2. Kim LaFontaine (T)					2075
From: Professor and Director		100 SUPLT	09 09	73,466 7,000	
To: Professor and Chairperson	9/1-5/31	100 SUPLT	09 09	73,466 7,000	
COLLEGE OF SCIENCE					
Chemistry					
3. Zoltan Schelly (T)					2076
From: Professor and Associate Chair		100	09	90,400	
To: Professor	1/16-5/31	100	09	90,400	

OTHER FISCAL ITEMS

EMPLOYMENT AGREEMENTS

The following agreement has been awarded, has been approved by the Executive Vice Chancellor for Academic Affairs, and is recommended for approval by the U. T. System Board of Regents. Such employment under this agreement is subject to the Constitution and Bylaws of the National Collegiate Athletic Association, any intercollegiate athletic conference of which The University of Texas at Arlington is a member, the Regents' *Rules and Regulations*, Series 10501, and the policies of U. T. Arlington. The violation of the provisions of such constitution, bylaws, rules or regulations shall be grounds for suspension without pay or dismissal.

1. Item: Head Women's Basketball Coach
Funds: \$105,000 annually
Period: June 1, 2007 through March 31, 2010
Description: Initial agreement for employment of Head Women's Basketball Coach, Samantha Morrow, for the above designated period following the standard coach's employment contract prepared by the Office of General Counsel.

NEW TENURE APPOINTMENTS AND PROMOTIONS WITHIN TENURE RANKS

The following personnel actions involving new tenure appointments and promotion within tenure ranks have been administratively approved by the Executive Vice Chancellor for Academic Affairs. The personnel actions have been included in the 2008 Annual Operating Budget of each institution and are consistent with the Regents' *Rules and Regulations*, Series 31007.

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>
College of Business Administration		
Finance and Real Estate Andrew J. Hansz	Assistant Professor (NT)	Associate Professor (T)
Marketing Xueming Luo	Assistant Professor (NT)	Associate Professor (T)
Information Systems and Operations Management Edmund Prater	Assistant Professor (NT)	Associate Professor (T)
College of Education		
Education Leadership and Policy Studies Carrie Y. Ausbrooks	Assistant Professor (NT)	Associate Professor (T)
College of Engineering		
Bioengineering Liping Tang	Associate Professor (NT)	Professor (T)
College of Liberal Arts		
Communication Thomas B. Christie	Assistant Professor (NT)	Associate Professor (T)
History Thomas Adam Sonya Ramsey	Assistant Professor (NT) Assistant Professor (NT)	Associate Professor (T) Associate Professor (T)
Linguistics Laurel Smith Stvan	Assistant Professor (NT)	Associate Professor (T)
Music Sergio Espinosa Graham G. Hunt Soo Hong Kim	Assistant Professor (NT) Assistant Professor (NT) Assistant Professor (NT)	Associate Professor (T) Associate Professor (T) Associate Professor (T)

**NEW TENURE APPOINTMENTS AND PROMOTIONS WITHIN TENURE RANKS
(CONTINUED)**

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>
College of Liberal Arts (Continued)		
Sociology and Anthropology Shelley L. Smith	Associate Professor (T)	Professor (T)
College of Science		
Biology Sophia Passy	Assistant Professor (NT)	Associate Professor (T)
Earth and Environmental Science Karen H. Johanneson	Associate Professor (T)	Professor (T)
Psychology Yuan B. Peng	Assistant Professor (NT)	Associate Professor (T)
School of Architecture		
Gary O. Robinette	Associate Professor (T)	Professor (T)
School of Nursing		
Sharon K. Judkins	Assistant Professor (NT)	Associate Professor (T)
School of Urban and Public Affairs		
Edith Barrett	Associate Professor (T)	Professor (T)
Alejandro Rodriguez	Assistant Professor (NT)	Associate Professor (T)

SMALL CLASS REPORT, FALL 2006 AND SPRING 2007

Pursuant to Section 51.403 of the *Texas Education Code* and Section 5.301 of the Texas Higher Education Coordinating Board *Rules*, a report for the record regarding the teaching of small classes must be filed with the U. T. System Board of Regents and the Texas Higher Education Coordinating Board. The institution has reviewed the data in this report and, as appropriate, made administrative changes to ensure that teaching such small classes continues to be justified. The detailed listing of small classes is available in The University of Texas System Office of Academic Affairs and is reported as follows:

Organized Undergraduate Classes with Fewer than 10 Enrolled Students

Primary Reasons for Teaching	Fall	Spring	Total	Prior Year Total
a. Required for graduation	8	5	13	7
b. To keep proper sequence	1	3	4	9
c. New program	0	0	0	0
d. Cross listed	0	0	0	6
e. First time offered	0	0	0	0
f. Accreditation or licensing standard	0	0	0	0
g. Limited facilities	0	0	0	2
Subtotal	9	8	17	24
h. Voluntarily offered	7	7	14	15
Total	16	15	31	39
Semester Credit Hours generated in small classes	190	197	387	598
Percentage of total Semester Credit Hours offered in small classes	0.10%	0.11%	0.11%	0.13%

SMALL CLASS REPORT, FALL 2006 AND SPRING 2007 (CONTINUED)

**Organized Graduate Classes with
Fewer than 5 Enrolled Students**

Primary Reasons for Teaching	Fall	Spring	Total	Prior Year Total
a. Required for graduation	4	3	7	2
b. To keep proper sequence	1	3	4	4
c. New program	0	0	0	0
d. Cross listed	3	0	3	3
e. First time offered	0	0	0	0
f. Accreditation or licensing standard	0	0	0	0
g. Limited facilities	0	0	0	1
Subtotal	8	6	14	10
h. Voluntarily offered	0	0	0	1
Total	8	6	14	11
Semester Credit Hours generated in small classes	90	51	141	138
Percentage of total Semester Credit Hours offered in small classes	0.11%	0.07%	0.09%	0.18%

OTHER MATTERS

ADOPTION OF MASCOT

The following proposed mascot (representative of the “Maverick”) has been approved by the Chancellor, the Executive Vice Chancellor for Academic Affairs and the Office of Trademark Licensing and is submitted for approval by the U. T. System Board of Regents in accordance with Regent’s *Rules and Regulations*, Series 40801.

The proposed Pantone Marking System colors are 293 blue and 158 orange.



U. T. AUSTIN

GIFTS

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

1. Donor Name: RGK Foundation
College/School/ Department: Institution
Purpose: Dell Pediatric Research Institute
Asset Type: Pledge to be fulfilled by April 2, 2009
Value: \$3,000,000 (\$1,000,000 paid to date in cash)

CONTRACTS

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

GENERAL CONTRACTS

FUNDS COMING IN

1. Agency: Stokely-Van Camp, Inc.
Funds: \$1,900,000
Period: July 1, 2006 through June 30, 2014
Description: Stokely-Van Camp, Inc. will provide sponsorship fees and Gatorade product allotment in exchange for being the exclusive provider of sports drinks and other Gatorade branded products to the University's men's and women's athletic programs.

2. Agency: State Fair of Texas, University of Oklahoma, and City of Dallas
Funds: \$7,400,000
Period: October 1, 2007 through October 31, 2015
Description: Agreement to use the Cotton Bowl Stadium in Dallas for the annual football game between U. T. Austin and the University of Oklahoma.

FUNDS GOING OUT

3. Agency: Rice University
Funds: \$600,000
Period: Effective May 1, 2007 through May 31, 2014
Description: The two teams will compete in a series of three football games over the period 2010 through 2013. One game will be played in Houston and two games will be played in Austin. U. T. Austin will pay Rice University a total of \$1,000,000 for the two games, and Rice University will pay U. T. Austin \$400,000 for one game.

CONTRACTS (CONTINUED)

GENERAL CONTRACTS (CONTINUED)

FUNDS GOING OUT (CONTINUED)

4. Agency: Federal Reserve Bank of Dallas
Funds: \$2,500,375 for the initial five (5) year term of the lease, prior to any adjustments for increases in operating expenses.
Period: August 23, 2007 through August 22, 2012
Description: Agreement provides for office and teaching space to be leased for the McCombs School of Business Executive Education Program as well as office space for the Bureau of Economic Geology's Center for Energy Economics. The leased premises will include 13,523 of rentable square feet at 1801 Allen Parkway, Houston, Texas, 77019.
5. Agency: Paciolan
Funds: \$5,740,000
Period: July 1, 2007 through June 30, 2014
Description: Extension of the current agreement to provide service, software, and hardware for the Texas Box Office ticketing system.
6. Agency: RuffaloCODY, LLC
Funds: \$1,515,000
Period: August 1, 2007 through July 31, 2008
Description: Extension of current agreement to provide telephone fundraising services for the conduct of annual giving programs. The original contract term for August 1, 2006 through July 31, 2007 was less than one million dollars. The extension increases the total value to over \$1 million.

AMENDMENTS TO THE 2006-07 BUDGET

APPOINTMENTS AND PROMOTIONS

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

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
COLLEGE OF LIBERAL ARTS					
Psychology					
1. Randy L. Diehl (T)					2081
From: Professor		100	09	106,000	
To: Professor and	4/23-5/31	0	09	106,000	
Dean Designate	4/23-5/31	12	12	220,000	
College of Liberal Arts	6/1-8/31	100	12	220,000	
COLLEGE OF NATURAL SCIENCES					
Integrative Biology					
2. Ulrich G. Mueller (T)					2025
From: Professor		100	09	99,000	
To: William Morton Wheeler					
Lost Pines					
Professorship and					
Professor	9/1-5/31	100	09	99,000	

TRANSFERS OF FUNDS

<u>Description</u>	<u>\$ Amount</u>	<u>RBC #</u>
EDUCATIONAL AND GENERAL FUNDS		
3. Amount of Transfer:	707,699	2019
From: State Paid Teacher Retirement		
To: Reserve for Lapse and Proportionality Adjustments		

Recording income and expenditure budget adjustments relating to the Teacher Retirement System refund due to U. T. Austin.

AMENDMENTS TO THE 2006-07 BUDGET (CONTINUED)

TRANSFERS OF FUNDS (CONTINUED)

<u>Description</u>	<u>\$ Amount</u>	<u>RBC #</u>
SERVICE DEPARTMENTS FUNDS		
Central Stores		
4. Amount of Transfer:	1,200,000	2027
From: Central Stores inventory Operating Income		
To: Central Stores inventory Inventory for Resale		
Increase budget in Central Stores inventory revolving account to more accurately reflect actual income and expense amounts.		
University Printing Services		
5. Amount of Transfer:	750,000	2106
From: Operating Income		
To: Plant Operations		
Income from interdepartmental transfer charges transferred to expense account to provide operating funds for the remainder of the fiscal year.		
DESIGNATED FUNDS		
School of Law		
6. Amount of Transfer:	675,000	2105
From: Continuing Legal Education, Inc. Operating Income		
To: Continuing Legal Education, Inc. Maintenance, Operation, and Equipment		
Over-realized registration fee income transferred to expense account for maintenance, operation, and equipment.		

AMENDMENTS TO THE 2006-07 BUDGET (CONTINUED)

TRANSFERS OF FUNDS (CONTINUED)

<u>Description</u>	<u>\$ Amount</u>	<u>RBC #</u>
PLANT FUNDS		
Facility Services – Blanton Dormitory		
7. Amount of Transfer:	1,170,000	2032
From: Housing and Food Service – Division Office – Other Expenses		
To: BLD – Attic Renovation for Group Study All Expenses		
Additional funding for renovation of attic space for group study, design only, in Blanton Dormitory (BLD).		
8. Amount of Transfer:	940,000	2028
From: Housing and Food Service - Division Office - Other Expenses		
To: BLD - Install Plate Exchanger in Chilled Water System - All Expenses		
Additional funding for installation of a plate exchanger in the chilled water system in Blanton Dormitory (BLD).		
Facility Services - Jester		
9. Amount of Transfer:	785,000	2061
From: Housing and Food Service – Division Office – Other Expenses		
To: JES – Replace Air Handlers in 3M & 4M – All Expenses		
Additional funding for replacement of air handlers in Beauford H. Jester Center (JES).		

AMENDMENTS TO THE 2006-07 BUDGET (CONTINUED)

TRANSFERS OF FUNDS (CONTINUED)

<u>Description</u>	<u>\$ Amount</u>	<u>RBC #</u>
PLANT FUNDS (Continued)		
Facility Services – Brackenridge		
10. Amount of Transfer:	568,124	2108
From: Housing and Food Services – General Repair and Replacement Reserve		
To: BRK – HVAC Renovations Phase VI - All Expenses		
Funding for HVAC renovations, Phase VI at the Brackenridge Apartments (BRK).		
Vice President for Employee and Campus Services		
11. Amount of Transfer:	920,000	2060
From: Vice President and CFO – 1616 Guadalupe Pre-occupancy Capital Projects		
To: UTA – Install IT and Telecom – All Expenses		
Funding for installation of information technology and telecommunication connections in the offices on floors 1-3, and 5 at 1616 Guadalupe, U. T. Austin Administration Building (UTA).		
Facility Services – UTA		
12. Amount of Transfer:	600,000	2107
From: Vice President and CFO – 1616 Guadalupe Pre-occupancy Capital Projects		
To: UTA – Boiler Replacement – All Expenses		
Funding for boiler replacements at the U. T. Austin Administration Building (UTA).		

OTHER FISCAL ITEMS

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

The following purchase orders have been administratively approved by the President and are recommended for approval by the U. T. System Board of Regents:

FUNDS GOING OUT

1. Agency: Intirion Corporation d/b/a Microfridge
Funds: \$1,848,601.44
Title/Description: Effective August 1, 2007 through July 31, 2014 with an option to renew for an additional 3-year term. Rental of 3,834 combination oven units to be placed in campus residence halls. The procurement was competitively bid.

2. Agency: Siemens Power Generation, Inc.
Funds: \$1,237,905
Title/Description: Effective September 1, 2007 through February 15, 2008; overhaul parts for a Siemens B10-251 gas turbine, used to generate 70% of the electricity and steam for U. T. Austin.

OTHER FISCAL ITEMS (CONTINUED)

EMPLOYMENT AGREEMENTS

The following agreements have been awarded, have been approved by the Executive Vice Chancellor for Academic Affairs, and are recommended for approval by the U. T. System Board of Regents. Such employment under these agreements is subject to the Constitution and Bylaws of the National Collegiate Athletic Association, any intercollegiate athletic conference of which The University of Texas at Austin is a member, the Regents' *Rules and Regulations*, Series 10501, and the policies of U. T. Austin. The violation of the provisions of such constitution, bylaws, rules or regulations shall be grounds for suspension without pay or dismissal.

1. Item: Women's Head Swimming and Diving Coach
Funds: \$107,000 annually plus academic and performance incentives
Period: May 5, 2006 through April 30, 2011
Description: Initial agreement for employment of Head Women's Swimming and Diving Coach, Kimberley M. Brackin, for the above designated period following the standard coach's employment contract prepared by the Office of General Counsel.
2. Item: Women's Head Golf Coach
Funds: \$140,000 annually plus academic and performance incentives
Period: June 12, 2007 through June 30, 2012
Description: Initial agreement for employment of Head Women's Golf Coach, Martha Richards, for the above designated period following the standard coach's employment contract prepared by the Office of General Counsel.

NEW TENURE APPOINTMENTS AND PROMOTIONS WITHIN TENURE RANKS

The following personnel actions involving new tenure appointments and promotion within tenure ranks have been administratively approved by the Executive Vice Chancellor for Academic Affairs. The personnel actions have been included in the 2008 Annual Operating Budget of each institution and are consistent with the Regents' *Rules and Regulations*, Series 31007.

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>
School of Architecture		
Architecture and Planning Elizabeth A. Danze	Assistant Professor (NT)	Associate Professor (T)
Red McCombs School of Business		
Finance Robert Parrino	Professor (T)	Lamar Savings Centennial Professor in Finance (T)
Information, Risk, and Operations Management Prabhudav C. Konana	Associate Professor (T)	Distinguished Teaching Professor (T)
Management Kyle Lewis	Assistant Professor (NT)	Associate Professor (T)
Marketing Rajagopal Raghunathan Rajashri Srinivasan	Assistant Professor (NT) Assistant Professor (NT)	Associate Professor (T) Associate Professor (T)
College of Communication		
Advertising Matthew Eastin	New Hire	Associate Professor (T)
Communication Sciences and Disorders Elizabeth D. Pena	Associate Professor (T)	Professor (T)

**NEW TENURE APPOINTMENTS AND PROMOTIONS WITHIN TENURE RANKS
(CONTINUED)**

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>
College of Communication (Continued)		
Communication Studies		
Dawna Ballard	Assistant Professor (NT)	Associate Professor (T)
Radio-Television-Film		
Lalitha Gopalan	New Hire	Associate Professor (T)
Mary C. Kearney	Assistant Professor (NT)	Associate Professor (T)
Nancy Schiesari	Associate Professor (T)	Professor (T)
Paul J. Stekler	Professor (T)	George Christian Centennial Professor (T)
College of Education		
Curriculum and Instruction		
Lawrence D. Abraham	Professor (T)	Catherine Mae Parker Centennial Professor in Education (T)
Randy Bomer	Assistant Professor (NT)	Associate Professor (T)
Educational Administration		
Walter G. Bumpus	Professor (T)	A. M. Aiken Regents Chair in Junior and Community College Education Leadership (T)
Gregory J. Vincent	Professor (T)	W. K. Kellogg Professor of Community College Leadership (T)
Educational Psychology		
Christopher J. McCarthy	Associate Professor (T)	Professor (T)
Marie-Anne Suizzo	Assistant Professor (NT)	Associate Professor (T)
Kinesiology and Health Education		
B.C. Green	Assistant Professor (NT)	Associate Professor (T)
Jody Jensen	Associate Professor (T)	Professor (T)

**NEW TENURE APPOINTMENTS AND PROMOTIONS WITHIN TENURE RANKS
(CONTINUED)**

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>
College of Engineering		
Aerospace Engineering and Engineering Mechanics Noel T. Clemens	Professor (T)	Engineering Foundation Professor (T)
Biomedical Engineering Thomas E. Milner	Associate Professor (NT)	Professor (T)
Krishnendu Roy	Assistant Professor (NT)	Associate Professor (T)
Christine E. Schmidt	Associate Professor (NT)	Professor (T)
Chemical Engineering Venkat Ganesan	Assistant Professor (NT)	Associate Professor (T)
Brian A. Korgel	Associate Professor (NT)	Matthew Van Winkle Regents Professor in Chemical Engineering (T)
Yueh Lin Loo	Assistant Professor (NT)	Associate Professor (T)
Thomas M. Truskett	Assistant Professor (NT)	Associate Professor (T)
Civil Engineering Lynn E. Katz	Associate Professor (T)	Professor (T)
Daene C. McKinney	Professor (T)	W. A. (Bill) Cunningham Professor (T)
Steven T. Waller	Assistant Professor (NT)	Associate Professor (T)
Electrical and Computer Engineering Robert W. Heath, Jr.	Assistant Professor (NT)	Associate Professor (T)
Lizy K. John	Associate Professor (T)	Professor (T)
Sanjay Shakkottai	Assistant Professor (NT)	Associate Professor (T)
Nur A. Touba	Associate Professor (T)	Professor (T)
Mechanical Engineering Steven R. Biegalski	Assistant Professor (NT)	Associate Professor (T)
David P. Morton	Associate Professor (T)	Engineering Foundation Endowed Professor #1 (T)

**NEW TENURE APPOINTMENTS AND PROMOTIONS WITHIN TENURE RANKS
(CONTINUED)**

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>
College of Engineering (Continued)		
Mechanical Engineering (Continued)		
Rodney Scott Ruoff	New Hire	Cockrell Family Regents Chair in Engineering #7 (T)
Eric M. Taleff	Associate Professor (T)	Professor (T)
Petroleum Engineering		
Steven L. Bryant	Assistant Professor (NT)	Associate Professor (T)
College of Fine Arts		
Art and Art History		
Julia E. Guernsey	Assistant Professor (NT)	Associate Professor (T)
Michael Smith	Assistant Professor (NT)	Associate Professor (T)
Music		
Byron P. Almen	Assistant Professor (NT)	Associate Professor (T)
Thomas A. Burritt	Assistant Professor (NT)	Associate Professor (T)
Robert A. Desimone	Professor (T)	Sarah and Ernest Butler Professor in Opera (T)
Donald J. Grantham	Professor (T)	Frank C. Erwin, Jr. Centennial Professor in Music (T)
Adam Holzman	Professor (T)	Parker C. Fielder Regents Professor in Music (T)
Patrick Hughes	Assistant Professor (NT)	Associate Professor (T)
Kristin W. Jensen	Associate Professor (T)	Professor (T)
K. M. Knittel	Assistant Professor (NT)	Associate Professor (T)
Brian D. Lewis	Associate Professor (T)	David and Mary Winton Green Chair in String Performance and Pedagogy (T)
James M. Morrow, Jr.	Assistant Professor (NT)	Associate Professor (T)
Marianne Wheeldon	Assistant Professor (NT)	Associate Professor (T)
Theatre and Dance		
Susan E. Mickey	Associate Professor (NT)	Professor (T)

**NEW TENURE APPOINTMENTS AND PROMOTIONS WITHIN TENURE RANKS
(CONTINUED)**

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>
John A. and Katherine G. Jackson		
School of Geosciences		
Geological Sciences		
Robert J. Ferguson	Assistant Professor (NT)	Associate Professor (T)
Randall A. Marrett	Associate Professor (T)	Professor (T)
School of Law		
Law		
Derek P. Jinks	Assistant Professor (NT)	Professor (T)
Daniel B. Rodriguez	New Hire	Minerva House Drysdale Regents Chair (T)
College of Liberal Arts		
American Studies		
Elizabeth Englehardt	Assistant Professor (NT)	Associate Professor (T)
Julia L. Mickenberg	Assistant Professor (T)	Associate Professor (T)
Anthropology		
Joao H. Vargas	Assistant Professor (NT)	Associate Professor (T)
Asian Studies		
Syed A. Hyder	Assistant Professor (NT)	Associate Professor (T)
Economics		
Jason I. Abrevaya	New Hire	Professor (T)
Svetlana Boyarchenko	Assistant Professor (NT)	Associate Professor (T)
Roberton C. Williams III	Assistant Professor (NT)	Associate Professor (T)
English		
Neville Hoad	Assistant Professor (NT)	Associate Professor (T)
Geography		
Paul C. Adams	Assistant Professor (NT)	Associate Professor (T)
Kenneth R. Young	Associate Professor (T)	Professor (T)
Germanic Studies		
Hans C. Boas	Assistant Professor (NT)	Associate Professor (T)

**NEW TENURE APPOINTMENTS AND PROMOTIONS WITHIN TENURE RANKS
(CONTINUED)**

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>
College of Liberal Arts (Continued)		
Government		
Gretchen Ritter	Associate Professor (T)	Professor (T)
Devin A. Stauffer	Assistant Professor (NT)	Associate Professor (T)
Sean M. Theriault	Assistant Professor (NT)	Associate Professor (T)
History		
Sally H. Clarke	Associate Professor (T)	Professor (T)
Mark Metzler	Assistant Professor (NT)	Associate Professor (T)
Joan H. Neuburger	Associate Professor (T)	Professor (T)
Mary C. Neuburger	Assistant Professor (NT)	Associate Professor (T)
James Sidbury	Associate Professor (T)	Professor (T)
Linguistics		
Scott P. Myers	Associate Professor (T)	Professor (T)
Philosophy		
Ernest D. Sosa	Associate Professor (T)	Professor (T)
Psychology		
Cindy M. Meston	Associate Professor (T)	Professor (T)
Sociology		
Chandra L. Muller	Associate Professor (T)	Professor (T)
Mark Regnerus	Assistant Professor (NT)	Associate Professor (T)
Sharmila Rudrappa	Assistant Professor (NT)	Associate Professor (T)
Arthur Sakamoto, Jr.	Associate Professor (T)	Professor (T)
College of Natural Sciences		
Chemistry and Biochemistry		
Ron Elber	New Hire	W. A. "Tex" Moncrief, Jr. Chair in Computational Life Sciences and Biology (T)
Dmitrii E. Makarov	Assistant Professor (NT)	Associate Professor (T)
Computer Sciences		
Lorenzo Alvisi	Associate Professor (T)	Professor (T)
Michael D. Dahlin	Associate Professor (T)	Professor (T)
Peter H. Stone	Assistant Professor (NT)	Associate Professor (T)

**NEW TENURE APPOINTMENTS AND PROMOTIONS WITHIN TENURE RANKS
(CONTINUED)**

College, Department, and Name From To

College of Natural Sciences (Continued)

Marine Science

Tracy A. Villareal Associate Professor (T) Professor (T)

Mathematics

Gavril Farkas Assistant Professor (NT) Associate Professor (T)

Yen-Hsi Tsai Assistant Professor (NT) Associate Professor (T)

Alexis F. Vasseur Assistant Professor (NT) Associate Professor (T)

Physics

Zhen Yao Assistant Professor (NT) Associate Professor (T)

Integrative Biology

David Cannatella Associate Professor (T) Professor (T)

Lauren A. Meyers Assistant Professor (NT) Associate Professor (T)

Molecular Cell and
Developmental Biology

John C. Sisson Assistant Professor (NT) Associate Professor (T)

Molecular Genetics

Jon M. Huibregtse Associate Professor (T) Professor (T)

Arlen W. Johnson Associate Professor (T) Professor (T)

School of Nursing

Nursing

Sharon D. Horner Associate Professor (T) Professor (T)

College of Pharmacy

Pharmacy

Carolyn M. Brown Associate Professor (T) Professor (T)

Andrea C. Gore Associate Professor (T) Professor (T)

Carla L. Vandenberg Assistant Professor (NT) Associate Professor (T)

**Lyndon B. Johnson School of
Public Affairs**

Charles E. Gholz Assistant Professor (NT) Associate Professor (T)

David C. Warner Professor (T) Wilbur J. Cohen
Professor in Health and
Social Policy (T)

**NEW TENURE APPOINTMENTS AND PROMOTIONS WITHIN TENURE RANKS
(CONTINUED)**

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>
School of Social Work		
Social Work		
Marilyn Armour	Assistant Professor (NT)	Associate Professor (T)
Noel Busch	Assistant Professor (NT)	Associate Professor (T)
Rowena Fong	Professor (T)	Ruby Lee Piester Centennial Professor in Services to Children and Families (T)

OTHER MATTERS

APPROVAL OF DUAL POSITIONS OF HONOR, TRUST, OR PROFIT

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

1. Name: Linda Ferreira-Buckley
 Title: Director, Division of Rhetoric and Writing, College of Liberal Arts

 Position: Co-Chair, Commission for a College Ready Texas
 Period: April 2007 through December 2007
 Compensation: None
 Description: Governor Perry appointed Dr. Ferreira-Buckley to serve as one of eight co-chairs on the Commission for a College Ready Texas. Texas Education Agency and Texas Higher Education Coordinating Board have established Vertical Teams composed of faculty representatives from secondary education and post-secondary education. These Vertical Teams were mandated by HB 1, Article 5 (79th Legislature, 3rd Called Session). Dr. Ferreira-Buckley is the Higher Education Chair of the Vertical Team determining standards for College Readiness and the high school curriculum in the Language Arts.

2. Name: Melinda McMichael, M.D.
 Title: Physician, University Health Services
 Position: Member, Texas Medical Board
 Period: June 1, 2007 through April 13, 2013
 Compensation: None
 Description: Governor Perry appointed Dr. McMichael as a member of the Texas Medical Board. This Board is responsible for the licensure and discipline of Texas Physicians.

OTHER MATTERS (CONTINUED)

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

3. Name: Scott W. Tinker, Ph.D.
Title: Director, Bureau of Economic Geology, Jackson School of Geosciences
Position: Member, Interstate Oil and Gas Compact Commission
Period: Appointed April 25, 2007 and serves at the pleasure of Governor Perry
Compensation: None
Description: Governor Perry appointed Dr. Scott Tinker as a member of the Interstate Oil and Gas Compact Commission. Dr. Tinker will serve on the Energy Resources, Research and Technology Committee. This committee debates, studies and develops positions on economic, technical, research and safety issues that confront domestic oil and natural gas production.

SMALL CLASS REPORT, FALL 2006 AND SPRING 2007

Pursuant to Section 51.403 of the *Texas Education Code* and Section 5.301 of the Texas Higher Education Coordinating Board *Rules*, a report for the record regarding the teaching of small classes must be filed with the U. T. System Board of Regents and the Texas Higher Education Coordinating Board. The institution has reviewed the data in this report and, as appropriate, made administrative changes to ensure that teaching such small classes continues to be justified. The detailed listing of small classes is available in The University of Texas System Office of Academic Affairs and is reported as follows:

Organized Undergraduate Classes with Fewer than 10 Enrolled Students

Primary Reasons for Teaching	Fall	Spring	Total	Prior Year Total
a. Required for graduation	68	46	114	135
b. To keep proper sequence	73	116	189	170
c. New program	0	7	7	0
d. Cross listed	19	0	19	44
e. First time offered	0	14	14	0
f. Accreditation or licensing standard	16	2	18	10
g. Limited facilities	9	17	26	3
Subtotal	185	202	387	362
h. Voluntarily offered	14	33	47	18
Total	199	235	434	380
Semester Credit Hours generated in small classes	3,312	3,924	7,236	5,909
Percent of total Semester Credit Hours offered in small classes	0.67%	0.85%	0.76%	0.63%

SMALL CLASS REPORT, FALL 2006 AND SPRING 2007 (CONTINUED)

**Organized Graduate Classes with
Fewer than 5 Enrolled Students**

Primary Reasons for Teaching	Fall	Spring	Total	Prior Year Total
a. Required for graduation	21	14	35	31
b. To keep proper sequence	57	52	109	150
c. New program	0	4	4	0
d. Cross listed	2	0	2	91
e. First time offered	0	10	10	1
f. Accreditation or licensing standard	14	8	22	16
g. Limited facilities	2	0	2	0
Subtotal	96	88	184	289
h. Voluntarily offered	0	15	15	0
Total	96	103	199	289
Semester Credit Hours generated in small classes	792	877	1,669	2,641
Percentage of total Semester Credit Hours offered in small classes	0.64%	0.74%	0.69%	1.20%

U. T. BROWNSVILLE

FEES AND MISCELLANEOUS CHARGES

Approval is recommended for the following housing rental rates to be effective beginning with the Fall Semester 2007. The proposed rates are consistent with applicable statutory requirements under Section 55.16 of the *Texas Education Code* and have been administratively approved by the Executive Vice Chancellor for Academic Affairs.

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

HOUSING RATES
(Including Apartments, Dormitory Rooms, Residence Halls)

	<u>Current</u> <u>Rates \$</u>	<u>Proposed</u> <u>Rates \$</u>	<u>Percent</u> <u>Increase</u>
<u>Per Month</u>			
<u>Dormitory and Apartments</u>			
Private Dorm Rooms	387.50	466.25	20.32
Semi-private Dorm Rooms	288.00	315.00	9.56

Since the opening of the facility in 2003, fees have not been increased.

NEW TENURE APPOINTMENTS AND PROMOTIONS WITHIN TENURE RANKS

The following personnel actions involving new tenure appointments and promotions within tenure ranks have been administratively approved by the Executive Vice Chancellor for Academic Affairs. The personnel actions have been included in the 2008 Annual Operating Budget of each institution and are consistent with the Regents' *Rules and Regulations*, Series 31007.

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>
College of Liberal Arts		
Criminal Justice Noel Otu	Assistant Professor (NT)	Associate Professor (T)
English and Communication Tom Welter	Assistant Master Technical Instructor (T)	Associate Master Technical Instructor (T)
Government James Storbeck	Professor (NT)	Professor (T)
College of Science, Mathematics, and Technology		
Computer Science/CIS Juan R. Iglesias	Assistant Professor (NT)	Associate Professor (T)
Mathematics Taeil Yi Paul-Hermann Zieschang	Assistant Professor (NT) Associate Professor (NT)	Associate Professor (T) Professor (T)
Physics and Astronomy Phillip Dukes	Assistant Professor (NT)	Associate Professor (T)
Biological Sciences Gerson Peltz	Associate Professor (NT)	Associate Professor (T)

**NEW TENURE APPOINTMENTS AND PROMOTIONS WITHIN TENURE RANKS
(CONTINUED)**

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>
College of Applied Technology and General Studies		
Industrial Technology		
Jose Amieva	Assistant Master Technical Instructor (NT)	Assistant Master Technical Instructor (T)
School of Business		
Business Administration		
Marvin Lovett	Associate Professor (T)	Professor (T)
Edith Galy	Assistant Professor (NT)	Associate Professor (T)
School of Education		
Curriculum and Instruction		
John Sutterby	Assistant Professor (NT)	Associate Professor (T)
School Specialties		
Michelle Abrego	Assistant Professor (NT)	Associate Professor (T)
School of Health Sciences		
Nursing		
Janet Williams	Assistant Master Technical Instructor (NT)	Associate Master Technical Instructor (T)

OTHER MATTERS

APPROVAL OF DUAL POSITIONS OF HONOR, TRUST, OR PROFIT

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

- | | |
|---------------|---|
| Name: | Rosemary Martinez |
| Title: | Vice President of Business Affairs |
| Position: | Member, Board of the Department of Information Resources |
| Period: | April 12, 2007 through February 1, 2013 |
| Compensation: | None |
| Description: | Governor Perry has appointed Ms. Martinez to the Board of the Department of Information Resources. The Board is charged with improving technology decisions and ensuring appropriate use of information resources for the State of Texas. |

SMALL CLASS REPORT, FALL 2006 AND SPRING 2007

Pursuant to Section 51.403 of the *Texas Education Code* and Section 5.301 of the Texas Higher Education Coordinating Board *Rules*, a report for the record regarding the teaching of small classes has been filed with the U. T. System Board of Regents and the Texas Higher Education Coordinating Board. The institution has reviewed the data in this report and, as appropriate, made administrative changes to ensure that teaching such small classes continues to be justified. The detailed listing of small classes is available in The University of Texas System Office of Academic Affairs and is summarized as follows:

Organized Undergraduate Classes with Fewer than 10 Enrolled Students

Primary Reasons for Teaching	Fall	Spring	Total	Prior Year Total
a. Required for graduation	28	26	54	46
b. To keep proper sequence	9	8	17	46
c. New program	18	14	32	12
d. Cross listed	4	1	5	18
e. First time offered	2	1	3	7
f. Accreditation or licensing standard	0	2	2	0
g. Limited facilities	1	0	1	3
Subtotal	62	52	114	132
h. Voluntarily offered	2	0	2	0
Total	64	52	116	132
Semester Credit Hours generated in small classes	1,161	919	2,080	2,448
Percentage of total Semester Credit Hours offered in small classes	4.00%	3.15%	3.57%	4.18%

SMALL CLASS REPORT, FALL 2006 AND SPRING 2007 (CONTINUED)

**Organized Graduate Classes with
Fewer than 5 Enrolled Students**

<u>Primary Reasons for Teaching</u>	<u>Fall</u>	<u>Spring</u>	<u>Total</u>	<u>Prior Year Total</u>
a. Required for graduation	3	12	15	15
b. To keep proper sequence	2	6	8	1
c. New program	2	3	5	2
d. Cross listed	0	0	0	2
e. First time offered	1	3	4	1
f. Accreditation or licensing standard	0	0	0	0
g. Limited facilities	0	0	0	0
Subtotal	8	24	32	21
h. Voluntarily offered	1	0	1	6
Total	9	24	33	27
Semester Credit Hours generated in small classes	75	210	285	263
Percentage of total Semester Credit Hours offered in small classes	1.91%	5.54%	3.69%	3.18%

U. T. DALLAS

AMENDMENTS TO THE 2006-07 BUDGET

APPOINTMENTS AND PROMOTIONS

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

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
OFFICE OF ACADEMIC AFFAIRS AND THE SCHOOL OF ARTS AND HUMANITIES					
1. Robert S. Nelsen (T)					2070
From: Associate Provost and Associate Professor		100	12	120,000	
To: Vice Provost and Associate Professor	5/18-8/31	100	12	120,000	
OFFICE OF THE PRESIDENT					
Regental Professor and Associate Vice President for Strategic Initiatives					
2. Russell Hulse (T)	7/1-8/31	0	09	250,000	2111
	7/1-8/31	60	12	333,336	
OFFICE OF THE PRESIDENT AND THE SCHOOL OF NATURAL SCIENCES AND MATHEMATICS					
3. Robert H. Rutford					2121
From: Endowed Chair and Professor with Tenure		33	09	160,000	
To: Chair Emeritus	6/1-8/31			0	

FEEES AND MISCELLANEOUS CHARGES

TRANSPORTATION FEE

Approval is recommended for the following new Transportation Fees to be effective beginning with the Spring Semester 2008. The statutory requirements for involvement of a student services fee committee have been met. The proposed rates are consistent with applicable statutory requirements under *Texas Education Code* Section 54.5311 and have been administratively approved by the Executive Vice Chancellor for Academic Affairs.

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

	<u>Proposed Rates \$</u>
<u>For each regular semester</u>	
Per student (headcount fee)	18
<u>For summer session</u>	
Per student (headcount fee)	9

FEES AND MISCELLANEOUS CHARGES (CONTINUED)

STUDENT SERVICES BUILDING FEE

Approval is recommended for the following new Student Services Building Fees to be effective beginning with the Fall Semester 2008. The statutory requirements for involvement of a student services fee committee have been met. The proposed rates are consistent with applicable statutory requirements under *Texas Education Code* Section 54.5312 and have been administratively approved by the Executive Vice Chancellor for Academic Affairs.

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

	<u>Proposed Rates \$</u>
<u>For each regular semester</u>	
Per student (headcount fee)	71.00
<u>For summer session</u>	
Per student (headcount fee)	
Less than eight weeks	35.00
Less than twelve weeks but more than eight weeks	47.33
Twelve weeks or more	71.00

FEES AND MISCELLANEOUS CHARGES (CONTINUED)

INTRAMURAL AND INTERCOLLEGIATE ATHLETICS FEE

Approval is recommended for the following new Intramural and Intercollegiate Athletics Fees to be effective beginning with the Fall Semester 2008. The statutory requirements for involvement of a student services fee committee have been met. The proposed rates are consistent with applicable statutory requirements under *Texas Education Code* Section 54.5313 and have been administratively approved by the Executive Vice Chancellor for Academic Affairs.

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

	<u>Proposed Rates \$</u>
<u>For each regular semester</u>	
Per student (headcount fee)	45.00
<u>For summer session</u>	
Per student (headcount fee)	
Less than eight weeks	22.50
Less than twelve weeks but more than eight Weeks	30.00
Twelve week	45.00

NEW TENURE APPOINTMENTS AND PROMOTIONS WITHIN TENURE RANKS

The following personnel actions involving new tenure appointments and promotion within tenure ranks have been administratively approved by the Executive Vice Chancellor for Academic Affairs. The personnel actions have been included in the 2008 Annual Operating Budget of each institution and are consistent with the Regents' *Rules and Regulations*, Series 31007.

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>
School of Arts and Humanities		
History		
Carla Gerona	Assistant Professor (NT)	Associate Professor (T)
Media Arts		
Dean Terry	Assistant Professor (NT)	Associate Professor (T)
School of Behavioral and Brain Sciences		
Communication Disorders		
Marco Atzori	Assistant Professor (NT)	Associate Professor (T)
William Katz	Associate Professor (T)	Professor (T)
Psychology		
Melanie Spence	Associate Professor (T)	Professor (T)
School of Engineering and Computer Science		
Computer Science		
Sergey Bereg	Assistant Professor (NT)	Associate Professor (T)
I-Ling Yen	Associate Professor (T)	Professor (T)
Electrical Engineering		
Naofal Al-Dhahir	Associate Professor (T)	Professor (T)
School of Economic, Political and Policy Sciences		
Criminal Justice		
Paul Jargowsky	Associate Professor (T)	Professor (T)
Economics		
Shelia Pineres	Associate Professor (T)	Professor (T)
Political Science		
Scott Robinson	Assistant Professor (NT)	Associate Professor (T)

**NEW TENURE APPOINTMENTS AND PROMOTIONS WITHIN TENURE RANKS
(CONTINUED)**

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>
School of Management		
Accounting Indranil Bardhan	Assistant Professor (NT)	Associate Professor (T)
Management Information Systems Srinivasan Raghunathan	Associate Professor (T)	Professor (T)
Operations Management Alain Bensoussan	Clinical Professor (NT)	Professor (T)
School of Natural Sciences and Mathematics		
Geology Homer Montgomery	Assistant Professor (NT)	Associate Professor (T)
Molecular and Cell Biology Stephen Levene	Associate Professor (T)	Professor (T)
Physics Phillip Anderson	Associate Professor (NT)	Associate Professor (T)

SMALL CLASS REPORT, FALL 2006 AND SPRING 2007

Pursuant to Section 51.403 of the *Texas Education Code* and Section 5.301 of the Texas Higher Education Coordinating Board *Rules*, a report for the record regarding the teaching of small classes must be filed with the U. T. System Board of Regents and the Texas Higher Education Coordinating Board. The institution has reviewed the data in this report and, as appropriate, made administrative changes to ensure that teaching such small classes continues to be justified. The detailed listing of small classes is available in The University of Texas System Office of Academic Affairs and is reported as follows:

Organized Undergraduate Classes with Fewer than 10 Enrolled Students

Primary Reasons for Teaching	Fall	Spring	Total	Prior Year Total
a. Required for graduation	14	7	21	23
b. To keep proper sequence	9	24	33	36
c. New program	0	0	0	0
d. Cross listed	0	0	0	0
e. First time offered	2	1	3	7
f. Accreditation or licensing standard	0	0	0	0
g. Limited facilities	0	0	0	0
Subtotal	25	32	57	66
h. Voluntarily offered	8	6	14	10
Total	33	38	71	76
Semester Credit Hours generated in small classes	580	598	1,178	1,333
Percentage of total Semester Credit Hours offered in small classes	0.50%	0.57%	0.53%	0.60%

SMALL CLASS REPORT, FALL 2006 AND SPRING 2007 (CONTINUED)

**Organized Graduate Classes with
Fewer than 5 Enrolled Students**

<u>Primary Reasons for Teaching</u>	<u>Fall</u>	<u>Spring</u>	<u>Total</u>	<u>Prior Year Total</u>
a. Required for graduation	0	1	1	2
b. To keep proper sequence	5	5	10	4
c. New program	0	0	0	0
d. Cross listed	0	0	0	0
e. First time offered	1	3	4	2
f. Accreditation or licensing standard	0	0	0	0
g. Limited facilities	0	0	0	0
Subtotal	6	9	15	8
h. Voluntarily offered	1	5	6	11
Total	7	14	21	19
Semester Credit Hours generated in small classes	63	101	164	141
Percentage of total Semester Credit Hours offered in small classes	0.18%	0.29%	0.24%	0.21%

U. T. EL PASO

AMENDMENTS TO THE 2006-07 BUDGET

APPOINTMENTS AND PROMOTIONS

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

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
COLLEGE OF ENGINEERING					
Mechanical and Industrial Engineering					
Dean and Professor					
1. Richard T.					
Schoephoerster (T)	7/3-8/31	100	12	198,000	2093
	7/3-8/31	0	9	115,000	
COLLEGE OF HEALTH SCIENCES					
Department of Rehabilitation Sciences					
Dean and Professor					
2. Kathleen A. Curtis (T)	6/15-8/31	100	12	160,000	2092
	6/15-8/31	0	9	90,000	
INSTITUTE FOR POLICY AND ECONOMIC DEVELOPMENT					
Associate Professor					
3. Mary Cuadrado (T)	7/1-8/31	100	9	74,500	2122
4. J. S. McDonald (T)	7/1-8/31	100	9	81,000	2123

FEEES AND MISCELLANEOUS CHARGES

RECREATION CENTER FEE

Approval is recommended for the following recreation center fee increase to be effective beginning with the Spring Semester 2008. The fee increase has been administratively approved by the Executive Vice Chancellor for Academic Affairs. The proposed rate is consistent with applicable statutory requirements under *Texas Education Code* Section 54.541.

The 80th Legislature of the State of Texas enacted legislation to enable the Board of Regents to increase the Recreational Facility Fee charged to each student enrolled at U. T. El Paso. This increase, in support of the expansion of the Swimming and Fitness Center, was initiated by the Student Government Association and approved by student referendum in Spring 2007.

Following Regental approval, the appropriate institutional catalog will be amended to reflect this fee.

	<u>Current Rates \$</u>	<u>Proposed Rates \$</u>	<u>Percent Increase</u>
<u>For each regular or summer semester</u>			
Per Semester Maximum	12	20 (flat fee)	66.67

NEW TENURE APPOINTMENTS AND PROMOTIONS WITHIN TENURE RANKS

The following personnel actions involving new tenure appointments and promotion within tenure ranks have been administratively approved by the Executive Vice Chancellor for Academic Affairs. The personnel actions have been included in the 2008 Annual Operating Budget of each institution and are consistent with the Regents' *Rules and Regulations*, Series 31007.

College, Department, and Name	From	To
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College of Business Administration

Accounting

Stephen Salter	New Hire	Professor (T)
Raymond Zimmermann	Associate Professor (T)	Professor (T)

Information and Decision Sciences

Alex J. Ruiz-Torres	Assistant Professor (NT)	Associate Professor (T)
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College of Education

Teacher Education

Martha Casas	Assistant Professor (NT)	Associate Processor (T)
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College of Engineering

Electrical and Computer Engineering

Homayo Nazeran-Esfahani	Associate Professor (NT)	Associate Professor (T)
David Zubia	Assistant Professor (NT)	Associate Professor (T)

Mechanical Engineering

John Chessa	Assistant Professor (NT)	Associate Professor (T)
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College of Health Sciences

Kinesiology

George King	Assistant Professor (NT)	Associate Professor (T)
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Graduate School

IPED-MPA

Sergio Pena	Assistant Professor (NT)	Associate Professor (T)
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**NEW TENURE APPOINTMENTS AND PROMOTIONS WITHIN TENURE RANKS
(CONTINUED)**

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>
College of Liberal Arts		
Communication		
Frank G. Perez	Assistant Professor (NT)	Associate Professor (T)
Arvind Singhal	New Hire	Professor (T)
Creative Writing		
Lex Williford	Assistant Professor (NT)	Associate Professor (T)
English		
Meredith Abarca	Assistant Professor (NT)	Associate Professor (T)
Keith Polette	Associate Professor (T)	Professor (T)
Music		
Stephanie Schweigart	Assistant Professor (NT)	Associate Professor (T)
Philosophy		
John Symons	Assistant Professor (NT)	Associate Professor (T)
Psychology		
Christian Meissner	Assistant Professor (NT)	Associate Professor (T)
Sociology and Anthropology		
Howard Campbell	Associate Professor (T)	Professor (T)
Theatre, Dance and Film		
Charles Gorden	Assistant Professor (NT)	Associate Professor (T)
College of Science		
Mathematical Science		
Hamide Dunlap	Assistant Professor (NT)	Associate Professor (T)
Lawrence Lesser	Associate Professor (NT)	Associate Professor (T)
Emil D. Schwab	Assistant Professor (NT)	Associate Professor (T)
Chemistry		
Elizabeth A. Gardner	Assistant Professor (NT)	Associate Professor (T)
Geoffrey B. Saupe	Assistant Professor (NT)	Associate Professor (T)

SMALL CLASS REPORT, FALL 2006 AND SPRING 2007

Pursuant to Section 51.403 of the *Texas Education Code* and Section 5.301 of the Texas Higher Education Coordinating Board *Rules*, a report for the record regarding the teaching of small classes must be filed with the U. T. System Board of Regents and the Texas Higher Education Coordinating Board. The institution has reviewed the data in this report and, as appropriate, made administrative changes to ensure that teaching such small classes continues to be justified. The detailed listing of small classes is available in The University of Texas System Office of Academic Affairs and is reported as follows:

Organized Undergraduate Classes with Fewer than 10 Enrolled Students

Primary Reasons for Teaching	Fall	Spring	Total	Prior Year Total
a. Required for graduation	10	11	21	15
b. To keep proper sequence	8	5	13	22
c. New program	1	1	2	2
d. Cross listed	6	4	10	56
e. First time offered	0	0	0	5
f. Accreditation or licensing standard	0	1	1	0
g. Limited facilities	2	1	3	0
Subtotal	27	23	50	100
h. Voluntarily offered	19	4	23	8
Total	46	27	73	108
Semester Credit Hours generated in small classes	422	343	765	1,512
Percentage of total Semester Credit Hours offered in small classes	0.22%	0.19%	0.21%	0.42%

SMALL CLASS REPORT, FALL 2006 AND SPRING 2007 (CONTINUED)

**Organized Graduate Classes with
Fewer than 5 Enrolled Students**

<u>Primary Reasons for Teaching</u>	<u>Fall</u>	<u>Spring</u>	<u>Total</u>	<u>Prior Year Total</u>
a. Required for graduation	3	4	7	7
b. To keep proper sequence	1	0	1	3
c. New program	0	0	0	3
d. Cross listed	2	9	11	16
e. First time offered	2	0	2	2
f. Accreditation or licensing standard	0	0	0	1
g. Limited facilities	0	0	0	0
Subtotal	8	13	21	32
h. Voluntarily offered	3	4	7	4
Total	11	17	28	36
Semester Credit Hours generated in small classes	82	135	217	244
Percentage of total Semester Credit Hours offered in small classes	0.44%	0.67%	0.56%	0.67%

U. T. PAN AMERICAN
AMENDMENTS TO THE 2006-07 BUDGET

APPOINTMENTS AND PROMOTIONS

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

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
COLLEGE OF EDUCATION					
Educational Psychology					
1. Salvador H. Ochoa (T)					2044
From: Department Chair and Professor		100 SUPLT	09 12	92,000 10,000	
To: Dean and Professor	6/1-8/31 9/1-5/31	100 0	12 09	125,000 92,000	
COLLEGE OF HEALTH SCIENCES/ HUMAN SERVICES					
Rehabilitation Services					
2. Bruce Reed (T)					2045
From: Interim Dean and Professor		100 100	12 09	116,680 66,547	
To: Dean and Professor	4/17-8/31 9/1-5/31	100 0	12 09	125,000 66,547	
COLLEGE OF SCIENCE AND ENGINEERING					
Chemistry					
3. Bimal Banik (T)					2026
From: Associate Professor		100	09	61,786	
To: President's Endowed Professorship and Associate Professor	6/1-8/31	100	09	61,786	

AMENDMENTS TO THE 2006-07 BUDGET (CONTINUED)

APPOINTMENTS AND PROMOTIONS (CONTINUED)

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
GRADUATE OFFICE					
4. Teofilo Ozuna (T)					2046
From: Vice Provost for Graduate Studies and Associate Professor		100 0	12 09	122,681 92,011	
To: Interim Dean, College of Business Administration and Associate Professor	4/7-8/31 9/1-5/31	100 0	12 09	135,000 92,011	

**COLLEGE OF BUSINESS
ADMINISTRATION**

5. Cynthia Ann Brown (T)					2084
From: Associate Professor		100	09	88,691	
To: Interim Vice Provost for Graduate Studies and Associate Professor	6/1-8/31 9/1-5/31	50 0	12 09	118,256 88,691	

TRANSFERS OF FUNDS

<u>Description</u>	<u>\$ Amount</u>	<u>RBC #</u>
ENROLLMENT AND STUDENT SERVICES		
Banner Project		
6. Amount of Transfer:	2,800,000	2043
From: HEAF Capital Projects	2,800,000	
To: Banner Project Startup Banner Technical	2,100,000 700,000	

These funds will be used for the implementation of the Banner Student Information System.

OTHER FISCAL ITEMS

EMPLOYMENT AGREEMENTS

The following agreements have been awarded, have been approved by the Executive Vice Chancellor for Academic Affairs, and are recommended for approval by the U. T. System Board of Regents. Such employment under these agreements is subject to the Constitution and Bylaws of the National Collegiate Athletic Association, any intercollegiate athletic conference of which The University of Texas - Pan American is a member, the Regents' *Rules and Regulations*, Series 10501, and the policies of U. T. Pan American. The violation of the provisions of such constitution, bylaws, rules or regulations shall be grounds for suspension without pay or dismissal.

1. Item: Head Women's Volleyball Coach
Funds: \$40,000 annually
Period: April 4, 2007 through November 30, 2008
Description: Initial agreement for employment of Head Women's Volleyball Coach, Angela Hubbard, for the designated period following the standard coach's employment contract prepared by the Office of General Counsel.

2. Item: Head Men's and Women's Tennis Coach
From: \$38,109 annually
To: \$38,109 annually
Salary
Percent
Change: n/a
Description: Renewal agreement for employment of Head Men's and Women's Tennis Coach, Robert Hubbard, for the designated period following the standard coach's employment contract prepared by the Office of General Counsel.
Incentive
Change: None
Period: July 1, 2007 through June 30, 2008

OTHER FISCAL ITEMS (CONTINUED)

EMPLOYMENT AGREEMENTS (CONTINUED)

3. Item: Head Men's Golf Coach
- From: \$32,000 annually
- To: \$33,280 annually
- Salary
Percent
Change: 0.04
- Description: Renewal agreement for employment of Head Men's Golf Coach, Andrew Tredway, for the designated period following the standard coach's employment contract prepared by the Office of General Counsel.
- Incentive
Change: None
- Period: July 1, 2007 through June 30, 2008

NEW TENURE APPOINTMENTS AND PROMOTIONS WITHIN TENURE RANKS

The following personnel actions involving new tenure appointments and promotion within tenure ranks have been administratively approved by the Executive Vice Chancellor for Academic Affairs. The personnel actions have been included in the 2008 Annual Operating Budget of each institution and are consistent with the Regents' *Rules and Regulations*, Series 31007.

College, Department, and Name	From	To
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College of Arts and Humanities

Art

Richard Phillips	Assistant Professor (NT)	Associate Professor (T)
Frederick Churchill Spaulding	Assistant Professor (NT)	Associate Professor (T)

Communication

Salma Ghanem	Associate Professor (T)	Professor (T)
Gregory Selber	Assistant Professor (NT)	Associate Professor (T)

English

Robert Johnson, Jr.	Associate Professor (T)	Professor (T)
Douglas La Prade	Associate Professor (T)	Professor (T)
Donald Newman	Associate Professor (T)	Professor (T)
Christopher Keller	Assistant Professor (NT)	Associate Professor (T)
Joseph Skinner	Assistant Professor (NT)	Associate Professor (T)

History and Philosophy

Kristine Wirts	Assistant Professor (NT)	Associate Professor (T)
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Modern Languages and Literature

Victoria Contreras	Associate Professor (T)	Professor (T)
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College of Business Administration

Management, Marketing and International Business

Penny Simpson	Associate Professor (T)	Professor (T)
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Accounting and Business Law

John Darcy, Jr.	Assistant Professor (NT)	Associate Professor (T)
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College of Education

Educational Psychology

Stephanie Brickman	Associate Professor (NT)	Associate Professor (T)
Sylvia Ramirez	Associate Professor (NT)	Associate Professor (T)
Gregory Poelzer	Associate Professor (T)	Professor (T)
Peter Krantz	Assistant Professor (NT)	Associate Professor (T)

**NEW TENURE APPOINTMENTS AND PROMOTIONS WITHIN TENURE RANKS
(CONTINUED)**

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>
College of Education		
Curriculum and Instruction Martha Yanes	Assistant Professor (NT)	Associate Professor (T)
Health and Kinesiology Frederick Darsow	Assistant Professor (NT)	Associate Professor (T)
College of Health Sciences and Human Services		
Rehabilitation Noreen M. Glover	Associate Professor (NT)	Professor (T)
Pharmacy Program Patricia Canales	Assistant Professor (NT)	Associate Professor (T)
College of Science and Engineering		
Chemistry Bimal Banik	Associate Professor (T)	Professor (T)
Banglin Chen	Assistant Professor (NT)	Associate Professor (T)
Computer Science Zhixiang Chen	Associate Professor (T)	Professor (T)
Engineering Heinrich Foltz	Associate Professor (T)	Professor (T)
Arturo Fuentes	Assistant Professor (NT)	Associate Professor (T)
Mathematics Bao-Feng Feng	Assistant Professor (NT)	Associate Professor (T)
Christina Villalobos	Assistant Professor (NT)	Associate Professor (T)
Physics and Geology Jeremy Shawn Qualls	Assistant Professor (NT)	Associate Professor (T)
College of Social and Behavioral Sciences		
Anthropology Grant Benham	Assistant Professor (NT)	Associate Professor (T)
Kristin Croyle	Assistant Professor (NT)	Associate Professor (T)
Criminal Justice Rosalva Resendiz	Assistant Professor (NT)	Associate Professor (T)

SMALL CLASS REPORT, FALL 2006 AND SPRING 2007

Pursuant to Section 51.403 of the *Texas Education Code* and Section 5.301 of the Texas Higher Education Coordinating Board *Rules*, a report for the record regarding the teaching of small classes must be filed with the U. T. System Board of Regents and the Texas Higher Education Coordinating Board. The institution has reviewed the data in this report and, as appropriate, made administrative changes to ensure that teaching such small classes continues to be justified. The detailed listing of small classes is available in The University of Texas System Office of Academic Affairs and is reported as follows:

Organized Undergraduate Classes with Fewer than 10 Enrolled Students

Primary Reasons for Teaching	Fall	Spring	Total	Prior Year Total
a. Required for graduation	17	9	26	36
b. To keep proper sequence	10	12	22	24
c. New program	0	4	4	11
d. Cross listed	46	12	58	102
e. First time offered	1	0	1	5
f. Accreditation or licensing standard	0	1	1	2
g. Limited facilities	5	0	5	3
Subtotal	79	38	117	183
h. Voluntarily offered	24	63	87	71
Total	103	101	204	254
Semester Credit Hours generated in small classes	1,332	1,114	2,446	3,244
Percentage of total Semester Credit Hours offered in small classes	0.74%	0.67%	0.70%	0.96%

SMALL CLASS REPORT, FALL 2006 AND SPRING 2007 (CONTINUED)

**Organized Graduate Classes with
Fewer than 5 Enrolled Students**

<u>Primary Reasons for Teaching</u>	<u>Fall</u>	<u>Spring</u>	<u>Total</u>	<u>Prior Year Total</u>
a. Required for graduation	13	3	16	11
b. To keep proper sequence	1	10	11	3
c. New program	0	0	0	5
d. Cross listed	15	13	28	25
e. First time offered	1	1	2	1
f. Accreditation or licensing standard	0	0	0	0
g. Limited facilities	0	0	0	0
Subtotal	30	27	57	45
h. Voluntarily offered	10	10	2	8
Total	40	37	77	53
Semester Credit Hours generated in small classes	258	249	507	434
Percentage of total Semester Credit Hours offered in small classes	1.83%	1.77%	1.80%	1.62%

U. T. PERMIAN BASIN

OTHER FISCAL ITEMS

EMPLOYMENT AGREEMENTS

The following agreements have been awarded, have been approved by the Executive Vice Chancellor for Academic Affairs, and are recommended for approval by the U. T. System Board of Regents. Such employment under these agreements is subject to the Constitution and Bylaws of the National Collegiate Athletic Association, any intercollegiate athletic conference of which The University of Texas of the Permian Basin is a member, the Regents' *Rules and Regulations*, Series 10501, and the policies of U. T. Permian Basin. The violation of the provisions of such constitution, bylaws, rules or regulations shall be grounds for suspension without pay or dismissal.

- | | |
|------------------------------|---|
| Item: | Head Men's Baseball Coach |
| From: | \$29,355 annually |
| To: | \$30,236 annually |
| Salary
Percent
Change: | 3.00 |
| Description: | Renewal agreement for employment of Head Men's Baseball Coach, Brian E. Reinke, for the designated period following the standard coach's employment contract prepared by the Office of General Counsel. |
| Incentive
Change: | None |
| Period: | September 1, 2007 through August 31, 2008 |

OTHER FISCAL ITEMS (CONTINUED)

EMPLOYMENT AGREEMENTS (CONTINUED)

2. Item: Head Men's and Women's Swimming Coach
- From: \$6,116 annually
- To: \$18,659 annually
- Salary
Percent
Change: 205.09
- Description: Renewal agreement for employment of Head Men's and Women's Swimming Coach, Robin T. Rankin, for the designated period following the standard coach's employment contract prepared by the Office of General Counsel.
- Incentive
Change: None. Large increase made in an effort to get the position to at least one-half time. Pay was reallocated from Athletic Administration to coaching appointments.
- Period: September 1, 2007 through August 31, 2008
3. Item: Head Men's and Women's Soccer Coach
- From: \$30,106 annually
- To: \$31,009 annually
- Salary
Percent
Change: 3.00
- Description: Renewal agreement for employment of Head Men's and Women's Soccer Coach, Dennis R. Peterson, for the designated period following the standard coach's employment contract prepared by the Office of General Counsel.
- Incentive: None
- Period: September 1, 2007 through August 31, 2008

OTHER FISCAL ITEMS (CONTINUED)

EMPLOYMENT AGREEMENTS (CONTINUED)

4. Item: Head Men's Basketball Coach
- From: \$14,795 annually
- To: \$15,239 annually
- Salary
Percent
Change: 3.00
- Description: Renewal agreement for employment of Head Men's Basketball Coach, James R. Lee, for the designated period following the standard coach's employment contract prepared by the Office of General Counsel.
- Incentive
Change: None
- Period: September 1, 2007 through August 31, 2008
5. Item: Head Women's Basketball Coach
- From: \$14,307
- To: \$14,736
- Salary
Percent
Change: 3.00
- Description: Renewal agreement for employment of Head Women's Basketball Coach, John F. Hufford, for the designated period following the standard coach's employment contract prepared by the Office of General Counsel.
- Incentive
Change: None
- Period: September 1, 2007 through August 31, 2008

OTHER FISCAL ITEMS (CONTINUED)

EMPLOYMENT AGREEMENTS (CONTINUED)

6. Item: Head Men's and Women's Cross Country/Track Coach
- From: \$8,848 annually
- To: \$9,113 annually
- Salary
Percent
Change: 3.00
- Description: Renewal agreement for employment of Head Men's and Women's Cross Country/Track Coach, Pamela R. Gray, for the designated period following the standard coach's employment contract prepared by the Office of General Counsel.
- Incentive
Change: None
- Period: September 1, 2007 through August 31, 2008
7. Item: Head Women's Softball Coach
- From: \$13,887
- To: \$14,303
- Salary
Percent
Change: 3.00
- Description: Renewal agreement for employment of Head Women's Softball Coach, Daniel R. Dunaway, for the designated period following the standard coach's employment contract prepared by the Office of General Counsel.
- Incentive
Change: None
- Period: September 1, 2007 through August 31, 2008

OTHER FISCAL ITEMS (CONTINUED)

EMPLOYMENT AGREEMENT (CONTINUED)

8. Item: Athletic Director and Head Women's Volleyball Coach
- From: \$50,378
- To: \$53,539
- Salary
Percent
Change: 6.27
- Description: Renewal agreement for employment of Athletic Director and Head Women's Volleyball Coach, Steven Aicinena, for the designated period following the standard coach's employment contract prepared by the Office of General Counsel.
- Incentive
Change: None
- Period: September 1, 2007 through August 31, 2008

NEW TENURE APPOINTMENTS AND PROMOTIONS WITHIN TENURE RANKS

The following personnel actions involving new tenure appointments and promotion within tenure ranks have been administratively approved by the Executive Vice Chancellor for Academic Affairs. The personnel actions have been included in the 2008 Annual Operating Budget of each institution and are consistent with the Regents' *Rules and Regulations*, Series 31007.

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>
School of Business		
Business		
William Price	Assistant Professor (NT)	Associate Professor (T)
Industrial Technology		
Raj Desai	Assistant Professor (NT)	Associate Professor (T)
Management		
Jack Ladd	Assistant Professor (NT)	Professor (T)
College of Arts and Sciences		
Mathematics		
Amine Fawaz	Assistant Professor (NT)	Associate Professor (T)
Brian Hagler	Assistant Professor (NT)	Associate Professor (T)
Computer Science		
Haeum Lee	Assistant Professor (NT)	Associate Professor (T)
Ilhyun Lee	Assistant Professor (NT)	Associate Professor (T)

SMALL CLASS REPORT, FALL 2006 AND SPRING 2007

Pursuant to Section 51.403 of the *Texas Education Code* and Section 5.301 of the Texas Higher Education Coordinating Board *Rules*, a report for the record regarding the teaching of small classes must be filed with the U. T. System Board of Regents and the Texas Higher Education Coordinating Board. The institution has reviewed the data in this report and, as appropriate, made administrative changes to ensure that teaching such small classes continues to be justified. The detailed listing of small classes is available in The University of Texas System Office of Academic Affairs and is reported as follows:

Organized Undergraduate Classes with Fewer than 10 Enrolled Students

Primary Reasons for Teaching	Fall	Spring	Total	Prior Year Total
a. Required for graduation	6	4	10	23
b. To keep proper sequence	16	16	32	55
c. New program	5	6	11	23
d. Cross listed	0	2	2	2
e. First time offered	2	0	2	2
f. Accreditation or licensing standard	2	2	4	0
g. Limited facilities	0	0	0	2
Subtotal	31	30	61	107
h. Voluntarily offered	3	6	9	2
Total	34	36	70	109
Semester Credit Hours generated in small classes	599	623	1,222	1,829
Percentage of total Semester Credit Hours offered in small classes	1.70%	1.80%	1.80%	2.90%

SMALL CLASS REPORT, FALL 2006 AND SPRING 2007 (CONTINUED)

**Organized Graduate Classes with
Fewer than 5 Enrolled Students**

<u>Primary Reasons for Teaching</u>	<u>Fall</u>	<u>Spring</u>	<u>Total</u>	<u>Prior Year Total</u>
a. Required for graduation	0	0	0	1
b. To keep proper sequence	1	1	2	8
c. New program	0	0	0	2
d. Cross listed	0	0	0	0
e. First time offered	0	0	0	0
f. Accreditation or licensing standard	0	0	0	0
g. Limited facilities	0	0	0	0
Subtotal	1	1	2	11
h. Voluntarily offered	0	0	0	0
Total	1	1	2	11
Semester Credit Hours generated in small classes	6	12	18	114
Percentage of total Semester Credit Hours offered in small classes	0.02%	0.04%	0.03%	1.69%

U. T. SAN ANTONIO

CONTRACTS

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

GENERAL CONTRACTS

FUNDS COMING IN

1. Agency: Mac-Gray Services, Inc. d/b/a WEB
Intelligent Laundry Systems
Funds: \$25,000
Period: August 7, 2007 through August 6, 2009
Description: WEB Intelligent Laundry Systems agrees to furnish laundry equipment and services for University-owned student housing units on campus.

FUNDS GOING OUT

2. Agency: Time Warner Cable, Inc.
Funds: \$1,000,000
Period: July 15, 2004 through July 15, 2009 with the option for five additional one-year terms
Description: Amended to include new student housing development, Laurel Village. Time Warner Cable, Inc. agrees to provide telephone, data (internet) and cable television services for new student housing.

CHANGES TO ADMISSIONS CRITERIA

The following changes, in congressional style, to admission criteria for first-time freshmen are proposed for inclusion in the catalog of The University of Texas at San Antonio. The changes have been administratively approved by the Executive Vice Chancellor for Academic Affairs and are recommended for approval by the U. T. System Board of Regents.

High School Graduates Applying within Five Years of Graduation

The following table shows the minimum total scores required, based on high school rank-in-class and on either the SAT Reasoning Test of the College Board or the ACT Assessment.

High School Rank-in-Class	Minimum Combined SAT Scores of Math and Critical Reading	Minimum Total Composite ACT Score
Top 4025%	No minimum required, but scores must be submitted Guaranteed Admission*	No minimum required, but scores must be submitted Guaranteed Admission*
Top 25% (not in top 10%)	830	17
Second 25%	870 920	18 19
Third 25%	920 970	19 20
Fourth 25%	970 1020	20 21
GED, unaccredited high school, home schooled, non-ranking high school	970 1020	20 21

* Texas resident students who are in the top 40 25 percent of their high school graduating class at an accredited high school are admitted without minimum score requirements on the ACT or SAT, but their scores must be submitted to UTSA. Students scoring a minimum composite score of ~~20~~ 21 on the ACT or a combined score of ~~970~~ 1020 on the math and critical reading portions of the SAT will be admitted contingent upon high school graduation. Students scoring below those minimums will be evaluated using the requirements for rank-in-class as shown in the above chart.

AMENDMENTS TO THE 2006-07 BUDGET

APPOINTMENTS AND PROMOTIONS

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

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
COLLEGE OF ARCHITECTURE					
Architecture					
1. Julius Gribou (T)					2118
From: Dean and Professor		100	12	164,503	
To: Interim Provost and Vice President for Academic Affairs, Dean and Professor	5/25-8/31	100	12	220,000	
COLLEGE OF SCIENCES					
Computer Science					
Associate Professor					
2. David Jimenez (T)	1/16-7/31	100	09	95,000	2099
Lutcher Brown Endowed Chair, Director of Information Assurance and Professor					
3. Ravinderpal S. Sandhu (T)	6/1-8/31	SUPLT	12	30,000	2119
	6/1-8/31	100	12	266,667	

OTHER FISCAL ITEMS

EMPLOYMENT AGREEMENTS

The following agreements have been awarded, have been approved by the Executive Vice Chancellor for Academic Affairs, and are recommended for approval by the U. T. System Board of Regents. Such employment under these agreements is subject to the Constitution and Bylaws of the National Collegiate Athletic Association, any intercollegiate athletic conference of which The University of Texas at San Antonio is a member, the Regents' *Rules and Regulations*, Series 10501, and the policies of U. T. San Antonio. The violation of the provisions of such constitution, bylaws, rules or regulations shall be grounds for suspension without pay or dismissal.

- 1. Item: Head Men's Baseball Coach
 - From: \$53,449 annually
 - To: \$62,006 annually
 - Salary
Percent
Change: 16.01
 - Description: Renewal agreement for employment of Head Men's Baseball Coach, Sherman Corbett, for the designated period following the standard coach's employment contract prepared by the Office of General Counsel.
 - Incentive
Change: Amend performance incentives from \$1,000 to \$2,000 for Regular Season Championship, Conference Tournament Championship, appearance in NCAA Tournament, appearance in NCAA Super Regional, and appearance in NCAA College World Series. Amend performance incentive from \$2,000 for a regular season championship and a conference tournament championship in the same season to one month's salary.
 - Period: July 1, 2007 through June 30, 2012

OTHER FISCAL ITEMS (CONTINUED)

EMPLOYMENT AGREEMENTS (CONTINUED)

2. Item: Head Men's Golf Coach
- From: \$49,322 annually
- To: \$49,322 annually
- Salary
Percent
Change: none
- Description: Renewal agreement for employment of Head Men's Golf Coach, Chris Donielson, for the designated period following the standard coach's employment contract prepared by the Office of General Counsel.
- Period: July 1, 2007 through June 30, 2010
3. Item: Head Women's Track and Field Coach
- From: \$38,841 annually
- To: \$38,841 annually
- Salary
Percent
Change: none
- Description: Renewal agreement for employment of Head Women's Track and Field Coach, James Blackwood, for the designated period following the standard coach's employment contract prepared by the Office of General Counsel.
- Period: July 1, 2007 through June 30, 2008

OTHER FISCAL ITEMS (CONTINUED)

EMPLOYMENT AGREEMENTS (CONTINUED)

4. Item: Head Men's Tennis Coach
- From: \$40,555 annually
- To: \$43,000 annually
- Salary
Percent
Change: 6.03
- Description: Renewal agreement for employment of Head Men's Tennis Coach, Oliver Trittenwein, for the designated period following the standard coach's employment contract prepared by the Office of General Counsel.
- Incentive
Change: None
- Period: June 1, 2007 through May 31, 2010
5. Item: Head Men's Track and Field Coach
- From: \$39,692 annually
- To: \$43,519 annually
- Salary
Percent
Change: 9.64
- Description: Renewal agreement for employment of Head Men's Track and Field Coach, Aaron Fox, for the designated period following the standard coach's employment contract prepared by the Office of General Counsel.
- Incentive
Change: Amend performance incentive to allow for a \$1,000 bonus for each indoor or outdoor championship rather than only one.
- Period: July 1, 2007 through June 30, 2010

FEES AND MISCELLANEOUS CHARGES

Approval is recommended for the following housing and board rates to be effective beginning with the Fall Semester 2007. The proposed rates are consistent with applicable statutory requirements under Section 55.16 of the *Texas Education Code* and have been administratively approved by the Executive Vice Chancellor for Academic Affairs.

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

HOUSING RATES (Including Apartments, Dormitory Rooms, Residence Halls)

	<u>Current Rates \$</u>	<u>Proposed Rates \$</u>	<u>Percent Increase</u>
<u>Per Month</u>			
Chaparral and Laurel Village*			
2-bedroom unit	600	624	4.00
4-bedroom unit	550	588	3.89
4-bedroom unit deluxe	566	570	3.64
<u>For each Summer Session</u>			
Chaparral and Laurel Village*			
2-bedroom unit	600	624	4.00
4-bedroom unit	550	588	3.89
4-bedroom unit deluxe	566	570	3.64

*Housing rates include utilities, basic and long-distance phone, internet and cable television service.

FEES AND MISCELLANEOUS CHARGES (CONTINUED)

BOARD RATES

	<u>Current Rates \$</u>	<u>Proposed Rates \$</u>	<u>Percent Increase</u>
<u>Per Semester</u>			
250+ meal plan*	1,251	1,290	3.12
200+ meal plan*	954	987	3.46
175+ meal plan*	891	921	3.37
150+ meal plan*	855	n/a	n/a
110+ meal plan*	840	867	3.21

*Each meal plan above offers a proportionate credit feature that students can use over and above the approximate \$5 per meal trade offered in the current plan.

Meal plan is mandatory for university student residents for the fall and spring semesters; no mandatory meal plan required for summer session students.

FEES AND MISCELLANEOUS CHARGES (CONTINUED)

STUDENT SERVICES FEES

Approval is recommended for the following student services fee increases to be effective beginning with the Fall Semester 2007. The statutory requirements for involvement of a student services fees committee have been met and the committee voted to reduce the fee. The fees have been administratively approved by the Executive Vice Chancellor for Academic Affairs.

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

COMPULSORY STUDENT SERVICES FEES

	<u>Current Rates \$</u>	<u>Proposed Rates \$</u>	<u>Percent Increase</u>
<u>For each regular semester</u>			
Per Semester Credit Hour	14.85	15.40	3.70
Maximum	178.00	184.80	3.70

Note: The U. T. San Antonio Student Services Committee and the U. T. System Board of Regents approved U. T. San Antonio's Student Services Fee at \$16.30 per credit hour for academic year 2007-2008. Subsequently, on April 11, 2007, the Student Service Fee Committee voted to reduce the fee to \$15.40 per credit hour, a 3.7% increase over the prior year's rate versus the approved 9.8% increase.

NEW TENURE APPOINTMENTS AND PROMOTIONS WITHIN TENURE RANKS

The following personnel actions involving new tenure appointments and promotion within tenure ranks have been administratively approved by the Executive Vice Chancellor for Academic Affairs. The personnel actions have been included in the 2008 Annual Operating Budget of each institution and are consistent with the Regents' *Rules and Regulations*, Series 31007.

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>
College of Architecture		
Architecture		
Vincent Canizaro	Assistant Professor (NT)	Associate Professor (T)
Kenneth Masden	Assistant Professor (NT)	Associate Professor (T)
Shelley Roff	Assistant Professor (NT)	Associate Professor (T)
College of Business		
Accounting		
Pamela Smith	Assistant Professor (NT)	Associate Professor (T)
Jennifer Yin	Assistant Professor (NT)	Associate Professor (T)
College of Education and Human Development		
Anthropology		
Richard Adams	Professor (T)	Professor Emeritus
Thad Bartlett	Assistant Professor (NT)	Associate Professor (T)
Carolyn Ehardt	Associate Professor (T)	Professor (T)
Art and Art History		
Stephen Reynolds	Professor (T)	Professor Emeritus
Bicultural-Bilingual Studies		
Marie Miranda	Assistant Professor (NT)	Associate Professor (T)
Counseling, Educational Psychology, Adult, and Higher Education		
Thelma Duffey	Associate Professor (T)	Professor (T)
Art Hernandez	Associate Professor (T)	Professor (T)
Paul Schutz	Associate Professor (T)	Professor (T)
Albert Valadez	Assistant Professor (NT)	Associate Professor (T)
Educational Leadership and Policy Studies		
Alan Shoho	Associate Professor (T)	Professor (T)

**NEW TENURE APPOINTMENTS AND PROMOTIONS WITHIN TENURE RANKS
(CONTINUED)**

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>
College of Education and Human Development (Continued)		
Health and Kinesiology Georgia Polacek	Assistant Professor (NT)	Associate Professor (T)
Interdisciplinary Learning and Teaching Jennifer Ganz	Assistant Professor (NT)	Associate Professor (T)
Misty Sailors	Assistant Professor (NT)	Associate Professor (T)
College of Engineering		
Computer Science Anthony Chronopoulos	Associate Professor (T)	Professor (T)
Electrical and Computer Engineering Artyon Grigoryan	Assistant Professor (NT)	Associate Professor (T)
Yufie Huang	Assistant Professor (NT)	Associate Professor (T)
Eugene John	Associate Professor (T)	Professor (T)
Mechanical Engineering Xiaodu Wang	Associate Professor (T)	Professor (T)
College of Liberal and Fine Arts		
Communication H. Paul LeBlanc	Assistant Professor (NT)	Associate Professor (T)
History John Giggie	Assistant Professor (NT)	Associate Professor (T)
Anne Hardgrove	Assistant Professor (NT)	Associate Professor (T)
Music Kasandra Keeling	Assistant Professor (NT)	Associate Professor (T)
Psychology Michael Baumann	Assistant Professor (NT)	Associate Professor (T)
Sociology Thankum Sunil	Assistant Professor (NT)	Associate Professor (T)

**NEW TENURE APPOINTMENTS AND PROMOTIONS WITHIN TENURE RANKS
(CONTINUED)**

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>
College of Public Policy		
Public Administration		
Christopher Reddick	Assistant Professor (NT)	Associate Professor (T)
College of Sciences		
Biology		
Luis Haro	Associate Professor (T)	Professor (T)
Garry Sunter	Assistant Professor (NT)	Associate Professor (T)
Chemistry		
Edward Tiekink	Associate Professor (T)	Professor (T)
Ghezai Musie	Assistant Professor (NT)	Associate Professor (T)
Cong-Gui Zhao	Assistant Professor (NT)	Associate Professor (T)
Mathematics		
Kathleen Mittag	Associate Professor (T)	Professor (T)
Physics and Astronomy		
Eric Schlegel	Associate Professor (NT)	Associate Professor (T)

OTHER MATTERS

APPROVAL OF DUAL POSITIONS OF HONOR, TRUST, OR PROFIT

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

- | | |
|---------------|--|
| Name: | Dr. Ricardo Romo |
| Title: | President |
| Position: | Member, Commission for a College Ready Texas |
| Period: | 2007-2008 |
| Compensation: | None, but commission-related travel expenses provided |
| Description: | Appointment by Governor Perry to serve on commission charged with providing the State Board of Education with leadership and guidance as the state board works to align high school curriculum with college standards. |

SMALL CLASS REPORT, FALL 2006 AND SPRING 2007

Pursuant to Section 51.403 of the *Texas Education Code* and Section 5.301 of the Texas Higher Education Coordinating Board *Rules*, a report for the record regarding the teaching of small classes must be filed with the U. T. System Board of Regents and the Texas Higher Education Coordinating Board. The institution has reviewed the data in this report and, as appropriate, made administrative changes to ensure that teaching such small classes continues to be justified. The detailed listing of small classes is available in The University of Texas System Office of Academic Affairs and is reported as follows:

Organized Undergraduate Classes with Fewer than 10 Enrolled Students

Primary Reasons for Teaching	Fall	Spring	Total	Prior Year Total
a. Required for graduation	6	18	24	21
b. To keep proper sequence	14	15	29	26
c. New program	6	2	8	8
d. Cross listed	16	25	41	23
e. First time offered	3	1	4	2
f. Accreditation or licensing standard	0	0	0	7
g. Limited facilities	13	9	22	14
Subtotal	58	70	128	101
h. Voluntarily offered	5	8	13	11
Total	63	78	141	112
Semester Credit Hours generated in small classes	1,033	1,368	2,401	1,942
Percentage of total Semester Credit Hours offered in small classes	0.35%	0.52%	0.43%	0.36%

SMALL CLASS REPORT, FALL 2006 AND SPRING 2007 (CONTINUED)

**Organized Graduate Classes with
Fewer than 5 Enrolled Students**

<u>Primary Reasons for Teaching</u>	<u>Fall</u>	<u>Spring</u>	<u>Total</u>	<u>Prior Year Total</u>
a. Required for graduation	5	14	19	16
b. To keep proper sequence	8	14	22	11
c. New program	6	2	8	9
d. Cross listed	3	6	9	4
e. First time offered	8	4	12	9
f. Accreditation or licensing standard	0	0	0	0
g. Limited facilities	0	0	0	3
Subtotal	30	40	70	52
h. Voluntarily offered	7	6	13	8
Total	37	46	83	60
Semester Credit Hours generated in small classes	252	376	628	379
Percentage of total Semester Credit Hours offered in small classes	1.09%	1.64%	1.36%	0.87%

U. T. TYLER

AMENDMENTS TO THE 2006-07 BUDGET

TRANSFERS OF FUNDS

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

<u>Description</u>	<u>\$ Amount</u>	<u>RBC #</u>
PLANT FUNDS		
Institutional Land Purchases		
1. Amount of Transfer:	1,124,872	2090

From: Designated Tuition

To: Institutional Land Purchases

For land purchase of 12 acres of land on Old Omen Road in Tyler, Texas.

NEW TENURE APPOINTMENTS AND PROMOTIONS WITHIN TENURE RANKS

The following personnel actions involving new tenure appointments and promotion within tenure ranks have been administratively approved by the Executive Vice Chancellor for Academic Affairs. The personnel actions have been included in the 2008 Annual Operating Budget of each institution and are consistent with the Regents' *Rules and Regulations*, Series 31007.

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>
College of Arts and Sciences		
Art		
Gary Hatcher	Associate Professor (T)	Professor (T)
Communication		
Jeffrey Hobbs	Associate Professor (NT)	Associate Professor (T)
History		
Ed Tabri	Assistant Professor (NT)	Associate Professor (T)
Literature and Languages		
Ann Beebe	Assistant Professor (NT)	Associate Professor (T)
Paul Streufer	Assistant Professor (NT)	Associate Professor (T)
Mathematics		
Jennifer McCloud-Mann	Assistant Professor (NT)	Associate Professor (T)
Casey Mann	Assistant Professor (NT)	Associate Professor (T)
Social Sciences		
Abu Muhammad Shajaat Ali	Associate Professor (T)	Professor (T)
College of Business and Technology		
Business Administration		
Kevin Shanahan	Assistant Professor (NT)	Associate Professor (T)
Human Resource Development and Technology		
Greg Wang	New Hire	Professor (T)

**NEW TENURE APPOINTMENTS AND PROMOTIONS WITHIN TENURE RANKS
(CONTINUED)**

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>
College of Education and Psychology		
Early Childhood Reading and Special Education		
Kathy Morrison	Assistant Professor (NT)	Associate Professor (T)
Brenda Gilliam	Associate Professor (T)	Professor (T)
Psychology		
Charles Barké	New Hire	Professor (T)
College of Nursing and Health Sciences		
Nursing		
Pamela Martin	Associate Professor (T)	Professor (T)

SMALL CLASS REPORT, FALL 2006 AND SPRING 2007

Pursuant to Section 51.403 of the *Texas Education Code* and Section 5.301 of the Texas Higher Education Coordinating Board *Rules*, a report for the record regarding the teaching of small classes must be filed with the U. T. System Board of Regents and the Texas Higher Education Coordinating Board. The institution has reviewed the data in this report and, as appropriate, made administrative changes to ensure that teaching such small classes continues to be justified. The detailed listing of small classes is available in The University of Texas System Office of Academic Affairs and is reported as follows:

Organized Undergraduate Classes with Fewer than 10 Enrolled Students

Primary Reasons for Teaching	Fall	Spring	Total	Prior Year Total
a. Required for graduation	18	34	52	68
b. To keep proper sequence	19	18	37	7
c. New program	5	4	9	6
d. Cross listed	0	0	0	2
e. First time offered	1	0	1	0
f. Accreditation or licensing standard	0	0	0	0
g. Limited facilities	0	0	0	8
Subtotal	43	56	99	91
h. Voluntarily offered	0	1	1	1
Total	43	57	100	92
Semester Credit Hours generated in small classes	734	903	1,637	1,336
Percentage of total Semester Credit Hours offered in small classes	1.20%	1.58%	1.38%	1.20%

SMALL CLASS REPORT, FALL 2006 AND SPRING 2007 (CONTINUED)

**Organized Graduate Classes with
Fewer than 5 Enrolled Students**

<u>Primary Reasons for Teaching</u>	<u>Fall</u>	<u>Spring</u>	<u>Total</u>	<u>Prior Year Total</u>
a. Required for graduation	1	8	9	23
b. To keep proper sequence	6	3	9	6
c. New program	0	1	1	1
d. Cross listed	0	1	1	0
e. First time offered	1	1	2	0
f. Accreditation or licensing standard	0	0	0	1
g. Limited facilities	0	0	0	0
Subtotal	8	14	22	31
h. Voluntarily offered	1	3	4	0
Total	9	17	26	31
Semester Credit Hours generated in small classes	57	155	212	269
Percentage of total Semester Credit Hours offered in small classes	1.19%	3.11%	2.17%	2.66%

U. T. SOUTHWESTERN MEDICAL CENTER - DALLAS

CONTRACTS

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

GENERAL CONTRACTS

FUNDS COMING IN

1. Agency: U. T. Southwestern Moncrief Cancer Center
Funds: \$2,005,000
Period: September 1, 2006 through August 31, 2007
Description: To provide professional services which include financial support and reporting, training for issues in cancer genetic testing and counseling, pain management staff, and program management and support staff services. Also provides technical support for computer networking, advertising and design services, and the services of the mobile mammography unit.
2. Agency: VA North Texas Health Care System
Funds: \$1,232,486
Period: March 1, 2007 through February 28, 2009
Description: To provide scientific studies (research) of various Gulf War veterans' illnesses.

FUNDS GOING OUT

3. Agency: Aztec Facility Management, LP
Funds: \$1,496,073
Period: November 1, 2006 through August 31, 2007 with the option to renew for four additional one-year terms
Description: To provide custodial housekeeping services on the campus.
4. Agency: GCA Services Group of Texas, LP
Funds: \$1,584,456
Period: November 1, 2006 through August 31, 2007 with the option to renew for four additional one-year terms
Description: To provide custodial housekeeping services on the campus.

CONTRACTS (CONTINUED)

GENERAL CONTRACTS (CONTINUED)

FUNDS GOING OUT (CONTINUED)

5. Agency: Medco Construction, L.L.C.
Funds: \$500,000 per year
Period: March 28, 2007 through August 31, 2007 with the option to renew for four additional one-year terms
Description: To provide construction labor for physical plant construction projects.
6. Agency: Odom Construction Services
Funds: \$500,000 per year
Period: The term of this agreement will begin on the date of execution and will expire on August 31, 2007 with the option to renew for four additional one-year terms
Description: To provide construction labor for physical plant construction projects.
7. Agency: Odom Construction Services, Inc.
Funds: \$1,201,551
Period: The contractor shall achieve substantial completion within 154 days after commencement
Description: To provide construction labor for physical plant construction projects associated with installation of casework goods.

AMENDMENTS TO THE 2006-07 BUDGET

APPOINTMENTS AND PROMOTIONS

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

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
SOUTHWESTERN MEDICAL SCHOOL					
Cardiothoracic Surgery					
1. Michael Erik Jessen (T)					2085
From: Professor		100	12	454,600	
To: Professor of Cardio Thoracic Surgery and Robert Tucker Hayes Foundation Distinguished Chair in Cardiothoracic Surgery	5/1-8/31	100	12	454,600	
Clinical Sciences					
Professor					
2. Celette Sugg Skinner (T)	4/6-8/31	100	12	185,000	2086

AMENDMENTS TO THE 2006-07 BUDGET (CONTINUED)

APPOINTMENTS AND PROMOTIONS (CONTINUED)

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
SOUTHWESTERN MEDICAL SCHOOL (Continued)					
Developmental Biology					
3. Luis Fernando Parada (T)					2010
From: Professor, Southwestern Ball Distinguished Chair in Nerve Regeneration Research, Director of The Center for Developmental Biology, Diana and Richard C. Strauss Distinguished Chair in Developmental Biology		100	12	267,000	
To: Professor, Chairman of the Department of Developmental Biology, Southwestern Ball Distinguished Chair in Nerve Regeneration Research, Diana and Richard C. Strauss Distinguished Chair in Developmental Biology	1/1-8/31	100	12	267,000	

AMENDMENTS TO THE 2006-07 BUDGET (CONTINUED)

APPOINTMENTS AND PROMOTIONS (CONTINUED)

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
SOUTHWESTERN MEDICAL SCHOOL (Continued)					
Immunology					
4. Edward K. Wakeland (T)					2011
From: Professor, Edwin L. Cox Distinguished Chair in Immunology and Genetics, Director of The Center for Immunology, Director of The Bader Arthritis Research Center		100	12	258,000	
To: Professor, Chairman of the Department of Immunology, Edwin L. Cox Distinguished Chair in Immunology and Genetics	2/5-8/31	100	12	258,000	
Internal Medicine					
Professor, Gifford O. Touchstone, Jr. and Randolph G. Touchstone Distinguished Chair in Diabetes Research					
5. Philipp E. Scherer (T)	3/1-8/31	100	12	178,000	2087

AMENDMENTS TO THE 2006-07 BUDGET (CONTINUED)

APPOINTMENTS AND PROMOTIONS (CONTINUED)

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
SOUTHWESTERN MEDICAL SCHOOL (Continued)					
Neuroscience					
6. Thomas Christian Sudhof (T)					2012
From: Professor, Gill Distinguished Chair in Neuroscience Research, Loyd B. Sands Distinguished Chair in Neuroscience, Director of The Center for Basic Neuroscience		100	12	276,025	
To: Professor, Chairman of the Department of Neuroscience, Gill Distinguished Chair in Neuroscience Research, Loyd B. Sands Distinguished Chair in Neuroscience	1/1-8/31	100	12	276,025	
Pathology					
7. Dennis K. Burns (T)					2088
From: Professor, Distinguished Teaching Professor		100	12	208,400	
To: Professor, Distinguished Teaching Professor, and Jane B. and Edwin P. Jenevein Chair in Pathology	5/1-8/31	100	12	208,400	

AMENDMENTS TO THE 2006-07 BUDGET (CONTINUED)

APPOINTMENTS AND PROMOTIONS (CONTINUED)

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
SOUTHWESTERN MEDICAL SCHOOL (Continued)					
Pathology					
8. Nitin Karandikar (T)					2058
From: Associate Professor		100	12	182,000	
To: Associate Professor of Pathology and Vernie A. Stembridge, M.D., Distinguished Chair in Pathology	4/1-8/31	100	12	182,000	
Surgery					
9. Ohwofiemu Nwariaku (T)					2059
From: Associate Professor		100	12	260,900	
To: Associate Professor and Malcom O. Perry, M.D., Professorship in Surgery	4/1-8/31	100	12	260,900	

NEW TENURE APPOINTMENTS AND PROMOTIONS WITHIN TENURE RANKS

The following personnel actions involving new tenure appointments and promotion within tenure ranks have been administratively approved by the Executive Vice Chancellor for Health Affairs. The personnel actions have been included in the 2008 Annual Operating Budget of each institution and are consistent with the Regents' *Rules and Regulations*, Series 31007.

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>
College of Biochemistry		
Biochemistry		
Jef K. DeBrabander	Associate Professor (T)	Professor (T)
Kristen W. Lynch	Assistant Professor (NT)	Associate Professor (T)
College of Cell Biology		
Cell Biology		
Beatriz M. A. Fontoura	Assistant Professor (NT)	Associate Professor (T)
Michael A. White	Associate Professor (T)	Professor (T)
College of Immunology		
Immunology		
Christoph Wuelfing	Assistant Professor (NT)	Associate Professor (T)
College of Internal Medicine		
Internal Medicine		
Joseph A. Hill	Associate Professor (T)	Professor (T)
Jay D. Horton	Associate Professor (T)	Professor (T)
Khashayar Sakhaee	Professor (NT)	Professor (T)
College of Microbiology		
Microbiology		
Vanessa Sperandio	Assistant Professor (NT)	Associate Professor (T)
College of Molecular Biology		
Molecular Biology		
Kimberly A. Orth-Taussig	Assistant Professor (NT)	Associate Professor (T)
College of Molecular Genetics		
Molecular Genetics		
Russell A. DeBose-Boyd	Assistant Professor (NT)	Associate Professor (T)
College of Obstetrics and Gynecology		
Obstetrics and Gynecology		
George D. Wendel, Jr.	Professor (NT)	Professor (T)

**NEW TENURE APPOINTMENTS AND PROMOTIONS WITHIN TENURE RANKS
(CONTINUED)**

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>
College of Otolaryngology – Head and Neck Surgery Otolaryngology – Head and Neck Surgery Roger W. Chan	Assistant Professor (NT)	Associate Professor (T)
College of Physiology Physiology Ilya B. Bezprozvanny	Associate Professor (T)	Professor (T)
College of Urology Urology Jer-Tsong Hsieh	Associate Professor (T)	Professor (T)

SMALL CLASS REPORT, FALL 2006 AND SPRING 2007

Pursuant to Section 51.403 of the *Texas Education Code* and Section 5.26 of the Texas Higher Education Coordinating Board *Rules*, a report for the record regarding the teaching of small classes has been filed with the U. T. System Board of Regents and the Texas Higher Education Coordinating Board. The institution has reviewed the data in this report and, as appropriate, made administrative changes to ensure that teaching such small classes continues to be justified. The detailed listing of small classes is available in The University of Texas System Office of Health Affairs and is summarized as follows:

Organized Undergraduate Classes with Fewer than 10 Enrolled Students

Primary Reasons for Teaching	Fall	Spring	Total	Prior Year Total
a. Required for graduation	7	6	13	36
b. To keep proper sequence	0	0	0	0
c. New program	0	0	0	0
d. Cross listed	0	0	0	0
e. First time offered	0	0	0	0
f. Accreditation or licensing standard	0	0	0	0
g. Limited facilities	6	1	7	3
Subtotal	13	7	20	39
h. Voluntarily offered	3	4	7	5
Total	16	11	27	44

SMALL CLASS REPORT, FALL 2006 AND SPRING 2007 (CONTINUED)

**Organized Graduate Classes with
Fewer than 5 Enrolled Students**

<u>Primary Reasons for Teaching</u>	<u>Fall</u>	<u>Spring</u>	<u>Total</u>	<u>Prior Year Total</u>
a. Required for graduation	24	16	40	26
b. To keep proper sequence	0	0	0	1
c. New program	0	0	0	0
d. Cross listed	0	0	0	0
e. First time offered	0	0	0	0
f. Accreditation or licensing standard	0	0	0	0
g. Limited facilities	7	6	13	29
Subtotal	31	22	53	56
h. Voluntarily offered	4	4	8	0
Total	35	26	61	56

U. T. MEDICAL BRANCH - GALVESTON

GIFTS

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

1. Donor Name: Bill and Melinda Gates Foundation
College/School/ Department: School of Medicine
Purpose: Support for the Department of Pediatrics, Infectious Diseases' project entitled "Innovative Influenza Vaccine Linking Innate and Adaptive Immunity"
Asset Type: Cash
Value: \$9,456,946

2. Donor Name: The Sealy & Smith Foundation
College/School/ Department: School of Medicine
Purpose: Acquisition of a CT scanner for the Department of Radiology
Asset Type: Cash
Value: \$3,000,000

CONTRACTS

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

GENERAL CONTRACTS

FUNDS COMING IN

1. Agency: Brazoria County, Texas
Funds: \$4,785,320
Period: April 1, 2007 through September 30, 2009
Description: Amendment to extend the agreement for an additional two years. U. T. Medical Branch - Galveston will continue to provide primary care services and hospital services at the Brazoria County Jail.
2. Agency: County of Galveston, Texas
Funds: \$5,501,320
Period: August 1, 2007 through September 30, 2009
Description: U. T. Medical Branch - Galveston will provide health care services to individuals incarcerated in the Galveston County Jail.
3. Agency: United States of America, Department of Justice/
Federal Bureau of Prisons - Beaumont, Texas
Funds: \$99,073,410
Period: July 18, 2007 through July 17, 2012
Description: U. T. Medical Branch - Galveston will provide managed health care services at the Federal Correctional Complex in Beaumont, Texas.

FUNDS GOING OUT

4. Agency: Palestine-Principal Healthcare, L.P., d/b/a Palestine
Regional Medical Center
Funds: \$1,600,000
Period: September 1, 2007 through August 31, 2009
Description: Amendment to extend the agreement for an additional two years. Palestine-Principal Healthcare, L.P., d/b/a Palestine Regional Medical Center will continue to provide off-site health care to Government Wards on behalf of U. T. Medical Branch - Galveston.

AMENDMENTS TO THE 2006-07 BUDGET

APPOINTMENTS AND PROMOTIONS

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

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
SCHOOL OF MEDICINE					
Dean of Medicine					
Obstetrics and Gynecology					
1. Garland D. Anderson (T)					2125
From: Dean of Medicine Jennie Sealy Smith Distinguished Chair in Obstetrics and Gynecology, Professor		100	12	474,692	
To: Dean of Medicine Thomas N. and Gleaves T. James Distinguished Chair, Professor	7/1-8/31	100	12	474,692	
Internal Medicine					
2. Jerry C. Daniels					2022
From: Edna S. and William C. Levin Professorship in Internal Medicine, Professor (T)		100	12	281,173	
To: Professor Emeritus	4/12-8/31			0	
Professor					
3. Vincent G. Valentine (T)	6/1-8/31	100	12	275,000	2120

AMENDMENTS TO THE 2006-07 BUDGET (CONTINUED)

APPOINTMENTS AND PROMOTIONS (CONTINUED)

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
SCHOOL OF MEDICINE (Continued)					
Neuroscience and Cell Biology					
4. Claire E. Hulsebosch (T)					2101
From: Professor		100	12	158,000	
To: Claire E. Hulsebosch, Ph.D. Chair in Neurological Recovery, Professor	6/1-8/31	100	12	158,000	
Obstetrics and Gynecology					
5. Gary D. Hankins (T)					1978
From: Professor		100	12	399,000	
To: Chair, Jennie Sealy Smith Distinguished Chair in Obstetrics and Gynecology, Professor	3/1-8/31	100	12	540,000	
Otolaryngology					
6. Adrian A. Perachio					2020
From: Clinical Professor (T)		100	12	172,000	
To: Professor Emeritus	4/1-8/31			0	
Pathology, Microbiology and Immunology					
7. David Walker (T)					2021
From: Professor and Chair, Carmage and Martha Walls Distinguished Chair in Tropical Diseases		100	12	379,250	
To: Professor and Chair, Carmage and Martha Walls Distinguished University Chair in Tropical Diseases	3/1-8/31	100	12	415,000	

AMENDMENTS TO THE 2006-07 BUDGET (CONTINUED)

APPOINTMENTS AND PROMOTIONS (CONTINUED)

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
SCHOOL OF MEDICINE (Continued)					
Radiology					
John Sealy Distinguished Chair in Radiology					
Professor					
8. Gregory L. Katzman (T)	5/1-8/31	100	12	415,000	2053
Surgery					
9. Eduardo Orihuela (T)					2048
From: Clinical Professor		100	12	330,000	
To: Robert Earl Cone Professorship in Urology, Professor	4/1-8/31	100	12	330,000	
10. Michael M. Warren (T)					2079
From: Robert Earl Cone Professorship in Urology, Professor		100	12	292,000	
To: Robert Earl Cone Professorship in Urology, Ashbel Smith Professor	6/1-8/31	100	12	292,000	
11. Michael Warren (T)					2124
From: Robert Earl Cone Professorship in Urology, Ashbel Smith Professor		100	12	292,000	
To: Ashbel Smith Professor	3/13-8/31	100	12	292,000	

AMENDMENTS TO THE 2006-07 BUDGET (CONTINUED)

APPOINTMENTS AND PROMOTIONS (CONTINUED)

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
SCHOOL OF MEDICINE (Continued) Microbiology and Immunology GRADUATE SCHOOL BIOMEDICAL SCIENCES Office of the Dean					
12. Dorian Coppenhaver (T)					2049
From: Associate Professor, Associate Dean for Student Affairs, Associate Director of Basic Biomedical Sciences Curriculum		100	12	109,066	
To: Associate Professor, Senior Associate Dean for Student Affairs, Associate Director of Basic Biomedical Sciences Curriculum	5/1-8/31	100	12	122,154	

OTHER FISCAL ITEMS

EMPLOYMENT AGREEMENTS

The following agreement has been awarded, has been approved by the Chancellor, and is recommended for approval by the U. T. System Board of Regents. Such employment under this agreement is subject to the Regents' *Rules and Regulations*, Series 10501 and 20201 and *Texas Education Code*, Section 51.948.

1. Item: President
Funds: \$609,325 annually (plus \$150,000 deferred compensation)
Period: Beginning September 1, 2007
Description: Agreement for employment of David L. Callender, M.D. as President of The University of Texas Medical Branch at Galveston. The President reports to the Chancellor and the Executive Vice Chancellor for Health Affairs and shall hold office without fixed term subject to the pleasure of the Chancellor. In addition to base salary and deferred compensation, Dr. Callender will receive a supplement from practice plan funds of \$165,675 contingent on availability of funds. U. T. Medical Branch - Galveston will reimburse club and professional memberships as approved by the Executive Vice Chancellor for Health Affairs, continuing education expenses, and reasonable travel expenses. Additionally, U. T. Medical Branch - Galveston will make direct payment for the actual costs of reasonable expenses related to moving household, personal, and professional possessions. The Chancellor has proposed a tenure appointment, without salary, for Dr. Callender in the Department of Otolaryngology at U. T. Medical Branch - Galveston.

NEW TENURE APPOINTMENTS AND PROMOTIONS WITHIN TENURE RANKS

The following personnel actions involving new tenure appointments and promotion within tenure ranks have been administratively approved by the Executive Vice Chancellor for Health Affairs. The personnel actions have been included in the 2008 Annual Operating Budget of each institution and are consistent with the *Regents' Rules and Regulations*, Series 31007.

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>
School of Allied Health		
Physical Therapy Carolyn Utsey	Assistant Professor (T)	Associate Professor (T)
School of Allied Health Admissions Student Affairs Jeffery Baker	Associate Professor (T)	Professor (T)
School of Medicine		
Biochemistry and Molecular Biology Naseem H. Ansari	Professor (NT)	Professor (T)
Andres F. Oberhauser	Associate Professor (NT)	Associate Professor (T)
Internal Medicine Michael A. Ainsworth	Associate Professor (T)	Professor (T)
Victor J. Cardenas	Associate Professor (T)	Professor (T)
Ruth E. Levine	Professor (NT)	Professor (T)
Glen V. Ostir	Associate Professor (NT)	Associate Professor (T)
Melinda Sheffield-Moore	Associate Professor (NT)	Associate Professor (T)
Microbiology and Immunology Judith F. Aronson	Associate Professor (T)	Professor (T)
Robert A. Davey	Assistant Professor (NT)	Associate Professor (T)
Jere W. McBride	Assistant Professor (NT)	Associate Professor (T)

**NEW TENURE APPOINTMENTS AND PROMOTIONS WITHIN TENURE RANKS
(CONTINUED)**

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>
School of Medicine (Continued)		
Neuroscience and Cell Biology		
Robert A. Davey	Assistant Professor (NT)	Associate Professor (T)
Volker Neugebauer	Associate Professor (T)	Professor (T)
Andres F. Oberhauser	Associate Professor (NT)	Associate Professor (T)
Obstetrics and Gynecology		
Carmen Radecki Breitkopf	Assistant Professor (NT)	Associate Professor (T)
Radoslaw Bukowski	Associate Professor (NT)	Associate Professor (T)
Ophthalmology and Visual Sciences		
Naseem H. Ansari	Professor (NT)	Professor (T)
Fredericus Van Kuijk	Associate Professor (T)	Professor (T)
Pathology		
Judith F. Aronson	Associate Professor (T)	Professor (T)
Jere W. McBride	Assistant Professor (NT)	Associate Professor (T)
Pediatrics		
Judith L. Rowen	Associate Professor (NT)	Associate Professor (T)
Pharmacology and Toxicology		
Irina A. Pikuleva	Associate Professor (NT)	Associate Professor (T)
Preventive Medicine and Community Health		
Sherif Abdel-Rahman	Associate Professor (NT)	Associate Professor (T)
James J. Grady	Associate Professor (T)	Professor (T)
Psychiatry and Behavioral Sciences		
Ruth E. Levine	Professor (NT)	Professor (T)
Christopher R. Thomas	Professor (NT)	Professor (T)
Surgery		
Oscar E. Suman	Assistant Professor (NT)	Associate Professor (T)

**NEW TENURE APPOINTMENTS AND PROMOTIONS WITHIN TENURE RANKS
(CONTINUED)**

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>
School of Nursing		
Baccalaureate Program		
Kay Sandor	Associate Professor (NT)	Associate Professor (T)
Master's Program		
Linda Rounds	Associate Professor (T)	Professor (T)
Nursing Ph.D. Program		
Elnora Mendias	Associate Professor (NT)	Associate Professor (T)

SMALL CLASS REPORT, FALL 2006 AND SPRING 2007

Pursuant to Section 51.403 of the *Texas Education Code* and Section 5.26 of the Texas Higher Education Coordinating Board *Rules*, a report for the record regarding the teaching of small classes has been filed with the U. T. System Board of Regents and the Texas Higher Education Coordinating Board. The institution has reviewed the data in this report and, as appropriate, made administrative changes to ensure that teaching such small classes continues to be justified. The detailed listing of small classes is available in The University of Texas System Office of Health Affairs and is summarized as follows:

Organized Undergraduate Classes with Fewer than 10 Enrolled Students

Primary Reasons for Teaching	Fall	Spring	Total	Prior Year Total
a. Required for graduation	0	0	0	17
b. To keep proper sequence	15	11	26	11
c. New program	0	0	0	0
d. Cross listed	0	0	0	2
e. First time offered	0	1	1	0
f. Accreditation or licensing standard	0	0	0	0
g. Limited facilities	0	0	0	0
Subtotal	15	12	27	30
h. Voluntarily offered	3	0	3	2
Total	18	12	30	32

SMALL CLASS REPORT, FALL 2006 AND SPRING 2007 (CONTINUED)

**Organized Graduate Classes with
Fewer than 5 Enrolled Students**

<u>Primary Reasons for Teaching</u>	<u>Fall</u>	<u>Spring</u>	<u>Total</u>	<u>Prior Year Total</u>
a. Required for graduation	6	2	8	50
b. To keep proper sequence	13	19	32	19
c. New program	0	0	0	0
d. Cross listed	0	0	0	1
e. First time offered	2	0	2	6
f. Accreditation or licensing standard	0	0	0	0
g. Limited facilities	0	0	0	1
Subtotal	21	21	42	77
h. Voluntarily offered	0	0	0	11
Total	21	21	42	88

U. T. HEALTH SCIENCE CENTER - HOUSTON

GIFTS

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

1. Donor Name: The Cullen Trust for Higher Education
College/School/ Department: Institution
Purpose: Support the Cullen Trust for Higher Education
Physician/Scientist Fellowship Program
Asset Type: Cash
Value: \$223,000 in 2007 plus four future pledge payments of \$223,000 to be paid in 2008 through 2011, for a total of \$1,115,000

2. Donor Name: ExxonMobil Foundation
College/School/ Department: School of Public Health
Purpose: Support the Translation and Dissemination Program
Asset Type: Cash
Value: \$460,000 in 2007 plus four future pledge payments of \$460,000 to be paid in 2008 through 2011, for a total of \$2,300,000

AMENDMENTS TO THE 2006-07 BUDGET

APPOINTMENTS AND PROMOTIONS

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

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
MEDICAL SCHOOL					
Lyndon B. Johnson Chief of Staff Associate Dean for Harris County Programs and Chief of Staff of Lyndon B. Johnson General Hospital and Internal Medicine, Pulmonary Professor					
1. Steven D. Brown (T)	3/20-8/31	100	12	200,100	2038
	3/20-8/31	SUPLT	12	59,880	
Surgery					
2. Richard J. Andrassy (T)					2104
From: Denton A Cooley, M.D. Chair in Surgery, Professor/Chairman Surgery, Associate Dean for Clinical Operations		100 SUPLT	12 12	261,656 153,415	
To: Professor, Associate Dean Clinical Affairs, Chair Surgery, Denton A. Cooley, M.D. Chair in Surgery and Jack H. Mayfield, M.D. Distinguished University Chair	7/1-8/31 7/1-8/31	100 SUPLT	12 12	261,656 153,415	

NEW TENURE APPOINTMENTS AND PROMOTIONS WITHIN TENURE RANKS

The following personnel actions involving new tenure appointments and promotion within tenure ranks have been administratively approved by the Executive Vice Chancellor for Health Affairs. The personnel actions have been included in the 2008 Annual Operating Budget of each institution and are consistent with the Regents' *Rules and Regulations*, Series 31007.

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>
Dental Branch		
Diagnostic Sciences		
Nadarajah Vigneswaran	Associate Professor (T)	Professor (T)
School of Public Health		
Epidemiology and Disease Control		
R. Sue Day	Associate Professor (NT)	Associate Professor (T)
Lu-Yu-Hwang	Associate Professor (T)	Professor (T)
Health Promotion and Behavioral Sciences		
Benjamin C. Amick	Associate Professor (T)	Professor (T)
Deanna M. Hoelscher	Associate Professor (T)	Professor (T)
Cheryl L. Perry	Professor (NT)	Professor (T)
Susan R. Tortolero	Assistant Professor (NT)	Associate Professor (T)
Management, Policy, and Community Health		
Stephen H. Linder	Associate Professor (T)	Professor (T)
Medical School		
Biochemistry and Molecular Biology		
Cheng Chi Lee	Associate Professor (NT)	Professor (T)
Pawel A. Penczek	Associate Professor (T)	Professor (T)
Cardiothoracic and Vascular Surgery		
Anthony L. Estrera	Assistant Professor (NT)	Associate Professor (T)
Integrative Biology and Pharmacology		
Jeffrey A. Frost	Assistant Professor (NT)	Associate Professor (T)

**NEW TENURE APPOINTMENTS AND PROMOTIONS WITHIN TENURE RANKS
(CONTINUED)**

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>
Medical School (Continued)		
Internal Medicine		
Roberto C. Arduino	Associate Professor (T)	Professor (T)
Marilyn S. Edwards	Associate Professor (T)	Professor (T)
Philip R. Orlander	Professor (NT)	Professor (T)
C. Thomas Caskey	Professor (NT)	Professor (T)
Carmel B. Dyer	Professor (NT)	Professor (T)
Mauro Ferrari	Professor (NT)	Professor (T)
Ali J. Marian	Professor (NT)	Professor (T)
David D. McPherson	Professor (NT)	Professor (T)
Microbiology and Molecular Genetics		
Peter J. Christie	Associate Professor (T)	Professor (T)
Kevin A. Morano	Assistant Professor (NT)	Associate Professor (T)
Pathology and Laboratory Medicine		
Diane L. M. Hickson-Bick	Associate Professor (NT)	Associate Professor (T)
Pediatrics		
Michael C. Braun	Assistant Professor (NT)	Associate Professor (T)
Joshua I. Breier	Associate Professor (T)	Professor (T)
Surgery		
George V. Letsou	Associate Professor (NT)	Professor (T)

OTHER MATTERS

APPROVAL OF DUAL POSITIONS OF HONOR, TRUST, OR PROFIT

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

- | | |
|---------------|---|
| Name: | Margaret McNeese, M.D. |
| Title: | Associate Dean of Admissions and Student Affairs at the Medical School |
| Position: | Reappointed to the Texas Medical Board |
| Period: | April 17, 2007 through April 13, 2013 |
| Compensation: | None; all travel expenses are paid |
| Description: | Governor Perry reappointed Dr. McNeese to serve on the Texas Medical Board, which is charged with protecting and enhancing the public's health, safety, and welfare. The Board establishes and maintains standards of excellence used in regulating the practice of medicine and ensures quality health care for the citizens of Texas. |

SMALL CLASS REPORT, FALL 2006 AND SPRING 2007

Pursuant to Section 51.403 of the *Texas Education Code* and Section 5.26 of the Texas Higher Education Coordinating Board *Rules*, a report for the record regarding the teaching of small classes has been filed with the U. T. System Board of Regents and the Texas Higher Education Coordinating Board. The institution has reviewed the data in this report and, as appropriate, made administrative changes to ensure that teaching such small classes continues to be justified. The detailed listing of small classes is available in The University of Texas System Office of Health Affairs and is summarized as follows:

Organized Undergraduate Classes with Fewer than 10 Enrolled Students

Primary Reasons for Teaching	Fall	Spring	Total	Prior Year Total
a. Required for graduation	2	2	4	2
b. To keep proper sequence	2	0	2	1
c. New program	0	0	0	0
d. Cross listed	0	0	0	0
e. First time offered	0	0	0	0
f. Accreditation or licensing standard	0	0	0	0
g. Limited facilities	3	0	3	8
Subtotal	7	2	9	11
h. Voluntarily offered	1	0	1	9
Total	8	2	10	20

SMALL CLASS REPORT, FALL 2006 AND SPRING 2007 (CONTINUED)

**Organized Graduate Classes with
Fewer than 5 Enrolled Students**

<u>Primary Reasons for Teaching</u>	<u>Fall</u>	<u>Spring</u>	<u>Total</u>	<u>Prior Year Total</u>
a. Required for graduation	19	26	45	37
b. To keep proper sequence	32	32	64	67
c. New program	5	7	12	3
d. Cross listed	18	26	44	30
e. First time offered	0	5	5	8
f. Accreditation or licensing standard	0	0	0	0
g. Limited facilities	0	0	0	1
Subtotal	74	96	170	146
h. Voluntarily offered	5	7	12	20
Total	79	103	182	166

U. T. HEALTH SCIENCE CENTER – SAN ANTONIO

AMENDMENTS TO THE 2006-07 BUDGET

APPOINTMENTS AND PROMOTIONS

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

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
SCHOOL OF MEDICINE					
Epidemiology and Biostatistics					
1. Amelie G. Ramirez (T)					2047
From: Assistant Professor		100	12	300,000	
To: Professor and Director of the Institute for Health Promotion Promotion Research	10/1-8/31	100	12	300,000	

NEW TENURE APPOINTMENTS AND PROMOTIONS WITHIN TENURE RANKS

The following personnel actions involving new tenure appointments and promotion within tenure ranks have been administratively approved by the Executive Vice Chancellor for Health Affairs. The personnel actions have been included in the 2008 Annual Operating Budget of each institution and are consistent with the Regents' *Rules and Regulations*, Series 31007.

<u>School, Department, and Name</u>	<u>From</u>	<u>To</u>
Medical School		
Epidemiology and Biostatistics Joel E. Michalek	Professor (NT)	Professor (T)
Family and Community Medicine Cynthia L. Alford	Assistant Professor (NT)	Associate Professor (T)
Medicine Sandra G. Adams	Assistant Professor (NT)	Associate Professor (T)
David W. Essex	Associate Professor (NT)	Associate Professor (T)
Marc D. Feldman	Associate Professor (T)	Professor (T)
Goutam Ghosh-Choudhury	Associate Professor (T)	Professor (T)
Dean L. Kellogg, Jr.	Associate Professor (T)	Professor (T)
Obstetrics and Gynecology Donald J. Dudley	Professor (NT)	Professor (T)
Elly Marie-Jeanne Xenakis	Associate Professor (T)	Professor (T)
Ophthalmology Steven Chalfin	Associate Professor (T)	Professor (T)
Pediatrics Mazen Y. Arar	Associate Professor (T)	Professor (T)
Shou-Jiang Gao	Associate Professor (T)	Professor (T)
Radiology Pamela M. Otto	Associate Professor (T)	Professor (T)
Rehabilitation Medicine Donald M. Currie	Associate Professor (T)	Professor (T)

**NEW TENURE APPOINTMENTS AND PROMOTIONS WITHIN TENURE RANKS
(CONTINUED)**

<u>School, Department, and Name</u>	<u>From</u>	<u>To</u>
Dental School		
Community Dentistry Bennett T. Amaechi	Assistant Professor (NT)	Associate Professor (T)
General Dentistry William F. Rose, Jr.	Assistant Professor (NT)	Associate Professor (T)
Pediatric Dentistry Timothy B. Henson	Assistant Professor (NT)	Associate Professor (T)
Prosthodontics Lisa A. Lang	Associate Professor (NT)	Associate Professor (T)
Restorative Dentistry Barry K. Norling Johnie D. Overton	Associate Professor (T) Assistant Professor (NT)	Professor (T) Associate Professor (T)
Graduate School of Biomedical Sciences		
Biochemistry Martin L. Adamo Andrew Peterson Hinck Jean X. Jiang	Associate Professor (T) Associate Professor (T) Associate Professor (T)	Professor (T) Professor (T) Professor (T)
Cellular and Structural Biology Lily Q. Dong Pamela L. Larson Holly Vanremmen Linda Y. Johnson	Assistant Professor (NT) Associate Professor (NT) Assistant Professor (NT) Associate Professor (T)	Associate Professor (T) Associate Professor (T) Associate Professor (T) Professor (T)
Molecular Medicine Sang Eun Lee	Assistant Professor (NT)	Associate Professor (T)
Pharmacology J. Thomas Cunningham	Associate Professor (NT)	Associate Professor (T)

**NEW TENURE APPOINTMENTS AND PROMOTIONS WITHIN TENURE RANKS
(CONTINUED)**

<u>School, Department, and Name</u>	<u>From</u>	<u>To</u>
School of Allied Health		
Physical Therapy Ann Hamilton Newstead	Assistant Professor (NT)	Associate Professor (T)
Nursing School		
Family Nursing Care Jane Dimmitt Champion	Associate Professor (T)	Professor (T)

SMALL CLASS REPORT, FALL 2006 AND SPRING 2007

Pursuant to Section 51.403 of the *Texas Education Code* and Section 5.26 of the Texas Higher Education Coordinating Board *Rules*, a report for the record regarding the teaching of small classes has been filed with the U. T. System Board of Regents and the Texas Higher Education Coordinating Board. The institution has reviewed the data in this report and, as appropriate, made administrative changes to ensure that teaching such small classes continues to be justified. The detailed listing of small classes is available in The University of Texas System Office of Health Affairs and is summarized as follows:

Organized Undergraduate Classes with Fewer than 10 Enrolled Students

Primary Reasons for Teaching	Fall	Spring	Total	Prior Year Total
a. Required for graduation	4	0	4	8
b. To keep proper sequence	20	22	42	30
c. New program	0	0	0	2
d. Cross listed	0	0	0	6
e. First time offered	0	0	0	0
f. Accreditation or licensing standard	0	0	0	0
g. Limited facilities	6	7	13	21
Subtotal	30	29	59	67
h. Voluntarily offered	13	17	30	10
Total	43	46	89	77

SMALL CLASS REPORT, FALL 2006 AND SPRING 2007 (CONTINUED)

**Organized Graduate Classes with
Fewer than 5 Enrolled Students**

<u>Primary Reasons for Teaching</u>	<u>Fall</u>	<u>Spring</u>	<u>Total</u>	<u>Prior Year Total</u>
a. Required for graduation	8	17	25	21
b. To keep proper sequence	9	14	23	26
c. New program	0	0	0	5
d. Cross listed	6	0	6	5
e. First time offered	3	2	5	0
f. Accreditation or licensing standard	1	0	1	0
g. Limited facilities	0	3	3	17
Subtotal	27	36	63	74
h. Voluntarily offered	3	11	14	14
Total	30	47	77	88

OTHER MATTERS

ADOPTION OF LOGO AND TAG LINE

The following proposed logo and tag line has been approved by the Chancellor, the Executive Vice Chancellor for Health Affairs and reviewed by the Office of Trademark Licensing and is submitted for approval by the U. T. System Board of Regents in accordance with Regent's *Rules and Regulations*, Series 40801. The logo will be used conditioned upon completion of the trademark review and final approval of the Office of Trademark Licensing.

The proposed Pantone Matching System colors are: 343 Green, 321 Teal, 272 Purple,



87 Blue, and 166 Orange.

For the first time in its history, The University of Texas Health Science Center at San Antonio has undertaken a branding initiative and proposes its first official logo and tag line. Prior to this effort, the singular visual mark for the U. T. Health Science Center - San Antonio has been its seal.

The proposed logo above represents a combination of the practical and the symbolic, inspired by the complexity of the organization, while honoring the serious science that takes place on its campuses. It also represents the integration and combined strength of the five schools while providing each school its independent and identifying color association that reflects the shades of its academic regalia. This logo with tag line has been thoroughly vetted throughout the University and has received widespread support.

The visual voice is intended to evoke instant recognition of the scientific nature of the organization and the hexagons figuratively represent the most essential building blocks of life.

The typographical element includes emphasis on "UT" to fully capitalize on existing brand equity and the compression of characters allows for a more streamlined logo as "San Antonio" is placed below instead of further extending the logo in the horizontal plane. The exclusion of the words "The" and "at" further provide for the aesthetic improvement of the logo.

Certainly, the full name of the organization will continue to be used on legal, financial, and official documents; the logo only represents a change to the *graphic* treatment of the organization's name. Furthermore, there will remain certain instances when the use of the U. T. Health Science Center - San Antonio seal will continue to be most

appropriate, as on official documents, diplomas and certain publications representing the Office of the President, to highlight a few specific applications.

U. T. M. D. ANDERSON CANCER CENTER

CONTRACTS

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

GENERAL CONTRACTS

FUNDS GOING OUT

1. Agency: Fannin Medical, L.P.
Funds: Approximately \$33,595,931 in base rent plus proportionate share of operating expenses calculated on a 2007 base year.
Period: May 1, 2007 through December 31, 2014
Description: Amendment to the existing space lease agreement to extend the lease of certain currently leased premises and lease additional space for use as office space.
2. Agency: The Richards Group, Inc.
Funds: Amendments to initial agreement have increased the cap amount of the contract to \$10,923,786
Period: Amendments to the initial agreement have extended the term of the master agreement through August 31, 2007.
Description: Vendor will provide advertising and marketing services
3. Agency: Avanade, Inc.
Funds: Total payments will not exceed \$20,000,000 without prior written authorization. The cost of services is based on professional staff time.
Period: June 18, 2007 through June 17, 2009, with the option to renew for up to three additional 12 month periods.
Description: Vendor will provide specialized expertise and personnel to provide professional services for all U. T. M. D. Anderson Cancer Center information technology groups.

AMENDMENTS TO THE 2006-07 BUDGET

APPOINTMENTS AND PROMOTIONS

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

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
MEDICAL STAFF					
Diagnostic Radiology					
1. Reginald Munden (T)					1976
From: Professor		100	12	328,000	
To: Chair ad interim and Professor	2/1-8/31	100	12	360,000	
	2/1-8/31	SUPLT	12	12,000	
2. Marvin Chasen (T)					1977
From: Chair ad interim and Professor		100	12	367,600	
		SUPLT	12	12,000	
To: Professor	2/1-8/31	100	12	379,600	
Neurosurgery					
3. Franco DeMonte (T)					1988
From: Professor		100	12	440,010	
		SUPLT	12	22,000	
To: Professor and Mary Beth Pawelek Chair in Neurosurgery	3/1-8/31	100	12	444,452	
	3/1-8/31	SUPLT	12	60,000	

AMENDMENTS TO THE 2006-07 BUDGET (CONTINUED)

APPOINTMENTS AND PROMOTIONS (CONTINUED)

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
MEDICAL STAFF (Continued)					
Pathology					
4. Bogdan A. Czerniak (T)					1989
From: Professor		100	12	300,000	
To: Professor and Nathan W. Lassiter Distinguished Chair in Urology	3/1-8/31	100	12	306,000	
RESEARCH					
Provost and Executive Vice President Provost, Executive Vice President for Academic Affairs, and Professor					
5. Raymond DuBois (T)	6/1-8/31	100	12	550,000	2023
6. Margaret L. Kripke (T)					2098
From: Executive Vice President, Chief Academic Officer, and Professor		100	12	462,700	
To: Special Advisor to the Provost and Professor	6/1-8/31	100	12	462,700	
Immunology Professor					
7. Shao-Cong Sun (T)	7/1-8/31	100	12	190,000	2091

NEW TENURE APPOINTMENTS AND PROMOTIONS WITHIN TENURE RANKS

The following personnel actions involving new tenure appointments and promotion within tenure ranks have been administratively approved by the Executive Vice Chancellor for Health Affairs. The personnel actions have been included in the 2008 Annual Operating Budget of each institution and are consistent with the Regents' *Rules and Regulations*, Series 31007.

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>
Anesthesiology and Pain Medicine		
Patrick M. Dougherty	Associate Professor (T)	Professor (T)
Behavioral Science		
Janice Blalock	Assistant Professor (NT)	Associate Professor (T)
Karen M. Basen-Engquist	Associate Professor (T)	Professor (T)
Lorenzo Cohen	Associate Professor (T)	Professor (T)
Biochemistry and Molecular Biology		
Maria Schumacher	Assistant Professor (NT)	Associate Professor (T)
Cancer Biology		
Zhengxin Wang	Assistant Professor (NT)	Associate Professor (T)
Cancer Genetics		
Sandy Chang	Assistant Professor (NT)	Associate Professor (T)
Carcinogenesis		
Xuetong Shen	Assistant Professor (NT)	Associate Professor (T)
Diagnostic Radiology		
Chaan Soong Ng	Associate Professor (NT)	Associate Professor (T)
David Madoff	Assistant Professor (NT)	Associate Professor (T)
Vikas Kundra	Assistant Professor (NT)	Associate Professor (T)
Epidemiology		
Randa El-Zein	Assistant Professor (NT)	Associate Professor (T)
Experimental Diagnostic Imaging		
David J. Yang	Associate Professor (T)	Professor (T)

**NEW TENURE APPOINTMENTS AND PROMOTIONS WITHIN TENURE RANKS
(CONTINUED)**

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>
Hematopathology		
Hesham Amin	Assistant Professor (NT)	Associate Professor (T)
Carlos E. Bueso-Ramos	Associate Professor (T)	Professor (T)
Imaging Physics		
Jingfei Ma	Associate Professor (NT)	Associate Professor (T)
Dianna Cody	Associate Professor (T)	Professor (T)
Leukemia		
Farhad Ravandi-Kashani	Assistant Professor (NT)	Associate Professor (T)
William G. Wierda	Assistant Professor (NT)	Associate Professor (T)
Srdan Verstovsek	Assistant Professor (NT)	Associate Professor (T)
Lymphoma/Myeloma		
Luis E. Fayad	Associate Professor (NT)	Associate Professor (T)
Molecular Pathology		
Jiale Dai	Assistant Professor (NT)	Associate Professor (T)
Peng Huang	Associate Professor (T)	Professor (T)
Neurosurgery		
Amy B. Heimberger	Assistant Professor (NT)	Associate Professor (T)
Jeffrey Weinberg	Assistant Professor (NT)	Associate Professor (T)
Suyun Huang	Assistant Professor (NT)	Associate Professor (T)
Nuclear Medicine		
Homer A. Macapinlac	Associate Professor (NT)	Professor (T)
Pathology		
Kenneth D. Aldape	Associate Professor (NT)	Professor (T)
Asif Rashid	Associate Professor (T)	Professor (T)
William F. Symmans	Associate Professor (T)	Professor (T)
Radiation Oncology		
David Rosenthal	Associate Professor (NT)	Professor (T)
Clifford K. S. Chao	Associate Professor (T)	Professor (T)
Stem Cell Transplantation		
Marcos Jose Garcia de Lima	Associate Professor (NT)	Associate Professor (T)
Steven M. Kornblau	Associate Professor (T)	Professor (T)

**NEW TENURE APPOINTMENTS AND PROMOTIONS WITHIN TENURE RANKS
(CONTINUED)**

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>
Surgical Oncology		
Miguel A. Rodriguez-Bigas	Professor (NT)	Professor (T)
Janice Nicole Cormier	Assistant Professor (NT)	Associate Professor (T)
Gildy Babiera	Assistant Professor (NT)	Associate Professor (T)
Henry Mark Kuerer	Associate Professor (T)	Professor (T)
Paul J. Chiao	Associate Professor (T)	Professor (T)
Jeffery E. Gershenwald	Associate Professor (T)	Professor (T)
Symptom Research		
Karen O. Anderson	Assistant Professor (NT)	Associate Professor (T)
Systems Biology		
Honami Naora	Assistant Professor (NT)	Associate Professor (T)
Thoracic Head and Neck Medical Oncology		
Ho-Young Lee	Associate Professor (NT)	Associate Professor (T)
Urology		
Surena Matin	Assistant Professor (NT)	Associate Professor (T)

SMALL CLASS REPORT, FALL 2006 AND SPRING 2007

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Organized Undergraduate Classes with Fewer than 10 Enrolled Students

Primary Reasons for Teaching	Fall	Spring	Total	Prior Year Total
a. Required for graduation	17	21	38	41
b. To keep proper sequence	0	0	0	51
c. New program	0	0	0	0
d. Cross listed	0	0	0	0
e. First time offered	0	0	0	0
f. Accreditation or licensing standard	0	0	0	0
g. Limited facilities	0	0	0	0
Subtotal	17	21	38	92
h. Voluntarily offered	0	0	0	0
Total	17	21	38	92