

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

Wednesday, February 15, 2012 – The members of the Board of Regents of the University of Houston System convened at 12:33 p.m. on Wednesday, February 15, 2012, at the University of Houston-Clear Lake, Garden Room, Room 1510 Bayou Building, 2700 Bay Area Blvd., Houston, Texas, with the following members participating:

ATTENDANCE –

Present

Nelda Luce Blair, Chairman
Jarvis V. Hollingsworth, Secretary
Spencer D. Armour III, Regent
Nandita V. Berry, Regent
Tilman J. Fertitta, Regent
Jacob M. Monty, Regent
Roger F. Welder, Regent
Welcome W. Wilson, Jr., Regent
Tamecia Glover Harris, Student Regent, nonvoting

Absent

Mica Mosbacher, Vice Chair

In accordance with a notice being timely posted with the Secretary of State and there being a quorum in attendance, Chair Blair called the meeting to order. At 12:33 p.m., pursuant to Subchapter D of Chapter 551 of the Texas Government Code, which allows governing boards to meet in closed session, Chair Blair stated the Board would convene in Executive Session.

Executive Session Report

Chair Blair reconvened in Open Session at 1:29 p.m. and the following matters were addressed in Executive Session.

A Litigation Status Report and Legal Briefing were given by the General Counsel, Dona Cornell and personnel matters were addressed.

One other item discussed in Executive Session, was Item B listed on the Board's agenda, Approval to ratify the appointment letter for the new University of Houston's Football Coach, Mr. Tony Levine, BOR-B4. The Chancellor will be delegated authority to sign a contract based on this appointment letter.

On motion of Regent Hollingsworth, seconded by Regent Welder, and by a unanimous vote of the regents in attendance, the Chancellor was delegated authority for the approval to ratify the appointment letter for the new University of Houston Football Coach, Mr. Tony Levine.

Information Items:

Chair Blair requested the agenda be taken out of order and moved to Item E, Presentation of the Resolution in Appreciation for Welcome W. Wilson, Sr., University of Houston System – BOR-E12.

Chair Blair read the Resolution of Appreciation for The Honorable Welcome W. Wilson, Sr.; and below is a summary of her remarks:

- Welcome W. Wilson, Sr. was appointed to the University of Houston System Board of Regents on April 13, 2006 by Governor Rick Perry, serving with distinction until his term ended August 31, 2011; and
- During his tenure, he diligently, wholeheartedly and with great passion and enthusiasm fulfilled a wide variety of Board assignments, including:
 - Ex Officio Member, Academic and Student Success Committee, 2008 to 2009 and 2009 to 2010
 - Ex Officio Member, Audit and Compliance Committee, 2008 to 2009 and 2009 to 2010
 - Ex Officio Member, Finance and Administration Committee, 2008 to 2009 and 2009 to 2010
 - Ex Officio Member, Facilities, Construction, and Master Planning Committee, 2008 to 2009 and 2009 to 2010
 - Ex Officio Member, Endowment Management Committee, 2008 to 2009 and 2009 to 2010
 - Member, External Affairs Committee, 2006 to 2007
 - Member, Administration and Finance Committee, 2006 to 2007
 - Member, Audit and Compliance Committee, 2010 to 2011
 - Member, Facilities, Construction and Master Planning Committee, 2010 to 2011
 - Member, Executive Committee, 2010 to 2011
 - Vice Chair, University Advancement Committee, 2006 to 2007; and,
 - Chair, Executive Committee, 2007 to 2008, 2008 to 2009, and 2009 to 2010; and
- Provided the institution with wise leadership and extraordinary vision as Chair of the Board of Regents for three consecutive one-year terms, from 2007 to 2010, during which time he played a key leadership role, in - among other initiatives benefitting the institution - the passage of Proposition 4 creating the National Research University Fund; and
- As Immediate Past Chair, distinguished himself in the last year of his tenure on the Board of Regents, from 2010 to 2011, serving as Chairman of the UH Tier One public campaign and devoting countless hours in support of the institution's legislative priorities during the critical 82nd Texas Legislature; and
- During the last year of his tenure the University of Houston attained the coveted Tier One classification from the Carnegie Foundation for the Advancement of Teaching; and
- A proud alumnus of the University of Houston, where he earned his bachelor of business administration degree in 1949, receiving the C.T. Bauer College of Business "Distinguished Alumnus Award" in 1996, and the University of Houston "Distinguished Alumnus Award" in 1970; and
- Having applied the knowledge gained at the University of Houston into a rewarding career as one of Houston's most successful real estate developers, including his current chairmanship of GSL Welcome Group, LLC., and his past posts as chairman of two Texas banks and major stockholder of the Houston Astros; and

- Served his community and his nation through the decades in a wide variety of posts at the local, state, and national levels, ranging from his appointment as five-state Director of Civil and Defense Mobilization during the Kennedy and Johnson administrations to serving as Special Ambassador to Nicaragua, earning him the Arthur S. Fleming Award as one of Ten Outstanding Young Men in Federal Service, as well as serving on the Board of the Greater Houston Partnership and Chairman of its Higher Education Committee.

After the reading of the decree, Chair Blair presented The Honorable Welcome W. Wilson, Sr. with his Resolution of Appreciation.

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

Chair Blair moved to Item C, the Welcoming Remarks from President of the University of Houston-Clear Lake, William Staples. Chair Blair thanked President Staples and his entire staff for hosting the Board of Regents meeting and introduced Dr. Staples to give his remarks. Below is a brief summary of his comments:

- UH-Clear Lake is in its 38th year of operation and opened in 1974;
- In Fall 2011, 8,185 students were served which was the highest enrollment in their 38 year history;
- Well over 50,000 alumni have graduated since 1974-1975 and over 2,000 students graduate each year;
- UH-Clear Lake's mission statement states they are student-centered, community-minded, partnership-oriented university that offers bachelor's, master's and selected doctoral programs to enhance the educational, economic, and cultural environment of the Houston-Galveston metropolitan region.
- In 2008, the university was recognized by the Carnegie Foundation for the Advancement of Teaching for being a community engaged university;
- In 2009 and 2010, the university was listed on the President's Higher Education Community Service Honor Roll; and
- One of UH-Clear Lake's community-minded organizations is the Center for Autism and Developmental Disabilities (CADD).

President Staples introduced Dr. Dorothea Lerman, Professor of Psychology and Director for the Center for Autism and Developmental Disabilities who presented Item D, Information on the University of Houston-Clear Lake's Center for Autism and Developmental Disabilities (CADD) – BOR-D5. Dr. Lerman addressed the mission of the center which is to support research on autism and developmental disabilities, train current and future professionals, and provide services to children and their families through partnerships with community organizations. Below is a brief summary of Dr. Lerman's remarks on autism-spectrum disorders:

- Individuals with autism-spectrum disorders typically have deficits in social and communication skills, and restricted or stereo-typed interests or activities, and many of them have intellectual disabilities.
- In the past decade, there has been an increase and focus on autism in the scientific community and the public because of its prevalence.
- It is estimated that 1 in 110 children will be diagnosed with an autism-spectrum disorder which makes it the top health concern for children.

- In Texas, it is estimated that 62,000 individuals have an autism-spectrum disorder; however, services rank in the bottom quartile for service provision.
- 4:1 male to female ratio.
- The causes for autism are still under investigation, but it is a biologically-based disorder. There is a genetic component but genes do not explain it all; however, no one as yet has identified any single environmental factor that appears to be responsible. The current thinking is that there are multiple causes of autism.
- At UHCL CADD, the focus is more on intervention than causes.
- Texas lags in intervention and in 2010 the Texas Council on Autism and Pervasive Developmental Disorders characterized services in Texas as “scattered, fragmented, and often difficult to access.”
- Behavioral interventions have the greatest empirical support.
- Intensive intervention (20+ hours per week) is often needed and is cost prohibitive for many (\$40,000/yr+) and insurance coverage is rare.
- CADD was established in March 2008 and the new 1,350 sf facility opened in January 2012.
- The goals for CADD were addressed:
 - To support research on autism and developmental disabilities;
 - To train current and future professionals; and
 - To provide services to children and their families through partnerships with community organizations.

A complete copy of Dr. Lerman’s presentation to the Board may be found at the link below:
<http://www.uhsa.uh.edu/board-of-regents/documents/committee-board/021512BOR/BOR-D6-11.pdf#BOR6-11>

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

Chair Blair moved to the next item, Item G, Approval of the Board minutes.

On motion of Regent Welder, seconded by Regent Armour, and by a unanimous vote of the regents in attendance, the following minutes from the meetings listed below were approved:

- October 27, 2011, Special Called Board of Regents Meeting
- November 15, 2011, Board of Regents Meeting, New Regents Orientation
- November 16, 2011, Board of Regents Meeting, New Regents Orientation
- November 16, 2011, Board of Regents Meeting

Committee Reports:

Chair Blair 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.

Chair Blair announced the first committee report would be given by the Vice Chair of the Academic and Student Success Committee, Regent Roger F. Welder.

Academic and Student Success Committee Report – February 14, 2012

Regent Welder stated the Academic and Student Success Committee met on Tuesday, February 14, 2012 and unanimously approved the following three (3) items for submission on the Consent Docket for final board approval:

1. Approval of Master of Science in Nursing with a Major in Family Nurse Practitioner Degree – University of Houston-Victoria;
2. Approval of Admission Standards for Freshman at the University of Houston-Downtown; and
3. Approval of University of Houston Honorary Degrees – University of Houston to the following seven (7) individuals:
 - (a) Christina Rivera Garza, Professor of Creative Writing, University of California, San Diego;
 - (b) Gerald D. Hines, Benefactor of the Gerald D. Hines College of Architecture;
 - (c) Dr. Brien Holden, Professor, CEO Brien Holden Vision Institute, University of New South Wales, Sydney, Australia;
 - (d) Nicholas J. Massad, Owner and President American Liberty Hospitality;
 - (e) Ruth Simmons, President, Brown University;
 - (f) Kay Bailey Hutchison, Senator, United States Senate; and
 - (g) Gary Sinise, Actor, Director, Humanitarian and Advocate for Disabled Veterans.

This concluded the Academic and Student Success Committee Report.

The following committee report was addressed by the Chair of the Facilities, Construction and Master Planning Committee, Regent Tilman Fertitta.

Facilities, Construction and Master Planning Committee Report – February 14, 2012

Regent Fertitta stated the Facilities, Construction and Master Planning Committee met on Tuesday, February 14, 2012 and heard the presentation of five (5) action items. The committee approved the following four (4) items for submission on the Consent Docket Agenda for final board approval:

1. Approval of site and program for design and construction of a new facility for the University of Houston College of Pharmacy;
2. Approval of site and program for expansion of the Cougar Substation – University of Houston;
3. Approval of site and program for design and construction of the UH-Victoria Academic and Economic Development Building; and

4. Approval is requested to update the University of Houston-Sugar Land master plan to site a new 63,000 square foot partnership facility – University of Houston

Regent Fertitta stated the committee deferred one (1) action item as presented, the approval of site and program for the design and construction of a new University of Houston football stadium until the Board receives further information on this item.

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

In the absence of the Chair of the next committee report, the Vice Chair of the Endowment Management Committee, Regent Jarvis Hollingsworth presented the report.

Endowment Management Committee Report – February 14, 2012

Regent Hollingsworth stated the Endowment Management Committee met on Tuesday, February 14, 2012 and approved the following three (3) items for submission on the Board's Consent Docket Agenda for final board approval.

1. The FY2012 University Advancement endowment assessment rate of 1.5%. This fee is assessed against eligible endowments and supports the development efforts of Advancement;
2. Modification to the Endowment Fund Statement of Investment Objectives and Policies to reflect a 5% decrease in the long-term target asset allocation for domestic and international equities and a 5% increase in hedged equity and absolute return hedge funds. Policy ranges for domestic and international equities were decreased slightly and ranges for hedge funds were increased slightly to accommodate the changes in the long-term target allocation. Cash, which has a long-term target allocation of 0% remains unchanged, but we added the flexibility of up to a 10% range for this asset class as opposed to the current range of 0%; and
3. Annual review of the UH System Investment Policy for Non-Endowed Funds with no recommended changes. This annual review is consistent with best practices.

Regent Hollingsworth also added that two additional items had been approved by the Committee but did not require board action. They were:

1. A full redemption of \$4.6 million from Whippoorwill Offshore Distressed Opportunity Fund, one of our absolute return hedge fund managers; and
2. A \$4 million commitment to a new private equity manager, Axiom Asia, which is a fund-of-funds manager focused on small-to-mid sized growth, venture and buyout opportunities in Asia.

This concluded the Endowment Management Committee Report.

The next committee report was addressed by the Chair of the Finance and Administration Committee, Regent Jarvis Hollingsworth.

University of Houston System

Regent Hollingsworth stated the Finance and Administration Committee met on Wednesday, February 15, 2012 and approved the following eight (8) items for submission on the Consent Docket Agenda for final board approval:

1. Approval of University of Houston consolidation of tuition and fees rates effective Fall semester 2012 – University of Houston;
2. Approval of changes to the voluntary and optional fees and charges for the University of Houston System universities – University of Houston System;
3. Approval is requested to delegate authority to the Chancellor to negotiate and execute a contract not to exceed \$1.5 million for the purchase of ventilated mouse cages for the University of Houston;
4. Approval is requested to delegate authority up to \$5 million to the Chancellor to negotiate and execute insurance contracts for Fiscal year 2012 – University of Houston System
5. Approval is requested to write-off Accounts and Notes Receivable for FY2011 – University of Houston System;
6. Approval is requested to delegate authority to the Chancellor to negotiate and execute a multi-year contract (not to exceed two years with a one-year option to renew) for library subscription services for the M.D. Anderson Library – University of Houston;
7. Approval is requested to delegate authority to the Chancellor to negotiate and execute a contract up to five years to purchase natural gas for the University of Houston; and
8. Approval is requested to delegate authority to the Chancellor to negotiate and execute contracts associated with the sale of approximately 22.7 acres of land with improvements located in Ingleside, Texas – University of Houston.

This concluded the Finance and Administration Committee Report.

At the conclusion of this committee report, pursuant to Board Bylaw 6.9, Regent Berry requested #1, approval of the University of Houston consolidation of tuition and fees rates effective fall semester 2012 – University of Houston be pulled for further discussion.

The final committee report was given from the Chair of the Audit and Compliance Committee, Regent Nandita V. Berry.

Audit and Compliance Committee Report – February 15, 2012

Regent Berry stated the Audit and Compliance Committee met earlier and approved the following item for submission on the Consent Docket Agenda for final board approval:

1. Report on Audit Report and Financial Statements, University of Houston Charter School, FY2011 – University of Houston System.

This concluded the Audit and Compliance Committee Report.

At the conclusion of the committee reports, with the exception of the item pulled for further discussion by Regent Berry, the approval of the University of Houston consolidation of tuition and fees rates effective fall semester 2012, Chair Blair called for a motion to approve the Consent Docket Agenda items as presented.

On motion of Regent Armour, seconded by Regent Hollingsworth, and by a unanimous vote of the regents in attendance, all items, with the exception of the approval of the University of Houston consolidation of tuition and fees rates effective fall semester 2012, in the Consent Docket were approved by the Board.

Chair Blair addressed the item requiring for further discussion. The current University of Houston mandatory tuition and fee structure is based on billing for individual courses. This results in very long tuition and fee bills, and makes it difficult for students and their parents to determine the amount they will owe and plan accordingly. Over the past several months, the University of Houston has developed a plan for consolidating and simplifying tuition and fees based on a student's major. Undergraduates will pay one of three rates per credit hour based on student classification and major. Graduate student rates will continue to be set by college.

Regent Berry commented that she did not receive confidence in the answers that this move, while it appears to be a good move, would not result in a tuition fee increase for some students. Regent Berry requested the administration come back to the board after a full academic year and report back to the board on how this move has worked, and if indeed, if there has been a tuition increase, give examples in place or if it has worked as intended.

Regent Hollingsworth, as Chair of the Finance and Administration Committee, commented that after the Finance and Administration Committee reviewed and approved this item, they had also requested a semester-by-semester feasible study in order to evaluate the new process and that once this report is completed it be given to the full board at a future meeting.

Chair Blair called for a motion to approve the University of Houston consolidation of tuition and fee rates effective fall semester 2012 – University of Houston. On motion of Regent Hollingsworth, seconded by Regent Armour, and by a unanimous vote of the regents in attendance, the approval of University of Houston consolidation of tuition and fee rates effective Fall semester 2012 – University of Houston was approved.

Board Items

The next board item addressed was Item H, the Approval of the Appointment of Vice Chancellor/Vice President for University Advancement for the UH System/University of Houston – Ms. Eloise Dunn Stuhr.

Chancellor Renu Khator presented Ms. Eloise Dunn Stuhr as the new Vice Chancellor/Vice President for University Advancement. Ms. Stuhr has worked for Tier One universities, including Vanderbilt and Penn State, and has served in leadership roles at health care organizations and as a fundraising consultant to major universities including The Ohio State, which is in the midst of a \$2.5 billion capital campaign.

Chancellor Khator introduced Ms. Eloise Dunn Stuhr to the Board. Ms. Stuhr remarked that she was delighted to be a part of the University of Houston and looked forward to working with everyone.

Ms. Stuhr's appointment was effective January 23, 2012 pending final board approval.

On motion of Regent Hollingsworth, seconded by Regent Berry, and by a unanimous vote of the regents in attendance, the approval of the appointment of Ms. Eloise Dunn Stuhr as the new Vice Chancellor/Vice President for University Advancement was approved.

The next item presented to the Board was Item I, University of Houston Faculty Senate President addresses the role of research in providing quality education from a perspective of someone who has worked in the industry – University of Houston – BOR-I19.

Dr. Dimitri Litvinov, the new University of Houston Faculty Senate President, introduced himself and briefed the board on his personal background and what had dictated the choice of his topic of discussion. Below is a brief summary of Dr. Litvinov's remarks:

- A professor of electrical and computer engineering, he holds a Ph.D. degree in Applied Physics and M.S. in Electrical Engineering from the University of Michigan. His bachelor's degree was from Moscow Institute of Physics of Technology.
- He joined the University of Houston nine years ago after working for Seagate Technology for five years. Seagate is the world's largest developer and manufacturer of computer hard drives and is a part of the \$100 billion data storage industry.
- At Seagate, he led the team of engineers to develop and design so-called perpendicular magnetic recording that is the underlying technology in nearly every hard drive today. He is a co-inventor on 25 US patents; and a number of these inventions have been implemented in current hard-drive designs.
- At UH, he runs a sizeable research program funded by various federal agencies. His last year research expenditures were over \$850,000. He supervises graduate and undergraduate students, postdocs, and lab techs. He directs the Materials Engineering graduate program and Nanoengineering Minor undergraduate program, as well as the UH Nanofabrication Facility, the state-of-the-art user facility; supports the research of approximately 100 researchers (faculty, graduate students, and postdocs); and is also used for advanced undergraduate laboratories.
- He attributes the lion share of his success in the professional life to the type of education he has received. He finds it useful to look back for clues to what has prepared him for a successful engineering career.
- He stated the most remarkable part of his educational experiences was that every single professor that ever taught him was an active researcher in his or her field. The engagement in current issues of engineering and technology made his teachers by far better than average educators. They consistently brought creative thinking and up-to-date understanding of their subjects into the classroom, which made learning not only enjoyable but also exceedingly effective. Outside of the classroom, the very same professors enabled plenty of research opportunities to further enrich the understanding of the concepts learned in the classroom.
- Beyond his personal experiences, he has a large network of successful friends and colleagues in various "technological" walks of life including his co-workers at Seagate. Everyone agrees

- having research active instructors and having access to research opportunities while in school is what has defined their success.
- At the University of Houston, excellence in teaching and research is pursued. He is a strong believer that our Tier One status. Not only does it emphasize the high levels of research activities, but it also implies that our students receive a higher quality education.
 - The students receive a better education because their professors understand the up-to-date needs of the student's future employers and can teach even basic courses with this understanding in mind. Research active faculty members offer state-of-the-art curriculum based on the needs of the modern industries (for example, in Engineering, we have developed a Nanoengineering minor with the help of the \$200K grant from the National Science Foundation). Last but not the least, faculty provide the students with plentiful research opportunities to help develop creative ways of thinking, the key to be competitive in the modern world.
 - He concluded his remarks with a small piece of history. The school in Moscow, where he attended, was created with the single goal in mind – to effectively compete with the United States. The founders of the school looked hard for best practices and...they adopted the ones from the United States. They insisted that every professor was an active researcher in his or her field and that the school provide plenty of research opportunities for their students.
 - This educational model borrowed by Russians then, remains the cornerstone of the American competitiveness.
 - Dr. Litvinov is proud to be a member of the University of Houston, the Tier One university, where research and education go hand-in-hand to the benefit of the next generation of scientists and engineers.

This item was for information only and requires no board action.

Chair Blair introduced the next Board item, Item J – Annual Report on Intercollegiate Athletics – University of Houston – BOR-J20, and asked Mr. Mack Rhoades, Vice President for Intercollegiate Athletics to give his report.

Mr. Rhoades presented the board with the Annual Report on Intercollegiate Athletics per UH System Board Policy 22.01. Below is a summary of Mr. Rhoades' remarks:

- Mission Statement: The University of Houston Department of Intercollegiate Athletics inspires excellence today while preparing leaders for life by fostering a culture, which challenges student-athletes to achieve their highest academic, athletic and personal aspirations.
- Core Values are:
 - Excellence
 - Integrity
 - Inclusivity
 - Loyalty
 - Accountability
 - Sportsmanship
- Student-Athlete Academic Progress was addressed. Below are several of those mentioned.

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- Student-athletes improved their academic progress significantly over the past six semesters and fall 2011 represented the third consecutive “best ever” semester in program history.
- Semester grade point average for all UH student-athletes was 2.80 – the highest ever for a fall semester.
- As of fall 2011, the average UH student-athlete has an overall grade point average of 2.81 (all student-athletes over all semesters enrolled) – the highest ever cumulative average.
- 19% of UH student-athletes were named to the Dean’s List in fall 2011.
- 94% of UH student-athletes are in good academic standing.
- Student-athletes are represented in every UH college, including the Honors College, and in over 30 majors.
- BIG EAST Conference membership date is July 1, 2013.
- BIG EAST Transition Planning is in Progress.
- Key Facts were addressed as follows:
 - With its new alignment, 13 BIG EAST Conference members will be located in the top 30 media markets (DMAs), 17 are in the top 50, covering nearly 28% of all US households.
 - Including ABC, 64% of intra-conference BIG EAST football games were televised nationally in 2011 on an ESPN platform prior to the negotiation of the league’s upcoming media rights deal.
 - The BIG EAST Conference was created in 1979. It is a founding member of the Bowl Championship Series and is the largest and most diverse Division I Conference in the country.
- Athletic Budget was discussed as follows.
 - Total Budget – FY11 \$33.5 million (3.2% increase) vs. FY12 projected budget of \$33.1 million (1.1% decrease)
 - Revenue Overview (\$Millions):
 - FY11 Generated (% of Total Ath) was \$14.5 million (44.6%) vs. the FY12 projection of \$15.8 million (47.8%);
 - FY11 Allocated (% of Total Univ) which includes Moores Endowment (\$2.3 million) and Student Service Fee (\$4.3-4.7 million per year) was \$19.0 million* (2.2%) vs. FY12 Allocated of \$17.3 million (2.0%).
 - *Accounting adjustment for restricted contributions in FY10 and FY11 elevate figure to \$20.1 in audit and NCAA report.
 - IMG Rights Agreement – new amendment increases revenue up to nearly \$1.8 million by 2020.
- Compliance was discussed as follows.
 - Continuing to develop education program for the three major constituencies:
 1. Coaches, staff and student-athletes;
 2. University personnel; and
 3. Boosters and fans.
 - Developed and implemented a comprehensive monitoring system, using a combination of specialized compliance software and a written compliance manual, which has led to the identification and reporting of several secondary violations.
 - Continue to track and provide feedback on proposed legislation to Conference USA and BIG EAST Leadership.
- Facilities were addressed.
 - Stadium and Arena

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- 2011-2012 Athletics Successes were mentioned.
 - Football – No. 14 Houston football is coming off the most successful season in school history, going 13-1 and winning the TicketCity Bowl. The program finished nationally – ranked for the first time since 1990.
 - Men’s Basketball – The 2012 signing class of F. Danuel House and F. Danrad “Chicken” Knowles is ranked No. 10 nationally by Rivals.com.
 - Women’s Basketball – Houston, fresh off a 2011 undefeated Conference USA Championship, welcomes a Top 25 recruiting class in 2012. All six newcomers rank among the Top 40 prospects in the state and Jessieka Palmer is ranked the No. 61 prospect nationally by ESPN.
 - Men’s Track and Field / XC – Houston is looking to win its sixth consecutive Conference USA Indoor Championship title.
 - Golf – The Cougars finished fourth at the 2011 Conference USA Championships, the program’s best finish at the league since 2003, and opened this season with a first-place finish at Notre Dame.
 - Volleyball – All-American Lucy Charuk led UH to its highest national ranking since 2008 and Houston Volleyball won 19 games for the second consecutive year.
 - Tennis – Head coach John Severance, the winningest coach in Houston tennis history, led the Cougars to their 11th consecutive season a year ago and return five of six starters while adding two talented freshmen to the lineup.
 - Swimming and Diving – First Year Head Coach Augie Busch has helped the team earn personal bests across all events en route to a 4-3 dual meet record. The UH divers have won 7 of 10 C-USA weekly awards and two have already qualified for the NCAA meet.
 - Soccer – UH faced one of the nation’s toughest schedules in 2011, but managed its 100% victory in program history and now welcomes a talented recruiting class for 2012.
 - Softball – Houston advanced to within one game of the College World Series in 2011 and begins 2012 ranked in the Preseason Top 25. Head Coach Kyla Holas needs just one win to reach 400 for her career.

This item was for information only and required no board action. A complete copy of Mr. Rhoades’ presentation has been filed in the Board office.

After this report was presented, Chair Blair took the agenda out of order and presented The Honorable Carroll Robertson Ray with her Resolution in Appreciation – BOR-E12. Chair Blair read the Resolution in Appreciation and below is a summary of her remarks.

- Carroll Robertson Ray was appointed to the University of Houston System Board of Regents on February 5, 2008 by Governor Rick Perry, serving with distinction until her term ended August 31, 2011; and,
- During her tenure, with the great passion and sense of duty that flows from her family’s exceptional legacy of service to the Board of Regents, fulfilled a wide variety of Board assignments, including:
 - Ex Officio Member, Academic and Student Success Committee, 2010 to 2011
 - Ex Officio Member, Audit and Compliance Committee, 2010 to 2011
 - Ex Officio Member, Finance and Administration Committee, 2010 to 2011
 - Ex Officio Member, Facilities, Construction and Master Planning Committee, 2010 to 2011
 - Ex Officio Member, Endowment Management Committee, 2010 to 2011
 - Member, Academic and Student Success Committee, 2008 to 2009

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- Vice Chair, Facilities, Construction and Master Planning Committee, 2008 to 2009
- Vice Chair, Endowment Management Committee, 2009 to 2010
- Vice Chair, Finance and Administration Committee, 2009 to 2010
- Chair, Endowment Management Committee, 2008 to 2009
- Chair, Academic and Student Success Committee, 2009 to 2010
- Chair, Executive Committee, 2010 to 2011
- Her Board tenure culminated with her election as Chair of the Board of Regents, 2010 to 2011; and,
- During her tenure as Chair the University of Houston attained the coveted Tier One classification from the Carnegie Foundation for the Advancement of Teaching; and,
- Is a proud alumna of the University of Houston, where she earned her doctor of jurisprudence degree in 2002; and,
- Applied the knowledge gained at the UH Law Center University of Houston into a successful career as an attorney, most recently in her Of Counsel role with the prestigious firm of Andrews Kurth, LLP; and,
- Served civic, philanthropic, and non-profit organizations throughout the community, including Secretary of the Cullen Trust for Performing Arts, Chairman of the Board of Trustees of the Houston Museum of Natural Science - the first woman to hold that post - founding member and President of The Children's Assessment Center, and board member of the Houston Ballet Foundation, among others.

After reading the decree, Chair Blair presented the Resolution in Appreciation to The Honorable Carroll Robertson Ray.

Unfortunately, The Honorable Jim P. Wise was unable to attend the meeting to accept his award.

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

The University of Houston-Victoria President Philip Castille presented Item K, Introduction of the new University of Houston-Victoria Provost and Vice President for Academic Affairs, Dr. Jeffrey Cass. Dr. Castille introduced Dr. Cass, who has served as Dean of the University of Louisiana at Monroe's College of Arts and Sciences since 2007. He earned a bachelor's degree in English and German from the University of Dallas, and his master's and doctorate in comparative literature from the University of California at San Diego. Dr. Cass's appointment was effective February 1, 2012.

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

Chancellor's Report

Chancellor Renu Khator presented a UH System-wide report to the Board and below is a brief summary of Dr. Khator's remarks:

University of Houston System-wide Achievements:

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- In January, Dr. Khator completed four years as Chancellor of the UH System. During this short time, enrollment has grown from 56,000 to 65,000 students, annual degree production from 11,700 to 13,700, and annual fundraising from \$53 million to more than \$81 million. These accomplishments have come during a very difficult fiscal time when budgets were slashed and endowments were reduced, and they are the direct result of the leadership, hard work, and dedication of UH System faculty and staff, and the exceptional guidance and support we enjoy from the Board of Regents.
- Our four universities are collaborating like never before to improve access and success for our students. Each of our UH System universities are already recognized by the Carnegie Foundation as community-engaged institutions – engines of economic and social growth for our communities. Recent developments and achievements were:
 - Our four universities have opened new teaching sites in Pearland and Northwest Houston and have significantly increased their academic presence in Sugar Land.
 - Plans are well underway to collaborate with Houston Community College to establish teaching centers at existing HCC campuses.
 - Admission applications are now cross-referenced between our universities, allowing us to find a home for all those who wish to earn a degree from a UH System university. Last fall, several thousand applications were transferred among our universities.
 - Similarly, students at any UH System university are now able to take up to six credit hours at another one without any financial or academic penalty.
 - To ensure we can function as a cohesive system, Dr. Khator has been meeting with all Presidents and senior UH System officials monthly. In addition, Dr. Khator has entrusted Dr. Marshall Schott, Associate Vice Chancellor for Planning and Administration, with the responsibility of coordinating system-wide efforts.
- Besides new teaching centers and satellite campuses, the traditional bricks-and-mortar method, our universities are earning national recognition for online education. Efforts by two UH System universities were recognized recently when *U.S. News & World Report* published a new “Honor Roll” of top online education programs. UH’s College of Education iSMART program and UH-Clear Lake’s School of Business online MBA program were included in this inaugural edition of the honor roll. To be considered for this ranking, online degree programs have to have at least 80% of course content available online.

University of Houston Achievements

- One of the characteristics of a Tier One university is the number of faculty members who come from top-tier institutions, and the awards they receive. Five UH assistant professors have been awarded prestigious National Science Foundation CAREER awards, which are TARU-recognized. These five-year grants are awarded to promising junior faculty members who exemplify the role of teacher-scholars through outstanding research, excellent education, and the integration of education and research.
- The five faculty members are:
 - Jiming Bao, assistant professor of electrical and computer engineering, Ph.D. from the University of Michigan, joined UH in 2008, his grant was for \$400,000;
 - Ognjen Miljanic, assistant professor of chemistry, Ph.D. from the University of California at Berkeley, joined UH in 2008, his grant was for \$600,000;
 - Angela Moeller, assistant professor of chemistry, Ph.D. from the University of Hanover and D.Sc. from University of Cologne, joined UH in 2009, her grant was for \$473,000;

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- Debora Rodrigues, assistant professor of civil and environmental engineering, Ph.D. from Michigan State University, joined UH in 2010, her grant was for \$450,000; and
- Gila Stein, assistant professor of chemical and biomolecular engineering, Ph.D. from the University of California at Santa Barbara, joined UH in 2009, her grant was for \$500,000.
- In addition, several UH faculty members have received important TARU-recognized and other national awards:
 - Rebecca Lee, 2012 Fulbright Scholar, assistant professor of nutrition, earned her Ph.D. at the University of Maryland Baltimore County, joined UH in 2004;
 - Vassiliy Lubchenko, 2011 Sloan Research Fellowship, assistant professor of chemistry, earned his Ph.D. from the University of Illinois at Urbana-Champaign, joined UH in 2009;
 - Mathew “Mat” Johnson, 2011 Dos Passos Prize for Literature, associate professor of English, earned his M.F.A. from Columbia University School of the Arts, joined UH in 2007;
 - Catherine “Cathy” Horn, 2012 Fulbright Scholar, associate professor of educational psychology and senior research associate, National Center for Student Success, earned her Ph.D. from Boston College’s Lynch School of Education, joined UH in 2005; and
 - Michelangelo Sabatino, Modern Languages Association’s Aldo and Jeanne Scaglione Prize for Italian Studies, associate professor and coordinator, Architecture History/Theory, earned his doctorate in fine arts from the University of Toronto, joined UH in 2006.

University of Houston-Clear Lake Achievements

- UH-Clear lake Pearland Campus, which opened in fall 2010 with 530 students enrolled in classes, experience a 36% increase for a total of 720 in student enrollment in fall 2011. Semester credit hours also increased by 40%, from 2,349 to 3,291. The facility, built by the City of Pearland, is also home to the Pearland Economics Development Corporation.
- Phase I of the expansion and renovation of UHCL’s Arbor Building is now complete with new facilities for fine arts programs, a science teaching lab, and centers for psychology and autism. Phase II, now under way, focuses on the renovation of existing space and will provide additional space for photo labs, design studios, and the Center for Educational Programs.
- UH-Clear Lake’s Student Leadership, Involvement, and Community Engagement (SLICE) program develops leadership through service to the community. Since 2002, SLICE has sponsored a Day of Service each semester.

University of Houston-Downtown Achievements

- UH-Downtown’s Bachelor of Social Work program began in fall 2009 with nine students and now has 61 declared majors, with the first cohort expected to graduate in May. Of 16 candidates for graduation, 15 are first-generation college students (FTIC) and 13 are applying to graduate school. In fall 2011, one of the students won the National Association of Social Workers-Texas Chapter’s Student of the Year award.
- Every ten years, colleges and universities accredited by the Southern Association of Colleges and Schools (SACS) are required to submit a Compliance Certification report in which they demonstrate their compliance with well-over 100 standards of excellence. In the fifth year between reports, institutions are required to submit an interim report. UHD is in midst of its fifth year Compliance Certification Report and members of the SACS Commission will visit the university next month.

- UHD has significantly expanded its online and distance education opportunities in the past 18 months. The number of online completion degrees has grown from two to 14, including a Bachelor of Arts in Applied Science, which graduated its first cohort in December 2011 and a Master's in Criminal Justice. Enrollment in online credit hours increased by 57.2% from FY11 to FY12.

University of Houston-Victoria Achievements

- UH-Victoria plays a unique role in the UH System as the college-town option for students who want a smaller residential setting for their university experience. Although fall 2011 freshmen enrollment indicated 181 new freshmen, by semester credit hours accrued, UHCV had 271 freshmen and 271 sophomores. Based on student feedback, best practices and available resources, UHV has put in place strategies for enrolling a larger number of qualified applicants and retaining those students who enroll. "For fall 2012, UHV has already received 1,541 applications, and 639 (41.5%) have been accepted. At this time in 2011, only 233 students had been accepted.
- UHV is going through a facilities master planning process with the participation of UH's DesignLAB, a community planning committee, and Victoria College. Students have expressed the need for a space dedicated to student life, and UH V is looking at ways to accomplish this with existing buildings until a separate student life building is feasible.
- Under the guidance of new Director Joe Humphreys, the Small Business Development Center provided training for 80 businesses in its 11-county coverage area during the first quarter of FY2012. Advisers provided counseling that helped area residents start one business and expand five companies. Fifty-two jobs were retained, and an additional 24 were created. The result was \$1.7 million worth of capital creation. The SBDC now has satellite offices in each of the counties it serves. This is particularly significant in assisting counties in the Eagle Ford Shale formation with business expansion and start-up opportunities.

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

Chair's Report

Chair Blair gave brief comments and stated for those who had not been at our meetings before or who have been to several, realize that this is a unique board; a board of very strong leaders; a great mix, and she is very proud to be chairman of this board. Chair Blair stated that not only do they work in their roles as regents at the meetings, but as you can see if you listened through any of these discussions that there are a number of different regents who are extra involved in different matters for this University system. This is really a great thing and that is not always the case with regent boards. This board just doesn't come to the meetings, leave and wait for the next meeting.

There have been discussions concerning METRO, oil and gas, or several others, but every one of these regents is involved beyond their meeting roles, which is a great thing for this university, said Chair Blair. It is because the regents are very proud of it and proud of what is going on. They also know that there will be a multitude of other things that they will be asked to be involved in due to their different expertise; and they are committed to doing that.

University of Houston System

These regents are governor-appointed and it is a prestigious appointment, there is no doubt about it stated Chair Blair. It is a great thing to be a University of Houston System Regent in this city and in this state, but they are also volunteers. They are here, outside of their own businesses and own jobs because they want to be here; it is extremely important to each and every one of them!

Chair Blair once again thanked UH-Clear Lake for having the meeting and thanked everyone for attending.

Information Only

Chair Blair stated one (1) individual had signed up for Open Forum.

1. Mr. Daniel Arp, a graduate from UH-Downtown, addressed the board concerning “Women having women’s centers everywhere, while men have no such thing thanks to men leaders who feel and think so lowly of themselves.”

There being no further action to come before the Board the meeting adjourned at 3:06 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	Carroll Robertson Ray	Welcome W. Wilson, Sr.
Carl Carlucci	Raymond Bartlett	Mack Rhoades
John Antel	Emily Messa	Jeffrey Cass
Dona Cornell	Mike Emery	Don Guyton
Rathindra Bose	David Ellis	Karen Clarke
Grover Campbell	Darren Dunn	Henry Hodde
Eloise Dunn Stuhr	Ed Hugetz	Karen Livingston
J. Richard Walker	Brian Chapman	Oscar Gutierrez
Elwyn Lee	Carl Stockton	Wayne Beran
Philip Castille	Chris Stanich	Michelle Dotter
William Flores	Johanna Wolff	Dorothea Lerman
Bill Staples	T.J. Meagher	Sean York
Monica McHenry	Dimitri Litvinov	John Rodriguez
Craig Ness	Tom Ehardt	Willie Munson
Mike Glisson	Dan Maxwell	Malcolm Davis
Russ Hoskens	Lisa Montgomery	David Benz
Robert Schneller	Marshall Schott	Patrick L. Cardenas

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Others Present (cont'd)

Tim Richardson
Rick Short
Linda Bullock
Paul Willingham
Daniel Arp
Gerry Mathisen

Dan Yackley
Karen Barbier
Susana Hernandez
Kyle Pirtle
Andrea Bach

David Bradley
Mary Ann Shallberg
Jean Carr
Selesta Hodge
Jon Aldrich