

TEXAS TECH UNIVERSITY SYSTEM  
Lubbock, Texas

Minutes

Board of Regents  
August 10-11, 2006

Thursday, August 10, 2006.—The members of the Board of Regents of the Texas Tech University System convened at 10:05 a.m. on Thursday, August 10, 2006, in the Bridwell Conference Room, Christine DeVitt Wing, National Ranching Heritage Center/DeVitt-Mallet Museum, 3121 Fourth Street, Lubbock, Texas, with the following in attendance:

ATTENDANCE.—

Regents present were L. Frederick “Rick” Francis, Chairman; J. Frank Miller, III, Vice Chair; Larry K. Anders; C. Robert Black; F. Scott Dueser; Mark Griffin; Daniel T. Serna; Windy Sitton; Bob L. Stafford and Student Regent Chad Greenfield.

Also participating at the opening of the meeting were Dr. Donald Haragan, Chancellor, TTUS; Dr. Jon Whitmore, President, TTU; Dr. Bernhard T. Mitemeyer, Interim President, TTUHSC; Mr. Ben Lock, Senior Vice Chancellor, TTUS; Mr. Pat Campbell, Vice Chancellor and General Counsel, TTUS; Mr. Mark Lindemood, Vice Chancellor for Institutional Advancement, TTUS; Dr. William Marcy, Provost, TTU; Dr. Thomas Anderes, Senior Vice President for Administration and Finance, TTU; Mr. Elmo Cavin, Executive Vice President for Finance and Administration, TTUHSC; Dr. Roderick Nairn, Executive Vice President for Academic Affairs, TTUHSC; Dr. Michael Shonrock, Vice President for Student Affairs, TTU; Dr. Dean Smith, Vice President for Research, TTU; Mrs. Kimberly Turner, Managing Director of Internal Audit, TTUS; Mr. Ryan Worley, President, Student Government Association, TTU; Ms. Tracilynn Hall, President, Student Government Association, TTUHSC; Mr. Ron Phillips, Chief of Staff, President’s Office, TTU; and Ms. Christina Martinez, Assistant Secretary of the Board of Regents.

- II. CALL TO ORDER; CONVENE INTO OPEN SESSION OF THE BOARD.—  
Chairman Francis announced a quorum present and called the meeting to order.
- III. WORKSHOP/RETREAT.—The board met as a Committee of the Whole in a workshop/retreat forum for strategic planning purposes. No action was taken.
  - A. TEXAS TECH UNIVERSITY HEALTH SCIENCES CENTER.—Chairman Francis called on Interim President Mitemeyer who presented a report on

his observations of the overall direction of the schools within TTUHSC including the following:

#### School of Allied Health

- Dean Paul Brooke has been its dynamic leader for the past nine years.
- Has undergone a major growth initiative, going from 5 to 15 Allied Health programs and from approximately 450 to just under 900 students.
- Has continued to excel in all programs and most specifically in the newest major program, which is the training of Physician Assistants – currently ranked 14<sup>th</sup> out of over 143 such programs nationally.
- Of all students tested in 2005, Heidi Jeffreys was in the top ten out of 5,300 nationally. Nine others were in the top 15 percent.

#### Graduate School of Biomedical Sciences

- Is under the direction of Dr. Rod Nairn, who is the Health Sciences Center's Executive Vice President for Academic Affairs but also serves as Dean of the Graduate School.
- Has grown to just over 100 students – which is its largest number ever – with the Pharmacy Ph.D. students being the largest sub-set within the School.
- Is now separate from the School of Medicine, and this has permitted the introduction of a shared first core curriculum for all graduate students.

#### School of Nursing

- Dr. Alexia Green has served as its Dean for the past five years. The School offers not only the Bachelors of Science in Nursing degree, but offers a Master of Nursing degree as well. In addition, in collaboration with Texas Women's University, a doctorate in Nursing is offered.
- Total enrollment is over 500 students, and it is our plan to increase that number.
- Of note is the fact that the Graduate program – for the last three years in succession – has been rated as one of the top 100 programs of 500 such programs nationally.
- Prof. Christina Esperate, R.N., Ph.D. received a \$1.5 million grant from the U.S. Department of Agriculture focusing on the prevention of childhood obesity in West Texas.

#### School of Pharmacy

- Founded in 1994 under the outstanding leadership of Dean Arthur Nelson.
- With a total enrollment of 347 students to date:

- Ranks in the top third in all Pharmacy schools in all research awards, should be moving into the top 25 out of 99 pharmacy schools nationally.
- Above the national average in the National Board Exams and since its inception have been either #1 or #2 in pass rate in the State of Texas.
- Expansion of the program into Abilene is well on its way.

### School of Medicine

Dr. Berk, Dean of the TTUHSC School of Medicine, presented an overview of the School of Medicine as it exists today and presented plans for building on the School of Medicine's legacy for the future. The overview included the four aspects of the school mission: Medical Education; Research; Clinical Practice; and Community Service.

### Medical Education

Information regarding the makeup of the Medical Student class entering fall 2006 was provided. Additionally, an overview of the degree programs, the national standardized testing requirements, and the historical performance by TTUHSC students was presented. The United States Medical Licensing Exam ("USMLE") consists of four separate components:

- Step 1 – Administered after the second year of medical school.
- Step 2 – Two components administered after the fourth year of medical school:
  - Clinical Knowledge
  - Clinical Skills
- Step 3 – Taken during residency.

Other items to measure the effectiveness of the medical education program were presented, such as the number of graduates practicing a primary care specialty in the State of Texas, match results for TTUHSC graduates, feedback from residency program directors, the AAMC Student Survey, and the successful accreditation by the Liaison Committee on Medical Education. Details were shared regarding a comprehensive curriculum redesign which began in 2002 and the dean's plan to improve the performance of students on the USMLE Step 1.

### Research Mission

The status of research within the School of Medicine was outlined, to include: national ranking, centers of excellence, and strategies to improve research.

### Clinical Practice Mission

A broad overview of the faculty medical practice was presented to include the service area, clinical specialties, residency programs, funding, expenditures, patient care numbers, collection figures, and selected departmental fund balances.

The causes for the ongoing deficit in the Department of Anesthesiology were discussed along with the efforts undertaken to improve the fund balance. Major improvements to the Business Office operation were detailed. The 1st quarter of FY-2004 compared to the 3rd quarter of FY-2006 indicates a 28 percent increase in charges with a 38 percent increase in collections.

### Community Service

A variety of activities related to community service by faculty, staff, and medical students were presented.

### Four-Year Medical School of Medicine

Dr. Roderick Nairn, TTUHSC Executive Vice President for Academic Affairs, presented an update regarding the plans for conversion of the TTUHSC School of Medicine operations in El Paso to a four-year medical School.

Dr. Nairn distributed two draft timelines—one for opening the School in 2009, the other for opening in 2010.

Dr. Nairn then reviewed the content of the two timelines and discussed what needed to be in place before students could be admitted and what would likely be expected by the Liaison Committee on Medical Education (LCME) to acquire preliminary accreditation. He explained that admitting students in 2009 is do-able but is a “reach” and requires everything to fall into place perfectly. The next important item is to receive funding from the 80th Legislature for faculty salaries and recruitment expenses. TTUHSC’s Legislative Appropriations Request (LAR) includes a request for \$43.2 million for that purpose.

TTUHSC has modified some of the details of the timeline and business plan presented to the 79th Legislature, but the basic plans are similar. The version presented at this Retreat reflects the progress made in the last two years and our decision to use some existing El Paso campus resources (reserve funds in the clinical departments, previously appropriated funds from the Legislature for the development of the four-year school, and existing Tobacco endowment balances) to move forward while awaiting the outcome of the upcoming legislative session.

It was explained that, when the El Paso SOM is separately accredited, TTUHSC will have two independent Medical Schools reporting to one TTUHSC President.

Dr. Nairn described the progress made in construction of the Medical Education Building and invited participation in the “Topping-off” ceremony for the Medical Education Building in El Paso on September 8.

- B. TEXAS TECH UNIVERSITY.—Chairman Francis called on President Whitmore who presented a report on TTU.

Dr. Whitmore and his cabinet held a retreat in June 2006 to discuss the Board of Regents’ vision for future growth at Texas Tech. Their response to that vision was the basis for President Whitmore’s presentation to the Board in August.

TTU’s growth to 30,000 students in the next decade will be affected by our decision to recruit from a more academically select group of high performing high school students than the university did in previous decades. In addition, demographic studies show that the population of high school-age residents of West Texas will decline over the next 10 years. Thus, to increase our enrollment to 30,000, we must focus on scholarship endowment growth, growth in freshman undergraduate applications, growth in community college applications, growth in graduate applications, growth in enrollment yield for all applicant pools, and improved retention in all categories.

To achieve the goal of securing \$100 million annually in research funding, we must grow aggressively from the current \$57 million level. A proposal to ask the 2007 session of the Texas Legislature for \$30 million in new funding to hire research faculty and provide laboratory space would be a major step. A focus on the physical and biological sciences is also beneficial in securing federal funding.

To address increased excellence in academic programs, President Whitmore reported that an analysis is underway for each academic program to determine faculty, staff, facilities, scholarships, capital equipment, and space requirements. Many of these academic programs are well positioned for greater national recognition. A plan for growth of graduate programs will follow the outside assessment of the graduate school.

Diversity on campus continues to improve as we recruit additional diverse faculty members. The Cross Cultural and Academic Advancement Center opened in 2005, and Mentor Tech continues to grow. We have developed new South Texas minority recruitment strategies.

All academic units are completing case statements for the upcoming capital campaign. That scholarship endowment should become a primary focus of the campaign and is an overriding concern for all aspects of campaign planning in the academic units.

Communications and Marketing moved from the system to the university in July. With a smaller and more focused staff, the office is planning an aggressive marketing campaign in the Dallas/Fort Worth Metroplex, set to begin in September, and focused upon new media to reach current high school students.

The final section of President Whitmore's report focused upon efficiencies recently achieved in both academic and administrative units. The University has completed over 150 specific efficiencies that drive cost savings and/or organizational improvements. There are in excess of 100 additional efficiencies being planned. Academic efficiencies include implementing the Graduate on Time ("GOT") program, establishing 15 semester credit hours ("SCH") as the university standard load, enhancing the academic advising and retention program, and centralizing student services in West Hall.

- C. TEXAS TECH UNIVERSITY SYSTEM.—Chairman Francis called on Interim Chancellor Haragan Whitmore who presented a brief report to the Board, noting that his reorganization and restructuring of the System administration, as authorized by the Board, was essentially complete.

Additional work in this regard is being done to assess the System's Institutional Advancement operations, and the planning work for the System's next major capital campaign is underway.

Finally, a handout was distributed that listed public higher education systems in Texas ... showing the number of component institutions in each system and the total enrollments of students in each system ... as well as the public general academic institutions in Texas that are not affiliated with a university system. The point was made that the Texas Tech University System needs to be aware of its current position in the governance of public higher education in Texas, and be making plans for how it could enhance its position in the future.

- IV. EXECUTIVE SESSION.—At approximately 3:00 p.m., the board convened into Executive Session to consider matters permissible under Chapter 551 of the *Texas Government Code*, including:

- A. Consultation with attorney regarding privileged communications, pending or contemplated litigation and settlement negotiations and discussion of athletic department sponsorship contract negotiations – Section 551.071
  - B. Deliberations regarding real property: The purchase, lease, exchange, or value of real property – Section 551.072
  - C. Deliberations regarding prospective gifts – Section 551.072
  - D. Personnel matters: Discuss the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of employees; discussion and consideration of individuals for the position of Chancellor of the Texas Tech University System; personnel evaluations as required by *Regents' Rules* Section 02.03.3, Performance Evaluations of the Chancellor, Chief Financial Officers and Presidents; Section 02.03.4, consideration of the Chancellor's salary; Section 02.03.5, review of the salaries of the Chief Financial Officer, Vice Chancellors and President; and Section 02.03.6, review of the salaries of the Provost, Vice Presidents, Vice Provosts, and Deans of the colleges and schools of the component institutions. – Section 551.074
  - E. RECONVENING OF THE BOARD TO OPEN SESSION.—At approximately 5:10 p.m., the board reconvened into Open Session in the Bridwell Conference Room, Christine DeVitt Wing, National Ranching Heritage Center/DeVitt-Mallet Museum, 3121 Fourth Street, Lubbock, Texas.
- V. RECESS.—The board recessed from the workshop/retreat at 5:11 p.m.

Friday, August 11, 2006.—The members of the Board of Regents of the Texas Tech University System convened at 8:04 a.m. on Friday, August 11, 2006, 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 L. Frederick "Rick" Francis, Chairman; J. Frank Miller, III, Vice Chair; Larry K. Anders; C. Robert Black; F. Scott Dueser; Mark Griffin; Daniel T. Serna; Windy Sitton; Bob L. Stafford and Student Regent Chad Greenfield.

Also participating at the opening of the meeting were Dr. Donald Haragan, Chancellor, TTUS; Dr. Jon Whitmore, President, TTU; Dr. Bernhard T. Mittemeyer, Interim President, TTUHSC; Mr. Jim Brunjes, Chief Financial Officer, TTUS; Mr. Ben Lock, Senior Vice Chancellor, TTUS; Mr. Pat Campbell, Vice Chancellor and General Counsel, TTUS; Mr. Mike Ellicott, Vice Chancellor for

Facilities Planning and Construction, TTUS; Mr. Mark Lindemood, Vice Chancellor for Institutional Advancement, TTUS; Dr. William Marcy, Provost, TTU; Dr. Thomas Anderes, Senior Vice President for Administration and Finance, TTU; Mr. Elmo Cavin, Executive Vice President for Finance and Administration, TTUHSC; Dr. Roderick Nairn, Executive Vice President for Academic Affairs, TTUHSC; Dr. Michael Shonrock, Vice President for Student Affairs, TTU; Dr. Dean Smith, Vice President for Research, TTU; Mrs. Kimberly Turner, Managing Director of Internal Audit, TTUS; Mr. Alton Smith, Associate Chief Financial Officer, TTUS; Mr. Ryan Worley, President, Student Government Association, TTU; Ms. Tracilynn Hall, President, Student Government Association, TTUHSC; Mr. Ron Phillips, Chief of Staff, President's Office, TTU; and Ms. Christina Martinez, Assistant Secretary of the Board of Regents.

VI. CALL TO ORDER; CONVENE INTO OPEN SESSION OF THE BOARD.—  
Chairman Francis announced a quorum present and called the meeting to order.

VII. INTRODUCTIONS AND RECOGNITIONS.—Chairman Francis called on Dr. Whitmore who introduced Dr. Jim Reckner, Director of the Vietnam Center; Steve Maxner, a doctoral candidate and Deputy Director Archivist at the Vietnam Center; Dr. Ron Milam, Assistant Professor of History; and Chris Trobridge, a doctoral candidate in military and diplomatic history from Vernon, Connecticut. That group traveled to Hanoi, Vietnam and Cambodia on a goodwill trip. That trip was funded by the Leroy Herron Scholarship, which was established in honor of a military hero who was from Texas Tech and Lubbock and who died in the Vietnam War. These scholarships exist to promote international understanding and to foster goodwill between countries that were once at war. The scholarships are administered by the Vietnam Center—a remarkable academic unit at the University who has a national reputation as a fine academic program.

Dr. Whitmore introduced Simon Sinaga, a doctoral candidate in Mass Communications. Mr. Sinaga recently wrote a paper that was selected as a top paper at the International Communications Association convention in Dresden, Germany. There were 90 students who presented papers at that international conference. Mr. Sinaga has more than 10 years experience as a journalist in Indonesia. Dr. Whitmore stated that it is an honor to have Mr. Sinaga as a student at Texas Tech.

Dr. Whitmore also introduced Amy Bell, the new Masked Rider. As you know, one of the things that happens in the fall semester is the change-over in student leadership and students holding different roles at the University. Our Masked Rider is one of the great traditions here at Texas Tech University. Amy is from Kermit and is an Animal and Food Science major.

Dr. Mitemeyer introduced and recognized Dr. Lynn Bickley, Professor of Medicine and Associate Dean for Curriculum, for her outstanding work. Dr. Mitemeyer classified Dr. Bickley as one of the best professors at the Texas Tech



University Health Sciences Center (“TTUHSC”). She has been involved in the significant revision of the School of Medicine’s curriculum by direction of the Liaison Committee on Medical Education (“LCME”). Dr. Bickley has many honors. She is the senior author of a textbook titled, Guide to Physical Examination and History Taking, which is used throughout the United States in over 70 schools. It is also used overseas in many countries. It is really one of the best textbooks in physical examination and diagnosis. Dr. Bickley recently received an National Institute of Health (“NIH”) grant in an amount a little less than half a million dollars and is the PI (“Primary Investigator”) for a study called Bridging the Gap, a patient-centered curriculum for cultural competence. This is the largest educational grant that has ever been awarded to the TTUHSC by the NIH. In addition, she and Dr. Berk, Dean of the School of Medicine, recently received a \$2 million grant from the Reynolds Foundation titled Healthy Aging in the Southwest, a comprehensive program to strengthen physicians training in geriatrics—this is one of the areas of expertise that we really focus on at the TTUHSC. She received a Teacher of the Year in Internal Medicine Award in 2005. In consideration of her work, it is likely Dr. Bickley will be the recipient of many such future awards. Dr. Bickley just completed a program for leaders in healthcare education at Harvard and her students describe her, appropriately so, as passionate, enthusiastic and one who has an excited spirit about teaching. Regent Griffin commented that he has visited with Dr. Bickley on various occasions. She has a deep compassion and affection for the TTUHSC and for the School of Medicine and it is manifest in the work she does. It is an honor to have her and her husband as part of this community and as a part of the Medical School.

- VIII. RECESS OF COMMITTEE OF THE WHOLE AND COMMENCE MEETINGS OF STANDING COMMITTEES—At approximately 8:11 a.m. on Friday, August 11, 2006, the board recessed the Committee of the Whole and commenced meetings of standing committees in the Board Room, Second Floor, Room 201, Administration Building, Akron and Broadway Avenues, Lubbock, Texas.
- IX. MEETING OF STANDING COMMITTEES.—Three of the standing committees met upon the recess of the Committee of the Whole. The Audit Committee met at approximately 8:12 a.m. on Friday, August 11, 2006, followed by the Academic, Clinical and Student Affairs Committee at 8:46 a.m. and the Finance and Administration Committee at 9:02 a.m. All committees met in the Board Room, Second Floor, Room 201, Administration Building, Akron and Broadway Avenues, Lubbock, Texas.
- X. CALL TO ORDER; RECONVENE INTO OPEN SESSION OF THE BOARD.—At approximately 10:15 a.m. on Friday, August 11, the board reconvened in open session in the Board Room, Second Floor, Room 201, Administration Building, Akron and Broadway Avenues, Lubbock, Texas.

XI. OPEN SESSION.—At approximately 10:15 a.m. on Friday, August 11, the board continued 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.

XI.A. APPROVAL OF MINUTES.—Regent Francis asked for approval of the minutes of the board meeting held on May 12, 2006. Regent Miller moved for their approval. Regent Miller seconded the motion, and the motion passed unanimously.

XI.B. COMMITTEE OF THE WHOLE

Chairman Francis announced that, for the purpose of facilitating action on the items to be considered, Regent Sitton would preside over the Committee of the Whole.

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

XI.B.1.a. TTU: Approve leaves of absence.—The board approved leaves of absence, as approved administratively by the president and the chancellor.

Leave without pay for Dorothy Chansky, assistant professor, School of Theatre and Dance, College of Visual and Performing Arts, for the period January 15, 2007 through May 31, 2007. The purpose of this leave is to continue work on a book with library and office support in a feminist, scholarly community. This leave will be taken at Mt. Holyoke College, South Hadley, Massachusetts.

Leave without pay for James Lampe, professor, Area of Accounting, Rawls College of Business Administration, for the period August 15, 2006 through May 31, 2007. The purpose of this leave is to work as a visiting professor in the Department of Accounting at Missouri State University in Springfield, Missouri.

Leave without pay for Surya Liman, associate professor, Department of Industrial Engineering, College of Engineering, for the period August 15, 2006 through May 31, 2007. The purpose of this leave is for personal reasons and will be taken in Lubbock, Texas.

Leave without pay for Sandro Manservisi, assistant professor, Department of Mathematics and Statistics, College of Arts and

Sciences, for the period August 15, 2006 through May 31, 2007. The purpose of this second, consecutive leave is to continue his collaboration, as additional funding was received, with researchers on fluid dynamics topics (two- phase flow) and on the numerical solutions of MHD (magneto hydro dynamics) at the University of Bologna in Italy, in the Department of Nuclear Engineering. This leave will be taken in Bologna, Italy.

Leave without pay for Victoria Sutton, Professor, School of Law, for the period August 15, 2006 through May 31, 2007. This is the second year of the two-year agreement to serve the Bush Administration in the position of Chief Counsel of the Research and Innovative Technologies Administration in the Department of Transportation. This leave will be taken in Washington, DC.

Leave without pay for Bruce Wood, associate professor, Department of Music, College of Visual and Performing Arts, for the period August 15, 2006 through May 31, 2007. The purpose of this leave is to conduct field research in an orchestra setting for a middle school in the Vacaville School District in Vacaville, California. This leave will be taken in Vacaville, California.

- XI.B.1.b. TTU: Approve change of department names in the College of Education.—The board approved a change in the name of the Division of Curriculum and Instruction to the Department of Curriculum & Instruction, and the Division of Educational Psychology and Leadership to the Department of Educational Psychology and Leadership, in the College of Education, and authorized submission by the Office of the Provost and Senior Vice President for Academic Affairs to the Texas Higher Education Coordinating Board seeking its approval for such a change. The item was approved administratively by the president and the chancellor.

The change from division to department better aligns the organizational structure in the College of Education as well as the university. This is a non-substantive administrative change. The change is in name only; there are no curriculum changes. No additional expenses will be incurred by this change.

- XI.B.1.c. TTU: Approve change of department name in the College of Agricultural Sciences and Natural Resources.—The board approved a change in the name of the Department of Range, Wildlife, and Fisheries Management to the Department of Natural Resources Management, in the College of Agricultural Sciences and Natural Resources, and authorized submission by the Office of the Provost and Senior Vice President for Academic Affairs to the Texas Higher

Education Coordinating Board seeking its approval for such change. The item was approved administratively by the president and the chancellor.

The name change to Natural Resources Management will more accurately represent the breadth of discipline expertise available in the faculty. It will allow prospective students to envision a broader spectrum of opportunities than is possible with the limitations imposed by only naming three disciplines when broader educational opportunities are offered at both the undergraduate and graduate levels. This change is in name only, there are no curriculum changes. No additional expenses will be incurred by this change.

XI.B.1.d. TTU: Approve exception to Section 03.01.8, Regents’ Rules.—The board approved an exception to Section 03.01.8.c., Nepotism, *Regents’ Rules*, to allow Mr. Kelly Curry, married to Kristi Curry, Head Women’s Basketball Coach, continued employment as Assistant Women’s Basketball Coach. Mr. Curry will be supervised by Judi Henry, Senior Associate Athletic Director, Senior Women’s Administrator, with final approval for personnel and compensation matters under the responsibility of Gerald Myers, Athletic Director. The request was approved administratively by the president and the chancellor.

XI.B.1.e. TTU: Approve budget adjustments for the period April 1, 2006 through June 30, 2006.—The board approved the following budget adjustments for the period April 1, 2006 through June 30, 2006, as approved administratively by the president and the chancellor.

TEXAS TECH UNIVERSITY – BOARD APPROVAL ITEM  
(April 1, 2006 – June 30, 2006)

Activity	Source of Funds		Expense
	Other	Income	
<b>Board Approval</b>			
<b>Purchased Utilities</b>	<b>1,000,000</b>		<b>1,000,000</b>
Increase in expense authority to cover a portion of the utility shortfall for the fiscal year. This will be funded from the fund balance of Heating & Cooling Plant #1.			
<b>Pay Machines - Parking</b>	<b>900,000</b>		<b>900,000</b>
Construction of a commuter parking facility located at Texas Tech Parkway and Indiana Avenue. This will be funded from the fund balance of Traffic & Parking Enforcement.			
<b>Total</b>	<b>1,900,000</b>		<b>1,900,000</b>

XI.B.1.f. TTUSA: Approve budget adjustments for the period July 1, 2006 through July 31, 2006.—The board approved the following budget

adjustments for the period July 1, 2006 through July 31, 2006, as approved administratively by the chancellor.

TEXAS TECH UNIVERSITY SYSTEM ADMINISTRATION – BOARD APPROVAL ITEM  
(July 1, 2006 – July 31, 2006)

Activity	Source of Funds		Expense
	Other	Income	
<b>Board Approval</b>			
<b>Chancellor's Termination Agreement</b>	<b>431,123</b>		<b>431,123</b>
Complete funding of Chancellor's Termination Agreement - Transfer of funds from balances collected through the management fee for investments.			
<b>Communication Services Equipment Replacement</b>	<b>2,000,000</b>		<b>2,000,000</b>
Establish separate fund to track equipment replacement in Communication Services - Transfer of fund balance from Communication Services Base Account.			
<b>Technology Operations and Systems Management – Environmental Upgrades and Life Cycle Equipment Replacements</b>	<b>645,000</b>		<b>645,000</b>
As a result of an audit of the Computing Center environment, management will upgrade its environmental systems, e.g. back-up generator, fire suppression, system, and UPS. \$245,000 of equipment is also scheduled for replacement by this item. Both items will be funded from available balances in the Technology Operations and Support Management Fund.			
<b>Total</b>	<b>3,076,123</b>		<b>3,076,123</b>

XI.B.1.g. TTUSA, TTU and TTUHSC: Approve delegation of signature authority.—The board approved the request, in accordance with *Texas Government Code*, Sec. 2103.061, as approved administratively by the president, TTU, 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, 2006, and to continue until August 31, 2007, or until such time as they are separated from the university or assigned other responsibilities, whichever 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, 2006, and to continue until August 31, 2007, or until such time as they

are separated from the university or assigned other responsibilities, whichever comes first.

- (3) To authorize the president, TTU, 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, 2006 and to continue until August 31, 2007 or until such time as they are separated from the university or assigned other responsibilities, whichever 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, 2006 and to continue until August 31, 2007, 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:
  - Jim Brunjes, Senior Vice Chancellor and CFO
  - William M. Marcy, Provost
  - Tom Anderes, Senior Vice President for Administration and Fiscal Affairs
  - Phillip A. Ray, Assistant Vice President for Business Affairs
  - Gloria J. Hale, Assistant Vice President for Human Resources
  - Rebecca Perez, Director of Grants and Contracts Accounting
- (5) To sign and/or countersign cashier's checks drawn on the university's Cashier's Account, effective September 1, 2006, and to continue until August 31, 2007 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:

Jim Brunjes, Senior Vice Chancellor and CFO  
Tom Anderes, Senior Vice President for Administration and  
Fiscal Affairs  
Phillip A. Ray, Assistant Vice President for Business Affairs  
Gloria J. Hale, Assistant Vice President for Human  
Resources  
Rebecca Perez, 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, 2006, and to continue until August 31, 2007, 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:

Jim Brunjes, Senior Vice Chancellor and CFO  
Alton Smith, Associate Chief Financial Officer, TTUSA  
Charles D. Wall, Assistant Vice Chancellor, Investments and  
Assistant CFO  
Tom Anderes, Senior Vice President for Administration and  
Fiscal Affairs  
Thom Davis, Assistant Vice President and Comptroller, TTU  
Phillip A. Ray, Assistant Vice President for Business Affairs  
Yvette A. Jordan, Cash Manager, TTUSA

- (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, 2006, and to continue until August 31, 2007, or until such time as they are separated from the university or assigned other duties or responsibilities:

Jim Brunjes, Senior Vice Chancellor and CFO  
Alton Smith, Associate Chief Financial Officer, TTUSA  
Charles D. Wall, Assistant Vice Chancellor, Investments and  
Assistant CFO  
Tom Anderes, Senior Vice President for Administration and  
Fiscal Affairs  
Thom Davis, Assistant Vice President and Comptroller, TTU

The request, in accordance with *Texas Administrative Code*, Title 34, Part 1, Chapter 5, Subchapter F, Rule §5.61, has been approved administratively by the president, TTUHSC, and the chancellor as required by board policy and is recommended for approval by the Board of Regents.

- (8) To authorize the president, TTUHSC, 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, 2006, and to continue until August 31, 2007, 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, has been approved administratively by the president, TTUHSC, and the chancellor and is recommended for approval by the Board of Regents.

- (9) To sign checks drawn on all checking accounts of the Health Sciences Center in any depository bank effective September 1, 2006, and to continue until August 31, 2007, or until such time as they are separated from 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:



Bernhard T. Mitemeyer, M.D., Interim President  
Jim Brunjes, Senior Vice Chancellor and CFO  
Elmo M. Cavin, Executive Vice President for Finance and  
Administration  
Michael Crowder, Associate Vice President for Business  
Affairs  
Celeste Kulinski, Director of Business Services  
Carole Wardroup, Director of Accounting Services  
Christine Blakney, Associate Managing Director of  
Accounting Services  
Rebecca Aguilar, Assistant Managing Director of Accounting  
Services  
Michael Hooten, Assistant Vice President for Fiscal Affairs,  
Amarillo  
Larry Elkins, Assistant Vice President for Fiscal Affairs, El  
Paso  
William Finical, Assistant Vice President for Fiscal Affairs,  
Odessa

- (10) To authorize transfer, by wire or other means, of funds between Texas Tech University Health Sciences Center depositories, effective September 1, 2006, and to continue until August 31, 2007, 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:

Bernhard T. Mitemeyer, M.D., Interim President  
Jim Brunjes, Senior Vice Chancellor and CFO  
Charles D. Wall, Assistant Vice Chancellor,  
Investments and Assistant CFO  
Elmo M. Cavin, Executive Vice President for Finance  
and Administration  
Michael Crowder, Associate Vice President for  
Business Affairs  
Carole Wardroup, Director of Accounting Services  
Celeste Kulinski, Director of Business Services  
Christine Blakney, Associate Managing Director of  
Accounting Services  
Rebecca Aguilar, Assistant Managing Director of  
Accounting Services  
Alton Smith, Associate Chief Financial Officer, TTUSA  
Yvette A. Jordan, Cash Manager, TTUSA

The request, in accordance with Section 09.01.5, *Regents' Rules*, has been approved administratively by the president, TTUHSC, and the chancellor as required by board policy and is recommended for approval by the Board of Regents.

- (11) 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, 2006, and to continue until August 31, 2007, or until such time as they are separated from the Texas Tech University System or assigned other duties of responsibilities, whichever comes first:

Bernhard T. Mitemeyer, M.D., Interim President  
Jim Brunjes, Senior Vice Chancellor and CFO  
Charles D. Wall, Assistant Vice Chancellor, Investments and Assistant CFO  
Elmo M. Cavin, Executive Vice President for Finance and Administration  
Michael Crowder, Associate Vice President for Business Affairs  
Alton Smith, Associate Chief Financial Officer, TTUSA

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

Mark Lindemood, Vice Chancellor for Institutional Advancement  
Greg Teeter, Legal Counsel for Institutional Advancement

Regent Miller 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 2006, 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, 2006 for fiscal year 2006 (available for review upon request); and  
(b) TTUHSC: Report dated May 31, 2006 for fiscal year 2006 (available for review upon request).

- (2) TTU: 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."

TTU:

- (a) City of Lubbock (Citibus) and City Transit Management Company to provide on-campus and off-campus student transportation services for the period of September 1, 2006 to August 31, 2007; annual contract amount will be \$2,294,874, plus additional amounts due if the service is utilized during additional University events as requested by the University. Original contract approved by Board of Regents on August 17, 2004 (Minute Order VII.B.1.f.).

- (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) Alroumoh, Manaf A., M.D., Assistant Professor/NTT; Internal Medicine, Odessa; 8/1/06-8/31/07; \$140,000;
- (b) Bhairavarasu, Kalpana, M.D., Assistant Professor/NTT; Internal Medicine, Odessa; 7/1/06-8/31/07; \$142,500;
- (c) Bradshaw, Brady, CRNA, Faculty Associate/NTT; Anesthesiology, Lubbock; 6/1/06-8/31/06; \$168,000;
- (d) Brunner-Reynolds, Noemi, M.D., Visiting Professor/NTT; Radiology, El Paso; 7/1/06-6/30/07; \$250,000;
- (e) Calleros-Macias, Jesus E., M.D., Academic Instructor/NTT; Radiology, El Paso; 6/1/06-8/31/07; \$100,000;
- (f) Chemitiganti, Ramachandra, M.D., Assistant Professor/NTT; Internal Medicine, Odessa; 7/1/06-8/31/07; \$142,500;
- (g) DeSalvo, Donny, CRNA, Faculty Associate/NTT; Anesthesiology, Lubbock; 6/1/06-8/31/07; \$168,000;
- (h) Emmick, Robert, M.D., Assistant Professor/NTT; Emergency Medicine, El Paso; 7/1/06-8/31/06; \$160,000;
- (i) Fennell, Elton, M.D., Associate Professor/NTT; Ob/Gyn, Amarillo; 8/1/06-8/31/07; \$224,000;
- (j) Gallardo, Mark, M.D., Assistant Professor/NTT; Ophthalmology, El Paso; 8/1/06-8/31/07; \$185,000;
- (k) Gough, David C., M.D., Associate Professor/NTT; Internal Medicine, El Paso; 7/1/06-8/31/07; \$300,000;
- (l) Hammond, Debra, M.D., Assistant Professor/NTT; Family Medicine, Lubbock; 5/22/06-8/31/07; \$125,000;
- (m) Haynes, Allan L., Jr., M.D., Professor/NTT; Urology, Lubbock; 8/1/06-8/31/08; \$275,000;
- (n) Kembel, Amanda, CRNA, Faculty Associate/NTT; Anesthesiology, Lubbock; 6/12/06-8/31/06; \$168,000;
- (o) Labib, Safaa, M.D., Assistant Professor/NTT; Pathology, Lubbock; 8/14/06-8/31/07; \$135,000;
- (p) Mocherla, Satish, M.D., Assistant Professor/NTT; Internal Medicine, Odessa; 7/1/06-8/31/06; \$160,000;
- (q) Nelius, Thomas, M.D., Assistant Professor/NTT; Urology, Lubbock; 9/1/06-8/31/08; \$120,000;

- (r) Plavsic, Branko, M.D., Ph.D., Professor/NTT; Radiology, El Paso; 5/1/06-8/31/06; \$250,000;
  - (s) Salcedo, Eduardo, M.D., Assistant Professor/NTT; Family Medicine, Odessa; 7/1/06-7/1/07; \$135,000;
  - (t) Samathanam, Christina, M.D., Assistant Professor/NTT; Pathology, Lubbock; 8/1/06-8/31/07; \$135,000;
  - (u) Sarmiento, Jorge Luis, M.D., Visiting Professor/NTT; Radiology, El Paso; 7/1/06-6/30/07; \$250,000;
  - (v) Shi, Bing, M.D., Ph.D., Assistant Professor/NTT; Anesthesiology, Lubbock; 4/24/06-4/30/07; \$280,000;
  - (w) Stockwell, Shane, CRNA, Faculty Associate/NTT; Anesthesiology, Lubbock; 9/1/06-8/31/07; \$168,000;
  - (x) Stonedale, Judi Sheerin, D.O., Associate Professor/NTT and Regional Chair; Psychiatry, Odessa; 7/1/06-7/1/07; \$175,000; and
  - (y) Vogt-Harenkamp, Christiane, M.D., Ph.D., Assistant Professor/NTT; Anesthesiology, Lubbock; 8/1/06-7/31/07; \$250,000.
- (4) **TTUS, TTU and TTUHSC: Report on the Five-Year Capital Plan: “Notification to the Board of the MP1 Report as submitted to the Texas Higher Education Coordinating Board.”**

The Vice Chancellor for Facilities Planning and Construction submitted the MP1 report for the Texas Tech University System, Texas Tech University and the Texas Tech University Health Sciences Center to the Texas Higher Education Board on June 21, 2006. That report is attached as information to the Board.

The motion was seconded and passed unanimously.

- XI.B.2. TTUS: Approve amendments to Sections 01.01.3.a, 01.01.5, and 01.01.7, *Regents’ Rules*, regarding election of Board officers and terms of office.—, The board approved, upon the recommendation of the *Regents’ Rules* Review committee, amendments to the Bylaws of the *Rules and Regulations of the Board of Regents of the Texas Tech University System* (“*Regents’ Rules*”), Sections 01.01.3.a, 01.01.5, and 01.01.7, related to the election process of the Chairman and Vice Chairman of the Board (“Board officers”) and the term of office for each Board officer, included herewith as Attachment No. 1.

Current provisions of the *Regents’ Rules* specify that Board officer elections are to be held at either the November or December meeting of the Board during even-numbered years, with the newly-elected Board officers taking office on the following January 1 to serve two-year terms of office.

The amendments recommended herein would have the Board officer elections take place during the spring of odd-numbered years, thereby allowing an opportunity for “new” regents to be appointed, confirmed and seated on the Board prior to the election of Board officers. However, a cut-off date is provided in that, if the “new” regents have not been appointed, confirmed and sworn in by May 1, the Board would proceed with the election of Board officers on or before May 31. The amendments

recommended also provide that the term of office for the newly-elected Board officers would begin immediately following their election, and Board officers would serve until their successors are duly elected

- XI.B.3. TTUS: Appointment of members to the Board of Directors of the Texas Tech Foundation, Inc.—The board approved the appointment of the following individuals to the Board of Directors of the Texas Tech Foundation, Inc.: Keh-Shew Lu, Ph.D., Plano and Bryan Smitherman, M.D., Lubbock.

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

- XII. REPORTS OF STANDING COMMITTEES.—At approximately 10:27 a.m., at the direction of Chairman Francis, Standing Committee reports were presented sequentially to the Committee of the Whole.

#### XII.A. REPORT OF THE FACILITIES COMMITTEE

Regent Black 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.

- XII.A.1. TTU: Approve change to project funding for the Mark & Becky Lanier Professional Development Center.—The board approved changes to the funding for the Mark & Becky Lanier Law Professional Development Center for the School of Law to \$7,500,000 in Revenue Financing System to be repaid with Higher Education Assistance Funds (“HEAF” bonds) and \$6,000,000 in Revenue Financing System to be repaid with current pledges and donations

The chancellor also concurred with the recommendation of the president that if funding to repay the \$7,500,000 is provided for the authorized Tuition Revenue Bonds, the board authorizes Texas Tech University System to issue Tuition Revenue Bonds in place of the HEAF bonds proposed in this item. The Board of Regents will be notified if that action occurs.

It was further recommended that the board acknowledge that it expects to pay expenditures in connection with the construction of the project prior to the issuance of obligations to finance the project and, in that respect, the board finds that the reimbursement for the payments of such expenditures

will be appropriate and consistent with the lawful objectives of the Texas Tech University System, and, as such, declare its intention, 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 project an aggregate maximum principal amount expected to be \$13,500,000.

- XII.A.2. TTU/TTUHSC: Approve the designation of campus land for a Hope Lodge.—The board authorized Texas Tech University and the Texas Tech University Health Sciences Center to designate approximately 2 acres of land on the campus for the construction of a Hope Lodge, a short-term residential facility to provide temporary lodging for cancer patients and their families for the duration of their cancer treatments. This designation is conditional on the approval of the Hope Lodge proposal by the Lubbock Chapter and the National Chapter of the American Cancer Society, and the negotiation of a mutually agreeable ground lease.
- XII.A.3. TTU: Approve a change to the Campus Master Plan.—The board, upon the recommendation of the Facilities Committee, tabled approval of this item pending further study.
- XII.A.4. TTUHSC: Approve re-naming of the Clinical Tower/ Research Center to the Texas Tech Physicians Medical Pavilion.—The board approved re-naming the Clinical Tower Research Center the “Texas Tech Physicians Medical Pavilion” in order to better reflect the nature of the services provided by the Texas Tech Physicians.
- XII.A.5. TTU: Report on Athletics facility projects.—The board accepted a report from Gerald Myers, Director of Intercollegiate Athletics, TTU, on the Athletics facility projects
- XII.A.6. TTU: Report on Office of Facilities Planning and Construction projects.—The board accepted the report on projects of the Office of Facilities Planning and Construction, included herewith as Attachment No. 2.

## XII.B. REPORT OF THE AUDIT COMMITTEE

Committee Chairman Stafford reported that the Audit 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 action set forth in the Minute Order that follows was recommended by the Audit Committee and approved in open session and without objection by the Board of Regents of the Texas Tech University System.

- XII.B.1. TTUS: Approve 2007 annual audit plan for the Texas Tech University System.—The board approved the annual audit plan, included herewith as Attachment No. 3.
- XII.B.2. TTUS: Audit reports.—The board accepted a report from Ms. Kim Turner, Managing Director for the Office of Audit Services, TTUS, on the System's audit projects, included herewith as Attachment No. 4.
- XII.B.3. REPORT OF EXECUTIVE SESSION.—Chairman Stafford reported there were no actions to consider from Executive Session.

XII.C. REPORT OF THE ACADEMIC, CLINICAL AND STUDENT AFFAIRS COMMITTEE

Committee Chairman Sitton reported that the Academic, Clinical and Student Affairs Committee met in open session 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.

- XII.C.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:

Michael Finke, Ph.D., new associate professor in the Department of Applied and Professional Studies, College of Human Sciences. Dr. Finke is currently a tenured associate professor in the Department of Personal Financial Planning, College of Human Environmental Sciences at the University of Missouri at Columbia;

Tom Johnson, Ph.D., new professor of the Sharleen Formby Regents Endowed Professorship in Convergent Media, College of Mass Communications. Dr. Johnson was previously a tenured professor and head of the graduate program at Southern Illinois University at Carbondale;

Patrick Patterson, Ph.D., new professor and newly selected Chair, Department of Industrial Engineering, College of Engineering. Professor Patterson was previously tenured as an associate professor in the Department of Industrial and Manufacturing Systems Engineering at the University of Iowa at Ames;

Martha Smithey, Ph.D., new associate professor, Department of Sociology, Anthropology and Social Work, College of Arts and Sciences. Dr. Smithey was previously tenured as an associate

professor in the Department of Sociology & Criminal Justice at the University of Texas at El Paso;

Thomas Thompson, Ph.D., new professor and newly selected Chair, Department of Plant and Soil Science, College of Agricultural Sciences & Natural Resources. Professor Thompson is currently a tenured professor and extension specialist in the Department of Soil, Water, and Environmental Science at the University of Arizona in Tucson;

Kenton Wilkinson, Ph.D., new associate professor for the Regents Endowed Professorship in Hispanic and International Communication, College of Mass Communications. Dr. Wilkinson was previously tenured as an associate professor in the Department of Communication at the University of Texas at San Antonio; and

Jeffery Williams, Ph.D., new professor and newly selected Chair, Department of Sociology, Anthropology, and Social Work, College of Arts and Sciences. Dr. Williams was previously tenured as an associate professor in the Department of Anthropology at Cleveland State University.

- XII.C.2. TTU: Approve granting of academic tenure.—The board approved the granting of tenure, effective this date, for Anisa Zvonkovic, Ph.D., professor and newly selected Chair, Department of Human Development and Family Studies, College of Human Sciences.

Professor Zvonkovic was hired as a full professor by the Department of Human Development and Family Studies in September 2005.

- XII.C.3. TTU: Approve employee appointment to non-elective position.—The board approved the following employee-appointment to a non-elective position.

Juan Sanchez Munoz, Ph.D., special assistant to the president for institutional diversity and associate professor in the College of Education, appointed to the Texas Youth Commission by the Honorable Rick Perry, for a term to expire on August 31, 2011.

Further, the president and chancellor recommended that the board find, 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 respective position of employment at Texas Tech University.

- XII.C.4. TTUHSC: Approve appointment with tenure.—The board approved the granting of tenure to Robert M. Suskind, M.D., Professor of Pediatrics with the School of Medicine, El Paso campus.



- XII.C.5. TTUHSC: Confer title of professor emeritus on Anthony B. Way, M.D., Ph.D.—The board approved the conferring of Professor Emeritus on Anthony B. Way, M.D., Ph.D., former professor, Department of Family and Community Medicine, Texas Tech University Health Sciences Center School of Medicine, Lubbock.
- XII.C.6. TTUHSC: Approve establishment of an Ambulatory Surgical Center within the International Pain Center (“IPC”) and delegation of the responsibility for the management and operation of the Surgical Center to an Operations Committee appointed by the dean.—The board authorized the president to take the action necessary to establish an Ambulatory Surgical Center (“ASC”) within the Messer-Racz International Pain Center and delegate the responsibility for the management and operation of the ASC to a Board of Directors comprised of Texas Tech University Health Sciences Center School of Medicine employees, who are selected by the dean of the School of Medicine and approved by the president.
- XII.C.7. TTUHSC: Approve agreement to engage consultant.—The board approved the participation of the Texas Tech University Health Sciences Center School of Medicine in an equal sharing of costs for a consulting agreement that will be between University Medical Center (“UMC”) and the Advisory Board Company. The School of Medicine agreement will be with UMC, who will be contracting separately with the Advisory Board Company.

The agreement affords UMC the opportunity to participate as a charter member in the Surgery Compass program, which will serve as a permanent network of health systems and hospitals focused on becoming best-in-class in surgery management. The School of Medicine will in-turn benefit from this agreement.

Through the gathering and advanced reporting of specific items related to hospital-based surgical cases, the School of Medicine and UMC will be offered analytical solutions to concurrently manage the key elements driving procedural margins: supply, cost, surgical volume, and reimbursement. The primary benefits will include:

- Rapid detection and isolation of changes in performance;
- Identification of the root-cause for a problem, linking changes in performance to the employee, physician, or clinical department; and
- Accountability for problem-resolution across all surgical areas and personnel involved in impacting surgery performance.

In recognition of the existing relationship between UMC and the Advisory Board, expenses for the account set-up and monthly program fees have been discounted. The total contract expenses are \$55,890 for set-up fee, plus \$8,300 per month during the first year. The School of Medicine

agrees to participate for the first year by providing one-half of the expenses (\$27,945 set-up fee + \$4,150 per month) not to exceed \$77,745. Benefits from this agreement will be evaluated at the end of the first year to determine whether to extend the School of Medicine's commitment.

- XII.C.8. TTUHSC: Authorization for the president to approve and execute an agreement with Texas Oncology, P.A.—The board approved the implementation of a multi-year agreement with Texas Oncology, P.A.

Since 1991, operational support for oncology services, including chemotherapy facilities, nurses, pharmaceuticals and additional physician staffing, have been provided to the Amarillo campus by Harrington Physician's, Inc. ("HPI"). The Texas Tech University Health Sciences Center ("TTUHSC") Amarillo Oncology Program as directed by Seah Lim, M.D., a TTUHSC faculty physician, has an outstanding reputation and has been recognized with awards and grants for cancer research. HPI has reorganized and the HPI physician group has divided, requiring TTUHSC to seek support of oncology services from another provider to ensure the continuation of care of TTUHSC oncology patients. TTUHSC is negotiating with Texas Oncology, P.A. to secure appropriate facility space and oncology support services including support staff, nursing and related medical support staff, pharmaceutical staff, medical supplies, surgical supplies, pharmaceutical purchases, and chemotherapy drugs. The cost of these facilities and services is anticipated to be over \$2,900,000 per year. TTUHSC will bill appropriate payers, including Medicare, Medicaid, and managed care companies, for all professional services provided to TTUHSC patients. Revenues are projected to exceed the cost of the program and continue this highly specialized treatment and care. This will be a multi-year contract with either party having the right to terminate the agreement with 90 days written notice.

#### XII.D. REPORT OF THE FINANCE AND ADMINISTRATION COMMITTEE

Committee Chairman Dueser 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.

- XII.D.1. TTU: Approve financing for energy conservation projects.—The board approved the resolution, included herewith as Attachment No. 5, authorizing the use of the Texas Public Finance Authority Master Lease Purchase Program to finance energy conservation projects. The resolution further designates authority to the president to proceed with financing.

There are currently two energy conservation projects awaiting financing.

Air Handling Unit Variable Speed Drives and Library Lighting Controls

Install variable speed drives on select air handling units serving 17 campus facilities and lighting controls on select areas of the Library. Projected annual energy savings from this project is \$178,000 with an estimated 2.6 year simple payback. The total estimated project cost is \$464,000.

International Textile Center – Performance Contract

Reduce energy consumption in the International Textile Center through the use of a performance contract, with energy savings guaranteed by the selected contractor, Johnson Controls, Inc. The scope includes the installation of a stand alone system for areas requiring continuous operation, installation of variable speed drives, control system upgrades, and lighting system improvements. Projected annual energy savings from this project is \$93,000 with an estimated 5.9 year simple payback. The estimated cost to implement is \$549,000.

- XII.D.2. TTU: Approve change in funding sources for the Soccer Complex project.—The board approved financing of the Soccer Complex Project with Revenue System Financing to be repaid with donations, pledge payments and revenues generated through football ticket surcharges. The project will remain at \$2,000,000.

It is further recommended that the board acknowledge that it expects to pay expenditures in connection with the construction of the project prior to the issuance of obligations to finance the project and, in that respect, the board finds that the reimbursement for the payments of such expenditures will be appropriate and consistent with the lawful objectives of the Texas Tech University System, and, as such, declare its intention, 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 project an aggregate maximum principal amount expected to be \$ 2,000,000.

The Soccer Complex project budget is included herewith as Attachment No. 6.

- XII.D.3. TTU: Approve additional funding for the planning of a reduced scope for the improvements to Jones AT&T.—The board approved an additional \$500,000 to plan for a reduced scope of the project for the improvements to the Jones AT&T Stadium. The \$500,000 will be funded through Revenue Financing System to be repaid with football ticket revenues. The

Jones AT&T Stadium Improvements and Analysis of Revised Scope reports are included herewith as Attachment No. 7.

- XII.D.4. TTUHSC: Approval of proposed gift to establish the Crofoot Endowment in Epilepsy.—The board approved a proposed gift to establish the Crofoot Endowment in Epilepsy under the terms and conditions outlined below.

The Crofoot family of Lubbock has offered to contribute the sum of \$2,000,000 to the Texas Tech University Health Sciences Center for the purpose of (i) establishing a chair in epilepsy, and (ii) providing certain operational needs for the epilepsy program. The gift will be made in the form of (i) three cash payments of \$200,000 each in the years 2006, 2007, and 2008, and (ii) ten annual payments of \$140,000 from a charitable trust to be established by the Crofoot family beginning in the year 2006.

The Crofoot family offers to make this gift under the following conditions:

- (a) The School of Medicine will contribute a matching gift of \$500,000 toward the chair, and the Department of Neuropsychiatry will contribute a matching gift of \$500,000 toward the chair.
- (b) The program will be based broadly across the health care system of Lubbock and the region.
- (c) A definitive endowment agreement will be prepared and executed, and all transactions concerning the gift will be closed on or before December 31, 2006.
- (d) The Board of Regents of the Texas Tech University System will approve all contemplated transactions connected to the gift, as will all necessary departments in the Health Sciences Center.
- (e) All other conditions to which the parties may mutually agree.

A copy of the letter of intent setting out the terms of the gift and endowment is included herewith as Attachment No. 8.

- XII.D.5. TTUHSC: Modification of endowment.—The board approved modification of the Bernhard T. Mittermeyer Scholarship Endowment (8748-78-7572) so that it will be combined with the Bernhard T. Mittermeyer Scholarship Endowment (9763-78-7313) to form the Bernhard T. Mittermeyer, M.D. Presidential Scholarship Endowment, which will be used to provide scholarships for students in the School of Medicine who have demonstrated excellence. The Texas Tech Foundation Board of Directors considered this item at their August 2-3, 2006 meeting.

XII.D.6. TTUHSC: Amend Trust Agreement for UMC Endowment for Excellence in Medicine and authorize the interim president and his successor(s) to serve as Trust Administrator over the endowment.—The board approved to amend paragraph 3.5 of the Trust Agreement between the Lubbock County Hospital District, d/b/a University Medical Center, and Plains National Bank, Trust Division, and authorized the interim president and his successor(s) to serve as trust administrator over the endowment. The amendment to paragraph 3.5 will authorize the Corporate Trustee to follow the Public Funds Investment Policy established by the Trustor.

On June 26, 2006, the Trustor's Board of Managers (University Medical Center) approved an amendment to paragraph 3.5 to authorize the Corporate Trustee to follow the Public Funds Investment Policy established by the Trustor. Paragraph 3.5 would be revised to read:

“Accepting and Holding Trust Funds. In supervising and managing the Trust Fund, the Trustee shall exercise the judgment and care under the circumstances then prevailing which men of ordinary prudence, discretion, and intelligence exercise in the management of their own affairs, not in regard to speculation but in regard to the permanent disposition of their funds, considering the probable income there from as well as the probable safety of their capital. Within the limitations of the foregoing standard, the Trustee is authorized to follow the Public Funds Investment Policy as established by the Trustor and delivered to the Trustee. When the Trustor adopts a new Public Funds Investment Policy, the Trustor shall promptly give written notice to that effect to the Trustee, but until such written notice is received by the Trustee, the Trustee shall be fully protected in continuing to rely upon the last delivered Public Funds Investment Policy.”

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In addition, under the Trust Agreement, the president and CEO of Trustor (University Medical Center) and the TTUHSC president serve as trust administrators. Before entering upon the performance of any duties, the trust administrators must sign in duplicate a Consent to Serve as trust administrator.

XII.D.7. TTUS: Authorize the engagement of a consultant to develop and support a communication plan for donors.—The board authorized the chancellor to enter into an agreement with Zachry Associates to develop and support a communication plan for donors.

Institutional Advancement has identified Zachry Associates of Abilene as the provider for this service. The selection was based on past successful engagements with Zachry Associates and a current contract in effect. The engagement cost will be \$70,000 plus approved reasonable expenses.

- XII.D.8. TTUS: Approve the engagement of Main Street Capital Partners and Celero Energy as investment managers.—The board, upon recommendation of the Investment Advisory Committee who met on May 11, 2006 and July 24, 2006, approved the following:

The Committee interviewed portfolio managers in the private equity alternative asset class. The recommendation of the full Investment Advisory Committee in May was narrowed to Celero Energy Partners, LP, and at the July meeting, Main Street Capital Partners. Given the performance and credentials of the firms, it was recommended that they be considered as alternative asset class managers.

Further, the committee recommended that \$15,000,000 be invested with Celero and \$5,000,000 be invested with Main Street.

Accordingly the chancellor recommended that the Board of Regents approve the following recommendation of the Investment Advisory Committee:

Main Street Capital Partners and Celero Energy Partners, LP be hired as alternative asset investment managers, to comply with the asset allocation plan of the Long Term Investment Fund, as set forth by the Board of Regents.

- XII.D.9. TTU/TTUHSC: Report on use of funds derived from the reorganization of the Texas Tech University System.—The board accepted a report, included herewith as Attachment No. 9, from Dr. Tom Anderes, Vice President for Administration and Finance, TTU, and Mr. Elmo Cavin, Vice President for Finance and Administration, TTUHSC, on the use of funds derived for the reorganization of the Texas Tech University System.
- XII.D.10. TTUS: Report on Business Interruption Study.—The board accepted a report, included herewith as Attachment No. 10, from Mr. Alton Smith, Associate Chief Financial Officer, TTUS, on the Business Interruption Study.

- XIII. OPEN SESSION.—At approximately 10:34 a.m. the board continued in open session in the Board Room, Second Floor, Room 201, Administration Building, Akron and Broadway Avenues, Lubbock, Texas, to consider items as the Committee of the Whole and Meeting of the Board.

- XIII.A. SCHEDULE FOR BOARD MEETINGS.—Mr. Lock presented the following schedule for future board meetings: October 26-27, 2006, Lubbock; December 14-15, 2006, Lubbock; March 29-30, 2007, Lubbock; May 10-11, 2007, Lubbock; August 9-10, 2007, Lubbock; October 11-12, 2007, Lubbock; and December 13-14, 2007, Lubbock.
- XIII.B. THE PRESIDENT’S REPORT, TTU.—Chairman Francis called on President Whitmore, who presented the President’s Report, included herewith as Attachment No. 11.
- XIII.B.1. REPORT BY STUDENT GOVERNMENT ASSOCIATION, TTU.—Chairman Francis called on Mr. Ryan Worley, president, Student Government Association, TTU, who presented a report from the Student Government Association.
- XIII.C. THE PRESIDENT’S REPORT, TTUHSC.—Chairman Francis called on President Mitemeyer, who presented the President’s Report, included herewith as Attachment No. 12.
- XIII.C.1. REPORT BY STUDENT GOVERNMENT ASSOCIATION, TTUHSC.—Chairman Francis called on Ms. Tracilyn Hall, president, Student Government Association, TTUHSC, who presented a report from the Student Government Association.
- XIII.D. CHANCELLOR’S REPORT.—Chairman Francis called on Chancellor Haragan, who presented the Chancellor’s Report, included herewith as Attachment No. 13.
- XIV. EXECUTIVE SESSION.—At approximately 11:10 a.m., the Chairman announced that there were no items to be discussed during Executive Session as authorized by Chapter 551 of the *Texas Government Code*.
- XV. RECONVENING OF THE BOARD TO OPEN SESSION.—At approximately 11:10 a.m., the board continued 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.
- XV.A. REPORT OF EXECUTIVE SESSION.—Since the Board did not convene into Executive Session, there were no motions to present.
- XV.B. CHAIRMAN’S ANNOUNCEMENTS.—Chairman Francis thanked the presidents and chancellor for their comments regarding the future of Texas Tech and concurred with their sentiments. He reflected on Texas Tech’s accomplishments from the past 10 years and commented briefly on Tech’s future success. He also applauded the administration and regents for their work.

- XVI. ADJOURNMENT.—Chairman Francis moved that the meeting be adjourned. The motion was seconded and passed unanimously. The meeting adjourned at approximately 11:14 a.m.



INDEX OF ATTACHMENTS

Attachment 1	TTUS Amendments to Sections 01.01.3.a, 01.01.5, and 01.01.7, <i>Regents' Rules</i>
Attachment 2	TTU Report on Office of Facilities Planning and Construction Projects
Attachment 3	TTUS 2007 Annual Audit Plan
Attachment 4	TTUS Audit Report
Attachment 5	TTU Texas Public Finance Authority Resolution
Attachment 6	TTU Soccer Complex Project Budget Plan
Attachment 7	TTU Jones AT&T Stadium Improvements Report and Jones AT&T Stadium Analysis of Revised Scope
Attachment 8	TTUHSC Crofoot Endowment in Epilepsy Letter of Intent
Attachment 9	TTU/TTUHSC Report on Returned Funds from TTUSA
Attachment 10	TTUS Report on Business Interruption Study
Attachment 11	TTU President's Report
Attachment 12	TUHSC President's Report
Attachment 13	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 11, 2006.

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Ben Lock  
Secretary

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