MINUTES
UNIVERSITY OF HOUSTON SYSTEM
BOARD OF REGENTS MEETING

Thursday, May 19, 2016 – The members of the Board of Regents of the University of Houston System convened at 3:18 p.m. on Thursday, May 19, 2016, at the University of Houston-Victoria, University North, Multi-Purpose Room, 3007 N. Ben Wilson St., Victoria, Texas, with the following members participating:

ATTENDANCE –

Present	Absent
Tilman J. Fertitta, Chairman	Garrett H. Hughey, Student Regent, Non-voting
Welcome W. Wilson, Jr., Vice Chairman	
Spencer D. Armour III, Secretary	
Durga D. Agrawal, Regent	
Beth Madison, Regent	
Gerald W. McElvy, Regent	
Paula M. Mendoza, Regent	
Peter K. Taaffe, Regent	
Roger F. Welder, Regent	

In accordance with a notice being timely posted with the Secretary of State and there being a quorum in attendance, Chairman of the Board, Tilman J. Fertitta called the meeting to order at 3:18 p.m. and welcomed everyone to the University of Houston-Victoria (UHV). Chairman Fertitta asked Dr. Raymond "Vic" Morgan, President of UHV, to please give his welcome remarks.

Before Dr. Morgan got underway, he welcomed State Representative Geanie Morrison who was present at the meeting. He thanked the Board of Regent members, Chancellor Khator, and UH System staff for having the meetings at UHV; and he was pleased and delighted to have everyone in Victoria. Below is a brief summary of Dr. Morgan's remarks.

Dr. Morgan stated that it was a very exciting time to be at UHV and to be a part of the dynamic and energetic UH System. Because UHV began as an upper-level center and grew with programs online and in Sugar Land, UHV is now adding the facilities and the campus benefits as far as student and campus activities and the other things needed to become a comprehensive university. There has been a lot of expansion growth; several degree programs have been added; the Dalkey Archive Press, an internationally renowned press has been added on campus as well as the Chax Press, all due to the American Book Review (ABR) project, said Dr. Morgan.

UHV has grown and has become more residential, increasing their freshman to sophomore retention rate from 48% to 61% over the past year. This was due in part to the number of student activities that were now being offered which has more than doubled from 73 in

2013-2014 to 178 in 2015-2016. Dr. Morgan stressed that UHV was almost maxed out in both academic and residential space which was why adding new facilities was so important for their growth.

UHV is very proud to be a part of the growing UH System and excited to have the UH System onboard with their vision of a destination university stated Dr. Morgan. A thriving four-year university is a critical component of the future of the entire Coastal Bend Region of Texas.

Dr. Morgan introduced the Mayor of Victoria, Mr. Paul Polasek, who is a 1990 UHV graduate and who also earned his Master of Business Administration from the University of Houston; and in 2013, he was chosen as UHV's Alumni of the Year. Mayor Polasek has served on the Victoria City Council since 2006 and was elected to a second term as mayor earlier this May 2016. Dr. Morgan welcomed Mayor Polasek and asked him to say a few words to the Board.

Mayor Polasek gave brief remarks. He welcomed everyone to Victoria and stated that as an alum of both UHV and UH he was excited to be at the meeting. He thanked everyone for what they have done for the UH System and as Mayor he reiterated his support for UHV and the continued growth of the UHV campus locally. The city was very excited and it is a mutual benefit to their community which is all of them. He mentioned that Dr. Morgan and the entire UHV staff were outstanding; and he was thankful to be at the meeting.

Chairman Fertitta reiterated that the Board was happy to be in Victoria and what great hosts Dr. Morgan, the faculty and his staff have been during their visit to Victoria; and he asked State Representative Geanie Morrison for a few words. Below is a brief summary of her remarks.

The Honorable Geanie Morrison thanked the Chancellor and the UH System Board of Regents for coming to Victoria. It means so much to this campus and to witness all of the great things going on: all of the growth; new facilities, such as dorms; a road change in front of UHV, etc. Rep. Morrison was glad that the Board could see all of the positive things that have been happening in Victoria; and the great asset Dr. Morgan has been to the city of Victoria and UHV. UHV is educating some wonderful students, giving them great opportunities, and the community is embarrassing this institution. Rep. Morrison also thanked Regent Roger Welder for being on the Board and representing Victoria so ably.

Chairman Fertitta thanked Rep. Morrison for her remarks and attending the Board meeting.

Following Rep. Morrison's remarks, Chairman Feritta moved to the first action item presented to the Board, the approval of minutes from the February 18, 2016, Board of Regents meeting.

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AGENDA ITEMS

1. Approval of Minutes – Item 4:

   On motion of Regent Taaffe, seconded by Regent McElvy, and by a unanimous vote of the regents in attendance, the following minutes from the meeting listed below was approved:

   - February 18, 2016, Board of Regents Meeting

Following the approval of the minutes, Chairman Fertitta moved to BOR-5, a Presentation of Regents' Academic Excellence Award – University of Houston-Victoria and asked Dr. Paula Myrick Short, Senior Vice Chancellor for Academic Affairs and Provost to please introduce this item.

Dr. Short stated she was very pleased to present the university's recipient for the Regent's Academic Excellence Award. Dr. Short pointed out for clarification that this particular recipient had been chosen long before the Board knew they were meeting in Victoria. The award winner was the American Book Review Reading Series. American Book Review (ABR) was founded in 1977 in response to the absence of informed review attention to independent press books in the commercial mass circulation reviewing media. Since its relocation to UHV, ABR has expanded its mission to include community outreach to the rural South Texas region. It also brings in nationally-recognized writers who come to UHV to hold events such as public lectures and discussions and roundtables. They work with students, graduate students and faculty and also students in the high schools in the area, so their outreach is very, very broad. Each of the author's agenda are tailored to meet the needs of UHV students and faculty, as well as raising the profile of UHV and its community. To date, there have been 89 authors who have visited UHV and have participated in the ABR reading series.

Dr. Short introduced Dr. Jeffrey Di Leo, Dean of Arts and Sciences at UHV who heads up the ABR program. Dr. Di Leo gave a brief presentation to the Board on this program and the impact it has had on the students. Below is a summary of Dr. Di Leo's remarks.

- When the relocation of the ABR was made to UHV in 2006, the campus community, including the Provost Don Smith, embraced the opportunity as an excellent one.
- Now, 10 years later, UHV is celebrating some of the results of the relocation of the ABR to UHV.
- ABR is an internationally recognized, award winning journal that is widely regarded as the heart and soul of writerly writing. It is edited, produced and distributed to the world from high atop the UHV Center Building, home of the now internationally recognized UHV Center for Publishing.
- ABR champions the work of small presses all over the United States that publish authors that frequently do not get the attention of the mainstream media - women's writing, ethnic writing, innovative writing.

- By some estimates, these presses number well over 50,000.
- As editor and publisher of the ABR, Dr. Di Leo works with a fine group of editors around the country and at UHV to produce the ABR.
- When the ABR relocated to UHV, it caused a big stir in the literary world and writers quickly began to ask about and see the new home of ABR. This desire from writers that cherish ABR, coupled by the fact that UHV did not at the time have a reading series of any kind, begot the UHV reading series.
- UHV did not want the reading series to be a traditional one – it needed to be distinctive like UHV, Victoria, and the ABR itself. Instead of writers giving a reading to an auditorium and then leave, UHV wanted to engage them as much as they could with some South Texas hospitality and their unique community - UHV students, high school students, faculty and staff, and the Victoria community at-large - their days filled with formal and informal interactions with this community, capped off with an often elaborate private reception hosted by a local ABR patron in their home.
- The reading series is truly a community endeavor and definitely unique. This led to an impressive list of underwriters for the series both in Victoria and around the country.
- The presence of ABR at UHV also led to the development of their Master of Science, Program and Publishing which is now widely regarded as one of the top programs in the United States, its competition is prestigious and expensive institutions such as New York University.
- Ms. Lauren Pirosko, who came to UHV as a student from Wisconsin, is a graduate of the ABR program. It has led to new programs in undergraduate and graduate creative writing, as well as played a large role in attracting other journals and presses to UHV including most recently Dalkey Archive Press.
- The ABR program provides UHV students with the opportunity to pursue excellent and distinctive programs of study to meet and interact with some of the major contributors of contemporary literature as well as the opportunity to work in Victoria, Texas with one of the most revered publications in American letters, the American Book Review.

Dr. Di Leo introduced a video which provided a glimpse into the ABR program at UHV. Below is the link for your reference: http://www.uh.edu/infotech/services/streaming-media/events/bor/2016-05/index.php (16:50 minutes into Board meeting).

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

Chairman Fertitta introduced the next item listed on the Board's agenda, BOR-6, a Presentation by UH Faculty Senate President on shared governance in policy and decision making. He will also discuss the meaning and value of basic research to the University of Houston . Dr. Jonathan Snow, President of the UH Faculty Senate, presented this item and below is a brief summary of his remarks.

- Dr. Snow was pleased to be in Victoria and having the opportunity to address members of the Board of Regents, Chairman Fertitta and Chancellor Khator; it was his third time addressing the Board since being elected representative of the Faculty of the University of Houston.

- Dr. Snow also recognized the hard work and dedication of all of his fellow Faculty Senate leaderships from the System universities; and stated that Jim Higgins, President of the UHV Faculty Senate was present at the meeting.
- Shared governance means that the Board and Administration cede some of their autonomy to the faculty in academic areas of key faculty competency. But just as importantly, the System is a communication organization – the most important thing Dr. Snow stated as the Faculty Senate President was what he was doing at the moment.
- At commencement the previous weekend, he had the distinct honor of hooding each of the honorary degree recipients. He stated he joked with Dr. Glenn Lilie that the tradition makes him his doctoral advisor and him his doctoral student.
- At the commencement dinner they had had a long conversation about the role of Athletics in University life. He was very impressed and happy when he heard from Hunter Yurachek about the very positive reception that the UH football team received at the past Faculty Senate meeting and Coach Herman as well. Dr. Snow stated there were some very happy Cougar football fans among the faculty!
- UH is in the midst of a pretty expensive wager on Athletics, one that is subsidized by a substantial amount of funding that comes directly from the core teaching enterprise. That is money that could also have been spent on research infrastructure, teaching facilities or hiring world class faculty. It is a choice made with cold hard calculation that the return down the road on that investment was going to make much more of that kind of investment possible in the future.
- It is heartening that Rutgers, after joining the Big 10, dropped from #1 in institutional subsidy to Athletics last year to #17 this year. Their total drop in yearly subsidy was larger than the added revenue from television probably because other forms of revenue increased as well. Dr. Snow stated he was pretty sure that is faculty buying season tickets! This was the kind of result we were hoping for from our Athletic program, alongside the exciting results on the field. UH is currently #7 on this list, one that we are hoping to move down as quickly as possible!
- The medical school was another major bet. Some faculty are concerned that the medical school construction costs and the yearly subsidy will compromise the success of the core academic mission of the University. It is a difficult concern for many to express openly – not everyone's position in the University is as secure as his own due to tenure.
- But if one were to look at the research funding of universities, the ones with medical schools were far more successful at securing research funding than the ones without and that was extremely important. But there is currently a lot of discussion as to how the medical school plans will incorporate the kind of high-level research that attracts significant NIH funding? This seems at odds with the very laudable community orientation of the planned medical school, so faculty want to understand how this will work. This will probably frame a lot of the outline for the kind of discussion for the medical school once the plan was available going forward in the fall. He repeated his message from the last time: The Medical School must be paid for by new money. Dipping into academic funds to pay for it now would only set the University behind.

- The core mission of the University's intellectual life was the liberal arts and basic sciences. It is a natural part of the University's evolution from a community service role as a university to an R1 to first emphasize practical professional programs (e.g., business, engineering and professional programs); and that has happened; and the University is doing a very good job and we are leading in many areas of engineering, applied science and technology transfer.
- At traditional R1's (and again Rutgers is a good example), they do this built on the base of a culture of basic science and humanities that remains from the days when those core disciplines reigned supreme and we were in our infancy. Those core disciplines enjoyed huge infrastructural and human investment. We are doing well now in reinvesting in our culture of core arts and basic sciences to match our R1 expectations.
- It is not random that the core of our university campuses are a little bit down at the heels and in need of some major infrastructural and reinvestment. It has to do with our history as an institution and it is a natural part of that growth. It is now changing thanks to the new core renovation program that the Board would consider and approve today and it comes from the HEAF funding increase that was fought for in the legislature. That is a great thing and something that the faculty were thankful for and the faculty were very appreciative of. It will help the culture and visibility of our core arts and sciences immensely.
- The University is also investing in human capital in key core areas of hiring, in particular the program of hiring National Academy of Sciences members which we have been very successful in doing. We need to keep that coming to move forward.
- So the state of shared governance at the University of Houston is good, the communication is good, and if anyone sees Dr. Snow's doctoral student Glenn Lilie, tell him Dr. Snow is looking for him!

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

Committee Reports

Chairman Fertitta moved to Section III on the agenda, the Committee Reports. Chairman Fertitta stated the Committee Reports, which lists the Consent Docket Agenda items considered and unanimously approved at each of the Board committee meetings, would be given by each chair of the committees. It should be noted that after the Board had heard all of the committee reports, any regent may have requested an item be removed from the Consent Docket and individually considered pursuant to Board Bylaw 6.9.

Chairman Fertitta announced that the first committee report would be addressed by Regent Durga Agrawal, who is the Chair of the Endowment Management Committee.

Endowment Management Committee Report – May 19, 2016

Regent Agrawal stated the Endowment Management Committee had met earlier in the day, Thursday, May 19, 2016, and unanimously approved the following three (3) action items for submission on the Board's Consent Docket Agenda for final Board approval today as follows:

1. Approval is requested to modify the UH System Endowment Fund Statement of Investment Objectives and Policies – UH System;

2. Approval is requested to appropriate for expenditure from certain underwater endowments in accordance with the UH System Endowment Fund Statement of Investment Objectives and Policies – UH System; and

3. Approval is requested for the Chancellor to delegate authority to the Senior Vice Chancellor for Administration and Finance and/or the Senior Associate Vice Chancellor for Finance to negotiate and execute investment contracts approved by the Board of Regents of the University of Houston System – UH System.

Regent Agrawal also reported that the committee had heard a report from Cambridge Associates and approved the following private investment manager, Embaracadero Capital Investors Five, L.P. in the amount of $7.5 million; and approved the recommendation for the hiring of an investment manager for the hedge fund program, AQR Style Premia Funds in the amount of $11.0 million effective July 1, 2016. These two (2) recommendations made by Cambridge required committee approval only.

This concluded the Endowment Management Committee Report.

The next committee report was presented by the Chair of the Audit and Compliance Committee, Regent Roger F. Welder.

Audit and Compliance Committee Report – May 19, 2016

Regent Welder stated the Audit and Compliance Committee meeting was held earlier today, Thursday, May 19, 2016, and unanimously approved the following item for submission on the Board's Consent Docket Agenda for final Board approval as follows:

1. System Police Operation for Efficiencies and Standardization – Report Update and Proposed Board Policy – UH System.

It was noted that this item would be discussed further by the full Board later in the Board meeting. This concluded the Audit and Compliance Committee Report.

The next committee report was addressed by the Chair of the Academic and Student Success Committee, Regent Paula M. Mendoza.

Academic and Student Success Committee Report – May 19, 2016

Regent Mendoza stated the Academic and Student Success Committee met earlier today, Thursday, May 19, 2016 and approved the following four (4) action items for submission on the Board's Consent Docket Agenda for final Board approval as follows:

1. Approval of Faculty Promotion in Academic Rank – UH System;

2. Approval of Emeriti Appointments – UH System;

3. Approval of the University of Houston Hobby School of Public Affairs; and

4. Approval of Bachelor of Science in Nursing degree at the University of Houston-Downtown.

This concluded the Academic and Student Success Committee Report.

The next committee report was presented by the Chair of the Facilities, Construction and Master Planning Committee, Regent Welcome W. Wilson, Jr.

Facilities, Construction and Master Planning Committee Report – May 19, 2016

Regent Wilson, Jr. stated the Facilities, Construction and Master Planning Committee met earlier in the day, Thursday, May 19, 2016 and placed the following three (3) action items for submission on the Board's Consent Docket Agenda for final Board approval as follows:

1. Approval is requested for the annual update to the University of Houston Master Plan – University of Houston;

2. Approval is requested for the annual update to the University of Houston-Victoria Master Plan – UH-Victoria; and

3. Approval is requested for the site and program for the new Science, Technology, Engineering, and Mathematics (STEM) Building Project at the University of Houston-Victoria – UH-Victoria.

This concluded the Facilities, Construction and Master Planning Committee Report.

The final committee report was addressed by the Chair of the Finance and Administration Committee, Regent Spencer D. Armour, III.

Finance and Administration Committee Report – May 19, 2016

Regent Armour stated the Finance and Administration Committee met earlier in the day, Thursday, May 19, 2016 and placed the following seven (7) action items for submission on the Board's Consent Docket Agenda for final Board approval as follows:

1. Approval is requested for the University of Houston System FY2017 Financial Plan and Budget – UH System;

2. Approval is requested to delegate authority to the Chancellor to negotiate and execute contracts for the design and construction of a Science, Technology, Engineering, and Mathematics (STEM) Building at the University of Houston-Victoria – UH-Victoria;

3. Approval is requested to delegate authority to the Chancellor to negotiate and execute contracts for the design and construction of the Quadrangle Replacement Housing Project at the University of Houston – University of Houston;

4. Approval is requested to delegate authority to the Chancellor to negotiate and execute contracts exceeding $1 million for the purchase of goods or services, excluding construction contracts, at the UH System – UH System;

5. Approval is requested to delegate authority to the Chancellor to negotiate and execute construction contracts exceeding $1 million for projects at the UH System – UH System;

6. Approval is requested of the Resolution for Defeasance and Redemption of certain Board of Regents of the University of Houston System Consolidated Revenue and Refunding Bonds – UH System; and

7. Approval is requested to modify all banking and investment resolutions, certificates and agreements for the University of Houston System, and establish a new bank account for the University of Houston – UH System.

This concluded the Finance and Administration Committee Report.

At the conclusion of this committee report, pursuant to Board Bylaw 6.9, Chairman Fertitta asked if any regent wished to remove any of these items from the various Committee Reports' Consent Docket Agendas for further discussion.

On motion of Regent Welder, seconded by Regent Mendoza, and by a unanimous vote of the regents in attendance, all items presented in the Board's Consent Docket Agendas, unanimously approved by the various committees, were approved by the full Board.

Following the approval of the Board's Consent Docket Agenda items, Chairman Fertitta moved to Section IV, Committee Report item(s) not addressed in the Consent Docket Agenda but requiring final Board approval.

It was noted that there were no agenda items brought forward from the various committees that needed to be addressed by the full Board.

Chairman Fertitta moved to Section V listed on the Board's agenda and stated that BOR-7, Approval of Proposed Updates to Board of Regents Bylaws and Policies – University of Houston System, was the next item for discussion and asked Ms. Dona Cornell, Vice Chancellor for Legal Affairs and General Counsel to present this item to the Board.

Ms. Cornell stated there were several bylaw changes as follows:

1. New Board Bylaw 1.4 which would require Board training as soon as is practicable after appointment. This is consistent with changes in the Texas Education Code §61.084. It is not required to be in the Board Bylaws but it is certainly best practices and something that the Legislature has been discussing the last couple of sessions in terms of Board member training stated Ms. Cornell; and she believes it is prudent to have this as part of the Board Bylaws. The training shall cover various topics.

   Below is the new Board Bylaw 1.4 as presented to the Board:

   "1.4 – Board Member Training – As soon as practicable after appointment, members of the Board are required to receive training in accordance with Texas Education Code §61.084. The training shall cover these topics: auditing, budgeting; enabling legislation and mission of the University; the role of the Board, including authority, duties, and responsibilities; governance; open government; ethics and conflicts of interest; student privacy laws, including intercollegiate athletics."

2. With the new Board Bylaw 1.4 being proposed, the current Board Bylaw 1.4, which relates to Removal of a Board Member, would be renumbered and become Board Bylaw 1.5.

3. Ms. Cornell stated that she had compared our policies to what others were doing in the State in two areas:

   (a) Board Bylaw 4.1 - Officers. This Bylaw has term limits for the Chair. Our Bylaw is out of sync with the rest of the State, and Ms. Cornell's research on the Association of Governing Boards has found that this was not best practices, so this language has been pulled out of Board Bylaw 4.1.

   Below is the revised Board Bylaw 4.1 – Officers as presented to the Board:

   "4.1 – Officers – The officers of the Board shall consist of a chair, a vice chair, and a secretary who shall hold office for a term of one year from September 1 through August 31, or until his or her successor has been elected."

   (b) Board Bylaw 5.2 – Standing Committees. Ms. Cornell stated that previously there had been a lot more detail in our description in the Bylaws of our Standing Committees and had left all of this language basically in the charters. In discussions with the Chief Audit Executive, he stressed concerns that we needed to be more descriptive of what each of our committees was charged to do. We left

the language in the charters but it was suggested that each of the committees review their charters annually and the Board review them as a whole every seven (7) years. This is to make certain that the committee charters match what the activities of the specific committees were and the changing nature of our institutions.

Below is the revised Board Bylaw 5.2 – Standing Committees as presented to the Board:

5.2 – Standing Committees

"5.2.1 – The standing committees are Academic and Student Success, Finance and Administration, Audit and Compliance, Facilities, Construction and Master Planning, and Endowment Management. The Board shall adopt a charter for each committee. The charters shall detail the specific responsibilities of the committee, which should be reviewed by the committee annually and updated as necessary subject to approval by the Board. In any case, the Board shall review the committee charters at least every seven (7) years."

4. Ms. Cornell addressed Board Bylaw 7.3 – Open Forum and stated that anyone may have addressed the Board on whatever topic they chose to do so whether it be about higher education or any of the matters pending before the Board or not. In reviewing best practices, it was found that other institutions in Texas, as well as what the Association of Governing Boards recommends, the language in this section was adjusted so that individuals may come and speak but they must be speaking on a matter that is posted on the agenda so that it is just not ad hoc or at will and that it is more relevant to what the Board is listening to. Again, this change reflects how other institutions are handling Open Forum.

   Below is the revised Board Bylaw 7.3 – Open Forum as presented to the Board:

   "***7.3 – Open Forum – A maximum of thirty minutes will be set aside at regularly scheduled Board meetings for a public comment session. Persons wishing to address the regents may register their request with the Executive Administrator at least 24 hours prior to the meeting. Each person will be given up to three minutes and may address the board only on those topics listed on the agenda for the meeting. Comments on topics that are not listed on the agenda shall not be allowed."***

5. Ms. Cornell address Board Policy 53.01.1 – Acquisition of Works of Art. This update was an adjustment to Board policy related to art acquisition and the expenditure of funds. This was an issue that had been addressed by the Board at a previous meeting with regard to the expenditure of the funds that is set aside for art and providing more flexibility so that some of the funding could be spent on promotion, public programs,

operations in conservation of the art. We had always focused on acquisition and had never used any of those funds for other areas – this new language provides that flexibility.

Below is the revised Board Policy 53.01.1 as presented to the Board:

"***53.03.1 – Acquisition of Works of Art – This policy pertains to construction projects in excess of $1,000,000 involving construction of a new building or the addition of square footage to an existing building or renovation projects greater than $5,000,000. One percent of the construction costs for new buildings may be allocated for the acquisition of art for the project. Renovation projects greater than $5,000,000 may be subject to a 0.5% allocation for the acquisition of art for the project. Of the 1% and 0.5% allocated, the Committee may set aside sufficient funds for promotion, public programs, operations, and conservation of the public art collection. The determination of the specific amount to be set aside to support SWAAC will be made by the Vice Chancellor for Administration and Finance (or designee) based on recommendations from the Committee. The SWAAC Procedures Manual, governing the administration of the public art collection, shall be submitted to the Board for approval.***

Any college, foundation, corporation, or other entity wishing to contribute to new facilities, donate, participate in a joint venture, or otherwise give or create new facilities with any component of the System must include, as part of the project cost, at least one percent of the construction cost for the commissioning, selection, and installation of art. The Board delegates to the Chancellor or his/her designee the authority to identify and acquire art. All works of art acquired through the process must be recommended by the SWAAC in accordance with the SWAAC Procedures Manual and approved by the Committee."

Ms. Cornell addressed the addition of Board of Regent Policy 69.01 – Public Safety. This topic had been discussed earlier in the Audit and Compliance Committee meeting with regard to the System-wide Police Operations.

Below is the new Board Policy 69.01 as presented to the Board:

"69.01 – Public Safety – The Chancellor shall establish and maintain a system-wide police operation under the direction of a single UHS police authority to help ensure the public safety of all students, faculty, staff and visitors for the University of Houston System."

On motion of Regent Armour, seconded by Regent Madison, and by a unanimous vote of the regents in attendance, the motion to approve the proposed updates to Board of Regents Bylaws and Policies – UH System was approved.

Chairman Fertitta moved to the next item on the Board's agenda, BOR-8, an Approval is requested for the appointment of a Special Committee for Public Art – University of Houston System, and asked Dr. Emily Messa to present this item to the Board.

Dr. Messa stated that after reviewing the key goals of the public art collection and establishing it as a local, regional, and national artistic and intellectual star over the next several years and preparing for the collection's 50th anniversary in 2019, there were two (2) overarching goals that have emerged by members of the System-wide Art Acquisition Committee (SWAAC):

1. The development and implementation of a Strategic Communication Plan for the collection; and
2. Preparing the collection so that it is ready to receive the visitors that will be exposed to the collection through the increased publicity.

To accomplish these goals it was recommended that the work be divided into two (2) segments. The work of the Strategic Communication Plan will be the focused of the Special Committee for the Arts proposed to be chaired by Board members Regent Beth Madison and Regent Welcome Wilson, Jr., who currently serve and represent the Board on the SWAAC Committee. This will also include working with a vendor, who specializes in working with public art programs to develop the Strategic Communication Plan.

The preparation of the collection will be the focus of the SWAAC Committee and will include working with College of Architecture Dean Patricia Oliver and UH Facilities to develop and implement a landscape and hardscape plan for the public art collection, developing a formalized curatorial vision for the collection, de-accessioning pieces from the collection where appropriate, following AMA guidelines, and developing a conservation plan for key works in the collection, as well as re-positioning key pieces for better visibility and appropriateness of the work. This Special Committee of the Arts signifies the importance of these endeavors and helps create a formalized and direct connection between the Board and the System-wide Art Acquisition Committee (SWAAC).

Chairman Fertitta stated that he wanted to appointment Regent Beth Madison and Regent Welcome W. Wilson, Jr. to this committee, and Vice Chancellor Eloise Dunn Stuhr, who will appoint other members to this committee.

On motion of Regent Taaffe, seconded by Regent Mendoza, and by a unanimous vote of the regents in attendance, the motion to approve the appointment of a Special Committee for Public Art – UH System was approved.

The next item presented before the Board was BOR-9, the Review and potentially amend proposed Campus Carry policies for University of Houston, University of Houston-Clear Lake,

University of Houston-Downtown, and University of Houston-Victoria – University of Houston System. Chairman Fertitta asked Ms. Cornell to introduce this item.

Ms. Cornell introduced this item and stated that this project was nearing its conclusion. These policies were presented based on the recommendations of each of the presidents from the System campuses. Ms. Cornell stated that these policies did not have to be approved by the Board at the meeting, but should the Board want to make any suggested changes to these policies they were able to do so and under the law as written. Ms. Cornell asked Dr. Marcilyn Burke from the UH Law Center to address this item. Dr. Burke had chaired the work group from the University of Houston and would describe to the Board the process used as well as the policy itself. Ms. Cornell stated she would describe the implementation plans after the fact on each of the campuses.

Dr. Burke stated she was pleased to be able to attend the meeting and explained to the Board how the University of Houston would implement the law known as "Campus Carry." In 2015, Governor Greg Abbott signed into law Senate Bill 11 which charged institutions of higher education with developing rules and regulations to allow the carrying of concealed weapons on campus by properly licensed individuals. This process began at UH approximately a year ago to make sure the university was in compliance with the law and to also be very mindful and protective of the health, safety and welfare of the university community. It was a very open and inclusive process that has culminated with the policy that was given to the Board. It began with the formation of a work group (several individuals were present from the work group at the meeting) and representative of the many different interests and functions of the university community composed of staff, faculty and students. The law charged the university to take into account the nature of our student population and the uniqueness of the university's campus environment and safety.

The work group began their process with the assistance and leadership of Legal Counsel, Dona Cornell, and reviewed other states that also have campus carry laws in effect. The group came together and sponsored forums for members of the community to give comments and their concerns. A survey was also sent out to the campus community as well as an email address to which Dr. Burke received an email every day! There have been, at last count, 2,400 emails submitted that have been considered in their developing this law. Besides the development of the rules and regulations, the law also had an important provision which provided that whatever the university developed it could not generally prohibit the carrying of concealed weapons on campus or have the effect of generally prohibiting the carrying of concealed weapons on campus.

The work group considered every building and area in our respective locations to determine whether or not there were any particular risks associated with the carrying of concealed weapons. If a particular risk or concern in that area was identified, a list of exclusion zones was identified which would be an appendix to the policy. It will be a living document so that it can always be amended whether we are adding or taking away

areas from that list. The group also identified criteria by which they would consider future requests or considerations for adding or changing this list.

Dr. Burke thanked Legal Counsel, Dona Cornell and UH Chief of Police, Ceaser Moore for their assistance in leading this effort.

Once the law goes into effect on August 1, 2016, training will continue in very specific ways including in orientation for faculty, staff and students and looking at special populations or individuals who have special responsibilities on campus such as resident assistants within the residence halls who will have to know and deal with the implementation of the law.

Dr. Burke stated she was honored to have been selected to lead this important effort and she was pleased at the results in that they worked very hard to bring together all of the interests and to address them at the best of their abilities.

Ms. Cornell stated that at the University of Houston campus, a Safety and Security Committee had been established and reports to the Senior Vice Chancellor for Administration and Finance, Mr. Jim McShan. Their first meeting has been scheduled for June 2, 2016. This committee will be charged with the implementation issues. Ms. Cornell stated that it will be an ongoing issue for the campus community and there will be live training, online training, and signage in place. It will be an educational process for everyone but Ms. Cornell believes that with the different mechanisms we have in place that the university should be fine. A lengthy discussion followed.

Ms. Cornell also stated to make it clear to the Board that the Faculty Senate of UHD and the Faculty Senate of UH both passed resolutions in opposition of the law. Legal does take it very seriously that here at UH there are some faculty, students and staff who were opposed to the law or afraid of what it meant and they will do everything they can in terms of the training that the university puts forth to make sure that they were as comfortable as they possibly could be. The policies for UH-Clear Lake, UH-Downtown and UH-Victoria were very similar to the University of Houston's policy. They are not all identical but they do have very similar characteristics in all of them.

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

Chancellor's Report

Chancellor Khator thanked UH-Victoria's faculty, staff, students, alumni, community, and President Morgan for the great hospitality shown during her two-day visit to Victoria. She was very excited to be in Victoria!

Chancellor Renu Khator presented a UH System-wide report to the Board, which had been distributed to the Board members at the meeting. The Chancellor began her report with the University of Houston System-wide Achievements.

University of Houston System-wide Achievements:

- Dr. Khator congratulated the 2016 graduates! This fall 12,541 degrees were awarded by the four (4) UH System universities; and if you were to add the number of degrees granted in the other semesters, there were well over 15,000 students who had been granted degrees from the UH System universities.
- Commencement speakers included retired astronaut Captain Scott Kelly at the University of Houston; Mayor Sylvester Turner at UH-Clear Lake; State Representative Carol Alvarado at UH-Downtown; and Karen Garza, Superintendent of Fairfax County Public Schools at UH-Victoria.
- The UH System now offers 114 completely online degrees and certificate programs.
- UH-Downtown is expanding at the Northwest campus by taking over space vacated there by Sam Houston State University and they are significantly increasing course offerings for the Spring of 2016 and currently offered 123 sections.
- In May, Dr. Khator testified before the Senate Committee on Higher Education and the House Committee on Higher Education.
- Dr. Michael Olivas, the William B. Bates Chair in Law and Director of the UH Institute of Higher Education Law and Governance, was named as Interim President at UH-Downtown. Dr. William Flores, UHD's previous President, will serve as Research Fellow in the Institute for Educational Research and Evaluation, which is housed in UH's College of Education; and she took this opportunity to note that since 2008, the UH System has:
  - Increased enrollment by 23 percent;
  - Increased degrees awarded by 30 percent for all students and 45 percent for minority students;
  - Allocated $200 million in additional resources toward student success programs;
  - Increased private philanthropy by more than 100 percent;
  - Reallocated $60 million internally to invest in strategic priorities; and
  - Maintained affordability for students by keeping both the per-student debt amount and loan default rate below the state and national averages.

University of Houston Achievements:

- UH has two (2) exciting new developments in Transferring Technology to the Market-place:
  - C-Voltaics, the first nanotechnology company created at UH, has signed a deal with Dallas-based Binford Supply to distribute its water- and stain-repellent coatings developed by physics professor Seamus "Shay" Curran. The high-tech protective coatings will be sold under the name CaraPro and will continue to be manufactured at the UH Energy Research Park; and
  - WAVVE Stream Inc., a UH startup with the mission of increasing global access to clean water with a nano-sized filtration system, has been awarded a VentureWell grant to bring their technology out of the lab and into the marketplace. Debora Rodrigues, Assistant Professor of Civil and Environmental Engineering, developed the technology that inspired WAVVE co-founders Eric Beydoun and Ivette Rubio, both Bauer College of Business alumni, to build a company around the technology.

VentureWell is a non-profit higher education network that helps young scientists launch ventures.

- The University Marketing, Communications and Media Relations Division collected four (4) first-place Crystal Awards at the 2016 meeting of the Houston chapter of the American Marketing Association (AMA), winning for Non-profit In-House Marketing Campaign, Single TV Advertising, Non-profit Social Media Campaign and Maverick-Marketing.
- UH has been working very hard in making the campus sustainable and there were three (3) recognitions highlighted:
  - The Association for the Advancement of Sustainability in Higher Education (AASHE) awarded Gold status to UH – the only Texas institution to earn this designation.
  - UH earned a Tree Campus USA certification from the National Arbor Day Foundation for its commitment to sustaining healthy trees and engaging the campus community in conservation efforts.
  - UH has been ranked among the most beautiful campuses in the country by the online guide Great Value Colleges.
- Approximately 250 guests participated in UH's first Public Art Day on April 16, when they viewed many of the 400-plus sculptures, installations, and other art on campus. Docent-guided tours of artworks, including the Frank Stella paintings in the Moores Opera House were held; and it was noted that UH's public art collection had more than 700 pieces and was one of the largest in the country.
- When students look at UH, they often examine the quality of academics, tuition and their salary potential after graduation. According to Princeton Review's 2016 edition of Colleges that Pay You Back: Schools that Give You the Best Bang for Your Tuition Buck," UH was among the country's top institutions delivering all those things to students. The book focuses on issues such as paying for college and finding a job that provides a return on that investment. This book cites UH graduates with at least a bachelor's degree has having a median starting salary of $51,700 and median mid-career salary of $86,600.
- UH men's golf team placed third in the regionals and was now headed to the national championship competition in Oregon.
- The track and field team under Coach Leroy Burrell and Assistant Coach Carl Lewis, has won the outdoor championship for the American Athletic Conference (AAC).

University of Houston-Clear Lake Achievements:

- Biology sophomores Sandy Samaan and Glory Hughes have been accepted to Texas' prestigious Joint Admission Medical Program (JAMP). This was a first for UHCL, which became a JAMP participating institution after expanding to a four-year university in 2014. Fall 2015 marked the first time UHCL students were eligible to apply.
- President William Staples presented the 2016 UHCL Community Partnership Award to the Pearland Chamber of Commerce at his annual Report to the Community on

March 24, 2016. Dr. Staples credited support from the Pearland Chamber and many others for obtaining funding by the 84th Texas Legislature in 2015 by special initiatives including the university's transition to a four-year institution as well as capital construction funds for a new STEM and Classroom Building at UHCL and a Health Sciences and Classroom Building at the UHCL Pearland campus.

- UHCL's School of Education has been welcomed into partnership with the 100-K in-10 coalition, which comprises 280-plus corporations, foundations, museums, non-profits, school districts and other universities committed to delivering 100,000 new STEM educators by 2021. The school has pledged that by 2020, it will train 400 pre-service teachers to integrate STEM curriculum into their future classrooms and will develop a STEM certificate to complement the current degree programs for Texas Teacher Certification.

University of Houston-Downtown Achievements:

- A team from the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC) spent two days visiting UHD and off-campus sites, meeting faculty, students and administrators. The commission's visit was productive and there were no further recommendations made.
- UHD honored outstanding professors for their accomplishments in teaching, service and scholarship/creative activity. Among those recognized were: Excellence n Teaching: Travis Crone, Social Sciences; Excellence in Service: Susan Henney, Social Sciences; Excellence in Scholarly/Creative Activity: Heather Goltz, Social Work; Outstanding Lecturer (co-winners): Ajay Singh, Natural Sciences, and Dana Smith, Social Work; and Outstanding Adjunct: Simon Jakubowski, Natural Sciences.
- Two UHD students received prestigious scholarship awards. Marleen Gomez, an interdisciplinary studies major, and Etelvina Umana, an international business major were two (2) out of 250 undergraduate students from 140 colleges and universities across the nation selected to receive the prestigious Benjamin A. Gilman International Scholarship Award, sponsored by the U.S. Department of State's Bureau of Educational Cultural Affairs to study or intern abroad this summer.

University of Houston-Victoria Achievements:

- Congratulations to UHV for winning the UH System Board of Regents Academic Excellence Award which was presented to them at this meeting.
- UHV held its first homecoming since 1998 with a week's worth of activities in March, including the crowning of a king and queen and the honoring of two (2) UHV alumni for their achievements.
- UHV's spring commencement featured two (2) firsts for the university. Chinese entrepreneur Bingxin Wu was awarded a Doctor of Humane Letters, honoris causa. This was the first honorary doctorate UHV has given in its 43-year history. In 2013, Wu and his wife, Shuquin Feng, donated $600,000 to the UHV School of Business Administration. Commencement speaker Karen Garza, Superintendent of Fairfax

University of Houston-Victoria Achievements (cont'd):

County Public Schools near Washington, D.C., was awarded UHV's first Alumni Lifetime Achievement Award. Garza earned both her bachelor's and master's degrees from UHV.

- Three (3) national organizations singled out UHV degree programs for recognition. The Bachelor of Science in Kinesiology was recognized in the National Strength and Conditioning Association's Education Recognition Program. UHV also achieved a No. 19 ranking for best online Bachelor of Business Administration programs by OnlineColleges.net – the only Texas public university ranked on the Top 25 list. In addition, NonprofitColleges.com ranked UHV No. 21 nationally in its Best Online Master's of English and Creative Writing list.

A copy of the Chancellor's Report has been filed in the Board office. This item was for information only and required no Board action.

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At 4:48 p.m., Chairman Fertitta announced that pursuant to Subchapter D of Chapter 551 of the Texas Government Code which allows governing boards to meet in closed session, Chairman Fertitta stated the Board would convene in Executive Session.

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Executive Session Report

Chairman Fertitta reconvened the Board of Regents meeting in open session at 6:10 p.m. and stated that the regents had met in Executive Session and heard a pre-litigation and litigation status report and other legal matters; discussed personnel matters; and land acquisitions.

Chairman Fertitta stated that following the various discussions by the Board, the following Board recommendations and approvals were recommended and approved as follows:

1. Approval is requested for the appointment of the Senior Vice Chancellor/Senior Vice President for Administration and Finance for the University of Houston System/University of Houston – BOR-10.

On motion of Regent Madison., seconded by Regent Taaffe, and by a unanimous vote of the regents in attendance, the request for the appointment of Mr. Jim McShan, as Senior Vice Chancellor/Senior Vice President for Administration and Finance for the University of Houston System/University of Houston effective April 26, 2016 was approved.

2. Approval is requested to delegate authority to the Chancellor to negotiate and execute contracts for personnel in the Football and Basketball Programs at the University of Houston – BOR-11.

On motion of Regent Welder, seconded by Regent Madison, and by a unanimous vote of the regents in attendance, the motion to delegate authority to the Chancellor to negotiate and execute contracts for personnel in the Football and Basketball Programs at the University of Houston was approved.

3. Approval is requested to delegate authority to the Chancellor to take all actions precedent to the transition of venue management and the revision of a facilities management agreement for the University of Houston – BOR-12.

On motion of Regent McElvy, seconded by Regent Taaffe, and by a unanimous vote of the regents in attendance, the request to delegate authority to the Chancellor to take all actions precedent to the transition of venue management and the revision of a facilities management agreement for the University of Houston was approved.

4. Approval is requested to delegate authority to the Chancellor to take all actions precedent for the purchase of approximately 46-acres of property in Katy, Texas by the University of Houston System – BOR-13.

On motion of Regent Welder, seconded by Regent McElvy, and by a unanimous vote of the regents in attendance, the request to delegate authority to the Chancellor to take all actions precedent for the purchase of approximately 46-acres of property in Katy, Texas by the University of Houston System was approved.

5. Approval is requested to delegate authority to the Chancellor to take all actions precedent for the purchase of property located in Houston's historic Third Ward for the University of Houston System – BOR-14.

On motion of Regent Mendoza, seconded by Regent Madison, and by a unanimous vote of the regents in attendance, the request to delegate authority to the Chancellor to take all actions precedent for the purchase of property located in Houston's historic Third Ward for the University of Houston System was approved.

6. Approval is requested to delegate authority to the Chancellor to take all actions precedent for the purchase of land in Houston, Texas by the University of Houston System – BOR-15.

On motion of Regent Welder, seconded by Regent McElvy, and by a unanimous vote of the regents in attendance, the request to delegate authority to the Chancellor to take all actions precedent for the purchase of land in Houston, Texas by the University of Houston System was approved.

7. Approval is requested to delegate authority to the Chancellor to take all actions precedent for the sale of the University of Houston System building located at Cinco Ranch – University of Houston System – BOR-16.

On motion of Regent Mendoza, seconded by Regent McElvy, and by a unanimous vote of the regents in attendance, the request to delegate authority to the Chancellor to take all actions precedent for the sale of the University of Houston System building at Cinco Ranch was approved.

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Information Only

The two individuals who had previously signed up for Open Session were not in attendance at this meeting.

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There being no further action to come before the Board the meeting adjourned at 6:14 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
Paula Myrick Short
Jim McShan
Dona Cornell
Mike Johnson
Lisa Holdeman
Ramanan Krishnamoorti
Elwyn Lee
Jason Smith
Eloise Stuhr
Richard Walker
Raymond V. Morgan
Michael A. Olivas
Bill Staples
Hunter Yurachek
Shannon Harrison
Phil Booth
Thomas Tillotson
Ben Aldrich
Nancy Gresham
Geanie Morrison
Wayne Beran
David Bradley
Lisa Shumate
Deidra Garcia
Jonathan Snow
Mike Emery
Don Guyton
Brett Collier
Paul Polasek
Ashlee Ross
Don Yackley
Ed Hugetz
Raymond Bartlett
Iggy Harrison
Joe Brueggman
Matthew Castillo
Jon Aldrich
Kathy Walton
Brenda Robles
Jesse Pisors
Chris Stanich
Don Smith
Sabrina Hassumani
Jeffrey Di Leo
Marcilynn Burke
Caesar Moore
Abner Fletcher
Lauren Pirosko
Joe Galvan
David Oliver
Dan Maxwell
Beth Mason
Travis Gunderloch
Emily Messa
Jim Higgins
Abner Fletcher
Phil Booth
Fay Landry
Gerry Mathisen