GOVERNOR PERRY'S HIGHER EDUCATION SUMMIT

THE MINUTES OF THE BOARDS OF REGENTS

OF

TEXAS STATE UNIVERSITY SYSTEM
TEXAS TECH UNIVERSITY SYSTEM
THE TEXAS A&M UNIVERSITY SYSTEM
THE UNIVERSITY OF TEXAS SYSTEM
UNIVERSITY OF HOUSTON SYSTEM
UNIVERSITY OF NORTH TEXAS SYSTEM

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May 21, 2008

Austin, Texas

WEDNESDAY, MAY 21, 2008.--The members of the Boards of Regents of the Texas State University System, the Texas Tech University System, The Texas A&M University System, The University of Texas System, the University of Houston System, and the University of North Texas System convened at 8:00 a.m. on Wednesday, May 21, 2008, in the Ballroom of the Intercontinental Stephen F. Austin Hotel, 701 Congress Avenue, Austin, Texas.

In accordance with notices being duly posted with the Secretary of State by each of these public institutions of higher education systems and there being a quorum of each Board present, Ms. Brooke Rollins, President and Chief Executive Officer of the Texas Public Policy Foundation, Fort Worth, Texas, called the meeting to order. Ms. Rollins welcomed participants and called on the Chairman of each Board of Regents for a roll call.

ATTENDANCE.--

Texas State University System
- Bernie Francis, Chairman
- Trisha Pollard, Vice Chairman
- Dora Alcala
- Charlie Amato
- Ron Blatchley
- Michael Truncale
- Greg Wilkinson

Texas Tech University System
- F. Scott Dueser, Chairman
- Larry K. Anders
- Mark Griffin
- John Field Scovell
- Daniel "Dan" Serna
- Windy Sitton
- Bob Stafford
- Jerry Edward Turner

The Texas A&M University System
- Bill Jones, Chairman
- John David White, Vice Chairman
- Morris Edwin Foster
- Lupe Fraga
- J. L. Huffines
- Erle Nye
- Gene Stallings
- Ida Louise "Weisie" Clement Steen
- James Patrick Wilson, Jr.

The University of Texas System
H. Scott Caven, Jr., Chairman
James R. Huffines, Vice Chairman
John W. Barnhill, Jr.
James Dannenbaum
Printice L. Gary
Janiece Longoria
Colleen McHugh

University of Houston System
Welcome Wilson, Sr., Chairman
Calvin Stephens, Vice Chairman
Nelda Blair
Dennis Golden
Michelle "Mica" Mosbacher
Carroll Ray
Lynden Rose
Jacob Monty
Jim Wise

University of North Texas System
Claude Daniel "Dan" Smith, Jr.
Don Buchholz
Gwyn Shea
Al Silva
Jack Wall

AGENDA.--

I. Call to order; roll call of each Board of Regents. Purpose of this joint meeting of Regents from all university systems is to discuss higher education issues common to all, with invited knowledgeable national higher education policy experts and the Governor.

II. Introductions

III. Discussion of higher education funding cost structures and their sustainability, including tuition and fee policies, state and federal appropriations policies, costs of higher education, and revenue and expenditure categories

IV. Discussion of higher education accountability to students, parents, employers and taxpayers, including graduation rates, efficiencies in delivering services, alternative service delivery mechanisms, graduate placements, time-to-

degree, employer satisfaction, understandability of appropriations and institutional budget or financing systems, accountability measurement and reporting systems

V. Discussion of quality of teaching, research, and public service

VI. Discussion of all existing and potential international, national, and state issues related to higher education

VII. Discussions concerning higher educational issues and priorities

VIII. Adjourn

Governor Perry joined the meeting by taped video. He asked Regents to consider who the customer is and he answered, saying the customers are primarily Texas students and parents. He said the secondary customers are employers and taxpayers. He expressed the desire to transform Texas, in part by attracting the best and brightest people to Texas. Governor Perry then introduced Mr. Jeff Sandefer, Co-Founder and Master Teacher at the Acton School of Business, to moderate the meeting.

Mr. Sandefer said this is indeed a historic meeting with members of Boards of Regents of all Texas public institutions present in same room. He explained that this is not the conference of the Governor; it is the Regents' conference and he reminded the Regents that it is their fiduciary duty to make changes possible for every student. He said the conference would

1. arm Regents with what they need such as statistics and the right questions to ask;

2. introduce for debate seven proposed breakthrough reforms to attract the best students and researchers (Gone To Texas theme); and

3. provide counsel on implementation.

Mr. Sandefer introduced several of the higher education experts in the room:

- Mr. Richard Vedder, College Affordability and Productivity -- expert on costs

- Ms. Anne Neal, President, American Council of Trustees and Alumni -- expert on Regents and their roles

- Mr. Charles Miller, Chairman, Spellings Commission -- expert on accreditation

- Mr. John Costman, CEO, Princeton Review -- student feedback

- Mr. Jack Massimino, CEO, Corinthian Colleges -- for profit expert
- Mr. Randy Best, Chairman, Higher Ed Holdings, LLC -- for profit expert
- Mr. Guy Deidrich, Vice Chancellor of Research, The Texas A&M University System -- academic research and technology transfer expert.

Mr. Sandefer summarized the fundamental questions for the day:

1. Who is the customer?
2. Do we have the right people in the right places with the right incentives?
3. Who defines quality?

Following brief presentations by Mr. Sandefer, members of the Boards of Regents discussed reforms on higher education costs and the quality of delivery. The following seven "breakthrough solutions" were proposed, along with proposals to carry out the reforms. At noon, participants were provided notebooks containing supporting materials.

1. Measure teaching efficiency and effectiveness and publicly recognize extraordinary teachers
2. Recognize and reward extraordinary teachers
3. Split research and teaching budgets to encourage excellence
4. Require evidence of teaching skill for tenure
5. Use "results-based" contracts with students to measure quality
6. Put State funding directly in the hands of students
7. Create results-based accrediting alternatives

Following a working lunch and remarks by The Honorable Dick Armey, former U.S. House Majority Leader, Governor Perry appeared in person. Governor Perry noted there were not "one size fits all" solutions and he said the proposals could be modified by different institutions. He said it is his belief that Regents will be judged by what happens after this meeting. Texas Tech University Chancellor Kent Hance suggested that each Board designate one Regent to assume responsibility for each of the seven breakthrough areas and work together, coming back together in the fall before the legislative session.

ADJOURNMENT.--There being no further business, the meeting was adjourned at 2:30 p.m.

Respectfully submitted on behalf of the six public higher education institution systems in the State of Texas,



Carol A. Felkel
Assistant Secretary to the Board of Regents
The University of Texas System

July 16, 2008