

Meeting No. 980

THE MINUTES OF THE BOARD OF REGENTS
OF
THE UNIVERSITY OF TEXAS SYSTEM

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June 2, 2004

Austin, Texas

MEETING NO. 980

WEDNESDAY, JUNE 2, 2004.--The members of the Board of Regents of The University of Texas System convened this special called meeting via telephone conference call at 8:40 a.m. on Wednesday, June 2, 2004, on the Ninth Floor, Ashbel Smith Hall, 201 West Seventh Street, Austin, Texas, with the following in attendance and absent:

ATTENDANCE.--

Present
Chairman Miller, presiding
Vice-Chairman Clements
Vice-Chairman Hunt
Regent Barnhill
Regent Caven
Regent Craven
Regent Estrada
Regent Huffines

Absent
Vice-Chairman Krier *

Counsel and Secretary Frederick

In accordance with a notice being duly posted with the Secretary of State and there being a quorum present, Chairman Miller called the meeting to order.

U. T. Board of Regents: Election of James Richard Huffines as Chairman of the U. T. Board of Regents effective immediately

Chairman Charles Miller announced his resignation from the Board of Regents on May 12, 2004, following his letter of resignation dated May 5, 2004, to Governor Rick Perry.

Chairman Miller thanked members of the Board for their dedication to The University of Texas and to the citizens of Texas and expressed appreciation to the staff of the Office of the Board of Regents for their capabilities, industriousness, and grace under pressure. Mr. Miller also recognized Chancellor Mark G. Yudof's staff as one of the best management teams in higher education in the country.

Regent Caven stated that Chairman Miller has done more to advance the cause of higher education in Texas than any one single individual in our lifetime, and he said

* Vice-Chairman Krier was not able to participate because of telephone difficulties.

on behalf of the entire Board, it has been an honor to serve with him on the Board. In accordance with Chairman Miller's letter of resignation, Regent Caven moved that pursuant to the Regents' Rules and Regulations, Part One, Chapter I, Section 3, Regent James Richard Huffines be elected Chairman of the U. T. Board of Regents effective immediately.

[Counsel and Secretary's Note: For the record, Vice-Chairman Krier wanted to join Regent Caven in advancing this motion concerning election of Regent Huffines as Chairman of the Board but was unable to join the telephone meeting due to technical difficulties despite several attempts because of a problem with the contracted teleconferencing support.]

There were numerous seconds to the motion, which carried unanimously. Vice-Chairman Hunt congratulated Mr. Miller for his years of service as Chairman and commented that Mr. Miller has made an irreplaceable difference. Mr. Miller then introduced Chairman Huffines to continue the meeting.

Chairman Huffines stated that rarely has The University of Texas System had such a strong and dedicated leader. He said Chairman Miller is an unquestionable catalyst of change and listed a few of those positive changes that occurred under Mr. Miller's leadership as follows:

- instrumental in selection of Mr. Mark G. Yudof as Chancellor and seven component institution presidents resulting in creation of the strongest team ever assembled at U. T.;
- created an audit and compliance committee that has moved the University towards a public institution version of the Sarbanes-Oxley oversight and initiated the first full outside audit of the U. T. System;
- encouraged collaborative activities, noting that research expenditures have increased 57% since Chairman Miller joined the Board in 1999;
- exhibited unparalleled leadership in developing K-12 activities and without Chairman Miller's commitment and determination, there would be no University of Texas Elementary Charter School; and
- brought stronger accountability and increased governance to The University of Texas Investment Management Company (UTIMCO) and the various component institutions.

Chairman Huffines said few Chairmen maintain the passion, commitment, and energy to make the U. T. System a better place and commended Mr. Miller for raising the University to the national stage on many different issues. On a personal note, he thanked Chairman Miller for being an outstanding mentor, teacher, and confidant and expressed appreciation to Mr. Miller for his inspiration, leadership, and service to the State of Texas and to The University of Texas System Board of Regents.

Chairman Huffines reminded the Board that only 212 Texans have had the privilege of serving as a Regent since the creation of The University in 1881 and reminded the members of the Board of the significant responsibility they have undertaken as a Regent. He said he was deeply honored and humbled for the trust and confidence expressed in him by members of the Board in electing him as their Chairman.

ADJOURNMENT.--Chairman Huffines announced that the purpose for which this meeting was called had been completed, and the meeting was duly adjourned at 8:45 a.m.

/s/ Francie A. Frederick
Counsel and Secretary to the Board

June 10, 2004