MINUTES
UNIVERSITY OF HOUSTON SYSTEM
BOARD OF REGENTS MEETING

Thursday, October 31, 2013 – The members of the Board of Regents of the University of Houston System convened at 8:30 a.m. on Thursday, October 31, 2013, at the University of Houston, Conrad Hilton Ballroom C/D, Second Floor, 4800 Calhoun, Houston, Texas, with the following members participating:

ATTENDANCE –

Present	Absent
Jarvis V. Hollingsworth, Chairman	Tilman J. Fertitta, Regent
Nandita V. Berry, Vice Chair	
Welcome W. Wilson, Jr., Secretary	
Durga D. Agrawal, Regent	
Spencer D. Armour III, Regent	
Paula M. Mendoza, Regent	
Peter K. Taaffe, Regent	
Roger F. Welder, Regent	
Benjamin P. Wells, Student Regent, nonvoting	

In accordance with a notice being timely posted with the Secretary of State and there being a quorum in attendance, Chairman of the Board, Jarvis V. Hollingsworth called the meeting to order.

The first item listed on the agenda was Item B, the Swearing-in of the newly appointed UH System Board of Regents Members:

- Durga D. Agrawal
- Paula M. Mendoza
- Peter K. Taaffe

Chairman Hollingsworth asked Chancellor Renu Khator to join him for the swearing-in of each new regent; and upon the conclusion of each regent taking their Oath of Office, receiving their regent's medallion and regent pin, and giving brief remarks, they were each requested to take their seat at the Board table.

Action Item(s):

Chairman Hollingsworth stated there would be six (6) approval items addressed at the Board meeting.

1. The first approval item for the Board's consideration was Item C, Approval of Master of Science degree with a major in Computer Science at the University of Houston-Victoria.

Dr. Paula Myrick Short, Senior Vice Chancellor and Provost was asked to introduce this item. Dr. Short stated the proposed program would provide students with the knowledge to become successful leaders in the field of computer systems and applications. Students graduating with a Master of Science in Computer Science will possess empirical and critical thinking as well as technical skills that would enable them to succeed in a wide variety of endeavors, which includes employment in either the private or public sectors or pursing additional degrees such as a Ph.D. in mathematics, computer science and related fields. According to the U.S. Department of Labor Statistics, computer and mathematical occupations rank among the top paying occupations stated Dr. Short; and national employment for these occupations exceeds 3,500,000 positions with a mean wages estimate of $80,180 annually.

The popularity of the Computer Science major demonstrates the need for establishing a graduate degree. Surveys of past and current undergraduate students show that of those participants, over 92% of past undergraduate students and 82% of current undergraduate students would pursue a Master of Science degree in Computer Science.

The proposed degree would enable UH-Victoria to serve a greater number of students especially those interested in continuing their academic careers beyond undergraduate programs in Computer Science, Computer Information Science and Mathematical Sciences. This degree would make UH-Victoria a more attractive destination for students; would enable students to develop strong STEM-related skills; and gain valuable skills through internships and other industry-grade programs that would enhance local communities and industries in the area. This will be an on-campus course and is expected to start generating revenue by its third year. The proposed program is a 36-credit hour degree and they expect to have 30 students enrolled in this program by the end of year five.

Dr. Short stated this program had been thoroughly reviewed by her department and the Provost's counsel and recommended the Board approve this item.

On motion of Regent Welder, seconded by Regent Armour, and by a unanimous vote of the members in attendance, the Master of Science degree with a major in Computer Science at the University of Houston-Victoria was approved by the Board.

2. The next item requiring the board's consideration was Item D, Approval of Doctor of Philosophy in Curriculum and Instruction at the University of Houston – University of Houston.

Dr. Short introduced this item and stated this was a proposal for a Doctor of Philosophy in Curriculum and Instruction (CUIN) from the University of Houston. This research degree would prepare students who will be employed in research fields and in higher education in the area of curriculum and instruction. They will be firmly based in theory to practice and we expect them to become leaders in the field; and to assume university roles as productive faculty members and researchers. For the last 62 years, the University of Houston's Department of Curriculum and Instruction has had an illustrious career in serving the university's students well, but there is a population of students not being adequately served. That is, those students whose career goal is to teach at a major research university or direct research and evaluation departments in school districts and other organizations.

Currently, the program has a Doctor of Education degree. This is a practice degree of 51-hours which is a very popular degree for those who want to return to or currently employed in the practice of education in school districts and other settings. Therefore, offering a Ph.D. which fits the mission of the University of Houston to increase its number of doctoral candidates fits well with the overall goals of the university. The proposed doctoral degree creates an essential link between research and practice, providing significant findings about best instructional practices and expert teaching and learning systems. Students would use research, teaching, and technology to enhance instruction, share their findings with schools, districts, and academia, and be ready upon graduation to be instant contributors.

Dr. Short stated the Curriculum and Instruction Department at UH's College of Education has a laboratory of practice and partnership with more than 1.5 million K-12 students. It collaborates with 35 school districts in the Houston metropolitan area; and those relationships ensure valuable experiences for students who develop experiences in these fields as well as support through grants and instructional opportunities that may be awarded to students.

The proposed program addresses the needs of its community by providing researchers who can respond to Houston area educational issues, and many will likely continue their research in the city, the state of Texas and beyond. In addition, the communities served by future Ph.D. graduates, represent a population as diverse as the nation itself.

The proposed Ph.D. in Curriculum and Instruction does not duplicate existing programs. The program would be only the third Ph.D. in CUIN at a Tier One University in Texas and the first in Houston. As the major public research institute in the Houston metropolitan area, the University of Houston is in an excellent position to fill this need. The proposed degree expects to start generating revenue by its third year.

Dr. Short asked Dr. Robert McPherson, Dean of the College of Education to come forward to answer some specific questions regarding the proposed program. Regent Berry inquired as to the demand for the degree and what the costs were in terms of expenses associated with the faculty. Were we allocating the expenses associated with this degree or were these faculty members receiving an increase in salary due to teaching this new degree?

Dean McPherson stated that he was taking the College of Education through a major transformation in a relatively short period of time. He was reassigning certain faculty to certain programs and providing them with additional responsibilities. The College of Education has had 14 retirements and have hired a new generation of faculty into the program. The provost is also committed to three-four new positions over the next two years to augment this particular program. In response to Regent Berry's questions, the faculty will not receive a raise for teaching this curriculum; and the demand for this degree will continue to be high.

On motion of Regent Wilson, Jr., seconded by Regent Berry, and by a unanimous vote of the members in attendance, the Doctor of Philosophy in Curriculum and Instruction at the University of Houston was approved by the Board.

3. Chairman Hollingsworth stated the next item for the Board's consideration was Item E, the Approval of Doctor of Philosophy in Hospitality Administration at the University of Houston – University of Houston.

Dr. Short presented this item requesting approval of a Doctor of Philosophy in Hospitality Administration from the Conrad Hilton College of Hotel and Restaurant Management (HRM) at the University of Houston. This is a 57-credit hour doctoral degree that will position the HRM college to be one of the top colleges in the country. There are currently only a few programs that have the Ph.D.; and so by positioning the HRM college with a Ph.D. to take advantage of the job opportunities and the opportunities that afford students who graduate with this research background will simply increase our footprint in this area both across the State and across the nation, and it would actually have a huge impact internationally because of the international focus of the hospitality industry.

This particular degree is a research degree so it is positioned for those students who want to be researchers and professors at research-oriented universities. Specifically, the program would provide students with the theoretical (conceptual) foundation, practical knowledge, research development and critical thinking skills in HRM.

Students are expected to obtain experience in teaching and as well as research. Graduate faculty will mentor students both in the classroom and in research settings. The hospitality industry has become the second largest labor force in the United States behind the health service industry, but this growth has also extended internationally, so many universities are looking for ways to develop hospitality management programs to educate and train future leaders in this merging industry.

There are only 14 universities in the U.S. offering doctoral degree programs in hospitality administration; and in Texas, there is one existing Ph.D. program in hospitality management. However, the University of Houston's Ph.D. program will have a different focus such as hospitality pricing and revenue management, hospitality marketing, and human resources management in the hospitality industry. In addition, many existing Ph.D. programs focus more on teaching while this proposed program will fill this gap by providing graduates with superior research skills.

The Hilton College of Hotel and Restaurant Management is one of the few hospitality programs with a hotel that is used for experiential learning. This could help attract numerous prospective students from various fields. HRM is consistently rated among the top hospitality programs in the world and has cultivated relationships with the industry's top employers, organizations, and associations both nationally and internationally.

The proposed program expects to generate revenue by its third year. Dr. Short stated she had recently met with the HRM College's Board of Directors, who were represented by industry folks from around the country and they are 100% behind the development and implementation of this new Ph.D. program. It has gone through a thorough review and Dr. Short recommended the Board consider approving this new program.

Regent Armour raised the question as to whether there would be an increase in faculty. Dr. Short asked Dr. John Bowen, Dean of the Conrad Hilton College of Hotel and Restaurant Management, to come forward and address this issue.

Dean Bowen stated that the college was going to support this program by utilizing their existing faculty. The college has brought in some exceptional assistant professors and the college would give these professors a place in the Ph.D. program and then replace them in the undergraduate program with an adjunct professor. Due to the fact that we are in the Houston area, we have access to some excellent adjunct professors who could teach our undergraduates; and in that way, we can control the costs of the program. The adjunct professors would be brought in on a per course basis. A brief discussion followed.

On motion of Regent Armour, seconded by Regent Welder, and by a unanimous vote of the members in attendance, the Doctor of Philosophy in Curriculum and Instruction at the University of Houston was approved by the Board.

4. Regent Hollingsworth introduced the next action item on the agenda, Item F, Approval of amendment to UH System Board Policy 57.08, Conflicts of Interest – University of Houston System.

Ms. Dona Cornell, Vice Chancellor for Legal Affairs and General Counsel, presented this item to the Board. Ms. Cornell stated that the Board currently has a Conflicts of Interest Board policy in 57.08 – Conflicts of Interest. In the last Legislative session, in House Bill (HB) 12, the Legislature asked each institution of higher education to add a very specific provision to their Conflicts of Interest Statement with regards to accepting gifts that are considered to be salary supplements and so the language presented complies with the request in HB 12.

Chairman Hollingsworth inquired as to whether or not HB 12 required Board members to be included in that legislation. Ms. Cornell reiterated that the Conflicts of Interest statute, which is in the Texas Government Code, does include Board members and employees. So by extrapolation, if one were to look at the whole statutory scheme with the Texas Government Code included, in addition to the language in the Texas Education Code, Ms. Cornell stated she believed that the answer was "yes," Board members would be included because as appointed members of the Governor, Board members would be covered under this provision. A lengthy discussion followed.

Following the discussion, Chairman Hollingsworth called for a motion to approve the proposed amendment to the UH System Board Policy 57.08 – Conflicts of Interest as follows:

"No board member or employee shall accept a gift, grant, donation, or other consideration as a salary supplement without the prior written approval of *{immediate superior, the office of general counsel, the president}*, and written authorization of the *{internal auditor, office of general counsel or person responsible for compiling the information},* who shall report the necessary information to the State Auditor."

On motion of Regent Berry, seconded by Regent Wilson, Jr., and by a unanimous vote of the members in attendance, the amendment to UH System Board Policy 57.08 – Conflicts of Interest was approved.

Chairman Hollingsworth then called for a motion to approve the amended change to the proposed amendment to the UH System Board Policy 57.08 – Conflicts of Interest to read as follows (the amended changes are in bold italics):

"***The University*** shall ***not*** accept a gift, grant, donation, or other consideration ***to be used*** as a salary supplement without the prior written approval of ***the recipient's*** *{immediate superior, the office of general counsel,* ***and*** *the president}*, and written authorization of the *{****internal auditor****},* who shall report the necessary information to the State Auditor."

On motion of Regent Armour, seconded by Regent Welder, and by a unanimous vote of the members in attendance, the amended verbiage to the proposed amendment to the UH System Board Policy 57.08 – Conflicts of Interest was approved.

The last two items, Item G and Item H, were presented together by Dr. Carlucci as follows.

5. Request for Approval of the Annual Purchase of Programming from Public Broadcasting Services – University of Houston; and
6. Request for Approval of the Annual Purchase of Programming from National Public Radio – University of Houston.

Dr. Carlucci stated he was requesting the Board's approval on two contracts over $1 million; both of which were annual contracts.

- The first contract was for the university's Public Broadcasting Services (PBS) programming for KUHT. The cost of this programming was $2,144,286 for 980 hours of programming. This will serve 1.3 million viewers and the cost is fully covered by grants and donations.
- The second contract was for the university's National Public Radio (NPR) programming for KUHF. The cost of this programming was $1,228,067 to serve 500,000 listeners. The cost is fully funded by grants and donations.

Dr. Carlucci introduced Ms. Lisa Shumate, Executive Director for Houston Public Media, who was asked to address the programming.

Ms. Shumate stated she was happy to address the programming that they air on Channel 8 and KUHF. Below is a brief summary of Ms. Shumate's remarks.

Ms. Shumate stated for the most part programming falls into three (3) main categories:

(a) Education;
(b) Arts and Culture; and
(c) News and Public Affairs

- On KUHT (Channel 8) the education programming runs all day from 6:00 a.m. until 4:00 p.m.; it is commercial free; and it is very much heralded and respected in the education community for its ability to prepare children to be ready to go to school, to learn, to read and write. Hopefully, this accelerates their ability to do so and their success, said Ms. Shumate.
- Arts and Culture – There is the American Masters Series; Great Performances at the Met; and Arts and Culture programming which is primarily in prime time.

- News and Public Affairs programming runs between the children's educational programming and the prime time Arts and Culture programming. This includes Frontline, the PBS News Hour, the Nightly Business Report, and the Washington Week.
- On the NPR-side, this is very much more skewed to the news and public affairs side with the very popular programming of Morning Addition and All Things Considered. Those are the bulk of the costs for the NPR fees, stated Ms. Shumate; and it also covers digital assets and their ability to stream on our own localized application. Of course in this day and age, it is extremely important to be competitive in that environment said Ms. Shumate.
- The top popularity programs in radio and TV were addressed. Ms. Shumate stated that by far the most popular radio programming was the morning drive-time, the Morning Addition. This is where we have the largest audience numbers; and we are currently third in the market. This is very good when one considers that there are many popular commercial formats that are music-oriented. On the television-side, the most popular program is Downton Abbey and Season Four will begin on January 5, 2014.

On motion of Regent Wilson, Jr., seconded by Regent Mendoza, and by a unanimous vote of the board members in attendance, the following two items presented to the Board for consideration were approved.

1. Request for Approval of the Annual Purchase of Programming from Public Broadcasting Services – University of Houston; and
2. Request for Approval of the Annual Purchase of Programming from National Public Radio – University of Houston

At 11:00 a.m., pursuant to Subchapter D of Chapter 551 of the Texas Government Code, which allows governing boards to meet in closed session, Chairman Hollingsworth stated the Board would convene in Executive Session.

Executive Session

Chairman Hollingsworth reconvened in open session at 12:22 p.m. and the following matters were addressed in Executive Session.

Chairman Hollingsworth stated the regents had heard a litigation update given by the General Counsel, Dona Cornell and a discussion regarding the dismissal of a tenured faculty member.

In accordance with UH System Board Policy 21.07 and upon the recommendations of President Renu Khator and the *ad hoc* Faculty Grievance Committee, the Board had reviewed the record and has found the following:

1. The rights of Dr. Edward Dean to due process have been protected; Dr. Dean has been provided multiple opportunities to respond to the grounds for dismissal, both verbally and in writing, at various levels of review including the Board of Regents.
2. The proposed dismissal does not violate the constitutionally protected rights of Dr. Dean and has not been used to restrain Dr. Dean in his exercise of academic freedom.
3. Dr. Dean has been provided timely written notice of the following grounds on which dismissal for adequate cause is sought:

(a) grounds related to dishonesty, or to demonstrated professional incompetence in teaching or research;
(b) grounds related to substantial and manifest neglect of professional or academic responsibilities; and
(c) grounds related to actions that would result in a general condemnation of the faculty member by the U.S. academic community.

4. Dr. Dean has been notified of impending dismissal and has participated in a hearing before the *ad hoc* Faculty Grievance Committee pursuant to the University of Houston Faculty Handbook.
5. The burden of proof throughout these dismissal proceedings has rested with the University of Houston.

After reviewing this item, the Board hereby recommends that Dr. Edward Dean be dismissed for adequate cause pursuant to Board of Regent Policy 21.07 and the faculty dismissal proceedings in the University of Houston Faculty Handbook.

Chairman Hollingsworth entertained a motion to approve this item as presented. On motion of Regent Armour, seconded by Regent Agrawal, and by a unanimous vote of the Board members in attendance, the recommendation that Dr. Edward Dean be dismissed for adequate cause pursuant to Board of Regent Policy 21.07 and the faculty dismissal proceedings in the University of Houston Faculty Handbook was approved.

Chairman Hollingsworth presented the Board a final report that the Executive and Compensation Committee of the Board met on Tuesday, October 29, 2013 and pursuant to Board Bylaw 5.1(d), the actions approved by this committee were to be reported to the full board at their next regular Board meeting held today, October 31, 2013.

The Committee conducted the annual performance evaluation of the Chancellor pursuant to Board Bylaw 5.1(b) and is very pleased with her extraordinary performance for FY2012-2013. According to Sections 3C and 3D of Dr. Khator's Employment Agreement dated September 1, 2012, the payment to her of certain bonuses is contingent upon completion of a successful annual evaluation.

Given Chancellor Khator's outstanding performance review results, the Executive and Compensation Committee unanimously approved certain actions as follows:

1. Annual Retention Bonus: In consideration of Dr. Khator's commitment and service, the UH System agrees to play Dr. Khator an annual retention bonus in the amount of $100,000.
2. Contingent Performance Review Bonus: Because of Dr. Khator's extraordinary performance review results and annual achievement efforts, the UH System will pay Dr. Khator an additional annual performance bonus in the amount of $50,000. Based on the timing of the Executive and Compensation Committee meeting, it was necessary to amend Dr. Khator's contract to extend the payout dates for these bonuses; and this was completed as well.

Also according to Board Bylaw 5.1(b), the Executive and Compensation Committee heard a report from the Chancellor regarding the performance reports of the executive officers and the committee accepted her report. No further board action was required.

There being no further action to come before the Board the meeting adjourned at 12:29 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	Lisa Shumate	Don Guyton
Carl Carlucci	Shannon Harrison	Jeffrey Cass
Paula Myrick Short	Sasha Ryder	Robert McPherson
Dona Cornell	Jeannie Kever	Ki Joon Bok
Rathindra Bose	Chris Stanich	Troy Golden
Elwyn Lee	Ceaser Moore	Chris Ward
Eloise Dunn Stuhr	Phil Aldrich	Jon Aldrich
Richard Walker	John Bowen	Jeff Morgan
William Flores	Tom Ehardt	Lisa Gossett
Philip Castille	Frank Castro	Steve Wallace
William Staples	Dan Maxwell	Joe Brueggman
Darrin Hall	Gordon Luce	Phil Booth
Ed Jones	Don Price	Marquette Hobbs
Brenda Robles	Gerry Mathisen	