

TEXAS TECH UNIVERSITY SYSTEM  
Lubbock, Texas

Minutes

Board of Regents  
August 8, 2002

Thursday, August 8, 2002.—The members of the Board of Regents of the Texas Tech University System convened at 1:00 p.m. on Thursday, August 8, 2002, in the McInturff Conference Center, Rooms 1 and 2, Second Floor, 602 Indiana Avenue, Lubbock, Texas, with the following in attendance:

ATTENDANCE.—

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

Also participating at the opening of the meeting were David R. Smith, Chancellor, TTU System; David Schmidly, President, Texas Tech University; Elmo Cavin, Acting President, Texas Tech University Health Sciences Center; 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, Senior Vice Chancellor, TTUS; Lynda Gilbert, Vice President for Fiscal Affairs, TTU; William Marcy, 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; Ben Lock, Senior Vice Chancellor, TTUS; 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.

II.A. INTRODUCTIONS AND RECOGNITIONS.—Chairman Brown called on Dr. Smith and Dr. Schmidly for the introductions and recognitions. Dr. Smith recognized Mr. Jim Courtney, president of the University Medical Center Health Systems, and Mr. David Allison, executive vice president and CEO of University Medical Center, and expressed appreciation to Mr. Courtney and his staff for providing the excellent meeting facility. Dr. Schmidly introduced Dr. William

Marcy, new Provost for TTU; General Walter Huffman, new Dean of the School of Law; Dr. Gerald Skoog, new Dean of the College of Education; Dr. Andrew Vernooy, new Dean of the College of Architecture; Ms. Djuana Young, new Director of Admissions, TTU; and Ms. Jessica Melvin, the new Masked Rider.

- II.B. REPORT ON THE SCHOOL OF MEDICINE, TTUHSC.—Chairman Brown introduced Dr. Richard Homan, Dean, School of Medicine, TTUHSC, who presented a report on the School of Medicine.
- II.C. REPORT BY UNIVERSITY MEDICAL CENTER.—Dr. Homan introduced Mr. Jim Courtney, who presented a report on the University Medical Center.
- III. RECESS TO EXECUTIVE SESSION.—At approximately 1:50 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*.

Secretary's Note: Due to a power failure at the McInturff Center which occurred during Executive Session, the board moved to Room 2B152 at the Texas Tech University Health Sciences Center to continue the meeting.

- IV. RECONVENING OF THE BOARD TO OPEN SESSION.—At approximately 6:00 p.m. on Thursday, August 8, the board reconvened in open session in Room 2B152 of the Texas Tech University Health Sciences Center, Lubbock, Texas, to consider items as a board and in the Committee of the Whole.

Chairman Brown noted that the Chair had received a request for the board to consider the report and recommendations of the Investment Advisory Committee (Agenda Item V.B.3) prior to recessing into the meeting of the standing committees. There being no objection, Chairman Brown called on Regent Barth and Mr. Brunjes to present the report and recommendations of the Investment Advisory Committee.

Secretary's Note: The action taken by the board on the recommendations of the Investment Advisory Committee is recorded in Minute Order VI.B.3. of these minutes (see page 13).

- V. RECESS TO STANDING COMMITTEES.—At approximately 6:25 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 Finance and Administration Committee met from approximately 6:25 p.m. until approximately 6:26 p.m. in Room 2B152 of the Texas Tech University Health Sciences Center, Lubbock, Texas. The Facilities Committee met from

approximately 6:26 p.m. until approximately 6:35 p.m. in Room 2B152 of the Texas Tech University Health Sciences Center, Lubbock, Texas; and the Academic, Clinical and Student Affairs Committee met from approximately 6:35 p.m. until approximately 7:20 p.m. in Room 2B152 of the Texas Tech University Health Sciences Center, Lubbock, Texas.

VI. RECONVENING OF THE BOARD TO OPEN SESSION.—At approximately 7:20 p.m. on Thursday, August 8, the board reconvened in open session in Room 2B152 of the Texas Tech University Health Sciences Center, Lubbock, Texas, to consider items as a board and in the Committee of the Whole.

VI.A. APPROVAL OF MINUTES.—Regent Newby moved that the minutes of the board meeting held on May 9-10, 2002 be approved. Regent Lopez 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 called on Ben Lock who 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 leaves of absence.—The board approved leaves of absence to the individuals listed below, as approved administratively by the president and the chancellor.

Leave with partial pay for Kwame Alford, assistant professor, College of Arts and Sciences, for the period September 1, 2002 through May 31, 2003. Dr. Alford was awarded a postdoctoral fellowship through the Ford Foundation program for minorities. This leave will be taken in Washington, DC.

Leave without pay for John Barkdull, associate professor, College of Arts and Sciences, for the period January 15, 2003 through May 31, 2003. Dr. Barkdull was awarded a Fulbright Fellowship and will use this time to enhance his teaching and research skills. This leave will be taken in Dhaka, Bangladesh.

Leave without pay for Jill Connelly, assistant professor, College of Arts and Sciences, for the period September 1, 2002 through May 31, 2003. Dr. Connelly was awarded a Whiting Postdoctoral Fellowship and needs this time to complete a book project. This leave will be taken at the University of Chicago in Chicago, Illinois.

Leave without pay for Ruth Gornet, associate professor, College of Arts and Sciences, for the period September 1, 2002 through May 31, 2003. The purpose of this leave is to collaborate with researchers at the University of Texas at Arlington in spectral theory, geometrical dynamics and algebraic geometry. This leave will be taken in Arlington, Texas.

Leave without pay for David Robinson, assistant professor, Rawls College of Business Administration, for the period September 1, 2002 through May 31, 2003. The purpose of this leave is to work as a visiting professor on research with internationally known scholars in the field of management at a top-fifty research university. This leave will be taken at the University of California-Irvine.

Leave without pay for Nida Roncesvalles, assistant professor, College of Arts and Sciences, for the period September 1, 2002 through May 31, 2003. The purpose of this leave is to satisfy J-lvisa requirement and to conduct cross-cultural studies in motor development. This leave will be taken in the Philippines.

Leave without pay for C. Kenny Wu, assistant professor, College of Human Sciences, for the period September 1, 2002 through December 31, 2002. The purpose of this leave is to take care of his critically ill father. This leave will be taken in Taiwan.

- VI.B.1.b. TTUHSC: Approve leave of absence.—The board approved a leave of absence with pay, as approved administratively by the president and the chancellor, for Thomas A. Pressley, professor, School of Medicine, Department of Physiology, for the period August 1, 2002 through December 31, 2002. The purpose of this leave is to develop a cooperative faculty and student exchange program between Texas Tech University Health Sciences Center and the University of Poitiers. This leave will be taken at the University of Poitiers in Poitiers, France.

VI.B.1.c. TTU: Approve conferral of degrees for the August 10, 2002 commencement.—The board approved conferral of degrees for the August 10, 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 August 10, 2002, as approved administratively by the president and the chancellor.

VI.B.1.d. TTU: 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:

Purnendu Dasgupta, Ph.D., Horn professor, Department of Chemistry and Biochemistry, College of Arts and Sciences, appointed to the Texas Emissions Reduction Plan Advisory Board by the Honorable Rick Perry. The board will advise the Texas Natural Resources Conservation Commission on the state's air emissions plan. Terms of the appointees will be determined at the first meeting of the board.

Further, the board found with respect to the appointee that his service is of benefit to the state of Texas and Texas Tech University and that his service does not conflict with his position of employment at Texas Tech University.

VI.B.1.e. 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:

Rudolfo M. Arredondo, Ed.D., professor, Department of Neuropsychiatry, School of Medicine, appointed to the President's New Freedom Commission on Mental Health, by President George W. Bush. The commission is charged to study the national mental health system and develop recommendations for improvement. The appointment is for twelve (12) months starting June 1, 2002 and may be extended if the commission requires more time to complete the charge.

Further, the board found with respect to the appointee that his service is of benefit to the nation and Texas Tech University

Health Sciences Center and that his service does not conflict with his position of employment at Texas Tech University Health Sciences Center.

VI.B.1.f. TTUS and TTU: Approve delegation of signature authority.—  
The board approved the delegation of signature authority, which request had been approved administratively by the president and the chancellor:

- (1) To authorize the chancellor to designate officers and employees of the university to approve all travel of employees of Texas Tech University, except to countries outside the United States other than United States possessions, Canada and Mexico, provided that such travel contributes to the mission of the university and is in accordance with current travel regulations and who may further delegate their authority, effective September 1, 2002, and to continue until August 31, 2003, or until such time as they are separated from the university or assigned other responsibilities, which ever comes first.
- (2) To authorize the chancellor to designate officers and employees of the university to approve official travel reimbursement from State appropriations and all other funds for officers and employees of Texas Tech University provided that the purpose of the travel and reimbursement for such are in accordance with state travel regulations, other statutory requirements, or other action promulgated by this board, effective September 1, 2002, and to continue until August 31, 2003, or until such time as they are separated from the university or assigned other responsibilities, whichever comes first.
- (3) To authorize the chancellor to designate officers and employees of the university to approve and pay all accounts covering expenditures for state-appropriated funds and all other university-controlled funds, effective September 1, 2002 and to continue until August 31, 2003 or until such time as they are separated from the university or assigned other responsibilities, which ever comes first.
- (4) To sign checks drawn on the revolving fund and all other checking accounts of the university in any depository bank, except the University's Cashier's Account, effective September 1, 2002 and to continue until August 31,

2003, or until such time as they are separated from the university or assigned other responsibilities, and further provided that any mechanically signed check of \$25,000 or more shall be reviewed and manually signed by one of the employees listed who may sign:

David R. Smith, M.D., Chancellor  
Jim Brunjes, Chief Financial Officer  
David J. Schmidly, President  
William M. Marcy, Provost  
Lynda Gilbert, Vice President for Fiscal Affairs  
Charlie L. Stallings, Associate Vice President for  
Fiscal Affairs  
Nancy Whittaker, Assistant Vice President for Fiscal  
Affairs and Comptroller  
Gloria J. Hale, Assistant Vice President for Human  
Resources  
Ted W. Johnston, Director of Grants and Accounting

- (5) To sign and/or countersign cashier's checks drawn on the university's Cashier's Account, effective September 1, 2002, and to continue until August 31, 2003 or until such time as they are separated from the university or assigned other responsibilities, whichever comes first and further provided that any mechanically signed check of \$25,000 or more be reviewed and manually signed by one of the employees listed who may sign or countersign:

Employees who may sign or countersign:

David R. Smith, M.D., Chancellor  
Jim Brunjes, Chief Financial Officer  
David J. Schmidly, President  
Lynda Gilbert, Vice President for Fiscal Affairs  
Charlie L. Stallings, Assistant Vice President for  
Fiscal Affairs  
Gloria J. Hale, Assistant Vice President for Human  
Resources  
Ted W. Johnston, Director of Grants and Contracts  
Accounting

Employees who may countersign only:

Becky Hyde, Director of Student and University  
Financial Services

- (6) To authorize transfer by wire or other means, of funds between Texas Tech University depositories, effective September 1, 2002, and to continue until August 31, 2003, or until such time as they are separated from the university or assigned other responsibilities, whichever comes first.

Employees who may authorize or counter-authorize:

David R. Smith, M.D., Chancellor  
Jim Brunjes, Chief Financial Officer  
Charles D. Wall, Assistant Chief Financial Officer for  
Cash Management and Investments  
Winnie Long, Manager of Cash Management  
David J. Schmidly, President  
Lynda Gilbert, Vice President for Fiscal Affairs  
Charlie L. Stallings, Associate Vice President for  
Fiscal Affairs  
Nancy Whittaker, Assistant Vice President for Fiscal  
Affairs and Comptroller

- (7) To authorize and approve the sale, purchase and transfer of Stocks, bonds, and other securities which are owned or controlled by Texas Tech University provided such action is approved by any two of the individuals listed below, effective September 1, 2002, and to continue until August 31, 2003, or until such time as they are separated from the university or assigned other duties or responsibilities:

David R. Smith, M.D., Chancellor  
Jim Brunjes, Chief Financial Officer  
Charles D. Wall, Assistant Chief Financial Officer for  
Cash Management and Investments  
David J. Schmidly, President  
Lynda Gilbert, Vice President for Fiscal Affairs  
Charlie L. Stallings, Associate Vice President for  
Fiscal Affairs  
Nancy Whittaker, Assistant Vice President for Fiscal  
Affairs

However, for all instruments contributed to the university, one of the two required signatures must be from one of the following:



\_\_\_\_\_, Vice Chancellor for Institutional  
Advancement  
Greg Teeter, Legal Counsel for Institutional  
Advancement

VI.B.1.g. TTUHSC: Approve delegation of signature authority.—The board approved delegation of signature authority in accordance with the following requests approved administratively by the president and the chancellor:

The request, in accordance with *Texas Administrative Code*, Title 34, Part 1, Chapter 5, Subchapter F, Rule §5.61:

To authorize the Chancellor to designate officers and employees of the Health Sciences Center to approve and pay all documents covering expenditures for state-appropriated funds and all other Health Sciences Center-controlled funds, effective September 1, 2002, and to continue until August 31, 2003, or until such time as they are separated from the Health Sciences Center or assigned other responsibilities, whichever comes first.

The request, in accordance with corporate bank policy:

- (1) To sign checks drawn on all checking accounts of the Health Sciences Center in any depository bank effective September 1, 2002, and to continue until August 31, 2003, or until such time as they are separated from the Texas Tech University System or assigned other responsibilities, and further provided that any mechanically signed check of \$25,000 or more shall be reviewed and manually signed by one of the employees listed who may sign:

David R. Smith, M.D., Chancellor  
Jim Brunjes, Chief Financial Officer  
Elmo M. Cavin, Acting President and Executive Vice  
President  
Michael Crowder, Associate Vice President for  
Business Affairs  
Celeste Kulinski, Director of Business Services  
Carole Wardroup, Director of HSC Business  
Projects  
Thomas B.M. Downen, Director of Accounting  
Services  
Teri Riedel, Accounting Manager

Susan Snead, Accounting Manager

- (2) To authorize transfer, by wire or other means, of funds between Texas Tech University Health Sciences Center depositories, effective September 1, 2002, and to continue until August 31, 2003, or until such time as they are separated from the Texas Tech University System or assigned other responsibilities, whichever comes first.

Employees who may authorize or counter-authorize:

David R. Smith, M.D., Chancellor  
Jim Brunjes, Chief Financial Officer  
Charles D. Wall, Assistant Chief Financial Officer for  
Cash Management and Investments  
Elmo M. Cavin, Acting President and Executive Vice  
President  
Michael Crowder, Associate Vice President for  
Business Affairs  
Carole Wardroup, Director of HSC Business  
Projects  
Celeste Kulinski, Director of Business Services  
Thomas B.M. Downen, Director of Accounting  
Services  
Teri Riedel, Accounting Manager  
Susan Snead, Accounting Manager  
Lynda Gilbert, Vice President for Fiscal Affairs, TTU  
Charlie L. Stallings, Associate Vice President for  
Fiscal Affairs, TTU  
Nancy H. Whittaker, Assistant Vice President for  
Fiscal Affairs and Comptroller, TTU  
Winnie Long, Manager of Cash Management, TTU

The request, in accordance with *Regents' Rules*, Section 09.01.5:

To authorize and approve the sale, purchase and transfer of stocks, bonds, and other securities which are owned or controlled by the Health Sciences Center provided such action is approved by any two of the individuals listed below, effective September 1, 2002, and to continue until August 31, 2003, or until such time as they are separated from the Texas Tech University System or assigned other duties or responsibilities, whichever comes first:

David R. Smith, M.D., Chancellor  
Jim Brunjes, Chief Financial Officer  
Charles D. Wall, Assistant Chief Financial Officer for  
Cash Management and Investments  
Elmo M. Cavin, Acting President and Executive Vice  
President  
Michael Crowder, Associate Vice President for  
Business Affairs  
Lynda Gilbert, Vice President for Fiscal Affairs, TTU  
Charlie L. Stallings, Associate Vice President for  
Fiscal Affairs, TTU  
Nancy H. Whittaker, Assistant Vice President for  
Fiscal Affairs and Comptroller, TTU

However, for all instruments contributed to the Health Sciences Center, one of the two required signatures must be from one of the following:

\_\_\_\_\_, Vice Chancellor for  
Institutional Advancement  
Greg Teeter, Legal Counsel for Institutional  
Advancement

- VI.B.1.h. TTU: Approve budget adjustments for the period April 1, 2002 through June 30, 2002.—The board approved budget adjustments for the period April 1, 2002 through June 30, 2002, included herewith as Attachment No. 1, as approved administratively by the president and the chancellor.
- VI.B.1.i. TTUHSC: Accept gift of mineral interest for Alzheimer’s disease research.—The board accepted the following gift of a mineral interest to be used for Alzheimer’s research, as approved administratively by the president and the chancellor: All of the benefactor’s right, title, and interest in and to all of the oil, gas, and other minerals in and under and that may be produced from the SE/4 of Section 4, the NE/4 of Section 20, the NW/4 of Section 17, and the SW/4 of Section 33, T-14-N, R-4-W, Oklahoma County, State of Oklahoma, from J. P. Morgan Chase Bank, Trustee of the Jesse Robert Haag Trust.

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 May 31, 2002 for fiscal year 2002; and  
 (b) TTUHSC: Report dated May 31, 2002 for fiscal year 2002.
- (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 \$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."
- (a) University of Texas Medical Branch (UTMB) – Correctional Managed Care; Pharmaceutical services for TDCJ/TYC facilities; 9/1/01-8/31/03; \$6,250,000;  
 (b) Texas Health and Human Services Commission; MOU supplemental funding for CHIP Program; 6/1/02-8/30/02; \$1,850,000;  
 (c) University Medical Center (UMC); Agreement for Program Support, Dept. of Internal Medicine, Cardiology Services; 6/1/02-12/31/02; \$1,000,000; and  
 (d) University of Texas Medical Branch (UTMB); Payroll services for psychiatric employees transferring to TTUHSC from TDCJ; 9/1/01-8/31/03; \$1,500,000.
- (3) 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) Blandon, Pedro, M.D., Assistant Professor/NTT; Internal Medicine, El Paso; 7/1/02-8/31/03; \$118,800;  
 (b) \*Blewett, Christopher, J., M.D., Assistant Professor/TT; Surgery/Div. of Pediatrics, Lubbock; 6/1/02-8/31/02; \$230,000;  
 (c) \*Butler, Jack Manning, M.D., Instructor/NTT; Emergency Medicine, El Paso; 7/1/02-8/31/02; \$140,000;  
 (d) Cervantes, Miguel, M.D., Instructor/NTT; Anesthesiology, Lubbock; 11/1/02-8/31/03; \$150,000;  
 (e) \*Ipson, Merle A., M.D., Assistant Professor/NTT; Pediatrics, El Paso; 7/15/02-8/31/02; \$123,300;  
 (f) Khan, Amir Mohammad, M.D., Associate Professor/NTT; Internal Medicine, El Paso; 10/1/02-8/31/03; \$170,000;  
 (g) Mannschreck, Dannen D., M.D., Associate Professor & Reg. Chair/NTT; Family Medicine, Odessa; 8/15/02-8/31/03; \$185,000;  
 (h) \*Mathew, Roy Jacob, M.D., Professor/NTT; Internal Medicine, Odessa; 7/1/02-8/31/02; \$150,000;

- (i) Natarajan, Sridhar, M.D., Assistant Professor/NTT; Pathology, Lubbock; 7/1/02-8/31/03; \$150,000;
- (j) Neilson, Robert W., Jr., M.D., Instructor/NTT; Internal Medicine, Lubbock; 8/1/02-7/31/03; \$120,000;
- (k) \*Ochoa, Robert R., Jr., M.D., Instructor/NTT; Emergency Medicine, El Paso; 8/1/02-8/31/02; \$140,000;
- (l) Serrato, Pedro, M.D., Instructor/NTT; Internal Medicine, El Paso; 7/1/02-8/31/03; \$105,000; and
- (m) Stenhouse, Andrew, M.D., Associate Professor/NTT; Internal Medicine, Amarillo; 4/1/02-8/31/03; \$124,000.

\*Faculty contracts may be automatically renewed in FY 2003.

- (4) TTUHSC: Report on establishment of new centers and institutes: As requested by the Board of Regents, a list of newly established centers and institutes will be provided to the board as an information item at the next board meeting.
  - Center for Clinical Rehabilitation Assessment; Department of Rehabilitation Sciences, School of Allied Health; integrate and enhance effectiveness of Gait Evaluation, Balance Assessment and Energy Cost Assessment laboratories of the Department of Rehabilitation Sciences.

The motion was seconded and passed unanimously.

- VI.B.2. TTUS: Approve appointment of members to the Board of Directors of Texas Tech Foundation, Inc.—Regent Nancy Jones called on Mr. Butler who presented the item to approve appointment of the following individuals to the Board of Directors of the Texas Tech Foundation, Inc., whose terms of service will be from September 1, 2002 to August 31, 2005: John Biltz, Jane Burns, Jim Burrell, Don Cash, Scott Dueser, Bernard Harris, Jerry Owens, Lee Pfluger, Gary Roberts, and Jerry Turner.

Regent Nancy Jones moved that the board approve the appointments. The motion was seconded, and passes unanimously.

- VI.B.3. TTUS: Report of the Investment Advisory Committee; approve amendments to Chapter 09, *Regents' Rules (Investments, Endowments, and Income Producing Lands)*; and approve appointment of Alternative Asset Class Investment Manager.—Regent Barth and Mr. Brunjes presented the report and the following recommendations of the Investment Advisory Committee:

- (a) Sections 09.01.7 and 09.02.11, *Regents' Rules* (Chapter 09, Investments, Endowments, and Income Producing Lands), be amended to allow investments in eligible investment

pools and to increase the target allocation to the alternative asset class, included herewith as Attachment No. 2;

- (b) Gabriel Capital, L. P., be hired as an alternative investment manager functioning as a General Partner to invest funds in multi-strategy hedge fund investments;
- (c) AQR Capital Management, LLC, be hired as an investment manager in the alternative asset class (hedge fund) in multi-strategy hedge fund investments;
- (d) Bear Stearns asset management be hired as an investment manager in the alternative asset class (hedge fund) by active management of an equity based market neutral portfolio;  
and
- (e) State Street Global Advisors be hired as an investment manager to manage a small-cap index fund until such time as new small-cap managers may be selected.

During discussion, Regent Barth and Mr. Brunjes presented comments received from Regent Weiss concerning the Alternative Asset Class allocation. It was noted that Regent Weiss had recommended breaking the class into two separate categories: Hedge funds and private equity. Regent Barth concurred with Regent Weiss' recommendation and his concern that not only are private equity investments not typically marked to market the same way as hedge funds, but that both areas need a great deal of monitoring.

Following discussion, Regent Brooks moved that the board accept the report and recommendations of the Investment Advisory Committee, as presented. The motion was seconded, and passed unanimously.

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

#### 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 that the Board of Regents authorize the General Counsel to settle the case designated as LB 88-454-B within the parameters set forth in Executive Session. The motion was seconded, and passed unanimously.

#### VI.D. 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.D.1. TTUHSC: Approve establishment of two quasi-endowments in the Department of Anesthesiology in El Paso.—The board approved the transfer of \$1,500,000 from the El Paso Department of Anesthesiology Medical Practice Income Plan Departmental Program Fund account to establish two new quasi-endowments in the Department of Anesthesiology in El Paso. This action will establish two quasi-endowments in equal amounts of \$750,000 each: the El Paso Anesthesiology Educational Grant and the El Paso Anesthesiology Research Endowment. Earnings of the endowments will be used to support both graduate medical education and research activities of the faculty in the Department of Anesthesiology in El Paso.

#### VI.E. 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.E.1. TTU: Approve construction related to relocation of the utilities crossing the East-West Freeway.—The board authorized Texas Tech University to proceed with a project budgeted at \$2,750,000 to relocate the utilities crossing the future East-West Freeway. The board also authorized the completion of the design, obtaining project approval from the Texas Higher Education Coordinating

Board, and awarding a construction contract. The project will be funded with funds received from the Texas Department of Transportation agreement for the Freeway Easement.

VI.E.2. TTU: Approve naming of rooms in the College of Education.—The board approved naming the following rooms in the College of Education, as indicated below:

(i) The dean's office in honor of Larry and Kathi Hovey.

The dean's office in the College of Education shall be named the "Larry and Kathi Hovey Office of the Dean," in recognition of the very generous gift from Larry and Kathi Hovey and in honor of their many years of service to the College of Education and education in the state of Texas. In Mr. Hovey's thirty years of service in the College of Education, he served as a professor, associate dean, and interim dean.

(ii) The curriculum and instruction workroom in honor of Dr. Francis E. Bloomer.

The curriculum and instruction workroom in the College of Education shall be named the "Dr. Francis E. Bloomer Curriculum and Instruction Workroom," in recognition of gifts received from Dr. Bloomer's family and in honor of Dr. Bloomer's many years of devoted service to the College of Education, teaching secondary social studies courses until his retirement in 1991, and his impact on the field of education.

(iii) The associate dean's office in honor of Dr. Donald McDonald.

The associate dean's office in the College of Education shall be named the "Dr. Donald McDonald Office of the Associate Dean," in recognition of the generous gift from Dr. McDonald's widow, and in honor of Dr. McDonald's 35 years of dedicated service to the College of Education, serving during that time as a professor, associate dean, acting dean, and interim dean.

(iv) The development office in honor of the College Development Council.

The development office in the College of Education shall be named the "College of Education Development Council Office of Development," in recognition of the generous gift from the College of Education Development Council and its



long history of supporting the aims, goals, and activities of the College of Education through the development of financial and human resources and public awareness.

(v) The office of field and clinical experiences in honor of Dana Craig.

The office of field and clinical experiences in the College of Education shall be named the “Dana Craig Office of Field and Clinical Experiences,” in recognition of the very generous gift from Robert Craig and in honor of Mrs. Craig’s impact and positive influence on aspiring educators through her ten years of work with student teachers in the College of Education

(vi) The children’s literature collection and reading room in honor of Sandra Sitton, Jim Burkhart, and Jere Lynn Burkhart.

The children’s literature collection and reading room in the College of Education shall be named the “Sitton-Burkhart Literature Collection and Reading Room,” in honor and recognition of the generous gifts received from Ron and Sandra Sitton, and Jim and Jere Lynn Burkhart.

(vii) The graduate student offices in honor of the Helen Jones Foundation.

The graduate student offices in the College of Education shall be named the “Helen Jones Graduate Student Offices,” in honor and recognition of the Helen Jones Foundation’s long history of supporting the College of Education and recent gifts to the college totaling approximately \$2,823,000 to endow a fellowship program, establish an endowed chair, and establish an endowed professorship.

(viii) The science education collection in honor of Dr. Gerald Skoog.

The science education collection in the College of Education shall be named the “Dr. Gerald Skoog Science Education Collection,” in recognition of Dr. Skoog’s prominence as a nationally recognized leader in science education and in honor of his 33 years of dedication to the College of Education, serving during that time as assistant professor, professor (named a Horn Professor in 2000) and dean of the college.

VI.E.3. TTU: Approve naming the breezeway in the College of Education building.—The board approved naming the breezeway in the College of Education building the “Lon and Gertrude Miller

Breezeway,” in recognition of the very generous gift from Lon and Gertrude Miller and in honor of their long history of financial support of the College of Education and Texas Tech University.

- VI.E.4. TTU: Approve inter-local agreement between Texas Tech University and the City of Lubbock.—The board approved an inter-local agreement between the Texas Tech University and the City of Lubbock that provides for the use of approximately 6 acres of land on the Texas Tech Campus for the construction of a Park and Ride Facility. The agreement requires that Texas Tech guarantee that the land will be used for a Park and Ride lot for a minimum of 15 years.
- VI.E.5. TTUS: Report on and discussion of deferred maintenance policies.—The report on deferred maintenance policies was postponed to the November board meeting.
- VI.E.6. 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. 3.

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

Chairman Brown called on Regent Newby, Chair, to give the report of the Academic, Clinical and Student Affairs Committee.

Committee Chairman Newby 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.F.1. TTU: Approve appointments with tenure.—The board approved the granting of tenure to the following faculty of Texas Tech University contemporaneously with their appointments:

Nancy Cochran, new professor and director for the School of Music. Ms. Cochran was previously tenured as a professor at the University of Missouri-Kansas City.

Walter Huffman, J.D., new professor and dean for the School of Law. Mr. Huffman was previously a senior assistant for law and policy to The Secretary of Veterans Affairs.

Janice Killian, Ph.D., new professor in the School of Music. Dr. Killian was previously tenured as an associate professor at Texas Women's University.

Thomas Knight, Ph.D., new professor in the Department of Agricultural and Applied Economics. Dr. Knight was previously tenured as professor at Texas A&M University.

Randy Reddick, Ph.D., new professor in the School of Mass Communications. Dr. Reddick was previously tenured as an associate professor at Texas Tech University before resigning in 1996 to enter private industry.

Andrew Vernooy, new professor and dean for the College of Architecture. Mr. Vernooy was previously tenured as an associate professor at the University of Texas at Austin.

- VI.F.2. TTU: Approve granting of tenure and change in academic rank.—The board approved granting a change in academic rank, effective September 1, 2002, and the granting of tenure, effective this date, for the following faculty of Texas Tech University:

Hendrika Buelinckx, from assistant professor to associate professor, College of Architecture.

- VI.F.3. TTU: Approve change in academic rank.—The board approved a change in academic rank for Linda Hoover, Ph.D., from associate professor to professor in the College of Human Sciences, effective September 1, 2002.

Dr. Hoover's distinguished service to the College of Human Sciences is deserving of the promotion to professor. Dr. Hoover has served the College of Human Sciences as associate professor of Education, Nutrition, and Restaurant-Hotel Management and interim dean since February 2001.

- VI.F.4. TTU: Approve conferral of honorary degrees.—The board approved the conferral of the following honorary degrees:

A posthumous honorary degree of Doctor of Humane Letters, Honoris Causa, upon B.J. "Joe" Pevehouse, to be conferred at the University commencement ceremony on August 10, 2002; and

An honorary degree of Doctor of Humane Letters, Honoris Causa, upon Dolph Briscoe, Jr., to be conferred at the University commencement ceremony on December 15, 2002.

- VI.F.5. TTUHSC: Approve emeritus appointment.—The board approved granting the title of “professor emeritus” to H.H. Merrifield, Ph.D., professor and chair, Department of Rehabilitation Sciences, and associate dean for Clinical Services, School of Allied Health.

Dr. Merrifield is retiring on August 31, 2002, after more than twenty years of service and contributions to the School of Allied Health and Texas Tech University Health Sciences Center. He is the founding chair of the Physical Therapy Program and the current chair of the Department of Rehabilitation Sciences.

- VI.F.6. TTU: Report on the Natural Science Research Laboratory of the Museum of Texas Tech University.—The board accepted a report on the Natural Science Research Laboratory of the Museum of Texas Tech University by Dr. Robert Baker, Horn professor and director of the laboratory, included herewith as Attachment No. 4.

- VI.F.7. TTUHSC: Report on rural health initiatives.—The board accepted a report by Dr. Patti Patterson, vice president for rural and community health, on rural health initiatives, included herewith as Attachment No. 5.

- VI.F.8. TTU and TTUHSC: Scheduled reports on the status of academic units.

TTU: Report on the Jerry S. Rawls College of Business Administration.—The board accepted a report by Dr. Allen McInnes, dean, on the activities and plans for the Jerry S. Rawls College of Business Administration.

TTUHSC: Report on the School of Medicine.—The board accepted a report by Dr. Richard Homan, dean, on the activities and plans for the School of Medicine, presented as Item No. II.B. and included herewith as Attachment No. 6.

- VI.G. REPORT ON STAFF PROGRESS IN STRATEGIC PLANNING.—Chairman Brown called on Chancellor Smith who presented the report on staff progress in strategic planning, included herewith as Attachment No. 7.

- VI.H. 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: 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.I. THE PRESIDENT’S REPORT, TTU.—Chairman Brown called on President Schmidly who presented the President’s Report, included herewith as Attachment No. 8.
- VI.J. THE PRESIDENT’S REPORT, TTUHSC.—Chairman Brown called on Acting President Cavin who presented the President’s Report, included herewith as Attachment No. 9.
- VI.K. CHANCELLOR’S REPORT.—Chairman Brown called on Chancellor Smith who presented the Chancellor’s Report, included herewith as Attachment No. 10.
- VI.L. CHAIRMAN’S ANNOUNCEMENTS.—There were no Chairman’s announcements at this meeting.
- VI.M. ADJOURNMENT.—Regent Nancy Jones moved that the meeting be adjourned. Chairman Brown adjourned the meeting at approximately 8:03 p.m.

## INDEX OF ATTACHMENTS

Attachment 1	TTU Budget Adjustments for the period April 1, 2002 through June 30, 2002
Attachment 2	TTUS Amendments to Chapter 09, <i>Regents' Rules</i> (Investments, Endowments, and Income Producing Lands)
Attachment 3	TTUS Report on the Office of Facilities Planning and Construction projects
Attachment 4	TTU Report on the Natural Science Research Laboratory
Attachment 5	TTUHSC Report on rural health initiatives
Attachment 6	TTUHSC Report on the School of Medicine
Attachment 7	TTUS Report on Strategic Planning
Attachment 8	TTU President's report
Attachment 9	TTUHSC President's report
Attachment 10	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 August 8, 2002.

Ben Lock  
Secretary

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