

TEXAS TECH UNIVERSITY SYSTEM  
Lubbock, Texas

Minutes

Board of Regents  
December 11-12, 2008

Thursday, December 11, 2008.—The members of the Board of Regents of the Texas Tech University System, the Investment Advisory Committee, the Texas Tech Foundation Board and the Angelo State University Foundation Board convened in a joint meeting at 9:09 a.m. on Thursday, December 11, 2008, in the Red Raider Lounge, First Floor, Room 122, Student Union Building, 15<sup>th</sup> Street and Akron Avenue, Lubbock, Texas, with the following in attendance:

ATTENDANCE.—

Regents present were F. Scott Dueser, Chairman; Larry K. Anders, Vice Chair; L. Frederick “Rick” Francis; Mark Griffin; John Field Scovell; Daniel T. Serna; Windy Sitton; Bob L. Stafford; Jerry Turner; and Student Regent Kelli Stumbo.

Investment Advisory Committee members present were Carin Barth, Chair; Jerry Smith; Carrol McGinnis; Alan Brown (also TTFB); Clark Pfluger; and Langston Turner.

Texas Tech Foundation Board members present were Trey Berry; Don Cash; Jim Cummings; Bill Ritter; Bitsy Stone; Ward Williford; Nancy Jones; Mickey Long; Lea Wright; Jim Burkhart; Sam Islam; David Thomas; Avery Rush; Alan Henry; and Steve Hurt.

Angelo State University Foundation Board members present were Wayne Franke; Sharon Rainey-Alexander, Chair; and Jim Raymond.

Also participating at the opening of the meeting were Mr. Kent Hance, Chancellor, TTUS; Dr. Guy Bailey, President, TTU; Dr. Joseph Rallo, President, ASU; Dr. John C. Baldwin, President, TTUHSC; Mr. Ben Lock, Executive Assistant to the Chancellor and Secretary of the Board of Regents, TTUS; Mr. Pat Campbell, Vice Chancellor and General Counsel, TTUS; Mr. Jim Brunjes, Vice Chancellor and Chief Financial Officer, TTUS; Dr. Kelly Overley, Vice Chancellor for Institutional Advancement, TTUS; Mr. Gary Ratliff, Associate Vice Chancellor, Cash Investments, TTUS; Ms. Beverly Cotton, Interim Vice President for Administration and Finance, TTU; Ms. Sharon Meyer, Vice President for Finance and Administration, ASU; Mr. Kyle Clark, Assistant Chief Financial Officer, TTUS; Mr. Jodey Arrington, Chief of Staff, Office of the Chancellor, TTUS; Dr. Jane Winer, Interim Provost, TTU; Dr. Michael Shonrock, Vice

President, Student Affairs, TTU; Mrs. Kim Turner, Chief Audit Executive, TTUS; Mr. Eric Fisher, Section Manager, Cash Investments, TTUS; Ms. Leigh Ann Koch, Director, Texas Tech Foundation Board, TTUS; Mrs. Christina Martinez, Assistant Secretary to the Board of Regents, TTUS; Michael Manning, CFA, CAIA, NEPC; and Edward O'Donnell, CFA, NEPC.

- I. INTRODUCTION & WELCOME—Vice Chair Anders called the meeting to order, with the Investment Advisory Committee, Board of Regents, Texas Tech Foundation Board, Angelo State & Angelo State Foundation officers, and Texas Tech System officers introducing themselves. Chancellor Hance welcomed everyone then turned the meeting back over to Vice Chair Anders.
- II. FIRM/MARKET OVERVIEW—Newly-hired investment consultant NEPC was called upon to give an overview of financial and economic markets. Mr. O'Donnell began by complimenting all present for the construction of the investment portfolio, stating that it's very well-diversified and progressive. He then talked about NEPC's background. The firm was founded in 1986, and is independent in that its only revenue source is client fees. The firm has been forward-looking in building up its research capabilities in complex areas like hedge funds and alternative assets. 25 percent of its clients are endowments & foundations, and another 25 percent are small, sophisticated pensions that are endowment-like.

Mr. O'Donnell then commented on the current market climate. He stated that the key word is "uncertain", with the market undergoing extreme volatility and investors fleeing to high quality US Treasury instruments. He reiterated that the portfolio was constructed well by having a long-term strategic outlook. The current volatility has caused massive deleveraging, so that all managers have taken all remotely risky assets off of the books. National ownership of companies will slow investment growth somewhat, making it harder to pick outperforming managers.. Interest rates are projected to remain low, with inflation low for about 9 months. As the dollar value decreases, inflation will begin to increase in 2010. Going forward, NEPC sees opportunities in inflation-hedges such as oil and real assets. Major opportunities will be present in the credit markets, as irrationality has caused credit spreads to be historically wide.

- III. PERFORMANCE UPDATE—Gary Ratliff, chief investment officer for the System presented a performance update for the portfolio. Broadly, investment returns compared well with similar institutions. The year-trailing return at October 31 was -20.1 percent, compared to an index return of -29.1 percent. Comparisons with a Russell/Mellon peer universe put the portfolio returns in the top 11 percent for third quarter 2008, top 18 percent for 1 year, and top 9 percent for the 3 year. Mr. Ratliff acknowledged the efforts of Institutional Advancement in providing liquidity through new endowment gifts for the portfolio and how important that is in down markets.

- IV. ASSET ALLOCATION (NEPC/CIO)—The current asset allocation is expected to change soon. Domestic equity will remain the same, since it's cheap right now, but will be monitored. Cash will be watched closely to ensure liquidity after spending and capital calls. Emerging markets are attractively priced, but the portfolio will remain underweight from a tactical standpoint for the time being. Going forward, allocating funds to credit opportunities will be one of the first changes.
- V. FUTURE CONCERNS/ISSUES—Mr. Ratliff mentioned liquidity as one of the primary concerns going forward. New opportunities will likely be more than the portfolio is able to fund. Chancellor Hance asked about the effect on endowment spending. Mr. Brunjes responded that the effect will likely be seen in fiscal years 2010 & 2011, as the current year market values are incorporated into the 3-year spending calculation. One bright spot is that endowment spending is not used to fund general operations, so the hit won't be felt there. Mr. O'Donnell responded to a question about charitable giving by saying that philanthropy is one of the first areas to suffer during an economic downturn. NEPC has already seen giving decrease in the Boston area.
- VI. INVESTMENT POLICY—Regent Turner said that the *Regents' Rules* Committee is assessing Chapter 09 on investment policy. Looking at "best practices", he feels that the policy should stand alone outside of Regents' Rules. He charged NEPC & staff to review the policy and make recommendations.
- VII. RECESS.—Vice Chairman Anders recessed the meeting at 10:47 a.m.

Friday, December 12, 2008.—The members of the Board of Regents of the Texas Tech University System convened at 8:38 a.m. on Friday, December 12, 2008, in the Matador Room, Second Floor, Room 227, Student Union Building, 15<sup>th</sup> and Akron Avenues, Lubbock, Texas, with the following in attendance:

ATTENDANCE.—

Regents present were F. Scott Dueser, Chairman; Larry K. Anders, Vice Chair; L. Frederick "Rick" Francis; Mark Griffin; John Field Scovell; Daniel T. Serna; Windy Sitton; Bob L. Stafford; Jerry Turner; and Student Regent Kelli Stumbo.

Also participating at the opening of the meeting were Mr. Kent Hance, Chancellor, TTUS; Dr. Guy Bailey, President, TTU; Dr. Joseph Rallo, President, ASU; Dr. John C. Baldwin, President, TTUHSC; Mr. Ben Lock, Executive Assistant to the Chancellor and Secretary of the Board of Regents, TTUS; Mr. Pat Campbell, Vice Chancellor and General Counsel, TTUS; Mr. Jim Brunjes, Vice Chancellor and Chief Financial Officer, TTUS; Ms. Beverly Cotton, Interim Vice President for Administration and Finance, TTU; Mr. Elmo Cavin, Executive Vice President for Finance and Administration, TTUHSC; Ms. Sharon Meyer, Vice President for Finance and Administration, ASU; Dr. Jane Winer, Interim

Provost, TTU; Dr. Don Coers, Academic and Student Affairs Provost and Vice President, ASU; Mr. Corky Dragoo, Executive Assistant to the Chancellor, TTUS; Mr. Jodey Arrington, Chief of Staff, Office of the Chancellor, TTUS; Dr. Kelly Overley, Vice Chancellor for Institutional Advancement, TTUS; and Mrs. Christina Martinez, Assistant Secretary to the Board of Regents, TTUS.

- VII. CALL TO ORDER; CONVENE INTO OPEN SESSION OF THE BOARD.—Chairman Dueser announced a quorum present and called the meeting to order.
- VIII. INTRODUCTIONS AND RECOGNITIONS.—Chairman Dueser called on Mr. Hance, Dr. Bailey, Dr. Baldwin and Dr. Rallo to announce their introductions and recognitions.

Mr. Hance stated he had one introduction. Valerie Paton is our TTU vice provost for Planning Assessment. She serves as our director for strategic planning. She teaches in the College of Education. She has been concentrating on our SACS issues. She has done an outstanding job. If there was a first-team all-American in SACS planning, she would receive that award. We have a debt of gratitude to Valerie. She has been great to work with. She has worked with all of the faculty and staff and with the SACS people. They have indicated that the way we have handled this sets the bar very high. No one has done a better job than Texas Tech and that because we have Valerie Paton. We owe her a big round of applause.

Dr. Bailey stated that he had several introductions. He began by introducing Dr. Seshadri Ramkumar and Dr. Ron Kendall of the Institute of Environmental Human Health (“TIEHH”). Dr. Kendall is the director of TIEHH and Dr. Ramkumar is the inventor of a non-woven dry decontamination wipe called Fibertect. The wipe was recently tested against 30 others by the Lawrence Livermore National Laboratories and it was found to be the best of its type for cleaning up chemical warfare agents and toxic chemicals. A 2004 report to Congress published by the Defense Department called for the development of products such as these as part of our military equipment. This decontaminate wipe is a great example of how research is supposed to work at a university. It was federally funded at about \$2 million. These people were able to develop this product and this product serves the common good. It is also going to be an example of technology transfer. A press conference was held a couple of weeks ago announcing our partnership to commercialize this product. This product will be tremendously popular. It is our real introduction into commercialization. It is quite an accomplishment for our institution and both of these individuals deserve our thanks for their hard work. This is the first and not the last example of what we hope to be developing. (Dr. Bailey continued by reading some media clips from the *Associated Press*, the *New York Times*, the *Washington Post*, the *Austin-American Statesman*, the *Fort Worth Star Telegram*, and the Houston, Dallas, Amarillo and El Paso newspapers.) It was picked up nationally by newspapers in India, China and Australia. It was recognized by MSNBC and

many other local television stations. This list of media goes on for several pages. We have received as much coverage from this as anything that we have done academically. Again, we thank both of them for their hard work.

Yesterday it was announced that Texas Tech has received a \$3 million grant from the Greater Texas Foundation to fund a new master's degree program. This master's degree program is designed to expand the number of science and math teachers. There were 22 universities across Texas who competed for this award but we were the only ones to receive it. That includes schools in Austin as well. The Greater Texas Foundation is located in Bryan College Station. This is the third largest amount ever granted by the Greater Texas Foundation. The new master's program, called Mid-School Math and Science or MS2, Understanding by Design, is a cooperative program between the College of Education in collaboration with the College of Arts and Sciences and the College of Engineering. This is another indication of why Texas Tech is a leader in this state in the training of math and science teachers. Jennifer Wilhelm is from the College of Education. She is a principal investigator on this project. She will introduce her team.

Dr. Wilhelm introduced Dr. Zenaida Aguirre-Muñoz, associate professor, College of Education; Dr. Rebecca Ortiz, assistant professor, College of Education; Dr. Mary Baker associate professor, Electrical Engineering; Dr. Dominick Casadonte, chair, Chemistry and Biochemistry; Dr. Mark McGinley, associate professor, Honors College; Dr. David Lamp, associate professor, Physics Department; and Dr. Jerry Dwyer, assistant professor, Mathematics Department.

Dr. Bailey stated this is a collaborative effort which represents a real contribution to the needs of the state. In addition to this, it was also revealed last week that Texas Tech University's College of Education and South Plains College, one of our community college partners, had been awarded a Star Award from the Texas Higher Education Coordinating Board. Dr. Peggy Johnson is the associate dean for teacher education. The College of Education partnership project began in 2004 after South Plains College became the first community college in Texas to receive approval for an associate of arts degree in teaching degree. The relationship between schools creates a barrier free transition for educational students from South Plains to Texas Tech. Since 2004, 100 students who have earned teaching associates degrees have transferred into Texas Tech's College of Education. Of those students, 100 percent have graduated from Texas Tech or are still currently enrolled. That is what you call a seamless transition.

The last introduction is Peter Briggs. Peter has won the prestigious and competitive Fulbright Scholarship for this spring. He is the curator of art and is an adjunct faculty member of Texas Tech. The Fulbright program sends 800 U.S. faculty and professionals abroad each year. This is a very competitive project. He'll teach a course titled Organization of Art. It is a course in curatorial

practices for upper division arts students. He prepares them in the theory and practice of curating exhibitions and collections of contemporary art.

Regent Griffin stated that in regards to the introduction of Dr. Kendall and Dr. Ramkumar, a partnership was created with Mr. Carey Hobbs from Waco, who was a former Texas Tech regent. He is the private sector aspect to this fantastic opportunity. It is very good when you have the family all involved—from the private to the public sector. Carey Hobbs and his company have been instrumental and a significant partner in moving this project forward.

Dr. Baldwin introduced three individuals from the Health Sciences Center. Dr. Vasum Peiris is an example of one of the stars coming on to our faculty. He is an assistant professor of Pediatrics in pediatric cardiology. He earned his BA from Yale University. He earned his degrees in mutually exclusive disciplines. His BA was in ethics, politics and economics. He received his master's in public health from Yale and his MD degree from the University of Vermont where he was a member of the AOA. He also received the Albert Schweitzer Fellowship. He completed his residency at Yale and had his fellowship in pediatric cardiology and related cardiology research at the best children's hospital in the world which is the Boston Children's Hospital. He was there until this year. While there he received the Young Investigator Award from the American Academy of Pediatrics. He has joined us a member of the faculty and part of our growing program in cardiology.

Next is Dr. Gail Cornwall. Gail is a Ph.D. and an associate professor of Cell Biology and Biochemistry. She has been with us for about 14 years. She is a product of outstanding culture of research leadership that she contributes to and has been lead recently by Dr. Doug Stocco. We are very proud that she has just received an NIH RO1 grant from the National Institute of Child Health and Human Development. Her research focuses on the causes of fertility and infertility and diseases relating to reproductive functions. This is a five year grant for over \$300,000 a year. Her research has been recognized as truly distinctive in the country. We are very proud of Gail's example of our growing research programs.

Finally, is Dr. Surendra Varma. Surendra has likely been introduced to you a number of times over the years. Some may say he needs no introduction. Surendra is a pillar of our University has recently received the Lubbock County-Garza County Medical Society Hippocratic Award which is awarded to a physician who has practiced in this community for more than 30 years and subscribes to open disciplines in his job and exemplifies a caring, generous, attention to his patients. It is rare for someone from academic medicine to receive this type of recognition from the community, but Surendra who is such a fine citizen of the University has always been such a great citizen to this community and this region. He came here in 1974. He has been a great supporter of children's health causes. With Senator Kent Hance, he brought

about the passage of a program for newborn screening for congenital hypothyroidism back in 1977. Over the years, he has appropriately received a number of awards from professional societies as well as civic societies. We see him as one of our great strengths and constant sources of inspiration in the HSC.

Dr. Rallo introduced Steve Jackson. It was mentioned during the last meeting that the Vice President of the ASU Student Government Association had run with the bulls in Pamplona, Spain. Steve is here in person today. He is from Artesia, NM. He is physics major. He is a great person and TTU is currently trying to recruit him to the Graduate School.

IX. OPEN SESSION.— At approximately 8:54 a.m. on Friday, December 12, the Board continued meeting in open session in the Matador Room, Second Floor, Room 227, Student Union Building, 15<sup>th</sup> and Akron Avenues, Lubbock, Texas, to consider items as a Board and in the Committee of the Whole.

IX.A. APPROVAL OF MINUTES.—Regent Dueser asked for approval of the minutes of the board meeting held on October 31, 2008. Regent Anders moved for their approval. Regent Francis seconded the motion, and the motion passed unanimously.

IX.B. COMMITTEE OF THE WHOLE.—Chairman Dueser announced that for the purpose of facilitating action on the items to be considered, Regent Anders would preside over the Committee of the Whole.

IX.B.1. Regent Anders presented the item regarding approval of the Consent Agenda and acknowledgment of review of the Information Agenda. Regent Anders moved that the Consent Agenda be approved. The motion was seconded and passed unanimously. The following are the Minute Orders approved by this motion:

IX.B.1.a. ASU: Approve revised Table of Programs for Angelo State University, effective January 2009.—The board approved submission of the Table of Programs, included herewith as Attachment No. 1, for Angelo State University to the Texas Higher Education Coordinating Board to be effective January 2009. This request was approved administratively by the president and the chancellor.

IX.B.1.b. TTU: Approve a faculty development leave change.—The board approved a change to a previously approved faculty development leave. This

request was approved administratively by the president and the chancellor.

Change of faculty development leave for Joseph Aranha, associate professor, College of Architecture. This leave is to collaborate in curriculum development and field research on traditional architecture at Mekelle University in Ethiopia in Professor Aranha's capacity as a Fulbright Senior Specialist. This leave was previously approved by the Board of Regents at its December 15, 2006 board meeting and was originally scheduled for September 1, 2007 through December 31, 2007. It will be taken in Ethiopia, Africa. The leave has been rescheduled from January 15, 2009 to May 31, 2009. This change was necessary due to the Fulbright program being in disarray at the National University of Laos, at the time Professor Aranha was scheduled to go. He asked for a delay pending a firm commitment from them. In the meantime, a newly established architecture program was created at Mekelle University and Professor Aranha was asked to serve in his Fulbright capacity in this newly established architecture program.

- IX.B.1.c. TTU: Approve employee appointments to non-elective positions.—The board approved the appointments of Dr. Eric Ford, professor in the Rawls College of Business Administration, to the Statewide Health Coordinating Council and Dr. Robert Wright, assistant professor in the College of Agricultural Sciences and Natural Resources, to the State Seed and Plant Board. This request was approved administratively by the president and the chancellor.

The Board of Regents found, with respect to the appointees, that their service is of benefit to the State of Texas and Texas Tech University and that their service does not conflict with their respective positions of employment at Texas Tech University.

- IX.B.1.d. ASU: Approve naming Room 200 in the Cavness Science building the Dr. Alan Bloebaum Lecture Hall.—The board approved naming Room 200 of the Raymond A. Cavness Science Building the Dr. Alan Bloebaum Lecture Hall. The 96-seat lecture hall is the second largest in the Cavness building and is

used extensively for primary lectures in biology, chemistry and related sciences. This request was approved administratively by the president and the chancellor.

IX.B.1.e. TTU: Approve changing the name of the College of Engineering Livermore Auditorium.—The board approved changing the name of the College of Engineering Livermore Auditorium to the “Livermore Center” as a result of the renovation/conversion of the facility. This request was approved administratively by the president and the chancellor.

IX.B.1.f. ASU: Approve commissioning of police officer.—The board approved to commission the following individual as a police officer effective with the date indicated below. This request was approved administratively by the president and the chancellor.

Orlando V. Villarreal, effective October 9, 2008

IX.B.1.g. TTU: Approve commissioning of police officers.—The board approved to commission the following individuals as police officers effective on the date indicated below. This request was approved administratively by the president and the chancellor.

John Radle, effective July 15, 2008  
Andrew Lawson, effective July 30, 2008  
Robert Sharp, effective August 1, 2008

Regent Anders then moved that the board acknowledge its review of the Information Agenda as follows:

#### Information Agenda

Information is provided as required by Section 01.02.6.b(2)(c), *Regents' Rules*

(1) TTU, TTUHSC, and ASU: Summary of Revenues and Expenditures by Budget Category, FY 2008, per Section 01.02.8.d(3)(f), *Regents' Rules*: All actual expenditures will be reviewed by the Finance and Administration Committee annually and provided as information.

(a) TTU: Report dated August 31, 2008 for fiscal year 2008 (available for review upon request); and

- (b) TTUHSC: Report dated August 31, 2008 for fiscal year 2008 (available for review upon request); and
- (c) ASU: Report dated October 31, 2008 for fiscal year 2008 (available for review upon request).

(2) TTUHSC: Contract Renewals per Section 07.12.4.b., *Regents' Rules*: "Approval of the president is required for all contract renewals. A list of those renewal contracts greater than \$500,000 per annum, including the amount of the contract, will be provided to the board as an information item at the next regular board meeting."

- (a) SHA, LLC, dba FIRSTCARE; amendment to "Participating Specialist Physician Agreement"; amendment effective 12/01/08; \$5,300,000 per annum.
- (b) UMC Physician Network Services; attachment for Carlos Pangan Torres, MD, to "Physician Staffing Agreement"; \$593,654 per annum.
- (c) Thomason, R E, General Hospital, dba for El Paso County Hospital District; amendment to "Anesthesiology Services Agreement" effective 09/15/08; \$7,271,583 per annum.
- (d) El Paso Psychiatric Center - Texas Dept of State Health Services; amendment to "Agreement...for Psychiatric Medical Services" to extend term 1 year to 08/31/09; \$600,000 per annum.
- (e) Thomason, R E, General Hospital, dba for El Paso County Hospital District; amendment to "Trauma Services Agreement" to extend term 1 month to 10/31/08; \$2,238,750 per annum.
- (f) UMC, dba for Lubbock County Hospital District; amendment to "Master Coordinating Agreement" effective 09/30/08; \$26,543,622 per annum.
- (g) Thomason, R E, General Hospital, dba for El Paso County Hospital District; amendment to "Medical Services Agreement" effective 09/08/08; \$24,495,627 per annum.
- (h) Thomason, R E, General Hospital, dba for El Paso County Hospital District; amendment to "Ophthalmology Services Agreement" effective 08/12/08; \$852,000 per annum.
- (i) Thomason, R E, General Hospital, dba for El Paso County Hospital District; amendment to "Medical Services Agreement" effective 09/08/08; \$24,495,627 per annum.
- (j) Swank Motion Pictures, Inc; amendment to "Educational Services Contract"; \$725,000 per annum.
- (k) Thomason, R E, General Hospital, dba for El Paso County Hospital District; renewal "Residents Agreement"; \$9,683,930 per annum.
- (l) Blue Cross and Blue Shield of Texas; amendment to "Group Managed Care Agreement" effective 09/01/08, \$7,100,000 per annum.

(3) ASU and TTU: Small classes approved at TTU per Section 04.10, *Regents' Rules*: "The offering of small classes is a matter of academic and economic concern, and shall be engaged in only when appropriate justification is offered. In keeping with legislative directives and guidelines approved by the Texas Higher Education Coordinating Board, organized small classes may be authorized to be taught if the meet the conditions set forth in the Texas Administrative Code. The provost shall approve or disapprove the proposed offering of small classes, monitor the offerings, and provide reports in accordance with

state requirements. A report on small classes offered shall be reported to the board as information."

- (a) ASU: Small Class Report, Fall Semester 2008; and Low Productivity 2005-2007 Report (available for review upon request).
- (b) TTU: Small Class Report, Fall Semester 2008.

- (4) ASU and TTU: Report of Efforts Concerning Timely Graduation per Section 51.4033, *Texas Education Code*: "(a) Not later than November 1 of each year, the president of each general academic teaching institution, as defined by Section 61.003, shall provide to the governing board of the institution a report for the preceding academic year that examines the institution's efforts concerning timely graduation of its undergraduate students. (b) The report must: (1) state, for each undergraduate degree program, the average number of semester credit hours attempted and the average number of fall and spring semesters attended by a student completing the program; (2) state the specific efforts implemented by the institution to ensure that undergraduate students graduate in a timely manner and do not attempt an excessive number of semester credit hours beyond the minimum number required to complete the students' degree programs, including the institution's efforts to provide academic counseling concerning timely graduation, including the development of an online student degree progress report which compares the courses taken and credit received by a student to the courses completed and needed for degree and graduation requirements for each academic term, and to implement tuition policies that encourage timely graduation; and (3) include any other information required by the Texas Higher Education Coordinating Board. (c) An institution's report must be in the form prescribed by coordinating board rule adopted in consultation with general academic teaching institutions."

- (a) ASU: Report of Efforts Concerning Timely Graduation (available for review upon request).
- (b) TTU: Timely Graduation Measures at Texas Tech University (available for review upon request).

- (5) ASU, TTU and TTUHSC: Reports of Affordability and Access per Section 51.4031, *Texas Education Code*: "(a) Not later than November 1 of each year, the chief executive officer of each institution of higher education, as defined by Section 61.003, shall provide to the governing board of the institution a report for the preceding fall, spring, and summer semesters that examines the affordability and access of the institution. (b) The report must include: (1) statistical information on the percentage of gross family income required for a student who is a resident of this state to pay tuition and required fees charged by the institution; (2) the criteria used by the institution to admit students to the institution; (3) an analysis of the criteria used to admit students and to award financial assistance to students, considering the mission of the institution and the purposes of higher education in this state; (4) an analysis of the manner in which the factors described by Subdivisions (1)-(3) relate to: (A) the regions of this state in which students reside; (B) the race or ethnicity of students; (C) the gender of students; and (D) the level of education achieved by the parents of students; and (5)

comparisons of the institution with peer institutions in this state and in other states with respect to affordability and access. (c) For purposes of the report, a student who applies for admission to or enrolls in an institution and applies for financial aid from the institution may be required to provide documentation necessary for the institution to complete the report. (d) An institution's report must be in the form prescribed by the Texas Higher Education Coordinating Board in consultation with the institution."

- (a) ASU: THECB Affordability Survey 2007-2008 (available for review upon request).
- (b) TTU: THECB Affordability Survey 2008-2008 (available for review upon request).
- (c) TTUHSC: THECB Affordability Survey 2008-2008 (available for review upon request).

The motion was seconded and passed unanimously.

IX.B.2. TTUS: Approve various amendments to the Regents' Rules to incorporate Angelo State University into the Regents' Rules.—The board approved the amendments to the *Regents' Rules* to incorporate Angelo State University into the *Regents' Rules* as recommend by the *Regents' Rules* Review Committee ("Rules Committee").

Regent Anders stated that consideration of items by the Committee of the Whole was concluded.

X. REPORTS OF STANDING COMMITTEES.—At approximately 9:06 a.m., at the direction of Chairman Dueser, Standing Committee reports were presented sequentially to the Committee of the Whole.

X.A. REPORT OF THE FINANCE AND ADMINISTRATION COMMITTEE

Committee Chairman Griffin reported that the Finance and Administration Committee met in open session on December 11, 2008 to consider those matters on its agenda and to formulate recommendations to the Board of Regents of the Texas Tech University System. Unless otherwise indicated, the action set forth in the Minute Order that follows was recommended by the Finance and Administration Committee and approved in open session and without objection by the Board of Regents of the Texas Tech University System.

X.A.1. TTU: Approve room and board rates effective fall semester 2009.—The Board approved the room and board rates, included herewith as Attachment No. 2, to be assessed and collected from regularly enrolled and prospective students effective with the fall semester 2009.

- X.A.2. TTU: Approve amendment to new student orientation fee effective January 2009.—The Board approved revisions to the New Student Orientation fee structure effective January 2009.
- X.A.3. TTU: Approve Athletics contract with Learfield Communications, Inc.—The Board authorized the administration to proceed with the negotiation of an Athletics marketing agreement, with the Finance and Administration Committee authorized to provide final approval of the negotiated agreement.
- X.A.4. TTU: Approve budget adjustments for Athletics—Cotton Bowl Game.—The Board approved the following budget adjustments for the Cotton Bowl Game.

TEXAS TECH UNIVERSITY – BOARD APPROVAL ITEM

Activity	Source of Funds		
	Other	Income	Expense
<b>Athletics – Cotton Bowl Game</b>		<b>1,187,500</b>	<b>1,187,500</b>
The University participation in the Cotton Bowl game will generate additional income that will be expended for a number of purposes including travel (team and band) and lodging as the primary costs.			
<b>Total</b>		<b>1,187,500</b>	<b>1,187,500</b>

- X.A.5. TTUHSC: Approve budget adjustments for the period November 1, 2008 through November 30, 2008.—The Board approved a budget adjustment for the period November 1, 2008 through November 30, 2008.

TEXAS TECH UNIVERSITY HEALTH SCIENCES CENTER – BOARD APPROVAL ITEM  
(November 1, 2008 – November 30, 2008)

Activity	Source of Funds		
	Other	Income	Expense
<b>Board Action</b> <b>Medical Practice Income Plan</b>		<b>\$1,000,000</b>	<b>\$1,000,000</b>
Revenue from patient billings for physician services in the R. E. Thomason Hospital emergency room. The hospital has previously been responsible for these billings.			

X.B. REPORT OF THE ACADEMIC, CLINICAL AND STUDENT AFFAIRS COMMITTEE

Committee Chairman Sitton reported that the Academic, Clinical and Student Affairs Committee met in open session on December 11, 2008 to consider those matters on its agenda and to formulate recommendations to the Board of Regents of the Texas Tech University System. Unless otherwise indicated, the actions set forth in the Minute Orders that follow

were recommended by the Academic, Clinical and Student Affairs Committee and approved in open session and without objection by the Board of Regents of the Texas Tech University System.

X.B.1. TTU: Report on Honors College.—The Board accepted a report on the Honors College, included herewith as Attachment No. 3.

#### X.C. REPORT OF THE FACILITIES COMMITTEE

Committee Chairman Francis reported that the Facilities Committee met in open session on December 11, 2008 to consider those matters on its agenda and to formulate recommendations to the Board of Regents of the Texas Tech University System. Unless otherwise indicated, the actions set forth in the Minute Orders that follow were recommended by the Facilities Committee and approved in open session and without objection by the Board of Regents of the Texas Tech University System.

X.C.1. TTU: Approve amendment to ground lease of Texas Tech University land.—The Board authorized the president to execute an amendment to the existing ground lease with the Texas Tech Alumni Association for an additional 0.461 acres of land for the expansion of the Merket Alumni Center and to make other adjustments to the lease that may be required for the construction of the University Chapel. The land will be leased through August 31, 2043 at no cost to coincide with the terms of the existing lease. The TTU Amendment to Ground Lease of Texas Tech University Land PowerPoint is included herewith as Attachment No. 4.

X.C.2. TTU: Report on the new Rawls College of Business Administration Building.—The Board accepted a report on the new Rawls College of Business Administration Building, included herewith as Attachment No. 5, and how the design of the building aligns with the mission and vision of the College.

X.C.3. TTUS: Report on Facilities Planning and Construction projects.—The Board accepted a report on Facilities Planning and Construction managed projects, included herewith as Attachment No. 6

X.C.4. TTU: Report on Honors College.—Dr. Bailey presented a report on the Honors College, included herewith as Attachment No. 3.

#### X.D. REPORT OF THE AUDIT COMMITTEE

Committee Chairman Serna reported that the Audit Committee met in open session on December 11, 2008 to consider those matters on its agenda and to formulate recommendations to the Board of Regents of the Texas Tech University System. Unless otherwise indicated, the action set forth in the Minute Order that follows was recommended by the Audit Committee and approved in open session and without objection by the Board of Regents of the Texas Tech University System.

X.D.1. TTUS: Report on audits.—The Board accepted a report on the System's audit projects, included herewith as Attachment No. 7, Attachment No. 8 and Attachment No. 9.

X.D.2. TTUS: Report related to establishment of an audit office in El Paso.—The Board accepted a report on the establishment of an audit office on the El Paso campus, included herewith as Attachment No. 10.

XI. OPEN SESSION.—At approximately 9:10 a.m. the board continued in open session in the Matador Room, Second Floor, Room 227, Student Union Building, 15<sup>th</sup> and Akron Avenues, Lubbock, Texas, to consider items as the Committee of the Whole and Meeting of the Board.

XI.A. ASU, TTU, AND TTUHSC: REPORT ON DIVERSITY ACTIVITIES.—President Rallo, Dr. Muñoz and Dr. Nuñez presented a report on diversity activities for ASU, TTU and TTUHSC. The TTU report is included herewith as Attachment No. 11.

XI.B. SCHEDULE FOR BOARD MEETINGS.—Mr. Lock presented the following schedule for future board meetings: March 5-6, 2009; May 7-8, 2009; August 6-7, 2009; October 22-23, 2009; and December 17-18, 2009.

XI.C. CHANCELLOR'S REPORT.—Chairman Dueser called on Chancellor Hance, who presented the Chancellor's Report, included herewith as Attachment No. 12.

XI.D. THE PRESIDENT'S REPORT, TTU.—Chairman Dueser called on President Bailey, who presented the President's Report, included herewith as Attachment No. 13.

XI.D.1 REPORT BY STUDENT GOVERNMENT ASSOCIATION, TTU.—Chairman Dueser called on Ms. Lee Bobbitt, president, Student Government Association, TTU, who presented a report from the Student Government Association included herewith as Attachment No. 14.

- XI.E. THE PRESIDENT'S REPORT, TTUHSC.—Chairman Dueser called on President Baldwin, who presented the President's Report, included herewith as Attachment No. 15.
- XI.E.1. REPORT BY STUDENT GOVERNMENT ASSOCIATION, TTUHSC.— Chairman Dueser called on Mr. Rick Bliss, president, Student Government Association, TTUHSC, who presented a report from the Student Government Association included herewith as Attachment No. 16.
- XI.F. THE PRESIDENT'S REPORT, ASU.—Chairman Dueser called on President Rallo, who presented the President's Report, included herewith as Attachment No. 17.
- VI.F.1 REPORT BY STUDENT GOVERNMENT ASSOCIATION, ASU— Chairman Dueser called on Mr. Steve Jackson, vice president, Student Government Association, ASU, who presented a report from the Student Government Association included herewith as Attachment No. 18.
- XII. EXECUTIVE SESSION.— At approximately 10:19 a.m., the board recessed and convened into Executive Session as authorized by Chapter 551 of the *Texas Government Code*.
- XIII. OPEN SESSION.—At approximately 12:34 p.m., the board continued in open session in the Matador Room, Second Floor, Room 227, Student Union Building, 15<sup>th</sup> and Akron Avenues, Lubbock, Texas, to consider items as a Committee of the Whole and Meeting of the Board.
- XIII.A. REPORT OF EXECUTIVE SESSION.—Chairman Dueser called on Vice Chair Anders to present motions regarding items discussed in Executive Session.
- Vice Chairman Anders announced there was one motion resulting from Executive Session.
- XIII.A.1. Vice Chairman Anders moved that the Board authorize Chairman Dueser and President Bailey to execute all documents and agreements necessary to accept a gift to establish a new endowed University chair and amend an existing endowed University chair including but not limited to the amended and restated agreement to an existing endowment in the agreement establishing a new endowed University chair all within the parameter set forth in Executive Session. The motion was seconded, and passed unanimously.

XIII.B. CHAIRMAN'S ANNOUNCEMENTS.—Chairman Dueser asked if there were any announcements.

Mr. Turner thanked the three Board members, Scott Dueser, Windy Sitton and Bob Stafford, whose terms are set to expire on January 31, 2009.

Chairman Dueser stated that it has been a wonderful experience and commended the Board on their cohesiveness.

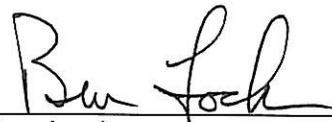
Chairman Dueser named a Nominating Committee which included Bob Stafford, John Scovell and Scott Dueser to recommend a slate of Board officers at such time as the Board conducts an election of a new Board chair and vice chair.

XIV. ADJOURNMENT.—Chairman Dueser moved that the meeting be adjourned. The motion was seconded and passed unanimously. The meeting adjourned at approximately 12:40 p.m.

## INDEX OF ATTACHMENTS

Attachment 1	ASU Table of Programs
Attachment 2	TTU University Housing Room Rates and Hospitality Services Board Rates
Attachment 3	TTU Honors College: Blueprint for the Future PowerPoint
Attachment 4	TTU Amendment to Ground Lease PowerPoint
Attachment 5	TTU New Rawls College of Business Administration Building PowerPoint
Attachment 6	TTUS Bricks and Mortar Report
Attachment 7	TTUS 2008 Annual Report PowerPoint
Attachment 8	TTUS 2008 Annual Report Risk Coverage
Attachment 9	TTUS Prioritized Audit Plan
Attachment 10	TTUS Office of Audit Services – El Paso Campus PowerPoint
Attachment 11	TTU Office of Institutional Diversity PowerPoint
Attachment 12	TTUS Chancellor's Report
Attachment 13	TTU President's Report
Attachment 14	TTU SGA President's Report
Attachment 15	TTUHSC President's Report
Attachment 16	TTUHSC SGA President's Report
Attachment 17	ASU President's Report
Attachment 18	ASU SGA President's Report

I, Ben Lock, the duly appointed and qualified Secretary of the Board of Regents, hereby certify that the above and foregoing is a true and correct copy of the Minutes of the Texas Tech University System Board of Regents meeting on December 11-12, 2008.



Ben Lock  
Secretary

Seal