

MINUTES
UNIVERSITY OF HOUSTON SYSTEM
BOARD OF REGENTS MEETING

Wednesday, August 14, 2013 – The members of the Board of Regents of the University of Houston System convened at 1:30 p.m. on Wednesday, August 14, 2013, at the University of Houston, Conrad Hilton Ballroom, Second Floor, 4800 Calhoun, Houston, Texas, with the following members participating:

ATTENDANCE –

Present

Nelda Luce Blair, Chairman
Jarvis V. Hollingsworth, Vice Chair
Tilman J. Fertitta, Secretary
Spencer D. Armour III, Regent
Nandita V. Berry, Regent
Jacob M. Monty, Regent
Mica Mosbacher, Regent
Roger F. Welder, Regent
Welcome W. Wilson, Jr., 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, Chair of the Board, Nelda Luce Blair called the meeting to order.

Before moving to the agenda items, Chair Blair announced the appointment of our new Student Regent, Benjamin P. Wells, who had been appointed by Governor Rick Perry. Chair Blair asked Mr. Wells to stand and be recognized. Mr. Wells joined the Board of Regents effective June 1, 2013 and will serve a one-year term.

The first action item presented to the board was the approval of minutes from the May 14, 2013 Board of Regents Meeting and the June 17, 2013 Special Called Board of Regents meeting.

AGENDA ITEMS

1. Approval of Minutes – Item C:

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

- May 14, 2013, Board of Regents Meeting
- June 17, 2013, Special Called Board of Regents Meeting

Committee Reports

Chair Blair moved to Section II on the agenda, the 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 that the Vice Chair of the Academic and Student Success Committee, Regent Roger F. Welder, would present the first committee report.

Academic and Student Success Committee Report – August 14, 2013

Regent Welder stated the Academic and Student Success Committee met on Wednesday, August 14, 2013, and unanimously approved the following items for submission on the Board's Consent Docket Agenda for final board approval:

1. Approval of Bachelor of Science in Nursing at the University of Houston-Clear Lake – University of Houston-Clear Lake;
2. Approval of Bachelor of Science in Health Studies at the University of Houston-Victoria – University of Houston-Victoria;
3. Approval of Bachelor of Science in Honors Biomedical Sciences at the University of Houston – University of Houston; and
4. Approval of Doctor of Philosophy in Higher Education Leadership and Policy Studies at the University of Houston – University of Houston.

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 J. Fertitta.

Facilities, Construction and Master Planning Committee Report – August 14, 2013

Regent Fertitta stated the Facilities, Construction and Master Planning Committee met on Wednesday, August 14, 2013, and approved the following item for submission on the Board's Consent Docket Agenda for final board approval:

1. Approval is requested of the Committee members and their appointment terms for the System-wide Art Acquisition Committee (SWAAC) – University of Houston System. Regent Fertitta stated the committee approved this item with the exception of Regent Berry's appointment to the committee. Regent Berry declined her appointment to the committee until such time a review was completed of the regents' role on the committee.

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

The next committee report was presented by the Chair of the Endowment Management Committee, Regent Mica Mosbacher.

Endowment Management Committee Report – August 13, 2013

Regent Mosbacher stated the Endowment Management Committee met on Tuesday, August 13, 2013 and one (1) action item had been presented to the committee requiring final Board approval:

1. Approval to modify the UH System Endowment Fund Statement of Investment Objectives and Policies – University of Houston System. Regent Mosbacher stated that this item had been modified and approved by the committee with the following verbiage to read as follows:

“Any rebalancing actions taken by the Treasurer and Investment Consultant shall be communicated to the Chair of the Endowment Management Committee and to the Committee by the Executive Vice Chancellor in a timely manner, but in any case no later than the next Committee meeting.

Regent Mosbacher made a motion to place this item, approved by the committee on the Board’s Consent Docket Agenda for final Board approval with the amended change.

On motion of Regent Welder, seconded by Regent Wilson, Jr., and by a unanimous vote of the regents in attendance, the amended change to modify the UH System Endowment Fund Statement of Investment Objectives and Policies – UH System was approved.

Regent Mosbacher also stated the committee was given a report from Cambridge Associates; and approved the following three (3) actions which required committee approval only.

- (a) Approved a request to delegate authority to the Chancellor to negotiate and execute contracts for the hiring of a long/short equity hedge fund manager for the University of Houston System Endowment Fund;
- (b) Approved a full redemption of the UH System’s investment in a long/short equity hedge fund manager; and
- (c) Approved an additional investment in an existing absolute return hedge fund manager.

This concluded the Endowment Management Committee Report.

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

Audit and Compliance Committee Report – August 14, 2013

Regent Berry stated the Audit and Compliance Committee meeting was held earlier today, Wednesday, August 14, 2013. The committee had considered three (3) actions items; one (1) item requiring Board approval; and two (2) items which required committee approval only.

The one (1) action item requiring full Board approval was listed as follows:

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1. Report on UHS Internal Auditing Department Long-Range Audit Plan for Fiscal Years 2014-2016 – University of Houston System.

The two (2) action items that required committee approval only were:

1. Report on Audit and Compliance Committee Charter and Checklist – University of Houston System; and
2. Report on Audit and Compliance Committee Planner – University of Houston System.

This concluded the Audit and Compliance Committee Report.

The final committee report was presented by the Chair of the Finance and Administration Committee, Regent Jarvis V. Hollingsworth.

Finance and Administration Committee Report – August 14, 2013

Regent Hollingsworth stated the Finance and Administration Committee met earlier in the day, Wednesday, August 14, 2013. There were six (6) action items presented for the committee's consideration. Five (5) of those items were unanimously approved by the committee and placed on the Board's Consent Docket Agenda. One (1) remaining action item, the Approval of the Financial Plan and Budget will be addressed by the full board. The following five (5) items requiring final Board approval were listed as follows:

1. Approval is requested of changes for the University of Houston System FY2014 holiday schedule – University of Houston System;
2. Approval is requested to delegate authority to the Chancellor to negotiate and execute contracts for design and construction of the New Football Stadium, Phase III at the University of Houston – University of Houston;
3. Approval is requested to delegate authority to the Chancellor to negotiate and execute a contract to manage maintenance, repair, and operations (MRO) inventory for Facilities Management, which maintains the University's buildings, grounds and vehicles – University of Houston;
4. Approval is requested to delegate authority to the Chancellor to campus-wide purchase Microsoft licenses for the University of Houston covering November 1, 2013 to October 31, 2014 – University of Houston; and
5. Approval is requested to delegate authority to the Chancellor to negotiate and execute a ground lease for development of housing on University property on Calhoun Road – University of Houston.

This concluded the Finance and Administration Committee Report.

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

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

After the approval of the Board's Consent Docket Agenda items, Chair Blair moved to Section III, committee report item(s) not addressed in the Consent Docket Agenda but requiring final Board approval.

Chair Blair requested Dr. Carlucci, Executive Vice Chancellor for Administration and Finance present Item M, the Approval is requested for the University of Houston System FY2014 Financial Plan and Budget – University of Houston System to the Board for consideration.

Dr. Carlucci gave a brief overview of the Financial Plan and Budget and stated the FY2014 budget was an increase of \$71 million over the prior year's budget, which was a 4.8% growth. The total budget for FY2014 is \$1,565.8 billion which comprises an operating budget of \$1,342.3 billion and capital facilities totaling \$223.4 million. This is a decrease from FY2013's budget of \$247.2 million due to the completion of projects that were reported during the Facilities committee meeting earlier in the day.

The distribution of funds both in expenditure and revenue remains consistent with the prior year which was outlined in the sources and uses charts displayed. The facilities projects for the coming year totaled approximately \$224 million. Dr. Carlucci stated that many projects have been completed; and some new projects will be started but these projects will not be spending significant amounts in the first year.

The actual revenue for the UH System has increased as a result of the growth in enrollment and resulting services. The State Appropriations has increased due to the formula which is driven by enrollment. The aggregate of the General Funds (State Appropriations, HEAF/ National Research University Fund and Tuition and Fees) has grown by 16% over five (5) years; and the Restricted Funds (Other Operating, Contracts & Grants, and Endowment / Gifts) that are largely a result of our auxiliary operations, contracts and grants, has grown 12% over the past five (5) years. The total growth over the past five (5) years was 15%; and between FY2013's total budget of \$1,494.7 billion and the FY2014's proposed budget of \$1,565.8 billion, there will be a \$71 million increase expected.

The expenditures are in-line with that revenue growth but two-thirds of the expenditures continue to be in Student Access and Success. The notes indicate that debt service and utilities were included in infrastructure and administration; and community advancement was largely public broadcasting.

Dr. Carlucci presented an overview of the UH System's FY2014 Operating Budget Expenditures by Function. He stated the majority of our spending continues to be personnel and benefits and represents 50% of our total spending. Consistent with our emphasis on Academic spending, we see that two-thirds of our payroll is the majority of our spending; and should the total of

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Scholarships and Fellowships be added to this number it then represents 70% of the budget. As we are instructed, the majority of our funding is dedicated to instruction and student success stated Dr. Carlucci.

The individual campuses reflect the same trends – growth in enrollment and growth in support services. They also reflect the same patterns of growth and instruction. In the case of the University of Houston and the University of Houston-Victoria, Dr. Carlucci stated there was also significant growth in the service auxiliaries in support of enrollment and residential living; and the University of Houston-Clear Lake's budget indicated a development of downward expansion – freshman and sophomore instruction. A brief discussion followed.

Chair of the Finance and Administration Committee, Regent Jarvis Hollingsworth stated that the committee had spent some time on the budget in the Finance and Administration Committee and that a budget workshop had been conducted by Dr. Carlucci where he went through the various sources of revenue and a five-year history of our spending patterns as well as the appropriations pattern. For a university like ours with its unprecedented growth and capital improvements as well as the enrollment, Regent Hollingsworth felt the finance group should be congratulated on continuing to maintain a very prudent financial and fiscal policy as we have managed the budgets going forward. Regent Hollingsworth also stated that the university had received an increase in our rating from AA- to AA which was an endorsement of the way Chancellor Khator, Dr. Carlucci and their staffs have been managing our debt loads as we continue to make more capital improvements while also keeping our financials solid. He stated that he and the committee highly recommended the budget to the full board for final approval.

On motion of Regent Armour, seconded by Regent Mosbacher, and by a unanimous vote of the regents in attendance, the University of Houston System FY2014 Financial Plan and Budget was approved.

Following Dr. Carlucci's presentation and the approval of the budget, Chair Blair moved to the remaining items on the Board's agenda. The next item presented was for information only – Item D, a Report on the Scholarships and Community Conference XV: Greater Houston's Health – Urban Healthcare in the 21st Century – University of Houston System. In the absence of the University of Houston Faculty Senate President, Mr. Steve Wallace, the President-Elect Dr. Maria Elena Soliño, presented this item to the Board.

Dr. Soliño stated that over the summer the Faculty Senate Leadership was working on a Scholarship and Leadership Conference. This will be the 15th conference and is held every other year. This conference will address Greater Houston's Health – Urban Healthcare in the 21st Century and will be held on Friday, October 4, 2013 at the Hilton University of Houston Hotel, Houston, Texas. The topic of this year's conference will be the impact of the Affordable Healthcare Act on our region.

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

Chair Blair presented the next item, Item E, Approval of Current Board of Regents Planner for FY2013-2014 – University of Houston System. The Board Planner sets forth items that require action by the Board or reports from management to address the provisions of the statutes, Board Bylaws and Policies or other requests of the Board and is presented each August for Board

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approval. The Board office is responsible for assuring the items listed in the Planner are presented to the Board at the appropriate meetings.

On motion of Regent Mosbacher, seconded by Regent Welder, and by a unanimous vote of the regents in attendance, the Current Board of Regents Planner for FY2013-2014 – University of Houston System was approved.

Chair Blair presented Item F, Approval of Proposed Calendar of Dates for the FY2013-2014 UH System Board of Regents Committee/Board Meetings – University of Houston System. Chair Blair noted that the Board of Regents Retreat would be held on October 31-November 1, 2013 and it was important to mark their calendars for this important meeting. Three (3) new regents will most likely be attending this meeting as well.

On motion of Regent Hollingsworth, seconded by Regent Fertitta, and by a unanimous vote of the regents in attendance, the Proposed Calendar of Dates for the FY2013-2014 UH System Board of Regents Committee/Board Meetings was approved.

The next item, Item G, the Approval of Resolution in Support of the William P. Hobby School of Public Affairs – University of Houston System was presented.

Chair Blair stated the name “William P. Hobby” has long been associated with the University of Houston System and the University of Houston.

The former Texas lieutenant governor served the Board of Regents with distinction from 1965 to 1969, in the years immediately after the University of Houston became a state institution. He served the institution again from 1995 to 1997 as Chancellor of the UH System.

In recognition of his service and support, he was awarded a doctor of humane letters degree, *honoris causa*, by the University of Houston in 1997. Further recognition came in 2010, when the University of Houston Center for Public Policy, established in 1981 as in an impartial research organization serving the university, the city, and the state, was renamed the William P. Hobby Center for Public Policy.

Today, the University of Houston System Board of Regents expresses support for a Hobby School of Public Affairs at the University of Houston and authorizes the William P. Hobby Center for Public Policy to act as a fiscal agent as needed.

Chair Blair welcomed Governor William P. Hobby, Jr. to the meeting and asked him to please stand and be recognized and thanked him for attending the meeting.

Chair Blair then introduced State Representative Garnet Coleman to the board who stated it was great to be present at the meeting. He recognized how hard the Board works and the tough decisions that have to be made in terms of the governance of all of the universities within the UH System. Great progress has been made and he felt that that was important because everyone has worked very hard to secure the Tier One status. Further remarks and comments followed.

On motion of Regent Blair, seconded by Regent Welder, and by a unanimous vote of the regents in attendance, the Resolution in Support of the Hobby School of Public Affairs was approved.

Regent Hollingsworth presented Item H, Approval of Resolution in Appreciation – Nelda Luce Blair – University of Houston System.

Regent Hollingsworth stated that he recommended the board approve a resolution to celebrate Regent Blair, who had been the Chair of the Board for the past two years. Below is a summary of his remarks:

- **WHEREAS**, Nelda Luce Blair was appointed to the University of Houston System Board of Regents by Governor Rick Perry in February 2008 for a term ending in August 2013; and,
- **WHEREAS**, during her tenure Nelda Luce Blair was an extraordinary advocate on behalf of the four University of Houston System universities, bringing the case for support before the Texas Legislature and the private, corporate, civic, and philanthropic sectors; and,
- **WHEREAS**, during her tenure Nelda Luce Blair diligently and wholeheartedly fulfilled a wide variety of Board of Regents assignments, including:
 - Ex Officio Member, Academic and Student Success Committee, 2011–2012, 2012–2013
 - Ex Officio Member, Audit and Compliance Committee, 2011–2012; 2012–2013
 - Ex Officio Member, Endowment Management Committee, 2011–2012; 2012–2013
 - Ex Officio Member, Facilities, Construction and Master Planning Committee, 2011–2012; 2012–2013
 - Ex Officio Member, Finance and Administration Committee, 2011–2012; 2012–2013
 - Member, Executive Committee, 2009–2010
 - Liaison for Governmental Relations, 2008–2009, 2009–2010, 2010–2011, 2011–2012 and 2012–2013
 - Co-Chair, Blue Ribbon Task Force on UH Campus Safety, 2009–2010
 - Vice Chair, Audit and Compliance Committee, 2008–2009
 - Vice Chair, Academic and Student Success Committee, 2009–2010
 - Vice Chair, Facilities, Construction, and Master Planning Committee, 2010–2011
 - Vice Chair, Executive Committee, 2010–2011
 - Chair, Facilities, Construction and Master Planning Committee, 2009–2010
 - Chair, Academic and Student Success Committee, 2010–2011
 - Chair, Executive and Compensation Committee (formerly Executive Committee), 2011–2012 and 2012–2013
- **WHEREAS**, Nelda Luce Blair’s Board of Regents assignments culminated with her election as Secretary, 2009–2010, Vice Chair, 2010–2011, and Chair, 2011–2012 and 2012–2013, posts she served with exceptional distinction; and,
- **WHEREAS**, Nelda Luce Blair, having received her Doctor of Jurisprudence degree from the UH Law Center, and having become Board Certified in Residential Real Estate Law, Farm & Ranch Real Estate Law, and Commercial Real Estate Law by the Texas Board of Legal Specialization, went on to a highly successful career as a litigator and in private practice, employing her skills, wisdom, and experience to become a much sought-after legal commentator on national and local television programs; and was chosen as one of Houston’s Most Influential Women of 2009; and,
- **WHEREAS**, Nelda Luce Blair also distinguished herself in her community as a three-term Chairman of the Board of The Woodlands Township, Chairman of The Woodlands Convention and Visitors Bureau, Director on the Board of the Greater Houston Women’s Chamber of Commerce, President of the Conroe Independent School District Education Foundation, member of the Lone Star College System Chancellor’s Advisory Council, and Past Chairman of The Woodlands Area Chamber of Commerce; and,

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- **WHEREAS**, Nelda Luce Blair, conscious of the institution’s overarching priority of “student success,” guided the Board of Regents to successfully balance the relationships between budgets, tuition, and admissions requirements, among others, with the goal of preserving student access and diversity, affordability, and academic excellence; and,
- **WHEREAS**, during Nelda Luce Blair’s tenure the Board of Regents approved an unprecedented number of building renovations and new construction throughout the UH System including at UH-Clear Lake additions to the Arbor Building and renovation of the Art Gallery, at UH-Downtown the Girard Street Parking Garage and Welcome Center, at UH-Victoria the Academic and Regional Economic Development Building and Jaguar Suites, and at the University of Houston the Classroom and Business Building, the Cougar Woods dining facility, the Multi-Modal and the Stadium parking garages, Cougar Village II, the Health and Biomedical Sciences Building, Cougar Place, and the Houston Stadium, among many others; and,
- **WHEREAS**, Nelda Luce Blair’s leadership style, sustained by a clear view of her principles, allowed her to know exactly where all the major issues stood on any given day, helping her make wise and informed decisions on many challenging matters, from the football stadium to outcome-based funding to METRO to the Health Science Center,

NOW BE IT THEREFORE RESOLVED that the University of Houston System Board of Regents issues this resolution in appreciation of Nelda Luce Blair in heartfelt gratitude and admiration for her fruitful and rewarding tenure on the Board of Regents.

On motion of Regent Hollingsworth, seconded by Regent Wilson, Jr., and by a unanimous vote of the regents in attendance, the Resolution in Appreciation for Nelda Luce Blair was approved.

Chair Blair presented Item I, Approval of Resolution in Appreciation – Michele “Mica” Mosbacher – University of Houston System. Below is a summary of her remarks.

- **WHEREAS**, Michele “Mica” Mosbacher was appointed to the University of Houston System Board of Regents by Governor Rick Perry in February 2008 for a term ending in August 2013; and,
- **WHEREAS**, during her tenure on the Board of Regents Michele “Mica” Mosbacher was a committed advocate on behalf of the four University of Houston System universities, bringing the case for support before the Texas Legislature and the private, corporate, civic, and philanthropic sectors; and,
- **WHEREAS**, during her tenure Michele “Mica” Mosbacher diligently and wholeheartedly fulfilled a wide variety of Board of Regents assignments, including:
 - Member, Finance and Administration Committee, 2008–2009
 - Member, Academic and Student Success Committee, 2009–2010
 - Member, Audit and Compliance Committee, 2009–2010
 - Member, Endowment Management Committee, 2010–2011
 - Member, Executive Committee, 2010–2011
 - Member, Executive Compensation Committee (formerly Executive Committee), 2011–2012
 - Member, Academic and Student Success Committee, 2012–2013
 - Vice Chair, Academic and Student Success Committee, 2008–2009
 - Vice Chair, Academic and Student Success Committee, 2010–2011
 - Vice Chair, Audit and Compliance Committee, 2011–2012
 - Chair, Endowment Management Committee, 2011–2012 and 2012–2013
- **WHEREAS**, Michele “Mica” Mosbacher’s Board of Regents assignments culminated with her election as Secretary, 2010–2011, and as Vice Chair, 2011–2012; and,

- **WHEREAS**, in addition to her support for higher education, Michele “Mica” Mosbacher enjoys a long and distinguished history of accomplishments as a community leader, volunteer, and philanthropist, having chaired and co-chaired fund-raising events for the Houston Ballet, the M.D. Anderson Cancer Center Celebration, and many others, resulting in her induction into the Greater Houston Women’s Chamber of Commerce Hall of Fame; and,
- **WHEREAS**, in the political arena, Michele “Mica” Mosbacher was Inaugural Chair for Governor Rick Perry, 2007, National Co-chair for Governor Perry’s presidential campaign, 2012, and National Finance Co-chair for the Republican National Committee, 2012; and,
- **WHEREAS**, Michele “Mica” Mosbacher was commissioned in 2010 by the Foreign Ministry of Iceland to serve as that nation’s Honorary Consul in Houston, and granted the title of Dame Commander of the Royal Order of Francis I of the Two Sicilies in recognition of her advocacy for world peace and tolerance, and her support of public art in Houston, most notably a group of sculptures on Allen Parkway at Montrose; and,
- **WHEREAS**, during Michele “Mica” Mosbacher’s tenure the Board of Regents approved an unprecedented number of building renovations and new construction throughout the UH System including at UH-Clear Lake additions to the Arbor Building and renovation of the Art Gallery, at UH-Downtown the Girard Street Parking Garage and Welcome Center, at UH-Victoria the Academic and Regional Economic Development Building and Jaguar Suites, and at the University of Houston the Classroom and Business Building, the Cougar Woods dining facility, the Multi-Modal and the Stadium parking garages, Cougar Village II, the Health and Biomedical Sciences Building, Cougar Place, and the Houston Stadium, among many others; and,
- **WHEREAS**, Michele “Mica” Mosbacher, during her tenure on the Board of Regents, worked tirelessly and with great conviction to help the institution achieve its number one priority of “student success,”

NOW BE IT THEREFORE RESOLVED that the University of Houston System Board of Regents issues this resolution in appreciation of Michele “Mica” Mosbacher in heartfelt gratitude and admiration for her tenure on the Board of Regents.

On motion Regent Blair, seconded by Regent Welder, and by a unanimous vote of the regents in attendance, the Resolution in Appreciation for Michele “Mica” Mosbacher was approved.

Regent Mosbacher gave brief remarks and stated it was hard to say goodbye but it had been an honor to serve on the UH System Board of Regents.

Chair Blair moved to Item J, Approval of Resolution in Appreciation – Jacob M. Monty – University of Houston System. Below is a summary of her remarks.

- **WHEREAS**, Jacob M. Monty was appointed to the University of Houston System Board of Regents by Governor Rick Perry in February 2008 for a term ending in August 2013; and,
- **WHEREAS**, during his tenure on the Board of Regents Jacob M. Monty was a committed advocate on behalf of the four University of Houston System universities, bringing the case for support before the Texas Legislature and the private, corporate, civic, and philanthropic sectors; and,
- **WHEREAS**, during his tenure Jacob M. Monty diligently and wholeheartedly fulfilled a wide variety of Board of Regents assignments, including:
 - Member, Audit and Compliance Committee, 2008–2009
 - Member, Academic and Student Success Committee, 2010–2011

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- Member, Endowment Management Committee, 2011–2012 and 2012–2013
- Vice Chair, Finance and Administration Committee, 2008–2009
- Vice Chair, Audit and Compliance Committee, 2010–2011
- Chair, Audit and Compliance Committee, 2009–2010
- **WHEREAS**, Jacob M. Monty, having received his Doctor of Jurisprudence degree from the UH Law Center, and having become Board Certified in Labor and Employment Law by the Texas Board of Legal Specialization, went on to a highly successful career as an attorney, becoming Managing Partner of the labor and employment law firm Monty & Ramirez LLP, the largest Hispanic-owned law firm in the Southwest; and,
- **WHEREAS**, in addition to his successful practice and his support for higher education, Jacob M. Monty was appointed by President George W. Bush to the board of directors for both the North American Development Bank and the Border Environmental Cooperation Commission, and by Governor Rick Perry to serve on the board of directors for the Texas Mutual Insurance Company; and,
- **WHEREAS**, Jacob M. Monty also serves on the boards of directors of the National Association of Corporate Directors, Houston Hispanic Chamber of Commerce, Hispanic Alliance for Progress, and Hispanics for Opportunity, Progress and Education, is on the Bureau of Citizenship and Immigration Services Roundtable of the District Director, and serves as General Counsel to the Association for the Advancement of Mexican Americans and Outside Counsel for the Mexican Consulate in Houston; and,
- **WHEREAS**, during Jacob M. Monty’s tenure the Board of Regents approved an unprecedented number of building renovations and new construction throughout the UH System including at UH-Clear Lake additions to the Arbor Building and renovation of the Art Gallery, at UH-Downtown the Girard Street Parking Garage and Welcome Center, at UH-Victoria the Academic and Regional Economic Development Building and Jaguar Suites, and at the University of Houston the Classroom and Business Building, the Cougar Woods dining facility, the Multi-Modal and the Stadium parking garages, Cougar Village II, the Health and Biomedical Sciences Building, Cougar Place, and the Houston Stadium, among many others; and,
- **WHEREAS**, Jacob M. Monty, during his tenure on the Board of Regents, worked tirelessly and with great conviction to help the institution achieve its number one priority of “student success,”

NOW BE IT THEREFORE RESOLVED that the University of Houston System Board of Regents issues this resolution in appreciation of Jacob M. Monty in heartfelt gratitude and admiration for his tenure on the Board of Regents.

On motion of Regent Blair, seconded by Regent Wilson, Jr., and by a unanimous vote of the regents in attendance, the Resolution in Appreciation for Jacob M. Monty was approved.

The Election of Board Officers for FY2013-2014 – University of Houston System was the final action item on the Board’s agenda. Chair Blair requested Dona Cornell, Vice Chancellor for Legal Affairs and General Counsel, introduce this item.

Ms. Cornell stated that the final item for consideration was the election of officers. In accordance with the newly revised Board Bylaw 4.2 – Election of Officers, as General Counsel, fourteen (14) days prior to the Board meeting, she received nominations in writing and/or by email for the three officer positions: Chairman, Vice Chairman and Secretary.

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The first election was for that of Chairman. Ms. Cornell received the following nomination(s) for the Chairman position: Jarvis V. Hollingsworth. Ms. Cornell asked if there were any additional nominations from the floor for this position. After hearing there were none, Ms. Cornell asked for a motion to close the nomination and elect officers.

On motion of Regent Fertitta, seconded by Regent Armour, and by a unanimous vote of the regents in attendance, the motion carried and the nominations for Chairman was closed. The nominee(s) for the position of Chairman was Jarvis V. Hollingsworth.

Ms. Cornell stated that hearing only one nomination, she called for the vote for the election of Jarvis V. Hollingsworth as Chairman by acclamation. The Board unanimously approved the motion and Jarvis V. Hollingsworth was elected Chairman of the Board.

The second election was for that of Vice Chairman. Ms. Cornell received the following nomination(s) for the Vice Chairman position: Nandita V. Berry. Ms. Cornell asked if there were any additional nominations from the floor for this position. After hearing there were none, Ms. Cornell asked for a motion to close the nomination and elect officers.

On motion of Regent Fertitta, seconded by Regent Mosbacher, and by a unanimous vote of the regents in attendance, the motion carried and the nominations for Vice Chairman was closed. The nominee(s) for the position of Vice Chairman was Nandita V. Berry.

Ms. Cornell stated that hearing only one nomination, she called for the vote for the election of Nandita V. Berry as Vice Chairman by acclamation. The Board unanimously approved the motion and Nandita V. Berry was elected Vice Chairman of the Board.

The third election was for that of Secretary. Ms. Cornell received the following nomination(s) for the Secretary position: Welcome W. Wilson, Jr. Ms. Cornell asked if there were any additional nominations from the floor for this position. After hearing there were none, Ms. Cornell asked for a motion to close the nomination and elect officers.

On motion of Regent Armour, seconded by Regent Welder, and by a unanimous vote of the regents in attendance, the motion carried and the nominations for Secretary was closed. The nominee(s) for the position of Secretary was Welcome W. Wilson, Jr.

Ms. Cornell stated that hearing only one nomination, she called for the vote for the election of Welcome W. Wilson, Jr. as Secretary by acclamation. The Board unanimously approved the motion and Welcome W. Wilson, Jr. was elected Secretary of the Board.

For the record, Ms. Cornell stated that the new slate of officers for the University of Houston System Board of Regents for FY2013-2014 would be:

Jarvis V. Hollingsworth – Chairman
Nandita V. Berry – Vice Chairman
Welcome W. Wilson, Jr. – Secretary

Chair Blair congratulated the newly elected officers of the Board who will take their positions effective September 1, 2013.

Chair Blair gave brief remarks and stated she wanted the Board to know she felt that this Board and the last several Boards we had been through have had an incredible experience at the University of Houston. She was proud to be a part of the UH System from all four (4) campuses; participating in commencement ceremonies; being able to say she was a UH Law Center graduate; and seeing what Chancellor Renu Khator has done for this institution. She mentioned it was great working with the Board and thanked Dr. Khator for her inspiration and not only for what she has done for the UH System but for what she will do in the future.

At 2:44 p.m., Chair Blair announced she was taking the agenda out of order and 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 3:09 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 open meetings and legislative update was also discussed. There was no action taken from Executive Session.

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:

- There are exactly 12 days left before the first day of the semester. The countdown has begun – there are 12 days before the first day of classes; 17 days before the first football game; and 380 days before the opening of our new football stadium.
- Standard & Poor's Ratings Service (S&P) had just raised its long-term credit rating for the UH System from AA- to AA, the highest rating ever for the UH System from S&P. The upgrade reflects S&P's view that the UH System remains on a fairly impressive enrollment growth trajectory, and it is the culmination of the hard work by Executive Vice Chancellor, Carl Carlucci and his finance team, as well as leadership at our universities.
- Dr. Khator thanked the Board of Regents and alumni for their support and advocacy during the 83rd Legislative Session. Even though no university in the state received any TRBs, we were pleased that our base funding had improved. Another major change relates to the "B on Time" program which allows all universities to offer special loan assistance to those students who complete their degree in four years.

University of Houston Achievements:

- Provost Paula Myrick Short has announced the creation of a Graduate School to better serve faculty and students in certificate, master's, and doctoral programs. She has appointed Dmitri Litvinov as Interim Vice Provost and Dean to provide leadership. The new school will leverage and coordinate resources and support infrastructures aimed at student success, and create a culture of continuous quality improvement.
- Ramesh Shrestha, professor of civil engineering and director of UH's National Center for Airborne Laser Mapping (NCALM), has received a five-year, \$3 million NSF award to extend the center's operations. It is a collaboration between the University of Houston and UC-Berkeley. This center is being credited with the discovery of a buried pre-Columbian city in Honduras, called Ciudad Blanca; and has been widely covered by the news media nationally and internationally.
- Olafs Daugulis, associate professor of chemistry, received the prestigious Norman Hackerman Award from the Welch Foundation. This award is presented annually to Texas scientists who are in the early stages of their careers; and it is the first time a Hackerman Award has been bestowed upon a UH faculty member.
- A \$1 million endowment from ExxonMobil will help UH's *teachHOUSTON* to continue training young secondary science and math teachers. The endowment is part of a matching program coordinated through the National Math and Science Initiative, and is a partnership between the College of Natural Sciences and Mathematics and the College of Education.
- The Moores Concert Chorale took the top prize at the 13th Annual International Chamber Choir Competition in Marktoberdorf, Germany. Led by director Betsy Cook Weber, the chorale was among 10 elite groups from around the world selected to participate in the competition.

University of Houston-Clear Lake Achievements:

- UHCL's School of Education was recognized for two of its programs by the Quest for Quality Teacher Preparation in Texas project, a collaboration between the Center for Research, Evaluation, and Advancement of Teacher Education, and the Texas Higher Education Coordinating Board. The Two-Semester Internship was named an exemplary Field-Based Instructional Practice, while the Early Childhood Model Classroom and Practicum was cited as an Exemplary Faculty Practice.
- The Center for Autism and Developmental Disabilities received a grant from the Fondren Foundation to help kick-start a unique training program for young adults with high-functioning autism. The program will offer training to prepare those individuals for employment and careers as behavior interventionists, working with young children with autism.
- To assist veterans' transition from active duty to college, the Veterans Service Office has created a peer-to-peer mentoring program that connects a new student veteran with one who has been at UHCL for at least two semesters. Resume/interview workshops specific to veterans, mental health counseling, and other services will link veteran students with job opportunities.

University of Houston-Downtown Achievements:

- UH-Downtown has received a grant from the National Oceanic and Atmospheric Administration to establish watershed environmental camps. The camps will be offered during the 2014 and 2015 summer sessions, bringing up to 80 local students and 40 secondary

science teachers to campus to research the health and environmental needs of the many watersheds in Greater Houston's 13-county region.

- Experts from 19 universities across the United States and United Kingdom converged at UHD in May for the three-day Second Annual Peer-Led Team Learning International Society Conference, where academic leaders and students exchanged ideas. In addition to the academic presentations, UHD students made presentations on the influence of peer-led team Learning on future teachers, ways in which peer-led team learning promotes enhanced understanding of course material, and the use of the peer-led team learning model through online workshops.
- Viola Garcia, chair of the Department of Urban Education, was nominated to the National School Boards Association (NSBA) board of directors. She was elected to the Texas Association of School Boards in 2004, where she has held every office, including president. The NSBA represents more than 90,000 local school board members, most of whom are elected, overseeing nearly 14,000 local school districts serving 50 million public school students.

University of Houston-Victoria Achievements:

- The Texas Higher Education Coordinating Board approved UHV's Master of Science in Nursing-Family Nurse Practitioner track, paving the way for classes to start this fall. The program will help address the shortage of health care providers by preparing advanced practice nurses who can diagnose and prescribe medication for health care needs.
- A ribbon cutting ceremony will be held next week, co-hosted with the Victoria Chamber of Commerce, and will mark the opening of the \$11.5 million Jaguar Suites. The facility will house up to 216 sophomores and upperclassmen, and features 5-units, each with private bedrooms, two baths, shared living space, and kitchenette. The building will also contain academic spaces, computer labs, and group study rooms on each floor.
- Administrators from UHV and Wharton County Junior College have signed three agreements to allow students to seamlessly obtain associate degrees from UCJC and bachelor's degrees from UHV.

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

Chair's Report

A Chair's report was not given.

Information Only

Chair Blair stated two (2) individuals had signed up for Open Forum, but only one individual had attended the meeting.

1. Mr. Daniel Arp, from UH-Downtown, addressed the board on the topic of pay gap.

University of Houston System

There being no further action to come before the Board the meeting adjourned at 3:20 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
Carl Carlucci
Paula Myrick Short
Dona Cornell
Rathindra Bose
Elwyn Lee
Eloise Dunn Stuhr
Richard Walker
Bill Flores
Philip Castille
Bill Staples
Ed Hugetz
Phil Booth
Troy Golden
Joe Brueggeman
Gerry Mathisen

State Rep. Garnet Coleman
Tom Ehardt
Chris Stanich
Richard Bonnin
Nam My-Lei
Craig Ness
Dick Phillips
Raymond Bartlett
Jason Trippier
Victor Duran
Beverly Kauffman
Dan Wells
Jon Aldrich
Jeffrey Cass
Marquette Hobbs

Lt. Gov. William Hobby
Maria Elena Soliño
David Bradley
Mike Emery
Daniel Arp
Dana Rooks
Willie Munson
Oscar Gutierrez
Patrick Williams
Caesar Moore
Theresa Singletary
Matthew Brawley
Ed Jones
Don Price
Brenda Robles