

TEXAS TECH UNIVERSITY
 BUDGET ADJUSTMENTS FOR THE PERIOD
 JUNE 1, 2003 through AUGUST 31, 2003

TEXAS TECH UNIVERSITY – BOARD APPROVAL ITEMS
 (June 1, 2003 – August 31, 2003)

NO.	ACTIVITY	SOURCE OF FUNDS		EXPENSE	REMARKS
		OTHER	INCOME		
BOARD APPROVAL:					
HC08459	Student Business Service Fee		\$400,000	\$400,000	Established a new account for the collection of Student Business Services Fee.
HC09105	Texas Public Education Grants	\$991,009		991,009	Transferred funding from its fund balance for additional scholarship awards.
HC09098	Library Use Fee		300,000	300,000	Adjusted revenue and expense budget for capital outlay purchases.
HC11823	Library Use Fee		554,000	554,000	Adjusted revenue and expense budget for hourly salaries & fringes as well as capital outlay purchases.
VO14202	Special Events		319,700	319,700	Set up budget for NIT-New York revenue and expenses.

TEXAS TECH™



Facilities Committee

Report

TTU System
Report on Office of Facilities Planning &
Construction Projects.




Bricks & Mortar Report Projects Under Construction October 2003


Summary


Under Construction	\$ 197,852,266
In Design	\$ 293,084,550
In Development	\$ <u>46,400,000</u>
	\$ 537,336,816



 Bricks & Mortar Report Projects Under Construction October 2003			
	Project	Cost	Completion Date
TTU	Jones SBC Stadium Stage IIA	\$ 51,900,000	November 2003
	Football Training Facility	\$ 11,000,000	November 2003
	Student Union Bldg. Expansion/Renov	\$ 38,000,000	Oct 2003/December 2004
	Experimental Sciences Building	\$ 36,997,000	October 2004
	Golf Course	\$ 9,013,000	August 2003
	Golf Course Support Facility	\$ 1,692,000	October 2003
	Admin Building Stone Repair	\$ 674,884	TBD
	Admin Building Roof Repairs	\$ 1,125,116	October 2003
	Marsha Sharp Center for Student Athletes	\$ 3,650,266	November 2003
	Animal and Food Sciences Facility	\$ 17,000,000	August 2004
	TOTAL	\$171,052,266	
HSC	HSC Academic Classroom Bldg.	\$ 15,400,000	October 2003
	HSC El Paso Clinic Expansion/Renov	\$ 9,700,000	September 2004
	HSC El Paso Hydronic Pipe Replacement	\$ 1,700,000	September 2004
	TOTAL	\$ 26,800,000	
	GRAND TOTAL	\$197,852,266	



 Bricks & Mortar Report Projects In Design October 2003			
	Project	Cost	Completion Date
TTU	Residence Hall Fire Protection	\$ 7,000,000	August 2004
	Art 3-D Annex	\$ 6,000,000	September 2004
	Museum NSRL Expansion	\$ 4,100,000	April 2005
	Honors College Academic Building	\$ 25,000,000	TBD
	New Residence Hall	\$ 24,000,000	August 2005
	Jones SBC Stadium Stage IIB	\$ 10,000,000	TBD
	Student Wellness Center	\$ 8,500,000	TBD
	Hulen/Clement Food Court Renovation	\$ 5,600,000	TBD
	Business Administration Bldg.	\$ 30,000,000	TBD
	Vietnam Center	\$ 35,000,000	TBD
	Retirement Village	TBD	TBD
	Marsha Sharp Freeway [TxDOT Project]	TBD	2007+
		TOTAL	\$ 155,200,000
HSC	HSC Clinical Tower Research Center	\$ 33,747,550	December 2005
	HSC Campus Infrastructure Improvement	\$ 5,000,000	April 2004
	Amarillo Library Renovation	\$ 2,900,000	TBD
	HSC El Paso Research Facility I	\$ 38,500,000	August 2005
	El Paso Medical School	\$ 45,000,000	September 2006
	Texas Tech Parkway	\$ 9,237,000	January 2005
	International Pain Institute	\$ 3,500,000	July 2005
	TOTAL	\$ 137,884,550	
	GRAND TOTAL	\$293,084,550	

 Bricks & Mortar Report Future Projects October 2003			
	Project	Cost	Completion Date
TTS	System Office Relocation	\$ <u>2,000,000</u>	TBD
	TOTAL	\$ 2,000,000	
TTU	Engineering Expansion/Renovation	\$ 10,000,000	TBD
	Golf Clubhouse/Team Facility	\$ 6,600,000	TBD
	Law School Courtroom	\$ 6,000,000	TBD
	Child Development & Research Center	\$ 7,000,000	TBD
	Graduate Library	TBD	TBD
	Rec Center Pool	\$ 3,800,000	TBD
	Child Care Center	\$ 2,000,000	TBD
	Dairy Barn Renovation/Relocation	\$ <u>2,000,000</u>	TBD
	TOTAL	\$37,400,000	
HSC	HSC Roof Replacement	\$ 2,000,000	TBD
	HSC Research Renovation	\$ <u>5,000,000</u>	TBD
	TOTAL	\$ 7,000,000	
	GRAND TOTAL	\$46,400,000	



10-3-2003

Policy of the Texas Tech Board of Regents regarding the U.S. Supreme Court ruling on use of race and ethnicity factors in student admissions

Last year, the Board of Regents adopted a strategic plan for the Texas Tech University System that identified five broad goals: growth ... diversity ... people ... partnerships ... recognition. We are proud of the steps taken to achieve one of these goals – diversity – but at the same time we also recognize that the limitations imposed by the federal court in the *Hopwood* case have been very challenging.


Earlier this summer, we were very pleased to see the U.S. Supreme Court address this issue in the case of *Grutter v. Bollinger*. The Court's decision now allows race and ethnicity to be considered in admissions decisions provided these factors are among a broad range of factors used in "an individualized and holistic" admissions review process. As a response to that decision, the Texas Tech University System began a complete and thorough review of the admissions policies of its component institutions.

Current state law requires any changes to an institution's admission policies be published at least one year in advance of consideration of applications for admission (see §51.805(d) and §51.822(d), *Texas Education Code*). Based on this legal requirement, the inclusion of race and ethnicity as factors in the admissions process consistent with the *Grutter* decision cannot become effective until the 2005-06 academic year.

The Board of Regents at Texas Tech is pleased that the U.S. Supreme Court has clarified these issues for all institutions across the country and believes the *Grutter* decision will be helpful in providing the flexibility appropriate to achieve the goals for diversity endorsed in the Texas Tech University System strategic plan.

Therefore, barring any change to current state law, the components of the Texas Tech University System will implement admissions policies for the entering class of Fall 2005 that add race and ethnicity to an admissions process that considers "an individualized and holistic" review of applicants.

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TEXAS TECH UNIVERSITY SYSTEM

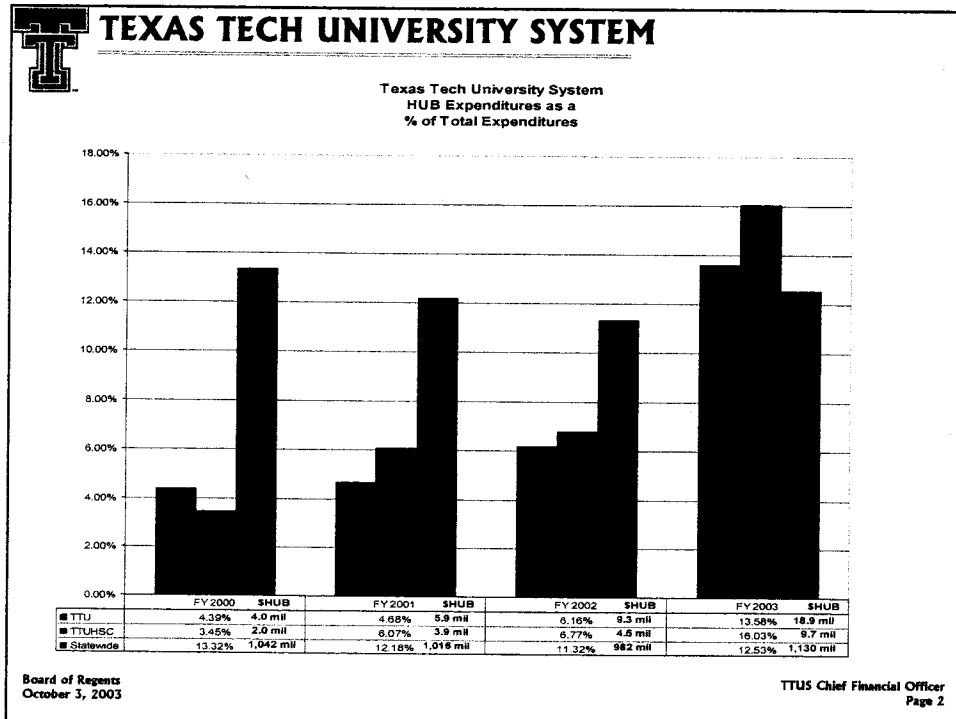
Texas Tech University System

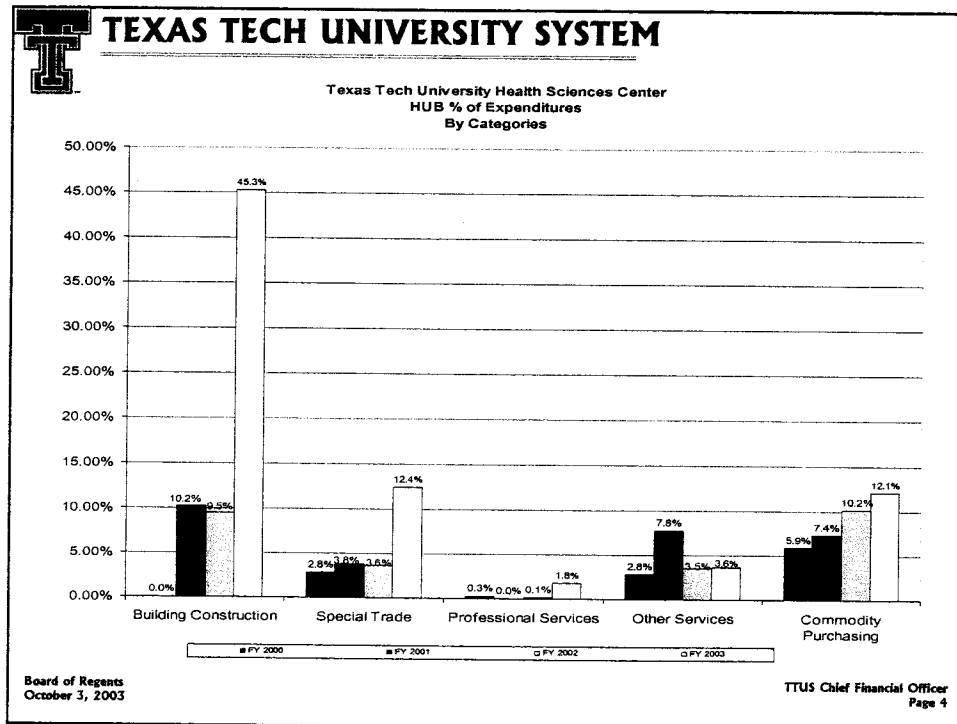
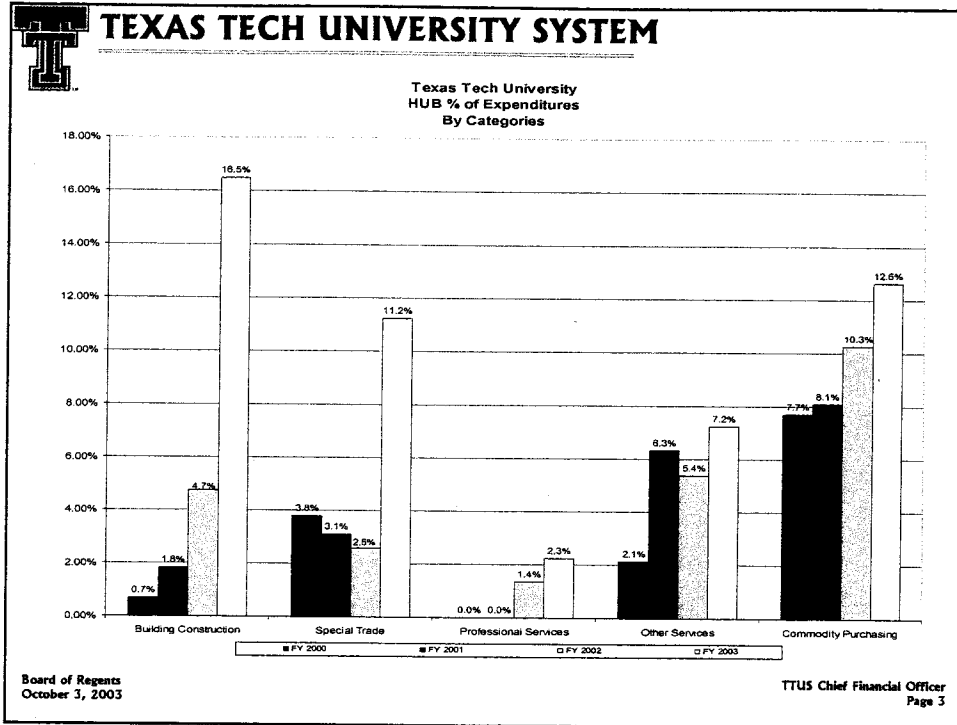
HUB Report

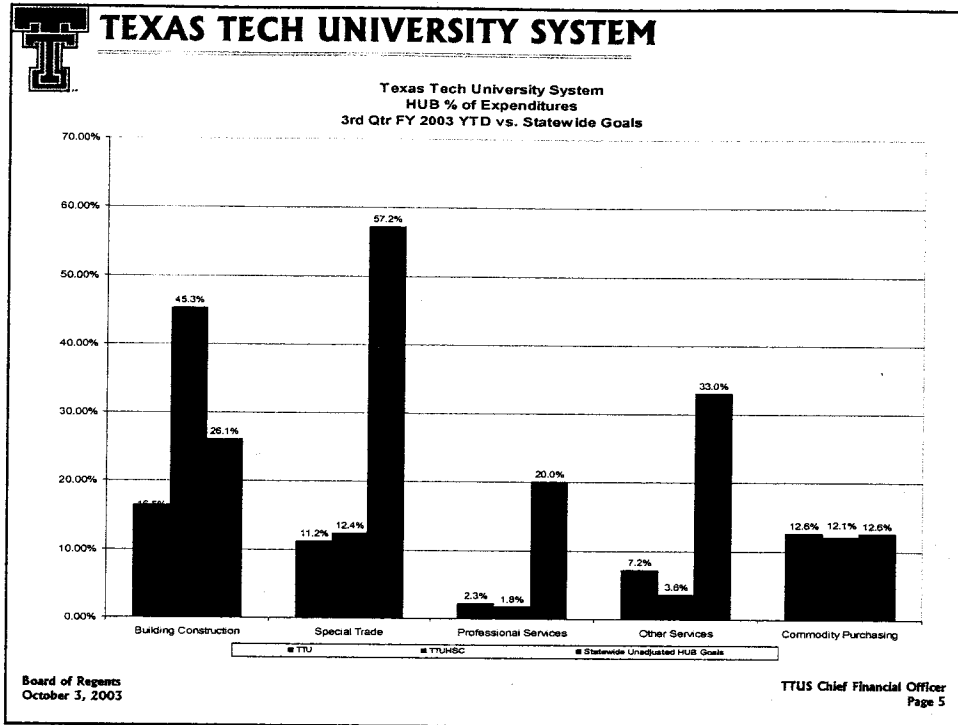
*Office of the Senior Vice Chancellor
 and Chief Financial Officer*

Board of Regents
 October 3, 2003

TTUS Chief Financial Officer
 Page 1







TEXAS TECH UNIVERSITY SYSTEM

State Agency Name 14 Selected	2002		2003	
	Annual	Rank	Preliminary	Rank
Comptroller	19.55%	2	31.00%	1
Texas Lottery Commission	12.49%	4	18.40%	2
Texas Tech University HSC	6.77%	13	16.00%	3
Texas Building and Procurement	25.86%	1	15.70%	4
Health and Human Services	9.98%	9	14.20%	5
Texas A&M (Main)	7.67%	12	13.80%	6
Texas Tech University	6.10%	14	13.50%	7
TDCJ	13.87%	3	12.10%	8
University of Houston	10.32%	8	11.80%	9
University of North Texas	9.84%	10	11.30%	10
Texas Department of Health	11.11%	5	11.20%	11
UT Austin	10.34%	7	11.20%	12
TX DOT	11.06%	6	10.20%	13
Texas MHMR	8.24%	11	9.92%	14

Board of Regents
 October 3, 2003

TTUS Chief Financial Officer
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President's Report
Texas Tech University
Board of Regents Meeting
October 3, 2003

Dr. Whitmore stated that he wanted to do three things. One, he wanted to tell the board about the points that he has been raising that he would like to see Texas Tech work on over the next several years. These are all tentatively based on some early thoughts. Second, he would like to talk about our enrollment situation, which is very positive for this current fall semester. Third, he would like to say a few words about our research profile from this last work.

Dr. Whitmore noted that when he goes around and meets with student groups, faculty groups and more and more some community groups, the things that he is talking about are these: one, that growth is very important to the institution both in quality and in quantity of students, but also growth in research activities, and so growth in a number of levels and that is a major, major component of the system and the board's interests as he understands it; second, is the need to increase salaries for faculty and staff, which he thinks is a very important item. Again, we have talked about that here today.

Improving undergraduate education will be a constant effort by this institution. In talking to students, they think they get a very good education here at Texas Tech, but always there are ways that we can improve that. Hiring more faculty will be one of the primary ways that we can do that. So, many of these things are tied in together. The student services people do an excellent job here at the university, but they are setting for themselves continuously improving as something they just have in their culture now. Dr. Whitmore thinks that is a very encouraging thing.

The way more institutions develop their true national reputation in the academic area is by the quality of their graduate and professional schools, once it is established that they are doing a good job at the undergraduate level. So, that is an area where we are going to do some study. We have some targeted areas of true excellence in graduate and professional programs. We want to make sure that those programs continue to develop over this next period of time. Dr. Whitmore also thinks we need some discussions about where to find some of the new areas that the institution can grow and develop very high selective quality programs at Texas Tech. We do not want to copy other universities. We want to ask the question, "What's here at Texas Tech. What are the things that West Texas and Texas needs in terms of high quality graduate and professional programs" and then target those developments over the coming period of time.

We also want to advance our research profile at the university. Dr. Whitmore noted that he would talk about the numbers in the future. There is plenty of opportunity for that profile of sponsored programs and non-sponsored scholarship and publications to grow at Tech over the coming period of time. He met with the Horn Professors, which are our

leading professors, and had lunch with them two days ago. These are some of the finest faculty in the country, no question about it. They are eager to see us continue to develop the research and scholarly program of this institution. Dr. Whitmore noted that he plans to work with them and help them shape some ideas for the future. We will also be studying with some outside folks coming in from Tier I institutions to look at what we are doing in the research and technology transfer area and what we are doing in the graduate area to get some further ideas beyond our own strategic planning and thinking about how Tech can even become better in these areas.

The development of a diverse and inclusive community is a high profile need for this institution. It does a good job now, but as we learned from the session that Regent Newby had with minority students yesterday, there is room for improvement and that is going to be a priority for the institution.

We also want to expand our ties with the external community. Lubbock is a very welcoming community and we want to continue to make sure that our students are involved in the community, that we do support the kinds of research activities and economic development that are important to Lubbock. Beyond that, then also looking to rural West Texas and seeing how the kinds of research and student activities that we have can help project the healthy development of all of West Texas. Of course, we are a state-wide institution. We are not just in Lubbock. We are not just in West Texas. So, our goal will be to reach out to other entities around the state and make sure that we are connecting and helping the state and its economy grow in all of its dimensions.

Finally, we want to continuously work to improve the environment of this campus for the people who work here, for the people who learn here. This has everything to do from using technology to being more efficient and effective in our operation to make sure that we have the right staff and the right positions around the university to make sure we are delivering services to students. Also very important to Dr. Whitmore – one of his goals at Tech – is a vision where someone can come and get their first job here and end up being vice president for operations or head of student affairs or whatever, fifteen or twenty years from now when the current fine staff and I have all retired. But the idea is that people can have a career here at Tech as faculty members, as staff members, that we provide them with the kinds of training where they can move up in terms of responsibility so that this becomes a community where people can spend their entire lives not sitting in a single position but having opportunities to move up, be they a faculty member to move up to a professor's position and maybe a Horn Professor's position at some point, or be they a staff member who starts out in janitorial services and ends up as a vice president of the institution. Those are the kinds of things we ought to be doing to continuously improve our work environment and to hire the best staff, to hire the best faculty and keep them here at the institution.

Those are some of the major overall goals that Dr. Whitmore sees that we need to be working on at Tech. Most of them line up with the already existing strategic plan. Most of them line up with a lot of the strategic goals of the system as well as what he sees as

priorities in talking with the regents. There is not anything terribly new here, but those are the things that he is going to try to emphasize.

On the subject of enrollment, there is a handout included in your material that is one of the nicest displays of some of the various aspects of our enrollment. As mentioned, our total enrollment is up about 3.5% and our freshman enrollment is up 7.3%. That percentage may seem small, but it is a lot of students and to incorporate them into the institution in classes, in places to live, in places to eat, in places to study, etc. is a big task to continue to find a home for them.

The diversity of the student body is up 17%. That is on a relatively low base so we still have a lot of work to do, but at least the institution is heading in the right direction.

The graduate student enrollment is up. That is the kind of thing we need to continue to see as we develop a national academic reputation for the institution. One of the most telling things in the report is the quality of student. As mentioned earlier, Dr. Whitmore wants to see the university grow in numbers but he also wants to see us grow in quality. To have a substantial increase in the quality in the ACT and SAT scores is quite enormous. The SAT scores are up eleven points. That is quite phenomenal for a single year's growth. It means that the quality of our students, as measured by one measure which is not certainly to say that it meets all of the measures of quality for a student, but it indicates that we are not only growing in size but that is a substantial growth in the average SAT score of our institution. That really points in the right direction.

The final thing about students and our enrollment is our students graduating and that number is going significantly, also. A 2% rise in a single year is really quite remarkable. Usually these rates tend to be very flat and go up very, very slowly. This institution, since 1993, has made some significant steps forward.

Regent Brooks asked how our figures compared with Texas A&M and the University of Texas. Dr. Whitmore stated that he did not have those figures readily available.

Chairman Black asked how our figures compared with Iowa. Dr. Whitmore noted that we are about at this level. We are a little higher than this, but not a lot higher. There are two things that usually make your rates go up and one of those is how much tuition people have to pay – the more they have to pay, the quicker they graduate – no one goes beyond four years at Harvard or at Duke – because the parents will not let the students go beyond the four years. The other thing that makes your rates go up is the selectivity of the institution. That is, the higher the selectivity of the institution is a very clear and direct relationship to (1) the retention of students and (2) how quickly they graduate. So, as the quality of our students goes up, that will be one of the factors that we will see the number of students who are retained here and number who graduate in a quicker period of time going up. There is a bright future in that regard and we will continue to work on it.

Thank you.

President's Report
Texas Tech University Health Sciences Center
Board of Regents Meeting
October 3, 2003

Dr. Wilson presented a power point presentation to the board.

In discussing enrollment at the Health Sciences Center, Dr. Wilson stated that last year there were twenty-six residents who were considered as part of the student formula. They are no longer considered as part of the formula funding so we no longer require them to register or enroll as students. So, some of that is not a real decrease but just a difference in the way residents are counted.

The next slide is broken down by race and ethnicity. It was already mentioned that we do have some work that has to be done in this area. Most of the schools, as you can see, have pretty much held their own although they really have not improved that much. Again, there is a decrease in pharmacy from 52 Hispanics to 40 Hispanics this year. Part of that is in those resident numbers, but the other part is a real drop. Dr. Wilson noted that he had talked with the dean of the School of Pharmacy this morning about this and he reports that he has seen a steady drop every year in terms of the number of applications that he receives from minority groups. There is also a difficulty once they have the applications. In terms of using race and ethnicity as part of the selection, criteria because of *Hopwood*, it has been a real struggle in terms of keeping those numbers up. Hopefully, all of those will change as we move forward.

The next slide reflects our research awards. There was a steady growth from 1998 to 2001 and it has pretty much leveled off. The numbers that Dr. Wilson prefers to emphasize are the NIH numbers because those are the numbers that really tell you about the peer-reviewed research. You can see that those numbers have pretty much leveled off. These are actual awards. A better way to report these are expenditures and we do not have that capability to easily get expenditure reports at this time although we are looking at that now. It is a little bit more accurate. You can see that it has pretty much leveled off and we have some work to do in terms of making that trajectory upward again.

Chairman Black asked what kind of target would Dr. Wilson project that we should be shooting for. Dr. Wilson responded that his goal would be double within three years.

We made a couple of changes. One of these is implementation of our research information system. This was implemented in Lubbock and Odessa in September, 2003. New personnel have been hired. El Paso will be brought on line later this year and Amarillo early in 2004. This system maintains all clinical trials and RLB data in a web-based system and it is a very user-friendly way of maintaining all of our records and seeing what is going on. Right now we are working with the developers of this system to add the IACUC as the Institutional Animal Care and Use Committee. So, we

are interested in adding our animal data to this module. Also, this will really help us in terms of some of the infrastructure needs that were mentioned earlier.

We do have a division of clinical research that did have a bit of a hiatus in the spring of 2002 due to resignation of the entire staff. New staff were trained. We started resuming the processing of new contracts in June. A new menu of services has been offered. You can see the total value of contracts even though there was a hiatus has really maintained steady from FY 2002 to FY 2003. We have made some changes as mentioned earlier. One of those is an advisory board to oversee the operations of the division of clinical research. We certainly do not want to have another situation where our staff resigns. So, we are looking at those issues to make sure we can address whatever the concerns are at the time.

This whole area of research, and particularly human research, is a highly regulated area. Because of some high-profile deaths in human research several years ago there are a lot of compliance issues that have arisen as a result. This is an area that we have placed a lot of attention on. We hired a director for a new office of human research protections. This office will manage all issues of institutional review boards of the Texas Tech University Health Sciences Center. We are also planning for an office of health research protection and quality improvement program assessment in the next four months. Once we do that, we are going to self-accredit ourselves through the Association for Accreditation for Human Research Protection program. The Association of American Medical Colleges is recommending that institutions go through a self-evaluation and get accredited through an outside body rather than having this accreditation imposed upon us in several years which, in Dr. Wilson's opinion, is going to happen. We are going to go through this process. We are going to try to get accreditation through this independent agency, the Association for Accreditation for Human Research Protection agreement and we will be the first Health Sciences Center in Texas to go through this process and become accredited. It is better to be ahead of the curve because this is coming, there is no question about it. In a few years this is going to become mandatory so we might as well be ahead of the curve and if there are any problems, be able to fix it before the mandatory accreditation comes.

Dr. Wilson mentioned a few miscellaneous items not included in the power point presentation. One was mentioned at the last board meeting that we are going to be going through a SACS accreditation visit. That visit starts on Monday and terminates on Thursday. We have been very busy preparing for that. We are very well prepared for a good outcome. Dr. Wilson reported that El Paso had their 30th anniversary gala celebration a couple of weeks ago. Regent Brown opened the celebration with comments. It was very well attended and nicely supported by the community. You can tell that there is quite a bit of excitement on that campus, quite a bit of excitement from the community in terms of what the potential is for growth on that campus and it was just a very nice event to be at.

At the last board meeting, Dr. Wilson told the board that one of things he wanted to do over the next several months was to visit all of the campuses. He has completed all of

his campus visits. He spent a week in El Paso, three days in Odessa and Midland and two and one-half days in Amarillo. These visits were very, very interesting. Dr. Wilson noted that the opportunities and the diversity of strengths at each of the campuses are just phenomenal. We talked earlier today about some of the challenges because of our financial under-funding and various other issues that are somewhat on a negative tone. Last night at dinner, the regents heard him say somewhat tongue-in-cheek, but there is some truth to it, when he tells people that this is the easiest job he has ever had. He says that because the previous jobs where he was dean at both Drew and at Creighton, he came behind a person that was removed and he entered into a real mess and had to try to clean up that mess. There is no question that there is absolutely no mess here. The previous leadership both with David Smith and then with Elmo Cavin has put a really firm foundation in place. As you go to the other campuses, it is really obvious that yes, there are some resource needs and some concerns but each of the campuses are on a very firm footing and they each have very unique strengths that can really be exploited. If we can concentrate on making each of the campuses fulfill its potential, we are going to have a really great, great Health Sciences Center. Dr. Wilson is very enthusiastic that the Health Sciences Center is at this stage where we can go to the next level and really improve things rather than having to fix things. He commended the previous administration for bringing us to this level. It is an exciting time to be here.

Thank you.

Chancellor's Report
Texas Tech University System
Board of Regents Meeting
October 3, 2003

Chancellor Smith stated that his report would be brief. He commended the board for their actions today in a couple of areas. First of all, they have seen the fruits of their labor in the HUB numbers. Dave Lopez is not here today, but the entire board was very clear about their direction. Our staff and Jim Brunjes and Mike Ellicott and Bubba Sedeno and everyone has done a tremendous job along with Elmo Cavin and his group. The board set a clear direction for the staff and administration a couple of years ago and Dr. Smith wanted to commend everyone for listening well.

The other item, as mentioned earlier, is that the board's action today in clarifying issues related to a holistic approach to admissions is important to us and he appreciates their efforts. Dr. Smith wanted to issue some thanks and commendations. We have a very good team. You have seen the two presidents already and it is a tremendous relief and it gives us an opportunity now to address aggressively a lot of issues and move forward. No one came here to retire and everybody sees some incredible opportunities for Texas Tech to work on behalf of our students and our faculty.

The board also has made a statement, or certainly alluded to the fact, that this next focus needs to be on the people, that being, of course, the students and the faculty. Those regents who were at dinner last night heard very clearly why these two gentlemen are leading these universities because we did not have to mention those to them. They already came with their perceptions and the fact that this next evolution in Tech's history is going to be about investing in people, which is consistent with the board's strategic agenda. With that in mind, Dr. Smith wanted to commend the team – these two gentlemen who have joined us who have already hit the ground running – Dr. Whitmore who, in fact, is living out of a dorm. So, he indeed is realizing life at Tech at the ground level. Dr. Wilson who has already, as many of you are aware, this week held a conference on what about the community's health. Let's look even beyond those issues in the area of childhood obesity and its impact, as well as, of course, the discussions in other communities. So, he wanted to thank them for their efforts in just being a great part of this team.

In addition, the staff and the system from Richard Butler to Ben Lock to Pat Campbell and the work that Jim Brunjes has done has been tremendous during this transition. There has been a lot of transition over the course of the last couple of years. Dr. Smith wanted to thank them. People like Mike Ellicott – he and his staff were up until 11:00 last night in the stadium working, personally overseeing and going above and beyond. That epitomizes Texas Tech – whether or not it is in that area, the work that Mark Lindemood is doing to organize development for this next major campaign as well as continuing fund raising efforts. Again, this speaks highly of where we are. None of us are content. This is what you have heard today. No one is content where we are today. The students – you heard it from Jeremy Brown and Elizabeth Preston – they want value in their degree and as they become alums they want to see continued value accelerate in their degree, just as you do. We have a little itch and we are going to scratch it. Dr. Smith appreciates the board's support.