

TEXAS TECH UNIVERSITY SYSTEM
Lubbock, Texas

Minutes

Board of Regents
June 29, 2009

Monday, June 29, 2009.—The members of the Board of Regents of the Texas Tech University System convened in a special-called meeting by teleconference at 3:02 p.m. on Monday, June 29, 2009, in the Board Room, Texas Tech University, Lubbock, Texas, with the following in attendance:

ATTENDANCE.—

Regents present in the Board Room were: Mark Griffin; Mickey L. Long; Nancy R. Neal; and Jerry E. Turner, Vice Chairman. Regents present by telephone were Larry K. Anders, Chairman; L. Frederick “Rick” Francis; John Huffaker; Kyle Miller, Student Regent; John Field Scovell; and Daniel T. Serna.

Also participating at the opening of the meeting were Kent Hance, Chancellor, TTUS; Dr. Guy Bailey, President, TTU; Dr. John C. Baldwin, President, TTUHSC; Dr. Joseph Rallo, President, ASU; Mr. Pat Campbell, Vice Chancellor for General Counsel, TTUS; Mr. Ben Lock, Executive Assistant to the Chancellor and Secretary to the Board of Regents; Mr. Jim Brunjes, Chief Financial Officer; Mr. Corky ; Mr. Elmo Cavin, Executive Vice President for Finance and Administration, TTUHSC; Mr. R. E. “Corky” Dragoo, Senior Vice President for Administration and Finance, TTU; Mr. Gary Ratliff, Associate Vice Chancellor, Investments, TTUS; Ms. Suzanne Williams, President, SGA, TTU; Mr. Jodey Arrington, Chief of Staff, Office of the Chancellor, TTUS; Dr. Kelly Overley, Vice Chancellor for Institutional Advancement, TTUS; Mrs. Kim Turner, Chief Audit Executive, TTUS; and Mrs. Christina Martinez, Assistant Secretary of the Board of Regents.

- I. CALL TO ORDER; CONVENE INTO OPEN SESSION OF THE BOARD.—
Chairman Anders announced a quorum present and called the meeting to order at approximately 3:02 p.m.
- II. OPEN SESSION.—At approximately 3:03 p.m. on Monday, June 29, the board continued meeting 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.
 - II.A. COMMITTEE OF THE WHOLE.—Chairman Anders announced that for the purpose of facilitating action on the items to be considered, Regent Tuner would preside over the Committee of the Whole.

- II.A.1. TTUS: Summary report on the outcome of the Legislative session.—The board accepted a report summarizing the outcome of the Legislative session.
- II.A.2. TTU: Approve fee assessment schedule effective fall semester, 2009.—The board approved a fee assessment schedule to set tuition and fees to be charged, beginning with the fall semester, 2009, as detailed in the global fee document, included herewith as Attachment No. 1. This includes the summary of recommended changes, included herewith as Attachment No. 2, to be considered and sets the tuition and fees to be assessed and collected from regularly enrolled and prospective students effective with the fall semester, 2009.
- II.A.3. ASU: Approve fee assessment schedule effective fall semester, 2009.—The board approved and adopted the global fee document, included herewith as Attachment No. 3, including the summary of recommended changes establishing tuition and fees to be assessed and collected from regularly enrolled and prospective students effective with the fall semester, 2009.
- II.A.4. ASU: Approve the traffic and parking regulations.—The board approved the Angelo State University Traffic and Parking Regulations, included herewith as Attachment No. 4. The maximum level of parking fees for students were approved at the March 2009, Board meeting.
- The only substantive change in the Traffic and Parking Regulations is the addition of the \$90 per year flat-rate parking fee for faculty and staff. All other changes are housekeeping in nature.
- II.A.5. ASU: Authorize a consulting agreement to provide services in the search for a provost of Angelo State University.—This item was pulled from consideration.
- II.A.6. TTUS: Approve amendment to Chapter 09, Regents' Rules, (Investments and Endowments).—The board approved amendments to Sections 09.00.9 and 09.02.10, *Regents' Rules* (Chapter 09, Investments and Endowments) to reflect the changes required for the implementation of rules in accordance with the Texas Uniform Prudent Management of Institutional Funds Act.

- (1) Amend Sec. 09.00.9 (“Chapter definitions”), *Regents’ Rules*, as follows:

09.00.9 “UPMIFA” [~~“UMIFA”~~] means the Uniform Prudent Management of Institutional Funds Act.

- (2) Amend Sec. 09.02.10, *Regents’ Rules*, as follows:

09.02.10 Spending policy.

- a. The TTU system recognizes the need for spendable earnings by the beneficiaries of the endowment and long-term institutional funds under its custodianship. The following spending policy reflects an objective to distribute as much total return as is consistent with overall investment objectives defined herein while protecting the inflation-adjusted value of the endowment principal. The following factors are considered in the spending policy:

(1) the duration and preservation of the LTIF;

(2) the purposes of the TTU system and the LTIF;

(3) general economic conditions;

(4) the possible effect of inflation or deflation;

(5) the expected total return from income and the appreciation of investments;

(6) other resources of the TTU system; and

(7) the overall investment policy.

~~b. The following definitions are used:~~

~~(1) total return is defined as the sum of total interest and dividends and realized and unrealized gains and losses, less all investment management costs;~~

~~(2) net current yield is defined as the sum of total interest and dividends earned, less all investment management costs; and~~

~~(3) spendable earnings is defined as that portion of total return allocated for spending as discussed below.]~~

b. [e.] The distribution of spendable earnings to each unit of the LTIF shall not exceed 6% nor be less than 4% of the average market value of a unit of the LTIF for the 12 quarters just ended. The target annual distribution rate shall be 4.5% of the average unit market value for the 12 quarters just ended. Distribution shall be made quarterly, as soon as practicable after the last calendar day of November, February, May, and August.

c. [d.] The target annual distribution rate shall be reviewed annually with any recommended changes submitted to the board for approval.

~~[e. If total return since inception of the LTIF, measured at the end of the quarter, does not exceed spendable distributions since inception plus the target distribution for that quarter, the actual distribution shall be limited to the net current yield, not to exceed 4.5%. To minimize the potential effect of year to year fluctuations of annual distribution rates, the use of a revenue stabilization reserve may be utilized.]~~

III. EXECUTIVE SESSION.— At approximately 4:17 p.m., the board recessed and convened into Executive Session as authorized by Chapter 551 of the *Texas Government Code* in Board Room, Second Floor, Room 201, Administration Building, Akron and Broadway Avenues.

IV. OPEN SESSION.—At approximately 5:07 p.m., 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 Committee of the Whole and Meeting of the Board.

IV.A. REPORT OF EXECUTIVE SESSION.—Chairman Anders called on Vice Chairman Turner to present motions regarding items discussed in Executive Session.

Vice Chairman Turner announced there were no motions resulting from Executive Session.

IV.B. CHAIRMAN'S ANNOUNCEMENTS.—Chairman Anders expressed his sympathies to Ms. Sharon Meyer on the loss of her husband. He also welcomed the new student regent, Kyle Miller.

V. ADJOURNMENT.—Chairman Anders adjourned the meeting at approximately 5:09 p.m.

INDEX OF ATTACHMENTS

Attachment 1	TTU Global Fee Document, Effective Beginning Fall 2009 Semester
Attachment 2	TTU Tuition and Fees Summary of Changes
Attachment 3	ASU SEffective Beginning Fall 2008 Semester, Summary of tuition, Fees and Other Charges
Attachment 4	ASU Traffic and Parking Regulations 2009-2010

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 June 29, 2009.



Ben Lock
Secretary

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