

Meeting No. 1,151

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

Pages 1 – 263

August 24 - 25, 2016

Austin, Texas

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OF
THE UNIVERSITY OF TEXAS SYSTEM
AUGUST 24-25, 2016
AUSTIN, TEXAS

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MEETING NO. 1,151

WEDNESDAY, AUGUST 24, 2016.--The members of the Board of Regents of The University of Texas System convened in Standing Committee meetings on Wednesday, August 24, 2016, from 9:00 a.m. - 11:36 a.m. in the Board Room, Ninth Floor, Ashbel Smith Hall, 201 West Seventh Street, Austin, Texas, with participation as more specifically referenced in the Committee Minutes.

CONVENE THE BOARD IN OPEN SESSION.--At 11:37 a.m., in accordance with a notice being duly posted with the Secretary of State and there being a quorum present, Chairman Foster called the meeting of the Board to order in Open Session with the following participation:

ATTENDANCE.--

Present

Chairman Foster
Vice Chairman Hicks
Vice Chairman Hildebrand
Regent Aliseda
Regent Beck
Regent Cranberg
Regent Hall
Regent Pejovich
Regent Tucker
Regent Joseph, Student Regent, nonvoting

RECESS TO EXECUTIVE SESSION.--At 11:38 a.m., the Board recessed to Executive Session pursuant to *Texas Government Code* Section 551.074 to consider the matter listed on the Executive Session agenda.

RECONVENE IN OPEN SESSION.--The Board reconvened in Open Session at 1:40 p.m. Chairman Foster stated that no action was taken on this item discussed in Executive Session.

U. T. System: Discussion and appropriate action regarding individual personnel matters relating to assignment and duties of the Chancellor and individual U. T. System employees, including responsibilities associated with planning and implementation of strategic vision (Regents' Rules and Regulations, Rule 20101)

RECESS TO COMMITTEE MEETINGS.--The Board recessed for Standing Committee meetings from 1:41 p.m. - 3:28 p.m. with participation as more specifically referenced in the Committee Minutes.

RECONVENE THE BOARD IN OPEN SESSION TO CONSIDER AGENDA ITEMS.--At 3:35 p.m., Chairman Foster reconvened the meeting of the Board in Open Session with the following participation:

ATTENDANCE.--

Present

Chairman Foster
Vice Chairman Hildebrand
Regent Aliseda
Regent Beck
Regent Cranberg
Regent Pejovich
Regent Tucker
Regent Joseph, Student Regent, nonvoting

Absent

Vice Chairman Hicks
Regent Hall

AGENDA ITEMS

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

The University of Texas System Faculty Advisory Council met with the Board to discuss accomplishments of the Council and plans for the future. Council members who attended were:

Chair: Catherine Ross, Ph.D., The University of Texas at Tyler

Academic Affairs and Faculty Quality Committee: Jill Hernandez, Ph.D., The University of Texas at San Antonio

Governance Committee: Dan Cavanagh, M.M., The University of Texas at Arlington

Health Affairs Committee: Ann Killary, Ph.D., The University of Texas M. D. Anderson Cancer Center

Chair-Elect: Jonathan Cheng, M.D., The University of Texas Southwestern Medical Center

Dr. Ross reported on initiatives for the Council for the next year in the areas of shared governance, academic affairs and faculty quality, and health affairs.

Regent Beck asked about the high attrition in academic medicine, and Dr. Killary explained that national data indicates faculty workload, feeling that work is not valued, bureaucracy, and work/life balance are contributing factors. Dr. Cheng pointed out that the numbers refer primarily to clinicians who may have an alternative to work in private practice.

Chancellor McRaven commented that the health presidents are concerned about the pressures on faculty, particularly clinicians and other doctors, and that issues will need to be addressed across the U. T. System to retain faculty and to ensure their well-being. Regent Beck suggested that, if faculty's work is undervalued, steps need to be taken to appreciate the work. Dr. Ross commented on the importance of balance between clinical and research work, as sometimes clinical work is overvalued and a faculty member may be pulled from conducting research.

Chancellor McRaven commented on the engagement of, and ongoing and valuable dialog with, the U. T. System Student, Faculty, and Employee Advisory Councils.

2. U. T. System Board of Regents: Recognition of academic and health institution recipients of the 2016 Regents' Outstanding Teaching Awards

Chairman Foster recognized recipients of the 2016 Regents' Outstanding Teaching Awards, using the following remarks. A short video presentation was shown at the meeting and is on file in the Office of the Board of Regents.

Remarks by Chairman Foster

I would like to take a few moments to point out that tonight we will be recognizing the recipients of this year's Regents' Outstanding Teachers Awards.

These educators, from every one of the U. T. System institutions, were vetted rigorously by their peers, by students, and by the U. T. presidents before advancing to competition at the System level. They were then evaluated by a review panel on a range of activities and criteria, including classroom expertise, quality of curricula, innovative course development, and student learning outcomes.

The Regents' Outstanding Teaching Award is the most prestigious teaching prize in the U. T. System, and in addition to that recognition, each winner receives \$25,000 in cash.

Having distributed nearly \$17 million to outstanding educators since 2009, this is among the largest teaching awards programs in the country – underscoring the importance the U. T. System places on great teaching.

We'll be congratulating the winners tonight, but it seems appropriate to publicly recognize them here as well -- and I should also thank and congratulate the Board for understanding that rewarding great teachers is less an act of generosity than a wise investment in our state's future.

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

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

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

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

Among the academic institutions, awards are made according to faculty level, with no more than 30 awards for tenured faculty, tenure-track faculty, and contingent faculty (including adjuncts, lecturers, and instructional assistants). Across the health institutions, no more than 30 awards are made annually.

RECESS.--At 4:05 p.m., the Board recessed to reconvene on August 25, 2016.

THURSDAY, AUGUST 25, 2016.--The members of the Board of Regents of The University of Texas System reconvened at 8:32 a.m. on Thursday, August 25, 2016, in the Board Room, Ninth Floor, Ashbel Smith Hall, 201 West Seventh Street, Austin, Texas, with the following participation:

ATTENDANCE.--

Present

Chairman Foster
Vice Chairman Hicks
Vice Chairman Hildebrand
Regent Aliseda
Regent Beck
Regent Cranberg
Regent Hall
Regent Pejovich
Regent Tucker
Regent Joseph, Student Regent, nonvoting

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

Chairman Foster welcomed Dr. Richard C. Benson, President of The University of Texas at Dallas, to his first Board meeting. [President Benson began his service as President of U. T. Dallas on July 15, 2016.]

Chairman Foster also congratulated students from The University of Texas at El Paso Department of Geological Sciences who recently took first place in the American Association of Petroleum Geologists Worldwide Imperial Barrel Competition in Canada. In addition, Chairman Foster noted the ranking by *U.S. News & World Report* of The University of Texas M. D. Anderson Cancer Center as the Number 1 hospital in the nation for cancer care.

AGENDA ITEMS (continued)

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

Chairman Foster noted the following related to the Consent Agenda:

- Item 2 has been deferred.
- The results of the Group Purchasing Organization Accreditation Program are at Item 5 [The University of Texas System].

- Item 19 is a report on Post-Tenure Review at the academic institutions for Fiscal Year 2015, and the report for the health institutions is at Item 49.
- Items 24 through 27 concern a lease agreement and contracts for services related to the Dell Medical School [The University of Texas at Austin].
- Item 42 requests approval of changes to admission criteria for The University of Texas of the Permian Basin Master of Public Administration Leadership program.
- Item 48 proposes acquisition of approximately 117 acres of vacant land located across from The University of Texas at Tyler's main campus for future campus expansion.
- The University of Texas Health Science Center at San Antonio requests approval of a new brand logo at Item 73.

The Board then approved the Consent Agenda, which is set forth on Pages 180 - 263.

In approving the Consent Agenda, the Board expressly authorized that any contracts or other documents or instruments approved therein may be executed by the appropriate officials of the respective U. T. System institution involved.

4. U. T. System Board of Regents: Discussion and appropriate action concerning proposed amendments to Regents' *Rules and Regulations*, Rule 20201 (Presidents), Section 4.9, regarding duties and responsibilities associated with institutional *Handbooks of Operating Procedures*

The Board amended the Regents' *Rules and Regulations*, Rule 20201 (Presidents), Section 4.9, regarding duties and responsibilities associated with institutional *Handbooks of Operating Procedures*, to read as set forth on Page 8.

Section 4.9 of Regents' Rule 20201 requires institutional rules and regulations included in the *Handbooks of Operating Procedures* to be approved by the appropriate Executive Vice Chancellor and the Vice Chancellor and General Counsel. This resulted in University of Texas System review of approximately 500 institutional rules and regulations each year. The Office of General Counsel advised that the reviews rarely added value to the work already done at the U. T. System institutions and resulted in delays and redundancy.

To promote efficiency and better service to the institutions, the revised Regents' Rule delegates the review and approval of institutional rules and regulations to the institutional president and chief legal officer or the Vice Chancellor and General

Counsel. Consistent with this authorization, the Chancellor, the Deputy Chancellor, and the Executive Vice Chancellors may require review of any specific policies by the Vice Chancellor and General Counsel.

This Agenda Item was reviewed by the U. T. System institutional presidents and representatives of the Student Advisory Council, the Faculty Advisory Council, and the Employee Advisory Council.

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

Rule: 20201

1. Title

Presidents

2. Rule and Regulation

...

Sec. 4 Duties and Responsibilities. Within the policies and regulations of the Board of Regents and under the supervision and direction of the Chancellor, the Deputy Chancellor, and 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 Develop and administer 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 the 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 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.
- (b) Sections of the *Handbook of Operating Procedures* that pertain to the areas of faculty responsibility as defined in Regents' *Rules and Regulations*, Rule 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 of these sections by the faculty governance body before such sections are finalized. The formal review should occur within 60 days or less.
- (c) All rules and regulations or amendments in the *Handbook of Operating Procedures* must be approved by the president and by the institution's chief legal officer or the Vice Chancellor and General Counsel.

5. U. T. System Board of Regents: Discussion and appropriate action regarding proposed deletion of Regents' *Rules and Regulations*, Rule 40602 (Organized Research Units)

The Board approved deletion of Regents' *Rules and Regulations*, Rule 40602 (Organized Research Units) as set out on the following pages for the record.

Organized Research Units (ORUs) are established at the institutional level to provide support for interdisciplinary research that complements the academic goals of departments of instruction and research. ORUs are typically referred to as institutes, laboratories, or centers.

Regents' Rule 40602 contained detailed requirements for the establishment and review of ORUs at all University of Texas System institutions. The Rule was adopted by the Board in 2006 to address a concern about the increasing number of administrative units and the lack of a clear-cut review process to assure that continued operation of each ORU was still aligned with institutional missions and priorities. Subsequently, a review process was implemented and worked well. Rule 40602 was recommended for deletion as part of an ongoing effort to identify unnecessary review and approval activity at U. T. System Administration. The role of System Administration will focus instead on assisting the institutions and serving as a resource when establishment of a new ORU is proposed.

This Agenda Item was reviewed by the U. T. System institutional presidents and representatives of the Student Advisory Council, Faculty Advisory Council, and the Employee Advisory Council.

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

Rule: 40602

1. Title

Organized Research Units

2. Rule and Regulation

Sec. 1 Functions of an Organized Research Unit. An Organized Research Unit (ORU) is established to provide support for interdisciplinary research that complements the academic goals of departments of instruction and research. These units are typically referenced as institutes, laboratories, or centers. The functions of an ORU are to

- 1.1 Facilitate research and research collaborations;
- 1.2 Disseminate research results through conferences, meetings, and other activities;
- 1.3 Strengthen graduate and undergraduate education by providing students with training opportunities and access to facilities;
- 1.4 Seek extramural research funds; and
- 1.5 Carry out university and public service programs related to the ORU's research expertise.

Sec. 2 Designation of ORUs. Units included as organized research units normally carry one of the designations listed and defined below. Institute, Laboratory, and Center are the most commonly used designations.

- 2.1 Institute. A major unit that coordinates and promotes faculty and student research on a continuing basis over an area so wide that it extends across department, school or college, or campus boundaries. The unit enhances and supports broad-based research efforts. The unit may also engage in public service activities stemming from its research program, within the limits of its stated objectives.
- 2.2 Laboratory. A non-departmental organization that establishes and maintains facilities for research in several departments, sometimes with the help of full-time research staff appointed in accordance with institutional policy. A laboratory in which substantially all participating faculty members are from the same academic department is a departmental laboratory and not an ORU.
- 2.3 Center. A unit that furthers research in a designated field or a unit engaged primarily in providing research facilities for other units and departments. Centers with anticipated annual budgets of at least

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

Rule: 40602

\$3,000,000, representing the sum of research grants and contracts managed through the Center's operations as well as institutional and other funding, are in this category.

2.4 Non-ORU Center. The term Center may be used for research units not formally constituted as ORUs. Centers with an anticipated annual budget of less than \$3,000,000 may be constituted upon approval of the campus president or designee. The campus shall periodically review non-ORU centers and programs.

- Sec. 3 Procedure for Establishment of ORUs. An ORU is established upon submittal and approval of a proposal by the president and the Executive Vice Chancellor for Academic Affairs or the Executive Vice Chancellor for Health Affairs. The proposal should describe the purpose and benefits of the ORU to the institution, the faculty members and other participants, research and other activity plans, space requirements, and budget needs. If institutional space or funds are committed, confirmation of such commitments from the appropriate institutional representative should be included in the proposal.
- Sec. 4 Named ORU. Proposals to name an ORU for an individual or an entity must comply with the provisions of Regents' *Rules and Regulations*, Rule 80307 related to honorific and gift-related namings, and should be submitted to the appropriate Executive Vice Chancellor. The ORU naming will only be maintained as long as the ORU is active.
- Sec. 5 Advisory Committee or Council. Each ORU is headed by a director and will have an advisory committee/council that assists the director in setting the unit's goals and may assist by critically evaluating its effectiveness on a continuing basis. The creation of an advisory committee/council must be approved by the Board of Regents in accordance with Regents' *Rules and Regulations*, Rule 60302.
- Sec. 6 Procedures for Review. Periodic review of ORUs is necessary to ensure consistency with institutional goals and priorities and the institution's need to sustain a capacity to innovate. Each ORU should be reviewed at least every six years. An ad hoc committee shall be formed to assess the ORU's original goals and objectives, its present functioning, recent accomplishments, future plans, adequacy of space and budget allocations, and future prospects to contribute to the institution's vision and mission. The committee's report will be forwarded to the president, who, in consultation with others, will determine whether the ORU should continue,

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

Rule: 40602

be phased out, or be discontinued. The president shall forward the recommendation and ad hoc committee's report to the Executive Vice Chancellor for Academic Affairs or the Executive Vice Chancellor for Health Affairs.

Sec. 7 ORU Reviews and Approvals. The periodic reviews and the establishment of institutes, laboratories, and centers must be filed with the office of Academic Affairs or Health Affairs. Such office will maintain and make available to the Board of Regents an inventory of those organized research units throughout The University of Texas System.

3. Definitions

None

4. Relevant Federal and State Statutes

None

5. Relevant System Policies, Procedures, and Forms

Regents' *Rules and Regulations*, [Rule 60302](#) – Advisory Councils of an Institution

Regents' *Rules and Regulations*, [Rule 80307](#) – Naming Policy

6. Who Should Know

Administrators

7. System Administration Office(s) Responsible for Rule

Office of Academic Affairs

Office of Health Affairs

8. Dates Approved or Amended

May 11, 2006

9. Contact Information

Questions or comments regarding this Rule should be directed to:

- bor@utsystem.edu

6. U. T. System Board of Regents: Discussion and appropriate action regarding proposed amendment to Regents' *Rules and Regulations*, Rule 50203 (Participation in Student Government), Subsections 1.2 and 1.3, regarding adoption, amendment, or repeal of constitution or bylaws

The Board approved amendments to the Regents' *Rules and Regulations*, Rule 50203 (Participation in Student Government), Subsections 1.2 and 1.3, regarding adoption, amendment, or repeal of constitution or bylaws, to read as set forth below:

- 1.2 Approval of Changes. An amendment to the constitution or bylaws of a students' association may be adopted by an association, in accordance with its constitution and bylaws, but the change shall not become effective until transmitted to and approved by the chief student affairs officer and the president.
- 1.3 Amendment or Repeal of Provisions. The chief student affairs officer shall have the power, when in his or her judgment the interests of the institution require it, to amend or repeal any provision in the constitution or bylaws of the particular association, but such action shall not be effective until approved by the president.

Regents' Rule 50203 provides the authorization and jurisdiction for student government associations at University of Texas System institutions. Previously, any amendment to the governing rules of a student association had to be reviewed and approved by the appropriate Executive Vice Chancellor. This amendment simplifies the process at the institutional level while maintaining appropriate review.

This Agenda item was reviewed by the U. T. System institutional presidents and representatives of the Student Advisory Council, the Faculty Advisory Council, and the Employee Advisory Council.

7. U. T. System: Proposed revisions to 2012 Executive Performance Incentive Compensation Plan for Presidents and System Administration Executive Officers

Chancellor McRaven called on Deputy Chancellor Daniel for comments on the proposed changes to the Executive Performance Incentive Compensation Plan for Presidents and System Administration Executive Officers approved by the Board on August 23, 2012. Dr. Daniel explained that the revisions add flexibility to the establishment of criteria for specific individuals to target attainment of performance goals, calls for a single payment of incentive compensation rather than two, cleans up loose ends, leaves 15% of base salary at risk, and aligns compensation with attainment of key objectives and goals.

The Board then approved the revised Executive Performance Incentive Compensation Plan for University of Texas System Presidents and U. T. System Administrative Executive Officers as set forth on the following pages.



EXECUTIVE
PERFORMANCE
INCENTIVE
COMPENSATION PLAN

FOR
PRESIDENTS AND SYSTEM
ADMINISTRATION EXECUTIVE OFFICERS

EFFECTIVE: SEPTEMBER 1, 2016

EXECUTIVE PERFORMANCE INCENTIVE COMPENSATION PLAN
THE UNIVERSITY OF TEXAS SYSTEM
PRESIDENTS AND SYSTEM ADMINISTRATION EXECUTIVE OFFICERS

I. BACKGROUND

The Executive Performance Incentive Compensation Plan for The University of Texas System Presidents and UT System Administration Executive Officers (Incentive Plan) is designed to provide structure for the annual review and consideration of incentive reward that is based on predetermined performance goals.

The original Incentive Plan, dated September 1, 2012 is hereby amended effective September 1, 2016, and shall be as follows.

II. INCENTIVE PLAN OBJECTIVES

The Incentive Plan serves a number of objectives, as follows:

- Supports the strategic mission of The University of Texas System by setting performance objectives aligned with attainment in focus areas.
- Provides a mechanism to enhance The University of Texas System's ability to provide competitive pay levels to attract the highest quality Presidents and System Administration Executive Officers.
- Rewards and helps to retain high-performing Presidents and System Administration Executive Officers through the provision of incentive compensation.
- Focuses the attention and efforts of key executive on the issues that are most important to the mission of The University of Texas System by placing a significant fraction of the executive's compensation on attainment of specific goals.

III. THE PLAN DESIGN

Eligibility

The University of Texas Presidents and The University of Texas System Administration Executive Officers will be Participants in the Incentive Plan for a performance period if, and only if, he or she is both:

- ✓ employed by The University of Texas System in an employment position that is designated as an “Eligible Position,” (See Attachment A) and,
- ✓ selected by the Board of Regents as eligible to participate in the Incentive Plan.

Generally, employees who are newly hired or promoted into an Eligible Position on or before March 1 of a given year may participate on a prorated basis. The Board of Regents in its discretion may designate the employment position of a newly-hired or promoted employee as eligible to participate in the full Incentive Plan for any performance period or remainder of a performance period.

An employee will cease to be a Participant in the Incentive Plan on the earliest to occur of:

- the date such employee is no longer employed in an Eligible Position;
- the date of termination of the Incentive Plan;
- the date such employee commences a leave of absence;
- the date the Board of Regents designates that such employee’s employment position is not an Eligible Position; or
- any date designated by the Board of Regents as the date on which said employee is no longer a Participant.

Setting Performance Goals

Performance goals for the upcoming fiscal year will typically be finalized annually no later than August 31. Performance goals for newly eligible Participants will normally be finalized within 60 days of eligibility. The performance period for Participants will be from September 1 through August 31 of each fiscal year.

Performance goals will be established annually with final approval by the Chancellor or his or her designee. Each Participant may have both Systemwide goals and specific university or functional goals. Performance goals should be realistic, but aggressive, and should address the highest-level issues of greatest priority in advancing institutions and The University of Texas System.

Assessing goal attainment

Assessing attainment of performance goals will include holistic consideration of the degree to which an individual effectively executed their duties and addressed issues of greatest priority, and, as appropriate, may include either quantitative goals and/or qualitative goals. These assessments will be completed for the prior fiscal year, generally in October, in preparation for the Regents consideration at its November Board of Regents' meeting. Recommendations for each Participant's incentive award will typically be considered by the Board of Regents at their November meeting.

As a guide, three levels will be used to assess performance relative to establish performance goals:

1. **Threshold** means that an individual came close to meeting, but did not fully meet a goal.
2. **Target** means that an individual fully met a goal.
3. **Maximum** means that an individual significantly exceeded a goal.

Primary assessors of performance goal attainment will be the appropriate Executive Vice Chancellor for the Presidents, and the Chancellor (or his or her designee) for System Administration Executive Officers. The Chancellor will conduct a final review of the assessments and make recommendations to the Board of Regents.

Incentive Award Specifics

The University of Texas System will continue to target total direct compensation for key executives as per Regents' Rule 20203: Compensation for Key Executives.

The incentive award covered within this Incentive Plan is 15% of a Participant's base salary.

Award opportunity levels will be adjusted to reflect the Participant's success in attaining performance goals. Based upon meeting Threshold, Target or Maximum the awards will be provided as follows:

1. meeting **threshold** will earn the Participant 50% of the potential award;
2. meeting **target** will earn 100% of the potential award, and
3. significantly exceeding, **maximum**, the Participant will earn 150% of the potential award.

Of note, the Board of Regents has full discretion over the amount of the approved award and is not obligated to make any award.

Incentive Award Payments

Incentive awards will be considered annually following the performance period, and will normally be approved at the Board of Regents' November meeting and paid as soon as practical thereafter, in compliance with current Internal Revenue Service regulations.

Incentive award payments will be made in lump sum and may be deferred, subject to Internal Revenue Service limitations.

Calculation of prorated incentive awards, if applicable, will be based on the Participant's attainment of performance goals and the length of time a Participant was eligible to receive an incentive award during the performance period. Explanation of payment of incentive awards upon termination of employment follow.

All incentive awards will be subject to any deductions as noted:

1. for tax withholding required by federal, state, or local law at the time such tax and withholding is due (irrespective of whether such incentive award is deferred and not payable at such time), and
2. for any and all amounts owed by the Participant to The University of Texas System at the time of payment of the incentive award. The University of Texas System will not be obligated to advise an employee of the existence of the tax or the amount that The University of Texas System will be required to withhold.

Payment of Incentive Award upon Termination of Employment

Except as otherwise noted below, any Participant who ceases to be a Participant, either because of termination of employment with The University of Texas System (including a U. T. System institution), or for any other reason stated below, prior to the end of a performance period will not be eligible to receive payment of any incentive award for that or any subsequent performance periods.

If a Participant ceases to be a Participant in the Incentive Plan prior to the end of the performance period because he or she commences an approved leave of absence or retires, such Participant's incentive award for the current performance period, if any, will be calculated on a prorated basis from the first day of the performance period to the date coinciding with the date the Participant commences such leave of absence or retirement, and such individual will not be entitled to any incentive awards for any performance period thereafter (unless he or she again becomes a Participant as previously described)

If a Participant transitions from one Eligible Position to another during a fiscal year, and is in an Eligible Position for an entire performance period, the award will be calculated by prorating performance from the Eligible Positions.

The following chart outlines the treatment of the incentive award upon termination of a Participant's employment:

Termination reason	Forfeit	Prorated	Discretion of Board of Regents
Death		X	
Disability		X	
Retirement		X	
Quit	X		
Termination			X

Annual Due Dates

Annual Due Date	Action
July 15 Propose Goals for Upcoming Year Developed Using the Template Provided by Chancellor's Office	Proposed goals for upcoming fiscal year are developed by employee (plan participant) and submitted to the appropriate individual (Chancellor, Deputy Chancellor, or Executive Vice Chancellor) for consideration.
August 31 Goal Review Process and Final Approval	Performance goals for upcoming fiscal year are discussed with employee (plan participant), possibly revised, and finally approved by the appropriate individual (Chancellor, Deputy Chancellor, or Executive Vice Chancellor) by August 31.
September 15 Self-Assessment of Prior Year's Goal Attainment	Self-assessment of prior year's goal attainment prepared by employee (plan participant) and submitted to appropriate individual (Chancellor, Deputy Chancellor, or Executive Vice Chancellors).
October 15 Performance Evaluations	Performance evaluations completed.
November Incentive Award Recommendations	Chancellor makes recommendations to the Board of Regents for payment of incentive awards. Awards are paid as soon as possible following Board of Regents' approval.

IV. INCENTIVE PLAN AUTHORITY, RESPONSIBILITY AND INTERPRETATION

Authority

Except as otherwise specifically provided, this Incentive Plan will be administered by the Chancellor, or the Chancellor's designee.

The Board of Regents and the Chancellor have all powers specifically vested herein and all powers necessary or advisable to administer or direct administration of the Incentive Plan as it determines in its discretion, including without limitation, the authority to:

1. establish the conditions for the determination and payment of compensation by establishing the provisions of the Incentive Plan,
2. select the employees who are eligible to be Participants in the Incentive Plan, and
3. designate to any other person, committee, or entity any of its ministerial powers and/or duties under the Incentive Plan, as long as any such delegation is in writing and complies with Regents' Rules.

Responsibility/Rights

The Board of Regents has the right in its discretion to amend the Incentive Plan or any portion thereof from time to time, to suspend it for a specified period or to terminate it entirely, or any portion thereof.

If the Incentive Plan is suspended or terminated during a performance period, Participants will receive a prorated incentive award based on performance achieved through the performance measurement date immediately preceding such suspension or termination. The Incentive Plan will be in effect until suspension or termination by the Board of Regents.

All records for the Incentive Plan will be maintained by the Office of the Chancellor.

Interpretation

Consistent with the provisions of the Incentive Plan, the Board of Regents has the discretion to interpret the Incentive Plan and may from time to time adopt such rules and regulations that it may deem advisable to carry out the Incentive Plan. All decisions made by the Board of Regents in selecting the Participants approved to receive incentive awards, including the amount thereof, and in construing the provisions of the Incentive Plan, including without limitation the terms of any incentive awards, are final.

ATTACHMENT A

LIST OF ELIGIBLE POSITIONS

System Administration Executive Officers

Deputy Chancellor, The University of Texas System Administration

Executive Vice Chancellor for Health Affairs, The University of Texas System Administration

Executive Vice Chancellor for Business Affairs, The University of Texas System Administration

Executive Vice Chancellor for Academic Affairs, The University of Texas System Administration

Vice Chancellor for Health and Academic Affairs, The University of Texas System Administration

Vice Chancellor for External Relations, The University of Texas System Administration

Vice Chancellor for Strategic Initiatives, The University of Texas System Administration

Vice Chancellor and General Counsel, The University of Texas System Administration

Vice Chancellor and Chief Governmental Relations Officer, The University of Texas System Administration

Vice Chancellor for Federal Relations, The University of Texas System Administration

Presidents

President – The University of Texas at Arlington

President – The University of Texas at Austin

President – The University of Texas at Dallas

President – The University of Texas at El Paso

President – The University of Texas of the Permian Basin

President – The University of Texas Rio Grande Valley

President – The University of Texas at San Antonio

President – The University of Texas at Tyler

President – The University of Texas Southwestern Medical Center

President – The University of Texas Medical Branch at Galveston

President – The University of Texas Health Science Center at Houston

President – The University of Texas M. D. Anderson Cancer Center

President – The University of Texas Health Science Center at San Antonio

President – The University of Texas Health Science Center at Tyler

STANDING COMMITTEE REPORTS AND RECOMMENDATIONS TO THE BOARD.--
At 8:40 a.m., Chairman Foster announced the Board would hear the reports and recommendations of the Standing Committees, which are set forth on Pages 23 - 111.

REPORT AND RECOMMENDATIONS OF THE AUDIT, COMPLIANCE, AND MANAGEMENT REVIEW COMMITTEE (Pages 23 - 29).--Committee Chairman Hildebrand reported that the Audit, Compliance, and Management Review 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 Audit, Compliance, and Management Review Committee and approved in Open Session by the U. T. System Board of Regents.

1. U. T. System Board of Regents: Discussion and appropriate action regarding Consent Agenda items, if any, assigned for Committee consideration

There were no items referred from the Consent Agenda.

2. U. T. System Board of Regents: Proposed amendments to Regents' *Rules and Regulations*, Rule 20205, regarding Expenditures for Travel and Entertainment by Chief Administrators and for the Maintenance of University Residences

The Board approved amendments to Regents' *Rules and Regulations*, Rule 20205, regarding expenditures for travel and entertainment by chief administrators and for the maintenance of University residences, to read as set forth on Pages 25 - 28. The amended Rule includes a change to Section 8 as approved by the Audit, Compliance, and Management Review Committee on August 24, 2016, for audits to be performed every two years instead of every four years as had been recommended in the Agenda materials.

Regents' Rule 20205 mandates specific review and approval procedures to ensure expenditures for travel and entertainment for chief administrators and for the maintenance of University residences for chief administrators are reasonable, for a public purpose, and in compliance with laws and policies. The Rule was first approved by the Board in 2006 for the purpose of:

1. assigning responsibility for ensuring compliance with related applicable laws and policies to the chief business officer for The University of Texas System institutional presidents and to the General Counsel to the Board for the Chancellor;
2. ensuring the review of expenses addresses the reasonableness of expenses as well as compliance with laws and policies; and
3. ensuring required levels of review are documented.

U. T. System Auditors have conducted annual audits of expenses and compliance with Regents' Rule 20205 since Fiscal Year 2007 with no reports of significant noncompliance. The substantive changes outlined below streamline the review and approval, align more closely with the actual risk of noncompliance, and assure compliance with Internal Revenue Service (IRS) regulations.

1. Reimbursement requests must be submitted within 60 days.
2. Expenditure reports may be compiled annually, rather than quarterly.
3. Only expenditures exceeding \$1,000 must be reported on the expenditure report. Previously, the Rule required reporting of expenditures that exceed \$100.
4. The required annual certification documenting review of each president's expenses will be the responsibility of each institutional chief business officer, rather than the Executive Vice Chancellors for Academic or Health Affairs.
5. Rather than conducting annual audits, System Audit will, at a minimum, audit the expenses of the first full year after a chief administrator assumes office and every two years thereafter. More frequent audits may be required following review of the annual risk assessment performed by System Audit.

Each chief administrator is still required to file the FY 2016 Fourth Quarter Expense Report, due on October 30, 2016, with the appropriate Executive Vice Chancellor. The annual certifications documenting review of the FY 2016 Quarterly Expense Reports are the last ones required to be performed by the Executive Vice Chancellors. Expenses incurred in FY 2017 will follow the new process outlined in the amended Rule.

This Agenda Item was reviewed by the U. T. System institutional presidents and representatives of the Student Advisory Council, the Faculty Advisory Council, and the Employee Advisory Council.

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

Rule: 20205

1. Title

Expenditures for Travel and Entertainment by Chief Administrators and for the Maintenance of University Residences

2. Rule and Regulation

- Sec. 1 Purpose. The University of Texas System Administration and U. T. System institutions are governed by State law and rules and regulations promulgated under those laws, as well as Systemwide and institutional policies and procedures concerning expenses incurred by officials for travel, entertainment, and housing. While recognizing the unique role of the Chancellor and presidents in representing the U. T. System and the institutions, the Board of Regents also recognizes the importance of oversight and accountability, transparency, and fiscal responsibility. The purpose of this *Rule* is to prescribe, clarify, and provide uniformity in the approval, review, and audit process for travel and entertainment expenses incurred by the Chancellor and presidents and for expenses for the maintenance of University residences.
- Sec. 2 Prudent Use of Funds. In the performance of their unique roles, the chief administrators are frequently called upon to travel on behalf of the U. T. System and the institutions, to extend official hospitality to important visitors, and to entertain guests in conjunction with alumni and development activities, campus events, and other official functions. As a public institution, the U. T. System must make the most efficient and effective use of funds entrusted to it by various constituencies when making expenditures for those purposes and must be able to demonstrate compliance with applicable laws and rules. Additionally, individuals seeking reimbursement must certify that expenditures support the mission and purpose of the U. T. System and that the expenditures are not made for a private purpose.
- Sec. 3 Travel Expenditures. All expenditures for travel by a chief administrator or his or her spouse must be for a business purpose of the U. T. System or the institution and must comply with all laws and policies of the institution and the U. T. System. All foreign travel must be approved in advance by the Chairman of the Board of Regents for the Chancellor and spouse and by the appropriate Executive Vice Chancellor for the presidents and spouses. Requests for approval of foreign travel must include a specific business purpose and an estimate of funds to be expended by U. T. System or by the institution.

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

Rule: 20205

- Sec. 4 Maintenance of University Residences. All expenditures that exceed \$10,000 for the furnishing, maintenance, or repair of a residence or its grounds owned by the U. T. System must be approved in advance by a committee composed of the Executive Vice Chancellor for Business Affairs, the Vice Chancellor and General Counsel, and the General Counsel to the Board of Regents. Prior approval by the committee is not required for expenditures made on an emergency basis to prevent damage to property.
- Sec. 5 Documentation and Review. Each chief administrator shall comply with all documentation requirements imposed by law and U. T. System Administration and institutional policies for travel and entertainment expenses and for expenses for the maintenance of University residences, including providing appropriate receipts and documentation on the purpose of the expense and the individuals or groups attending the event.
- 5.1 Each chief administrator shall take all necessary and reasonable steps to ensure that all employees follow applicable procedures for expense reimbursement.
- 5.2 Reimbursements made directly to the Chancellor for travel and entertainment expenses must be reviewed and approved by the General Counsel to the Board of Regents before payment to assure compliance with applicable laws, rules, and policies. Payments made on the Chancellor's behalf in excess of \$100 must be reviewed and approved by the General Counsel to the Board but may be reviewed after payment.
- Reimbursements made directly to a president of a U. T. System institution for travel and entertainment expenses and for expenses for the maintenance of a University residence must be reviewed and approved by the institution's chief business officer before payment to assure compliance with applicable laws, rules, and policies. Payments made on the president's behalf in excess of \$100 must be reviewed and approved by the institution's chief business officer but may be reviewed after payment.
- Evidence of review, in all cases, must be documented.
- Sec. 6 Timeliness of Requests for Reimbursements. A chief administrator must request any reimbursement for travel and entertainment expenses or expenses for the maintenance of University residences within 60 days of the date on which the expense was incurred.

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

Rule: 20205

- Sec. 7 Reporting. Each chief administrator shall prepare annual reports, based on fiscal year, of travel and entertainment expenses and expenses for the maintenance of University residences in a standard format. The Chancellor shall file the report with the General Counsel to the Board of Regents for review by the Chairman of the Board of Regents. Each president shall file the report with the institution's chief business officer. The reports are due not later than the 30th day of October and are to be reviewed by the institution's chief business officer for compliance.
- 7.1 Annual Reporting on Travel and Entertainment Expenses and the Maintenance of University Residences. The annual reports must include each expense that exceeds \$1,000 and that is reimbursed to the chief administrator during the year or directly paid to a vendor on the chief administrator's behalf. (This does not apply to events hosted by a chief administrator for development activities or to honor faculty, staff, or other guests, at which more than 10 individuals are present.) The report must include the payee, the date and amount of the expense, the type, and if applicable, the location of the event/expense, the participants if any, the business purpose of the expense, and the account charged for the expense.
- 7.2 Reporting on Reimbursable Spousal Expenses. The annual reports must include each expense that exceeds \$1,000 and that is reimbursed to a chief administrator's spouse during the year or directly paid to a vendor on the spouse's behalf. The report must include the information specified by Section 7.1 above.
- 7.3 Annual Certification. The institution's chief business officer will provide an annual certification to the Executive Vice Chancellor for Academic Affairs or Health Affairs who will forward to the General Counsel to the Board documenting review of the president's annual expense reports. The General Counsel to the Board will acknowledge to the Board the receipt of all certifications.
- Sec. 8 Audits. The System Audit Office shall audit the travel, entertainment, and University residence maintenance expenses reimbursed to and directly paid to a vendor on behalf of the chief administrators and their spouses at a minimum of the first full fiscal year after assuming office and every two years thereafter. However, the annual risk assessment performed by System Audit may determine that more frequent audits are required.

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

Rule: 20205

- 8.1 The System Audit Office shall submit the results of the audit of the Chancellor and the Chancellor's spouse's expenses to the Chairman of the Board, the Chancellor, and to the General Counsel to the Board of Regents. The System Audit Office shall submit the results of the audit of the president and the president's spouse's expenses to the president and the appropriate Executive Vice Chancellor.
- 8.2 A summary of the results from the audits shall be submitted to the Audit, Compliance, and Management Review Committee.

3. U. T. System: Approval of the U. T. Systemwide Annual Internal Audit Plan for Fiscal Year 2017

The Board approved the University of Texas Systemwide Annual Internal Audit Plan for Fiscal Year 2017. Development of the Audit Plan was based on risk assessments performed at each institution and implementation of the Audit Plan will be coordinated with the institutional auditors.

Institutional audit plans, compiled by the internal audit departments after input and guidance from the U. T. System Audit Office, the Offices of Academic or Health Affairs, and the institution's management and institutional internal audit committee, were submitted to the respective institutional internal audit committee and institutional president for review and comments. Additionally, the institutional audit plans, some in draft versions, were presented at the U. T. System Administration Internal Audit Committee meeting held on July 11, 2016. Also, the Chief Audit Executive provided feedback by conducting audit plan presentations with each institution. After the review process, each institutional internal audit committee formally approved its institution's audit plan.

4. U. T. System: Report on Audits of the Systemwide Cancer Prevention and Research Institute of Texas (CPRIT) Grants

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

5. U. T. System: Report on the Systemwide internal audit activities, including Priority Findings and Annual Audit Plan status

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

6. U. T. System: Report on U. T. System Risk Management and Compliance Strategic Plan

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

REPORT AND RECOMMENDATIONS OF THE FINANCE AND PLANNING COMMITTEE (Pages 30 - 91).--Committee Chairman Hicks reported that the Finance and Planning Committee met in open session to consider the 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 Board of Regents: Discussion and appropriate action regarding Consent Agenda items, if any, assigned for Committee consideration

There were no items referred from the Consent Agenda.

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

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

3. U. T. System Board of Regents: The University of Texas Investment Management Company (UTIMCO) Performance Summary Report and Investment Reports for the quarter ended May 31, 2016

The May 31, 2016 UTIMCO Performance Summary Report is set forth on Page 32.

The Investment Reports for the quarter ended May 31, 2016, are set forth on Pages 33 - 36.

Item I on Page 33 reports activity for the Permanent University Fund (PUF) investments. The PUF's net investment return for the quarter was 4.40% versus its composite benchmark return of 4.61%. The PUF's net asset value increased by \$454 million during the quarter to \$17,432 million. The increase was due to \$103 million PUF Lands receipts, plus a net investment return of \$738 million, and less a \$387 million distribution made to the Available University Fund (AUF) during the quarter.

Item II on Page 34 reports activity for the General Endowment Fund (GEF) investments. The GEF's net investment return for the quarter was 4.49% versus its composite benchmark return of 4.61%. The GEF's net asset value increased by \$372 million during the quarter to \$8,192 million.

Item III on Page 35 reports activity for the Intermediate Term Fund (ITF). The ITF's net investment return for the quarter was 4.64% versus its composite benchmark return of 4.07%. The net asset value increased during the quarter to \$7,504 million due to net contributions of \$91 million, plus net investment return of \$334 million and less distributions of \$55 million.

All exposures were within their asset class and investment type ranges. Liquidity was within policy.

Item IV on Page 36 presents book and market values 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 and Fidelity money market fund, decreased by \$236 million to \$2,279 million during the three months since the last reporting period. Market values for the remaining asset types were debt securities: \$20 million versus \$20 million at the beginning of the period; equities: \$78 million versus \$85 million at the beginning of the period; and other investments: \$5 million versus \$1 million at the beginning of the period.

UTIMCO Performance Summary

May 31, 2016

	Net Asset Value 5/31/2016 (in Millions)	Periods Ended May 31, 2016 (Returns for Periods Longer Than One Year are Annualized)							
		Short Term		Year to Date		Historic Returns			
		<u>1 Mo</u>	<u>3 Mos</u>	<u>Fiscal</u>	<u>Calendar</u>	<u>1 Yr</u>	<u>3 Yrs</u>	<u>5 Yrs</u>	<u>10 Yrs</u>
<u>ENDOWMENT FUNDS</u>									
Permanent University Fund	\$ 17,432	0.09%	4.40%	(0.10%)	1.27%	(2.89%)	4.89%	4.76%	5.25%
Permanent Health Fund	1,036								
Long Term Fund	<u>7,156</u>								
General Endowment Fund	<u>8,192</u>	0.11%	4.49%	(0.08%)	1.29%	(2.88%)	5.02%	4.88%	5.37%
Separately Invested Funds	<u>208</u>								
Total Endowment Funds	<u>25,832</u>								
<u>OPERATING FUNDS</u>									
Intermediate Term Fund	7,504	(0.06%)	4.64%	0.18%	1.66%	(3.92%)	1.96%	2.48%	4.15%
Short Term Fund and Debt Proceeds Fund	<u>2,176</u>								
Total Operating Funds	<u>9,680</u>								
Total Assets Under Management	<u>\$ 35,512</u>								
<u>VALUE ADDED (Percent)</u>									
Permanent University Fund		0.41%	(0.21%)	(1.63%)	(1.38%)	(1.25%)	0.34%	0.63%	1.51%
General Endowment Fund		0.43%	(0.12%)	(1.61%)	(1.36%)	(1.24%)	0.47%	0.75%	1.63%
Intermediate Term Fund		0.35%	0.57%	(0.94%)	(0.54%)	(0.81%)	0.64%	1.28%	1.89%
<u>VALUE ADDED (\$ IN MILLIONS)</u>									
Permanent University Fund		\$72	(\$36)	(\$289)	(\$242)	(\$227)	\$171	\$507	\$2,219
General Endowment Fund		36	(10)	(134)	(111)	(105)	114	312	1,315
Intermediate Term Fund		<u>26</u>	<u>41</u>	<u>(67)</u>	<u>(38)</u>	<u>(60)</u>	<u>119</u>	<u>354</u>	<u>907</u>
Total Value Added		<u>\$134</u>	<u>(\$5)</u>	<u>(\$490)</u>	<u>(\$391)</u>	<u>(\$392)</u>	<u>\$404</u>	<u>\$1,173</u>	<u>\$4,441</u>

August 25, 2016 Meeting of the U. T. System Board of Regents – Finance and Planning Committee

Minutes - HC

Footnote available upon request.

UTIMCO 7/6/2016

I. PERMANENT UNIVERSITY FUND
Investment Reports for Periods Ended May 31, 2016

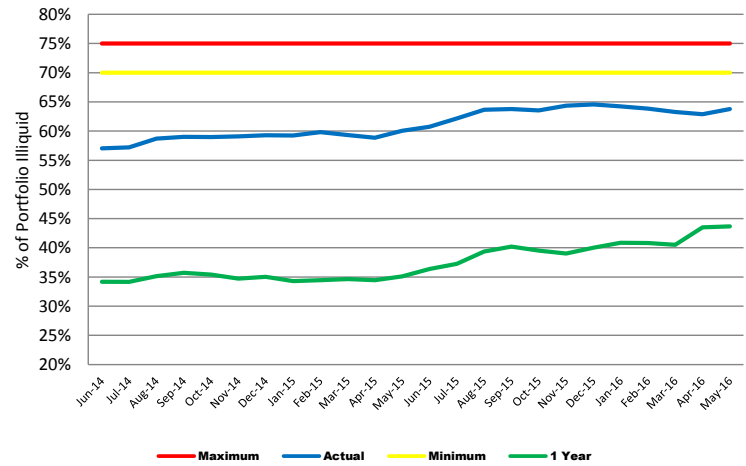
Prepared in accordance with Texas Education Code Sec. 51.0032

	Fiscal Year to Date							
	Asset Allocation		Returns		Value Added			
	Actual	Policy	Portfolio	Policy Benchmark	Tactical Allocation	Active Management	Total	
More Correlated and Constrained:								
Investment Grade	7.76%	6.50%	1.58%	5.42%	-0.03%	-0.24%	-0.27%	
Credit-Related	0.10%	0.00%	7.43%	4.43%	0.00%	0.00%	0.00%	
Real Estate	2.26%	2.50%	1.77%	10.72%	-0.03%	-0.21%	-0.24%	
Natural Resources	6.11%	7.50%	-0.81%	1.64%	-0.09%	-0.13%	-0.22%	
Developed Country	12.60%	14.00%	-2.35%	3.43%	-0.02%	-0.79%	-0.81%	
Emerging Markets	<u>9.04%</u>	<u>9.50%</u>	<u>3.75%</u>	<u>-0.10%</u>	<u>-0.06%</u>	<u>0.34%</u>	<u>0.28%</u>	
Total More Correlated and Constrained	37.87%	40.00%	0.20%	3.26%	-0.23%	-1.03%	-1.26%	
Less Correlated and Constrained	27.73%	29.00%	-2.27%	-3.04%	-0.07%	0.34%	0.27%	
Private Investments	<u>34.40%</u>	<u>31.00%</u>	<u>1.35%</u>	<u>3.34%</u>	<u>-0.07%</u>	<u>-0.57%</u>	<u>-0.64%</u>	
Total	<u>100.00%</u>	<u>100.00%</u>	<u>-0.10%</u>	<u>1.53%</u>	<u>-0.37%</u>	<u>-1.26%</u>	<u>-1.63%</u>	

Summary of Capital Flows

(\$ millions)	Fiscal Year Ended August 31, 2015	Quarter Ended May 31, 2016	Fiscal Year to Date August 31, 2016
Beginning Net Assets	\$17,365	\$16,978	\$17,490
PUF Lands Receipts	807	103	362
Investment Return (Net of Expenses)	82	738	(33)
Distributions to AUF	<u>(764)</u>	<u>(387)</u>	<u>(387)</u>
Ending Net Assets	<u>\$17,490</u>	<u>\$17,432</u>	<u>\$17,432</u>

Permanent University Fund
Actual Illiquidity vs. Trigger Zones



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August 25, 2016 Meeting of the U. T. System Board of Regents – Finance and Planning Committee

II. GENERAL ENDOWMENT FUND
Investment Reports for Periods Ended May 31, 2016

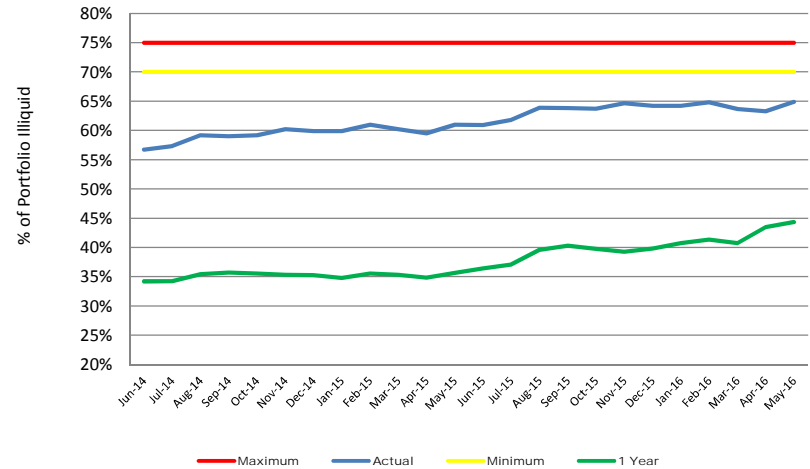
Prepared in accordance with Texas Education Code Sec. 51.0032

	Fiscal Year to Date						
	Asset Allocation		Returns		Value Added		
	Actual	Policy	Portfolio	Policy Benchmark	Tactical Allocation	Active Management	Total
More Correlated and Constrained:							
Investment Grade	6.2%	6.5%	2.81%	5.42%	0.01%	-0.16%	-0.15%
Credit-Related	0.1%	0.0%	7.43%	4.43%	0.00%	0.00%	0.00%
Real Estate	2.3%	2.5%	1.81%	10.72%	-0.01%	-0.21%	-0.22%
Natural Resources	6.1%	7.5%	-0.78%	1.64%	-0.09%	-0.14%	-0.23%
Developed Country	12.8%	14.0%	-2.16%	3.43%	-0.05%	-0.74%	-0.79%
Emerging Markets	<u>9.4%</u>	<u>9.5%</u>	<u>2.84%</u>	<u>-0.10%</u>	<u>-0.04%</u>	<u>0.24%</u>	<u>0.20%</u>
Total More Correlated and Constrained	36.9%	40.0%	0.33%	3.26%	-0.18%	-1.01%	-1.19%
Less Correlated and Constrained	28.1%	29.0%	-2.27%	-3.04%	-0.08%	0.32%	0.24%
Private Investments	35.0%	31.0%	1.34%	3.34%	-0.08%	-0.58%	-0.66%
Total	100.0%	100.0%	-0.08%	1.53%	-0.34%	-1.27%	-1.61%

Summary of Capital Flows

(\$ millions)	Fiscal Year Ended August 31, 2015	Quarter Ended May 31, 2016	Fiscal Year to Date August 31, 2016
Beginning Net Assets	\$8,325	\$7,820	\$8,237
Contributions	230	125	275
Withdrawals	(43)	(5)	(9)
Distributions	(366)	(104)	(307)
Investment Return (Net of Expenses)	<u>91</u>	<u>356</u>	<u>(4)</u>
Ending Net Assets	<u>\$8,237</u>	<u>\$8,192</u>	<u>\$8,192</u>

General Endowment Fund
Actual Illiquidity vs. Trigger Zones



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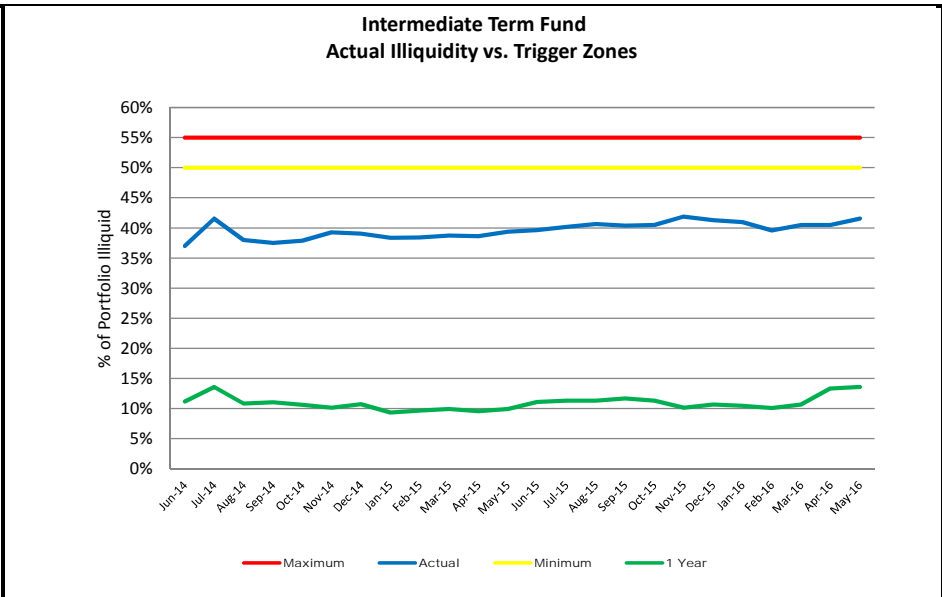
August 25, 2016 Meeting of the U. T. System Board of Regents – Finance and Planning Committee

III. INTERMEDIATE TERM FUND Investment Reports for Periods Ended May 31, 2016

Prepared in accordance with Texas Education Code Sec. 51.0032

	Fiscal Year to Date							
	Asset Allocation		Returns		Value Added			
	Actual	Policy	Portfolio	Policy Benchmark	Tactical Allocation	Active Management	Total	
More Correlated and Constrained:								
Investment Grade	30.0%	30.0%	3.69%	5.42%	0.06%	-0.52%	-0.46%	
Credit-Related	0.0%	0.0%	0.00%	0.00%	0.00%	0.00%	0.00%	
Real Estate	2.6%	3.0%	1.85%	10.72%	0.00%	-0.23%	-0.23%	
Natural Resources	5.3%	7.0%	-0.75%	1.64%	-0.09%	-0.14%	-0.23%	
Developed Country	9.5%	9.0%	-2.23%	3.43%	0.03%	-0.52%	-0.49%	
Emerging Markets	<u>6.3%</u>	<u>6.0%</u>	<u>3.04%</u>	<u>-0.10%</u>	<u>0.01%</u>	<u>0.16%</u>	<u>0.17%</u>	
Total More Correlated and Constrained	53.7%	55.0%	2.24%	4.54%	0.01%	-1.25%	-1.24%	
Less Correlated and Constrained	46.3%	45.0%	-2.30%	-3.04%	-0.25%	0.55%	0.30%	
Private Investments	0.0%	0.0%	0.00%	0.00%	0.00%	0.00%	0.00%	
Total	<u>100.0%</u>	<u>100.0%</u>	<u>0.18%</u>	<u>1.12%</u>	<u>-0.24%</u>	<u>-0.70%</u>	<u>-0.94%</u>	

Summary of Capital Flows			
(\$ millions)	Fiscal Year Ended August 31, 2015	Quarter Ended May 31, 2016	Fiscal Year to Date August 31, 2016
Beginning Net Assets	\$6,665	\$7,134	\$7,037
Contributions	1,448	126	833
Withdrawals	(627)	(35)	(231)
Distributions	(210)	(55)	(162)
Investment Return (Net of Expenses)	<u>(239)</u>	<u>334</u>	<u>27</u>
Ending Net Assets	<u>\$7,037</u>	<u>\$7,504</u>	<u>\$7,504</u>



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August 25, 2016 Meeting of the U. T. System Board of Regents – Finance and Planning Committee

IV. SEPARATELY INVESTED ASSETS
Summary Investment Report at May 31, 2016

Report prepared in accordance with Texas Education Code Sec. 51.0032

ASSET TYPES	(\$ thousands)															
	FUND TYPE															
	CURRENT PURPOSE DESIGNATED		RESTRICTED		ENDOWMENT & SIMILAR FUNDS		ANNUITY & LIFE INCOME FUNDS		AGENCY FUNDS		TOTAL EXCLUDING OPERATING FUNDS		OPERATING FUNDS (DEBT PROCEEDS AND (SHORT TERM FUND))		TOTAL	
	BOOK	MARKET	BOOK	MARKET	BOOK	MARKET	BOOK	MARKET	BOOK	MARKET	BOOK	MARKET	BOOK	MARKET	BOOK	MARKET
Cash & Equivalents:																
Beginning value 02/29/16	1	1	1,602	1,603	97,670	97,670	1,598	1,598	1,220	1,220	102,091	102,092	2,412,605	2,412,605	2,514,696	2,514,697
Increase/(Decrease)	-	-	10,579	10,578	(34,586)	(34,586)	(170)	(170)	(129)	(129)	(24,306)	(24,307)	(211,181)	(211,181)	(235,487)	(235,488)
Ending value 05/31/16	1	1	12,181	12,181	63,084	63,084	1,428	1,428	1,091	1,091	77,785	77,785	2,201,424	2,201,424	2,279,209	2,279,209
Debt Securities:																
Beginning value 02/29/16	-	-	7	6	11,217	11,282	9,196	8,667	-	-	20,420	19,955	-	-	20,420	19,955
Increase/(Decrease)	-	-	-	-	224	404	(46)	70	-	-	178	474	-	-	178	474
Ending value 05/31/16	-	-	7	6	11,441	11,686	9,150	8,737	-	-	20,598	20,429	-	-	20,598	20,429
Equity Securities:																
Beginning value 02/29/16	3,956	10,948	534	544	41,965	62,709	12,534	11,141	-	-	58,989	85,342	-	-	58,989	85,342
Increase/(Decrease)	219	3,629	75	70	(90)	(12,465)	(15)	1,188	-	-	189	(7,578)	-	-	189	(7,578)
Ending value 05/31/16	4,175	14,577	609	614	41,875	50,244	12,519	12,329	-	-	59,178	77,764	-	-	59,178	77,764
Other:																
Beginning value 02/29/16	-	-	814	814	-	-	5	5	452	452	1,271	1,271	-	-	1,271	1,271
Increase/(Decrease)	-	-	4,081	4,083	-	-	-	-	(76)	(76)	4,005	4,007	-	-	4,005	4,007
Ending value 05/31/16	-	-	4,895	4,897	-	-	5	5	376	376	5,276	5,278	-	-	5,276	5,278
Total Assets:																
Beginning value 02/29/16	3,957	10,949	2,957	2,967	150,852	171,661	23,333	21,411	1,672	1,672	182,771	208,660	2,412,605	2,412,605	2,595,376	2,621,265
Increase/(Decrease)	219	3,629	14,735	14,731	(34,452)	(46,647)	(231)	1,088	(205)	(205)	(19,934)	(27,404)	(211,181)	(211,181)	(231,115)	(238,585)
Ending value 05/31/16	4,176	14,578	17,692	17,698	116,400	125,014	23,102	22,499	1,467	1,467	162,837	181,256	2,201,424	2,201,424	2,364,261	2,382,680

Details of individual assets by account furnished upon request.

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August 25, 2016 Meeting of the U. T. System Board of Regents – Finance and Planning Committee

4. U. T. System Board of Regents: Approval of amendments to the Investment Policy Statements for the Permanent University Fund, the General Endowment Fund, the Permanent Health Fund, the Long Term Fund, the Intermediate Term Fund, the Short Term Fund, and the Derivative Investment Policy

Upon recommendation of the Board of Directors of The University of Texas Investment Management Company (UTIMCO), the Board approved amendments to the following Investment Policy Statements, including asset allocation, as set forth on the referenced pages effective September 1, 2016. Amendments to the Derivative Investment Policy, as set forth on the referenced pages, were effective August 25, 2016.

- a. Permanent University Fund (PUF) (See Pages 39 - 40)
- b. General Endowment Fund (GEF) (See Pages 39 - 40)
- c. Permanent Health Fund (PHF) (See Pages 39 - 40)
- d. Long Term Fund (LTF) (See Pages 39 - 40)
- e. Intermediate Term Fund (ITF) (See Pages 41 - 42)
- f. Short Term Fund (STF) (See Pages 43 - 48)
- g. Derivative Investment Policy (See Pages 49 - 54)

The Master Investment Management Services Agreement (IMSA) between The University of Texas System Board of Regents and UTIMCO requires that UTIMCO review the current Investment Policies for each Fund at least annually. The review includes distribution (spending) guidelines; long-term investment return expectations and expected risk levels; Asset Class and Investment Type allocation targets and ranges for each eligible Asset Class and Investment Type; expected returns for each Asset Class, Investment Type, and Fund; designated performance benchmarks for each Asset Class and/or Investment Type; and such other matters as the U. T. System Board or its staff designees may request.

Amendments to the PUF, GEF, PHF, LTF, and ITF Investment Policy Statements and the Derivative Investment Policy were approved by the UTIMCO Board on July 21, 2016. Amendments to the STF Investment Policy Statement were approved at the May 5, 2016 UTIMCO Board meeting. The Separately Invested Funds Investment Policy Statement and the Liquidity Policy were reviewed but no changes were recommended.

Exhibits to the Investment Policy Statements for the PUF, GEF, PHF, LTF (see Attachment 1), and ITF (see Attachment 2) were amended to reflect the following changes:

- Revised Policy Portfolio Asset Class and Investment Type Targets and Ranges for Fiscal Year Ending (FYE) 2017;

- Revised Policy Benchmarks and Expected 10-year Annual Real Return (Benchmark) target for FYE 2017 to reflect revised Asset Class and Investment Type targets for FYE 2017; and
- Adjusted the One-Year Downside Volatility based on the revised Asset Class and Investment Type targets for FYE 2017.

The STF Investment Policy Statement was amended to accommodate changes in the Securities and Exchange Commission (SEC) rules governing money market funds. In July 2014, the SEC adopted new rules requiring a floating net asset value (NAV) for institutional prime money market funds, which allows the daily share prices of these funds to fluctuate along with changes in the market-based value of fund assets. The new rules also provide the boards of these money market funds with tools -- liquidity fees and redemption gates -- to address runs on the fund. The final rules provided a two-year transition period and become effective October 14, 2016.

To mitigate the impact of the SEC rule changes on U. T. System institutions, the U. T. System proposed that the STF maintain a portion of its investments in a government money market fund that has a constant NAV, is not subject to redemption fees and gates, provides additional diversification, and a later trading window. The balance of the STF will remain invested in institutional prime money market funds, currently the Dreyfus Institutional Preferred Money Market Fund. The STF Investment Policy Statement amendments removed language stating that each account invested in the STF has an undivided interest in the STF. The U. T. System plans to absorb the floating NAV risk versus having U. T. System institutions generate realized and unrealized gains and losses on STF transactions. The U. T. System will manage the System's overall liquidity and will receive the incremental returns on the portion of the STF invested in the institutional preferred money market funds in exchange for absorbing the floating NAV risk.

The Derivative Investment Policy changed to clarify staff's delegated authority with respect to derivative investments consistent with the Delegation of Authority Policy.

(Secretary's Note: Attachment 1 (Exhibit A for PUF and GEF, Exhibit B for PHF and LTF) was inadvertently incorrect in the Natural Resources and was revised following the meeting of the Finance and Planning Committee on August 24, 2016. The corrected Attachment 1 was before the Board on August 25, 2016, and is on Page 40.)

ATTACHMENT 1
EXHIBIT A for PUF and GEF, EXHIBIT B for PHF and LTF
ASSET CLASS AND INVESTMENT TYPE TARGETS, RANGES, AND PERFORMANCE OBJECTIVES
EFFECTIVE SEPTEMBER 1, 2016

POLICY PORTFOLIO	FYE 2017		
	Min	Target	Max
<u>Asset Classes</u>			
Investment Grade Fixed Income	3.0%	9.5%	25.0%
Credit-Related Fixed Income	0.0%	7.5%	30.0%
Real Estate	0.0%	7.0%	12.5%
Natural Resources	2.5%	11.5%	20.0%
Developed Country Equity	30.0%	48.5%	65.0%
Emerging Markets Equity	8.0%	16.0%	25.0%
<u>Investment Types</u>			
More Correlated & Constrained	30.0%	39.0%	60.0%
Less Correlated & Constrained	20.0%	25.0%	37.5%
Private Investments	20.0%	36.0%	45.0%

The total Asset Class & Investment Type exposure, including the amount of derivatives exposure not collateralized by Cash, may not exceed 105% of the Asset Class & Investment Type exposures excluding the amount of derivatives exposure not collateralized by Cash.

POLICY BENCHMARK (reset monthly)	FYE 2017
Barclays Capital Global Aggregate Index	7.5%
FTSE EPRA/NAREIT Developed Index Net TRI USD	0.0%
0.0% Bloomberg Commodity Total Return Index, 0.0% MSCI World Natural Resources Index and 100.0% Gold Spot price (XAU) *	2.5%
MSCI World Index with net dividends	19.0%
MSCI Emerging Markets with net dividends	10.0%
Hedge Fund Research Indices Fund of Funds Composite Index	25.0%
Custom Cambridge Fund of Funds Benchmark	36.0%



POLICY/TARGET RETURN/RISKS	FYE 2017
Expected 10-Year Annual Real Return (Benchmark)	3.95%
One Year Downside Volatility	10.41%
Risk Bounds	
Lower: 1 Year Downside Volatility	75.00%
Upper: 1 Year Downside Volatility	115.00%

* Bloomberg Commodity Total Return Index and MSCI World Natural Resources Index will be phased out monthly during FY 2017.

ATTACHMENT 1
EXHIBIT A for PUF and GEF, EXHIBIT B for PHF and LTF
(continued)
ASSET CLASS AND INVESTMENT TYPE TARGETS, RANGES AND PERFORMANCE OBJECTIVES
EFFECTIVE DATE SEPTEMBER 1, 2016

POLICY BENCHMARKS BY ASSET CLASS AND INVESTMENT TYPE: FYE 2017

FYE 2017		More Correlated & Constrained	Less Correlated & Constrained	Private Investments	Total
Fixed Income	Investment Grade	Barclays Capital Global Aggregate Index (7.5%)	2.0%	0.0%	9.5%
	Credit-Related	(0.0%)	4.0%	3.5%	7.5%
Real Assets	Real Estate	FTSE EPRA/NAREIT Developed Index Net TRI USD (0.0%)	0.0%	7.0%	7.0%
	Natural Resources	0.0% Bloomberg Commodity Total Return Index, 0.0% MSCI World Natural Resources Index and 100.0% Gold Spot price (XAU) (2.5%) *	0.0%	9.0%	11.5%
Equity	Developed Country	MSCI World Index with Net Dividends (19.0%)	17.0%	12.5%	48.5%
	Emerging Markets	MSCI EM Index with Net Dividends (10.0%)	2.0%	4.0%	16.0%
Total		39.0%	25.0%	36.0%	100.0%

 Hedge Fund Research Indices Fund of Funds Composite Index
 Custom Cambridge Fund of Funds Benchmark

* Bloomberg Commodity Total Return Index and MSCI World Natural Resources Index will be phased out monthly during FY 2017.

Investment Policy/Benchmarks are indicated in Black/Bold
Reportable Targets are indicated in Gray

ATTACHMENT 2
EXHIBIT A - INTERMEDIATE TERM FUND
ASSET CLASS AND INVESTMENT TYPE TARGETS, RANGES, AND PERFORMANCE OBJECTIVES
EFFECTIVE DATE SEPTEMBER 1, 2016

POLICY PORTFOLIO	FYE 2017		
	Min	Target	Max
<u>Asset Classes</u>			
Investment Grade Fixed Income	20.0%	34.5%	50.0%
Credit-Related Fixed Income	0.0%	7.5%	12.0%
Real Estate	0.0%	0.0%	10.0%
Natural Resources	0.0%	2.5%	10.0%
Developed Country Equity	20.0%	44.0%	60.0%
Emerging Markets Equity	2.5%	11.5%	20.0%
<u>Investment Types</u>			
More Correlated & Constrained	45.0%	55.0%	65.0%
Less Correlated & Constrained	35.0%	45.0%	55.0%

The total Asset Class & Investment Type exposure, including the amount of derivatives exposure not collateralized by Cash, may not exceed 100% of the Asset Class & Investment Type exposures excluding the amount of derivatives exposure not collateralized by Cash.

POLICY BENCHMARK (reset monthly)	FYE 2017
Barclays Capital Global Aggregate Index	30.0%
FTSE EPRA/NAREIT Developed Index Net TRI USD	0.0%
0.0% Bloomberg Commodity Total Return Index, 0.0% MSCI World Natural Resources Index and 100.0% Gold Spot price (XAU) *	2.5%
MSCI World Index with net dividends	15.0%
MSCI Emerging Markets with net dividends	7.5%
Hedge Fund Research Indices Fund of Funds Composite Index	45.0%


POLICY/TARGET RETURN/RISKS	FYE 2017
Expected 10-Year Annual Real Return (Benchmark)	1.60%
One Year Downside Volatility	6.44%
Risk Bounds	
Lower: 1 Year Downside Volatility	70.00%
Upper: 1 Year Downside Volatility	115.00%

* Bloomberg Commodity Total Return Index and MSCI World Natural Resources Index will be phased out monthly during FY 2017.

ATTACHMENT 2
EXHIBIT A - INTERMEDIATE TERM FUND
(continued)
ASSET CLASS AND INVESTMENT TYPE TARGETS, RANGES AND PERFORMANCE OBJECTIVES
EFFECTIVE DATE SEPTEMBER 1, 2016

POLICY BENCHMARKS BY ASSET CLASS AND INVESTMENT TYPE: FYE 2017

FYE 2017		More Correlated & Constrained	Less Correlated & Constrained	Total
Fixed Income	Investment Grade	Barclays Capital Global Aggregate Index (30.0%)	4.5%	34.5%
	Credit-Related	(0.0%)	7.5%	7.5%
Real Assets	Real Estate	FTSE EPRA/NAREIT Developed Index Net TRI USD (0.0%)	0.0%	0.0%
	Natural Resources	0.0% Bloomberg Commodity Total Return Index, 0.0% MSCI World Natural Resources Index and 100% Gold Spot price (XAU) (2.5%)*	0.0%	2.5%
Equity	Developed Country	MSCI World Index with Net Dividends (15.0%)	29.0%	44.0%
	Emerging Markets	MSCI EM Index with Net Dividends (7.5%)	4.0%	11.5%
Total		55.0%	45.0%	100.0%

 Hedge Fund Research Indices Fund of Funds Composite Index

* Bloomberg Commodity Total Return Index and MSCI World Natural Resources Index will be phased out monthly during FY 2017.

Investment Policy/Benchmarks are indicated in Black/Bold
Reportable Targets are indicated in Gray

**THE UNIVERSITY OF TEXAS SYSTEM
SHORT TERM FUND
INVESTMENT POLICY STATEMENT**

Purpose

The Short Term Fund (the "STF") was established by the Board of Regents of The University of Texas System (the "Board of Regents") as a pooled fund for the collective investment of operating funds and other short and intermediate term funds held by U. T. System institutions and System Administration with an investment horizon of less than one year.

STF Organization

The STF functions like a mutual fund in which each eligible account purchases and redeems STF units as provided herein. The ownership of STF assets shall at all times be vested in the Board of Regents. Such assets shall be deemed to be held by the Board of Regents, as a fiduciary, regardless of the name in which the assets may be registered.

STF Management

Article VII Section 11b of the Texas Constitution authorizes the Board of Regents, subject to procedures and restrictions it establishes, to invest the Permanent University Fund (the "PUF") in any kind of investment and in amounts it considers appropriate, provided that it adheres to the prudent investor standard. This standard provides that the Board of Regents, in making investments, may acquire, exchange, sell, supervise, manage, or retain, through procedures and subject to restrictions it establishes and in amounts it considers appropriate, any kind of investment that prudent investors, exercising reasonable care, skill, and caution, would acquire or retain in light of the purposes, terms, distribution requirements, and other circumstances of the fund then prevailing, taking into consideration the investment of all the assets of the fund rather than a single investment. Pursuant to Section 51.0031(c) of the *Texas Education Code*, the Board of Regents has elected the PUF prudent investor standard to govern its management of the STF.

Ultimate fiduciary responsibility for the STF rests with the Board of Regents. Section 66.08, *Texas Education Code*, as amended, authorizes the Board of Regents, subject to certain conditions, to enter into a contract with a nonprofit corporation to invest funds under the control and management of the Board of Regents.

Pursuant to an Investment Management Services Agreement between the Board of Regents and The University of Texas Investment Management Company ("UTIMCO"), the STF shall be managed by UTIMCO, which shall: a) recommend investment policy for the STF, b) determine specific Asset Class targets, ranges and performance

Short Term Fund Investment Policy Statement (continued)

benchmarks consistent with STF objectives, and c) monitor STF performance against STF objectives. UTIMCO shall invest the STF assets in conformity with this Policy Statement.

UTIMCO may select and terminate unaffiliated investment managers subject to the Delegation of Authority Policy approved by the UTIMCO Board, as amended. Managers shall be monitored for performance and adherence to investment disciplines.

STF Administration

UTIMCO shall employ an administrative staff to ensure that all transaction and accounting records are complete and prepared on a timely basis. Internal controls shall be emphasized so as to provide for responsible separation of duties and adequacy of an audit trail. Custody of STF assets shall comply with applicable law and be structured so as to provide essential safekeeping and trading efficiency.

Funds Eligible to Purchase STF Units

No account shall be eligible to purchase units of the STF unless it is under the sole control, with full discretion as to investments, by the Board of Regents and/or UTIMCO.

Any account whose governing instrument contains provisions which conflict with this Policy Statement, whether initially or as a result of amendments to either document, shall not be eligible to purchase or hold units of the STF.

The funds of a foundation structured as a supporting organization described in Section 509(a) of the *Internal Revenue Code of 1986*, which supports the activities of the U. T. System and its institutions, may purchase units in the STF provided that a contract between the Board of Regents and the foundation has been executed authorizing investment of foundation funds in the STF.

STF Investment Objectives

The primary investment objective shall be to maximize current income consistent with the preservation of capital and maintenance of adequate STF liquidity. The STF shall seek to maintain a net asset value of \$1.00.

Achievement of this objective shall be defined as a fund return in excess of the average gross return of the median manager of an approved universe of institutional only money market funds.

Short Term Fund Investment Policy Statement (continued)

Asset Class Allocation and Policy

Asset Class allocation is the primary determinant of investment performance and subject to the Asset Class allocation ranges specified herein is the responsibility of UTIMCO. Specific Asset Class allocation targets may be changed from time to time based on the economic and investment outlook.

STF assets shall be allocated to the following broad Asset Class:

Cash and Cash Equivalents – Short-term, highly liquid investments that are readily convertible to known amounts of cash, and which are subject to a relatively small risk of changes in value.

Performance Measurement

The investment performance of the STF will be measured by an unaffiliated organization, with recognized expertise in this field and reporting responsibility to the UTIMCO Board, and compared against the performance benchmarks of the STF. Such measurement will occur at least quarterly.

Investment Guidelines

The STF must be invested at all times in strict compliance with applicable law.

Investment guidelines include the following:

General

- All investments will be U.S. dollar denominated assets.
- Investment guidelines for index, commingled funds, limited partnerships, and corporate vehicles managed externally shall be governed by the terms and conditions of the respective investment management contracts, partnership agreements or corporate documents.
- Investment guidelines of all other externally managed accounts as well as internally invested funds must be reviewed and approved by UTIMCO's Chief Investment Officer prior to investment of STF assets in such investments.
- No securities may be purchased or held which jeopardize the STF's tax-exempt status.
- No internal investment strategy or program may purchase securities on margin or use leverage unless specifically authorized by the UTIMCO Board.

Short Term Fund Investment Policy Statement (continued)

- No internal investment strategy or program employing short sales may be made unless specifically authorized by the UTIMCO Board.

Cash and Cash Equivalents

Holdings of cash and cash equivalents may include the following:

- unaffiliated liquid (Money Market Funds) investment funds, subject to Rule 2a-7 of the Investment Company Act of 1940 as amended from time to time, rated AAA_M by Standard & Poor's Corporation or the equivalent by a Nationally Recognized Statistical Rating Organization (NRSRO),
- securities of the U.S. Treasury and U.S. Agencies and their instrumentalities with maturities of 397 days or less,
- separately managed accounts with investment guidelines equivalent to, or more stringent than, unaffiliated liquid investment funds, subject to Rule 2a-7 of the Investment Company Act of 1940 as amended from time to time, rated AAA_M by Standard & Poor's Corporation or the equivalent by a NRSRO,
- the Custodian's late deposit interest bearing liquid investment fund,
- municipal short term securities,
- commercial paper rated in the two highest quality classes by Moody's Investor Service, Inc. (P1 or P2) or Standard & Poor's Corporation (A1 or A2 or the equivalent),
- negotiable certificates of deposit with a bank that is associated with a holding company whose short-term rating meets the commercial paper rating criteria specified above or that has a certificate of deposit rating of 1 or better by Duff & Phelps,
- floating rate securities, if they meet the single security duration criteria and are based on a spread over or under a well known index such as LIBOR or a Constant Maturity Treasury index. No internally leveraged floating rate securities are permitted (i.e., a coupon equivalent to a formula that creates a multiplier of an index value). The following types of floating rate securities are not eligible for investment: inverse floaters, non-money market based floaters, interest only or principal only floaters, non-dollar based floaters, and range note floaters, and
- repurchase agreements and reverse repurchase agreements transacted with a dealer that is approved by UTIMCO and selected by the Federal Reserve Bank as a Primary Dealer in U.S. Treasury securities and rated A-1 or P-1 or the equivalent:
 - Each approved counterparty shall execute the Standard Public Securities Association (PSA) Master repurchase agreement with UTIMCO.
 - Eligible Collateral Securities for repurchase agreements are limited to U.S. Treasury securities and U.S. Government Agency securities with a maturity of not more than 10 years.

Short Term Fund Investment Policy Statement (continued)

- The maturity for a repurchase agreement may be from one day to two weeks.
- The value of all collateral shall be maintained at 102% of the notional value of the repurchase agreement, valued daily.
- All collateral shall be delivered to the STF custodian bank. Tri-party collateral arrangements are not permitted.
- The aggregate amount of repurchase agreements with maturities greater than seven calendar days may not exceed 10% of the STF's total assets.
- Overnight repurchase agreements may not exceed 50% of the STF's total assets.

Compliance

Compliance with this Policy will be monitored by UTIMCO's Chief Compliance Officer. UTIMCO's Chief Executive Officer, the UTIMCO Board, and the UTIMCO Audit & Ethics Committee will receive regular reports on UTIMCO's compliance with this Policy. All material instances of noncompliance, as determined by UTIMCO's Chief Compliance Officer and the Chair of the UTIMCO Audit & Ethics Committee, will require an action plan proposed by UTIMCO's Chief Executive Officer and approved by the Chairman of the UTIMCO Board with timelines for bringing the noncompliant activity within this Policy.

STF Distributions

Distributions of income from the STF to the unitholders shall be made as soon as practicable on or after the last day of each month.

STF Accounting

The fiscal year of the STF shall begin on September 1st and end on August 31st. Market value of the STF shall be maintained on an accrual basis in compliance with Generally Accepted Accounting Principles ("GAAP"), Governmental Accounting Standards Board Statements, industry guidelines, or state statutes, whichever is applicable. Significant asset write-offs or write-downs shall be approved by UTIMCO's Chief Investment Officer and reported to the UTIMCO Board. Assets deemed to be "other than temporarily impaired" as defined by GAAP shall be written off and reported to UTIMCO's Chief Investment Officer and the UTIMCO Board when material.

Short Term Fund Investment Policy Statement (continued)

Valuation of Assets

Institutional prime money market funds are valued using a floating net asset value. Investments other than institutional prime money market funds are stated at amortized cost, which in most cases approximates the market value of securities. The objective of the fund is to maintain a stable \$1.00 net asset value; however, the \$1.00 net asset value is neither guaranteed nor insured by UTIMCO.

The STF's net assets shall include all related receivables and payables of the STF on the valuation date. Such valuation shall be final and conclusive.

Purchase of STF Units

Purchase of STF units may be made on each business day upon payment of cash to the STF or contribution of assets approved by UTIMCO's Chief Investment Officer.

Redemption of STF Units

Redemption of units may be made on each business day.

Securities Lending

The STF may not participate in a securities lending contract with a bank or nonbank security lending agent.

Investor Responsibility

The UTIMCO Board shall discharge its fiduciary duties with respect to the STF solely in the interest of STF unitholders and shall not invest the STF so as to achieve temporal benefits for any purpose, including use of its economic power to advance social or political purposes.

Amendment of Policy Statement

The Board of Regents reserves the right to amend the Investment Policy Statement as it deems necessary or advisable.

Effective Date

The effective date of this policy shall be September 1, 2016.

The University of Texas Investment Management Company Derivative Investment Policy

Effective Date of Policy: August 25, 2016

Date Approved by U. T. System Board of Regents: August 25, 2016

Date Approved by UTIMCO Board: July 21, 2016

Supersedes: Derivative Investment Policy approved November 5, 2015

Purpose:

The purpose of the Derivative Investment Policy is to set forth the applications, documentation and limitations for investment in derivatives in the Permanent University Fund (PUF), the General Endowment Fund (GEF), the Intermediate Term Fund (ITF), and the Separately Invested Funds (SIF), hereinafter referred to as the Funds. The Board of Regents approved investment policy guidelines for the Funds to allow for investment in derivatives provided that their use is in compliance with UTIMCO's Board approved Derivative Investment Policy. This Derivative Investment Policy supplements the Investment Policy Statements for the Funds.

Objective:

The objective of investing in derivatives is to facilitate risk management and provide efficiency in the implementation of various investment strategies for the Funds. Derivatives can provide the Funds with more economical means to improve the Funds' risk/return profile.

Scope:

This Policy applies to all derivatives in the Funds executed by UTIMCO staff and by external managers operating under an Agency Agreement. This Policy does not apply to external managers operating under limited partnership agreements, offshore corporations, or other Limited Liability Entities that limit the liability exposure of the Funds' investments. Derivative policies for external managers are established on a case-by-case basis with each external manager, as described below.

This Policy applies to both Exchange Traded Derivatives and Over the Counter (OTC) derivatives. This Policy shall not be construed to apply to index or other common or commingled funds that are not controlled by UTIMCO. These commingled investment vehicles are governed by separate investment policy statements.

External Managers:

External managers are selected to manage the Funds' assets under either an Agency Agreement or through a Limited Liability Entity. An external manager operating under an Agency Agreement may engage in derivative investments only if (i) such manager has been approved to use derivatives by the UTIMCO Chief Investment Officer and (ii) the investments are consistent with the overall investment objectives of the account and in compliance with this Policy. The use of derivatives by an external manager operating under an Agency Agreement shall be approved by the UTIMCO Chief Investment Officer only for external managers that (i) demonstrate investment expertise in their use, (ii) have appropriate risk management and valuation policies and procedures, and (iii) effectively monitor and control their use.

While this Policy does not specifically include external managers operating through a Limited Liability Entity, it is noted that selecting and monitoring external managers through a Limited Liability Entity requires a clear understanding of the external managers' use of derivatives, particularly as it relates to various risk controls and leverage. The permitted uses of derivatives and leverage must be fully documented in the limited liability agreements with these managers.

Definition of Derivatives:

Derivatives are financial instruments whose value is derived, in whole or part, from the value of any one or more underlying securities or assets, or index of securities or assets (such as bonds, stocks, commodities, and currencies). For the purposes of this Policy, derivatives shall include Derivative Investments but shall not include a broader range of securities, such as mortgage backed securities, structured notes (including participation notes), convertible bonds, exchange traded funds (ETFs), and Bona Fide Spot Foreign Exchange Transactions. Derivatives may be purchased through a national or international exchange or through an OTC direct arrangement with a Counterparty. Refer to the attached Exhibit A for a glossary of terms. If it is unclear whether a particular financial instrument meets the definition of Derivative Investment, the Risk Manager and Chief Compliance Officer, in consultation with the Chief Investment

The University of Texas Investment Management Company Derivative Investment Policy

Officer, will determine whether the financial instrument is a Derivative Investment. The Chief Investment Officer will report such determinations to the Chairman of the Risk Committee.

Permitted Derivative Applications:

The primary intent of derivatives should be to hedge risk in portfolios or to implement investment strategies more effectively and at a lower cost than would be possible in the Cash Market.

Permitted Derivative Applications are Derivative Investments used:

- To implement investment strategies in a low cost and efficient manner;
- To alter the Funds' market (systematic) exposure without trading the underlying Cash Market securities through purchases or short sales, or both, of appropriate derivatives;
- To construct portfolios with risk and return characteristics that could not be created with Cash Market securities;
- To hedge and control risks; or
- To facilitate transition trading.

UTIMCO staff may not enter into any Derivative Investment that is not a Permitted Derivative Application. To the extent a new Derivative Investment recommended by UTIMCO staff or for the engagement of an external manager operating under an Agency Agreement that has been approved by UTIMCO's Chief Investment Officer is a Permitted Derivative Application but is not of the types set forth on Exhibit B, any Director may require a complete review of the new Derivative Investment prior to implementation. Notwithstanding the foregoing, UTIMCO's Chief Investment Officer, the Risk Manager, or Chief Compliance Officer may determine that presentation and approval of the proposed Derivative Investment at a Risk Committee meeting is warranted before engaging in the Derivative Investment.

Risk and Investment Policy Controls:

Following the implementation of any Derivative Investment, the Funds' projected downside volatility bounds, and projected exposure to Asset Class and Investment Type, must be within the permissible ranges as set forth in the Funds' Investment Policy Statements.

Documentation and Controls:

Prior to the implementation of a new Derivative Investment by UTIMCO staff, UTIMCO staff shall document the purpose, valuation method, methods for calculating delta, delta-adjusted exposure, Asset Class and Investment Type exposure, the effect on portfolio leverage (if applicable), risks (including, but not limited to modeling, pricing, liquidity and Counterparty risks), the expected increase or reduction in risk resulting from the Derivative Investments, and the procedures in place to monitor and manage the derivative exposure. For any short exposure, UTIMCO staff shall also document the basis risk and appropriate stop-loss procedures. UTIMCO shall establish appropriate risk management procedures to monitor daily the risk of (i) internally managed Derivative Investments and (ii) externally managed accounts operating under Agency Agreements that permit derivatives. Internal control procedures to properly account and value the Funds' exposure to the Derivative Investment shall be fully documented.

Additional Limitations:

Leverage: Leverage is inherent in many derivatives. In Cash Markets, in most cases, the cash outlay is equal to the market exposure acquired. By contrast, Derivative Investments offer the possibility of establishing – for the same cash outlay – substantially larger market exposure. Therefore, risk management and control processes must focus on the total risk assumed in a Derivative Investment. Exhibits A of the Fund's Investment Policy Statements provide a limitation on the amount of uncollateralized derivative exposure that can be utilized by the Funds whereby, the total Asset Class and Investment Type exposure, including the amount of derivatives exposure not collateralized by cash, may not exceed 105% (100% in the ITF) of the Asset Class and Investment Type exposures excluding the amount of derivatives exposure not collateralized by cash.

Counterparty Risks: Rigorous Counterparty selection criteria and netting agreements shall be required to minimize Counterparty risk for Over the Counter (OTC) derivatives. Any Counterparty in an OTC derivative transaction with the Funds must have a credit rating of at least A- (Standard and Poor's) or A3 (Moody's). All OTC derivatives, with the

The University of Texas Investment Management Company Derivative Investment Policy

exception of Bona Fide Spot Foreign Exchange Transactions, must be subject to established ISDA Netting Agreements and have full documentation of all legal obligations of the Funds. In limited circumstances, the August 2012 DF Protocol Agreement, as published on August 13, 2012 (the “August Protocol Agreement”) and the 2002 ISDA Master Agreement with a Schedule (an “ISDA March 2013 DF Protocol Master Agreement”), developed in connection with ISDA’s Dodd-Frank Documentation Initiative to implement and comply with the regulatory requirements imposed under Title VII of the Dodd–Frank Wall Street Reform and Consumer Protection Act, may be used in place of an ISDA Netting Agreement or on a temporary basis until an ISDA Netting Agreement with the Counterparty has been executed. In the event a Counterparty is downgraded below the minimum credit rating requirements stated above, UTIMCO staff will take appropriate action to protect the interests of the Funds, including availing itself of all potential remedies contained in the ISDA agreements. The net market value, net of collateral postings, of all OTC derivatives for any individual Counterparty may not exceed 1% of the total market value of the Funds.

Risk Management and Compliance:

To ensure compliance with all terms and limitations of this Policy, all internally managed and externally managed Derivative Investments in accounts under Agency Agreements will be marked to market on a daily basis by the Funds’ custodian and reviewed periodically, but no less frequently than monthly, for accuracy by the UTIMCO Risk Manager. In addition, data from the external risk model will be reviewed for accuracy and completeness by the UTIMCO Risk Manager.

Compliance with this Policy will be monitored by the UTIMCO Chief Compliance Officer using data provided by the custodian and the external risk model.

Any instances of noncompliance with this Policy will be reported immediately to the UTIMCO Chief Compliance Officer and the UTIMCO Chief Investment Officer, who will determine the appropriate remedy and report promptly to the Chairs of the Risk Committee, the Audit & Ethics Committee, and the UTIMCO Board Chairman. The UTIMCO Board Chairman may waive immediate remedial action in appropriate circumstances.

Reporting:

On a quarterly basis, UTIMCO shall provide a comprehensive report to UTIMCO’s Board and the Risk Committee. This report shall include all outstanding Derivative Investments, by type, entered into during the period being reported for both internal managers and external managers operating under Agency Agreements. Asset allocation as provided in the Funds’ Investment Policy Statements shall incorporate the impact of uncollateralized derivative exposure associated with derivatives. For risk reporting purposes, the models used to calculate the expected profit or loss in each scenario will include the effect of delta sensitivity and other derivative sensitivity parameters as appropriate. Risk calculations will take into account leverage, correlation, and exposure parameters such as beta for equities and duration for fixed income. The UTIMCO Risk Manager will calculate risk attribution - i.e., how much of the overall risk is attributed to each Asset Class and Investment Type, including the full effect on risk of the derivatives in each. The UTIMCO Risk Manager will calculate risk attribution for each Derivative Investment.

The University of Texas Investment Management Company Derivative Investment Policy

Derivative Investment Policy Exhibit A Glossary of Terms

Agency Agreement – A form of legal agreement that typically grants limited investment discretion to an external investment manager to act as the investment agent of the Funds but does not limit the liability of the Funds for actions taken by that agent.

Basket – A group of securities and a weighting scheme, or a proprietary index. Baskets are typically defined to achieve a certain investment goal, within certain limitations. For example, a Basket could replicate an emerging market index, excluding certain companies that UTIMCO is not permitted to hold.

Bona Fide Spot Foreign Exchange Transaction – Generally, a foreign exchange transaction that settles via an actual delivery of the relevant currencies within two business days (T+2). In addition, an agreement, contract or transaction for the purchase or sale of an amount of foreign currency equal to the price of a foreign security with respect to which (i) the security and related foreign currency transactions are executed contemporaneously in order to effect delivery by the relevant securities settlement deadline and (ii) actual delivery of the foreign security and foreign currency occurs by such deadline (such transaction, a “Securities Conversion Transaction”). For Securities Conversion Transactions, the Commodity Futures Trading Commission (CFTC) will consider the relevant foreign exchange spot market settlement deadline to be the same as the securities settlement deadline.

Cash Market - The physical market for a commodity or financial instrument.

Counterparty - The offsetting party in an exchange agreement.

Derivative Investment – An investment in a Futures Contract, Forward Contract, swap, and all forms of options.

Exchange Traded Derivatives - A Derivative Investment traded on an established national or international exchange. These derivatives “settle” daily in that cash exchanges are made between the exchange and parties to the contracts consistent with the change in price of the instrument. Fulfillment of the contract is guaranteed by the exchange on which the derivatives are traded. Examples include S&P 500 Futures Contracts and Goldman Sachs Commodities Index Futures Contracts.

Forward Contract - A nonstandardized contract for the physical or electronic (through a bookkeeping entry) delivery of a commodity or financial instrument at a specified price at some point in the future. The most typical Forward Contract is a forward foreign currency contract, which involves the contemplated exchange of two currencies.

Futures Contract - A standardized contract for either the physical delivery of a commodity or instrument at a specified price at some point in the future, or a financial settlement derived from the change in market price of the commodity or financial instrument during the term of the contract.

ISDA Netting Agreement - The International Swaps and Derivatives Association (ISDA) is the global trade association representing participants in the privately negotiated derivatives industry, covering swaps and options across all asset classes. ISDA has produced generally accepted “Master Agreements,” a 1992 Master Agreement and a 2002 Master Agreement, that are used by most counterparties in OTC derivatives. Netting agreements are terms within the applicable Master Agreement that deal with the calculation of exposure for each Counterparty. These netting agreements require that exposures between counterparties will be “netted” so that payables and receivables under all existing derivatives between two Counterparties are offset in determining the net exposure between the two Counterparties.

Limited Liability Entity – A legal entity created to define how assets contributed to the entity by external partners to the agreement will be managed by the manager of the entity. These entities are typically limited liability partnerships, corporations, or other such entities that limit the liability of external investors to the current value of the external investors’ investment in the entity.

The University of Texas Investment Management Company Derivative Investment Policy

Long Exposure to an Asset Class – The Net Asset Value of the Asset Class and Investment Type as defined in the Funds' Investment Policy Statement.

Option - A derivative that conveys the right but not the obligation to buy or deliver the subject financial instrument at a specified price, at a specified future date.

Over the Counter (OTC) derivatives - A derivative which results from direct negotiation between a buyer and a Counterparty. The terms of such derivatives are nonstandard and are the result of specific negotiations. Settlement occurs at the negotiated termination date, although the terms may include interim cash payments under certain conditions. Examples include currency swaps and Forward Contracts, interest rate swaps, and collars.

Replicating Derivatives – Derivatives that are intended to replicate the return characteristics of an underlying index or any other Cash Market security.

Swap - A contract whereby the parties agree to exchange cash flows of defined investment assets in amounts and times specified by the contract.

The University of Texas Investment Management Company Derivative Investment Policy

Derivative Investment Policy Exhibit B Delegated Derivative Investments

Subject to the limitations contained in the Derivative Investment Policy, the UTIMCO Board hereby delegates to the UTIMCO Chief Executive Officer the authority to enter into the following Derivative Investments:

Delegated Derivative Investments:

1. Replicating Derivatives - Derivative Investments that replicate the return characteristics of a long exposure to an underlying index, Basket or commodity. These investments are generally Futures Contracts and swaps on a passive index, Basket or commodity.
2. Derivative Investments that upon their expiration would not exceed the loss of a similar investment in the cash market equivalent being referred to in the derivative contract. These investments may include swaps whereby the holder of the instrument will forgo potential upside return in exchange for downside protection or receive a multiple of a referenced return should the return of the underlying referenced cash market equivalent be within a certain range and may also include the selling of put options.
3. Derivative Investments that reduce Long Exposure to an Asset Class or hedge against risk, and limit maximum loss to the premium paid for the Derivative Investment, i.e., purchase options. The aggregate prorated annual premium of all Derivative Investments under this provision shall be as set forth in the respective Fund's Investment Policy Statement.
4. Futures Contracts and Forward Contracts on foreign currency if used (i) by an external fixed income manager within its investment guidelines, (ii) for hedging purposes by an external equities manager within its investment guidelines, or (iii) to hedge existing or prospective foreign currency risk by UTIMCO staff.
5. Derivative Investments used to manage bond duration or hedge equity exposure to countries, sectors or capitalization factors, or individual stock(s) swaps within the portfolio only if subsequent to the investment the portfolio would not be net short to any one of those factors. An example of such a hedge is selling Futures Contracts or call options on a country or sector index, provided the manager is exposed to that country or sector.
6. Derivative Investments used to gain Long Exposure to an Asset Class and limit maximum loss to the premium paid for the Derivative Investment.

The delegated authority set forth above should not be construed to permit UTIMCO staff to enter into Derivative Investments that are unhedged or 'naked' short positions containing unlimited loss.

Modeling: Each Delegated Derivative Investment must be such that it can be decomposed into one or more components, and each said component can be modeled using a model such as the CDS valuation model, Black-Scholes model, including modifications for foreign currency ("Quanto"), allowing both normal and log-normal distributions (the Black model), and modifications to handle dividends or other model approved by the Policy Committee.

Leverage: Each Delegated Derivative Investment must be modeled on a fully collateralized basis. During the course of the investment, cash collateral backing a Derivative Investment may be utilized to invest in other investments thereby creating leverage at the Fund level. This is only allowed if within the Funds' Investment Policy Statements.

5. U. T. System Board of Regents: Approval of the Annual Budget for FY 2017, including the capital expenditures budget and other external direct charges to the Funds, and the Annual Fee and Allocation Schedule for The University of Texas Investment Management Company (UTIMCO)

Upon recommendation of the Board of Directors of The University of Texas Investment Management Company (UTIMCO), the Board approved the Annual Budget for the year ending August 31, 2017, as set forth on Page 56, which includes the capital expenditures budget and other external direct charges to the Funds, and the Annual Fee and Allocation Schedule as set forth on Page 57.

The Total Budgeted Costs consist of \$32.3 million for UTIMCO services (2.5% increase over FY 2016 budget) and \$8.7 million (2.9% increase from FY 2016 budget) for external noninvestment manager services such as custodial, legal, audit, and consulting services. These Total Budgeted Costs represent only a portion of total investment costs as they exclude external manager fees. The Total Budgeted Costs were approved by the UTIMCO Board on July 21, 2016.

The Annual Fee and Allocation Schedule shows the allocation of the budgeted expenses among University of Texas System funds in total. UTIMCO expenses are 8.9 basis points of forecasted assets under management at August 31, 2017. The fees are to be paid quarterly.

The capital expenditures budget totaling \$0.1 million is included in the total Annual Budget.



The U. T. System Office of Business Affairs will not direct UTIMCO to return any surplus cash reserves to the U. T. System funds per the Master Investment Management Services Agreement (IMSA) between the U. T. System Board of Regents and UTIMCO. The U. T. System Office of Business Affairs and UTIMCO expect that any surplus cash reserves will be utilized in FY 2017 in connection with the new lease space in the new U. T. System Replacement Office Building. These potential costs have not been determined yet and the capital budget will be brought forth to the UTIMCO Board and the U. T. System Board of Regents at future meetings for approval.

UTIMCO ANNUAL BUDGET

\$ in thousands	FY 2016	FY 2017	FY 2017 Budget v FY 2016 Budget	
	<u>Budget</u>	<u>Budget</u>	<u>\$</u>	<u>%</u>
Salaries, Benefits & Taxes	\$14,186	\$15,274	\$1,088	7.7%
Incentive Compensation	10,441	9,006	(1,435)	-13.7%
Total Compensation	24,627	24,280	(347)	-1.4%
Other Expenses	6,883	8,015	1,132	16.4%
Total UTIMCO	<u>\$31,510</u>	<u>\$32,295</u>	<u>\$785</u>	<u>2.5%</u>
Other Investment-related Expenses Charged to the Funds	\$8,502	\$8,747	\$245	2.9%

Prepared by: UTIMCO
Date: July 21, 2016

UTIMCO Management Fee and Direct Budgeted Investment Expenses
Annual Fee and Allocation Schedule
For the fiscal year ending August 31, 2017

<u>Proposed Budget</u>	<u>Fund Name</u>						<u>Separate Funds</u>	<u>Debt Proceeds</u>	<u>Total</u>
	PUF	PHF	LTF	GEF	ITF	STF			
Forecasted Market Value 8/31/17 (\$ millions)	18,092	1,054	7,495	8,549	7,443	1,805	208	371	36,468
UTIMCO Management Fee									
Dollars (thousands)	17,619	1,291	7,905		5,480		0	0	32,295
Basis Points	9.7	12.3	10.5	0	7.4	0	0	0	8.9
Direct Expenses to the Fund, excluding UT System Direct Expenses to the Fund									
Dollars (thousands)	3,843	25	26	2,214	2,639		0	0	8,747
Basis Points	2.1	0.2	0.0	2.6	3.5	0	0	0	2.4

6. U. T. System Board of Regents: Adoption of a Resolution authorizing the issuance, sale, and delivery of Permanent University Fund Bonds 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 U. T. System Permanent University Fund (PUF) Bonds in one or more installments in an aggregate principal amount not to exceed \$600 million to be used to refund certain outstanding PUF Bonds, to refund PUF Commercial Paper Notes, to provide new money to fund construction and acquisition costs, and to pay the costs of issuance; and
- b. authorized appropriate officers and employees of U. T. System as set forth in the 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.

On August 20, 2015, the Board of Regents adopted a resolution authorizing the issuance of PUF Bonds in an amount not to exceed \$600 million for Fiscal Year 2016. Adoption of this Resolution provides a similar authorized amount and purposes for Fiscal Year 2017.

Adoption of this Resolution authorizes the advance or current refunding of a portion of certain outstanding 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. The Resolution provides that additional PUF Bonds may be refunded if such refunding is determined to be in the best interest of the U. T. System.

The Resolution also authorizes the current refunding of all or a portion of the PUF Commercial Paper Notes. The PUF Commercial Paper 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.

The Resolution also authorizes the appropriate officers and employees of the U. T. System to refund outstanding PUF Bonds pursuant to a tender program and to use lawfully available funds to defease outstanding PUF Bonds when economically advantageous.

The Resolution, which is [on file](#) in the Office of the Board of Regents, was reviewed by outside bond counsel and the U. T. System Office of General Counsel.

7. U. T. System Board of Regents: Adoption of a Supplemental Resolution authorizing the issuance, sale, and delivery of Revenue Financing System Bonds and authorization to complete all related transactions

The Board

- a. adopted a Supplemental 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 U. T. System Revenue Financing System (RFS) Bonds in one or more installments in an aggregate principal amount not to exceed \$975 million to be used to refund certain outstanding RFS Bonds, to refund RFS Commercial Paper Notes, to provide new money to fund construction and acquisition costs of projects in the Capital Improvement Program, and to pay the costs of issuance; and
- b. authorized appropriate officers and employees of U. T. System as set forth in the 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 RFS Bonds.

On May 12, 2016, the Board of Regents adopted the 30th Supplemental Resolution authorizing the issuance of additional RFS Bonds in an amount not to exceed \$925 million. A portion of this authority was utilized to issue \$213,180,000 of Revenue Financing System Bonds, Series 2016D on July 1, 2016; \$196,215,000 of Revenue Financing System Bonds, Series 2016E on August 22, 2016; and \$376,030,000 of Revenue Financing System Bonds, Series 2016F scheduled to close on September 1, 2016. Adoption of this 31st Supplemental Resolution provides additional capacity to finance additional projects, including tuition revenue bond projects, under the same provisions as the prior resolution.

Adoption of the Supplemental Resolution authorizes the advance or current refunding of a portion of certain outstanding 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 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 Supplemental Resolution provides the flexibility to select the particular bonds to be refunded depending on market conditions at the time of pricing.

The Supplemental Resolution also authorizes the current refunding of all or a portion of the RFS Commercial Paper Notes. The RFS Commercial Paper Note program is used to provide interim financing for RFS projects approved by the Board. Adoption of the Supplemental Resolution will permit the interim financing provided through the Notes to be replaced with long-term financing. The Supplemental Resolution also authorizes the issuance of bonds to provide new money to fund the capital costs of eligible projects.

The Supplemental Resolution also authorizes the appropriate officers and employees of the U. T. System to refund outstanding RFS Bonds pursuant to a tender program and to use lawfully available funds to defease outstanding RFS Bonds when economically advantageous.

The Supplemental Resolution, which is [on file](#) in the Office of the Board of Regents, was reviewed by outside bond counsel and the U. T. System Office of General Counsel.

8. U. T. System Board of Regents: Adoption of resolutions authorizing certain bond enhancement agreements for Revenue Financing System debt and Permanent University Fund debt, including ratification of U. T. System Interest Rate Swap Policy

The Board adopted resolutions substantially in the form set out on the following pages (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 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.

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

The U. T. System Interest Rate Swap Policy was approved by the Board of Regents as a Regental Policy on February 13, 2003, and was incorporated into the Regents' *Rules and Regulations*, Rule 70202, on December 10, 2004. The Rule was subsequently amended on August 23, 2007. Section 1371.056(l) of the *Texas Government Code* requires that while an interest rate management agreement transaction is outstanding, the governing body of the issuer shall review and ratify or modify its related risk management policy at least biennially.

On August 20, 2015, the Board approved bond enhancement agreement resolutions for Fiscal Year (FY) 2016. Approval of this item authorizes the execution of bond enhancement agreement transactions related to RFS and PUF debt in accordance with the U. T. System Interest Rate Swap Policy for FY 2017 and will ratify the existing U. T. System Interest Rate Swap Policy, set out as Exhibit B, as required by *Texas Government Code* Section 1371.056. The determination to utilize bond enhancement agreements will be made based on market conditions at the time of pricing the related debt issuance. The Chancellor and the Chairman of the Board's Finance and Planning Committee will be informed in advance of any proposed transactions to be undertaken pursuant to the resolutions.

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

August 25, 2016

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 or as set forth in Exhibit A hereto; 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 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 or to be executed thereunder; and

WHEREAS, the Board hereby desires to ratify and approve the System's Interest Rate Swap Policy, a copy of which is attached hereto as Exhibit B, and to severally authorize each Authorized Representative (as defined in the System's Interest Rate Swap Policy) 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. DEFINITIONS. In addition to the definitions set forth in the preamble of this Resolution, the terms used in this Resolution and not otherwise defined shall have the meanings given in the Master Resolution or in Exhibit A to this Resolution attached hereto and made a part hereof.

SECTION 2. AUTHORIZATION OF BOND ENHANCEMENT AGREEMENTS.

(a) Delegation. Each Authorized Representative is hereby severally authorized to act on behalf of the Board in accepting and executing new or amended 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 and 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. Prior to entering into any such transaction, an Authorized Representative must deliver to the General Counsel of the Board a certificate setting forth the determinations of the Authorized Representative in connection with the foregoing. Each Authorized Representative is also severally authorized to execute any required novation agreement related to the execution and delivery of a new or amended Confirmation undertaken in conjunction with the novation of an existing Confirmation. The delegation to each Authorized Representative to execute and deliver Bond Enhancement Agreements on behalf of the Board under this Resolution shall expire on September 1, 2017.

(b) Authorizing Law and Treatment as Credit Agreement. 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*, as amended ("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.

(c) Maximum Term. 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.

(d) Notional Amount. 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.

(e) Early Termination. 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. In addition to subsections (a) and (b) of Section 6 hereof, each Authorized Representative is hereby severally authorized to terminate any Bond Enhancement when, in his or her judgment, such termination is in the best interests of the Board given the market conditions at that time.

(f) Maximum Rate. No Bond Enhancement Agreement authorized by this Resolution shall be payable at a rate greater than the maximum rate allowed by law.

(g) Credit Enhancement. 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 0.50% of the notional amount of such Bond Enhancement Agreement.

SECTION 3. BOND ENHANCEMENT AGREEMENTS AS PARITY DEBT. 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.

SECTION 4. AUTHORIZATION FOR SPECIFIC TRANSACTIONS. (a) 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 (or other agreement or instrument deemed necessary by an Authorized Representative) upon satisfaction of the following respective conditions:

(1) 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.

(2) 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 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 an 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.

(3) 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 or synthetic 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.

(4) Interest rate locks, caps, options, 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.

(b) The foregoing is not intended to be a comprehensive list of permissible types of transactions, but rather to specify additional conditions necessary to enter into the specified types of transactions. The requirements of Section 2(a) above shall apply to any transaction not specified in subsection (a) hereof.

SECTION 5. APPLICATION OF PAYMENTS RECEIVED UNDER BOND ENHANCEMENT AGREEMENTS.

(a) General. Except as further limited by subsection (b) hereof, to the extent the Board receives payments pursuant to a Bond Enhancement Agreement, such payments shall be applied for any lawful purpose.

(b) Payments under Chapter 1371 Credit Agreements. 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; (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 6. BOND ENHANCEMENT AGREEMENTS IN CONNECTION WITH ANTICIPATED PARITY DEBT.

(a) Requirement to Terminate or Modify Agreement for Non-issuance of Anticipated Parity Debt. In the event a Bond Enhancement Agreement is entered into under this Resolution in connection

with the anticipated issuance of Parity Debt and such Parity Debt is not actually issued on or prior to the effective date of such agreement, an Authorized Representative shall either terminate such Bond Enhancement Agreement or amend such Bond Enhancement Agreement in such event to (i) delay the effective date of such Bond Enhancement Agreement; or (ii) replace such anticipated Parity Debt with any then outstanding Parity Debt having the same types of interest rates (fixed or variable) as the anticipated Parity Debt.

(b) Requirement to Terminate or Modify Agreement for Notional Amount in Excess of Anticipated Parity Debt as Issued. In the event a Bond Enhancement Agreement is entered into under this Resolution in connection with the anticipated issuance of Parity Debt and such Bond Enhancement Agreement has a notional amount that at any time exceeds the principal amount to be outstanding of such anticipated Parity Debt as actually issued, an Authorized Representative shall either terminate such Bond Enhancement Agreement or amend such Bond Enhancement Agreement to (i) reduce the notional amount of such Bond Enhancement as appropriate so that such notional amount does not exceed at any time the principal amount to be outstanding of such anticipated Parity Debt as actually issued or (ii) supplement or replace all or a portion of such anticipated Parity Debt with any then outstanding Parity Debt having the same types of interest rates (fixed or variable) as the anticipated Parity Debt as necessary to ensure that the notional amount of such Bond Enhancement Agreement does not exceed at any time the principal amount of the applicable Parity Debt.

(c) Board Recognition of Anticipated Parity Debt. 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 (i) the Board's prior adoption of a resolution authorizing the issuance of such debt, including, but not limited to, a resolution delegating the parameters of such issuance to an Authorized Representative or a resolution authorizing the issuance of commercial paper notes, (ii) the Board's prior approval of its then current Capital Improvement Program contemplating the financing of the projects to be financed or refinanced by such anticipated issuance of debt and the amount of such debt to be issued or the Board's other approval of such projects for financing or (iii) the Board's action pursuant to subsection (e) hereof with respect to Parity Debt anticipated to be issued to refund outstanding Parity Debt.

(d) Required Description of Anticipated 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 at the time such agreement is entered into 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 Program; (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 Program or have otherwise received Board approval for financing.

(e) Board's Statement of Intent to Issue Refunding Debt for Savings. If the conditions in this Resolution are otherwise satisfied, the Board hereby authorizes each Authorized Representative to enter into a Bond Enhancement Agreement in connection with Parity Debt anticipated to be issued for the purpose of advance refunding any existing Parity Debt, provided that as certified by an Authorized Representative to the General Counsel to the Board, such anticipated issue of Parity Debt, when taking into consideration the effect of such Bond Enhancement Agreement, is expected to result in a present value savings in connection with such advance refunding of at least 3.0% (determined in the manner set forth in a supplemental resolution approved by the Board 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. No such certification or declaration shall be applicable in connection with Parity Debt anticipated to be issued for the purpose of currently refunding any existing Parity Debt within ninety (90) days of the date of issuance of such anticipated Parity Debt.

SECTION 7. MASTER AGREEMENTS.

(a) New Master Agreements. Each Authorized Representative is hereby severally 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(b) 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. If a New Master Agreement entered into pursuant to this subsection replaces a then effective Master Agreement with the same or a related counterparty, each Authorized Representative is hereby severally authorized to terminate such existing Master Agreement upon the New Master Agreement becoming effective and to take and all actions necessary to transfer any Confirmations thereunder to such New Master Agreement.

(b) Amendments to Master Agreements. 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 8. ADDITIONAL AUTHORIZATION; RATIFICATION AND APPROVAL OF SWAP POLICY.

(a) Additional Agreements and Documents Authorized. Each Authorized Representative and all officers 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 Authorized Representative or officer shall deem appropriate, including without

limitation, officer's certificates, legal opinions, credit support documents and any documentation pursuant to an ISDA DF Protocol, and the execution of any certificates and the filing of any returns with the Internal Revenue Service as may be necessary in the judgment of Bond Counsel with respect to a Bond Enhancement Agreement or the related Parity Debt. Any such actions heretofore taken are hereby ratified, approved and affirmed in all respects.

(b) Further Actions. Each Authorized Representative and all officers of the Board are severally 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.

(c) Swap Policy. The Board has reviewed and hereby ratifies, approves and affirms the System's Interest Rate Swap Policy, a copy of which is attached hereto as Exhibit B.

[Remainder of page intentionally left blank]

EXHIBIT A

DEFINITIONS

As used in this Resolution the following terms and expressions shall have the meanings set forth below, unless the text hereof specifically indicates otherwise:

"Authorized Representative" – As defined in the System's Interest Rate Swap Policy (a copy of which is attached hereto as Exhibit B).

"Board" – The Board of Regents of The University of Texas System.

"Bond Enhancement Agreement" – Collectively, each Confirmation and the applicable Master Agreement.

"Chapter 1371" – Chapter 1371 of the *Texas Government Code*, as amended.

"Confirmation" – Each confirmation entered into by an Authorized Representative on behalf of the Board pursuant to this Resolution.

"Executed Master Agreements" – The following existing and fully executed ISDA Master Agreements currently in effect between the Board and the respective counterparty noted below (copies of which are attached hereto as Exhibit C):

(i) ISDA Master Agreement with Bank of America, N.A., dated as of December 6, 2005;

(ii) ISDA Master Agreement with JPMorgan Chase Bank, National Association, dated as of May 2, 2006;

(iii) ISDA Master Agreement with Merrill Lynch Capital Services, Inc., dated as of May 1, 2006;

(iv) ISDA Master Agreement with Morgan Stanley Capital Services Inc., dated as of December 6, 2005;

(v) ISDA Master Agreement with UBS AG, dated as of November 1, 2007;

(vi) ISDA Master Agreement with Goldman Sachs Bank USA, dated as of August 1, 2009;

(vii) ISDA Master Agreement with Wells Fargo Bank, National Association, dated as of August 21, 2009;

(viii) ISDA Master Agreement with Barclays Bank PLC, dated as of November 4, 2010;

(ix) ISDA Master Agreement with Deutsche Bank AG, New York Branch, dated as of May 1, 2011;

(x) ISDA Master Agreement with Royal Bank of Canada, dated as of June 8, 2011;
and

(xi) ISDA Master Agreement with Citibank, N.A., dated as of October 26, 2011.

"ISDA" – The International Swaps and Derivatives Association, Inc.

"ISDA DF Protocol" – Any protocol developed by ISDA in response to provisions of the Dodd Frank Wall Street Reform and Consumer Protection Act relating to derivatives.

"LIBOR" – London Interbank Offered Rate.

"Master Agreements" – Collectively, the Executed Master Agreements and any New Master Agreements.

"Master Resolution" – The First Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System adopted by the Board on February 14, 1991, and amended on October 8, 1993, and August 14, 1997.

"New Master Agreements" – Any ISDA Master Agreements entered into by an Authorized Representative pursuant to Section 7(a) of this Resolution.

"Section 65.461" – Section 65.461 of the *Texas Education Code*, as amended.

"System" – The University of Texas System.

EXHIBIT B

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

[See Regents' *Rules and Regulations*, Rule 70202 titled Interest Rate Swap Policy]

EXHIBIT C

EXECUTED MASTER AGREEMENTS

[On file with the U. T. System Office of Business Affairs]

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 25, 2016

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, as amended (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 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) to be executed thereunder; and

WHEREAS, the Board hereby desires to ratify and approve the U.T. System’s Interest Rate Swap Policy, a copy of which is attached hereto as Exhibit B, and to severally authorize each Authorized Representative (as defined in the System’s Interest Rate Swap Policy) 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. DEFINITIONS. Capitalized terms used in this Resolution and not otherwise defined shall have the meanings given in Exhibit A attached hereto and made a part hereof.

SECTION 2. AUTHORIZATION OF BOND ENHANCEMENT AGREEMENTS.

(a) Delegation. Each Authorized Representative is hereby severally authorized to act on behalf of the Board in accepting and executing new or amended 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 and 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 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. Prior to entering into any such transaction, an Authorized Representative must deliver to the General Counsel of the Board a certificate setting forth the determinations of the Authorized Representative in connection with the foregoing. Each Authorized Representative is also severally authorized to execute any required novation agreement related to the execution and delivery of a new or amended Confirmation undertaken in conjunction with the novation of an existing Confirmation. The delegation to each Authorized Representative to execute and deliver Bond Enhancement Agreements on behalf of the Board under this Resolution shall expire on September 1, 2017.

(b) Authorizing Law and Treatment as Credit Agreement. 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*, as amended (“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.

(c) Costs; Maximum Term. The costs of any Bond Enhancement Agreement and the amounts payable thereunder, including but not limited to any amounts payable by the Board as a result of terminating a Bond Enhancement Agreement, 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.

(d) Notional Amount. 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.

(e) Early Termination. 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. In addition to subsections (a) and (b) of Section 5 hereof, each Authorized Representative is hereby severally authorized to terminate any Bond Enhancement when, in his or her judgment, such termination is in the best interests of the Board given the market conditions at that time.

(f) Maximum Rate. No Bond Enhancement Agreement authorized by this Resolution shall be payable at a rate greater than the maximum rate allowed by law.

(g) Credit Enhancement. 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 0.50% of the notional amount of such Bond Enhancement Agreement.

SECTION 3. AUTHORIZATION FOR SPECIFIC TRANSACTIONS.

(a) 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 (or other agreement or instrument deemed necessary by an Authorized Representative) upon satisfaction of the following respective conditions:

(1) 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.

(2) 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.

(3) 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 or synthetic 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.

(4) Interest rate locks, caps, options, 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.

(b) The foregoing is not intended to be a comprehensive list of permissible types of transactions, but rather to specify additional conditions necessary to enter into the specified types of transactions. The requirements of Section 2(a) above shall apply to any transaction not specified in Section 3(a) above.

SECTION 4. APPLICATION OF PAYMENTS RECEIVED UNDER BOND ENHANCEMENT AGREEMENTS.

(a) General. Except as provided in subsection (b) hereof, to the extent the Board receives payments pursuant to a Bond Enhancement Agreement, such payments shall be applied for any lawful purpose.

(b) Payments under Chapter 1371 Credit Agreements. 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 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; (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 5. BOND ENHANCEMENT AGREEMENTS IN CONNECTION WITH ANTICIPATED PUF DEBT.

(a) Requirement to Terminate or Modify Agreement for Non-issuance of Anticipated PUF Debt. In the event a Bond Enhancement Agreement is entered into under this Resolution in connection with the anticipated issuance of PUF Debt and such PUF Debt

is not actually issued on or prior to the effective date of such agreement, an Authorized Representative shall either terminate such Bond Enhancement Agreement or amend such Bond Enhancement Agreement in such event (i) to delay the effective date of such Bond Enhancement Agreement; or (ii) to replace such anticipated PUF Debt with any then outstanding PUF Debt having the same types of interest rates (fixed or variable) as the anticipated PUF Debt.

(b) Requirement to Terminate or Modify Agreement for Notional Amount in Excess of Anticipated PUF Debt as Issued. In the event a Bond Enhancement Agreement is entered into under this Resolution in connection with the anticipated issuance of PUF Debt and such Bond Enhancement Agreement has a notional amount that at any time exceeds the principal amount to be outstanding of such anticipated PUF Debt as actually issued, an Authorized Representative shall either terminate such Bond Enhancement Agreement or amend such Bond Enhancement Agreement (i) to reduce the notional amount of such Bond Enhancement as appropriate so that such notional amount does not exceed at any time the principal amount to be outstanding of such anticipated PUF Debt as actually issued or (ii) supplement or replace all or a portion of such anticipated PUF Debt with any then outstanding PUF Debt having the same types of interest rates (fixed or variable) as the anticipated PUF Debt as necessary to ensure that the notional amount of such Bond Enhancement Agreement does not exceed at any time the principal amount of the applicable PUF Debt.

(c) Board Recognition of Anticipated Parity Debt. 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 (i) the Board's prior adoption of a resolution authorizing the issuance of such debt, including but not limited to a resolution delegating the parameters of such issuance to an Authorized Representative or a resolution authorizing the issuance of commercial paper notes, (ii) the Board's prior approval of its then current Capital Improvement Program 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 subsection (e) hereof with respect to PUF Debt anticipated to be issued to refund outstanding PUF Debt.

(d) Required Description of Anticipated 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 at the time such agreement is entered into 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 Program; (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 Program or have otherwise received Board approval for financing.

(e) Board's Statement of Intent to Issue Advance Refunding Debt for Savings. If the conditions in this Resolution are otherwise satisfied, the Board hereby authorizes each Authorized Representative to enter into a Bond Enhancement Agreement in connection with PUF Debt anticipated to be issued for the purpose of advance refunding any existing PUF Debt, provided that as certified by an Authorized Representative to the General Counsel to the Board, such anticipated issue of PUF Debt, when taking into consideration the effect of such Bond Enhancement Agreement, is expected to result in a present value savings in connection with such advance refunding of at least 3.0% (determined in the manner set forth in the resolution approved by the Board authorizing the issuance of such anticipated issue of PUF Debt), and in such event, the Board hereby declares its intention to cause such anticipated PUF Debt to be issued. No such certification or declaration shall be applicable in connection with PUF Debt anticipated to be issued for the purpose of currently refunding any existing PUF Debt within ninety (90) days of the date of issuance of such anticipated PUF Debt.

SECTION 6. MASTER AGREEMENTS.

(a) New Master Agreements. Each Authorized Representative is hereby severally 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(b) 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. If a New Master Agreement entered into pursuant to this subsection replaces a then effective Master Agreement with the same or a related counterparty, each Authorized Representative is hereby severally authorized to terminate such existing Master Agreement upon the New Master Agreement becoming effective and to take any and all

actions necessary to transfer any Confirmations thereunder to such New Master Agreement.

(b) Amendments to Master Agreements. 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 7. ADDITIONAL AUTHORIZATION; RATIFICATION AND APPROVAL OF SWAP POLICY.

(a) Additional Agreements and Documents Authorized. Each Authorized Representative and all officers 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 Authorized Representative or officer shall deem appropriate, including without limitation, officer's certificates, legal opinions, credit support documents and any documentation pursuant to an ISDA DF Protocol, and the execution of any certificates and the filing of any returns with the Internal Revenue Service as may be necessary in the judgment of Bond Counsel with respect to a Bond Enhancement Agreement or the related PUF Debt. Any such actions heretofore taken are hereby ratified, approved and affirmed in all respects.

(b) Further Actions. Each Authorized Representative and all officers of the Board are severally 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.

(c) Swap Policy. The Board has reviewed and hereby ratifies, approves and affirms the System's Interest Rate Swap Policy, a copy of which is attached hereto as Exhibit B.

[Remainder of page intentionally left blank]

EXHIBIT A

DEFINITIONS

As used in this Resolution the following terms shall have the meanings set forth below, unless the text hereof specifically indicates otherwise:

“Authorized Representative” shall have the meaning given to such term in the System’s Interest Rate Swap Policy (a copy of which is attached hereto as Exhibit B).

“Available University Fund” shall have the meaning given to such term in the recitals to this Resolution.

“Board” shall have the meaning given to such term in the recitals to this Resolution.

“Bond Enhancement Agreement” shall have the meaning given to such term in Section 2(a) hereof.

“Chapter 1371” shall have the meaning given to such term in Section 2(b) hereof.

“Confirmation” shall have the meaning given to such term in Section 2(a) hereof.

“Constitutional Provision” shall have the meaning given to such term in the recitals to this Resolution.

“Executed Master Agreements” shall mean the following existing and fully executed ISDA Master Agreements currently in effect between the Board and the respective counterparty noted below (copies of which are attached hereto as Exhibit C):

(i) ISDA Master Agreement with Bank of America, N.A., dated as of December 1, 2007;

(ii) ISDA Master Agreement with Goldman Sachs Capital Markets, L.P., dated as of December 1, 2007;

(iii) ISDA Master Agreement with JPMorgan Chase Bank, National Association, dated as of December 1, 2007;

(iv) ISDA Master Agreement with Merrill Lynch Capital Services, Inc., dated as of December 1, 2007;

(v) ISDA Master Agreement with Morgan Stanley Capital Services Inc., dated as of December 1, 2007;

(vi) ISDA Master Agreement with UBS AG, dated as of April 1, 2008;

(vii) ISDA Master Agreement with Barclays Bank PLC, dated as of February 3, 2011;

(viii) ISDA Master Agreement with Deutsche Bank AG, New York Branch, dated as of February 1, 2011;

(ix) ISDA Master Agreement with Royal Bank of Canada, dated as of June 8, 2011; and

(x) ISDA Master Agreement with Wells Fargo Bank, National Association, dated as of January 15, 2010.

“Interest of the System” shall have the meaning given to such term in the recitals to this Resolution.

“ISDA” shall mean the International Swaps and Derivatives Association, Inc.

“ISDA DF Protocol” shall mean any protocol developed by ISDA in response to provisions of the Dodd Frank Wall Street Reform and Consumer Protection Act relating to derivatives.

“LIBOR” shall have the meaning given to such term in Section 3(a)(3) hereof.

“Master Agreements” shall mean, collectively, the Executed Master Agreements and any New Master Agreements.

“New Master Agreements” shall have the meaning given to such term in Section 6(a) hereof.

“Permanent University Fund” shall have the meaning given to such term in the recitals to this Resolution.

“PUF Debt” shall have the meaning given to such term in the recitals to this Resolution.

“Residual AUF” shall have the meaning given to such term in the recitals to this Resolution.

“Section 65.461” shall have the meaning given to such term in Section 2(b) hereof.

“State” shall have the meaning given to such term in the recitals to this Resolution.

“System” shall have the meaning given to such term in the recitals to this Resolution.

EXHIBIT B

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

[See Regents' *Rules and Regulations*, Rule 70202 titled Interest Rate Swap Policy]

EXHIBIT C

EXECUTED MASTER AGREEMENTS

[On file with the U. T. System Office of Business Affairs]

9. U. T. System Board of Regents: Adoption of the Second Resolution Amending the Amended and Restated First Supplemental Resolution to the Master Resolution establishing the Revenue Financing System Commercial Paper Note Program; authorization for officers of U. T. System to complete all transactions related thereto; and resolution regarding parity debt

The Board

- a. adopted the Second Resolution Amending the Amended and Restated First Supplemental Resolution to the Master Resolution, as set forth on Pages 87 - 88, authorizing the issuance, sale, and delivery of Board of Regents of The University of Texas System Revenue Financing System Commercial Paper Notes, Series A, and Taxable Commercial Paper Notes, Series B in an aggregate principal amount not to exceed \$1.25 billion;
- b. authorized appropriate officers and employees of the U. T. System as set forth in the Amended and Restated First 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; make certain covenants and agreements in connection therewith; and resolve other matters incident and related to the issuance, sale, security, and delivery of such Notes.

As required by Section 5(a) of the Master Resolution, the Board further determined that upon the delivery of Notes authorized by this Resolution, it will have sufficient funds to meet the financial obligations of the U. T. System, including sufficient Pledged Revenues to satisfy the Annual Debt Service Requirements of the Revenue Financing System and to meet all financial obligations of the Board relating to the Revenue Financing System and that the Members on whose behalf such Notes are issued possess the financial capacity to satisfy their direct obligations after taking such Notes into account.

The U. T. System's Revenue Financing System Commercial Paper Note Program (Program) was established on April 12, 1990. Since that time, the size of the Program has been increased periodically, up to the current authorization of \$1.75 billion, to meet the financing needs of the U. T. System.

Adoption of this Resolution decreases Program authorization from \$1.75 billion to \$1.25 billion. The Program capacity was increased from \$1.25 billion to \$1.75 billion on August 20, 2015, to accommodate the new tuition revenue bond (TRB) authorization; however, given historically low long-term interest rates, the majority of authorized TRB projects have since been permanently financed with long-term bonds so the additional commercial paper capacity is no longer needed.

Liquidity for the combined programs will continue to be provided by the U. T. System through an arrangement with The University of Texas Investment Management Company (UTIMCO) consistent with the provisions governing liquidity for the Program.

The Second Resolution Amending the Amended and Restated First Supplemental Resolution was reviewed by outside bond counsel and the U. T. System Office of General Counsel.

(Secretary's Note: The caption has been amended to reflect the correct title of the approved resolution. The agenda materials inadvertently listed the title as the "Amended and Restated First Supplemental Resolution to the Master Resolution establishing the Revenue Financing System Commercial Paper Note Program.")

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

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

WHEREAS, unless otherwise defined herein, terms used herein shall have the meaning given in the Master Resolution and the First Supplement (as defined herein); and

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

WHEREAS, the Amended and Restated First Supplemental Resolution to the Master Resolution Establishing The University of Texas System Revenue Financing System was adopted by the Board on August 14, 2008 (the "2008 First Supplement") to establish an interim financing program pursuant to which the Board has issued its Notes (as defined in the First Supplement) to provide interim financing for capital improvements and to finance equipment purchases; and

WHEREAS, on August 20, 2015, the Board adopted a resolution amending the First Supplement (the "First Amending Resolution," and collectively with the 2008 First Supplement, the "First Supplement") to increase the aggregate principal amount of Notes which may be outstanding under such interim financing program from \$1,250,000,000 to \$1,750,000,000; and

WHEREAS, the Board hereby deems it necessary to further amend the First Supplement by the adoption of this resolution (this "Second Amending Resolution") to decrease the aggregate principal amount of Notes which may be outstanding under such interim financing program from \$1,750,000,000 to \$1,250,000,000.

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

Section 1. Section 2.01 of the First Supplement is hereby amended by substituting "One Billion Two Hundred Fifty Million Dollars (\$1,250,000,000)" in place of "One Billion Seven Hundred Fifty Million Dollars (\$1,750,000,000)" in such section. Section 4.01 and the fifth recital of the First Supplement are hereby amended by substituting the amount "\$1,250,000,000" in place of "\$1,750,000,000" in such section and recital, respectively.

Section 2. The Chairman of the Board, the Vice Chairman of the Board, the General Counsel to the Board of Regents of The University of Texas System, the U T. System Representatives, and the other officers, employees, and agents of the Board are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver

any and all documents which they may deem necessary or advisable in order to effectuate the purposes of this Second Amending Resolution, including the execution of any Dealer Agreement or Issuing and Paying Agent Agreement and the delivery of an Offering Memorandum. In addition, the Chairman of the Board, the Vice Chairman of the Board, the Chancellor, the Executive Vice Chancellor for Business Affairs, the Associate Vice Chancellor for Finance, the Assistant Vice Chancellor for Finance and Bond Counsel are hereby authorized to approve, subsequent to the date of the adoption of this Second Amending Resolution, any technical amendments to this Second Amending Resolution as may be required by Fitch, Moody's, Standard & Poor's as a condition to the granting or maintenance of a rating on the Notes acceptable to a U T. System Representative, or as may be required by the Attorney General's office in connection with the approval of this Second Amending Resolution or to correct any ambiguity or mistake or properly or more completely document the transactions contemplated and approved by this Second Amending Resolution.

Section 3. After the receipt of the approval of the Attorney General of this Second Amending Resolution, the amendment to the First Supplement shall take effect immediately pursuant to Section 5.01(a)(i) of the First Supplement since it reduces the amount of Notes that Board currently has the right to issue pursuant to Section 4.01 of the First Supplement.

Section 4. Nothing in this Second Amending Resolution shall be construed so as to prevent the Board from adopting any future amendment to the First Supplement that provides for an increase the amount of Notes that may Outstanding as currently contemplated by the provisions of the First Supplement, including particularly Sections 4.01 and 5.01(a)(v) thereof.

Section 5. In addition, the statements, findings, representations, and determinations set forth in the recitals to this Second Amending Resolution are hereby incorporated into and made a part of this Second Amending Resolution for all purposes.

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

[The Remainder of This Page is Intentionally Left Blank]

10. U. T. System Board of Regents: Equipment financing authorization for Fiscal Year 2017 and resolution regarding parity debt

The Board

- a. approved an aggregate amount of \$249,293,000 of Revenue Financing System Equipment Financing for Fiscal Year 2017 as allocated to those University of Texas System institutions listed 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 U. T. System institutions, which are “Members” as such term is used in the Master Resolution, possess the financial capacity to satisfy their direct obligation as defined in the Master Resolution relating to the issuance by the U. T. System Board of Regents of tax-exempt parity debt in the aggregate amount of \$249,293,000 for the purchase of equipment; and
 - this resolution satisfies the official intent requirements set forth in Section 1.150-2 of Title 26 of the *Code of Federal Regulations* that evidences the Board's intention to reimburse project expenditures with bond proceeds.

On April 14, 1994, the U. T. System Board of Regents approved the use of Revenue Financing System debt for equipment purchases in accordance with the Guidelines Governing Administration of the Revenue Financing System. Equipment financing is used for the purchase of equipment in lieu of more costly vendor financing. The guidelines specify that the equipment to be financed must have a useful life of at least three years. The debt is amortized twice a year with full amortization not to exceed 10 years.

On August 20, 2015, the U. T. System Board of Regents approved a total of \$213,200,000 of equipment financing for Fiscal Year 2016. On November 4, 2015, the U. T. System Board of Regents approved an additional \$4,000,000 of equipment financing for Fiscal Year 2016. Through August 1, 2016, \$105,479,000 of equipment financing has been utilized for Fiscal Year 2016.

Further details on the equipment to be financed and debt service coverage ratios for individual institutions may be found on the following page.

**U. T. SYSTEM EQUIPMENT FINANCING - INSTITUTION REQUESTS
FY 2017**

Institution	\$ Amount of Request	Description of Expected Capital Equipment	DSC*
U. T. Arlington	\$2,000,000	Technology equipment: computers, servers, routers	3.2x
U. T. Austin	11,900,000	Ambulatory surgery center, Clinical/Patient services, Vivarium and lab floor	4.2x
U. T. Dallas	10,000,000	General purpose equipment supporting instruction, research & business operations	1.7x
U. T. El Paso	1,800,000	Vehicle purchases, Law enforcement equipment	1.6x
U. T. Rio Grande Valley	6,618,000	IT equipment for network system, facilities and grounds maintenance equipment, classroom and lab equipment, vehicles, furniture and fixtures	2.5x
U. T. San Antonio	270,000	Baseball/softball/football locker rooms, video board for Convocation Center, life safety renovations	2.6x
U. T. Southwestern Medical Center	35,000,000	Information resources projects; clinical and hospital equipment	4.2x
U. T. Medical Branch - Galveston	40,000,000	Clinical, IT infrastructure, research related, and facility related	2.0x
U. T. Health Science Center - Houston	20,000,000	Electronic health record system implementation; clinic/laboratory equipment	3.3x
U. T. Health Science Center - San Antonio	30,000,000	Core research, clinical and/or infrastructure equipment	3.8x
U. T. M. D. Anderson Cancer Center	70,000,000	Medical, diagnostic, and research equipment, IT systems	10.5x
U. T. Health Science Center - Tyler	16,705,000	Clinical/Laboratory and IT equipment	2.7x
U. T. System Administration	5,000,000	IT equipment	NA
Total	\$249,293,000		

* Debt Service Coverage ("DSC") ratios based on FY2015 Analysis of Financial Condition (Feb 2016). DSC for UT RGV is based on FY17-FY22 forecasts.

U. T. System Office of Finance, August 1, 2016

REPORT AND RECOMMENDATIONS OF THE ACADEMIC AFFAIRS COMMITTEE

(Pages 92 - 93).--Committee Chairman Aliseda 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. System Board of Regents: Discussion and appropriate action regarding Consent Agenda items, if any, referred for Committee consideration

There were no items referred from the Consent Agenda.

2. U. T. Rio Grande Valley: Presentation and video on White Coat Ceremony for the School of Medicine's inaugural class

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

3. U. T. Tyler: Approval of preliminary authority for a Doctor of Philosophy in Clinical Psychology

The Board approved

- a. preliminary authority for The University of Texas at Tyler to include a Doctor of Philosophy (Ph.D.) in Clinical Psychology; and
- b. notification of the proposal to the Texas Higher Education Coordinating Board.

U. T. Tyler requested preliminary authority to amass the resources needed to offer a Ph.D. in Clinical Psychology. The program will focus on preparing doctoral-level clinical psychologists who have clinical and research skills enabling them to work effectively with and on behalf of populations in rural areas in which there is an important unmet need, such as older adults, underserved minority populations, military veterans, and active duty members. Employment for clinical psychologists at the regional, state, and national levels is expected to increase by 16% within the State of Texas (2012-2022) and 19% nationally (2014-2024).

In April 2016, U. T. Tyler invited a peer review team to the institution to assess the Department of Psychology's readiness to offer a Ph.D. program in Clinical Psychology. The review team's report was positive overall and included a number of recommendations, including the need to hire additional faculty intended to ensure that the program would be offered at the highest quality.

U. T. Tyler will submit the degree program for approval by the U. T. System Board of Regents and the Texas Higher Education Coordinating Board.

4. U. T. Austin: Report on the U. T. Austin Dell Medical School

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

REPORT AND RECOMMENDATIONS OF THE HEALTH AFFAIRS COMMITTEE

(Pages 94 - 97).--Committee Chairman Cranberg 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 Order that follows were recommended by the Health Affairs Committee and approved in Open Session by the U. T. System Board of Regents.

1. U. T. System Board of Regents: Discussion and appropriate action regarding Consent Agenda items, if any, assigned for Committee consideration

There were no items referred from the Consent Agenda.

2. U. T. System: Approval to distribute a portion of The University of Texas System Professional Medical Liability Benefit Plan premium returns and approve rates for the Plan

Upon recommendation of The University of Texas System Professional Medical Liability Benefit Plan (Plan) Management Committee, chaired by the Vice Chancellor and General Counsel and comprised of the Chair, the Executive Vice Chancellor for Health Affairs, and the Executive Vice Chancellor for Business Affairs, after consultation with Milliman, Inc., actuary for the Plan, the Board approved that

- a. overall premium rates remain unchanged;
- b. \$6 million in premium returns be distributed to the participating U. T. System institutions based on a methodology that considers each institution's losses; and
- c. \$4.5 million be designated for Health Affairs Collaborative Projects as identified by the Executive Vice Chancellor for Health Affairs.

The distribution of \$10.5 million is set forth on Page 96.

With the implementation of tort reform in 2003, the Plan Management Committee (Committee) has consistently recommended significant reductions in total Plan assets to bring the reserve levels to those generally accepted by the industry. The Committee continues balancing Plan revenue from premiums charged and investment income with adequate capitalization from which to pay Plan claims, reserves for future claims, and administrative expenses. As part of this effort, Plan premiums were significantly reduced for several years immediately following tort reform adoption, and since 2007, the premium rates have either been reduced or unchanged. However, Plan premiums are adjusted annually for institutional loss experience.

For the coming year, the Committee recommended maintaining overall premiums at the current rate. Based on Plan investment income and efficient management of claims, the Committee recommended a return to the contributing institutions of \$6 million so that excessive reserves are not maintained. The combination of unchanged rates along with this distribution should still allow adequate capitalization of the Plan.

The methodology for distribution of \$6 million to participating institutions considers the proportion of each institution's payment into the Plan as well as each institution's loss experience. Thus, those institutions with higher claims receive lower distributions.

In addition to the \$6 million to be distributed to participating institutions, \$4.5 million was approved for U. T. System efforts in patient safety enhancement, through Health Affairs Collaborative Projects, as identified by the Executive Vice Chancellor for Health Affairs.

Exhibit 1
The University of Texas System Professional Medical Liability Benefit Plan
Proposed Distribution of Plan Returns
 FY 2016

<i>Institution</i>	<i>Premium Paid</i> 2014-2016	<i>Claims Expenses</i> 2014-2016	<i>Net Contribution Amount</i>	<i>Rebate based on Net Contribution</i>
UT Arlington	6,703	-	6,703	1,956
UT Austin	96,076	1,941	94,135	27,473
UT Dallas	1,518	-	1,518	444
UT El Paso	859	-	859	251
UT Rio Grande Valley ¹	124,529	-	124,529	36,343
UT San Antonio	3,918	-	3,918	1,143
UTSWMC	6,558,996	2,578,308	3,980,688	1,161,740
UTMB	4,534,465	1,031,111	3,503,354	1,022,433
UTHSCH	5,704,486	1,784,042	3,920,444	1,144,158
Medical Foundation (UTHSCH)	2,370,021	741,209	1,628,812	475,359
UTHSCSA	5,080,910	695,463	4,385,447	1,279,866
UTMDACC	3,584,001	797,624	2,786,377	813,187
UTHSCT	335,400	213,255	122,145	35,647
Subtotal	\$ 28,401,882	\$ 7,842,953	\$ 20,558,929	\$ 6,000,000
Patient Safety Enhancement Projects				\$ 4,500,000
TOTAL PROPOSED DISTRIBUTION				\$ 10,500,000

¹ Premium of \$1,932 for FY 2014-2015 was paid by UT Pan American.

3. U. T. System: Report on the U. T. Health Care Enterprise, a strategic Quantum Leap initiative

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

REPORT AND RECOMMENDATIONS OF THE FACILITIES PLANNING AND CONSTRUCTION COMMITTEE (Pages 98 - 110).--Committee Chairman Pejovich 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. System Board of Regents: Discussion and appropriate action regarding Consent Agenda items, if any, assigned for Committee consideration

There were no items referred from the Consent Agenda.

2. U. T. Permian Basin: Engineering Building - Approval of design development; and appropriation of funds and authorization of expenditure (Final Board approval)

The Board approved the recommendations for the Engineering Building project at The University of Texas of the Permian Basin as follows:

Project No.:	501-945	
Project Delivery Method:	Competitive Sealed Proposals	
Milestone Dates:	Addition to CIP	August 2015
	Design Development	August 2016
	Notice to Proceed	April 2017
	Substantial Completion	March 2019
Total Project Cost:	<u>Source</u>	<u>Current</u>
	Tuition Revenue Bond Proceeds	\$48,000,000
	Permanent University Fund Bond Proceeds	<u>\$ 4,000,000</u>
		\$52,000,000
Investment Metrics:	<u>By 2025</u>	
	<ul style="list-style-type: none"> • Increase tenured and tenure-track faculty members from 9 to 19 and lecturers from 2 to 5 • Increase number of engineering students by 890 from 660 to 1,550 • Increase number of graduates by 137 from 43 to 180 Bachelor students • Increase external research funding by approximately \$880,000 annually from \$120,000 to \$1,000,000 	
Project Advocate:	Ramiro Bravo, Associate Professor, Engineering and Technology	
Definition Phase Completed:	N/A	

Project Planning:	Owner's Project Requirements	Yes
	Basis of Design	Yes
	Schematic Plans	Yes
	Detailed Cost Estimate	Yes
	Facilities Program	Yes

Cost Per Gross Square Foot Benchmarks*

Engineering Building (with 32% Shell Space)	\$398
Engineering Building (Estimated Total Finish-Out)	\$429
Texas Higher Education Coordinating Board Average for Laboratory, General	\$496

	Low Quartile	Median	High Quartile
Other U. T. System Projects	\$410	\$452	\$483
Other Texas Projects	\$409	\$430	\$458
Other National Projects	\$452	\$515	\$653

* All benchmark building costs are escalated to 2016

- a. approve design development plans; and
- b. appropriate funds and authorize expenditure of \$52,000,000 with funding of \$48,000,000 from Tuition Revenue Bond (TRB) Proceeds and \$4,000,000 from Permanent University Fund (PUF) Bond Proceeds.

Previous Actions

On July 10, 2014, President Watts presented this project to the Board of Regents for approval to submit the project for consideration by the Texas Legislature for TRB funding. The 84th Legislature passed, and Governor Greg Abbott signed House Bill 100, allowing for the issuance of \$922,632,000 in TRB Proceeds for U. T. System institutions effective September 1, 2015. On August 20, 2015, the project was included in the Capital Improvement Program (CIP) with a total project cost of \$60,000,000 with funding of \$48,000,000 from TRBs, \$4,000,000 from PUF, and \$8,000,000 from Gifts. On December 11, 2015, the Chancellor approved a decrease in the total project cost of \$8,000,000 from Gifts to \$52,000,000.

Project Description

The project will construct an approximately 94,423 gross square foot building on U. T. Permian Basin's Midland Campus. The three-story building will provide instructional labs, a tiered lecture hall, flexible classrooms, collaboration spaces, and faculty offices for Mechanical, Petroleum, and Aerospace engineering programs. The third floor will be shell space for future engineering program labs and faculty offices. The project will also include a new parking lot for 170 vehicles.

3. U. T. Rio Grande Valley: Interdisciplinary Engineering and Academic Studies Building - Amendment of the FY 2017-2022 Capital Improvement Program to decrease total project cost; approval to revise funding sources; approval of design development; and appropriation of funds and authorization of expenditure (Final Board approval)

The Board approved the recommendations for the Interdisciplinary Engineering and Academic Studies Building project at The University of Texas Rio Grande Valley as follows:

Project No.:	903-944		
Project Delivery Method:	Construction Manager-at-Risk		
Milestone Dates:	Addition to CIP	August 2015	
	Design Development	August 2016	
	Notice to Proceed	March 2017	
	Substantial Completion	November 2018	
Total Project Cost:	<u>Source</u>	<u>Former</u>	<u>Current</u>
	Tuition Revenue Bond Proceeds	\$30,600,000	\$30,600,000
	Permanent University Fund Bond Proceeds	\$ 5,000,000	\$ 5,000,000
	Gifts	<u>\$ 2,000,000</u>	<u>\$ 0</u>
		\$37,600,000	\$35,600,000
Investment Metrics:	<ul style="list-style-type: none"> • Increase engineering enrollment by 48% from 3,076 to 4,553 by 2028 • Increase number of laboratory seats by 40% from 2,771 to 3,879 by 2028 • Reduce teaching space deficit by 32,233 assignable square feet (ASF) 		
Project Advocates:	Cynthia Brown, Deputy Provost Theresa Maldonado, Senior Vice President of Research, Innovation, and Economic Development Marta Salinas-Hovar, Associate Vice President for Facilities Planning and Operations		
Definition Phase Completed:	N/A		
Project Planning:	Owner's Project Requirements	Yes	
	Basis of Design	Yes	
	Schematic Plans	Yes	
	Detailed Cost Estimate	Yes	
	Facilities Program	Yes	

Cost Per Gross Square Foot Benchmarks*

Interdisciplinary Engineering and Academic Studies Building	\$389
Texas Higher Education Coordinating Board Average for Classroom, General	\$424

	Low Quartile	Median	High Quartile
Other U. T. System Projects	\$313	\$345	\$380
Other National Projects	\$256	\$430	\$551

* All benchmark building costs are escalated to 2016

- a. amend the FY 2017-2022 Capital Improvement Program (CIP) to decrease the total project cost from \$37,600,000 to \$35,600,000;
- b. revise funding sources to remove Gifts;
- c. approve design development plans; and
- d. appropriate funds and authorize expenditure of \$35,600,000 with funding of \$30,600,000 from Tuition Revenue Bond (TRB) Proceeds and \$5,000,000 from Permanent University Fund (PUF) Bond Proceeds.

Previous Actions

On July 10, 2014, President Bailey presented this project to the Board of Regents for approval to submit the project for consideration by the Texas Legislature for TRB funding. The 84th Legislature passed, and Governor Greg Abbott signed House Bill 100, allowing for the issuance of \$922,632,000 in TRB Proceeds for U. T. System institutions effective September 1, 2015. On August 20, 2015, the project was included in the CIP with a total project cost of \$37,600,000 with funding of \$30,600,000 from TRBs, \$5,000,000 from PUF, and \$2,000,000 from Gifts.

Project Description

The project will construct an approximately 53,400 gross square foot facility on the Edinburg campus that will include six engineering teaching labs, two discipline-specific computer labs, eight 60-seat general classrooms, offices for faculty and staff, and support spaces for graduate and doctoral students. This facility will provide flexible instructional space with an emphasis on engineering students. Additionally, the project will include an outdoor area to be used as a gathering and study space to relieve pressure on more expensive indoor space and also to support academic events.

4. U. T. Rio Grande Valley: Multipurpose Academic Center - Approval of design development; and appropriation of funds and authorization of expenditure (Final Board approval)

The Board approved the recommendations for the Multipurpose Academic Center project at The University of Texas Rio Grande Valley as follows:

- Project No.: 903-943
- Project Delivery Method: Construction Manager-at-Risk
- Milestone Dates:
- | | |
|------------------------|---------------|
| Addition to CIP | August 2015 |
| Design Development | August 2016 |
| Notice to Proceed | March 2017 |
| Substantial Completion | November 2018 |
- Total Project Cost:
- | | |
|-------------------------------|----------------|
| <u>Source</u> | <u>Current</u> |
| Tuition Revenue Bond Proceeds | \$36,432,000 |
- Investment Metrics:
- Decrease teaching space deficit by 36,477 assignable square feet (ASF)
 - Increase student credit hours in entry level Physics courses by 48% from 732 to 1,084 by 2028
- Project Advocates:
- Cynthia Brown, Deputy Provost
 Theresa Maldonado, Senior Vice President for Research, Innovation, and Economic Development
 Marta Salinas-Hovar, Associate Vice President for Facilities Planning and Operations
- Definition Phase Completed: N/A
- Project Planning:
- | | |
|------------------------------|-----|
| Owner's Project Requirements | Yes |
| Basis of Design | Yes |
| Schematic Plans | Yes |
| Detailed Cost Estimate | Yes |
| Facilities Program | Yes |

Cost Per Gross Square Foot Benchmarks*

Multipurpose Academic Center	\$385
Texas Higher Education Coordinating Board Average for Classroom, General	\$424

	Low Quartile	Median	High Quartile
Other U. T. System Projects	\$313	\$345	\$380
Other National Projects	\$256	\$430	\$551

* All benchmark building costs are escalated to 2016

- a. approve design development plans; and
- b. appropriate funds and authorize expenditure of \$36,432,000 with funding from Tuition Revenue Bond (TRB) Proceeds.

Previous Actions

On July 10, 2014, President Bailey presented this project to the Board of Regents for approval to submit the project for consideration by the Texas Legislature for TRB funding. The 84th Legislature passed, and Governor Greg Abbott signed House Bill 100, allowing for the issuance of \$922,632,000 in TRB Proceeds for U. T. System institutions effective September 1, 2015. On August 20, 2015, the project was included in the CIP with a total project cost of \$36,432,000 with funding from TRBs.

Project Description

This project will construct an approximately 55,700 gross square foot building on the Brownville campus for multipurpose space that will include four physics teaching labs, eight 45-seat classrooms, two multiuse classrooms, six 30-seat general classrooms, one math computer teaching lab, and offices and support spaces. This facility will provide flexible instructional space for multiple disciplines with an emphasis placed on physics students. Additionally, the project will include an outdoor area to be used as a gathering area and study space to relieve pressure on more expensive indoor space and also to support academic events.

- 5. U. T. M. D. Anderson Cancer Center: M. D. Anderson - League City - Amendment of the FY 2017-2022 Capital Improvement Program to increase total project cost; approval of design development; and appropriation of funds and authorization of expenditure (Final Board approval)

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

Project No.:	703-955	
Institutionally Managed:	Yes	
Project Delivery Method:	Design-Build	
Milestone Dates:	Addition to CIP	August 2015
	Design Development	August 2016
	Notice to Proceed	October 2016
	Substantial Completion	May 2018

Total Project Cost:	<u>Source</u> Hospital Revenues	<u>Former</u> \$87,750,000	<u>Current</u> \$123,630,000
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Investment Metrics:

- Increase new radiation treatment starts from 385 to 621 in Year 5; increase to 792 in Year 10
- Increase operating room surgeries from 600 to 966 in Year 5; increase to 1,233 in Year 10
- Increase chemotherapy volume from 821 to 1,322 in Year 5; increase to 1,687 in Year 10
- Increase analytic case growth by volume from 471 to 759 in Year 5; increase to 968 in Year 10

Project Advocate: Amy Hay, Vice President for Business Development

Definition Phase Completed: N/A

Project Planning:	Owner's Project Requirements	Yes
	Basis of Design	Yes
	Schematic Plans	Yes
	Detailed Cost Estimate	Yes
	Facilities Program	Yes

Cost Per Gross Square Foot Benchmarks*

M. D. Anderson - League City	\$464
Texas Higher Education Coordinating Board Average for Healthcare Facility, Clinic	\$387
Texas Higher Education Coordinating Board Average for Healthcare Facility, Hospital	\$470

	Low Quartile	Median	High Quartile
Other U. T. System Ambulatory Facilities	\$341	\$369	\$511
Other National Projects	\$425	\$673	\$814

* All benchmark building costs are escalated to 2016

- a. amend the FY 2017-2022 Capital Improvement Program (CIP) to increase the total project cost from \$87,750,000 to \$123,630,000;
- b. approve design development plans; and
- c. appropriate funds and authorize expenditure of \$123,630,000 with funding from Hospital Revenues.

Previous Action

On August 20, 2015, the project was included in the CIP with a total project cost of \$87,750,000 with funding from Hospital Revenues.

Project Description

The facility will provide outpatient oncology services to adult patients with solid tumor cancer diagnoses and low to medium acuity needs. Services provided will be in line with that of a comprehensive cancer center including, but not limited to, radiation oncology, medical oncology services, infusion therapy services, surgical oncology, diagnostic imaging, and other related procedure-based services. This project will replace the existing leased facility in the Bay Area serving the patient population in the Galveston Bay area in southeastern Houston.

The scope of the project includes the programming, design, construction, and activation of the League City ambulatory clinical facility, which was initially expected to be an approximately 135,000 gross square feet (GSF) building. Upon completing the programming phase, M. D. Anderson Cancer Center has determined the facility will need to be approximately 190,200 GSF to best meet the institution's needs. The decision to increase the size of the League City facility stems from a close examination of demographic data as it relates to projected patient volumes and a strategic decision to enhance the patient experience by making certain services, traditionally only available at the Texas Medical Center (TMC) campus, more readily available at other Houston area locations. Making these services more readily available will provide patients more options when deciding where to be treated and will aid in deferring the expansion of outpatient facilities within the TMC campus. The increase in the size of the League City facility will position the institution to serve those patients who choose to be treated at that location rather than the TMC campus.

Additionally, \$24,675,000 of major medical equipment will be funded outside of the project.

6. U. T. M. D. Anderson Cancer Center: M. D. Anderson - West Houston - Amendment of the FY 2017-2022 Capital Improvement Program to increase total project cost; approval to revise funding sources; approval of design development; appropriation of funds and authorization of expenditure; and resolution regarding parity debt (Final Board approval)

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

Project No.:	703-956	
Institutionally Managed:	Yes	
Project Delivery Method:	Construction Manager-at-Risk	
Milestone Dates:	Addition to CIP	August 2015
	Design Development	August 2016

	Notice to Proceed	October 2016	
	Substantial Completion	July 2018	
Total Project Cost:	<u>Source</u>	<u>Former</u>	<u>Current</u>
	Hospital Revenues	\$113,750,000	\$ 69,000,000
	Revenue Financing System Bond Proceeds	\$ 0	\$100,000,000
		\$113,750,000	\$169,000,000

Funding Note: ¹ Revenue Financing System (RFS) to be repaid from Hospital Revenues

- Investment Metrics:
- Increase new radiation treatment starts from 433 to 697 in Year 5; increase to 890 in Year 10
 - Increase operating room surgeries from 661 to 1,065 in Year 5; increase to 1,359 in Year 10
 - Increase chemotherapy volume from 857 to 1,380 in Year 5; increase to 1,761 in Year 10
 - Increase analytic case growth from 632 to 1,018 in Year 5; increase to 1,299 in Year 10

Project Advocate: Amy Hay, Vice President for Business Development

Definition Phase Completed: N/A

Project Planning:	Owner's Project Requirements	Yes
	Basis of Design	Yes
	Schematic Plans	Yes
	Detailed Cost Estimate	Yes
	Facilities Program	Yes

Cost Per Gross Square Foot Benchmarks*

M. D. Anderson - West Houston	\$464
Texas Higher Education Coordinating Board Average for Healthcare Facility, Clinic	\$387
Texas Higher Education Coordinating Board Average for Healthcare Facility, Hospital	\$470

	Low Quartile	Median	High Quartile
Other U. T. System Ambulatory Facilities	\$341	\$369	\$511
Other National Projects	\$425	\$673	\$814

* All benchmark building costs are escalated to 2016

- a. amend the FY 2017-2022 Capital Improvement Program (CIP) to increase the total project cost from \$113,750,000 to \$169,000,000;
- b. revise funding sources to include RFS Bond Proceeds;
- c. approve design development plans;

- d. appropriate funds and authorize expenditure of \$169,000,000 with funding of \$69,000,000 from Hospital Revenues and \$100,000,000 from RFS Bond Proceeds, and
- e. resolve in accordance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System that
 - parity debt shall be issued to pay the project's cost, including any costs prior to the issuance of such parity debt;
 - sufficient funds will be available to meet the financial obligations of the U. T. System, including sufficient Pledged Revenues as defined in the Master Resolution to satisfy the Annual Debt Service Requirements of the Financing System, and to meet all financial obligations of the U. T. 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 \$100,000,000.

Debt Service

The \$100,000,000 in RFS debt will be repaid from Hospital Revenues. Annual debt service on the \$100,000,000 RFS debt is expected to be \$7.61 million. The project's debt service coverage is expected to be at least 3.5 times and average 4.5 times over FY 2019-2027.

Previous Action

On August 20, 2015, the project was included in the CIP with a total project cost of \$113,750,000 with funding from Hospital Revenues.

Project Description

The project will provide outpatient oncology services to adult patients with solid tumor cancer diagnoses and low to medium acuity needs. Services provided will be in line with that of a comprehensive cancer center including, but not limited to, radiation oncology, medical oncology services, infusion therapy services, surgical oncology, diagnostic imaging, and other related procedure-based services. The project will replace existing leases at M. D. Anderson Cancer Center located in Katy and the West Houston Imaging Center facilities and will serve patients west of the greater Houston metropolitan area.

The scope of the project includes the programming, design, construction, and activation of the West Houston ambulatory clinical facility, which was initially expected to be an approximately 175,000 gross square foot (GSF) building. Upon completing the programming phase, M. D. Anderson Cancer Center has determined the facility will need to be approximately 260,000 GSF to best meet the institution's needs. The decision to increase the size of the West Houston facility stems from a close examination of demographic data as it relates to projected patient volumes and a strategic decision to enhance the patient experience by making certain services, traditionally only available at the Texas Medical Center (TMC) campus, more readily available at other Houston area locations. Making these services more readily available will provide patients more options when deciding where to be treated and will aid in deferring the expansion of outpatient facilities within the TMC campus. The increase in the size of the West Houston facility will position the institution to serve those patients who choose to be treated at that location rather than the TMC campus.

Additionally, \$41,675,000 of major medical equipment will be funded outside of the project.

7. U. T. Austin: Welch Hall Renovation - Amendment of the FY 2017-2022 Capital Improvement Program to increase total project cost and appropriation of funds (Final Board approval)

The Board approved the recommendations for the Welch Hall Renovation project at The University of Texas at Austin as follows:

Project No.:	102-282		
Project Delivery Method:	Construction Manager-at-Risk		
Substantial Completion Date:	May 2020		
Total Project Cost:	<u>Source</u>	<u>Former</u>	<u>Current</u>
	Tuition Revenue Bond Proceeds	\$ 75,000,000	\$ 75,000,000
	Permanent University Fund Bond Proceeds	\$ 25,000,000	\$ 25,000,000
	Available University Fund	\$ 2,400,000	\$ 2,400,000
	Unexpended Plant Funds ¹	\$ 22,600,000	\$ 45,600,000
		\$125,000,000	\$148,000,000

Funding Note: ¹ Unexpended Plant Funds from indirect cost recovery

Cost Per Gross Square Foot Benchmarks*

Welch Hall Renovation (with 13% Shell Space)	\$209
Welch Hall Renovation (Estimated Total Finish-Out)	\$241
Texas Higher Education Coordinating Board Average for Laboratory, General	\$372

	Low Quartile	Median	High Quartile
Other U. T. System Renovation Projects	\$213	\$276	\$289

* All benchmark building costs are escalated to 2016

- a. amend the FY 2017-2022 Capital Improvement Program (CIP) to increase the total project cost from \$125,000,000 to \$148,000,000; and
- b. appropriate an additional \$23,000,000 from Unexpended Plant Funds.

Previous Actions

On August 10, 2006, the project was added to the CIP with a total project cost of \$60,000,000 with funding of \$35,000,000 from Permanent University Fund (PUF) Bond Proceeds and \$25,000,000 from Revenue Financing System (RFS) Bond Proceeds. On February 8, 2007, the total project cost was reduced to \$25,000,000 with funding from RFS and redesignated as the Phase 2 - Robert A. Welch Hall project. On August 23, 2007, funding was revised to \$25,000,000 from Gifts. On March 21, 2014, the Associate Vice Chancellor for Facilities Planning and Construction redesignated the project as the Welch Hall Renovation Phase 2. On May 14, 2015, the Chancellor approved design development and a revision in funding to \$22,600,000 from Unexpended Plant Funds and \$2,400,000 from the Available University Fund. On July 10, 2014, President Powers presented this project to the Board of Regents for approval to submit the project for consideration by the Texas Legislature for Tuition Revenue Bond (TRB) Proceeds funding. The 84th Legislature passed, and Governor Greg Abbott signed into law House Bill 100, allowing for the issuance of \$922,632,000 in TRB Proceeds for U. T. System institutions effective September 1, 2015. On August 20, 2015, the total project cost was increased to \$125,000,000 with additional funding of \$75,000,000 from TRBs and \$25,000,000 from PUF.

Project Description

The Welch Hall Renovation is the first project in the College of Natural Sciences' Strategic Master Plan and is identified in the Strategic Master Plan as a High Priority project. Completion of the renovation of the existing Robert A. Welch Hall building will help transform the College into a multidisciplinary program-based organization and will improve the ability to recruit and retain talented faculty and accommodate program growth projections. The renovation will provide modern laboratory and classroom spaces and provide new infrastructure to support the teaching and research mission of the College. Improved space utilization will allow for program growth to meet the College's strategic goals.

The original project, added to the CIP on August 10, 2006, included renovation of the 1929 West Wing of the building and had a Total Project Cost of \$25,000,000. With the addition of TRB and PUF funding on August 20, 2015, the renovation of the 1978 Wing was added to the scope of the project as Stage B, with the 1929 West Wing designated as Stage A.

During the programming phase for Stage B, it was discovered that the current funding level would not allow the building renovation to achieve its maximum potential for creating a state-of-the-art facility for research and teaching. The focus of the Strategic Master Plan was primarily to improve spaces for students and

classrooms and contemplated only targeted renovations within the building that would not fully maximize the opportunity to reconfigure the layout of the research labs and relocation of the support spaces within the building. A new layout of the research space will be possible with a full interior demolition of the building on the research lab floors, beyond that included in the Strategic Master Plan. This revision will allow for an increase in the number of researchers by 50 to 154 when all work is completed. This new configuration will also leave the fifth floor and a classroom space on the third floor partially unfinished, facilitating future finish-out to be customized to match the needs of the College of Natural Sciences and provide space for even more researchers in the future as research grows. In addition to providing more opportunities and space for research, the increase will also permit the addition of teaching labs for microbiology and the Freshman Research Initiative that were not contemplated in the original planning for the project.

Also during the programming phase, it was determined that to allow phased construction and not shut down the entire 1978 Wing during the renovation period, the heating, ventilation, and air conditioning (HVAC) units currently located in the basement will be replaced with new units in a rooftop enclosure where the current greenhouse is located. The current greenhouse is in poor condition and is in need of replacement. As part of the project cost increase, a new 8,700 gross square feet (GSF) greenhouse will be constructed on the rooftop to replace the displaced greenhouse. Lastly, the Welch 1929 West Wing renovation has increased in cost due to construction cost premiums and escalation over the past 10 years. Completion of Stage A will now cost \$35,500,000.

8. U. T. System: Discussion regarding financial management of depreciation and impact on institutional operating budgets and on funding of deferred maintenance, recapitalization, and new construction projects

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

9. U. T. System: Discussion regarding identification of alternate funding strategies when proposed gifts are pending at the time addition to the Capital Improvement Program is requested

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

REPORT OF THE TECHNOLOGY TRANSFER AND RESEARCH COMMITTEE
(Page 111).--Committee Chairman Hall stated there were no items from the Technology Transfer and Research Committee to report in Open Session.

1. U. T. System Board of Regents: Discussion and appropriate action regarding Consent Agenda items, if any, assigned for Committee consideration

There were no items referred from the Consent Agenda.

2. U. T. System: Update on Office of Technology Commercialization strategic initiatives

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

APPROVAL OF STANDING COMMITTEE RECOMMENDATIONS.--At 8:45 a.m., the Board voted and unanimously approved the Standing Committee recommendations.

RECESS TO EXECUTIVE SESSION.--At 8:46 a.m., the Board recessed to Executive Session pursuant to *Texas Government Code* Sections 551.071, 551.072, 551.073, 551.074, and 551.076 to consider those matters listed on the Executive Session agenda.

RECONVENE IN OPEN SESSION TO CONSIDER ACTION, IF ANY, ON EXECUTIVE SESSION ITEMS AND TO CONSIDER AGENDA ITEMS.--The Board reconvened in Open Session at 1:25 p.m. to consider the following actions on Executive Session items and to consider the following agenda items.

1. U. T. Austin: Discussion regarding the lease or value of property related to the Brackenridge Tract, including Lions Municipal Golf Course, Austin, Travis County, Texas

No action was taken on this item.

- 2a. U. T. Austin: Discussion and appropriate action regarding proposed negotiated gifts with potential naming features

Regent Aliseda moved that the Board authorize the Vice Chancellor for External Relations; the Chancellor or Deputy Chancellor; and the Presidents of The University of Texas at Austin, The University of Texas at Dallas, and The University of Texas M. D. Anderson Cancer Center, as appropriate, to conclude negotiations necessary to finalize, approve, and accept gifts and to finalize and execute an agreement with potential naming features for the benefit of the named institutions consistent with the terms and conditions outlined and recommended in Executive Session.

Regent Beck seconded the motion, which carried unanimously.

- 2b. U. T. Dallas: Discussion and appropriate action regarding proposed negotiated gifts with potential naming features

See Item 2a above for action taken on this item.

- 2c. U. T. M. D. Anderson Cancer Center: Discussion and appropriate action regarding proposed negotiated gifts with potential naming features

See Item 2a above for action taken on this item.

3a. U. T. System Board of Regents: Discussion with Counsel on pending legal issues

No action was taken on this item.

3b. U. T. System Board of Regents: Discussion and appropriate action regarding legal issues concerning pending legal claims by and against U. T. System

No action was taken on this item.

3c. U. T. System Board of Regents: Discussion and appropriate action regarding pending litigation styled *Glass, Moore, and Carter v. State of Texas, University of Texas at Austin, et al.*

No action was taken on this item.

3d. U. T. System Board of Regents: Discussion and appropriate action regarding legal issues concerning implementation of Senate Bill 11 (Campus Carry)

No action was taken on this item.

3e. U. T. Austin: Discussion regarding legal issues related to the Brackenridge Tract in Austin, Travis County, Texas, the Lions Municipal Golf Course, and the listing of the Lions Municipal Golf Course in the National Register of Historic Places

No action was taken on this item.

3f. U. T. M. D. Anderson Cancer Center: Discussion and appropriate action regarding legal issues related to thermal energy plant at Texas Medical Center

Regent Cranberg moved that the Board authorize The University of Texas System Vice Chancellor and General Counsel, in consultation with the Chancellor or Deputy Chancellor and the President of The University of Texas M. D. Anderson Cancer Center, to address and settle any pending issues or claims related to the thermal energy plant at the Texas Medical Center within the parameters recommended by Counsel in Executive Session.

Regent Beck seconded the motion, which carried unanimously.

4. U. T. System: Discussion and appropriate action regarding safety and security issues, including security audits and the deployment of security personnel and devices, including implementation of Senate Bill 11 (Campus Carry)

No action was taken on this item.

- 5a. U. T. System: Discussion and appropriate action regarding individual personnel matters relating to appointment, employment, evaluation, compensation, assignment, and duties of presidents (academic and health institutions), U. T. System Administration officers (Executive Vice Chancellors and Vice Chancellors), other officers reporting directly to the Board (Chancellor, General Counsel to the Board, and Chief Audit Executive), members of the Board of Regents, and U. T. System and institutional employees, and related personnel aspects of the operating budget for Fiscal Year 2017

See related Items 9 and 10 on the following pages for action taken on the personnel aspects of the Operating Budget for Fiscal Year 2017.

- 5b. U. T. System: Discussion and appropriate action concerning individual personnel matters relating to appointment, employment, evaluation, compensation, assignment, and duties of U. T. System and institutional employees including employees covered by Regents' *Rules and Regulations*, Rule 20204, regarding compensation for highly compensated employees, and Rule 20203, regarding compensation for key executives

No action was taken on this item.

- 5c. U. T. System: Discussion and appropriate action regarding individual personnel matters relating to compensation including achievement of goals for qualitative performance incentive compensation for Presidents

See related Items 9 and 10 on the following pages for action taken on the personnel aspects of the Operating Budget for Fiscal Year 2017.

- 5d. U. T. Austin: Discussion and appropriate action regarding provisions of employment and compensation agreement for Head Men's Basketball Coach Shaka Smart

Vice Chairman Hicks moved that the Board approve amendments to the Employment Agreement between The University of Texas at Austin and Head Men's Basketball Coach Shaka Smart as recommended and outlined in Executive Session,

with the understanding that the source of funding for the contract will come entirely from athletic revenues and that no State-appropriated funds or tuition revenues will be used.

Regent Beck seconded the motion, which carried by acclamation.

AGENDA ITEMS (continued)

8. U. T. System Board of Regents: Review and possible action regarding the U. T. Austin, U. T. Dallas, U. T. El Paso, U. T. San Antonio, U. T. M. D. Anderson Cancer Center, and U. T. System Administration campus carry rules, regulations, and provisions

No action was taken on this item.

President Fenves submitted revisions made to The University of Texas at Austin campus carry rules, regulations, and provisions regarding the carrying of handguns by license holders on campus, effective August 1, 2016, for review by the Board of Regents. The rules, regulations, and other provisions are set forth on Pages 117 - 124, with changes identified.

President Benson submitted revisions made to The University of Texas at Dallas campus carry rules, regulations, and provisions regarding the carrying of handguns by license holders on campus, effective August 1, 2016, for review by the Board of Regents. The rules, regulations, and other provisions are set forth on Pages 125 - 130, with changes identified.

President Natalicio submitted revisions made to The University of Texas at El Paso campus carry rules, regulations, and provisions regarding the carrying of handguns by license holders on campus, effective August 1, 2016, for review by the Board of Regents. The rules, regulations, and other provisions are set forth on Pages 131 - 136, with changes identified.

President Romo submitted revisions made to The University of Texas at San Antonio campus carry rules, regulations, and provisions regarding the carrying of handguns by license holders on campus, effective August 1, 2016, for review by the Board of Regents. The rules, regulations, and other provisions are set forth on Pages 137 - 152, with changes identified.

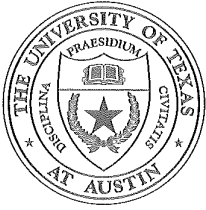
President DePinho submitted revisions made to The University of Texas M. D. Anderson Cancer Center campus carry rules, regulations, and provisions regarding the carrying of handguns by license holders on campus, effective August 1, 2016, for review by the Board of Regents. The rules, regulations, and other provisions are set forth on Pages 153 - 161, with changes identified.

Chancellor McRaven submitted revisions made to The University of Texas System Administration campus carry rules, regulations, and provisions regarding the carrying of handguns by license holders on campus, effective August 1, 2016, for review by the Board of Regents. The rules, regulations, and other provisions are set forth on Pages 162 - 166, with changes identified.

The amendments before the Board at this meeting were made following the Board's review of previous campus carry policies at the July 13, 2016 Board meeting that went into effect on August 1, 2016.

President Fenves amended the U. T. Austin policy regarding concealed carry of handguns on campus to include the Frank Erwin Center as an exclusion zone at ticketed events. President Benson amended the U. T. Dallas policy, President Natalicio amended U. T. El Paso policy, and President Romo amended the U. T. San Antonio policy regarding concealed carry of handguns on campus to include a provision allowing individual office holders to prohibit concealed carry in offices at the office holder's discretion. President DePinho amended the U. T. M. D. Anderson Cancer Center policy to include blood drives as an exclusion zone, to disallow personal gun safes, and to clarify that vehicles owned and operated by third-party vendors are private property and are subject to that vendor's determination regarding Concealed Handgun License (CHL) or exclusion zones, but will communicate any applicable zones to the institution before passenger transport. Chancellor McRaven amended the U. T. System Administration policy to remove the U. T. System aircraft as an exclusion zone.

Senate Bill 11, as passed by the 2015 Texas legislature, and identified as *Texas Government Code* Section 411.2013, permits a university president to establish reasonable rules, regulations, or other provisions that may not generally prohibit or have the effect of generally prohibiting license holders from carrying a handgun on the institution's campus. Under (d-2) of Section 411.2031, the institution's governing board must review the rules not later than the 90th day after the date the rules are established. A two-thirds vote of the full Board of Regents is required to amend the rules.



THE UNIVERSITY OF TEXAS AT AUSTIN

Gregory L. Fenves, *President*
110 Inner Campus Drive, G3400 · Austin, TX 78712-3400
512-471-1232 · president@utexas.edu

July 29, 2016

Dr. David E. Daniel
Deputy Chancellor
The University of Texas System
O. Henry Hall, Room 414
601 Colorado Street, Stop P4100
CAMPUS MAIL

Dear Dr. Daniel:

As the University of Texas at Austin approaches the August 1st effective date for the implementation of the new campus carry law, we continue to be confronted with newly discovered issues where the law can have a significant impact on the university and which require a policy change to address a unique circumstance. The Frank Erwin Center (the Center) recently asked for a policy to address safety concerns related to ticketed performances at the Center.

In addition to the campus carry policies recently considered by the Board of Regents, I have adopted a new policy related to performances at the Center. Consistent with the Campus Carry Policies and Implementation Strategies document previously submitted, I provide the following:

Policy Statement

The carrying of any firearm, including a concealed handgun carried by a license holder, is prohibited at ticketed events at the Frank Erwin Center where the introduction of firearms is inconsistent with the safety and security of the event. Notice conforming to Section 30.06, Texas Penal Code, will be provided.

Finding

The Frank Erwin Center has been an integral part of the university and greater Austin area athletic and entertainment community for almost forty years. During that time, it has hosted millions of people at thousands of events. Most of these events are produced by promoters, companies, performers, and others contracting for the use of the Center for a ticketed event.

The Center hosts many events at which the introduction of firearms, including concealed handguns carried by a license holder, would raise safety and security concerns. In events where there are thousands of ticket-holders densely located in an arena-style configuration with high levels of excitement, low-lighting, loud sounds which at times may include pyrotechnics, and often the consumption of alcoholic beverages, the presence of firearms, including those held by license holders, may jeopardize safety. Because of these complex crowd issues in this very unique environment at the Center, restricting the carrying of weapons for performances will address specific safety concerns.

Dr. David E. Daniel
July 29, 2016
Page 2

I point out that State law similarly recognizes these complex issues and prohibits the carrying of handguns, even by a license holder, at high school, collegiate, and professional sporting events.

Furthermore, because this restriction will satisfy safety and security conditions required by parties seeking to use the Center, the continued use for many events that are integral to the university community will be further assured. This policy therefore will further preserve the uniqueness of the campus environment.

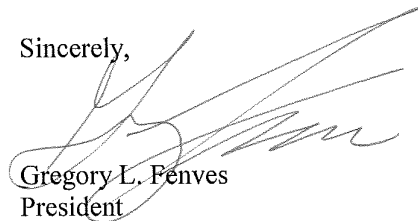
This policy does not have the effect of generally prohibiting license holders from carrying concealed handguns on campus. The adoption of this policy is within the authority granted to university presidents.

Implementation Strategy and Criteria

The campus will work with the Center to develop the area to which this policy applies and will ensure that the areas where weapons are prohibited are limited to those areas within the Center where persons are screened prior to proceeding into the Center, and those areas secured and controlled by the UT Police Department or other law enforcement agencies designated for securing the Center. Other security measures will be employed to detect and prevent the introduction of any firearm into secured areas of the Center. The campus will include information and notice in the appropriate informational materials and websites.

I look forward to working with you as we implement this policy.

Sincerely,



Gregory L. Fenves
President

GLF: dwd

cc: Admiral William H. McRaven, Chancellor, The University of Texas System
Dr. Steven W. Leslie, Executive Vice Chancellor for Academic Affairs
Ms. Tamra English, Assistant General Counsel, Office of General Counsel
Dr. Gerald R. Harkins, Chair, Campus Carry Implementation Task Force, The University of Texas at Austin



Policy Workflow Status

This Policy Document is part of open Policy Workflow case #2843.
Current Review Group: *Legal Affairs Policy Owner & Delegates*

Handbook of Operating Procedures 8-1060

Campus Concealed Carry

Effective August 01, 2016

Executive Sponsor: Vice President for University Operations
Policy Owner: Associate Vice President for Campus Safety and Security

I. Policy Statement

The University of Texas at Austin (“University”) is committed to providing a safe environment for students, employees, University affiliates, and visitors, and to respecting the right of individuals licensed to carry a handgun in the state of Texas. Individuals licensed to carry may do so on campus except in locations and at activities prohibited by law or by this policy. The carrying of any handgun by an unlicensed person or the open carry of a handgun is not permitted in any place at the University.

II. Reason for Policy

Texas Government Code, [Section 411.2031](http://www.statutes.legis.state.tx.us/Docs/GV/htm/GV.411.htm#411.2031) (<http://www.statutes.legis.state.tx.us/Docs/GV/htm/GV.411.htm#411.2031>) entitles license holders (individuals licensed to carry a handgun) to carry concealed handguns on the campus of an institution of higher education. Texas Government Code Section 411.2031 also authorizes the president of a university to enact reasonable rules and regulations regarding the concealed carry of handguns on campus, so long as the rules do not generally prohibit or have the effect of generally prohibiting license holders from carrying concealed handguns on campus. This policy memorializes the rules and regulations enacted by the president regarding the carrying of concealed handguns by license holders on campus or University owned property.

Texas Penal Code, [Section 46.03](http://www.statutes.legis.state.tx.us/Docs/PE/htm/PE.46.htm#46.03) (<http://www.statutes.legis.state.tx.us/Docs/PE/htm/PE.46.htm#46.03>), strictly forbids the open carry of a handgun at institutions of higher education.

III. Scope & Audience

This policy applies to all students, employees, University affiliates, and visitors of the University while on campus or University owned property. This policy does not apply to commissioned peace officers as defined in Texas Code of Criminal Procedures, [Article 2.12](http://www.statutes.legis.state.tx.us/Docs/CR/htm/CR.2.htm#2.12) (<http://www.statutes.legis.state.tx.us/Docs/CR/htm/CR.2.htm#2.12>).

IV. Definitions (specific to this policy)

Campus:

All land and buildings owned or leased by the University.

Concealed Carry:

The Texas Department of Public Safety defines a concealed handgun as a handgun not openly discernable to the ordinary observation of a reasonable person.

Handgun or Pistol:

A handgun is any firearm that is designed, made, or adapted to be fired with one hand. This characteristic differentiates handguns as a general class of firearms from long guns such as rifles and shotguns (which usually can be braced against the shoulder). The most common types of handguns carried by license holders are semi-automatic pistols and to a lesser degree revolvers.

Formal Hearing:

A formal hearing is a meeting or other proceeding in which a party is pursuing a complaint, charge, grievance, appeal or other administrative process, and the other party is responding to the complaint, charge, grievance, appeal or other administrative process. A hearing officer, administrative officer, committee, hearing panel, or similar administrative body, either during or subsequent to the hearing, decides the outcome or makes recommendations through an official process as outlined in the *Handbook of Operating Procedures*, Institutional Rules on Student Services and Activities, or Regents’ Rules.

License Holder:

A person licensed to carry a handgun under Chapter 411 of the Texas Government Code.

"On or about their person":

Means a person licensed to carry a handgun must carry a handgun in a manner that the handgun is close enough to the license holder that he or she can reach it without materially changing position.

Revolver:

A revolver is a repeating handgun which has a revolving cylinder containing multiple chambers and at least one barrel for firing.

Semi-automatic Pistol:

A semi-automatic pistol uses the energy of the fired cartridge to cycle the action of the firearm and advance the next available cartridge into position for firing. One round fires each time the trigger of a semi-automatic pistol is pulled, and it uses a magazine to store and feed rounds into the chamber.

V. Website (for policy)

<https://www.policies.utexas.edu/policies/hop/8-1060>

VI. Contacts

CONTACT	DETAILS	WEB
Campus Safety and Security	Phone: 512-471-5767	Website: http://www.utexas.edu/campus-life/safety-and-security (http://www.utexas.edu/campus-life/safety-and-security)

VII. Responsibilities & Procedures**A. General Safety**

1. Texas Penal Code, **Section 46.035(a-1)** (<http://www.statutes.legis.state.tx.us/Docs/PE/htm/PE.46.htm#46.035>) provides that a license holder may not carry a partially or wholly visible handgun on campus premises or on any University driveway, street, sidewalk or walkway, parking lot, parking garage, or other parking area. License holders who carry a handgun on campus must carry it concealed and on or about their person at all times or secure their handgun in a locked, privately-owned, or leased motor vehicle. The only exception to this policy is for license holders who reside in University Apartments or staff whose employment responsibilities require them to reside in University housing. Only these license holders may store their handgun in a gun safe that meets the requirements set forth in this policy.
2. A license holder who carries a handgun on campus must carry it in a holster that completely covers the trigger and entire trigger guard area. The holster must have sufficient tension or grip on the handgun to retain it in the holster even when subjected to unexpected jostling.
3. Where permitted by this policy, a gun safe used by a license holder must:
 - a. be large enough to fully contain all firearms placed in it and provide for secure storage;
 - b. have exterior walls constructed of a minimum 16-gauge steel;
 - c. have a high-strength locking system consisting of a mechanical or electronic combination or biometric lock, and not a key lock; and
 - d. be physically secured inside the license holder's residence in a manner which conforms to Division of Housing and Food Service policy.

B. Housing

1. The following rules apply to the concealed carry of handguns in University housing.
 - a. with three exceptions, the concealed carry of handguns is prohibited in all on-campus residence halls except for University Apartments. Those exceptions are as follows:
 - i. For on-campus residence halls, the carrying of a concealed handgun by a license holder is permitted in common areas such as lounges, dining areas, and study areas.
 - ii. A resident's family member who is a license holder may carry on or about their person while visiting. Residents are also responsible for ensuring their guests comply with all rules and regulations contained in this policy.
 - iii. Staff members whose employment responsibilities require them to be in University housing and are license holders are permitted to carry a concealed handgun on or about their person while present in University housing for business purposes.
 - b. License holders who reside in University Apartments or staff whose employment responsibilities require them to reside in University housing must store their handguns either in a locked, privately-owned or leased motor vehicle, or in a gun safe in the residence that meets the requirements set forth in Section VII(A)(3) of this policy. License holders are also responsible for ensuring their guests comply with all rules and regulations.
2. Housing contracts of the Division of Housing and Food Service provide that a violation of any University rules regarding the carrying or storage of firearms is grounds for termination of the housing contract.

C. Offices

1. The occupant of an office to which the occupant has been solely assigned and is not generally open to the public is permitted, at the occupant's discretion, to prohibit the concealed carry of a handgun in that office. An occupant who chooses to exercise this discretion must provide oral notice that the concealed carry of a handgun in the occupant's office is prohibited. In addition, if the occupant's duties ordinarily entail meeting people who may be license holders, the occupant will make reasonable arrangements to meet them in another location.
2. The concealed carry of handguns is prohibited in areas in which formal hearings are being conducted pursuant to the *General Information Catalog* ("GIC"), **Chapter 11** (<http://catalog.utexas.edu/general-information/appendices/appendix-c/student-discipline-and-conduct/>), Student Discipline and Conduct; Board of Regents' *Rules and Regulations*, **Rule 31008** (<http://www.utsystem.edu/board-of-regents/rules/31008->

termination-faculty-member). Termination of a Faculty Member; and the *Handbook of Operating Procedures* (“HOP”) **HOP** (<https://www.policies.utexas.edu/policies/faculty-grievance-procedure>) **2-2310** (<https://www.policies.utexas.edu/policies/faculty-grievance-procedure>), Faculty Grievance Procedure, or **HOP 5-2420** (<https://www.policies.utexas.edu/policies/policies-and-procedures-discipline-and-dismissal-employees>), Policies and Procedures for Discipline and Dismissal of Employees. Notice conforming to Texas Penal Code, **Section 30.06** (http://www.statutes.legis.state.tx.us/Docs/PE/htm/PE_30.htm#30.06) will be provided.

3. To the extent possible, office space within areas where concealed carry is not permitted pursuant to state law or another provision of this policy will be made available on a scheduled basis to faculty and staff who do not have offices to which they are solely assigned. These spaces can be used by faculty or staff preferring to conduct these conferences in a gun-exclusion zone.

D. Events

1. The University is often the site of pre-K-12 school-sponsored activities, such as field trips. When a pre-K-12 school-sponsored activity is conducted at a particular location, the carrying of handguns is prohibited. A sign reading “Pre-K-12 school-sponsored activity in progress” will be posted during these activities.
2. Texas Penal Code, **Section 46.035(b)(2)** (http://www.statutes.legis.state.tx.us/Docs/PE/htm/PE_46.htm#46.035) excludes license holders of handguns from carrying a handgun where a high school, collegiate, or professional sporting event or inter-scholastic event is taking place, unless the license holder is a participant in an event where a handgun will be used. Notice will be given for all collegiate sporting events. If possible, for ticketed sporting events this notice will be given by means of a written communication on the back of, or appended to, the ticket. Vendors and others who are permitted to enter the premises without a ticket will be provided written notice through other means.
3. The concealed carry of handguns is prohibited on premises in which a ticketed sporting event is taking place. Notice conforming to Texas Penal Code, Section 30.06 will be provided.
4. Designated individuals who work in a campus program for minors must, as a condition of their participation, agree not to carry a concealed handgun on the grounds or in buildings where the program is conducted. Parents of attendees must also agree, as a condition of their child’s participation, not to carry a concealed handgun on the grounds or in buildings where the program is conducted. “Campus Program for Minors” is defined in **HOP 3-1710** (<http://www.policies.utexas.edu/policies/youth-protection-program>). Youth Protection Program. Notice conforming to Texas Penal Code, Section 30.06 will be provided.
5. **The carrying of any firearm, including a concealed handgun carried by a license holder, is prohibited at ticketed events at the Frank Erwin Center where the introduction of firearms is inconsistent with the safety and security of the event. Notice conforming to Section 30.06, Texas Penal Code will be provided.**

E. Patient Care

The concealed carry of handguns is prohibited in patient-care areas, including those areas in which professional mental health services are provided. This prohibition includes not only traditional patient care facilities, but also research labs and other research areas where and when, as part of a research program, patient care is delivered by or under the supervision or direction of a licensed health care provider. Notice conforming to Texas Penal Code, Section 30.06, will be provided.

F. Laboratories

1. The concealed carry of handguns is prohibited in areas where the discharge of a firearm might cause great harm, such as laboratories with extremely dangerous chemicals, biologic agents, or explosive agents, and areas with equipment that are incompatible with metallic objects, such as magnetic resonance imaging machines.
2. The concealed carry of handguns is prohibited in animal-research facilities and other animal-care and animal-use locations in which protocols regulating entrance and exit ways create a risk that a concealed handgun will accidentally discharge, be contaminated, or be separated from a license holder. Notice conforming to Texas Penal Code, Section 30.06 will be provided.

G. Other Exclusion Zones

1. Texas Penal Code, Section 46.03(a)(2) excludes license holders from carrying a handgun on the premises of a polling place on the day of an election or while early voting is in progress. A sign will be posted at any polling place located on campus from the commencement of early voting through Election Day that reads either “Polling Place” or “Vote Here”.
2. Texas Penal Code, Section 46.03(a)(3) excludes license holders from carrying a handgun on the premises of any government court or offices utilized by the court, unless pursuant to written regulations or written authorization of the court. A sign will be posted at the entrance to any courtroom and associated offices on campus whenever in use by a federal, state, or local judge for official business.
3. Texas Penal Code, Section 46.035(b)(1) excludes license holders from carrying a handgun in the premise of a business permitted or licensed under designated chapters of the Texas Alcoholic Beverage Code, **Section 104.06** (http://www.statutes.legis.state.tx.us/Docs/AL/htm/AL_104.htm#104.06), if the business derives 51 percent or more of its income from the sale or service of alcoholic beverages for on-premises consumption. Any premise on campus meeting the requirements of Texas Penal Code, Section 46.035(b)(1) will provide notice in accordance with Texas Government Code, Section 411.204.
4. The concealed carry of handguns by license holders is prohibited in areas for which state or federal law,

licensing requirements, or contracts require exclusion solely at the discretion of the state or federal government, or are required by a campus accrediting authority. Where appropriate, signage will conform to the overriding federal or state law requirements. Otherwise, notice conforming to Texas Penal Code, Section 30.06 will be provided.

5. The carrying of any firearm, including a concealed handgun carried by a license holder, is prohibited on the UT Tower observation deck and in those immediate areas secured by The University of Texas at Austin Police Department ("UTPD") in advance of any public or private tour. Notice conforming to Texas Penal Code, Section 30.06 will be provided.
6. Gun-exclusion zones created by state law as well as those created by this policy may sometimes comprise only a portion of a building. In some instances, it may not be feasible to exclude concealed handguns only from the designated exclusion zones. The following factors and principles will govern the implementation of these rules and regulations in those buildings in which some, but not all parts are designated as exclusion zones.

Governing factors:

- The percentage of assignable space or rooms in a building that are designated as exclusion zones.
- The extent to which the area(s) designated as exclusion zones are segregable from other areas of the building.
- The extent to which use of the building, and hence its status as an exclusion zone, varies from day-to-day or week-to-week.

Governing principles:

- If a small number of rooms or a small fraction of assignable space in a building is subject to exclusion, only the rooms or areas that qualify for exclusion should be excluded. Appropriate signage must be posted for excluded rooms or areas.
- If a significant fraction of the total building in terms of number of rooms or assignable space is subject to exclusion, or if the excludable space is not segregable from other space, then as a matter of practicality, the whole building will be excluded. Appropriate signage must be posted for any such building.

H. Discipline

1. The University has amended the *General Information Catalog*, Appendix C, **Section 11-404(a)** (<http://catalog.utexas.edu/general-information/appendices/appendix-c/student-discipline-and-conduct/#subchapter11400.prohibitedconduct>), General Misconduct of the Institutional Rules on Student Services and Activities; and **HOP 8-1010** (<https://www.policies.utexas.edu/policies/prohibition-campus-violence>), Prohibition of Campus Violence to provide that causing the accidental discharge of a firearm is conduct subject to disciplinary action.

I. Education

1. The University has developed and posted a Campus Concealed Carry FAQ (refer to Sec. IX).
2. The University has developed training materials particular to the University on responding to an active shooter situation. The material is covered in Compliance Training Module: CW 122: A Safe Workplace; employees and University affiliates are encouraged to complete this module. Students are encouraged to complete training on how to respond to an active shooter situation.
3. The University has developed materials to educate and inform parents of University students and prospective students about campus carry and implementation.

J. Process and Appeal

A student, or a member of the faculty or staff of the University may appeal a decision regarding the implementation of a policy contained herein to the Campus Safety and Security Committee/associate vice president for campus safety and security for consideration. A further appeal of the decision of the Campus Safety and Security Committee/associate vice president for campus safety and security may be made to the vice president for university operations. The vice president for university operations may approve, reject, or modify the decision in question, or may submit the issue to the Campus Safety and Security Committee/associate vice president for campus safety and security for reconsideration. The decision of the vice president for university operations to approve, reject, or modify a decision is final.

Additional policies or exclusion areas not provided for in this policy will not be the subject of or considered as a matter of appeal. In accordance with Texas Government Code, Section **411.2031** (<http://www.statutes.legis.state.tx.us/Docs/GV/htm/GV.411.htm#411.2031>), the president is authorized to enact reasonable rules and regulations regarding the concealed carry of handguns on campus.

VIII. Form & Tools

None

IX. Frequently Asked Questions

<https://campuscarry.utexas.edu/faq> (<https://campuscarry.utexas.edu/faq>)

X. Related Information

Texas Government Code, **Section 411.204** (<http://www.statutes.legis.state.tx.us/Docs/GV/htm/GV.411.htm#411.204>)

Texas Government Code, [Section 411.2031](http://www.statutes.legis.state.tx.us/Docs/GV/htm/GV.411.htm#411.2031) (http://www.statutes.legis.state.tx.us/Docs/GV/htm/GV.411.htm#411.2031) (Senate Bill 11)

Texas Penal Code, [Section 30.06](http://www.statutes.legis.state.tx.us/Docs/PE/htm/PE.30.htm#30.06) (http://www.statutes.legis.state.tx.us/Docs/PE/htm/PE.30.htm#30.06)

Texas Penal Code, [Section 46.03\(a\)\(2\)](http://www.statutes.legis.state.tx.us/Docs/PE/htm/PE.46.htm#46.03) (http://www.statutes.legis.state.tx.us/Docs/PE/htm/PE.46.htm#46.03)

Texas Penal Code, [Section 46.03\(a\)\(3\)](http://www.statutes.legis.state.tx.us/Docs/PE/htm/PE.46.htm#46.03) (http://www.statutes.legis.state.tx.us/Docs/PE/htm/PE.46.htm#46.03)

Texas Penal Code, [Section 46.035\(a-1\)](http://www.statutes.legis.state.tx.us/Docs/PE/htm/PE.46.htm#46.035) (http://www.statutes.legis.state.tx.us/Docs/PE/htm/PE.46.htm#46.035)

Texas Penal Code, [Section 46.035\(b\)\(2\)](http://www.statutes.legis.state.tx.us/Docs/PE/htm/PE.46.htm#46.035) (http://www.statutes.legis.state.tx.us/Docs/PE/htm/PE.46.htm#46.035)

Texas Penal Code, [Section 46.035\(2\)](http://www.statutes.legis.state.tx.us/Docs/PE/htm/PE.46.htm#46.035) (http://www.statutes.legis.state.tx.us/Docs/PE/htm/PE.46.htm#46.035)

Texas Code of Criminal Procedures, [Article 2.12](http://www.statutes.legis.state.tx.us/Docs/CR/htm/CR.2.htm#2.12) (http://www.statutes.legis.state.tx.us/Docs/CR/htm/CR.2.htm#2.12)

Board of Regents' [Rule 31008](http://www.utsystem.edu/board-of-regents/rules/31008-termination-faculty-member) (http://www.utsystem.edu/board-of-regents/rules/31008-termination-faculty-member) - Termination of a Faculty Member

[HOP 2-2310](http://www.policies.utexas.edu/policies/faculty-grievance-procedure) (http://www.policies.utexas.edu/policies/faculty-grievance-procedure) – Faculty Grievance Procedure

[HOP 3-1710](http://www.policies.utexas.edu/policies/youth-protection-program) (http://www.policies.utexas.edu/policies/youth-protection-program) – Youth Protection Program

[HOP 5-2420](http://www.policies.utexas.edu/policies/policies-and-procedures-discipline-and-dismissal-employees) (http://www.policies.utexas.edu/policies/policies-and-procedures-discipline-and-dismissal-employees) – Policies and Procedures for Discipline and Dismissal of Employees

[HOP 8-1010](https://www.policies.utexas.edu/policies/prohibition-campus-violence) (https://www.policies.utexas.edu/policies/prohibition-campus-violence) – Prohibition of Campus Violence

[General Information Catalog, Appendix C](http://catalog.utexas.edu/general-information/appendices/appendix-c/student-discipline-and-conduct/) (http://catalog.utexas.edu/general-information/appendices/appendix-c/student-discipline-and-conduct/): Institutional Rules on Student Services and Activities

[General Information Catalog, Appendix C, Chapter 11](http://catalog.utexas.edu/general-information/appendices/appendix-c/student-discipline-and-conduct/#subchapter11400.prohibitedconduct) (http://catalog.utexas.edu/general-information/appendices/appendix-c/student-discipline-and-conduct/#subchapter11400.prohibitedconduct) – Student Discipline and Conduct

[General Information Catalog, Appendix C, Chapter 11, Section 11-404\(a\)](http://catalog.utexas.edu/general-information/appendices/appendix-c/student-discipline-and-conduct/) (http://catalog.utexas.edu/general-information/appendices/appendix-c/student-discipline-and-conduct/) – General Misconduct Compliance

Training Module: CW 122: A Safe Workplace

Administrative Fields

Policy Details

Proposed HOP Number

8-1060

Policy State

Full Policy Display

Policy Type

Policy

Policy Effective Date

08/01/2016

Policy Owner

Policy Owner (for display)

Associate Vice President for Campus Safety and Security

Executive Sponsor (for display)

Vice President for University Operations

Policy Review Information

Policy Review Frequency (in years)

2

Existing Policy Information

Existing Policy Title

n/a

Existing HOP Number

n/a

Policy Taxonomy and Tagging

Policy Category

Risk / Security / EH&S (/policies/category/risk-security-ehs)

Policy Audience

All (/audience/all)

XI. History

None

Please log out to submit a comment to the policy owner



THE UNIVERSITY OF TEXAS AT DALLAS

OFFICE OF THE PRESIDENT

RICHARD C. BENSON

August 1, 2016

Chancellor William H. McRaven
The University of Texas System
601 Colorado Street
Austin, Texas 78701

Dear Chancellor McRaven:

I am writing in my capacity as president of The University of Texas at Dallas to advise you that I have amended our policy for the carry of concealed handguns. Please see the attached UT Dallas policy statement. As you know, the UT Dallas “campus carry” policy was reviewed by The University of Texas System Board of Regents on July 13, 2016, and the provisions, without changes, take effect today, August 1, 2016.

At UT Dallas, as well as at many other UT System campuses, we took note of the provision in the UT Austin policy that the occupant of an individually held office could prohibit the concealed carry of a handgun in that office. At UT Dallas, we have decided to adopt this UT Austin provision verbatim. The new language will be found in Section 6, Offices, which I also present here:

“The occupant of an office to which the occupant has been solely assigned and is not generally open to the public is permitted, at the occupant’s discretion, to prohibit the concealed carry of a handgun in that office. An occupant who chooses to exercise this discretion must provide oral notice that the concealed carry of a handgun in the occupant’s office is prohibited. In addition, if the occupant’s duties ordinarily entail meeting people who may be license holders, the occupant will make reasonable arrangements to meet them in another location.”

A minor change has also been made in Section 5, Exclusions Zones, of our policy statement to align with the new provision in Section 6. The first sentence of Section 5 has been changed from:

“The essential core facilities of the university, including classrooms, multi-person administrative offices, individual faculty offices, libraries, and advisement and testing facilities, will all be accessible to individuals carrying concealed weapons in accord with their licenses and the law.”

Chancellor McRaven
The UT Dallas amended policy for the carry of concealed handguns
August 1, 2016
Page 2

to:

“The essential core facilities of the university, including classrooms, multi-person administrative offices, multi-person faculty and staff offices, libraries, and advisement and testing facilities, will all be accessible to individuals carrying concealed weapons in accord with their licenses and the law.”

I have underlined the changed words.

This is a good opportunity for me to alert you to the fact that I have asked the UT Dallas campus carry working group to assess the efficacy of our policy over the next few months. The working group will also review the campus carry policies at other UT System campuses to see if there are better approaches that we might want to adopt. I have asked the working group to not make final recommendations until we are well into the fall semester, as I would like to have the advantage of knowing how our policy is working on a fully populated campus.

Thank you for your consideration of this change in the UT Dallas campus carry policy, and thank you for bringing it to the attention of the UT System Board of Regents. I welcome your review.

Sincerely,



Richard C. Benson
President

RCB/kg

Attachment

cc: David E. Daniel, Deputy Chancellor
Steven W. Leslie, Executive Vice Chancellor for Academic Affairs
Gerald R. Harkins, Associate Vice President for Campus Safety and Security

UT DALLAS POLICY REVISED August 1, 2016

Title: Carry of Concealed Handguns

Policy

Sec. 1 General Policy Statement

Senate Bill 11 (SB 11) of the 84th Texas Legislature permits individuals holding concealed handgun licenses to carry their weapons onto the campus and into the general buildings of the publicly governed institutions of higher education in Texas. The fundamental goals of this policy are to ensure compliance with the spirit and letter of SB 11 in a manner consistent with other relevant laws, and to ensure the continuation of the current calm, constructive and positive social and intellectual environment that characterizes UT Dallas.

Sec. 2 Applicability

This policy applies to all persons on property owned or leased by UT Dallas and goes into effect on August 1, 2016.

Sec. 3 Responsibilities of Individuals Carrying Concealed Handguns

Sec. 3.1 Concealment. The licensed carrier of a handgun must ensure that a casual observer be unable to notice or detect that a handgun is being carried. This is a fundamental aspect of the law and of our recommended policy. Individuals who violate the condition of concealment at any time, either by deliberately or inadvertently allowing their handgun to be seen or by letting its presence be noticeable by inadequate concealment, aka “printing,” are in violation of this policy and may be subject to discipline.

Sec. 3.2 Security. The licensed carrier is responsible for maintaining complete practical control of the handgun at all times, so that it is either on the licensee’s person or is immediately accessible from a purse or other analogous personal accessory that is continually under the direct control of the licensee. The only alternative to these conditions is that a gun be stored appropriately, as required in Section 3.4.

Sec. 3.3 Safety. The handgun must be carried in a holster that completely covers the trigger and trigger guard area and provides sufficient adhesion on the gun so that the gun will not fall out of the holster when the gun or the carrier is subject to abrupt motions or impacts.

Sec. 3.4 Storage. The university will make no provisions for storage of handguns. Licensed carriers must have their weapons on their persons constantly or have them stored in a securely locked personal vehicle or, if they are resident in a university-owned apartment, stored in an approved storage locker.

Sec. 4 Consistency with other Laws

The operations of the university are dynamic and fluid. In most instances, buildings and rooms have different utilizations at different hours, days, weeks and semesters. It is incumbent upon licensed

UT DALLAS POLICY REVISED August 1, 2016

carriers to be informed and cognizant about the many restrictions and limitations that various laws impose upon the unrestricted carrying of concealed weapons in various situations, and that licensed carriers rigorously adhere to these conditions without being guided constantly by impractical or intrusive warnings. Some of the most important of these restrictions include:

- a. Presence of School Children. The nature of our university is that school children can and will appear at unscheduled times in any almost any location, whether in groups of escorted tours, as subjects of study or treatment, in transit to childcare areas, or as visitors, alone or with families. There is no practical way to warn about or to demark areas of campus where such occurrences will or will not happen. Licensed carriers should avoid areas in which school children are present as prescribed by their training and existing law.
- b. Sporting Events. The carrying of concealed weapons is prohibited at intermural, intramural, and club sporting events held on UT Dallas premises, whether held under the sponsorship of UT Dallas or of some external organization, and whether the event is ticketed or not. This prohibition is in accord with the Texas Penal Code §46.035(b)(2). This prohibition will be noted on the tickets for ticketed events.
- c. Patient Care Facilities. Various rooms and areas of university buildings function as facilities for consulting with and treating patients. Consistent with Texas Penal Code §46.035(b)(4), these areas will be marked clearly to designate their functions, and individuals carrying concealed weapons will be excluded from them.
- d. Hearing Facilities. Various rooms and areas of university buildings function from time to time as facilities for disciplinary hearings or for mediation sessions. When so used, these areas will be marked clearly to designate their functions, and it is incumbent upon the individuals carrying concealed weapons not to enter these areas.

Sec. 5 Exclusion Zones

The essential core facilities of the university, including classrooms, multi-person administrative offices, ~~individual-multi-person~~ faculty and staff offices, libraries, and advisement and testing facilities, will all be accessible to individuals carrying concealed weapons in accord with their licenses and the law.

Various laws pertaining to concealed handguns make their presence in some university facilities intrinsically inappropriate or illegal. These facilities shall be designated as “exclusion zones.” For these buildings, entry will be forbidden to students, employees, and visitors who are carrying concealed handguns. Notice conforming to Texas Penal Code §30.06 will be provided for these “exclusion zones” as appropriate.

- a. Callier Center-Dallas and Callier Center-Richardson. The predominant mission of the Callier Center is to assist and improve the functioning of pre-school and school-age children with challenges of speech, hearing, and behavior. Since licensed concealed handguns are not permitted in the vicinity of school children, and also in treatment facilities, the buildings and enclosed grounds of both facilities are to be designated as exclusion zones.

UT DALLAS POLICY REVISED August 1, 2016

- b. Center for BrainHealth. Along with research activities in neuroscience and psychology, the staff of the Center also treat patients, from school children to military veterans to the elderly. Entry into the building is by card access and is monitored by security personnel during working hours. Accordingly, the Center for BrainHealth building is to be designated as an exclusion zone.
- c. Natural Science and Engineering Research Laboratory (NSERL)/Bioengineering and Sciences Building (BSB). A variety of regulations restrict the presence of firearms in the vicinities of biological agents, research animals, volatile and/or explosive agents, and elaborate, highly sensitive, large equipment installations. UT Dallas operates a large science and engineering research complex, the individual components of which are known as the Natural Sciences and Engineering Research Laboratory (NSERL) and the Bioengineering and Sciences Building (BSB). These buildings are contiguous and interconnected and feature badge-only access monitored by security personnel. The activities that are carried out in this complex involve one or more of the above features that are acknowledged as inimical to the discharge of a firearm. Hence, the entire, integrated, secure facility known as NSERL and BSB is to be designated as an exclusion zone.
- d. Housing. UT Dallas operates two types of housing facilities for its students:
 - Dormitories. These buildings house freshman students, whose ages range almost exclusively from 17 to 19. Other than military veterans, individuals under the age of 21 cannot be licensed handgun carriers. In keeping with this law, and to maintain equity between our under-age students and visitors, the five freshman dormitory buildings and the contiguous dining and recreational facilities are to be designated as exclusion zones.
 - Apartments. Apartment units provide housing from one to several individuals and are occupied by upper-level undergraduate students and graduate students. Licensed handgun carriers living in these apartments are permitted to possess their handguns in the premises of their individual housing units, subject to the general restrictions on concealed carry in public areas and subject to the condition that the handguns be stored in an approved safe, personally provided by the owner when not carried on the person of the owner.

Sec. 6 Offices

The occupant of an office to which the occupant has been solely assigned and is not generally open to the public is permitted, at the occupant's discretion, to prohibit the concealed carry of a handgun in that office. An occupant who chooses to exercise this discretion must provide oral notice that the concealed carry of a handgun in the occupant's office is prohibited. In addition, if the occupant's duties ordinarily entail meeting people who may be license holders, the occupant will make reasonable arrangements to meet them in another location.

Sec. 67 Noncompliance

Failure to comply with this policy may result in criminal prosecution and discipline in accordance with applicable procedures up to and including termination of employment.

UT DALLAS POLICY REVISED August 1, 2016

Sec. 78 Amendment of Provisions as Necessary for Campus Safety

As provided by law, the President may, at his/her discretion, amend the provisions of this policy as necessary for campus safety, which shall take effect as determined by the President unless subsequently amended by the Board of Regents.

The University of Texas at El Paso

Concealed Handguns and Weapons Policy

Section:	IX: Environmental Health and Safety
Chapter:	10
Date Updated:	July 14, 2016

10.1 Policy

10.1.1 Pursuant to Subchapter H, Chapter 411 of the Texas Government Code, individuals licensed by the State to carry a concealed handgun (License Holder) may carry a concealed handgun in approved areas on the University Campus beginning August 1, 2016.

10.1.2 The use, possession, display or storage of all other weapons, simulated weapons, explosives, or fireworks on the University Campus is prohibited and subject to appropriate disciplinary and/or criminal sanctions.

10.1.3 Individuals who observe a violation of this policy are required to report the incident immediately to the University Police Department (UTEPPD) at 915-747-5611 or 911. UTEPPD will investigate the incident and when applicable forward potential violations to the University's Office of Human Resources or Office of Student Conduct and Conflict Resolution (OSCCR).

10.2 Exceptions

10.2.1 Licensed peace officers may carry authorized weapons on the University Campus.

10.2.2 License holder, as defined by Subchapter H, Chapter 411 of the Texas Government Code, may carry a concealed handgun in approved areas on the University Campus beginning August 1, 2016. The following restrictions will apply:

10.2.2.1 Exclusion Areas are set forth in Appendix A. In accordance with Subchapter H, Chapter 411 of the Texas Government Code, the University has identified exclusionary areas based on applicable laws and regulations, the general makeup of the University population in those areas, safety considerations, and any unique and material characteristics of those areas. The Texas Government Code Section 411.2031(d-1) and the Texas Penal Code Section 30.06 require notice to be given regarding the areas where license holders may not carry. ~~Signage will be provided for these areas, using the required wording and format.~~

10.2.2.2 Certain events throughout the year where concealed handguns are prohibited due to the unique nature of the activity. Events must be approved by the President and must fully comply with

the reporting and notification requirements set forth in Texas Government Code Section 411.2031(d-1).

10.3 Storage

10.3.1 The University will not provide storage for handguns on the University Campus.

10.3.2. At all times, the responsibility of maintaining ownership and control of a concealed handgun rests with the license holder.

10.3.3. Individuals are responsible for knowing where their handguns are at all times and which areas on campus are exclusion zones.

10.3.3. Existing lockers, cabinets, closets and furnishings are property of UTEP and shall not be used to store a handgun.

10.3.4. When not in the direct possession of the license holder, handguns must be concealed and locked in the owner's private automobile or safely and securely stored by other means.

10.3.5. To prevent tampering or theft, licensed holders with private dormitory rooms in Miner Village are required to store handguns in personally owned gun lockers or in their private automobiles.

10.4 Communication and Training

10.4.1 In order to improve general campus safety regarding weapons on campus, the University will:

- a. Provide educational materials for students, staff, and faculty regarding active shooter situations.
- b. Post in prominent locations a concise compilation of campus-carry policy information and FAQs.
- c. Provide awareness of available mental health assistance through an enhanced web presence and other types of publicity.
- d. Provide faculty and staff with additional training and professional development in the areas of conflict resolution, student conduct and classroom management.

10.5 Violations and Penalties

10.5.1 Reports of staff or faculty violating this policy will be forwarded to the Office of Human Resource for review. Employees who have violated this policy may be subject to discipline, up to and including dismissal, under the University's applicable policies and procedures.

10.5.2 Reports of students violating this policy will be forwarded to OSCCR for review. Students who have violated this policy may be subject to discipline, up to and including suspension and/or expulsion, under the Student Code of Conduct.

10.5.3 Relevant University policies and procedures will include provisions to address these violations as necessary. Violations include but are not limited to:

- a. Carrying any weapon on the University Campus, unless specifically allowed by state or federal law or this policy;
- b. Carrying a partially or wholly visible handgun on the University Campus;
- c. Causing an intentional, inadvertent or the accidental discharge of a firearm that is not justified in the use of force or deadly force.;
- d. Using, or threatening to use, a weapon in a threatening or hostile manner.

10.5.4 A person who fails to comply with the policies, rules and regulations prescribed by the University may be subject to University discipline and may also be in violation of the Texas Penal Code.

10.5.5 Alleged violations of the Texas Penal Code will be investigated by UTEPPD. Investigations of University policy violations and criminal violations may run concurrently or separately. The lack of finding of criminal activity does not preclude the University from finding a violation of University policy.

10.6 Reporting

No later than September 1 of each even-numbered year, the University shall submit a report to the legislature and appropriate committees that describes all provisions regarding the carrying of concealed handguns on the University Campus. The report will contain the rationale for the University's current provisions.

10.7 Definitions

10.7.1 Handgun: Any firearm that is designed, made or adapted to be fired with one hand.

10.7.2 Concealed Handgun: A handgun, the presence of which is not openly discernable to the ordinary observation of a reasonable person.

10.7.3 License Holder: An individual in possession of a current license issued or recognized by the State of Texas to carry a concealed handgun.

10.7.4 University Campus: All land and buildings owned or leased by the University.

10.7.5 Weapon: Any object or substance designed to inflict a wound, cause injury, or incapacitate, including without limitation all firearms, BB guns, air guns, pellet guns, zip gun, switchblade knives, knives with a blade over five and one-half inches and other illegal knives or clubs prohibited by statute. Chemicals such as mace, tear gas, or oleoresin capsicum, but excluding normally available over-the-counter self-defense repellents. Possession of chemical repellants labeled for police use only or for law enforcement use only are restricted to law enforcement.

10.7.5 Exclusionary Areas: Areas for which policy, rule, law or regulation requires exclusion of Weapons or in which any Weapons are prohibited.

APPENDIX A

EXCLUSIONARY AREAS

Areas of the University Campus where carrying a concealed handgun is prohibited include the following:

EXCLUSION AREAS	UTEP LOCATION
Areas for which federal law requires exclusion or in which weapons are prohibited by an accrediting authority.	<ul style="list-style-type: none"> • University Heights Early Learning Center, 315 W. Schuster • On-campus voting locations organized by governmental agencies
Patient care areas, including those where mental health care services are provided. Texas Penal Code 46.035(b)(2) excludes hospitals licensed under Chapter 241 – by analogy and extension.	<ul style="list-style-type: none"> • Student Health Center, Union East Building • University Counseling Center, Union West Building • College of Health Sciences Clinics <ul style="list-style-type: none"> – Speech, Language and Hearing Clinics (lab and waiting room) – Community Rehabilitation Program Clinics (lab and waiting room)
Area where a high school, collegiate, professional sporting event or interscholastic event is taking place.	Facilities impacted while an event is taking place include, but are not limited to the following: <ul style="list-style-type: none"> • Sun Bowl Stadium • Don Haskins Center • Kidd Field • Memorial Gym • University Field • Helen of Troy Softball Complex
Animal-care areas where protocols regulating ingress and egress create a risk that a concealed handgun will accidentally discharge, contaminate or separate from a license holder.	<ul style="list-style-type: none"> • Biosciences Building Vivarium • Psychology Building, Animal Holding Area • Biology Building, Animal Holding Area
Laboratories required to comply with NFPA 45 (National Fire Protection Association, Code 45) regulations that are hazard risk classification 2 or higher. Other areas to be excluded include rooms with NMR units, rooms with natural gas lines 2 inches of diameter or greater AND with an open flame, and areas where compressed gas cylinders are used or stored in support of campus operations.	Laboratories within the following buildings that meet exclusion zone criteria: <ul style="list-style-type: none"> • Biology Building • Bioscience Research Building • Campbell Building • Chemistry and Computer Science Building • Engineering Building • Fox Fine Arts Center • Geological Sciences Building • Health Sciences and Nursing Building • Physical Sciences Building • Psychology Building

<p>Laboratories or research facilities where interaction with the body makes it difficult for individuals to conceal a handgun or where wearing a handgun would disrupt physical exertion or the study of the body.</p>	<p>Laboratories or research facilities within the following buildings that meet exclusion zone criteria:</p> <ul style="list-style-type: none"> • Campbell Building • Health Sciences Building • Larry K. Durham Center • Ross Moore Building
<p>Student Assessment Areas and Testing Centers when nationally sanctioned tests (e.g. ACT, SAT, TOEFL, CLEP, THEA IBT, TExES) are being administered that prohibit the carrying of a firearm under the rules of the testing organization.</p>	<ul style="list-style-type: none"> • Student Assessment and Testing examination rooms, Academic Advising Center • Other rooms or facilities on campus when national testing is taking place
<p>A room in which a formal hearing and/or tribunal is held in accordance with the following UTEP Handbook of Operating Procedures:</p> <ol style="list-style-type: none"> 1) Section II. Student Affairs, Chapter 1. Student Discipline and Conduct, 1.5 Hearing Process; 2) Section III. Academic Affairs, Chapter 4. Academic Policies and Faculty Personnel Matters, 4.15 Grade Review Process; 3) Section III. Academic Affairs, Chapter 4. Academic Policies and Faculty Personnel Matters, 4.4.2. Termination. <p>Allowed under Texas Penal Code 46.03 as a conflict resolution area.</p>	<p>Room would be identified in writing in official summons and/or correspondence with impacted parties and would only be in effect during the time of the hearing.</p>
<p>Special events produced by external agents, whose contracts specifically ban handguns or weapons in the arena during a performance. Notification of concealed carry limitations must be communicated during the time of ticket purchase.</p>	<p>Facilities impacted while an event is taking place include, but are not limited to the following:</p> <ul style="list-style-type: none"> • Sun Bowl Stadium • Don Haskins Center • Magoffin Auditorium • Memorial Gymnasium • Union Cinema
<p>Properties owned or leased by the University which have existing tenant leases prohibiting weapons.</p>	<ul style="list-style-type: none"> • UTEP Graduate Business Center, Chase Building,
<p>Student housing where individuals live in shared space.</p>	<ul style="list-style-type: none"> • Miner Heights Student Housing Complex • Miner Canyon Student Housing Complex
<p>A mixed-use residence where the authorized resident resides.</p> <p>The occupant of an office to which the occupant has been solely assigned and that is not generally</p>	<ul style="list-style-type: none"> • The Hoover House

<p>open to the public is permitted, at the occupant's discretion, to prohibit the concealed carry of a handgun in that office. An occupant who chooses to exercise this discretion must provide oral notice that the concealed carry of a handgun in the occupant's office is prohibited. If the occupant's duties ordinarily entail meeting people who may be license holders, the occupant must make reasonable arrangements to meet them in another location at a convenient time.</p>	
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9.48 Carrying of Concealed Handguns on Campus (Campus Carry)

I. POLICY STATEMENT

The University of Texas at San Antonio (UTSA) is committed to providing a safe environment for students, faculty, staff, and visitors. At the same time, UTSA also recognizes and respects the rights of individuals licensed to carry Concealed Handguns pursuant to Subchapter H, Chapter 411 of the Texas Government Code. This policy was written after consultation with campus constituencies regarding a number of factors including the nature of the student population, specific safety considerations and the uniqueness of the UTSA campus environment.

This policy applies only to the concealed carrying of handguns. It does not authorize the Open Carrying of ~~handguns~~Handguns or the carrying (concealed or open) of any other firearms.

II. RATIONALE

This policy establishes guidelines and procedures for the implementation of Texas State Senate Bill No. 11, popularly known as the “~~campus carry~~Campus Carry” law. This policy will become effective August 1, 2016 and is intended to be in conformity with the requirements of Texas Government Code Section 411.2031.

III. SCOPE

This policy applies to all faculty, staff, students, visitors, volunteers, contractors, prospective students and parents of prospective students, as well as individuals and organizations doing business on behalf of UTSA on Campus Premises.

This policy does not apply to licensed peace officers of the UTSA Police Department; (UTSAPD), other commissioned police officers as defined in article 2.12 of the Texas Code of Criminal Procedures, and federal law enforcement officers.

IV. WEBSITE ADDRESS FOR THIS POLICY

<http://www.utsa.edu/hop/chapter9/9-48.html>

V. RELATED STATUTES, POLICIES, REQUIREMENTS OR STANDARDS

UTSA or UT System Policies or the Board of Regents' Rules & Regulations

- A. [UTSA Campus Carry website](#)
- B. [HOP 3.03](#), Discipline and Dismissal of Classified Employees

- C. [HOP 3.04](#), Grievances of Non-Faculty Employees
- D. [HOP 2.34](#), Faculty Grievance Procedures
- ~~E. [Student Code of Conduct](#)~~
- E. [Student Code of Conduct](#)

Other Policies & Standards

- ~~F. [Senate Bill 11](#)~~
- F. [Texas Government Code Section 411.2031](#)
- G. [Texas Government Code Chapter 411, Subchapter H](#)
- H. [Texas Penal Code 46 \(46.01, 46.03\)](#)
- I. [Texas Department of Public Safety Handgun Licensing](#)

VI. CONTACTS

If you have any questions about HOP ~~policy~~, [9.48, Carrying of Concealed Handguns on Campus Carry](#), contact the following ~~offices~~office:

UTSA Police Department
210-458-4242

~~Office of the Vice President for Business Affairs
210-458-4201~~

VII. DEFINITIONS

Campus: (as defined by ~~SB 11~~[Section 411.2031 of the Texas Government Code](#)) is all land and buildings owned or leased by UTSA.

Campus Carry Law: Section 411.2031 of the Texas Government Code, permitting the carrying of Concealed Handguns by duly licensed holders on UTSA campuses in accordance with this policy.

Concealed Handgun: a Handgun, the presence of which is not openly discernable to the ordinary observation of a reasonable person.

License to Carry a Concealed Handgun License ~~(CHL)(LTC)~~: A valid and current [License to Carry a Concealed Handgun License](#) issued by the Texas Department of Public Safety under Chapter 411, Subchapter H of the Texas Government Code (~~“License to Carry a formerly called Concealed Handgun”~~) [License](#))

~~**Concealed Handgun License Holder:** Anyone appearing on UTSA Campuses with a valid, current CHL.~~

Disciplinary Action: Sanctions by UTSA, up to and including removal, probation, suspension, dismissal, and termination or expulsion.

Display: The act of intentionally displaying a Handgun, in whole or in part, in plain view of another person in a public place.

Exclusion Zones: An area of the UTSA Campuses in which the possession of a Handgun is prohibited as provided in Appendix A of this policy.

Handgun: Any firearm that is designed, made, or adapted to be fired with one hand.

Holder of License to Carry a Concealed Handgun (License Holder) – Anyone appearing on UTSA Campuses with a valid, current LTC.

Open Carry: Visible possession of a Handgun in public.

Premises: Consistent with Section 46.035(f) (~~s~~3) of the Texas Penal Code, means a building or a particular portion of a UTSA Campus building. For purposes of this policy and UTSA Campuses, a Premises comprises all of the contiguous space dedicated to a particular institutional function or activity and extends to the functional or physical boundary of that function or activity. A Premises may be a floor, departmental suite, hallway, walkway, throughway, laboratory, cafeteria, or any other space, depending on the circumstances.

Weapon: Any object or substance designed to inflict a wound, cause injury, or incapacitate, including without limitation all firearms, BB guns, air guns, pellet guns, zip ~~gun~~guns, switchblade knives, knives with a blade over five and one-half inches and other illegal knives or clubs prohibited by statute. Chemicals such as mace, tear gas, or oleoresin capsicum, but excluding normally available over-the-counter self-defense repellents. Possession of chemical repellants labeled for police use only or for law enforcement use only are restricted to law enforcement.

VIII. RESPONSIBILITIES

A. **Holder of License to Carry a Concealed Handgun (License Holder)**

1. While UTSA will employ all reasonable means to clearly delineate Exclusionary Zones by signage in ~~accord~~accordance with Texas statutory law, it is the responsibility of the ~~Concealed Handgun~~ License Holder to know, understand, and follow these rules and applicable laws while on UTSA Campuses. Holders of such permits are bound by state and federal law and may face criminal or civil penalties for violation of those statutes.
2. Conceals the Handgun so that it is not partially or wholly visible to another person.

3. Safeguards the Handgun at all times ~~the Handgun~~.
4. Must not leave the Handgun unattended or unsecured.

B. President

1. Designates ~~gun-free zones~~ Exclusion Zones on ~~campuses~~ Campuses in accordance with Senate Bill 11, Section 411.2031 of the Texas Government Code.
2. Submits a report to the Texas Legislature no later than September 1 of even-numbered years that describes all provisions regarding the carrying of ~~concealed handguns~~ Concealed Handguns on UTSA Campuses.

C. UTSA Police Department

1. Maintains a list of all Handgun related incidents and provides an annual report to the President.
2. Reviews Exclusion Zone requests for the temporary prohibition of Concealed Handguns on UTSA Campuses.

D. Vice President for Business Affairs

1. Maintains a complete and up-to-date listing of Exclusion Zones.

E. Faculty and Staff

1. Faculty and staff who occupy an office that has been solely assigned to him or her and that office is not generally open to the public may prohibit the concealed carry of a handgun in that office. Such faculty and staff must provide verbal notice that the concealed carry of a handgun in the occupant's office is prohibited, and, when feasible, they also should provide such notice in writing. In addition, if the job duties of such faculty and staff ordinarily entail meeting people who may be license holders, they will make reasonable arrangements to conduct meetings in another location.
2. All Faculty and Staff must complete mandatory Campus Carry training.

F. Student

1. Completes mandatory Campus Carry training.

IX. PROCEDURES

C.A. General Provisions

1. Subject to applicable Texas or federal laws and rules adopted by UTSA, individuals holding a valid ~~CHL~~ LTC or the ~~new~~ former state designation for the same, Concealed Handgun License to Carry (LTC(CHL)), will be allowed to carry their Handgun, concealed on their person on the Campuses of UTSA, except in areas designated as

Exclusion Zones as outlined in Appendix A.

2. Pursuant to Texas Penal Code Sections 46.035 and 30.07, the open ~~display~~Display of a Handgun in plain view of another person on UTSA Campuses is never allowed except by authorized individuals, such as licensed peace officers of the UTSA Police Department, or other commissioned peace officers.
3. While UTSA will employ all reasonable means to clearly delineate Exclusion Zones by signage in ~~accord~~accordance with Texas law, it is the responsibility of the ~~Concealed Handgun~~ Concealed License Holder to know, understand, and follow these rules and applicable laws while on UTSA Campuses. Holders of such permits are bound by state and federal law and may face criminal or civil penalties for violation of those statutes.
4. ~~Concealed Carry License Status.~~ Authorized ~~CHL~~LTC Holders are not required to disclose their status to anyone other than a law enforcement officer. UTSA will not maintain a list of ~~Concealed Carry License~~LTC Holders. This information is not a matter of public records. UTSA employees (other than law enforcement officers) may not, under any circumstances, require students or employees to disclose their ~~Concealed Carry License~~LTC status.
5. UTSA will not provide gun storage on ~~campuses.~~ ~~CHL~~Campuses. LTC Holders must keep their Concealed Handguns in a secure location or on or about their person at all times. For the purposes of this policy and subject to the requirements of Texas law, “on or about one’s person” means close at hand and within such distance of the ~~CHL~~ LTC Holder so that, without materially changing his/her position, the ~~CHL~~ LTC Holder could get his/her hand on it. UTSA recommends the use of holsters or protective covers.

~~8.6.~~ ~~CHL~~ LTC Holders are responsible for safeguarding their Handguns at all times and must take all necessary precautions to ensure their Handguns are secured in a manner that is most likely to prevent theft, loss, damage, misuse, or accidental discharge. ~~CHL~~ LTC Holders are liable for any and all damage, injury, liability, loss, cost, or expense, directly or indirectly resulting from or arising out of an accidental or inadvertent discharge of their Concealed Handgun or their violation of this policy.

~~D.B.~~ Specific Exclusions to Concealed Carry of a Handgun

1. UTSA’s President is the only person with the authority to declare a specific area as an Exclusion Zone. Therefore, except as provided herein, without the express written consent of the President, no faculty member, staff member, student, or student groups may designate an area as an Exclusion Zone.
2. Exclusion Zones set forth in Appendix A. Subchapter H, Chapter 411 of the Texas Government Code gives the presidents of public universities the ability to designate gun-free zones on their campuses. UTSA has identified Exclusion Zones based on applicable laws and regulations, the general makeup of the campus population in those areas, safety

considerations, and any unique material characteristics of the areas. The Texas Government Code 411.2031(d-1) and the Texas Penal Code 30.06 require notice to be given regarding areas where ~~CHL~~LTC Holders may not carry. Signage will be provided for these areas, using the required wording.

~~E.~~ **Training and Awareness**

~~C.~~ **Training**

Mandatory training regarding information about the Campus Carry Law and procedures for responding to violations or associated emergencies will be provided to: faculty, staff and students.

~~0. Students by the Office of the Vice President for Student Affairs~~

~~0. Faculty and Staff by the Office of the Vice President for Business Affairs~~

~~H.D.~~ **Compliance, Violations and Enforcement**

1. Compliance is the responsibility of all persons on UTSA Campuses. It is the responsibility of the ~~CHL~~LTC Holder to know, understand, and follow this policy and applicable laws while on UTSA Campuses. ~~CHL~~LTC Holders are bound by state and federal law and may face criminal or civil penalties for violation of those statutes.
2. Any violation of this policy by members of the UTSA community will be dealt with in accordance with applicable university policies and procedures, which may include disciplinary actions up to and including termination of employment for employees or expulsion for students.
3. Violations of this policy by anyone not a member of the UTSA community will result in removal from UTSA property. Suspected violations of law will be reported to the UTSA Police Department or other law enforcement agencies and may result in criminal penalties.

~~5.4.~~ Individuals should report noncompliance to UTSAPD who will forward potential violations to the Office of Institutional Compliance and/or Office of Human Resources or Office of Student Conduct and Community ~~Services.~~ Standards.

X. SPECIAL INSTRUCTIONS FOR INITIAL IMPLEMENTATION

None

XI. FORMS AND TOOLS/ONLINE PROCESSES

None

XII. APPENDIX

- ~~A. List of Exclusion Zones~~
- A. [List of Exclusion Zones](#)
- B. [UTSA Campus Carry website](#)
- C. [Campus Carry FAQs](#)

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General Policy Recommendations					
Campus storage for weapons will not be provided by UTSA.	Senate Bill 11 does not require a university to provide storage for firearms. The Texas Government Code requires a handgun be stored in a manner that a child would not be at risk of accidental injury. The Texas Penal Code provides guidance on acceptable methods to secure a firearm.	Senate Bill 11 allows the University President to establish reasonable rules, regulations, or other provisions regarding the carrying of concealed handguns by license holders on campus. Texas Penal Code 46.03.	All license holders must meet requirements established by the Texas Government Code to obtain their license, which includes training on how to safely store and secure their firearm. Therefore individuals are responsible for maintaining ownership and control of their handgun and making appropriate decisions relating to gun storage when the handgun is not on or about their person.	Providing storage increases the time and frequency spent handling a firearm, thus increasing the risk of accidental discharges, ability for others to identify license holders, and possibility of theft of firearms as storage locations would be generally well-known. Existing lockers, cabinets, closets and furnishings are property of UTSA and do not meet the definition of providing safe and secure storage for handguns.	The 1995 Concealed Handgun License legislation and the new open carry legislation provide the foundation for Senate Bill 11. They do not require storage be provided for license holders.
Polling locations- TBD	Areas for which federal and/or state law requires exclusion or in which weapons are prohibited by an accrediting authority.	Penal code -Section 46.03	General public and including all students, faculty and staff.		
Locations where alcohol is being served under a TABC license.	Areas for which state law requires exclusion.	Texas Penal Code § 46.035(b)(1), provides: (b) A license holder commits an offense if the license holder intentionally, knowingly, or recklessly carries a handgun under the authority of Subchapter H, Chapter 411, Government Code, regardless of whether the handgun is concealed or carried in a shoulder or belt holster, on or about the license holder's person: (1) on the premises of a business that has a permit or license issued under Chapter 25, 28, 32, 69, or 74, Alcoholic Beverage Code, if the business derives 51 percent or more of its income from the sale or service of alcoholic beverages for on-premises consumption, as determined by the Texas Alcoholic Beverage Commission under Section 104.06, Alcoholic Beverage Code. By analogy and extension, recommend that all location on campus where alcohol is sold be designated as an exclusion zone.	General public and including all students, faculty and staff.		

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Meeting room in which a governmental entity is holding an open meeting subject to the Texas Open Meeting Act.	Occasionally the campus may hold for the benefit of a governmental entity an "open meeting" subject to Chapter 551, Governmental Code	Senate Bill 273	General public		
Faculty or Staff Offices not generally open to the public that are occupied by a single occupant and the occupant chooses to designate their office as an Exclusion Zone.	Traditionally, the occupant of an office is vested with substantial control over his or her space if the occupant has been solely assigned to that office and the space is not generally open to the public.	Senate Bill 11 allows the University President to establish reasonable rules, regulations, or other provisions regarding the carrying of concealed handguns by license holders on campus. In addition, the law has traditionally vested the occupant of an office with substantial control over his or her office space.	General public and including all students, faculty and staff.	Occupants of offices that are designated as exclusion zones must provide visitors verbal notice that the concealed carry of a handgun in the office is prohibited. When feasible, that notice also should be provided in writing. If the occupant's duties ordinarily entail meeting people who may be license holders, the occupant will make reasonable arrangements to meet them in another location.	Traditionally, the occupant of an office is vested with substantial control over his or her space if the occupant has been solely assigned to that office and the space is not generally open to the public. Faculty and staff offices have traditionally been places where members of the university community can have open dialogue. There is concern that permitting the carrying of handguns in offices will inhibit open dialogue especially when discussing difficult and sensitive issues. Others have expressed the belief that introducing handguns into environments where matters of performance or discipline are discussed may heighten the risk of gun violence. Permitting the occupant with sole control over an office to limit access will preserve what many consider crucial to the uniqueness of the campus environment.
None	Training materials to guide students in the general understanding of rules, regulations or other provisions surrounding carrying of concealed handguns on campus would be useful. A public awareness campaign by University Communications would also be beneficial.	Senate Bill 11 allows the University President to establish reasonable rules, regulations, or other provisions regarding the carrying of concealed handguns by license holders on campus.	All students would be impacted by requirement to view training materials at least once that were developed for campus carry.	Safety tips and guidelines would be referenced in training materials. Reporting violations would also be covered in materials.	
None	Training materials to guide faculty and staff in the general understanding of rules, regulations or other provisions surround carrying of concealed handguns on campus would be useful. A public awareness campaign by University Communications would also be beneficial.	Senate Bill 11 allows the University President to establish reasonable rules, regulations, or other provisions regarding the carrying of concealed handguns by license holders on campus.	All faculty and staff would be impacted by requirement to view training materials as a function of holding a position with UTSA.	Safety tips and guidelines would be referenced in training materials. Reporting violations would also be covered in materials.	

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Recommended as an Exclusionary Area: Locations Providing Counseling and Health Services					
Student Health Services and Counseling Services Offices within the Recreation Wellness Center and Buena Vista Building	These offices provide patient care for general health services and mental health services for all registered students. The Center conducts services including diagnosing, dispensing pharmacy items and also providing mental health and substance abuse counseling.	The Texas Penal Code provides an exclusion for the carrying of firearms on the premises of hospitals licensed under Chapter 241 of the Texas Health and Safety Code and by analogy and extension; it is recommended that all patient care areas be exclusion zones.	Services are provided to all registered students.	Services are provided to students that may require a physical examination of the body which could require removal of handgun. Mental health services are being provided to those that may be under stress or experiencing mental and behavioral health issues which could create a concern for safety of students and staff of these offices.	Client treatment areas in this location are equivalent to those excluded in the referenced legislation.
Durango Building- Sarabia Family Counseling Center	The Sarabia Family Counseling Center provides clinical services, education and research. They provide counseling services for social, emotional and relational functioning through supervised clinical training.	The Texas Penal Code provides an exclusion for the carrying of firearms on the premises of hospitals licensed under Chapter 241 of the Texas Health and Safety Code. The Penal Code also prohibits firearms on any grounds or building on which a school sponsored activity is being conducted.	Services are provided to the public, many of whom are school-age children or their family members as the Center offers services to the community. Students provide these services in a supervised clinical setting.	Services are provided to patients who are experiencing mental and behavioral health problems to include stress, anxiety, depression, anger issues, and suicidal thoughts. Patients can exhibit anger, aggression, abuse and violence toward staff or themselves, creating concerns for the health and safety of students, faculty and staff.	Patient treatment areas in this location are equivalent to those excluded in the referenced legislation.
Recommended as an Exclusionary Area: Location Providing Childcare for Minor Children					
Durango Building- Teacher Education Autism Model	The Center provides training to teachers for procedures used in teaching children with Autism Spectrum Disorders and other intellectual disabilities. Children and adolescents are serviced at this center during supervised field experience for UTSA students.	Senate Bill 11 allows the University President to establish reasonable rules, regulations, or other provisions regarding the carrying of concealed handguns by license holders on campus. Texas Penal Code 46.03.	This facility serves young as well as adolescent children. The Center serves the public including the families of the children.	Given the population served, there are significant concerns about a child having the ability to access a firearm.	This location is in a unique setting to serve children and their families.
Buena Vista Building-The Reading Place	The Center offers assistance with reading and writing to area children. Also the center provides training to UTSA students through teaching experiences with children.	Senate Bill 11 allows the University President to establish reasonable rules, regulations, or other provisions regarding the carrying of concealed handguns by license holders on campus. Texas Penal Code 46.03.	This facility serves school aged children and UTSA students.	Given the population served, there are significant concerns about a child having the ability to access a firearm.	This location is in a unique setting to serve children.

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TBD locations in buildings, campus owned residential facilities, dining facilities or any area of campus as needed when serving Summer or Youth related Camps and events.	The campus provides youth(minors) with camps and engagement activities throughout the year and in structured summer programs.	Senate Bill 11 allows the University President to establish reasonable rules, regulations, or other provisions regarding the carrying of concealed handguns by license holders on campus. Texas Penal Code 46.03. The Texas Penal Code prohibits weapons in pre-K thru 12 schools and on grounds/buildings where school-sponsored activities are being conducted. By analogy and extension, on-campus summer/youth camps whose participants are children under the age of 18 should be exclusion zones.	These locations serve school aged children and UTSA students.	Given the population served, there are significant concerns about a child having the ability to access a firearm.	The locations may and will be unique to the activity conducted. Temporary provision will be made for signage and notices to the general public when an event is taking place.
Institute for Texan Cultures (ITC)	Over the course of a year this history and cultural museum provides activities for numerous area school districts to actively conduct tours and learning activities on the campus of ITC.	Senate Bill 11 allows the University President to establish reasonable rules, regulations, or other provisions regarding the carrying of concealed handguns by license holders on campus. Texas Penal Code 46.03.	This facility serves school aged children from various school districts. As well the facility is open to the general public as a museum and cultural center. Many of the visitors are families visiting with their children as well as UTSA faculty, staff and students.	Given the population served, there are significant concerns about a child having the ability to access a firearm.	Additionally, there are many exhibits that contain rare and irreplaceable materials of historical significance that could be damaged in the event of an accidental firearm discharge.
Child Development Center	The Center provides child care services for infant to 4 year olds.	The Texas Department of Family and Protective Services prohibits the possession of firearms at licensed child care centers and at facilities with before or after-school care.	This facility serves small children, from infants to 4 year old children. The Center serves the public, including children of students, faculty and staff.	Given the population served, there are significant concerns about a child having the ability to access a firearm.	This location is a state licensed child care center. Firearms are prohibited by law at this facility.

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John Peace Library (JPL) Dining Services	The campus provides youth(minors) with official tours on a daily basis. The JPL or Roadrunner Café Dining Services are often utilized by campus tour groups.	Senate Bill 11 allows the University President to establish reasonable rules, regulations, or other provisions regarding the carrying of concealed handguns by license holders on campus. Texas Penal Code 46.03. The Texas Penal Code prohibits weapons in pre-K thru 12 schools and on grounds/buildings where school-sponsored activities are being conducted. By analogy and extension, on-campus official tours whose participants are children under the age of 18 should be exclusion zones.	This facility serves school aged children and UTSA students.	Given the population served, there are significant concerns about a child having the ability to access a firearm.	It's impractical to place temporary signage for an exclusion zone given the numerous tour groups in this location at multiple times during the day.
Roadrunner Café Dining Services	The campus provides youth(minors) with official tours on a daily basis. The JPL or Roadrunner Café Dining Services are often utilized by campus tour groups.	Senate Bill 11 allows the University President to establish reasonable rules, regulations, or other provisions regarding the carrying of concealed handguns by license holders on campus. Texas Penal Code 46.03. The Texas Penal Code prohibits weapons in pre-K thru 12 schools and on grounds/buildings where school-sponsored activities are being conducted. By analogy and extension, on-campus official tours whose participants are children under the age of 18 should be exclusion zones.	This facility serves school aged children and UTSA students.	Given the population served, there are significant concerns about a child having the ability to access a firearm.	It's impractical to place temporary signage for an exclusion zone given the numerous tour groups in this location at multiple times during the day.

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Recommended as an Exclusionary Area: Locations Primarily Used for NCAA, UIL or Professional Sports Events					
Convocation Center, Park West Athletic Complex, Main Campus Baseball, Softball and Tennis Complexes.	This Convocation Center is home to NCAA women's volleyball, women's basketball, and men's basketball teams; and occasionally hosts other UIL State competitions. The Park West Athletic Complex is home to NCAA women's and men's track and women's soccer teams and, as well, will occasionally host other county/city sporting events. The Main campus is home to NCAA women's softball and tennis as well as men's baseball and tennis teams.	The Texas Penal Code prohibits a firearm on the premises where a high school, collegiate, or professional sporting event or interscholastic event is taking place.	UTSA students, faculty and staff attend or participate in events and practices, as does the general public.	For safety purposes, the Texas Penal Code, NCAA and UIL all prohibit the possession of weapons at facilities hosting designated events. The majority of events held at these locations are NCAA or UIL events or practices.	Large capacity NCAA and UIL events are hosted at these venues. These events require safety and security plans to be in place to provide a safe environment. UTSA Police are onsite for most events.
Recommended as an Exclusionary Area: Locations with Special or Unique Uses					
Physical Education Building (PEB) and Athletic annex buildings	The PEB houses a weight room, lockers and treatment facilities for athletic related injuries or examinations.	The Government Code requires that license holders carry their firearms on or about their person, and that they cannot display their firearms in plain view of the public. Due to the type and level of activity conducted in these locations it would be impractical for a license holder to ensure their firearm remained in a concealed condition.	The locations are available to all UTSA students, faculty and staff.	Most participants in the various athletic activities would have a difficult time complying with Government Code requirements to keep their firearm on or about their person and concealed from view. Changing in locker rooms would complicate this further and result in display of the firearm. It would also require additional handling of the firearm, increasing the possibility of an accidental discharge. Also poses risk of theft of guns from lockers.	These locations are multi-use facilities, host a range of activities and serve a diverse population. Many events or activities are governed by the Penal Code, although some are not. It would be impossible to effectively communicate to license holders all situations where they would be in violation of the law, placing them in a position of incurring criminal or administrative sanctions.
Recreation Wellness Center (RWC) and Intramural outdoor playing fields	The RWC houses a gymnasium, indoor/outdoor basketball/volleyball courts, racquetball/badminton courts, game room, table tennis, climbing wall, locker rooms, classrooms and offices. A number of competitive events are held at the center and the fields.	The Texas Penal Code prohibits a firearm on the premises where a high school, collegiate, or professional sporting event or interscholastic event is taking place. The Government Code requires that license holders carry their firearms on or about their person, and that they cannot display their firearms in plain view of the public.	The locations are available to all UTSA students, faculty and staff. They are also available to the public, and could be utilized by independent school districts and other organizations who host K-12 events.	For safety purposes, the Penal Code and UIL prohibit the possession of weapons at facilities hosting designated events. Most participants in the various athletic activities would have a difficult time complying with Government Code requirements to keep their firearm on or about their person and concealed from view. Changing in locker rooms would complicate this further and result in display of the firearm. It would also require additional handling of the firearm, increasing the possibility of an accidental discharge. Also poses risk of theft of guns from lockers.	These locations are multi-use facilities, host a range of activities and serve a diverse population. Many events or activities are governed by the Penal Code, although some are not. It would be impossible to effectively communicate to license holders all situations where they would be in violation of the law, placing them in a position of incurring criminal or administrative sanctions.

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John Peace Library (JPL) - Special Collections area only	The JPL special collection houses materials of special value so that access to the area is restricted.	Senate Bill 11 allows the University President to establish reasonable rules, regulations, or other provisions regarding the carrying of concealed handguns by license holders on campus.	The locations are available to all UTSA students, faculty and staff. They are also available to the public.		The JPL special collections contains materials that are rare and in many cases irreplaceable. An accidental discharge could cause damage to the materials.
University Resident Halls or Housing units that are deemed to not provide a private room/space for the student.	Residence hall units which do not provide a private room and so the "room" portion of the housing unit is shared by residents and could subject a resident to having a firearm in his or her "room" with no choice. This could be even more problematic given that no university firearm storage will be provided in any facility, as such residents would have to rely upon their roommates to provide their own secure storage.	Senate Bill 11 allows a university to establish rules, regulations, or other provisions concerning the storage of handguns in dormitories or other residential facilities that are owned/leased and operated by the institution and located on the campus.	Primary student body that resides in Housing is under 21 and therefore not eligible to be a licensed concealed handgun holder.	Without secure location to store firearms there would be opportunity for the handguns to be stolen or tampered with by other students within the space or building.	Most of the students living in housing are not eligible to obtain a concealed handgun license because they are under 21. The majority of rooms on campus are rooms that are shared and therefore not private. UTSA Housing and Residence Life will provide UTSA students, residing in a university owned residence hall, housing options where campus carry is allowed.
Summer Camps & Orientation Events (May - August) in University Owned Residence Halls	Significant number of orientation and summer camp participants have an opportunity to reside in on-campus, UTSA owned residence halls during the summer, with many of these users being in grades K-12 along with family and children as participants during orientation.	Senate Bill 11 allows a university to establish rules, regulations, or other provisions concerning the storage of handguns in dormitories or other residential facilities that are owned/leased and operated by the institution and located on the campus. The Texas Penal Code prohibits a firearm on the premises where a high school or interscholastic event is taking place.	The majority of summer camp participants are in grades K-12. Families with children typically attend orientation along with their prospective UTSA student.	During fall and spring semesters, license holders in university owned housing in which firearms are allowed must have their firearm on or about their person, or they must safely secure or store their firearm to prevent tampering or theft. During the summer semesters, the majority of housing occupants are K-12 students or Families attending Orientation. This population and the activities these minor children participate in are the same or similar to those governed by the Penal Code.	This location is in a unique setting to serve children and their families.
Single Location (TBD) - Official Proceedings and Hearings locations	These meetings/hearings can be emotionally charged and generate a range of emotions to include; anger, frustration, irritation, disappointment, resentment, bitterness, and hostility.	Senate Bill 11 allows the University President to identify areas where concealed handguns are prohibited. The Texas Penal Code prohibits firearms on the premises of any government court. Formal disciplinary hearings and grievance actions can be similar to court proceedings.	UTSA faculty, staff and students will utilize various locations for formal proceedings and hearings.	Removal or elimination of handguns in an environment that has the potential to become emotionally charged reduces safety concerns for all attendees.	There are numerous processes/hearing events such as faculty or staff grievance, faculty appeals of tenure, student grievance, personnel discipline or dismissal, student conduct and community standards, fitness to practice review and research misconduct. Meetings and events associated with these processes are not unlike those associated with court hearings where handguns are not allowed in accordance with the Texas Penal Code.

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Office of Equal Opportunity Services, Office of Institutional Compliance and Risk Management, and Office of Student Conduct and Community Standards	These offices investigate potential violations of university policy and in the course of those investigations, conduct meetings that can be emotionally charged and generate a range of emotions to include; anger, frustration, irritation, disappointment, resentment, bitterness, and hostility.	Senate Bill 11 allows the University President to identify areas where concealed handguns are prohibited. The Texas Penal Code prohibits firearms on the premises of any government court.	UTSA faculty, staff and students will utilize these offices.	Removal or elimination of handguns in an environment that has the potential to become emotionally charged reduces safety concerns for all attendees.	These offices investigate potential violations of university policy and in the course of those investigations, conduct meetings have the potential to become volatile.
Labs at various locations at Downtown and Main Campus	Identification of labs with combustible, flammable or other dangerous materials would be designated as exclusion zones	Senate Bill 11 allows the University President to identify areas where concealed handguns are prohibited.	General student, faculty, staff and visitors will be occupants of buildings considered mixed use containing these exclusion zones.	Areas where discharge of a handgun might cause widespread harm, such as laboratories with extremely dangerous chemicals, biological agents, or explosive agents, or equipment that is incompatible with metallic objects such as magnetic imaging machines. Also in these restrictive areas the donning on and off of protective gear is required making it necessary to potentially remove concealed firearms from a person.	All license holders must meet requirements established by the Texas Government Code to obtain their license, which does not include specific training on handling of handguns in such facilities. Impractical for building users to go in and out of numerous exclusion zones within one building.
Biosafety Labs and Vivarium	Identification of labs with combustible, flammable or other dangerous materials as well as those used in animal holding facilities for research.	Senate Bill 11 allows the University President to identify areas where concealed handguns are prohibited.	General student, faculty, staff and visitors will be occupants of buildings considered mixed use containing these exclusion zones.	Areas where discharge of a handgun might cause widespread harm, such as laboratories with extremely dangerous chemicals, biological agents, or explosive agents, or equipment that is incompatible with metallic objects such as magnetic imaging machines. Also in these restrictive areas the donning on and off of protective gear is required making it necessary to potentially remove concealed firearms from a person.	All license holders must meet requirements established by the Texas Government Code to obtain their license, which does not include specific training on handling of handguns in such facilities.
Biosciences Building	Buildings that have a mixed use in terms of those areas identified as potential exclusion zones and space that is not. Review of floor plans and building layout would show the majority of the spaces within the building are exclusion zones.	Senate Bill 11 allows the University President to establish reasonable rules, regulations, or other provisions regarding the carrying of concealed handguns by license holders on campus. Texas Penal Code 46.03.	General student, faculty, staff and visitors will be occupants of buildings considered mixed use containing these exclusion zones.	Areas where discharge of a handgun might cause widespread harm, such as laboratories with extremely dangerous chemicals, biological agents, or explosive agents, or equipment that is incompatible with metallic objects such as magnetic imaging machines.	All license holders must meet requirements established by the Texas Government Code to obtain their license, which does not include specific training on handling of handguns in such facilities. Impractical for building users to go in and out of numerous exclusion zones within one building. Designated to ensure campus safety and avoid confusion by making entire facility an exclusion zone.

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Multidisciplinary Studies Building - The Testing Center	Testing for admissions, credit by exam, licensing, proficiency, petition for credit, and Texas Success Initiatives. Requirements and policies of many of the testing companies prohibit personal items and/or specifically prohibit weapons in the Testing Center.	Senate Bill 11 allows the University President to identify areas where concealed handguns are prohibited.	Testing is available to UTSA students, non-UTSA college students, K-12 students, and the general public.	Contractual requirements of the testing companies prohibit personal items and/or specifically prohibit weapons in the testing center are the foundation for this recommendation.	These services are necessary to be accessible to our students and the public, therefore it would not be beneficial to cancel contracts with the test providers.
Bosque Building - University Police space	University Police space within Bosque building has restricted access for entering the offices as well as the investigative rooms.	SB 11 allows the University President to identify areas where concealed handguns may be prohibited.	University Police require that access their spaces be restricted due to the nature of the work performed. No restrictions would be placed on the lobby area serving the general public and students, faculty and staff.	The University Police department detains suspects that could become violent and seize opportunities to remove handguns from those that are legitimate licensed handgun carriers. Additionally, during investigative matters it would be disruptive to the police processing to have others within their confined space with handguns.	Police department seeks to minimize unnecessary harmful events from occurring. No storage facility will be available for license holders if they arrive at the Police department with a firearm.
Central Receiving Warehouse	Receiving has deliveries and short term storage of combustible or dangerous materials in the warehouse building pending delivery to various labs on campus.	SB 11 allows the University President to identify areas where concealed handguns may be prohibited.	Limited access or visits to the warehouse occurs from the campus community most days.	Areas where discharge of a handgun might cause widespread harm, such as storage of extremely dangerous chemicals, biological agents, or explosive agents, or equipment that is incompatible with metallic objects such as magnetic imaging machines.	All license holders must meet requirements established by the Texas Government Code to obtain their license, which does not include specific training on handling of handguns in such facilities.

Exemption Process for Unique Situations - Senate Bill 11 allows the University President to identify areas where concealed handguns are prohibited. New dynamics or changes in facility usage, a specific event, temporary circumstances, unique or unforeseen circumstances, case law, and other subtleties may pose a safety threat to students, faculty, staff or visitors. The university will develop a policy to address these situations or circumstances.

The Texas Department of Public Safety defines a concealed handgun as a handgun, the presence of which is not openly discernable to the ordinary observation of a reasonable person. This same definition will be utilized at UTSA. At all times, the handgun must be on or about the license holder's body or secured and concealed safely.

Leased Spaces - The UT System Office of General Counsel's interpretation of "leased spaces" includes leases on the main campus to external parties. Examples include; The Oaks Apartments, Chisholm Hall, Follett Bookstore. SB 11 defines a campus as all land and buildings owned and leased by an institution of higher education. The Penal Code allows an entity (other than a government agency) to exclude concealed carry by giving sufficient notice. A review of the current leases requires compliance with University rules and practices, therefore these locations will follow Campus Carry rules, regulations and provisions.

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August 25, 2016 Meeting of the U. T. System Board of Regents – Meeting of the Board



UTMDACC INSTITUTIONAL POLICY # ADM1254

POLICY ON CONCEALED HANDGUN CARRIAGE ON MD-ANDERSON'S CAMPUS

DRAFT DATE: 03-1807-29-2016

PURPOSE

The purpose of this policy is to ensure compliance with Section 411.2031 of the Texas Government Code, also known as the "Campus Carry Law", which authorizes the carrying of Concealed Handguns by duly licensed holders on designated portions of the Campus of The University of Texas MD Anderson Cancer Center (MD Anderson), as defined and explained below.

POLICY STATEMENT

It is the policy of **The University of Texas MD Anderson Cancer Center (MD Anderson)** to respect the Federal and Texas Constitutions, both of which recognize Texas citizens' right to keep and bear arms. MD Anderson also recognizes the Texas Legislature's power to regulate the carriage of Handguns. Finally, MD Anderson recognizes its right under the Campus Carry Law to implement its own reasonable rules, regulations, and other provisions regarding the carriage on MD Anderson's Premises of Concealed Handguns by holders of Concealed Handgun Licenses **(prior to January 2016) and Licenses to Carry a Handgun (after January 2016), collectively, "CHL Holders", for purposes of this policy.** Accordingly, in seeking to fulfill its obligations under the Campus Carry Law to determine appropriate Exclusion Zones and permitted Concealed Handgun License Zones ("CHL Zones"), MD Anderson has strived to recognize CHL Holders' rights in the context of (1) the nature of MD Anderson's faculty, student, administrator, patient, and patient family populations; (2) specific safety considerations; (3) the uniqueness of MD Anderson's Campus environment; (4) all applicable laws and contractual obligations; (5) issues of practical implementation; and (6) ease of compliance and reasonable administration and enforcement. While reasonable minds can disagree on certain specifics of this policy, MD Anderson believes that this policy respects the rights and interests of all stakeholders and achieves a balanced approach to the carrying of **concealed handguns** by CHL Holders on its Campus.

THIS POLICY DOES NOT AUTHORIZE THE OPEN CARRY OF A HANDGUN ON MD ANDERSON'S CAMPUS, AND THE OPEN CARRYING OF A HANDGUN IS PROHIBITED ON MD ANDERSON'S CAMPUS.

SCOPE

Compliance with this policy is the responsibility of all persons on MD Anderson's Campus.

TARGET AUDIENCE

The target audience for this policy is all persons on MD Anderson's Campus.

DEFINITIONS

All Hazards Risk Leadership Council (AHRLC): An executive-level council charged with assessing enterprise-level risks.

Campus: The sum of all land and buildings leased or owned by the Board of Regents of The University of Texas System for and on behalf of MD Anderson.

Campus Carry Law: Section 411.2031 of the Texas Government Code, permitting the carrying of Concealed Handguns by duly licensed holders on MD Anderson's Campus in accordance with this policy.

Concealed Handgun: A Handgun, the presence of which is not openly discernible to the ordinary observation of a reasonable person. ~~(see Texas Government Code, Section 411.171).~~ Per the Campus Carry Law and Texas Penal Code Section 46.03, open carriage by Handgun Licensees on MD Anderson's Campus is prohibited.

~~**Concealed Handgun License (CHL):** A valid and current Concealed Handgun license as defined by Subchapter H of the Texas Government Code ("License to Carry a Concealed Handgun").~~

Concealed Handgun License (CHL): For the purposes of this policy, a Concealed Handgun License (CHL) means any valid handgun license issued pursuant to [Subchapter H, Section 411.171 et seq., of the Texas Government Code](#) (i.e., a Concealed Handgun License (CHL), issued prior to Jan. 1, 2016, or a License to Carry a Handgun (LTC), issued on or after Jan. 1, 2016) when relied upon while on MD Anderson's Campus. Irrespective of handgun license type, Handgun Licensees must keep their Handguns concealed while on the premises of institutions of higher education, including MD Anderson's Campus.

~~**Concealed Handgun License (CHL) Holder:** Anyone~~A Handgun Licensee under [Subchapter H, Section 411.171 et seq., of the Texas Government Code](#) appearing on MD Anderson's Campus with a valid, current CHL and carrying a Concealed Handgun.

Concealed Handgun License (CHL) Zones: The areas on MD Anderson's Campus where CHL Holders may carry a Concealed Handgun.

Excluded Activities: Activities that form the bases of Exclusion Zones.

Exclusion Zones: The areas on MD Anderson's Campus where CHL Holders may not carry a Concealed Handgun.

Handgun: Any firearm that is designed, made, or adapted to be fired with one hand (see [Texas Penal Code, Section 46.01\(5\)](#)).

Handgun Licensee: Any person who holds a valid, unexpired license to carry a handgun in a concealed fashion, issued either by the Texas Department of Public Safety, or by another state whose licenses to carry a handgun are recognized as valid by the Texas Department of Public Safety. In Texas, such a license may be called a Concealed Handgun License (CHL), issued prior to Jan. 1, 2016, or a License to Carry a Handgun (LTC), issued on or after Jan. 1, 2016. Notwithstanding that a person may hold a valid, unexpired license to carry a handgun in a concealed fashion issued by another state, Handgun Licensees are expected to know and follow Texas state law and all MD Anderson rules, regulations, and policies as they pertain to carrying Concealed Handguns on Campus.

National Cancer Institute (NCI) Designation Zone: All buildings and physical facilities on MD Anderson's Campus that are physically or programmatically interconnected and interrelated and which are used to fulfill the following activities required of an NCI-designated Comprehensive Cancer Center:

- Undertaking and providing treatment, care, and services to patients, including all buildings in which there are hospital facilities, inpatient and outpatient clinics, laboratories, and pharmacies.

- Undertaking and conducting research in the following three areas:
 - Laboratory research.
 - Population science.
 - Clinical research.
- Undertaking and providing programs in cancer prevention.
- Undertaking and providing health care education to health care professionals and patients.

Premises: Consistent with [Section 46.035\(f\)\(3\) of the Texas Penal Code](#), “Premises” means a building or a particular portion of an MD Anderson Campus building. For purposes of this policy and MD Anderson’s Campus, a Premises comprises all of the contiguous space dedicated to a particular institutional function or activity and extends to the functional or physical boundary of that function or activity. A Premises may be a floor, departmental suite, hallway, walkway, thoroughway, skybridge, laboratory, cafeteria, or any other space, depending on the circumstance. The All Hazards Risk Leadership Council (AHLRC), in consult with the Vice President and Chief Facilities Officer and the Executive Director and Chief Safety Officer, determines Premises for purposes of this policy.

PROCEDURE`

1.0 Policy Permissions and Violations

- 1.1 Subject to a [CHL Concealed Handgun License \(CHL\)](#) Holder’s acceptance of and compliance with this policy and MD Anderson’s rules and regulations, CHL Holders may carry Concealed Handguns in accordance with their CHL in CHL Zones on MD Anderson’s Campus.
- 1.2 CHL Holders are prohibited from carrying, and may not carry, Concealed Handguns in Exclusion Zones on MD Anderson’s Campus. Moreover, neither CHL Holders nor any other [personpersons](#) may carry any other weapon, as described in [Texas Penal Code, Section 46.01](#), on MD Anderson’s Campus.
- 1.3 CHL Holders must abide by and comply with all [CHL rules in Texas Government Code, Chapter 411 federal, state, and local law, as well as](#) all MD Anderson rules, regulations, and policies while carrying a properly licensed Concealed Handgun in a CHL Zone.
- 1.4 The mere possession of a properly licensed Concealed Handgun by a CHL Holder in CHL Zones on MD Anderson’s Campus is not a violation of the [Disciplinary Action Policy \(UTMDACC Institutional Policy # ADM0256\)](#) or the [Workplace Violence Prevention Policy \(UTMDACC Institutional Policy # ADM0257\)](#). However, a violation of this policy by a faculty member, trainee/student, or other member of MD Anderson’s workforce may constitute a violation of institutional policies regarding conditions of employment and standards of conduct, including the [Disciplinary Action Policy \(UTMDACC Institutional Policy # ADM0256\)](#) and the [Workplace Violence Prevention Policy \(UTMDACC Institutional Policy # ADM0257\)](#), thereby subjecting the workforce member to disciplinary action, up to and including termination.
- 1.5 CHL Holders are prohibited from engaging in, and may not engage in, Direct, Conditional, or Veiled Threats, as defined in MD Anderson’s [Workplace Violence Prevention Policy \(UTMDACC Institutional Policy # ADM0257\)](#), involving the CHL Holder’s Concealed Handgun. This may include, but is not limited to, overt or implicit references by a CHL Holder to the CHL Holder’s Concealed Handgun in a way so as to intentionally or knowingly incite fear or concern in any other person. Such conduct may result in immediate termination per [Section 8.0](#) of this policy.

- 1.6 Except for storing a Handgun in a vehicle as permitted by Texas Law, CHL Holders must keep their Concealed Handguns on or about their persons at all times. For purposes of this policy and subject to the requirements of Texas law, “on or about one’s person” means close at hand and within such distance of the CHL Holder so that, without materially changing **his/ or her** position, the CHL Holder could **getplace his/ or her** hand on it. Except for storing a Handgun in a vehicle as permitted by state law, CHL Holders are prohibited from leaving and must not leave the CHL Holder’s Concealed Handgun unattended anywhere on MD Anderson’s Campus, regardless of whether stored in a desk drawer, cabinet, purse, handbag, backpack, fanny pack, briefcase, or otherwise.
- 1.7 CHL Holders are responsible for safeguarding their Concealed Handguns at all times and must take all necessary precautions to ensure their Concealed Handguns are secured in a manner that is most likely to prevent theft, loss, damage, or misuse. CHL Holders must have their Concealed Handguns in holders or holsters that completely cover the trigger and the trigger guard area. The holster must have sufficient tension or grip on the Concealed Handgun to retain it in the holster even when subjected to unexpected jostling. CHL Holders are liable for any and all damage, injury, liability, loss, cost, or expense, directly or indirectly resulting from or arising out of an accidental or inadvertent discharge of their Concealed Handgun or their violation of this policy.
- 1.8 MD Anderson does not provide storage (e.g., lockers, **gun safes**) or holding services for CHL Holders. **Moreover, no person is permitted to bring a gun safe or other secured storage area onto MD Anderson’s Campus for the purpose of storing handguns.**
- 1.9 A CHL Holder whose Concealed Handgun is lost or stolen on MD Anderson’s Campus must immediately report the loss or theft to The University of Texas Police Department at Houston (UTP-H) **at 713-792-2890.**
- 1.10 In accordance with Texas Law, CHL Holders may secure their Concealed Handguns safely in their vehicles. MD Anderson assumes no responsibility for loss or theft of Concealed Handguns from CHL Holders’ vehicles on MD Anderson’s Campus (see Section 12.2 of the **Parking Policy (UTMDACC Institutional Policy # ADM0230)**).
- 1.11 Faculty members, trainees/students, other members of MD Anderson’s workforce, patients, and visitors who are CHL holders and park their vehicles in parking areas owned and managed by Texas Medical Center Corporation (TMC) are subject to the policies and standards TMC has in place for its parking areas. Review the **TMC Policy Prohibiting Firearms and Weapons on TMC Property.****

2.0 CHL Zones and Exclusion Zones

- 2.1 In accordance with the Campus Carry Law, the President must designate CHL Zones and Exclusion Zones for MD Anderson’s Campus and in doing so must consider:
 - A. The nature of MD Anderson’s faculty, student, administrator, patient, and patient family populations.
 - B. Specific safety considerations.
 - C. The uniqueness of MD Anderson’s Campus environment.
- 2.2 In addition to considering the factors mandated by the Campus Carry Law, the President should also consider the following factors:
 - A. All applicable laws and contractual obligations pertinent to MD Anderson.
 - B. Issues of practical implementation.

- C. Ease of compliance and reasonableness of administration and enforcement.
- 2.3 The President may not create Exclusion Zones that generally prohibit or have the effect of generally prohibiting CHL Holders from lawfully carrying Concealed Handguns on MD Anderson's Campus.
- 2.4 A CHL Zone may be coterminous with a Premises.
- 2.5 If justified using the criteria in [Section 2.1](#) and [Section 2.2](#), an Exclusion Zone may be coterminous with a Premises.
- 2.6 The President has designated the following areas on MD Anderson's Campus as Exclusion Zones:
- A. Areas for which state or federal law, licensing requirements, or contracts require exclusion exclusively at the discretion of the state or federal government, or in which Handguns are prohibited by an accrediting authority.
 - B. Childcare facilities and pediatric-activity areas.
 - C. Areas analogous to state law requirements that prohibit Concealed Handguns, including:
 - MD Anderson's National Cancer Institute (NCI) Designation Zone.
 - Police and correctional facilities.
 - Chapels, synagogues, prayer rooms, and other areas designated for worship, spiritual reflection, or meditation on MD Anderson's Campus.
 - Pediatric school areas and areas in which sponsored activities are conducted for persons under 18 years of age who are not enrolled at MD Anderson.
 - D. Areas where discharge of a Concealed Handgun might cause widespread harm or catastrophic results, such as laboratories with extremely dangerous chemicals, biologic agents, or explosive agents, or equipment that is incompatible with metallic objects such as magnetic resonance imagining machines.
 - E. Animal care areas and vivaria in which protocols increase the risk of discharge or contamination of a Concealed Handgun, or its unanticipated separation from the CHL Holder. For open-air primate enclosures, the Exclusion Zone extends at least five (5) feet from the enclosure.
- 2.7 Deemed Exclusion Zones:
- A. When, either within a Premises or between two Premises, an Exclusion Zone is adjacent to what otherwise might be a CHL Zone, the President may deem the adjacent CHL Zone also to be an Exclusion Zone for practicability and to ensure ease of compliance, and reasonable administration and enforcement, including those situations in which:
 - Ingress and egress by CHL Holders between the Exclusion Zone and the CHL Zone is impracticable (e.g., the CHL Holder could not reasonably move to a CHL Zone without moving through an Exclusion Zone in violation of this policy and the law); and
 - Ingress and egress between the Exclusion Zone and the CHL Zone may not reasonably be clearly demarcated per [Section 2.8](#) of this policy.

- B. The President or his designee may deem CHL Zones to be Exclusion Zones for the period of time that the CHL Zone hosts Excluded Activities listed in [Section 3.0](#) of this policy. For example, an event in MD Anderson Campus CHL Zones that includes pediatric patients is an Exclusion Zone during the event. During this period, the signage required by [Section 2.8](#) of this policy will be erected in the deemed Exclusion Zone for the duration of the excluded period.
 - C. If a significant fraction of the functional space of a building is excluded for reasons consistent with this policy, the President may exclude the entire building to ensure ease of compliance, reasonable administration, and enforcement.
- 2.8 Exclusion Zones will be demarcated with legally-sufficient signage, per [Texas Penal Code, Section 30.06](#).
- 2.9 The Vice President and Chief Facilities Officer and the Executive Director and Chief Safety Officer each shall maintain a complete and up-to-date listing of CHL Zones and Exclusion Zones.
- A. The listing will include the President's justification(s) for each Exclusion Zone.
 - B. The Vice President and Chief Facilities Officer and the Executive Director and Chief Safety Officer will make the listing available to the public upon reasonable request.

3.0 Excluded Activities (Not Premises-Specific)

Irrespective of where they are on MD Anderson's Campus, CHL Holders may not carry Concealed Handguns while engaged in the following Excluded Activities:

- 3.1 Providing institutional care or services to MD Anderson patients.
- 3.2 Handling extremely dangerous chemicals, biologic agents, flammable or explosive agents, or equipment that is incompatible with metallic objects.

3.3 Participating in, donating to, attending, or conducting blood drives.

~~3.3~~3.4 Handling laboratory animals.

~~3.4~~3.5 Attending events on MD Anderson's Campus at which alcoholic beverages are served.

~~3.5~~3.6 Attending any meeting related to proceedings made necessary by or in connection with MD Anderson's [Grievance Policy \(UTMDACC Institutional Policy # ADM0266\)](#), [Classified Employees Appeal Policy \(UTMDACC Institutional Policy # ADM0268\)](#), or any institutional policy related to a formal conflict resolution processes as well as a Hearing Tribunal or related meeting scheduled as part of a formal dispute resolution process.

~~3.6~~3.7 Attending or participating in a ticketed sporting event on MD Anderson's Campus

~~3.7~~3.8 Providing care or services to minor children.

4.0 Institutional Vehicles

- 4.1 Subject to ~~Section 4.2~~ **Section 4.2 and Section 4.3** below, vehicles owned or leased **by MD Anderson and operated** by MD Anderson that are used for passenger transportation are considered CHL Zones.
- 4.2 Vehicles owned or leased by MD Anderson that are being utilized for the following purposes, **regardless of who operates the vehicles**, are considered Exclusion Zones for the duration of time that the vehicle is being used for such purposes:
 - A. The vehicle is being used to transport extremely dangerous chemicals, biologic agents, flammable or explosive agents, or equipment that is incompatible with metallic objects.
 - B. The vehicle is being used for health care-related activities, such as mobile mammography, blood donations, or to provide health screenings.
 - C. The vehicle is being used for childcare, school, or pediatric activities or purposes.
- 4.3 **Vehicles owned and operated by a third-party vendor contracted by MD Anderson for the purpose of providing passenger transportation to MD Anderson are considered the private property of the contracted vendor. Each contracted vendor will determine whether its vehicles are considered CHL Zones or Exclusion Zones, and will communicate such to MD Anderson prior to the provision of passenger transportation services to MD Anderson.**

Note: As of July 18, 2016, MD Anderson employee and patient shuttle services are operated by a third-party vendor that has deemed all its shuttles to be CHL Zones.

5.0 MD Anderson Campus Land (External to Buildings)

Areas outside MD Anderson buildings but still on MD Anderson's Campus are deemed Exclusion Zones when the areas are utilized for activities that are Excluded Activities listed in [Section 3.0](#) of this policy. For example, an area on MD Anderson's Campus used for a picnic or event involving pediatric patients is an Exclusion Zone for the duration of the picnic or event.

6.0 Communication

- 6.1 MD Anderson shall widely distribute this policy and all related rules, regulations, and procedures to its faculty, trainees/students, and other members of MD Anderson's workforce, and shall prominently publish this policy and all related rules, regulations, and procedures on MD Anderson's internet and intranet sites.
- 6.2 MD Anderson's Departments of Communications, Human Resources, Patient Advocacy, Patient Care & Prevention Facilities, Patient Education, Patient Experience, Patient Safety, Physicians Referral Service, Academic and Visa Administration, and **the Institutional Compliance Office** shall be responsible for ensuring communication of this policy and all related rules, regulations, and procedures, as required by the Campus Carry Law.

7.0 Campus Carry Reporting

- 7.1 Incident Reports to the All Hazards Risk Leadership Council (AHRLC):

The Institutional Safety Committee will collect and report to the AHRLC incidents implicating this policy as soon as practicable, but in no event later than 60 days from the discovery of the date of the incident.

- 7.2 AHRLC Reports to the President:

On or about July 1 of each year, the AHRLC will prepare and deliver to the President a report on MD Anderson's compliance with the Campus Carry Law, the implementation of this policy, and all incidents during the past year involving a Concealed Handgun.

From time to time, and based upon the implementation of this policy or any incidents involving a Concealed Handgun, the AHRLC shall make recommendations to the President in regard to any changes that may be necessary, appropriate, or desirable to this policy, the Exclusion Zones, Excluded Activities, CHL Zones, or the rules and regulations hereunder.

7.3 President's Report to the Texas Legislature:

Not later than July 1 of each even-numbered year, the Institutional Compliance Office will prepare for the AHRLC's review and the President's review and approval a report on MD Anderson's compliance with the Campus Carry Law. The report will:

- A. Describe MD Anderson's rules, regulations, and policies regarding the carrying of Concealed Handguns on MD Anderson's Campus; and
- B. Explain the reasons why MD Anderson has established these rules, regulations, and policies.

7.4 Once approved by the President, the President shall send the report to The **UTUniversity of Texas** System's Office of General Counsel for review not later than August 1 of each even-numbered year.

7.5 The President must submit the report to the Texas Legislature not later than September 1 of each even-numbered year.

8.0 Policy Violations and Disciplinary Action

8.1 If any person believes that a CHL Holder has violated this policy, he or she should immediately report the violation by calling 2-STOP (713-792-7867). The caller should provide the following information, as applicable and available:

- A. Description of the perceived violation;
- B. Name(s) of individual(s) involved in the incident;
- C. Name(s) of any witnesses;
- D. Date, time, and location of the incident; and
- E. Factual circumstances surrounding the incident.

8.2 A violation **of this policy** by a CHL Holder ~~of this policy~~ that involves the CHL Holder's Concealed Handgun may be considered a confirmed incident of a Policy Violation ("a confirmed incident of Violence or Threat of Violence") under the **Workplace Violence Prevention Policy (UTMDACC Institutional Policy # ADM0257)** and may result in immediate removal from MD Anderson's Campus or referral to The University of Texas Police Department at Houston (UTP-H), as appropriate, and may result in disciplinary action for such person, up to and including termination.

8.3 Loss of a CHL Holder's Concealed Handgun on MD Anderson's Campus will be considered a violation of **Section 1.6** of this policy, and if the CHL Holder is a faculty member, trainee/student, or other member of MD Anderson's workforce, may result in disciplinary action for such person, up to and including termination.

ATTACHMENTS/LINKS

Examples of Unacceptable Conduct and Work Performance (Attachment # ATT1800).

Texas Government Code, Chapter 411.

~~Texas Government Code, Section 411.171.~~

~~Texas Medical Center Policy Prohibiting Firearms and Weapons on TMC Property~~

Texas Penal Code, Section 30.06.

Texas Penal Code, Section 46.01.

~~Texas Penal Code, Section 46.01(5).~~

~~Texas Penal Code, Section 46.035(f)(3).~~

RELATED POLICIES

~~Appeal Policy (UTMDACC Institutional Policy # ADM0268).~~

~~Classified Employees Appeal Policy (UTMDACC Institutional Policy # ADM0268).~~

Disciplinary Action Policy (UTMDACC Institutional Policy # ADM0256).

Grievance Policy (UTMDACC Institutional Policy # ADM0266).

Infection Control for Patient Care Areas Policy UTMDACC Institutional Policy # CLN0436).

Parking Policy (UTMDACC Institutional Policy # ADM0230).

Termination of Employment of a Faculty Member Policy (UTMDACC Institutional Policy # ACA0059).

Workplace Violence Prevention Policy (UTMDACC Institutional Policy # ADM0257).

JOINT COMMISSION STANDARDS / NATIONAL PATIENT SAFETY GOALS

None.

OTHER RELATED ACCREDITATION / REGULATORY STANDARDS

None.

REFERENCES

TEX. GOV'T CODE Title 4, Subtitle B, §411 *et seq.*,

<http://www.statutes.legis.state.tx.us/Docs/GV/html/GV.411.htm>.

TEX. PEN. CODE Title 7, §30.06 *et seq.*, <http://www.statutes.legis.state.tx.us/Docs/PE/html/PE.30.htm>.

1. Title

Carrying of Handguns on a U. T. System Administration Campus

2. Policy

Sec. 1 Purpose. This policy governs the carrying of Handguns on a campus of U. T. System Administration as authorized by law, including *Texas Government Code* Section 411.2031, also known as the “Campus Carry Law.”

Sec. 2 Policy Statement. This policy of U. T. System Administration is to comply with Texas and Federal laws governing the carrying of Handguns on a System Administration campus and to maintain a safe and secure work environment in which employees can focus on work with minimal distraction.

Sec. 3 Possession of a Handgun on a System Administration Campus.

3.1 A person may not carry a Handgun on a System Administration campus unless the person holds a valid Handgun License.

3.2 Subject to compliance with this policy and law, a License Holder may carry a Concealed Handgun on a System Administration Campus except in an Exclusion Zone or where otherwise prohibited by state or federal law.

3.3 A License Holder is responsible for safeguarding the person’s Handgun at all time and shall take all necessary precautions to ensure that the Handgun is secured in a manner that is most likely to prevent theft, loss, damage, or misuse.

- 3.4 A License Holder shall carry the person's Handgun in a holster that completely covers the trigger and the entire trigger guard area. The holster must have sufficient tension or grip on the Handgun to retain it in the holster even when subjected to unexpected jostling.
- 3.5 Except for a Handgun stored in a vehicle as permitted by state law, a License Holder shall keep the Handgun on or about their person at all times. "On or about their person" means the Handgun (and any item such as a purse or backpack in which the Handgun is concealed) must be close at hand and within such distance that, without materially changing position, the License Holder can place a hand on it.
- 3.6 A License Holder shall conceal the Handgun at all times so that it is not partially or wholly visible to another person. The only exception is that the Handgun may be momentarily visible when in transition from the License Holder's person to storage in the License Holder's vehicle.
- Sec. 4 Exclusion Zones. Enforcement of an Exclusion Zone requires effective notice to the License Holder. For that purpose, an Exclusion Zone should be demarcated with legally sufficient signage. If appropriate signage is not provided, persons on the premises may instead be provided with a legally sufficient written communication. The text of such a sign or written communication is prescribed by under *Texas Penal Code* §30.06.

Each of the following is an Exclusion Zone:

- 4.1 Leased Space – Any premises leased to a third party (Lessee) by System Administration (Lessor) from which the Lessee prohibits Handguns as permitted by law.

Any premises leased to System Administration (Lessee) by a third party (Lessor) from which the Lessor has excluded Concealed Handguns as permitted by law.

~~4.2 U. T. System Aircraft – Any aircraft owned or leased by System Administration that is used for passenger transportation.~~

- Sec. 5 Reporting. A person who observes any violation of this policy should report the violation to The U. T. System Office of the Director of Police (ODOP). A License Holder whose Handgun is lost or stolen on a System Administration Campus shall immediately report the loss or theft to ODOP.

- Sec. 6 Disciplinary Action. A System Administration employee who carries a Handgun in violation of this policy is subject to disciplinary action including removal, probation, suspension, dismissal, or termination.

3. Definitions

U.T. System Administration Campus –All land and buildings owned or leased by System for use by System Administration. The term does not include land or buildings governed by the Campus Carry rules of a U. T. System academic or health-related institution.

Concealed Handgun – A Handgun the presence of which is not openly discernible to the ordinary observation of a reasonable person.

Exclusion Zone – Premises of a System Administration Campus where a License Holder may not carry a Concealed Handgun.

Handgun – A firearm that is designed, made, or adapted to be fired with one hand.

Handgun License – A license to carry a Handgun issued under *Texas Government Code* Chapter 411.

License Holder – Anyone with a Handgun License.

Premises – A building or portion of a building. The term does not include any public or private driveway, street, sidewalk or walkway, parking lot, parking garage, or other parking area.

4. Relevant Federal and State Statutes

[*Texas Government Code* § 411.2031, Carrying of Handguns by License Holders on Certain Campuses](#)

[*Texas Penal Code* § 30.06, Trespass by License Holder with a Concealed Handgun](#)

[*Texas Penal Code* § 30.07, Trespass by License Holder with an Openly Carried Handgun](#)

[*Texas Penal Code* § 46.03, Places Weapons Prohibited](#)

[*Texas Penal Code* § 46.035, Unlawful Carrying of Handguns by License Holder](#)

5. Relevant System Policies, Procedures, and Forms

none

6. System Administration Offices Responsible for Policy

Office of Risk Management

7. Dates Approved or Amended

~~April 1, 2016~~

August 1, 2016

8. Contact Information

Questions or comments about this policy should be directed to:

- bor@utsystem.edu

9. U. T. System: Approval of the nonpersonnel aspects of the operating budgets and associated budget rules and procedures for Fiscal Year 2017, including the Permanent University Fund Bond Proceeds allocation for Library, Equipment, Repair and Rehabilitation Projects; allocation for the Faculty Science and Technology Acquisition and Retention Program; and allocation for land acquisition by U. T. Tyler

Chancellor McRaven presented the nonpersonnel aspects of The University of Texas System Operating Budgets and associated Budget Rules and Procedures for Fiscal Year 2017. His presentation is [on file](#) in the Office of the Board of Regents and included the following recommended items:

- FY 2017 Operating Budget
- FY 2017 Reserve Allocations for Library, Equipment, Repair and Rehabilitation (LERR)
- FY 2017 Reserve Allocations for the Faculty Science and Technology Acquisition and Retention (STARS) program

As noted in the Agenda materials, in making this recommendation, the Chancellor sought the Board's understanding that the ongoing U. T. System Administration strategic assessment and organizational review may impact determinations about the priority of funding and staffing for the projects and initiatives included in the recommended U. T. System Administration budget. He requested that the Board agree that, should any previously approved projects or funding allocations be identified as not consistent with the strategic assessment or not clearly identified as an effective mission for the U. T. System Administration, he be allowed the flexibility to reallocate or eliminate those projects and funding in the approved budget.

Following Chancellor McRaven's presentation, Vice Chairman Hicks remarked on the growing budget of the U. T. System and challenged the Board to work with management to help downsize the U. T. System. Noting that Chancellor McRaven inherited some programs that may no longer be relevant to U. T. System institutions or desired by the institutional presidents, Vice Chairman Hicks said the initiative to cut 10% of the workforce was a good start, but more could be done. He said every dollar saved and not spent at U. T. System could be used for debt service for a new building on a campus or for student success at The University of Texas at Austin.

Chancellor McRaven responded that he agreed and that a recent, extensive organizational survey included an assessment of whether the U. T. System was meeting the needs of the institutions. In some areas, the U. T. System was found to not be meeting the needs of the campuses, and in some areas more substantial services were needed. He said he was concerned about cutting too deep initially, and that, while he expects to make the proposed 10% reduction in the workforce, it will be challenging. He indicated further workforce reductions are possible, and outsourcing may be an option for some services to be less costly in the long run.

Chancellor McRaven commented that a decade or so ago, the U. T. System had a significantly larger staff proportional to the budget. He committed to doing what is needed to reduce the number of full-time employees at U. T. System.

Regent Hall supported efforts to ensure that capital is used effectively and efficiently, and he asked Chancellor McRaven to ensure the institutions do the same. He said he does not want to overlook the significant contributions the U. T. System has made to the institutions, such as offloading of expenses for auditors and competency-based education. Chancellor McRaven said the Texas Legislature requested a 4% budget reduction across the institutions and that has been done as part of the budget process, and he noted the institutional presidents are aware of his desire to be at the right price point in terms of overhead, administration, and projects to ensure the focus is on students, clinical care, and research.

Chairman Foster recognized the enormous responsibility of the Board associated with approving the proposed \$17.9 billion budget, and he expressed appreciation for the work of the Chancellor and his staff on preparation of the budget.

Upon motion by Vice Chairman Hildebrand and with Vice Chairman Hicks opposing the motion, saying he symbolically voted against the budget to support his point, the Board approved the U. T. System Operating Budgets and associated Budget Rules and Procedures for Fiscal Year 2017, including matters related to the compensation and conditions of employment for those individuals requiring Board approval as recommended to and considered by the Board in Executive Session.

The Board also approved allocation of Educational and General Funds; Auxiliary Enterprises; Grants and Contracts; Designated Funds; Restricted Current Funds; and Medical, Dental, Nursing, and Allied Health Faculty Services; and Research and Development Plans, 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 earlier discussions in Executive Session.

Approval of the budget for Fiscal Year 2017 also included

1. the appropriation of \$35 million of Permanent University Fund (PUF) Bond Proceeds directly to U. T. System institutions to fund LERR projects;
2. \$30 million of PUF Bond Proceeds for the Faculty STARs program to provide additional funding to build and enhance research infrastructure to attract and retain the best qualified faculty; and
3. \$2 million of PUF Bond Proceeds to The University of Texas at Tyler for acquisition of two key pieces of land consistent with the institution's strategic plan to accommodate future growth.

The Chancellor was authorized to make nonsubstantive editorial corrections to the U. T. System Operating Budgets for 2017 with subsequent adjustments to be reported to the U. T. System Board of Regents through the Consent Agenda to the extent required by the Budget Rules and Procedures included in the 2017 Operating Budgets. It was noted for the Board that the Budget Rules and Procedures were amended and approved on February 11, 2016, to authorize the Chancellor to approve budget amendments for U. T. System Administration not to exceed \$10 million from previously appropriated items, following advance consultation with the Chairman of the Board.

In addition, the Board approved the U. T. System Administration budget as outlined in the presentation with the expectation that the total U. T. System Administration budget will be reduced by 130 budgeted full-time equivalent employees and associated cost savings, through a combination of the previously approved Voluntary Separation Incentive Program, outsourcing, and a potential reduction in force. The target date for completion of this reduction is the end of Fiscal Year 2017.

It was noted in the Agenda materials that a supplemental volume of the budget materials titled "Operating Budget Summaries and Reserve Allocations for Library, Equipment, Repair and Rehabilitation and Faculty STARS" also contained the Budget Rules and Procedures for FY 2017. The Board approved the Budget Rules and Procedures for FY 2016 on August 20, 2015, as part of the operating budgets for FY 2016. The Board approved amendments to a portion of those Budget Rules and Procedures on February 11, 2016, and there were no substantive amendments to that portion of the Budget Rules and Procedures for FY 2017.

The Annual Operating Budget and appropriation of PUF Bond Proceeds presented in the Fiscal Year 2017 LERR Budget along with Faculty STARS are subject to the approved budget rules and the requirements of the U. T. Systemwide Policy, *UTS168 Capital Expenditure Policy*. The allocation of LERR funds to the U. T. System institutions was developed from prioritized lists of projects submitted by the institutions and reviewed by U. T. System Administration staff. Additionally, PUF Bond Proceeds appropriated above to LERR and Faculty STARS must be spent in accordance with the Article VII, Section 18 of the Texas Constitution. PUF Bond Proceeds may only be used for the purpose of acquiring land either with or without permanent improvements, constructing and equipping buildings or other permanent improvements, major repair and rehabilitation of buildings and other permanent improvements, acquiring capital equipment, and acquiring library books and library materials.

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 also the Executive Session items related to the individual personnel aspects of the U. T. System Operating Budgets (Items 5a through 5c) and related Item 10.

Salaries for U. T. System Executive Officers and Presidents approved at the August 25, 2016 meeting are set forth on Pages 171 - 178.

(Secretary's Note: For additional budget information regarding approved compensation for FY 2017, see Item 5c in the November 10, 2016 Minutes for the Meeting of the Board.)

10. U. T. System: Discussion and appropriate action regarding personnel aspects of the U. T. System Administration operating budget for Fiscal Year 2017

The Board granted approval of the personnel aspects of The University of Texas System Administration operating budget for Fiscal Year 2017 as included in the previous Agenda Item (Item 9).

See also the Executive Session items related to the individual personnel aspects of the U. T. System Operating Budgets (Executive Session Items 5a through 5c).

THE UNIVERSITY OF TEXAS SYSTEM

Compensation - Academic Institution Presidents

Approved Salary Rates Effective September 1, 2016 for Fiscal Year Ending August 31, 2017

	Approved 2016	Approved 2017
ACADEMIC INSTITUTION PRESIDENTS		
U. T. Arlington		
<i>Vistasp M. Karbhari</i>		
Salary Rate	\$ 485,000	485,000
Incentive Compensation		
Qualitative	41,225	-
Quantitative	33,649	-
Subtotal Incentive Compensation	74,874	-
Total Compensation	\$ 559,874	485,000
U. T. Austin		
<i>Gregory L. Fenves</i>		
Salary Rate	\$ 750,000	750,000
Deferred Compensation ¹	50,000	50,000
Subtotal Compensation	800,000	800,000
Incentive Compensation		
Qualitative	-	-
Quantitative	-	-
Subtotal Incentive Compensation	-	-
Total Compensation	\$ 800,000	800,000
U. T. Dallas		
<i>Richard C. Benson²</i>		
Salary Rate	\$ 525,000	525,000
Total Compensation	\$ 525,000	525,000
U. T. El Paso		
<i>Diana S. Natalicio</i>		
Salary Rate	\$ 426,755	426,755
Incentive Compensation		
Qualitative	31,340	-
Quantitative	15,425	-
Subtotal Incentive Compensation	46,765	-
Total Compensation	\$ 473,520	426,755

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

¹Vests 8/31/2020

²Appointed as President effective July 15, 2016

Incentive Compensation for FY 2016: Qualitative portion was paid in October 2015 and quantitative portion was paid in March 2016.

	Approved 2016	Approved 2017
ACADEMIC INSTITUTION PRESIDENTS (continued)		
U. T. Permian Basin		
<i>W. David Watts</i>		
Salary Rate	\$ 310,193	310,193
Incentive Compensation		
Qualitative	21,713	-
Quantitative	26,318	-
Subtotal Incentive Compensation	48,031	-
Total Compensation	\$ 358,224	310,193
U. T. Rio Grande Valley		
<i>Guy H. Bailey</i>		
Salary Rate	\$ 600,000	600,000
Incentive Compensation		
Qualitative	54,000	-
Quantitative	-	-
Subtotal Incentive Compensation	54,000	-
Total Compensation	\$ 654,000	600,000
U. T. San Antonio		
<i>Ricardo Romo</i>		
Salary Rate	\$ 406,291	406,291
Incentive Compensation		
Qualitative	30,472	-
Quantitative	27,423	-
Subtotal Incentive Compensation	57,895	-
Total Compensation	\$ 464,186	406,291
U. T. Tyler		
<i>Rodney H. Mabry</i>		
Salary Rate	\$ 355,749	355,749
Incentive Compensation		
Qualitative	23,123	-
Quantitative	18,900	-
Subtotal Incentive Compensation	42,023	-
Total Compensation	\$ 397,772	355,749

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

¹Vests 8/31/2020

²Appointed as President effective July 15, 2016

Incentive Compensation for FY 2016: Qualitative portion was paid in October 2015 and quantitative portion was paid in March 2016.

THE UNIVERSITY OF TEXAS SYSTEM

Compensation - Health Institution Presidents

Approved Salary Rates Effective September 1, 2016 for Fiscal Year Ending August 31, 2017

	Approved 2016	Approved 2017
HEALTH INSTITUTION PRESIDENTS		
U. T. Medical Branch - Galveston		
<i>David L. Callender</i>		
Salary Rate	\$ 671,720	854,360
Deferred Compensation ¹	200,000	200,000
Practice Plan	182,640	-
Subtotal Compensation	1,054,360	1,054,360
Incentive Compensation		
Qualitative	53,738	-
Quantitative	50,379	-
Subtotal Incentive Compensation	104,117	-
Total Compensation	\$ 1,158,477	1,054,360
U. T. Health Science Center - Houston		
<i>Giuseppe Colasurdo</i>		
Salary Rate	\$ 750,500	750,500
Practice Plan	199,500	199,500
Subtotal Compensation	950,000	950,000
Incentive Compensation		
Qualitative	22,515	-
Quantitative	61,916	-
Subtotal Incentive Compensation	84,431	-
Total Compensation	\$ 1,034,431	950,000
U. T. Health Science Center - San Antonio		
<i>William Henrich</i>		
Salary Rate	\$ 698,163	698,163
Deferred Compensation ²	200,000	200,000
Practice Plan	188,015	188,015
Subtotal Compensation	1,086,178	1,086,178
Incentive Compensation		
Qualitative	48,871	-
Quantitative	56,553	-
Subtotal Incentive Compensation	105,424	-
Total Compensation	\$ 1,191,602	1,086,178

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

¹Vests 9/30/2016. New agreement for FY 2017 vests 8/31/2019.

²Vests 8/31/2018

Incentive Compensation for FY 2016: Qualitative portion was paid in October 2015 and quantitative portion was paid in March 2016.

	Approved 2016	Approved 2017
HEALTH INSTITUTION PRESIDENTS		
U. T. Southwestern Medical Center		
<i>Daniel K. Podolsky</i>		
Salary Rate	\$ 944,316	944,316
Deferred Compensation ²	100,000	100,000
Practice Plan	259,239	259,239
Subtotal Compensation	<u>1,303,555</u>	<u>1,303,555</u>
Incentive Compensation		
Qualitative	106,236	-
Quantitative	58,430	-
Subtotal Incentive Compensation	<u>164,666</u>	<u>-</u>
Total Compensation	<u>\$ 1,468,221</u>	<u>1,303,555</u>
U. T. M. D. Anderson Cancer Center		
<i>Ronald A. DePinho</i>		
Salary Rate	\$ 1,439,100	1,439,100
Deferred Compensation	-	-
Practice Plan	405,900	405,900
Subtotal Compensation	<u>1,845,000</u>	<u>1,845,000</u>
Incentive Compensation		
Qualitative	50,369	-
Quantitative	133,192	-
Subtotal Incentive Compensation	<u>183,561</u>	<u>-</u>
Total Compensation	<u>\$ 2,028,561</u>	<u>1,845,000</u>
U. T. Health Science Center - Tyler		
<i>Kirk Calhoun</i>		
Salary Rate	\$ 409,451	409,451
Deferred Compensation ²	150,000	150,000
Practice Plan	105,503	105,503
Subtotal Compensation	<u>664,954</u>	<u>664,954</u>
Incentive Compensation		
Qualitative	30,709	-
Quantitative	-	-
Subtotal Incentive Compensation	<u>30,709</u>	<u>-</u>
Total Compensation	<u>\$ 695,663</u>	<u>664,954</u>

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

¹Vests 9/30/2016. New agreement for FY 2017 vests 8/31/2019.

²Vests 8/31/2018

Incentive Compensation for FY 2016: Qualitative portion was paid in October 2015 and quantitative portion was paid in March 2016.

THE UNIVERSITY OF TEXAS SYSTEM

Compensation - Executive Officers U. T. System Administration

Approved Salary Rates Effective September 1, 2016 for Fiscal Year Ending August 31, 2017

	Approved 2016	Approved 2017
EXECUTIVE OFFICERS		
Chancellor		
<i>William McRaven</i>		
Salary Rate	\$ 1,200,000	1,200,000
Deferred Compensation	400,000	400,000
Annual Retention Payment	100,000	100,000
Subtotal Compensation	<u>1,700,000</u>	<u>1,700,000</u>
Contingent Performance Payment	200,000	200,000
Total Compensation	<u>\$ 1,900,000</u>	<u>1,900,000</u>
Deputy Chancellor		
<i>David Daniel</i>		
Salary Rate	\$ 725,000	725,000
Incentive Compensation		
Qualitative	-	-
Quantitative - Short Term	-	-
Quantitative - Long Term	-	-
Subtotal Incentive Compensation	<u>-</u>	<u>-</u>
Total Compensation	<u>\$ 725,000</u>	<u>725,000</u>
Executive Vice Chancellor for Academic Affairs		
<i>Steven Leslie</i>		
Salary Rate	\$ 420,000	470,000
Incentive Compensation		
Qualitative	-	-
Quantitative - Short Term	-	-
Quantitative - Long Term	-	-
Subtotal Incentive Compensation	<u>-</u>	<u>-</u>
Total Compensation	<u>\$ 420,000</u>	<u>470,000</u>
Executive Vice Chancellor for Business Affairs		
<i>Scott C. Kelley</i>		
Salary Rate	\$ 420,900	420,900
Incentive Compensation		
Qualitative	35,777	-
Quantitative - Short Term	-	-
Quantitative - Long Term	98,648	-
Subtotal Incentive Compensation	<u>134,425</u>	<u>-</u>
Total Compensation	<u>\$ 555,325</u>	<u>420,900</u>

Incentive Compensation for FY 2016: Qualitative portion was paid in October 2015 and quantitative portion was paid in March 2016. Long term quantitative incentive compensation is calculated based on the achievement of long term goals over a three-year period.

	Approved 2016	Approved 2017
EXECUTIVE OFFICERS (continued)		
Executive Vice Chancellor for Health Affairs		
<i>Raymond S. Greenberg</i>		
Salary Rate	\$ 700,000	700,000
Deferred Compensation ¹	150,000	150,000
Subtotal Compensation	<u>850,000</u>	<u>850,000</u>
Incentive Compensation		
Qualitative	66,500	-
Quantitative - Short Term	57,803	-
Quantitative - Long Term	25,603	-
Subtotal Incentive Compensation	<u>149,906</u>	<u>-</u>
Total Compensation	<u>\$ 999,906</u>	<u>850,000</u>
Vice Chancellor for External Relations		
<i>Randa S. Safady</i>		
Salary Rate	\$ 550,000	550,000
Incentive Compensation		
Qualitative	49,500	-
Quantitative - Short Term	34,650	-
Quantitative - Long Term	49,913	-
Subtotal Incentive Compensation	<u>134,063</u>	<u>-</u>
Total Compensation	<u>\$ 684,063</u>	<u>550,000</u>
Vice Chancellor and General Counsel		
<i>Daniel H. Sharphorn</i>		
Salary Rate	\$ 390,000	390,000
Incentive Compensation		
Qualitative	31,200	-
Quantitative - Short Term	31,200	-
Quantitative - Long Term	-	-
Subtotal Incentive Compensation	<u>62,400</u>	<u>-</u>
Total Compensation	<u>\$ 452,400</u>	<u>390,000</u>
Vice Chancellor and Chief Governmental Relations Officer		
<i>Barry McBee</i>		
Salary Rate	\$ 280,900	280,900
Incentive Compensation		
Qualitative	19,663	-
Quantitative - Short Term	8,596	-
Quantitative - Long Term	35,788	-
Subtotal Incentive Compensation	<u>64,047</u>	<u>-</u>
Total Compensation	<u>\$ 344,947</u>	<u>280,900</u>

¹Vests 2/28/2019

Incentive Compensation for FY 2016: Qualitative portion was paid in October 2015 and quantitative portion was paid in March 2016. Long term quantitative incentive compensation is calculated based on the achievement of long term goals over a three-year period.

	Approved 2016	Approved 2017
EXECUTIVE OFFICERS (continued)		
Vice Chancellor for Federal Relations		
<i>William H. Shute</i>		
Salary Rate	\$ 276,500	276,500
Incentive Compensation		
Qualitative	15,208	-
Quantitative - Short Term	6,014	-
Quantitative - Long Term	23,745	-
Subtotal Incentive Compensation	44,967	-
Total Compensation	\$ 321,467	276,500
Vice Chancellor for Strategic Initiatives		
<i>Stephanie Bond Huie</i>		
Salary Rate	\$ 280,000	280,000
Incentive Compensation		
Qualitative	15,900	-
Quantitative - Short Term	11,925	-
Quantitative - Long Term	14,575	-
Subtotal Incentive Compensation	42,400	-
Total Compensation	\$ 322,400	280,000
Vice Chancellor for Health Affairs		
<i>Amy Shaw Thomas</i>		
Salary Rate	\$ 400,000	400,000
Incentive Compensation		
Qualitative	26,093	-
Quantitative - Short Term	19,174	-
Quantitative - Long Term	19,833	-
Subtotal Incentive Compensation	65,100	-
Total Compensation	\$ 465,100	400,000

Incentive Compensation for FY 2016: Qualitative portion was paid in October 2015 and quantitative portion was paid in March 2016. Long term quantitative incentive compensation is calculated based on the achievement of long term goals over a three-year period.

	Approved 2016	Approved 2017
EXECUTIVE OFFICERS (continued)		
General Counsel to the Board of Regents		
<i>Francie A. Frederick</i>		
Salary Rate	\$ 437,736	437,736
One-time Merit	75,000	75,000
Total Compensation	\$ 512,736	512,736
Chief Audit Executive		
<i>J. Michael Peppers</i>		
Salary Rate	\$ 365,900	365,900
One-time Merit	54,885	-
Total Compensation	\$ 420,785	365,900

Incentive Compensation for FY 2016: Qualitative portion was paid in October 2015 and quantitative portion was paid in March 2016. Long term quantitative incentive compensation is calculated based on the achievement of long term goals over a three-year period.

SCHEDULED MEETING.--The next regularly scheduled meeting will be held on November 9-10, 2016, in Austin.

ADJOURNMENT.--There being no further business, the meeting was adjourned at 1:47 p.m.

/s/ Carol A. Felkel
Secretary to the Board of Regents

September 20, 2016



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FACILITIES PLANNING AND CONSTRUCTION COMMITTEE

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TECHNOLOGY TRANSFER AND RESEARCH COMMITTEE

No items for Consent Agenda

MEETING OF THE BOARD

1. Minutes - U. T. System Board of Regents: Approval of Minutes of the regular meetings held on May 11-12, 2016, and July 13, 2016; and the special called meeting held on June 27, 2016

AUDIT, COMPLIANCE, AND MANAGEMENT REVIEW COMMITTEE

No items for Consent Agenda

FINANCE AND PLANNING COMMITTEE

2. Item Deferred
3. Request for Budget Change - U. T. System: Grant budget authority of \$1,000,000 funded from lapsed Library, Equipment, Repair and Rehabilitation funds to pay expenses associated with the expansion of the Shared Information Offices in Irving, Texas (RBC No. 7900) -- amendment to the 2015-2016 budget
4. Request for Budget Change - U. T. System: Grant budget authority of \$1,114,000 funded from Available University Funds to fund expenses at U. T. Austin associated with previously approved Intrusion Detection Project for Information Security (102-929). Lapse Permanent University Fund bond authority in an equivalent amount. (RBC No. 7901) -- amendment to the 2015-2016 budget
5. Other Fiscal Matters - U. T. System: Results of the Group Purchasing Organization (GPO) Accreditation Program

On February 11, 2016, the Board of Regents approved a Group Purchasing Organization (GPO) Accreditation Program. The Program is designed to ensure that U. T. System institutions utilize contracts offered by GPOs, including Texas state agencies performing GPO functions, only if the GPOs use sourcing processes accredited by U. T. System as meeting minimum procurement standards. The approval included delegated authority to the Executive Vice Chancellor for Business Affairs to determine whether any applicant for accreditation meets such standards, and requested a report on Program results at the August 2016 Board of Regents' meeting.

With assistance from the U. T. System Office of Shared Services, 17 applications for accreditation were considered, with eight being approved and nine being rejected. Accreditations will expire August 31, 2021, unless terminated earlier under U. T. System procedures. The U. T. System Office of Shared Services will meet annually with each GPO to ensure ongoing sourcing and contracting processes remain in compliance with the standards and to review institutional use of GPO contracts. Rejected applicants have been informed of key concerns with their sourcing processes, and of their right to reapply for accreditation in March 2017.

Approved applicants for accreditation:

- The University of Texas System Supply Chain Alliance
- Brazos Valley Council of Governments, dba Purchasing Solutions Alliance (PSA)
- E&I Cooperative Services, Inc.
- Education Service Center – Region 19 Allied States Cooperative
- The Local Government Purchasing Cooperative, dba BuyBoard
- Premier Health Alliance, LP
- Texas Comptroller of Public Accounts (Statewide Procurement Division) (TPASS/TXMAS)
- Texas Department of Information Resources (DIR)

6. Other Matters - U. T. System: Approval of Newly Commissioned Peace Officers

In accordance with Section 51.203 of the *Texas Education Code*, the Board is asked to approve the Commissioning of the following Peace Officers. The Officers have completed training at the U. T. System Police Training Academy and passed the State of Texas Police Officer Licensing Examination.

Effective date: July 1, 2016

<u>Name</u>	<u>Institution</u>
David S. Chambers	U. T. Austin
Jamie L. Ford	U. T. Austin
Jeanne Y. Hall	U. T. Austin
John A. Tesauro, III	U. T. Austin
Kyle R. McCollum	U. T. Permian Basin
Gregorio Garza, Jr.	U. T. Rio Grande Valley
Fellippe A. Munoz	U. T. Rio Grande Valley
Samuel H. Kulbeth	U. T. San Antonio
Jesse Pacheco	U. T. San Antonio
Charles A. Reyes	U. T. San Antonio
Charles N. Speck	U. T. San Antonio
Tyson B. Armstrong	U. T. Medical Branch - Galveston
Alondra M. Jones	U. T. Health Science Center - Houston
Sydney D. Pennie, Jr.	U. T. Health Science Center - Houston

7. Approval to exceed the full-time equivalent (FTE) limitation on employees paid from appropriated funds - U. T. System: Request approval to exceed the FTE limitation for Fiscal Year 2017 as authorized by Article IX of the *General Appropriations Act*

<u>Institution</u>	Requested 2017 FTEs over the <u>Limitation</u>	2016 FTEs over the <u>Limitation</u>
U. T. Arlington	10.50	24.00
U. T. Dallas	75.00	35.00
U. T. Permian Basin	9.20	46.84
U. T. Tyler	60.20	105.00
U. T. Southwestern Medical Center	55.00	105.00
U. T. Medical Branch - Galveston	325.30	168.88
U. T. Health Science Center - Houston	179.18	177.18
U. T. System Administration	130.00	209.80

Also as required by Article IX, Section 6.10 of the *General Appropriations Act*, it is recommended that the U. T. System Board of Regents 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.

It is further recommended that the U. T. System Board of Regents authorize the Chancellor to adjust the U. T. System Administration request, if warranted, to account for any reductions in staffing levels identified as part of ongoing strategic assessment and organizational review including the impact of the Voluntary Separation Incentive Program. All other institutions will not exceed their cap. Additional details are provided on the following pages.

Note: Following the meeting, a minor change to the FTE Cap Justification for U. T. Health Science Center - Houston was made to change the first item from the function of Instruction to the function of Research.

The University of Texas System
Request to Exceed Full-time Equivalent (FTE) Limitation on Employees Paid From Appropriated Funds
For Period September 1, 2016 through August 31, 2017

FTE Request to Exceed Cap - by Function

	<u>Faculty</u>	<u>Staff</u>	<u>Total</u>
Instruction	145.75	83.22	228.97
Academic Support	-	40.00	40.00
Research	45.35	64.76	110.11
Public Service	-	-	-
Hospitals and Clinics	-	325.30	325.30
Institutional Support	-	259.23	259.23
Student Services	-	-	-
Operations and Maintenance of Plant	-	10.00	10.00
Scholarships and Fellowships	-	-	-
Total	<u>191.10</u>	<u>782.51</u>	<u>973.61</u>

FTE Request to Exceed Cap - by Institution

	<u>FY 2017 Cap*</u>	<u>Request to Exceed Cap</u>		
		<u>Faculty</u>	<u>Staff</u>	<u>Total</u>
U. T. Arlington	2,160.30	10.50	-	10.50
U. T. Austin	5,327.50	-	-	-
U. T. Dallas	1,456.80	35.00	40.00	75.00
U. T. El Paso	2,011.90	-	-	-
U. T. Permian Basin	349.30	9.20	-	9.20
U. T. Rio Grande Valley	2,102.30	-	-	-
U. T. San Antonio	2,457.40	-	-	-
U. T. Tyler	538.00	60.20	-	60.20
Total Academic Institutions	<u>16,403.50</u>	<u>114.90</u>	<u>40.00</u>	<u>154.90</u>
U. T. Southwestern Medical Center	1,908.00	16.00	39.00	55.00
U. T. Medical Branch - Galveston	1,815.20	-	325.30	325.30
U. T. Health Science Center - Houston	1,825.90	60.20	118.98	179.18
U. T. Health Science Center - San Antonio	2,219.50	-	-	-
U. T. M. D. Anderson Cancer Center	797.70	-	-	-
U. T. Health Science Center - Tyler	324.40	-	-	-
Total Health Institutions	<u>8,890.70</u>	<u>76.20</u>	<u>483.28</u>	<u>559.48</u>
U. T. System Administration	<u>278.20</u>	<u>-</u>	<u>130.00</u>	<u>130.00</u>
U. T. System Total	<u>25,572.40</u>	<u>191.10</u>	<u>653.28</u>	<u>844.38</u>

*The cap reported includes the appropriated cap for each institution plus the additional FTEs authorized by Article IX, Section 6.10(a)(2) of the General Appropriations Act, plus any FTEs specifically appropriated by additional riders.

**The identified institutions do not expect to exceed the appropriated cap plus any additional FTEs appropriated by riders.

The University of Texas System

Fiscal Year 2017 Request to Exceed Full-time Equivalent (FTE) Limitation on Appropriated Funds

Function	Faculty FTE Increase	Staff FTE Increase	Total FTE Increase from Appropriated Funds	Source of Funds	Justification
U. T. System Administration					
Institutional Support	-	130.00	130.00	Available University Fund	Additional FTEs are a result of making Board approved strategic investments throughout the organization. These include providing tuition relief in 2015 to academic institutions by assuming certain functions such as audit and the multi-campus UTShare information system, additional FTEs to stabilize the UTShare environment, staff to develop Competency-Based Education programs for most campuses, support for the Quantum Leaps initiative, and new contracting staff resulting from implementation of SB 20.
TOTAL	-	130.00	130.00		
U. T. Arlington					
Instruction	10.50	-	10.50	Tuition	Faculty hiring has increased to address student demand for courses to meet goals to shorten time to graduate.
TOTAL	10.50	-	10.50		
U. T. Dallas					
Instruction	35.00	-	35.00	Tuition	Hiring new faculty to provide instruction necessary to meet growing student enrollment.
Academic Support	-	40.00	40.00	Tuition	Increase to FTEs to provide the academic support necessary to meet growing student enrollment.
TOTAL	35.00	40.00	75.00		
U. T. Permian Basin					
Instruction	9.20	-	9.20	Tuition	Additional faculty hires to meet student enrollment growth.
TOTAL	9.20	-	9.20		
U. T. Tyler					
Instruction	56.00	-	56.00	General Revenue	Additional hires to support enrollment growth for both classroom and online courses.
Instruction	4.20	-	4.20	Tuition	Additional hires to support enrollment growth for both classroom and online courses, as well as increased workload due to implementation of PeopleSoft.
TOTAL	60.20	-	60.20		

August 25, 2016 Meeting of the U. T. System Board of Regents – Consent Agenda

Function	Faculty FTE Increase	Staff FTE Increase	Total FTE Increase from Appropriated Funds	Source of Funds	Justification
U. T. Southwestern Medical Center					
Research	16.00	39.00	55.00	General Revenue	New research special item for The Center for Regenerative Science and Medicine and The Center for Advanced Radiation Therapy.
TOTAL	16.00	39.00	55.00		
U. T. Medical Branch - Galveston					
Hospitals and Clinics	-	325.30	325.30	General Revenue	When the 2017 estimate was prepared for the Legislative Appropriation Request, higher local patient income associated with the projected late fall opening of the League City Campus Hospital was assumed. The delayed opening has resulted in a higher General Revenue and General Revenue-Dedicated proportionality calculation than was anticipated.
TOTAL	-	325.30	325.30		
U. T. Health Science Center - Houston					
Research	10.00	4.00	14.00	General Revenue	New special item for Biomedical Informatics expansion.
Instruction	20.85	79.22	100.07	General Revenue	Increase in Instruction and Operations formula funding of \$11.5 million per year since FY 2012-2013 biennium. New FTE cap was based on FY 2014 actuals and did not include second year of the biennium increases, which included further maximization of salaries on State funds for instruction at each of the schools.
Operation and Maintenance of Plant		10.00	10.00	General Revenue	Increase in infrastructure formula funding in FY 2016-2017 biennium allowed for staffing increases for building and maintenance operations and police.
Research	29.35	25.76	55.11	General Revenue	New special item for psychiatric sciences. New FTEs not fully accounted for in FTE cap approved for FY 2016-2017.
TOTAL	60.20	118.98	179.18		

8. Real Estate Report - U. T. System: Summary Report of Separately Invested Assets Managed by U. T. System

**THE UNIVERSITY OF TEXAS SYSTEM
SEPARATELY INVESTED ASSETS
Managed by U. T. System
Summary Report at May 31, 2016**

FUND TYPE

	Current Purpose Restricted		Endowment and Similar Funds		Annuity and Life Income Funds		TOTAL	
	Book	Market	Book	Market	Book	Market	Book	Market
Land and Buildings:								
Ending Value 02/29/2016	\$ 1,199,153	\$ 18,048,925	\$ 97,250,068	\$ 263,135,483	\$ 797,992	\$ 1,657,653	\$ 99,247,213	\$ 282,842,061
Increase or Decrease	1,027,501	1,027,879	(1,692)	(709,885)	(8,565)	(8,565)	1,017,244	309,429
Ending Value 05/31/2016	\$ 2,226,654	\$ 19,076,804	\$ 97,248,376	\$ 262,425,598	\$ 789,427	\$ 1,649,088	\$ 100,264,457	\$ 283,151,490
Other Real Estate:								
Ending Value 02/29/2016	\$ 1,005	\$ 1,005	\$ 8	\$ 8	\$ -	\$ -	\$ 1,013	\$ 1,013
Increase or Decrease	-	-	-	-	-	-	-	-
Ending Value 05/31/2016	\$ 1,005	\$ 1,005	\$ 8	\$ 8	\$ -	\$ -	\$ 1,013	\$ 1,013

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. 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.

9. Request for Budget Change - U. T. San Antonio: Transfer \$9,950,000 from Project Reserves and Campus Reserves to Structural Testing Facility to provide funding for the Structural Test Facility (Engineering High Bay) (RBC No. 7730) -- amendment to the 2015-2016 budget

The following Request for Budget Change 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:

Description	\$ Amount	RBC #
Structural Test Facility (Engineering High Bay)		7730
Amount of Transfer:	\$9,950,000	
From: Project Reserves	\$1,500,000	
Campus Reserves	\$8,450,000	
To: Structural Testing Facility	\$9,950,000	

ACADEMIC AFFAIRS COMMITTEE

10. Contract (funds going out) - U. T. System: AliveTek Inc. to provide content production services

Agency: AliveTek Inc.

Funds: There is currently no spending under this Master Services Agreement. Future expenses will not exceed \$2,000,000.

Source of Funds: Available University Funds

Period: March 6, 2015 through March 6, 2020

Description: A Systemwide Master Services Agreement that can be used at the U. T. System institutions to provide instructional design and content services, graphic design and illustrations, web and mobile design and development, digital audio/video production, and miscellaneous course development and course asset development services. This contract was competitively bid.

11. Contract (funds going out) - U. T. System: Blackboard Co. to provide content production services

Agency: Blackboard Co.

Funds: There is currently no spending under this Master Services Agreement. Future expenses will not exceed \$2,000,000.

Source of Funds: Available University Funds

Period: June 1, 2014 through June 1, 2019

Description: A Systemwide Master Services Agreement that can be used at the U. T. System institutions to provide digital audio/video production, motion graphics, animations, graphic design, UI/UX design, and digital rights clearance services. This contract was competitively bid.

12. Contract (funds going out) - U. T. System: Enspire Learning Inc. to provide content production services

Agency: Enspire Learning Inc.

Funds: There is currently no spending under this Master Services Agreement. Future expenses will not exceed \$2,000,000.

Source of Funds: Available University Funds

Period: June 1, 2014 through June 1, 2019

Description: A Systemwide Master Services Agreement that can be used at the U. T. System institutions to provide digital audio/video production, motion graphics, animations, graphic design, UI/UX design, social learning application development, web and mobile design and development, instructional design, and digital rights clearance services. This contract was competitively bid.

13. Contract (funds going out) - U. T. System: iDesignEDU to provide content production services

Agency: iDesignEDU

Funds: There is currently no spending under this Master Services Agreement. Future expenses will not exceed \$2,000,000.

Source of Funds: Available University Funds

Period: June 1, 2015 through June 1, 2020

Description: A Systemwide Master Services Agreement that can be used at the U. T. System institutions to provide instructional design, content development, and graphic design services. This contract was competitively bid.

14. Contract (funds going out) - U. T. System: Inside Track Inc. to provide content production services

Agency: Inside Track Inc.

Funds: Current spending under this Master Services Agreement totals \$414,000. Future project addendums will not exceed \$5,000,000.

Source of Funds: Available University Funds

Period: January 12, 2015 through January 12, 2020

Description: A Systemwide Master Services Agreement that can be used at the U. T. System institutions to provide student lifecycle management services, including attracting, recruiting, and retaining students for online education programs, career coaching services, and leveraging any existing or establishing new relationships with partner organizations. This contract was competitively bid. The current spending will soon approach \$1,000,000, and is now being brought to the Board for approval.

15. Contract (funds going out) - U. T. System: MicroAssist to provide content production services

Agency: MicroAssist

Funds: There is currently no spending under this Master Services Agreement. Future expenses will not exceed \$2,000,000.

Source of Funds: Available University Funds

Period: September 15, 2014 through September 15, 2019

Description: A Systemwide Master Services Agreement that can be used at the U. T. System institutions to provide digital audio/video production, motion graphics, animations, graphic design, UI/UX design, social learning application development, web and mobile design and development, instructional design, and digital rights clearance services. This contract was competitively bid.

16. Contract (funds going out) - U. T. System: LearningMate Solutions to provide content production services

Agency: LearningMate Solutions

Funds: There is currently no spending under this Master Services Agreement. Future expenses will not exceed \$2,000,000.

Source of Funds: Available University Funds

Period: February 1, 2016 through February 2, 2021

Description: A Systemwide Master Services Agreement that can be used at the U. T. System institutions to provide instructional design and content services, graphic design and illustrations, web and mobile design and development, digital audio/video production, and miscellaneous course development and course asset development services. This contract was competitively bid.

17. Contract (funds going out) - U. T. System: O'Donnell Learn to provide content production services

Agency: O'Donnell Learn

Funds: There is currently no spending under this Master Services Agreement. Future expenses will not exceed \$2,000,000.

Source of Funds: Available University Funds

Period: June 25, 2015 through June 25, 2020

Description: A Systemwide Master Services Agreement that can be used at the U. T. System institutions to provide instructional design, content development, and miscellaneous course development and course asset development services. This contract was competitively bid.

18. Approval of Dual Position of Honor, Trust, or Profit - U. T. System: Appointment by U.S. Secretary of Education John B. King, Jr., of Marni Baker Stein, Ph.D., Chief Innovation Officer, as member of the Technical Working Group (TWG) for the development of the 2016 Higher Education National Educational Technology Plan

The following item has been approved by the Executive Vice Chancellor for Academic Affairs in accordance with Regents' *Rules and Regulations*, Rule 30103.

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 System and there is no conflict between holding this position and the appointment with the U. T. System.

The Board is also asked to find that holding this position is of benefit to the State of Texas and the U. T. System and that there is no conflict between the position and the U. T. System.

Name: Marni Baker Stein, Ph.D.

Title: Chief Innovation Officer, Institute for Transformational Learning

Position: Member, TWG for the development of the 2016 Higher Education National Educational Technology Plan

Period: July 14, 2016 through September 24, 2016

Compensation: Travel expenses only

Description: U.S. Secretary of Education King has appointed Dr. Baker Stein to serve as a member of TWG. The TWG members will explore the future of a higher education system that is designed around the needs of all students, that draws upon the power of educational technology to improve instruction, learning, and assessment, and that recognizes the role of technology in accelerating efforts to address issues of access, affordability, and completion at a systemic level.

19. **Report - U. T. System Academic Institutions: Fiscal Year 2015 Post-Tenure Review**

In accordance with *Texas Education Code* Section 51.942 and Regents' *Rules and Regulations*, Rule 31102, the following report on the Fiscal Year 2015 post-tenure review for the U. T. System academic institutions is provided by the Executive Vice Chancellor for Academic Affairs.

During Fiscal Year 2015, 401 tenured faculty members at the nine academic institutions with tenured faculty were subject to post-tenure review. Of the faculty members reviewed, 390 or 97.3% were evaluated as Meets or Exceeds Expectations; nine or 2.2% Did Not Meet Expectations; and two received Unsatisfactory evaluations. Eight faculty members retired or resigned before their post-tenure reviews. Fiscal Year 2015 is the last fiscal year for which U. T. Brownsville and U. T. Pan American will submit a post-tenure review report.

The following summary tables provide additional details of the post-tenure review results for Academic Year 2014-2015.

Summary of Post-Tenure Review Results

	Total Actually Reviewed	Total Exceeding Expectations	Total Meets Expectations	Total Does Not Meet Expectations	Total Unsatisfactory	Decided to Retire or Resign Before Review
UTA	52	25	25	2	0	5
UTAUS	166	70	90	6	0	1
UTB	8	6	2	0	0	1
UTD	43	16	26	1	0	0
UTEP*	23	12 23	11 0	0	0	0 4
UTPA	33	32	1	0	0	1
UTPB	2	0	2	0	0	0
UTSA	57	20	35	0	2	0
UTT	17	14	3	0	0	0
Total	401	195 206	195 184	9	2	8 9
		48.6% 51.4%	48.6% 45.9%	2.2%	0.5%	

Post-Tenure Review Results by Gender

	Actually Reviewed		Exceeding Expectations		Meets Expectations		Does Not Meet Expectations		Unsatisfactory		Decided to Retire or Resign Before Review	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
UTA	37	15	18	7	18	7	1	1	0	0	2	3
UTAUS	115	51	53	17	59	31	3	3	0	0	1	0
UTB	8	0	6	0	2	0	0	0	0	0	1	0
UTD	38	5	14	2	23	3	1	0	0	0	0	0
UTEP*	15	8	<u>7</u> <u>15</u>	<u>5</u> <u>8</u>	<u>8</u> <u>0</u>	<u>3</u> <u>0</u>	0	0	0	0	<u>0</u> <u>1</u>	0
UTPA	22	11	22	10	0	1	0	0	0	0	1	0
UTPB	2	0	0	0	2	0	0	0	0	0	0	0
UTSA	37	20	12	8	24	11	0	0	1	1	0	0
UTT	10	7	7	7	3	0	0	0	0	0	0	0
Total	284	117	<u>139</u> <u>147</u>	<u>56</u> <u>59</u>	<u>139</u> <u>131</u>	<u>56</u> <u>53</u>	5	4	1	1	<u>5</u> <u>6</u>	3

Post-Tenure Review Results by Ethnicity

	Total Actually Reviewed					Exceeds Expectations				
	White	Black	Hispanic	Asian	Other	White	Black	Hispanic	Asian	Other
UTA	37	1	4	10	0	17	1	4	3	0
UTAUS	123	6	18	17	2	49	2	10	8	1
UTB	3	0	2	3	0	3	0	2	1	0
UTD	27	0	1	15	0	11	0	0	5	0
UTEP*	14	0	7	2	0	8 14	0	4 7	0 2	0
UTPA	19	1	7	6	0	18	1	7	6	0
UTPB	2	0	0	0	0	0	0	0	0	0
UTSA	35	1	8	13	0	9	1	4	6	0
UTT	15	0	0	2	0	12	0	0	2	0
Total	275	9	47	68	2	127 133	5	31 34	31 33	1

	Meets Expectations					Does Not Meet Expectations				
	White	Black	Hispanic	Asian	Other	White	Black	Hispanic	Asian	Other
UTA	19	0	0	6	0	1	0	0	1	0
UTAUS	70	3	8	8	1	4	1	0	1	0
UTB	0	0	0	2	0	0	0	0	0	0
UTD	15	0	1	10	0	1	0	0	0	0
UTEP*	6 0	0	3 0	2 0	0	0	0	0	0	0
UTPA	1	0	0	0	0	0	0	0	0	0
UTPB	2	0	0	0	0	0	0	0	0	0
UTSA	24	0	4	7	0	0	0	0	0	0
UTT	3	0	0	0	0	0	0	0	0	0
Total	140 134	3	16 13	35 33	1	6	1	0	2	0

	Unsatisfactory					Decided to Retire/Resign Before Review				
	White	Black	Hispanic	Asian	Other	White	Black	Hispanic	Asian	Other
UTA	0	0	0	0	0	4	0	0	0	1
UTAUS	0	0	0	0	0	1	0	0	0	0
UTB	0	0	0	0	0	0	0	0	1	0
UTD	0	0	0	0	0	0	0	0	0	0
UTEP*	0	0	0	0	0	0 4	0	0	0	0
UTPA	0	0	0	0	0	1	0	0	0	0
UTPB	0	0	0	0	0	0	0	0	0	0
UTSA	2	0	0	0	0	0	0	0	0	0
UTT	0	0	0	0	0	0	0	0	0	0
Total	2	0	0	0	0	6 7	0	0	1	1

PRESENT STATUS OF EACH PERFORMANCE THAT DOES NOT MEET EXPECTATIONS:

U. T. Arlington: The two faculty members developed performance improvement plans in collaboration with their Department Chairs and were reviewed by each Dean. The plans focus on the areas of concern including improvements in their publications records, mentoring more graduate students with supervision from the Department Chairs, and seeking assistance from the Office of Research to improve success through external grants. Both plans were approved by the Provost and will be reviewed at the end of the academic year.

U. T. Austin: Department Chairs and Deans will monitor performance each year and provide feedback through the Annual Review process.

U. T. Dallas: One faculty member does not meet expectations in the areas of research and service. The faculty member has been advised on specific steps to take to meet expectations in these areas.

PRESENT STATUS OF EACH PERFORMANCE THAT IS UNSATISFACTORY:

U. T. San Antonio: One faculty member has been placed on a faculty development plan for 2015-2016. The Department Chair will periodically meet with the faculty member to ensure progress is being made. At the end of the development plan, the faculty member will submit a report and will meet with the Department Chair and Dean to determine if the faculty member met the criteria set out in the plan. Another faculty member has been placed on a faculty development plan for 2015-2016. The Department Chair will periodically meet with the faculty member to ensure progress is being made. At the end of the development plan, the faculty member will submit a report and will meet with the Department Chair and Dean to determine if the faculty member met the criteria set out in the plan.

* Note: U. T. El Paso submitted corrected data following the August 24-25, 2016 Meeting of the Board of Regents, and the chart totals were amended accordingly.

20. Contract (funds coming in) - U. T. Arlington: Second amendment to cooperative reimbursement contract to provide the Texas Commission on Environmental Quality (TCEQ) with services to assist with compliance requirements

Agency: Texas Commission on Environmental Quality (TCEQ)

Funds: Second amendment to existing contract for additional \$495,563; bringing the total for the initial contract and two amendments to \$1,486,689

Period: September 1, 2016 through August 31, 2017

Description: U. T. Arlington will provide air pollution control services to assist the TCEQ with compliance requirements within the jurisdiction of the City of Houston, in accordance with the *Texas Health and Safety Code* Section 382.0622, concerning petroleum storage tank investigations, records management, and staff training. The initial contract was for a one-year term beginning September 1, 2014, for \$495,563. The first amendment was for another one-year term beginning September 1, 2015, for \$495,563. This second amendment raises the total contract amount over the threshold requiring Board approval.

21. Request for Budget Change - U. T. Arlington: New award of tenure and emeritus appointments

The following personnel actions involving new award of tenure and emeritus appointments have been administratively approved by the Executive Vice Chancellor for Academic Affairs. The personnel actions have been included in the 2017 Annual Operating Budget of each institution and are consistent with the Regents' *Rules and Regulations*, Rule 31007.

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>
College of Architecture, Planning and Public Affairs		
Planning and Public Affairs		
Mahyar Arefi	New Hire	Chair and Professor (T)
College of Business		
Accounting		
Stephanie Rasmussen	Assistant Professor	Associate Professor (T)
Finance and Real Estate		
John Adams	Assistant Professor	Associate Professor (T)
Sanjiv Sabherwal	Associate Professor	Professor (T)
College of Education		
Curriculum and Instruction		
Carla Amaro-Jimenez	Assistant Professor	Associate Professor (T)
Teresa Taber Doughty	New Hire	Dean and Professor (T)
Jodi Tommerdahl	Associate Professor	Associate Professor (T)
Educational Leadership and Policy Studies		
Casey Brown	Associate Professor	Professor (T)

College, Department, and Name	From	To
College of Engineering		
Civil Engineering		
Dong-Jun Seo	Associate Professor	Professor (T)
Stefan Romanoschi	Associate Professor	Professor (T)
Computer Science and Engineering		
Junzhou Huang	Assistant Professor	Associate Professor (T)
Song Jiang	New Hire	Associate Professor (T)
Electrical Engineering		
Ali Davoudi	Assistant Professor	Associate Professor (T)
Peter Crouch	New Hire	Dean and Professor (T)
Yan Wan	New Hire	Associate Professor (T)
Industrial Manufacturing and Systems Engineering		
Jay Rosenberger	Associate Professor	Professor (T)
Materials Science and Engineering		
Seong Jin Koh	Associate Professor	Professor (T)
Mechanical and Aerospace Engineering		
Ashfaq Adnan	Assistant Professor	Associate Professor (T)
Leila Ladani	New Hire	Professor (T)

College, Department, and Name	From	To
College of Liberal Arts		
Art and Art History		
Melia Belli	Assistant Professor	Associate Professor (T)
Dwain Ya'Ke Smith	Assistant Professor	Associate Professor (T)
Communication		
Erika Pribanic-Smith	Assistant Professor	Associate Professor (T)
Criminology and Criminal Justice		
Jaya Davis	Assistant Professor	Associate Professor (T)
Seokjin Jeong	Assistant Professor	Associate Professor (T)
English		
Cedrick May	New Hire	Associate Professor (T)
History		
William Marvin Dulaney	Associate Professor (T)	Associate Professor Emeritus
John Garrigus	Associate Professor	Professor (T)
Scott Palmer	New Hire	Chair and Professor (T)
Kenyon Zimmer	Assistant Professor	Associate Professor (T)
Linguistics and TESOL		
Jeffrey Witzel	Assistant Professor	Associate Professor (T)
Modern Languages		
Lonny Harrison	Assistant Professor	Associate Professor (T)
Antoinette Sol	Associate Professor	Professor (T)
Music		
David Grogan	Assistant Professor	Associate Professor (T)
Philosophy and Humanities		
Charles Nussbaum	Associate Professor	Professor (T)
Political Science		
Daniel Sledge	Assistant Professor	Associate Professor (T)
Sociology and Anthropology		
Naomi Cleghorn	Assistant Professor	Associate Professor (T)

College, Department, and Name	From	To
College of Nursing and Health Innovation		
Nursing		
Daisha Cipher	Associate Professor	Associate Professor (T)
Zui Pan	New Hire	Chair and Associate Professor (T)
Kinesiology		
Rhonda Prisby	New Hire	Associate Professor (T)
College of Science		
Biology		
Ester Betran	Associate Professor	Professor (T)
Chemistry and Biochemistry		
Peter Kroll	Associate Professor	Professor (T)
School of Social Work		
Social Work		
Fran S. Danis	Associate Professor (T)	Associate Professor Emeritus
Alexa Smith-Osborne	Associate Professor	Professor (T)

22. Employment Agreement - U. T. Arlington: Approval of terms of Employment Agreement for Head Men's Basketball Coach Scott Cross

The following Head Men's Basketball Coach Employment Agreement has been approved by the Executive Vice Chancellor for Academic Affairs and is recommended for approval by the U. T. System Board of Regents. If the Agreement is approved, total compensation for the contract period for Scott Cross will be in excess of \$1 million. Such employment under the 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*, and the policies of The University of Texas at Arlington (*Regents' Rules and Regulations*, Rule 10501, Section 2.2.12, Athletic Employment Agreements; and Rule 20204, Section 3, Board Approval). Any violation of the provisions of such constitution, bylaws, rules, regulations, or policies shall be grounds for suspension without pay and/or dismissal.

Item: Head Men's Basketball Coach Agreement for Scott Cross

Proposed: **Guaranteed compensation:**

Annual Salary:

FY 2016-2017: \$275,000 annually

FY 2017-2018: \$300,000 annually

FY 2018-2019: \$312,500 annually

FY 2019-2020: \$325,000 annually

Nonguaranteed compensation:

Sports Camps and Clinics: Coach will be paid a percentage of the net proceeds for each camp

Incentives:

Team performance incentives: maximum of \$30,000 annually

Team academic performance incentives: maximum of \$10,000 annually

Source of funds: Intercollegiate Athletics

Description: Agreement for employment of Head Men's Basketball Coach Scott Cross

Period: September 1, 2016 through August 31, 2020

23. Gift - U. T. Arlington: Request approval for the installation of a Beta Gamma Sigma Business Honor Society Monument, an outdoor work of art

Description: U. T. Arlington requests approval to install a Beta Gamma Sigma (BGS) Business Honor Society Monument in the outdoor entry courtyard of the College of Business. The proposed monument installation will be funded with a gift and further enhance U. T. Arlington's relationship with the national chapter of Beta Gamma Sigma, as well as increase the visibility of the College of Business.

The College is already in possession of a BGS key suitable for outdoor display, and a picture of that monument appears on the following page. The base of the monument will be replaced with a different material, such as granite, and the installation cost for the proposed monument will be approximately \$4,000, with no expense for upkeep required.

Donor: U. T. Arlington has received a major donor gift to enhance and spotlight business academic honor society students and their achievements, including through the display of a BGS key as outdoor art. The installation cost for the proposed monument is available within the scope of the donor's gift.

Value: \$4000



24. Lease - U. T. Austin: Authorization to lease up to approximately 62,000 rentable square feet of space located at 1601 Trinity Street, Austin, Travis County, Texas, to Seton Family of Hospitals, for clinical and office use

Description: Lease for approximately 50,000 to 62,000 rentable square feet of space in the medical office building known as the Health Transformation Building located at 1601 Trinity Street in the U. T. Austin Dell Medical District campus for clinical, urgent care, and office use

Lessee: Seton Family of Hospitals, a Texas nonprofit corporation

Term: Five years commencing approximately November 15, 2016; with one five-year renewal option

Lease Income: Lessee will pay lessor annual base rent of \$30 per rentable square foot, escalating annually each year of the initial term of the lease. Base rent during the renewal term shall be at market value as determined by an appraisal process. Lessee will also pay operating expenses attributable to the leased premises, estimated to be approximately \$15 per square foot annually. Lessor will contribute as tenant improvement allowance approximately \$50 per rentable square foot towards lessee's finish out, payable at completion of improvements. There will be a related parking agreement with fees at market rates.

25. Contract (funds going out) - U. T. Austin: Lincoln Harris, Inc. will provide project management services for the Health Transformation Building

Agency: Lincoln Harris, Inc.

Funds: \$2,550,831 for the initial term and renewal options

Source of Funds: Available University Funds

Period: July 1, 2016 through July 1, 2018; with five additional one-year renewals

Description: Lincoln Management will provide property management services for the Health Transformation Building.

26. Contract (funds coming in) - U. T. Austin: To provide Seton Family of Hospitals with thermal utilities and meter maintenance services for the operation of the teaching hospital at the Dell Medical Center

Agency: Seton Family of Hospitals (Seton)

Funds: Approximately \$248,000,000 generated from the sale of thermal utilities, reimbursement for infrastructure costs, and meter maintenance services

Period: Initial term of approximately 60 years with two optional extension terms of 10 years each, for a total potential term of approximately 80 years

Description: U. T. Austin will provide thermal utilities (chilled water, steam, and hot water) and meter maintenance services to Seton Family of Hospitals for heating and cooling of a teaching hospital to be constructed and operated by Seton. The Thermal Utilities Agreement will be collaterally assigned to the Travis County Healthcare District, doing business as Central Health, to secure (1) Seton's obligations under the Ground Sublease from Central Health to Seton covering the location of the teaching hospital, and (2) Seton's obligations to construct and operate the teaching hospital.

27. Contract (funds coming in) - U. T. Austin: Police Department will provide Seton Family of Hospitals with 24-hour policing services at the Dell Seton Medical Center at The University of Texas

Agency: Seton Family of Hospitals, a Texas nonprofit corporation

Funds*: \$2,534,981 during term of the Agreement, as follows:
Upfront startup costs - \$333,840
Policing Services:
Year 1 - \$414,595,
Year 2 - \$427,033,
Year 3 - \$439,844,
Year 4 - \$453,039, and
Year 5 - \$466,630

* Current estimated value of the Agreement

Period: January 1, 2017 through December 31, 2021

Description: U. T. Austin Police Department will provide Seton Family of Hospitals with 24-hour routine law enforcement, policing services, and criminal policing services (collectively the “policing services”) at the Dell Seton Medical Center at The University of Texas.

28. Contract (funds going out) - U. T. Austin: Veritiv Corporation will provide specialty paper and envelopes for the Document Solutions Department

Agency: Veritiv Corporation

Funds: \$1,100,000 through the life of the agreement

Source of Funds: Service Center Funds

Period: Initial term May 31, 2016 through May 31, 2019; with option to renew for two additional one-year terms

Description: Veritiv Corporation will provide specialty paper and envelopes through the Document Solutions Department. This contract was competitively bid.

29. Contract (funds going out) - U. T. Austin: Clampitt Paper Company will provide specialty paper and envelopes for the Document Solutions Department

Agency: Clampitt Paper Company

Funds: \$1,100,000 through the life of the agreement

Source of Funds: Service Center Funds

Period: Initial term May 31, 2016 through May 31, 2019; with option to renew for two additional one-year terms

Description: Clampitt Paper Company will provide specialty paper and envelopes through the Document Solutions Department. This contract was competitively bid.

30. Contract (funds going out) - U. T. Austin: Olmsted-Kirk Paper Company will provide specialty paper and envelopes for the Document Solutions Department

Agency: Olmsted-Kirk Paper Company

Funds: \$1,100,000 through the life of the agreement

Source of Funds: Service Center Funds

Period: Initial term May 31, 2016 through May 31, 2019; with option to renew for two additional one-year terms

Description: Olmstead-Kirk Paper Company will provide specialty paper and envelopes through the Document Solutions Department. This contract was competitively bid.

31. Contract (funds going out) - U. T. Austin: Western BRW / Bosworth Papers will provide specialty paper and envelopes for the Document Solutions Department

Agency: Western BRW / Bosworth Papers

Funds: \$1,100,000 through the life of the agreement

Source of Funds: Service Center Funds

Period: Initial term May 31, 2016 through May 31, 2019; with option to renew for two additional one-year terms

Description: Western BRW / Bosworth Papers will provide specialty paper and envelopes through the Document Solutions Department. This contract was competitively bid.

32. Contract (funds going out) - U. T. Austin: T2 Systems, Inc. will provide parking garage hardware, software, and installation services to upgrade nine parking garage systems

Agency: T2 Systems, Inc.

Funds: Approximately \$1,300,000

Source of Funds: Parking and Transportation Services

Period: August 1, 2016 through July 31, 2021

Description: T2 Systems, Inc. will provide parking garage hardware, software, and installation services to upgrade nine parking garage systems. The new systems will read access cards, manage event parking, read barcodes for event parking purchased online, maintain accurate parking counts, provide reliable Voice over Internet Protocol (VoIP) intercoms with video feed for visitor communication with remote staff, and integrate daily garage activity with existing customer database. This agreement was procured through an Exclusive Acquisition based on compatibility with existing equipment.

33. Contract (funds going out) - U. T. Austin: Apogee Telecom Inc. will provide an all-digital customized cable and Internet Protocol television (IPTV) system to the Division of Housing and Food Services

Agency: Apogee Telecom Inc.

Funds: Approximately \$13,771,000 for the initial term and renewal options

Source of Funds: Student Housing Fee

Period: September 1, 2016 through January 31, 2021; with one additional five-year extension

Description: Apogee Telecom Inc. will provide the Division of Housing and Foods with an all-digital customized channel lineup with a mix of high-definition and standard-definition channel options. The customized lineup will feature an 80-channel expanded lineup featuring the most popular entertainment and educational programming channels.

34. Contract (funds coming in and going out) - U. T. Austin: Musiker Discovery, Inc. will provide program coordination for the College of Liberal Arts 2017 pre-college summer program

Agency: Musiker Discovery, Inc.

Funds: \$1,287,000 (total cost of contract, including original agreement and amendments)

Summer 2017 Costs:
\$272,120 (funds going out)
\$437,000 (funds coming in)

Source of Funds: Fees collected from camp attendees

Period: December 31, 2016 through December 31, 2017

Description: Third amendment of the Musiker Discovery Programs, Inc. agreement will extend the contract term from December 31, 2016 through December 31, 2017. Musiker Discovery Programs Inc., through its Summer Discovery Division, will provide the College of Liberal Arts at U. T. Austin with registration coordination, administrative support, expanded marketing outreach, and overall program coordination of the College Liberal Arts pre-college summer program.

35. Request for Budget Change - U. T. Austin: New award of tenure and emeritus appointments

The following personnel actions involving new award of tenure and emeritus appointments have been administratively approved by the Executive Vice Chancellor for Academic Affairs. The personnel actions have been included in the 2017 Annual Operating Budget of each institution and are consistent with the Regents' *Rules and Regulations*, Rule 31007.

College, Department, and Name	From	To
School of Architecture		
Architecture		
Danelle I. Briscoe	Assistant Professor	Associate Professor (T)
Matthew L. Fajkus	Assistant Professor	Associate Professor (T)
McCombs School of Business		
Accounting		
Jaime J. Schmidt	Assistant Professor	Associate Professor (T)
Marketing		
Eli P. Cox, III	Professor (T)	Professor Emeritus
Ty T. Henderson	Assistant Professor	Associate Professor (T)
Moody College of Communication		
Advertising and Public Relations		
Lucinda J. Atkinson	Assistant Professor	Associate Professor (T)
Communication Sciences and Disorders		
Barbara L. Davis	Professor (T)	Professor Emerita
Journalism		
Dhiraj Murthy	New Hire	Associate Professor (T)
College of Education		
Curriculum and Instruction		
Jennifer K. Adair	Assistant Professor	Associate Professor (T)
Susan B. Empson	Professor (T)	Professor Emerita
Educational Psychology		
Erika A. Patall	Assistant Professor	Associate Professor (T)
Deborah J. Tharinger	Professor (T)	Professor Emerita

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>
Kinesiology/Health Education Dorothy D. Lambdin	Clinical Professor	Clinical Professor Emerita
Special Education Nathan Clemens	New Hire	Associate Professor (T)
Cockrell School of Engineering		
Biomedical Engineering Shelly E. Sakiyama-Elbert	New Hire	Professor (T)
Civil, Architectural, and Environmental Engineering		
Stephen Boyles	Assistant Professor	Associate Professor (T)
David W. Fowler	Professor (T)	Professor Emeritus
James O. Jirsa	Professor (T)	Professor Emeritus
Fernanda L. Leite	Assistant Professor	Associate Professor (T)
Ying Xu	Assistant Professor	Associate Professor (T)
Electrical and Computer Engineering		
Andrea L. Thomaz	New Hire	Associate Professor (T)
Daniel M. Wasserman	New Hire	Associate Professor (T)
Mechanical Engineering		
Donglei Fan	Assistant Professor	Associate Professor (T)
Luis Sentis	Assistant Professor	Associate Professor (T)
Petroleum and Geosystems Engineering		
Masa Prodanovic	Assistant Professor	Associate Professor (T)
College of Fine Arts		
Music		
Charles D. Carson	Assistant Professor	Associate Professor (T)
Theatre and Dance		
Megan Alrutz	Assistant Professor	Associate Professor (T)
Paul A. Bonin	Assistant Professor	Associate Professor (T)
Jackson School of Geosciences		
Geological Sciences		
Thorsten Becker	New Hire	Professor (T)
Marc A. Hesse	Assistant Professor	Associate Professor (T)

College, Department, and Name	From	To
School of Information		
Information		
Lecia J. Barker	Associate Professor	Associate Professor (T)
Ciaran Trace	Assistant Professor	Associate Professor (T)
Yan Zhang	Assistant Professor	Associate Professor (T)
School of Law		
Law		
Susan C. Morse	Assistant Professor	Professor (T)
Stephen I. Vladeck	New Hire	Professor (T)
Melissa F. Wasserman	New Hire	Professor (T)
College of Liberal Arts		
African Diaspora Studies		
Minkah Makalani	Assistant Professor	Associate Professor (T)
Christen A. Smith	Assistant Professor	Associate Professor (T)
Eric Tang	Assistant Professor	Associate Professor (T)
Anthropology		
Sofian Merabet	Assistant Professor	Associate Professor (T)
Christen A. Smith	Assistant Professor	Associate Professor (T)
Asian Studies		
Chien-Hsin Tsai	Assistant Professor	Associate Professor (T)
Classics		
Pramit Chaudhuri	New Hire	Associate Professor (T)
Ayelet H. Lushkov	Assistant Professor	Associate Professor (T)
Economics		
David A. Kendrick	Professor (T)	Professor Emeritus
Robert Town	New Hire	Professor (T)
English		
Jennifer-Kate Barret	Assistant Professor	Associate Professor (T)
David D. Kornhaber	Assistant Professor	Associate Professor (T)
French and Italian		
Paola Bonifazio	Assistant Professor	Associate Professor (T)
Jean-Pierre Montreuil	Professor (T)	Professor Emeritus
Government		
Bethany L. Albertson	Assistant Professor	Associate Professor (T)
Henry A. Dietz	Professor (T)	Professor Emeritus
John Gerring	New Hire	Professor (T)
Nathan M. Jensen	New Hire	Professor (T)

College, Department, and Name	From	To
History Tatjana Lichtenstein	Assistant Professor	Associate Professor (T)
Mexican American and Latina/o Studies Karma Chavez Deborah M. Parra-Medina	New Hire New Hire	Associate Professor (T) Professor (T)
Philosophy Sinan Dogramaci	Assistant Professor	Associate Professor (T)
Psychology Hongjoo J. Lee	Assistant Professor	Associate Professor (T)
Religious Studies Ahmed A. Moin Chad E. Seales	Assistant Professor Assistant Professor	Associate Professor (T) Associate Professor (T)
Rhetoric and Writing Rasha Diab	Assistant Professor	Associate Professor (T)
Sociology Tetyana Pudrovska	Assistant Professor	Associate Professor (T)
Dell Medical School Dell Medical School William Lawson	New Hire	Professor (T)
Medicine Michael P. Pignone	New Hire	Professor (T)
Population Health William Tierney	New Hire	Professor (T)
Psychiatry Stephen M. Strakowski	New Hire	Professor (T)
Surgery and Perioperative Care Richard B. Freeman David Ring	New Hire New Hire	Professor (T) Professor (T)

College, Department, and Name	From	To
College of Natural Sciences		
Astronomy		
Neal J. Evans, II	Professor (T)	Professor Emeritus
David L. Lambert	Professor (T)	Professor Emeritus
Chemistry		
Guangbin Dong	Assistant Professor	Professor (T)
Simon M. Humphrey	Assistant Professor	Associate Professor (T)
Devarajan Thirumalai	New Hire	Professor (T)
Computer Science		
Scott J. Aaronson	New Hire	Professor (T)
Ernest A. Emerson, II	Professor (T)	Professor Emeritus
Dana Moshkovitz	New Hire	Associate Professor (T)
Human Development and Family Sciences		
Aprile D. Benner	Assistant Professor	Associate Professor (T)
Integrative Biology		
Beryl B. Simpson	Professor (T)	Professor Emerita
Mathematics		
Mirela Ciperiani	Assistant Professor	Associate Professor (T)
Amir Mohammadi	Assistant Professor	Associate Professor (T)
Timothy Perutz	Assistant Professor	Associate Professor (T)
Rachel A. Ward	Assistant Professor	Associate Professor (T)
Nutritional Sciences		
Jaimie N. Davis	Assistant Professor	Associate Professor (T)
Physics		
Arno R. Bohm	Professor (T)	Professor Emeritus
College of Pharmacy		
Pharmacy		
Leticia R. Moczygamba	New Hire	Associate Professor (T)
LBJ School of Public Affairs		
Public Affairs		
Varun Rai	Assistant Professor	Associate Professor (T)
Paul Von Hippel	Assistant Professor	Associate Professor (T)
School of Social Work		
Social Work		
Arthur J. Schwab, Jr.	Professor (T)	Professor Emeritus

36. Employment Agreement - U. T. Austin: Approval of terms of Employment Agreement with August E. Garrido, Jr., as Special Assistant to the Men's Athletics Director

The following employment agreement has been approved by the Executive Vice Chancellor for Academic Affairs and President Fenves and is recommended for approval by the U. T. System Board of Regents.

Item: Special Assistant to the Men's Athletic Director

Funds: \$500,000 annually

Source of funds: Intercollegiate Athletics

Period: September 1, 2016 through August 31, 2018

Description: Agreement for employment of August E. Garrido, Jr., as Special Assistant to the Men's Athletics Director on the terms set forth above, plus monthly golf and club dues for official entertainment, automobile allowance, and reasonable travel expenses related to U. T. Austin business to be paid directly or reimbursed as appropriate. The Employment Agreement will provide that if August E. Garrido, Jr., accepts employment as a baseball coach at another entity prior to August 31, 2018, the compensation and other benefits under the Employment Agreement will terminate upon his employment in such coaching position.

37. Contract (funds going out) - U. T. Dallas: Campus Shuttle Service Agreement with Dallas Area Rapid Transit (DART) to provide local area transportation for students, faculty, and staff, including bus service

Agency: Dallas Area Rapid Transit (DART), a regional transportation authority under Chapter 452, *Texas Transportation Code*

Funds: Approximately \$13,000,000

Source of Funds: Transportation Fee

Period: October 1, 2016 through September 30, 2026; with option to extend for two additional years

Description: Agreement with DART to provide local area transportation for the U. T. Dallas campus. The transportation services to be provided by DART support the growing number of students, faculty, staff, and visitors requiring access to the U. T. Dallas campus on a daily basis. The routes to be serviced by DART consist primarily of U. T. Dallas-affiliated riders.

Under the terms of the agreement, DART will provide local area transportation services for U. T. Dallas, and U. T. Dallas will reimburse DART for a portion of the cost associated with providing the services. U. T. Dallas will reimburse DART for 60% of the cost associated with providing the services in Year 1, and U. T. Dallas and DART will split the cost 50/50 each year thereafter. The amount of funds identified for Board approval is estimated based on existing and projected ridership levels and is inclusive of the optional two-year extension.

U. T. Dallas anticipates cost savings under this arrangement as compared to engaging a private contractor directly due to DART's contribution. The agreement provides that adjustments to service levels require the prior approval of U. T. Dallas. This agreement was procured through an Exclusive Acquisition.

38. Request for Budget Change - U. T. Dallas: New award of tenure appointments

The following personnel actions involving new award of tenure appointments have been administratively approved by the Executive Vice Chancellor for Academic Affairs. The personnel actions have been included in the 2017 Annual Operating Budget of each institution and are consistent with the Regents' *Rules and Regulations*, Rule 31007.

College, Department, and Name	From	To
School of Arts and Humanities		
Literary Studies and Creative Writing Manuel Martinez	New Hire	Professor (T)
School of Arts, Technology, and Emerging Communication		
Arts and Technology Anne Balsamo	New Hire	Dean and Professor (T)
Emerging Media and Communication Kim Knight	Assistant Professor	Associate Professor (T)
School of Behavioral and Brain Sciences		
Communication Disorders Lisa Goffman	New Hire	Professor (T)
Erik Jonsson School of Engineering and Computer Science		
Materials Science Walter Voit	Assistant Professor	Associate Professor (T)
Computer Science Zhiqiang Lin Tien Nguyen	Assistant Professor New Hire	Associate Professor (T) Associate Professor (T)
Mechanical Engineering Fateme Hassanipour Reza Moheimani	Assistant Professor New Hire	Associate Professor (T) Professor (T)
Biomedical Engineering Joseph Pancrazio	New Hire	Professor (T)

College, Department, and Name	From	To
Naveen Jindal School of Management		
Accounting Rebecca Files	Assistant Professor	Associate Professor (T)
Marketing Upendar Subramanian Sanjay Jain	Assistant Professor New Hire	Associate Professor (T) Professor (T)
Information Systems and Operations Management Harpreet Singh Amit Mehra	Assistant Professor New Hire	Associate Professor (T) Associate Professor (T)
Finance Vikram Nanda	New Hire	Professor (T)
School of Natural Sciences and Mathematics		
Mathematical Sciences Min Chen	Assistant Professor	Associate Professor (T)
Physics Jason Slinker	Assistant Professor	Associate Professor (T)
Chemistry and Biochemistry David McPhail	New Hire	Professor (T)
School of Economic, Political and Policy Sciences		
Political Science Paul Diehl	New Hire	Professor (T)

39. Contract (funds going out) - U. T. El Paso: Blackboard Inc. to perform digital marketing services for the Extended University Program

Agency: Blackboard Inc.

Funds: Approximately \$1,300,000 over the four-year contract period; with option to include paid media services not to exceed \$1,440,000 over the four-year period, for a total of approximately \$2,740,000

Source of Funds: Designated Funds

Period: July 15, 2016 through July 14, 2017; with option to renew for three additional one-year periods

Description: Blackboard Inc. will provide digital marketing services for U. T. El Paso's Extended University Program. This contract was competitively bid.

40. Contract (funds going out) - U. T. El Paso: Whelan Event Staffing Services, Inc. to perform crowd management services

Agency: Whelan Event Staffing Services, Inc.

Funds: Approximately \$5,400,000 over the six-year contract period

Source of Funds: Auxiliary Funds

Period: June 1, 2016 through May 31, 2019; with option to renew for three additional one-year terms

Description: Whelan Event Staffing Services, Inc. to provide crowd management services for U. T. El Paso events. Services were competitively bid.

41. Request for Budget Change - U. T. El Paso: New award of tenure appointments

The following personnel actions involving new award of tenure appointments have been administratively approved by the Executive Vice Chancellor for Academic Affairs. The personnel actions have been included in the 2017 Annual Operating Budget of each institution and are consistent with the Regents' *Rules and Regulations*, Rule 31007.

College, Department, and Name	From	To
College of Business Administration		
Marketing and Management		
Edward Ramirez	Assistant Professor	Associate Professor (T)
Prajya R. Vidyarthi	Assistant Professor	Associate Professor (T)
College of Engineering		
Civil Engineering		
William S. Walker	Assistant Professor	Associate Professor (T)
Computer Science		
Christopher D. Kiekintveld	Assistant Professor	Associate Professor (T)
Electrical and Computer Engineering		
Michael P. McGarry	Assistant Professor	Associate Professor (T)
Raymond C. Rumpf, Jr.	Associate Professor	Associate Professor (T)
Mechanical Engineering		
Yirong Lin	Assistant Professor	Associate Professor (T)
Norman Don Love, Jr.	Assistant Professor	Associate Professor (T)
Metallurgical, Materials and Biomedical Engineering		
David A. Roberson	Assistant Professor	Associate Professor (T)
College of Health Sciences		
Rehabilitation Sciences		
Vannesa T. Mueller	Assistant Professor	Associate Professor (T)
Barbara A. Schoen	Assistant Professor	Associate Professor (T)
Connie L. Summers	Assistant Professor	Associate Professor (T)
Social Work		
Eva M. Moya	Assistant Professor	Associate Professor (T)

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>
College of Liberal Arts		
Art Department		
David Griffin	New Hire	Professor (T)
History		
Michael V. Williams	New Hire	Professor (T)
Intelligence and National Security Studies		
Larry A. Valero	Associate Professor	Associate Professor (T)
Language and Linguistics		
Lowry G. Martin	Assistant Professor	Associate Professor (T)
Music		
Bradley Genevro	New Hire	Professor (T)
College of Science		
Physics		
Chunqiang Li	Assistant Professor	Associate Professor (T)

42. Admissions Criteria - U. T. Permian Basin: Changes to Admission Criteria for the Master of Public Administration Leadership (MPAL) Program

U. T. Permian Basin requests approval for changes to the criteria for admission to the Master of Public Administration Leadership (MPAL) Program as described below. The changes have been reviewed and administratively approved by the Executive Vice Chancellor for Academic Affairs and are recommended for approval by the U. T. System Board of Regents.

Summary of Changes to Admission Criteria

The request is to waive the Graduate Records Examination (GRE) score requirement for regular admission for applicants with an undergraduate Grade Point Average (GPA) of 3.00 or above and three or more years of full-time professional experience in governmental, nonprofit, or for-profit organizations. The Coordinator of the MPAL program will determine if an applicant has the necessary professional service experience to qualify for the GRE waiver. To make this determination, the MPAL Coordinator will review appropriate documentation of the job history and responsibilities of applicants who seek the GRE waiver for regular admission.

All applicants to MPAL (including those seeking a GRE waiver) must have a bachelor's degree from an accredited college or university, submit an official transcript of all undergraduate work, and provide three letters of recommendation.

Under the current standards for regular admission into the MPAL program, applicants must have a minimum undergraduate GPA of 3.00 or above (in the last 60 credit hours), and are required to take the GRE and obtain a combined verbal and quantitative score of 295 or above.

43. Request for Budget Change - U. T. Permian Basin: New award of tenure appointments

The following personnel actions involving new award of tenure appointments have been administratively approved by the Executive Vice Chancellor for Academic Affairs. The personnel actions have been included in the 2017 Annual Operating Budget of each institution and are consistent with the Regents' *Rules and Regulations*, Rule 31007.

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>
College of Arts and Sciences		
Psychology Jamie Hughes	Assistant Professor	Associate Professor (T)
College of Business and Engineering		
Mechanical Engineering Essam Ibrahim	Assistant Professor	Associate Professor (T)
College of Education		
Educational Leadership Jessica Garrett	Assistant Professor	Associate Professor (T)

44. Request for Budget Change - U. T. Rio Grande Valley: New award of tenure and emeritus appointments

The following personnel actions involving new award of tenure and emeritus appointments have been administratively approved by the Executive Vice Chancellor for Academic Affairs. The personnel actions have been included in the 2017 Annual Operating Budget of each institution and are consistent with the Regents' *Rules and Regulations*, Rule 31007.

College, Department, and Name	From	To
College of Business and Entrepreneurship		
Accountancy Yun-Chia Yan	Assistant Professor	Associate Professor (T)
Economics and Finance Diego Escobari	Assistant Professor	Associate Professor (T)
International Business and Entrepreneurship Ryan Sale	Assistant Professor	Associate Professor (T)
Management Jennifer Welbourne	Assistant Professor	Associate Professor (T)
College of Education and P-16 Integration		
Bilingual and Literacy Studies Sandra Musanti	Assistant Professor	Associate Professor (T)
Cinthya Saavedra	New Hire	Associate Professor (T)
College of Engineering and Computer Science		
Civil Engineering Andrew Ernest	New Hire	Chair and Professor (T)

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>
College of Fine Arts		
Art		
Richard Phillips	Professor (T)	Professor Emeritus
Dance Program		
Min Kim	Assistant Professor	Associate Professor (T)
School of Music		
George Amorim	Assistant Professor	Associate Professor (T)
Brendan Kinsella	Assistant Professor	Associate Professor (T)
Christopher Munn	Professor (T)	Professor Emeritus
Vivian Munn	Assistant Professor (T)	Professor Emeritus
College of Health Affairs		
Health and Human Performance		
Juanito Gonzalez	Assistant Professor	Associate Professor (T)
Rehabilitation Services and Counseling		
Rene Gonzalez	Assistant Professor	Associate Professor (T)
College of Liberal Arts		
Criminal Justice		
Daniel K. Dearth	Professor (T)	Professor Emeritus
History		
Penelope Ann Adair	Associate Professor (T)	Professor Emeritus
Manuel Medrano	Professor (T)	Professor Emeritus
Literature and Cultural Studies		
Nalda Baez Ferrer	Assistant Professor	Associate Professor (T)
Robert McDonie	Assistant Professor	Associate Professor (T)
Philosophy		
Cynthia Paccacerqua	Assistant Professor	Associate Professor (T)
Alexander Stehn	Assistant Professor	Associate Professor (T)
Political Science		
Michelle Keck	Assistant Professor	Associate Professor (T)

College, Department, and Name	From	To
College of Science		
Biology		
Erin Schuenzel	Assistant Professor	Associate Professor (T)
Mathematical and Statistical Science		
Alexey Glazyrin	Assistant Professor	Associate Professor (T)
School of Medicine		
Biomedical Sciences		
Dae Joon Kim	Assistant Professor	Associate Professor (T)

45. Contract (funds coming in) - U. T. San Antonio: Roadrunner Sports Properties, LLC, subsidiary of Learfield Communications, Inc., to license U. T. San Antonio's trademarks for use in athletic sponsorships, broadcasting, and related media services in exchange for royalties

Agency: Roadrunner Sports Properties, LLC, a wholly-owned subsidiary of Learfield Communications, Inc. (Learfield)

Funds: \$12,225,000 guaranteed royalty for the entire term, plus the potential for additional revenue to U. T. San Antonio related to contract incentives

Period: September 1, 2015 through August 31, 2023

Description: Agreement to license U. T. San Antonio trademarks and other rights to Learfield in exchange for royalties benefiting U. T. San Antonio's Athletics Department, arising out of sponsorships, broadcasting, and related media services.

46. Request for Budget Change - U. T. San Antonio: New award of tenure and emeritus appointments

The following personnel actions involving new award of tenure and emeritus appointments have been administratively approved by the Executive Vice Chancellor for Academic Affairs. The personnel actions have been included in the 2017 Annual Operating Budget of each institution and are consistent with the Regents' *Rules and Regulations*, Rule 31007.

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>
College of Architecture, Construction and Planning		
Architecture		
Saadet Toker-Beeson	Assistant Professor	Associate Professor (T)
College of Business		
Accounting		
Zhongxia (Shelly) Ye	Assistant Professor	Associate Professor (T)
Management Science and Statistics		
Daniel Sass	Associate Professor	Associate Professor (T)
College of Education and Human Development		
Bicultural-Bilingual Studies		
Marco Cervantes	Assistant Professor	Associate Professor (T)
Lilliana Saldaña	Assistant Professor	Associate Professor (T)
Carmen Tafolla	New Hire	Professor (T)
Educational Leadership and Policy Studies		
Curtis Brewer	Assistant Professor	Associate Professor (T)
Laura Rendón	Professor (T)	Professor Emeritus
Interdisciplinary Learning and Teaching		
Roxanne Henkin	Professor (T)	Professor Emeritus
Lee Mason	Assistant Professor	Associate Professor (T)
Christine Moseley	Professor (T)	Professor Emeritus
Bekisizwe Ndimande	Assistant Professor	Associate Professor (T)

College, Department, and Name	From	To
College of Engineering		
Civil and Environmental Engineering Jie Huang	Assistant Professor	Associate Professor (T)
Electrical and Computer Engineering Ram Krishnan	Assistant Professor	Associate Professor (T)
Mechanical Engineering Zhi-Gang Feng	Assistant Professor	Associate Professor (T)
College of Liberal and Fine Arts		
Art and Art History Judith Sobre	Professor (T)	Professor Emeritus
English Kinitra Brooks	Assistant Professor	Associate Professor (T)
History James Schneider	Associate Professor (T)	Associate Professor Emeritus
Music Kristen Pellegrino Linda Poetschke Ethan Wickman	Assistant Professor Professor (T) Assistant Professor	Associate Professor (T) Professor Emeritus Associate Professor (T)
Philosophy and Classics Joshua Thurow	Assistant Professor	Associate Professor (T)
Psychology James R. Dykes, Jr. Edward Golob	Associate Professor (T) New Hire	Associate Professor Emeritus Professor (T)
College of Sciences		
Chemistry Harry Jarrett Oleg Larionov Zachary Tonzetich	Professor (T) Assistant Professor Assistant Professor	Professor Emeritus Associate Professor (T) Associate Professor (T)
Computer Science Steven Robbins	Professor (T)	Professor Emeritus

College, Department, and Name	From	To
Mathematics Manual Berriozábal	Professor (T)	Professor Emeritus
Physics and Astronomy Marcelo Marucho	Assistant Professor	Associate Professor (T)
Kelly Nash	Assistant Professor	Associate Professor (T)
Arturo Ponce-Pedraza	Assistant Professor	Associate Professor (T)

47. Request for Budget Change - U. T. Tyler: New award of tenure and emeritus appointments

The following personnel actions involving new award of tenure and emeritus appointments have been administratively approved by the Executive Vice Chancellor for Academic Affairs. The personnel actions have been included in the 2017 Annual Operating Budget of each institution and are consistent with the Regents' *Rules and Regulations*, Rule 31007.

College, Department, and Name	From	To
College of Arts and Sciences		
History Mickie Koster	Assistant Professor	Associate Professor (T)
Chemistry and Biochemistry Rachel Mason	Assistant Professor	Associate Professor (T)
Sociology Davor Jedlicka	Professor (T)	Professor Emeritus
College of Business and Technology		
Accounting, Finance, and Business Law Veronda Willis	Assistant Professor	Associate Professor (T)
Management and Marketing Marina Astaknova	Assistant Professor	Associate Professor (T)
Brent Beal	Associate Professor	Associate Professor (T)
James Cater	Associate Professor	Associate Professor (T)
Sherry Jackson	Assistant Professor	Associate Professor (T)
Technology Heshium Lawrence	Assistant Professor	Associate Professor (T)

College, Department, and Name	From	To
College of Education and Psychology		
School of Education		
Julie Delello	Assistant Professor	Associate Professor (T)
Jessica Rueter	Assistant Professor	Associate Professor (T)
Psychology and Counseling		
Sarah Sass	Assistant Professor	Associate Professor (T)
College of Nursing and Health Sciences		
Health and Kinesiology		
Wycliffe Njororai Simiyu	Associate Professor	Professor (T)
Shih Yu Lee	Assistant Professor	Associate Professor (T)
Nursing		
Sally Northam	Professor (T)	Professor Emeritus
Katherine Lynn Wieck	Professor (T)	Professor Emeritus

48. Purchase - U. T. Tyler: Authorization to purchase approximately 117.38 acres of vacant land located on the west side of County Road 272, north of Spur 248, and at the northeast corner of Spur 248 and County Road 272, Tyler, Smith County, Texas, from WPW Properties Ltd. and Charleston Park LLC, for future programmed campus expansion

Description: Purchase of five contiguous tracts of vacant land comprising approximately 106.757 acres located on the west side of County Road 272, north of Spur 248, and a 10.621 acre tract of vacant land located at the northeast corner of Spur 248 and County Road 272, Tyler, Smith County, Texas; and authorization for the Executive Director of Real Estate to execute all documents, instruments, and other agreements and to take all further actions deemed necessary or advisable to purchase the property. This property is accessible from Old Omen Road across from U. T. Tyler’s main campus with additional access from University Boulevard and will represent a major expansion of the campus. The property is not within the existing campus master plan. This property will be instrumental for the long-term development of the institution’s future programmed campus expansion.

Seller: WPW Properties Ltd., a Texas limited partnership, and Charleston Park LLC, a Texas limited liability company

Purchase Price: Not to exceed fair market value as determined by an independent appraisal performed by Commercial Appraisal Associates; appraisal confidential pursuant to *Texas Education Code* Section 51.951

Source of Funds Plant Funds

HEALTH AFFAIRS COMMITTEE

49. Report - U. T. System Health Institutions: Fiscal Year 2015 Post-Tenure Review

In accordance with *Texas Education Code* Section 51.942 and Regents' *Rules and Regulations*, Rule 31102, the following report on the Fiscal Year 2015 post-tenure review for the U. T. System health institutions is provided by the Executive Vice Chancellor for Health Affairs.

During Fiscal Year 2015, 231 tenured faculty members at the six health institutions with tenured faculty were subject to post-tenure review. Of the 231 faculty members reviewed, 112 or 48.5% Exceed Expectations; 113 or 48.9% Meet Expectations; 0 or 0% Do Not Meet Expectations; and six or 2.6% Unsatisfactory. (Ten faculty members retired or resigned the tenured position before their post-tenure review.)

The following summary tables provide additional details of the post-tenure review results for Academic Year 2014-2015.

Summary of Post-Tenure Review Results

	Total Subject to Review	Total Exceeds Expectations	Total Meets Expectations	Total Does Not Meet Expectations	Total Unsatisfactory	Decided to Retire or Resign Before Review
UTSWMC	63	34	27	0	2	5
UTMB	30	17	13	0	0	1
UTHSC-H	28	16	12	0	0	1
UTHSC-SA	55	39	16	0	0	3
UTMDACC	52	4	44	0	4	0
UTHSC-T	3	2	1	0	0	0
Total	231	112	113	0	6	10

Post-Tenure Review Results by Gender

	Subject to Review		Exceeds Expectations		Meets Expectations		Does Not Meet Expectations		Unsatisfactory		Decided to Retire or Resign Before Review	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
UTSWMC	52	11	30	4	21	6	0	0	1	1	5	0
UTMB	19	11	10	7	9	4	0	0	0	0	0	1
UTHSC-H	16	12	10	6	6	6	0	0	0	0	1	0
UTHSC-SA	37	18	26	13	11	5	0	0	0	0	3	0
UTMDACC	36	16	2	2	32	12	0	0	2	2	0	0
UTHSC-T	3	0	2	0	1	0	0	0	0	0	0	0
Total	163	68	80	32	80	33	0	0	3	3	9	1

Post-Tenure Review Results by Ethnicity

	Total Actually Reviewed					Exceeds Expectations				
	White	Black	Hispanic	Asian	Other	White	Black	Hispanic	Asian	Other
UTSWMC	47	1	3	11	1	25	0	1	7	1
UTMB	18	3	4	5	0	10	1	2	4	0
UTHSC-H	23	1	1	3	0	13	1	0	2	0
UTHSC-SA	38	2	6	7	2	29	0	3	6	1
UTMDACC	32	1	5	14	0	0	0	2	2	0
UTHSC-T	2	1	0	0	0	2	0	0	0	0
Total	160	9	19	40	3	79	2	8	21	2

	Meets Expectations					Does Not Meet Expectations				
	White	Black	Hispanic	Asian	Other	White	Black	Hispanic	Asian	Other
UTSWMC	21	0	2	4	0	0	0	0	0	0
UTMB	8	2	2	1	0	0	0	0	0	0
UTHSC-H	10	0	1	1	0	0	0	0	0	0
UTHSC-SA	9	2	3	1	1	0	0	0	0	0
UTMDACC	32	1	2	9	0	0	0	0	0	0
UTHSC-T	0	1	0	0	0	0	0	0	0	0
Total	80	6	10	16	1	0	0	0	0	0

	Unsatisfactory					Decided to Retire/Resign Before Review				
	White	Black	Hispanic	Asian	Other	White	Black	Hispanic	Asian	Other
UTSWMC	1	1	0	0	0	4	0	0	1	0
UTMB	0	0	0	0	0	1	0	0	0	0
UTHSC-H	0	0	0	0	0	1	0	0	0	0
UTHSC-SA	0	0	0	0	0	3	0	0	0	0
UTMDACC	0	0	1	3	0	0	0	0	0	0
UTHSC-T	0	0	0	0	0	0	0	0	0	0
Total	1	1	1	3	0	9	0	0	1	0

UNSATISFACTORY:

U. T. Southwestern Medical Center: Two faculty members had second unsatisfactory reviews.

U. T. M. D. Anderson Cancer Center: Two faculty members retired; one faculty member separated; and one faculty member is pending renewal of tenure committee review in Fiscal Year 2016.

50. Contract (funds going out) - U. T. Southwestern Medical Center: GCA Education Services of Texas, Inc. will provide custodial housekeeping services

Agency: GCA Education Services of Texas, Inc.

Funds: Approximately \$24,215,000, for the initial term and renewal options

Source of Funds: Service Department Funds, Designated MSRDP Funds, Designated Other Funds, and Auxiliary Funds

Period: September 1, 2016 through August 31, 2018; with the option to renew for three one-year terms

Description: GCA Education Services of Texas, Inc. will provide custodial housekeeping services on the campus. This vendor was selected through a competitive bid process.

51. Contract (funds going out) - U. T. Southwestern Medical Center: Slingshot, LLC will engage in support of U. T. Southwestern Medical Center's core value brand marketing and health systems priorities, providing strategic, creative, media planning and purchasing, production materials, and account management

Funds: \$25,000,000, for the initial term and renewal options

Source of Funds: MSRDP/DSRDP/PRS practice plan professional fees

Period: July 26, 2016 through August 31, 2019; with the option to renew for two one-year renewal periods

Description: Slingshot, LLC will engage in support of U. T. Southwestern Medical Center's core value brand marketing and health systems priorities, providing strategic, creative, media planning and purchasing, production materials, and account management. This vendor was selected through a competitive bid process.

52. Request for Budget Change - U. T. Southwestern Medical Center: New award of tenure appointments

The following personnel actions involving new award of tenure appointments have been administratively approved by the Executive Vice Chancellor for Health Affairs. The personnel actions have been included in the 2017 Annual Operating Budget of each institution and are consistent with the Regents' *Rules and Regulations*, Rule 31007.

College, Department, and Name	From	To
College of Biochemistry Biochemistry Jennifer Kohler	Assistant Professor	Associate Professor (T)
College of Clinical Sciences Clinical Sciences Simon Craddock Lee	Assistant Professor	Associate Professor (T)
College of Radiation Oncology Radiation Oncology Jing Wang	Assistant Professor	Associate Professor (T)

53. Approval of Dual Position of Honor, Trust, or Profit - U. T. Southwestern Medical Center: Appointment by Governor Abbott of Jennifer Flanagan, Radiologist Assistant, as member of the Texas Board of Medical Radiologic Technology

The following item has been approved by the Executive Vice Chancellor for Health Affairs in accordance with Regents' *Rules and Regulations*, Rule 30103.

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 Southwestern Medical Center and there is no conflict between holding this position and the appointment with the University.

The Board is also asked to find that holding this position is of benefit to the State of Texas and the University and that there is no conflict between the position and the University.

Name:	Jennifer Flanagan
Title:	Radiologist Assistant
Position:	Member, Texas Board of Medical Radiologic Technology
Period:	July 5, 2016 through February 1, 2017
Compensation:	None
Description:	Governor Abbott has appointed Jennifer Flanagan to the Texas Board of Medical Radiologic Technology. The Texas Board of Medical Radiological Technology is a new advisory board to the Texas Medical Board. The primary duties of this advisory board are to establish a certification program for radiology technologists, oversee approval and renewal of radiology technologist certification applicants, establish requirements for certificate holders to submit to substance abuse screening or examination of physical or mental health, and establish and oversee disciplinary proceedings for certificate holders in violation of board requirements.

54. Contract (funds coming in) - U. T. Medical Branch - Galveston: To provide preventive and primary care medical services for the Texas Department of State Health Services (DSHS)

Agency: Texas Department of State Health Services (DSHS)

Funds: Total amount: \$5,515,400
This amendment: \$4,211,550

Period: Original agreement: September 1, 2014 through August 31, 2015
Amendment 1: extends the contract to August 31, 2016

Description U. T. Medical Branch - Galveston will continue to provide preventive and primary care medical services to eligible individuals with this amendment to DSHS Contract No. 2015-046721. U. T. Medical Branch - Galveston will provide preventive and primary care medical services, with the emphasis on contraceptive services, to women age 18 or older who are Texas residents with a gross family income at or below 200% of the federal poverty level, and who are not eligible for other non-DSHS programs or benefits that provide the same services.

The original contract for \$1,308,850 was approved by the Board of Regents on November 6, 2014. Amendment 1 increases the total amount of the contract to \$5,515,400, a total increase of \$4,211,550, which includes an additional \$1,303,850 allocated to Fiscal Year 2015, and \$2,907,700 allocated to Fiscal Year 2016.

55. Contract (funds going out) - U. T. Medical Branch - Galveston: SPM Marketing & Communications, Inc. to provide advertising agency services

Agency: SPM Marketing & Communications, Inc.

Funds: Not to exceed \$12,500,000 (for full five-year term)

Source of Funds: General Revenue

Period: June 9, 2016 through August 31, 2019; with option to renew for two one-year renewal periods

Description: After a competitive bid process, SPM Marketing & Communications, Inc. was awarded the contract to build the U. T. Medical Branch - Galveston brand and business for the strategic priorities to evolve creative, message strategy, and integrate with digital and social media platforms.

56. Contract (funds going out) - U. T. Medical Branch - Galveston: G & G Organization LTD, dba PFS Group, to provide self-pay early out services

Agency: G & G Organization LTD, dba PFS Group

Funds: Not to exceed \$20,000,000 for the initial term and all potential extension terms

Source of Funds: Hospital Patient Income

Period: April 1, 2016 through March 31, 2019; with option to renew for two additional 12-month periods

Description: After a competitive bid process, PFS Group was awarded to serve as an extension of the U. T. Medical Branch - Galveston business office and perform self-pay follow-up and customer service tasks on true self-pay and residual self-pay (balance after insurance) accounts prior to bad debt offload.

57. Request for Budget Change - U. T. Medical Branch - Galveston: New award of tenure and emeritus appointments

The following personnel actions involving new award of tenure and emeritus appointments have been administratively approved by the Executive Vice Chancellor for Health Affairs. The personnel actions have been included in the 2017 Annual Operating Budget of each institution and are consistent with the Regents' *Rules and Regulations*, Rule 31007.

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>
School of Health Professionals		
Physical Therapy Dana Wild	Assistant Professor	Associate Professor (T)
School of Medicine		
Anesthesiology S. Lynn Knox	Professor	Professor (T)
Biochemistry and Molecular Biology Rovshan Sadygov	Assistant Professor	Associate Professor (T)
Internal Medicine Jean Freeman	Professor (T)	Professor Emeritus
Microbiology and Immunology Minkyung Yi	Associate Professor	Professor (T)
Orthopaedic Surgery and Rehabilitation Zbigniew Gugala	Associate Professor	Associate Professor (T)
Otolaryngology Tomoko Makishima	Associate Professor	Associate Professor (T)
Michael Underbrink	Assistant Professor	Associate Professor (T)
Pathology Patricia Aguilar	Assistant Professor	Associate Professor (T)
Barbara Bryant	New Hire	Professor (T)
Pediatrics Xiayong Bao	Associate Professor	Associate Professor (T)

College, Department, and Name	From	To
Pharmacology and Toxicology		
Fernanda Laezza	Associate Professor	Associate Professor (T)
Gabrielle Rudenko	Associate Professor	Associate Professor (T)
Yuhui Whitney Yin	Assistant Professor	Associate Professor (T)
Surgery		
Jeffrey Fair	New Hire	Professor (T)
Celeste Finnerty	Associate Professor	Associate Professor (T)
Anthony Senagore	New Hire	Professor (T)
School of Nursing		
Nursing PhD Program		
Regina Lederman	Professor (T)	Professor Emeritus

58. Lease - U. T. Medical Branch - Galveston: Authorization to lease approximately 5,570 square feet of space located at 1505 East Winding Way, Friendswood, Galveston County, Texas, from GAHC3 Friendswood TX MOB, LLC, for clinical use

Description:	Lease of approximately 5,570 square feet located at 1505 East Winding Way, Friendswood, Galveston County, Texas, for clinical use
Lessor:	GAHC3 Friendswood TX MOB, LLC, a Delaware limited liability company
Term:	Five years, commencing approximately October 1, 2016; with one five-year renewal option
Lease Cost:	Approximately \$116,970 (\$21 per square foot) in base rent during the first lease year, with annual escalations based on changes to Consumer Price Index and approximately \$355,645 (\$12.77 per square foot) in operating expenses, for a total of \$976,654 over the initial five-year term. Base rent for the renewal term will be calculated at the then fair market rental rate, but in no case will be less than \$719,920.
Source of Funds:	Hospital Revenue

59. Contract (funds going out) - U. T. Health Science Center - Houston: Metropolitan Ethernet and Telecommunication Services: Level 3 to provide Ethernet and network services

Agency: Metropolitan Ethernet and Telecommunication Services:
Level 3

Funds: \$9,341,102

Source of Funds: Telecommunications service department/revolving funds

Period: April 1, 2016 through March 1, 2023

Description: After a competitive bid process, Metropolitan Ethernet and Telecommunication Services: Level 3 was selected from three finalists to establish a new Ethernet infrastructure to put two network rings in place that will provide Internet connectivity redundancy. This will allow for data and phone service connectivity between University Data Center locations and all current and future local and regional campus and UT Physician clinic locations.

60. Contract (funds going out) - U. T. Health Science Center - Houston: ThyssenKrupp Elevator, Inc. to modernize elevators and will provide maintenance services on a multi-year basis

Agency: ThyssenKrupp Elevator, Inc.

Funds: \$6,821,512

Source of Funds: Tuition Revenue Bonds, Plant Funds, and Auxiliary Enterprise funding

Period: September 1, 2016 through August 31, 2021

Description: ThyssenKrupp Elevator, Inc. was chosen, after responding to an RFP, to modernize elevators at the University Center Tower, McGovern Medical School Building, and School of Public Health. In addition, the company will provide monthly maintenance services for all elevators on campus.

61. Interagency Agreement (funds coming in) - U. T. Health Science Center - Houston: To provide resources to the Texas Department of Family and Protective Services to aid in the diagnosis of child abuse and neglect

Agency: Texas Department of Family and Protective Services

Funds: \$2,500,816

Period: September 1, 2016 through August 31, 2017

Description: Interagency contract to create resources that will improve access to medical professionals with expertise in the diagnosis of child abuse or neglect for the Texas Department of Family and Protective Services.

62. Purchase Order - U. T. Health Science Center - Houston: Purchase from FEI Company of Titan Krios G2 Microscope System

Agency: FEI Company

Funds: \$5,250,000

Source of Funds: Indirect Cost Recovery Earned

Description: The Structural Biology Center at U. T. Health Science Center - Houston's McGovern Medical School is a world leader in the use of Cryo-Electron Microscopy for understanding the structure and function of macromolecules. The Center supports science in five departments with more than 12 NIH funded investigators relying on this equipment. The existing Cryo-Electron Microscope is in need of replacement. A state-of-the-art Titan Krios G2 Microscope System with accessories, camera, and four-year service contract will be purchased. FEI is the only company that manufactures this specialized equipment.

63. Request for Budget Change - U. T. Health Science Center - Houston: New award of tenure appointments

The following personnel actions involving new award of tenure appointments have been administratively approved by the Executive Vice Chancellor for Health Affairs. The personnel actions have been included in the 2017 Annual Operating Budget of each institution and are consistent with the Regents' *Rules and Regulations*, Rule 31007.

College, Department, and Name	From	To
McGovern Medical School		
Institute of Molecular Medicine		
Zhiqiang An	Professor	Professor (T)
Vittorio Cristini	New Hire	Professor (T)
Qingchun Tong	Associate Professor	Professor (T)
Neurology		
Andrew D. Barreto	Associate Professor	Associate Professor (T)
Biochemistry and Molecular Biology		
Zheng Chen	Assistant Professor	Associate Professor (T)
Physical Medicine and Rehabilitation		
Gerard E. Francisco	Professor	Professor (T)
Pediatrics		
Mary Kay Koenig	Associate Professor	Associate Professor (T)
Ophthalmology and Visual Sciences		
Christophe P. Ribelayga	Assistant Professor	Associate Professor (T)
Otorhinolaryngology Head and Neck Surgery		
Soham Roy	Associate Professor	Professor (T)
School of Dentistry		
Diagnostic Sciences		
Kalu U. Ogbureke	Professor	Professor (T)

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>
School of Biomedical Informatics		
Biomedical Informatics		
Amy Franklin	Assistant Professor	Associate Professor (T)
James R. Langabeer, II	Professor	Professor (T)
Cui Tao	Associate Professor	Associate Professor (T)
School of Public Health		
Epidemiology, Human Genetics and Environmental Sciences		
Bijal A. Balasubramanian	Assistant Professor	Associate Professor (T)
Eric Brown	Associate Professor	Associate Professor (T)
Kelley P. Gabriel	Assistant Professor	Associate Professor (T)
David Gimeno	Associate Professor	Associate Professor (T)
Health Promotion and Behavioral Sciences		
Kayo Fujimoto	Assistant Professor	Associate Professor (T)
Andrew E. Springer	Assistant Professor	Associate Professor (T)
Management Policy and Community Health		
Suja Rajan	Assistant Professor	Associate Professor (T)
Paul Rowan	Assistant Professor	Associate Professor (T)
Biostatistics		
Michael Swartz	Assistant Professor	Associate Professor (T)

64. Approval of Dual Position of Honor, Trust, or Profit - U. T. Health Science Center - Houston: Appointment by Governor Abbott of Nicholas Beckmann, M.D., Assistant Professor of Radiology, as a member of the Texas Board of Medical Radiologic Technology

The following item has been approved by the Executive Vice Chancellor for Health Affairs in accordance with Regents' *Rules and Regulations*, Rule 30103.

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 Health Science Center at Houston and there is no conflict between holding this position and the appointment with the University.

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

Name:	Nicholas Beckmann, M.D.
Title:	Assistant Professor of Radiology
Position:	Member, Texas Board of Medical Radiologic Technology
Period:	July 5, 2016 through February 1, 2021
Compensation:	None
Description:	Governor Greg Abbott has appointed Dr. Nicholas Beckmann to the Texas Board of Medical Radiologic Technology for a term set to expire on February 1, 2021. The Texas Board of Medical Radiological Technology is a new advisory board to the Texas Medical Board. The primary duties of this advisory board are to establish a certification program for radiology technologists, oversee approval and renewal of radiology technologist certification applicants, establish requirements for certificate holders to submit to substance abuse screening or examination of physical or mental health, and establish and oversee disciplinary proceedings for certificate holders in violation of board requirements.

65. Contract (funds coming in) - U. T. Health Science Center - San Antonio: To provide Community Medicine Associates with physician services in care of newborns requiring intensive care within Bexar County Hospital District, dba University Health System

Agency: Community Medicine Associates

Funds: Approximately \$5,200,000 for the initial term and renewal options

Period: January 1, 2016 through December 31, 2016; with option to renew for up to two one-year terms

Description: U. T. Health Science Center - San Antonio will provide faculty-level physicians specializing in neonatal critical care to Community Medical Associates for direct inpatient intensive care at University Health System (UHS). Community Medicine Associates (CMA) is a Texas non-profit health organization whose sole member is Bexar County Hospital District, dba University Health System. CMA facilitates the management of the UHS health care program by providing or arranging health care services for UHS.

66. Contract (funds coming in) - U. T. Health Science Center - San Antonio: Bexar County Hospital District, dba University Health System, to provide medical director services

Agency: Bexar County Hospital District, dba University Health System

Funds: Approximately \$5,132,000

Period: January 1, 2016 through December 31, 2016; with option to extend by mutual agreement on a month-to-month basis for up to six months at a rate of approximately \$428,000 per month

Description: The purpose of this agreement is to provide certain medical director services, including administrative, technical, supervisory, and clinical services, in rendering quality patient care.

67. Contract (funds coming in) - U. T. Health Science Center - San Antonio: Annual Operating Agreement to provide health care services to Bexar County Hospital District, dba University Health System

Agency: Bexar County Hospital District, dba University Health System

Funds: Approximately \$8,625,000

Period: January 1, 2016 through December 31, 2016; with option to extend by mutual agreement on a month-to-month basis for up to six months at a rate of approximately \$719,000 per month

Description: U. T. Health Science Center - San Antonio will provide services to University Health System for the provision of residency program administration and management services, specified professional services, and patient care services under this Annual Operating Agreement.

68. Contract (funds going out) - U. T. Health Science Center - San Antonio: InGenesis, Inc. to provide temporary staffing services

Agency: InGenesis, Inc.

Funds: Estimated \$4,000,000 for term of the contract, including optional renewal terms

Source of Funds: Funding source depends upon department requesting services

Period: September 1, 2016 through August 31, 2021; with option to renew for two additional one-year terms

Description: InGenesis, Inc. will provide administrative, skilled trade, professional, technical, and other temporary services to university departments on an as need basis. This contract was competitively bid.

69. Request for Budget Change - U. T. Health Science Center - San Antonio: New Hire with Tenure -- amendment to the 2015-2016 budget

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:

Description	Effective Date	% Time	Full-time Salary		RBC #
			No. Mos.	Rate \$	
School of Medicine					
Department of Medicine					
Professor and Chair					
William Brian Reeves (T)	5/1-8/31	100	12	172,321	7696

70. Request for Budget Change - U. T. Health Science Center - San Antonio: New award of tenure and emeritus appointments

The following personnel actions involving new award of tenure and emeritus appointments have been administratively approved by the Executive Vice Chancellor for Health Affairs. The personnel actions have been included in the 2017 Annual Operating Budget of each institution and are consistent with the Regents' *Rules and Regulations*, Rule 31007.

College, Department, and Name	From	To
School of Nursing		
Family and Community Health Systems		
Patricia Kay Avant	Professor (T)	Professor Emeritus
M. Danet Lapiz-Bluhm	Assistant Professor	Associate Professor (T)
School of Health Professions		
Physician Assistant Studies		
Brent Shriver	Associate Professor	Associate Professor (T)

College, Department, and Name	From	To
Dental School		
Comprehensive Dentistry		
Suman N. Challa	Assistant Professor	Associate Professor (T)
David R. Cox	Assistant Professor	Associate Professor (T)
Cara B. Gonzales	Associate Professor	Associate Professor (T)
Rita R. Parma	Assistant Professor	Associate Professor (T)
Periodontics		
Carol A. Nguyen	Assistant Professor	Associate Professor (T)
School of Medicine		
Biochemistry		
Dimitri N. Ivanov	Assistant Professor	Associate Professor (T)
Medicine		
Alfred Fisher	Associate Professor	Associate Professor (T)
Barbara Taylor	Assistant Professor	Associate Professor (T)
Molecular Medicine		
Victor X. Jin	Associate Professor	Associate Professor (T)
Physiology		
Michael J. Beckstead	Assistant Professor	Associate Professor (T)
Veronica Galvan	Assistant Professor	Associate Professor (T)
Ashley Acheson	Assistant Professor	Associate Professor (T)
Brett Ginsburg	Assistant Professor	Associate Professor (T)
Psychiatry		
Brenda J. Talley	Associate Professor	Professor (T)

71. Lease - U. T. Health Science Center - San Antonio: Authorization to lease approximately 8,496 rentable square feet of space located at 11212 State Highway 151, San Antonio, Bexar County, Texas, from Westover Hills MOB I, LLC, for clinical and related uses

Description: Lease of approximately 8,496 rentable square feet of clinical space located at 11212 State Highway 151, San Antonio, Bexar County, Texas, for clinical and related uses.

Lessor: Westover Hills MOB I, LLC, a Delaware limited liability company

Term: The lease for approximately 8,496 rentable square feet is estimated to commence on November 1, 2016, and the initial term is for a period of 60 months. U. T. Health Science Center - San Antonio will have the option, exercisable in its discretion, to renew the lease for one five-year renewal term.

Lease Cost: Approximately \$22 per square foot annually in the first year and approximately \$982,400 in base rent during the initial term. Rent for the renewal option period will not exceed the then current market rate. In addition to the base rent, U. T. Health Science Center - San Antonio will pay for the cost of the operating expenses, which U. T. Health Science Center - San Antonio estimates to initially be approximately \$8 per square foot or \$67,968 annually.

Tenant Improvements: Lessor is providing a tenant improvement allowance of \$5 per square foot. U. T. Health Science Center - San Antonio will pay all of the tenant improvement cost, if any, above what is being paid by lessor.

Source of Funds: Clinical Revenue

72. Lease - U. T. Health Science Center - San Antonio: Authorization to lease approximately 5,081 usable square feet of space located at 2833 Babcock Road, San Antonio, Bexar County, Texas, from LHT San Antonio Realty, L.P., for medical office and related uses

Description: Lease of approximately 5,081 usable square feet of clinical space located at 2833 Babcock Road, San Antonio, Bexar County, Texas, for medical office and related uses.

Lessor: LHT San Antonio Realty, L.P., a Delaware limited partnership

Term: The lease for approximately 5,081 usable square feet will commence the earlier of the date that lessor delivers possession, or the date that U. T. Health Science Center - San Antonio commences operation of its business in the premises. The initial term is for a period of 72 months from the estimated commencement of November 30, 2016. U. T. Health Science Center - San Antonio will have the option, exercisable in its discretion, to renew the lease for one five-year renewal term.

Lease Cost: Approximately \$25.75 per square foot annually in the first year and approximately \$1,033,379 in base rent during the initial term. Rent for the renewal option period will not exceed the then current market rate. In addition to the base rent, U. T. Health Science Center - San Antonio will pay for the cost of the operating expenses above the first year's expense.

Tenant Improvements: Lessor is providing a tenant improvement allowance of up to \$179,867. U. T. Health Science Center - San Antonio will pay all of the tenant improvement cost, if any, above what is being paid by lessor.

Source of Funds: Clinical Revenue

73. Logo - U. T. Health Science Center - San Antonio: Proposed new brand logo

The following proposed logo has been approved by the Chancellor, the Executive Vice Chancellor for Health Affairs, and the Vice Chancellor for External Relations and is submitted for approval by the U. T. System Board of Regents in accordance with Regents' *Rules and Regulations*, Rule 40801.

Use of "*UT Health San Antonio*" was approved by the Board of Regents on May 11, 2016. The logo was researched and created by Richards Carlberg, the marketing agency approved through a request for proposal by U. T. Health Science Center - San Antonio and was reviewed and approved by U. T. Health Science Center - San Antonio executive team.

The proposed Pantone Marketing System colors are PMS 717 and PMS 1525.



74. Contract (funds going out) - U. T. M. D. Anderson Cancer Center: Second amendment to agreement with Visioneer, Inc. to provide software and IT professional services and support

Agency: Visioneer, Inc.

Funds: Increase not-to-exceed amount from \$10,500,000 to \$15,400,000

Source of Funds: Hospital patient income

Period: The contract commenced on August 1, 2014, and current term ends July 31, 2019; with option for two additional 12-month renewals.

Description: Visioneer, Inc. will provide continued IT professional services and software license for the building and maintenance of a data repository (warehouse). On August 21, 2014, the Board of Regents approved a contract with Visioneer, Inc. for a value not to exceed \$10,500,000. The initial contract with Visioneer was capped at \$7,200,000. The first amendment to the contract, effective January 22, 2016, increased the contract cap from \$7,200,000 to \$10,200,000. This consent agenda item requests an increase in the Board-approved not-to-exceed value from \$10,500,000 to \$15,400,000.

75. Contract (funds going out) - U. T. M. D. Anderson Cancer Center: Siemens Medical Solutions USA, Inc. to provide repair/maintenance services on Diagnostic Imaging equipment

Agency: Siemens Medical Solutions USA, Inc.

Funds: The total cost of the goods and/or services under this agreement will not exceed \$65,000,000, including initial term and optional renewal periods

Source of Funds: Clinical Operations

Period: Agreement will be for a period of 60 months, commencing on June 1, 2016, and continuing through May 31, 2021; with option of three renewals of 12 months each.

Description: Siemens Medical Solutions USA, Inc. to provide repair/maintenance services on Diagnostic Imaging equipment to the main campus and other Houston area locations for equipment failure plans, end of life equipment management, quality monitoring, incident investigation, and recall coordination. This was obtained through an Exclusive Acquisition.

76. Request for Budget Change - U. T. Health Science Center - Tyler: New award of tenure appointments

The following personnel actions involving new award of tenure appointments have been administratively approved by the Executive Vice Chancellor for Health Affairs. The personnel actions have been included in the 2017 Annual Operating Budget of each institution and are consistent with the Regents' *Rules and Regulations*, Rule 31007.

College, Department, and Name	From	To
School of Rural and Community Health		
Department of Occupational and Environmental Health Sciences		
Jeffrey Levin	Professor	Professor (T)
School of Medical Education		
Department of Medicine		
Ifeyanl Elueze	Professor	Professor (T)
School of Medical Biological Sciences		
Department of Cellular and Molecular Biology		
Mitsuo Ikebe	Professor	Professor (T)

FACILITIES PLANNING AND CONSTRUCTION COMMITTEE

77. Contract (funds going out) - U. T. System: AON Fire Protection Engineering Corporation to perform professional code compliance review services

Agency: Aon Fire Protection Engineering Corporation

Funds: Anticipated total cost may exceed \$1,000,000 over the life of the contract for services provided on an as-needed basis

Source of Funds: Various funds approved for individual Capital Improvement Program projects

Period: December 20, 2012 through December 19, 2018
(Contract is being brought forward for Board approval as it is nearing the \$1,000,000 threshold)

Description: Aon Fire Protection Engineering Corporation to perform miscellaneous professional code compliance review services on a job order basis. Services were competitively procured.

78. Contract (funds going out) - U. T. System: Conley Group, Inc. to perform construction inspection services

Agency: Conley Group, Inc.

Funds: Anticipated total cost may exceed \$1,000,000 over the life of the contract for services provided on an as-needed basis

Source of Funds: Various funds approved for individual Capital Improvement Program projects

Period: December 20, 2012 through December 19, 2018
(Contract is being brought forward for Board approval as it is nearing the \$1,000,000 threshold)

Description: Conley Group, Inc. to perform construction inspection services on a job order basis. Services were competitively procured.

TECHNOLOGY TRANSFER AND RESEARCH COMMITTEE

No items for Consent Agenda