

Leading

2020

Strategic Priorities and Goals

Performance and Accountability Report

Presented to the Board of Regents

February 25, 2010



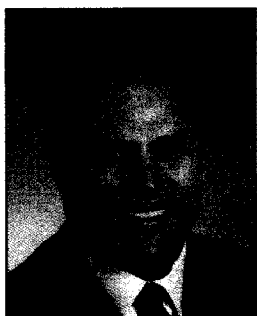
TEXAS TECH UNIVERSITY SYSTEM

"Everything that is done on these West Texas Plains ought to be on a big scale. It is a country that lends itself to bigness. It is a country that does not harmonize with things little or narrow or mean. Let us make the work of our college fit in with the scope of our country. Let our thoughts be big thoughts and broad thoughts. Let our thinking be in world-wide terms."

Paul Horn, 1st President of Texas Tech, 1925



TEXAS TECH UNIVERSITY SYSTEM



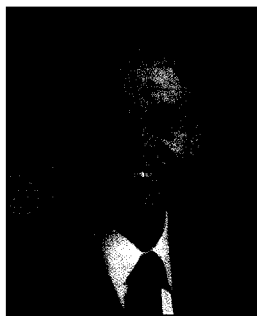
From the Chairman of the Board of Regents

The Texas Tech University System is embarking on one of the most significant periods of its existence. With the development of the Texas Tech University System Strategic Priorities and Goals, we are all clear about what it will take to advance our universities to the highest levels. With this plan in place, our vision is clear and a challenging and exciting path lies ahead.

The universities that make up the Texas Tech University System must take significant steps in achieving these long-term goals. It is vital for Texas Tech University to strategically grow student enrollment and expand its research to become a Tier One National Research University. Texas Tech University Health Sciences Center must also aggressively increase its research programs, while strengthening its already established reputation of teaching and clinical excellence. Angelo State University will further student engagement and development by expanding on their vision for a residential campus and serving multicultural and first generation college students in West Texas. As we strive to accomplish these goals, students remain our primary focus.

The Board of Regents fully supports these priorities and goals, as well as the focus they provide the entire Texas Tech University System leadership. I join the other members of the Board of Regents in looking forward to the implementation of this plan and the subsequent growth of our universities.

Larry Anders
Chairman
Texas Tech University System Board of Regents



From the Chancellor

Anticipate. If I've said it once, I've said it a thousand times. Having the ability to foresee and handle situations before they arise is crucial to the success of the Texas Tech University System. Without anticipation we are merely reacting and not moving forward. That is why the development of strategic priorities and goals is so important. This plan provides our component institutions with a definitive framework to realize the vision of growing our enrollment, enhancing our research and providing students with the tools they need to be successful in life.

The development of this plan took countless hours of work by individuals at every level of our institutions. Thanks to everyone for your perseverance and dedication to improving your university. You've charted a path toward greatness.

As our times change so will our strategies. We will update the plan when needed and share our successes and challenges with all members of the Texas Tech family.

Kent Hance
Chancellor
Texas Tech University System



TEXAS TECH UNIVERSITY SYSTEM

Mission

The mission of the Texas Tech University System is to provide leadership and support services for Texas Tech University, the Texas Tech University Health Sciences Center and Angelo State University in the attainment of each component's individual mission.

Vision

The Texas Tech University System will be recognized worldwide for its ability to effectively and efficiently provide leadership and support for each of its component institutions' missions to prepare students for leadership and success, address important societal needs, contribute to a stronger economy and better quality of life, and to serve the citizens of the State of Texas and the nation.



TEXAS TECH UNIVERSITY SYSTEM

System Priorities

Strategic Priority I: Increase Enrollment and Promote Student Success

We will grow and diversify our student population in order to improve higher education participation and supply a well-equipped, educated workforce for the state of Texas.

Strategic Priority II: Strengthen Academic Quality and Reputation

We will attract and retain the best faculty in the country in order to enhance our teaching excellence and grow our number of nationally recognized programs.

Strategic Priority III: Expand and Enhance Research and Creative Scholarship

We will significantly increase the amount of public and private research dollars in order to advance knowledge, improve the quality of life in our state and nation, and enhance the state's economy and global competitiveness.

Strategic Priority IV: Further Outreach and Engagement

We will expand our community outreach, promote higher education and continue to deliver quality, affordable healthcare to underserved Texans in order to improve our communities and enrich their quality of life.

Strategic Priority V: Increase and Maximize Resources

We will increase funding for scholarships, professorships, and world-class facilities and maximize those investments through more efficient operations in order to ensure affordability for students and accountability to the State of Texas.



TEXAS TECH UNIVERSITY

Executive Summary

Key Goals	2008	2009	08-09 % Change	2010 Target	2015 Target	2020 Target
Fall Enrollment	28,422	30,097	5.89%	30,850	35,131	40,000
Annual Total weighted SCHs	1,781,216	1,793,335	0.68%	1,913,143	2,209,978	2,506,814
1st Year Retention Rate	80.10%	80.90%	1.00%	81.00%	83.00%	85.00%
6 year Graduation Rate	57.40%	60.20%	4.89%	61.00%	65.00%	70.00%
Total Research Expenditures	\$60,165,000	\$94,649,000	57.32%	\$110,000,000	\$150,000,000	\$200,000,000
Restricted Research Exp. (Tier One)	\$27,098,487	\$35,030,672	29.26%	\$45,000,000	\$80,000,000	\$150,000,000
Total Ph.D's Awarded (Tier One)	184	169	-8.15%	200	250	300
Endowment (Tier One)	\$415,054,000	\$388,508,000	-6.40%	\$420,265,000	\$660,017,000	\$944,768,000
High Quality Faculty¹ (Tier One)	TBD	TBD	TBD	TBD	TBD	TBD
High Quality Graduate Programs ¹ (Tier One)	TBD	TBD	TBD	TBD	TBD	TBD
High Quality Freshmen Class¹ (Tier One)	TBD	TBD	TBD	TBD	TBD	TBD

¹ Criteria to be determined by the Texas Higher Education Coordinating Board

KEY ISSUES

- **Head Count Enrollment and Weighted Student Credit Hour Growth Strategies**
 - Focus on building spring and summer enrollment to create a strong base for fall
 - Rapidly increase graduate enrollment at doctoral level and in science, engineering and business
 - Rapidly increase the number of transfer students, focusing on Phi Theta Kappa members
- **National Research University Fund (Tier One Criteria)**
 - Increase Restricted Research to \$45 million
 - Strategic Faculty Hires & Finish-out of ESB
 - Texas Higher Education Board criteria for NRUF & Ph.D. production

INFRASTRUCTURE PROJECTS

- **Classroom Projects, Teaching Labs, Accreditation-related issues**
 - Complete Classroom Condition Project
 - Complete new COBA building and renovate current facility
 - Complete instructional facility projects with academic accreditation impact (Ex: Maedgen Theater, 3D Art Annex, studio space for Architecture and Landscape Architecture, Art Building, etc.)
- Research Space (Ex: complete Experimental Science Building/add at least two more similar facilities)
- Residence Halls and Student Services
- Learning Resource Space (Ex. Library Commons and Honors College)
- Public/Private Partnership for Triangle Development



TEXAS TECH UNIVERSITY

Strategic Priority I: Increase Enrollment and Promote Student Success

Key Goals	2008	2009	08-09 % Change	2010 Target	2015 Target	2020 Target
Fall enrollment	28,422	30,097	5.89%	30,850	35,131	40,000
Transfers from Texas 2-year colleges with at least 30 credit hours	4,727	5,189	9.77%	5,500	6,500	7,500
Graduate student enrollment as a % of total enrollment (includes Law)	18.70%	19.30%	3.21%	20.00%	22.50%	25.00%
First year retention rate	80.10%	80.90%	1.00%	81.0%	83.00%	85.00%
Second year Retention Rate	72.30%	69.20%	-4.30%	70.00%	75.00%	80.00%
4-year graduation rate	36.80%	35.30%	-4.10%	40.00%	45.00%	50.00%
6-year graduation rate	57.40%	60.20%	4.88%	61.00%	65.00%	70.00%
Total degrees awarded (annual)	6,328	5,901	-6.75%	5,800	7,907	9,000
High achievement of freshmen class for 2 yrs.¹ (Tier One)	TBD	TBD	TBD	TBD	TBD	TBD

¹ Criteria to be determined by the Texas Higher Education Coordinating Board

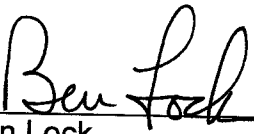
KEY STRATEGIES

1. Create a one-stop transfer student center.
2. Increase transfer student enrollment and success by joining Transfer101.org and acquiring another online resource- u.select - software that helps students to "compare" current community college hours and provides information on "how" they transfer to different schools.
3. Implement plans to offer evening and weekend classes to enhance educational opportunities for non-traditional students in high demand undergraduate programs.
4. Continue efforts to recruit students into distance education programs, led by the University College, particularly with offerings that are attractive to non-traditional and diverse audiences of students (e.g., elementary education, Higher Education, Systems and Engineering Management).
5. Administer the Noel-Levitz Student Satisfaction Inventory. Data will be available by March, 2010.
6. Develop a comprehensive communication flow and new student telecounseling software to increase applications and yield among new and prospective undergraduate freshman and transfer students.
7. While increasing enrollment of Texas freshman with increasing numbers of Pell Grant and First Generation College students, maintain SAT range at the 2009 benchmark of Critical Reading 480-580 and Math 510-620.

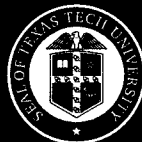
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I, Ben Lock, the duly appointed and qualified Secretary of the Board of Regents, hereby certify that the above and foregoing is a true and correct copy of the Minutes of the Texas Tech University System Board of Regents meeting on February 25-26, 2010.


Ben Lock
Secretary

SEAL



TEXAS TECH UNIVERSITY

Strategic Priority II: Strengthen Academic Quality and Reputation

Key Goals	2008	2009	'08-'09 % Change	2010 Target	2015 Target	2020 Target
Total doctorates awarded	221	201	-9.05%	220	283	320
Total Ph.D.s awarded (Tier One)	184	169	-8.15%	200	250	300
Faculty receiving nationally recognized awards ¹ (Tier One)	4	TBD	TBD	6	11	15
High quality faculty for 2 yrs. ² (Tier One)	TBD	TBD	TBD	TBD	TBD	TBD
High quality graduate-level programs ² (Tier One)	TBD	TBD	TBD	TBD	TBD	TBD

¹ Definition is forthcoming from THECB. These numbers reflect criteria from the Center for Measuring University Performance (CMUP). Some examples include the National Academy of Engineering, National Academy of Sciences, Fullbright American Scholars, National Endowment for the Humanities Fellows, Howard Hughes Medical Institute Investigators, Presidential Early Career Awards for Scientists and Engineers, National Science Foundation Career Awards, Institute of Medicine and American Academy of Nursing.

² Criteria to be determined by the Texas Higher Education Coordinating Board

KEY STRATEGIES

1. Implement a strategic hiring plan for 2010 that targets up to 20 faculty with nationally recognized awards and restricted research funding.
2. Offer faculty development workshops and services to enhance faculty teaching, research and outreach capabilities.
3. Purchase Academic Analytics software and analytical services to provide external assessment of academic programs.
4. Complete implementation of Digital Measures software to provide a digital database of faculty awards, publications, presentations, research, grants and service.
5. Generate a master plan to enhance classroom, library and learning resources in the context of an expanding student population and increased research activity.
6. Increase the number of fully funded endowed professorships and chairs.



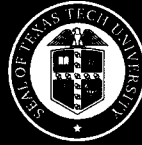
TEXAS TECH UNIVERSITY

Strategic Priority III: Expand and Enhance Research and Creative Scholarship

Key Goals	2008	2009	'08-'09 % Change	2010 Target	2015 Target	2020 Target
Total Research Expenditures (NSF)	\$60,165,000	\$94,649,000	57.32%	\$110,000,000	\$150,000,000	\$200,000,000
Restricted Research Expenditures (Tier One)	\$27,098,487	\$35,030,672	29.26%	\$45,000,000	\$80,000,000	\$150,000,000
Federal Research Expenditures (Tier One)	\$21,416,823	\$25,645,008	19.74%	\$30,000,000	\$65,000,000	\$130,000,000
Federal Research Expenditures per Faculty Full-Time Equivalent	\$23,915	TBD	TBD	\$25,000	\$40,000	\$80,000
Number of funded collaborative research projects with TTUHSC that are led by TTU	3	2	-0.33%	3	5	10

KEY STRATEGIES

- Utilize the eight strategic research themes to advance disciplinary, multidisciplinary and interdisciplinary research.
 - (1) Sustainable Society and Economy-Energy, Water, Agriculture and the Built Environment
 - (2) Computational and Theoretical Sciences and Visualization
 - (3) Innovative Education and Assessment
 - (4) Advanced Electronics and Materials
 - (5) Integrative Biosciences
 - (6) Community Health and Wellness
 - (7) Culture, Communication, Entrepreneurship, and Leadership
 - (8) Creative Capital-Arts and Design Technologies
- Strategically hire research faculty come in with extensive funding (e.g., greater than \$0.5 to over \$1M, depending on their discipline) and who will have clear expectations and accountability around research performance, particularly around research expenditures (ranging from \$200k to \$1M per year, depending on their discipline) and doctoral student support (discipline dependent).
- Increase the number of research proposals submitted from 952 in FY 09 to 1,000 in FY 2010.
- Increase the square footage of research space from 480,775 in FY 09 to 500,000 by the end of 2010.
- Establish a corporate and foundations relations program that increases partnership opportunities supporting research, scholarship and creative activity.



TEXAS TECH UNIVERSITY

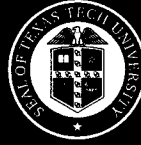
Strategic Priority IV: Further Outreach and Engagement

Key Goals		2008	2009	'08-'09 % Change	2010 Target	2015 Target	2020 Target
Total non-TTU attendees and participants in TTU outreach and engagement activities(duplicated headcount)	FY09 base year with OEMI data		197,890	N/A	TBD	TBD	TBD
K-12 students and teachers participating in TTU outreach and engagement activities (duplicated headcount)	FY09 base year with OEMI data		118,691	N/A	TBD	TBD	TBD
Total funding generated by TTU Institutional and Multi-Institutional outreach and engagement activities (non-TTU sources; may include duplicated sums)	FY09 base year with OEMI data		\$43,432,582	N/A	TBD	TBD	TBD
Lubbock County Economic Development and Impact ¹		\$1.15 billion	New report commissioned	TBD	TBD	TBD	TBD

¹ The economic impacts of Texas Tech University on Lubbock County: Today and in the year 2020. Prepared by Brad T. Ewing of Texas Tech University, July 2008. The 2009 report will be changed to include break-outs of research, key events held on campus and commercialization.

KEY STRATEGIES

1. Complete analysis of Outreach and Engagement programs and activities, institutional infrastructure and resources using the Outreach and Engagement Measurement Instrument (OEMI).
2. Create an Outreach and Engagement Council in Spring 2010.
3. Host Texas Tech Community Engagement Conference in Fall 2010.
4. Revise Promotion and Tenure policies to include Outreach and Engagement activities in Teaching, Research and Service.



TEXAS TECH UNIVERSITY

Strategic Priority V: Increase and Maximize Resources

Key Goals	2008	2009	'08-'09 % Change	2010 Target	2015 Target	2020 Target
Total weighted student credit hours	1,781,216	1,793,335	0.68%	1,913,143	2,209,978	2,506,814
Administrative cost as % of operating budget	6.40%	6.23%	-2.67%	6.30%	6.10%	6.00%
Endowment (Tier One)	\$415,054,000	\$388,508,000	-6.40%	\$420,265,000	\$660,017,000	\$944,768,000
Total Budgeted Revenue	\$468,659,079	\$448,354,214	-4.33%	\$487,171,113	\$506,414,372	\$526,417,740
Classroom space usage efficiency score ¹	75	84	12.00%	79	89	100
Operating Expense per full-time equivalent student	\$17,075	\$17,474	2.34%	\$17,254	\$18,127	\$19,000
Total Invention Disclosures – Technology Commercialization	24	28	16.67%	27	40	55
Total Gross Revenue – Technology Commercialization	\$554,097	\$457,623	-17.41%	\$146,250 ²	\$849,937	\$1,487,025
Total Funds Raised Annually	\$86,485,648	\$93,606,250	8.23%	\$95,000,000	\$125,000,000	\$150,000,000

¹ Definition: Classroom Space Utilization Efficiency Score: A measure comprised of the scores from three metrics including Classroom Utilization, Classroom Demand, and Classroom Percent Fill. Classroom utilization is the hours per week that a classroom is used. Classroom percent fill compares a classroom's available capacity to actual enrollment. http://www.txhighereddata.org/Interactive/accountability/UNIV_InstEffect.cfm?FICE=003644

² The annual revenues from commercialization are still based on up-front licensing revenues which are difficult to secure since most of our technologies are early stage and we have not developed our venture fund yet due to the market environment in 2008 and 2009. Over time, since we are licensing more technologies, we plan to be able to forecast revenue based on a royalty stream in the future. The numbers in the plan for 2010 and forward are based on a financial model which was presented to the Board last Fall. We are currently on track to exceed the 2009 actual revenue number.

KEY STRATEGIES

1. Integrate Responsibility Center Management (RCM) into the TTU culture so that the institution can maximize fiscal performance. Pilot implementation is planned for FY 2010-2011 with further implementation in FY 2011-2012.
2. Assess and improve institutional effectiveness ; integration of data, assessment and evaluation, planning and resource allocation (Summer 2010 consultancy).
3. Identify rules and procedures that need to be changed to maximize resource availability.
4. TTU leadership will engage faculty and staff in a campus-wide conversation to maximize Intellectual Capital (IC) utilization through:
 - a. Creation of an inventory of Intellectual Capital unique to Texas Tech University, and
 - b. Development of a program that increases recognition and access to "National Research University" facilities.
5. The Office of Technology Commercialization will work with TTU and HSC leaders to develop a System level proof of concept fund as well as a small external venture fund focused on TTUS technologies with combined total resources of at least \$6 million by May of 2011.
6. Increase annual fundraising by:
 1. Launch a Planned giving campaign in athletics
 2. Conduct a development workshop for Coaches
 3. Develop and implement a scholarship fundraising effort across campus
 4. Continue to Raise money for Tier 1 research expenditures
 5. Launch the public phase of the Vision and Tradition Campaign



ANGELO STATE UNIVERSITY

Executive Summary

Key Goals	2008	2009	'08-'09 % Change	2010 Target	2015 Target	2020 Target
Fall Enrollment	6,185	6,387	3.27%	6,800	8,363	10,000
No. transfer students w/ more than 30 hrs	294	357	21.43%	375	500	625
First-year Retention Rate	55.90%	58.60%	4.83%	59.00%	63.00%	68.00%
6 year Graduation Rate	31.90%	28.89%	-9.44%	29.00%	33.00%	37.00%
Sustainment of Hispanic Serving Institution	24.3%	25.08%	3.21%	26.00%	28.00%	30.00%
Faculty Salaries as a % of avg. salaries at peer institutions	79.00%	77.85%	-1.46%	78.00%	83.00%	88.00%
Total external dollars expended annually	\$566,970	\$1,421,008	150.63%	\$4,000,000	\$5,000,000	\$6,000,000
Classroom Space Usage Efficiency: Ranking in relation to other institutions ¹	17/35	21/38	--	19/38	17/38	14/38
Benchmark Award²	--	--	--	1	2	3
Endowment	\$96,873,980	\$92,889,196	-4.11%	\$101,725,000	\$125,000,000	\$150,000,000

¹ Shows ASU's ranking against other similar institutions related to efficient use of space within the context of the Space Use Efficiency metric. Change in base from 2008 to 2009 (35 to 38) is the result of THECB's addition of three more institutions.

² House Bill-51, Section 6, establishes grants for programs of excellence in General Academic Teaching Institutions "to develop and maintain programs or fields-of-study of the highest national rank or recognition." Two awards with associated funding are available for administration by THECB. The Benchmark Award "aims to develop and maintain specific programs or fields of study of the highest national rank or recognition for that type of program or field," while the Incentive Award recognizes an existing program that "must currently have achieved highest national ranking or recognition for that type of program."

KEY ISSUES

- Establish residential campus
- Aggressively recruit and retain students
- Establish college-based advising centers
- Obtain an HSI grant
- Improve faculty salaries
- Support programs of distinction
- Improve our space utilization policies
- Establish prioritized program of development
- Establish faculty awards/incentive program

INFRASTRUCTURE PROJECTS

- Center for Human Performance renovation
- Nursing and Allied Health Building
- Comprehensive facilities master plan
- Housing development
- Knickerbocker Road mixed-use project



ANGELO STATE UNIVERSITY

Strategic Priority I: Increase Enrollment and Promote Student Success

Key Goals	2008	2009	'08-'09 % Change	2010 Target	2015 Target	2020 Target
Fall enrollment	6,185	6,387	3.27%	6,800	8,363	10,000
Graduate student enrollment as a % of total enrollment	6.11%	8.27%	35.35%	8.75%	9.85%	10.00%
Number of transfer students w/ more than 30hrs.	294	357	21.43%	375	500	625
First year retention rate	55.90%	58.60%	4.83%	59.00%	63.00%	68.00%
Second year retention rate	42.50%	45.00%	5.88%	47.00%	49.00%	51.00%
4-year graduation rate	15.52%	14.82%	-4.51%	15.00%	18.00%	22.00%
6-year graduation rate	31.90%	28.89%	-9.44%	29.00%	33.00%	37.00%
Total degrees awarded (annual)	998	1,049	5.11%	1,100	1,344	1,613
Sustainment of Hispanic Serving Institution	24.30%	25.08%	3.21%	26.00%	28.00%	30.00%

KEY STRATEGIES

1. Implement efficiencies and higher level of effectiveness in recruiting as the result of
 - a. Establishing new Enrollment Management unit;
 - b. Re-structuring of admissions staffing to improve on-the-ground and e-recruiting;
 - c. Moving Career Development into Enrollment Management and broadening its services to range from pre-admissions through graduation;
 - d. Hiring new Director of Financial Aid and Director of Admissions;
 - e. Employing strategic financial aid leveraging to optimize new and continuing student enrollments (e.g., significant adjustments to the Carr Scholarship matrix and awarding criteria);
 - f. Creating new approaches to recruiting and retaining transfer students;
 - g. Developing strategies that focus on dual-credit enrollments.
2. Complete the establishment of college-focused advising centers (to be fully staffed by mid-spring 2010).
3. Complete the establishment of a streamlined summer orientation program that better serves the needs of incoming students.
4. Successfully procure an HSI grant and implement programs that support and retain Hispanic students
5. Expand services and awareness of the Tutoring Center (available to all students as of November 2009).
6. Implement the a revised University Studies course ("Introduction to higher education") as a part of a broader First-Year Experience.



ANGELO STATE UNIVERSITY

Strategic Priority II: Strengthen Academic Quality and Reputation

Key Goals	2008	2009	'08-'09 % Change	2010 Target	2015 Target	2020 Target
Faculty salaries as a % of average salaries at peer institutions¹	79.00%	77.85%	-1.46%	78.00%	83.00%	88.00%
% of tenure-track faculty teaching lower-division courses	50.10%	49.76%	-0.68%	51.00%	56.00%	61.00%
Faculty professional achievement awards²	TBD	TBD	TBD	TBD	TBD	TBD
Pass rates on professional examinations						
Nursing	90.00%	81.00%³	-10.00%	92.00%	95.00%	99.00%
Teacher Certification	98.00%	TBD ⁴	--	99.00%	99.00%	99.00%
Physical Therapy	93.75%	94.12%	0.40%	95.00%	95.00%	95.00%
Medical School acceptance rate	46.70%	45.45%	-2.68%	46.00%	48.00%	50.00%
HB-51: Attainment of Benchmark Award⁵	N/A	N/A	N/A	1	2	3

¹ Comparing full, associate, and assistant professors (all fulltime) to the public state averages for full, associate, and assistant FTEs.

² ASU made the decision to postpone awarding of Professional Achievement Awards until spring 2010 after the faculty establish minimum criteria for promotion and tenure

³ This drop occurred because of the addition of the first round of graduates from the pilot accelerated LVN/RN grant program. Program changes such as revised admission criteria and course materials have been implemented to improve future pass rates.

⁴ Reported in this document is the THECB Accountability measurement, rather than the LBB measurement previously used, in order to provide consistency with other measures. The FY 2009 pass rate is not yet available.

⁵ HB-51, Section 6, establishes grants for programs of excellence in General Academic Teaching Institutions "to develop and maintain programs or fields-of-study of the highest national rank or recognition." Two awards with associated funding are available for administration by THECB. The Benchmark Award "aims to develop and maintain specific programs or fields of study of the highest national rank or recognition for that type of program or field," while the Incentive Award recognizes an existing program that "must currently have achieved highest national ranking or recognition for that type of program."

KEY STRATEGIES

1. Review all academic programs not only for academic rigor, structure, and relevance, but also against two final criteria: support for institutional strategic priorities and financial solvency.
2. Expand the support for "programs of distinction": Agriculture, Educator Preparation Programs, and Nursing.
3. Implement the curricular programs associated with the Center for Security Studies (Bachelor of Arts in Cultural Competence; Bachelor of Science in Borderland Security Studies; Bachelor of Science in Geospatial Information Science).
4. Complete the CUPA (College and University Personnel Association) salary study in order to develop a true faculty salary structure that will guide salary deliberations for both tenure-track and non-tenure track faculty.
5. Implement a consistent, coherent program of faculty recognition.
6. Work with University Development to identify additional sources for endowed professorships and chairs.
7. Implement a more rigorous, outcomes-based internal system of academic program review.
8. Increase the number of endowed professorships and chairs.



ANGELO STATE UNIVERSITY

Strategic Priority III: Expand and Enhance Research and Creative Scholarship

Key Goals	2008	2009	'08-'09 % Change	2010 Target	2015 Target	2020 Target
External project proposals submitted annually	31	32	3.23%	35	45	60
Total external dollars expended annually ¹	\$566,970	\$1,421,008 ¹	150.63%	\$4,000,000 ²	\$5,000,000 ²	\$6,000,000 ²

¹ The greatly increased expenditures in 2009 are the result of several one-time streams of funding and thus should be considered an anomaly.

² These numbers represent \$3,000,000 annually in Department of Defense funding for the Center for Security Studies.

KEY STRATEGIES

1. Provide proposal development training and assistance for faculty and professional staff eligible to submit grant applications.
2. Develop partnerships with other institutions of higher education to submit collaborative and/or subrecipient proposals.
3. Provide and support access to funding opportunity information.
4. Provide incentives to faculty and professional staff for excellence in obtaining and managing externally funded projects.
5. Improve sponsored project data collection by implementing the Banner Proposal and Grants modules.



ANGELO STATE UNIVERSITY

Strategic Priority IV: Further Outreach and Engagement

Key Goals	2008	2009	'08-'09 % Change	2010 Target	2015 Target	2020 Target
Total hours spent by faculty, staff and students in outreach and engagement activities	N/A ¹	40,691	N/A	TBD	TBD	TBD
Number of documented K-12 students participating in outreach and engagement activities	N/A ¹	6,190	N/A	TBD	TBD	TBD
External funding based on outreach and engagement activities	N/A ¹	³	N/A	TBD	TBD	TBD
Nursing outreach hours	440	585	33.00%	2,218	4,547	5,456

¹ No numbers reported for 2008 because no comprehensive method of tracking these goals had been established.

² Baseline measurements established through OEMI survey distributed to campus December 2009-January 2010.

³ No number is reported here because the dollars identified in the survey are self-reported and based on varying levels of knowledge by the participants of funding sources and amounts. Additionally, because the survey instrument self-reports a mixture of sources (internal university, private industry, private foundation, federal/state/or local agencies, or other), a better tracking system must be developed to actually confirm institutional funding received as a result of outreach and engagement activities.

KEY STRATEGIES

1. Further define the new position of Director of Community Relations (filled in October 2009) as it relates to community outreach and engagement.
2. Build the programs and services of the new Center for Community Wellness, Engagement, and Development (officially opening April 2010).
3. Establish an appropriate tracking/record-keeping system to monitor the goals as outlined above.



ANGELO STATE UNIVERSITY

Strategic Priority V: Increase and Maximize Resources

Key Goals	2008	2009	'08-'09 % Change	2010 Target	2015 Target	2020 Target
Total weighted student credit hours	163,943	159,687	-2.60%	165,000	210,000	325,000
Administrative cost as % of operating budget	10.60%	12.27%	15.76%	10.40%	10.00%	9.50%
Endowment	\$96,873,980	\$92,889,196 ¹	-4.11%	\$101,725,000	\$125,000,000	\$150,000,000
Total Budgeted Revenue ²	\$80,095,627	\$93,611,494	16.87%	\$80,650,000	\$102,500,000	\$158,785,000
Classroom space usage efficiency score ³	50	58	16.00%	66	74	91
Statewide standing (ASU rank/total state institutions) ⁴	17/35	21/38	---	19/38	17/38	14/38
Operating Expense per FTE	\$13,780	\$15,447	12.10%	\$13,737	\$13,887	\$13,879
Total Funds raised	\$5,371,257	\$2,854,182	-46.86%	\$2,000,000	\$5,000,000	\$10,000,000

¹ As of 8/31/09. This is the same amount reported on Schedule B-6 of the AFR.

² According to ASU VPFA S. Meyer, the originally-reported numbers could have been expenditures rather than revenue.

³ Figures have been changed in order to reflect the new Space Usage Efficiency (SUE) system as established by the Texas Higher Education Coordinating Board.

⁴ Shows ASU's ranking against other similar institutions related to efficient use of space within the context of the Space Use Efficiency metric. Change in base from 2008 to 2009 (35 to 38) is the result of THECB's addition of three more institutions.

KEY STRATEGIES

1. Implement an exhaustive academic program review process that evaluates each program for efficiencies and productivity in comparison to pre-established standards.
2. Remove four academic classrooms and four classroom/labs from the E&G inventory over the next two years to resolve both E&G surplus issues in the space model, thus increasing our Space Usage Efficiency (SUE) score.
3. Implement a desk audit to evaluate and, where necessary, redefine the role and scope of office support personnel in light of increasing technology.
4. Increase annual fundraising by:
 1. Implement a call program to increase donor base and increase stewardship
 2. Begin a Planned Giving Society
 3. Increase Planned Giving solicitations and awareness



Executive Summary

Key Goals	2008	2009	'08-'09 % Change	2010 Target	2015 Target	2020 Target
Fall Enrollment	2,904	3,250	11.91%	3,350	4,129	5,000
Total Doctorates Awarded	296	297	0.33%	331	419	507
Total Research Expenditures	\$26,163,325	\$38,223,237	46.09%	\$40,000,000	\$65,000,000	\$100,000,000
Total NIH Expenditures	\$9,028,580	\$11,056,289	22.46%	\$13,500,000	\$20,000,000	\$30,000,000
Total Number of Outpatient and Inpatient Visits in State-Owned and State-Affiliated Facilities	811,400	862,780	6.33%	900,000	1,200,000	1,500,000
Total Endowment Dollars	\$274,805,186	\$235,065,087	-14.46%	\$298,884,820	\$515,855,384	\$773,548,351
Total Institutional Revenue	\$597,943,757	\$569,883,268	-4.69%	\$647,273,724	\$750,367,647	\$869,881,759

KEY ISSUES

- Increasing enrollment numbers and research expenditures will require significant increases in resources for increases in physical facilities and faculty numbers
- Enhance current Centers and Institutes of research excellence
- Expanding online delivery of nursing and allied health programs
- Targeting recruitment of faculty with active, funded research programs
- Developing and enhancing interdisciplinary, inter-school, and inter-campus programs in research, education, and clinical care
- The current state of the U.S and local economies as well as healthcare reform
- Four year medical school in Amarillo
- El Paso Health Sciences Center

INFRASTRUCTURE PROJECTS

- Construction recently completed on new academic buildings in Amarillo and El Paso to support enrollment growth in the schools of medicine and pharmacy.
- Planning is underway for additional new academic buildings in Abilene and El Paso to support enrollment growth in the School of Nursing
- Establish a Clinical Simulation Center on each campus
- Renovation and construction of new research laboratories
- Expand telemedicine to provide medical care throughout West Texas
- Upgrade institutional network infrastructure to carry the video, data and voice necessary to deliver our services



Strategic Priority I: Increase Enrollment and Promote Student Success

Key Goals	2008	2009	'08-'09 % Change	2010 Target	2015 Target	2020 Target
Fall enrollment	2,904	3,250	11.91%	3,350	4,129	5,000
Total degrees awarded (annual)	1,010	1,111	10.00%	1,154	1,514	1,875
Licensure/certification rate on state or national exams¹						
Nursing pass rate	85.00%	85.10%	0.12%	>85.00%	>87.00%	>90.00%
Allied Health Sciences pass rate	96.80%	85.30%	-11.90%	>85.00%	>87.00%	>90.00%
Medical pass rate	89.50%	96.00%	7.26%	>95.00%	>95.00%	>95.00%

¹ As defined by THECB Accountability System

KEY STRATEGIES

1. Construction recently completed on new academic buildings in Amarillo and El Paso. These buildings will support enrollment growth in the Schools of Medicine and Pharmacy.
2. Planning is underway for additional new academic buildings in Abilene and El Paso to support the enrollment growth in the School of Nursing.
3. Enhancement of information technology supports enrollment growth of distance education in the School of Allied Health Sciences and School of Nursing.
4. Upgrading institutional network infrastructure to carry the high definition video, data and voice necessary to deliver student services to all campuses
5. Investment in clinical simulation on all campuses enhances student learning and promotes success.



Strategic Priority II: Strengthen Academic Quality and Reputation

Key Goals	2008	2009	'08-'09 % Change	2010 Target	2015 Target	2020 Target
Total doctorates awarded	296	297	0.34%	331	419	507
Nationally Recognized Faculty Awards ¹	7	8	14.29%	9	14	19
% of FTE Faculty who are tenured or tenure-track	29.00%	29.00%	0.00%	30.00%	33.00%	35.00%

¹ National Academy of Science, Institute of Medicine, Institute of Dental Research, American Academy of Nursing

KEY STRATEGIES

1. Targeted recruitment in all schools of faculty with active, funded research programs
2. Exploring opportunities for expanding the number of doctoral programs in the Schools of Allied Health Sciences, Nursing and Biomedical Sciences.
3. Implementing TTUHSC's Quality Enhancement Plan in all schools. This initiative is directed at establishing interdisciplinary, inter-school, and inter-campus programs in education, research and clinical care.
4. Implementing new software that will permit TTUHSC to conduct systematic, institution-wide planning and assessment to ensure that all programs and services are efficiently and effectively supporting the academic mission of TTUHSC.
5. Enhance current Centers and Institutes of excellence.
6. Increase the number of fully funded Endowed Professorships and chairs.



Strategic Priority III: Expand and Enhance Research and Creative Scholarship

Key Goals	2008	2009	'08-'09 % Change	2010 Target	2015 Target	2020 Target
Total research expenditures	\$26,163,325	\$38,223,237	46.09%	\$40,000,000	\$65,000,000	\$100,000,000
Total external research	\$19,557,742	\$28,203,066	44.20%	\$30,000,000	\$50,000,000	\$75,000,000
Total NIH expenditures	\$9,028,580	\$11,056,289	22.46%	\$13,500,000	\$20,000,000	\$30,000,000
Research expenditures per FTE tenured and tenure-track faculty	\$109,915	\$150,485	36.91%	\$160,642	\$149,425	\$216,450
External research per FTE tenured and tenure-track faculty	\$81,932	\$111,035	35.52%	\$120,481	\$114,942	\$194,805
% FTE tenured and tenure-track faculty with external grants	32.00%	29.00%	-9.38%	42.00%	58.00%	75.00%
Number of applications submitted for extramural, peer-reviewed research funding with breakdown for NIH	293 Total 123 NIH	339 Total 235 NIH¹	15.70% Total 91.06% NIH	350 Total 150 NIH	500 Total 200 NIH	750 Total 300 NIH
Number of funded collaborative research projects with TTU that are lead by TTUHSC	3	5	66.67%	7	12	18

¹ Dramatic increase in NIH applications is due to stimulus funding.

KEY STRATEGIES

1. Develop and enhance programs to facilitate an increase in peer-reviewed, externally funded research, namely drug addiction, cancer, membrane protein studies, vaccination production, drug delivery mechanisms and reproductive biology. Hire new investigators who currently hold at least two funded extramural grants with resources in the \$0.5 to 1 million dollar per year range.
2. Renovate and construct new research facilities.
3. Improve research at TTUHSC by making 3-4 significant hires per year.
4. Develop and conduct focused clinical, translational, and educational research programs. This will be performed through the Clinical Research Center at TTUHSC in which the expertise to conduct clinical trials currently exists and can be expanded.
5. Develop and enhance interdisciplinary, inter-school, and inter-campus programs in education, research, and clinical care. The goal of each School within the TTUHSC should be to add research-oriented faculty who will collaborate with existing faculty on research projects that will attract external funding.
6. Increase the research collaboration between TTUHSC and TTU. The development of joint projects in cancer research in order to take advantage of the CPRIT initiative in the state is a prime example of where such collaborations must occur.



Strategic Priority IV: Further Outreach and Engagement

Key Goals	2008	2009	'08-'09 % Change	2010 Target	2015 Target	2020 Target
Total number of outpatient and inpatient visits in state-owned and state-affiliated facilities	811,400	862,780	6.33%	900,000	1,200,000	1,500,000
Total non-TTUHSC attendees and participants in TTUHSC outreach and engagement activities (duplicated headcount)	FY09 base year with OEMI data	56,650	N/A	TBD	TBD	TBD
K-12 students and teachers participating in TTUHSC outreach and engagement activities (duplicated headcount)	FY09 base year with OEMI data	29,100	N/A	TBD	TBD	TBD
Total funding generated by TTUHSC institutional and multi-institutional outreach and engagement activities (non-TTUHSC sources; may include duplicated sums)	FY09 base year with OEMI data	\$20,136,270	N/A	TBD	TBD	TBD
Lubbock patient satisfaction surveys (total avg. score)	90.00	90.20	0.22%	>91.00	>93.00	>95.00
Carnegie Community Engagement Classification	N/A	N/A		TBD	TBD	TBD

KEY STRATEGIES

1. Administering the Outreach and Engagement Measurement Instrument (OEMI) survey. The results will be used to develop a strategy to obtain *Carnegie Community Engagement Classification*.
2. Expand telemedicine to provide medical care throughout rural West Texas. TTUHSC is exploring the feasibility of providing additional healthcare (e.g., Allied Health, Nursing, and Pharmacy) via the telecommunications equipment.
3. Expand scholarships that are awarded to students from rural Texas enrolled at TTUHSC or health professions undergraduate students at TTU who demonstrate a commitment to return to a rural community to practice after graduation.
4. Continue to expand Area Health Education Centers (AHEC) throughout West Texas to address the healthcare provider shortage and improve healthcare access in West Texas.



Strategic Priority V: Increase and Maximize Resources

Key Goals	2008	2009	'08-'09 % Change	2010 Target	2015 Target	2020 Target
Administrative cost as % of total expenditures	4.01%	3.98%	-0.75%	4.50%	4.50%	4.50%
Total endowment assets	\$274,805,186	\$235,065,087	-14.46%	\$298,884,820	\$515,855,384	\$773,548,351
State appropriated as a % of Total Institutional Revenue	31.90%	30.17%	-5.42%	27.00%	25.00%	25.00%
Total Institutional Revenue	\$597,943,757	\$569,883,268	-4.69%	\$647,273,724	\$750,367,647	\$869,881,759
Total Gross Revenue - Technology Commercialization	\$39,903	\$165,117	313.80%	\$146,250	\$849,937	\$1,487,025
Invention Disclosures – Technology Commercialization	19	22	15.79%	27	40	55
Total Funds Raised Annually	\$26,471,813	\$15,038,919	-43.19%	\$15,000,000	\$30,000,000	\$50,000,000

KEY STRATEGIES

1. Implement and expand marketing and communication to increase public awareness of and support for TTUHSC
2. Strengthen faculty and staff expertise through support of individualized professional development
3. Assess and continuously improve internal and external customer satisfaction
4. Refine business, technological, and other administrative processes to maximize efficiency
5. Conduct ongoing, systematic, institution-wide planning and assessment to ensure that all programs and services are efficiently and effectively supporting the mission of the TTUHSC
6. The Office of Technology Commercialization will work with TTU and HSC leaders to develop a System level proof of concept fund as well as a small external venture fund focused on TTUS technologies with combined total resources of at least \$6 million by May of 2011
7. Increase annual fundraising by:
 1. Initiate a Grateful Patient Program
 2. Name the School of Nursing in El Paso
 3. Establish a School of Nursing in Abilene through private funding
 4. Establish and fund a cancer endowment
 5. Increase endowment support in Permian Basin
 6. Increase foundation support for the School of Pharmacy
 7. Continue to raise money for the Laura W. Bush Institute for Women's Health



ANGELO STATE UNIVERSITY HOLIDAY SCHEDULE FOR 2010-2011

<u>YEAR</u>	<u>DATE</u>	<u>DAY OF WEEK</u>	<u>HOLIDAY</u>
<u>2010</u>	September 6	Monday	Labor Day
	November 25	Thursday	Thanksgiving Day
	November 26	Friday	Thanksgiving Holiday
	December 24	Friday	Winter Holidays
	December 27	Monday	Winter Holidays
	December 28	Tuesday	Winter Holidays
	December 29	Wednesday	Winter Holidays
	December 30	Thursday	Winter Holidays
	December 31	Friday	Winter Holidays
<u>2011</u>	January 17	Monday	Martin Luther King, Jr. Day
	May 30	Monday	Memorial Day
	July 4	Monday	Independence Day

TOTAL ALLOWABLE HOLIDAYS: 12

NOTE: University employees who wish to observe Rash Hashanah, Yom Kippur, Cesar Chavez Day and Good Friday may do so, but must use their vacation leave.

State law provides for seventeen (17) state holidays in FY 2011. In FY 2011, five (5) holidays fall on weekends and cannot be substituted for other regular working days. The result is twelve (12) observable holidays for FY 2011

TEXAS TECH UNIVERSITY TRAFFIC AND PARKING REGULATIONS 2010-2011

Summary of Changes

Amend the Regulations, as set out on pages 6 through 20 (below), applicable to Texas Tech University to read as follows:

a. Paragraph IV

IV. The following are the regulations that apply to the University, including fee and refund schedules, and are effective ~~May 11, 2009~~ May 17, 2010, through the end of the week following graduation in the following Spring Semester.

b. Paragraph V

V.C.6 A decal is a physical permit issued for display on the vehicle. This can include stickers, hang tags, passes and receipts.

V.C.7 A parking permission is an authorization given to an individual at the time of vehicle registration allowing them to park the vehicle in a designated lot, zone or space.

V.N The campus is restricted for use as described in these regulations. Any vehicle in violation of the regulations or not having a valid Texas Tech parking permission properly displayed as directed herein may be issued a campus citation.

c. Paragraph VI

VI. Vehicle Registration and Parking Permissions

VI.A In order to operate or benefit from the use of a motor vehicle on campus, each member of the Texas Tech community must obtain ~~and display~~, in his or her name, a vehicle parking permission. That permission must be displayed as directed below. No person may register a motor vehicle in his or her name which belongs to another student, faculty, or staff member. Violation of the Traffic and Parking Regulations is prohibited by the Student Affairs Handbook and Texas Tech policy. To benefit from the use of parking spaces designed for persons with disabilities, an eligible faculty/staff member or student **MUST** display a state issued placard or license plate **as well as a Texas Tech disability parking permission.**

VI.C.2 Due to the demand for parking on campus, students are limited to one vehicle and/or one motorcycle parking permission.

VI.D.3 Upon termination of employment with Texas Tech, an employee's parking privileges are revoked. If the registration ~~permit(s)~~ permission is cancelled and

decal (if any) is returned to University Parking Services, the refund in effect at the time it is returned will be issued.

~~VI.E.1 Texas Tech issues two types of registration permits, non-transferable and transferable. Traffic and parking control on the Texas Tech campus is accomplished by issuing parking permissions for specific lots, zones or spaces. Parking permissions are associated with decals (employee reserved and area reserved, contractor/vendor, visitor, and metered parking) or license plates (commuter, residence hall, and metered parking). Parking permissions are issued at the discretion of Texas Tech University and may be recalled at any time.~~

VI.E.1.a.i.(c) Visitor Passes

Visitor passes are provided to individuals who qualify as a visitor as previously defined in these regulations. Vehicles with visitor passes may utilize any visitor space on campus for the date(s) specified on the pass. In lots where multi-space meters are present, the meter fee must also be paid.

VI.E.1.a.i.(c) Pay and Display Metered Parking

In those lots controlled by meter, individuals must pay the adjacent meter. If payment is made with bills or coins, the receipt must displayed on the dash of the vehicle with the expiration date or time visible. If payment is made with credit card by phone, the vehicle license plate number will be required during the registration process and will be used for monitoring the lot.

~~VI.E.1.a.iii. Decals remain the property of Texas Tech University and may be recalled at any time.~~

VI.E.1.b License Plates

Certain parking permissions do not require that a decal be displayed. In those instances, the permission is associated with the license plate registered.

- i. Vehicle must be parked so that the license plate is visible from the driving aisle.
- ii. Removable tow hitches must be removed and stored when not in use.
- iii. No covers may be placed over the license plate that would inhibit the reflectivity of the plate.
- iv. The alphanumeric characters of the license plate must be visible and unobstructed by license plate frames or other accessories.
- v. Persons with parking permissions in this category must ensure their current vehicle is registered and associated with their permissions. This process can be accomplished at the University Parking Services website or office.

~~VI.E.2.a Non-transferable permits~~ Decals will not be issued for residence halls parking lots. Parking permissions for residence hall parking will be associated with the registered vehicle's license plate.

~~VI.E.2.d A student changing residence halls or moving off campus must exchange his permit~~ change his parking permissions at the University Parking Services

website or office.

VI.E.3 Commuter Parking

Commuter parking permissions will be issued for motor vehicles belonging to students residing off campus or to employees who desire a less expensive alternative to reserved parking.

- a. ~~Non-transferable permits~~ Decals will not be issued for commuter parking lots. Parking permissions for commuter parking will be associated with the registered vehicle's license plate.

VI.E.3.c.ii.(d) Overnight parking in the C11 lot near the United Spirit Arena service ramp is not permitted. Individuals should carefully observe signage in the lot if parking overnight.

~~VI.E.3.d Bus service will be available from the commuter lots to the main campus. More information on bus routes can be obtained on the Citibus website at www.citibus.com.~~

~~VI.E.8 Renewal notices for persons assigned reserved and area reserved spaces are sent out prior to the end of the spring semester. Employees who wish to retain a permit for their assigned lot for the next year must renew their registration by the date stated in the renewal notice. Most major credit cards (Visa, Mastercard, Discover and American Express) may be used to make this payment, as well as cash, personal checks, and payroll deductions. (Payroll deductions are not available to Research Assistants/Teaching Assistants due to the way in which they are appointed semester to semester.)~~

VI.E.9.a Summer school permissions are issued following the same guidelines previously defined for commuter parking.

VI.F. Texas Tech University Health Sciences Center Permits

1. Persons who hold Health Sciences Center registration decals and are assigned to that campus' Reserved or Area Reserved spaces may also park on the University campus in Visitor, Time Limit and Park and Pay spaces. University Reserved and Area Reserved decals will be honored in Health Sciences Center Patient and Visitor parking spaces. Parking is restricted to use in the individual's capacity as an employee which does not include attending class as a student. Use of Health Sciences Center decals by University employees is not allowed.
2. Persons who hold Health Sciences Center registration decals and are assigned to that campus' student parking may also park on the University campus in any commuter lot.
3. Persons who hold University commuter and residence hall permissions may also park in Health Sciences Center student parking. The TTUHSC student parking is controlled with a decal rather than license plate. A decal is available in the University Parking Services office for University parking permissions holders who also need to park at the TTUHSC. This decal is available at no additional cost.

VII. The University provides a bus service to assist persons with their on-campus transportation needs. Bus service is provided Monday through Friday ~~between the hours of 7:10 A.M. and 3:00 A.M. during the fall and spring semesters~~ when school is in session. Limited service is available on the weekends. ~~One of the buses is~~ Buses are kneeling and lift-equipped to accommodate persons with disabilities. Additional information about hours of operation and routes is available in the Student Government Association office or website at www.sga.ttu.edu.

e. Paragraph VIII

VIII.A Bicycles should be parked in racks ~~whenever available~~ at all times. Use of shrubs, trees, or any architectural structures to secure bicycles is prohibited. Bicycles are not permitted in Texas Tech academic or administrative buildings. Any bicycle found in violation of this subsection may be impounded. The normal impoundment fee is \$40.00. THE IMPOUNDMENT FEE DOES NOT INCLUDE THE COST OF THE CITATION OR ANY APPLICABLE STORAGE FEES. (See Section IX)

VIII.C Bicycle registration is encouraged and conducted free of charge, ~~24 hours a day, at the Texas Tech Police Department~~ at the University Parking Services website or office.

VIII.D Any bicycle or locking device not removed from campus at the end of the Spring Semester may be considered abandoned and may be properly disposed of through Property Inventory. A bicycle is considered abandoned when it has not been operated for 30 days. Abandonment impounds are conducted once a year 30-45 days after the end of the Spring semester.

f. Paragraph IX

~~IX. Parking Enforcement, Parking Violations, and Sanctions~~

IX.C All curb ramps on campus are part of accessible routes for disabled persons. Blocking of any ramp is not permitted.

IX.D The following illegal parking acts may result in a citation being issued:

2.	Decal not properly installed / <u>License plate not visible</u>	10.00
**7.	Unauthorized parking in reserved parking spaces.	25.00
		<u>50.00</u>
**12.	Parking in reserved zones without proper permission.	25.00
	Display or use of a lost, stolen, forged, revoked, or altered decal <u>or license plate</u> . Such violation may result	
**18.	in the responsible party/parties being referred to the appropriate office for disciplinary action which may include loss of parking privileges for the remainder of the academic year.	Up to 200.00

IX.I Six valid violations of the Traffic and Parking Regulations within the academic

year or summer term may result in vehicle impoundment and/or revocation of the individual's parking privileges for a period of 90 days. If, at the end of the 90 days the individual's parking privileges are restored, a single violation of the Regulations may result in permanent revocation for the academic year or summer term.

1. All citations must be resolved before any parking privileges are restored.
2. The revocation period shall commence with the return of the registration decal(s) to University Parking Services and/or cancellation of the parking permission.

g. Full Traffic and Parking Regulations

Current Traffic and Parking Regulations with proposed changes attached (pages 6-18).

h. Parking Fees and Refunds

Current Parking Fee and Refund Schedule with proposed changes attached on pages 19 to 20.

TRAFFIC AND PARKING REGULATIONS
~~2009—2010~~ 2010 - 2011

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I. Introduction

These regulations are established by Texas Tech University in order to facilitate the safe and orderly conduct of business and to provide registered vehicles parking space as conveniently as possible within the limits of space available. Operating a motor vehicle on campus is a privilege and is conditioned, in part, on complying with these rules and regulations.

II. Applicability of State General and Criminal Laws

Article 51.201 of the Texas Education Code provides that: "All the general and criminal laws of the state are declared to be in full force and effect within the areas under the control and jurisdiction of the state institutions of higher education of this state."

III. Authority of Board of Regents to Make Rules and Regulations

Article 51.202 of the Texas Education Code provides as follows:
"Rules and Regulations: Penalty—

- A. The governing board or each state institution of higher education, including public junior colleges, may promulgate rules and regulations for the safety and welfare of students, employees, and property, and other rules and regulations it may deem necessary to carry out the provisions of this subchapter and the governance of the institution, providing for the operation and parking of vehicles on the grounds, streets, drives, alleys, and any other institutional property under its control including, but not limited to, the following:
 - 1. limiting the rate of speed;
 - 2. assigning parking spaces and designated parking areas and their use and assessing a charge for parking;
 - 3. prohibiting parking as it deems necessary;
 - 4. removing vehicles parked in violation of institutional rules and regulations or law at the expense of the violator; and,
 - 5. instituting a system of registration for vehicle identification, including a reasonable charge.
- B. A person who violates any provision of this subchapter or any rule or regulation promulgated under the authority of this subchapter is guilty of a misdemeanor and on conviction is punishable by a fine of not more than \$200."

IV. Effective Dates

The following are the regulations that apply to the University, including fee and refund schedules, and are effective ~~May 11, 2009~~ May 17, 2010, through the end of the week following Graduation in the following Spring Semester.

V. General Regulations for Traffic and Parking

- A. Texas Tech is committed to the principle that in no aspect of its programs shall there be differences in the treatment of persons because of race, creed, national origin, age, sex, or disability, and that equal opportunity and access to facilities shall be available to all.
- B. Due to the diverse nature of operations between the University and the Health Sciences Center campuses, it is necessary to have certain regulations that pertain to the specific institution; these are submitted separately by each institution. Following are the regulations that apply to Texas Tech University as defined in C.1 below.
- C. Definitions
 - 1. The campus is defined as all lands owned, managed, or otherwise controlled by the University, herein called "Texas Tech".
 - 2. Impoundment refers to the actual towing of a vehicle or immobilizing a vehicle by means of an "Auto-Boot".

3. A visitor is an individual with no official connection with Texas Tech as a student, faculty member, or staff member.
 4. A valid parking space is defined as an area designated on three sides by lines and/or posts, curbs, or other types of barriers for the explicit purpose of parking a motor vehicle.
 5. A shared-use path is a pathway created and signed for the simultaneous use of pedestrians and bicycle traffic.
 6. A decal is a physical permit issued for display on the vehicle. This can include stickers, hang tags, passes and receipts.
 7. A parking permission is an authorization given to an individual at the time of vehicle registration allowing them to park the vehicle in a designated lot, zone or space.
- D. Texas Tech makes every effort to provide protection for vehicles parking on campus, but cannot assume responsibility for any loss.
- E. The person to whom a vehicle is registered with Texas Tech is responsible for all violations of the parking rules and regulations. If a vehicle is not registered with Texas Tech, and a family member is a currently enrolled student, it shall be presumed that the student is the operator of the vehicle and is responsible for all violations of the parking rules and therefore subject to all Texas Tech traffic rules, policies, and penalties associated with monetary obligations owing Texas Tech.
- F. Pedestrians in crosswalks will be given the right-of-way at all times.
- G. Speed limits on campus are RADAR and/or LIDAR enforced.
- H. No person shall drive, cause or permit a vehicle to be driven on Texas Tech property at a speed greater than is reasonable and prudent under the circumstances then existing, but any speed in excess of the posted limits shall be prima facie evidence that the speed is not reasonable and prudent and that it is unlawful:
Speed Limits
 1. Campus Streets: Twenty miles per hour, unless otherwise posted.
 2. Parking Lots: Ten miles per hour, unless otherwise posted.
 3. Parking Garages: Five miles per hour, unless otherwise posted.
- I. Texas Tech Police Officers are duly commissioned peace officers of the state of Texas. Upon request of a police officer of Texas Tech, any person on the campus is required to identify himself with proper identification.
- J. All thefts, accidents, or other offenses that occur on campus should be reported to the Texas Tech Police Department immediately. Accidents should be reported immediately. In accordance with State Law, vehicles involved in an accident should be moved prior to reporting the accident if they are moveable. One-vehicle accidents and inoperable vehicles must also be promptly reported. Keys or valuables should not be left in a motor vehicle. ALWAYS KEEP YOUR VEHICLE LOCKED.
- K. Texas Tech is concerned about the protection of persons and property and places a high priority on striving to maintain a safe environment for students, faculty, staff, and visitors. The University cannot, however, guarantee the absolute safety of any one individual. Personal safety must begin with individual responsibility. With that thought in mind, a Personal Safety brochure has been prepared which contains personal safety recommendations, crime statistics, safety services and programs, as well as a list of telephone numbers to contact for help. All visitors and members of the campus community are encouraged to make themselves familiar with this information. The Personal Safety brochure is available at various locations on campus including the Personnel Office, the Texas Tech Police Department, the Center for Campus Life, and the residence halls.
- L. Chapter 46, Section 46.03, Texas Penal Code, provides that a person commits a felony offense if the person carries a firearm, illegal knife, club, or other prohibited weapon listed in Section 46.05(a) on the physical premises of an educational institution.

- M. Inoperable, damaged, or dismantled vehicles are to be reported to the University Parking Services office as soon as possible. Operators should identify their problem immediately and follow the instructions given.
- N. The campus is restricted for use as described in these regulations. Any vehicle in violation of the regulations or not having a valid Texas Tech parking permission properly displayed as directed herein may be issued a campus citation.
- O. Skates and Skateboards
On the campus of Texas Tech (as defined in Section V.C.1 of these regulations):
 - 1. No person may skate or use a skateboard
 - a. on or in any University building, structure, stairway, elevated sidewalk, access ramp, step, retaining wall, handrail, mall, bench, fountain area or other architectural element;
 - b. on or in planting areas, grass areas or seeded areas;
 - c. on streets open for vehicular traffic;
 - d. where prohibited by sign, by police officer, or where otherwise prohibited by law; or,
 - e. in a manner that is incompatible with the flow of vehicular or pedestrian traffic.
 - 2. No person may use a skateboard in such a way that it is:
 - a. not under the control of the user, or
 - b. operated in an unsafe manner.
 - 3. No person who is skating or using a skateboard may fail to yield the right-of-way to
 - a. a pedestrian;
 - b. a bicyclist;
 - c. a motor vehicle; or
 - d. a wheelchair or other device designed for the transport of persons with disabilities.

Pursuant to Section 51.202, Texas Education Code, a person who violates any provision of this regulation is guilty of a misdemeanor and upon conviction is punishable by a fine of not more than \$200.

- P. These regulations apply to all persons who operate vehicles on Texas Tech property.
- Q. The Chief of the Texas Tech Police Department, the Director of Accounting Services at the Health Sciences Centers (responsible for managing the parking function on that campus), and the Managing Director of University Parking Services on the University campus are responsible for the implementation and the just and proper enforcement of these regulations.
- R. The parking wheel stops and curbs located all over campus are six inches tall. Many newer and some older model vehicles have special ground effects attachments, air dams, fog/driving lights, or other attachments that reduce ground clearance under the vehicle. Driving such vehicles over the parking wheel stop or curb may cause damage to these vehicles. Drivers are urged to use caution when parking vehicles to avoid damage. Texas Tech University System assumes no responsibility in such cases.

VI. Vehicle Registration and Parking Permissions

- A. In order to operate or benefit from the use of a motor vehicle on campus, each member of the Texas Tech community must obtain ~~and display~~, in his or her name, a vehicle parking permission. That permission must be displayed as directed below. No person may register a motor vehicle in his or her name which belongs to another student, faculty, or staff member. Violation of the Traffic and Parking Regulations is prohibited by the Student Affairs Handbook and Texas Tech policy. To benefit from the use of parking spaces designed for persons with disabilities, an eligible faculty/staff member or student **MUST** display a state issued placard or license plate **as well as a Texas Tech disability parking permission.**
- B. Any person giving false information when registering a vehicle is subject to appropriate disciplinary action and revocation of their motor vehicle parking permissions and related parking privileges.

C. Student Vehicle Registration

1. Students are required to register each motor vehicle to be operated on campus at the time they register for school or at the time they commence operating a motor vehicle on campus.
2. Due to the demand for parking on campus, students are limited to one vehicle and/or one motorcycle parking permission.

D. Faculty and Staff Vehicle Registration

1. Faculty and staff are required to register their motor vehicles on or before the date they commence operating a motor vehicle on campus. Faculty and staff who share a motor vehicle where one is employed at the University and the other at the Health Sciences Center, must register at each campus if they intend to park at both campuses.
2. Faculty and staff, whose dependents are students, may allow those dependents to register a commonly operated motor vehicle for a student parking permission in addition to the employee's parking permission. If the faculty or staff member has two motor vehicles registered, and if both motor vehicles are on campus at the same time, the motor vehicle with the student permission must be parked in the designated student parking area and not in either the faculty or staff member's reserved space, zone or lot or in the time limit areas on campus.
3. Upon termination of employment with Texas Tech, an employee's parking privileges are revoked. If the registration ~~permit(e)~~ permission is cancelled and decal (if any) is returned to University Parking Services, the refund in effect at the time it is returned will be issued.

E. Types of Parking Permissions

1. ~~Texas Tech issues two types of registration permits, non-transferable and transferable. Traffic and parking control on the Texas Tech campus is accomplished by issuing parking permissions for specific lots, zones or spaces. Parking permissions are associated with decals (employee reserved and area reserved, contractor/vendor, visitor, and metered parking) or license plates (commuter, residence hall, and metered parking). Parking permissions are issued at the discretion of Texas Tech University and may be recalled at any time.~~
 - a. Decals
 - i. Types of Decals
 - (a) Non-transferable Decals
Non-transferable decals must be permanently affixed to the front windshield in the lower corner of the driver's side. All such decals are self-adhering and application in any other manner may subject the motor vehicle to ticketing. Vehicle registration is not complete until the decal is properly and completely affixed to the motor vehicle of record.
 - (b) Transferable Decals
Transferable decals are designed and intended to be hung from the rearview mirror. The purpose of these decals is to allow the owner to move them from vehicle to vehicle; the decal MUST be displayed on the motor vehicle parked on campus. Be sure to contact University Parking Services personnel if you have any problems with your transferable decal. The Texas Tech Police Department recommends you properly secure your vehicle and any valuables contained therein.
 - (c) Visitor Passes
Visitor passes are provided to individuals who qualify as a visitor as previously defined in these regulations. Vehicles with visitor passes may utilize any visitor space on campus for the date(s) specified on the pass. In lots where multi-space meters are present, the meter fee must also be paid.
 - (d) Pay and Display Metered Parking
In those lots controlled by meter, individuals must pay the adjacent meter. If payment is made with bills or coins, the receipt must displayed on the dash of the vehicle with the expiration date or time visible. If payment is made with credit card by phone, the vehicle license plate number will be required during the registration process and will be used for monitoring the lot.
 - ii. All decals are for the exclusive use of the registrant. Decals may not be sold, exchanged, given away or purchased from any person or agency other than Texas Tech University.

- iii. ~~Decals remain the property of Texas Tech University and may be recalled at any time.~~
- iii. All outdated Texas Tech registration decals must be removed from the motor vehicle(s) prior to installation of the current decal.
- iv. Lost or stolen decals should be reported as soon as possible to the Texas Tech Police Department or University Parking Services. The recovery of a lost or stolen decal must be reported immediately to the Texas Tech Police Department or University Parking Services.
- v. Replacement Decals
 - (a) Replacement for a non-transferable decal will be issued when identifiable remnants or proof of loss or destruction of the permit are provided. The replacement fee indicated in the current fee schedule will be charged for each replacement decal.
 - (b) Replacement for a transferable decal which is reported lost or stolen will be issued the first and second time for the replacement fee indicated in the current fee schedule; thereafter, the cost will be the full price of the permission.
- vi. Persons who hold non-transferable reserved registration permits and are assigned reserved spaces may obtain one duplicate permit at no additional charge. A third permit may be purchased for the replacement fee indicated in the current fee schedule. Duplicate permits do not allow for more than one motor vehicle to be on campus during the reserved period.
- b. License Plates

Certain parking permissions do not require that a decal be displayed. In those instances, the permission is associated with the license plate registered.

 - i. Vehicle must be parked so that the license plate is visible from the driving aisle.
 - ii. Removable tow hitches must be removed and stored when not in use.
 - iii. No covers may be placed over the license plate that would inhibit the reflectivity of the plate.
 - iv. The alphanumeric characters of the license plate must be visible and unobstructed by license plate frames or other accessories.
 - v. Persons with parking permissions in this category must ensure their current vehicle is registered and associated with their permissions. This process can be accomplished at the University Parking Services website or office.
- c. Temporary Permissions

Temporary parking permissions will be issued for the fee indicated in the current fee schedule. Temporary permissions are not refundable. Certain daily temporary decals, which may be purchased in advance, are available for the fee indicated in the current fee schedule.
- 2. Residence Hall Parking

Residence hall lots are reserved for respective residence hall parking permission holders from 7:30am Monday through 5:30pm Friday, unless otherwise posted.

 - a. ~~Non-transferable permits~~ Decals will not be issued for residence halls parking lots. Parking permissions for residence hall parking will be associated with the registered vehicle's license plate.
 - b. The holder of a residence hall parking permission should use the commuter lots when space is not available in the residence hall parking lot.
 - c. Motor vehicles which cannot be accommodated in the residence halls lot will be assigned to the commuter lots until the residence hall lot has available space. Oversized vehicles which cannot park in residence hall lots without impeding the flow of traffic or affecting the ability of vehicles to park near them will be assigned to the commuter lots as determined by the Managing Director of University Parking Services.
 - d. A student changing residence halls or moving off campus must ~~exchange his permit~~ change his parking permissions at the University Parking Services website or office.
 - e. Residence hall parking permissions are issued to individuals and OWNERSHIP is not transferable. Use of a residence hall permission by anyone other than the individual to whom it was issued is not permitted. Violation of this regulation may result in ticketing, impoundment, and loss of all vehicle registration privileges on campus, including parking, for the academic year for all parties involved.

3. Commuter Parking

Commuter parking permissions will be issued for motor vehicles belonging to students residing off campus or to employees who desire a less expensive alternative to reserved parking.

- a. ~~Non-transferable permits~~ Decals will not be issued for commuter parking lots. Parking permissions for commuter parking will be associated with the registered vehicle's license plate.
- b. Commuter parking permissions are issued to individuals and OWNERSHIP is not transferable. Use of a commuter parking permission by anyone other than the individual to whom it was issued is not permitted. Violation of this regulation may result in ticketing, impoundment, and loss of all vehicle registration privileges on campus, including parking, for the academic year for all parties involved.
- c. There are three classes of commuter parking:
 - i. Commuter North (Red Lot) includes the C1, C2 and C4 lots and a portion of the C3 lot.
 - (a) In addition to these lots, this permission is also honored in satellite parking and certain designated commuter areas at the Health Sciences Center.
 - (b) Red Lot permissions may also park in any west commuter lot after 2:30P.M.
 - (c) When not in use for programs and events, the C1 lot, which is leased from the City of Lubbock, will be available with the exception of the area directly south of the Auditorium and north of the Coliseum which is marked as reserved for the Auditorium/Coliseum.
 - (d) Commuter parking east of Jones Stadium in the C2 lot excludes that area marked as reserved. The use of the 24-hour reserved area requires a valid permission and an "A" decal which can only be authorized by the Athletics Department.
 - (e) On days of home football games, parking lots in the vicinity of Jones SBC Stadium are reserved for game day football parking decal holders. **VEHICLES PARKED IN THESE LOTS NOT DISPLAYING A VALID GAMEDAY FOOTBALL PARKING DECAL MAY BE TOWED AT THE VIOLATOR'S EXPENSE.**
 - (f) On days of home baseball games, the C3 lot west of Dan Law Field is reserved for game day baseball parking decal holders. **VEHICLES PARKED IN THESE LOTS NOT DISPLAYING A VALID GAMEDAY BASEBALL PARKING DECAL MAY BE TOWED AT THE VIOLATOR'S EXPENSE.**
 - ii. Commuter West (Blue Lot) includes the C10, C11, C12, C13, C14, C15, C16 and C17 lots located north and west of the United Spirit Arena, as well as certain spaces in the R18 lot.
 - (a) In addition to these lots, this permission is also honored in satellite parking and certain designated commuter areas at the Health Sciences Center.
 - (b) Blue Lot permissions may park in any north commuter lot after 2:30P.M.
 - (c) Parking in the commuter lots adjacent to the United Spirit Arena is prohibited on days of home basketball games beginning four hours prior to game time (this includes all lots west of Indiana Avenue). This area is reserved for holders of special Athletics basketball parking decals. **VEHICLES PARKED IN THESE LOTS NOT DISPLAYING A SPECIAL ATHLETICS BASKETBALL PARKING DECAL MAY BE TOWED AT THE VIOLATOR'S EXPENSE.**
 - (d) Overnight parking in the C11 lot near the United Spirit Arena service ramp is not permitted. Individuals should carefully observe signage in the lot if parking overnight.
 - iii. Commuter Satellite (Green Lot) includes the S1 and S2 lots located at 10th Street and Texas Tech Parkway and the International Cultural Center.
 - (a) Off-campus students who cannot be accommodated in the north or west commuter parking lots will be assigned to the satellite lots until the commuter lots have available space. Satellite permissions will be honored in the other commuter lots after 2:30P.M.
- d. ~~Bus service will be available from the commuter lots to the main campus. More information on bus routes can be obtained on the Citibus website at www.citibus.com.~~
- e. Only HSC commuter students may register their vehicles at the HSC Traffic and Parking Office.

4. Reserved Space Parking

- a. Reserved parking spaces are assigned to faculty and staff as space is available. Any space remaining after the needs of the faculty and staff are met will be available for assignment to part-time instructors, graduate teaching assistants, and graduate research assistants who hold contracts for one-half time or more. Such assignments may be revoked as necessary to accommodate regular faculty and staff requirements. Reserved spaces are only available on a twelve-month basis.
- b. Non-transferable decals will be issued for reserved spaces. The decal will contain the lot and space number assigned to the registrant. The space is reserved from 7:30 A.M. to 5:30 P.M., Monday through Friday, unless otherwise indicated. Additionally, in certain designated faculty/staff reserved lots, a limited number of parking spaces are reserved after these hours until 11:00 P.M. for use by any reserved space or area reserved permission holder.
- c. Access to the interior portion of the campus during the hours that parking spaces are reserved is restricted to motor vehicles with reserved space and area reserved permissions and visitors. The interior portion of the campus is that area controlled by entry stations.
- d. Certain residence hall staff living in the residence halls may be assigned spaces that are reserved 24 hours daily.
- e. If it is necessary to displace the registrant of a reserved space to an area reserved space for two weeks or more, a partial refund may be issued. (The refund will be equal to the difference between a reserved space and an area reserved space for the affected time period.)

5. Area Reserved Parking

Area reserved parking spaces are available to qualified faculty and staff, as set forth above, in certain designated parking lots. Transferable decals will be issued for all area reserved lots. However, a non-transferable decal may be issued at the registrant's request. In either case, only one area reserved decal will be issued per registrant. Motorcycle areas will not be provided in all area reserved lots; however, motorcycles will be allowed to park in these lots with the proper decal. Area reserved permission holders should overflow to designated overflow lots if all available area reserved spaces in their assigned lot are taken. Area reserved parking is reserved from 7:30 A.M. to 5:30 P.M., Monday through Friday, unless otherwise indicated. Faculty and staff with reserved permissions may park in commuter lots but not residence hall lots, including summer sessions.

6. Garage Parking

Spaces are provided in the Flint Ave. Parking Facility for faculty, staff and students. Both reserved and area reserved permissions are provided for faculty and staff on a limited basis. A limited number of student permissions are available on a first-come first-served basis. All permissions will be issued according to the guidelines set forth above. Garage reserved and area reserved parking is reserved from 7:30 A.M. Monday to 5:30 P.M. Friday, unless otherwise indicated. Oversized vehicles which cannot park in the garage without impeding the flow of traffic or affecting the ability of vehicles to park near them will be assigned to other lots as determined by the Managing Director of University Parking Services.

7. Disability Parking

Persons with disabilities may be issued disability access parking permissions designed to assist them in campus mobility. Parking in spaces reserved for persons with disabilities requires the correct TTU decal and the appropriate state-issued placard or license plate. General rules for vehicle registration still apply; refer to Section VI.E.1 in the main section of the Regulations. Vehicles displaying valid TTU disability decals must park in designated disability spaces. If all disability spaces in a lot are taken, the vehicle may be parked only in the following areas, which are listed in priority order:

- a. Visitor space
- b. Time limit space
- c. Area Reserved space

8. Motorcycle Parking

- a. Motorcycle permissions allow parking of motorcycles or mopeds in designated two-wheel areas. Decals must be permanently affixed to the top of the front headlight, front fender, or shock absorbers. Motorcycles are not permitted on the interior of the campus unless registered by a faculty or staff member who parks in a reserved or area reserved parking space. Mopeds and motorcycles may not park in bicycle racks.

- b. Motorcycles and mopeds must be parked in areas designated for parking of such vehicles. Motorcycles and mopeds are not permitted to park in time limit areas unless they display a current reserved or area reserved permit.
 - c. Scooters that are not required by state law to obtain vehicle registration and inspection are not required to obtain a parking permission and are not allowed to park in motorcycle or vehicle parking spaces. Individuals operating scooters on campus must adhere to the regulations pertaining to bicycles.
8. ~~Renewal notices for persons assigned reserved and area reserved spaces are sent out prior to the end of the spring semester. Employees who wish to retain a permit for their assigned lot for the next year must renew their registration by the date stated in the renewal notice. Most major credit cards (Visa, Mastercard, Discover and American Express) may be used to make this payment, as well as cash, personal checks, and payroll deductions. (Payroll deductions are not available to Research Assistants/Teaching Assistants due to the way in which they are appointed semester to semester.)~~
9. Summer School Parking
- a. Summer school permissions are issued following the same guidelines previously defined for commuter parking.
 - b. Students attending summer school who have a valid summer school parking permission may utilize residence hall and commuter parking lots.
- I. Texas Tech University Health Sciences Center Permits
- 4. Persons who hold Health Sciences Center registration decals and are assigned to that campus' Reserved or Area Reserved spaces may also park on the University campus in Visitor, Time Limit and Park and Pay spaces. University Reserved and Area Reserved decals will be honored in Health Sciences Center Patient and Visitor parking spaces. Parking is restricted to use in the individual's capacity as an employee which does not include attending class as a student. Use of Health Sciences Center decals by University employees is not allowed.
 - 5. Persons who hold Health Sciences Center registration decals and are assigned to that campus' student parking may also park on the University campus in any commuter lot.
 - 6. Persons who hold University commuter and residence hall permissions may also park in Health Sciences Center student parking. The TTUHSC student parking is controlled with a decal rather than license plate. A decal is available in the University Parking Services office for University parking permissions holders who also need to park at the TTUHSC. This decal is available at no additional cost.
- G. Metered Parking
- Certain lots are controlled by parking permissions until 8:00 P.M.; for those who don't already have a parking permission, an hourly decal is available at an adjacent pay station. Other TTU parking permissions are not honored in these areas prior to 5:30 P.M. Signage should be carefully observed, as some spaces remain reserved after 5:30 P.M. Park and Pay spaces will be managed according to TTU OP78.06.
- H. Visitor and Time Limit Parking
- 1. Visitors are welcome to the campus and special parking areas are set aside for them. Visitor permissions are required throughout the University campus during the hours of 7:30 A.M. to 8:00 P.M., Monday through Friday, excluding University holidays. Visitor permissions may be obtained at any entry station.
 - a. Visitors' motor vehicles parked in areas not designated for visitor parking are subject to receiving a campus citation and being impounded at the owner's expense.
 - b. Use of outdated or altered visitor decals is prohibited.
 - c. There are charges for parking in visitor areas. Notification will be posted at the entrances to these lots. The fee for parking in these lots can be found in the current *Parking Fees and Refunds Schedule*.
 - d. Departments wishing to purchase parking for visitors to campus may do so by contacting the Manager of Event and Guest Relations at University Parking Services to obtain a pre-paid parking decal.
 - 2. Designated time limit parking areas are enforced from 7:30 A.M. to 5:30 P.M., Monday through Friday, unless otherwise posted.

I. Service and Vendor Vehicle Parking

It is recognized that university and contractor/vendor vehicles are required to transport personnel and materials to work sites on the campus. While it is not the intent of these regulations to hinder workers in the performance of their duties, property damage and unsafe conditions frequently occur on campus as a result of drivers ignoring parking regulations. Service and contractor/vendor motor vehicles found to be blocking a street or creating a hazard may be cited and impounded.

1. Service Vehicle Parking

- a. Small utility vehicles operated on campus must comply with University OP 80.07 "Vehicle Fleet Management Program". Designated service vehicle parking areas are enforced 24 hours, daily, unless otherwise posted.
- b. Movement of heavy equipment and supplies to buildings will be accomplished from the street or service drive, if possible. If not possible, the individual responsible for moving, loading, hauling, etc., will contact the Grounds Maintenance Department to obtain routing information to ensure protection of lawns, sidewalks, bricked areas, ramps, sprinkler systems, etc.
- c. Parking partially in the street and partially on a walk/curb is prohibited. Vehicles will be parked parallel and adjacent to the curb if street parking is necessary.
- d. Damage resulting from vehicles traversing lawns, sidewalks, bricked areas, etc., will be repaired by Grounds Maintenance. All repair costs will be charged to the university department or vendor/ contractor responsible for such damage if circumstances warrant.
- e. Blocking doorways, sidewalks, disability access, and fire lanes is prohibited.
- f. University service vehicles may be parked only in the following areas, which are listed in priority order:
 - i. Service area/drive (must be used if the building has one)
 - ii. Time limit space
 - iii. Visitor space
 - iv. On-street where not bicycle lane is present (coordination with parking enforcement required)

2. Vendor Parking

Vendor vehicles and delivery vehicles will be directed to the appropriate service area or drive by entry station or parking enforcement personnel. Vendor vehicles may be parked only in the following areas which are listed in priority order (depending on the access granted by the parking permission):

- a. Service area or service drive MUST be used if the building has one.
- b. Time limit space
- c. Visitor space
- d. On-street parking where no bicycle lane is present.

3. Construction Contractor Parking

- a. Parking space for construction contractor vehicles will be designated by the Managing Director of University Parking Services or by the contracting department (i.e., Building Maintenance, Grounds Maintenance, etc.) on the University campus.
- b. Construction contractor vehicles will display a decal, issued by University Parking Services, on each vehicle which is parked on University property.

VII. Bus Service

The University provides a bus service to assist persons with their on-campus transportation needs. Bus service is provided Monday through Friday ~~between the hours of 7:10 A.M. and 3:00 A.M. during the fall and spring semesters~~ when school is in session. Limited service is available on the weekends. ~~One of the buses is~~ Buses are kneeling and lift-equipped to accommodate persons with disabilities. Additional information about hours of operation and routes is available in the Student Government Association office or website at www.sga.ttu.edu.

VIII. Bicycles

- B. Bicycles should be parked in racks ~~whenever available~~ at all times. Use of shrubs, trees, or any architectural structures to secure bicycles is prohibited. Bicycles are not permitted in Texas Tech academic or administrative buildings. Any bicycle found in violation of this subsection may be impounded. The normal impoundment fee is \$40.00. **THE IMPOUNDMENT FEE DOES NOT INCLUDE THE COST OF THE CITATION OR ANY APPLICABLE STORAGE FEES.** (See Section IX)
- C. No person shall operate a bicycle or any other vehicle upon a sidewalk or sidewalk area except those vehicles expressly designed for the transport of persons with disabilities and bicycles operated by officers of the Texas Tech Police Department when necessary to fulfill their lawful duties. Bicycles operating on a shared-use pathway must yield right of way to pedestrians and operate at a speed and in a manner consistent with public safety.
- D. Bicycle registration is encouraged and conducted free of charge, ~~24 hours a day, at the Texas Tech Police Department~~ at the University Parking Services website or office.
- E. Any bicycle or locking device not removed from campus at the end of the Spring Semester may be considered abandoned and may be properly disposed of through Property Inventory. A bicycle is considered abandoned when it has not been operated for 30 days. Abandonment impounds are conducted once a year 30-45 days after the end of the Spring semester.

IX. ~~Parking Enforcement, Parking Violations, and Sanctions~~

- A. Parking is governed by markers and traffic signs. Parking is permitted only in areas clearly identified for parking.
- B. The absence of "No Parking" signs does not imply that parking is allowed. Street parking is prohibited except where signs indicate parking is permitted.
- C. All curb ramps on campus are part of accessible routes for disabled persons. Blocking of any ramp is not permitted.
- D. The following illegal parking acts may result in a citation being issued:

	Violation	Fine
**1.	Parking in non-designated areas.	\$25.00
2.	Decal not properly installed / <u>License plate not visible</u>	10.00
**3.	Parking in a fire lane.	50.00
4.	Failure to remove expired decal(s).	20.00
**5.	Parking in a no parking or tow away zone.	25.00
**6.	Parking in service vehicle spaces, service drives, or access drives.	20.00
**7.	Unauthorized parking in reserved parking spaces.	<u>50.00</u>
**8.	Obstructing traffic, street, sidewalk, crosswalk, driveway, trash container, building entrance or exit.	25.00
**9.	Parking overtime in a time limit zone.	20.00
**10.	Parking a bicycle in violation of these regulations.	10.00
11.	Parking a motor vehicle beyond the lines of a parking space.	20.00
**12.	Parking in reserved zones without proper permission.	25.00
13.	Parking on wrong side of street facing oncoming traffic.	20.00
**14.	Parking without a valid permission.	25.00
**15.	Parking a motor vehicle upon any unmarked (including turf) or unimproved ground which has not been designated for parking.	75.00
**16.	Parking in a space or area designated for persons with disabilities without the proper insignia.	200.00
**17.	Blocking an access ramp or curb cut designed to aid persons with disabilities.	200.00

- | | | |
|-------|--|--------------|
| | Display or use of a lost, stolen, forged, revoked, or altered decal <u>or license plate</u> . | Up to 200.00 |
| **18. | Such violation may result in the responsible party/parties being referred to the appropriate office for disciplinary action which may include loss of parking privileges for the remainder of the academic year. | |
| **19. | Other parking violations as defined on the face of the citation. | 20.00 |
| 20. | Failure to display transferable decal. | 10.00 |
| 21. | Failure to pay Pay Station. | 20.00 |

****Impoundable Offenses**

E. In the state of Texas, motorcycles, mopeds, and bicycles are subject to the same rules and regulations as automobiles. Operators are subject to a moving violation, to be adjudicated in a court of competent jurisdiction as provided in the Texas Education Code, Article 51.208, for failing to comply with Texas Motor Vehicle Laws and these Regulations. Examples of the most common bicycle violations are:

1. Riding on sidewalks or other prohibited areas
2. Failing to stop at stop signs and red lights
3. Failing to yield right-of-way to pedestrians in crosswalks
4. Operating bicycle without proper lights and reflectors when required
5. Failing to drive on the right side of the roadway

The maximum fine for violation of these STATE LAWS is \$200.00.

F. Moving Violations

1. All the general and criminal laws of the state are declared to be in full force and effect within the areas under the control and jurisdiction of the state institutions of higher education of this state, Article 51.201, Texas Education Code. All violations as set forth above may be adjudicated in a court of competent jurisdiction as provided in the Texas Education Code, Article 51.208.
2. It shall be unlawful for any person to drive, operate, push, park, or leave standing a motor vehicle on any area of the campus not designated for driving such a motor vehicle.
3. It shall be unlawful for any person to drive by, through or beyond a barricade or roadblock that is lawfully erected.
4. No person shall willfully fail or refuse to comply with any lawful order or direction of any police officer vested by law with authority to direct, control, or regulate traffic.

G. Resolving Citations

Citations for parking violations may be resolved in one of the following ways:

1. Pay the stated fee for each citation. If payment is not received within ten (10) calendar days, an additional \$5.00 charge will be assessed. Citation payment information can be found on the University Parking Services website at www.parking.ttu.edu.
2. Appeal the citation in writing, within ten (10) calendar days of the alleged violation, through the individual designated as the supervisor of parking appeals for University violations. Citation appeals must be submitted on line. Appeal information can be found at www.parking.ttu.edu. For those who do not have access to the internet, appeals terminals are available at University Parking Services.
3. The President shall provide equitable and efficient appeals processes through the establishment of Parking Violation Appeals Committees. Written appeals will be provided to the appropriate Appeals Committee when there is a significant dispute over facts or major extenuating circumstances. A final appeals hearing may be provided should an individual wish to contest the findings of the Parking Violation Appeals Committee. The Hearings Officer will be appointed each year by the Law School Student Bar Association. Individuals appearing before the Hearings Officer must bring any supporting documentation and a copy of the current rules and regulations. The decision of the Hearings Officer is final and no further appeals will be provided.
4. After a period of ten (10) days from the date of issuance of the citation or from the date of final determination of an appealed citation, citations not resolved through University Parking Services will be overdue. Overdue citations may subject the permit holder's motor vehicle(s) to impoundment and removal of the parking permit(s). Overdue citations may be applied to a student's tuition statement if they remain unresolved or may result in restriction of subsequent

academic registration and withholding of a student's transcript until such time as the obligation is satisfied. Parking and these restricted services may be restored when all overdue citations have been resolved. At the discretion of Texas Tech, overdue citations may be adjudicated in a court of competent jurisdiction in accordance with Article 51.208 of the Texas Education Code.

- H. Notice of violation for motor vehicles without permits and returned notices of violation will be sent to the address on file with the Texas Department of Transportation, Division of Motor Vehicles.
- I. Six valid violations of the Traffic and Parking Regulations within the academic year or summer term may result in vehicle impoundment and/or revocation of the individual's parking privileges for a period of 90 days. If, at the end of the 90 days the individual's parking privileges are restored, a single violation of the Regulations may result in permanent revocation for the academic year or summer term.
 - 1. All citations must be resolved before any parking privileges are restored.
 - 2. The revocation period shall commence with the return of the registration decal(s) to University Parking Services and/or cancellation of the parking permission.
- J. Impounding Vehicles
 - 1. Vehicles belonging to individuals with ten or more valid violations of the Traffic and Parking Regulations are subject to impoundment on each subsequent violation, regardless of the type of violation.
 - 2. Impoundment may be accomplished either by towing or through immobilization by use of an auto boot.
 - 3. When a vehicle has been impounded it will be necessary for the operator of the vehicle to contact the Texas Tech parking dispatcher for release. Prior to the release of the impounded vehicle, satisfactory arrangements for payment shall be made.
 - a. The impoundment fee for towed vehicles will be a \$15 administrative fee plus the amount charged by the towing company. This amount may vary depending on the vehicle impounded and the current wrecker service contract. Current impoundment charges can be found at the University Parking Services office or web site.
 - b. The impoundment fee for booted vehicles will be \$40.
 - c. **THE IMPOUNDMENT FEE DOES NOT INCLUDE THE COST OF THE CITATION.**
 - d. Vehicles impounded will be charged storage at the rate of \$6.00 per day, including tax, commencing 72 hours after impoundment.
 - e. The maximum storage fee to be charged is \$130.00 per month, including tax.
 - 4. If the owner or driver of a motor vehicle to be impounded arrives before impoundment has begun, the vehicle will not be impounded. If the owner or driver arrives after impoundment has begun, the vehicle will not be impounded if the driver opts to pay the tow truck driver the impoundment fee less the \$15 administrative fee (payable in a manner acceptable to the towing company) in lieu of impoundment.
 - 5. If a motor vehicle or bicycle is parked on Texas Tech property and is not moved for a period of 30 days, Texas Tech may deem the same to be abandoned. Abandoned motor vehicles or bicycles may be impounded and disposed of in the manner prescribed by law. This includes those motor vehicles which have a valid registration permit.
 - 6. No personal property or vehicles (including boats, trailers, motor homes, etc.) shall be permitted to be stored or parked on the campus without permission from University Parking Services. Such property or vehicles are subject to impoundment.
 - 7. A motor vehicle parked on Texas Tech property will be subject to impoundment if any of the following apply:
 - a. It does not have attached to it an unexpired license plate and a valid vehicle inspection certificate as required by state in which it is registered.
 - b. It is inoperable and has remained inoperable for more than 14 (fourteen) consecutive days.



TEXAS TECH UNIVERSITY

University Parking Services

2009 - 2010 2010 - 2011 Parking Fees and Refunds - Texas Tech University

Faculty/Staff			Cost	Monthly Deduction	Semi-monthly Deduction
	Surface Reserved Space	12 mo	\$744.00	\$62.00	\$31.00
			-	-	-
	Surface Area Reserved	12 mo	\$216.00	\$18.00	\$9.00
			-	-	-
	Garage Reserved Space	12 mo	\$960.00	\$80.00	\$40.00
			-	-	-
	Garage Area Reserved	12 mo	\$432.00	\$36.00	\$18.00
			-	-	-
	Commuter	12 mo	\$173.00	\$14.40	\$7.20
			-	-	-
	Satellite	12 mo	\$104.00	\$8.66	\$4.33
			-	-	-

Student			Cost	
	Residence Hall	9 mo	\$195.00	
			-	
	Garage	9 mo	\$390.00	
			-	
	Commuter North/West	9 mo	\$108.00	
			-	
	Commuter Satellite	9 mo	\$39.00	
			-	
	Motorcycle	9 mo	\$72.00	
			-	
	Summer Surface	3 mo	\$65.00	
			-	
	Summer Garage	3 mo	\$130.00	
			-	

Park & Pay			Cost	
	Surface	hourly	\$1.25	
	Garage	hourly	\$1.25	

Replacement Permits			
Non-transferrable *		1st-2nd Occurrence	No Charge

			-
Non-transferrable*	Other Occurrences		\$5.00
			-
Transferrable	1st Occurrence		No Charge
			-
Transferrable	Other Occurrences		\$10.00
	-	-	-
	-	-	-

Temporary Permits				
Surface Lot	Daily	\$3.00	Weekly	\$6.00
		-		-
Garage Area	Daily	\$6.00	Weekly	\$12.00
		-		-

Permit Refunds
Prorated Weekly based on start and end of term
-

* With identifiable remnants

**TEXAS TECH UNIVERSITY
TEXAS TECH UNIVERSITY SYSTEM ADMINISTRATION
HOLIDAY SCHEDULE 2010-2011**

<u>YEAR</u>	<u>DATE</u>	<u>DAY OF WEEK</u>	<u>HOLIDAY</u>
<u>2010</u>	September 6	Monday	Labor Day
	November 25	Thursday	Thanksgiving Day
	November 26	Friday	Thanksgiving Holiday
	December 24	Friday	Christmas Eve
	December 27	Monday	Christmas
	December 28	Tuesday	Christmas
	December 29	Wednesday	Christmas
	December 30	Thursday	Christmas
	December 31	Friday	Christmas
<u>2011</u>	January 17	Monday	Martin Luther King, Jr. Day
	May 30	Monday	Memorial Day
	July 4	Monday	Independence Day

TOTAL ALLOWABLE HOLIDAYS: 12

NOTE: University employees who wish to observe Rosh Hashanah, Yom Kippur, Cesar Chavez Day and Good Friday may do so, but must use their vacation leave.

State law provides for seventeen (17) state holidays in FY 2011. In FY 2011 five (5) holidays fall on weekends and cannot be substituted for other regular working days. The result is twelve (12) observable holidays for FY 2011.

**TEXAS TECH UNIVERSITY HEALTH SCIENCES CENTER
HOLIDAY SCHEDULE FOR 2010-2011**

<u>YEAR</u>	<u>DATE</u>	<u>DAY OF WEEK</u>	<u>HOLIDAY</u>
<u>2010</u>	September 6	Monday	Labor Day
	November 25	Thursday	Thanksgiving Day
	November 26	Friday	Thanksgiving Holiday
	December 24	Friday	Christmas Eve
	December 27	Monday	Christmas Holiday
	December 31	Friday	New Year's Eve
<u>2011</u>	January 17	Monday	Martin Luther King, Jr. Day
	May 30	Monday	Memorial Day
	July 4	Monday	Independence Day

Note:

State law provides for 17 state holidays. In FY 2011, five holidays fall on a weekend. The appropriations bill disallows state holidays occurring on weekends. Therefore, the state will observe twelve (12) holidays in FY 2011, which is two less than in FY 2010. TTUHSC will observe 9 holidays.

An additional 3 days of holiday entitlement will be accrued at the rate of two hours per month.

State employees are entitled to observe the holidays of Rosh Hashanah, Yom Kippur, Good Friday and Cesar Chaves Day in lieu of any holiday(s) on which the institution is required to be open and staffed to conduct business.

Chapter 09

Investments & Endowments

AMENDMENTS PROPOSED:

It is proposed that various detailed policies and procedures relating to investments currently in Chapter 09 would be off-loaded from the *Regents' Rules* to reside in separate, Board-approved investment policy statements.

There would be stand-alone investment policy statements for:

- the Short/Intermediate Term Investment Fund (SITIF)
- the Long Term Investment Fund (LTIF)

At the same time as the Board approves the amendments that streamline and condense Chapter 09, the Board will need to approve the new SITIF and LTIF investment policy statements that will contain the detailed provisions being off-loaded from Chapter 09.

Any future changes to these stand-alone investment policy statements would require the approval of the Board.

The pages that follow provide a summary of the substantive changes being made as a result of moving the detailed investment policies from Chapter 09 to the 2 investment policy statements.

Substantive changes proposed for Chapter 09, *Regents' Rules*

- Roles and responsibilities among Board of Regents, Investment Advisory Committee (IAC), Investment Consultant, Chief Investment Officer (CIO), Investment Managers and Bank Custodian(s) are clarified.
 - see: *Sec. 09.01 on p. 2-6 of Chapter 09*
- Investment policy language specific to the Short/Intermediate Term Fund (SITIF) is removed and transferred to a separate document, which is now labeled the *Investment Policy Statement for the Short/Intermediate Term Investment Fund*. This investment policy is now separate from Chapter 09, *Regents' Rules*.
- All investment policy language specific to the Long Term Investment Fund (LTIF) ... which includes endowment funds ... is removed and transferred to a separate document, which is now labeled the *Investment Policy Statement for the Long Term Investment Fund*. This investment policy is now separate from Chapter 09, *Regents' Rules*.
- New policies for proxy voting and directed commissions are added. The policy now states explicitly that proxy voting is the responsibility of the investment managers, who must provide written reports of all proxy votes on shares of stock held in the LTIF. In addition, investment managers may not direct commissions without the authorization of the CIO.
 - see: *Sec. 09.04 & 09.05 on p. 47 of Chapter 09*

Important changes and additions in the SITIF Investment Policy Statement

- **ASSET ALLOCATION:** A new asset allocation table is provided that: clarifies the various types of authorized investments ... revises the target ranges for asset categories ... and adds limitations and benchmarks for each asset category.
 - see: NEW SITIF POLICY – *Sec. 2.2.a on p. 2*
 - see: CURRENT CH. 09 POLICY – *Sec. 09.01.2 on p. 8*
- **WEIGHTED AVERAGE MATURITIES:** The maximum weighted average maturity of the investment portfolio is reduced from seven (7) to five (5) years.
- **SECURITIES LENDING:** A new policy is added that prohibits the SITIF from participating in securities lending unless approved by the Board of Regents. However, commingled funds are exempt from this restriction.
 - see: NEW SITIF POLICY – *Sec. 5 on p. 10*

Important changes and additions in the LTIF Investment Policy Statement

- **SPENDING POLICY:** The target annual distribution rate for Texas Tech's spending policy must be reviewed annually by the Board of Regents.
 - see: NEW LTIF POLICY – *Sec. 9.3 on p. 5*
 - see: CURRENT CH. 09 POLICY – *Sec. 09.02.10 on p. 31-32*

- **ASSET ALLOCATION:** The asset allocation section for the LTIF is changed significantly. The old asset allocation policy is replaced by a new asset allocation matrix that clarifies the various types of asset classes and also revises and enhances the target ranges for the asset categories. Any future changes to new asset allocation matrix must be approved in advance by the Board of Regents.
 - see: NEW LTIF POLICY – *Sec. 11 on p. 6-7 + Schedule A on p. 21-23*
 - see: CURRENT CH. 09 POLICY – *Sec. 09.02.11 on p. 32-36*

- **ASSET ALLOCATION:** Other changes in the asset allocation section include:
 - The Chief Investment Officer (CIO) is delegated the authority to set actual target weights for each asset class under the following stipulations:
 - Setting of target weights must be based on recommendations from the IAC.
 - Target weights must be within the approved ranges in the asset allocation matrix in Schedule A.
 - Prior to changing the target weights for each asset class, the CIO must notify the "three chairs" – Chair of the Board, Chair of the Finance and Administration Committee, and the Chair of the IAC.
 - Any changes to the target weights must be reported to the Board as an Information Agenda item at the next Board meeting.
 - see: NEW LTIF POLICY – *Sec. 11.1.b on p. 6*
 - The CIO is delegated the authority to rebalance the asset allocation between existing accounts and/or commingled funds. Such a rebalancing is to be based on recommendations from the IAC.
 - see: NEW LTIF POLICY – *Sec. 11.2 on p. 7*

- **INVESTMENT MANAGERS:** The Board of Regents would no longer approve the hiring of investment managers, as the CIO is delegated the authority to hire and terminate investment managers, with the following stipulations:
 - Hiring of investment managers must be based on recommendations from the IAC.
 - Hiring of investment managers under this delegation of authority must be reported to the Board as an Information Agenda item at the next Board meeting.
 - see: NEW LTIF POLICY – *Sec. 13.2 & 13.3 on p. 9*
 - see: CURRENT CH. 09 POLICY – *Sec. 09.02.14 on p. 38-40*

- **CONFLICTS OF INTEREST ON INVESTMENTS AND RESTRICTIONS ON INVESTMENTS:** The entire policy on conflicts of interest and restrictions on investments (currently in Sec. 09.02.16, *Regents' Rules*) is re-written. Substantive changes include:
- Selected staff members in the Office of Investments are identified as the Texas Tech employees to whom the conflicts policy applies. These Office of Investments employees are defined as those with authority over the selection of investments or investments managers.
 - see: NEW LTIF POLICY – Sec. 15.1 on p. 11-12
 - The restrictions on parallel investments are tightened.
 - see: NEW LTIF POLICY – Sec. 15.5 on p. 14
 - Members of the Board of Regents, IAC members, and selected Investment Office staff members must certify that no conflict of interest exists before Texas Tech can enter into a private investment transaction.
 - see: NEW LTIF POLICY – Sec. 15.6 on p. 15
 - IAC members must submit an annual disclosure statement that provides information about the member's material public investment holdings, board directorships, employer relationships, and so forth.
 - see: NEW LTIF POLICY – Sec. 15.7 on p. 15-16
- **PLACEMENT AGENTS AND OTHER THIRD-PARTY MARKETERS:** A new section is added to address potential conflicts when investment managers use placement agents or third-party managers to raise funds from public institutions. If a manager hired by Texas Tech uses a placement agent, then that investment manager must disclose to Texas Tech various details of its agreement with the placement agent.
 - see: NEW LTIF POLICY – Sec. 21 on p. 19-20

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Chapter 09 -- Investments and Endowments

09.00 Chapter definitions.

09.00.1 [~~"ADV" means the Advisor Registration Form.~~]

[~~09.00.2 "CMOs" means collateralized mortgage obligations.~~]

[~~09.00.3~~ "IAC" means the Investment Advisory Committee.

09.00.2 [~~09.00.4~~] "LTIF" means the Long Term Investment Fund.

[~~09.00.5 "NAV" means the Net Asset Value.~~]

[~~09.00.6 "S&P" means Standard and Poors.~~]

[~~09.00.7 "SEC" means the Securities and Exchange Commission.~~]

09.00.3 [~~09.00.8~~] "SITIF" means the Short/Intermediate Term Investment
Fund.

[~~09.00.9 "UPMIFA" means the Uniform Prudent Management of Institu-
tional Funds Act.~~]

09.00.4 "CIO" means the Chief Investment Officer of the TTU system.

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09.01 Roles and responsibilities.

09.01.1 Investment Advisory Committee. The IAC is a special committee of indefinite duration as authorized by the board and is charged with the following duties and responsibilities:

- a. To meet at least quarterly with the CIO, investment counsel, investment managers and other appropriate TTU system officers and staff for the purpose of reviewing and consulting with these parties and advising the board and the board of directors of the Texas Tech Foundation on asset allocation, investment policy and performance; and
- b. For identifying fund managers, monitoring the performance of investments, evaluating fund manager performance and developing and recommending an asset allocation for the LTIF.

09.01.2 Investment consultant. The investment consultant shall assist the board, the CIO and the IAC in developing and modifying policy objectives and guidelines, including the development of asset allocation strategies, recommendations on long-term asset allocation and the appropriate mix of investment manager styles and strategies. The consultant also shall provide assistance in investment manager searches and selection, and in investment performance calculation, evaluation, and analysis. The consultant shall provide timely information, written and/or oral, on investment strategies,

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instruments, investment managers and other related issues, as requested by the board, the CIO or the IAC.

09.01.3 Chief investment officer.

- a. The CIO is responsible for the day-to-day investment activities related to the SITIF and LTIF. The CIO recommends to the board and IAC changes to the investment program as warranted.
- b. The CIO, based on a recommendation from the IAC, is responsible for actual asset allocation, subject to the limitations and ranges designated in the applicable investment policy statement.
- c. The board delegates to the CIO the authority to:
 - (1) make investments recommended by the IAC; and
 - (2) increase the amount of funds committed to existing investment managers.

09.01.4 Investment managers. The duties and responsibilities of each of the investment managers retained by the board include:

- a. Managing the assets under its management in accordance with the policy guidelines and objectives expressed herein.

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- b. Meeting or exceeding the manager specific benchmarks established by the CIO.
- c. Exercising investment discretion within the guidelines and objectives stated herein; and such discretion includes decisions to buy, hold or sell securities in amounts and proportions reflective of the investment manager's current investment strategy and as compatible with the investment objectives.
- d. Complying with all provisions pertaining to the investment manager's duties and responsibilities as a fiduciary, with fund assets being invested with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent professional investment manager, acting in a like capacity and familiar with such matters, would use in the investment of TTU system assets.
- e. Using best efforts to ensure that portfolio transactions are placed on a "best execution" basis.
- f. Exercising ownership rights, where available, through proxy solicitations, doing so strictly for the economic benefit of the LTIF or SITIF, as applicable.
- g. Meeting with the CIO and IAC at least annually or more frequently upon request of the CIO or the IAC; additionally, each

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investment manager shall report to the IAC, investment consultant and CIO as outlined in the specific SITIF and LTIF investment policy statements.

- h. Acknowledging in writing to the CIO the investment manager's intention to comply with Section 09.01.4, *Regents' Rules*, as it currently exists or as modified in the future.
- i. Acknowledging in writing to the CIO any changes in investment personnel.

09.01.5 Bank custodian(s). The board shall select one or more unaffiliated custodian bank(s) that will be responsible for performing the following functions:

- a. accept daily instructions from designated investment staff;
- b. advise designated investment staff daily of changes in cash equivalent balances;
- c. immediately advise designated investment staff of additions or withdrawals from the custodial account;
- d. notify investment managers of proxies, tenders, rights, fractional shares or other dispositions of holdings;

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- e. resolve any problems that designated investment staff may have relating to the custodial account;
- f. maintain safekeeping of securities;
- g. collect interest and dividends;
- h. perform daily cash sweep of idle principal and income cash balances;
- i. process all investment manager transactions;
- j. collect proceeds from maturing securities;
- k. disburse all income or principal cash balances as directed;
- l. provide monthly statements by investment account and a consolidated statement of all assets;
- m. work with the investment consultant and the TTU system accountant to ensure accuracy in reporting;
- n. manage the securities lending program; and
- o. provide written statements revealing monthly reconciliation of custody and investment managers' accounting statements.

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09.02 ~~[Institutional funds investment]~~ Short and Intermediate Term Investment

Fund. ~~[This policy statement shall guide]~~ The policies for the investment of
~~[the subset of institutional] funds [known as]~~ for the SITIF shall be those out-
lined in the INVESTMENT POLICY STATEMENT FOR THE
SHORT/INTERMEDIATE TERM INVESTMENT FUND ~~[of the TTU system.~~
~~The SITIF is the principal cash fund of the TTU system. Balances in individ-~~
~~ual accounting funds are to be maintained as cash available for withdrawal~~
~~without prior notice. All institutional funds not invested in the LTIF in ac-~~
~~cordance with Section 09.02, Regents' Rules, will be invested in accordance~~
~~with this policy section].~~

~~[This policy does not preclude the acceptance and retention of securities as~~
~~gifts to the TTU system. The TTU system shall manage and safeguard such~~
~~securities in original form, in accordance with the donor's written instruc-~~
~~tions. Upon the partial or total disposition of the original investment, the~~
~~proceeds will be invested in accordance with this policy.]~~

[Drafter's note: A separate investment policy statement has been developed for the SITIF. Provisions relating to investment philosophy and objectives, performance goals and objectives, authorized investments, and asset allocations are removed from the Regents' Rules and are addressed in the stand-alone SITIF policy statement.]

09.02.1 ~~[09.01.1]~~ Investment authority. The *Texas Education Code* provides
that the TTU system shall invest all funds in accordance with the
prudent person standard. The prudent person standard requires
making investments that prudent investors, exercising reasonable
care, skill, and caution, would acquire or retain in light of the pur-
poses, terms, distribution requirements, and other circumstances

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of the fund then prevailing, taking into consideration the investment of all the assets of the fund rather than a single investment.

~~[09.01.2—Investment objectives.~~

- ~~a.—The investment of funds for the SITIF shall provide incremental return to assist in meeting the operating needs of the TTU system. The investment will be accomplished by having three components of the SITIF:~~

	Range
(1)—Bank deposits and eligible investment pools	25–40%
(2)—Fixed income securities	25–40%
(3)—Fixed income index mutual fund and government agency securities	30–40%

- ~~b.—The investment of funds shall consider asset diversification, total return, suitability, and the experience, quality, and capability of investment personnel. It will be governed by the following investment objectives, in the following order of priority:~~

- ~~(1)—preservation and safety of principal;~~
- ~~(2)—liquidity; and~~

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~~(3) — yield.~~

~~In determining whether the above objective has been met, the following shall be taken into consideration:~~

~~(1) — the investment of all funds rather than a consideration as to the prudence of a single investment; and~~

~~(2) — whether the investment decision was consistent with this written policy.~~

~~c. — The total return goal of each fixed earnings manager is to exceed the total return of the Lehman Brothers Aggregate Bond Index or the Lehman Brothers Intermediate Government/Corporate Bond Index.~~

~~(1) — Each fixed earnings manager will be evaluated versus a fixed earnings universe and should rank above the median of that universe over a moving three-year period.~~

~~(2) — Each fixed earnings manager should maintain a volatility (beta) no greater than 1.20 versus the Lehman Brothers Aggregate Index or the Lehman Brothers Intermediate Government/Corporate Bond Index.~~

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~~(3) The risk-adjusted performance (alpha) should be positive.~~

~~(4) Total return is defined as the sum of earned interest and dividends, realized and unrealized gains or losses, less all investment management costs.~~

~~(5) Investment managers will be reviewed on an on-going basis and evaluated based upon the following criteria:~~

~~(a) adherence to the philosophy and style that was articulated at, or subsequent to, the time the investment manager was retained; and~~

~~(b) continuity of personnel and practices at the firm.]~~

09.02.2 ~~[09.01.3]~~ Investment concept. The SITIF shall employ a total return philosophy. Under such a concept, realized gains and losses will be recorded.

~~[09.01.4 Performance goals and objectives. The SITIF will be comprised primarily of collateralized bank accounts, money market mutual funds, eligible fixed income securities, and index mutual funds. The SITIF's annual performance will be compared to the indices of comparable securities.~~

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- a. ~~The first component, deposits and investment pools, will be evaluated against the 90-day T-Bill.~~
- b. ~~The fixed income securities component will be evaluated against either the 2-year T-Note or the Lehman Brothers Intermediate Term Government Index, depending upon the types of securities held.~~
- c. ~~The fixed income mutual index fund component will be compared to the Lehman Brothers Intermediate Term Government Index or its equivalent.]~~

09.02.3 [09.01.5] Authorized investment officers.

- a. The chief financial officer is the authorized investment officer. At each August meeting, the board will delegate its authority, as necessary, to authorize and approve the sale, purchase, and transfer of stocks, bonds, and other securities that are owned or controlled by the TTU system as part of the SITIF, provided such action is approved by any two of the officers listed below:

(1) [a.] chief financial officer;

(2) [b.] associate chief financial officer;

(3) [c. ~~assistant vice chancellor for investments~~] CIO; or

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(4) ~~(d.)~~ chief fiscal officers of the component institutions.

- b. One of the following two officers ~~[named as follows]~~ must approve the sale of ~~[all]~~ instruments contributed to the TTU system: vice chancellor for institutional advancement; or legal counsel for institutional advancement.

09.02.4 ~~[09.01.6]~~ Potential conflicts of interest. An investment officer referenced in Section ~~[09.01.5]~~ 09.02.3.a, Regents' Rules, ~~[with]~~ is not ~~[be]~~ permitted to have a personal business relationship with an entity seeking to sell an investment to the TTU system. An investment officer referenced in Section 09.02.3.a, Regents' Rules, who is related within the second degree of affinity or third degree of consanguinity (see the chart in Section 03.01.8, *Regents' Rules*) to an individual seeking to sell an investment to the TTU system shall file a statement disclosing that relationship. A statement required under this section of the policy statement must be filed with the board and the Texas Ethics Commission.

~~[09.01.7]~~ Authorized investments. The following are authorized investments:

- a. ~~Obligations of, or guaranteed by, domestic governmental entities:~~

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~~(1) obligations of the United States or its agencies and instrumentalities;~~

~~(2) CMOs directly issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States; and~~

~~(3) other obligations, such as mortgage-backed securities, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, the state of Texas or the United States or their respective agencies and instrumentalities.~~

~~b. The following are limitations on authorized investments:~~

~~(1) obligations of the United States or its agencies and instrumentalities:~~

~~(a) maximum term 7 years;~~

~~(b) maximum single purchase without limitation; or~~

~~(c) maximum aggregate position no limit;~~

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~~(2) CMOs directly issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States;~~

~~(a) maximum term 7 years weighted average life, at time of purchase;~~

~~(b) maximum single purchase 3% of portfolio; and~~

~~(c) maximum aggregate position not to exceed 75% of portfolio.~~

~~The purchase of any security in the CMO category is to be considered on an individual basis with emphasis on credit quality, marketability, liquidity, and legality.~~

~~(3) other obligations, such as mortgage-backed securities, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, the state of Texas or the United States or their respective agencies and instrumentalities;~~

~~(a) maximum weighted average life 7 years, at time of purchase;~~

~~(b) maximum single purchase 3% of portfolio; or~~

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~~(c) maximum aggregate position 25% of portfolio.~~

~~c. Bank deposits and certificates of deposit:~~

~~(1) Funds shall be deposited into those depositories consistent with Section 07.08, *Regents' Rules*, on Selection of Primary and Secondary Depositories for the TTU system.~~

~~On any given day, no depository bank shall have institutional funds on deposit in an amount that exceeds any one of the following limits:~~

~~(a) 25% of the total funds available for investment by the TTU system; or~~

~~(b) based upon the bank's latest regularly published statement of financial condition: 15% of its total deposits; or an amount equal to the sum of its capital, permanent surplus, retained earnings, and reserves.~~

~~The above limitations shall not be construed to establish a commitment and/or guarantee on the part of the TTU system to deposit any particular amount in any one bank. The TTU system may develop additional institutional guidelines that may employ other criteria to estab-~~

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~~lish limits on the total amount of deposits in any bank.
Such guidelines, however, shall not allow the total de-
posits in any bank to exceed the limits otherwise estab-
lished under this policy.~~

~~(2) Certificates of deposit if issued by a state or national
bank or a savings and loan association domiciled in the
state of Texas shall have the following limitations:~~

~~(a) maximum term 7 years;~~

~~(b) maximum single purchase 3% of portfolio; and~~

~~(c) maximum aggregate position same as bank de-
posits (see Section 9.01.7.c(1), *Regents' Rules*).~~

~~(3) For both bank deposits and certificates of deposit identi-
fied in Section 9.01.7.c(1) (2), *Regents' Rules*, the follow-
ing provisions apply:~~

~~(a) All cash instruments, including certificates of de-
posit, must be fully collateralized as required in the
Texas Education Code and with the Public Funds In-
vestment Act, as amended, except that surety
bonds are not authorized as collateral. The
pledged collateral shall be placed in a custodian
bank or banks named by the TTU system. In no~~

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~~event will the custodian be affiliated with the de-
pository bank.~~

~~(b) Deposits and certificates of deposits must be guar-
anteed or insured by the Federal Deposit Insurance
Corporation or its successor or be secured by eligi-
ble obligations that are described in Section
09.01.7.a., *Regents' Rules*, including mortgage
backed securities directly issued by a federal
agency or instrumentality that have a market value
of not less than the principal amount of the depos-
its and/or certificates.~~

~~d. For the purpose of this policy, a repurchase agreement is a si-
multaneous agreement to buy, hold for a specified time, and
sell back at a future date obligations described in Section
09.01.7.a., *Regents' Rules*, at a market value at the time the
funds are disbursed of not less than the principal amount of
the funds disbursed. A fully collateralized repurchase agree-
ment is an authorized investment if the repurchase agreement
is secured by obligations described in Section 09.01.7.a., *Re-
gents' Rules*, and requires the securities being purchased to be
pledged to the TTU system and deposited at the time the in-
vestment is made with a third party selected and approved by
the TTU system. Repurchase agreements must be placed
through a primary government securities dealer, as defined by~~

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~~the Federal Reserve, or a financial institution doing business in Texas.~~

~~Limitations are the same as for bank deposits (see Section 9.01.7.c(1), *Regents' Rules*). Reverse repurchase agreements are not permitted.~~

~~e. A no load money market mutual fund is an authorized investment if it:~~

~~(1) is regulated by the SEC; and~~

~~(2) includes in its investment objective the maintenance of a stable net asset value of \$1 for each share.~~

~~f. Eligible investment pools are authorized investments:~~

~~(1) To be considered an eligible investment pool, the investment pool must furnish an offering circular or other similar disclosure instrument that contains, at a minimum, the following information:~~

~~(a) the types of investments in which money is allowed to be invested, including the amount and type of investments in foreign securities;~~

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~~(b) the maximum average dollar weighted maturity allowed, based on the stated maturity date, of the pool;~~

~~(c) the maximum stated maturity date of any investment security within the portfolio;~~

~~(d) the objectives of the pool;~~

~~(e) the size of the pool;~~

~~(f) the names of the members of the advisory board of the pool and the dates their terms expire;~~

~~(g) the custodian bank that will safe keep the pool's assets;~~

~~(h) whether the intent of the pool is to maintain a net asset value of one dollar and the risk of market price fluctuation;~~

~~(i) whether the only source of payment is the assets of the pool at market value or whether there is a secondary source of payment, such as insurance or guarantees, and a description of the secondary source of payment;~~

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~~(j) — the name and address of the independent auditor
of the pool;~~

~~(k) — the requirements to be satisfied for the TTU system
to deposit funds in and withdraw funds from the
pool and any deadlines or other operating policies
required for the TTU system to invest funds in and
withdraw funds from the pool; and~~

~~(l) — the performance history of the pool, including
yield, average dollar-weighted maturities, and ex-
pense ratios.~~

~~(2) — To maintain eligibility, the investment pool must furnish
the following:~~

~~(a) — investment transaction confirmations; and~~

~~(b) — a monthly report that contains, at a minimum, the
following:~~

~~i. — the types and percentage breakdown of secu-
rities in which the pool is invested;~~

~~ii. — the current average dollar-weighted maturity
of the pool, based on the stated maturity date;~~

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~~iii. — the current percentage of the pool's portfolio
in investments that have stated maturities of
more than one year;~~

~~iv. — the book value versus the market value of the
pool's portfolio, using amortized cost valua-
tion;~~

~~v. — the size of the pool;~~

~~vi. — the number of participants in the pool;~~

~~vii. — the custodian bank that is safekeeping the as-
sets of the pool;~~

~~viii. — a listing of daily transaction activity of the
TTU system;~~

~~ix. — the yield and expense ratio of the pool;~~

~~x. — the portfolio managers of the pool; and~~

~~xi. — any changes or addenda to the offering circu-
lar.~~

~~(c) — In addition to the eligibility requirements set forth
above, the investment pool must mark its portfolio~~

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~~to market daily and, to the extent reasonably possible, stabilized at a \$1 net asset value. If the ratio of the market value of the portfolio divided by the book value of the portfolio is less than 0.995 or greater than 1.005, portfolio holdings shall be sold by the pool as necessary to maintain the ratio between 0.995 and 1.005. Further, the investment pool must be continuously rated no lower than AAA or AAA-m, or at an equivalent rating by at least one nationally recognized rating service.~~

~~(d) Corporate bonds, debentures, or similar obligations are eligible investments if rated BBB (or equivalent) or above and the weighted average of all corporate bonds does not exceed 4 years.]~~

09.02.5 [09.01.8] Securities dealer selection.

- a. The TTU system may rely on the information and advice of securities sales representatives concerning proposed investments, investment timing and pricing. It is essential that the TTU system have sufficient knowledge about the securities firms and personnel with whom they are doing business. Firms that are unwilling to provide complete and timely disclosure of their financial conditions will not be utilized.

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- b. The following will be considered in the selection of securities firms:
- (1) The ability of the securities dealer to fulfill commitments as evidenced by capital strength, liquidity and operating results. This evidence shall be gathered from current financial data, annual reports, credit reports, and other sources of financial information. The securities dealer will exhibit a minimum capital requirement of \$50 million.
 - (2) The dealers' general reputation for financial stability and fair and honest dealings with customers.
 - (3) Information available from state or federal securities regulators and securities industry self-regulatory organizations, such as the National Association of Securities Dealers, concerning any formal enforcement actions against the dealer, its affiliates or associated personnel.
 - (4) A review of the background of the sales representative with whom business will be conducted in order to determine experience and expertise.
- c. A copy of [~~this policy statement is to~~] Section 09.02.5, Regents' Rules, shall be provided to all securities dealers seeking to conduct securities transactions with the TTU system.

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- d. The TTU system shall make reasonable, good faith efforts to include woman-owned and minority-owned businesses in its investment process. For purposes of this policy, a minority-owned business is a business entity in which 51% of the ownership interests in the entity are held by one or more minority group members, and a woman-owned business is a business entity in which at least 51% of the ownership interests in the entity are held by one or more women.

09.02.6 ~~[09.01.9]~~ Investment training. The officers identified in Section ~~[09.01.5]~~ 09.02.3.a, *Regents' Rules*, shall attend at least one training session per year that addresses the responsibilities of the investment officers. The training should include education in investment controls, security risks, strategy risks, market risks, and compliance with certain state statutes and this policy statement. The chief financial officer shall be notified of the completion of the required training by the investment officers.

09.02.7 ~~[09.01.10]~~ Internal management reports. Not less than quarterly, the chief financial officer shall prepare and submit to the chair, the chair of the Finance and Administration Committee, the chancellor, and ~~[to]~~ the presidents of the component institutions a written report of the status of investments.

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- a. The report shall:
 - (1) describe the investment position of the SITIF; and
 - (2) ~~[contain a summary of]~~ summarize the following
 - (a) the beginning market value of the reporting period;
 - (b) additions and changes to the market value during the period;
 - (c) ending market value for the period;
 - (d) ~~[state]~~ the book value and market value of investments at the beginning and the end of the reporting period by type of asset invested;
 - (e) the weighted average maturity of each asset type; and
 - (f) the compliance of the SITIF investments as they relate to this policy statement.
- b. The chief financial officer shall, at the beginning of each fiscal year, present a report to the board of the investments of the TTU system during the preceding fiscal year. The report will

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summarize all investment activity for the year, including total investment income and annual investment rate of return.

09.03 ~~[09.02 Endowment and certain long-term institutional funds investment policy]~~ Long Term Investment Fund (Endowment). The policies for the investment of funds for the LTIF shall be those outlined in the INVESTMENT POLICY STATEMENT FOR THE LONG TERM INVESTMENT FUND.

[Drafter's note: A separate investment policy statement has been developed for the LTIF. Provisions relating to investment philosophy and objectives, performance goals and objectives, authorized investments, asset allocations, and conflicts of interest on investments are removed from the Regents' Rules and are addressed in the stand-alone LTIF policy statement.]

~~[09.02.1 Policy statement purpose. This policy statement shall guide the investment of endowment and long-term institutional funds.~~

~~09.02.2 Endowment funds investment.~~

~~a. Endowment funds are funds given to the TTU system with a donor-imposed restriction that the corpus is not to be expended but is to be invested for the purpose of producing earnings.~~

~~Endowment funds may also include: term endowment funds for which the donor stipulates that the principal may be expended after a stated period or upon the occurrence of a certain event; and funds functioning as endowments (quasi-endowments).~~

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~~b. Funds functioning as endowments. The board delegates to the chancellor, or his/her designee, the authority to establish a quasi-endowment fund (a fund functioning as an endowment) when such a fund totals less than \$250,000.~~

~~09.02.3 Investment of non-endowment institutional funds in the LTIF. Institutional funds are defined in Section 51.002, *Texas Education Code*, (as amended or modified). Long term institutional funds are all non-endowment institutional funds approved, for investment purposes, for inclusion in the LTIF.~~

~~09.02.4 Fiduciary responsibility. The board recognizes its fiduciary responsibility to comply with the restrictions imposed by the donors of endowment funds. The board acknowledges its legal responsibility to ensure that the management of endowment and other institutional funds is in compliance with state law, including UMIFA (Section 163, *Texas Property Code*, as amended or modified).~~

~~09.02.5 Investment philosophy management procedures.~~

~~a. No endowment or other institutional fund shall be considered for management under this policy unless it is under the sole control of the TTU system, with full discretion as to investment of principal and expenditure of spendable earnings. The vice chancellor for institutional advancement shall ensure there are no donor imposed restrictions preventing the use of the LTIF, including restrictions against both investment in eq-~~

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~~uity securities or corporate debt, and expenditure of net realized appreciation of existing endowment funds. Future donors shall be advised of the investment policy at the times their gifts are made. Funds excluded from consideration from this policy statement will be invested in the SITIF, as authorized by Section 09.01, *Regents' Rules*, or, if instructed by the donor, will be managed and safeguarded in their original form.~~

- ~~b. The commingled endowment/institutional fund is the LTIF. The LTIF shall be unitized and each new endowment gift added to the fund shall receive units in the fund based upon the market value of the gift and the unit value of the fund at the latest month end preceding the date of receipt of the gift. The unit value of the LTIF shall be determined at least monthly. Earnings determined under the policy statement's spending policy shall be calculated on a unit basis for distribution purposes.~~
- ~~c. The LTIF may be invested in such securities and investments as permitted by state law. The LTIF may be further limited to such eligible investments as directed by the board (see Section 09.02.11, *Regents' Rules*).~~
- ~~d. In addition, the LTIF may retain, with the approval of the board, the professional services (investment advisors) deemed appropriate for the management and investment of the fund.~~

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~~All investment managers employed shall be registered under the Investment Act of 1940 and provide the most recent ADV filed with the SEC.~~

~~09.02.6 — Long term institutional funds authorized withdrawal. Upon the approval of the chief financial officer and the appropriate chief fiscal officer, long term institutional funds may be withdrawn from their investment in the LTIF. This withdrawal/reallocation will be made one year from the date of approval by the chief financial officer. The dollar amount of the withdrawal will equal the number of units withdrawn times the NAV as of the end of the most recent valuation of the LTIF. Because of changes in the NAV from the time of initial deposit, the dollar amount of withdrawal may be more or less than the original investment.~~

~~09.02.7 — Administration and management of the LTIF. The board, IAC, and institutional personnel shall exercise ordinary business care and prudence under the facts and circumstances prevailing at the time of the action or decision. The board, IAC, and institutional personnel shall consider both the long term and short term needs of the TTU system in carrying out educational purposes, present and anticipated financial requirements, the expected return on endowment investments, price level trends, and general economic conditions.~~

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~~09.02.8 Financial goal. The financial goal for management of endowment and long term institutional funds is to preserve the real (i.e., inflation-adjusted) purchasing power of principal and earnings after accounting for endowment spending, inflation, and costs of investment management. Performance of the LTIF against this objective is to be measured over rolling five year periods.~~

~~09.02.9 Investment objectives.~~

~~a. The total return goal for the LTIF is to exceed the Consumer Price Index plus 5% and a balanced index that replicates the target asset allocation of the LTIF. These objectives shall be measured over rolling five year periods.~~

~~b. The total return goal for each equity manager is to exceed the total return of its respective equity benchmark, such as the S&P 500 Stock Index or the Russell 2000 Index.~~

~~(1) Each equity investment manager will be evaluated versus an equity investment manager universe and should rank above the median over a moving three year period of investment managers with a similar investment style (for example, large cap value, small cap growth, and so forth).~~

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~~(2) Each equity investment manager should maintain a volatility (beta) no greater than 1.20 versus its respective equity benchmark.~~

~~(3) The risk-adjusted performance (alpha) should be positive.~~

~~09.02.10 Spending policy.~~

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

~~(1) the duration and preservation of the LTIF;~~

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

~~(3) general economic conditions;~~

~~(4) the possible effect of inflation or deflation;~~

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

~~(6) — other resources of the TTU system; and~~

~~(7) — the overall investment policy.~~

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

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

~~09.02.11 — Asset allocation.~~

~~a. — To achieve the goal and objectives of the LTIF, the fund's assets may be invested in the categories listed below. The LTIF shall be diversified both by asset class and, within asset classes, by economic sector, industry, and market capitalization (size). The purpose of diversification is to limit the risk~~

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associated with any single security or class of securities. The asset allocation of the LTIF shall be structured as follows:

Type of Securities	Range
Equity	30-60%
Domestic Large Cap	10-30%
Domestic Mid Cap	0-10%
Domestic Small Cap	0-15%
International	10-30%
Global Opportunistic	0-5%
Real Assets	5-15%
Alternative Asset Class	15-34%
Hedge Funds	10-17%
Private Equity	5-17%
Fixed Earnings	10-30%
Cash	0-10%

- b. The asset allocation shall be monitored on an ongoing basis and rebalanced as needed.
- c. The equity investment component shall include readily marketable, domestic and international common stocks and convertible and preferred stocks. Established equity mutual funds may also be considered in the equity component. The investment purpose for equity securities is to provide high real total rates of return and to provide both long term capital appreciation and growth in current earnings that exceed the rate of inflation.

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d. ~~Each equity manager should stay fully invested in equities. In general, cash or cash equivalents should not exceed 5% of the market value of each equity portfolio.~~

e. ~~Alternative Asset Class. This component of investments will be considered on an individual investment basis. The purpose of this asset class is to provide diversification of the portfolio through high real total rates of return, long term capital appreciation, and growth in earnings exceeding the rate of inflation at a lower overall risk to the portfolio as a whole. Each investment will be approved by the Board of Regents upon the recommendation of the Investment Advisory Committee. In addition, each investment in this class must have a due diligence report on file prior to the investment.~~

f. ~~Real Estate. This component may include both Real Estate Investment Trusts (REITS) and direct investments in real estate. These investments should provide high real total rates of return, long term capital appreciation, and growth in current earnings that exceed the rate of inflation.~~

g. ~~In the event of severe economic/market conditions or strong liquidity needs, the investment managers may elect to establish a portfolio with a significant amount of cash. Any such decision arising from economic/market conditions must be explained in writing to the TTU system within 10 working days.~~

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- ~~h. Not more than 5% of the equity stock of any one corporation may be owned by the LTIF.~~
- ~~i. At the time of purchase, no more than 10% of each manager's portfolio at market value may be invested in any one security, with the exception of securities issued by the United States government or its agencies.~~
- ~~j. No more than 25% of the market value of each investment manager's portfolio may be invested in any one industry without prior approval by the board.~~
- ~~k. Not more than \$500,000 of an investment manager's portfolio may be invested in commercial paper of any one issuer. The credit quality of any commercial paper investment must be A-1/P-1.~~
- ~~l. Not more than \$100,000 of an investment manager's portfolio may be invested in bank certificates of deposit of any single issuer.~~
- ~~m. The fixed earnings investment component shall include marketable domestic and international government/government agency and corporate obligations. The fixed earnings portfolio must have an overall weighted average credit rating of "A" or better by Moody's and/or S & P's rating services. In addition,~~

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~~no more than 10% of the portfolio may be invested in bonds rated below investment grade "BBB/Baa."~~

~~n. Investment grade bonds issued by foreign corporations or governments shall be eligible investments. Not more than 10% of the fixed earnings portfolio shall be invested in foreign securities.~~

~~o. The use of established bond mutual funds may also be considered. The investment purpose for fixed earnings securities is to provide a hedge against deflation or stock market downturns, to provide a high level of current earnings, to provide a stable source of revenue and to provide diversification of endowment assets.~~

~~p. The manager guidelines, exclusions and prohibited activities stated in Sections 09.02.12 and 09.02.13, *Regents' Rules*, apply to investments in non-mutual and non-pooled funds, where the investment manager is able to construct a separate, discretionary account on behalf of the LTIF. Although policy cannot be dictated to pooled/mutual fund investment managers, the board's intent is to select and retain only pooled/mutual funds with policies that are similar to this policy statement. All managers should achieve the performance objectives of this policy.~~

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~~09.02.12 Investment manager guidelines.~~

- ~~a. Each investment manager must satisfy the performance objectives and asset allocation guidelines.~~
- ~~b. Each investment manager shall have the full investment discretion with regard to market timing and security selection, consistent with this policy.~~
- ~~c. Each investment manager shall handle the voting of proxies and tendering of shares in a manner that is in the best interest of the LTIF and consistent with the investment objectives contained herein.~~
- ~~d. All purchases and sales transactions shall be conducted to obtain the best net execution.~~
- ~~e. Specific guidelines may be established with each individual outside equity investment manager.~~

~~09.02.13 Exclusions and prohibited activities.~~

- ~~a. In addition to the limitations discussed above, the following activities are not authorized by the board:~~
 - ~~(1) Domestic Equity Managers;~~

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~~(2) the purchase of unregistered or restricted stock; and~~

~~(3) activities that are prohibited by limitations imposed by
state law.~~

~~09.02.14 Investment managers.~~

~~a. The LTIF will be managed primarily by external investment
management organizations. Each manager will be provided
with a copy of this policy statement. Investment managers
will be delegated with the discretion to manage the assigned
assets to best achieve the goal and objectives of the LTIF. In
addition, the manager will be informed of the expected spend-
ing pay-outs necessary for distribution to endowment recipi-
ents and the comparative benchmarks that will be used to
evaluate performance.~~

~~b. The selection of investment managers shall be approved by the
board. When necessary and appropriate during the interim be-
tween board meetings, the selection of investment managers
may be approved as follows:~~

~~(1) The IAC may recommend to the board that an investment
manager be hired on an immediate basis.~~

~~(2) Upon such a recommendation by the IAC, the board
delegates its approval authority for the hiring of the rec-~~

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~~ommended manager to the chair, the chair of the Finance and Administration Committee, and the chair of the IAC, subject to the provisions of Subdivisions (3) and (4), herein.~~

~~(3) In the exercise of this delegation of approval authority, standard actions regarding legal and due diligence review shall be conducted.~~

~~(4) Investment managers hired under this delegation of authority will be reported as an Information item at the next board meeting.~~

~~c. Investment managers, members of the IAC, and advisors will disclose any relationship that might diminish the advisors' or managers' independence of judgment in their performance of the responsibilities to the university, utilizing the following Codes of Standards:~~

~~(1) Disclosure of conflicts. Managers, advisors, members of the IAC, and potential managers must make full and fair disclosure of all matters that could reasonably be expected to impair their independence and objectivity or interfere with their respective duties to the TTU system;~~

~~(2) Managers, advisors, members of the IAC, and potential managers must, on an annual basis, ensure that such dis-~~

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~~closures are prominently set forth, are delivered in plain language, and communicate the relevant information effectively using the Texas State Auditor's Office Uniform Disclosure Form; and~~

- ~~(3) Managers, advisors, members of the IAC, and potential managers will abide by the standards of conduct contained in Section 09.02.15, *Regents' Rules*.~~

~~09.02.15 Standards of conduct for investment managers and advisors.~~

~~a. Code of Ethics. Investment managers and advisors employed by the TTU system shall:~~

- ~~(1) Act with integrity, competence, diligence, respect, and in an ethical manner with the public, clients, prospective clients, employers, employees, and colleagues in the investment profession and other participants in the global capital markets;~~
- ~~(2) Place the interest of clients, the interest of their employer, and the integrity of the investment profession above their own personal interest;~~
- ~~(3) Use reasonable care and exercise independent professional judgment when conducting investment analysis,~~

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~~making investment recommendations, taking investment actions, or engaging in other professional activities;~~

~~(4) Practice, and encourage others to practice, in a professional and ethical manner that will reflect credit on themselves and the profession;~~

~~(5) Promote the integrity of and uphold the rules governing global capital markets; and~~

~~(6) Maintain and improve their professional competence.~~

~~b. Standards of professional conduct:~~

~~(1) Knowledge of the law. Investment managers and advisors must understand and comply with all applicable laws, rules, and regulations of any government agency, regulatory organization, licensing agency, or professional association governing their professional activities. Investment managers and advisors must not knowingly participate or assist in any violation of such laws, rules, or regulations.~~

~~(2) Independence and objectivity. Investment managers and advisors must use reasonable care and judgment to achieve and maintain independence and objectivity in their professional activities. Investment managers and~~

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~~advisors must not offer, solicit, or accept and gift, benefit, compensation, or consideration that could be reasonably expected to compromise their own or another's independence and objectivity.~~

~~(3) Misrepresentation. Investment managers and advisors must not knowingly make any statement that misrepresents facts relating to investment analysis, recommendations, actions, or other professional activities.~~

~~(4) Misconduct. Investment managers and advisors must not engage in any conduct involving dishonesty, fraud, deceit, or commit any act that reflects adversely on their integrity, trustworthiness, or professional competence.~~

~~c. Investment analysis and recommendation. Investment managers and advisors shall:~~

~~(1) Exercise diligence, independence, and thoroughness in conducting investment analysis, making investment recommendations, and taking investment actions; and~~

~~(2) Have a reasonable and adequate basis, supported by appropriate research and investigation, for any investment analysis, recommendation, and action.~~

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d. ~~Disclosure and conflicts of interest:~~

(1) ~~Managers, advisors, and potential managers must make full and fair disclosure of all matters that could reasonably be expected to impair their independence and objectivity or interfere with their respective duties to the Texas Tech University System; and~~

(2) ~~Managers, advisors, and potential managers are investing public funds and are subject to the Texas Open Records Act.~~

e. ~~The above standards of conduct are derived from the Association for Investment Management and Research code of ethics and standards of professional conduct.~~

09.02.16 ~~Conflict of interest on investments; restrictions on investments.~~

~~The TTU system will not invest in any investment that creates a perceived conflict of interest between the investment and a member of the board, a member of the IAC, or an employee of the TTU system. A perceived conflict of interest exists when any of the following outside activities exist for either the member or TTUS employee, or the member's or TTUS employee's spouse or dependent children, with regards to the firm or partnership by:~~

a. ~~Investing in the firm or partnership where there exists a significant financial interest, as defined either by holding 5% or~~

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~~more of the stock, assets or other interests, or by investing 10%
or more of the member's or TTUS employee's net assets;~~

~~b. Acting as an employee, officer, director, partner, consultant,
representative, agent, auditor, or advisor; or~~

~~c. Engaging in any activity that could create the appearance of a
conflict of interest, and thereby impair the reputation of the
TTU system for impartiality and fair dealing.~~

~~Such restrictions on investments shall continue to apply for one
year after the departure of a member of the board, a member of the
IAC, or a TTUS employee from that person's office or position with
the TTU system.~~

~~In no case shall the TTU system invest in the same private entity in
which a member of the board or the IAC has a private investment.~~

~~09.02.17 Communications and reporting. The investment managers are re-
sponsible for frequent and open communication to the TTU system
administration on all significant matters pertaining to the invest-
ment policies and the management of the LTIF assets. These re-
porting responsibilities include:~~

~~a. communicating major changes in the investment managers'
investment outlook, strategy, and portfolio structure;~~

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- ~~b. communicating significant changes in the ownership, organizational structure, financial condition, or personnel staffing;~~
- ~~c. communicating, on a monthly basis, all investment activities during the preceding month—providing valuation reports of the month-end portfolio holdings;~~
- ~~d. communicating, on a quarterly basis, the performance of investment managers' activities;~~
- ~~e. meeting at least semi-annually, to discuss the managers' performance, investment outlook, investment strategy and portfolio re-balancing strategies; and~~
- ~~f. presenting at the beginning of each fiscal year, a report of the LTIF's investment activities for the preceding year together with a summary of each investment manager's performance.~~

~~09.02.18 Internal management reports. Not less than quarterly, the chief financial officer shall submit to the chair of the Finance and Administration Committee, the chancellor, and the presidents of the component institutions a written report of the status of the investments portfolio. The report shall:~~

- ~~a. Provide an inventory of the investments of the LTIF; and~~

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~~b. Contain a summary of:~~

~~(1) asset balances, at book value, by asset class;~~

~~(2) asset balances, at market value, by asset class;~~

~~(3) performance measures;~~

~~(4) benchmarks; and~~

~~(5) beginning and ending market values for the quarter,
with additions and changes.~~

~~09.02.19 Management fee.~~

~~a. The TTU system will assess and retain an investment management fee at the annual rate of up to 0.5% of the average market value of the LTIF for those entities utilizing the services of the TTUSA Office of Institutional Advancement or Angelo State University Development Office. For all other entities, the annual rate will be 0.20% of the average market value of the LTIF. The fee shall be calculated in the same manner as spendable income and will be recorded quarterly.~~

~~b. The fee shall be used to offset the costs of managing long-term investments and to offset a portion of the costs of fundraising for those entities utilizing the services of the TTUSA Office of~~

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~~Institutional Advancement or Angelo State University Development Office.~~

~~e. The management fee rate shall be reviewed annually, with any recommended changes submitted to the board for approval.]~~

09.04 Proxy voting.

09.04.1 Responsibility for the exercise of ownership rights through proxy solicitations shall rest solely with the investment managers, who shall exercise this responsibility strictly for the economic benefits of the SITIF and/or LTIF. Investment managers shall annually report to the CIO standing policies with respect to proxy voting, including any changes that have occurred in those policies.

09.04.2 Additionally, investment managers shall provide a written annual report of the proxy votes for all shares of stock in companies held in the SITIF and/or LTIF investment program. These reports shall specifically note and explain any instances where proxies were not voted in accordance with standing policy.

09.05 Directed commissions. Investment managers shall use their best efforts to ensure that portfolio transactions are placed on a "best execution" basis. Additionally, arrangements to direct commissions should only be implemented by specific authorization of the CIO.

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09.06 **Commingled funds.** The board, in recognition of the benefits of commingled funds as investment vehicles (i.e., the ability to diversify more extensively than in a small, direct investment account and the lower costs that can be associated with these funds) may elect to invest in such commingled funds from time to time. The board recognizes that it cannot give specific policy directives to a commingled fund with pre-established policies; therefore, the board is relying on the CIO and the IAC to assess and monitor the investment policies of any commingled funds used by the TTU system.

09.07 [09.03] **Mineral leases.** It is the intent of the board to lease oil, gas, sulfur, ore, water, and other mineral interests of the TTU system for development whenever there is a demand that will reasonably ensure that they may be leased advantageously and it is in the best interest of the TTU system. All leases will be executed in accordance with the applicable laws and with rules and regulations adopted by the board that are not inconsistent with the provisions of law. The reason for leasing minerals is to obtain additional income to be used by the board for the administration of the TTU system, for payment of principal of and interest on revenue bonds and notes issued by the board, and for any other purpose that in the judgment of the board may be for the good of the TTU system.

09.07.1 [09.03.1] Lands under exclusive control of the board and owned by the state of Texas.

- a. Leases will be negotiated with prospective lessees to obtain their best offer above the minimum outlined in Section

[09.03.1.e] 09.07.1.c, *Regents' Rules*.

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- b. Leases normally will be for oil and gas production only. Separate leases will be required for other mineral production, whether strip-mined or not.
- c. The board may not sell a lease for less than the royalty and rental terms demanded at that time by the General Land Office of the State of Texas in connection with the sale of oil, gas, and other mineral leases of the public lands of this state. In addition, no bid or proposal shall be accepted that offers a royalty of less than one-quarter of production, a primary term greater than five years or a delay rental of less than \$5 per acre per year.
- d. No state lands shall be sold unless the mineral rights are retained by the state, unless impractical.
- e. Use of TTU system standardized oil and gas lease or oil and gas and mineral lease forms will be required for all leases.
- f. Use of TTU system standardized division order forms will be required for all division orders.

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09.07.2 [~~09.03.2~~] Mineral and royalty interests derived from trusts and gifts.

- a. Leases will be negotiated with prospective lessees to obtain their best offer above the minimums outlined in Section [~~09.03.2.c~~] 09.07.2.c, *Regents' Rules*.
- b. Leases will normally be for oil and gas production only. Separate leases will be required for other mineral production, whether strip-mined or not.
- c. No proposal shall be accepted that offers a royalty of less than one-quarter of production, a primary term of more than five years or a delay rental of less than \$5 per year per mineral acre, beginning with the second year of the lease.
- d. Use of TTU system standardized oil and gas lease or oil and gas and mineral lease forms will be required for all leases.
- e. Use of TTU system standardized division order forms will be required for all division orders.

09.07.3 [~~09.03.3~~] Approval. All leases and other documents relating to leasing will be approved by the Finance and Administration Committee [~~7~~] and by the board as a ratification item, and then be signed by the chancellor.

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Texas Tech University System

INVESTMENT POLICY STATEMENT

Short/Intermediate Term Investment Fund

Section 1 Introduction.

This policy statement shall guide the investment of the subset of institutional funds known as the Short/Intermediate Term Investment Fund ("SITIF") of the Texas Tech University System ("TTU system"). The SITIF is the principal cash fund of the TTU system. Balances in individual accounting funds are to be maintained as cash available for withdrawal without prior notice. All institutional funds not invested in the Long Term Investment Fund ("LTIF") will be invested in accordance with this policy statement.

Section 2 Investment Objectives.

The investment of funds for the SITIF shall provide incremental return to assist in meeting the operating needs of the TTU system. The SITIF shall employ a total return philosophy. Under such a concept, realized gains and losses will be recorded.

2.1 Investment objectives of the SITIF.

- a. The investment of funds shall consider asset diversification, total return, suitability, and the experience, quality and capability of investment personnel. It will be governed by the following investment objectives, in the following order of priority:
 - (1) preservation and safety of principal;
 - (2) liquidity; and
 - (3) yield.
- b. In determining whether the objectives in Section 2.1.a have been met, the following shall be taken into consideration:

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- (1) The investment of all funds rather than a consideration as to the prudence of a single investment; and
- (2) Whether the investment decision was consistent with this written policy.

2.2 Asset allocation

- a. Asset allocation ranges, limitations and benchmarks:

Investment Type	Target Range	Min	Max	Benchmark
Cash Instruments	15% - 20%	15%	None	90-day U.S. T-Bill
U.S. Government Agency Securities	15% - 40%	15%	85%	Barclays 1-5 Year Government Index
Fixed Income Securities	25% - 35%	0%	35%	Barclays Intermediate Credit Index
Fixed Income Mutual Funds	25% - 35%	0%	35%	Barclays Aggregate Bond Index

- b. Asset allocation is the primary determinant of investment performance and, subject to the ranges specified herein, is the responsibility of the Chief Investment Officer of the TTU system ("CIO"). Changes to the asset allocation ranges and limitations are the responsibility of the Board of Regents of the TTU system ("Board") and may be changed from time to time based on the economic and investment outlook.

- ## 2.3 Maturity limitations.
- Overall, the maximum weighted average maturity of the SITIF should be five years or less.

2.4 Rebalancing.

- a. It is the intent of the Board that the asset allocation for the SITIF remain within the target ranges and that the portfolio shall be rebalanced when the allocation deviates significantly from these ranges. Contributions to the SITIF should be applied to, and payments by the SITIF withdrawn from, asset classes in such a way so as to bring the asset allocation back toward its target ranges.

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- b. The minimum and maximum allocations should not be exceeded, except in unusual circumstances. Rebalancing may occur before these limits.

Section 3 Performance Objectives.

The SITIF will be comprised primarily of U.S. Treasury securities, collateralized bank accounts, money market mutual funds, U.S. Government Agency obligations, eligible fixed income securities, and fixed income mutual funds. Annual performance will be compared to the indices of comparable securities and duration.

3.1 Return objectives.

- a. The total return goal for each category of investments is expected to match or exceed the performance of the appropriate benchmark index. In addition, the performance of each investment manager will be evaluated against a comparable peer group and should rank above the median of that peer group over a rolling three-year period.
- b. Total return is defined as the sum of earned interest and dividends, realized and unrealized gains or losses, less all investment management costs.
- c. Investment managers will be reviewed on an on-going basis and evaluated based upon the following criteria:
 - (1) Adherence to the philosophy and style that was articulated at, or subsequent to, the time the investment manager was retained; and
 - (2) Continuity of personnel and practices at the firm.

Section 4 Authorized Investments.

The following categories of investments shall be authorized as indicated:

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4.1 Cash instruments.

- a. U.S. Treasury bills: no limitation on amount invested.
- b. Money-market mutual funds:
 - (1) A no-load money market mutual fund is an authorized investment if it:
 - (a) is regulated by the Securities and Exchange Commission (SEC);
 - (b) provides daily liquidity;
 - (c) includes in its investment objective the maintenance of a stable net asset value of \$1 for each share; and
 - (d) marks its portfolio to market daily and, to the extent reasonably possible, stabilizes at a \$1 net asset value.
 - (2) If the ratio of the market value of the no-load money market fund's portfolio divided by the book value of the portfolio is less than 0.995 or greater than 1.005, portfolio holdings shall be sold by the pool as necessary to maintain the ratio between 0.995 and 1.005. Further, the investment pool must be continuously rated no lower than AAA or equivalent by at least one nationally recognized rating service.
- c. Collateralized bank deposits.
 - (1) Deposits with a state or national bank domiciled in the State of Texas, provided:
 - (a) Such deposits are fully collateralized as required in the *Texas Education Code* and in accordance with the Public Funds Investment Act, as amended, except that surety bonds are not authorized as collateral. The pledged collateral shall be placed in a

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custodian bank or banks named by the TTU system. In no event will the custodian be affiliated with the depository bank.

- (b) Deposits must be guaranteed or insured by the Federal Deposit Insurance Corporation or its successor or be secured by eligible obligations, including mortgage backed securities directly issued by a federal agency or instrumentality that have a market value of not less than the principal amount of the deposits and/or certificates.
 - (2) On any given day, no depository bank shall have SITIF funds on deposit in an amount that exceeds any one of the following limits:
 - (a) 25% of the total funds available for investment by the TTU system;
or
 - (b) based upon the bank's latest regularly published statement of financial condition: 15% of its total deposits; or an amount equal to the sum of its capital, permanent surplus, retained earnings, and reserves.
 - (3) The limitations in Section 4.1.c of this policy statement shall not be construed to establish a commitment and/or guarantee on the part of the TTU system to deposit any particular amount in any one bank. The TTU system may develop additional institutional guidelines that may employ other criteria to establish limits on the total amount of deposits in any bank. Such guidelines, however, shall not allow the total deposits in any bank to exceed the limits otherwise established under this policy.
- d. Repurchase agreements.
- (1) For the purpose of this policy, a repurchase agreement is an investment transaction between an investor and a bank or securities dealer, in which the bank or dealer agrees to sell a particular instrument to the investor and

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simultaneously agrees to repurchase that investment at a certain date in the future at a market value of not less than the principal amount of the funds disbursed.

- (2) A fully collateralized repurchase agreement is an authorized investment if the repurchase agreement is secured by U.S. Government Securities and require the securities being purchased to be pledged to the TTU system and deposited at the time the investment is made with a third party selected and approved by TTU system. Repurchase agreements must be placed through a primary government securities dealer, as defined by the Federal Reserve, or a financial institution doing business in Texas.
- (3) There shall be no limitation on the amount invested, provided the vehicle is collateralized by U.S. government securities.
- (4) Reverse repurchase agreements are not permitted.

4.2 U.S. government obligations and agency securities.

a. Obligations of the United States or its agencies and instrumentalities:

- (1) maximum term: 7 years, at the time of purchase;
- (2) maximum single purchase: no limit; and
- (3) maximum aggregate position: no limit.

b. Collateralized Mortgage Obligations ("CMOs") directly issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States:

- (1) maximum term: 7 years weighted average life, at time of purchase;
- (2) maximum single purchase: 3% of portfolio;

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- (3) maximum aggregate position: not to exceed 20% of portfolio; and
 - (4) the purchase of any security in the CMO category is to be considered on an individual basis with emphasis on credit quality, marketability, liquidity, and legality.
- c. Mortgage-backed securities, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, the State of Texas, the United States, or their respective agencies and instrumentalities:
- (1) maximum weighted average life: 7 years, at time of purchase;
 - (2) maximum single purchase: 3% of portfolio; and
 - (3) maximum aggregate position: 20% of portfolio.

4.3 Fixed income securities.

- a. Certificates of deposit if issued by a state or national bank or a savings and loan association domiciled in the State of Texas shall have the following limitations:
- (1) maximum term: 7 years;
 - (2) maximum single purchase: 3% of portfolio;
 - (3) maximum aggregate position: same as bank deposits; and
 - (4) certificates of deposit must be collateralized in the same manner as bank deposits (as per Section 4.1.c).
- b. Corporate bonds and medium term notes:
- (1) rated investment grade by Standard & Poor's (BBB+ and above) or Moody's (Baa1 and above);

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- (2) maximum term: 5 years;
 - (3) maximum single purchase: 3% of portfolio; and
 - (4) maximum aggregate position: 15% of portfolio.
- c. Other Fixed Income Securities: Between meetings of the Board, if deemed advisable, investments in other fixed income securities not specifically authorized by this policy may be made if approved by the Chair of the Board, the Chair of the Board's Finance and Administration Committee, and the Chair of the Investment Advisory Committee (IAC).

4.4 Fixed income mutual funds. Fixed income mutual funds are domestic or global funds invested in a portfolio of high quality debt securities. Eligible investment pools are authorized investments under the following terms and conditions:

- a. To be considered an eligible investment pool, the investment pool must furnish an offering memorandum or other similar disclosure instrument that contains, at a minimum, the following information:
 - (1) the types of investments in which money is allowed to be invested, including the amount and type of investments in foreign securities;
 - (2) the maximum average dollar-weighted maturity allowed, based on the stated maturity date, of the pool;
 - (3) the maximum stated maturity date of any investment security within the portfolio;
 - (4) the objectives of the pool;
 - (5) the size of the pool;
 - (6) the custodian bank that will safe-keep the pool's assets;

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- (7) whether the only source of payment is the assets of the pool at market value or whether there is a secondary source of payment, such as insurance or guarantees, and a description of the secondary source of payment;
 - (8) the name and address of the independent auditor of the pool;
 - (9) the requirements to be satisfied for the TTU system to deposit funds in and withdraw funds from the pool and any deadlines or other operating policies required for the TTU system to invest funds in and withdraw funds from the pool; and
 - (10) the performance history of the pool, including yield, average dollar-weighted maturities, and expense ratios.
- b. To maintain eligibility, the investment pool must furnish the following:
- (1) confirmations on contributions and withdrawals; and
 - (2) a quarterly report that contains, at a minimum, the following:
 - (a) the types and percentage breakdown of securities in which the pool is invested;
 - (b) the current average dollar-weighted maturity of the pool, based on the stated maturity date;
 - (c) the current percentage of the pool's portfolio in investments that have stated maturities of more than one year;
 - (d) the book value versus the market value of the pool's portfolio, using amortized cost valuation;
 - (e) the size of the pool;

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- (f) summary of client type;
- (g) the custodian bank that is safekeeping the assets of the pool;
- (h) a listing of daily transaction activity of the TTU system;
- (i) the yield and expense ratio of the pool;
- (j) the portfolio managers of the pool; and
- (k) any changes or addenda to the offering memorandum.

Section 5 Securities Lending.

The SITIF may not participate in securities lending unless approved by the board.

Commingled funds are exempt from this restriction.

Section 6 Amendment of Investment Policy Statement.

The Board will review and, if necessary, update the SITIF investment policy statement on an annual basis.

Section 7 Effective Date.

This investment policy statement was approved by the Board on February __, 2010, and by the Texas Tech Foundation, Inc. on February __, 2010..

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Texas Tech University System
INVESTMENT POLICY STATEMENT
Long Term Investment Fund

Section 1 Introduction.

This policy statement shall guide the investment of endowment and long-term institutional funds of the Texas Tech University System ("TTU system" or "TTUS"). This policy statement is issued for the guidance of the Investment Advisory Committee ("IAC"), investment staff, and investment managers. This policy statement is intended to set forth an appropriate set of goals and objectives for the Long Term Investment Fund ("LTIF") and to define guidelines within which the investment managers may formulate and execute their investment decisions.

Section 2 Endowment Funds.

Endowment funds are funds given to the TTU system with a donor-imposed restriction that the corpus is not to be expended but is to be invested for the purpose of producing earnings. Endowment funds may also include: term endowment funds for which the donor stipulates that the principal may be expended after a stated period or upon the occurrence of a certain event; and funds functioning as endowments (quasi-endowments). A quasi-endowment fund is a fund established by the Board of Regents of the TTU system ("Board") to function like an endowment fund, but which may be totally expended at any time at the discretion of the Board.

Section 3 Funds Functioning as Endowments.

The Board delegates to the Chancellor, or the Chancellor's designee, the authority to establish a quasi-endowment fund when such a fund totals less than \$250,000.

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Section 4 Investment of Non-Endowment Institutional Funds in the LTIF.

Institutional funds are defined in Section 51.002, *Texas Education Code*, as amended or modified. In this policy statement, long-term institutional funds are all non-endowment institutional funds approved by the Board, for investment purposes, for inclusion in the LTIF.

Section 5 Fiduciary Responsibility.

The Board recognizes its fiduciary responsibility to comply with the restrictions imposed by the donors of endowment funds. The Board acknowledges its legal responsibility to ensure that the management of endowment and other institutional funds is in compliance with state law, including the Uniform Prudent Management of Institutional Funds Act ("UPMIFA"), as per Section 163, *Texas Property Code*, as amended or modified.

Section 6 Management Procedures.

- 6.1 No endowment or other institutional fund shall be considered for management under this policy unless it is under the sole control of the Board, with full discretion as to investment of principal and expenditure of funds eligible for distribution. Although certain assets of the Texas Tech Foundation, Inc. ("Foundation") are invested in the LTIF, the Foundation's Board of Directors and its officers are legally responsible for the management and control of those assets. The Vice Chancellor for Institutional Advancement shall ensure there are no donor-imposed restrictions preventing the use of the LTIF. Funds excluded from consideration under this policy statement will be invested in the Short/Intermediate Term Investment Fund ("SITIF"), or, if instructed by the donor and approved by the Board, will be managed and safeguarded in their original form.
- 6.2 The LTIF is the TTU system's commingled endowment/institutional fund. The LTIF shall be unitized and each new endowment gift added to the fund shall receive units in the fund based upon the market value of the gift and the Net Asset Value ("NAV") of the fund at the latest month-end preceding the date the gift is added to the fund.

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The NAV will be calculated as the month-end market value of the LTIF divided by the number of outstanding units in the LTIF. Earnings determined under the policy statement's spending policy shall be calculated on a unit basis for distribution purposes.

- 6.3 Professional services (investment managers and advisors) deemed appropriate for the management and investment of the fund may be retained. All investment managers and advisors who are required to be registered under the Investment Advisors Act of 1940 shall provide the most recent Form ADV filed with the Securities and Exchange Commission ("SEC").

Section 7 Long-term Institutional Funds Authorized Withdrawal.

Upon the approval of the Chief Financial Officer and the appropriate Chief Fiscal Officer of the TTU system, long-term institutional funds may be withdrawn from their investment in the LTIF. This withdrawal/reallocation will be made one year from the date of approval by the Chief Financial Officer. The dollar amount of the withdrawal will equal the number of units withdrawn times the NAV as of the end of the most recent valuation of the LTIF. Because of changes in the NAV from the time of initial deposit, the dollar amount of withdrawal may be more or less than the original investment.

Section 8 Administration and Management of the LTIF.

- 8.1 The Board, IAC, and institutional personnel of the TTU system shall exercise ordinary business care and prudence under the facts and circumstances prevailing at the time of the action or decision. In managing and investing the LTIF, the Board, IAC, and institutional personnel shall consider:
- a. general economic conditions;
 - b. the possible effect of inflation or deflation;
 - c. the expected tax consequences, if any, of investment decisions or strategies;

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- d. the role that each investment or course of action plays within the overall investment portfolio of the fund;
 - e. the expected return based on levels of liquidity and investment risk that are prudent and reasonable under present circumstances, and such circumstances may change over time;
 - f. the expected total return from income and appreciation of investments;
 - g. other resources of the TTU system;
 - h. the needs of the TTU system and the fund to make distributions and to preserve capital; and
 - i. an asset's special relationship or special value, if any, to the charitable purposes of the institution.
- 8.2 Management and investment decisions about an individual asset must be made not in isolation but rather in the context of the fund's portfolio of investments as a whole and as part of an overall investment strategy having risk and return objectives reasonably suited to the fund and to the TTU system.

Section 9 Spending Policy.

- 9.1 The Board recognizes the need for distributions to the beneficiaries of the endowment and long-term institutional funds under its control. The following spending policy reflects an objective to distribute as much total return as is consistent with overall investment objectives defined herein while protecting the inflation-adjusted value of the principal. The following factors are considered in the spending policy:
- a. the duration and preservation of the LTIF;
 - b. the purposes of the TTU system and the LTIF;

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- c. general economic conditions;
 - d. the possible effect of inflation or deflation;
 - e. the expected total return from income and the appreciation of investments;
 - f. other resources of the TTU system; and
 - g. the overall investment policy.
- 9.2 The distribution of spendable earnings to each unit of the LTIF shall not exceed 6% nor be less than 4% of the average NAV of the LTIF for the 12 quarters just ended. Distribution shall be made quarterly, as soon as practicable after the last calendar day of November, February, May, and August.
- 9.3 The target annual distribution rate shall be reviewed annually by the Board.

Section 10 Statement of Goals and Objectives.

The multiple investment goals and objectives are outlined as follows:

- 10.1 The financial goal for management of endowment and long-term institutional funds is to preserve the real (inflation-adjusted) purchasing power of principal and earnings after accounting for endowment spending, inflation, and costs of investment management. Performance of the LTIF against this objective is to be measured over rolling three-year periods.
- 10.2 The total return goal for the LTIF is to exceed the Consumer Price Index plus 5% and exceed the total return of a passive benchmark portfolio, which reflects the strategic target asset allocation of the LTIF. These objectives shall be measured over rolling three-year periods.

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- 10.3 The total return goal for each investment manager is to exceed the total return of its respective benchmark, as defined by the Chief Investment Officer of the TTU system ("CIO") and the IAC.
- 10.4 Each investment manager will be evaluated versus a peer group/manager universe, as defined by the CIO and the IAC, and should rank above the median, on a risk-adjusted basis, over a moving three-year period of investment managers with a similar investment style.

Section 11 Asset Allocation.

- 11.1 Determination and implementation of asset allocation.
- a. Asset allocation is the primary driver of the volatility of investment return. To achieve the goal and objectives of the LTIF, the fund's assets may be invested in the categories listed in Schedule A of this policy statement ("Schedule A"). The LTIF shall be diversified both by asset class and, within asset classes, by economic sector, industry, global region, and market capitalization (size). The purpose of diversification is to limit the risk associated with any single security or class of securities. Any changes to the ranges for each asset class must be approved in advance by the Board, and Schedule A shall be revised accordingly..
 - b. Based on recommendations from the IAC, the CIO is responsible for implementing the asset allocation and is authorized to set actual target weights for each asset class, subject to the approved ranges. Prior to any change to the target weights, the CIO shall provide notice of the proposed changes to the Chair of the Board, the Chair of the Board's Finance and Administration Committee, and the Chair of the IAC. Furthermore, any changes to the target weights shall be reported as an Information Agenda item at the next Board meeting.

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11.2 Monitoring and rebalancing of asset allocation.

- a. The asset allocation shall be monitored on an ongoing basis and rebalanced as needed. The lower and upper bounds on the ranges should not be exceeded, except in unusual circumstances. However, rebalancing may occur before reaching those limits.
- b. The CIO, with the concurrence of the IAC, may occasionally allow over- or under-weighting of certain asset classes due to market conditions that result in such variances or which might be due to the “denominator effect” that causes the policy ranges to be violated. This especially could be the case with certain illiquid asset classes, such as alternative investments, that could have portfolio weights outside the policy range for an indefinite period of time..
- c. Any variance from the asset allocation ranges (whether by tactical decision or as a result of market conditions or for other reasons) shall be promptly reported to the Chair of the Board, the Chair of the Board’s Finance and Administration Committee, and the Chair of the IAC.
- d. The CIO has the authority to rebalance between existing investment accounts and/or commingled funds in amounts less than or equal to 5% of the account balance. Any rebalancing activity in amounts greater than this threshold shall be implemented based on recommendations from the IAC. The CIO will consider transaction costs and the illiquidity of some asset classes when making the rebalance decision. Given the volatility of the capital markets, constant minor adjustments will be avoided to reduce excessive turnover and transaction costs.

Section 12 Investment Manager Guidelines.

Investment manager guidelines for the LTIF apply to investments in non-mutual and non-pooled funds, where the investment manager is able to construct a separate, discretionary account on behalf of the LTIF. Although policy cannot be dictated to pooled/mutual fund

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investment managers, the Board's intent is to select and retain only pooled/mutual funds with policies that are similar to this policy statement. In addition:

- 12.1 Specific guidelines may be established with each individual outside investment manager.
- 12.2 Each investment manager must agree to the performance objectives and asset allocation guidelines.
- 12.3 Each investment manager shall have the full investment discretion with regard to security selection, consistent with this policy.
- 12.4 Each investment manager shall handle the voting of proxies and tendering of shares in a manner that is in the best interest of the LTIF and consistent with the investment objectives contained herein.
- 12.5 All purchases and sales transactions shall be conducted to obtain the best net execution.
- 12.6 At the time of purchase, no more than 10% of each long-only investment manager's portfolio at market value may be invested in any one security, with the exception of securities issued by the United States government or its agencies.

Section 13 Investment Manager Selection and Termination.

- 13.1 The LTIF will be managed primarily by external investment management organizations. Each manager will be provided with a copy of this policy statement. Investment managers will be delegated with the discretion to manage the assigned assets to best achieve the goal and objectives of the LTIF. In addition, the manager will be informed of the expected spending pay-outs necessary for distribution to endowment recipients and the comparative benchmarks that will be used to evaluate performance.

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- 13.2 The CIO, based on recommendations from the IAC, is authorized to hire and terminate external investment managers.
- a. In the exercise of this delegation of authority, standard actions regarding legal and due diligence review shall be conducted.
 - b. Investment managers hired under this delegation of authority will be reported as an Information Agenda item at the next Board meeting.
- 13.3 Investment manager termination. In most cases any action to terminate an investment manager should be taken by the CIO upon the recommendation of the IAC. If the CIO determines that immediate or emergency action is necessary to protect the assets of the LTIF, the CIO, with concurrence from the Chair of the IAC, may terminate the agreement with the investment manager. If the Chair of the IAC is unavailable, the CIO may terminate the agreement with the investment manager. The CIO shall promptly report such termination to the Chair of the Board, the Chair of the Board's Finance and Administration Committee, and the Chair of the IAC, along with an explanation of the circumstances that resulted in such action. Such termination also will be reported as an Information Agenda item at the next Board meeting.

Section 14 Standards of Conduct for Investment Managers and Advisors.

The following standards of conduct for investment managers and advisors are derived from the *CFA Institute Code of Ethics and Standards of Professional Conduct* and include:

- 14.1 Code of ethics. Investment managers and advisors employed by the TTU system shall:
- a. act with integrity, competence, diligence, respect, and in an ethical manner with the public, clients, prospective clients, employers, employees, and colleagues in the investment profession and other participants in the global capital markets;

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- b. place the interest of clients, the interest of their employer, and the integrity of the investment profession above their own personal interest;
- c. use reasonable care and exercise independent professional judgment when conducting investment analysis, making investment recommendations, taking investment actions, or engaging in other professional activities;
- d. practice, and encourage others to practice, in a professional and ethical manner that will reflect credit on themselves and the profession;
- e. promote the integrity of and uphold the rules governing global capital markets; and
- f. maintain and improve their professional competence.

14.2 Standards of professional conduct:

- a. Knowledge of the law. Investment managers and advisors must understand and comply with all applicable laws, rules, and regulations of any government agency, regulatory organization, licensing agency, or professional association governing their professional activities. Investment managers and advisors must not knowingly participate or assist in any violation of such laws, rules, or regulations.
- b. Independence and objectivity. Investment managers and advisors must use reasonable care and judgment to achieve and maintain independence and objectivity in their professional activities. Investment managers and advisors must not offer, solicit, or accept any gift, benefit, compensation, or consideration that could be reasonably expected to compromise their own or another's independence and objectivity.
- c. Misrepresentation. Investment managers and advisors must not knowingly make any statement that misrepresents facts relating to investment analysis, recommendations, actions, or other professional activities.

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- d. Misconduct. Investment managers and advisors must not engage in any conduct involving dishonesty, fraud, deceit, or commit any act that reflects adversely on their integrity, trustworthiness, or professional competence.

14.3 Investment analysis and recommendations. Investment managers and advisors shall:

- a. exercise diligence, independence, and thoroughness in conducting investment analysis, making investment recommendations, and taking investment actions; and
- b. have a reasonable and adequate basis, supported by appropriate research and investigation, for any investment analysis, recommendation, and action.

14.4 Disclosure and conflicts of interest:

- a. Managers, advisors, and potential managers must make full and fair disclosure of all matters that could reasonably be expected to impair their independence and objectivity or interfere with their respective duties to the TTU system.
- b. Managers and advisors must, on an annual basis, ensure that such disclosures are prominently set forth, are delivered in plain language, and communicate the relevant information using the Texas State Auditor's Uniform Disclosure Form.
- c. Managers, advisors, and potential managers are investing public funds and are subject to the Texas Open Records Act.

Section 15 Conflicts of Interest on Investments and Restrictions on Investments for Board Members, IAC Members, and Employees of the TTUS Office of Investments.

15.1 Introduction.

- a. It is the policy of TTU system that members of the Board, members of the IAC, and employees of the TTUS Office of Investments with authority over the

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selection of investments or investment managers (currently to include the CIO and the Investments Manager, hereinafter "TTUS OI employees") shall act in a manner consistent with their responsibilities to the TTU system and avoid circumstances in which their financial or other ties to outside persons or entities could present an actual, potential, or apparent conflict of interest or impair the reputation of the TTU system.

- b. Board members, IAC members, and TTUS OI employees should avoid any actions or situations that might result in or create the appearance of using their association with the TTU system for private gain, according unwarranted preferential treatment to any outside individual or organization, losing independence or impartiality, or adversely affecting the reputation of or public confidence in the integrity of the TTU system. Toward this end, it is the responsibility of each Board member, IAC member, and TTUS OI employee to ensure that the system is made aware of situations that involve personal, familial, or business relationships that could jeopardize the reputation of or public confidence in the TTU system by complying with this policy and making all disclosures and certifications as set forth herein.

15.2 Conflict of interest. A conflict of interest arises when the TTU system has or is considering a transaction or other business relationship with a Board member, an IAC member, a TTUS OI employee, or a family member of one of these individuals (defined to include a spouse and any dependent relatives or household members). For this reason, any transaction or other business relationship between the TTU system and a Board member, an IAC member, a TTUS OI employee, or any family member of one of these individuals is prohibited.

15.3 Presumed conflict of interest.

- a. A conflict of interest is presumed to arise when the TTU system has or is considering an investment in an outside business entity in which a Board member, an IAC member, a TTUS OI employee, or a family member of any of

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these individuals has a material financial interest. A financial interest is presumed to be material if it entails:

- (1) any ownership or investment interest in a business entity (including stock, options, a partnership interest, or any other ownership or investment interest) valued at more than \$10,000, except equity in a publicly traded company amounting to less than 10% ownership interest in the company;
 - (2) receipt of non-dividend compensation (including salary, consulting fees, royalty payments, or other remuneration) of more than \$10,000 in any 12-month period in the past three years, or the expectation of such compensation in the future;
 - (3) any ownership interest in real property, personal property, intellectual property or any other interest valued at \$10,000 or more;
 - (4) a position of real or apparent authority in an outside entity such as director, officer, trustee, partner, agent, controlling share holder, share holder with more than 10% voting interest, or a direct or indirect participating interest in any shares, stock or otherwise, regardless of whether voting rights are included, in more than 10% of the profits, proceeds or capital gains of the entity involved; or
 - (5) any position as an employee of the entity involved.
- b. A Board member, an IAC member, or a TTUS OI employee is not deemed to have a material financial interest in a publicly traded entity by reason of an investment in that entity by another publicly traded entity, such as through a mutual fund, of which the Board member does not control investment decisions.

15.4 Determination of a conflict of interest. In a situation where a Board member, IAC member, or TTUS OI employee has a presumed conflict of interest but contends that

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there is no actual conflict of interest, the Chief Financial Officer shall make the determination of whether there is an actual conflict of interest and shall advise all involved parties of the determination.

15.5 Restriction on parallel investments.

- a. A conflict of interest also may arise when a Board member, an IAC member, a TTUS OI employee, or a family member of any of these individuals has or is considering an investment in a business entity, including a fund or partnership, that may or may not be publicly traded and in which the TTU system has or is considering an investment. Such parallel investments may create at least an appearance that the Board member, IAC member, or TTUS OI employee is benefiting from the TTU system's participation in the business entity. When these individuals have any financial interest in any such business entity in which the individual otherwise knows the TTU system has or is considering an investment, these individuals should promptly disclose to the Chief Financial Officer as follows: in the case of a publicly traded business entity, any material financial interest; or in the case of a privately held or traded business entity, any financial interest. The individual should not participate in any decisions whatsoever regarding such investment by the TTU system.
- b. Privately held or traded business entity. In order to avoid the perception of a conflict of interest between the TTU system and any Board member, IAC member, or TTUS OI employee, the TTU system shall not invest in any privately held or traded business entity in which any of these individuals, or a family member has any financial interest. Likewise, these individuals shall not invest in a privately held or traded business entity in which the TTU system has a financial interest. Such restrictions on investments shall continue to apply for one year after the departure of the Board member from the Board, the IAC member from the IAC, or the TTUS OI employee from the TTU system.

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15.6 Certification that no conflict exists on transactions with privately held entities.

- a. Prior to the TTU system entering into a private investment transaction, each Board member, IAC member and TTUS OI employee must certify in writing, or by electronic submission, that he or she does not have any financial interest in the entity being invested in and is not aware of any conflict of interest in connection with the proposed investment.
- b. In the instance where a conflict exists, the Board member, IAC member and TTUS OI employee must certify in writing, or by electronic submission, that he or she has not been involved in any decision regarding the proposed investment.

15.7 Annual requirements.

- a. Each IAC member annually shall:
 - (1) review this policy on conflicts of interest and restrictions on investments;
 - (2) acknowledge by his or her signature that he or she has read and understood the policy and is and has been in full compliance with the letter and spirit of this policy;
 - (3) disclose all publicly traded entities in which an IAC member, or the family members of an IAC member, has an ownership interest of 10% or more;
 - (4) disclose all employer-employee relationships of the IAC member and the family members of the IAC member; and
 - (5) disclose any position as a director or officer of a publicly traded company.
- b. All Board members and TTUS OI employees annually shall:

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- (1) review this policy on conflicts of interest and restrictions on investments;
 - (2) acknowledge by his or her signature that he or she has read and understood the policy and is and has been in full compliance with the letter and spirit of this policy; and
 - (3) in the case of members of the Board, file financial disclosures as required by Section 3.03.4, *Regents' Rules*; or
 - (4) in the case of TTUS OI employees, file the disclosure statement as required by TTU OP ____.
- c. All disclosures required under this section shall be filed with the office of the Chief Financial Officer.

Section 16 Communications and Reporting.

- 16.1 The investment managers are responsible for frequent and open communication to the TTU system administration on all significant matters pertaining to the investment policies and the management of the LTIF assets.
- 16.2 The reporting responsibilities include:
- a. communicating major changes in the investment managers' investment outlook, strategy, and portfolio structure;
 - b. communicating significant changes in the ownership, organizational structure, financial condition, or personnel staffing;
 - c. communicating, on a monthly or quarterly basis, all investment activities during the preceding month or quarter and providing valuation reports of the month- or quarter-end portfolio holdings;
 - d. communicating, on a quarterly basis, the performance of investment managers' activities; and

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- e. meeting at least annually, to discuss the managers' performance, investment outlook, investment strategy and portfolio re-balancing strategies.

16.3 Any breach of guidelines will be promptly reported to the CIO.

Section 17 Management Reports.

17.1 Not less than quarterly, the CIO shall submit to the Chair of the Board, the Chair of the Board's Finance and Administration Committee, the Chancellor, and the Presidents of the component institutions a written report of the status of the investments portfolio.

17.2 The report required by Section 17.1 shall:

- a. provide an inventory of the investments of the LTIF; and
- b. contain a summary of:
 - (1) asset balances, at book value, by asset class;
 - (2) asset balances, at market value, by asset class;
 - (3) performance measures and attribution analysis;
 - (4) benchmarks; and
 - (5) beginning and ending market values for the quarter, with additions and changes.

Section 18 Policy for Reporting Fair Market Value and Performance Measurement for Alternative Assets.

18.1 In order to assure timely reporting, market values for alternative assets will be recorded for performance measurement purposes using estimates. Staff will begin

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with the investment managers' reported fair market value from the past quarter and make adjustments for any interim cash flows (calls/distributions).

- 18.2 Once all quarterly reports have been received from the investment managers, staff will compare the recorded estimates to the actual reported fair market values for the quarter. If the difference between the estimates and actual represents greater than 1% of the LTIF quarter ending fair market value, the appropriate adjusting entries will be made to correctly record these assets.
- 18.3 The corrected fair market value of the LTIF and corrected performance measures will be reported to the IAC in a timely manner on or before the next IAC meeting, along with an explanation of where and why the largest discrepancies occurred.

Section 19 Management Fee.

- 19.1 The TTU system will assess and retain an investment management fee at the annual rate of up to 0.5% of the average market value of each endowment for those entities utilizing the services of the TTUS Office of Institutional Advancement or the Angelo State University Development Office. For all other entities, the annual rate will be up to 0.20% of the average market value of each endowment unless otherwise approved by the Board. The fee shall be calculated in the same manner as funds eligible for distribution and will be recorded quarterly.
- 19.2 The fee shall be used to offset the costs of managing long-term investments and to offset a portion of the costs of fund raising for those entities utilizing the services of the TTUS Office of Institutional Advancement or the Angelo State University Development Office.
- 19.3 The management fee rate shall be reviewed annually, with any recommended changes submitted to the Board for approval. The Board will approve the allocation of the fee to the TTUS Office of Investments and Office of Institutional Advancement, as set forth in the Section 07.04, *Regents' Rules*, regarding budget rules and procedures.

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Section 20 Securities Lending.

- 20.1 For funds managed in a separate account format, the LTIF may not participate in securities lending unless approved by the CIO based on recommendations from the IAC. Any authorization for securities lending in separate accounts must be reported in advance to the Chair of the Board, the Chair of the Board's Finance and Administration Committee, and the Chair of the IAC. Also, any such authorization shall be reported as an Information Agenda item at the next Board meeting.
- 20.2 Commingled funds are exempt from this restriction. However, to the extent practical, comingled funds that participate in securities lending should be avoided.

Section 21 Placement Agents and Other Third-Party Marketers.

- 21.1 Placement agents are any person or entity hired by or acting on behalf of an investment manager to market, solicit, or raise money either directly or indirectly from the TTU system. The purpose of this policy is to bring transparency to placement agent activity in connection with the LTIF and to help ensure that all investment decisions are made solely on merit.
- 21.2 Prior to the LTIF investing with any manager, the CIO shall obtain a written representation from the investment manager stating that the investment manager has not used a placement agent in connection with the TTU system's investment, or if the manager has used a placement agent, it will disclose the following:
- a. the name of the placement agent;
 - b. the fee paid or payable to the placement agent;
 - c. a copy of the agreement between the manager and placement agent;
 - d. representation that the fee is the sole obligation of the investment manager and not of the TTU system or the LTIF;

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- e. current or former Board members, IAC members, TTUS OI employees, or consultants or a member of the immediate family of any such person that are either employed or receiving compensation from the placement agent;
- f. the regulatory agencies with which the placement agent or any of its affiliates are registered, such as the SEC, Financial Industry Regulatory Authority ("FINRA"), or any similar regulatory agency; and
- g. the licenses (Series 7, for example) held by the placement agent professional primarily used for solicitation of the TTU system's investment.

Section 22 Amendment of Investment Policy Statement.

The Board will review and, if necessary, update the LTIF investment policy statement on an annual basis.

Section 23 Effective Date.

This investment policy was approved by the Board on February __, 2010, and by the Texas Tech Foundation, Inc. on February __, 2010.

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Schedule A

1. ASSET ALLOCATION

Asset Class	Constrained		Non-Constrained		Private		Total	
	Min.	Max.	Min.	Max.	Min.	Max.	Min.	Max.
Equity	20%	40%	10%	20%	5%	15%	35%	75%
Domestic	10%	20%	5%	10%	5%	10%	20%	40%
International	10%	20%	5%	10%	0%	5%	15%	35%
Credit	5%	15%	0%	15%	0%	10%	5%	40%
Real Assets	0%	10%	5%	15%	5%	10%	10%	35%
Total	25%	65%	15%	50%	10%	35%		

2. ASSET CLASS DESCRIPTIONS AND INVESTMENT STRATEGIES

a. Equity:

- (1) Equity represents residual ownership of public and private companies after obligations to debt holders have been satisfied. Over longer periods of time, the higher risk of equity ownership should result in higher expected returns relative to cash, bonds and other securities with more senior claims in the capital structure.
- (2) Investment strategies: U.S. Equity, Developed Market International Equity, Emerging Markets Equity, Private Equity, and Hedge Funds.

b. Credit:

- (1) Credit and fixed-income instruments are securities issued by governments, government-related entities and public and private companies that generally contain contractual obligations from the issuer to make interest and principal repayments to investors over the duration of the negotiated term agreement.

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- (2) Investment strategies: Cash, Cash Equivalents, Government Debt, Debt Issued by Government Agencies, Investment Grade Debt, Below Investment Grade Debt, Private Placement Debt, Hedge Funds, and Distressed Debt.

c. Real Assets:

- (1) Real assets are investments in tangible/physical assets such as commodities, real estate and other investments that generally display a positive correlation to the rate of inflation, including gold and inflation-linked bonds.
- (2) Investment strategies: Commodities, Commodities-related, Private Real Estate, Real Estate Investment Trusts, Infrastructure, Inflation-linked bonds, Gold, Hedge Funds, and Agriculture.

3. INVESTMENT TYPES

- a. Constrained. The long-only purchase of a commingled fund or security (such as a stock, bond, commodity or currency) with the expectation that the asset will rise in value over the holding period. Investments of this type would generally display higher levels of market risk (beta), utilize less leverage and offer more near-term liquidity.
- b. Non-Constrained. Non-constrained investment strategies are generally implemented through a hedge fund structure, which allows managers to not only buy securities long, but to also borrow securities and sell them short if the managers believe that the securities are over-valued. In addition, non-constrained investment managers can utilize derivative securities to protect against or profit from market declines and volatility. Non-constrained investment managers may also use tactical strategies, such as allocating capital between traditional asset classes (stocks/bonds/ cash) or allocating capital between regions/countries/industries for profit. Other non-constrained investment strategies will invest in interest rates, currencies, commodities and various market indices to profit from relative value opportunities. Investments of this type would generally display lower levels of market risk (beta), utilize leverage to varying

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degrees, be less correlated to traditional asset classes, and require investors to lock-up capital for periods ranging from monthly to several years.

- c. Private. Private investments represent a broad spectrum of investment activity, with investments in non-public securities, lack of liquidity, unpredictable cash flows, longer investment horizons and wide dispersion of returns being the most common characteristics. Typically, lock-ups can be 5 to 10 years in duration.

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Schedule B

GLOSSARY OF INVESTMENT STRATEGY DESCRIPTIONS

1. "Agency Debt" means debt issued by government-related agencies; level of government backing/sponsorship varies; primarily mortgages; domestic only; denominated in U.S. dollars.
2. "Below Investment Grade Debt" means low-quality bonds that may be in danger of default because of relatively high levels of debt that the issuing company has relative to the amount of equity; under the current credit rating system, bonds with ratings below BB (S&P), Ba1 (Moody's), or B (Fitch) are considered low credit quality and are commonly referred to as junk bonds or high-yield bonds.
3. "Cash Equivalents" means: cash equivalents encompass a wide spectrum of generally liquid assets, including bank deposits, money market mutual funds, U.S. Treasury bills, federal agency securities, repurchase agreements, stable value funds, short-term bond funds, some medium-term notes, and commercial paper.
4. "Commodities" means investments in global natural resources; includes physical commodities as well as derivative instruments (such as futures); generally, commodities are divided into the following categories: energy (such as oil and gas), precious metals (such as gold), industrial metals (such as aluminum and copper), agriculture (such as wheat and corn), and livestock (such as cattle and hogs).
5. "CTAs/Managed Futures" means: this strategy invests in listed financial and commodity futures markets and currency markets around the world; the managers are usually registered as Commodity Trading Advisors, or CTAs; trading disciplines are usually classified as systematic or discretionary; systematic traders tend to use price and market specific information (often technical) to make trading decisions, while discretionary managers use a judgmental approach based on fundamental analysis.

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6. "Developed Market International Equity" means equity securities of non-companies located in the most developed countries and regions of the world such as Canada, the United Kingdom, the European Union, Switzerland, Scandinavia, Japan, New Zealand, and Australia.
7. "Distressed Debt" means debt securities of companies or government entities that are either already in default, under bankruptcy protection, or in distress and heading toward such a condition; although there is no precise definition, fixed income securities with a yield to maturity in excess of 1000 basis points over the risk free rate of return are commonly thought of as being distressed.
8. "Event Driven" means: managers take significant positions in a limited number of companies with special situations; the situations of these companies often are complex in a variety of ways and offer profit opportunities from depressed valuations, mergers and acquisitions, reorganizations, and so forth.
9. "Emerging Markets Equity" means equity securities of companies located in less-developed regions of the world such as Asia, Latin America, Africa, Eastern Europe, and the Middle East.
10. "Government Debt" means debt issued by sovereign governments; domestic or international, developed or emerging; may or may not be denominated in U.S. dollars.
11. "Global Macro" means: global macro managers carry long and short positions in any of the world's major capital or derivatives markets; these positions reflect their views on overall market direction as influenced by major economic trends and/or events; the portfolios of these managers can include stocks, bonds, currencies and commodities in the form of securities and/or derivative instruments.
12. "Hedge Funds" means: hedge funds are not an asset class *per se*, but are a form of a privately organized, pooled investment vehicle, which seeks to achieve consistently positive absolute returns independent of market conditions, typically through the use of a

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wide range of traditional and non-traditional securities as well as directional and non-directional strategies.

- a. "Long/Short Hedge Funds" means: this directional strategy involves equity or credit investing on both the long and short sides of the market; managers have the flexibility to shift from a net long position to a net short position; managers may use individual securities or futures and options to hedge their positions; some managers attempt to be market neutral which, if properly executed, is a non-directional strategy that eliminates market risk (beta) so that returns are driven purely by stock selection.
 - b. "Multi-Strategy Hedge Funds" means: by definition, multi-strategy funds engage in a variety of investment strategies; under normal market conditions, the diversification may reduce volatility compared to single strategy funds; strategies employed in multi-strategy funds may include, but are not limited to, convertible bond arbitrage, equity long/short, merger arbitrage, and event driven.
13. "Infrastructure" means investments in the basic facilities, services and installations needed for the functioning of a community or society, such as transportation and communications systems, water and power lines, utilities and renewable energy.
 14. "Inflation-linked Bonds" means bonds whose principal and/or coupon payments are adjusted with the general level of prices as measured by a commonly accepted price index; inflation-linked bonds, commonly referred to as TIPS, are designed to be a hedge against inflation.
 15. "Investment Grade Debt" means high quality notes or bonds that are the least likely to default; under the current credit rating system, bonds with ratings above BBB (S&P), Baaa3 (Moody's), or B (Fitch) are considered investment grade.
 16. "Private Placement Debt" means debt issued by private companies and sold directly to an institutional investor; these securities are not required to be registered with the SEC.
 17. "Private Real Estate" means land or buildings held in private partnerships.

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18. "Real Estate Investment Trusts" means a corporation or trust that uses pooled capital from many investors to purchase and manage income property (equity REIT) and/or mortgage debt (mortgage REIT); REITs are traded on exchanges just like common stocks.
19. "U.S. Equity" means ownership of publicly-traded shares of companies listed on U.S. exchanges; this category may include various styles, market capitalization ranges, and active management versus index funds.

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PRIORITY	ENTITY	AUDIT AREA	BUDGETED HOURS	BUDGET ADJUSTMTS	STATUS AS OF FEB 13	ACTUAL HOURS	TIME STILL NEEDED	BUDGET vs ACTUAL
		TOTAL ENGAGEMENT HOURS AVAILABLE	20,160					
		REQUIRED AUDITS						
Required	ALL	State Auditor's Office Miscellaneous Projects	Miscellaneous (assist)	60	(10)			50
		ASU: 2009 Statewide Financial Audit	Financial (assist)		5	In Progress	5	0
		TTU: 2009 Statewide Financial Audit	Financial (assist)		5	In Progress	5	0
Required	TTUS	Texas Tech University Foundation	Financial (assist)	120		In Progress	113	7
Required	TTUS	Regents, Chancellor, & Presidents Travel and Credit Cards	Compliance (assist)	20		Complete	38	(18)
Required	TTUS	Office of Audit Services Annual Report	Compliance	30		Complete	28	2
Required	TTUS	Office of Audit Services Annual Plan	Compliance	30				30
Required	TTU	Office of Audit Services GAGAS Quality Assurance Activities Review	Compliance	80				80
Required	TTU	SACS Financial Statement Review	Financial	500	250	In Progress	521	229
Required	TTU	NCAA Compliance	Compliance	400				400
Required	TTU	Athletics Financial Review	Financial (assist)	240		Complete	285	(45)
Required	TTU	KOHM-FM	Financial (assist)	300		Complete	331	(31)
Required	TTU	Technology Workforce Development Grants	Compliance	100		In Progress	208	(133)
Required	TTU	Football Attendance Certification	Compliance	10		Complete	9	1
Required	HSC	Texas Higher Education Coordinating Board Residency Grants	Compliance	220		Complete	177	43
Required	HSC	Correctional Managed Health Care Committee Contract	Compliance	200				200
Required	HSC	Willed Body Program	Compliance	240		Complete	331	(91)
Required	HSC	TAC 202-Texas Dept of Info Resources Security Standards	IT/Compliance	275	(275)	Cancelled		0
Required	ASU	Carr Foundation	Financial (assist)	40		In Progress	11	29
Required	ASU	Investments	Compliance	60	20	Complete	115	(35)
		TOTALS FOR REQUIRED AUDITS	2,925	(5)		2,167	293	460
		AUDITS IN PROGRESS AT AUGUST 1, 2009						
Prior Year	TTU	Intra-Institutional Voucher Process	Controls/Operational	165		Complete	168	(3)
Prior Year	TTU	Cash Reconciliations	Financial/Controls	400		Complete	340	60
Prior Year	TTU	Cognos Reporting	Controls	150		Complete	40	110
Prior Year	TTU	Banner Human Resources	Controls/Compliance	450		Complete	705	(255)
Prior Year	TTU	Sponsored Programs Accounting and Reporting	Operational	60		Complete	54	8
Prior Year	HSC	Cognos Reporting	Controls	150		Complete	34	116
Prior Year	HSC	El Paso Pediatrics Grant Management	Operational/Controls	5		Complete	25	(20)
Prior Year	HSC	State Auditor's Office: Campus Safety & Security	Operational (assist)	2		Complete		2
Prior Year	ASU	Financial Aid Office	Operational/Compliance	210		Complete	307	(97)
Prior Year	ASU	State Auditor's Office: Student Financial Aid	Compliance (assist)	8		Complete	8	0
Prior Year	TTUS	Wrap-up on Audits Included in August BOR Report		10		Complete		10
		TOTALS FOR AUDITS IN PROGRESS	1,610			1,681		(71)
		UNPLANNED SPECIAL PROJECTS AND INVESTIGATIONS						
		Total Hours Budgeted for Special Projects & Investigations	4,000	(1,465)				2,535
		IN PROGRESS AT AUGUST 1, 2009						
Special	TTU	KTXT and KOHM Grant Review	Special	194	Complete	194		0
		BEGUN AFTER AUGUST 1, 2009						
Special	TTU	Under Armour Contract Review	Special	221	Complete	221		0
Special	TTU	Men's Basketball Program Sales Special	Special	133	Complete	133		0
Special	TTU	Southwest Collections	Special	250	In Progress	240	10	0
Special	TTU	Passport Office Cash Controls	Special	30	Complete	30		0
Special	TTU	University Interscholastic League (UIL) Cash Controls	Special	60	In Progress	1	59	0
Special	TTU	Child Development Research Center (CDRC) Cash Controls	Special	37	Complete	37		0
Special	TTU	School of Music Cash Controls	Special	100	In Progress	25	75	0
Special	HSC	Garrison Institute on Aging Cash Controls	Special	60	In Progress	9	51	0
Special	HSC	Laboratory Animal Resources Center Special	Special	260	In Progress	234	26	0
Special	TTU	Skyviews	Special	80	In Progress	9	71	0
Special	All	Miscellaneous Hotline Projects	Special	40	In Progress	38	2	0
		SPECIAL PROJECTS AND INVESTIGATIONS TOTALS	4,000	1,465		1,171	294	2,535
		HIGHEST PRIORITY						
ALL	ALL	Cash Controls	Controls	850	400	In Progress	1,352	40
ALL	ALL	FTC Red Flag Rules	Compliance	900	(200)	In Progress	175	525
ALL	ALL	Federal American Recovery & Reinvestment Act (ARRA) Funds	Controls/Compliance	500	200	On Hold	106	594
TTUS	TTUS	Banner Security	IT/Controls	700				700
HSC	HSC	El Paso Research Funds	Operational/Controls	400				400
HSC	HSC	El Paso Pediatrics Department	Operational/Controls	350		In Progress	216	134
ASU	ASU	Cash Reconciliations	Controls	250	50	In Progress	207	93
ASU	ASU	Banner Security	IT/Controls	350	200	Complete	552	(2)
		HIGHEST PRIORITY TOTALS	4,300	650		2,608	1,386	956

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PRIORITY	ENTITY	AUDIT AREA		BUDGETED HOURS	BUDGET ADJUSTMTS	STATUS AS OF FEB 13	ACTUAL HOURS	TIME STILL NEEDED	BUDGET vs ACTUAL
MODERATE PRIORITY									
2	TTUS	Technology Transfer/Commercialization	Follow-Up/Compliance	350					350
2	TTU	Xtender Security	IT/Controls	300					300
2	TTU	Scholarship Office	Operational/Controls	400					400
2	TTU	Grade Reporting Process	IT/Controls	400					400
2	HSC	Banner Human Resources	Operational/Controls	350					350
2	HSC	El Paso IT General Controls Review	IT/Controls	600		In Progress	10	590	0
2	HSC	Xtender and Laserfiche Security	IT/Controls	300		In Progress	2	298	0
2	ASU	Student Billing Process	Operational/Controls	350		In Progress	42	308	0
2	ASU	Oracle Imaging System Security	IT/Controls	300					300
MODERATE PRIORITY TOTALS				3,350	-		54	1,196	2,100
LOWER PRIORITY									
3	ALL	Audit Report Follow-Up Procedures and Reporting	Follow-Up	250		In Progress	242	64	(56)
3	TTUS	Ethical Environment Assessment	Governance	300					300
3	TTU	Budget Office	Compliance/Controls	400					400
3	TTU	Academic Department Reconciliation Processes	Management Advisory	400					400
3	HSC	South Plains Oncology Consortium	Financial/Compliance	350					350
3	HSC	School of Pharmacy Research Funding	Financial/Compliance	400					400
3	HSC	El Paso Development Office	Operational	250					250
3	ASU	Electronic Forms Implementation	IT/Controls	325					325
3	ASU	College of Fine Arts	Operational	400					400
LOWER PRIORITY TOTALS				3,075	-		242	64	2,769
OTHER VALUE-ADDED WORK									
Total Hours Budgeted for Other Value-Added Work				900	(463)			437	
Other	TTUS	Fraud Prevention Training				Ongoing	122		
Other	TTUS	Cash Handling and Control Environment Training				Ongoing	32		
Other	TTUS	Enterprise Application Steering Committee				Ongoing			
Other	TTUS	Enterprise Application Council				Ongoing	8		
Other	TTUS	Enterprise Application Work Group				Ongoing	11		
Other	TTUS	Enterprise Risk Management				Ongoing			
Other	TTUS	Compliance Hotline Maintenance				Ongoing			
Other	TTU	SACS Quality Enhancement Plan (QEP) Steering Committee				Ongoing			
Other	TTU	SACS QEP Ethical Institution Task Force				Ongoing			
Other	TTU	Travel Task Force				Ongoing			
Other	HSC	Institutional Compliance Working Committee				Ongoing	6		
Other	N/A	Professional Organizations (ACUA, TACUA, IIA, TSCPA, SAIAP, ACPE)				Ongoing	142		
Other	N/A	Conference Presentations				Ongoing	2		
Other	TTUS	Other Miscellaneous Projects				Ongoing	140		
OTHER VALUE-ADDED WORK TOTALS				900	0		463	-	
TOTAL ENGAGEMENT HOURS				20,160	645		8,386	3,233	9,186

KEY									
	TTUS	Texas Tech University System and/or inclusive of multiple Texas Tech institutions							
	TTUSA	Texas Tech University System Administration							
	TTU	Texas Tech University							
	HSC	Texas Tech University Health Sciences Center							
	TTU & HSC	Areas with parallel functions or shared responsibility							
	ASU	Angelo State University							
	N/A	Work that is not attributable to a particular institution or campus							
Required	Audits that are mandated by law, Operating Policies, standards, contracts, etc. Will be performed based on timing of external deadlines.								
Prior Year	Engagements from prior year annual plan that were in progress at August 1. Goal is to complete them early in the year.								
Special	Unplanned special projects and investigations								
1	Engagements that were deemed most critical per the risk assessment at August 1.								
2	Engagements that were deemed to be moderately critical per the risk assessment at August 1.								
3	Engagements that were deemed least critical per the risk assessment at August 1.								
4	Areas of exposure that need attention, but have not been included in the official plan because of resource constraints.								
Other	Other projects, including committee service, class development and instruction, professional organizations, etc.								

Summary of Amendment to Interagency Agreement to Provide Computer Services Office of the Secretary of State of Texas and Angelo State University

Major Terms of Original Agreement (No Changes) and Amendment

A. Background

ASU is the primary occupying agency of the state-owned ASU Computing Facility. The Secretary of State (SOS) desired to co-locate into 60 square feet of the computer room space. The space is a state-of-the-art computing facility that provides for the safe and effective operation of computer equipment. SOS and ASU entered into a Memorandum of Understanding whereby SoS installed equipment into that space in January. The remainder of this document summarizes the principle terms of the existing Memorandum of Understanding as well as the proposed amendment ASU and SOS seek to enter. This document is merely a summary of the terms of the existing agreement and proposed amendment, the terms of which shall control the subject matters thereof. The proposed amendment that is summarized in this document pertains to an option to extend the term of the Memorandum of Understanding and is what the parties seek the approval of TTUS Board of Regents.

B. Major Unchanged Terms of Original Memorandum of Understanding

1. ASU agrees to provide up to 60 square feet of space in the ASU data center for equipment SOS will deploy there such as servers and associated hardware as required. The space includes access to necessary power, air conditioning and fire detection system as is customarily provided by ASU to similar information technology spaces within the facility.
2. ASU has installed and shall provide and maintain sufficient physical security to protect the SOS Installation from damage, removal, unauthorized access and other harm by unauthorized individuals.
3. All costs related to the installation of the SOS Installation in the Space and the related SOS network connectivity and internet service will be paid by SOS.
4. SOS intends to compensate ASU for use of the Space described above in an amount not to exceed \$8,000 annually or an exchange of services, goods or reciprocal space mutually agreed to in writing by both parties not to exceed \$8,000 in value annually.
5. SOS intends to compensate ASU for mutually agreed upon services to be described in a mutually signed writing that ASU may provide to SOS in connection with the Space and the SoS Installation.

6. ASU will provide dual feed redundancy with UPS backup; however the SOS is responsible for any further redundant power source(s).
7. The SOS employees or contractors shall use the parking areas surrounding the Rassman Building in accordance with ASU policy.
8. The SOS employees or contractors will be issued Access Cards by ASU permitting access to the Space only after SOS approves the issuance of such credentials to a specific individual and these individuals will comply with ASU security procedures regarding building and computer room access and visitors.
9. SOS will arrange for, fund and project manage the installation of any and all required network connectivity for the equipment SOS plans to deploy in the Space. No interconnection or sharing of existing or future ASU network equipment or services is allowed.
10. The Memorandum is effective through January 13, 2014.

SOS and ASU agree they will work together in good faith to arrive at an earlier termination date should one or the other desire an early termination; provided, however that the party seeking to terminate must provide the other party notice of its desire no later than 180 days' in advance of the date the party seeking early termination of this Contract desires for the Contract to be terminated; and provided further that the party not desiring termination shall not unreasonably withhold its consent to an early termination

C. Terms to be Changed by Proposed Amendment

SOS shall have one automatic option to renew for a two year additional term that SOS may exercise in its sole discretion by providing a written statement to ASU of SOS's intent to renew at least 30 days before the completion of the initial term. The extended term shall be subject to the existing terms of the Memorandum including the provisions allowing a party to seek an early termination.



TEXAS TECH UNIVERSITY SYSTEM

Texas Tech University System

Report on State Appropriation Reduction Plans

Jim Brunjes
Vice Chancellor and Chief Financial Officer

Board of Regents
February 25, 2010

TTUS Office of the CFO
Page 1



TEXAS TECH UNIVERSITY SYSTEM

State of the Economy

- Revenues of the State of Texas Have "Weakened Substantially As the National Recession Began Exerting its Full Influence on Texas"
 - Sales Tax Revenues Decline
 - Uncertainty of the State's Short-Term Economic Future
 - Potentially Substantial Long-Term Costs Associated with Passage of Federal Legislation

Board of Regents
February 25, 2010

TTUS Office of the CFO
Page 2



TEXAS TECH UNIVERSITY SYSTEM

Review All Planned Expenditures for the Remainder of the Biennium

- Submit a Plan to Identify Savings in Priority Increments Totaling 5 Percent of the General Revenue and General Revenue-Dedicated Appropriations for the 2010-11 Biennium
- Minimize the Impact on Direct Services by Making Prudent, Efficient Reductions
- Analyze the Necessity of All Administrative Expenses and Purchases
- Reducing Direct Services Should Be the Last Option

Board of Regents
February 25, 2010

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TEXAS TECH UNIVERSITY SYSTEM

Points of Emphasis

- Texas Has a Balanced Budget and Comparatively Sound Economic Conditions
- We Must be Especially Prudent with All Resources during these difficult times
- Other Reductions Will Be Required in Areas Such As State Funded Health Insurance Premiums and Funding That is Distributed by the Texas Higher Education Coordinating Board

Board of Regents
February 25, 2010

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Page 4



TEXAS TECH UNIVERSITY SYSTEM

Plan to Identify Savings Totaling 5%

Reduction Plan for Texas Tech University System Administration		
	FY 2010	FY 2011
Texas Tech University System Administration		
Reduce Operation Expenses	\$ 50,000	\$ 150,000
Total General Revenue Related Reductions	\$ 50,000	\$ 150,000



TEXAS TECH UNIVERSITY SYSTEM

Plan to Identify Savings Totaling 5%

Reduction Plan for Texas Tech University		
	FY 2010	FY 2011
Texas Tech University		
Reduce Travel Expenses	\$ 465,000	\$ 589,460
Reduce Maintenance & Operations Expenses	\$ 2,081,328	\$ 2,442,051
Capture Salary Expense	\$ 1,850,000	\$ 5,389,354
Total General Revenue Reductions	\$ 4,396,328	\$ 8,420,865
Total General Revenue Dedicated Reductions	\$ 246	\$ 6,772
Total General Revenue Related Reductions	\$ 4,396,574	\$ 8,427,637



TEXAS TECH UNIVERSITY SYSTEM

Plan to Identify Savings Totaling 5%

Reduction Plan for Texas Tech University Health Sciences Center			
		FY 2010	FY 2011
Texas Tech University Health Sciences Center			
Reduce Operation Expenses		\$ 1,000,000	\$ 2,614,943
Limiting Upgrade Equipment Systems		\$ 1,000,000	\$ 2,500,000
Delayed Recruiting & Restructure Staffing Levels		\$ 2,162,602	\$ 5,337,398
Total General Revenue Reductions		\$ 4,162,602	\$ 10,452,341



TEXAS TECH UNIVERSITY SYSTEM

Plan to Identify Savings Totaling 5%

Reduction Plan for Angelo State University			
		FY 2010	FY 2011
Angelo State University			
Delay Equipment Replacement		\$ 125,000	\$ 400,000
Review Operations Support		\$ 100,000	\$ 300,000
Reduce Maintenance & Operations Expense		\$ 310,163	\$ 905,489
Total General Revenue Related Reductions		\$ 535,163	\$ 1,605,489



TEXAS TECH UNIVERSITY SYSTEM

Plan to Identify Savings Totaling 5%

System Wide Reductions for the Texas Tech University System		
	FY 2010	FY 2011
Texas Tech University System Administration	\$ 50,000	\$ 150,000
Texas Tech University	\$ 4,396,574	\$ 8,427,637
Angelo State University	\$ 535,163	\$ 1,605,489
Texas Tech University Health Sciences Center	\$ 4,162,602	\$ 10,452,341
Total System Wide Reductions	\$ 9,144,339	\$ 20,635,467

Angelo State University, Texas Tech University System, and Midway Companies, Inc.

Pre-Development Services Term Sheet

Pre-Development Services

For the purposes of Pre-development Services, Midway will accomplish the following three phases with the concurrence and approval of the University and the Texas Tech University System.

- Phase 1 - Conceptual Development Strategy
- Phase 2 - Strategic Planning
- Phase 3 - Concept Design

Phase 1 – Conceptual Development Strategy: This stage of the process will include scripting each element of the plan describing its function and beginning to develop program square footage and capacity parameters. The overall theme for the major areas of the plan must be developed. A storyboard and images illustrating the design concept will provide graphic tools to better understand the overall plan and individual parts. In this phase, economic, demographic and market studies will be completed.

The Conceptual Development Strategy process will consist of the following typical activities:

Step 1: Research Reconnaissance

- Brainstorm with the University, the development team, and stakeholders
- Review internal and external existing conceptual documents
- Review competitive environment
- Reconnaissance of site and market conditions
- Review industry data and trends
- Review of secondary research
- Conduct primary research (focus groups, existing tenant mix, etc.)
- Historic research

Step 2: Performance Specifications

- Target market
- Market appeal
- Sizing
- Program components
- Unique qualities or services
- Financial analysis/pro forma
- Development budget
- Location criteria

Step 3: Project Hypothesis

- Creative concept
- High concept
- Mix of program of uses/sites
- Brand identity/Marketing plan
- Guest experience
- Look and feel of environment and experience
- Key design components
- Theme elements

The deliverables at the end of this phase will be drawings, a written summary and a study model illustrating a set of design and development principles, including land use, circulation, phasing, physical constraints and open space.

Phase 2 - Strategic Planning: The program parameters developed for each element will be tested on the site to determine the best location for the main project components and the appropriate sizing and adjacencies. Access and circulation plans will be explored and local regulations researched. Various options for laying out the site will be explored in conjunction with the overall development strategy. The objective of this phase of work will be to develop a thorough understanding of the site, which involves reviewing existing information and physical constraints:

- Review of available technical information
- Review of previous studies performed for the site and area
- Public policy issues review, including zoning and environmental constraints

Site review and analysis, including the following physical opportunities:

- Pedestrian and vehicular circulation
- Public transportation
- Parking requirements
- Open space
- Utilities and transportation easements
- Grading
- Visibility
- Adjacent uses, existing and planned
- Subsurface and structural conditions
- Site Quality Inventory - topography, views, vistas, etc.
- Develop marketing and leasing strategy
- Identify facility service levels
- Determine capital structure

Phase 3 - Concept Design: The objective of this phase will be to refine and expand the concepts into a working framework, permitting development and implementation decisions to be made on a logical basis. Working from the agreed-upon option, the master development plan will be created, including:

- Theme concept
- Land use and density
- Retail concept and tenant mix
- Bulk and massing
- Open space and grading plan
- Environmental
- Pedestrian and vehicular circulation
- Parking
- Transportation
- Phasing plan

Each Project component will be broken down into specific features. Each feature will be described in detail, including:

- Identification of type (e.g., “themed restaurant”)
- Location within project
- Detailed written description
- Financial analysis for the component
- Square footage
- Intended market
- Leasing and merchandising plans

At the end of the Pre-development Scope of Services, the University, the project team, and other stakeholders will meet to review the deliverables and analysis to determine a go-forward decision (“Decision”) on the project. The Decision will enable execution of the ground lease between the University and Midway and will authorize Midway to begin formal development of the site. This includes formal design, leasing, financing, construction, and tenant occupancy.

Payment Terms and Conditions

- On the Effective Date of this agreement, Midway will pay the University a \$30,000 deposit (“Deposit”) on the Tract to show its good faith and interest in working with the University.
- After accepting the Deposit, the University agrees to cease all marketing of the Tract, and will present to Midway any existing or future offers to lease, purchase, develop, joint venture or ground lease the Tract throughout the duration of the Pre-development Services defined herein.
- At the end of the Pre-development Services, and should the project proceed to the development phase, \$15,000 of the Deposit will be applied to the initial rents due under the ground lease. The remaining \$15,000 of the Deposit shall be retained by the University in consideration of the University’s agreement to cease all marketing efforts with respect to the Tract during the term of this agreement.
- The University will provide to Midway copies of or reasonable access to all information in its possession or control reasonably relating to the potential development or physical condition of the Property.

Duration – 18 months after effective date

Termination as a result of breach

- Any material breach by either party that has not been cured in 30 days results in termination of this agreement.
- Upon termination, each party returns all property and documentation of the other.
- Any retained copies subject to the confidentiality clause of this agreement

Preservation of Confidential Information

- Neither party will disclose to any third party without the prior written consent of the other party any confidential information which is received from the other party for the purposes of providing or receiving services which if disclosed in tangible form is marked confidential or if disclosed otherwise is confirmed in writing as being confidential or, if disclosed in tangible form or otherwise, is manifestly confidential.

- Both Midway and the University agree that any confidential information received from the other party shall only be used for the purposes of providing or receiving Services under this or any other contract between us. None of the confidential information the University furnishes Midway will be disclosed to other project teams or outside of Midway. These restrictions will not apply to any information which: (a) is or becomes generally available to the public other than as a result of a breach of an obligation by the receiving party; (b) is acquired from a third party who owes no obligation of confidence with respect to the information; or (c) is or has been independently developed by the recipient. Notwithstanding the foregoing, either party will be entitled to disclose confidential information of the other (i) to our respective insurers or legal advisors, or (ii) to a third party to the extent that this is required, by any court of competent jurisdiction, or by a governmental or regulatory authority or where there is a legal right, duty or requirement to disclose, provided that (and without breaching any legal or regulatory requirement) where reasonably practicable not less than two (2) business days notice in writing is first given to the other party.

Financial Non-Feasibility

- If the University and/or Midway determines, in good faith, after a thorough examination of the pro forma financial information developed during the Pre-development Services Phase, that a project is not feasible, the University and Midway shall agree to terminate this agreement. Upon termination of the agreement, the University shall:
 - (i) Refund 50% of the Deposit, without deduction or interest to Midway to help defer a proportional share of the development costs;
 - (ii) Each party shall receive a copy of all documents that have been developed and used in the determination as justification that due diligence has occurred.
- If the University decides for any reason other than financial non-feasibility not to pursue a project with Midway after the Pre-development Services have been rendered,
 - (i) the Deposit shall be refunded in full, without deduction or interest, to Midway; and
 - (ii) Midway shall be entitled to retain all drawings, documents and feasibility information developed or secured by Midway during the course of the Pre-development Services.
- For purposes of the foregoing paragraph, reimbursable expenses shall include, but are not limited to, engineering fees, surveys, architectural master planning services, printing costs and travel expenses.

Other Terms and Conditions

- Prior to the execution of this Engagement Letter, the University will provide to Midway reasonable documentation that states the University has the capability to enter into the agreement defined herein, and that the University has the legal authorization from the Texas Tech University System to enter the Tract into a future ground lease agreement with Midway.
- The University accepts and acknowledges that Midway has not made any warranties or guarantees, whether express or implied, with respect to the Pre-development Services or the results that may be obtained as a result of the provision of the services.
- This Engagement Letter constitutes the entire agreement between the parties hereto regarding the subject matter hereof and supersedes any prior agreements (whether written

or oral) between the parties regarding the subject matter hereof. This Engagement Letter may be executed in any number of counterparts each of which shall be an original, but all of which together shall constitute one and the same instrument.

Preliminary Development Terms (preferred)

- 40 year ground lease with two (2) 10 year extensions
- Total development size is 40 acres, which is divided into 2 phases. Phase 1 is the original 17 acres that Midway was selected to develop and Phase 2 assumes the adjacent 23 acres with the current ball park. Phase 2 will begin after Phase 1 is complete and stabilized, or as mutually determined by the University and Midway. Phase 2 is also subject to the approval of the current ballpark ground lease between the University and its lessee.
- Ground lease payment based on appraisal with annual CPI adjustment; however the annual CPI adjustment will be capped at 2.5%.
- Midway will begin paying the _____ land value to the University upon completion of the project construction (YR 1). The ground rental rate will increase per the annual CPI adjustment, or a maximum of 12.5% every 5 years. The land value will be verified by an independent appraiser, or another process as agreed between the University and Midway.
- Upon completion of Phase 2, Midway will pay a ___ land value to the University. The ground rental rate will increase per the annual CPI adjustment, or a maximum of 12.5% every 5 years. This value will be verified by an independent appraiser, or another process as negotiated between the University and Midway.
- Percentage of net profit
 - This will be a 60 (Midway) 40 (the University) split until the preferred equity has been paid back in full to the limited partners.
 - After the preferred equity has been paid back in full, Midway and the University will split the net profits 50/50.
- Midway will not begin construction of the project until the project has met certain pre-leasing milestones as determined by Midway's capital sources and partners.
- Midway will retain annual capital reserves for future project improvements and necessary maintenance.
- the University would have a right to review and reasonably pre-approve a tenant list prior to Midway's pre-leasing efforts on all retail/office space.
- Midway will work with the University to determine the appropriate mix of housing components and the appropriate target market for the project.
- All appropriate city/county codes will be followed.
- Design will include a very well defined connection to the campus.
- Events and venues will be attractive for the University students.
- Upon termination of ground lease, property and facilities will revert to the University ownership.
- Midway and the University agree to cooperate on the pre-development issues in order to make the process efficient and cost-effective for all parties.



TEXAS TECH UNIVERSITY SYSTEM

Angelo State University Land Development Project

Jim Brunjes
Vice Chancellor and Chief Financial Officer

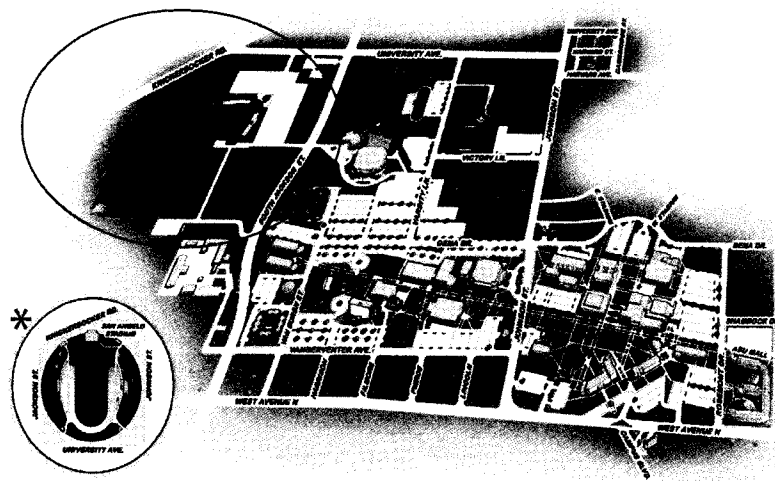
Board of Regents
February 25, 2010

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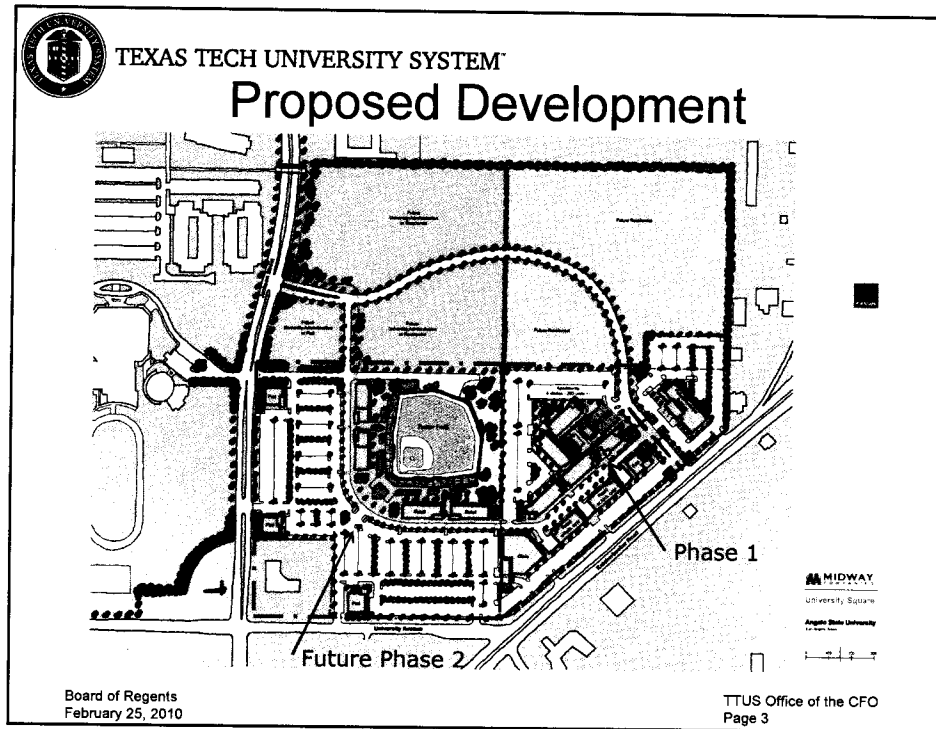
TEXAS TECH UNIVERSITY SYSTEM


ASU Campus Map



Board of Regents
February 25, 2010

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 TEXAS TECH UNIVERSITY SYSTEM

Pre-Development Services

- Three Phases – 12-18 months
 - Phase 1 – Conceptual Development Strategy
 - Phase 2 – Strategic Planning
 - Phase 3 – Concept Design
- Conclusion of Pre-Development Scope of Services
 - Review Deliverables and Analysis to Determine a Go-Forward Decision on the Project
 - Execution of Ground Lease Between Angelo State University and Midway Companies, Inc. to Begin Formal Development of the Site

Board of Regents
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TEXAS TECH UNIVERSITY SYSTEM

Pre Development Services Term Sheet

- Phase 1 – Conceptual Development Strategy
 - Theme For the Major Areas of the Plan Must Be Developed
 - Economic, Demographic and Market Studies Will Be Completed
- Phase 2 – Strategic Planning
 - Best Location for the Main Project Components and the Appropriate Sizing and Adjacencies
 - Access and Circulation Plans
 - Local Regulations
- Phase 3 – Concept Design
 - Expand the Concepts into a Working Framework
 - Master Development Plan Created



TEXAS TECH UNIVERSITY SYSTEM

Payment Terms and Conditions

- Midway Will Pay Angelo State a \$30,000 Deposit to Show its Good Faith and Interest
- By Accepting the Deposit, Angelo State Agrees to Cease All Marketing of the Tract, and Will Present Midway Any Existing or Future Offers to Lease, Purchase, Develop, Joint Venture or Ground Lease the Tract Throughout the Duration of Pre-Development Services



TEXAS TECH UNIVERSITY SYSTEM

Termination of Project

- **Non-Feasibility**
 - Mutual Examination of the Pro Forma Financial Information Developed During the Pre-Development Services Phase Indicate That a Project is Not Feasible
 - Angelo State and Midway Shall Agree to Terminate This Agreement
 - University Shall:
 - Refund 50% of the Deposit, Without Deduction or Interest to Midway to Help Defer a Proportional Share of the Development Costs;
 - Each Party Shall Receive a Copy of All Documents that Have Been Developed and Used in the Determination as Justification that Due Diligence Has Occurred



TEXAS TECH UNIVERSITY SYSTEM

Termination of Project

- **Other Than Non-Feasibility**
 - Angelo State Decides For Any Reason Other Than Financial Non-Feasibility Not to Pursue a Project with Midway After the Pre-Development Services Have Been Rendered
 - Deposit Shall Be Refunded in Full, Without Deduction or Interest to Midway;
 - ~~Angelo State Shall Reimburse Midway for Any and All Pre-Development Services Expenses Reasonably Incurred by Midway, up to a Maximum of \$30,000~~
 - Midway Shall be Entitled to Retain All Drawings, Documents, and Feasibility Information Developed or Secured by Midway During the Course of Pre-Development Services



TEXAS TECH UNIVERSITY SYSTEM

Preliminary Development Terms (Preferred)

- 40 Year Ground Lease with Two Ten Year Extensions
- Total Development Size is 40 Acres, Divided into 2 Phases
 - Phase 1 Includes the Original 17 Acres Midway Was Selected to Develop
 - Phase 2 Assumes the Adjacent 23 Acres with the Current Ball Park
- Ground Lease Payment Based on Appraisal with Annual CPI Adjustment
 - Annual CPI Adjustment Capped at 2.5%



TEXAS TECH UNIVERSITY SYSTEM

Preliminary Development Terms (Preferred)

- Midway Will Begin Paying the _____ Land Value to Angelo State Upon Completion of the Project Construction (YR1)
 - The Land Value Will Be Verified by an Independent Appraiser, or Another Process as Agreed Between Angelo State and Midway
- Percentage of Net Profit
 - Will be a 60 (Midway) / 40 (Angelo State) Split Until the Preferred Equity Has Been Paid Back in Full to the Limited Partners
 - After the Preferred Equity Has Been Paid Back in Full, Midway and Angelo State Will Split the Net Profits 50/50



TEXAS TECH UNIVERSITY SYSTEM

Preliminary Development Terms (Preferred)

- Midway Will Not Begin Construction of the Project Until the Project Has Met Certain Pre-Leasing Milestones as Determined by Midway's Capital Sources and Partners
- Midway Will Retain Annual Capital Reserves for Future Project Improvements and Necessary Maintenance
- Angelo State Has the Right to Review and Reasonably Pre-Approve a Tenant List Prior to Midway's Pre-Leasing Efforts on All Retail/Office Space
- Midway Will Work with Angelo State to Determine the Appropriate Mix of Housing Components and the Appropriate Target Market for the Project
- Comply with all Federal, State and Municipal Laws, Codes or Ordinances



TEXAS TECH UNIVERSITY SYSTEM

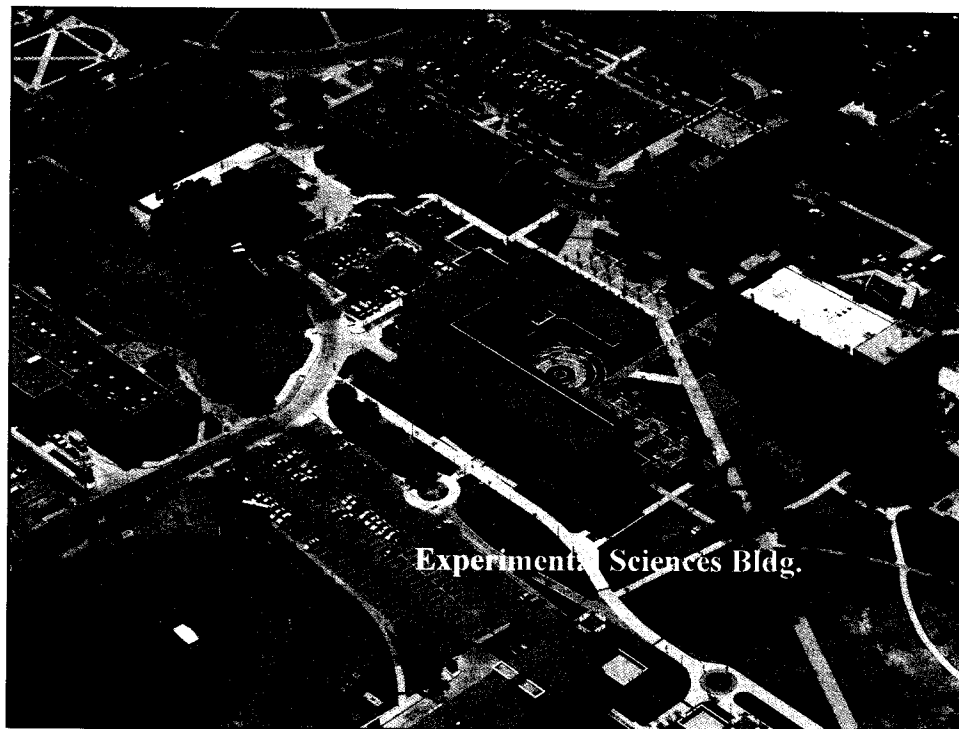
Preliminary Development Terms (Preferred)

- Design Will Include a Very Well Defined Connection to Angelo State University's Campus
- Events and Venues Will be Attractive for Angelo State Students
- Upon Termination of Ground Lease, Property and Facilities Will Revert to Angelo State ownership
- Midway and Angelo State Agree to Cooperate on the Pre-Development Issues in Order to Make the Process Efficient and Cost Effective

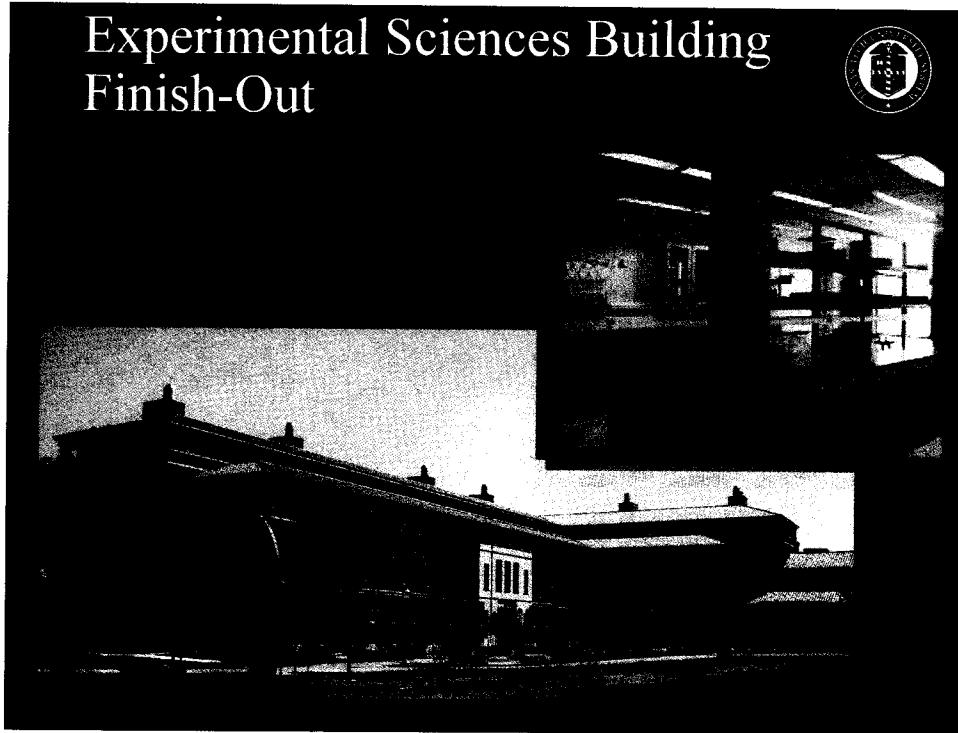
Texas Tech University



Approve a construction project to
finish-out the Experimental Sciences
Building shell space



Experimental Sciences Building Finish-Out



Scope of Work Experimental Sciences Building Finish-Out



Original Project Completed

May 2006

Create BSL-2 Labs for 20 Principle Investigators
Project to Finish-Out 24,355 SF to Include:

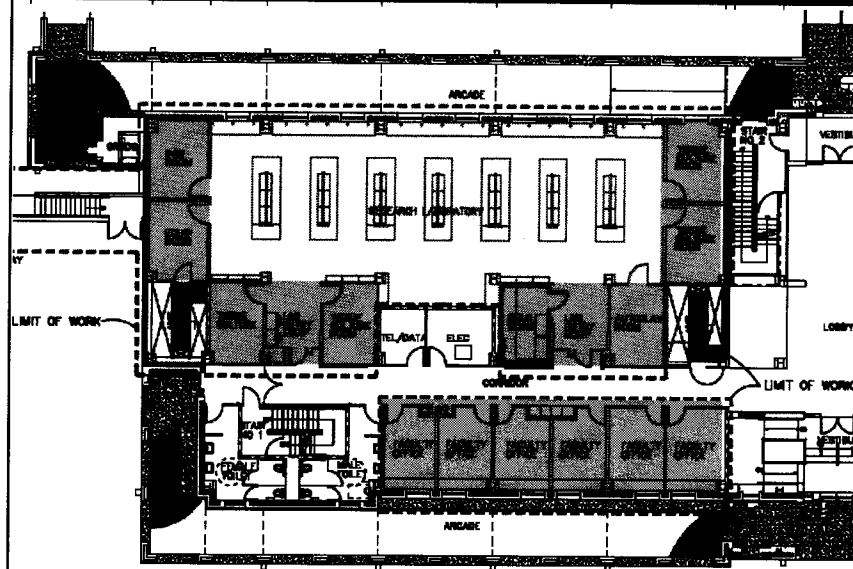
Core Facilities

Research Laboratories

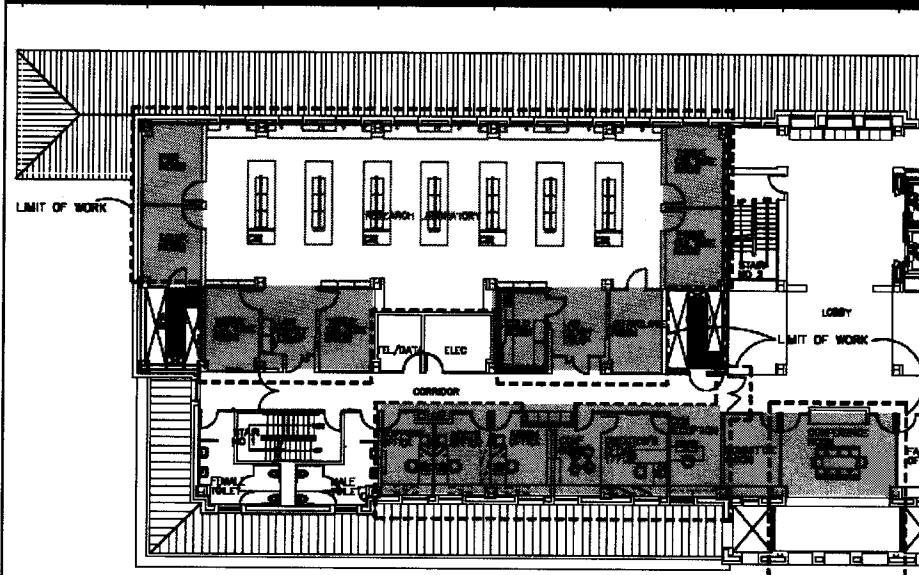
Lab Support Space

Faculty Offices

Typical – Basement, First and Third Floor Plans



Second Floor Experimental Sciences Building Finish-Out



Budget

Experimental Sciences Building Finish-Out



Project Budget **\$ 15,000,000**

Construction	\$ 10,960,000
Professional Services	\$ 1,338,075
FF&E	\$ 927,000
Administrative Costs	\$ 94,925
BOR Directed Fees	\$ 930,000
Contingency	\$ 750,000

Schedule

Experimental Sciences Building Finish-Out



Start Construction	September 2010
Substantial Completion	August 2011
Final Completion	September 2011

THECB Criteria



TTU MPI Report FY 2009	4 of 20
Space Need	Meets
Cost (\$450/SF)	Meets
Efficiency	Meets
<i>Technical Research - 50%</i>	

Deferred Maintenance	Meets
Critical Deferred Maintenance	Meets
Classroom Utilization	Meets
Class Lab Utilization	Meets

Guidelines

Recommendation



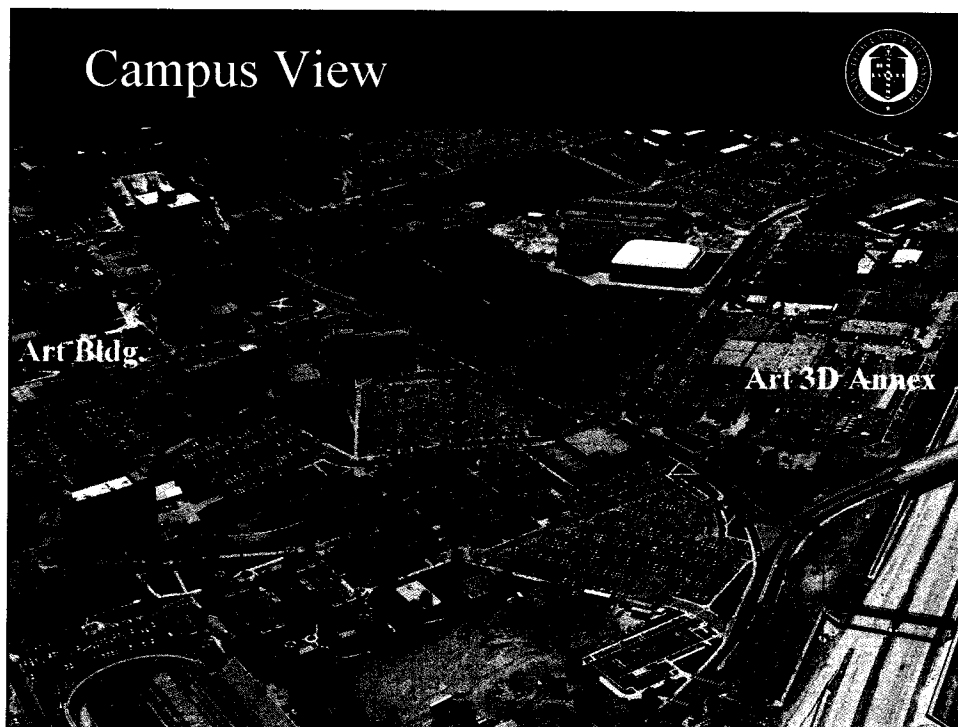
Approve a construction project to finish-out the Experimental Sciences Building shell space with a project budget of \$15,000,000 funded through the Revenue Finance System repaid with Higher Education Assistance Funds ("HEAF")

Texas Tech University

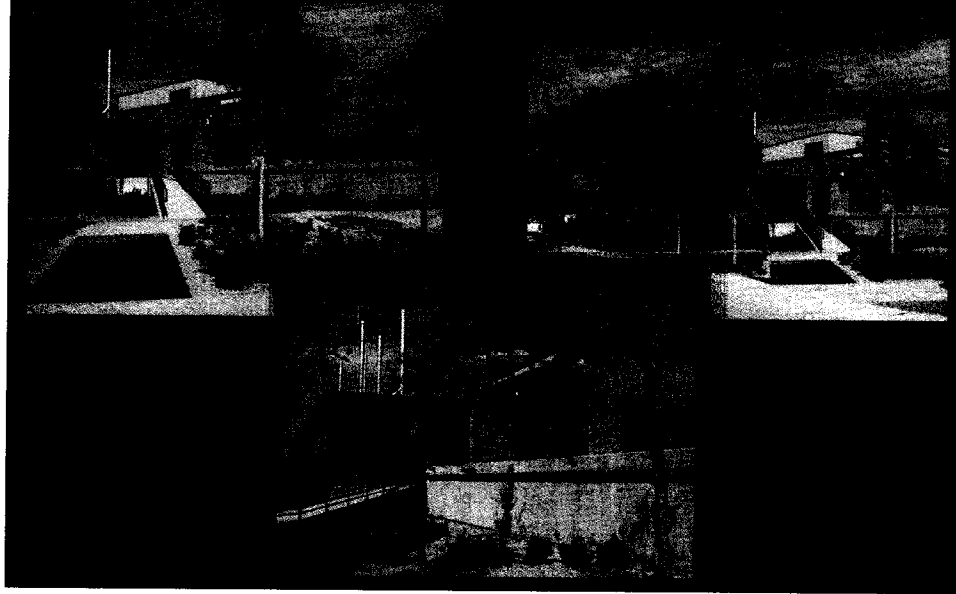


Approve a construction project to
finish-out the Art 3D Annex shell space

Campus View



Art 3D Annex Finish-Out



Scope of Work Art 3D Annex Finish-Out



Original Project Completed September 2007

Ceramics Studio / Kiln Yard March 2008

Project to Finish-Out 15,000 SF to include:

Freshman Foundation

Woodshop and Sculpture Studios

 Metal Shop

 Foundry

 Resin and Paint Rooms

Computer Lab

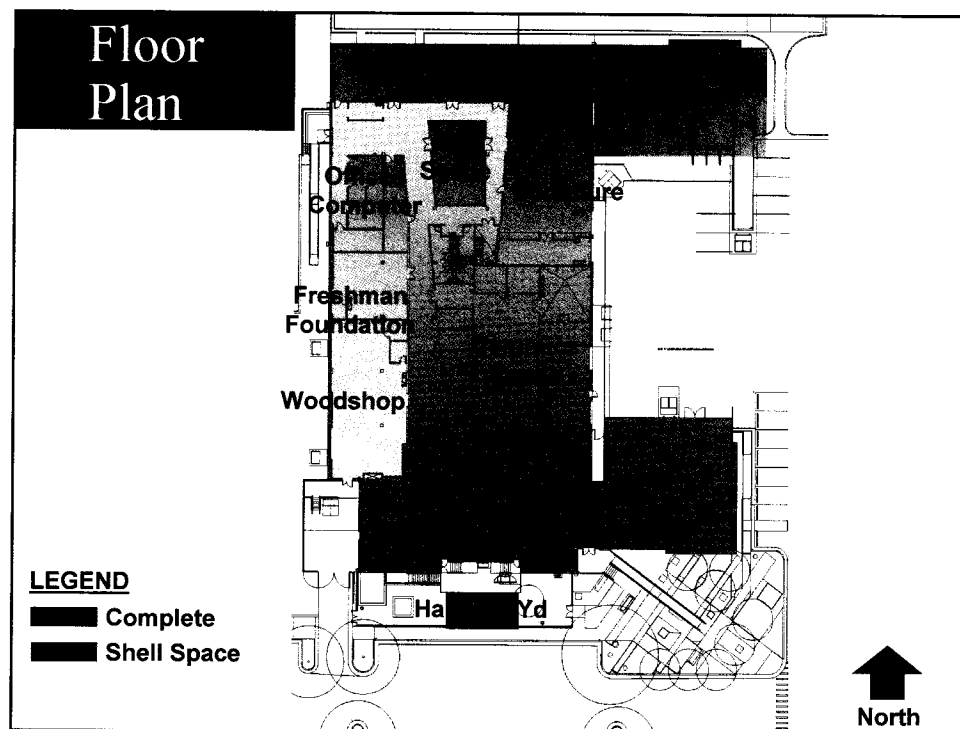
Graduate and Faculty Offices

Academic Impact Art 3D Annex Finish-Out



Ongoing Accreditation Report from National
Association of Schools of Art and Design
(NASAD) Concerning Health and Safety Issues
Yearly Compliance Report Due to NASAD on
March 2010

Total 630 Art Majors and Minors:
450 Undergraduate (B.A., B.F.A. and B.S.)
100 Art Minors
75 Graduate Art Majors (M.A., M.F.A. and Ph.D.)
5 Museum Science Majors (Art Secondary Emphasis)



Budget Art 3D Annex Finish-Out



Project Budget	\$ 3,800,000
Construction	\$ 2,786,258
Professional Services	\$ 85,000
FF&E	\$ 262,000
Administrative Costs	\$ 29,100
BOR Directed Fees	\$ 257,642
Contingency	\$ 380,000

Schedule Art 3D Annex Finish-Out



Start Construction	April 2010
Substantial Completion	November 2010
Final Completion	December 2010

THECB Criteria



TTU MPI Report FY 2004	4 of 46
Space Need	Meets
Cost (\$186/SF)	Meets
Efficiency	Meets
<i>General Use Facility – 60%</i>	

Deferred Maintenance	Meets
Critical Deferred Maintenance	Meets
Classroom Utilization	Meets
Class Lab Utilization	Meets

Guidelines

Recommendation



Approve a construction project to finish-out the Art 3D Annex shell space with a project budget of \$3,800,000 funded through the Revenue Finance System repaid with Higher Education Assistance Funds (“HEAF”)

Texas Tech University



Approve reducing the Jones AT&T Stadium East Side Expansion project budget by waiving a portion of Board Directed Fees related to the project

Board Directed Fees



Original Project Budget	\$ 25,000,000
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Revised Project Budget	\$ 34,630,000
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Waiver of BOR Directed Fees

1% Public Art	\$ 96,300
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1% Landscape Enhancement	\$ 96,300
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FP&C Fee	\$ <u>236,589</u>
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Total Waiver	\$ 429,189
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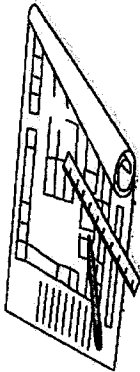
Recommendation



Approve reducing the Jones AT&T Stadium East Side Expansion project budget in the amount of \$429,189 by waiving a portion of the Board Directed Fees related to the project

Bricks and Mortar Report
Projects Under Construction
February 2010

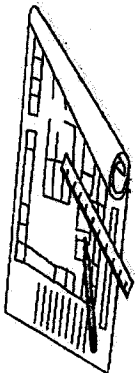
www.fpc.ttu.edu



Project	Cost	Status	Completion Date
TTU			
Jones AT&T Stadium North End Zone Expansion	\$ 6,000,000	Under Construction	September 2009 / January 2010
Rawls College of Business Administration	\$ 67,800,000	Under Construction	September 2011
Jones AT&T Stadium East Expansion	\$ 34,630,000	Under Construction	August 2010/December 2010
Softball Team Facility	\$ 3,000,000	Substantially Complete	February 2010
Pulse Power Lab	\$ 1,500,000	Substantially Complete	October 2009/February 2010
CoBA Building Renovations	\$ 25,000,000	Under Construction	July 2012
Scholarship Donor Walk-Phase 2	\$ 50,000	Under Construction	March 2010
Marsha Sharp Freeway (TxDOT Project)	TBD	Under Construction	2010+
TOTAL	\$ 137,980,000		

Project	Cost	Status	Completion Date
ASU			
Library IT Commons Renovation	\$ 4,000,000	Under Construction	January 2010
Rec/Wellness/CHP Expansion	\$ 7,000,000	Under Construction	August 2010
TOTAL	\$ 11,000,000		

Project	Cost	Status	Completion Date
HSC			
Lubbock Simulation Center	\$ 6,500,000	Under Construction	August 2010
Lubbock Cancer Research Labs	\$ 3,200,000	Under Construction	October 2010
HSC Memorial Garden	\$ 181,000	Substantially Complete	January 2010
Total	\$ 9,881,000		
GRAND TOTAL	\$ 158,861,000		



Project	Cost	Status	Completion Date
TTU			
Architecture Building LifeSafety Upgrade	TBD	On Hold	TBD
Biology Building LifeSafety Upgrade	TBD	On Hold	TBD
Experimental Science Lab Finish Out	\$ 15,000,000	February BOR Meeting	TBD
Art 3D Finish Out	\$ 3,800,000	February BOR Meeting	TBD
Admin Bldg Improvements	\$ 3,850,000	Design In Progress	February 2011
System Offices Relocation	\$ 6,500,000	Design In Progress	2nd Floor May 2010/TBD
Campus Chapel	\$ 3,000,000	Design In Progress	TBD
TOTAL	\$ 32,150,000		
ASU			
Hardeman Hall Renovation	\$ 12,000,000	On Hold	TBD
Plaza Verde Residence Hall	\$ 30,000,000	On Hold	TBD
Campus Green	TBA	Out For Proposal	TBD
TOTAL	\$ 42,000,000		
HSC			
Project	Cost	Status	Completion Date

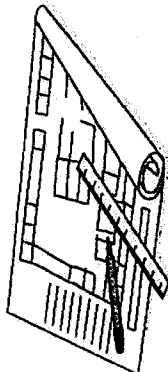
GRAND TOTAL

\$ 74,150,000

Bricks and Mortar Report

Future Projects
February 2010

www.fpc.ttu.edu



Project	Cost	Status	Completion Date
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TTU

Engineering Expansion/Renovation Phase II	\$ 110,000,000	On Hold	TBD
Plant & Soil Sciences Building	\$ 32,000,000	Program Complete	TBD
Campus Building Modernization & Improvements	\$ 39,500,000	Proposed	TBD
Performing Arts Center	\$ 90,000,000	Proposed	TBD
Honors College Residential Community	TBD	On Hold	TBD
The Rawls Course Clubhouse	\$ 3,500,000	Proposed	TBD
Dairy Barn Renovation	TBD	Proposed	TBD
Vietnam Center	\$ 50,000,000	Proposed	TBD
TOTAL	\$ 325,000,000		

Project	Cost	Status	Completion Date
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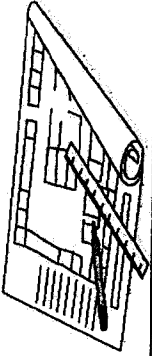
ASU

The College of Nursing and Allied Health	\$ 40,000,000	Proposed	TBD
Campus Modernization and Expansion	\$ 47,000,000	Proposed	TBD
Performing Arts Facility	\$ 62,640,000	Proposed	TBD
TOTAL	\$ 149,640,000		

Project	Cost	Status	Completion Date
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HSC

Lubbock Education, Research & Technology Renov	\$ 80,000,000	Proposed	TBD
El Paso Medical Science Building II	\$ 65,000,000	Proposed	TBD
El Paso Clinical Sciences Building	\$ 30,000,000	Proposed	TBD
Permian Basin Medical Education Facility	\$ 14,000,000	Proposed	TBD
Panhandle Clinical/Hospital Simulation Center	\$ 16,500,000	Proposed	TBD
Laura W. Bush Institute Renovations	\$ 12,800,000	Proposed	TBD
TOTAL	\$ 218,300,000		
GRAND TOTAL	\$ 692,940,000		



Project	Cost	Status	Completion Date
TTU			
Soccer Team Facility	\$ 4,080,000	Complete	September 2009
Rawls CoBA Tunnel Project	\$ 1,700,000	Complete	October 2009
Horn/Knapp Window Replacement	\$ 2,500,000	Complete	November 2009
Memorial Circle Utility Tunnel Replacement	\$ 3,887,819	Complete	August 2009
Student Leisure Pool	\$ 8,250,000	Complete	May 2009
SPICE Chess Garden	\$ 71,000	Complete	July 2009
Thompson Gaston Demolition	\$ 2,200,000	Abatement & Demo Complete	March 2009
Engineering Expansion/Renovation Phase I	\$ 10,000,000	Complete	March 2009
Track Renovation/Relocation	\$ 4,000,000	Complete	May 2009
Softball Field Improvements	\$ 1,000,000	Complete	March 2009
Art 3D Annex Ceramics/Kiln Yard	\$ 1,556,937	Complete	October 2008
High Performance Research Computer Facility	\$ 1,800,000	Complete	September 2008
Sneed/Bledsoe HVAC Upgrade	\$ 6,000,000	Complete	August 2008
Bledsoe Window Replacement	\$ 1,000,000	Complete	August 2008
4th Street Sewer Upgrade	\$ 560,000	Complete	October 2008
Mark & Becky Lanier Prof. Development Center	\$ 13,665,000	Complete	April 2008
NCAA Soccer Complex	\$ 1,998,000	Complete	August 2007
Art 3-D Annex	\$ 8,603,315	Complete	September 2007
Outreach & Extended Studies Building	\$ 8,000,000	Complete	October 2007
Softball Field Repairs	\$ 509,055	Complete	September 2007
Discovery Mall	\$ 1,167,698	Complete	July 2007
Student Wellness Center	\$ 9,229,767	Complete	March 2007
CDRC / CSAR	\$ 8,126,508	Complete	October 2006
Scholarship Donor Recognition Walk	\$ 225,000	Complete	November 2006
Sneed/Gordon/Bledsoe Life Safety Upgrades	\$ 5,792,000	Complete	September 2006
Jones AT&T Stadium Field Improvements	\$ 2,860,000	Complete	August 2006
Student Union Building Phase II B	\$ 6,034,070	Complete	November 2006
Student Union Building Phase III	\$ 1,299,043	Complete	July 2006
NRHC - Christine DeVitt Wing	\$ 3,278,509	Complete	June 2006
Experimental Sciences Building	\$ 36,702,120	Complete	March 2006

Texas Tech Parkway					February 2006
Grover E. Murray Residence Hall	\$	9,222,073	Complete		February 2006
Animal and Food Sciences Building	\$	24,613,235	Complete		January 2006
Wall/Gates LifeSafety Upgrade	\$	16,809,505	Complete		February 2006
Student Parking Expansion	\$	3,084,012	Complete		January 2006
Student Union Bldg. Expansion/Renovation	\$	660,000	Complete		October 2005
Museum NSRL Addition	\$	37,372,008	Complete		October 2003/February 2005
Admin Building Stone Repair	\$	3,555,259	Complete		August 2005
Jones SBC Stadium Stage IIA /IIB	\$	2,262,839	Complete		January 2005
Hulen Clement Fire Protection	\$	53,578,710	Complete		May 2004/Sept 2004
Football Training Facility	\$	3,234,692	Complete		August 2004
Marsha Sharp Center for Student Athletes	\$	10,974,030	Complete		May 2004
The Rawls Course Support Facilities	\$	3,789,332	Complete		January 2004
Admin Building Roof Repairs	\$	1,692,000	Complete		November 2003
The Rawls Course	\$	827,901	Complete		November 2003
Horn/Knapp Fire Suppression	\$	9,013,000	Complete		August 2003
Campus Conference Bonfire Circle	\$	3,026,015	Complete		December 2002
English-Philosophy & Education Complex	\$	400,000	Complete		September 2002
Flint Avenue Parking Facility	\$	44,910,950	Complete		August 2002
Dan Law Field	\$	10,670,915	Complete		August 2002
Fuller Track Field House	\$	1,612,000	Complete		June 2002
Pflugger Fountain	\$	480,000	Complete		June 2002
Recreation Center Expansion/Renovation	\$	826,000	Complete		April 2002
Jones SBC Stadium Stage I	\$	12,070,277	Complete		November 2001
Frazier Plaza & Masked Rider Statue	\$	22,000,000	Complete		September 2001
Tennis-Softball Complex	\$	515,000	Complete		September 2001
Campus Fiber Optic Connection	\$	4,059,784	Complete		September 2001
West Hall/Visitors Center	\$	1,667,000	Complete		September 2001
Broadway Gatehouses	\$	5,703,441	Complete		September 2001
Marquee	\$	816,000	Complete		August 2001
Stangel/Murdough Fire Suppression	\$	352,000	Complete		August 2001
Chittwood/Weymouth Fire Suppression	\$	1,616,283	Complete		August 2001
TOTAL	\$	<u>2,779,706</u>	Complete		August 2000
	\$	450,295,818			

Project	Cost	Status	Completion Date
ASU			
Centennial Village Residence Hall	\$ 28,215,000	Complete	August 2008/March 2009
University Hall/Abatement Demolition	\$ 2,500,000	Complete	January 2010
UC Dining Services Expansion	\$ 2,500,000	Complete	January 2009
TOTAL	\$ 33,215,000		

Project	Cost	Status	Completion Date
HSC			
Amarillo School of Pharmacy Expansion	\$ 8,010,000	Substantially Complete	November 2009
Amarillo Family Medicine Relocation	\$ 7,026,925	Complete	July 2009
Amarillo Research Building	\$ 18,152,430	Complete	March 2009
El Paso Vivarium Upgrade	\$ 737,479	Complete	December 2008
International Pain Center	\$ 7,000,000	Complete	November 2008
El Paso Strategic Space Study	TBD	Complete	TBD
El Paso - Archer Building Renovations	\$ 1,700,000	Complete	March 2008
Texas Tech Physicians Medical Pavilion	\$ 36,462,388	Complete	June 2006/Dec 2007
El Paso Medical Education Bldg.	\$ 45,000,000	Complete	November 2007
Ablene School of Pharmacy	\$ 9,087,743	Complete	July 2007
El Paso Medical Science Bldg. I Build Out	\$ 3,564,308	Complete	July 2006
Amarillo Campus Improvements	\$ 1,424,677	Complete	September 2006
HSC Roof Replacement	\$ 1,747,867	Complete	April 2006
The Larry Combest Health & Wellness Center	\$ 1,551,549	Complete	January 2006
El Paso Medical Science Bldg. I	\$ 36,977,869	Complete	February 2006
HSC Campus Infrastructure Improvement	\$ 5,028,277	Complete	January 2006
HSC El Paso Clinic Expansion/Renovation	\$ 9,638,830	Complete	February 2005
HSC El Paso Hydronic Pipe Replacement	\$ 1,552,209	Complete	February 2006
HSC Academic Classroom Bldg.	\$ 14,963,993	Complete	October 2003
HSC Synergistic Center	\$ 1,995,105	Complete	March 2003
Amarillo Academic/Clinic Facility	\$ 23,636,894	Complete	April 2002

Midland Physicians Assistant Building			August 2001
HSC Admin Relocation	\$ 6,000,000	Complete	March 2001
Odessa Clinic Renovation	\$ 1,882,000	Complete	September 2000
Communications Disorders Renovation	\$ 1,200,000	Complete	May 2000
TOTAL	\$ 2,161,000	Complete	
GRAND TOTAL COMPLETED	\$ 248,481,541		
PROGRAM TOTAL	\$ 729,996,359		
	\$ 1,655,947,359		

SGA President's Report
Texas Tech University
Board of Regents Meeting
February 26, 2010

Suzanne Williams presented her report to the Board: "Since this is my last Board meeting, which is hard to believe, I decided to do something a little bit different with my report.

 "As I approach the end of my term,
 I am thankful to be able to confirm.
 So much progress has occurred
 With continued excellence I helped this spurred.
 Through this year I have learned more than expected
 And could not grasp what it meant when I was elected.
 It's been a huge privilege to serve with each of you,
 Serving the students upon every queue.
 These past few weeks since we met last,
 Lots has occurred and things have moved fast.
 With 163 organizations applying for funding last year,
 The increase in numbers has brought our office to a cheer.
 210 organizations have currently applied,
 A 29 percent increase, oh what a stride.
 70 new organizations have applied for the first time.
 We hope to see it continue—a year to year climb.
 This kind of process is due to a lot of team work,
With senators, college coordinators and the budget and finance committee which was
 always a perk.
 With this increase in student organizations,
 We are very thankful for additional donations.
 In addition to this exciting progression,
 We have invested time among the legislative session.
 Big XII on the Hill is in just a few weeks
 Yet we have evaluated many various techniques.
 Looking at student aide and fiscal responsibility
 We plan to approach the Hill with great agility.
 It is hard to believe that elections occurred just last week.
 Thankfully we have a little more time to seek.
 The SGA retreat is slightly changing forms
 And on April 10 we plan to challenge the norms.
The current officers and senators will join the newly elected
 To help transition and make sure all lines are connected.
 The following weekend will be a great treat
 Where you are all invited to the SGA banquet to eat.
 Friday, April 16 is a day of celebration,
 A time to express our deepest admiration.

During this evening the new leaders will be installed,
I will become a has-been or so I've been called.
This year's had its ups and downs
Yet I truly feel we have gained some grounds.
I could not have made it through this year
Without an awesome group of officers near.
Each one has so much passion and drive,
When talking of Tech they would just come alive.
Also I owe my deepest appreciation to a man
Who always said "You can do it Suzanne."
Dr. Shonrock has given me so much
Through his love for students he has such a neat touch.
It has been a highlight to know each of you.
I look forward to our paths crossing maybe in a different view.
As a side note to my rhyme
A milestone is coming with the sound of a chime.
A little envelope is left for each of you.
Brandon and I would love for you to be part of this debut.
It is an exciting time in my life but also for Tech.
I am pumped to see great results of this trek.
My hopes for the future of our great University
Rest in wonderful hands amongst a group of great diversity.
Good luck to each of you and thanks for your hard work.
The impact you are leaving at Tech is far more than a perk.
So, as always the perfect ending,
Wrech 'Em Tech for the tradition is unending."

"There has been a huge increase in the number of student organizations which is a result of the work of our Student Organization Representative Council (SORC). We are very excited about that.

"Other things are happening. Our term officially ends on April 15. We still have a little bit of time get last minute things accomplished and set up for the next year.

"Are there any questions?"

Regent Serna stated that he has known Suzanne's family for a number of years from Arlington. "Every time I see her mom and dad I can't stop myself from bragging on this young lady. She has done such a tremendous job and is such a great role model for the students. Your leadership has been tremendous. The respect that the Board has for you can't be put into words. Personally and on behalf of the Board, thank you. We are very proud of you. We have enjoyed your work this past year. Also, congratulations to you and Brandon. Pass on to your parents, our tremendous thanks for the fine upbringing that they did. It's been a real privilege."

Regent Miller added: "Suzanne, I also wanted to thank you and the student government. Recently, I have had the privilege of working with Suzanne and her staff on a governor initiative to cut costs. One of the things the governor asked that the student regents do

through a House Bill (4191), was work with the student governments to receive feedback on how they view electronic textbooks in order to help cut costs in higher education. You probably all remember how expensive the big thick printed textbooks were whenever we attended school. Suzanne and her staff have definitely helped me out with that initiative. They have actually been surveying students on campus to find out what their feedback is; what might hinder them in actually using electronic textbooks even if they are cheaper. I will be working with her to present our views from the Texas Tech System coming up with the Higher Education Coordinating Board in late March.

"Thank you so much Suzanne for all. You have been an extremely affective leader and we appreciate everything you do."

Chairman Anders stated that he echoed Regent Serna's sentiments. "You are a remarkable young person and the kind of individual who I know will make Texas Tech proud. You are going to do great things in your career. We wish you much success as well and hope for blissful days ahead for you in marriage. Brandon is a very lucky young man."

SGA President's Report
Texas Tech University Health Sciences Center
Board of Regents Meeting
February 26, 2010

Melissa Schulze presented her report to the Board: "Thank you for allowing me to speak this morning. Cory regrets not being able to attend this meeting but I am honored to fill in for him.

"The SGA recently awarded our annual phone-a-thon thank-a-thon scholarships. We had over 300 applications and 30 percent of the applicants were awarded scholarships. We gave away a record number of 93 scholarships totaling \$59,000.

"Recently, Dean Berk sent a few medical students to Jacksonville, Florida to attend a conference about free clinics run by medical students. The students went with the intention of learning from other programs run at other schools. When they arrived, the students quickly discovered that Texas Tech's free clinic is leading the way. They have done extremely well for being less than a year old and the other schools wound up asking for advice from our Tech students. That was very impressive. The key difference is that our students are actually doing everything that needs to be done rather than just observing. That is all under the supervision of faculty physicians.

"Our SGA officers, with the help of Student Regent Kyle Miller, recently began talking with HSC administrators about the possibility of opening a coffee shop in the Academic Classroom Building. With some help from Dr. Michael Shonrock, Kirk Rodriguez and Sam Bennet from the TTU campus, we will be opening a new Sam's Place Express in the Academic Classroom Building. The students and faculty and staff are very excited about that. The anticipated completion is in May 2010. Items including coffee and sandwiches will be available for purchase.

"Our SGA has accomplished many things this year. We continue to work with engineers to build a bike path along Texas Tech Parkway. The planning is finished and we are now moving on to construction though funding remains an issue.

"Our students continue to fund our existing recycling program but we are collaborating with faculty and staff senates to expand that program.

"We are also setting up regional senates at all of our satellite campuses for the HSC to ensure that all TTU HSC students have a voice in Lubbock.

"The student-run health clinic is functioning well, serving the medically-underserved in Lubbock and looks to expand in the future to include nursing and allied health.

"Cory would like for me to tell you that it has been honor serving as the SGA president of the HSC. He thanks each and every one of you and again, regrets that he was unable to attend today.

"I will be happy to answer any questions."

Regent Serna asked for the funding estimate for the bike path.

Ms. Schulze responded: "Cory could tell you but I can't. He's worked on that project."

Mr. Cavin stated there are two different paths being discussed. One is the pedestrian bridge that was built with the Marsha Sharp Freeway by the Ronald McDonald House—we are doing that. That was \$130,000. It connects sidewalks etc. to that so the students can flow between the two campuses. What Melissa mentioned is the Texas Tech Parkway. When the Texas Parkway was built that was a federal initiative that required a 20 percent match from the institutions. So the HSC put up 20 percent, which it was a \$9 million project. So the feds came with 80 percent and we put in our part. The money ran out when it came to sidewalks. So there is probably about 100 yards of sidewalk that was built. This is on the TTU property, but what we would like to do is continue those sidewalks from UMC south to the MSF. The estimate is \$373,000.

Regent Neal asked if that was the bike path.

Ms. Schulze responded that the sidewalk would serve as the bike path. "Currently students are riding their bikes on the actual road which is dangerous."

Regent Neal asked how much of the funding was missing.

Mr. Cavin replied: "\$373,000 is needed to complete the project."

Regent Serna asked: "If it's a pedestrian and bike path then it's a wider sidewalk that accommodates both?"

Ms. Drewell responded that it would be a 10 foot wide joint path.

Regent Miller stated: "It is an extreme liability along Texas Tech Parkway. It's a 40 MPH road that students have to travel. Students on bicycles have to share the road with high speeding vehicles. We'd also like to see the Board reach to TxDOT to see if they might be able to help around the MSF—if anyone has any connections."

"In regards to the coffee shop project at the Academic Classroom Building, this is one of the first times that I've seen collaboration across the System. On behalf of the HSC SGA thanks go to Texas Tech and Hospitality Services. Kirk Rodriguez is very professional. He's worked with the SGA to find out our needs as students. We didn't have any strictly student food or coffee in our Academic Classroom Building. That has been a great job to be a part of. Thanks to the SGA for their thoughts and ideas on bringing that forth so that could be accomplished together."

SGA President's Report
Angelo State University
Board of Regents Meeting
February 26, 2010

Jeff Harris presented his report to the Board: "One of the things that we have been working on this semester is internships. That has pretty much been the primary project and any administration who takes over has agreed to continue this in the future so it's another reason that we are pushing this. I have worked with the city and their Human Resources Department about getting more professional internships. It is going very well. We have a lot of open communications going and we are developing a lot of good ties with the city. A have of progress is being made. That will be our main focus this semester."

Regent Huffaker asked: "Are these internships that would be for undergraduate students and what kind of positions with the city?"

Mr. Harris responded: "Pretty much in anything they have from public relations and marketing to accounting, public administration. Pretty much anything that is offered at ASU that our students can become involved with. There is a lot of public land that the cities owns so there are geological aspects that some of our geological students could benefit from. There are lots of ways to tie in city jobs with ASU degree programs. One of the things that we are trying to do is determine what jobs are currently available as far as internships go and find what they have as possibilities for internships. As we start seeing that more and more we will work with Dr. Limbaugh to see if there is a way we can offer course credit. I know government offers internships and such."

Regent Serna asked: "That was my question—whether these were being pursued as credit internships or paid internships?"

Mr. Harris replied: "Either way, we would like some sort of incentive. One of the things Human Resources has indicated is that they really can't afford, especially with the current economy, to pay a lot. So there are a few positions that offer pay but other than that internships really are built for experience. We are trying to push more towards the idea that you get the benefit of having professional experience which can be used on your resume because a lot of businesses nowadays, especially with the job market the way it is, look at that.

Regent Serna stated it was a great opportunity for students to make their resume look that much more competitive.

Mr. Harris: replied: "Absolutely. We are really striving to push for this from a student prospective."