MINUTES OF THE MEETING
UNIVERSITY OF HOUSTON SYSTEM
BOARD OF REGENTS MEETING

August 19, 2008

The Chair of the Board, Welcome W. Wilson, Sr., convened the meeting of The University of Houston System Board of Regents in the Melcher Board Room 100B, Athletics/Alumni Building, 3100 Cullen Boulevard, University of Houston on Tuesday, August 19, 2008, with the following members present: Calvin W. Stephens, Vice Chair, Jim P. Wise, Secretary, Nelda L. Blair, Dennis D. Golden, Tamara K. Goodwin, Jacob M. Monty, Carroll Robertson Ray, and Lynden B. Rose. Mica Mosbacher was absent. Noting the presence of a quorum, Chairman Wilson called the meeting to order at 8:32 a.m.

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Dr. Wynne Chin, Faculty Senate President, presented the first item for discussion, the Update on Faculty Senate Initiatives related to Student Success and Cougar Culture – University of Houston. Dr. Chin thanked the Board for the opportunity to provide an update of their activities and stressed how both faculty excellence and student success were intertwined as we strive to become the premier metropolitan university. It takes extraordinary investment in resources to attract, develop, and retain "Tier One" level research active faculty; and it is equally the case for student success.

The Faculty Senate Committee on Education Policies and Student Affairs headed by Dave Mazella has been coordinating with the administration to help improve in this area. He has also been working closely with Dr. Dan Gardner on determining what the critical success factors would be that would lead to the desired outcomes, specifically, graduation rates, first time persistence rates, time to degree, and student satisfaction. Dr. Chin also stated the importance of measuring how the faculty and support staff in the various student service departments over time are or are not becoming more familiar with the needs of the students, what challenges the students face, and hopefully, develop a sense of ownership for the success of the students. He felt these intermediate steps or goals were as critical as the final outcome measures; and was one aspect of what the Senate had been working on.

Lastly, he stated they were still gathering and compiling information from other top tier universities in an attempt to synthesize the various programs in order to produce the best breed profile for achieving success. He felt this could be done through scanning websites, reading published reports and talking to personal colleagues. Dr. Chin stated that this required spending time to coordinate with administration on what they were doing so efforts weren't duplicated.

The Cougar Nation Group, which is an unprecedented collaboration of faculty, staff, and students working together to increase the spirit, morale, and culture befitting a top tier institution, is entering their second phase of expansion. The charter group consists of the officers of the Faculty Senate, Staff and Student Council, and they have put together a mission statement and are working towards an initial set of action ideas. They are also expanding their membership to include alumni input and additional faculty, staff and student representatives to help draft an operational plan.

This item was for information and required no action by the board.

The next item on the agenda was the Approval of the Minutes.

Action: Regent Golden moved approval of the following minutes:

- April 21, 2008, Endowment Management Committee Meeting
- April 28, 2008, Board of Regents Meeting
- May 15, 2008, Board of Regents Meeting
- June 10, 2008, Special Called Board of Regents Meeting

Regent Ray stated she would like to add a change to the Endowment Management Committee minutes of April 21, 2008 and requested the following words in bold be added to the last sentence of the third paragraph on page one: "The overall consensus of the committee was that the acquisition of real estate along the University's perimeter may not represent the best investment opportunity for the Endowment ***at this time given the Endowments size and its current distribution levels.***"

Chairman Wilson also moved that in the May 15, 2008 minutes the words in bold be added to specify that the timing of the election of new officers was "***at the June meeting"*** as outlined in the material distributed to the regents.

Noting these two changes to the minutes, Regent Ray seconded the motion and the minutes were approved as presented.

The next action item for approval was Item E, Board of Regents Planner – UH System. Approval was requested of the revised Board of Regents Planner for FY2009 which set forth items that requires action by the Board or reports from management to address the provisions of the Statutes, Board Policies and Bylaws or other requests of the Board and is presented to the Board each August. The only changes made to the planner were attributed to Bylaw updates and the addition of the request for each member of the Board of Regents to submit a Conflict of Interest Statement annually.

Regent Ray moved Board approval of the item as presented. Regent Wise seconded the motion, which passed unanimously.

The following two items, one for approval and the other for information, were addressed by the Board following Executive Session.

Chairman Wilson presented the next item requiring Board approval, the Resolution in Appreciation – Mr. Lance Funston – UH System. Regent Wilson stated Mr. Funston had graduated from the University of Houston in 1967, with a Bachelor of Science Degree in Political Science and went on to earn his MBA from Harvard Business School in 1970. Mr. Funston agreed to make a gift of $1,500,000 for improvement of the facilities housing the Jack J. Valenti School of Communication, and has challenged the University of Houston to use this gift to raise an additional $750,000 to improve this facility. The UH System Board of Regents issued this resolution for his generosity toward his alma mater.

Regent Wise moved Board approval of the item as presented. Regent Ray seconded the motion, which passed unanimously.

The last Board item for information, Resource Development: Budget and Appropriations, was not discussed.

There being no further business, the Board recessed for the meetings of the standing committees at 9:02 a.m.

ACADEMIC AND STUDENTS AFFAIRS COMMITTEE REPORT

Regent Wise stated that the Academic and Student Affairs Committee met on Tuesday, August 12, 2008 and the following items were approved by the committee:

1. Appointment of Interim Senior Vice President for Academic Affairs and Provost and Interim Senior Vice Chancellor for Academic Affairs and Provost – University of Houston/UH System;

2. Appointment of Dean, School of Nursing – UH Victoria;

3. Appointment of Interim Dean, School of Business Administration – UH Victoria;

4. Bachelor of Science Degree in Petroleum Engineering – University of Houston;

5. Master of Science Degree in Human Nutrition – University of Houston;

6. Master of Science Degree in Nursing Education – UH-Victoria;

7. Bachelor of Business Administration Degree in Insurance and Risk Management – UH-Downtown; and

8. Master of Arts Degree in Behavior Analysis – UH-Clear Lake.

There were two new approval items presented to the board and five information items. Regent Wise turned the meeting over to Dr. Jerry Strickland, who introduced these items.

Action:

1. Resolution of Support for Exploration of Name Change for UH-Downtown – UH-Downtown
   Board approval was requested to permit the UH System and UH-Downtown to consider a name change for UH-Downtown. Approval of the following resolution was requested: Resolved that the University of Houston System Board of Regents endorse the exploration of a name change for UH-Downtown by the Chancellor of the UH System and the President of UH-Downtown. The specific name change will require approval by the Board of Regents and final approval by the Texas Legislature.

Dr. Strickland introduced Dr. Max Castillo, President of UH-Downtown, who discussed this item in further detail. Dr. Castillo stated this had been previously discussed at the Board of Regents Retreat in June. There has been tremendous growth at UHD and the Texas Legislature was also very supportive of the change. There was much discussion amongst the regents concerning this issue; some not convinced that this was in the best interest of UH-Downtown. Dr. Castillo voiced a number of issues:

- Roll confusion between the University of Houston and the UH-Downtown campus;
- Need a distinct identify;
- At times, fundraising has become a problem; comments have been, “we have already given” to the University of Houston;
- undergraduate levels;
- Branding and marketing are two key elements to success.

Regent Ray moved committee approval of this item. Regent Wise seconded the motion; Let it be noted that Regent Rose abstained from the vote; and Regent Golden voted against it. This item was passed by the majority of the Board members present. After the approval was given, President Castillo stated that a study would be performed in the next few months and the results would be brought back to the Board for further consideration at the December Board of Regents meeting.

2. Charter School Calendar - University of Houston
   Board of Regents approval of the 2008-2009 calendar for the UH Charter School was requested in order to comply with the requirements of the Texas Education Agency. The calendar was constructed with input from parents and faculty, and it meets with TEA attendance requirements.

Regent Ray moved committee approval of this item as presented. Regent Wise seconded the motion, which passed unanimously.

Regent Stephens moved Board approval of the items as presented. Regent Golden seconded the motion, which passed unanimously.

The following five information items were presented. These items required no action by the Board.

1. Update on Carnegie Classification regarding Community Engagement – UH System
   Dr. Strickland introduced Sue Rogers, who provided the Board with a status report on the application processes for the Carnegie Community Engagement Classification initiative.
2. Overview of Accomplishments and Future Plans of the UH School of Theatre and Dance – University of Houston
   Dr. Strickland introduced Dr. Steven Wallace, Director of the UH School of Theatre and Dance, who provided the Board with an overview of the school's recent accomplishments and future plans. Dr. Wallace stated we have a very different type of student, unlike UT or Texas A&M. The students are self-funding graduates; who attend for five weeks for three summers; and then receive their MA degree. They work 12 hour days and partnership with the Alley Theatre; and productions are done at the University of Houston. They market through "You Tube" and recruit nationally. Recruiting is also done at the International Thespian Festival where there are two open house events and 70 students audition and do work shops.

   A CD was distributed to the regents and a copy was filed in the Board office.

3. Annual Report on Intercollegiate Address – University of Houston
   Dave Maggard, Athletic Director, presented a report to the Board which is required by Board of Regents Policy 22.01. Mr. Maggard made the following statements:
   - Stressed the importance of developing leaders by creating and maintaining an environment that supports and unites academic excellence, athletics achievement, and life skills, while remaining fully congruent with the University's mission;
   - Departmental objectives were: (1) cultivate and expect academic success; (2) enhance and develop life skills; (3) cultivate and expect athletic success; (4) enhance external financial support; (5) provide equitable opportunities; and (5) maintain fiscal integrity;
   - Need to continue efforts to improve graduation rates, academic progress, and academic performances;
   - Overview of Cougar Pride: (1) established in March 2003; (2) an organization of alumni, fans, former student-athletes, coaches and friends; and (3) primary objective to raise annual funds to offset the cost of athletic scholarships;

   A full copy of this presentation was filed in the Board office.

4. FY2008 Sponsored Research Activity, Division of Research – UH System
   Dr. Birx gave a brief report on the Sponsored Research Comparison by Funding Source, Year to Date, June 2008. Expenditures increased 10 percent; proposals were up 15 percent; and awards by 14 percent. He stressed that decisions made today impact us years down the road. It takes time to achieve our goals by building faculty and doing outstanding research.

   Chairman Wilson complimented Dr. Birx by mentioning that the Emerging Technology Fund request was prepared by Dr. Birx and was one of the best reports Governor Perry had ever seen.

5. Report concerning Hazing by Student Organizations – University of Houston
   Dr. Elwyn Lee gave a brief presentation on this issue. He stated that the Risk Management Program became effective September 1, 2008. State law and University policy strictly prohibit students from hazing. The UH Hazing Policy is published annually in the Student Handbook.

   A copy of this presentation was filed in the Board office.

These five items were for information only and required no action by the Board.

There being no further business to come before the committee, the meeting adjourned at 9:41 a.m.

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AUDIT AND COMPLIANCE COMMITTEE REPORT

Regent Golden stated the Audit and Compliance Committee met on August 12, 2008 and approved the following item:

1. UHS Internal Auditing Department Long-Range Internal Audit Plan for Fiscal Year 2009-2011 – UH System

Regent Golden stated there were no new items to be presented.

There being no further business to come before the committee, the meeting adjourned at 9:45 a.m.

Regent Ray moved Board approval of this item as presented. Regent Stephens seconded the motion, which passed unanimously.

ENDOWMENT MANAGEMENT COMMITTEE REPORT

Regent Ray stated the Endowment Management Committee met on Tuesday, August 12, 2008, and approved the following items:

1. University Advancement Endowment Assessment - UH System

2. Approval to dissolve the Delphian Quasi-Endowment – UH System

Regent Ray stated there were no new items to be presented.

There being no further business to come before the committee, the meeting adjourned at 9:49 a.m.

Regent Wise moved Board approval of these items as presented. Regent Blair seconded the motion, which passed unanimously.

FACILITIES, CONSTRUCTION & MASTER PLANNING COMMITTEE REPORT

Regent Rose was excused from the meeting due to a prior commitment. Regent Ray, vice chair of the committee, stated the Facilities, Construction and Master Planning Committee met on Tuesday, August 12, 2008, and approved the following items:

1. Purchase of Bayou Oaks Student Housing – University of Houston

2. Stadium Complex Construction – University of Houston

3. Naming of the Wilhelmina Robertson Smith Stadium Complex – University of Houston

4. Renovation and Addition to the Arbor Building – UH-Clear Lake

5. East Parking Garage Construction – University of Houston
   This item was also approved by the committee pending a report from the General Counsel, Dona Cornell; therefore, discussion and approval of this item was deferred until after Executive Session.

Regent Ray stated there were no new items to be presented at the meeting.

There being no further business to come before the committee, the meeting adjourned at 9:50 a.m.

Regent Ray moved Board approval of the four action item requiring approval. Regent Golden seconded the motion, which passed unanimously. The East Parking Garage Construction was voted on after Executive Session.

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FINANCE AND ADMINISTRATION COMMITTEE REPORT

Regent Stephens was excused from the meeting due to a prior commitment. Regent Monty, vice chair of the committee, stated the Finance and Administration Committee met on August 12, 2008, and approved the following items:

1. FY2009 Plan and Budget – UH System

2. Consolidated Revenue and Refunding Bonds, Series 2008A – UH System

3. Investment Resolutions for the University of Houston System – UH System

Regent Monty stated the one new item, Operating Policies for The Wortham House – UH System would be tabled.

There being no further business to come before the committee, the meeting adjourned at 9:53 a.m.

Regent Ray moved Board approval of the items requiring Board approval. Regent Wise seconded the motion, which passed unanimously.

Chairman Wilson reconvened to a full board meeting and moved to the next item on the agenda, the Chancellor's Report.

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CHANCELLOR'S REPORT

Dr. Khator made the following remarks during her Chancellor's Report:

- Enrollment was increased at all campuses: UH-Clear Lake – 5%; UH-Downtown – 9.1%; UH-Victoria – 22.7%; University of Houston – 3.1%; Transfers were up 16%.
- One hundred faculty were added; and orientation would be held today.
- Search for a new Provost has been underway and David Francis is Chair of the Search Committee. Thus far there are 43 viable candidates and 49 individuals have been nominated.
- There are also two dean searches underway: Dean for the Honors College and Dean for the College of Pharmacy.
- Fundraising – The UH System has raised over $80 million in private support through mid-August. This is a 46% increase over last year; 53% for the University of Houston. This is the first time since 1992 that the University has raised over $50 million in back-to-back years.
- One million-dollar level gifts were received, but also very important to our success was the approximately $50 million from gifts and pledges of less than $1 million.

- The Houston Chronicle ran a positive and supportive editorial on our efforts to have state support as Texas' next nationally ranked research university. We have our sights on the upcoming legislative session, and we will continue to make our case with local, regional, and statewide leaders.
- Marketing efforts are in high gear. Starting later in August, a dramatic UH mural in the Houston IAH Airport can been seen; advertisements in Fortune, US News & World Report (and others); colorful banners throughout campus, radio spots highlighting stories of UH faculty on Public Radio KUHF; and ads on television.
- The Investiture Ceremony is coming together and will be a grand celebration for the entire university. The Ambassador from India to the U.S., the Honorable Ronan Sen, is confirmed to join us on the platform, along with Mayor Bill White.
- After only its first season in existence, the UHV Jaguars softball team won the designation of 2007-2008 NAIA "Scholar Team" for maintaining a team grade point average above 3.0 (3.35); four players were named to the national all star team; UHV baseball coach Terry Puhl, is the head coach for the Canadian national team at the Beijing Olympics.

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Pursuant to Subchapter D of Chapter 551 of the Texas Government Code, which allows governing boards to meet in closed session, the Board of Regents went into Executive Session at 11:32 a.m. The Board reconvened the meeting at 12:20 p.m.

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EXECUTIVE SESSION REPORT

Chairman Wilson reconvened the Board meeting at 12:20 p.m. and stated a Litigation Status Report was given by General Counsel, Dona Hamilton. Other items discussed were the East Parking Garage Construction – University of Houston, real estate and personnel issues.

Chairman Wilson stated the Board discussed the East Parking Garage Construction – University of Houston item, and the Board would call for the approval of this item. No other action was taken by the Board at Executive Session.

Chairman Wilson reconvened the Board meeting and made a motion to approve the East Parking Garage Construction – University of Houston item as presented. Regent Wise seconded the motion, which passed unanimously.

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INFORMATION ONLY

Chairman Wilson stated two individuals had signed up for Open Forum:

1. Ms. Jo Anne Laborde, Chair for the University System Staff Executive Council (USSEC) for FY 2009, gave a brief summary of their mission and goals.
2. Mr. Michael Baker, Chair of the University of Houston Alumni Organization, gave a brief overview of HAO.

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CHAIR'S REPORT

The question on term limits for Board officers would be presented at the December meeting per Chairman Wilson.

There being no further business to come before the Board, the meeting adjourned at 12:20 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.

Others Present:

Renu Khator
Jerry Strickland
Carl Carlucci
Dona Cornell
Mike Rierson
Grover Campbell
Elwyn Lee
Donald Birx
Dan Gardner
Max Castillo
Tim Hudson
William Staples
Dave Maggard
James McDow
Sandy Colthrup
Jose Rangel
Abby DeBolt
Michelle Sabino
Dave Irvin
Gerry Mathisen
Raymond Bartlett
Diane Murphy
Wynne Chin
Wayne Beran
Malcolm Davis
Suzanne LaBrecque
James Anderson
Sue Rogers
Molly Woods
David Bradley
Karen Clarke
JoAnne Laborde
Ed Jones
Mike Emery
Jim McShan
Jeannie Kever
Sameer Pandi
Emily Messa
Sue Davis
John Powell
Oscar Gutierrez
Drew Masterson
Don Bates
John Robinson
Tony Hoagland
Mike Baker
Ed Hugetz
Willie Munson
Don Guyton
David Bell
Dave Irvin
Tom Ehardt
Carl Stockton
Dan Wells
John Antel
Ron Klinger
Ed Apodaca
Marquette Hobbs