MINUTES
UNIVERSITY OF HOUSTON SYSTEM
BOARD OF REGENTS MEETING

Tuesday, February 16, 2010 – The members of the Board of Regents of The University of Houston System convened at 9:07 a.m. on Tuesday, February 16, 2010, at the University of Houston, in the Athletics/Alumni Center, Melcher Board Room 100B, 3100 Cullen Boulevard, Houston, Texas, with the following members participating:

ATTENDANCE –

Present	Absent
Welcome W. Wilson, Sr., Chairman	Mica Mosbacher, Regent
Jim P. Wise, Vice Chairman	
Nelda Luce Blair, Secretary	
Nandita V. Berry, Regent	
Tilman J. Fertitta, Regent	
Jarvis V. Hollingsworth, Regent	
Jacob M. Monty, Regent	
Carroll Robertson Ray, Regent	
Kristen Lindley, Student Regent, nonvoting	

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

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AGENDA ITEMS

1. Presentation of Video – "Legacy of the Pride" – UH System – Item C, BOR – 1
   This item was introduced by Chairman Wilson. This video was compiled by Mr. Michael Rierson, Vice Chancellor, University Relations and his colleagues, and was an excellent tribute to the moments they have created in UH history. This presentation was for information only and required no Board action.

2. Approval of Minutes – Item D:

   On motion of Regent Ray, seconded by Regent Wise and by a unanimous vote, the following minutes from the meetings listed below were approved:

   - November 4, 2009, Academic and Student Success Committee Meeting
   - November 4, 2009, Endowment Management Committee Meeting
   - November 5, 2009, Audit and Compliance Committee Meeting
   - November 5, 2009, Finance and Administration Committee Meeting
   - November 11, 2009, Board of Regents Meeting

3. Report by Alice Valdez, University of Houston engineering technology major on the impact of her student experience at the University of Houston – Item C-1 – A&SS – 5.

Chairman Wilson announced that the above item under the Academic and Student Success Committee Report would be taken out of order. He introduced Ms. Alice Valdez, who gave a report on her experiences in her University of Houston programs, their impact, and her aspirations.

Ms. Valdez grew up in Houston and is the daughter of Mexican immigrants. Her parents were unable to attend school but had always stressed the importance of an education. Ms. Valdez stated she always knew she would go to college, but did not know how she was going to get there. She did not know what a GPA was; what the SAT test was; and definitely did not know what a resume looked like. No one in her family had ever gone to college nor did she know of any friends or knew of anyone who went to college in her community.

In her freshman year of high school, Ms. Valdez heard of a program that helped those students who had a desire to go to college. It was established in 1994 and was known as the Academic Achievers Program. She said this program changed her life. They offered scholarships to the University of Houston, leadership retreats, workshops, tutors, guidance, and study areas. Ms. Valdez said the transition from high school to college was difficult, but she was so thankful that the Academic Achievers Program was behind her every step of the way! She graduated from Stephen F. Austin High School in the top 15% of her class; and was part of the Texas Scholars Program. She counsels and motivates students to pursue a university education including: Speaking at College Career Day; participating in engineering workshops for "Science Extravaganza"; and tutoring middle school students for the TAKS test. She is also a participant in Professor Tatcho Mindiola's Mexican American Studies program and has a 3.36 GPA. She is currently seeking a bachelor's degree in electrical power and engineering and on March 5, 2010, she will be inducted into Tau Alpha Pi, the National Honor Society for Engineering Technology.

This item was presented for information only and required no Board action.

4. Presentation of Resolutions of Appreciation – UH System – Item E – BOR – 2

At the Board of Regents meeting held on November 11, 2009, resolutions had been approved for three former regents whose terms expired on August 31, 2009: Dennis D. Golden, O.D., Lynden B. Rose, and Calvin W. Stephens. Chairman Wilson asked each of the former regents to come forward and presented each of them with a framed copy of their resolution. He thanked them for their outstanding and dedicated service to the University of Houston System. All three former regents had served as officers on the Board during their tenure and their contributions are legendary, said Chairman Wilson. Former Regent Rose was extremely involved and active in the matter of athletics; Regent Golden was all about student success and accountability for the university; and Regent Stephens was active in the field of diversity.

This item was for information only and required no Board action.

5. Resolution in Remembrance and Appreciation - Cynthia Woods Mitchell – UH System – Item F – BOR – 3

Mr. Michael Rierson, Vice Chancellor of University Advancement, presented this item to the Board. Ms. Cynthia Woods Mitchell was a dedicated alum of the University of Houston. She and her husband, George Mitchell, became the foundation of a life-long partnership of the arts, historical renovation, and public service, highlighted by their initiative to breathe new life into Galveston by restoring several buildings in the city's historic downtown, as well as reviving the tradition of the Galveston Mardi Gras celebration. The Cynthia Woods Mitchell Center for the Arts was created to honor her many philanthropic acts benefiting the University of Houston and to be a center for artistic collaborations among the visual, literary, and performing arts on campus.

On motion of Regent Blair, seconded by Regent Wise and by a unanimous vote, the Resolution in Remembrance and Appreciation of Cynthia Woods Mitchell was approved.

6. Resolution in Remembrance and Appreciation – Robert A. Mosbacher – Item G – BOR-4

Chairman Wilson presented this item to the board. He stated Mr. Mosbacher had moved to Texas early on and established himself as a leader in the energy business and was a leading light of the Republican Party. He served as U.S. Secretary of Commerce and laid the groundwork for the North American Free Trade Agreement (NAFTA). Mr. Mosbacher engaged in numerous philanthropic causes throughout his life, including the M.D. Anderson Cancer Center, the Naval Academy Endowment, the American Hospital in Paris Foundation, and the Odyssey Academy Charter School of Galveston. Mr. Mosbacher's wife, Mica Mosbacher, is currently a regent on the UH System Board of Regents and supported and encouraged her in her service as a member of the board.

On motion of Regent Wise, seconded by Regent Ray and by a unanimous vote, the Resolution in Remembrance and Appreciation of Robert A. Mosbacher was approved.

7. Approval of Honorary Degrees – University of Houston – Item H – BOR-5

Dr. Antel, Senior Vice Chancellor and Provost, requested board approval to bestow honorary Doctor of Humane Letters for three individuals in recognition of their significant contributions to the community-at-large and to the University of Houston: Walter Kase, John Hofmeister, and Lyle Lovett. These candidates were chosen by a committee of distinguished faculty and later reviewed by Chancellor Khator.

- Walter Kase – a Holocaust survivor, noted public speaker, and speaks in defense of civil rights. He was recently identified as one of Houston's 25 most significant leaders and legends. He is actively involved in the Anti Defamation League and speaks to many high school and college students around the city.

- John Hofmeister – spent 25 years in various corporate leadership positions. He was president of Shell Oil Company and in 2007 Mr. Hofmeister served as Chairman of the

Greater Houston Partnership. Since his retirement in 2008, he founded and currently heads the not-for-profit organization, Citizens for Affordable Energy, which is devoted to public policy education to promote sound U.S. energy solutions.

- Lyle Lovett – distinguished in the arts; has won numerous Grammy Awards; and is a strong supporter of the University of Houston School of Architecture. He is a successful singer, songwriter, and actor; an exemplary citizen and a dedicated patron of historic preservation who actively invests his time and resources to support these interests.

On motion of Regent Blair, seconded by Regent Ray and by a unanimous vote, the Approval of Honorary Degrees for Walter Kase, John Hofmeister, and Lyle Lovett was approved.

8. Update to the Board by UH Faculty Senate President, Dr. Mark Clarke, on the ongoing Faculty Senate initiatives and plans for the upcoming year – University of Houston – Item I – BOR-6

Dr. Mark Clarke, UH Faculty Senate President, introduced himself to the Board as this was his first address as UH Faculty Senate President. Originally from Ireland, he came to the U.S. in 1991 and completed his postdoctoral training at Harvard Medical School and the Medical College of Georgia before joining the Life Sciences Directorate at NASA-Johnson Space Center as a National Research Council Fellow in 1994. He joined the University of Houston faculty in 2002 as an associate professor in the Department of Health and Human Performance. He has served as Chair of both his department's and college's Graduate Studies Committees, Chair of the Faculty Affairs Committee for the Faculty Senate and as President. He is an active researcher and since joining UH has had external grants from DARPA and NIH, and he is presently funded by NASA and the Fondren Orthopedic Group in the Texas Medical Center. He holds six US patents and has an additional seven patents under review, one of which has been recently licensed from the University of Houston in the area of orthopedic reconstruction.

Dr. Clarke stated the Faculty Senate values the close working relationship they have developed with the individual members, and the Board as a whole, over the past several years; and they truly appreciate the time and effort extended by the members of the Board to the Faculty Senate as representatives of the wider faculty of UH. As we move forward with our jointly held goals of increasing student success and achieving Tier One status, the Faculty Senate stands ready to help the Board in any way possible.

A summary of Dr. Clarke's remarks are listed below:

- The Senate applauds the Boards' decision to extend Dr. Khator's tenure at the University of Houston as Chancellor and President. It is evident that her leadership over the last couple of years has both energized and motivated the faculty to strive for Tier One status, while reminding them that our students were an integral part of that goal, who cannot and will not be forgotten as we move forward, he said.
- The University is facing impending budget reductions. From a faculty perspective, these cuts cannot be allowed to impact either our academic mission or our Tier One aspirations. The Faculty Senate fully supports the Board's and the Administration's

position that these reductions should be strategic and targeted in nature and not be applied as simple "across the board" cuts. One specific area that impacts the extent of these cuts was an item in front of the board for consideration, named the proposed increase in tuition and fees. Dr. Clarke stated he was personally gratified to hear our Student Government Association (SGA) representatives publicly stated they were more than willing to agree to a tuition and fee increase if it all went to fund a faculty and staff merit raise pool, a statement that Dr. Clarke said he was quick to remind our administration of when discussing the topic of faculty merit increases. However, our student's recognition of the need for an increase in tuition and fees in order to partly fund a faculty salary pool and to retain our most talented faculty after a year in which there were no faculty merit raises was heartening, he said. He urged the Board, on behalf of the faculty, to approve the increase in tuition and fees that would be presented later on in the meeting.

- A report of the Faculty Senates' ongoing efforts to develop a Center for Teaching Excellence was designed to help faculty do a better job in the classroom. A conference will be held in March designed to formulate the specifics of how this Center will be organized and those areas of classroom instruction that will be available for faculty to seek help and guidance in increasing their performance as classroom teachers. This Center is also being formed in response to a specific action item identified as part of the Student Success Initiative worked on by the Faculty Senate and the wider university community last year.
- The Accountability Task Force, a system-wide response to the statutory requirements of House Bill 2504, is being worked on by the Faculty Senate. This task force was formed by Provost John Antel in Fall 2009 and is made up of the Faculty Senate leadership from all four system universities. Their primary focus is to develop an implementation plan for posting of all class syllabi and faculty CV's on the web. In conjunction with the IT department, they have developed the plan and hope to have completed a beta test of the new system after spring break, with the finished product in place for faculty to use by the Fall 2010 deadline. A secondary goal of this task force is to develop guidelines for awarding Teaching Excellence Awards in a way that improves our Student Success goals, such as a focus on rewarding faculty teaching excellence in core curriculum classes.
- Dr. Clarke will begin a First Year Experience for New Faculty. He stated that not only is it important to fund faculty merit raises to retain faculty talent once we have them here, but it is also important to provide new faculty with an experience that goes beyond their classrooms and laboratories. By providing easy access to the social and cultural advantages of being a faculty member at UH, we hope in a similar way as students are exposed to the First Year Experience, to inoculate one of our greatest investments against the lure of other universities when they inevitably come knocking.
- Dr. Clarke introduced Dr. Monica McHenry as the new President-Elect of the Faculty Senate and the Senate's Immediate Past President, Dr. Dan Wells, to the Board.

This item was for information only and required no Board action.

Audit and Compliance Committee

1. Review and Approval of Audit Report and Financial Statements, University of Houston Charter School, FY 2009 – University of Houston – AUDIT – 1

2. External Audit Reports – UH System – AUDIT – 2
    - UH Athletics Department Independent Accountants' Report on the Application of Agreed Upon Procedures for Year-Ended August 31, 2009 (excerpts)

Regent Monty, Chair of the Audit and Compliance Committee, stated both of the above items would be tabled at this meeting because to date, the audit reports have not been received.

Academic and Student Success Committee

The following items were considered and approved by the Academic and Student Success Committee on Tuesday, February 9, 2010:

1. Approval of Mission Statements – UH System – A&SS – 1

2. Appointment of Dean, Gerald D. Hines College of Architecture – University of Houston – A&SS – 2
    - Patricia Oliver, effective January 20, 2010

3. Approval of Master of Arts Degree in Forensic Psychology at University of Houston-Victoria –A&SS – 3

4. Approval of Preliminary Planning Authority for a Bachelor of Science Degree in Software Engineering and a Doctor of Education Degree in Curriculum and Instruction at University of Houston-Clear Lake – A&SS – 4

Regent Ray, Chair of the Academic and Student Success Committee, stated the committee had unanimously approved the four action items listed above at the February 9, 2010 meeting and were now being submitted to the Board with full support.

On motion of Regent Ray, seconded by Regent Blair and by a unanimous vote, the four action items submitted to the Board were approved.

Endowment Management Committee

The Endowment Management Committee met on February 9, 2010 and prior to the Board meeting on February 16, 2010. The following six items were forwarded to the Board for final approval:

1. Approval to modify Board of Regents bylaws section 5 (Committees of the Board) – UH System – EM – 1;

2. Approval to modify Board of Regents policies 55.01.1(D); 55.01.1(E); 55.01.1(F) – UH System – EM – 2;

3. Approve the FY 10 University Advancement Endowment Assessment Rate of 1.5% – UH System – EM – 3;

4. Approval to modify the UH System Endowment Fund Statement of Investment Objectives and Policies – UH System – EM – 4;

5. Approval to modify the UH System Investment Policy for Non-Endowed Funds – UH System – EM – 5; and

6. Approval is requested for delegation of authority to the Chancellor to negotiate and execute contracts associated with the hiring of one or more investment managers for the University of Houston System Endowment – UH System – EM – 6.

Regent Hollingsworth, Chair of the Endowment Management Committee, thanked the staff and the committee for all of their hard work on these items. He stated that four of the six items presented were changes to policy that support the administration's recommendation to streamline, and make more efficient, the investment approval process and the ability to have the committee terminate and hire managers. This type of flexibility gives the Endowment the opportunity to respond quickly to sometimes difficult to get into investments that sometimes have time limitations. The administration recommended these changes and the committee unanimously supported them. The third item above relates to the Endowment Assessment fee of 1.5% which is the same as it was last year to support our advancement efforts.

Finally, item six relates to the hiring of managers. Cambridge Associates recommended a U.S. equity structure that is a bit more streamlined for our endowment that reduces the fees associated with our U.S. equity's portfolio, but also lowers our tracking error.

On motion of Regent Hollingsworth, seconded by Regent Ray and by a unanimous vote, the six action items submitted to the Board by the Endowment Management Committee were approved.

Facilities, Construction and Master Planning Committee

The Facilities, Construction and Master Planning Committee met on February 9, 2010 and approved the following two items:

1. Approval is requested to name the new freshmen residence hall under construction as the University of Houston Cougar Village – University of Houston – FCMP – 1; and

2. Approval of UH Renovation of Science, Engineering, and Classroom Laboratory Build-out Phase 4 – University of Houston – FCMP – 2.

Regent Blair, Chair of the Facilities, Construction and Master Planning Committee, commented that this was a very exciting time for this committee. These two items were approved by the committee to move forward to the Board for final approval.

On motion of Regent Blair, seconded by Regent Wise and by a unanimous vote, the two action items submitted to the Board were approved.

Finance and Administration Committee

The Finance and Administration Committee met on February 10, 2010 and approved the following items:

1. Approval is requested for the changes to the undergraduate tuition and fee schedule for the University of Houston System campuses – UH System – F&A – 1;

2. Approval is requested for the changes to the graduate tuition and fee schedule for the University of Houston System campuses – UH System – F&A – 2;

3. Approval of changes to the voluntary and optional fees and charges schedule for the University of Houston System campus services – UH System – F&A – 3;

4. Approval is requested to write-off Accounts and Notes Receivable for FY2009 – UH System – F&A – 4;

5. Approval is requested to write-off obsolete equipment and library book inventories for FY2009 – UH System – F&A – 5;

6. Approval to renew investment resolutions for the University of Houston System – UH System – F&A – 6;

7. Approval is requested to delegate authority to the Chancellor to negotiate and execute contracts for insurance coverage terms and rates for Fiscal Year 2010 not to exceed $5 million in premiums – UH System – F&A – 7;

8. Approval is requested to delegate authority to the Chancellor to negotiate and execute contracts up to $15 million for the build-out of the Science and Engineering Research Center (SERC) Phase 4 – University of Houston – F&A – 8; and

9. University Center (UC) Fee Increase for FY 2011 and FY 2013 University Center Additional and Transformation Project – University of Houston – F&A 0 9.

Regent Wise, Chair of the Finance and Administration Committee, thanked Regent Ray and Regent Berry for their thoughtful comments and input on the item of tuition and fee increases. Regent Wise stated we had received a letter from the Governor and the Speaker of the House a few weeks ago asking the University to deliver a plan to reduce our budgeted expenses by 5%. The

staff did a great job and worked long and hard in coming up with a plan that was submitted last week and is posted on the website at http://www.uh.edu/af/budget/5PercentReductionPlantoLBB.pdf.

Dr. Carlucci produced an abbreviated presentation that had been previously presented to the Finance and Administration Committee concerning the changes to the undergraduate tuition and fee schedule for the UH System campuses. A summary of his remarks is listed below.

- Budget Principles:
  (a) Minimum inflation increase to maintain university operations, ensure quality, maintain faculty-student ratio;
  (b) Observe Legislative recommendations, % cap or $ cap (which in all cases is much less than new funding requests);
  (c) Continue mission initiatives per strategic plan, increase scholarships, launch new programs;
  (d) Maintain balanced budgets;
  (e) Recognize local economic conditions;
  (f) Stay market competitive;
  (g) Maximize enrollment in the new base year for formula funding; and
  (h) State Appropriations unchanged from FY2010 to FY2011with reductions now pending.
- Operating Budget:
  Dr. Antel addressed this issue.
  (a) In 1990, 17% of the operating budget was supported by parents and students; in 2000, 25%; and in 2010, 38%.
  (b) In 1990, 54% of the operating budget was State supported; in 2000, 41%; and in 2010, it dropped to 32%. What (a) and (b) do show is that we have had to increase our tuition and fees to mainly offset the decrease in funds we have received from the State. Dr. Antel stated that we are looking strategically at budget cuts, as well as looking at it from a 10-year point of view, in order to become more self-supporting.
- 12 Credit Hour Semester Tuition and Fees for the University of Houston Texas Peers, as well as Texas Masters Universities were compared.
- Average Increase for a 12-hour resident undergraduate:
  (a) University of Houston – 3.95% - $138.00
  (b) UH-Clear Lake – 4.5% - $112.00
  (c) UH-Downtown – 5.1% - $113.00
  (d) UH-Victoria – 3.8% - $84.00
- The University of Houston should be known as a university that provides value for money. UH should remain accessible to students from all backgrounds and with the highest level of aspirations.
- The University of Houston's tuition and fee proposal:
  (a) Undergraduate 3.95% increase in tuition and fees;
  (b) $137.52 per 12 credit hour semester;
  (c) Cougar Promise family income ceiling raised from $40,000 to $45,000;
  (d) Summer undergraduate courses discounted at approximately 5%;
  (e) Cougar Graduation Pledge – freshmen who earn 30 credit hours per year will receive $3,000 toward tuition and fees over their college career;

(f) 20% scholarship set-aside on designated tuition; and
(g) Consolidated Fee schedule (revenue neutral).

- University of Houston's use of tuition and fee revenue was addressed as follows:
  (a) Planned investments of FY2011 tuition & fee increase of 3.95% generated $9.5 million, a 1.8% increase in the UH budget (20% set aside for scholarships);
  (b) Investments: student success and financial aid; faculty/staff retention; State budget reductions; and university priorities.
- The University of Houston-Clear Lake's tuition and fee proposal:
  (a) Undergraduate 4.5% increase;
  (b) $112.40 per 12 credit hour semester.
- The UH-Clear Lake's use of tuition and fee revenue was addressed as follows:
  (a) Planned investments of FY2011 tuition and fee increases were: student success; employee retention; accredited programs; and new full-time faculty.
- The University of Houston-Downtown's tuition and fee proposal:
  (a) Undergraduate 5.1% increase;
  (b) $112.79 per 12 credit hour semester
- The UH-Downtown's use of tuition and fee revenue was addressed as follows:
  (a) Additional scholarship support;
  (b) Student success initiatives;
  (c) New full-time faculty positions for growth;
  (d) Additional staff positions to support students/faculty;
  (e) Faculty/staff pay increase (4%); and
  (f) Other initiatives.
- The University of Houston-Victoria's tuition and fee proposal:
  (a) Undergraduate 3.8% increase;
  (b) $84.00 per 12 credit hour semester; and
  (c) New housing and meal plan fees.
- The UH-Victoria's use of tuition and fee revenue was addressed as follows:
  (a) Need to sustain services to ensure quality;
  (b) Increase in faculty and staff in critical areas;
  (c) Increase scholarship funds; and
  (d) Development and delivery of additional academic programs.

On motion of Regent Wise, seconded by Regent Blair and by majority vote, the approval for the changes to the undergraduate tuition and fee schedule for the UH System campuses was approved. Regent Berry respectfully opposed the undergraduate increase in tuition and fees.

Dr. Antel addressed the graduate tuition and fee schedule for the UH System campuses. A summary of his remarks is listed below:

- There was an amendment to the 20% increase proposed for Law. The new increase was reduced to 16.5% on average. The first year law student, who enters next year, will pay an increase of 26.5%; the second, third and fourth year law student will pay an increase of 12%.

- There was an 8.3% increase for Engineering to support new engineering programs which is essential to improve and build on engineering and achieve Tier One status.

On motion of Regent Wise, seconded by Regent Ray and by majority vote, the approval for the amended changes to the graduate tuition and fee schedule for the UH System campuses was approved. Regent Berry respectfully opposed the graduate increase in tuition and fees.

Dr. Carlucci stated Item F&A–3 dealt with voluntary and optional fees and charges schedule for the UH System campus services; and Item F&A–9 dealt with the voluntary University Center fee increase for FY2011 and FY2013 University Center Addition and Transformation Project. These fees are voluntary and ones the students decide to purchase. In the case of housing, food service and parking, these were all charges by the three campuses that were set by the demand. Regent Wise was excited about the University Center fee increase in that in was a student initiative that came forth from the students, designed by the students, who stated, "they wanted the University Center to be more than what it is." They took the initiative and went through a process and recommended this item. This is a two-year plan and this proposed increase will finance (1) the design of the UC Transformation Project and (2) design and commencement of the first phase of the project, with construction to begin following the Board of Regents' approval of the project.

On motion of Regent Wise, seconded by Regent Ray and by majority vote, the approval for the voluntary and optional fees and charges schedule for the UH System campus services was approved. Regent Berry respectfully opposed the voluntary and optional fees charges for the UH System campus services.

On motion of Regent Wise, seconded by Regent Ray and by unanimous vote, the approval for the voluntary University Center fee increase for FY2011 and FY2013 University Center Additional and Transformation Project was approved.

A complete copy of this presentation has been filed in the Board office.

The remaining five action items were addressed below:

1. Approval is requested to write-off accounts and notes receivable for FY2009 – UH System;

2. Approval is requested to write-off obsolete equipment and library book inventories for FY2009 – UH System;

3. Approval to renew investment resolutions for the University of Houston System;

4. Approval is requested to delegate authority to the Chancellor to negotiate and execute contracts for insurance coverage terms and rates for FY 2010 not to exceed $5 million in premiums – UH System; and

5. Approval is requested to delegate authority to the Chancellor to negotiate and execute contracts up to $15 million for the build-out of the Science and Engineering Research Center (SERC) Phase 4 – University of Houston.

On motion of Regent Wise, seconded by Regent Blair and by unanimous vote, the above five remaining Finance and Administration action items were approved.

Dr. Donald Birx, Vice Chancellor for Research, presented the FY2010 Sponsored Research Activity Quarterly Report, Division of Research – University of Houston – A&SS – 6 item. Below is a brief summary of his report:

- Expenditures are one of the key elements that the University measures itself and so far this year research expenditures were up approximately 25%;
- Renewable Energy Integration and Superconductivity Based Power Generation and Transmission are two key areas. We have been a key leader in superconductivity.
- Genomic Diseases is another vital area targeted;
- Neurocognitive Learning and Behavior; Subsurface Resources; and Remediation and Prevention were also addressed;
- We need to be very clear and focused in what we do to leverage our resources to look at the synenergies we have with both the medical and energy industries; and
- Continue our approach to cluster hiring.

This item was for information only and required no Board action. A complete copy of Dr. Birx's presentation has been filed in the Board office.

Chairman Wilson called on Chancellor Khator for her report concerning the system-wide accomplishments. Below is a summary of Dr. Khator's remarks.

Chancellor's Report

UH Energy:

- The Texas Center for Superconductivity at the University of Houston (TcSUH) received a $3.5 million Research Superiority Award from the Texas Emerging Technology Fund. The five-year grant will help establish TcSUH's Applied Research Hub to recruit stellar scientists and researchers in superconductivity and related materials.
- Dr. C.W. "Paul" Chu, the founding director of TcSUH, returned full time to the University of Houston. He recently concluded an eight-year term as president of the Hong Kong University of Science and Technology; and in November 2009, Chu received a $2.8 million grant from the U.S. Air Force Office of Scientific Research for his ongoing efforts to search for novel materials that become superconducting at temperatures close to or above room temperature, and with higher current carrying capacity.
- UH Law Center announced that Tracy Hester, a longtime partner at Bracewell & Giuliani LLP and head of the firm's Houston environmental group, had been selected to direct its Environment, Energy, and Natural Resources (EENR) Center.

UH Health:

- Dr. Stuart Dryer and Dr. Metin Akay received the distinction of being named Fellows of the American Association for the Advancement of Science. Dr. Dryer received the AAAS Fellow distinction for his research on a type of protein found in cell membranes that could

lead to new treatments for cancer, asthma, and kidney diseases. Dr. Akay was selected for the AAAS's engineering section for his contributions to biomedical engineering research and education, informatics, and neural engineering.

UH Arts:

- The Cynthia Woods Mitchell Center for the Arts will host world-renowned performing, visual and literary artists while sharpening its focus on educating UH students in the history and practice of creative collaboration. The center's spring 2010 artist-in-residence is Berlin-based, Texas-born Amy Patton, who will be in Houston crafting a new film work to debut this fall at Blaffer Gallery.
- The Moores School of Music hosted the International Piano Festival February 12 to 14. This year's event featured three master pianists, including UH's Abbey Simon, Lillie Cranz Cullen Distinguished Professor of Music, who founded the festival in 1984 and has been its most frequent performer.

Student Success:

- An update on the TierONE scholarship initiative, a program that is becoming one of the pillars in our plans to bring up graduation rates to the 55% level – the benchmark for Tier One recognition was given. UH plans to offer $437,500 worth of TierONE scholarships to Fall 2010 entering freshmen.
- With the expansion of the Cougar Promise program, which will now award free tuition to students from households making less than $45,000 a year, to the opening of the East

  Parking Garage last fall, the scheduled opening of Cemo Hall in May, and the planned opening of Cougar Village in time for the Fall semester, UH continues to build the Tier One infrastructure necessary to attract and retain Tier One students and help them to succeed.

UH-Clear Lake:

- A milestone was achieved this past December when it awarded its first doctoral degree during one of two commencement ceremonies. Tina Farrell, took center stage as keynote speaker and as UHCL's first doctoral graduate, receiving her Doctor of Education in Educational Leadership degree. In 1998, Ms. Farrell was awarded the Distinguished Alumna award by the university.
- UHCL won the American Association of State Colleges and Universities' 2009 (AASCU) Christa McAuliffe Award for Excellence in Teacher Education. UHCL was the sole recipient of the 2009 award; and AASCU will use UHCL's practices as an example for other teacher education programs nationwide.

UH-Downtown:

- UHD will celebrate the investiture of William Flores as the university's fifth President in March 2010. A week-long program of activities, including an arts festival, a university open house, and a scholarship dinner, will be highlighted by an Investiture Ceremony and Presidential Luncheon on March 11 at the Wortham Center downtown.

- UHD's Criminal Justice Training Center, cadets in class number 241 and 242, had a 100% pass rate on their first attempt of the Texas Commission on Law Enforcement Officers Standards and Education (TCLEOSE) certification exam.
- In the 84th edition of New American Painting Juried Exhibitions-in-Print, the artwork of Beth Secor was featured. Dr. Secor is an adjunct professor of art, and this past fall, Secor curated The Image Altered, a Hispanic Heritage art exhibition at the JP Morgan Chase Building in Downtown Houston.
- Ed Gonzalez ('00), who represents District H where his alma mater is located, was appointed by Houston City Council members as the next vice mayor pro tem.

UH-Victoria:

- For the next five years, UHV's School of Nursing's undergraduate and graduate programs was fully accredited by The Commission on Collegiate Nursing Education. The school is led by founding Dean Kathryn Tart, and this was the school's first attempt at national accreditation and it came less than two years after the state gave approval for the school's creation.
- A $100,000 grant from M.G. & Lillie A. Johnson Foundation was awarded to the nursing program and will be used for scholarships to recruit the best and brightest Registered Nurse to Bachelor of Science in Nursing and Master of Science in Nursing, preparing students to assume leadership and management roles in the field.
- The George Foundation has donated $203,468 to add new equipment for the use of the nursing program.
- The School of Business Administration was named the No. 1 Greatest Opportunity for Minority Students program in The Princeton Review's "Best 301 Business Schools: 2010 edition."

Across the UH System:

- UH is one of the most ethnically diverse, major research universities in the nation, with students from 136 countries, and now UH-Clear Lake, UH-Downtown, and UH-Victoria are also showing increasing numbers of international students, reflecting the growing globalization of our institutions. As of fall 2009, 4,369 international students were enrolled in the four UH System universities (7.2% of 61,040 total enrollment).

This item was for information only and required no Board action. The complete report given by Dr. Khator was filed in the Board office.

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Executive Session Report

At 11:27 a.m., the Board recessed for Executive Session. Chairman Wilson announced that the Board would recess to convene in Executive Session pursuant to Subchapter D of Chapter 551 of the Texas Government Code, which allows governing boards to meet in closed session.

Chairman Wilson reconvened in Open Session at 12:16 p.m. and the following actions were taken on matters discussed in Executive Session.

A Litigation Status Report and Legal Briefing was given by General Counsel, Dona Cornell and property issues were discussed. There was no Board action taken in Executive Session.

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Chair's Report

The chairman announced that a Chair's Report would not be given at the meeting.

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Information Only

Chairman Wilson stated four individuals had signed up for Open Forum.

1. Mr. Randy Vivian, President and CEO, Victoria Chamber of Commerce;
2. Mr. Claude Jacobs, Victoria, Texas businessman;
3. Mr. Daniel Arp, a UH-Downtown student working on his Master's in Technical and Creative Writing; and
4. Mr. Doron Halevy, a Texas Southern University student. It should be noted that Mr. Halevy did not speak at the meeting.

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The final action item presented to the Board was the Authority for the Chancellor or her designee to negotiate an agreement and/or lease of property in Northwest Houston – UH System – BOR -7. Dr. Carlucci presented this item and a discussion followed. The particulars of the lease are currently being addressed and a final decision should be made shortly.

On motion of Regent Wilson, seconded by Regent Blair and by unanimous vote, the above action item was approved.

There being no further action to come before the board the meeting adjourned at 12:23 p.m.

All documentation submitted to the Board in support of the foregoing action items, including but not limited to "Passed" agenda items and supporting documentation presented to the Board, is incorporated herein and made a part of these minutes for all purposes; however, this does not constitute a waiver of any privileges contained herein.

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Others Present:

Renu Khator Ed Hugetz Tom Ehardt

Carl Carlucci
John Antel
Dona Cornell
Grover Campbell
Donald Birx
Elwyn Lee
Michael Rierson
William Flores
William Staples
Dennis D. Golden
Lynden B. Rose
Calvin W. Stephens
Barbara Stanley
James Anderson
Don Bates
Erin Farish
Mike Emery
Joe Tedesco
Robert Olmstead
Tom Campbell
Dineta Frazier
Elaine Charlson
Carl Stockton
Michelle Dotter
Alicia Valdez
Raymond Nimmer
Susan Greene-Davis
Emily Messa
Rebecca Trevino
Diane Murphy
Don Guyton
Jose Rangel
Molly Woods
David Bell
Brad Wigtil
Willie Munson
Monica McHenry
Dan Wells
Patricia Oliver
Miranda Bennett
Ed Apodaca
Marquette Hobbs
Oscar Gutierrez
Raymond Bartlett
Wayne Beran
Michele Sabino
Margie Hattenbach
Liz Fletcher
Craig Ness
Randy Vivian
David Bradley
Mark Clarke
Dave Irvin
Mike Glisson
Karen Clarke
Richard Bonnin
Claud Jacobs
Daniel Arp
Mike Kenfield
Michelle Moosally
Jeannie Kever
Ed Jones
Gerry Mathisen