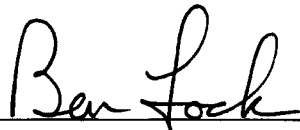


INDEX OF ATTACHMENTS

Attachment 1	TTUSA Summary Operating Budget FY 2008 PowerPoint
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Attachment 7	Hammond Associates Hedge Fund Evaluation, Anchorage Capital Partners, Anchorage Capital Group, Long/Short Credit Report
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Attachment 21	HSC SGA President's Report
Attachment 22	Chancellor's Report

I, Ben Lock, the duly appointed and qualified Secretary of the Board of Regents, hereby certify that the above and foregoing is a true and correct copy of the Minutes of the Texas Tech University System Board of Regents meeting on August 9-10, 2007.



Ben Lock
Secretary

Seal



TEXAS TECH UNIVERSITY SYSTEM

Texas Tech University System Administration

Summary Operating Budget Fiscal Year 2008

Jim Brunjes
Vice Chancellor and Chief Financial Officer

August 09, 2007
Page 1

TTUS Board of Regents



TEXAS TECH UNIVERSITY SYSTEM

TEXAS TECH UNIVERSITY
SYSTEM ADMINISTRATION


COMPARISON OF EDUCATION AND GENERAL FUNDS

INCOME BUDGET

<u>ITEM</u>	<u>FY 2007</u>	<u>FY 2008</u>
GENERAL REVENUE APPROPRIATIONS:		
GENERAL REVENUE - ARTICLE III	\$ 415,546	\$ 415,047
SUB-TOTAL	\$ 415,546	\$ 415,047
TRANSFERS		
TEXAS TECH UNIVERSITY	\$ 2,514,201	\$2,514,201
TEXAS TECH UNIVERSITY HEALTH SCIENCES CENTER	2,386,687	2,581,987
SUB-TOTAL	\$ 4,900,888	\$ 5,096,188
TOTAL	\$ 5,316,434	\$ 5,511,235
DOLLAR CHANGE		\$ 194,801
PERCENT CHANGE		3.70%


August 09, 2007
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TTUS Board of Regents

 TEXAS TECH UNIVERSITY SYSTEM		
TEXAS TECH UNIVERSITY SYSTEM ADMINISTRATION		
COMPARISON OF DESIGNATED FUNDS		
INCOME BUDGET		
<u>ITEM</u>	<u>FY 2007</u>	<u>FY 2008</u>
TRANSFERS:		
TEXAS TECH UNIVERSITY	\$ 2,674,861	\$ 2,944,561
TEXAS TECH UNIVERSITY HEALTH SCIENCES CENTER	1,419,977	1,419,977
SUB-TOTAL	\$ 4,094,838	\$ 4,364,538
ADDITIONAL REVENUES:		
SALES AND SERVICES	\$ -	\$ -
INTEREST AND INVESTMENT INCOME	2,205,000	3,250,000
FACILITIES PLANNING & CONSTRUCTION FEES	2,627,746	2,634,910
SUB-TOTAL	\$ 4,832,746	\$ 5,884,910
CURRENT YEAR REVENUE	\$ 8,927,584	\$ 10,249,448
OTHER:		
FUND BALANCES	\$ 1,286,542	\$ 1,254,877
TOTAL	\$10,214,126	\$11,504,325
DOLLAR CHANGE		\$ 1,290,199
PERCENT CHANGE		12.70%

August 09, 2007
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TTUS Board of Regents

 TEXAS TECH UNIVERSITY SYSTEM			
TEXAS TECH UNIVERSITY SYSTEM ADMINISTRATION			
SUMMARY OPERATING BUDGET			
FISCAL YEAR 2008			
	Sources of Funds		
	Estimated Income	Fund Balance	Estimated Expenditures
EDUCATIONAL AND GENERAL	\$ 5,511,235	\$ -	\$ 5,511,235
DESIGNATED	10,249,448	1,254,877	11,504,325
TOTAL	\$15,760,683	\$1,254,877	\$ 17,015,560

August 09, 2007
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TTUS Board of Regents



TEXAS TECH UNIVERSITY SYSTEM

Texas Tech University System Administration

Operating Budget Fiscal Year 2008

Chancellor Kent Hance
Texas Tech University System

August 09, 2007
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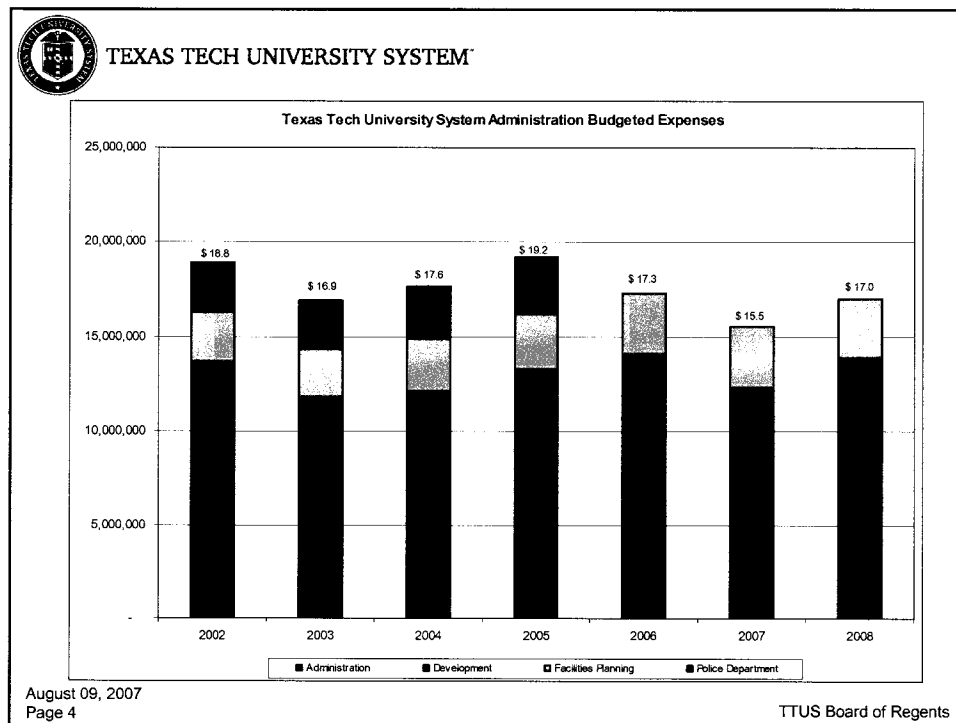
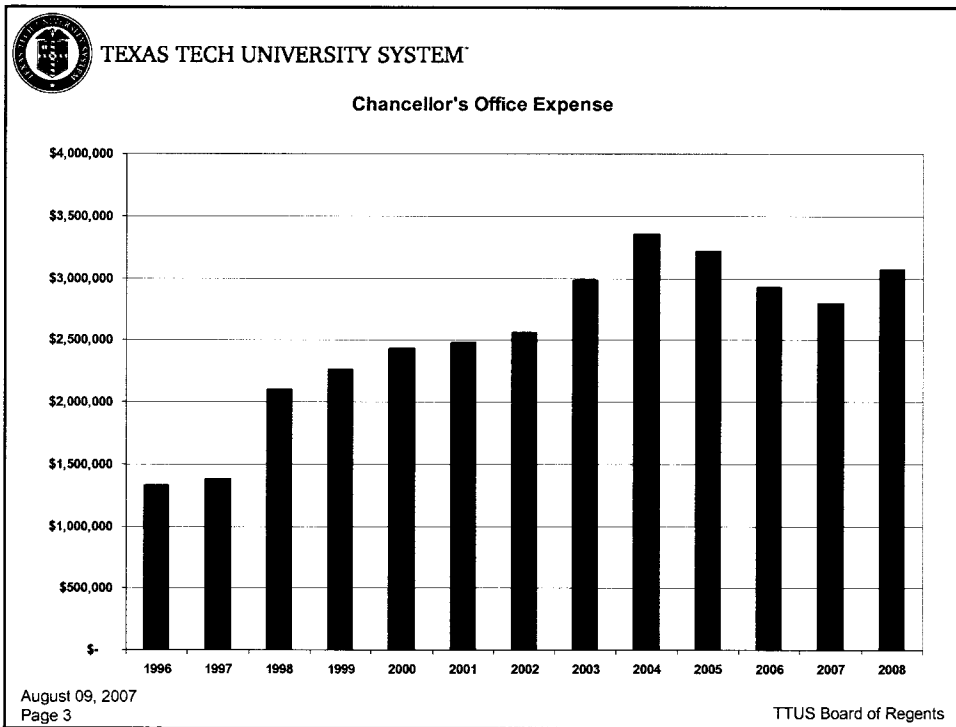


TEXAS TECH UNIVERSITY SYSTEM

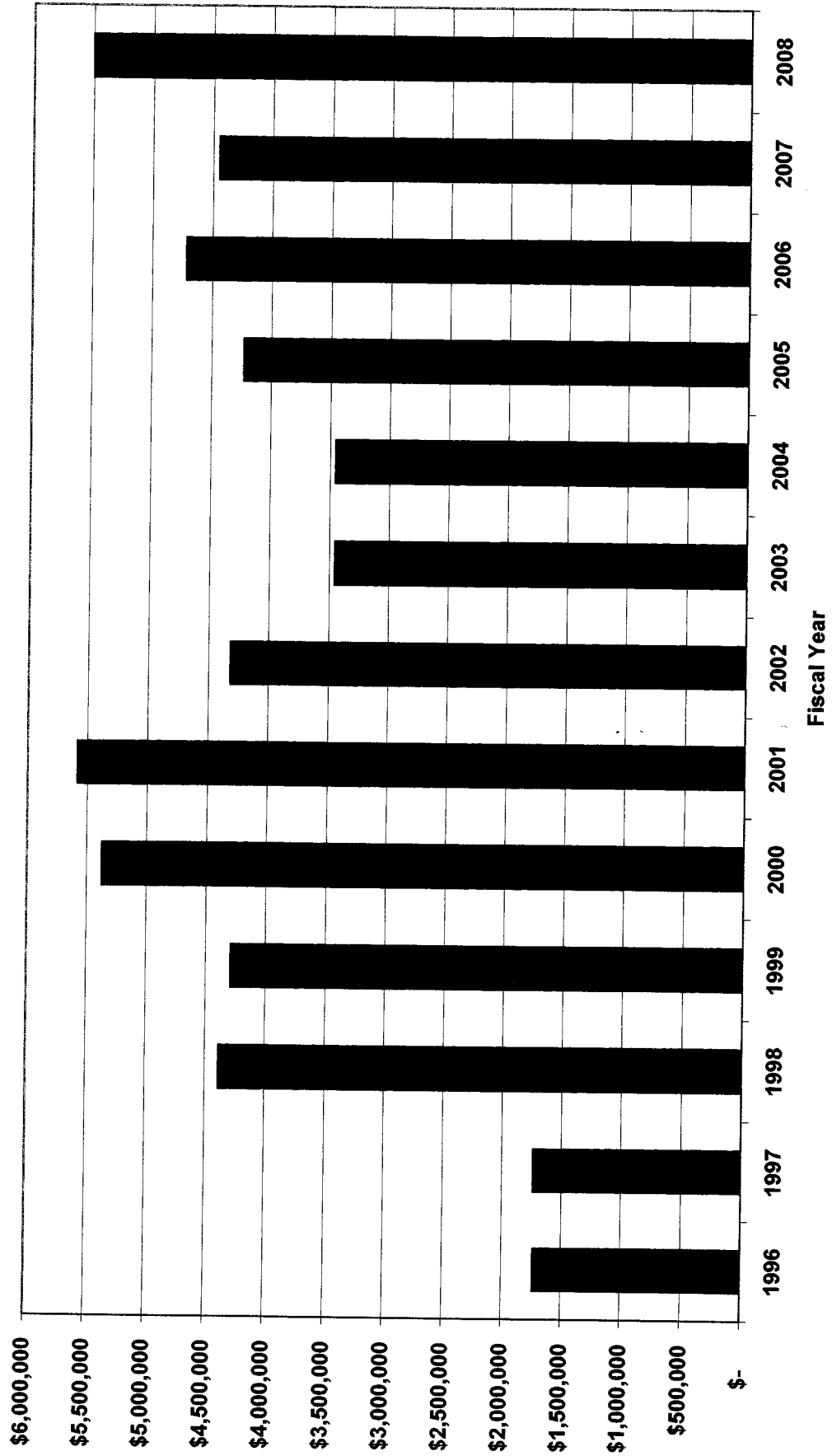
TEXAS TECH UNIVERSITY SYSTEM				
FY 2008 BUDGET INCREASE				
	Original	Original	As Revised	As Revised
FY 2007 Base				15,530,560
Chancellor Office Increase				
Management Analysis	180,000		180,000	
Special Assistant to the Chancellor for Community Outreach	75,000		0	
Policy Advisor	75,000		0	
Clerical Support	45,000		35,000	
Communication	460,000		125,000	
Benefits	93,750		45,000	
Total		648,750		385,000
Ment		100,000		100,000
Development		1,000,000		1,000,000
Intellectual Prop		400,000		0
Replenish Chancellor's Reserve		466,841		0
Other		0		
Total of Additions		2,274,591		1,485,000
FY 2008 Proposed Budget				17,015,560

August 09, 2007
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TTUS Board of Regents

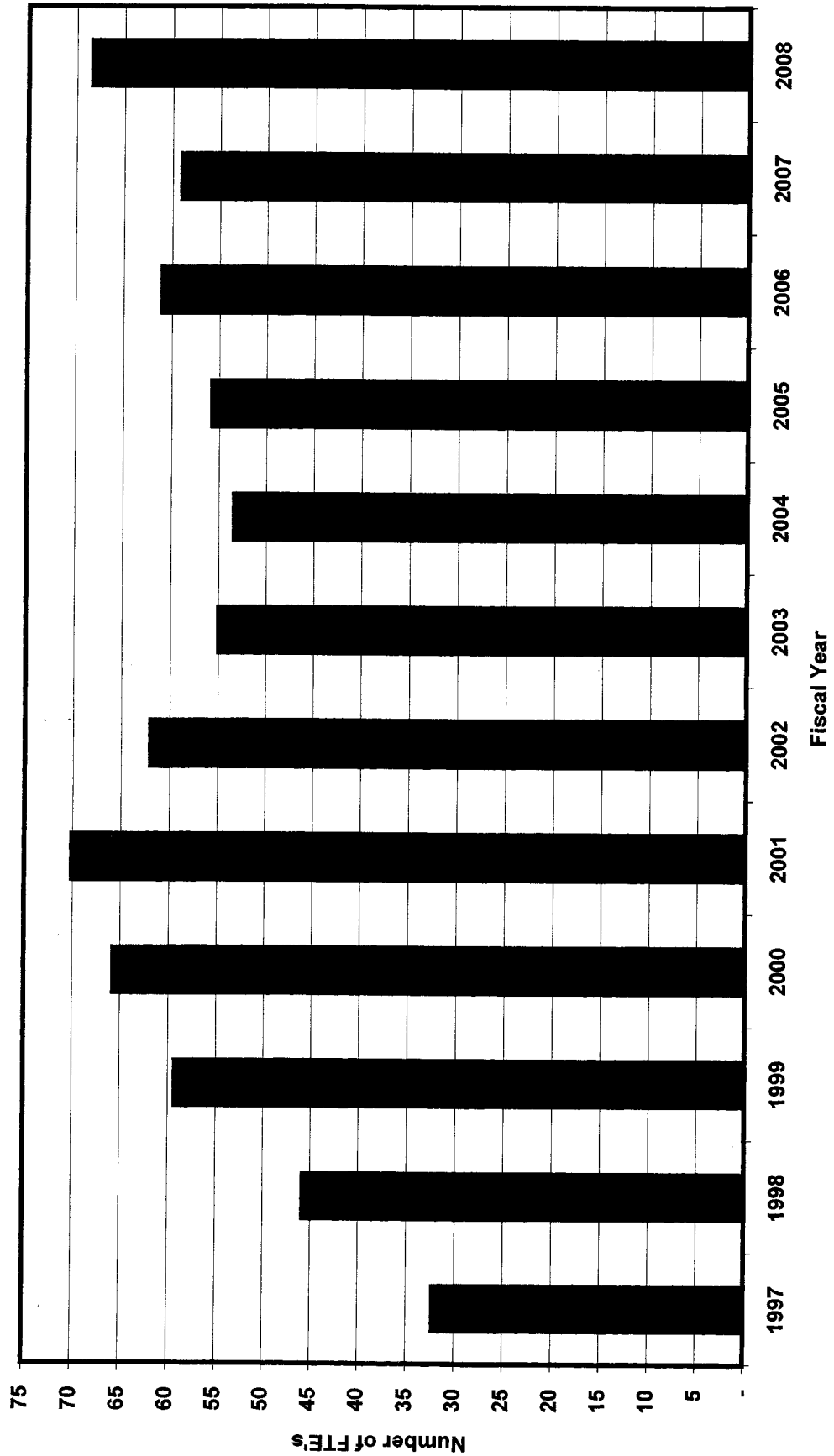


**Texas Tech University System Administration
Institutional Advancement/ Development
Total Budget Expenditures**





Account Name	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Office of Vice Chancellor for Special Projects													
Office of V. Chan. for Institutional Adv.-Oper.	\$ 865,349	\$ 900,739	\$ 931,397	\$ 837,077	\$ 886,955	\$ 913,800	\$ 581,380	\$ 648,183	\$ 647,683	\$ 650,105	\$ 674,714	\$ 684,500	\$ 699,184
Office of V. Chan. for Institutional Adv.-Admin.							\$ 366,189	\$ 416,010	\$ 415,784	\$ 443,910	\$ 460,072	\$ 467,530	\$ 478,713
Development Operating Fund - Operations	\$ 229,992	\$ 229,992	\$ 260,700	\$ 248,700	\$ 248,700	\$ 248,700	\$ 200,930						
Development Giving Fund				\$ -	\$ 265,000	\$ 265,000	\$ 514,696						
Office of Vice Chancellor for Special Projects-Capital Campaign													
Development Capital Campaign - Operations	\$ 600,000	\$ 566,053	\$ 3,153,214	\$ 3,153,214	\$ 3,912,008	\$ 199,124	\$ 1,582,453	\$ 1,379,692	\$ 1,379,692	\$ 1,967,996	\$ 2,020,421	\$ 1,269,156	\$ 2,358,190
Development Operating Fund - Administrative Services							\$ 38,008						
Development Operating Funds 1000-2200												\$ 677,890	\$ 784,927
Development Capital Campaign - Administrative Services							\$ 1,020,437	\$ 998,661	\$ 998,661	\$ 1,153,565	\$ 1,547,676	\$ 894,863	\$ 713,433
Development Accounting Support	\$ 27,660	\$ 28,168	\$ 28,168	\$ 28,168	\$ 28,168	\$ 28,168							
Development Services 3000-5100												\$ 440,860	\$ 454,086
Total	\$ 1,723,001	\$ 1,724,962	\$ 4,373,479	\$ 4,277,159	\$ 5,361,831	\$ 5,571,852	\$ 4,304,093	\$ 3,442,646	\$ 3,441,820	\$ 4,215,576	\$ 4,702,883	\$ 4,434,799	\$ 5,488,533

**Texas Tech University System Administration
Institutional Advancement/Development
Full Time Equivalent Employees**



	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Account Name												
Office of V. Chan. for Institutional Adv.-Oper.	25.26	26.12	24.40	24.04	23.18	15.00	13.00	12.29	9.00	15.75	17.75	16.85
Office of V. Chan. for Institutional Adv.-Admin.		-	-	-	-	9.51	11.00	10.53	11.00	13.90	14.12	13.02
Development Operating Fund - Operations	0.50	0.50	0.49	0.49	0.49	-	-					
Development Giving Fund	-	-	-	2.00	2.00	3.00	-					
Institutional Advancement - Operations	-	-	-	-	1.00		13.00	13.87	13.95	13.95	12.57	16.10
Development Capital Campaign - Operations	6.00	18.72	33.93	38.73	43.11	18.00						10.00
Development Operating Fund - Adminstrative Services						0.49	-					
Development Capital Campaign - Administrative Services						16.00	18.00	16.68	21.79	17.42	14.59	12.41
Development Accounting Support	0.49	0.49	0.48	0.47	0.34	-	-					
Total	32.25	45.83	59.30	65.73	70.12	62.00	55.00	53.37	55.74	61.02	59.03	68.38 Estimated




FY2008 Budget Overview

Thomas Anderes,
Sr. Vice President for Administration & Finance

Board of Regents

August 9-10, 2007

TEXAS TECH UNIVERSITY



FY2008 – BUDGET HIGHLIGHTS

- Provide salary adjustments for faculty (3%)/staff (2%)
- Enhance research opportunities: Collaboration with State
- Increase capital project/equipment support: COBA/Law School
- Expand security on campus: Added officers/messaging system
- Expand recruitment resources: Catalyst for growth
- Limit tuition and fee increases (under 5%)

Board of Regents FY2008 Budget Overview - August, 2007

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TEXAS TECH UNIVERSITY



Summary Operating Budget For Fiscal Year 2008
Projected Expense

<u>Source*</u>	<u>FY2007</u>	<u>FY2008</u>	<u>\$ Increase</u>	<u>%</u>
Education and General	\$194,318,668	\$216,898,035	\$22,579,367	11.6%
Designated	165,548,682	182,985,014	17,436,332	10.5%
Auxiliary	115,607,553	116,426,178	818,625	.7%
Current Funds Restricted	63,289,700	65,982,200	2,692,500	4.2%
Total	\$538,764,603	\$582,291,427	\$ 43,526,824	8.1%

*Defined on last page

Tuition and fees represented in budget approved by Board in June – Found in Global Fee Document

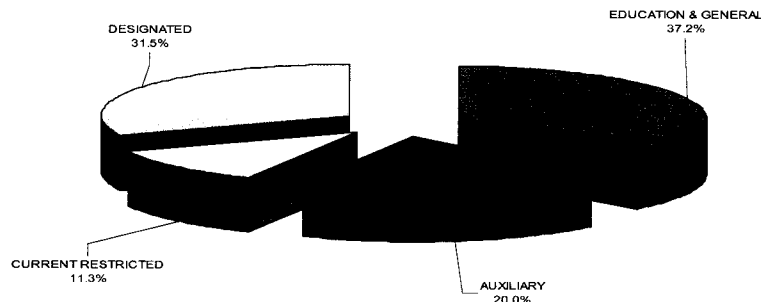
Board of Regents FY2008 Budget Overview - August, 2007

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TEXAS TECH UNIVERSITY



FY2008
SUMMARY OPERATING BUDGET
SOURCE OF FUNDS
(\$582,291,427)



Board of Regents FY2008 Budget Overview - August, 2007

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TEXAS TECH UNIVERSITY



Summary Operating Budget For Fiscal Year 2008
E & G Income

	<u>FY2007</u>	<u>FY2008</u>	<u>\$ Increase</u>	<u>%</u>
Education and General	\$194,318,668	\$216,157,122	\$21,838,454	11.2%

Selected Changes (Millions)

<u>Source*</u>	<u>Inc / (Dec)</u>
General Revenue (State)	\$13.8
Higher Education Fund (Capital Projects/Equip.)	\$8.9
Tuition (State), Fees and Other Income	\$(-.9)

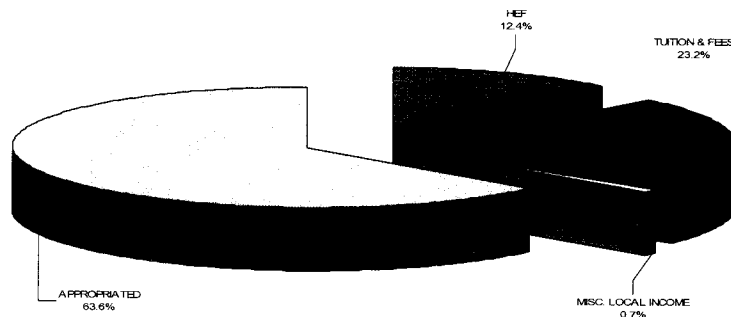
Board of Regents FY2008 Budget Overview - August, 2007

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TEXAS TECH UNIVERSITY



FY2008
EDUCATIONAL AND GENERAL BUDGET
SOURCE OF FUNDS
(\$216,157,122)



Board of Regents FY2008 Budget Overview - August, 2007

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TEXAS TECH UNIVERSITY



Summary Operating Budget For Fiscal Year 2008
E & G Expense

	<u>FY2007</u>	<u>FY2008</u>	<u>\$ Increase</u>	<u>%</u>
Education and General	\$194,318,668	\$216,898,035	\$22,579,367	11.6%

Selected Changes (Millions)

<u>Expense/Transfer</u>	<u>Inc/(Dec)</u>
Salary Adjustments	\$4.9
Staff Benefits (Primarily Health Care Cost Increase)	\$1.2
HEF	\$8.9
Research Expansion	\$3.6
Transfer Buildings/Grounds to Designated	\$(3.9)
TRB's (Debt Service) Support	\$5.0
Other Expenses	\$2.9

Board of Regents FY2008 Budget Overview - August, 2007

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TEXAS TECH UNIVERSITY



Summary Operating Budget For Fiscal Year 2008
HEF Allocations

- Supports capital projects and equipment purchases.
- Primary uses:
 - Library Acquisitions/Equipment \$ 5.5
 - Capital Projects (Art 3-D, Engineering, Exper. Sciences Building, Connect-Tech, Safety Projects) \$ 4.8 (New)
 - Emergency Reserve \$ 2.0 (New)
 - Maintenance/Renovations \$ 2.5
 - New/Replacement Equipment \$ 7.6
 - Other Projects \$ 4.4
 - \$26.8**

Board of Regents FY2008 Budget Overview - August, 2007

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TEXAS TECH UNIVERSITY



Summary Operating Budget For Fiscal Year 2008
Designated Income

	<u>FY2007</u>	<u>FY2008</u>	<u>\$ Increase</u>	<u>%</u>
Designated	\$165,548,682	\$174,487,494	\$8,938,812	5.4%

Selected Changes (Millions)

<u>Source</u>	<u>Inc/(Dec)</u>
Deregulated Tuition¹	\$4.5
Fee Increase (SBS/Student Services Fees)	\$1.0
Tuition Set-Aside – Financial Aid	\$1.5
Other Sources	\$1.9

¹The 78th Legislature established the expectation that universities account for a subset of tuition when universities were allowed to set tuition rates locally (deregulated).

Board of Regents FY2008 Budget Overview - August, 2007

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TEXAS TECH UNIVERSITY



Summary Operating Budget For Fiscal Year 2008
Designated Expenses

	<u>FY2007</u>	<u>FY2008</u>	<u>\$ Increase</u>	<u>%</u>
Designated	\$165,548,682	\$182,985,014	\$17,436,332	10.5%

Selected Changes (Millions)

<u>Expense¹</u>	<u>Inc/(Dec)</u>
Enrollment Management	\$1.5
Transfer Buildings/Grounds from E & G	\$3.9
Instructional Support	\$2.0
Student Services Support	\$2.0
Technology Enhancements	\$3.9
Financial Aid	\$3.0
Other Expenses	\$1.1

¹Using \$8.5 million in fund balance

Board of Regents FY2008 Budget Overview - August, 2007

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TEXAS TECH UNIVERSITY



Summary Operating Budget For Fiscal Year 2008
Auxiliary Income

	<u>FY2007</u>	<u>FY2008</u>	<u>\$ Increase</u>	<u>%</u>
Auxiliary	\$115,874,268	\$117,344,177	\$1,469,909	1.27%

Selected Changes (Millions)

<u>Item</u>	<u>Inc/(Dec)</u>
Student Union*	\$(2.2)
Hospitality Services	\$2.2
Residence Halls	\$2.4
Other Income	\$(1.0)

*Closed High Tech Computer Store

Board of Regents FY2008 Budget Overview - August, 2007

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TEXAS TECH UNIVERSITY



Summary Operating Budget For Fiscal Year 2008
Auxiliary Expenses

	<u>FY2007</u>	<u>FY2008</u>	<u>\$ Increase</u>	<u>%</u>
Auxiliary	\$115,607,553	\$116,426,178	\$818,625	.7%

Selected Changes (Millions)

<u>Expense</u>	<u>Inc/(Dec)</u>
Student Union*	\$(2.2)
Hospitality Services	\$2.2
Residence Halls	\$2.4
Other Expenses	\$(1.6)

*Closed High Tech Computer Store

Board of Regents FY2008 Budget Overview - August, 2007

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TEXAS TECH UNIVERSITY



Summary Operating Budget For Fiscal Year 2008
Income/Expense

	<u>FY2007</u>	<u>FY2008</u>	<u>\$ Increase</u>	<u>%</u>
Current Restricted Fund	\$63,289,700	\$65,982,200	\$2,692,500	4.3%

Selected Changes (Millions)

<u>Source:</u>	<u>Inc/(Dec)</u>
Federal Programs	\$1.2
Private	\$1.8
Other	\$(.3)
<u>Distribution (Larger Increases):</u>	
Engineering	\$.8
Federal Financial Aid	\$.4
International Textile Center	\$.3
Human Sciences	\$1.0
Other	\$.2

Board of Regents FY2008 Budget Overview - August, 2007

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TEXAS TECH UNIVERSITY



Summary Operating Budget For Fiscal Year 2008
Strategic Initiatives

- TTU Allocates \$2.77 million to:
 - \$1.6 million for nanophotonic project – collaboration with the State: Securing \$4 million from State and private sources
 - \$.17 million diversity programming: Crosscultural Academic Center
 - \$1.0 million Competitive Grant Program – stimulate research efforts

Board of Regents FY2008 Budget Overview - August, 2007

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Waiver and Exemption Delegation in the Global Fee Schedule

Effective Beginning Fall 2007 Semester
Summary of Tuition, Fees, and Other Charges

- All tuition, fees, rentals, rates and charges of Texas Tech University are charged and collected under specific authorization of the laws of the State of Texas, including, but not limited to, the authorization in Texas Education Code, Section 54.504, Section 54.0513, Section 55.16, and other applicable sections.
- The Board of Regents continues the delegated authorization to the President of Texas Tech University to establish exemption and waiver criteria and exemption and waiver approval procedures for tuition, fees, rentals, rates, and charges in accordance with state laws, including, but not limited to, Texas Education Code, Section 54.218, Section 54.5035, and Section 54.0513.



DEFINITIONS

EDUCATIONAL AND GENERAL FUNDS:

Funds comprised of tax (General Revenue) funds in the state treasury and funds generated locally (Other E & G) by the University from students and other sources.

-Appropriated

General Revenue and Higher Education Assistance Funds from the state treasury for administration, institutional expense, instruction and departmental research, physical plant operation, and other items related to instruction.

-Other Educational & General Funds

Funds generated locally by the University and reappropriated by the state (e.g., tuition, fees, indirect cost, interest earnings, etc.) to be used for administration, institutional expense, instruction and departmental research, physical plant operation, and other items related to instruction.

DESIGNATED FUNDS:

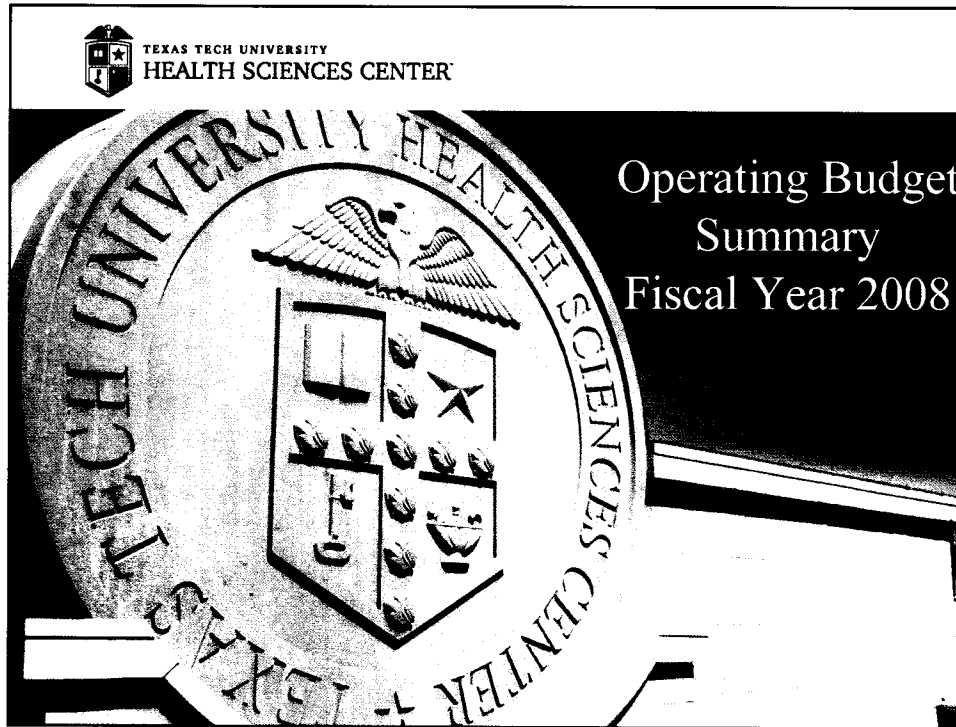
Unrestricted funds that are internally allocated for specific purposes (e.g. student services fees, institutional tuition, information technology fees, library fees, etc.)

AUXILIARY FUNDS:

Funds used to provide services for students, faculty, and staff which generally charge a fee directly related to the cost of the service provided (e.g. athletics, residence halls, hospitality services, traffic & parking, etc.) No state funds can be used to support auxiliary operations.

CURRENT RESTRICTED FUNDS:

Funds available for current purposes, the use of which is restricted by the donor/grantor to be utilized as stipulated by the funding source (e.g. research grants, scholarships, earnings from endowments, etc.)



Operating Budget Summary FY 2008



Educational and General Funds

Sources

	2007	2008
GENERAL REVENUE		
General Appropriations Act	\$ 107,830,063	\$ 153,866,176
Higher Education Assistance Funds (HEAF)	11,899,627	17,849,441
TOTAL GENERAL REVENUE	119,729,690	171,715,617
LOCAL EDUCATIONAL AND GENERAL INCOME		
Tuition and Fees	8,972,864	10,096,200
Interest Earnings	500,000	750,000
Other Miscellaneous Income	30,000	30,000
TOTAL LOCAL E&G INCOME	9,502,864	10,876,200
OTHER SOURCES		
Salary Lapses	163,924	
TOTAL OTHER SOURCES	163,924	0
TOTAL EDUCATIONAL AND GENERAL FUNDS	\$ 129,396,478	\$ 182,591,817

Operating Budget Summary FY 2008



Educational and General Funds

Use of New Funding

<i>Academic Programs</i>	
School of Medicine - El Paso	28,625,326
School of Nursing	2,484,874
School of Allied Health Sciences	1,666,500
School of Pharmacy	1,161,502
Graduate Medical Education	1,567,459
Total Academic Programs	35,505,661
<i>Other Increases</i>	
Salary Increases	1,377,801
HEAF	5,949,814
Tuition Revenue Bond Debt Service	2,334,390
Cancer Research Program	4,800,000
Midland School of Medicine Enhancement	2,700,000
Police - Regional Centers	83,703
Compliance Privacy Officer	75,000
ConnectTech salaries moved from Designated Funds	345,961
Presidential Initiatives - Moved from Designated Funds	1,827,318
Utilities - Moved to Designated Funds	(2,173,279)
Other	368,970
Total Budget Changes	53,195,339

Operating Budget Summary FY 2008



Designated Funds

	2007	2008
Medical Practice Income Plan	\$ 150,373,050	\$ 170,116,798
Use of Fund Balance	7,949,889	9,437,684
Total Medical Practice Income Plan	158,322,939	179,554,482
Nursing Income Plan	1,150,295	523,531
Use of Fund Balance		15,000
Total Nursing Income Plan	1,150,295	538,531
Allied Health Income Plan	220,774	280,054
Pharmacy Income Plan	2,519,121	3,304,482
General Designated Funds	26,457,194	31,257,611
Use of Fund Balance	9,358,571	10,817,562
Total General Designated Funds	35,815,765	42,075,173
Self Insurance Fund	1,142,828	1,204,793
TOTAL DESIGNATED FUNDS	\$ 199,171,722	\$ 226,957,515

Operating Budget Summary FY 2008



Service Departments and Auxiliary Funds

	2007	2008
Service Departments		
Estimated Income	\$ 9,418,918	\$ 10,380,917
Use of Fund Balance	1,246,353	684,283
Total Service Departments	\$ 10,665,271	\$ 11,065,200
Auxiliary Funds		
Estimated Income	\$ 455,958	\$ 450,150
Use of Fund Balance	45,447	73,157
Total Auxiliary Funds	\$ 501,405	\$ 523,307

Operating Budget Summary FY 2008



Current Restricted Funds

	2007	2008
Federal	\$ 12,000,000	\$ 13,300,000
State	93,200,000	104,200,000
Local	36,100,000	40,000,000
Private	17,700,000	18,500,000
TOTAL CURRENT RESTRICTED FUNDS	\$ 159,000,000	\$ 176,000,000

Operating Budget Summary FY 2008



Total Operating Budget

	2007	2008
Educational and General Funds	\$ 129,396,478	\$ 182,591,817
Designated Funds	199,171,722	226,957,515
Auxiliary Funds	501,405	523,307
Current Restricted Funds	159,000,000	176,000,000
TOTAL OPERATING BUDGET	\$ 488,069,605	\$ 586,072,639
<i>Service Departments</i>	<i>\$ 10,665,271</i>	<i>11,065,200</i>



HAMMOND ASSOCIATES

Hedge Fund Evaluation

Anchorage Capital Partners

Anchorage Capital Group

Long/Short Credit

Confidentiality Notice

This evaluation has been prepared solely for, and is being delivered on a confidential basis to, suitable Hammond Associates' clients that are considering an investment in the Fund. Some of the information contained in this evaluation may be subject to a confidentiality agreement, entered into between Hammond Associates and the investment manager. Any reproduction or distribution of this material is strictly prohibited, and all recipients agree they will keep confidential all information contained herein. By accepting this evaluation, all prospective investors agree to the foregoing. Hammond Associates does not provide tax or legal advice, and nothing in this document should be construed or interpreted as tax or legal advice. Investment in the fund or product described in this document may have tax consequences. Please consult with your tax and/or legal advisor regarding your circumstances and applicable obligations.

This evaluation is provided as a summary of terms and investment strategy to assist prospective investors. An investment in the Fund must be made pursuant to the Fund's confidential private placement memorandum. We recommend review of the Fund's documents by legal counsel. All information contained herein is accurate to the best of our knowledge. Past performance is not necessarily indicative of future results.

Terms

Strategy Inception Date	July 2003
Strategy Assets	\$1.5 billion
Minimum Investment	\$1,000,000
Recommended Terms ¹	
Management Fee (%)	1.5
Incentive Fee (%)	20
High-Water Mark ²	Yes
Contributions	Monthly
Lock-up ³	Two Years
Redemptions ³	Rolling Two Years
Notice Period	45 days

Objectives & Strategy

¹ Hammond Associates recommends investments made through the Class B shares for Anchorage Capital Partners, L.P. and Class C shares for Anchorage Capital Partners Offshore, Ltd. Hammond Associates recommends reviewing the appropriate documents for all share class options and their respective terms.

² The high-water mark is a rolling, two-year mark. In other words, if the Fund is below its prior high Net Asset Value for two successive years, the losses incurred in the calendar year two years prior do not have to be recouped before Anchorage earns an incentive fee.

³ Withdrawals are available at calendar year end only. Thus, an investor's first available redemption date does not occur until the calendar year end following the expiration of the two year lock-up. Redemption requests are subject to a 20% "gate." In other words, if more than 20% of the Fund's assets are requested for redemption, Anchorage retains the right to limit redemptions to 20% of the Fund, processed pro rata. Any "side-pocket investments" are not eligible for withdrawal until their disposition. Side-pocket investments are illiquid assets that are carried at cost until sold and are limited to no more than 15% of the Fund.

The objective of Anchorage Capital Partners Offshore (the Fund) is to earn superior risk-adjusted returns while emphasizing preservation of capital. The investment strategy involves long and short investing in the credit markets, both on a hedged and directional basis.

Firm Background

Anchorage Capital Group (Anchorage) is a hedge fund firm, based in New York and formed in 2003. Anchorage currently manages \$3.1 billion in credit-related investment strategies.

Key Personnel

Kevin Ulrich is Anchorage's CEO and the primary Portfolio Manager for the Fund. From 1997 to 2003, Mr. Ulrich worked at Goldman Sachs, most recently as Managing Director, Head of Bank Loans. From 2000 to 2003, he was Global Head of Bank Loan Trading. At Goldman Sachs, Mr. Ulrich managed secondary bank debt risk exposure, customer flow trading, and had ultimate responsibility for the profits of the proprietary investment portfolio, which represented from \$600 to \$800 million. Before joining Goldman Sachs, he was an Associate in the Investment Banking Group of Lehman Brothers. Mr. Ulrich earned a J.D. from Harvard Law School where he graduated *cum laude*. He earned a B.A. at the University of Western Ontario.

Anthony Davis is Anchorage's President and a Portfolio Manager. From 1997 to 2003, Mr. Davis worked at Goldman Sachs. During 2003, he was Portfolio Manager and Head of Bank Loan Research, jointly managing the proprietary

investment portfolio of the Bank Loan business with Mr. Ulrich. Previously, Mr. Davis was Co-head of High Yield Distressed Bonds, where, in addition to acting as Co-head of Research, he jointly managed that business' pool of proprietary investments. He began his career at Goldman Sachs as an Associate in the Financial Institutions Group of the Investment Banking Division. Mr. Davis graduated from The Wharton School and the Lauder Institute of the University of Pennsylvania, where he earned an M.B.A. and an M.A., respectively. Prior to business school, he was an analyst for Deloitte & Touche Consulting. Mr. Davis graduated *magna cum laude* from Brigham Young University, where he earned a B.S. in Electrical Engineering.

Investment Process

Anchorage will invest in the leveraged issuer, distressed debt, and reorganized equity markets of North America and Europe. Anchorage opportunistically pursues hedged and directional investments—during periods of industry or market dislocations, Anchorage intends to over-weight directional investments, when such investments can be purchased at attractive prices. When prices are less attractive, the fund pursues hedged trades and senior debt investments. In the current market environment, Anchorage expects to focus on senior debt and hedged investments.

Mr. Ulrich is the primary decision-maker for the Fund, although Mr. Davis also has trading authority. A total of 10 analysts support their efforts. In addition, Mr. Michael Aglialoro, manages a separate, yet similar fund that focuses on higher grade credits as well as the firm's short credit products. Mr. Aglialoro was previously Global Head of Loan Portfolio Management for Scotia Bank, where he managed the bank's \$100 billion corporate loan portfolio. Mr. Aglialoro was an early participant in the credit default swap market, and Anchorage utilizes his expertise in trading these instruments in the Fund.

Investment idea generation is proactive. Macro-economic developments are analyzed for their implication on individual companies. Market stress and dislocations are a primary source of ideas. Credits and equities that experience extreme price moves are potential investment targets, as well as companies and industries that are experiencing distress. Sell- and buy-side contacts are also potential idea sources.

Potential investments are vetted by the analysts, under Mr. Davis' direction. Anchorage conducts in-depth fundamental analysis on target companies, including financial statements, financial projections, document review (bond indentures, court filings, etc.), consultation with industry experts, detailed credit analysis, and meetings with company management, customers, suppliers, and competitors. The objective of the research is to determine the company's sustainable cash flow, realizable asset values, and potential catalysts to unlock the company's intrinsic value.

Anchorage classifies trades into 4 categories, based on risk.

- **Secured/Low Loan-to-Value** investments are typically senior, secured, and highly collateralized bank debt.

These tend to be current pay bonds with floating interest rates, so downside risk is relatively small. This category also includes direct loans issued by Anchorage.

- **Hedged Trades** are those that are initiated to capture a mispricing between related securities. Examples include **capital structure arbitrage**, which involves long and short positions in various securities within a single company's capital structure; **curve trades**, which isolate mispricings across a single company's maturity schedule (e.g., long a 5-year and short a 10-year bond); and **paired trades**, which involve the securities of two or more companies within the same industry.
- **Debt Risk** refers to those positions that are high yield bonds or leveraged loans, which have less asset-backing than the Secured/Low LTV holdings. This category includes distressed debt where the expected recovery is in the form of debt. This category includes fixed income securities that are sold short because Anchorage believes that the bonds are trading at unsustainable premiums to intrinsic value.
- **Equity Risk** refers to instruments that exhibit equity-like risk, but are not necessarily equity securities. For instance, distressed debt where the post-bankruptcy recovery is expected to be equity securities are classified in this category. In addition, Anchorage also invests long and short in equities. Long equity positions are commonly post-bankruptcy situations. Anchorage analyzes their risk/reward within a credit framework, focusing on intrinsic value, liquidity, and cashflow. The equity of post-bankruptcy companies that have insurmountable operational or financial difficulties is sold short.

The allocation across the four categories is based on Anchorage's view of the relative attractiveness of each in light of the current market environment (interest rates, credit spreads, and equity valuations). Within each category, positions are built strictly from the bottom-up, based on their expected risk-adjusted reward. Anchorage maintains a short portfolio as a profit source and to hedge against market risks.

Position sizes are based on the attractiveness of each opportunity. Anchorage implements risk management techniques to manage position sizes. The value of each investment is estimated under a worst-case scenario. Positions sizes are capped such that no position is expected to cost the Fund 3% in its worst-case scenario. As a result, equity positions tend to be capped at 3% of the Fund, while a Secured/Low LTV Debt position may represent as much as 10% of the Fund. Net investment to any single issuer is limited to 15% of the Fund at cost. Approximately 40 or so positions are typical.

Leverage through borrowed money will not exceed one-half the Fund's Net Asset Value. The Fund's gross exposure, however, can be increased through short sales and repurchase agreements.

Investment Merits

Experience

All of the key investment personnel at Anchorage have significant experience as decision makers with accountability.

Exible Beta

While Anchorage takes a bottom-up approach focusing on security selection, the firm will actively manage the Fund's net exposure to range from effectively being market neutral to maintaining aggressive net long exposure.

Effective Use of the Balance Sheet

A Fund's balance sheet is another tool available to hedge fund managers for the achievement of superior performance. Anchorage makes an effective use of its balance sheet in obtaining financial leverage.

Credit Default Swap Expertise

The credit default swap (CDS) market is relatively young and growing exponentially. The firm's principals, in particular Mr. Agliandolo, have substantial experience trading these instruments. As an early entrant into the CDS market, Anchorage may have an investment edge over less experienced participants.

Concerns

Size

Anchorage has grown their asset base considerably in a very short period of time. Generally, a large asset base erodes performance. The firm currently manages \$3.1 billion. A portion of this growth has been the result of new product launches that appropriately leverage the firm's existing capabilities without dilution to the core product. In our opinion,

Kevin Ulrich and the Anchorage team are very performance focused and will demonstrate discipline in their asset growth relative to their ability to generate their targeted performance. Evidence of this exists in the launch of the ASC II product, preventing dilution to existing, less liquid positions within the flagship ASC product.

Overconfidence

The firm has experienced an extended period of success right out of the box that could lead to a state of overconfidence. Such a state is most common (and dangerous) near market tops. As we believe that credit markets are in the process of topping out, risk of overconfidence needs to be a concern. In the case of Anchorage, they have launched a more conservative portfolio product (Anchorage Crossover Fund), a short-only credit fund (Anchorage Short Credit Offshore Fund), and reduced the net long exposure of their flagship product (Anchorage Capital Partners); indicating an appropriate amount of respect for the risks imbedded in the current market environment and the fact that the tide could turn anytime.

Recommendation

In our opinion, the Fund is an appropriate complement to a well-diversified hedge fund program. **We recommend the Fund as a long/short credit hedge fund manager.**

As such, Hammond Associates recommends investing through the Class B shares for Anchorage Capital Partners, L.P. and through Class C shares for Anchorage Capital Partners Offshore, Ltd.

Dave McMillan, CFA, Director of Hedge Funds
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Hammond Associates serves as an independent investment consultant and receives no remuneration from investment managers for any advice or recommendations given.

Anchorage Capital Partners Offshore, Ltd.

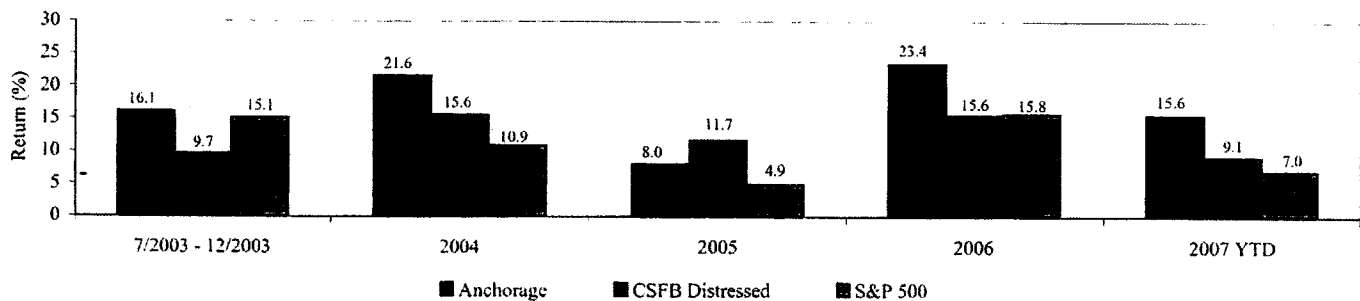
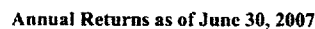
All data are as of June 30, 2007. Returns beyond one year and standard deviations are annualized. Fund returns are net of fees.

Commentary

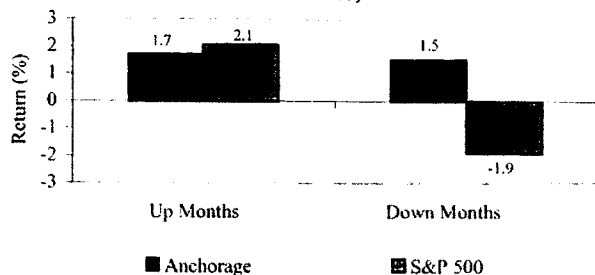
The Fund's track record is impressive. Since inception, the Fund is outperforming the S&P 500 and its average distressed "peer", as measured by the CSFB Distressed Index. Despite the substantially lower volatility on the index, it could be argued that this Fund has achieved its results while taking less risk than the average distressed fund, which tends to be primarily long-only. Anchorage demonstrates an "absolute return" nature in that it produces strong, positive results in both up and down periods for equities. Not surprisingly, the Fund displays a degree of sensitivity to the credit markets. The alpha generated since inception is substantial.

	Fund	CSFB Distressed ¹	S&P 500
1-Year Return (%)	36.2	17.5	20.6
2-Year Return (%)	22.8	16.4	14.5
Return Since 7/03 (%)	21.4	15.6	13.5
Standard Deviation	± 7.8.0	± 2.9	± 8.4
Sharpe Ratio	2.38	4.42	1.26
Correlation to Fund	1.00	0.67	0.23
Worst Drawdown (%) ²	(1.00)	(0.1)	(1.0)
Positive Months	90%	94%	75%

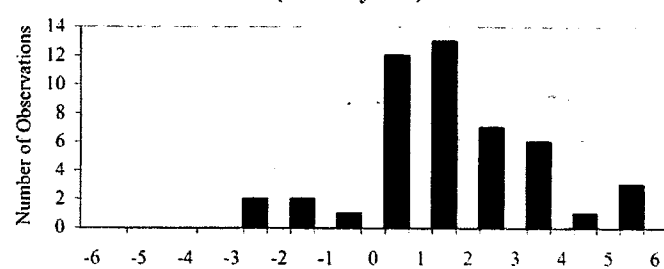
Unless otherwise indicated, statistics above are since inception.



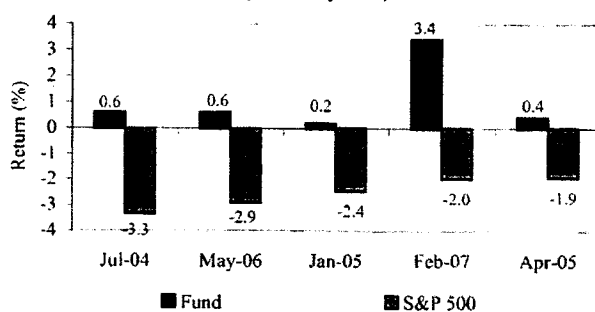
Average Performance During S&P 500 Up/Down Months (Since July 2003)



**Histogram of Monthly Returns
(Since July 2003)**



Worst Months for the S&P 500 (Since July 2003)



Risk Factor Exposures (Since July 2003)

	Sensitivity	T-Stat	Conf. Level
Market Beta ³	0.16	1.2	87.3%
Lagged Beta ⁴	0.33	1.7	95.5%
Interest	0.00	0.0	51.3%
Credit	-0.15	0.6	73.1%
<i>Annualized Alpha (%)</i>	<i>10.72</i>	<i>2.5</i>	<i>99.0%</i>
R ²		25%	

¹ The CSFB Distressed index is an asset-weighted index of distressed hedge fund managers.

² Worst drawdown is the largest percentage decline from peak.

³ Equity market represented by the Wilshire 5000 index.

⁴ Methodology attempts to account for the illiquid nature of many hedge fund portfolios, which often masks true market exposure.



TEXAS TECH UNIVERSITY SYSTEM

Texas Tech University System

National Incident Management Systems (NIMS)

Jim Brunjes
Vice Chancellor and Chief Financial Officer

August 09, 2007
Page 1

TTUS Board of Regents



TEXAS TECH UNIVERSITY SYSTEM

National Incident Management Systems (NIMS)

- Compliance with various federal and state directives as it relates to emergency preparedness.
- NIMS is a comprehensive, national approach to incident management that is applicable at all jurisdiction levels and across functional disciplines.

August 09, 2007
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TTUS Board of Regents



TEXAS TECH UNIVERSITY SYSTEM

National Incident Management Systems (NIMS)

- Enables all levels of government (local, state, and federal) to work effectively together and in coordination with the private sector.
- Interdisciplinary and organizationally flexible to meet the needs of incidents of any kind, size, or level of complexity.
- Provides a clear chain of command and control.

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TTUS Board of Regents



TEXAS TECH UNIVERSITY SYSTEM

National Incident Management Systems (NIMS)

- Adopt, understand, exercise, and train on the elements of the Incident Command System (ICS).
- Embraces the concept of Unified Command (UC) when responding to local, state, or regional crises.
- Texas Tech administrators, deans, directors, department heads, supervisors and entry level responders will be trained in the NIMS program.

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TTUS Board of Regents



TEXAS TECH UNIVERSITY SYSTEM

National Response Plan (NRP)

- Nation as a whole will plan for and respond to “Incidents of National Significance (INS)” on a national, regional, state, and local level.
 - Incidents of national significance are those emergencies or crises that have regional or national implications.

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TTUS Board of Regents



TEXAS TECH UNIVERSITY SYSTEM

Local Response Planning (LRP)

- Cooperate and coordinate with local emergency responders, caregivers, planners, and resource personnel to make Texas Tech resources available during emergency operations.
- Texas Tech will develop an excellent relationship with its community partners in emergency response.
- Routine meetings are held to coordinate the various aspects of emergency preparedness planning.

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TTUS Board of Regents

A Report to the Board of Regents

In pursuit of organizational and process structures that are inefficient, we have isolated a unit of operation that has the potential to be transformed from operating at a loss of \$1.5 million dollars over the last 5 years, into a positive cost center.

Independently, our Intellectual Property groups, have not generated as much income as it cost to operate their groups. By transforming the groups from Intellectual Property management into a single one for Technology Commercialization, and staffing it with an Entrepreneur who has both an Engineering Degree and a successful record of promoting new technology, we will follow the model of several Universities, such as Cal Tec, Stanford, MIT, Florida , who have transformed their IP groups into revenue generators, creating many multiples of their cost of operation.

We will recreate this function as a part of the System, and centralize the coverage of all parts of the System, eventually creating a Center for Technology Commercialization that will showcase protected technologies that Tech researchers have generated. Centralized management will provide for common policies for establishing value and licensing strategies.

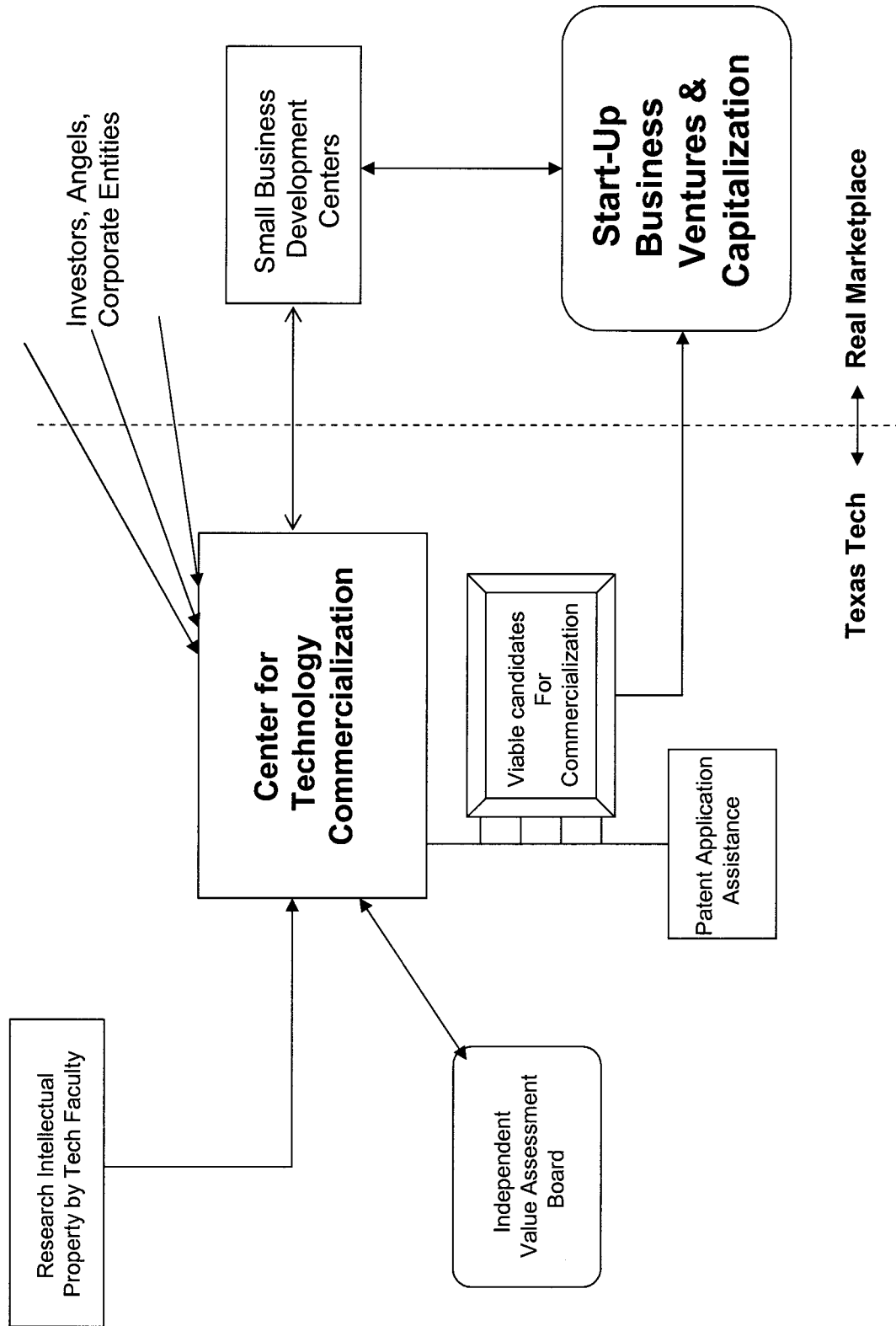
The Center for Technology Commercialization will include a director and support staff. Legal patent work will be contracted. A job description and search is being developed for this new Lead responsibility for Commercialization of Tech's Intellectual Properties.

This transfer and reestablishment will begin immediately. Funds currently expended by TTU and USC will be transferred into the System Operating Budget and additional funds from State funding for Economic Development will be added to help support this program. LEDA funding supplements have been discussed as potential additional funding resources.

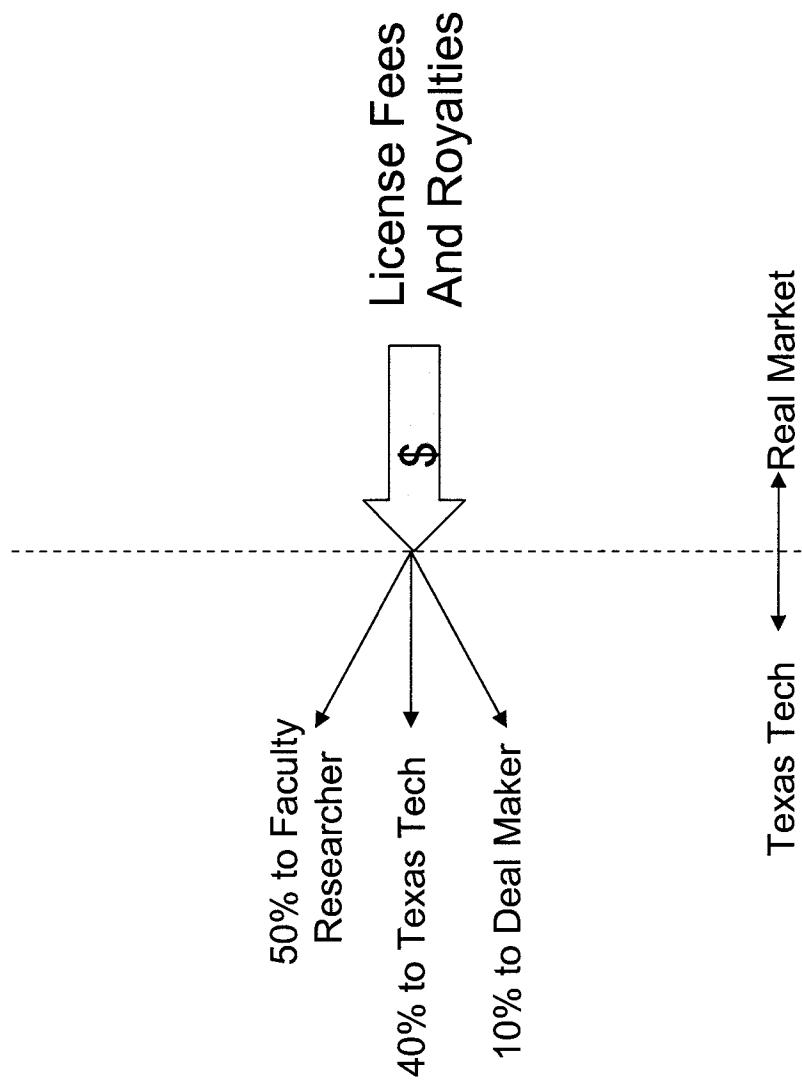
A diagram of the new program is attached.

Texas Tech Incubator

For Technology Commercialization



Revenue Stream Flow





TEXAS TECH UNIVERSITY SYSTEM



Office of Audit Services

Annual Audit Plan
For the Year Ending August 31, 2008

Kimberly F. Turner, CPA
Chief Audit Executive

August 9, 2007

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Transmittal Letter



August 9, 2007

Mr. Daniel L. Serna, CPA
Audit Committee Chair, Texas Tech Board of Regents

We are pleased to submit the annual plan of the Office of Audit Services of Texas Tech University System for the year ending August 31, 2008. The plan includes audits that are required by statute or administrative policy, assistance required by external auditors, audits that are currently in progress, and planned engagements based on our assessment of risk. We have scheduled approximately thirty percent of our time for assisting management with additional requests, special investigations, follow-up on implementation of prior audit recommendations, and other value-added work.

We appreciate the support you offer us in the performance of our responsibilities and formally request that you approve this plan.

Sincerely,

Kimberly E. Turner, CPA
Chief Audit Executive

Approved by: _____ August 9, 2007
Mr. Daniel L. Serna, CPA

Mission Statement



The staff members of the Office of Audit Services agreed that we should have a mission statement that reflects Texas Tech's commitment to educational excellence, as well as our commitment to our professional standards. The result of our contemplation is a mission statement that emphasizes proactive quality service provided by our staff for the benefit of the Board of Regents and management throughout the Texas Tech University System.

Mission Statement

The mission of the Office of Audit Services is to assist the Board of Regents and other units of Texas Tech University System and its components in identifying, avoiding, and mitigating risks.

Quality Assurance



We have instituted a continuous quality improvement control effort as required by internal auditing standards. We evaluate the quality of our services by:

- completing a self-assessment questionnaire at the end of each engagement;
- measuring our performance against predetermined benchmarks that we believe will encourage excellence;
- surveying our clients regarding their level of satisfaction with the services we have provided;
- completing a periodic self-evaluation of our office's operations to gauge compliance with internal auditing standards; and
- submitting to periodic assessment by peer review teams comprised of experienced higher education audit professionals.

Performance Measures



The staff members of the OAS developed goals to encourage excellence and promote accountability. To measure our achievement of those goals, we developed a series of performance measures. We analyze our progress quarterly related to the following overall goals by reviewing the achievement of the performance measures.

- Ensure the annual risk assessment process identifies significant risks.
- Complete engagements outlined in the annual audit plan to cover risks identified in the risk assessment.
- Achieve superior client satisfaction.
- Achieve internally and externally imposed engagement deadlines.
- Achieve internally imposed engagement time budgets.
- Effectively utilize resources.
- Effectively and timely complete the audit process.

Risk Assessment Process



The Office of Audit Services allocates its resources in a manner that is consistent with the mission and goals of Texas Tech University System and its components. In accordance with the Texas Internal Auditing Act (V.T.C.A., Government Code, §2102.005), we have prepared this audit plan based on the results of a formal risk assessment process.

The risk assessment process undertaken to prepare this annual plan was multi-layered. First, management of Texas Tech University System (TTUS), Texas Tech University (TTU), and Texas Tech University Health Sciences Center (TTUHSC), respectively, assessed risk at the institutional level. Each risk assessment began with identification of the major processes significant to the fulfillment of institutional missions. The processes were then analyzed to determine risks related to the achievement of entity objectives, and these risks were classified as to likely impact and probability of occurrence.

Our office also assessed risk for the components of Texas Tech, including Angelo State University, based on input from senior level officials, institutional knowledge, information from past audit and management advisory engagements, and knowledge of nationwide trends and occurrences in higher education and academic healthcare. The process of risk assessment for Angelo State University (ASU) was less formal due to the effective date of ASU's integration into the Texas Tech University System.

The result of these assessments was the identification of strategic, financial, operational, compliance, reputational, and environmental risks facing each institution. Any of the defined processes whose related risks were determined to present a high impact and at least a medium probability of occurrence were considered for inclusion in this annual plan.

Allocation of Time



Our staff consists of 15 audit professionals. After consideration of estimated time for staff meetings, continuing professional education, holidays, and annual leave, we determined our allocable chargeable time to be approximately 17,700 hours.

Of this 17,700 hours, we estimate 2,300 hours are needed to perform required audits, assist external auditors, and complete other mandatory projects. Additionally, 750 audit hours are needed to complete engagements from the fiscal year 2007 annual audit plan that are in progress at year-end. We have set aside approximately 30 percent of total chargeable time (4,900 hours) for unscheduled projects and other value-added work, including board and management requests, investigations, committee service, and special projects. The remaining 9,750 audit hours have been allocated to the projects listed on pages 9-12 determined through the risk assessment process.

Planned Engagements



Texas Tech University System and Components

Conflicts of Interest	Governance Compliance
IT Security	IT Controls
Fraud Risk Assessment	Risk Assessment
Construction Management	Financial Operational
Information Technology Audits	IT Controls
Research Infrastructure	Operational Compliance
IDFA Software Script Development	Risk Assessment
Texas Tech University Foundation, Inc.	Financial
Regents, Chancellor, and Presidents Travel and Credit Cards	Compliance
Office of Audit Services Annual Report	Compliance
Office of Audit Services Annual Plan	Compliance
State Auditor's Office Miscellaneous Projects	Miscellaneous
Audit Report Follow-Up Procedures and Reporting	Follow-Up

Planned Engagements (cont.)



Texas Tech University

Credit Card Customer Information Security	IT Controls
Physical Plant	Operational
College of Engineering	Financial Controls
Rawls College of Business Administration	Financial Controls
International Cultural Center	Operational Compliance
Environmental Health & Safety	Operational Compliance
Personnel Activity Reporting Process	Compliance
NCAA Compliance	Compliance
Athletics Financial Review	Financial
KOHM-FM	Financial

Planned Engagements (cont.)



Texas Tech University Health Sciences Center

BDX TES Implementation	IT Controls Mgt Advisory
Office of Human Resources	Operational Compliance
Contracting Office	Operational Compliance
Personnel Activity Reporting Process	Compliance
School of Medicine – Odessa Campus	Operational Financial
School of Medicine – Amarillo Campus	Operational Financial
El Paso Dean's Office	Governance
El Paso State Funding	Financial Compliance
Texas Higher Education Coordinating Board Residency Grants	Compliance
Correctional Managed Health Care Committee Contract	Compliance
Family Practice Center at El Paso Contract	Compliance

Planned Engagements (cont.)



Angelo State University

Student Safety	Controls
Construction Management	Financial Operational
Carr Foundation Management	Operational Compliance
Restricted Special Contributions	Financial Compliance
Controller's Office	Operational Controls
Student Accounts Receivable	Financial
Investments	Compliance
NCAA Compliance	Compliance
Office of Audit Services Annual Report	Compliance

Nature of Work



The Office of Audit Services evaluates and contributes to the improvement of risk management, control, and governance processes. The nature of the activities is determined by a risk assessment process undertaken annually with the input of senior management and the Board of Regents. Additionally, management advisory engagements may be planned to improve the management of risks, to add value, and to improve Texas Tech's operations.

The Office of Audit Services' assessments and recommendations for improving Texas Tech's risk management, control, and governance processes are for the purpose of accomplishing the following objectives:

- promoting appropriate ethics and values within Texas Tech
- ensuring effective organizational performance management and accountability
- effectively communicating risk and control information to appropriate areas
- effectively coordinating the activities of and communicating information among our office, the Board of Regents, external auditors, and management

Nature of Work (cont.)



The Office of Audit Services evaluates risk exposures and the effectiveness of controls relating to Texas Tech's governance, operations, and information systems regarding the

- reliability and integrity of financial and operational information;
- effectiveness and efficiency of operations;
- safeguarding of assets; and
- compliance with laws, regulations, and contracts.

During the planning phase of each engagement, we determine the scope of work to be performed based on a unit-level assessment of risk. For most engagements, we will conduct an entrance conference and/or provide an engagement letter in order to communicate the scope and objectives of our audit to the management personnel involved.

The Institute of Internal Auditors, The Professional Practices Framework, (Altamonte Springs: The Institute of Internal Auditors, 2004), pp. 14-17

Audit Process



Audits are performed in three general phases: planning, fieldwork, and reporting. As indicated earlier, the success of our efforts is monitored through the completion of self-evaluation questionnaires and the compilation of information to monitor our achievement of performance measures. We believe it is important that our process is understood. The illustration on the following page documents the procedures normally employed in the performance of an audit.

Audit Process (cont.)



Planning

- Select engagement team
- Perform preliminary risk assessment with input from the client, management, and audit team members
- Develop audit scope and objectives
- Document anticipated deliverables
- Prepare audit program
- Hold entrance conference

Fieldwork

- Develop and perform detailed testing
- Document and evaluate processes and controls
- Interview client staff members
- Perform other audit procedures to meet audit objectives
- Communicate with client on an ongoing basis

Reporting

- Document strengths and opportunities for improvement
- Communicate with client management regarding audit results
- Develop recommendations
- Prepare draft report
- Hold exit conference
- Obtain management response
- Prepare final report
- Evaluate audit performance
- Follow up on significant findings



TEXAS TECH UNIVERSITY SYSTEM

TEXAS TECH UNIVERSITY SYSTEM
OFFICE OF AUDIT SERVICES
PRIORITIZED AUDIT PLAN
Fiscal Year 2007

PRIORITY	ENTITY	AUDIT AREA	BUDGETED HOURS	BUDGET ADJUSTMTS	STATUS AS OF July 31	ACTUAL HOURS	HOURS TO FY 2008	BUDGET vs ACTUAL
		TOTAL ENGAGEMENT HOURS AVAILABLE	16,100					
		REQUIRED AUDITS						
Required	TTUS	Texas Tech University Foundation	Financial (assist)	120	Complete	133		(13)
Required	TTUS	Regents, Chancellor, & Presidents Travel and Credit Cards	Compliance (assist)	20	Complete	25		(5)
Required	TTUS	Office of Audit Services Annual Report - 11/1	Compliance	40	Complete	29		11
Required	TTUS	Office of Audit Services Annual Plan	Compliance	40	Complete	150		(30)
Required	TTU & HSC	State Auditor's Office Miscellaneous Projects	Miscellaneous (assist)	120				94
		HSC: Correctional Managed Health Care		8	Complete	8		0
		TTU: Enrollment Audit		5	In progress	3	2	0
		TTU & HSC: 2007 Statewide Financial Audit, Federal Portion		13	In progress	3	10	0
Required	TTU	Texas Higher Education Coordinating Board ARPIATP Grants	Compliance	170	Complete	320		(150)
Required	TTU	NCAA Compliance - Spring	Compliance	325	Complete	331		(6)
Required	TTU	Athletics Financial Review - 1/15	Financial (assist)	240	Complete	177		63
Required	TTU	Joint Admissions Medical Program Grants - 10/31	Compliance	60	Complete	106		(26)
Required	TTU	KOHM-FM - 1/31	Financial (assist)	300	Complete	357		(57)
Required	HSC	Texas Higher Education Coordinating Board ARPIATP Grants	Compliance	170	Complete	97		73
Required	HSC	Texas Higher Education Coordinating Board Residency Grants - 12/31	Compliance	220	Complete	284		(64)
Required	HSC	Correctional Managed Health Care Committee Contract	Compliance	200	Complete	124		76
Required	HSC	Family Practice Center at El Paso Contract - 12/1	Compliance	90	Complete	123		(33)
Required	HSC	Joint Admissions Medical Program Grants - 10/31	Compliance	60	Complete	137		(37)
New	TTU	Texas Higher Education Coordinating Board TWD Grants	Compliance	150	In progress	120	62	(32)
		TOTALS FOR REQUIRED AUDITS	2,175	290		2,527	74	(136)
		AUDITS IN PROGRESS AT AUGUST 1, 2006						
Prior Year	TTU	President's Office Financial Review	Financial	50	Complete	89		(39)
Prior Year	TTU	Academic Advising Financial Review	Financial	50	Complete	198		(148)
Prior Year	HSC	Institutional Animal Care & Use Committee (IACUC)	Compliance/Controls	120	Complete	89		31
Prior Year	HSC	Medical Practice Income Plan (MPIP) Trust Fund	Controls/Consulting	200	Complete	114		86
Prior Year	HSC	IDX and Related Controls	Controls	120	Complete	208		(88)
Prior Year	HSC	Credit Card Customer Information Security	IT Controls	360	Complete	484		(124)
Prior Year	HSC	School of Medicine (Cardio/Cath Lab)	Operational	370	Complete	593		(223)
Prior Year	ALL	Wrap-up on Audits Included in August BOR Report		30	Complete	26		4
		TOTALS FOR AUDITS IN PROGRESS	1,300	-		1,801	-	(501)
		UNPLANNED SPECIAL PROJECTS AND INVESTIGATIONS						
		Total hours budgeted for Special Projects & Investigations	4,000					
		IN PROGRESS AT AUGUST 1, 2006						
Special	TTU	The Institute for Child and Family Studies	Special		Complete	7		
Special	TTU	Department of Animal & Food Sciences	Special		Complete	596		
Special	TTU	Tech Express Investigation	Special		Complete	193		
Special	TTU	Tech Express Controls	Special		Complete	313		
Special	TTU	Civil Engineering	Special		Complete	24		
Special	TTU	Mechanical Engineering	Special		Complete	23		
		BEGUN AFTER AUGUST 1, 2006						
Special	ALL	Misc. Hotline Projects	Special		Complete	65		
Special	HSC	Amarillo Physician Contract and Related Issues	Special		Complete	463		
Special	TTU	Football Attendance Certification	Special		Complete	10		
Special	TTU	Turf Management	Special		In progress	320		
Special	N/A	UTMB Peer Review	Special		Complete	51		
Special	HSC	Excluded Parties Special	Special		In progress	1,082		
Special	TTU	Residence Halls Facilities Management	Special		Complete	418		
Special	ALL	IDEA Software Implementation	Special		Complete	147		
Special	HSC	University Family Physicians Cash Theft	Special		Complete	84		
Special	TTU	Parent Relations	Special		In progress	106		
Special	TTU	Student Financial Aid Travel Procedures	Special		In progress	23		
		SPECIAL PROJECTS AND INVESTIGATIONS TOTALS	4,000	-		3,925	-	75
		HIGHEST PRIORITY						
1	ALL	Emergency Management Planning	Operational/Compliance	550	Complete	397		153
1	ALL	ConnectTech Project (Banner System Implementation)	Management Advisory	400	Complete	138		262
1	TTUS	Chancellor's Office	Management Advisory	500	(500) Cancelled			0
1	TTU	Credit Card Customer Information Security	IT Controls	400	FY 2008		400	0
1	TTU	Information Technology General Controls Review	IT Controls	500	Complete	592		(92)
1	HSC	El Paso Finance and Administration	Financial/Operational	350	50 Complete	454		(54)
1	HSC	Laboratory Security	Operational	400	Complete	415		(15)
New	TTU	Contracting Office	Operational/Compliance		400 In Progress	410	50	(60)
		HIGHEST PRIORITY TOTALS	3,100	(50)		2,406	450	194

TEXAS TECH UNIVERSITY SYSTEM
OFFICE OF AUDIT SERVICES
PRIORITIZED AUDIT PLAN
Fiscal Year 2007

PRIORITY	ENTITY	AUDIT AREA	BUDGETED HOURS	BUDGET ADJUSTMTS	STATUS AS OF July 31	ACTUAL HOURS	HOURS TO FY 2008	BUDGET vs ACTUAL
MODERATE PRIORITY								
2	ALL	Audit Report Follow-Up Procedures and Reporting	Follow-Up	175	Complete	260		(85)
2	TTUS	Fraud Risk Assessment	Risk Assessment	250	75 Complete	314		11
2	TTU & HSC	Intellectual Property	Operational/Operational	425	Complete	408		17
2	TTU	College of Education	Financial/Controls	300	Complete	449		(149)
2	TTU	Academic Advising Processes	Controls/Mgt Advisory	350	(350) Cancelled			0
2	HSC	HIPAA Security Compliance	IT/Compliance	500	In Progress	466	5	29
2	HSC	School of Medicine	Compliance/Controls	400	Complete	304		96
MODERATE PRIORITY TOTALS			2,400	(275)		2,201	5	(81)
LOWER PRIORITY								
3	ALL	Information Technology Audits	Controls	500	(500)			0
		TTUS: IT Application Review of BSR Advance System	Controls		350 In Progress	48	288	14
		TTUS: IT Risk Assessment RFP Review	Mgt Advisory		9 Complete	9		0
3	ALL	Endowment Spending	Mgt Advisory	200	Complete	128		72
3	TTU	Centers and Institutes	Governance/Compliance	350	In Progress	112	250	(12)
3	TTU	Research Funds	Financial/Compliance	350	In Progress	269	5	76
3	TTU	School of Law	Financial/Operational	300	In Progress	382	10	(92)
3	TTU	College of Architecture	Financial/Operational	300	Complete	338		(38)
3	HSC	Lubbock Department of Anesthesiology	Financial/Controls	300	100 Complete	467		(67)
3	HSC	El Paso Department of Anesthesiology	Financial/Controls	300	(300) Cancelled			0
New	HSC	El Paso Department of Internal Medicine	Financial/Controls		300 In Progress	148	60	92
LOWER PRIORITY TOTALS			2,600	(41)		1,901	613	45
OTHER RELATED WORK								
Total hours budgeted for Other Related Work			525					
Other	ALL	Cash Handling and Control Environment Workshops			Ongoing	135		
Other	ALL	TTU Ethical Institution Task Force			Ongoing			
Other	ALL	ConnecTech Steering Committee (Banner project)			Ongoing	32		
Other	ALL	ConnecTech Security Committee (Banner project)			Ongoing	44		
Other	ALL	ConnecTech Banner Transition Testing			Ongoing	28		
Other	ALL	Enterprise Risk Management			Ongoing			
Other	N/A	Professional Organizations (ACUA, TACUA, TSCPA, SAIAP, ACFE)			Ongoing	87		
Other	N/A	Other Miscellaneous Projects			Ongoing	164		
Other	N/A	Miscellaneous Conference Presentations			Complete	7		
OTHER RELATED WORK TOTALS			525	-		497	-	28
TOTAL ENGAGEMENT HOURS			16,100	(76)		15,258	1,142	(376)
Unplanned other work, leave, and staff turnover			(842)					
TOTAL ACTUAL AUDIT HOURS			15,258					
ADDITIONAL PROJECTS NOT ON PLAN								
4	TTUS	Construction audits (specific projects)	500	Outsourcing possibility				
4	TTU	Indirect cost negotiation process	350					
4	TTU	Fee generating academic programs	400					
4	TTU	Grade submission/recording process	350					
4	HSC	Patient satisfaction program	500					
EXTRA AUDIT HOURS NEEDED			2,100					
KEY								
	TTUS	Texas Tech University System						
	TTU	Texas Tech University						
	HSC	Texas Tech University Health Sciences Center						
	TTU & HSC	Areas with parallel functions or shared responsibility						
	ALL	Areas that will affect all institutions or that will be performed concurrently						
	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.							
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 on the official plan because of lack of resources.							
New	Risk-based audit added after annual plan approved.							
Special	Unplanned Special Projects and Investigations							
Other	Other projects, including committee service, class development and instruction, etc.							

TEXAS TECH UNIVERSITY SYSTEM
OFFICE OF AUDIT SERVICES
PRIORITIZED AUDIT PLAN
Fiscal Year 2008

PRIORITY	ENTITY	AUDIT AREA	BUDGETED HOURS	BUDGET ADJUSTMTS	STATUS AS OF AUG 1	ACTUAL HOURS	TIME STILL NEEDED	BUDGET vs ACTUAL
		TOTAL ENGAGEMENT HOURS AVAILABLE	17,700					
		REQUIRED AUDITS						
Required	TTUS	Texas Tech University Foundation	Financial (assist)	120				120
Required	TTUS	Regents, Chancellor, & Presidents Travel and Credit Cards	Compliance (assist)	20				20
Required	TTUS	Office of Audit Services Annual Report	Compliance	40				40
Required	TTUS	Office of Audit Services Annual Plan	Compliance	80				80
Required	TTUS	State Auditor's Office Miscellaneous Projects	Miscellaneous (assist)	80				80
Required	TTU	NCAA Compliance	Compliance	325				325
Required	TTU	Athletics Financial Review	Financial (assist)	240				240
Required	TTU	KOHM-FM	Financial (assist)	300				300
Required	HSC	Texas Higher Education Coordinating Board Residency Grants	Compliance	220				220
Required	HSC	Correctional Managed Health Care Committee Contract	Compliance	200				200
Required	HSC	Family Practice Center at El Paso Contract	Compliance	90				90
Required	ASU	Investments	Compliance	150				150
Required	ASU	NCAA Compliance	Compliance	400				400
Required	ASU	Office of Audit Services Annual Report	Compliance	35				35
		TOTALS FOR REQUIRED AUDITS	2,300	-		-	-	2,300
		AUDITS IN PROGRESS AT AUGUST 1, 2007						
Prior Year	TTUSA	IT Application Review of BSR Advance System	IT Controls	288	In progress			288
Prior Year	TTU	State Auditor's Office: Enrollment Audit	Compliance	2	In progress			2
Prior Year	TTU	Contracting Office	Operational/Compliance	50	In progress			50
Prior Year	TTU	Texas Higher Education Coordinating Board TWD Grants	Compliance	62	In progress			62
Prior Year	TTU	Centers and Institutes	Governance/Compliance	250	In progress			250
Prior Year	TTU	School of Law	Financial/Operational	10	In progress			10
Prior Year	TTU	Research Funds	Financial/Compliance	5	In progress			5
Prior Year	TTU & HSC	State Auditor's Office: 2007 Statewide Financial Audit	Financial	10	In progress			10
Prior Year	HSC	El Paso Department of Internal Medicine	Financial/Controls	60	In progress			60
Prior Year	HSC	HIPAA Security Compliance	IT/Compliance	5	In progress			5
Prior Year	TTUS	Wrap-up on Audits Included in August BOR Report		15	In progress			15
		TOTALS FOR AUDITS IN PROGRESS	757	-		-	-	757
		UNPLANNED SPECIAL PROJECTS AND INVESTIGATIONS						
		Total hours budgeted for Special Projects & Investigations	4,425	(390)				4,035
		IN PROGRESS AT AUGUST 1, 2007						
Special	TTU	Turf Management	Special	50	In progress			50
Special	TTU	Parent Relations	Special	120	In progress			120
Special	TTU	Student Financial Aid Travel Procedures	Special	20	In progress			20
Special	HSC	Excluded Parties Special	Special	200	In progress			200
		BEGUN AFTER AUGUST 1, 2007						
		None						0
		SPECIAL PROJECTS AND INVESTIGATIONS TOTALS	4,425	390		-	-	4,425
		HIGHEST PRIORITY						
1	TTUS	Conflicts of Interest	Governance/Compliance	400				400
1	TTUS	IT Security	IT Controls	400				400
1	TTUSA	Construction Management	Financial/Operational	400				400
1	TTU	Physical Plant	Operational	400				400
1	TTU	Credit Card Customer Information Security	IT Controls	400				400
1	HSC	El Paso Dean's Office	Governance	350				350
1	HSC	Office of Human Resources	Operational/Compliance	450				450
1	ASU	Controller's Office	Operational/Controls	400				400
1	ASU	Construction Management	Financial/Operational	400				400
		HIGHEST PRIORITY TOTALS	3,600			-	-	3,600
		MODERATE PRIORITY						
2	TTUS	Audit Report Follow-Up Procedures and Reporting	Follow-Up	250				250
2	TTUS	IDEA Software Script Development	Risk Assessment	200				200
2	TTU & HSC	Research Infrastructure	Operational/Compliance	400				400
2	TTU	International Cultural Center	Operational/Compliance	400				400
2	TTU	Rawls College of Business Administration	Financial/Controls	350				350
2	TTU	Environmental Health & Safety	Operational/Compliance	350				350
2	HSC	IDX TES Implementation	IT Controls/Mgt Advisory	400				400
2	HSC	Contracting Process	Operational/Compliance	400				400
2	ASU	Student Safety	Controls	250				250
2	ASU	Carr Foundation Management	Compliance/Operational	350				350
		MODERATE PRIORITY TOTALS	3,350			-	-	3,350

TEXAS TECH UNIVERSITY SYSTEM
OFFICE OF AUDIT SERVICES
PRIORITIZED AUDIT PLAN
Fiscal Year 2008

PRIORITY	ENTITY	AUDIT AREA	BUDGETED HOURS	BUDGET ADJUSTMTS	STATUS AS OF AUG 1	ACTUAL HOURS	TIME STILL NEEDED	BUDGET vs ACTUAL
LOWER PRIORITY								
3	TTUS	Information Technology Audits	400					400
3	TTUS	Fraud Risk Assessment	200					200
3	TTU	College of Engineering	350					350
3	TTU	Personnel Activity Reporting Process	225					225
3	HSC	Personnel Activity Reporting Process	225					225
3	HSC	El Paso State Funding	300					300
3	HSC	School of Medicine--Odessa Campus	350					350
3	HSC	School of Medicine--Amarillo Campus	350					350
3	ASU	Restricted Special Contributions	150					150
3	ASU	Student Accounts Receivable	200					200
LOWER PRIORITY TOTALS			2,750			-	-	2,750
OTHER VALUE-ADDED WORK								
Total hours budgeted for Other Value-Added Work			518	0			518	
Other	TTUS	Cash Handling and Control Environment Workshops			Ongoing			
Other	TTUS	Fraud Awareness Training						
Other	TTUS	Ethics Training						
Other	TTUS	ConnecTech Steering Committee (Banner project)			Ongoing			
Other	TTUS	ConnecTech Security Committee (Banner project)			Ongoing			
Other	TTUS	ConnecTech Transition Testing (Banner project)			Ongoing			
Other	TTUS	Enterprise Risk Management			Ongoing			
Other	TTUS	Texas Tech Compliance and Ethics Line Maintenance						
Other	TTU	TTU Ethical Institution Task Force			Ongoing			
Other	ASU	Residence Life Software Implementation Committee			Ongoing			
Other	N/A	Professional Organizations (ACUA, TACUA, TSCPA, SIAF, ACFE)			Ongoing			
Other	TTUS	Other Miscellaneous Projects			Ongoing			
OTHER VALUE-ADDED WORK TOTALS			518	0		-	-	
TOTAL ENGAGEMENT HOURS			17,700	0		0	0	17,700
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.							
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.							
Special	Unplanned Special Projects and Investigations							
Other	Other projects, including committee service, class development and instruction, etc.							



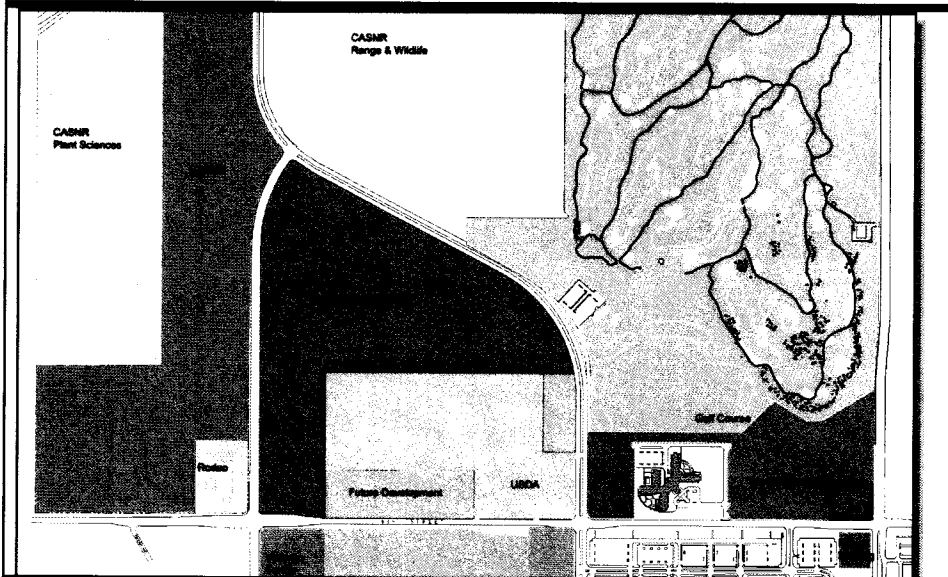
TEXAS TECH UNIVERSITY SYSTEM™

Facilities Committee

TTUS Report Retirement Village Project



Retirement Village Site





Retirement Village Scope

- Continuing Care Retirement Community
 - Independent Living
 - Executive Homes
 - Up-Scale Apartments
 - Assisted Living Apartments
 - Long Term Care Facility (Existing)
- Dining Facility
- Retail Facilities
- Additional Texas Tech Amenities



Retirement Village Concept

- Texas Tech
 - Supplies Land (Approximately 75 Acres)
 - Allows Use of Tech's Name
 - Provides Mailing List(s)
- Private Developer
 - Designs, Builds, Operates, and Maintains the Facility
 - Pays Fair Market Value
 - Partners in TTU and HSC Academic Programs





Considerations

- Consistent with Academic Mission
- Appropriate Use of Texas Tech Land
- Generate Revenue to Support Programs
- Significant Alumni & Faculty/Staff Support
- Builds Strong Donor Base

But:

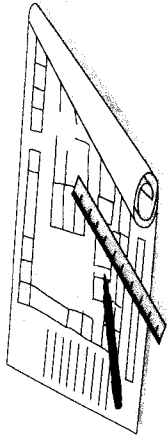
- Commits Land for Foreseeable Future



Retirement Village - Process

- Develop Codes, Covenants and Restrictions
- Develop RFP
- BOR Designates Land for Private Development
- Issue RFP
- Evaluate Proposals, Select Firm
- Negotiate Lease
- Obtain BOR Approval and Execute Lease





Project	Cost	Status	Completion Date
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Texas Tech System

System Office Relocation	\$ 5,500,000	On Hold	TBD
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Project	Cost	Status	Completion Date
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TTU

Engineering Expansion/Renovation Phase II & III	\$ 60,000,000	Program Complete	TBD
Honors College	\$ 10,000,000	Proposed	TBD
The Rawls Course Clubhouse	\$ 5,000,000	Proposed	TBD
Dan Law Field Renovations	\$ TBD	Proposed	TBD
Track Complex Renovation/Relocation	\$ TBD	Proposed	TBD
Dairy Barn Renovation	\$ TBD	Proposed	TBD
Vietnam Center	\$ 35,000,000	Proposed	TBD
TOTAL	\$ 110,000,000		

Project	Cost	Status	Completion Date
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HSC

HSC Research Facility	\$ 30,000,000	Proposed	TBD
Midland SOM Expansion	\$ 8,300,000	Proposed	TBD
El Paso Clinical Sciences Building	\$ TBD	Proposed	TBD
El Paso Medical Science Building II	\$ 95,000,000	ProgramComplete	TBD
TOTAL	\$ 133,300,000		
GRAND TOTAL	\$ 248,800,000		



TEXAS TECH UNIVERSITY



TTU Enrollment Management Report Fall 2007

William M. Marcy, Ph.D., P.E.
Provost and Senior Vice President for Academic Affairs

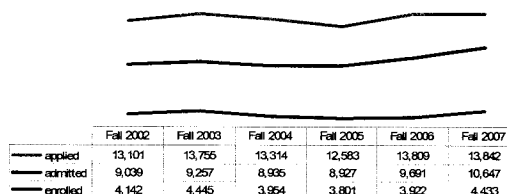
August 9-10, 2007

APPLIED, ADMITTED, ENROLLED - NEW FRESHMEN



- It is projected that approximately 4,433 new freshmen will enroll.
- This would represent a 13% increase from the number of enrolled new freshmen for Fall 2006 and 12 students less than the record freshman class in Fall 2003.

New Freshmen



Note: The projected enrollment of 4,433 new freshmen for Fall 2007 includes an estimated loss of 68 students from July 27 until the time of final enrollment. The Fall 2007 applied and admitted figures are as of August 1.

APPLIED, ADMITTED, ENROLLED -- TRANSFERS



- It is projected that approximately 1,896 transfers will enroll.
- This would represent a 6% decrease from the final number of enrolled transfers for Fall 2006.

Transfers



	Fall 2002	Fall 2003	Fall 2004	Fall 2005	Fall 2006	Fall 2007
applied	4,075	4,267	4,094	3,862	3,700	3,528
admitted	2,914	2,858	2,880	2,808	2,883	2,806
enrolled	2,218	2,158	2,100	1,968	2,015	1,896

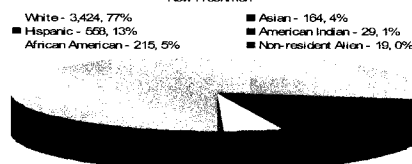
Note: The projected enrollment of 1,896 transfers for Fall 2007 includes an estimated loss of 29 students from July 27 until the time of final enrollment. The Fall 2007 applied and admitted figures are as of August 1. Students may register for Orientation still.

DIVERSITY -- NEW FRESHMEN



- African American** -- Compared to the final enrollment for Fall 2006, it is projected that approximately 60 or 39% more African American students will enroll. As a percentage of the class, this would represent a 1 percentage point increase.
- Hispanic** -- Compared to the final enrollment for Fall 2006, it is projected that approximately 96 or 21% more Hispanic students will enroll. As a percentage of the class, this would represent a 1 percentage point increase.

New Freshmen



DIVERSITY – TRANSFERS



- **African American** – Compared to the final enrollment for Fall 2006, it is projected that approximately 8 or 10% more African American students will enroll. As a percentage of the class, there would be no change from Fall 2006.
- **Hispanic** – Compared to the final enrollment for Fall 2006, it is projected that approximately 13 or 4% more Hispanic students will enroll. As a percentage of the class, this would represent a 1 percentage point increase.

Transfers

White - 1,397, 74%	Asian - 51, 3%
Hispanic - 311, 16%	American Indian - 14, 1%
African American - 85, 4%	Non-resident Alien - 17, 1%



SEMESTER CREDIT HOURS (SCH) – NEW FRESHMEN



- As of July 27, enrolled new freshmen registered for an average of 14.6 SCH.
- This would represent no change from the average SCH at the time of final enrollment for Fall 2006.

Division of Academic Operations and Services
Associate Vice Provost Stephanie Anderson



Advising Center at Texas Tech (ACTT)

McNair Scholars

Registrar

Financial Aid

- Centralized Scholarship Office

Programs for Academic Support Services (PASS)

Academic Testing Services

University Academic Advising

Division of Recruiting & Admissions
Associate Vice President Robert Shindell



Re-organization of Area

- Implementing a de-centralized reporting structure to accommodate growth in the number of recruiters.
- Hiring regional leadership to manage day-to-day operations in Dallas-Ft. Worth, San Antonio/Austin, Houston and West Texas.
- Hiring a full-time budget manager in Lubbock to coordinate funding for Lubbock and Regional Centers.
- Hiring additional recruiters in each of the areas.
 - *Tanner Ogden – Midland/Odessa*
 - *Kendall Meck – Abilene/San Angelo*
 - *Bruce Bills – Amarillo*
 - *Caleb Williams – DFW*

Division of Recruiting & Admissions



Fall 2007 recruiting

- More “Boots on the Ground”
 - TACRAO *College night events*
 - *Counselor Updates*
 - *University Days*
 - *Individual HS & Community College Visits*
 - “Follow-up and Follow through...every student, every time.”
 - *40,000 by 2020!*



TEXAS TECH UNIVERSITY



TEXAS TECH UNIVERSITY

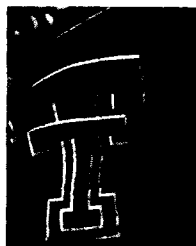


Chancellor's Hispanic Enrollment Taskforce

Juan S. Muñoz, Ph.D.
Special Assistant to the President, Institutional Diversity
Associate Vice Provost
Associate Professor

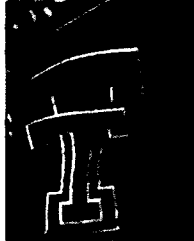
*Board of Regents Presentation
August 9, 2007*

FINAL RECOMMENDATIONS



- Develop an endowment scholarship fund through the Texas Tech Alumni Association in cooperation with the Hispanic community and the Chancellor's office to be awarded to domestic Hispanic students attending Texas Tech University and those colleges who have a matriculation agreement with Texas Tech University
- Intentionally enroll, and by extension, retain Hispanic students by expanding, funding, and continuing to develop programs such as Project FUTURE throughout all Colleges
- Develop, expand, and fund programs such as Gateway; and Step 2; that target Hispanic students at Hispanic serving Institutions

FINAL RECOMMENDATIONS



- Increase financial support for the expansion of successful outreach programs such as: *Back to School Fiesta*; *Closing the Gaps Education Summit*; and *Parents of Graduates Academy*.
- The University will be committed to ensure that those responsible for recruitment reflect an appropriate degree of diversity.

3

ADDITIONAL PROPOSITIONS :



- The HET encourage efforts to initiate a general night school curriculum to allow non-traditional students and others to continue and complete their education.
- Authorize a feasibility study to examine the development of academic programs to attract and increase Hispanic enrollment.

4



TEXAS TECH UNIVERSITY



TEXAS TECH UNIVERSITY

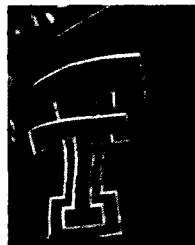


Chancellor's African American Enrollment Taskforce

Juan S. Muñoz, Ph.D.
Special Assistant to the President, Institutional Diversity
Associate Vice Provost
Associate Professor

*Board of Regents Presentation
August 9, 2007*

FINAL RECOMMENDATIONS



- Establish an African-American Scholarship Fund with a 3:1 match - to be administered through the Alumni Association.
- Establish an annual DIVERSITY REPORT CARD.
- Institute an "ANNUAL STATE OF CAMPUS DIVERSITY ADDRESS" to be delivered by the University and HSC Presidents.
- Hire dedicated / specific personnel to concentrate on recruiting African American students
- Address and/or establish institutional policies regarding tolerance and diversity and require mandatory diversity training for all TTU employees.
- Enhance Volunteer Recruitment.

ADDITIONAL PROPOSITIONS :

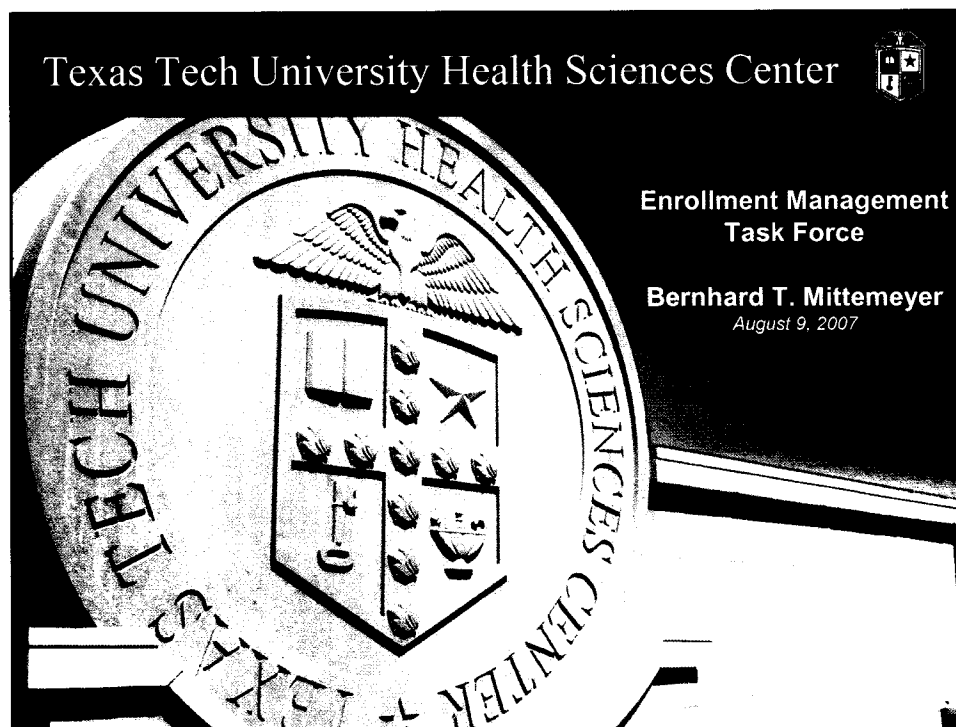


- Continue recruitment in areas (including high schools, community colleges, and HBCUs) containing large African Americans populations.
- Continue telephonic follow-up to “non-acceptees, “and” to non-returning African American students.
- Maintain the synergistic network by keeping the African American Task Force [and Hispanic Task Force] involved in the recruitment and retention discussion and efforts
- Operationally define African American and Hispanic [American] students as “DOMESTIC Under-represented populations.”

3



TEXAS TECH UNIVERSITY



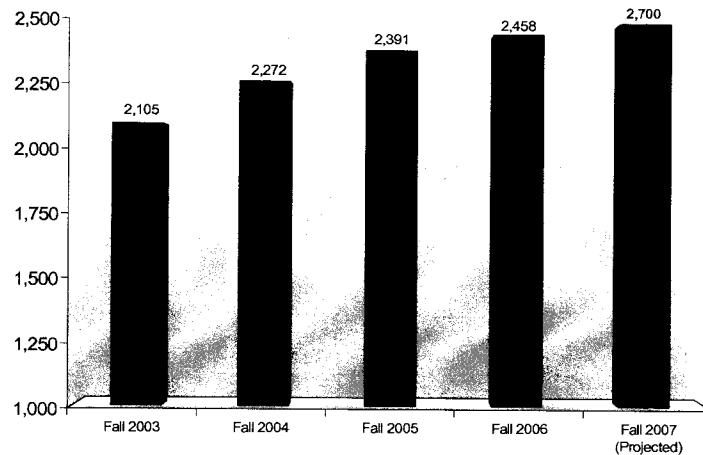
Projected Enrollment Fall 2007			
	Fall 2006	Projected Fall 2007	Projected Fall 2020
Allied Health Sciences	791	905 (+114)	1,200
Medicine	550	560 (+10)	850
Nursing	669	729 (+60)	1,200*
Pharmacy	349	406 (+57)	500
Graduate School of Biomedical Sciences	99	100 (+1)	250
Total HSC	2,458	2,700 (+242)	4,000

09/18/2007

*Minimum

2

5 Year Enrollment Growth



09/18/2007

3

School of Allied Health Sciences



- Current Enrollment = 791
- Projected Fall 2007 Enrollment = 905
- Total Applications = 1,436
- 720 applications for 48 PA slots (*665 for Fall 2006*)
- 231 applications for 64 PT slots (*186 for Fall 2006*)
- On track to achieve our strategic growth goal of 1,000 by 2010
- Applicant quality was considerably greater than in past years
- Science GPA averaged above 3.7 for successful PA program applicants and is comparable to other PA programs in Texas, i.e. Southwestern, Baylor, UNT

09/18/2007

4

School of Medicine



- Current Enrollment = 550
- Projected Fall 2007 Enrollment = 560
- Applicant pool increased from 2,856 to 3,049
- 140 first-year students for Fall 2007
- Highest GPA average ever = 3.64 (*Consistent with Texas schools except Southwestern and Baylor*)
- MCAT increased from 28.76 to 30.21 for incoming class
- The most competitive class ever!

09/18/2007

5

School of Nursing



- Fall 2006 Enrollment = 669
- Projected Fall 2007 Enrollment = 729
- Total Applications = 1,251
- Potential enrollment expansion in Lubbock, Permian Basin, and Austin/Hill Country
- Potential new SON presence in Abilene

09/18/2007

6

School of Pharmacy



- Current Enrollment = 349
- Projected Fall 2007 Enrollment = 406
- Total Applications = 616 (*Fall 2006 = 588*)
- Total enrollment for the first-year class Fall 2007 = 130
- Applications that preferred Abilene = 265 (*40 slots available*)
- Applications that preferred Amarillo = 351 (*90 slots available*)

09/18/2007

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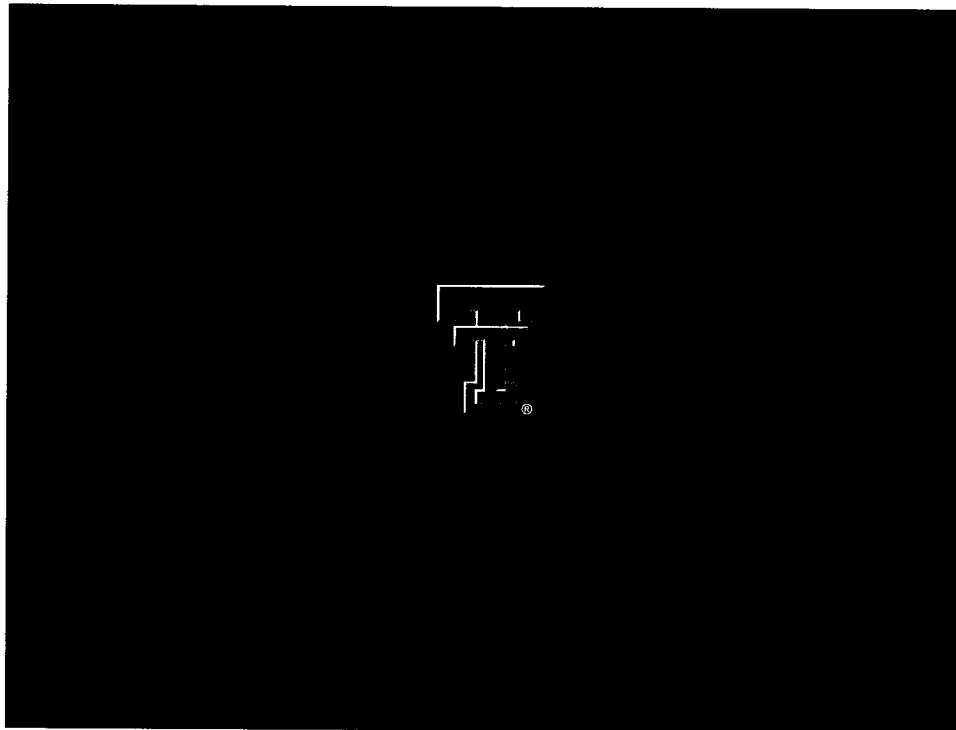
Graduate School of Biomedical Sciences



- Current Enrollment = 99
- Projected Fall 2007 Enrollment = 100
- Total Applications = 242
- Pharmaceutical Sciences Program increased enrollment by 28% over the last two years
- International student population increased 25% from last year. Current international population of GSBS is 45%
- Anticipate raising stipend to be more competitive with other graduate schools

09/18/2007

8



President's Report
Texas Tech University
Board of Regents Meeting
August 10, 2007

President Whitmore presented his report to the Board.

Every year at this time, I try to present to the Board, to the chancellor, and to the university community a set of major issues and goals that we will try to accomplish during the coming year at Texas Tech. Many of these issues are in our budget. The issues being discussed have budget quotes behind them and energy behind them. These are not just things that I will be doing, but things that the vice presidents, deans, department heads, and unit directors will be working on during the coming year. The hope is that during the retreat we will have an opportunity to go into these issues in greater detail. These issues will only be briefly listed today due to time constraints. These are the major initiatives that Texas Tech University has identified and hopes to complete by the end of the year—making us a much better University. It meets our strategic direction and meets the interest of the Board. I have talked with the chancellor and reviewed this list with him.

Our first goal is to improve campus safety and we have done a number of things already. An account of every process initiated will not be presented. However, if you recall our plan to purchase an instant communication system was mentioned previously. That system has been purchased and we are now getting phone numbers entered into that system. The system will have the capability to send text messages, call to land lines and mobile phones and to mobile devices of all kinds so we can communicate with our students, faculty, staff, and also with you about any emergency situations that may arise on campus. We also plan to hire six more police officers. Three of those will be hired before December and another three will be hired in the spring. A flyer has also been created that outlines some safety issues on campus. That flyer is being distributed to students during orientation and to all faculty and staff. These are just a few of the things that we have done in regard to increasing security on campus. So, improving campus safety is an important agenda item for the coming year.

Another goal is to significantly advance new student recruitment and retention. The Board has already heard about that and we have already begun work on achieving that goal.

Increasing the quality of the Graduate School and expanding the enrollment of targeted areas within the Graduate School is another major agenda item. As you know, we have a new dean to help lead us in that process. We will also be developing a comprehensive growth plan for the Honors College that will step up the size of the Honors College and its facilities. As we grow as an institution it will grow proportionally as well.

We plan to reorganize our Outreach and Public Engagement program. We have a committee working on that already which is being chaired by last year's chair of the

Faculty Senate. A task force will be created on flagship status and research advancement to make sure we are marching toward our goal of \$100,000,000 plus in research activity.

We will complete a major self study of Tech's athletic department as part of our required ten-year NCAA reaccreditation review. The review and site visit both take place a year from this fall so we have a year to prepare for that. We have three committees that will put that self study together.

We will explore the creation of the College of Outreach and Distance Education. We have those programs now, but we may want to reorganize and strengthen their capability for the future.

We will assist the chancellor in preparing for the major fundraising campaign that he has on his agenda; we are committed to that.

We will implement additional operational and academic efficiencies. A report on efficiencies that have been implemented over the last year will be shared with the Board during the retreat. If you recall, a year ago the Board was presented with a large list of efficient ways we can consolidate activities to save funds. We have continued to work on that and have implemented some more procedures in that regard. We plan to share that with you as we move forward.

Obviously the banner software administration system, which you have heard about, is another major agenda item for the University for the upcoming year. We are going to pilot something called the Undergraduate Learning Assessment Survey Tool, called the Collegiate Learning Assessment. This will be another way for us to meet our accreditation requirements and make sure we are assessing whether our students are really learning what we think and hope that they should be learning. This is a national tool that is used to help give us some guidelines on where students stand. We will pilot that project this year.

We will also proactively support the transition of Angelo State into the Texas Tech University System. Our vice presidential group went to San Angelo about a week and a half ago. They spent the whole day there—after the chancellor had been there—and met with our counterparts and toured the campus. We already have some discussions going about joint programs in a number of areas, so we are very excited about that and want to welcome Angelo State to our System.

We are launching a campaign called Raider Power. This campaign is designed to improve sportsmanship and fan spirit at Texas Tech University. That is a joint project between Student Affairs and Athletics and it is going to be broad based. We will ask our alumni to be involved in that program as well.

We will review and update Tech's campus master plan and infrastructure needs inventory as we look towards moving to an enrollment of 40,000 students. We will need more people, more buildings and space, more parking and maybe some different traffic

patterns. All of those things need to be studied during the coming year. We will work with the chancellor and his staff as we work towards achieving this goal. Finally, we have to prepare for the next legislative session. It is not too early to be thinking about what are needs will be and how we can position ourselves during committee meetings that will be held.

Those are the major initiatives. Each vice president has his/her own set of initiatives, so there are hundreds of goals we could lay out for you but these are some of the major key initiatives that Texas Tech University is going to be working on during the coming year. These goals are tied to our strategic plan which is tied to our goal of achieving academic excellence. There is an old saying, "Good, better, best—never rest till the good is better and the better is best." Actually, we hope to be better than best. So, that is what we are working on at Texas Tech University. We have a fine set of vice presidents, deans, and heads of departments and each one of them helps us move that agenda forward.

Where are we on our goal of hiring 100 new faculty members? We have hired about 56 to 57 faculty members. As mentioned before, we are putting money into more recruitment activity. However, we are putting more money into some other places as well. We do hope to hire 10 to 12 additional faculty during the coming year, but that is all the budget will allow once we put money into some of the other projects that are being worked. So, this is stalled—almost dead. We had about almost a \$6,000,000 increase in our energy costs that we had to deal with. So, on some of our plans, we just get there and we think we see another 30 or 40 faculty members on the horizon in terms of a funding then something like the \$6,000,000 energy increase occurs along with other projects that become priorities. So, we do plan to hire more faculty, but we are not at the 100 count yet, and that has to do with the amount of money we have available. Faculty on average cost about \$100,000 a piece.

One of the exciting things on the horizon is the building of a new College of Business building. That will free the old business building. We have money and will try to renovate that building where possible. Dr. Marcy is asking the deans who could use some space in that building. We will probably be moving some departments and units of the University into the old business building after we get it refurbished. Some of the moves will have domino effect. We will have to build some new space too as we move towards 40,000 students.

As you know, we are asked by the legislators to be accountable for the funding we have and how we use it; whether we are graduating students on time; if we are as sufficient in terms of our tuition increases and whether we keep them to a minimum; and so on. There in a national effort in regard to these issues. The National Association to the State University and Land Grant Colleges and the Association of State Colleges and Universities are two of the major national organizations for higher education. They are working on developing a wonderful tool that will provide comparative information between all universities in American—of those who participate. I am proud to say that we are early adopters of this new plan. In fact, we are involved in a major test site for this basic template that would allow universities to submit their data and then a student who wants to look at different universities to think about what university to attend could

look at universities that are using the template and get real serious comparative data about cost, size of institution, number of part time and full time students, how many graduate students, how many undergraduate students, the number of faculty, etc. This may be an issue we would want to discuss at the retreat. Our data is in this national template but is not on the website yet. The website is still under construction and the National Organization, not us, will decide when this template can go public across the country. You will see a lot of very exciting data in a very visual format and the idea is one so that regents and legislators and so on can have some comparative data but more importantly so parents and student who want to know details about Texas Tech University compared to UT-San Antonio or Texas A&M University, etc. can access that data as well. If we all use this kind of website, which the national organizations are asking us to think about doing, then people can download exactly the same set of data and make comparisons in choosing the university that they want to attend. We believe in this kind of transparency. We believe that Tech offers a great education on a shoe string budget and this system should help other people see that we are a quality institution that operates efficiently and effectively. This is not on the website yet. We can't put this on our website until the national organization says that the beta testing period is over. When that occurs, this data and more will be provided.

The accomplishments newsletter was also distributed to the Board. Hopefully you will have an opportunity to peruse it. As you see, there are four regents who have been sworn in on the cover. A high note of the newsletter is information about the conference between the faculty and staff.

Thank you all very much.

SGA President's Report
Texas Tech University
Board of Regents Meeting
August 10, 2007

Mason Moses presented his report to the Board.

First of all, congratulations to Regents Scovell and Turner for their appointment to the Board. Regent Scovell, we not only share a passion for this University but you are also probably the powerhouse in the Dallas area of Hillcrest High School which also is our alma mater. Also, congratulations to Regents Frances and Stafford for their re-appointment to the Board. It is great to have you back and we look forward to working with each of you this during this school year.

It has been a very exciting time for the SGA. It has also been a very one. We have had a lot of projects going on. It is hard to believe that we have only been in office for four months. Time is flying. The entire time we have been going full speed ahead.

One of issues we have focused a lot of time on this summer is recruitment. That is one of the chancellor's big goals. As students, we feel we should be at the forefront in this effort. Along with admissions, this year we sent a letter to accepted students welcoming them to the University and encouraging them to get involved as soon as they arrive at Texas Tech. We also have a letter which will go out in the fall to all prospective students. Hopefully, that will encourage them to come to Texas Tech, come for a visit and come see what we have to offer. If we get them here, we can convince them to stay.

Another exciting project we will be working on this next year is the creation of a focus group which will be comprised of our freshmen council members, Freshmen Advisory Board, as well as other sophomores on campus. We want them to talk about why they chose Texas Tech. We want to know what students who just went through the process are thinking about and how it can relate to other 16 to 18 year olds in high school and how we can best recruit them to Texas Tech University. We are very excited about that endeavor.

We will also be working on the "Paving the Way to Student Success Scholarship" campaign. Currently, we have raised over \$4.8 million. We are so close to our initial \$5 million goal. We will try to accomplish that goal so that we can kick off our second phase of that campaign and continue to raise money for student scholarships. As was mentioned during the Enrollment Task Force report, scholarships and money play an important role to student's lives. So, we want to make sure that we are allowing students to financially afford to attend Texas Tech and be successful here.

As mentioned at the last meeting, there was proposed legislation for tax-free text books. Unfortunately that bill died in the House, but we are not going to let up on that issue. We will keep fighting for approval of that bill. We are ready to go to the next session.

We will be working with UT and A&M and other schools to make sure to do what we can to help students save money.

One thing that did come out of session which was very exciting was approval of a bill allowing a student to sit on the Texas Higher Education Coordinating Board and also on four of its committees much like a student regent. We are very exciting about that. We will be working with the President's Office to make sure that we get a very qualified successful student to apply for those positions and get a Texas Tech Red Raider on the Coordinating Board. That is an issue we will be working on diligently. Through this process and being in Austin at the Capitol and speaking with the Representatives and legislators, we met a lot of UT interns, a lot of the A&M interns, a lot of the Texas State interns, but not a lot of Texas Tech intern students. So, one thing that we will be working on with Ron Phillips from the President's Office and other administrators is trying to create a Texas Tech student internship program in Austin. This will be much like our D.C. Internship Program. This has been discussed with Senator Duncan, Representative Isett, Martha Brown, Ron Phillips and John Opperman and more. Everyone seems very enthused about the idea and excited about its potential. If we can get some Tech students in Austin right in the middle of the State Capitol with students from the other universities in Texas that will be very helpful as Tech continues to grow. We need to get students to Austin and get them involved with the state government and assist Texas Tech. This is something we have worked on this summer and will continue to push forward.

Our internal vice president, Suzette Matthews, is getting ready for the next senate session that will start in the fall. We are looking at very important issues this year. One thing we are looking at is the internal view of Texas Tech University—how the students view our own University. That contributes to recruitment. Students are the best recruiters. If a student comes to Tech and they have a great experience and get connected, they'll go back to their home towns and talk with those high school juniors and seniors, talk with their younger brothers and sisters, and tell them about how Texas Tech is a great place to attend.

We are also considering the creation of student forums within different colleges, whether it be Arts and Sciences or Business or Visual and Performing Arts. This is to make sure students have a forum where students can go and talk about any issues affecting them within their individual colleges and how they can be improved.

Another important issue which was alluded to by Dr. Whitmore was sportsmanship. There is a fine line to cross before creating a rude and hostile environment. We want our students to be loud and enthused, but that can be done without being disrespectful to the University, to themselves and to our opponent. We have to make sure that everyone—this isn't just a student issue, not just a University issue, not just a Lubbock issue, it's all three combined—complies. We believe that students can be the forefront to this change. We need to be the ones setting the example for everyone else. That will start with freshmen and sophomore during orientation. They will be informed that that kind of attitude and behavior is unacceptable at any sporting event. One can be enthused about a team without being disrespectful. The performance of our student athletes on the field speaks for itself. If our opponent is being beat, we don't need to

say anything as our players are doing it for us. If we're getting beat, we don't need to say anything anyhow. We need to be sure that our students have the right attitude.

Our external vice president, Taylor Hutcherson, has been working with Citibus to make sure that our student transportation is the best that it can possibly be. Our officers have done a great job this summer in getting that lined up. Our bus routes have run as smoothly as ever. Taylor has also been working with the City of Lubbock in getting students involved on different city committees, in particular ones dealing with infrastructure and growth because as the University grows so does the City of Lubbock. It is very important that students have a voice in this issue so that we can do whatever is necessary to make Lubbock a great place to live and go to college.

We are very excited about fall. We have a lot of things going on. We are having our first fall break. We will also be breaking ground on the student leisure pool and also an ISO 400 class will be offered which Chancellor Hance will be teaching a section.

We will continue to ensure that students have a voice on what is going on at school whether it be top-notch advising or bringing in the best recruiters to campus. In September, we will be holding a large job fair at the United Spirit Arena. We will have many employers coming in and many students will be there hopefully getting them set up with job and internship opportunities. We need to continue to show students that "From here it is possible."

Again, we will continue to help provide competitive scholarships for students. That is one of the most important things we can do—to help make college as affordable as possible.

As mentioned, we have been in office for four months now. It has been very exciting and challenging as well, but we have enjoyed it. We have a long way go and lots to do. We thank the Board for its support of the University and its students as well as Chancellor Hance and President Whitmore and Dr. Shonrock who continues to push us towards more and greater things. Thank you very much.

President's Report
Texas Tech University Health Sciences Center
Board of Regents Meeting
August 10, 2007

President Mitemeyer presented his report to the Board:

It is a pleasure to present what will be my last report of the state of the Health Sciences Center.

First of all, thank you to the Board and Chancellor Hance for the tremendous support and confidence given to me over the past 14 months. Thank you also to my executive team at the HSC—Mr. Cavin who is always at my right side and also the deans from each college all of whom have given outstanding leadership and dedication to excellence. Additionally, thanks to the tremendous faculty, chairs and the students who are the essence of the HSC. Together we have not stood still. We have made considerable progress in reaching many of the objectives and goals that we set for ourselves over the past 14 months, not only in academics but as well as in research, infrastructure, faculty recruitment, legislative endeavors and of course morale. A few example of these: In El Paso, funding for the new medical school has become a reality. This has been one of the most important goals for the HSC, literally in the last six to eight years. The 80th Legislature has in fact made the move and we are grateful to them. Now our greatest challenge is to obtain a Liaison Committee on Medical Education, what is referred to as the LCME, accreditation. This will take total commitment from the El Paso faculty and leadership. The initial report which was submitted to the LCME indicates that they have accepted the curriculum which has been presented. We are now awaiting the review of the committee which will visit the El Paso campus in early November. We appreciate the approval of the consulting agreement. That will help us a great deal with Dr. Jones being on board.

In addition we are grateful to the community. That shouldn't be under estimated. The El Paso community has been tremendously supportive not only through the Infinity Campaign but also recently, Mr. Jim Vialenti, CEO of Thomason Hospital, and the Board of Thomason has approved a \$10.5 million support for faculty recruitment. That was in a matching effort of approximately \$1.5 million that the institution put up. That is a tremendous donation. This will help us focus—as has been heard over and over—on the key faculty that is needed and the outstanding faculty that we are recruiting for the medical school which incidentally is very exciting for the people who are applying. We have a large number of applicants for the few positions available. As an example, we have over 70 applicants for 5 basic science positions. That will allow us to secure the very best people that we can especially with dollars that are available. Not just for themselves from a salary standpoint, but also for the teams that they need to bring in to do their research in the basic sciences and for teaching.

The regents are encouraged to visit the El Paso campus in the near future. You can view the first class facilities which are being constructed. The new Medical Education Building is expected to be open in October. This is going to be a very exciting building. It is state of the art. The Clinical Simulation Center is first class. Anyone who passes through this building will say, "I want to be in this." There is already a lot of jockeying for positions from the people who are in El Paso who would like move there when they really should stay where they are but time will tell.

In Abilene, Sunday, August 12 is going to be a great day. That will be the day of the grand opening of the facilities for the School of Pharmacy. The establishment of this school is truly a community effort. The money raised to construct the building and pay for the faculty has come from this community's efforts. It was a tremendous effort which will undoubtedly help to alleviate the shortage of pharmacists not only in Texas but also in our region, when these graduates matriculate through this system. Certainly this will be a major addition towards our goal of 4,000 students by 2020. Thank you Regent Dueser for all of your help with Pharmacy School and also thank you to the community, the hospital and also to Dr. Arthur Nelson, dean of the School of Pharmacy, for what he has done to make all of this happen. It wasn't a very simple process. It was the combination of many people and it was one of the major goals of the HSC that has now been accomplished.

In the Permian Basin, Midland/Odessa, we are working hard as mentioned earlier, to prepare our facilities and our faculty for the oncoming third and fourth year medical students in the fall of 2009. Much still has to be done. Good faculty and leadership needs to be recruited. We have to get the support of the community moving forward even more rapidly than we are. We also need interest from the students who are actually already at the HSC at this time to select Midland and Odessa for their rotation in the third and fourth year. It will require some scholarship support, but that is being worked on very diligently by the leadership there. Dr. John Jennings is our regional dean. John has a long and strong background of leadership. He has already recruited a new chair for OB/GYN, Dr. Moss Hampton, who was introduced to the Board a few meetings ago. Dr. William Davis just recently accepted the regional chair in Internal Medicine there. We are in the process of recruiting the new chair for family medicine. The only major part remaining that needs leadership within the next two years will be Department of Pediatrics. We are moving forward with a Midland expansion. We have signed a contract with Midland Memorial Hospital to purchase the Allison Cancer Center which is located immediately adjacent to that hospital which will be remodeled and will accommodate the Department of OB/GYN as well as the Department of Internal Medicine. This expansion and faculty recruitment is significantly attributed to again the ability to successfully recruit third and fourth year students into the region. In regards to the PA Program, another very important program with the School of Allied Health, the 80th Legislature has appropriated an additional \$1.1 million which will help us to recruit additional faculty that we need to expand the class from 45 to 60, which is what our plan currently is. This will have a major impact on the rural parts of Texas that we serve. Again, without nurse practitioners and without physical assistants, many small communities would not have the health care that they need. While we are always

focusing on physicians and the medical school, the other schools are just as critical to the HSC. And, the same goes for the School of Pharmacy.

In Amarillo, construction has begun for the \$18 million Research Tower. It is only a start. The School of Medicine and the School of Pharmacy will use this Research Tower to do their research. This will enhance our capacity from research in both of the schools. As reported in the spring, a new regional dean has been hired for the School of Medicine in Amarillo. That is Dr. Richard Jordan. He is coming to us from East Tennessee University School of Medicine. He knows Dr. Berk very well. He is an excellent leader with a long history. He will do a great job for the Amarillo School of Medicine. Thanks go to Dr. Rush Pierce. He has been a yeoman in taking over the job as interim regional dean when Dr. Berk left a year ago.

On a very exciting note, Chancellor Hance already mentioned the establishment of the Laura W. Bush Institute for Women's Health. This is a great happening not only for West Texas and for Texas Tech but also for the health of women and everyone they influence—their husbands, children, siblings, etc. This will have a major impact on the health of West Texas. This is a great step in the right direction and much is going to happen through this institute. We will let you know when the formal press conference for the First Lady will be held.

Speaking of First Ladies, the First Lady of Texas, Anita Perry, was in Lubbock a few weeks ago to announce her support for the School of Nursing's fundraising initiative for endowed chairs. Most of that focuses on the School of Medicine, but we need to focus on the other schools as well. We commend and thank Mrs. Susie Hance for spearheading this effort. She has done a tremendous job in this regard and the First Lady of Texas has stepped up and was here.

Also in Lubbock, we are eagerly awaiting the opening of the Medical Pavilion this October. During our last meeting, it was suggested that you tour that facility during this meeting. Unfortunately, construction is a bit behind schedule, but by the October meeting, that facility should be ready. It is going to be a great building which will help up focus on the important role of providing first-class care to the citizens of this region.

The School of Allied Health is moving forward and was just granted approval by the Coordinating Board to establish a doctoral degree in physical therapy. This is a different degree than what the Board was asked to take to the Coordinating Board today. That will be a fifth doctoral program. This is to take the masters of physical therapy to the level of the doctoral degree giving them more experience also with a focus on research. The other degree approved is for the education of the teachers.

The HSC has also established a Faculty Senate. We look forward to their insight and guidance as we move forward. Dr. Lorenz Lutherer has had a lot to do with this and he is to be commended, along with Dr. Tom McGovern and others who have been very much involved. This will serve the HSC well, specifically because of the importance of our faculty in the education process.

Finally, we are looking forward to review the final report of the space analysis. This has been going on for several months. The Parkhill Smith and Cooper Corporation has looked at our facilities in Lubbock because with the Medical Pavilion opening, many departments will be moving there which will open up space and the big decisions will need to be made by Dr. Baldwin and his team. How are we going to move? What are we going to do with the space which has opened up? The Department of Urology is actually moving into some of that space because they are currently the only department who is located outside of the current facilities. There are other major moves that need to be made—the Clinical Simulation Center has to be developed in Lubbock as well as in Amarillo, Odessa and Midland. These are some of the things that are on the horizon. Parker Smith and Cooper has looked at this structure and will present their final recommendations to Dr. Baldwin and his executive team in the near future. The question is: do we build a research tower in Lubbock? Do we build an administrative tower and take the space that is currently in the HSC for the research? Those are the decisions which have to be made.

Progress has been made and we have positioned ourselves to be an institution who would be able to attract a dynamic leader as has been accomplished. Dr. John Baldwin will come on board—taking over on August 22. We look forward to the future of our institution under his leadership.

In closing, it has been an exciting and challenging opportunity for me to return to head up the institution that I love. Thank you to my executive team—Mr. Cavin, as mentioned earlier; our deans who have been super leaders; the faculty; the staff; and the students; along with the Board and Chancellor Hance—for the tremendous support you have given me during this period of time. I look forward to returning to taking care of the patients that I love and to teach the students and the residents which is what our institution is all about. Thank you all very much.

SGA President's Report
Texas Tech University Health Sciences Center
Board of Regents Meeting
August 10, 2007

Erin Anderson presented her report to the Board.

Thank you for the opportunity to speak. Thank you to President Mitemeyer. He has been instrumental to the students. Like Regent Stafford mentioned the morale has improved extremely since he has been there. We appreciate his availability and his visibility. He is open to any student at any time and we greatly appreciate that.

Thanks also go to Dr. Rolfe and the Student Services staff for helping the Senate as much as they do. We could not get anything accomplished without them. As President Mitemeyer mentioned, this is a very exciting and busy time at the HSC. The past couple of weeks have been crazy.

The school in El Paso is coming along nicely. We are opening the doors of the Pharmacy School this weekend. On July 30, we were able to participate in a reception for future President Baldwin. We had a great presence there especially considering it is summer. We are very excited to work with him.

One of the things that will be worked on by the Student Senate is visibility of the Senate. In the past, students have not really felt that they have a voice. We would like to improve on that and show them just how much we do for them and that they do have a voice.

We also plan to improve our community service involvement. Some of the events planned for September include: a welcome back event for our students and for the HSC. This involves a special kind of conflict because we must travel to each regional campus and that is quite a challenge. This year will be the first year that a member of the Executive Staff of the Senate will attend each event at each different campus. It is going to be a very busy couple of weeks. We'll be at Odessa and Midland on September 13; in Abilene on September 7; in Amarillo on September 11; in Dallas on September 12; and in El Paso on September 14. Lubbock will have two dates since it is the campus with the most students. Those will be on September 4-5. Visibility was mentioned; our goal this year is to have a senator present at every HSC event. We also plan to improve our website so that students have a place to go for information. That has not been consistently updated in the past, but we are going to work on keeping that current this year.

Community service was also mentioned. We have a chairman for that committee. Her name is Stephanie Baker. She has been working hard to get things lined up for the fall. Usually we only have one or two community service events per semester; this fall we are looking at seven or eight which is huge improvement and we feel is important since we will all be working in health services.

We have also made plans for our Phone-a-thon-thank-a-thon Scholarship Program. That is coming online.

Again, it is going to be a very busy year. We look forward to it.

Again, thank you President Mitemeyer and the Board.

Chancellor's Report
Texas Tech University System
Board of Regents Meeting
August 10, 2007

Chancellor Hance presented his report: I will briefly discuss campus security. I came up with an idea whereby scholarships would be offered to peace officers attending classes on campus. I had previously discussed this with the Board and got their approval to set up such a scholarship. We are hoping to offer 20 such scholarships. These plain-clothed peace officers will be Lubbock policemen and DPS. We want that to send a message to everyone that we not only have our own police officers on patrol but that there will also be other plain-clothed law enforcement attending classes. These peace officers will be available to help us in case any type of emergency situation arises. The scholarship has been well received and is going well.

We have had a great year with our state relations. In regards to our federal relations, because of what is happening in congress, many cuts have been made on earmarks. So, there will be less money available. We have done very well compared to other universities under the present conditions. However, we have certainly not done as well as we have in the past. The chairman of the Appropriations Committee automatically cut all earmarks by 50 percent. That has impacted everyone. We are getting some grants to make up for some of our lost funding and Kay Bailey Hutchison has been really helpful in that regard. Through our fund raising efforts, we have raised more money this year than ever before with the exception of one year. However, we do have a request out and if that materializes, this will be by far the largest fund raising year in the history of Texas Tech.

The Laura Bush Institute on Women's Health was officially opened in Amarillo this week. That will be a great operation. The Institute will provide informational services to all kinds of social economic lower income groups to help them become aware of preventive medicine which is very important. It is our goal that this becomes a top clinic in the nation and the world for women's health. Hopefully at some point in the near future, as we gear up in that regard, we can write the heads of state throughout the world and offer them and their spouses physicals. That is very important.

Dr. John Baldwin is ready. He will be here on August 22.

Kay Bailey Hutchison will be coming in next week to speak on our wind forum for next year and what we are doing in that regard.

The Angelo State transition is going well. Mr. Jim Brunjes and Ms. Sharon Meyer have done an excellent job working together to make sure that all goes well. We had an exciting time when we traveled to the grand opening of the system in San Angelo. You can see the enthusiasm from that community.