

TEXAS TECH UNIVERSITY SYSTEM
Lubbock, Texas

Minutes

Board of Regents
May 9-10, 2002

Thursday, May 9, 2002.—The members of the Board of Regents of the Texas Tech University System convened at 1:00 p.m. on Thursday, May 9, 2002, in the Board Room, Second Floor, Room 201, Administration Building, Akron and Broadway Avenues, Lubbock, Texas, with the following in attendance:

ATTENDANCE.—

Regents present were J. Robert Brown, Chairman; Nancy E. Jones, Vice Chair; Carin Barth; C. Robert Black; E. R. “Dick” Brooks; John W. Jones; David R. Lopez; Brian C. Newby and J. Michael Weiss.

Also participating at the opening of the meeting were David R. Smith, Interim Chancellor and President, Texas Tech University Health Sciences Center; Elizabeth Haley, Deputy Chancellor for System Operations; David Schmidly, President, Texas Tech University; Pat Campbell, Vice Chancellor and General Counsel; Jim Brunjes, Chief Financial Officer; Mike Ellicott, Vice Chancellor for Facilities Planning and Construction, TTUS; Cindy Rugeley, Vice Chancellor for News and Publications, TTUS; Mike Sanders, Vice Chancellor for Governmental Relations, TTUS; Richard Butler, Vice President for Operations, TTUHSC; Elmo Cavin, Executive Vice President, TTUHSC; Lynda Gilbert, Vice President for Fiscal Affairs, TTU; John Burns, Provost, TTU; Robert Sweazy, Vice President for Research and Graduate Studies, TTU; Max Hinojosa, Vice President for Operations, TTU; Michael Heintze, Vice President for Enrollment Management, TTU; Michael Shonrock, Vice President for Student Affairs, TTU; John Anderson, associate director of athletics, TTU; Dr. John Griswold, chair of the Department of Surgery, TTUHSC; Dr. Donna Bacchi, TTUHSC; Cortney Youens, TTUHSC, chair of Student First Task Force Committee; Dana Hernes, TTU, vice chair of Student First Task Force Committee; Lynn Denton, member of the Texas Higher Education Coordinating Board; Ben Lock, Executive Assistant to the Chancellor and the Board of Regents; and Lucy Lanotte, Executive Secretary to the Board of Regents.

- I. CALL TO ORDER.—Chairman Brown announced a quorum present and called the meeting to order. At the direction of Chairman Brown, there was a moment of silence in respectful memory of William G. Wehner, interim vice chancellor for institutional advancement, who passed away on April 28, 2002.

II.A. INTRODUCTIONS AND RECOGNITIONS.—Chairman Brown called on Dr. Smith and Dr. Schmidly for the introductions and recognitions. Dr. Schmidly introduced the new student government officers for 2002-2003: Kelli Stumbo, president; Jeremy Brown, internal vice president; and Leigh Mauer, external vice president. Dr. Schmidly introduced Mr. Shane Blum, associate professor, College of Human Sciences, who is the new faculty senate president and Mr. Maurice Welch, manager of Copy Services, who is the new president of the staff senate. Dr. Schmidly introduced Dr. Garry Owens who will serve as the first dean of the new College of Visual and Performing Arts; Dr. Mark Vaughn, assistant professor in the Department of Chemical Engineering, who received the Career Award from the National Science Foundation; and Dr. Kwami Alford, assistant professor in the History Department, who is a new Ford Foundation post-doctoral fellow.

Dr. Smith introduced the new student leaders for 2002-2003: James Fay, president of the Health Sciences Center student senate; Jason Huffman, senate vice president; Danielle Harston, senate treasurer; and Lesley Crowley, senate secretary. Dr. Smith introduced Dr. John Orem, chair, Department of Physiology, who is the new Murray professor. Dr. Smith introduced Dr. James Slauterbeck, vice chair of the Department of Orthopedic Surgery, who serves as the residency director, and recently received a UMC endowed chair. Dr. Smith acknowledged other UMC endowed chairs who were not present at the meeting including Dr. Cynthia Jumper, associate professor of internal medicine and physiology; Dr. Joe Cordero, assistant professor of Otolaryngology and Head and Neck Surgery; and Dr. Diana Contreras, division director of gynecologic oncology for the Department of Obstetrics and Gynecology. Dr. Smith also acknowledged Regent Brian Newby who recently received the outstanding alumnus award from the Department of History.

II.B. PRESENTATION RELATING TO THE MARKETING OF THE 'CLOSING THE GAPS' PLAN.—Chairman Brown introduced Ms. Lynn Denton of the Texas Higher Education Coordinating Board who presented a report relating to the marketing of the "Closing the Gaps" plan.

III. RECESS TO EXECUTIVE SESSION.—At approximately 1:23 p.m., at the direction of Chairman Brown, the board recessed and convened in Executive Session as authorized by Chapter 551 of the *Texas Government Code*.

RECONVENING OF THE BOARD TO OPEN SESSION.—At approximately 2:10 p.m. on Thursday, May 9, the board reconvened in open session in the Board Room, Second Floor, Room 201, Administration Building, Akron and

Broadway Avenues, Lubbock, Texas. Chairman Brown called on Regent Nancy Jones to present motions regarding items discussed in Executive Session.

Vice Chair Jones moved to appoint Dr. David Smith as chancellor of the Texas Tech University System. The motion passed unanimously.

RECONVENING OF THE BOARD TO EXECUTIVE SESSION.—At approximately 2:12 p.m., at the direction of Chairman Brown, the board recessed and reconvened in Executive Session as authorized by Chapter 551 of the *Texas Government Code*.

IV. RECONVENING OF THE BOARD TO OPEN SESSION.—At approximately 5:00 p.m. on Thursday, May 9, the board reconvened in open session in the Board Room, Second Floor, Room 201, Administration Building, Akron and Broadway Avenues, Lubbock, Texas, for the purpose of recessing into Standing Committee Meetings.

V. RECESS TO STANDING COMMITTEES.—At approximately 5:00 p.m., at the direction of Chairman Brown, the board recessed into meetings of its standing committees, which were conducted sequentially in open session. The Academic, Clinical and Student Affairs Committee met from approximately 5:00 p.m. until approximately 5:58 p.m. in the Board Room, Second Floor, Room 201, Administration Building, Akron and Broadway Avenues, Lubbock, Texas.

RECONVENING OF THE BOARD TO OPEN SESSION.—At approximately 5:58 p.m. on Thursday, May 9, the board reconvened in open session in the Board Room, Second Floor, Room 201, Administration Building, Akron and Broadway Avenues, Lubbock, Texas, for the purpose of recessing to the morning of Friday, May 10. At the direction of Chairman Brown, the board recessed from open session at approximately 6:00 p.m. on Thursday, May 9.

RECONVENING OF THE BOARD TO OPEN SESSION.—At approximately 9:00 a.m. on Friday, May 10, the board reconvened in open session in the Board Room, Second Floor, Room 201, Administration Building, Akron and Broadway Avenues, Lubbock, Texas.

ATTENDANCE.—

Regents present were J. Robert Brown, Chairman; Nancy E. Jones, Vice Chair; Carin Barth; C. Robert Black; E. R. "Dick" Brooks; John W. Jones; David R. Lopez, Brian C. Newby and J. Michael Weiss.

RECESS TO STANDING COMMITTEES.—At approximately 9:05 a.m., at the direction of Chairman Brown, the board continued the meetings of its standing committees, which were conducted sequentially in open session. The Finance and Administration Committee met from approximately 9:00 a.m. until approximately 11:10 a.m. in the Board Room, Second Floor, Room 201, Administration Building, Akron and Broadway Avenues, Lubbock, Texas; and the Facilities Committee met from approximately 11:10 a.m. until approximately 12:02 p.m. in the Board Room, Second Floor, Room 201, Administration Building, Akron and Broadway Avenues, Lubbock, Texas.

- VI. RECONVENING OF THE BOARD TO OPEN SESSION.—At approximately 12:02 p.m. on Friday, May 10, the board reconvened in open session in the Board Room, Second Floor, Room 201, Administration Building, Akron and Broadway Avenues, Lubbock, Texas, to consider items as a board and in the Committee of the Whole.

ATTENDANCE.—

Regents present were J. Robert Brown, Chairman; Nancy E. Jones, Vice Chair; Carin Barth; C. Robert Black; E. R. “Dick” Brooks; John W. Jones; David R. Lopez, and J. Michael Weiss. Regent Brian C. Newby was absent for the remainder of the meeting.

- VI.A. APPROVAL OF MINUTES.—Regent Brooks moved that the minutes of the board meetings held on February 28-March 1, 2002 and April 3, 2002 be approved. Regent Black seconded the motion, and the motion passed unanimously.

VI.B. COMMITTEE OF THE WHOLE

Chairman Brown announced that for the purpose of facilitating action on the items to be considered, Vice Chair Nancy Jones would preside over the Committee of the Whole.

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

- VI.B.1.a. TTU: Approve conferral of degrees for the May 1, 2002 commencement.—The board approved the conferral of degrees for the May 11, 2002 commencement upon all candidates who

had completed requirements for degrees since the last official commencement and who were certified by the appropriate faculties, deans and registrar of Texas Tech University as having met all degree requirements of the degree as indicated by the official printed commencement program of May 11, 2002, as approved administratively by the president and the chancellor.

- VI.B.1.b. TTUHSC: Approve conferral of degrees for the May 18 and 19, 2002 commencements.—The board approved the conferral of degrees for the May 18 and 19, 2002 commencements upon all candidates who had completed requirements for degrees since the last official commencement and who were certified by the faculties, deans and registrar of Texas Tech University Health Sciences Center as having met all requirements of the degree as indicated by the official printed commencement program of May 18 and 19, 2002, as approved administratively by the president and the chancellor.
- VI.B.1.c. TTUHSC: Approve establishment of the Center for Tobacco Prevention and Control.—The board approved the establishment of the Center for Tobacco Prevention and Control, as approved administratively by the president and the chancellor. Funding for the Center for Tobacco Prevention and Control will come from grants and state monies, including tobacco settlement dollars.
- VI.B.1.d. TTUHSC: Approve employee appointment to non-elective position.—The board approved the following employee appointment to a non-elective position, as approved administratively by the president and the chancellor:

Maria Christina Esperat, RN, Ph.D., professor and associate dean for Research and Practice, appointed to the National Advisory Council on Nurse Education and Practice of the Health Resources and Services Administration by the Honorable Tommy G. Thompson, U.S. Secretary of Health and Human Services, for a four-year term beginning immediately and ending January 31, 2005, subject to prescribed appointment procedures and to periodic review of the Council's functions.

Further, the board found with respect to the appointee that her service is of benefit to the nation and Texas Tech University Health Sciences Center and that her service does not conflict

with her position of employment at Texas Tech University Health Sciences Center.

- VI.B.1.e. TTU: Accept major gift-in-kind to the College of Engineering.—The board approved the acceptance a gift-in-kind of automated assembly cells and supporting infrastructure valued at \$1,300,000 from Nokia, Inc. of Fort Worth, Texas, for the benefit of the College of Engineering, as approved administratively by the president and the chancellor.
- VI.B.1.f. TTU: Accept major gift-in-kind to the College of Human Sciences.—The board approved the acceptance of a gift-in-kind of 40 copies of Hospitality Suite software valued at \$1,095,640 from Computrition of Chatsworth, California, for the benefit of the College of Human Sciences, as approved administratively by the president and the chancellor.

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

Information Agenda

Information is provided as required by Section 01.01.6.b(2)(c), *Regents' Rules*.

- (1) TTU and TTUHSC: Summary of Revenues and Expenditures by Budget Category, FY 2002, per Section 01.01.8.c(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 February 28, 2002 for fiscal year 2002; and
 - (b) TTUHSC: Report dated February 28, 2002 for fiscal year 2002.
- (2) TTU: Small Class Report, Spring 2002, per Section 04.10, *Regents' Rules*: "A report on small classes offered shall be reported to the board as information."
 - TTU: Report dated Spring 2002
- (3) TTU and TTUHSC: Contract Approvals per Section 07.12.2.e., *Regents' Rules*: "Emergency approval may be given for a contract by individual verbal approval of the chair of the board or the chair of the Finance and Administration Committee and four other board members. Contracts approved in this manner will be presented to the board as an information item at the next board meeting."
 - (a) TTU: State Office of Risk Management; Interagency Contract for Workers' Compensation Coverage for FY 2002 (approved by Mr.

Dick Brooks, Chair of the Board of Regents Finance and Administration Committee and four other board members on 4/3/02); 4/1/02-8/31/02; \$1,564,524; and

- (b) TTUHSC: State Office of Risk Management; Interagency Contract for Workers' Compensation Coverage for FY 2002 (approved by Mr. Dick Brooks, Chair of the Board of Regents Finance and Administration Committee and four other board members on 4/3/02); 4/1/02-8/31/02; \$1,866,385.

- (4) 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 \$1,000,000 per annum, including the amount of the contract, will be provided to the board as an information item at the next regular board meeting."

- Texas Department of Health; Amend agreement for various family and community health services; 11/1/01-6/30/02; \$1,060,397.

- (5) TTUHSC: School of Medicine Faculty Employment Contracts per Section 07.12.4.c., *Regents' Rules*: "Approval of the president is required for faculty employment contracts greater than \$100,000 per annum. A list of all faculty employment contracts greater than \$100,000 per annum will be provided to the board as an information item at the next board meeting."

- (a) Banister, Ronald E., M.D., Instructor/NTT; Anesthesiology, Lubbock; 7/1/02-8/31/03; \$150,000;
- (b) *Cox, Randall Bruce, O.D., Faculty Associate/NTT; Ophthalmology, El Paso; 4/1/02-8/31/02; \$100,000;
- (c) *Hashimoto, Luis A., M.D., Associate Professor/NTT; Surgery, El Paso; 6/1/02-8/31/02; \$190,000;
- (d) Huang, Shoen K. Stephen, M.D., Professor and Chief, Division of Cardiology/TT; Internal Medicine, Lubbock; 8/1/02-8/31/03; \$325,000;
- (e) *Llerena, Jose M., M.D., Associate Professor/NTT; Radiology, El Paso; 1/18/02-8/31/02; \$204,000;
- (f) *Nuwayhid, Bahij, M.D., Professor and Regional Chair/TT; Obstetrics and Gynecology, El Paso; 2/15/02-8/31/02; \$323,000;
- (g) *Oltermann, Mark, M.D., Assistant Professor/NTT; Internal Medicine, Amarillo; 4/29/02-8/31/02; \$160,000;
- (h) *Tomita, Tatsuo, M.D., Professor/TT; Pathology, El Paso; 4/1/02-8/31/02; \$153,000; and
- (i) Van, Thanh Thi, M.D., Assistant Professor/NTT; Radiology, Lubbock; 4/15/02-8/31/02; \$193,375.

* Faculty contracts may be automatically renewed in FY 2003.

- (6) TTUHSC: UMC Endowed Chairs Report. As required annually under the Trust Agreement between the Lubbock County Hospital District (University Medical Center – UMC) and Plains National Bank, Trust Division, the Texas Tech University Health Sciences Center reports the following information concerning the UMC Endowed Chairs and selected candidates:

| <u>Endowed Chair</u> | <u>Selected Candidate</u> |
|----------------------|--|
| UMC (No. 1) | David C. Waagner, M.D., Chief of Infectious Disease, Department of Pediatrics |
| UMC (No. 2) | Kenneth M. Nugent, M.D., Associate Chairman, Professor and Chief of Pulmonology, Department of Internal Medicine |
| UMC (No. 3) | Laura K. Baker, M.D., Associate Professor, Department of Family and Community Medicine |
| UMC (No. 4) | Donald E. Wesson, M.D., Professor and Chair, Department of Internal Medicine |
| UMC (No. 5) | Everardo Cobos, M.D., Associate Professor of Oncology/Hematology, Department of Internal Medicine |
| UMC (No. 6) | Gabor B. Racz, M.D., Professor and Chairman Emeritus, Department of Anesthesiology |
| UMC (No. 7)* | Vacant |
| UMC (No. 8)* | Cynthia Jumper, M.D., Associate Professor of Pulmonology, Department of Internal Medicine |
| UMC (No. 9)* | James Slauterbeck, M.D., Associate Professor of Orthopaedic Surgery, Department of Orthopaedic Surgery |
| UMC (No. 10)* | Joehassin Cordero, M.D., Assistant Professor, Department of Surgery |
| UMC (No. 11) | Unfilled |
| UMC Professorship* | Diana Contreras, M.D., Assistant Professor, Department of Obstetrics and Gynecology |

*New since last report 2001

The motion was seconded and passed unanimously.

VI.B.2. TTUS: Presentation by the System's investment advisor, Dennis Hammond of Hammond Associates.—Regent Nancy Jones called on Regent Barth who presented the item and introduced the presentation by the System's investment advisor.

Vice Chair Nancy Jones stated that consideration of items by the Committee of the Whole was concluded.

MEETING OF THE BOARD.—

VI.C. REPORT OF EXECUTIVE SESSION

Chairman Brown called on Vice Chair Nancy Jones to present motions regarding items discussed in Executive Session.

Vice Chair Jones moved approval of the recommendations and findings of the Hearing Committee denying the appeal of Dr. Keith Johnson, and that the president notify Dr.

Johnson and the Hearing Committee of this decision. The motion was seconded, and passed unanimously.

Vice Chair Jones announced that the discussions with representatives of the Burnett Foundation and the owner of the 6666 Ranch, and representatives of the Pitchfork Land and Cattle Company had been concluded, resulting in two generous gifts to the University. Regent Jones moved that the board accept the gift from the Burnett Foundation in the amount of \$215,000 and name the 2.25 acre landscaped park north of the National Ranching Heritage Center's DeVitt Mallet Museum Building the "J.J. Gipson Memorial Park." The motion was seconded, and passed unanimously.

Vice Chair Jones also moved that the board accept the \$100,000 gift from the Pitchfork Land and Cattle Company and name the open-air pavilion located east of the DeVitt Mallet Building the "Pitchfork Ranch Pavilion." The motion was seconded, and passed unanimously.

VI.D. REPORT OF THE ACADEMIC, CLINICAL AND STUDENT AFFAIRS COMMITTEE

Chairman Brown called on Regent Nancy Jones, committee member, to give the report of the Academic, Clinical and Student Affairs Committee in the absence of Regent Newby, the committee's chair.

Committee member Nancy Jones reported that the Academic, Clinical and Student Affairs Committee met in open session 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.

- VI.D.1. TTU: Approve appointment with tenure.—The board approved the granting of tenure to the following faculty of Texas Tech University contemporaneously with their appointments:

Donald Wink, MFA, new professor and Director of the School of Art, College of Arts and Sciences. Professor Wink is currently a tenured professor at Stephen F. Austin State University.

Thanh Tran-Cong, Ph.D., new professor in the Department of Chemical Engineering, College of Engineering. Dr. Tran-Cong is currently tenured as a professor at the University of Southern Queensland.

Louis Chiodo, Ph.D., tenured professor in the Department of Pharmacology in the School of Medicine requests transfer of tenure into the Department of Environmental Toxicology, College of Arts and Sciences. Dr. Chiodo is currently tenured as a professor at the Texas Tech University Health Sciences Center. Dr. Chiodo agrees to terminate his tenure at the Texas Tech University Health Sciences Center.

Douglas Simpson, Ph.D., new professor in the College of Education and the Helen Jones Endowed Chair of Teacher Educators. Dr. Simpson is currently tenured as a full professor and Dean, College of Education, at the University of Louisville.

- VI.D.1a. TTU: Approve emeritus appointment.—The board approved granting the title of “dean emeritus” to Dr. Elizabeth Haley.
- VI.D.2. TTU: Approve addition of delivery at a distance for three degree programs.—The board (i) approved the delivery of the three degree programs listed below, previously approved and currently being offered in a traditional format, to be offered through distance delivery modes, and (ii) authorized the chancellor to cause a proposal to be submitted to the Texas Higher Education Coordinating Board seeking approval for delivery of such programs at a distance:
- Master of Education in Special Education – College of Education;
 - Master of Science in Chemical Engineering – College of Engineering; and
 - Master of Science in Manufacturing Systems and Engineering – College of Engineering.
- VI.D.3. TTU: Approve a Master of Science degree in biological informatics in the College of Arts and Sciences.—The board (i) approved a new degree program for a Master of Science in biological informatics in the College of Arts and Sciences, and (ii) authorized the chancellor to cause a proposal to be submitted to the Texas Higher Education Coordinating Board seeking approval for such a program.

Implementation of this new program will require reallocation of existing resources to account for time spent with new students for faculty and staff. In addition, approximately \$30,000 per year for the first five years will be reallocated to graduate assistants in this program from other programs in Biological Sciences. It is projected that the formula funding generated over the first five years of the

program will be \$906,358 and that it will cover the expenses associated with the program.

- VI.D.4. TTU: Approve an International Master of Business Administration degree in the Jerry S. Rawls College of Business Administration.—The board (i) approved a new degree program for an International Master of Business Administration in the Jerry S. Rawls College of Business Administration, and (ii) authorized the chancellor to cause a proposal to be submitted to the Texas Higher Education Coordinating Board seeking approval for such a program.

Implementation of this new program will require reallocation of resources from the operating budget of the Jerry S. Rawls College of Business Administration, to be applied for clerical and staff assistance (\$172,547 over first five years). It is projected that the formula funding generated and graduate tuition collected over the first five years of the program will be \$506,438 and, therefore, cover the cost of administering the program.

- VI.D.5. TTU: Approve concept for the establishment of off-campus instructional units to serve Amarillo and Abilene.—The board approved the submission of a plan to the Texas Higher Education Coordinating Board to establish off-campus instructional sites in Amarillo and Abilene to provide graduate engineering education to residents of those cities and surrounding areas.

- VI.D.6. TTU: Approve revisions to Part IX. Code of Student Conduct of the Student Affairs Handbook to be effective August 1, 2002.—The board approved the revisions to Part IX. *Code of Student Conduct* of the Student Affairs Handbook 2002-2003 as amended and included herewith as Attachment No. 1 to be effective August 1, 2002.

- VI.D.7. TTUHSC: Approve appointment with tenure.—The board approved the granting of tenure to Stephen Huang, M.D., newly selected Chief of Cardiology with the Department of Internal Medicine in the School of Medicine, contemporaneously with his appointment as professor at Texas Tech University Health Sciences Center. Dr. Huang was previously tenured as a professor at the University of Massachusetts Medical School in Worcester, Massachusetts.

- VI.D.8. TTUHSC: Approve conferral of an honorary degree.—The board approved the conferring of an honorary degree of Doctor of Humane Letters upon F. Marie Hall at the School of Medicine's commencement ceremony on May 18, 2002.

- VI.D.9. TTUHSC: Approve new agreement between TTUHSC and Texas Woman's University.—The board approved a new agreement between Texas Tech University Health Sciences Center and Texas Woman's University for a School of Nursing collaborative Ph.D. program in Nursing.

The TTUHSC School of Nursing is in the process of transitioning its collaborative Ph.D. program in Nursing from the University of Texas Health Science Center at San Antonio ("UTHSCSA") to the Texas Woman's University ("TWU"). The memorandum of understanding for this transition allows TTUHSC students who are currently pursuing their doctorates from UTHSCSA to complete their studies. TTUHSC students seeking a Ph.D. in Nursing will hereafter enroll in the collaborative program with TWU. Since TWU will grant the doctorate under the new collaborative agreement, TTUHSC need not seek new or expanded degree authority from the Texas Higher Education Coordinating Board. The Coordinating Board will update each institution's Table of Programs to reflect the new agreement.

- VI.D.10. TTU: Report on housing and residence life master plan.—The board accepted a report by Dr. Shonrock; Kelli Stumbo, TTU, president of the Student Government Association, and Gina Webber, TTU, past president of the Student Residence Hall Association, on the housing and residence life master plan.
- VI.D.11. TTU and TTUHSC: Report on Student First Task Force.—The board accepted a report by Cortney Youens, TTUHSC, chair of the Student First Task Force Committee, and Dana Hernes, TTU, vice chair of the Committee, on the Student First Task Force, included herewith as Attachment No. 2.
- VI.D.12. TTU: Report on academic performance of student athletes.—The board accepted a report by Mr. John Anderson, associate director of athletics, on academic performance of student athletes, included herewith as Attachment No. 3.
- VI.D.13. TTUHSC and TTU: Report on research project related to medical student teaching using haptics.—The board accepted a report by Dr. John Griswold, chair of the Department of Surgery, and Dr. Bharti Temkin, Department of Computer Sciences, TTU, on an ongoing research project related to medical student teaching using haptics, which is the ability to provide tactile sense via computers to complete a virtual environment for procedural based medicine. This project has been an interdisciplinary educational and research endeavor involving Sammy Deeb, M.D. and John Thomas, M.D.,

both with the Department of Surgery, and Bharti Temkin, Ph.D., with the Texas Tech University Department of Computer Sciences.

The board had an opportunity to participate in a hands-on demonstration.

VI.E. REPORT OF THE FINANCE AND ADMINISTRATION COMMITTEE

Chairman Brown called on Regent Brooks, Chair, to give the report of the Finance and Administration Committee.

Committee Chairman Brooks reported that the Finance and Administration Committee met in open session 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 Finance and Administration Committee and approved in open session and without objection by the Board of Regents of the Texas Tech University System.

VI.E.1. TTUS: Approve FY 2003 operating budgets.

a. TTU System Administration: Approve FY 2003 operating budget.

The board approved the Texas Tech University System Administration FY 2003 operating budget, a summary of which is included herewith as Attachment No. 4, and appropriated the fund balances of income generating accounts for specific activities usually supported by the accounts unless otherwise appropriated by the board.

b. TTU: Approve FY 2003 operating budget.

The board approved the Texas Tech University FY 2003 operating budget, a summary of which is included herewith as Attachment No. 5, and appropriated the fund balances of income generating accounts for specific activities usually supported by the accounts unless otherwise appropriated by the board.

c. TTUHSC: Approve FY 2003 operating budget.

The board approved the Texas Tech University Health Sciences Center FY 2003 operating budget, a summary of which is included herewith as Attachment No. 6, and appropriated the fund balances of income generating accounts for specific activities usually

supported by the accounts unless otherwise appropriated by the board.

- VI.E.2. TTUHSC: Approve FY 2003 premium rates for the professional medical self-insurance plan.—The board approved the findings and recommendations contained in the March 22, 2002 funding study and rate review of the Plan prepared by Fred R. White Companies, Fred R. White, C.P.C.U. for the period September 1, 2002 through August 31, 2003. The recommendations are (i) premiums are established as set forth in the annual rate schedule enumerated below; and (ii) premiums will be increased 10% for FY03.

Annual Premium Rate Schedule
(September 1, 2002 through August 31, 2003)

| <u>Risk Class</u> | <u>Faculty</u> | <u>Resident</u> |
|-------------------|----------------|-----------------|
| 1 | \$3,060 | \$1,932 |
| 2 | 3,876 | 3,240 |
| 3 | 8,580 | 5,448 |
| 4 | 14,112 | 8,964 |
| 5 | 19,644 | 15,480 |

Further, the board approved the recommendation that premiums be abated for FY2003 for Correctional Health Care physicians and faculty members of the academic clinical departments who are members of the Medical Practice Income Plan and who contribute to the educational mission of the School of Medicine as part of their regular duties. Residents and all other physicians insured by the Plan shall pay premiums for the FY2003 Plan year. An actuarial mid-year review of the Plan will be conducted.

A summary of annual premiums is included herewith as Attachment No. 7.

- VI.E.3. TTUS: Approve adopting official vendors of the Texas Tech University System Optional Retirement Program.—The board approved the adoption of the following recommended list of 403(b) Providers as the Official Vendors of the Texas Tech University System Optional Retirement Program:

Citistreet Associates LLC
Fidelity Investments
ING Aetna Life Insurance and Annuity Company
EducatorsMoney

Lincoln National Life Insurance Company
Metlife Resources
QUADS Trust Company
TIAA- CREF
VALIC Retirement Services
Zurich Life

- VI.E.4. TTUS: Report on the Legislative Appropriations Request process.—The board accepted a report by Mr. Jim Brunjes on the Legislative Appropriations Request process, included herewith as Attachment No. 8.
- VI.E.5. TTUS: Report on HUB purchasing and contracting.—The board accepted a report by Mr. Jim Brunjes, Dr. Lynda Gilbert, and Mr. Elmo Cavin on HUB purchasing and contracting, included herewith as Attachment No. 9.

VI.F. REPORT OF THE FACILITIES COMMITTEE

Chairman Brown called on Regent John Jones, Chair, to give the report of the Facilities Committee.

Committee Chairman John Jones reported that the Facilities Committee met in open session 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.

- VI.F.1. TTU: Approve construction of the Marsha Sharp Center for Student Athletes.—The board authorized the Office of Facilities Planning and Construction to proceed with a project to construct the Marsha Sharp Center for Student Athletes with a project budget of \$4,100,000. The board also authorized (i) completion of the design; (ii) obtaining project approval from the Texas Higher Education Coordinating Board; and (iii) the awarding of a construction contract. The project will be funded through Gifts-in-Hand of \$944,574; Revenue Financing System funds to be repaid by pledges of \$175,000; Institutional Designated Funds of \$2,450,000; Institutional Tuition of \$100,000; and Revenue Financing System funds to be repaid with future gifts and pledges of \$430,426.

The board also acknowledged that the Texas Tech University System expects to pay expenditures in connection with the construction of the Marsha Sharp Center for Student Athletes prior to the issuance of obligations to finance the project; and (i) in that respect, the board found that the reimbursement for the payments of such expenditures will be appropriate and consistent with the lawful objectives of Texas Tech University System; and (ii) as such, the board declared the intention of the Texas Tech University System, in accordance with the provisions of *Treasury Regulations*, Section 1.150-2, to reimburse itself for original expenditures, advanced in connection with the design, planning and construction of a new Marsha Sharp Center for Student Athletes an aggregate maximum principal amount expected to be \$605,426.

- VI.F.2. TTUHSC: Approve construction of the El Paso Research Facility I.—The board authorized the Office of Facilities Planning and Construction to proceed with a project to construct the El Paso Research Facility I with a project budget of \$38,500,000. The board also authorized (i) completion of the design; (ii) obtaining project approval from the Texas Higher Education Coordinating Board; and (iii) the awarding of a construction contract. The project will be funded by Tuition Revenue Bonds.

The board also acknowledged that the Texas Tech University System expects to pay expenditures in connection with the construction of the El Paso Research Facility I building prior to the issuance of obligations to finance the project; and (i) in that respect, the board found that the reimbursement for the payments of such expenditures will be appropriate and consistent with the lawful objectives of Texas Tech University System; and (ii) as such, the board declared the intention of the Texas Tech University System, in accordance with the provisions of *Treasury Regulations*, Section 1.150-2, to reimburse itself for original expenditures, advanced in connection with the design, planning and construction of a new El Paso Research Facility I an aggregate maximum principal amount expected to be \$38,500,000.

- VI.F.3. TTUHSC: Approve construction of the Lubbock Clinical Tower/Research Center.—The board authorized the Office of Facilities Planning and Construction to proceed with a project to construct the Lubbock Clinical Tower/Research Center with a project budget of \$33,747,550. The board also authorized (i) completion of the design; (ii) obtaining project approval from the Texas Higher Education Coordinating Board; and (iii) the awarding of a construction contract. The project will be funded with \$26,882,525 in Tuition Revenue Bonds, \$2,832,525 in HEAF

reallocated from the Ophthalmology relocation project, and \$4,032,500 in Revenue Finance System supported by local funds.

The board also acknowledged that the Texas Tech University System expects to pay expenditures in connection with the construction of a new Clinical Tower/Research Center building prior to the issuance of obligations to finance the project; and (i) in that respect, the board found that the reimbursement for the payments of such expenditures will be appropriate and consistent with the lawful objectives of Texas Tech System, and (ii) as such, the board declared the intention of the Texas Tech University System, in accordance with the provisions of *Treasury Regulations*, Section 1.150-2, to reimburse itself for original expenditures, advanced in connection with the design, planning and construction of a new Clinical Tower/Research Center building an aggregate maximum principal amount expected to be \$30,915,025.

- VI.F.4. TTUS: Approve inter-local agreement between Texas Tech University System and Lubbock County Hospital District d/b/a University Medical Center.—The board approved an inter-local agreement between the Texas Tech University System and Lubbock County Hospital District d/b/a University Medical Center. The agreement provides for the University Medical Center to pay Texas Tech University System a one-time amount of \$600,000 for the design, construction and shared use of an extension of 10th Street to the west to connect to the Texas Tech Parkway.
- VI.F.5. TTU: Approve naming the James E. Sowell Intercollegiate Athletics Complex.—The board approved naming the area consisting of the R. P. Fuller Track, Dan Law Field, Frazier Pavilion, Frazier Plaza, and the future Marsha Sharp Center for Student Athletes the “James E. Sowell Intercollegiate Athletics Complex” in recognition of Mr. James E. Sowell’s significant contribution to this area.
- VI.F.6. TTU: Approve naming the Hall of Honor areas in the United Spirit Arena in honor of Polk Robinson and Jeannine McHaney.—The board approved naming the Hall of Honor areas located inside the west entrance of the United Spirit Arena “The Polk Robison Hall of Honor” and “The Jeannine McHaney Hall of Honor” to recognize Polk Robison and Jeannine McHaney for their years of service to Texas Tech University Athletics.
- VI.F.7. TTU: Accept major gift-in-kind from the Texas Tech University System Research and Economic Development Foundation.—The board accepted a gift-in-kind of a 57,348 square foot building located at 1125 E. Loop 289 from the Texas Tech University

System Research and Economic Development Foundation. The building will be donated. Texas Tech University estimates that it will cost \$500,000 to modernize the building to meet current needs. This work will be funded with \$400,000 in Texas Tech University HEAF Funds and \$100,000 from the College of Engineering.

- VI.F.8. TTUS: Approve increase to Office of Facilities Planning and Construction surcharge.—The board approved increasing the surcharge funding the Office of Facilities Planning and Construction by 0.20 percentage points (0.002) to provide for increased operating and salary costs. This represents a 6.06 percent increase over the current average fee of 3.30 percent.

Tables of the current and the approved revised schedule of fees are included herewith as Attachment No. 10.

- VI.F.9. TTUS: Approve the Five-Year Capital Projects Plan and authorize submission of the MP1 Report.—The board approved the updated Five-Year Capital Projects Plan, included herewith as Attachment No. 11, and authorized the submission of the Texas Tech University System MP1 Report to the Texas Higher Education Coordinating Board.

- VI.F.10. TTUS: Report on deferred maintenance.—The board accepted a report by Mr. Mike Ellicott, vice chancellor for facilities planning and construction; Mr. Max Hinojosa, vice president for operations, TTU; and Mr. Bill Ward, assistant vice president for physical plan and support services, TTUHSC, on deferred maintenance, included herewith as Attachment No. 12.

- VI.F.11. TTUS: Report on Office of Facilities Planning and Construction projects.—The board accepted a report by Mr. Ellicott on the facilities planning and construction projects, included herewith as Attachment No. 13.

VI.G. REPORT ON INVESTMENT ADVISORY COMMITTEE.—Chairman Brown called on Regent Barth to present the report of the Investment Advisory Committee. Regent Barth stated that the presentation by Dennis Hammond, the System's investment advisor (see Item VI.B.2. above), constituted the report of the committee.

VI.H. REPORT ON STAFF PROGRESS IN STRATEGIC PLANNING.—Dr. Smith presented the report on staff progress in strategic planning, included herewith as Attachment No. 14.

- VI.I. REPORT OF THE UNIVERSITY ART COMMITTEE.—Dr. Donna Bacchi presented the report of the University Art Committee, included herewith as Attachment No. 15.
- VI.J. SCHEDULE FOR BOARD MEETINGS.—Mr. Ben Lock presented the proposed schedule for future board meetings and asked for comments. The schedule was adopted as follows: August 8-9, 2002, Lubbock (at TTUHSC); November 14 (workshop/retreat)-15, 2002, Lubbock; December 12-13, 2002, Lubbock; February 27-28, 2003, Junction; May 15-16, 2003, Lubbock; August 7-8, 2003, Lubbock (at TTUHSC); October 2 (workshop/retreat)-3, 2003, Lubbock; December 18-19, 2003, Lubbock; and February 19-20, 2004, Amarillo.
- VI.K. THE PRESIDENT'S REPORT, TTU.—Chairman Brown called on President Schmidly who presented the President's Report, included herewith as Attachment No. 16.
- VI.L. THE PRESIDENT'S REPORT, TTUHSC.—Chairman Brown called on President Smith who presented the President's Report, included herewith as Attachment No. 17.
- VI.M. CHANCELLOR'S REPORT.—Chairman Brown called on Chancellor Smith who presented the Chancellor's Report, included herewith as Attachment No. 17.
- VI.N. CHAIRMAN'S ANNOUNCEMENTS.—There were no Chairman's announcements at this meeting.
- VI.O. ADJOURNMENT.—Vice Chair Nancy Jones moved that the meeting be adjourned in memory of Bill Wehner. Chairman Brown adjourned the meeting at approximately 1:07 p.m.

INDEX OF ATTACHMENTS

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| Attachment 1 | TTU Revisions to Part IX. <i>Code of Student Conduct</i> |
| Attachment 2 | TTU and TTUHSC Student First Task Force report |
| Attachment 3 | TTU Report on academic performance of student athletes |
| Attachment 4 | TTUS FY 2003 Summary Operating Budget |
| Attachment 5 | TTU FY 2003 Summary Operating Budget |
| Attachment 6 | TTUHSC FY 2003 Summary Operating Budget |
| Attachment 7 | TTUHSC Professional Malpractice Self-Insurance Plan Annual Premiums, 1986-2002 |
| Attachment 8 | TTUS Legislative Appropriations Request process report |
| Attachment 9 | TTUS Report on HUB purchasing and contracting |
| Attachment 10 | TTUS Tables of increase to Office of Facilities Planning and Construction surcharge fees |
| Attachment 11 | TTUS Five Year Capital Projects Plan and MP1 report |
| Attachment 12 | TTUS Report on deferred maintenance |
| Attachment 13 | TTUS Report on the Office of Facilities Planning and Construction projects |
| Attachment 14 | TTUS Strategic Planning report |
| Attachment 15 | TTUS University Art Committee report |
| Attachment 16 | TTU President's report |
| Attachment 17 | TTUHSC President's report and TTUS Chancellor'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 May 9-10, 2002.

Ben Lock
Secretary

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