

TEXAS TECH UNIVERSITY SYSTEM

BOARD OF REGENTS

AGENDA BOOK

August 8-9, 2024



BOARD OF REGENTS

TEXAS TECH UNIVERSITY SYSTEM

AGENDA

August 8-9, 2024

BOARD OF REGENTS

Mr. Mark Griffin, Chairman Mrs. Ginger Kerrick Davis, Vice Chairwoman Ms. Arcilia C. Acosta Mr. Cody C. Campbell Mr. Clay Cash Mr. Clay Cash Mr. Tim Culp Mr. Pat Gordon Dr. Shelley Sweatt Mr. Dusty Womble Mr. Jad Zeitouni, Student-Regent

Standing Committee Chairs and Vice Chairs:

Academic, Clinical and Student Affairs: Ginger Kerrick Davis (Chair); Shelley Sweatt (Vice Chair); and Jad Zeitouni (Student Regent)

> Audit: Arcilia Acosta (Chair) and Pat Gordon (Vice Chair)

Facilities: Dusty Womble (Chair) and Arcilia Acosta (Vice Chair)

Finance and Investments: Cody Campbell (Chair) and Pat Gordon (Vice Chair)

[NOTE: All nine board members serve as voting members of each committee.]

AGENDA

Lubbock, Texas

August 8-9, 2024

Abbreviated Agenda with Approximate Times*

Thursday, August 8, 2024

Swearing-in of new student regent

8:50 am

Ceremonial swearing-in of newly appointed student regent Location: Regents Conference Room (104A), First Floor, System Administration Building, 1508 Knoxville Avenue, Lubbock, Texas

<u>Board of Trustees Meeting of the Carr Scholarship Foundation</u> (Shown for informational purposes only.)

9:00 am (or immediately following the swearing-in ceremony) Call to Order; convene Meeting of the Board of Trustees of the Carr Scholarship Foundation Location: Regents Conference Room (104A), First Floor, System Administration Building, 1508 Knoxville Avenue, Lubbock, Texas

9:30 am

Adjournment

CONTINUED ON NEXT PAGE

*For general information. All open session meetings of the Board of Regents will take place in the Regents Conference Room (104A), First Floor, System Administration Building, 1508 Knoxville Avenue, Lubbock, Texas. Any executive session meetings that should occur throughout the day will take place in the Regents Committee Room (106), First Floor, System Administration Building, 1508 Knoxville Avenue, Lubbock, Texas. The times listed are estimates, with periodic recesses. On Thursday, August 8, 2024, prior to the start of the day's meetings, at 8:50 am, a ceremonial swearing-in of the newly appointed student regent will take place. Following the swearing-in ceremony, at approximately 9:00 am, the Carr Scholarship Foundation meeting will take place. Upon adjournment of the Carr Scholarship meeting, committee meetings will commence, sequentially, at approximately 9:30 am. The Board will convene the Meeting of the Board to convene into Executive Session upon adjournment of the last committee meeting or whenever deemed necessary. The Meeting of the Board is expected to recess for the day on Thursday, August 8, 2024, on or before 4:15 pm; however, if needed, the meeting may continue beyond 4:15 pm until completed. On Friday, August 9, 2024, prior to the start of the day's meeting, the Board will participate in a tour and ribbon cutting ceremony of the Academic Sciences Building on the TTU campus. The Meeting of the Board will reconvene at 10:00 am to conduct its regular business. If necessary, the Meeting of the Board may recess at approximately 10:45 am, to conduct any committee meetings which were not concluded on Thursday, August 8, 2024. The Meeting of the Board will reconvene upon adjournment of any committee meeting(s), if applicable, at approximately 11:00 am to complete the remainder of its business. The Meeting of the Board is expected to adjourn on or before 12:00 pm; however, if needed, the meeting may continue beyond 12:00 pm until completed. The full board agenda is detailed on pages vi through xvi. The agenda for each session of the board meeting or a meeting of a committee of the board is detailed behind the appropriate divider tab.

Lubbock, Texas

August 8-9, 2024

Abbreviated Agenda with Approximate Times*

Thursday, August 8, 2024

Committee Meetings

CONTINUED FROM PREVIOUS PAGE

9:30 am (or upon adjournment of the Carr Scholarship Foundation meeting)	Academic, Clinical and Student Affairs Committee Location: Regents Conference Room (104A), First Floor, System Administration Building, 1508 Knoxville Avenue, Lubbock, Texas
10:00 am (or upon adjournment of the ACS Cmte. meeting)	Audit Committee Location: Regents Conference Room (104A), First Floor, System Administration Building, 1508 Knoxville Avenue, Lubbock, Texas
10:15 am (or upon adjournment of the Audit Cmte. meeting)	Facilities Committee Location: Regents Conference Room (104A), First Floor, System Administration Building, 1508 Knoxville Avenue, Lubbock, Texas
11:00 am (or upon adjournment of the Facilities Cmte. meeting)	Finance and Investments Committee Location: Regents Conference Room (104A), First Floor, System Administration Building, 1508 Knoxville Avenue, Lubbock, Texas
	CONTINUED ON NEXT PAGE

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Lubbock, Texas

August 8-9, 2024

Abbreviated Agenda with Approximate Times*

Thursday, August 8, 2024

Meeting of the Board

CONTINUED FROM PREVIOUS PAGE

11:45 am (or adjournment of the last committee meeting)	Call to Order; convene as Meeting of the Board and Committee of the Whole Board Location: Regents Conference Room (104A), First Floor, System Administration Building, 1508 Knoxville Avenue, Lubbock, Texas
11:45 am	Executive Session Location: Regents Committee Room (106), First Floor, System Administration Building, 1508 Knoxville Avenue, Lubbock, Texas
4:00 pm	 Following Executive Session, reconvene into Open Session as Committee of the Whole ES Motions, if any Location: Regents Conference Room (104A), First Floor, System Administration Building, 1508 Knoxville Avenue, Lubbock, Texas
4:15 pm	Recess

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Lubbock, Texas

August 8-9, 2024

Abbreviated Agenda with Approximate Times*

Friday, August 9, 2024

Meeting of the Board

10:00 am	 Call to Order; reconvene as Meeting of the Board and Committee of the Whole Board Introductions and Recognitions Report from THECB Chairman Approval of minutes Approval of Consent and Information agendas 2024 and 2025 BOR meeting schedule SGA President Reports Location: Regents Conference Room (104A), First Floor, System Administration Building, 1508 Knoxville Avenue, Lubbock, Texas
11:00 am	Executive Session Location: Regents Conference Room (104A), First Floor, System Administration Building, 1508 Knoxville Avenue, Lubbock, Texas
11:45 am	 Following Executive Session, reconvene into Open Session as Committee of the Whole ES Motions, if any Announcements Location: Regents Conference Room (104A), First Floor, System Administration Building, 1508 Knoxville Avenue, Lubbock, Texas
12:00 pm	Adjournment

*For general information. All open session meetings of the Board of Regents will take place in the Regents Conference Room (104Å), First Floor, System Administration Building, 1508 Knoxville Avenue, Lubbock, Texas. Any executive session meetings that should occur throughout the day will take place in the Regents Committee Room (106), First Floor, System Administration Building, 1508 Knoxville Avenue, Lubbock, Texas. The times listed are estimates, with periodic recesses. On Thursday, August 8, 2024, prior to the start of the day's meetings, at 8:50 am, a ceremonial swearing-in of the newly appointed student regent will take place. Following the swearing-in ceremony, at approximately 9:00 am, the Carr Scholarship Foundation meeting will take place. Upon adjournment of the Carr Scholarship meeting, committee meetings will commence, sequentially, at approximately 9:30 am. The Board will convene the Meeting of the Board to convene into Executive Session upon adjournment of the last committee meeting or whenever deemed necessary. The Meeting of the Board is expected to recess for the day on Thursday, August 8, 2024, on or before 4:15 pm; however, if needed, the meeting may continue beyond 4:15 pm until completed. On Friday, August 9, 2024, prior to the start of the day's meeting, the Board will participate in a tour and ribbon cutting ceremony of the Academic Sciences Building on the TTU campus. The Meeting of the Board will reconvene at 10:00 am to conduct its regular business. If necessary, the Meeting of the Board may recess at approximately 10:45 am, to conduct any committee meetings which were not concluded on Thursday, August 8, 2024. The Meeting of the Board will reconvene upon adjournment of any committee meeting(s), if applicable, at approximately 11:00 am to complete the remainder of its business. The Meeting of the Board is expected to adjourn on or before 12:00 pm; however, if needed, the meeting may continue beyond 12:00 pm until completed. The full board agenda is detailed on pages vi through xvi. The agenda for each session of the board meeting or a meeting of a committee of the board is detailed behind the appropriate divider tab.

August 8-9, 2024

Agenda

<u>Thursday, August 8, 2024</u> Regents Conference Room (104A), First Floor, System Administration Building, 1508 Knoxville Avenue, Lubbock, Texas

Ceremonial swearing-in of newly appointed student regent: Before the start of the day's meetings, the newly appointed student regent will participate in a ceremonial swearing-in.

Location: Regents Conference Room (104A), First Floor, System Administration Building, 1508 Knoxville Avenue, Lubbock, Texas

Board of Trustees of the Carr Scholarship Foundation: This meeting will take place upon completion of the swearing-in ceremony; refer to agenda provided by the Chief Financial Officer's Office Location: Regents Conference Room (104A), First Floor, System Administration Building, 1508 Knoxville Avenue, Lubbock, Texas

I. Meeting of Standing Committees

Location: Regents Conference Room (104A), First Floor, System Administration Building, 1508 Knoxville Avenue, Lubbock, Texas

A. Academic, Clinical and Student Affairs Committee

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1.	ASU: Approve change in academic rank and granting of tenure	3
2.	MSU: Approve appointment with tenure	4
3.	MSU: Approve revisions to OP 06.17, Faculty Workload Policy	5
4.	MSU: Authorize renaming of the Gordon T. and Ellen West College of Education to the Gordon T. and Ellen West College of Education and Professional Studies	6

	5.	TTU: Approve Master of Science degree with a major in Information Systems	7
	6.	TTU: Approve Master of Fine Arts degree with a major in Creative Writing	10
	7.	TTUHSC: Approve appointment of Grover E. Murray Professor	13
	8.	TTU: Report on Texas Tech University's Dallas/Fort Worth campus	15
	9.	Adjournment	
В.	Audit	Committee	<u>Page</u> A
	1.	TTUS: Approve 2025 annual audit plan for the Texas Tech University System	2
	2.	TTUS: Report on audits	3
	3.	Adjournment	
C.	Facilit	ies	<u>Page</u> F
	1.	ASU: Approve additional scope of work for the Mayer Museum expansion project, increase the total project budget, amend the Design Professional Agreement, and amend the Competitive Sealed Proposal Agreement.	3
	2.	ASU: Approve namings within the Mayer Museum expansion project	5
	3.	MSU: Approve concept and authorize expenditures of the Student Success and Military Education Center project for Design Professional Stage I design services	7

	4.	TTU: Approve expenditures of the Junction Campus Wildlife Disease and Deer Research Facility ("WDDRF") and Llano River Conservation Center ("LRCC") projects for Design Professional Stage II design services and Construction Manager At Risk Pre-construction services
	5.	TTU: Approve exception to <i>Regents' Rules</i> and the total project budget for the Holden Hall Building renovation project
	6.	TTUHSC: Approve expenditures of the TTUHSC Lubbock – 5B West Research Lab Renovations project for Construction Manager At Risk Pre- construction services
	7.	TTUHSC El Paso: Approve expenditures of the Clinical Sciences Building project for Design Professional Stage II design services
	8.	TTUS: Report on Facilities Planning and Construction projects18
	9.	Adjournment
D.	Finar	nce and Investments Committee <u>Page</u> FI
	1.	TTUSA, TTU, ASU, MSU, TTUHSC and TTUHSC El Paso: Approve FY 2025 operating budgets3
	2.	ASU: Authorize president to execute a contract for advisory services4
	3.	TTU and TTUHSC: Authorize president to enter negotiations and execute a contract for retail natural gas services
	4.	TTUHSC: Authorize the president to execute an amendment to an existing Space Lease Agreement with North Loop MOB LTD of Lubbock, Texas7

5.	TTUS: Authorize issuance of Revenue Financing System Bonds for eligible projects for construction and/or acquisition of infrastructure for TTUS, refund certain outstanding debt obligations issued for the benefit of TTUS or participants of the TTUS RFS and pay costs relating to the issuance of the bonds8
6.	TTUS: Approve amendments to the Investment Policy Statement for the Long-Term Investment Funds
7.	TTUS: Enterprise Risk Management Report
8.	TTUS: Investment Performance Update11
9.	Adjournment
	he Board—Call to Order; convene into Open he BoardChairman Griffin
Session, in the System Administers perm	ession: The Board will convene into Executive he Regents Committee Room (106), First Floor, inistration Building, 1508 Knoxville Avenue to consider hissible under Chapter 551 of the <i>Texas Government</i> ing, for example:
A. Consu	ultation with attorney regarding privileged

П.

III.

- communications, pending or contemplated litigation and settlement negotiations Section 551.071
- B. Deliberations regarding real property: The purchase, lease, exchange, or value of real property Section 551.072
- C. Deliberations regarding prospective gifts Section 551.073
- D. Personnel matters: Discuss the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of employees Section 551.074
- E. Deliberations regarding security devices—deployment of security personnel or devices Section 551.076
- IV. Open Session: The Board will convene into Open Session in the Regents Conference Room (104A), First Floor, System Administration Building, 1508 Knoxville Avenue and meet as a Committee of the Whole and Meeting of the Board to consider and act on:

- A. Consideration of appropriate action, if any, on items discussed in Executive Session Vice Chairwoman Kerrick Davis
- V. Recess Chairman Griffin

Friday, August 9, 2024 Regents Conference Room (104A), First Floor, System Administration Building, 1508 Knoxville Avenue, Lubbock, Texas

- - A. Introductions and Recognitions Chancellor Mitchell, President Hawkins, President Haynie, President Schovanec, President Rice-Spearman, and President Lange
 - B. Report from Texas Higher Education Coordinating Board ("THECB") Chairman...... Dr. Fred Farias
- VII. Recess (if necessary, for standing committees to meet; otherwise continue in Open Session (X.))
- VIII. Meeting of Standing Committees (if not concluded on Thursday)
- IX. Meeting of the Board—Call to Order; reconvene into Open Session of the Board (only if the Meeting of the Board was recessed to conduct committee meetings)
- **X. Open Session:** The Board will continue in Open Session and meet as a Committee of the Whole and Meeting of the Board to consider and act on:
 - A. Approve minutes of the board meeting held on May 9, 2024 Chairman Griffin
 - B. Committee of the Whole..... Vice Chairwoman Kerrick Davis
 Page
 CW

Consent Agenda

- a. ASU: Approve the title change of the Bachelor of Science degree in Interdisciplinary Studies (ACS)
- b. MSU: Approve and acknowledge actions relating to low-producing degree programs (ACS)
- c. MSU: Approve emeritus appointments (ACS)
- d. TTU: Approve and acknowledge actions relating to low-producing degree programs (ACS)
- e. TTU: Approve leave of absence without pay (ACS)
- f. TTU: Approve emeritus appointments (ACS)
- g. TTU: Approve exceptions to nepotism policy (ACS)
- h. TTUHSC: Approve emeritus appointment (ACS)
- i. TTUHSC: Approve exceptions to nepotism policy (ACS)
- j. TTUS: Approve amendments to *Regents' Rules*, Chapter 01 (Bylaws) clarifying the timing and process for election of the board chair (CW)
- k. TTUS: Approve amendments to *Regents' Rules*, Chapter 02 (Administration) regarding the administrative area of information resources and services (CW)
- I. ASU, MSU, and TTU: Acknowledge the revised Five-Year Capital Projects Plan and submission of the MP1 Report (F)
- m. TTU: Approve updating building name and associated wayfinding signage (F)
- n. TTUS: Approve amendments to *Regents' Rules*, Chapter 07 (Fiscal Management) related to the approval of travel expenses of board members and the chancellor (FI)
- o. TTU: Approve Modification of Endowment (FI)
- p. TTU: Approve Modification of Endowment (FI)
- q. TTUHSC El Paso: Approve acceptance of gift-in-kind benefiting dental education activities (FI)

- r. TTUS: Approve purchasing contract(s) in excess of \$1,000,000 (FI)
- s. TTUHSC: Authorize president to execute a consulting contract to evaluate and recommend operational efficiencies and an administrative structure for the Lubbock TTUHSC physician clinical practice (FI)
- t. TTUHSC: Authorize the presidents to execute a contract for custodial services (FI)
- u. TTUHSC: Approve Increased Funding of Research Chair Quasi Endowment (FI)
- v. TTUHSC: Approve revised FY 2025 holiday schedule (FI)
- w. TTUHSC El Paso: Authorization to execute Revenue Cycle Management Services for the Medical Practice Income Plan ("MPIP") (FI)

Information Agenda

Information is provided as required by Section 01.02.7.d(4)(c), *Regents' Rules*

- (1) ASU, MSU, TTU, TTUHSC and TTUHSC El Paso: Summary of Revenues and Expenditures by Budget Category, FY 2024 (as of May 31, 2024), per Section 01.02.8.d(3)(g), *Regents' Rules* – All actual expenditures will be reviewed by the Finance and Investments Committee annually and provided as information. Financial reports for the most recently completed quarter for each of the component institutions are available at: <u>https://www.texastech.edu/offices/cfo/board-financialreports.php</u>
- (2) TTUHSC and TTUHSC EI Paso: Contracts for ongoing and continuing health-related service relationships per Section 07.12.4.c, *Regents' Rules* – The following are excepted from the requirements of Section 07.12.3.a and Section 07.12.3.b, *Regents' Rules*, <u>"the board delegates to the</u> presidents of health-related institutions the authority to approve the proposals and execute and sign contracts for health related services, as specified herein. This delegation is limited to contracts with entities for which the institution has an ongoing and continuing contractual

relationship, to include: revenue contracts from which the institution receives payment for health related services: participation in health provider networks: resident or faculty support; and expense contracts with healthcare providers or suppliers necessary to fulfill the obligation to provide health related services as part of a revenue contract or new health related services contracts that involve a stated or implied consideration that total in excess of \$1,000,000 over the entire term of the contract but the per annum amount is less than \$1,000,000. Before such a contract may be executed, the president shall obtain the prior review of the TTU system Office of General Counsel and the TTU system vice chancellor and chief financial officer. or their designees. A list of health-related services contracts that have been executed under this delegation of authority since the previous regular board meeting shall be provided to the board as an information item at the next regular board meeting."

- (3) MSU, TTU, TTUHSC, and TTUHSC EI Paso: Contracts that involve a stated or implied consideration that total in excess of \$1.000.000 over the entire term of the contract but the per annum amount is less than \$1,000,000 per section 07.12.4 of the *Regents*' Rules – The following are excepted from the requirements of Section 07.12.3.a and 07.12.3 b. Regents' Rules, "the chancellor or president, or the chancellor or presidents designee, as appropriate, is delegated the authority to approve: (i) contracts that involve a stated or implied consideration that total in excess of \$1,000,000 over the entire term of the contract but the per annum amount is less than \$1,000,000; and (ii) any amendment, extension, or renewal of a contract originally approved by the chancellor or president, as appropriate, so long as the amendment, extension, or renewal does not cause the per annum amount of the contract to exceed \$1,000,000. This requirement is applicable to both cash and non-cash considerations. Information about such contracts or contract amendments, extensions, or renewals that are approved by the chancellor or a president under this delegation of authority shall be provided to the board as an information item at the next regular board meeting."
- (4) ASU, TTUHSC, and TTUHSC EI Paso: Consulting contracts with an initial consideration of \$100,000 or less per Section 07.12.4.e.(1), *Regents' Rules* – <u>"(a) Board</u> <u>approval is not required, but the vice chancellor and</u> <u>chief financial officer, in consultation with the chancellor,</u> <u>presidents, and chief financial officers of the institutions,</u>

shall review consulting contracts of \$100,000 or less prior to execution of the contract by the chancellor or president, as appropriate. (b) A report of the contract shall be provided as an Information Agenda item at the next board meeting."

- (5) TTU: Contracts for Sponsored Programs Projects per Section 07.12.4.b., *Regents' Rules* – <u>"The board delegates to the presidents the</u> <u>authority to approve the proposals and execute and sign</u> <u>contracts for sponsored program projects in excess of</u> <u>\$1,000,000 per annum. Sponsored program projects are</u> <u>those grants, contracts, and cooperative agreements</u> <u>from either the public or private sectors that support</u> <u>research, instructional, and service projects. A list of</u> <u>such contracts for sponsored program projects in</u> <u>excess of \$1,000,000 per annum shall be provided to</u> <u>the board as an information item at the next regular</u> <u>board meeting."</u>
- (6) TTUS: Named Funds per Section 13.02.3.a, *Regents' Rules* – <u>"The board delegates approvals to name endowments or other gift funds established through a private gift of less than \$5 million to the president of the benefitting institution, in consultation and cooperation with the chancellor and the VCIA. Notice shall be provided to the board of re-gents as part of the information agenda at the next board meeting."</u>
- (7) TTU: Gift related namings less than \$500,000.00 per Section 13.02.2.b(4), *Regents' Rules* – <u>"Gifts of less than \$500,000.00</u> that meet the requirements outlined in this chapter [13] for naming of a facility, as defined herein, may be approved by the component institution president, in cooperation and coordination with the VCIA. The item will be placed as an information item at the next board meeting after the public announcement."
- (8) TTU: Quasi-endowments that exceed \$250,000 per Section 01.02.8.d.(3)(k), *Regents' Rules – "review and approval of all quasiendowments that exceed \$250,000."*
- (9) TTUHSC: Named funds per Section 13.02.3.c., *Regents' Rules* – <u>"Named chairs, professorships, deanships, or any other academic position must meet the minimum funding levels established by the benefitting component institution's operating policies and Chapter 06, *Regents' Rules,* and be ap-proved by the component president, in consultation and cooperation with the VCIA, with timely notice to the board of regents prior to its next regularly scheduled</u>

meeting be-fore the gift and related naming are publicly announced. The item will be placed as an information item at the next board meeting after the public announcement."

- (10) TTU: Exigent circumstances approval per Section 08.01.7.a, Regents' Rules – <u>"If the</u> chancellor, on the recommendation of the president, declares a major construction project to be an emergency or that exigent circumstances exist and it is not feasible or practical to convene a quorum of the board within the time in which action is needed, the board authorizes the chair of the board or the chair of the Facilities Committee to approve all necessary actions. Any emergency actions taken must be reported to the board at its next meeting."
- (11) TTU: Report on the establishment of new centers and institutes per Section 04.11.2., *Regents' Rules* – <u>"The establishment or substantive restructuring of a center, institute, or other academic unit or program not addressed in Section 04.11.1 herein shall be approved by the president, with notice provided to the board via an item in the Information Agenda for the next meeting of the board."</u>
- (12)TTU: Exigent circumstances approval by Section 01.02.1.b, *Regents' Rules* – "Section 109.001, Texas Education Code, states that the board "by rule may delegate a power or duty of the board to an officer, employee, or other agent of the board." When an emergency or exigent circumstances exist that cannot be adequately addressed through Section 07.04.4.a(2) relating to budget adjustments, Section 07.12.3.i relating to contracts, or Section 08.01.7 relating to major construction projects, the chair - or if the chair is not available within the time required for action, the vice chair may approve a proposal submitted by the chancellor, or the chancellor's designee, for an action that otherwise would require the approval of the board as a whole, with subsequent notification to the board as soon as practicable."
- C. Schedule for Board meetings:

- D. Student Government Association ReportsKam Wiese, Vincent Peter, Abby Vega, Jesse Burnett, and Chase Green
- - A. Consultation with attorney regarding privileged communications, pending or contemplated litigation and settlement negotiations Section 551.071
 - B. Deliberations regarding real property: The purchase, lease, exchange, or value of real property Section 551.072
 - C. Deliberations regarding prospective gifts Section 551.073
 - D. Personnel matters: Discuss the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of employees Section 551.074
 - E. Deliberations regarding security devices—deployment of security personnel or devices Section 551.076
- **XII. Open Session:** The Board will convene into Open Session in the Regents Conference Room (104A), First Floor, System Administration Building, 1508 Knoxville Avenue and meet as a Committee of the Whole and Meeting of the Board to consider and act on:

В.	Chairman's Announcements Chairman Griffin
A.	Consideration of appropriate action, if any, on items discussed in Executive Session Vice Chairwoman Kerrick Davis

ACADEMIC, CLINICAL AND STUDENT AFFAIRS

Academic, Clinical and Student Affairs Committee

Committee Meeting August 8, 2024

- **Time:** 9:30 am (or upon adjournment of the Carr Scholarship Foundation meeting)
- **Place:** Regents Conference Room (104A), First Floor, System Administration Building, 1508 Knoxville Avenue, Lubbock, Texas
 - Regents: Kerrick Davis (Chair) and Sweatt (Vice Chair) and Jad Zeitouni (Student Regent) (The Academic, Clinical, and Student Affairs Committee consists of all nine board members and the student regent.)

<u>Agenda</u>

- Approve minutes of committee meeting held on May 9, 2024
- I.A. Consideration of items to be recommended by the Academic, Clinical and Student Affairs Committee to the Board of Regents of the Texas Tech University System ("TTUS") for and on behalf of Angelo State University ("ASU"), Midwestern State University ("MSU"), the TTU System Administration ("TTUSA"), Texas Tech University ("TTU"), Texas Tech University Health Sciences Center ("TTUHSC"), and Texas Tech University Health Sciences Center at El Paso ("TTUHSC El Paso")

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1.	ASU: Approve change in academic rank and granting of tenure	3
2.	MSU: Approve appointment with tenure	4
3.	MSU: Approve revisions to OP 06.17, Faculty Workload Policy	5
4.	MSU: Authorize renaming of the Gordon T. and Ellen West College of Education to the Gordon T. and Ellen West College of Education and Professional Studies	6
5.	TTU: Approve Master of Science degree with a major in Information Systems	7

6.	TTU: Approve Master of Fine Arts degree with a major in Creative Writing	10
7.	TTUHSC: Approve appointment of Grover E. Murray Professor	13
8.	TTU: Report on Texas Tech University's Dallas/Fort Worth campus	15
9.	Adjournment	

NOTE: All members of the Texas Tech University System Board of Regents serve as members on the Academic, Clinical and Student Affairs Committee. Action taken by this committee is final and does not require a report to the Full Board.

1. <u>ASU: Approve change in academic rank and granting of tenure.</u>

Presenter: Dr. Donald R. Topliff Presentation Time: 2 minutes Board approval required by: Section 04.02, *Regents' Rules*; ASU Operating Policy 06.23

RECOMMENDATION

The president recommends and the chancellor concurs that the Board of Regents approve granting tenure to the faculty of Angelo State University as listed below, concurrently with their appointment.

Edgar Reed, Ed.D., assistant professor to associate professor in the Department of Curriculum and Instruction, College of Education, effective September 1, 2024. Dr. Reed was formerly a tenured professor at Hardin Simmons University, from 2008 through 2021. He has been teaching as an assistant professor in the Department of Kinesiology since September 2023.

BACKGROUND INFORMATION

The faculty member whose name appears above has been judged by the appropriate committees and administrative personnel as worthy of academic tenure and appointment as Associate Professor. The procedure established by OP 06.23: Tenure and Promotion Standards and Procedures has been carefully followed.

Approval of this individual brings the number of tenured faculty at Angelo State University to 152. There is a total of 217 faculty that are tenure-track or tenured. After this appointment, the percentage of tenure-track faculty who have been awarded tenure will be 70 percent. The number of faculty that is non-tenure track is 96.

2. MSU: Approve appointment with tenure.

Presenter: Dr. Marcy Brown Marsden Presentation Time: 2 minutes Board approval required by Section 04.02, *Regents' Rules*; MSU Operating Policy 02.21

RECOMMENDATION

The president recommends and the chancellor concurs that the Board of Regents approve the granting of tenure for the faculty member as listed below, concurrently with their respective appointment.

Robert (Bob) Brennan, Ph.D., joined Midwestern State University on August 5, 2024, as the Dean of the McCoy College of Science, Mathematics, and Engineering and a Professor of Biology. Dr. Brennan comes from the University of Central Oklahoma, where he was a tenured professor in the Department of Biology starting in 2009 (tenure and promotion to associate professor was awarded in 2013, with a promotion to professor in 2018). Dr. Brennan was the Associate Dean of the College of Mathematics and Science and Director of the Center for Interdisciplinary Biomedical Education and Research at the University of Central Oklahoma. He earned a Ph.D. in Medical Sciences from Texas A&M University Health Sciences Center in 2004, an MS in Veterinary Medical Sciences from Louisiana State University in 1997, and a BS in Biology from the University of South Dakota in 1993. He served as a Microbiology Research Specialist for 3M Corporation from 2005-2009.

BACKGROUND INFORMATION

The faculty member whose name appears above has been judged by the respective departmental faculty, appropriate committees, and administrative personnel as worthy of appointment with tenure.

Approval of tenure of this individual will bring the number of full-time tenured faculty at Midwestern State University in fall 2024 to 140. There are 237 full-time faculty at MSU, which includes 45 tenure-track and 52 non-tenure-track. After the approval of this item, the percentage of full-time faculty who are tenured will be 59 percent, and the percentage of full-time faculty who are tenured or tenure-track will be 78 percent.

3. <u>MSU: Approve revisions to OP 06.17, Faculty Workload</u> <u>Policy.</u>

Presenter: Dr. Marcy Brown Marsden Presentation Time: 2 minutes Board approval required by: Section 04.06, *Regents' Rules;* Section 51.402 and 51.403, *Texas Education Code*

RECOMMENDATION

The president recommends and the chancellor concurs that the Board of Regents approve revisions to the Midwestern State University ("MSU") Faculty Workload Policy effective September 1, 2024. [NOTE: The OP 06.17, Faculty Workload (Teaching Load Policy) with proposed revisions is included as a supplemental attachment to the agenda book.]

The recommended changes add three important sections: 1) the relation of faculty academic workload requirements to the university's role and scope (V.A), 2) the definition, adjustments, and exceptions to the standard academic workload (V.B, C, and D), and 3) administrative responsibility for monitoring compliance (V.F). General Counsel has vetted these proposed changes.

BACKGROUND INFORMATION

The MSU Faculty Workload policy was revised in accordance with Sections 51.402 and 51.403 of the *Texas Education* Code. This policy is included in the MSU Operating Policies and Procedures as OP 06.17. The previous policy has been in effect since the fall of 1989, with various revisions made in the years following. A thorough review and revision process was initiated by the MSU Faculty Senate in the fall of 2023 and completed in the spring of 2024. The Office of the Provost/Vice President for Academic Affairs developed the proposed changes in cooperation with the Faculty Senate. The Faculty Senate voted to recommend the changes to the provost, who concurs with the proposal.

4. <u>MSU: Authorize renaming of the Gordon T. and Ellen West</u> <u>College of Education to the Gordon T. and Ellen West</u> <u>College of Education and Professional Studies.</u>

Presenter: Dr. Marcy Brown Marsden Presentation Time: 3 minutes Board approval required by: Section 04.11.1, 13.01.1, *Regents' Rules*

RECOMMENDATION

The president recommends and the chancellor concurs that the Board of Regents approve the change of the name of the Gordon T. and Ellen West College of Education to the Gordon T. and Ellen West College of Education and Professional Studies.

BACKGROUND INFORMATION

From its beginnings in 1954, education programs at Midwestern State University ("MSU") have grown and expanded beyond their roots in teacher education. The West Foundation has provided continuing financial support for education since 1983, including funding for professorships, scholarships, equipment, faculty development, and innovative training programs for faculty and public school teachers. The MSU Board of Regents named the Division of Education the Gordon T. and Ellen West Division of Education in November 1993. The Division became the Gordon T. and Ellen West College of Education in September 1999. The College created MSU's first graduate program and, later, the first doctorate program at MSU, a Doctor of Education ("Ed.D.") in Educational Leadership.

The mission of the College, a community of learners, is to prepare successful, reflective professionals through the use of best practices. The College currently offers undergraduate and graduate programs in education certification (EC-3, EC-6, 4-8, 7-12, Diagnostician, School Counseling, Principal, & Superintendent). Within its mission, the College also educates skilled professionals in related fields outside the teaching realm. Current professional studies degrees in the College include Adult Education/BAAS, Early Childhood Studies & Early Care, Child and Adolescent Studies, Instructional Design and Technology, Sport and Leisure Studies, Sports Administration, Professional Studies, and Substance Abuse Counseling.

The name change proposal has been developed in consultation with faculty and staff and is based on similar names at other education and professional colleges nationwide. The name change to include professional studies received approval from the West Foundation board in April 2024. The College anticipates that renaming will increase the marketability and awareness within and outside the university.

5. <u>TTU: Approve Master of Science degree with a major in</u> <u>Information Systems.</u>

Presenter: Dr. Ronald Hendrick Presentation Time: 3 minutes Board approval required by: Section 04.09.1, *Regents' Rules*; TTU Operating Policy 36.04 and Title 19, Part 1, Chapter 2, Subchapter F, Texas Administrative Code

RECOMMENDATION

The president recommends and the chancellor concurs that the Board of Regents approve the new degree program, Master of Science ("MS") degree with a major in Information Systems, and authorize submission by the Office of the Provost and Senior Vice President for Academic Affairs, to the Texas Higher Education Coordinating Board seeking its certification of such a program and to the Southern Association of Colleges and Schools for acknowledgment of a new degree program.

BACKGROUND INFORMATION

The Master of Science in Information Systems degree will be delivered in multiple modalities: face-to-face to students on the Lubbock campus, hybrid, and fully online. The program is housed in the Area of Information Systems and Quantitative Sciences within the Rawls College of Business. It is a non-thesis program requiring 36 semester credit hours to complete.

As businesses increasingly rely on technology to drive their operations and create competitive advantages, there is a significant demand for professionals with expertise in solving problems at the intersection of business and technology. The Information Systems ("IS") major prepares students by focusing on designing and managing various information and communication technologies to help achieve business goals and improve firms' daily operations. More importantly, the IS master's focuses on thinking strategically and organizing the connections between information, people, and business operations. Consequently, employment needs for graduates with a substantial amount of knowledge about designing, implementing, and managing information systems, as well as value-added integration of emerging technologies into the business processes and ensuring the security of the organizational IS environment, continue to surge.

Data from the Bureau of Labor Statistics ("BLS") and the Texas Workforce Commission ("TWC") highlight the market need for professionals with a Master of Science degree in IS. According to the BLS, as of May 2021, 509,100 people were employed as Computer and Information Systems Managers in the United States. Employment of these occupations is projected to grow 16 percent from 2021 to 2031, much faster than the average of 5% for all occupations. The TWC's Labor Market Information further proves Texas's demand for information systems professionals. Their data shows that in 2021, there were over 40,270 job postings for computer and information systems managers in the state, ranking the second highest employment level across the nation after California.

In Texas, 14 public university business schools offer master's degree programs in information systems or information technology. Six of these programs are available in both in-person and online formats (Lamar University - M.S. MIS, Texas A&M University - M.S. MIS, the University of Texas at Dallas - M.S. IT & Management, University of Houston - M.S. MIS, and University of North Texas -M.S. IS & Technology). Five of these programs are available in in-person-only format (Texas Southern University - M.S. MIS, the University of Texas at Arlington - M.S. IS, the University of Texas at Austin - M.S. IT & Management, the University of Texas at San Antonio - M.S. IT, and University of Houston-Clear Lake - M.S. MIS). The other three programs are available online only (Tarleton State University - M.S. IS, Texas A&M International University - M.S. IS, and West Texas A&M University - M.S. CIS).

As indicated by the TWC and BLS data and by a National Science Foundation report, the number of students earning master's degrees in computer and information sciences has increased in recent years. However, the pace is not keeping up with the growing demand for workers, therefore there is a strong workforce need and an undersupply of graduates in IS.

The enrollment projections provided in the table below have been conservatively estimated based on other Master's programs within the Rawls College of Business. Specific focus has been directed at balancing the student-to-teacher ratio. Additional faculty will be needed to facilitate this program as it grows, allowing the department to conduct timely faculty searches.

	Year 1	Year 2	Year 3	Year 4	Year 5
Total New Students	20	40	60	60	60
Attrition*	2	4	6	6	6
Cumulative Headcount	20	58	96	114	114
FTSE (fall)	10	22	25	30	33
Graduates	0	18	36	56	56

* Attrition is applied at the beginning of the following year

The projected five-year costs and funding are given in the table below. The fiveyear cost estimates are all personnel-related. The costs include hiring two faculty members to support the program, one in year one and a second in year two, program administration, and clerical/staff support, all based on the estimated percentage of time spent on the new program. The five-year funding shown reflects tuition and fees and state formula funding estimates in years three through five.

Five-Year Costs		Five-Year Funding		
Personnel (faculty, administration, and clerical/staff salaries)	\$1,375,000	New Funds	\$0	
Facilities and Equipment	\$0	Reallocation of Existing Resources	\$0	
Supplies and Materials	\$0	Anticipated New Formula Funding	\$293,992	
Student Support (Scholarships)	\$0	Special Item Funding	\$0	
Other	\$0	Tuition and fees	\$1,917,000	
Total Costs	\$1,375,000	Total Funding	\$2,210,992	

6. <u>TTU: Approve Master of Fine Arts degree with a major in</u> <u>Creative Writing.</u>

Presenter: Dr. Ronald Hendrick Presentation Time: 3 minutes Board approval required by: Section 04.09.1, *Regents' Rules*; TTU Operating Policy 36.04 and Title 19, Part 1, Chapter 2, Subchapter F, Texas Administrative Code

RECOMMENDATION

The president recommends and the chancellor concurs that the Board of Regents approve the new degree program, Master of Fine Arts ("MFA") degree with a major in Creative Writing and authorize submission by the Office of the Provost and Senior Vice President for Academic Affairs to the Texas Higher Education Coordinating Board seeking its certification of such a program and to the Southern Association of Colleges and Schools for acknowledgment of a new degree program.

BACKGROUND INFORMATION

The Master of Fine Arts in Creative Writing will be delivered face-to-face to students on the Lubbock campus. The program is housed in the Department of English within the College of Arts and Sciences. It is considered a terminal degree in Creative Writing and requires 61 semester credit hours. In this three-year program, students will complete six semesters of coursework - in fiction, creative nonfiction, poetry, and/or translation - and have time to work on a creative thesis while gaining marketable teaching and professional experience in the Department of English.

Graduates of MFA programs in Creative Writing go onto a variety of careers, including as professors of creative writing; as copywriters in advertising and marketing firms; as technical or professional communicators in a variety of industries; as editors or literary agents in the publishing industry; as journalists; as high school English teachers; as translators; and in many other careers. Graduates of MFA programs are equipped for a variety of careers because they graduate with skills in narrative writing, language choice, audience awareness, project management, instructional design, teaching, evaluating work, collaborative work, editing, description writing, publishing, marketing, and more.

The Modern Language Association reports an uptick in advertised positions for assistant professors and lecturers in creative writing (over 20% of advertised positions in English and language studies). According to the Academic Job Market Wiki, 95% of advertised academic positions in creative writing (2023-24) required the MFA as a terminal degree. The academic job market in creative writing is one of the few areas of growth nationwide in the humanities. Regarding the nonacademic job market, the Association of Writers and Writing Programs reported in 2019 that "a healthy rise in nonacademic job postings reflects a growing need for creative writing students," and nonacademic job openings

advertised through AWP continue to increase. The U.S. Bureau of Labor Statistics estimates that there will be 67,100 openings for high school teachers each year over the next decade (many of which will be English teachers); 7,200 openings for interpreters and translators (MFA graduates will be qualified to be translators) each year; 4,800 openings for technical writers each year; and 15,500 openings for writers and authors each year; and 11,600 openings for editors each year.

There are seven MFA programs in Creative Writing in Texas offered at Sam Houston State University, Texas State University, University of Houston, University of Texas at El Paso, and two at the University of Texas, Austin. The primary difference between our program and other programs in Texas and throughout the country is the addition of professional development programs, a writing practicum, a creative writing pedagogy course, literature coursework, and the opportunity to focus on a fourth genre, literary translation. Programs around the country offer informal professional development workshops, and those programs that offer the most time for writing have substantial endowments that support up to four years of study, but our program allows our students to complete their degree and dedicate substantial time to their writing within a threeyear model. Finally, our program will also offer a pedagogy course titled Teaching Creative Writing, a course which is a rarity in MFA program curricula. In keeping with our understanding of the growing demand for professional training in college-level instruction in creative writing, this course will allow us to train and support graduates who are not only skilled writers within their genres but who are also practiced teachers prepared to succeed on the job market.

The enrollment projections in the table below are based on feedback from students who declined admission into our MA in English with a creative writing concentration because they were accepted into an MFA program. Additionally, approximately 50% of our MA graduates in creative writing continue their education, earning an MFA elsewhere.

	Year 1	Year 2	Year 3	Year 4	Year 5
Total New Students	8	8	8	8	8
Attrition*	1	1	1	1	1
Cumulative Headcount	8	15	22	22	22
FTSE (fall)	8	15	22	22	22
Graduates	0	0	7	7	7

* Attrition applied at the beginning of the following year

The five-year cost estimates are all personnel-related. The costs include hiring one faculty member to support the program, program administration, and graduate part-time instructors. The five-year funding shown reflects tuition and fees and state formula funding estimates in years three through five.

Five-Year Costs		Five-Year Funding		
Personnel (administration and salaries)	\$825,000	New Funds	\$0	
Facilities and Equipment	\$0	Reallocation of Existing Resources	\$0	
Supplies and Materials	\$0	Anticipated New Formula Funding	\$334,500	
Other	\$0	Tuition and fees	\$873,500	
Total Costs	\$825,000	Total Funding	\$1,208,000	

7. <u>TTUHSC: Approve appointment of Grover E. Murray</u> <u>Professor.</u>

Presenter: Dr. Darrin D'Agostino Presentation Time: 5 minutes Board approval required by: Section 04.01.1, *Regents' Rules*; HSC OP 10.06

RECOMMENDATION

The president recommends and the chancellor concurs that the Board of Regents approve the appointment of Volker Neugebauer, MD, PhD, as Grover E. Murray Professor.

BACKGROUND INFORMATION

The Grover E. Murray Professorship is the highest honor the Texas Tech University Health Sciences Center ("TTUHSC") may bestow on a professor in recognition of national and/or international distinction for outstanding teaching, research, or clinical practice. Volker Neugebauer, MD, PhD, meets the criteria for such a distinction.

Dr. Neugebauer joined the TTUHSC School of Medicine in 2014. He is a Professor and Chair of the Department of Pharmacology and Neuroscience, the Executive Director and Chief Scientific Officer of the Garrison Institute on Aging, and the Director of the Center of Excellence for Translational Neuroscience and Therapeutics. He also holds the Giles McCrary Endowed Chair in Addiction Medicine and the Mildred and the Shirley L. Garrison Endowed Chair in Aging. During his career at TTUHSC, he has received five highly prestigious research awards. These include the President's Excellence in Research Award in 2017, the Douglas M. Stocco Research Award in 2020 and 2024, the Chancellor's Council Distinguished Research Award in 2021, and the University Distinguished Faculty Award in 2022.

Dr. Neugebauer is an internationally recognized expert in neuroscience, particularly in understanding neuroplasticity and identifying novel therapeutic targets. His research has been continuously funded by the NIH since 1999, including 19 grants totaling approximately \$21 million, of which \$9.7 million is currently active. In addition, he has received 18 foundation/industry grants and two United States Department of Agriculture grants totaling nearly \$2 million. His innovative research work has also resulted in two patents. Dr. Neugebauer has published 144 peer-reviewed manuscripts, 27 book chapters, and 345 scientific abstracts. He has an h-index of 66 and a total of 13,509 citations. In addition, during his career, he has delivered 160 invited presentations at national or international conferences.

While maintaining an active and sustained research program at TTUHSC, Dr. Neugebauer generously volunteers his time to mentor students, fellows, faculty,

clinical residents, visiting scientists, and others who now hold respected positions in their fields.

Besides being an outstanding faculty member, researcher, and mentor at TTUHSC, Dr. Neugebauer has been a visionary and effective leader for the Department of Pharmacology and Neuroscience. Under his leadership, the department increased funding from one NIH grant on a no-cost extension in 2014 to 19 NIH grants plus two USDA grants. As the Founding Director of the Center of Excellence for Translational Neuroscience and Therapeutics, he recruited 40 members from 15 departments. In 2023, there were 137 publications, 64 invited presentations, 57 awarded grants, and current grant funding of \$92 million by the center's members. As the director of the Garrison Institute on Aging, Dr. Neugebauer reorganized and revitalized the basic research division, established quality control for the brain bank, and initiated community outreach and education with grant submissions.

These fantastic accomplishments and his steadfast commitment to scholarship, professionalism, and mentorship make him deserving of this recognition.

Faculty members who have been previously named Grover E. Murray professors are listed below.

- Dr. Steven Berk
- Dr. Michael Evans
- Dr. Sharon Decker
- Dr. Vadivel Ganapathy
- Dr. Neil Kurtzman
- Dr. John Orem
- Dr. Gabor Racz
- Dr. Cynthia Raehl
- Dr. Quentin Smith
- Dr. Afzal Siddiqui
- Dr. Doug Stocco
- Dr. Surendra Varma
- Dr. Abraham Verghese
- Dr. Thomas Hale
- Sherry Sancibrian
- Dr. Thomas J. Abbruscato
- Dr. Billy U. Phillips

8. <u>TTU: Report on Texas Tech University's Dallas/Fort Worth</u> campus.

Presenters: Dr. Hendrick & Dr. Still Report requested by: Board of Regents Presentation Time: 10 minutes

Dr. Ron Hendrick and Brian Still will present a report on Texas Tech University's Dallas/Fort Worth campus.

AUDIT

Audit Committee

Committee Meeting August 8, 2024

- **Time:** 10:00 am (or upon adjournment of the Academic, Clinical and Student Affairs Committee meeting)
- **Place:** Regents Conference Room (104A), First Floor, System Administration Building, 1508 Knoxville Avenue, Lubbock, Texas

Regents: Acosta (Chair) and Gordon (Vice Chair) (The Audit Committee consists of all nine board members.)

<u>Agenda</u>

- Approve minutes of committee meeting held on May 9, 2024
- I.B. Consideration of items to be recommended by the Audit Committee to the Board of Regents of the Texas Tech University System ("TTUS") for and on behalf of Angelo State University ("ASU"), Midwestern State University ("MSU"), the TTU System Administration ("TTUSA"), Texas Tech University ("TTU"), Texas Tech University Health Sciences Center ("TTUHSC"), and Texas Tech University Health Sciences Center at El Paso ("TTUHSC El Paso")

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- 3. Adjournment

NOTE: All members of the Texas Tech University System Board of Regents serve as members on the Audit Committee. Action taken by this committee is final and does not require a report to the Full Board.

Audit Committee

Committee Meeting August 8, 2024

- **Time:** 10:00 am (or upon adjournment of the Academic, Clinical and Student Affairs Committee meeting)
- **Place:** Regents Conference Room (104A), First Floor, System Administration Building, 1508 Knoxville Avenue, Lubbock, Texas

Regents: Acosta (Chair) and Gordon (Vice Chair) (The Audit Committee consists of all nine board members.)

<u>Agenda</u>

- Approve minutes of committee meeting held on May 9, 2024
- I.B. Consideration of items to be recommended by the Audit Committee to the Board of Regents of the Texas Tech University System ("TTUS") for and on behalf of Angelo State University ("ASU"), Midwestern State University ("MSU"), the TTU System Administration ("TTUSA"), Texas Tech University ("TTU"), Texas Tech University Health Sciences Center ("TTUHSC"), and Texas Tech University Health Sciences Center at El Paso ("TTUHSC El Paso")

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- 3. Adjournment

NOTE: All members of the Texas Tech University System Board of Regents serve as members on the Audit Committee. Action taken by this committee is final and does not require a report to the Full Board.

1. <u>TTUS: Approve 2025 annual audit plan for the Texas Tech</u> <u>University System.</u>

Presenter: Mrs. Kim Turner Board approval required by:Section 01.02.8, *Regents' Rules*; Section 07.02.7, *Regents' Rules*; Chapter 2102, *Texas Government Code*; and Audit Committee Charter

RECOMMENDATION

The chief audit executive recommends that the Board of Regents approve the annual audit plan.

BACKGROUND INFORMATION

The *Regents' Rules* and the Texas Internal Auditing Act require that the Board of Regents approve the annual audit plan. The projects included in the 2025 annual audit plan have been selected as a result of an enterprise-wide risk assessment process.

2. <u>TTUS: Report on audits.</u>

Presenter: Mrs. Kim Turner and Ms. Teresa Jack Presentation Time: 5 minutes Report to Board required by: Section 07.02.7, *Regents' Rules*; and Audit Committee Charter

Mrs. Kim Turner, chief audit executive, and Ms. Teresa Jack, assistant chief audit executive, will present a report on the System's audit projects.

FACILITIES

Facilities Committee

Committee Meeting August 8, 2024

- **Time:** 10:15 am (or upon recess of the Meeting of the Board)
- **Place:** Regents Conference Room (104A), First Floor, System Administration Building, 1508 Knoxville Avenue, Lubbock, Texas
 - Regents: Womble (Chair) and Acosta (Vice Chair) (The Facilities Committee consists of all nine board members.)

<u>Agenda</u>

- Approve minutes of committee meeting held on May 9, 2024
- I.C. Consideration of items to be recommended by the Facilities Committee to the Board of Regents of the Texas Tech University System ("TTUS") for and on behalf of Angelo State University ("ASU"), Midwestern State University ("MSU"), the TTU System Administration ("TTUSA"), Texas Tech University ("TTU"), Texas Tech University Health Sciences Center ("TTUHSC"), and Texas Tech University Health Sciences Center at El Paso ("TTUHSC El Paso")

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1.	ASU: Approve additional scope of work for the Mayer Museum expansion project, increase the total project budget, amend the Design Professional Agreement, and amend the Competitive Sealed Proposal Agreement	3
2.	ASU: Approve namings within the Mayer Museum expansion project	5
3.	MSU: Approve concept and authorize expenditures of the Student Success and Military Education Center project for Design Professional Stage I design services	7

4.	TTU: Approve expenditures of the Junction Campus Wildlife Disease and Deer Research Facility ("WDDRF") and Llano River Conservation Center ("LRCC") projects for Design Professional Stage II design services and Construction Manager At Risk Pre-construction services9
5.	TTU: Approve exception to <i>Regents' Rules</i> and the total project budget for the Holden Hall Building renovation project
6.	TTUHSC: Approve expenditures of the TTUHSC Lubbock – 5B West Research Lab Renovations project for Construction Manager At Risk Pre-construction services
7.	TTUHSC EI Paso: Approve expenditures of the Clinical Sciences Building project for Design Professional Stage II design services
8.	TTUS: Report on Facilities Planning and Construction projects
9.	Adjournment

NOTE: All members of the Texas Tech University System Board of Regents serve as members on the Facilities Committee. Action taken by this committee is final and does not require a report to the Full Board.

1. <u>ASU: Approve additional scope of work for the Mayer</u> <u>Museum expansion project, increase the total project</u> <u>budget, amend the Design Professional Agreement, and</u> <u>amend the Competitive Sealed Proposal Agreement.</u>

Presenter: Mr. Billy Breedlove Presentation Time: 5 minutes Board approval required by: Section 08.01., *Regents' Rules*

RECOMMENDATION

The president recommends and the chancellor concurs that the Board of Regents authorize the chancellor or the chancellor's designee to (i) approve additional scope of work for the Mayer Museum Expansion project; (ii) increase the budget by \$3,426,421 for a revised total project budget of \$7,927,007; (iii) amend the Design Professional ("DP") Agreement; (iv) report the project to the Texas Higher Education Coordinating Board ("THECB"); and (v) amend the Competitive Seal Proposal ("CSP") Agreement. The total project budget includes the Institutions' previously authorized total project budget of \$4,500,586 and the additional scope will be funded with gifts.

The president further requests authorization to negotiate and execute all agreements with city, state, and county agencies, utility companies and other entities required to successfully complete the project.

BACKGROUND INFORMATION

This approval authorizes the additional scope of work be added to the project; amends the Design Professional ("DP") Agreement; amends the Competitive Sealed Proposal ("CSP") Agreement; increases the project budget; and authorizes construction of the Mayer Museum Expansion project, with a total project budget of \$7,927,017.

The project originally was to provide an approximately 4,500 GSF multipurpose expansion to the southwest corner of the Angelo State University Mayer Museum building. The facility's expansion will provide space for general events; the space will also contain a small café, storage, single restrooms, and "in-wall display" cases for exhibits.

The additional project scope will provide an approximate 2,700 GSF addition to the west side of the building for open gallery space for travelling and/or permanent exhibits.

In May 2024, the Board of Regents approved the award of a Competitive Sealed Proposal ("CSP") Agreement and to proceed with construction of the Mayer Museum Expansion project, with a total project budget of \$4,500,586. Also, approved waiver of the use of a Construction Manager Agent ("CMA"), and continue with the ASU Facilities Services team overseeing the project; waive the board directed fee for landscape enhancements; and waive the board directed fee for public art.

The vice president for finance and administration has verified the source of funds. The vice chancellor and chief financial officer of the TTU System also acknowledges the source of the funds for this project.

2. <u>ASU: Approve namings within the Mayer Museum</u> <u>expansion project.</u>

Presenter: Mr. Patrick Kramer & Mr. Ronnie Hawkins Presentation Time: 5 minutes Board approval required by: Section 13.02.2., *Regents' Rules*

RECOMMENDATION

The president recommends and the chancellor concurs that the Board of Regents authorize the chancellor, or the chancellor's designee, to approve the following namings related to expansion of the Angelo State University Mayer Museum, in honor and recognition of two (2) separate gifts:

- naming of the new 2,700 GSF gallery space to be constructed on the northwest corner of the Angelo State University Mayer Museum building, the "Solomon and Ernestine Bush Mayer Gallery;" and
- (2) naming of the new 4,500 GSF multi-purpose expansion to the southwest corner of the Angelo State University Mayer Museum building, "Mayer Hall," in honor and memory of Ferdinand and Jette Steiner Mayer.

The donors concur with the naming of the space. Signage for the space will specify the approved name.

BACKGROUND INFORMATION

Richard and Betty Joe Clark Mayer ("Donors") pledged two (2) separate and equally generous gifts to Angelo State University Foundation, Inc., specifically for the benefit of two areas of expansion towards the Angelo State University Mayer Museum, as follows:

- a generous gift of \$3,426,421.00 intended to cover the full cost of construction to add approximately 2,700 GSF of gallery space to the northwest corner of the Angelo State University Mayer Museum (the "Museum"); and
- (2) a generous gift of \$3,000,586.00 intended to cover a large portion of costs of construction of an approximate 4,500 GSF multi-purpose expansion to the southwest corner of the Museum.

In honor and recognition of Donors significant contributions to the Museum Renovation projects, Angelo State University desires to name the expansions as follows:

(1) naming of the new 2,700 GSF gallery space to be constructed on the

northwest corner of the Angelo State University Mayer Museum building, the "Solomon and Ernestine Bush Mayer Gallery;" and

(2) naming of the new 4,500 GSF multi-purpose expansion to the southwest corner of the Angelo State University Mayer Museum building, "Mayer Hall," in honor and memory of Ferdinand and Jette Steiner Mayer.

The gifts continue the Donors' legacy of philanthropy to the University, its students, faculty and staff, and the San Angelo community. Richard and BJ Mayer have contributed significant time and resources to Angelo State University for over half a century. In addition to the Mayer Museum, they have generously funded other construction projects including the Mayer Softball Field and the Mayer Press Box at LeGrand Stadium at 1st Community Credit Union Field as well as multiple academic and athletic scholarships. They also joined with family members to help fund construction of the Mayer-Rousselot Agricultural Education Training Center at the ASU Ranch. For their outstanding and ongoing support, the Mayers have both been honored by the ASU Alumni Association. Richard Mayer has been named a Golden Ex, and B.J. Mayer has been named an Honorary Alumna. A West Texas native, Richard Mayer attended ASU when it was still San Angelo College.

The gift meets the minimum fifty percent (50%) threshold requirement for naming a subunit within a facility, as verified by the vice chancellor of facilities planning and construction.

Section 13.02.2., *Regents' Rules*, a requires approval of the board to name a facility within the TTU system resulting from a private gift and that recognizes or otherwise honors an individual.

3. <u>MSU: Approve concept and authorize expenditures of the</u> <u>Student Success and Military Education Center project for</u> <u>Design Professional Stage I design services.</u>

Presenter: Mr. Billy Breedlove Presentation Time: 10 minutes Board approval required by: Section 08.01., *Regents' Rules*

RECOMMENDATION

The president recommends and the chancellor concurs that the Board of Regents approve the concept for the project and authorize the chancellor or the chancellor's designee to (i) approve expenditures of \$99,725 in order to provide planning and design services for the Student Success and Military Education Center project with an anticipated project budget of up to \$4,000,000; (ii) award the Design Professional ("DP") Agreement; and (iii) authorize Stage I design services. The expenditures will be funded through grants and gifts.

The president further requests authorization to negotiate and execute all agreements with city, state, and county agencies, utility companies and other entities required to successfully complete the project.

BACKGROUND INFORMATION

This approval grants authorization to proceed with the Student Success and Military Education Center project with an anticipated project budget of \$4,000,000. Awards a Design Professional ("DP") Agreement and authorizes Stage I design services to move forward on the project's vision through the programming and schematic design phases, provide a Statement of Probable Cost, and project schedule.

The Daniel Building was renovated into the new Bridwell Activities Center and made available for student use in August 2022. At that time, the remodeled first floor included Greek chapter rooms, general meeting rooms, offices, and a café. However, funding was not available for renovation of any part of the second floor until now.

The total area available for renovation is 17,600 GSF with approximately 11,000 GSF to be utilized by the student success initiative and military partnership; the remaining 6,600 GSF will be for future expansion. The programming phase of the project will define the specific needs of each group as they move forward on the project.

The Midwestern State University president has verified the source of funds. The vice chancellor and chief financial officer of the TTU System also acknowledges the source of the funds for this project.

4. <u>TTU: Approve expenditures of the Junction Campus</u> <u>Wildlife Disease and Deer Research Facility ("WDDRF")</u> <u>and Llano River Conservation Center ("LRCC") projects for</u> <u>Design Professional Stage II design services and</u> <u>Construction Manager At Risk Pre-construction services.</u>

Presenter: Mr. Billy Breedlove Presentation Time: 5 minutes Board approval required by: Section 08.01., *Regents' Rules*

RECOMMENDATION

The president recommends and the chancellor concurs that the Board of Regents authorize the chancellor or the chancellor's designee to (i) approve expenditures of \$412,243 for a total of \$773,654 for the Junction Campus Wildlife Disease and Deer Research Facility ("WDDRF") and the Llano River Conservation Center ("LRCC") projects with an anticipated project budget of \$6,400,000; (ii) amend the Design Professional ("DP") Agreement; (iii) authorize Stage II design services; (iv) award a Construction Manager At Risk ("CMAR") Agreement; and (v) authorize pre-construction services. The total expenditures of \$773,654 which includes the previously approved \$361,411 will be funded through the Revenue Finance System ("RFS"), repaid with Capital Construction Assistance Projects ("CCAP") Legislative appropriations.

The Board reasonably expects to incur debt obligations for the design, planning, and construction of the project, and all or a portion of the debt proceeds are reasonably expected to be used to reimburse the System for project expenditures previously expended. The maximum principal amount of debt obligations to be issued for the Project is \$6,400,000.

The president further requests authorization to negotiate and execute all agreements with city, state, and county agencies, utility companies and other entities required to successfully complete the project.

BACKGROUND INFORMATION

This approval grants authorization to amend the Design Professional ("DP") Agreement for Stage II design services consisting of Design Development ("DD"), Construction Documents ("CD"), Construction Administration ("CA") Phases, and to provide a Statement of Probable Cost. Also, award a Construction Manager At Risk Agreement and authorize pre-construction activities associated with the planning and design process, i.e., project evaluation; site analysis; constructability review; value engineering; scheduling; cost control; and development of a Guaranteed Maximum Price ("GMP").

Texas Tech University System and Texas Tech University strive for excellence in research, education and community engagement in natural resource

management, watershed protection, ecological restoration, environmental conservation, range and wildlife management, invasive species, and zoonotic diseases.

Acquired in 1971, the Texas Tech Center at Junction is home to the Llano River Field Station ("LRFS") and Outdoor Learning Center ("OLC"). Currently, the Texas Tech Center at Junction encompasses 411 acres and 31 buildings.

The proposed facilities and renovations are outlined below:

A. Wildlife Disease and Deer Research Facility ("WDDRF") - The WDDRF facility will serve as the regional centerpiece for wildlife and wildlife disease research. An expansion of the available laboratory facilities devoted to wildlife research will expand research programs on deer physiology, growth, nutrition, ecology, disease surveillance, with continued use and development of disease biomarkers, and disease therapy development with TTU faculty in the Department of Natural Resource Management, and the Davis College of Agricultural Sciences and Natural Resources, the School of Veterinary Medicine, the Museum of Texas Tech University, the Department of Biological Sciences, The Institute of Environmental & Human Health, and TTU Health Sciences Center. This facility will support and expand groundbreaking and impactful research and surveillance in a region with the greatest deer density in the United States.

Proposed new standalone research/lab facility is estimated to be between 1,000 and 1,500 GSF to serve 1-2 researchers which would include:

- 1. BSL2 compliant research lab.
- 2. Chemical fume hood and storage cabinet.
- 3. Autoclave.
- 4. Lab ice machine; lab glass washer, two ultra-low freezers with storage racks, laboratory freezer, and double door lab refrigerator.
- 5. General storage space, custodial space; and restroom.
- B. Llano River Conservation Center ("LRCC") The mission of the LRCC is to encourage education and community engagement in natural resource management, watershed protection, ecological restoration, environmental conservation, range and wildlife management, invasive species, and zoonotic diseases in the Central Texas Hill Country. The current campus facilities no longer meet the anticipated needs for research, engagement, and educational programs.

The proposed new multipurpose conference facility's anticipated gross square footage will be approximately 7,000 GSF and be able to accommodate approximately 200-seat capacity for meetings or events. The facility will include:

- a. Reception/gathering entry area.
- b. Large multipurpose room/classroom(s).
- c. Catering/food prep and storage areas.
- d. Specimen storage.
- e. General storage space, custodial space, and restrooms.
- f. Exterior teaching space.

Functions of the new facility may be wide in scope and nature. The facility may be used for various conferences, educational events, Intersession classes, or various other gatherings. For example, in 2024 several astrological events are scheduled to occur, and infrastructure elements will be required.

In February 2024, the Board of Regents approved the concept and authorized expenditures of \$361,411 for the Junction Campus Wildlife Disease and Deer Research Facility ("WDDRF") and Llano River Conservation Center ("LRCC") projects for Design Professional Stage I design services with an anticipated total project budget of \$6,400,000.

In May 2022, the Board of Regents acknowledged that on April 19, 2022, the chair granted an exigent circumstances approval that authorized use of the RFS for the individual total project budgets of the CCAP for TTU System institutions.

The senior vice president for administration and finance and chief financial officer has verified the source of funds. The vice chancellor and chief financial officer of the TTU System also acknowledges the source of the funds for this project.

5. <u>TTU: Approve exception to Regents' Rules and the total</u> project budget for the Holden Hall Building renovation project.

Presenter: Mr. Billy Breedlove and Mrs. Noel Sloan Presentation Time: 5 minutes Board approval required by: Section 08.01.3., Section 08.01.3.e, Section 08.01.3.g., Section 08.02.4.a., and Section 08.02.6, *Regents' Rules*

RECOMMENDATION

The president recommends and the chancellor concurs that the Board of Regents (i) authorize initiation of the Holden Hall Building Renovation project through the Capital Construction Assistance Projects; (ii) approve exception to the *Regents' Rules,* Section 08.01.3, in order for the project to be managed by the Texas Tech University Operations Division in lieu of TTU System Facilities Planning and Construction office; (iii) waive the use of a Construction Manager-Agent ("CMA"); (iv) waive the board directed fee for landscape enhancements; (v) waive the Board directed fee for public art; (vi) report the project to the Board of Regents at regular meetings; (vii) report the project to the Texas Higher Education Coordinating Board ("THECB"); and (viii) authorize a total project budget of \$10,782,344 for the Holden Hall Building Renovation project. The project will be funded through the Revenue Finance System ("RFS"), repaid with Capital Construction Assistance Projects ("CCAP") Legislative appropriations.

The Board reasonably expects to incur debt obligations for the design, planning and construction of the project, and all or a portion of the debt proceeds are reasonably expected to be used to reimburse the System for project expenditures previously expended. The maximum principal amount of debt obligations to be issued for the Project is \$10,782,344.

The president further requests authorization to negotiate and execute all agreements with city, state, and county agencies, utility companies and other entities required to successfully complete the project.

BACKGROUND INFORMATION

The initial scope of work for Holden Hall building renovations, funded with CCAP, will address maintenance renovation projects, and will involve work in an occupied building with multiple contractors working under various approved contracts available to the university. The renovation work is anticipated to extend over a 3 to 4-year period. The CCAP project includes the following: (1) life safety upgrades (fire sprinkler, fire alarm upgrades, etc.); (2) accessibility upgrades; (3) infrastructure repairs/upgrades to meet building codes; (4) renovation of restrooms, updates and finishes; (5) upgrades for replacement of emergency generator; and (6) building conditioning improvements to include HVAC upgrades and recommission.

The component institution will explore the possibility of incorporating existing and/or surplus furniture, fixtures, and equipment into the project.

In May 2022, the Board of Regents acknowledged that on April 19, 2022, the chair granted an exigent circumstances approval that authorized use of the Revenue Finance System for the individual total project budgets of the Capital Construction Assistance Projects for TTU System institutions.

Section 08.01.3, *Regents' Rules*, major construction projects (those in excess of \$4 million), requires the projects to be managed by FP&C unless an exception is approved by the board.

Section 08.01.3.e., *Regents' Rules*, major construction projects (those in excess of \$4 million), requires the projects to be managed by FP&C with the assistance of a Construction Manager-Agent ("CMA") per Section 51.781, Texas Government Code, or an alternative method recommended by FP&C, the institution's president, and the chancellor and approved by the board.

Section 08.01.3.g., *Regents' Rules*, at each regular meeting of the board, a summary of each major construction project in progress shall be provided to the board that includes photos of the project and the status of the project's schedule and budget.

Section 08.02.4.a., *Regents' Rules*, each project shall include a statement from the chancellor and/or president as to whether public art is applicable based on the scope of the project, campus location, and proximity to other public art. If applicable, up to one percent (1%) or a maximum of \$500,000, whichever is less, of the original board approved total project budget of each major construction project, as defined in Section 08.01.3, will be allocated for the acquisition of original works of public art, unless an exception is approved by the board.

Section 08.02.6, *Regents' Rules*, each project shall include a statement from the chancellor and/or president as to whether landscape enhancement is applicable based on the scope of the project, campus location, and proximity to other landscaping. If applicable, up to one percent (1%) or a maximum of \$500,000, whichever is less, of the original board approved total project budget of each new major construction project will be allocated to the enhancement of exterior landscape, hardscape, and waterscape features unless an exception is granted by the board.

The senior vice president for administration and finance and chief financial officer has verified the source of funds. The vice chancellor and chief financial officer of the TTU System also acknowledges the source of the funds for this project.

6. <u>TTUHSC: Approve expenditures of the TTUHSC Lubbock –</u> <u>5B West Research Lab Renovations project for</u> <u>Construction Manager At Risk Pre-construction services.</u>

Presenter: Mr. Billy Breedlove Presentation Time: 5 minutes Board approval required by: Section 08.01., *Regents' Rules*

RECOMMENDATION

The president recommends and the chancellor concurs that the Board of Regents authorize the chancellor or the chancellor's designee to (i) approve expenditures of \$86,891 for a total of \$1,211,528 for the TTUHSC Lubbock – 5B West Research Lab Renovations project, with an anticipated project budget of \$11,000,000; (ii) award a Construction Manager At Risk ("CMAR") Agreement; and (iii) authorize Pre-construction services. The total expenditures of \$1,211,528 which includes the previously approved \$1,124,637 will be funded through the Revenue Finance System ("RFS"), repaid with Capital Construction Assistance Projects ("CCAP") Legislative appropriations.

The Board reasonably expects to incur debt obligations for the design, planning and construction of the project, and all or a portion of the debt proceeds are reasonably expected to be used to reimburse the System for project expenditures previously expended. The maximum principal amount of debt obligations to be issued for the Project is \$11,000,000.

The president further requests authorization to negotiate and execute all agreements with city, state, and county agencies, utility companies and other entities required to successfully complete the project.

BACKGROUND INFORMATION

This approval grants authority to award a Construction Manager At Risk Agreement and authorize pre-construction activities associated with the planning and design process, i.e., project evaluation; site analysis; constructability review; value engineering; scheduling; cost control; and development of a Guaranteed Maximum Price ("GMP").

In 1974, the Texas Tech University Health Sciences Center ("TTUHSC") building began construction. Over the course of a few decades, the facility was finished out in stages. The west half of Pod B on the fifth floor has not seen any major renovations since its initial construction. Finishes, wall systems, mechanical equipment, piping, electrical and other utilities need refurbishment and/or replacement due to their age and to improve functionality. Upgrading the space is critical to maintain a state-of- the-art facility and allow TTUHSC to remain

competitive for research grants while recruiting and retaining principal investigators/faculty.

This project consists of renovating approximately 13,670 square feet of research space located in the west half of Pod B on the fifth floor of the TTUHSC building. Research labs and support spaces will be renovated into modern, innovative BSL2/BSL2+ labs. All existing furniture, finishes, and built-in equipment ("FFE") will be removed, the floor plan reconfigured, and new FFE installed. All mechanical, electrical, and plumbing systems within the area of renovation will be updated and/or reconfigured. The renovations will provide the flexibility to accommodate different room configurations in order to meet the various needs of the academic and research programs.

In May 2024, the Board of Regents approved expenditures of \$880,418 for a total of \$1,124,637 and amended the Design Professional ("DP") Agreement for Stage II design services consisting of Design Development ("DD"), Construction Documents ("CD"), Construction Administration ("CA") Phases, and to provide a Statement of Probable Cost.

In August 2023, the Board of Regents approved the concept and authorized expenditures of \$244,219 to award a DP Agreement and authorized Stage I design services for the Lubbock HSC – 5B West Research Lab Renovations project, with an anticipated project budget of \$11,000,000.

In May 2022, the Board of Regents acknowledged that on April 19, 2022, the chair granted an exigent circumstances approval that authorized use of the RFS for the individual total project budgets of the CCAP for TTU System institutions.

The executive vice president of finance and operations has verified the source of funds. The vice chancellor and chief financial officer of the TTU System also acknowledges the source of the funds for this project.

7. <u>TTUHSC El Paso: Approve expenditures of the Clinical</u> <u>Sciences Building project for Design Professional Stage II</u> <u>design services.</u>

Presenter: Mr. Billy Breedlove Presentation Time: 5 minutes Board approval required by: Section 08.01., *Regents' Rules*

RECOMMENDATION

The president recommends and the chancellor concurs that the Board of Regents authorize the chancellor or the chancellor's designee to (i) approve expenditures of \$6,275,030 for a total of \$8,589,136 for the Clinical Sciences Building project, with an anticipated project budget of \$185,820,404; (ii) amend the Design Professional ("DP") Agreement; and (iii) authorize Stage II design services. The total expenditures of \$8,589,136 which includes the previously approved \$2,314,106 will be funded through the Revenue Finance System ("RFS") repaid with Capital Construction Assistance Projects ("CCAP") Legislative appropriations (\$59,897,111), gift funds, and institutional funds.

The Board reasonably expects to incur debt obligations for the design, planning and construction of the project, and all or a portion of the debt proceeds are reasonably expected to be used to reimburse the System for project expenditures previously expended. The maximum principal amount of debt obligations for the Project is \$185,820,404.

The president further requests authorization to negotiate and execute all agreements with city, state, and county agencies, utility companies and other entities required to successfully complete the project.

BACKGROUND INFORMATION

This approval grants authorization to amend the Design Professional ("DP") Agreement for Stage II design services consisting of Design Development ("DD"), Construction Documents ("CD"), Construction Administration ("CA") Phases, and to provide a Statement of Probable Cost.

The proposed project will construct an approximately 234,000 GSF, five-story building.

The Clinical Sciences Building planning and construction will coincide with the planning and construction of the new Comprehensive Cancer Center located in the same building.

The new facility will house all existing clinical practices in the current facility inclusive of the Breast Care Center, Internal Medicine, Neurology, Obstetrics/Gynecology, Ophthalmology, Orthopedic Surgery and Rehabilitation,

Pediatrics, and Surgery, with sub-specialty emphasis on Cardiothoracic, Urology, ENT, and Endocrinology. A non-oncology Infusion center has been requested. The project will consist of the following components supporting these clinics:

- 1. Exam and procedure rooms supporting TTUHCS El Paso School of Medicine clinical practices.
- 2. Support areas for the clinical operations (nurse's stations, triage/vitals, laboratory support, medicine storage, clinical supply rooms, waiting areas, and other support spaces).
- 3. Administration, clinical providers, clinical support, and touchdown spaces.
- 4. Building support rooms (IT, mechanical, electrical, receiving, etc.).
- 5. Parking

In May 2024, the Board of Regents approved expenditures of \$306,926 for a total of \$2,314,106 for the Clinical Sciences Building project, to award a Construction Manager At Risk ("CMAR") Agreement and authorize pre-construction activities associated with the planning and design process, i.e., project evaluation; site analysis; constructability review; value engineering; scheduling; cost control; and development of a Guaranteed Maximum Price ("GMP").

In November 2023, the Board of Regents approved the concept and authorized expenditures of \$2,007,180 of the Clinical Sciences Building project, with an anticipated project budget of \$120,000,000, to award a DP Agreement and authorize Stage I design services through the programming and schematic design phases, provide a Statement of Probable Cost, and project schedule.

In May 2022, the Board of Regents acknowledged that on April 19, 2022, the chair granted an exigent circumstances approval that authorized use of the RFS for the individual total project budgets of the CCAP for TTU System institutions.

The vice president and chief financial officer has verified the source of funds. The vice chancellor and chief financial officer of the TTU System also acknowledges the source of the funds for this project.

8. <u>TTUS: Report on Facilities Planning and Construction</u> projects.

Presenter: Mr. Billy Breedlove Report requested by: Board of Regents

Presentation Time: 5 minutes

Mr. Billy Breedlove, Vice Chancellor for Facilities Planning and Construction, TTUS, will present a report on Facilities Planning and Construction managed projects.

FINANCE AND INVESTMENTS

Finance and Investments Committee

Committee Meeting August 8, 2024

- **Time:** 11:00 am (or upon adjournment of the Facilities Committee meeting)
- Place: Regents Conference Room (104A), First Floor, System Administration Building, 1508 Knoxville Avenue, Lubbock, Texas
 - Regents: Campbell (Chair) and Gordon (Vice Chair) (The Finance and Investments Committee consists of all nine board members.)

<u>Agenda</u>

- Approve minutes of committee meeting held on May 9, 2024
- I.D. Consideration of items to be recommended by the Finance and Investments Committee to the Board of Regents of the Texas Tech University System ("TTUS") for and on behalf of Angelo State University ("ASU"), Midwestern State University ("MSU"), the TTU System Administration ("TTUSA"), Texas Tech University ("TTU"), Texas Tech University Health Sciences Center ("TTUHSC"), and Texas Tech University Health Sciences Center at El Paso ("TTUHSC El Paso")

1.	TTUSA, TTU, ASU, MSU, TTUHSC and TTUHSC El Paso: Approve FY 2025 operating budgets
2.	ASU: Authorize president to execute a contract for advisory services4
3.	TTU and TTUHSC: Authorize president to enter negotiations and execute a contract for retail natural gas services
4.	TTUHSC: Authorize the president to execute an amendment to an existing Space Lease Agreement with North Loop MOB LTD of Lubbock, Texas7

5.	TTUS: Authorize issuance of Revenue Financing System Bonds for eligible projects for construction and/or acquisition of infrastructure for TTUS, refund certain outstanding debt obligations issued for the benefit of TTUS or participants of the TTUS RFS and pay costs relating to the issuance of the	
		8
6.	TTUS: Approve amendments to the Investment Policy Statement for the Long-Term Investment Funds	9
7.	TTUS: Enterprise Risk Management Report1	0
8.	TTUS: Investment Performance Update1	1
9.	Adjournment	

NOTE: All members of the Texas Tech University System Board of Regents serve as members on the Finance and Investments Committee. Action taken by this committee is final and does not require a report to the Full Board.

1. <u>TTUSA, TTU, ASU, MSU, TTUHSC and TTUHSC EI Paso:</u> <u>Approve FY 2025 operating budgets.</u>

Presenter: Mr. James Mauldin Presentation Time: 15 minutes Reports approval required by: Section 07.04.2, *Regents' Rules*

RECOMMENDATION

The chancellor recommends and concurs with the recommendation from each respective president that the Board of Regents approve the FY 2025 operating budgets for: Texas Tech University System Administration, Texas Tech University, Angelo State University, Midwestern State University, Texas Tech University Health Sciences Center, and Texas Tech University Health Sciences Center El Paso.

In addition, it is recommended that the Board appropriate the fund balances of income generating accounts for specific activities usually supported by the accounts.

BACKGROUND INFORMATION

The Board is required to approve on or before September 1, 2024, budget covering operations for the ensuing fiscal year.

The FY 2025 budget has been prepared on the basis of funds appropriated by the 88th Legislature, Regular Session and in accordance with guidelines from the Texas State Comptroller's Office.

The State Auditor has requested that all fund balances be appropriated by the Board of Regents or be classified as unreserved or unallocated. It is recommended that the Board of Regents appropriate fund balances to the activities supported by the accounts.

2. <u>ASU: Authorize president to execute a contract for</u> <u>advisory services.</u>

Presenter: Ms. Angie Wright Presentation Time 5 minutes Board approval required by: Section 07.12.3.a. *Regents' Rules*

RECOMMENDATION

The president recommends and the chancellor concurs that the Board of Regents authorize the president to approve and execute a contract with Gartner to provide advisory and related services at Angelo State University ("ASU").

Angelo State University is looking to alter the current Gartner Research and Advisory Subscription Services agreement, using the Texas Department of Information Resources ("DIR") contract, at an elevated level to include executive leadership, enrollment management and other critical areas of campus to collaborate cross-functionally and be a data-relevant organization. The current agreement (May 1, 2022 – August 31, 2024) did not require Board approval. The services provided during this agreement were for IT leadership team to have advisory services including access to data, research, workshops, reviews, etc. Under this agreement we will have a broader area of expertise than under previous agreement.

Also included in this new agreement all campus users (Faculty, Staff and Students) will have access to Gartner's resources and advisors. Additionally, campus leaders and key individuals will have direct access to dedicated subject area advisors.

The agreement will be capped at four (4) years.

Financials

The estimated annual cost will be capped at \$1,100,000.

BACKGROUND INFORMATION

Section 07.12.3.a. *Regents' Rules,* requires Board approval of contracts in excess of \$1,000,000 per annum.

3. <u>TTU and TTUHSC: Authorize president to enter</u> <u>negotiations and execute a contract for retail natural gas</u> <u>services.</u>

Presenter: Mrs. Noel Sloan Presentation Time: 3 minutes Board approval required by: 07.12.3.a, 07.12.3.c, and 07.12.3.d.1.b. *Regents' Rules*

RECOMMENDATION

The president recommends and the chancellor concurs that the Board of Regents authorize the president, or his designee, to enter into negotiations and execute a contract for retail natural gas services.

BACKGROUND INFORMATION

Texas Tech University ("TTU") and Texas Tech University Health Sciences Center ("TTUHSC") jointly issued a Request for Proposal ("RFP") on March 29, 2024, seeking competitive proposals from qualified and experienced Proposer(s) who can provide retail natural gas services. At this time, other TTU System component institutions are not included but may opt to utilize the awarded contract.

Proposer responses are currently being evaluated. The new contract is anticipated to be effective September 1, 2024, or the date of last signature, whichever is later, and expire ten (10) years thereafter. Unless terminated earlier pursuant to the Contract terms, the Contract would automatically renew for up to two (2) five (5) year renewal terms unless either party provided written notice of its intent not to renew the Contract at least one hundred and twenty (120) days before the end of the initial or then-current renewal term. The parties may negotiate and mutually agree on an alternate term.

The estimated annual value of the contract is \$5,000,000 and will fluctuate based upon usage.

In addition, TTU and TTUHSC are also conducting a procurement process for the transportation of natural gas. It is not anticipated that the transportation costs will require Board of Regents' approval, unless the transportation is awarded to the same proposer as the natural gas supply.

The TTU Chief Procurement Officer has verified the solicitation and purchasing method, and the contractor selection process complies with state law and TTU system policies. The Chief Procurement Officer also confirms there are not any anticipated issues that may arise in the solicitation, purchasing, or contractor selection process.

Section 07.12.3.a., *Regents' Rules*, requires Board of Regents approval of contracts which exceed \$1,000,000 per annum.

Section 07.12.3.c., *Regents' Rules*, requires each contract for the purchase of goods and services, with a value exceeding \$5,000,000 that the Chief Procurement Officer for the applicable component institution or the TTU system must submit to the board:

(1) verification that the solicitation and purchasing method and contractor selection process comply with state law and TTU system policies; and
(2) information on any potential issue that may arise in the solicitation, purchasing, or contractor selection process.

Section 07.12.3.d.1.b., *Regents' Rules*, requires Board approval on contracts that involve a sale or lease of land and/or improvements thereon, or a commitment of funds or other resources for more than five years.

4. <u>TTUHSC: Authorize the president to execute an amendment</u> to an existing Space Lease Agreement with North Loop MOB LTD of Lubbock. Texas.

Presenter: Ms. Penny Harkey Presentation Time: 3 minutes Board approval required by: Section 07.12.3.a & 07.12.3.d, *Regents' Rules*

RECOMMENDATION

The president recommends and the chancellor concurs that the Board of Regents authorize the president, or her designee, to approve and execute an amendment to an existing Space Lease Agreement (CON3442349) with North Loop MOB LTD ("MOB") of Lubbock, Texas, to renovate and create additional space for Texas Tech University Health Sciences Center ("TTUHSC") School of Medicine, Department of Psychiatry.

BACKGROUND INFORMATION

The Department of Psychiatry is growing and expanding their Texas Child Mental Health Care Consortium ("TCMHCC") programs that are funded through state appropriations. Currently, TTUHSC does not have sufficient space to accommodate this level of growth. The Department of Psychiatry currently leases 23,079 square feet of the building located at 4642 N. Loop 289, Lubbock, Texas through September 30, 2026. TTUHSC has the ability to extend the existing Space Lease Agreement, at its sole option, for two (2) additional periods of three (3) years each. The leased space is occupied by the operations team that supports the TCMHCC initiatives. To support future growth, there is a need to (i) convert two (2) of the currently leased suites from clinical space to usable office space for the type of work being performed and (ii) lease an additional suite which will be combined with a currently leased suite to enlarge the currently leased suite. The cost of the renovations would be approximately \$1.24M. With the lease of the additional suite, there will be additional space added in the amount of 1,470 square feet bringing the total leased space to 24,549 square feet.

The renovation would be conducted using a phased approach, taking up to six (6) months for completion due to the occupancy of the existing suites being converted to office space.

Section 07.12.3.a., *Regents' Rules*, requires Board of Regents approval of contracts in excess of \$1,000,000.

Section 07.12.3.d, *Regents' Rules*, require board approval on contracts that involve a sale or lease of land and/or improvements thereon, or a commitment of funds or other resources for more than four years.

5. <u>TTUS: Authorize issuance of Revenue Financing System</u> <u>Bonds for eligible projects for construction and/or</u> <u>acquisition of infrastructure for TTUS, refund certain</u> <u>outstanding debt obligations issued for the benefit of TTUS</u> <u>or participants of the TTUS RFS and pay costs relating to</u> <u>the issuance of the bonds.</u>

Presenter: Mr. James Mauldin Presentation Time: 10 minutes Board approval required by: Section 07.05.1, *Regents' Rules*

RECOMMENDATION

The chancellor recommends that the Board of Regents authorize the issuance of Revenue Financing System ("RFS") Bonds, initially scheduled for issuance in October 2024. A resolution authorizing the sale and delivery of the Bonds is attached for approval by the Board of Regents.

In summary, the Board of Regents will approve the attached resolution authorizing the sale and delivery of "Board of Regents of Texas Tech University System Revenue Financing System Refunding and Improvement Bonds, Series 2024" taxexempt and taxable bonds in the maximum aggregate amount of \$550 million and resolving other matters incident and related thereto.

As noted in the resolution, the *Pricing Officer* is authorized, appointed, and designated to act on behalf of the Board in the selling and delivering of the Bonds, in one or more series, within certain specified parameters. The "*Pricing Officer*" shall mean the Vice Chancellor and Chief Financial Officer, or the Chancellor of TTUS. Such delegated authority shall expire if not exercised by the Pricing Officer within 365 days from the date of adoption of the resolution. The Pricing Officer may exercise such delegation on more than one occasion during such time period.

BACKGROUND INFORMATION

The Board of Regents is being asked to approve the 21st Supplemental Resolutions authorizing the issuance and sale of the BOR Revenue Financing System Refunding and Improvement Bonds. The Revenue Financing System Master Resolution was adopted on October 21, 1993. The most recent prior action by the Board of Regents was to approve the 20th Supplemental Resolution authorizing the TTUS to issue and sale bonds on July 20, 2023. The Board of Regents also approved the 19th Supplemental Resolution authorizing the TTUS to defease a portion of existing Midwestern State University debt on August 5, 2021.

6. <u>TTUS: Approve amendments to the Investment Policy</u> <u>Statement for the Long-Term Investment Funds.</u>

Presenter: Mr. James Mauldin Presentation Time: 10 minutes Board approval required by: Sec. 20, *Investment Policy Statement, LTIF*

RECOMMENDATION

The vice chancellor and chief financial officer recommends and the chancellor concurs that the Finance & Investments Committee consider adoption of amendments to the Investment Policy Statement for the Long-Term Investment Fund ("LTIF"). [NOTE: The LTIF Policy Statement with proposed revisions is included as a supplemental attachment to the agenda book.]

BACKGROUND INFORMATION

The Long-Term Investment Fund Investment Policy was last amended and approved by the Board in 2020. While staff anticipates bringing the policy back to the Board in early 2025, the current amendment to be considered for approval would authorize an administrative fee to the LTIF and delegate authority to implement this fee to the chancellor and his designee. If implemented, the funds generated would be distributed to the affiliated entity that each endowment benefits for the purpose of funding all or a portion of their respective advancement function.

This fee would be administered in the same manner as the current management fee.

7. TTUS: Enterprise Risk Management Report.

Presenter: Mr. James Mauldin & Mrs. Kim Turner Presentation Time: 10 minutes Report required by: Section 3.1, TTUS Regulation 1.1.1, Enterprise Risk Management – Standards of Practice (Office of Risk Management); and Audit Committee Charter

James Mauldin, TTUS Vice Chancellor and CFO, and Kim Turner, Chief Audit Executive, will provide an update on the TTU System's Enterprise Risk Management reports.

BACKGROUND INFORMATION

Section 3.1, TTU System Regulation 1.1.1 requires biennial updates to the board on TTUSA and components Enterprise Risk Management ("ERM") reports. ERM is a comprehensive program to identify and proactively manage real and potential threats as well as opportunities that may affect TTUS component institutions.

8. <u>TTUS: Investment Performance Update.</u>

Presenter: Mr. James Mauldin and Mr. Tim Barrett Presentation Time: 10 minutes Report requested by: Board of Regents.

James Mauldin, Vice Chancellor and CFO, TTUS, and Mr. Tim Barrett, Chief Investment Officer, TTUS, will provide an update on the performance of TTUS investments.

MEETING OF THE BOARD/ COMMITTEE OF THE WHOLE

Thursday, August 8, 2024

Ceremonial swearing-in of newly appointed student regent: Prior to the start of the day's meetings, at approximately 8:50 am, the newly appointed student regent will participate in a ceremonial swearing-in. Location: Regents Conference Room (104A), First Floor, System Administration Building, 1508 Knoxville Avenue, Lubbock, Texas

Board of Trustees of the Carr Scholarship Foundation: This meeting will take place upon completion of the swearing-in ceremony; refer to agenda provided by the Chief Financial Officer's Office Location: Regents Conference Room (104A), First Floor, System Administration Building, 1508 Knoxville Avenue, Lubbock, Texas

I. Meeting of Standing Committees: Conducted sequentially and separately from the Meeting of the Board beginning upon adjournment of the Carr Scholarship Foundation meeting at approximately 9:30 am—refer to agenda for each respective committee meeting.

Location: Regents Conference Room (104A), First Floor, System Administration Building, 1508 Knoxville Avenue, Lubbock, Texas

- **Time:** 11:45 am (or upon adjournment of the Finance and Investments Committee meeting)
- **Place:** Regents Conference Room (104A), First Floor, System Administration Building, 1508 Knoxville Avenue, Lubbock, Texas

<u>Agenda</u>

- A. Consultation with attorney regarding privileged communications, pending or contemplated litigation and settlement negotiations Section 551.071
- B. Deliberations regarding real property: The purchase, lease, exchange, or value of real property – Section 551.072
- C. Deliberations regarding prospective gifts Section 551.073
- D. Personnel matters: Discuss the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of employees Section 551.074
- E. Deliberations regarding security devices—deployment of security personnel or devices Section 551.076
- **IV. Open Session:** The Board will reconvene in the Regents Conference Room (104A), First Floor, System Administration Building, 1508 Knoxville Avenue and meet as a Committee of the Whole and Meeting of the Board to consider and act on:
 - A. Consideration of appropriate action, if any, on items discussed in Executive Session...... Vice Chairwoman Kerrick Davis
- V. Recess Chairman Griffin

Meeting of the Board

Friday, August 9, 2024

- **Time:** 10:00 am
- **Place:** Regents Conference Room (104A), First Floor, System Administration Building, 1508 Knoxville Avenue, Lubbock, Texas

<u>Agenda</u>

VI.	Meeting of the Board—Call to Order; reconvene into Open Session of the Board. The Board will reconvene in Open Session and meet as a Committee of the Whole and Meeting of the Board to consider and act on: Chairman Griffin			
	Α.	Introductions and Recognitions Chancellor Mitchell, President Hawkins, President Haynie, President Schovanec President Rice-Spearman, and President Lange		
	В.	Report from Texas Higher Education Coordinating Board ("THECB") ChairmanDr. Fred Farias		
VII.	Recess (if necessary, for standing committees to meet; otherwise continue in Open Session (X.)) Chairman Griffin			
VIII.	Meeting of Standing Committees (if not concluded on Thursday)			
IX.	Meeting of the Board—Call to Order; reconvene into Open Session of the Board (only if the Meeting of the Board was recessed to conduct committee meetings) Chairman Griffin			
Х.		Session: The Board will continue in Open Session and meet as a nittee of the Whole and Meeting of the Board to consider and act on:		
	A.	Approve minutes of Board meeting held on May 9, 2024 Chairman Griffin		
	В.	Committee of the Whole Vice Chairwoman Kerrick Davis		

Consent Agenda

- a. ASU: Approve the title change of the Bachelor of Science degree in Interdisciplinary Studies (ACS)
- b. MSU: Approve and acknowledge actions relating to low-producing degree programs (ACS)
- c. MSU: Approve emeritus appointments (ACS)
- d. TTU: Approve and acknowledge actions relating to low-producing degree programs (ACS)
- e. TTU: Approve leave of absence without pay (ACS)
- f. TTU: Approve emeritus appointments (ACS)
- g. TTU: Approve exceptions to nepotism policy (ACS)
- h. TTUHSC: Approve emeritus appointment (ACS)
- i. TTUHSC: Approve exceptions to nepotism policy (ACS)
- j. TTUS: Approve amendments to *Regents' Rules*, Chapter 01 (Bylaws) clarifying the timing and process for election of the board chair (CW)
- k. TTUS: Approve amendments to *Regents' Rules*, Chapter 02 (Administration) regarding the administrative area of information resources and services (CW)
- I. ASU, MSU, and TTU: Acknowledge the revised Five-Year Capital Projects Plan and submission of the MP1 Report (F)
- m. TTU: Approve updating building name and associated wayfinding signage (F)
- n. TTUS: Approve amendments to *Regents' Rules*, Chapter 07 (Fiscal Management) related to the approval of

travel expenses of board members and the chancellor (FI)

- o. TTU: Approve Modification of Endowment (FI)
- p. TTU: Approve Modification of Endowment (FI)
- q. TTUHSC El Paso: Approve acceptance of gift-in-kind benefiting dental education activities (FI)
- r. TTUS: Approve purchasing contract(s) in excess of \$1,000,000 (FI)
- s. TTUHSC: Authorize president to execute a consulting contract to evaluate and recommend operational efficiencies and an administrative structure for the Lubbock TTUHSC physician clinical practice (FI)
- t. TTUHSC: Authorize the presidents to execute a contract for custodial services (FI)
- u. TTUHSC: Approve Increased Funding of Research Chair Quasi Endowment (FI)
- v. TTUHSC: Approve revised FY 2025 holiday schedule (FI)
- w. TTUHSC El Paso: Authorization to execute Revenue Cycle Management Services for the Medical Practice Income Plan ("MPIP") (FI)

Information Agenda

Information is provided as required by Section 01.02.7.d(4)(c), *Regents' Rules*

(1) ASU, MSU, TTU, TTUHSC and TTUHSC El Paso: Summary of Revenues and Expenditures by Budget Category, FY 2024 (as of May 31, 2024), per Section 01.02.8.d(3)(g), *Regents' Rules* – All actual expenditures will be reviewed by the Finance and Investments Committee annually and provided as information. Financial reports for the most recently completed quarter for each of the component institutions are available at: <u>https://www.texastech.edu/offices/cfo/board-financialreports.php</u>

- (2) TTUHSC and TTUHSC EI Paso: Contracts for ongoing and continuing health-related service relationships per Section 07.12.4.c, *Regents' Rules* – The following are excepted from the requirements of Section 07.12.3.a and Section 07.12.3.b, Regents' Rules, "the board delegates to the presidents of health-related institutions the authority to approve the proposals and execute and sign contracts for health related services, as specified herein. This delegation is limited to contracts with entities for which the institution has an ongoing and continuing contractual relationship, to include: revenue contracts from which the institution receives payment for health related services; participation in health provider networks; resident or faculty support; and expense contracts with healthcare providers or suppliers necessary to fulfill the obligation to provide health related services as part of a revenue contract or new health related services contracts that involve a stated or implied consideration that total in excess of \$1,000,000 over the entire term of the contract but the per annum amount is less than \$1,000,000. Before such a contract may be executed, the president shall obtain the prior review of the TTU system Office of General Counsel and the TTU system vice chancellor and chief financial officer, or their designees. A list of health-related services contracts that have been executed under this delegation of authority since the previous regular board meeting shall be provided to the board as an information item at the next regular board meeting."
- MSU, TTU, TTUHSC, and TTUHSC EI Paso: (3) Contracts that involve a stated or implied consideration that total in excess of \$1,000,000 over the entire term of the contract but the per annum amount is less than \$1,000,000 per section 07.12.4 of the Regents' Rules – The following are excepted from the requirements of Section 07.12.3.a and 07.12.3 b, Regents' Rules, "the chancellor or president, or the chancellor or presidents designee, as appropriate, is delegated the authority to approve: (i) contracts that involve a stated or implied consideration that total in excess of \$1,000,000 over the entire term of the contract but the per annum amount is less than \$1,000,000; and (ii) any amendment, extension, or renewal of a contract originally approved by the chancellor or president, as appropriate, so long as the amendment, extension, or renewal does not cause the per annum amount of the contract to exceed \$1,000,000. This requirement is applicable to both cash and non-cash considerations. Information about

such contracts or contract amendments, extensions, or renewals that are approved by the chancellor or a president under this delegation of authority shall be provided to the board as an information item at the next regular board meeting."

- (4) ASU, TTUHSC, and TTUHSC EI Paso: Consulting contracts with an initial consideration of \$100,000 or less per Section 07.12.4.e.(1), *Regents' Rules* – <u>"(a) Board</u> <u>approval is not required, but the vice chancellor and chief financial officer, in consultation with the chancellor, presidents, and chief financial officers of the institutions, shall review consulting contracts of \$100,000 or less prior to execution of the contract by the chancellor or president, as appropriate. (b) A report of the contract shall be provided as an Information Agenda item at the next board meeting."</u>
- (5) TTU: Contracts for Sponsored Programs Projects per Section 07.12.4.b., *Regents' Rules* – <u>"The board delegates to the presidents the</u> <u>authority to approve the proposals and execute and</u> <u>sign contracts for sponsored program projects in</u> <u>excess of \$1,000,000 per annum. Sponsored program</u> <u>projects are those grants, contracts, and cooperative</u> <u>agreements from either the public or private sectors</u> <u>that support research, instructional, and service</u> <u>projects. A list of such contracts for sponsored</u> <u>program projects in excess of \$1,000,000 per annum</u> <u>shall be provided to the board as an information item</u> <u>at the next regular board meeting."</u>
- (6) TTUS: Named Funds per Section 13.02.3.a, *Regents' Rules* – <u>"The board delegates approvals</u> to name endowments or other gift funds established through a private gift of less than \$5 million to the president of the benefitting institution, in consultation and cooperation with the chancellor and the VCIA. Notice shall be provided to the board of re-gents as part of the information agenda at the next board meeting."
- (7) TTU: Gift related namings less than \$500,000.00 per Section 13.02.2.b(4), *Regents' Rules* – <u>"Gifts of less than \$500,000.00</u> that meet the requirements outlined in this chapter [13] for naming of a facility, as defined herein, may be approved by the component institution president, in cooperation and coordination with the VCIA. The item will be placed as an information item at the next board meeting after the public announcement."

- (8) TTU: Quasi-endowments that exceed
 \$250,000 per Section 01.02.8.d.(3)(k),
 Regents' Rules "review and approval of all quasiendowments that exceed \$250,000."
- (9) TTUHSC: Named funds per Section 13.02.3.c., *Regents' Rules* – <u>"Named chairs, professorships, deanships, or any other academic position must meet the minimum funding levels established by the benefitting component institution's operating policies and Chapter 06, *Regents' Rules, and be ap-proved by the component president, in consultation and cooperation with the VCIA, with timely notice to the board of regents prior to its next regularly scheduled meeting be-fore the gift and related naming are publicly announced. The item will be placed as an information item at the next board meeting after the public announcement."</u>*
- (10) TTU: Exigent circumstances approval per Section 08.01.7.a, *Regents' Rules* – <u>"If the</u> chancellor, on the recommendation of the president, declares a major construction project to be an emergency or that exigent circumstances exist and it is not feasible or practical to convene a quorum of the board within the time in which action is needed, the board authorizes the chair of the board or the chair of the Facilities Committee to approve all necessary actions. Any emergency actions taken must be reported to the board at its next meeting."
- (11) TTU: Report on the establishment of new centers and institutes per Section 04.11.2., *Regents' Rules* <u>"The establishment or substantive restructuring of a center, institute, or other academic unit or program not addressed in Section 04.11.1 herein shall be approved by the president, with notice provided to the board via an item in the Information Agenda for the next meeting of the board."</u>
- (12) TTU: Exigent circumstances approval by Section 01.02.1.b, *Regents' Rules* – <u>"Section</u> <u>109.001, Texas Education Code, states that the board</u> <u>"by rule may delegate a power or duty of the board to an officer, employee, or other agent of the board."</u> When an emergency or exigent circumstances exist that cannot be adequately addressed through Section <u>07.04.4.a(2)</u> relating to budget adjustments, Section <u>07.12.3.i relating to contracts, or Section 08.01.7</u> relating to major construction projects, the chair – or if the chair is not available within the time required for action, the vice chair may approve a proposal submitted by the chancellor, or the chancellor's

designee, for an action that otherwise would require the approval of the board as a whole, with subsequent notification to the board as soon as practicable."

- D. Student Government Association ReportsKam Wiese, Vincent Peter, Abby Vega, Jesse Burnett, and Chase Green
- - A. Consultation with attorney regarding privileged communications, pending or contemplated litigation and settlement negotiations Section 551.071
 - B. Deliberations regarding real property: The purchase, lease, exchange, or value of real property – Section 551.072
 - C. Deliberations regarding prospective gifts Section 551.073
 - D. Personnel matters: Discuss the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of employees Section 551.074
 - E. Deliberations regarding security devices—deployment of security personnel or devices Section 551.076
- XII. Open Session: The Board will reconvene in the Regents Conference Room (104A), First Floor, System Administration Building, 1508 Knoxville Avenue and meet as a Committee of the Whole and Meeting of the Board to consider and act on:
 - A. Consideration of appropriate action, if any, on items discussed in Executive Session...... Vice Chairwoman Kerrick Davis

XIII.	Adj	ournment	Chairman	Griffin
	В.	Chairman's Announcements	Chairman	Griffin

1. <u>ASU, MSU, TTU, TTUHSC, TTUHSC EI Paso, TTUSA and</u> <u>TTUS: Approve Consent Agenda; acknowledge review of</u> <u>Information Agenda.</u>

Presenter: Vice Chairwoman Kerrick Davis Presentation Time: 2 minutes Board approval required by: Sections 01.02.7.d(4)(b) and 01.02.07.d(4)(c), *Regents' Rules*

RECOMMENDATION

The chancellor recommends that the Board of Regents (i) approves the Consent Agenda for the meeting of August 8-9, 2024; and (ii) acknowledge its review of the Information Agenda for the same meeting.

BACKGROUND INFORMATION

Pursuant to Section 01.02.6.b(2), *Regents' Rules,* the Board of Regents approves certain administrative actions.

This action is required to authorize the various officers and officials of Texas Tech to perform the tasks and duties delineated in the policies of the Board of Regents. This action also confirms the authority to prepare reports, execute contracts, documents, or instruments approved within the Consent Agenda and further confirms that such authority has been delegated to the officer or official preparing and/or executing the said item.

CONSENT/ INFORMATION AGENDA

BOARD OF REGENTS TEXAS TECH UNIVERSITY SYSTEM

CONSENT AGENDA

and

INFORMATION AGENDA

August 8-9, 2024

BOARD OF REGENTS

Mr. Mark Griffin, Chairman Mrs. Ginger Kerrick Davis, Vice Chairwoman Ms. Arcilia C. Acosta Mr. Cody C. Campbell Mr. Clay Cash Mr. Tim Culp Mr. Pat Gordon Dr. Shelley Sweatt Mr. Dusty Womble Mr. Jad Zeitouni, Student-Regent

Standing Committee Chairs and Vice Chairs:

Academic, Clinical and Student Affairs: Ginger Kerrick Davis (Chair); Shelley Sweatt (Vice Chair); and Jad Zeitouni (Student Regent)

> Audit: Arcilia Acosta (Chair) and Pat Gordon (Vice Chair)

Facilities: Dusty Womble (Chair) and Arcilia Acosta (Vice Chair)

Finance and Investments: Cody Campbell (Chair) and Pat Gordon (Vice Chair)

[NOTE: All nine board members serve as voting members of each committee.]

TEXAS TECH UNIVERSITY SYSTEM BOARD OF REGENTS

August 8-9, 2024

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INFORMATION AGENDA

(*Titles only; full agenda is on page 47*) Information is provided as required by Section 01.02.7.d(4)(c), *Regents' Rules*

NOTE: The following are reports or other documents which, according to the *Regents' Rules* or state law, must be made available to the Board of Regents. As such, the reports below are on file in the Board Office, and their listing on the Information Agenda constitutes notice that they are available to Board members upon request.

- (1) ASU, MSU, TTU, TTUHSC and TTUHSC El Paso: Summary of Revenues and Expenditures by Budget Category, FY 2024 (as of May 31, 2024), per Section 01.02.8.d(3)(g), Regents' Rules – All actual expenditures will be reviewed by the Finance and Investments Committee annually and provided as information. Financial reports for the most recently completed quarter for each of the component institutions are available at: <u>https://www.texastech.edu/offices/cfo/board-financial-reports.php</u>
- (2) TTUHSC and TTUHSC EI Paso: Contracts for ongoing and continuing health-related service relationships per Section 07.12.4.c, Regents' Rules – The following are excepted from the requirements of Section 07.12.3.a and Section 07.12.3.b. Regents' Rules, "the board delegates to the presidents of health-related institutions the authority to approve the proposals and execute and sign contracts for health related services, as specified herein. This delegation is limited to contracts with entities for which the institution has an ongoing and continuing contractual relationship, to include: revenue contracts from which the institution receives payment for health related services; participation in health provider networks; resident or faculty support; and expense contracts with healthcare providers or suppliers necessary to fulfill the obligation to provide health related services as part of a revenue contract or new health related services contracts that involve a stated or implied consideration that total in excess of \$1,000,000 over the entire term of the contract but the per annum amount is less than \$1,000,000. Before such a contract may be executed, the president shall obtain the prior review of the TTU system Office of General Counsel and the TTU system vice chancellor and chief financial officer, or their designees. A list of health-related services contracts that have been executed under this delegation of authority since the previous regular board meeting shall be provided to the board as an information item at the next regular board meeting."

(3) MSU, TTU, TTUHSC, and TTUHSC El Paso: Contracts that involve a stated or implied consideration that total in excess of \$1,000,000 over the entire term of the contract but the per annum amount is less than \$1,000,000 per section 07.12.4 of the Regents' Rules – The following are excepted from the requirements of Section 07.12.3.a and 07.12.3 b, Regents' Rules, <u>"the chancellor or president, or the chancellor or presidents designee, as appropriate, is delegated the authority to approve: (i) contracts that involve a stated or implied consideration that total in excess of \$1,000,000 over the entire term of the contract but the per annum amount is less than \$1,000,000; and (ii) any amendment, extension, or renewal of a contract originally approved by the chancellor or president, as appropriate, so long as the amendment, extension, or renewal does not cause the per annum amount of the contract to exceed \$1,000,000. This requirement is applicable to</u> both cash and non-cash considerations. Information about such contracts or contract amendments, extensions, or renewals that are approved by the chancellor or a president under this delegation of authority shall be provided to the board as an information item at the next regular board meeting."

- (4) ASU, TTUHSC, and TTUHSC EI Paso: Consulting contracts with an initial consideration of \$100,000 or less per Section 07.12.4.e.(1), Regents' Rules – "(a) Board approval is not required, but the vice chancellor and chief financial officer, in consultation with the chancellor, presidents, and chief financial officers of the institutions, shall review consulting contracts of \$100,000 or less prior to execution of the contract by the chancellor or president, as appropriate. (b) A report of the contract shall be provided as an Information Agenda item at the next board meeting."
- (5) TTU: Contracts for Sponsored Programs Projects per Section 07.12.4.b., *Regents' Rules* – <u>"The board delegates to the presidents the</u> authority to approve the proposals and execute and sign contracts for sponsored program projects in excess of \$1,000,000 per annum. Sponsored program projects are those grants, contracts, and cooperative agreements from either the public or private sectors that support research, instructional, and service projects. A list of such contracts for sponsored program projects in excess of \$1,000,000 per annum shall be provided to the board as an information item at the next regular board meeting."
- (6) TTUS: Named Funds per Section 13.02.3.a, Regents' Rules <u>"The board delegates approvals to name endowments or other gift funds</u> <u>established through a private gift of less than \$5 million to the president of the</u> <u>benefitting institution, in consultation and cooperation with the chancellor and the</u> <u>VCIA. Notice shall be provided to the board of re-gents as part of the information</u> <u>agenda at the next board meeting."</u>
- (7) TTU: Gift related namings less than \$500,000.00 per Section 13.02.2.b(4), *Regents' Rules* – "Gifts of less than \$500,000.00 that meet the requirements outlined in this chapter [13] for naming of a facility, as defined herein, may be approved by the component institution president, in cooperation and coordination with the VCIA. The item will be placed as an information item at the next board meeting after the public announcement."
- (8) TTU: Quasi-endowments that exceed \$250,000 per Section 01.02.8.d.(3)(k), Regents' Rules – "review and approval of all quasiendowments that exceed \$250,000."
- (9) TTUHSC: Named funds per Section 13.02.3.c., Regents' Rules – "Named chairs, professorships, deanships, or any other academic position must meet the minimum funding levels established by the benefitting component institution's operating policies and Chapter 06, Regents' Rules, and be ap-proved by the component president, in consultation and cooperation with the VCIA, with timely notice to the board of regents prior to its next regularly scheduled meeting be-fore the gift and related naming are publicly announced. The item will be placed as an information item at the next board meeting after the public announcement."

- (10) TTU: Exigent circumstances approval per Section 08.01.7.a, *Regents' Rules* – <u>"If the chancellor, on the recommendation of the president, declares a major construction project to be an emergency or that exigent circumstances exist and it is not feasible or practical to convene a quorum of the board within the time in which action is needed, the board authorizes the chair of the board or the chair of the Facilities Committee to approve all necessary actions. Any emergency actions taken must be reported to the board at its next meeting."</u>
- (11) TTU: Report on the establishment of new centers and institutes per Section 04.11.2., Regents' Rules – <u>"The</u> establishment or substantive restructuring of a center, institute, or other academic unit or program not addressed in Section 04.11.1 herein shall be approved by the president, with notice provided to the board via an item in the Information Agenda for the next meeting of the board."
- (12) TTU: Exigent circumstances approval by Section 01.02.1.b, *Regents' Rules* – "Section 109.001, Texas Education Code, states that the board "by rule may delegate a power or duty of the board to an officer, employee, or other agent of the board." When an emergency or exigent circumstances exist that cannot be adequately addressed through Section 07.04.4.a(2) relating to budget adjustments, Section 07.12.3.i relating to contracts, or Section 08.01.7 relating to major construction projects, the chair – or if the chair is not available within the time required for action, the vice chair may approve a proposal submitted by the chancellor, or the chancellor's designee, for an action that otherwise would require the approval of the board as a whole, with subsequent notification to the board as soon as practicable."

a. <u>ASU: Approve the title change of the Bachelor of Science</u> <u>degree in Interdisciplinary Studies.</u>

Board approval required by: 04.09.01, *Regents' Rule*

RECOMMENDATION

The request is to approve the program name change of one degree and authorize submission to the Texas Higher Education Coordinating Board seeking its approval for such a program change and to the Southern Association of Colleges and Schools for its review. This request has been approved administratively by the president and chancellor and is recommended for approval by the Board of Regents.

The Department of Teacher Education within the College of Education seeks to change the name of the following program:

Bachelor of Science (B.S.) in Interdisciplinary Studies (CIP Code: 30.9999.01)

to

Bachelor of Science (B.S.) in Education (CIP Code: 13.0101.00)

Implementation of this program change, effective fall 2024, will not require additional space or facilities. There are no new costs for this program for faculty.

BACKGROUND INFORMATION

Changing the Teacher Education degree programs from Bachelor of Science in Interdisciplinary Studies to a Bachelor of Science in Education will more strongly align with the standards, curriculum, and pedagogy required for teacher certification. Many teaching positions require the candidate to hold a degree specifically in education, accompanied by appropriate teacher certification. Changing the degree name to the Bachelor of Science in Education program will help fulfill necessary academic and certification requirements, making our degree more competitive and appealing in the job market.

Specializations affected are:

- Early Childhood to Grade 6 Generalist, Teacher Certification
- Generalist Grades 4-8, Teacher Certification

b. <u>MSU: Approve and acknowledge actions relating to low-</u> producing degree programs.

Board approval required by Sec. 04.09.2, *Regents' Rules*; Sec. 61.0512, *Texas Education Code*; and Title 19, Part 1, Chapter 4, Subchapter R, *Texas Administrative Code*.

The request is to acknowledge the retention of two undergraduate and two graduate degree programs that were deemed to be "low-producing" by the Texas Higher Education Coordinating Board ("THECB"). The proposed responses to the THECB recommendations are to retain the <u>BA in Humanities</u>, the <u>BA in Global</u> <u>Studies</u>, the <u>MA/MS in English</u>, and the <u>MA in History</u> with rationale provided. The request has been approved administratively by the president and the chancellor and is recommended for approval by the Board of Regents.

BACKGROUND INFORMATION

Per state law and THECB rules, the THECB may recommend the consolidation or closure of degree programs it deems to be low-producing. A program is considered to be low-producing if the number of graduates over the past five years is below the following thresholds:

- for undergraduate programs, fewer than 25 degrees awarded;
- for master's programs, fewer than 15 degrees awarded; and
- for doctoral programs, fewer than 10 degrees awarded.

In response to such a THECB recommendation, the options include retaining the program with appropriate actions to remedy its low-producing status, consolidating the program with another degree program, or eliminating the program.

If a program identified by the THECB as low-producing is retained, the institution's next Legislative Appropriations Request ("LAR") must identify it as one that was recommended for consolidation or elimination.

The THECB recommended the consolidation or closure of the following four MSU programs.

- BA in Humanities
- BA in Global Studies
- MA/MS in English
- MA in History

The following rationale is provided for continuing the programs and actions being taken to increase enrollment in these programs.

BA in Humanities

The BA in Humanities is a small degree pathway with no staffing or instructional costs directly related to the degree. Closure of this degree offering would not result in any cost savings as the courses are primarily dual-listed and serve other majors and the MSU honors program.

BA in Global Studies (formerly International Studies)

As with the BA in Humanities, the BA in Global Studies has no staffing or instructional costs directly related to the degree. This interdisciplinary degree uses courses in Political Science, Economics, and History. These courses also serve areas of the core and other majors/degrees, and the closure of this degree offering would not result in any cost savings.

MA/MS in English

MSU stopped accepting students to the MA in English program in 2021 to allow students to finish before retooling the program. In 2022, the program content was restructured, adding an MS option and new courses, and shifted to 100% online delivery to better serve the needs of working professionals, including military-affiliated students. The THECB approved program changes in April 2022, and the program began accepting new applicants again in Fall 2022. The program has since grown from zero to 19 students, with the first graduates in May 2024. MSU offers only one of two English MS programs in Texas, and interest is growing among students who earned a BS or MS in education or another related field. MSU is only one of eight online master's programs in Texas and the only one to offer the MS in English 100% online.

MA in History

The decline of the MA in History numbers is linked to leadership instability at the chair and provost levels. History produced seven MA graduates in December 2023 and May 2024 and has experienced steady growth since a low in 2018-19. MSU has engaged in enhanced marketing efforts to expand the program's reach and anticipates a large fall class due to individuals interested in dual credit teaching.

c. MSU: Approve emeritus appointments.

Board approval required by Section 04.01.2, *Regents' Rules*

The request is to grant emeritus status to the individuals listed below. This request has been approved administratively by the president and the chancellor.

Dr. Charles Bultena will retire from MSU on August 31, 2024, as Associate Professor of Management in the Dillard College of Business Administration. Dr. Bultena has served 29 years at MSU. He earned the B.S. and M.S. in Business Administration from Midwestern State University and Ph.D. in Organizational Behavior/Human Resource Management from the University of North Texas. At MSU, he served as Department Chair of Management (2002-2005). Prior to joining the MSU faculty, he was an Industrial Engineer, Process Engineer, Production Engineer, and Engineering Supervisor for Vetrotex America (1981-1995). He published 19 peer-reviewed journal articles during his scholarly career, many focusing on mediation. In the classroom, he was the primary instructor in business strategy and entrepreneurship. For his teaching, Dr. Bultena was one of ten Texas professors selected in 2021 to receive the esteemed Piper Teaching Award and was the seventh MSU professor to have received this recognition.

Dr. Beth Vealé retired from MSU on May 31, 2024, as Professor of Radiologic Sciences. Dr. Vealé served 34 years at MSU. She earned an Associate of Science in Radiologic Technology from New Mexico State University, a B.S. in Radiologic Sciences from Midwestern State University, and a Master of Education in Technical Vocational Education from the University of North Texas. She received her Ph.D. in Internet-Based Education from the University of Nebraska-Lincoln. Dr. Veale is a Registered Radiologic Technologist and Certified Medical Radiographer and has a Quality Management Certification from the American Registry of Radiologic Technologists. At MSU, she served as the Chair of the Department of Radiologic Sciences and the Director of Interdisciplinary Sciences for the Gunn College of Health Sciences and Human Services. Dr. Veale was honored by the Texas Society of Radiologic Technologists as the Sharon Coffey Educator of the Year in 2022 and is a life member of the Association of Collegiate Educators in Radiologic Technology.

BACKGROUND INFORMATION

According to the *Regents' Rules*, emeritus appointments shall be honorary and without stipend. The appointments are given at retirement and are intended to recognize long and faithful service or very distinguished service to the university.

The named individuals qualify for emeritus appointment under the policy of the Board of Regents.

d. <u>TTU: Approve and acknowledge actions relating to low-</u> producing degree programs.

Board approval required by Sec. 04.09.2, *Regents' Rules*; Sec. 61.0512, *Texas Education Code*; and Title 19, Chapter 4, Subchapter R, *Texas Administrative Code*.

The request is to acknowledge the retention of five degree programs, three of which are graduate, with all being programs that were deemed to be "low producing" by the Texas Higher Education Coordinating Board ("THECB"). The proposed responses to the THECB recommendations are to:

Retain the PhD in Land Use Planning, Management, and Design, EdD in Instructional Technology, MED in Language & Literacy Education, BS in Multidisciplinary Studies, and BA in Interdisciplinary Arts Studies with specified actions to increase enrollment and graduation for these programs.

This request has been approved administratively by the president and the chancellor and is recommended for approval by the Board of Regents.

BACKGROUND INFORMATION

Per state law and THECB rules, the THECB may recommend the consolidation or closure of degree programs it deems to be low-producing. A program is considered to be low-producing if the number of graduates over the past five years is below the following thresholds:

- for undergraduate programs, fewer than 25 degrees awarded;
- for master's programs, fewer than 15 degrees awarded; and
- for doctoral programs, fewer than 10 degrees awarded.

In response to such a THECB recommendation, the options include retaining the program with appropriate actions to remedy its low-producing status, consolidating the program with another degree program, or eliminating the program.

If a program identified by the THECB as low-producing is retained, the institution's next Legislative Appropriations Request ("LAR") must identify it as one that was recommended for consolidation or elimination.

The THECB recommended the consolidation or closure of the following TTU programs:

- PhD in Land Use, Planning, Management, and Design
- EdD in Instructional Technology
- MED in Language & Literacy Education
- BS in Multidisciplinary Studies
- BA in Interdisciplinary Arts Studies

The following rationale is provided for continuing the programs and actions being taken to increase enrollment in these programs.

PhD in Land Use Planning, Management, and Design

The PhD program in Land Use Planning, Management, and Design (LPMD) was restructured in 2022. Since then, the following actions have taken place:

- Improved visibility, branding, and marketing
- Revised curriculum
- Updated and expanded roster of participating faculty to supervise students
- Increased funding to attract top-quality students
- Dedicated advisor to assist with course registration and progression through

These activities have resulted in increased enrollment and throughput of graduate students. At the beginning of the academic year (AY) 23-24, LPMD enrollment was 24; four students completed their PhD. Six students have been admitted for AY 24-25; we expect another five students to graduate.

EdD in Instructional Technology

The Educational and Instructional Technology (EDIT) was moved under the Department of Curriculum and Instruction (C&I) within the College of Education in 2020.

The program was expanded to be fully online in AY 22-23, and a new tenure track faculty member was hired in AY 23. We have 12 doctoral graduates in the dissertation stage, most expected to graduate in AY 24-25. The newly launched online EdD degree program has 17 students currently enrolled, eight of whom should graduate in AY 25-26 and nine in AY 26-27. We have steady enrollment growth in both residential and online Ed.D. degree programs.

MED in Language & Literacy Education

The Master's in Language & Literacy (L&L) went dormant in 2014, moving to a concentration within the Department of Curriculum and Instruction (C&I). Between 2021 and 2023, we had 22 C&I graduates with an L&L concentration. In 2022, we sought and received permission to offer the L&L master's degree as an online program. We have implemented a marketing plan to increase residential and online enrollment and offered recruitment scholarships for the first two terms of new enrollment.

BS in Multidisciplinary Studies

The BS in Multidisciplinary Science degree program will undergo a curriculum revamping to be launched in AY 25-26. The Department of Teacher Education, which houses the program, is developing a marketing and recruitment plan with the assistance of the Office of Marketing in the College of Education. The plan will be implemented after the curricular revisions are completed.

BA in Interdisciplinary Arts Studies

This degree program was created in AY 18-19 as the BA in Interdisciplinary Arts Studies. Between 2021 and 2023, the curriculum was revamped around a media and technology focus in response to students' interests and state workforce needs, and the name change to the BA in Arts Media and Technology was officially approved in the Spring of 2024.

As a result, heading into Fall 2024, this degree program is in many ways brand new, aligns better with current students and workplace demands, and now has significant potential. For the first time, this program is housed in a new department (Department of Interdisciplinary Arts), has a dedicated program coordinator, and is utilizing the existing college recruiting staff to market the program.

e. <u>TTU: Approve leave of absence without pay.</u>

Board approval required by: Section 04.05, *Regents' Rules*, and TTU OP 32.15.

The request is to approve the following leave of absence without pay. This request for leave has been approved administratively by the president and the chancellor and is recommended for approval by the Board of Regents.

Dr. Timothy Fitzgerald, Ph.D., associate professor in the Area of Energy Commerce and Business Economics in the Jerry S. Rawls College of Business, for a leave without pay for the period of September 1, 2024 through May 31, 2025. Dr. Fitzgerald has the support of his Area Coordinator and the Dean of the College to pursue off-campus academic scholarship and research during the period of leave without pay. The Area and College have already made arrangements to cover all duties typically assigned to Dr. Fitzgerald during the period of leave.

BACKGROUND INFORMATION

Section 04.05.1, *Regents' Rules*, requires Regents' approval of leaves of absence for faculty. The existing policy provides that leaves may be granted under conditions allowable by the State of Texas. Pursuant to TTU OP 32.15, faculty members submit requests for leave through their respective deans to the provost. The provost has approved the leave as indicated.

f. <u>TTU: Approve emeritus appointments.</u>

Board approval required by: Section 04.01.2, *Regents' Rules*

The request is to grant emeritus status to the individuals as listed below. This request has been approved administratively by the president and the chancellor and is recommended for approval by the Board of Regents.

Dorothy Chansky	Professor of Theatre, J T and Margaret Talkington College of Visual and Performing Arts (18 years).
Eric Chiappinelli	Professor, School of Law (12 years).
David Doerfert	Professor of Agricultural Education and Communications, Gordon W Davis College of Agricultural Sciences and Natural Resources (24 years).
Philip Gipson	Professor of Natural Resources Management, Gordon W Davis College of Agricultural Sciences and Natural Resources (15 years).
Kishor Mehta	Paul Whitfield Horn Distinguished Professor of Structural and Wind Engineering, Edward E. Whitacre Jr. College of Engineering (60 years).
Monte Monroe	Archivist, Texas Tech Library (33 years).
William Pasewark	Professor of Accounting, Jerry S Rawls College of Business (24 years).
Mark Webb	Professor of Philosophy, College of Arts and Sciences (30 years).

BACKGROUND INFORMATION

According to the *Regents' Rules*, emeritus appointments shall be honorary and without stipend. The appointments are given at retirement and are intended to recognize long and faithful service, or very distinguished service to the university. The named individuals qualify for emeritus appointment under the policy of the Board of Regents.

g. <u>TTU: Approve exceptions to nepotism policy</u>.

Board approval required by: Section 03.01.11, *Regents' Rules*; TTU Operating Policy 32.01, TTU Operating Policy 70.08

The request is to approve the following exceptions to the nepotism policy in the following instance. This request has been approved administratively by the president and the chancellor and is recommended for approval by the Board of Regents.

Mr. Damian Pantoya is the married spouse of Dr. Michelle Pantoya. Mr. Pantoya has an MS in Accounting and is hired as a lecturer in the Rawls College of Business. Damian serves as the academic advisor for ALPFA, Association of Latino Professionals for America. Under his leadership, 100% of the minority student participants have graduated and been placed into employment within the first 3 months of graduation. Through ALPFA, Damian established a pipeline to engage the Department of Energy ("DOE") via Sandia National Laboratory ("SNL"). By fostering SNL engagement with student participants, Damian helped 5 graduates transition into SNL employment. Because of his relevant experience he is being hired for the summer as the Student Success Coordinator for the DOE/DOD funded project that Dr. Michelle Pantoya is the Principal Investigator. However, Dr. Ardelia Aquino will serve as Damian's supervisor. Dr. Aquino is the investigator overseeing the Student Success portion of the grant.

BACKGROUND INFORMATION

Section 03.01.11, *Regents' Rules*, and TTU OP 70.08 prohibit a person related to an administrator by a prohibited degree to have an initial appointment to a position in an area of responsibility over which the administrator has appointive authority, in whole or in part, regardless of the source of funds from which the position's salary is to be paid. Furthermore, no employee may approve, recommend, or otherwise take action with regard to the appointment, reappointment, promotion, salary, or supervision of an individual related to the employee within a prohibited degree. If an appointment, reappointment, reclassification or promotion of an employee places the employee under an administrative supervisor who is related within a prohibited degree, all subsequent personnel and compensation actions affecting the employee shall become the responsibility of the next higher administrative supervisor.

h. TTUHSC: Approve emeritus appointment.

Board approval required by: Section 04.01.2, *Regents' Rules*; HSC OP 10.12

The request is to approve the conferral of the title of professor emeritus status to the following individual for their long and faithful service to the Texas Tech University Health Sciences Center ("TTUHSC"): Charles F. Seifert, Pharm.D. This request has been approved administratively by the president and the chancellor and is recommended for approval by the Board of Regents.

BACKGROUND INFORMATION

In accordance with the TTUHSC OP 10.12 and Section 04.01.2, *Regents' Rules*, the TTUHSC School of Pharmacy ("SOP") Faculty Affairs Committee recommended the professor emeritus appointment for Dr. Charles Seifert.

Dr. Charles Seifert joined the TTUHSC SOP in 1998 as the founding Regional Dean for the Lubbock Campus for the Jerry H. Hodge School of Pharmacy. Over the past 25 years, Dr. Seifert's contributions have been integral in helping propel the School of Pharmacy to be one of the leading pharmacy schools in the country. He has been recognized nationally for his clinical practice expertise. In 1991, he was one of the nation's first 151 Board Certified Pharmacotherapy Specialists, and he continues to maintain this credential. In 1994, he was inducted as a Fellow in the American College of Clinical Pharmacy. Dr. Seifert has given over 300 presentations at local, state, national, and international levels and has published over 100 journal articles, abstracts, and book chapters.

Dr. Seifert has excelled as a teacher and ambassador for enhancing interprofessional teamwork. He has received 11 different teaching awards while at TTUHSC, including two President's Excellence in Team Teaching Awards (2015 and 2023). He has also received three TTUHSC President's Awards for Interprofessional Teamwork (2015, 2019, and 2021). He has served as the SOP Residency Program Director and has trained over 50 pharmacy residents. As of 2023, his residents have already received 21 local, state, and national awards for research, practice, and clinical skills, which they attribute to their exemplary training under his guidance and mentorship.

In addition to his faculty and clinical positions, he has held several administrative roles for the school over the years. He is the first and only SOP Regional Dean on the Lubbock campus, serving in this position for 25 years. As the Senior Executive Associate Dean for five years, he was responsible for multiple aspects of the school's administrative structure. He has twice chaired the TTUHSC School of Pharmacy's American Council on Pharmacy Education Self-Study Steering Committee with resulting successful full 8-year terms for ACPE re-accreditation (2004-2005 & 2017-2019) and four times has chaired the SOP Faculty Affairs Committee, which serves as the school's Promotion and Tenure Committee (2002-2003, 2004-2005, 2007-2008 and 2017-2019). Additionally, he was the founding senator for the TTUHSC Faculty Senate in 2008 and has served on over 50 TTUHSC committees, task forces, and councils.

Dr. Seifert retired effective June 30, 2024.

i. TTUHSC: Approve exceptions to nepotism policy.

Board approval required by: Section 03.01.11, *Regents' Rules*; TTU Operating Policy 32.01, TTU Operating Policy 70.08

The request is to approve an exception to the nepotism policy in the following instance. This request has been approved administratively by the president and the chancellor and is recommended for approval by the Board of Regents.

Mr. Jonathan Roberts, the son-in-law of Penny Harkey, Executive Vice President of Finance and Operations, has been selected as the final candidate for HVAC Mechanic I and will begin work in late August 2024, pending all formalized human resources hiring practices are completed. Jonathan will report directly to Alex Hernandez, Assistant Superintendent, who reports through three (3) other levels of supervision that report to Harry Slife, Vice President of Facilities and Safety Services, who reports directly to Penny Harkey. Penny Harkey has no direct role in decisions related to Johnathan's supervision or compensation. This arrangement will be evaluated through time to ensure there is effective management of conflict of interest to see if any modifications are necessary.

BACKGROUND INFORMATION

Section 03.01.11, *Regents' Rules*, and TTUHSC OP 70.08 prohibit a person related to an administrator by a prohibited degree to have an initial appointment to a position in an area of responsibility over which the administrator has appointive authority, in whole or in part, regardless of the source of funds from which the position's salary is to be paid. Furthermore, no employee may approve, recommend, or otherwise take action with regard to the appointment, reappointment, promotion, salary, or supervision of an individual related to the employee within a prohibited degree. If an appointment, reappointment, reclassification, or promotion of an employee places the employee under an administrative supervisor who is related within a prohibited degree, all subsequent personnel and compensation actions affecting the employee shall become the responsibility of the next higher administrative supervisor.

j. <u>TTUS: Approve amendments to Regents' Rules, Chapter 01</u> (Bylaws) clarifying the timing and process for election of the board chair.

Board approval required by: Section 01.08, Regents' Rules

The request, upon recommendation of the Regents' Rules Review Committee (Rules Committee), is to approve amendments to Chapter 01 (Bylaws), *Regents' Rules,* to clarify the timing and process for election of the board chair while also delineating the role of the chair and other members of the board in choosing the process for elections. This request has been approved administratively by the chancellor and is recommended for approval by the Board of Regents.

BACKGROUND INFORMATION

Section 01.02.3, *Regents' Rules*, outlines provisions for how the board goes about electing the chair, and by extension the vice chair, given that the vice chair is also elected when the chair is elected. Election of the chair and vice chair will continue to occur in the spring of odd-numbered years and the proposed amendments clarify that elections may occur following the appointment of new regents by the governor in odd-numbered years, without requiring the additional step of senate confirmation. The Regents' Rules will maintain the board's ability to conduct elections if new regent appointments are not done by May 1 in oddnumbered years. Additionally, language is added to note that the sitting board chair may choose a preferred election process after consulting with the other members of the board.

The Rules Committee (composed of Regents Pat Gordon - chair, Clay Cash, Tim Culp, and Shelley Sweatt) is charged with considering and when applicable, submitting to the appropriate Board committee proposed amendments to the TTUS *Regents' Rules*. Any amendment to the *Regents' Rules* or a Board Policy Statement must be approved by the full Board in accordance with Section 01.08, *Regents' Rules*.

Change to Chapter 01 (Bylaws), amended to clarify the timing for the election of the chair:

- 01.02.3 Chair of the board
 - a. Eligibility, election, and vacancy of the chair.
 - (1) Eligibility of the chair. In accordance with the core requirements of the Southern Association of Colleges and Schools – Commission on Colleges, to be eligible to serve as chair, a member must be free of any contractual, employment, or personal or familial financial interest in a TTUS component institution.

(2) Election of the chair. From its number, the board shall elect the chair of the board (the "chair") at the first regular or special called meeting in odd-numbered years following the appointment, qualification and confirmation of the new members regularly appointed in odd-numbered years. However, if the new members regularly appointed in odd-numbered years have not been appointed, qualified and confirmed by May 1 in odd-numbered years, the board will proceed with election of board officers on or before May 31. The process for elections may be chosen by the chair, in consultation with the other members of the board.

k. <u>TTUS: Approve amendments to Regents' Rules, Chapter 02</u> (Administration) regarding the administrative area of information resources and services.

Board approval required by: Sec. 01.08, Regents' Rules

The request, upon recommendation of the Regents' Rules Review Committee (Rules Committee), is to approve amendments to Chapter 02 (Administration), *Regents' Rules,* to add language delineating the administrative area of information resources and services as a core responsibility of TTU System Administration ("TTUSA"). This request has been approved administratively by the chancellor and is recommended for approval by the Board of Regents.

BACKGROUND INFORMATION

Section 02.02.3, *Regents' Rules*, outlines the core responsibilities and services of TTUSA as assigned by the board under the direction of the chancellor and in accordance with state law. The proposal is that Section 02.02.3, *Regents' Rules* be amended to add division "h" under subsection "3" to list "*information resources and services*" as a standalone administrative area and service provided by TTUSA. These services are provided in accordance with Texas Administrative Code, Chapter 202, Subchapter A.

Currently, the information services provided by TTUSA are under the purview of the TTUSA Office of the Chief Financial Officer. Having consulted with the component institutions chief information officers and leadership, it was determined that the growing importance of information resources makes it necessary to enhance efforts to address policy gaps across a wide range of information resources needs within the TTU System. Given the significance and the fact that the TTUSA Office of Information Technology operates as a service center representing a large portion of TTUSA operations, the consensus was that the proposed amendment is acceptable and will improve efficiency.

The Rules Committee (composed of Regents Pat Gordon -chair, Clay Cash, Tim Culp, and Shelley Sweatt) is charged with considering and when applicable, submitting to the appropriate Board committee proposed amendments to the TTUS *Regents' Rules*. Any amendment to the *Regents' Rules* or a Board Policy Statement must be approved by the full Board in accordance with Section 01.08, *Regents' Rules*.

Change to Chapter 02 (Administration), amended to add the administrative area of information resources and services:

- 02.02.3 Service provision. Leadership and coordination of the following functions and priorities for the entire TTU system:
 - a. equal employment opportunity;
 - b. facilities planning and construction
 - c. legal services for all units of the TTU system;
 - d. governmental relations;
 - e. institutional advancement, fundraising, and development with the chancellor's fundraising role for the TTU system enhancing rather than substituting for the role of the chief executive officer of each TTU system component institution, and with the chancellor and each component chief executive officer furthering the mission of the TTU system and the respective institutions through coordinated fundraising and development activities;
 - f. communications and marketing; and
 - g. financial services and oversight.; and
 - h. information resources and services.

I. <u>ASU, MSU, and TTU: Acknowledge the revised Five-Year</u> <u>Capital Projects Plan and submission of the MP1 Report.</u>

1. <u>ASU: Acknowledge the revised Five-Year Capital</u> <u>Projects Plan and submission of the MP1 report.</u>

Board approval required by: *Texas Education Code*, §61.0582

The request is to acknowledge the revised Angelo State University Five-Year Capital Projects Plan and submission of the Angelo State University's Capital Expenditure Plan ("MP1") Summary Report to the Texas Higher Education Coordinating Board ("THECB"). This request has been approved administratively by the president and chancellor and is recommended for approval by the Board of Regents.

[NOTE: The revised Angelo State University Five-Year Capital Projects Plan is attached on the following page.]

BACKGROUND INFORMATION

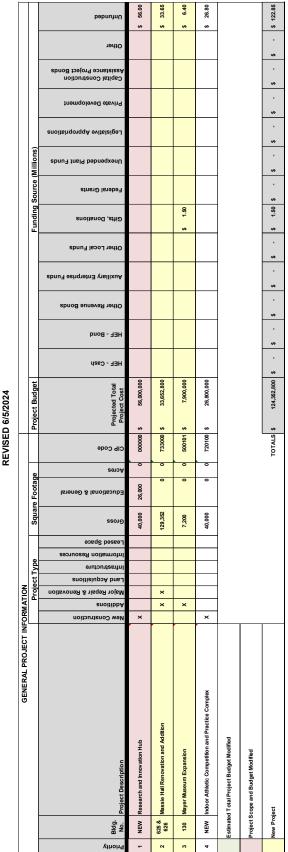
Institutions of higher education must submit to the Texas Higher Education Coordinating Board ("THECB") annual updates to the Capital Expenditure Plan/MP1 report. This report, which is based on the Institution's Five-Year Capital Projects Plan, lists all capital construction and major repair and renovation projects, real property acquisition, and major information technology projects that it may accomplish in the next five-years.

During the 88th Legislative Session, some reporting thresholds listed in Article IX, Section 11.03 were changed. The THECB updated its rules regarding capital expenditure reporting to align with those legislative requirements of the FY 2024-25 General Appropriations Act and Bond Review Board guidelines:

- (i) new construction projects of \$5,000,000 or more;
- (ii) repair and rehabilitation projects of \$5,000,000 or more;
- (iii) major information resources projects estimated to exceed \$5,000,000 (include any projects that require one year or longer to reach operations status, involve more than one state agency; requires the construction of a building or other facility; substantially alters work methods of state agency personnel or the delivery of services to clients; or that is designated for additional monitoring under Government Code, Section 2261.258(a)(1); and
- (iv) property purchases that cumulatively would total \$5,000,000 or more in one year (the actual property address or location for individual property acquisitions may be, but are not required to be, identified in a single proposed project entitled "property

acquisitions" with a total cost of all purchases or acquisitions projected over the reporting period).

Therefore, in accordance with the new rules posted, the System staff made adjustment to the MP1 report to meet the THECB updated project reporting thresholds. Projects below \$5.0 million previously listed on the institution's Five-Year Capital Projects Plan which were approved at the May 2024 Board of Regents meeting were removed from the list. The notable change was coordinated with the Board of Regents before the report's submission to the THECB. The revised report was submitted to the THECB by the deadline on July 1, 2024.



FIVE-YEAR CAPITAL PROJECTS PLAN (FY2025 - 2029) Angelo State University REVISED 6/5/2024

2. <u>MSU: Acknowledge the revised Five-Year Capital</u> <u>Projects Plan and submission of the MP1 report.</u>

Board approval required by: *Texas Education Code*, §61.0582

The request is to acknowledge the revised Midwestern State University Five-Year Capital Projects Plan and submission of the Midwestern State University's Capital Expenditure Plan ("MP1") Summary Report to the Texas Higher Education Coordinating Board ("THECB"). This request has been approved administratively by the president and chancellor and is recommended for approval by the Board of Regents.

[NOTE: The revised Midwestern State University Five-Year Capital Projects Plan is attached on the following page.]

BACKGROUND INFORMATION

Institutions of higher education must submit to the Texas Higher Education Coordinating Board ("THECB") annual updates to the Capital Expenditure Plan/MP1 report. This report, which is based on the Institution's Five-Year Capital Projects Plan, lists all capital construction and major repair and renovation projects, real property acquisition, and major information technology projects that it may accomplish in the next five-years. The revised report was submitted to the THECB by the deadline on July 1, 2022.

During the 88th Legislative Session, some reporting thresholds listed in Article IX, Section 11.03 were changed. The THECB updated its rules regarding capital expenditure reporting to align with those legislative requirements of the FY 2024-25 General Appropriations Act and Bond Review Board guidelines:

- (i) new construction projects of \$5,000,000 or more;
- (ii) repair and rehabilitation projects of \$5,000,000 or more;
- (iii) major information resources projects estimated to exceed \$5,000,000 (include any projects that require one year or longer to reach operations status, involve more than one state agency; requires the construction of a building or other facility; substantially alters work methods of state agency personnel or the delivery of services to clients; or that is designated for additional monitoring under Government Code, Section 2261.258(a)(1); and
- (iv) property purchases that cumulatively would total \$5,000,000 or more in one year (the actual property address or location for individual property acquisitions may be, but are not required to be, identified in a single proposed project entitled "property acquisitions" with a total cost of all purchases or acquisitions projected over the reporting period).

Therefore, in accordance with the new rules posted, the System staff made adjustment to the MP1 report to meet the THECB updated project reporting thresholds. Projects below \$5.0 million previously listed on the institution's Five-Year Capital Projects Plan which were approved at the May 2024 Board of Regents meeting were removed from the list. The notable change was coordinated with the Board of Regents before the report's submission to the THECB. The revised report was submitted to the THECB by the deadline on July 1, 2024.

08/08-09/2024

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3. <u>TTU: Acknowledge the revised Five-Year Capital</u> <u>Projects Plan and submission of the MP1 report.</u>

Board approval required by: *Texas Education Code*, §61.0582

The request is to acknowledge the revised Texas Tech University Five-Year Capital Projects Plan and submission of the Texas Tech University's Capital Expenditure Plan ("MP1") Summary Report to the Texas Higher Education Coordinating Board ("THECB"). This request has been approved administratively by the president and chancellor and is recommended for approval by the Board of Regents.

[NOTE: The revised TTU Five-Year Capital Projects Plan is attached on the following page.]

BACKGROUND INFORMATION

Institutions of higher education must submit to the Texas Higher Education Coordinating Board ("THECB") annual updates to the Capital Expenditure Plan/MP1 report. This report, which is based on the Institution's Five-Year Capital Projects Plan, lists all capital construction and major repair and renovation projects, real property acquisition, and major information technology projects that it may accomplish in the next five-years. The revised report was submitted to the THECB by the deadline on July 1, 2022.

During the 88th Legislative Session, some reporting thresholds listed in Article IX, Section 11.03 were changed. The THECB updated its rules regarding capital expenditure reporting to align with those legislative requirements of the FY 2024-25 General Appropriations Act and Bond Review Board guidelines:

- (i) new construction projects of \$5,000,000 or more;
- (ii) repair and rehabilitation projects of \$5,000,000 or more;
- (iii) major information resources projects estimated to exceed \$5,000,000 (include any projects that require one year or longer to reach operations status, involve more than one state agency; requires the construction of a building or other facility; substantially alters work methods of state agency personnel or the delivery of services to clients; or that is designated for additional monitoring under Government Code, Section 2261.258(a)(1); and
- (iv) property purchases that cumulatively would total \$5,000,000 or more in one year (the actual property address or location for individual property acquisitions may be, but are not required to be, identified in a single proposed project entitled "property acquisitions" with a total cost of all purchases or acquisitions projected over the reporting period).

Therefore, in accordance with the new rules posted, the System staff made adjustment to the MP1 report to meet the THECB updated project reporting thresholds. Projects below \$5.0 million previously listed on the institution's Five-Year Capital Projects Plan which were approved at the May 2024 Board of Regents meeting were removed from the list. The notable change was coordinated with the Board of Regents before the report's submission to the THECB. The revised report was submitted to the THECB by the deadline on July 1, 2024. FIVE-YEAR CAPITAL PROJECTS PLAN (FY2025 - 2029) Texas Tech University REVISED 6/5/2024

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		pəpunjuU	\$ 70.00	, \$	\$ 25.00	\$ 50.00	\$ 3.92	\$ 5.00	, s	\$ 25.00	\$, \$	\$	\$	\$ 0.00
		Other													
		Capital Construction Assistance Project Bonds								\$ 10.78	\$ 8.40	\$ 5.05	\$ 3.24	\$ 16.18	\$ 12.51
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		sbnufi əsinqıətni yısilixuA							\$ 3.50						
		Other Revenue Bonds													
		HEF - Bond	\$ 5.00												
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	Project Budget	Projected Total Project Cost	\$ 100,000,000	\$ 30,000,000	\$ 25,000,000	\$ 50,000,000	\$ 8,560,000	\$ 5,000,000	\$ 7,000,000	\$ 50,000,000	\$ 8,399,000	\$ 5,050,000	\$ 6,235,000	\$ 16,181,000	\$ 13,384,100
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		Leased Space													
	e	Information Resources													
7	Project Type	Land Acquisitions Infrastructure					×	×	×						
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ORM,		snoitibbA			×										
GENERAL PROJECT INFORMATION		New Construction	Center	×	ition	×					os/Clas srooms/Infrastructure)	ion (CCAP)*			
		Project Description	Huckabee College of Architecture and Design Center	Gordon W. Davis Agricultural Building	Jerry S. Rawis College of Business South Addition	Performance Hall	Lubbock Business Park	19th Street Development Infrastructure	Drive of Champions	Holden Hall Renovations (CCAP)	Biology Renovation (ADA/Life Safety/Class Labs/Classrooms/Infrastructure) CCAP	Biology South and North Greenhouse Renovation (CCAP)*	Psychology Renovation (CCAP)	Science Renovations (CCAP)	Chemistry Renovations (CCAP)**
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FIVE-YEAR CAPITAL PROJECTS PLAN (FY2025 - 2029) Texas Tech University REVISED 6/5/2024

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m. <u>TTU: Approve updating building name and associated</u> wayfinding signage.

Board approval required by: Sections 13.03 and 13.03.2, *Regents' Rules*

The request is to approve updating the building name in the campus inventory as listed below. New signage for the building will specify the approved name. This request has been approved administratively by the president and the chancellor and is recommended for approval by the Board of Regents.

Number	Current System Name	Proposed Name Change
0442	BASF Agricultural Solutions, Seeds Innovation Center	Plant Genome Research Facility

BACKGROUND INFORMATION

In November 2013, TTU executed a Building and Greenhouse Lease ("Lease") with Bayer CropScience LP ("Bayer") which included an existing 31,601 GSF building and a 47,501 GSF greenhouse building that was newly constructed and occupied in 2015. The Lease was in support of a Collaborative Research and Development Agreement that was executed in 2009. The Lease was entered into with Bayer in conjunction with ongoing and contemplated future research programs between Texas Tech University ("TTU") and Bayer, for a purpose related to the performance of TTU's duties and functions, including teaching, research, and public service.

In May 2014, the Board of Regents approved naming of two buildings and associated exterior wayfinding signage on the Texas Tech University campus as listed:

(i) the former University College building will be named

Bayer CropScience Seeds Innovation Center Main Office Research & Development: and

(ii) the new greenhouse facility will be named

Bayer CropScience Seeds Innovation Center Trait Development

On January 30, 2018, TTU was notified that Bayer AG and its affiliates (individually and jointly ("Bayer") have signed an Agreement to sell to BASF SE, Carl-Bosch-Str. 38, 67056 Ludwigshafen, Germany (together with its affiliates "BASF") selected crop science businesses ("Transaction"). The closing of the Transaction ("Closing") was subject to required regulatory approvals as well as to the closing of Bayer's planned acquisition of Monsanto. Bayer and BASF agreed that, upon Closing, the Agreement, including any and all amendments, would be transferred to and continued with BASF Agricultural Solutions Seed US LLC ("BASF").

On March 7, 2018, TTU signed a consent to the assignment of the Agreement to the BASF entity indicated above and irrevocable waiver of any termination rights TTU may have according to the Agreement as a consequence of the transaction between Bayer and BASF.

Then on July 1, 2019, Bayer assigned its interests under the Lease to BASF Corporation ("BASF"). All terms and conditions of the Lease remained in effect. Upon such assignment of the Lease, BASF assumed and discharged the obligations of Bayer under the Lease.

In Fall 2023, in accordance with Article 10 – Early Termination, BASF notified TTU of its intent to terminate the portion of the Lease associated with the existing building known as BASF Agricultural Solutions, Seeds Innovation Center. As the article states, "Upon such early termination, BASF shall pay to TTU any rent or other accrued expenses as of the effective date of the termination plus the present value of future rent due for the remainder of the Initial Term or the then-current Renewal Term, discounted at a rate of 2%."

On November 21, 2023, TTU and BASF executed a first amendment to the lease agreement to confirm early termination of the lease agreement. The amendment stated BASF shall vacate the Building on or before June 30, 2024, and the lease shall terminate on December 31, 2024. The amendment also states that BASF shall vacate the Greenhouse Building on or before the Lease Termination Date.

Proposed name change will update the current system name to reflect our campus nomenclature and Section 13.03.2, *Regents' Rules*, which states that, "Academic facilities should be named based on the major academic use of the facility."

n. <u>TTUS: Approve amendments to Regents' Rules, Chapter 07</u> (Fiscal Management) related to the approval of travel expenses of board members and the chancellor.

Board approval required by: Section 01.08, Regents' Rules

The request, upon recommendation of the Regents' Rules Review Committee (Rules Committee), is to approve amendments to Chapter 07 (Fiscal Management), *Regents' Rules*, to clarify the approval process for travel expenses of board members and the chancellor. This request has been approved administratively by the chancellor and is recommended for approval by the Board of Regents.

BACKGROUND INFORMATION

Section 07.09, *Regents' Rules,* outlines the travel approval process for board members and the chancellor. This section will be amended to reflect the current practices and process for the reimbursement of travel expenses to regents and the chancellor when traveling for official business in benefit of the TTU System. The amendment removes the requirement that the board chair or the chair of the Finance and Investment Committee approve all vouchers for board members and also removes the restriction on board members approving their own voucher. The current travel voucher approval process is electronic and is conducted under policies that meet all legal requirements for requesting and approving reimbursement for travel expenses. The online travel application process addresses the responsibilities of both the traveler and the appropriate administrative office in the approval process. Additionally, the timeline for submitting the chancellor's travel voucher is amended to reflect the standard 30 days that is the practice under current travel policies.

The Rules Committee (composed of Regents Pat Gordon -chair, Clay Cash, Tim Culp, and Shelley Sweatt) is charged with considering and when applicable, submitting to the appropriate Board committee proposed amendments to the TTUS *Regents' Rules*. Any amendment to the *Regents' Rules* or a Board Policy Statement must be approved by the full Board in accordance with Section 01.08, *Regents' Rules*.

Change to Chapter 07 (Fiscal Management), amended to clarify the approval process for travel expenditures of board members and the chancellor:

07.09 Travel authorization, reimbursement, and institutional regulations.

- • •
- 07.09.2 Board members' travel and other expenses.
 - a. All travel by board members that is paid from TTU system funds shall be for official business only.
 - •••
 - d. Vouchers for travel or other <u>related</u> expenses of board members shall be prepared in the Office of the Board of Regents, forwarded to the Office of the Chief Financial Officer for review, and returned to the Office of the Board of Regents for further approval. Either the chair of the board or the chair of the Finance and Investments Committee must approve all vouchers for board members. A board member may not approve his or her own voucher.
 - e. Vouchers for reimbursements to board members for other expenses shall be processed in accordance with Subsection d. of this section. These expenses must be for a valid public purpose, as certified by the board member. Any extraordinary expenses must be approved in advance by either the chair of the board or the chair of the Finance and Investments Committee.
 - f. The vice chancellor and chief financial officer shall assure that expense vouchers for board members are audited annually.
- 07.09.3 Chancellor's travel and other expenses.
 - a. The chancellor's travel that is paid from TTU system funds shall be for official business only.
 - • •
 - d. Vouchers for travel or other expenses of the chancellor shall be forwarded to the vice chancellor and chief

financial officer for review and then forwarded for approval to the chair of the Finance and Investments Committee or, in his or her absence, the board chair. Normally, vouchers shall be submitted within ten thirty days of the travel.

o. TTU: Approve modification of endowment.

Board approval required by: *Regents' Rule* 06.04.1; TTU Operating Policy 02.08.6

The request is to approve modification of the Vernon Perez Experimental Psychology Scholarship Endowment, for the benefit of the College of Arts & Sciences, Department of Psychology, as listed below. This request has been approved administratively by the president and the chancellor and is recommended for approval by the Board of Regents.

Modified Name: Vernon Perez, Thomas and Karen Salb Counseling Psychology Scholarship Endowment

Modified Purpose: Scholarship to support first-year graduate students studying Counseling in Psychology.

BACKGROUND INFORMATION

The Vernon Perez Experimental Psychology Scholarship (the "Endowment") was established in January 2001 by Thomas and Karen Salb ("Donors") through an initial gift of \$5,000.00. The Endowment provided scholarships to first-year graduate students studying Experimental Psychology.

Donors have continued to provide financial support to the Endowment over the years.

Donors request that the Endowment be modified to provide scholarship support to first-year graduate students studying Counseling in Psychology. Additionally, Donors request that their names be added to the Endowment title.

The balance of the Endowment as of July 2, 2024, including the corpus and spendable, is \$27,175.57.

Section 06.04.1, *Regents' Rules*, states that in the event a modification to the donor-identified purpose becomes necessary, TTUS IA shall work with the necessary parties, including the benefitting component institution and donor, to modify the terms of the gift as may be appropriate and in accordance with Texas law.

Texas Tech University Operating Policy 02.08.6 recognizes that there may be circumstances where donors of endowed funds may request and direct that the usage or purpose of their endowment be changed if mutually agreeable with Texas Tech University. All such requests must be made in writing by the donor and delivered to the TTU Office of Advancement. Modification of an endowment [housed at the component institution level] with a balance of greater than \$25,000.00 must be approved by the Board of Regents.

p. <u>TTU: Approve modification of endowment.</u>

Board approval required by: *Regents' Rule* 06.04.1; TTU Operating Policy 02.08.6

The request is to approve modification of the Wetherbe Alumni Endowment, with the aim of permanently allocating it to support the Wetherbe Doctoral Fellowship Fund, for the benefit of the Rawls College of Business Administration ("RCOBA"). The modification would result in the dissolution of the Wetherbe Alumni Endowment and permanent endowment of the Wetherbe Doctoral Fellowship Fund. This request has been approved administratively by the president and the chancellor and is recommended for approval by the Board of Regents.

BACKGROUND INFORMATION

The Wetherbe Alumni Endowment (the "Endowment") was established in 2001 by Jim Wetherbe, Ph.D. ("Donor"), and has been funded over the years through donations from its lead donor and other donations in Mr. Wetherbe's honor.

The Donor has requested that the Endowment be dissolved and that funds be added to another current use established by Donor—the "Wetherbe Doctoral Fellowship Fund."

The Wetherbe Doctoral Fellowship Fund is designated to provide financial assistance to Ph.D. students within the areas of Information Systems and Quantitative Sciences ("ISQS")/Management Information Systems ("MIS") in the RCOBA during their final years of studies. The fund allows support for conference travel expenses, interview preparedness items such as technology and professional dress attire, and dissertation support. Awards are \$2,500 per qualified student, with up to four (4) qualified students per academic year.

Donor requests that, in addition to dissolving the Endowment and moving the funds to the Wetherbe Doctoral Fellowship Fund, the Wetherbe Doctoral Fellowship Fund be endowed moving forward.

The dean of the Rawls College of Business Administration supports liquidation of the Endowment and modification of the Wetherbe Doctoral Fellowship Fund.

The balance of the Endowment as of July 2, 2024, including the corpus and spendable, is \$213,147.17. The balance of the Wetherbe Doctoral Fellowship Fund, as of July 2, 2024, is \$25,152.08.

Section 06.04.1, *Regents' Rules*, states that, in the event a modification to the donor-identified purpose becomes necessary, Texas Tech University System Institutional Advancement shall work with the necessary parties, including the benefitting component institution and donor, to modify the terms of the gift as may be appropriate and in accordance with Texas law.

Texas Tech University Operating Policy 02.08.6 recognizes that there may be circumstances where donors of endowed funds may request and direct that the usage or purpose of their endowment be changed if mutually agreeable with Texas Tech University. All such requests must be made in writing by the donor and delivered to the TTU Office of Advancement. Modification of an endowment [housed at the component institution level] with a balance of greater than \$25,000.00 must be approved by the Board of Regents.

q. <u>TTUHSC El Paso: Approve acceptance of gift-in-kind</u> <u>benefiting dental education activities.</u>

Board approval required by: Section 06.03.2.b.(3)(a), *Regents' Rules*

The request is to approve acceptance of a gift-in-kind from Nobel Biocare USA LLC, consisting of Nobel Biocare products at a total value of \$540,966, for the direct use of Texas Tech University Health Sciences Center El Paso's dental education activities. This request has been approved administratively by the president and the chancellor and is recommended for approval by the Board of Regents.

BACKGROUND INFORMATION

Nobel Biocare USA LLC ("Donor") has generously agreed to donate a significant number of Donor's products to Texas Tech University Health Sciences Center El Paso ("TTUHSC El Paso") for the purpose of advancing education and training in the practice of implant dentistry. The products shall be gifted to TTUHSC El Paso over a period of three (3) years and are valued in the aggregate at \$540,966. Donor will provide TTUHSC El Paso products and equipment valued at \$250,606 in year one and products and equipment valued at \$145,180 in years two and three. The gifted products and equipment shall include the following, with the amount of each item determined by Donor prior to transfer:

- Nobel Biocare implants;
- Nobel Biocare restorative components and stock abutments;
- Nobel Biocare drills and drivers;
- Nobel Biocare prosthetic and surgical kits (provided only in year one);
- Implant Treatment Educational Models (provided only in year one);
- Creos regenerative products;
- Osteogenics suture.

All values are based by current USD cash values of Donor's products. Donor makes this generous gift to El Paso as part of its commitment to promoting improved patient care and advancing dental treatments through research, education and training. Under no circustances may the gifted items be sold or otherwise transferred from TTUHSC El Paso to a third party or used for any purpose outside that of promoting the advancement of education and training in the practice of implant dentistry at El Paso.

Section 06.03.2.b.(3)(a), *Regents' Rules*, requires board approval of the acceptance of gifts-in-kind to any component institution valued over \$250,000.

r. <u>TTUS: Approve purchasing contract(s) in excess of</u> \$1,000,000.

Board approval required by: Section 07.12.3, Regents' Rules

The request is to approve purchasing contracts in accordance with *Regents Rules* 07.12.3.a, including those contracts with a value exceeding \$5,000,000 in accordance with *Regents' Rules* 07.12.3.c as listed on the following page. This request has been approved administratively by the president and the chancellor and is recommended for approval by the Board of Regents.

BACKGROUND INFORMATION

In accordance with *Regents' Rules*, the Board is routinely requested to approve purchasing contracts under which the TTUS components spend more than \$1,000,000 per annum. Purchasing contracts are procured and executed in compliance with Texas Education Code §51.9335 as well as the *Regents' Rules* and TTUS component Operating Policies and Procedures.

Section 07.12.3.a, *Regents' Rules*, requires Board approval for contracts that total in excess of \$1,000,000 over the entire term of the contract, unless a different consideration is specified by this policy.

However, Section 07.12.3.c provides that, for all purchasing contracts that exceed a total value of \$5,000,000 over the life of the contract (even if the annual amount is less than \$1,000,000), the Board must be provided:

- (1) verification that the solicitation and purchasing method and contractor selection process comply with state law and TTU System policies; and
- (2) information on any potential issue(s) that may arise in the solicitation, purchasing, or contractor selection process.

The attached table shows: (1) purchasing contracts for which Board approval is required; and (2) purchasing contracts that exceed \$5,000,000 over the life of the contract for which the special reporting is required.

TTU: Approve Purchasing Contracts

Regents' Rules 07.12.3.a and 07.12.3.c

Component	Vendor	Services or Goods to be Provided	Estimated Per Annum Expenditures	Estimated Term Expenditures (includes renewals)	Start	End	Procurement Method
ττυ	(C22199) Texas Tech University Health Sciences Center at Lubbock	Student Health Services	\$ 4,500,000	\$ 4,500,000	Execution	One year	Other TTUS Institution
ττυ	(C19365) Brandability (formerly Scarborough Specialties)	Apparel and Promotional Itens	\$ 2,000,000	\$ 16,000,000	10/25/2022	10/24/2030	RFP
πυ	(C22110) EBSCO	Books and reference materials for TTU Library	\$ 3,200,000	\$ 25,600,000	9/1/2024	8/31/2032	Sole Source
πυ	(CTBD) United Airlines	Air Charter Services for Athletics	\$ 1,750,000	\$ 1,750,000	Execution	One year after execution	Exempt

s. <u>TTUHSC: Authorize president to execute a consulting</u> <u>contract to evaluate and recommend operational</u> <u>efficiencies and an administrative structure for the</u> <u>Lubbock TTUHSC physician clinical practice.</u>

Board approval required by: Section 07.12.3.e, Regents' Rules

The request is to authorize the president, or the president's designee, to finalize negotiations, approve and execute a contract with a consultant to provide expertise in strategic design of the administrative structure, staffing, and clinical care delivery of the physician clinical services, driving organizational change and operational efficiencies. This request has been approved administratively by the president and the chancellor and is recommended for approval by the Board of Regents.

BACKGROUND INFORMATION

The Texas Tech University Health Sciences Center ("TTUHSC") School of Medicine, Lubbock campus, operates a multi-specialty physician practice consisting of 14 separate clinical departments managed under a decentralized model. These departments maintain responsibility for clinical and administrative functions that include patient registration, point-of-service collections and revenue cycle management, scheduling, call center, coding, referrals, and authorizations for services provided. Texas Tech Physicians ("TTP") maintains central services such as managed care contracting, electronic health record management quality improvement, coding audits, compliance and education, business office functions, and patient experience. TTUHSC endeavors to engage a consultant to provide expertise in driving organizational and structural change in academic faculty practice plans providing industry standard benchmark-based rationales for the proposed changes, based on quantitative data such as billed charges, work relative value units ("wRVU"), patient visit volumes and organizational structures, including reporting lines. The consultant will evaluate the current organizational structure and operations necessary to drive efficiency and cost savings. The consultant will recommend strategies to improve financial performance, enhance operational efficiency, and ensure sound financial sustainability in the long term. Specifically, the consultant will:

- Conduct a comprehensive assessment of current organizational structure, operations, and financial performance.
- Analyze quantitative data such as charge, wRVU, visit volumes, and financial reports provided by TTP.
- Benchmark against industry standards to identify areas for improvement.
- Develop a detailed strategic plan with actionable recommendations.
- Facilitate stakeholder engagement and obtain buy-in for proposed changes.
- Provide ongoing support and guidance during the implementation phase.

Project Deliverables:

- Deliverable 1: Conduct a comprehensive assessment of the TTP Lubbock Campus organizational structure, operations, and financial performance. October 2024
- Deliverable 2: Strategic plan outlining proposed changes and implementation roadmap. January 2025
- Deliverable 3: Organizational and operational implementation plan. March 2025
- Deliverable 4: Assistance through first 90 days of implementation including training and support materials. April 2025

TTUHSC issued a Request for Proposal RFP 739-SL3624682 ("RFP") in June 2024 seeking competitive responses from qualified vendors which will result in an award to the most qualified consultant, possessing the best overall value to TTUHSC.

Proposer responses are currently being evaluated. The new contract is anticipated to be effective on the date of last signature and expire upon completion of the services.

The proposed consulting fee is not to exceed \$650,000 including actual travel, lodging, and out-of-pocket expenses related to the services provided.

Section 07.12.3.e., *Regents' Rules*, requires Board approval on consulting contracts with an initial consideration in excess of \$100,000.

t. <u>TTUHSC: Authorize the presidents to execute a contract for</u> <u>custodial services.</u>

Board approval required by: Section 07.12.3.a. Regents' Rules

The request is to authorize the president to approve and execute a contract with ABM Texas General Services, Inc. to provide custodial and related services at Texas Tech University Health Sciences Center ("TTUHSC"). This request has been approved administratively by the president and the chancellor and is recommended for approval by the Board of Regents.

BACKGROUND INFORMATION

The current active custodial contract with Texas General Services, Inc. expires on August 31, 2024, requiring the establishment of a new service agreement. In accordance with state procurement standards and the Interlocal Cooperation Act, Texas Government Code, Chapter 791, TTUHSC invited custodial vendors that held interlocal contracts (GPO and Coop), to provide qualifying proposals for custodial services. Nine industry leading vendors participated, four were selected as presenters and three made campus site visits and provided formalized contract level proposals. Following the due diligence process and negotiations, the evaluation committee recommends award to Texas General Services, Inc. based on best value considerations for all TTUHSC campus locations at an estimated annual expense of \$5,298,444. The contract (CON3629315) will be for a one-year initial term with four additional one-year extensions at TTUHSC's unilateral option to exercise.

Section 07.12.3.a., *Regents' Rules*, requires Board approval of contracts in excess of \$1,000,000.

u. <u>TTUHSC: Approve Increased Funding of Research Chair</u> <u>Quasi Endowment.</u>

Board approval required by: Section 01.02.8.d(3)(k), *Regents' Rules*; Section 02, Investment Policy Statement for the Long-Term Investment Fund; TTUHSC Operating Policy 02.08(2)(b)(3)

The request is to approve additional funds in the amount of \$453,153.12 be added to the corpus of the quasi-endowment fund 501049 established in August 2022 to support the Texas Tech University Health Sciences Center ("TTUHSC") Research Chair. The total of the quasi-endowment will be \$2,000,000 with the additional funds. This request has been approved administratively by the president and the chancellor and is recommended for approval by the Board of Regents.

This investment continues to meet the minimum endowment threshold for Chair Endowments within TTUHSC. No donor funds were used in the initial creation of the endowment nor will they be used in the additional funding.

BACKGROUND INFORMATION

Per Section 01.02.8.d.(3)(k) *Regents' Rules*, the Finance and Investments Committee shall review and approve all quasi-endowments that exceed \$250,000. Per the Investment Policy Statement for the Long-Term Investment Fund, a quasi-endowed fund is established by the Board to function like an endowment fund, which may be totally expended at any time at the discretion of the Board.

Section 4 of the LTIF Investment Policy Statement also provides that, "Institutional funds are defined in Section 51.002, Texas Education Code, as amended or modified. In this policy statement, long-term institutional funds are all non-endowment institutional funds approved by the Board, for investment purposes, for inclusion in the LTIF.

These funds will be used to benefit the existing endowment already in place for the Research Chair(s). Proceeds from the earnings disbursement will be used by TTUHSC's Office of the Senior Vice President for Research and Innovation for the recruitment and retention of a preeminence faculty member(s) whose primary effort assignment is in research. Once the chair(s) is filled it will support research efforts to further TTUHSC's mission of research innovation and collaboration. Chair appointments to be recompeted for every 4 years at the discretion of the Senior Vice President for Research and Innovation with no more than two chair appointments at a time. Investment earnings to be split 50/50 between the two chairs when two appointments are active.

v. TTUHSC: Approve revised FY 2025 holiday schedule.

Board approval required by: Section 3.08, *Regent's Rules;* Section 662.011, Texas Government Code

The request is to approve the revised FY 2025 holiday schedule as presented on the following page. This request has been approved administratively by the president and the chancellor and is recommended for approval by the Board of Regents.

BACKGROUND INFORMATION

Section 662.011, Title 6 of the Texas Government Code, as amended, authorizes the Board to establish the holiday schedule for Texas Tech University Health Sciences Center provided that the number of holidays scheduled do not exceed the number of holidays observed by other state agencies.

State law provides for 17 state holidays. In FY 2025 two (2) fall on a weekend and cannot be substituted for other regular working days. The state will observe fifteen (15) holidays in FY 2025, which is two more than FY 2024. TTUHSC will observe twelve (12) holidays. An additional three (3) days of holiday entitlement will be accrued to employees' holiday comp balance at the rate of two hours per month with a maximum accrual of 24 hours.

Texas Tech University Health Sciences Center

Holiday Schedule for 2025

2024	DAY OF WEEK	HOLIDAY
September 2	Monday	Labor Day
November 28	Thursday	Thanksgiving Day
November 29	Friday	Thanksgiving Holiday
December 24	Tuesday	Winter Holiday (Christmas Eve)
December 25	Wednesday	Christmas Day
December 31	Tuesday	New Year's Eve
2025	DAY OF WEEK	HOLIDAY
January 1	Wednesday	New Year's Day
January 20	Monday	Martin Luther King, Jr. Day
March 21*	Friday	Spring Break
May 26	Monday	Memorial Day
June 19	Thursday	Emancipation Day
July 4	Friday	Independence Day Holiday

* Original FY25 Calendar approved at the May 2023 Board of Regents meeting, however, the Spring Break date was submitted incorrectly. Changing the date to March 21, 2025 to coincide with Correct Spring Break holiday week for TTU/TTUHSC.

TOTAL ALLOWABLE HOLIDAYS

12

Note:

State law provides for 17 state holidays. In FY 2025 two (2) fall on a weekend and cannot be substituted for other regular working days. The state will observe fifteen (15) holidays in FY 2025, which is two more than FY 2024. TTUHSC will observe twelve (12) holidays. An additional three (3) days of holiday entitlement will be accrued to employees' holiday comp balance at the rate of two hours per month with a maximum accrual of 24 hours.

Under the provisions of Article V of Senate Bill 5, 73rd Legislature, Regular Session, a state employee is entitled to observe optional holidays, such as Rosh Hashanah, Yom Kippur, Cesar Chavez Day and Good Friday. Since the university is closed on scheduled holidays, employees who wish to take an optional holiday will be required to use vacation leave or compensatory time.

w. <u>TTUHSC El Paso: Authorization to execute Revenue Cycle</u> <u>Management Services for the Medical Practice Income Plan</u> <u>("MPIP").</u>

Board approval required by: Section 07.12.3.a, Regents' Rules

The request is to authorize the president to approve Revenue Cycle Management Services agreements with Ceequence Americas LLC; Legacy US Health Resources LLC and Coronis Health LLC. This request has been approved administratively by the president and the chancellor and is recommended for approval by the Board of Regents.

TTUHSC EI Paso will contract with Ceequence Americas, LLC; Legacy US Health Resources, LLC and Coronis Health, LLC to provide Revenue Cycle Management Services effective September 1, 2024, or the date of last signature, whichever is later and expire two (2) years later, unless the Contract is earlier terminated pursuant to its terms. The Contract may renew for up to eight (8) additional one (1) year option terms, unless either Party provides written notice of its intent to not renew this Contract at least sixty (60) days prior to the end of the then-current term.

The estimated total of three contracts expense value will be \$2,100,000.00 annually.

BACKGROUND INFORMATION

A Formal Request for Proposal ("RFP") and subsequent activities were initiated for Revenue Cycle Management Services to include Accounts Receivable; Medical Coding/Charge Entry; Denial Management; Payment Posting and Patient Demographics and Registration.

Request for Proposal 774-179640700 was disseminated and posted as a formal bid on February 9, 2024 with bids due on March 14, 2024.

Original scoring by the application of predetermined scoring criteria resulted in the following ranking by five voting evaluation committee members: Ceequence Americas LLC; Cognizant RCM; Legacy US Health Resources, LLC; Athenahealth, Inc.; Coronis Health, LLC.

Presentations were conducted for the top five (5) firms selected from the original scoring on Friday, May 10, 2024. Scoring by the application of predetermined scoring criteria resulted in the following ranking by five (5) voting evaluation committee members: Legacy US Health Resources, LLC; Ceequence Americas, LLC; Athenahealth, Inc.; Coronis Health, LLC; Cognizant RCM.

Best and final offers were requested from Ceequence Americas, LLC; Legacy US Health Resources LLC.; AthenaHealth Inc.; and Coronis Health, LLC on Monday, May 20, 2024.

Recommendation for award was reviewed and approved on June 13, 2024.

Section 07.12.3.a., *Regents' Rules,* requires Board approval on contracts that involve a stated or implied consideration that totals in excess of \$1,000,000 over the term of the contract.

CONTENTS OF THE INFORMATION AGENDA

Section 01.02.7.d(4)(c), *Regents' Rules,* provides: "material required by a provision of the *Regents' Rules* to be furnished to the Board as information will be listed in the information agenda."

NOTE: The following are reports or other documents which, according to the *Regents' Rules* or state law, must be made available to the Board of Regents. As such, the reports below are on file in the Board Office, and their listing on the Information Agenda constitutes notice that they are available to Board members upon request.

INFORMATION AGENDA

Information is provided as required by Section 01.02.7.d(4)(c), *Regents' Rules*

NOTE: The following are reports or other documents which, according to the *Regents' Rules* or state law, must be made available to the Board of Regents. As such, the reports below are on file in the Board Office, and their listing on the Information Agenda constitutes notice that they are available to Board members upon request.

- (1) ASU, MSU, TTU, TTUHSC and TTUHSC El Paso: Summary of Revenues and Expenditures by Budget Category, FY 2024 (as of May 31, 2024), per Section 01.02.8.d(3)(g), Regents' Rules – All actual expenditures will be reviewed by the Finance and Investments Committee annually and provided as information. Financial reports for the most recently completed quarter for each of the component institutions are available at: https://www.texastech.edu/offices/cfo/board-financial-reports.php
- (2) TTUHSC and TTUHSC EI Paso: Contracts for ongoing and continuing health-related service relationships per Section

07.12.4.c, Regents' Rules – "The following are excepted from the requirements of Section 07.12.3.a and Section 07.12.3.b, Regents' Rules, "the board delegates to the presidents of health-related institutions the authority to approve the proposals and execute and sign contracts for health related services, as specified herein. This delegation is limited to contracts with entities for which the institution has an ongoing and continuing contractual relationship, to include: revenue contracts from which the institution receives payment for health related services; participation in health provider networks; resident or faculty support; and expense contracts with healthcare providers or suppliers necessary to fulfill the obligation to provide health related services as part of a revenue contract or new health related services contracts that involve a stated or implied consideration that total in excess of \$1,000,000 over the entire term of the contract but the per annum amount is less than \$1,000,000. Before such a contract may be executed, the president shall obtain the prior review of the TTU system Office of General Counsel and the TTU system vice chancellor and chief financial officer, or their designees. A list of health-related services contracts that have been executed under this delegation of authority since the previous regular board meeting shall be provided to the board as an information item at the next regular board meeting."

		TTUHSC			
Regents' Rules	s, 07.12.4.c				
Component	Vendor (Include Contract #)	Service or Goods to be Provided	Start Date	End Date	Extension/ Amendment
TTUHSC	(AMEND588851- 012) University Medical Center - UMC Lubbock	Amendment to Restate - 2024 - 2025 Master Coordinating Agreement	7/1/2024	6/30/2025	Amendment
TTUHSC	(AMEND3539220- 002) Hendrick Medical Center	Amendment to Services and Compensation - FY24-25 Onsite	3/1/2024	8/31/2025	Amendment

		Hospital Services-			
		Middleton Unit			
TTUHSC	(AMEND3539218- 002) Hendrick Medical Center	Amendment to Services and Compensation - FY24-25 Onsite Hospital Services- Robertson Unit	3/1/2024	8/31/2025	Amendment
TTUHSC	(AMEND3384179- 003) University Medical Center - UMC Lubbock	Amendment to Term and Staffing - Agreement for Services and Funding Support, Dept of ObGyn	7/1/2024	6/30/2025	Extension
TTUHSC	(AMEND3053511- 003) University Medical Center - UMC Lubbock	Amendment to Compensation - Residency Program Directors	9/1/2024	8/31/2025	Amendment
TTUHSC	(AMEND3053371- 007) University Medical Center - UMC Lubbock	Amendment to Compensation - Agreement for Medical Director Services	6/1/2024	6/30/2025	Amendment
TTUHSC	(AMEND3053371- 006) University Medical Center - UMC Lubbock	Amendment to Compensation - Agreement for Medical Director Services	4/1/2024	6/30/2025	Amendment
TTUHSC	(AMEND1592374- 019) University Medical Center - UMC Lubbock	Amendment to Compensation - Dr. Sly, Interventional Cardiology - Agreement for faculty support Department of Internal Medicine, Cardiology	5/1/2024	6/30/2025	Amendment
TTUHSC	(AMEND1592371- 011) University Medical Center - UMC Lubbock	Amendment to Compensation - Agreement for Faculty Support, Department of Orthopedics	6/30/202 4	8/31/2026	Amendment

		TTUHSC EI Pas	0		
Regents' Rules	s, 07.12.4.c				
Component	Vendor (Include Contract #)	Service or Goods to be Provided	Start Date	End Date	Extension/ Amendment
TTUHSC EP	(11020) Aetna Health Management	Managed Care	05/15/24	05/14/28	Extension
TTUHSC EP	(10839) Virence Health Technologies	EMR	09/01/22	08/31/27	Extension

(3) MSU, TTU, TTUHSC, and TTUHSC EI Paso: Contracts that involve a stated or implied consideration that total in excess of \$1,000,000 over the entire term of the contract but the per annum amount is less than \$1,000,000 per section 07.12.4 of the *Regents' Rules* – The following are excepted from the requirements of Section 07.12.3.a and 07.12.3 b, Regents' Rules, "the chancellor or president, or the chancellor or presidents designee, as appropriate, is delegated the authority to approve: (i) contracts that involve a stated or implied consideration that total in excess of \$1,000,000 over the entire term of the contract but the per annum amount is less than \$1,000,000; and (ii) any amendment, extension, or renewal of a contract originally approved by the chancellor or president, as appropriate, so long as the amendment, extension, or renewal does not cause the per annum amount of the contract to exceed \$1,000,000. This requirement is applicable to both cash and non-cash considerations. Information about such contracts or contract amendments, extensions, or renewals that are approved by the chancellor or a president under this delegation of authority shall be provided to the board as an information item at the next regular board meeting."

Regents Rules,	07.12.4	MSU: Appro	oved Purchasi	ng Contracts		
Component	Vendor (Include Contract #)	Service or Goods to be Provided	Start Date	End Date	New or Extension	Procurement Method
MSU	EAB Global C24145	Student Success Collaborative	12/31/2024	12/30/2029	Extension	Sole Source

Regents Rules,	07.12.4	TTU: Approv	ved Purchasin	g Contracts		
Component	Vendor (Include Contract #)	Service or Goods to be Provided	Start Date	End Date	New or Extension	Procurement Method
ττυ	(C22306) Miller Pro Audio, LLC DBA Eagle AVL	Event Services and Management	Execution	8 years after execution	New	RFP
ττυ	(CTBD) Thomas Automatic Fire Protection, LLC	Fire Suppression and Related Services	Execution	8 years after execution	New	RFP
TTU	(C22248) Clutch Productions	Event Services and Management	Execution	8 years after execution	New	RFP
ττυ	(C21024) Teamworks Innovation Inc	Athletics Software for NCAA Compliance	11/14/2023	08/31/2028	Extension	Sole Source
TTU	(C22094) Pyro Shows of Texas	Pyrotechnic Services	Execution	8 years after execution	New	RFP

ττυ	(C22162) Illumination Fireworks Partners, LP	Pyrotechnic Services	Execution	8 years after execution	New	RFP
ττυ	(C22133) Evident Scientific	Microscopes, Related Accessories, and Services	05/09/2024	12/31/31	New	Omnia Partners
ττυ	(C22221) Romeo Entertainment Group	Event Services and Management	Execution	8 years after execution	New	RFP
ττυ	(C22264) United Supermarkets, LLC	Grocery Products, Produce, and Services	Execution	8 years after execution	New	RFP
TTU	(C22261) Shamrock Foods	Grocery Products, Produce, and Services	Execution	8 years after execution	New	RFP
TTU	(C16035) Cayuse, LLC	Research Software Subscription	10/05/2020	10/04/2025	Extension	Sole Source
TTU	(C21912) OCLC, Inc.	OCLC Library Subscription Services	06/06/2024	06/05/2029	New	Sole Source

TTUHSC: Approved Purchasing Contracts Regents Rules, 07.12.4						
Component	Vendor (Include Contract #)	Service or Goods to be Provided	Start Date	End Date	New or Extension	Procurement Method
TTUHSC	(CON3575551) University Medical Center - UMC Lubbock	Lease - UMC Health & Wellness Hospital, (SUITE A3000)	4/1/2024	12/31/2028	New	Interlocal

TTUHSC El Paso: Approved Purchasing Contracts Regents Rules, 07.12.4						
Component	Vendor (Include Contract #)	Service or Goods to be Provided	Start Date	End Date	New or Extension	Procurement Method
TTUHSC EP	(CON3626533) Bidwell Anesthesia, PLLC	Anesthesiology	07/01/24	08/31/28	New	N/A Professional Services

TTUHSC EP	(CON3620814) Focal Point Radiology, PLLC	Radiology	11/01/24	10/31/28	New	N/A Professional Services
TTUHSC EP	(CON3618944) Margaret Negrete, DO, PLLC	Anesthesiology	06/01/24	05/31/28	New	N/A Professional Services
TTUHSC EP	(CON3614004) Elizabeth Navejas, MD, PLLC	Anesthesiology	07/01/24	06/30/28	New	N/A Professional Services
TTUHSC EP	(CON3612399) Noble Relief	Anesthesiology	06/01/24	05/31/28	New	N/A Professional Services
TTUHSC EP	(CON3610614) Douglas Lim, DO, PLLC	Anesthesiology	06/01/24	05/31/28	New	N/A Professional Services
TTUHSC EP	(CON3602964) The Hospitals of Providence	EROC Gastroenterology	04/02/24	10/01/26	New	N/A Professional Services
TTUHSC EP	(AMEND28167 78-018) Texas Health and Human Services Commission	Research	01/01/21	08/31/24	Extension	N/A Professional Services
TTUHSC EP	(AMEND32843 42-003) Miguel B. Samonte, Jr., MD PA	Anesthesiology	05/01/24	07/06/26	Extension	N/A Professional Services

(4) ASU, TTUHSC, and TTUHSC El Paso: Consulting contracts with an initial consideration of \$100,000 or less per Section 07.12.4.e.(1), Regents' Rules – <u>"(a) Board approval is not required, but</u> the vice chancellor and chief financial officer, in consultation with the chancellor, presidents, and chief financial officers of the institutions, shall review consulting

presidents, and chief financial officers of the institutions, shall review consulting contracts of \$100,000 or less prior to execution of the contract by the chancellor or president, as appropriate. (b) A report of the contract shall be provided as an Information Agenda item at the next board meeting."

	ASU				
Regents Rule	s, 07.12.4.e.(1)				
	Vendor	Consulting Service to be	Start	End	
Component	(Include Contract #)	Provided	Date	Date	
ASU	Ashley Tull C2400470	External reviewer for the Graduate Program in Educational Leadership	3/15/2024	7/31/2024	
ASU	Stephanie Jones C2400459	I-USE NSF Grant summative assessment of final year	7/1/24	8/30/24	

	ASU	Richard Ricard U2400159	External reviewer of the graduate professional school counseling program	6/1/2024	7/31/2024
Å	ASU	Austin Vasek C2400469	External reviewer for the Educational Leadership Graduate Program	6/1/2024	7/31/2024

	TTUHSC					
Regents Rules	Regents Rules, 07.12.4.e.(1)					
Component	Vendor (Include Contract #)	Consulting Service to be Provided	Start Date	End Date		
TTUHSC	(CON3622847) HPSA Acumen Inc	Consulting Services - HPSA Redesignation - SOM Amarillo	5/23/2024	10/30/2024		
TTUHSC	(CON3608794) Divurgent LLC	Consulting Services - Implementation Assistance for Epic w/ UMC Electronic Medical Record and Revenue Cycle Management Application	4/8/2024	8/31/2024		
TTUHSC	(CON3606248) HPSA Acumen Inc	Consulting Services - HPSA Redesignation	3/29/2024	9/30/2024		
TTUHSC	(CON3583473) HealthCare Appraisers Inc	Consulting Services - Fair Market Valuation / Commercial Valuation Services.	6/4/2024	9/30/2024		

	TTUHSC El Paso					
Regents Rule	s, 07.12.4.e.(1)					
Component	Vendor (Include Contract #)	Consulting Service to be Provided	Start Date	End Date		
TTUHSC EP	(11963) The Sheeder Firm	Primary Care Exception Rule	04/01/24	12/31/24		
TTUHSC EP	(11902) William Steinbach, MD	Pediatric Services	05/01/24	10/31/24		
TTUHSC EP	(11426) Baylor College of Medicine	CPRIT Research	03/21/23	02/28/29		

(5) TTU: Contracts for Sponsored Programs Projects per Section 07.12.4.b., *Regents' Rules* – <u>"The board delegates to the presidents the</u> authority to approve the proposals and execute and sign contracts for sponsored program projects in excess of \$1,000,000 per annum. Sponsored program projects are those grants, contracts, and cooperative agreements from either the public or private sectors that support research, instructional, and service projects. A list of such contracts for sponsored program projects in excess of \$1,000,000 per annum shall be provided to the board as an information item at the next regular board meeting."

TTU:

- (a) Ultra-wideband gap semiconductors for extrinsic photoconductive switching devices; Jingyu Lin, Professor, Center for Nanaphotonics, and Principal Investigator; United States Department of Energy; \$3,070,735.00 awarded
- (b) TTU Center for Early Head Start Consolidated Grant Application Year 1, 2024; Stephanie Shine, Professor, Human Develop & Family Studies, and

Principal Investigator; DHHS-Administration for Children and Families; \$1,590,801.00 awarded

- (c) Integrated Diagnostics for Interpretation of Doublet Heat-Sweep Efficiency; Smith Leggett, Professor, Petroleum Engineering, and Principal Investigator, United States Department of Energy/University of Utah; \$2,945,001.00 awarded
- (6) TTUS: Named Funds per Section 13.02.3.a, Regents' Rules <u>"The board delegates approvals to name endowments or other gift funds</u> <u>established through a private gift of less than \$5 million to the president of the</u> <u>benefitting institution, in consultation and cooperation with the chancellor and the</u> <u>VCIA. Notice shall be provided to the board of re-gents as part of the information</u> <u>agenda at the next board meeting."</u>
 - (a) Prior to the call to order of the August 8-9, 2024 board meeting, the vice chancellor for institutional advancement notified the board of regents of all named endowments and other gifts equaling \$100,000 or more given or pledged to the component universities via agreements executed between April 22, 2024, and July 21, 2024.
- (7) TTU: Gift related namings less than \$500,000.00 per Section 13.02.2.b(4), Regents' Rules – "Gifts of less than \$500,000.00 that meet the requirements outlined in this chapter [13] for naming of a facility, as defined herein, may be approved by the component institution president, in cooperation and coordination with the VCIA. The item will be placed as an information item at the next board meeting after the public announcement."
 - (a) Naming of ASB #102 in honor and recognition of the generous donations by Vicki Cooper and Michael Portnoy to the College of Arts & Sciences, for the benefit of scholarships within the college.
 - (b) Naming of the School of Veterinary Medicine Mobile Veterinary Unit, in honor and recognition of the generous gift from the Louise Bowers Slentz Foundation Inc., via the Amarillo Area Foundation.
- (8) TTU: Quasi-endowments that exceed \$250,000 per Section 01.02.8.d.(3)(k), *Regents' Rules* – "review and approval of all quasiendowments that exceed \$250,000."
 - (a) During the May 4 and 5, 2023 board meeting, in executive session, the board approved the establishment of a quasi-endowment from the proceeds of a solar farm lease with Orion Renewable Energy Group, LLC ("Orion"). The terms and uses for the endowment have been finalized and are summarized as follows for the board's reference:

Upon initiation of solar farm operation, annual lease revenue will be deposited as follows:

- 50% to the Quasi-Endowment for Agricultural Facilities, to be utilized at the discretion of the Dean for Davis College with approval from the Provost, with first priority and preference for facility needs within Davis College, and
- 50% into a quasi-endowment fund to be used for farm operations and agricultural research-related activities (including grant match

or cost-sharing) titled the Quasi-Endowment for Agricultural Operations and Research, to be utilized at the discretion of the Dean for Davis College, in consultation with the Vice President for Research and Innovation and Provost or their successor positions, and approval by the President, with first priority and preference for operations and research within Davis College.

The estimated revenue of the lease for the development years is \$50 per acre (1,062.83 acres x 50/acre = 53,141.50 per annum); and the estimated revenue of the lease for the operational years is \$900 per acre with a minimum acreage guarantee of 800 acres (800 acres x 900/acre = 720,000); both the development and operations rent increase annually by the lesser of 5% or the quotient of an amount equal to the Consumer Price Index – All Urban Consumers, South Urban.

The proposed lease will commence on the Effective Date, estimated to be June 1, 2024, and include an initial term of two (2) years for development and, at the option of Orion, thirty-five (35) years for solar farm operation, and will also include two additional 10-year renewal options.

(9) TTUHSC: Named funds per Section 13.02.3.c., *Regents' Rules*

— "Named chairs, professorships, deanships, or any other academic position must meet the minimum funding levels established by the benefitting component institution's operating policies and Chapter 06, *Regents' Rules*, and be ap-proved by the component president, in consultation and cooperation with the VCIA, with timely notice to the board of regents prior to its next regularly scheduled meeting be-fore the gift and related naming are publicly announced. The item will be placed as an information item at the next board meeting after the public announcement."

(a) TTUHSC has chosen to establish and codify its minimum levels for named chairs, professorships, deanships and other academic positions under Operating Policy 02.08, as listed below. Prior notice of the changes was provided to the board of regents prior to the August 2024 meeting.

Position	Amount
Endowed Chair	\$1.25 million School of Medicine
	\$1 million all other schools
Endowed professorships	\$750,000 School of Medicine
	\$500,000 all other schools
Endowed Deanships	\$2 million
Endowed faculty	\$250,000
development fund	

- (10) TTU: Exigent circumstances approval per Section 08.01.7.a, Regents' Rules – "If the chancellor, on the recommendation of the president, declares a major construction project to be an emergency or that exigent circumstances exist and it is not feasible or practical to convene a quorum of the board within the time in which action is needed, the board authorizes the chair of the board or the chair of the Facilities Committee to approve all necessary actions. Any emergency actions taken must be reported to the board at its next meeting."
 - (a) On June 13, 2024, Chairman Griffin and Facilities Committee Chair Womble granted an exigent circumstances approval, pursuant to Section 08.01.7.a, *Regents' Rules*, for emergency action and solicitation to select and contract with a design professional and contractor to remediate issues with the exterior façade for the TTU Education and Humanities Buildings. In advance of this action, all regents were provided information regarding the circumstances for the emergency action.
- (11) TTU: Report on the establishment of new centers and institutes per Section 04.11.2., Regents' Rules – "The establishment or substantive restructuring of a center, institute, or other academic unit or program not addressed in Section 04.11.1 herein shall be approved by the president, with notice provided to the board via an item in the Information Agenda for the next meeting of the board."
 - (a) K-12 teachers, especially those employed in rural areas, experience unique challenges in their professional contexts. Such challenges include but are not limited to developing and sustaining student- and community-focused programs, creating their own curriculum, utilizing emerging technologies, and acquiring new pedagogical practices, all with less access to professional development (PD) experiences as compared to their sub/urban colleagues. Further, research suggests that rural schools experience greater difficulties in recruiting and retaining teachers as well as keeping up with the newest educational technologies and best practices in Curriculum and Instruction. This new center, the Center for Advocacy in Teacher Leadership for Youth and Schools with Technology ("CATALYST"), would focus on the improvement of teachers' working conditions such as offering specific and situated teacher leadership development to be successful and supported in rural K-12 schools and districts. Given the dearth of research on rural teacher experiences, research and evaluation from the center could focus on rural teachers' experiences and their ongoing professional development. CATALYST would complement other campus and college efforts in supporting rural initiatives by focusing on educating, supporting, developing, and advocating for K-12 in-service teachers.

CATALYST activities will focus broadly on the present and future needs of rural teachers. The center will address the unique challenges faced by K-12 teachers in rural areas. It aims to improve and expand PD opportunities for rurally located K-12 educators. The CATALYST center will complement other campus and college efforts in supporting rural initiatives and K-12 students and teachers.

CATALYST will explicitly focus on revenue generating and sustaining grants, evaluation, and professional development in three foci:

- rural K-12 teacher leadership development
- emerging technology use by K-12 teachers
- best practices in rurally focused K-12 curriculum and instruction

The CATALYST Center will be housed in the College of Education and the director will be Dr. Rebecca Hite, Associate Professor in the Department of Curriculum and Instruction.

(b) The President has approved the establishment of the Center for Coupled Urban and Rural Environmental Sustainability ("CURES"); the vision of the Center for Coupled Urban and Rural Environmental Sustainability ("CURES") is to address the problems of underserved communities in rural and small urban areas through a multidisciplinary approach that unites sciences, engineering, social sciences, and humanities. The center advances knowledge and finds solutions in areas such as climate change, urbanization and land use change, missing or aging infrastructure and services, technoeconomic development in cities, and change of the underlying economic model, among others. Housing CURES at TTU offers researchers a unique perspective on the ways secondary or mid-sized cities are connected culturally, economically, and environmentally to our rural neighbors.

(12) TTU: Exigent circumstances approval by Section 01.02.1.b,

Regents' Rules – <u>"Section 109.001, Texas Education Code, states that the board "by rule may delegate a power or duty of the board to an officer, employee, or other agent of the board." When an emergency or exigent circumstances exist that cannot be adequately addressed through Section 07.04.4.a(2) relating to budget adjustments, Section 07.12.3.i relating to contracts, or Section 08.01.7 relating to major construction projects, the chair – or if the chair is not available within the time required for action, the vice chair may approve a proposal submitted by the chancellor, or the chancellor's designee, for an action that otherwise would require the approval of the board as a whole, with subsequent notification to the board as soon as practicable."</u>

(a) On June 28, 2024, Chairman Griffin granted an exigent circumstances approval, pursuant to Sections 01.02.1.b and 03.01.11.c Regents' Rules, for approval of a nepotism exception to hire Tara Archibald as TTU's Women's Softball Associate Head Coach. Tara is the daughter of the new TTU Head Softball Coach, Gerry Glasco. Tara Archibald will report directly to the Softball Sports Administrator, Deedee Brown Campbell. All regents were provided with information regarding the circumstances for the exigent circumstances action.

ATTACHMENTS

ATTACHMENT

MSU OP 06.17, Faculty Workload (Teaching Load Policy) with proposed revisions (ACS Item 3.)



University Operating Policy/Procedure (OP) OP 06.17: Faculty Workload (Teaching Load Policy)

Approval Authority:Board of RegentsPolicy Type:University Operating Policy and ProcedurePolicy Owner:PresidentResponsible Office:Provost and Vice President for Academic AffairsNext Scheduled Review:08/01/2025

I. Policy Statement

This Operating Policy/Procedure ("OP") establishes rules concerning faculty academic workloads at Midwestern State University ("MSU" or "University"), a component institution of the Texas Tech University ("TTU") System, including standard academic workload, adjustments to workload, and administrative responsibility and compliance,

II. Reason for Policy

The purpose of this OP is to establish rules for calculating the statutory workload of faculty to comply with <u>Sections 51.402 and 51.403</u> of the *Texas Education Code* and with <u>TTU System *Regents' Rules* 04.06</u>. This OP is a mechanism for ensuring that each faculty member meets the statutory teaching load minimum.

III. Application of Policy

The policy applies to faculty as defined in OP 06.01: Faculty and OP 06.24: Academic lecturers, as well as administrators with part-time faculty assignment as defined by OP 06.22: Administrators with Faculty Appointment.

IV. Definitions of Types of Instruction

For purposes of this OP:

Clinical: Practical, applied student work on or off campus in a health-related facility under the supervision of a faculty member or a health practitioner and regular consultation with a faculty member.

Direction of a Music Ensemble: Applied music lesson for a group of students.

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Direction of a Play: Rehearsal and production of a play.

Exhibition: Direction and supervision of the mounting of an art exhibition.

Independent Study: Individual student scholarship with faculty guidance.

Internship & Practicum: Practical, applied student work on campus under the supervision of a faculty member or off campus under the supervision of a professional in the student's field and regular consultation with a faculty member.

Laboratory: Practical, applied student work in an appropriate university facility under the supervision of a faculty member.

Lecture: Traditional method, on-ground or via distance education

Practice: Informal practical applied student work. Usually, these are activities in which students would participate even if no credit was given because of their degree program or a special commitment.

Private Lesson: Applied music lesson for an individual student.

Seminar: Highly interactive course delivery to a small class, on-ground or via distance education.

Studio: Practical, applied student work in a university art studio under the supervision of a faculty member.

Student Teaching: Practical, applied student work in a school setting under the supervision of a teacher and regular consultation with a faculty member.

Thesis Direction: Guidance of a master thesis and chairing the thesis committee.

V. Procedures and Responsibilities

A. <u>Relation of Faculty Academic Workload Requirements to the University's Role and</u> <u>Scope</u>

Midwestern State University is a regional public university committed to providing students with rigorous undergraduate and graduate education in the liberal arts and the professions. Through an emphasis upon teaching, augmented by the opportunity for students to engage in research and creative activities alongside faculty and to participate in co-curricular and service programs, Midwestern State University prepares its graduates to embark upon their careers or pursue advanced study. The University serves primarily as an instructional institution, and the standard academic workload assignment reflects this emphasis on classroom and related instruction.

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B. Standard Academic Workload

The standard academic workload for faculty members at Midwestern State University who are paid full-time from the appropriations item "Faculty Salaries" shall be four lecture courses or the equivalent of twelve semester credit hours of instruction each long semester. Variation in the twelve-hour academic workload occurs at the discretion of the President of the University, dependent on other academic responsibilities assigned to faculty members. The minimum academic workload for faculty members at Midwestern State University who are paid full-time from "Faculty Salaries" shall be three lecture classes or the equivalent of nine semester credit hours of instruction in organized classes each long semester.

C. Adjustments to Standard Academic Workload

Adjustments to the standard faculty academic workload may be made as follows. If several categories coincide, only the largest reduction will be applied. Exceptions to the following general guidelines should be defined within college and department load calculation procedures, and these procedures should be kept on file within the office of the Department Chair and Dean.

- 1. Lecture, seminar: The load is equivalent to student credit hours.
- 2. Faculty teaching non-dual-listed graduate courses during a regular semester may receive as many hours of release time as they are assigned to the graduate course(s) they are teaching, up to three credit hours. No such release is granted during the summer.
- 3. Laboratory: The load is half that of weekly contact hours except for upper-level science laboratories, where the load is equivalent to weekly contact hours.
- 4. The load in studio courses with a credit designation of "3 (2-4)" is four hours in a long semester and three hours in a summer term.
- 5. Undergraduate Internship and Practicum: The load is figured by multiplying student credit hours by the number of students and dividing the product by 12.
- 6. Graduate Internship and Practicum: The load is calculated by multiplying student credit hours by the number of students and dividing the product by six.
- 7. Student Teaching Supervision: The load is figured by dividing the number of students by two. Overload and part-time have a set amount of remuneration.
- 8. Clinical: The load is half that of weekly contact hours except for Dental Hygiene clinicals, where adjunct faculty are paid a set sum for each four-hour clinical session.
- 9. Practice: There is no load credit.
- 10. Exhibition: The load is four hours.

- 11. Independent Study: The load does not count into a faculty member's teaching load.
- 12. Thesis Direction: The load does not count into a faculty member's teaching load. Faculty members receive an amount equivalent to remuneration for three hours overload after seven theses have been completed under their direction and successfully defended. Chairs and the Dean of the Graduate School will monitor theses completed under the direction of each department faculty member.
- 13. Private Lesson: The load is figured by multiplying each half weekly contact hour by 0.3. Overload and part time have a set amount of remuneration.
- 14. Direction of Music Ensemble: The load is figured by dividing the number of weekly contact hours by 1.5.
- 15. Direction of a Play: The load is three hours.
- D. Exceptions to the Standard Academic Workload

Faculty may receive reduced teaching loads for cogent and well documented reasons. Usually, the provost and vice president for academic affairs will not allow more than six hours of release time a semester.

- 1. Exceptions to the standard academic workload may be made as follows with written approval through administrative channels.
 - a. A reduced teaching load may be granted for a faculty member with an administrative assignment, such as coordinator of special programs or multi-section courses.
 - b. A reduced teaching load may be granted temporarily if classes do not materialize and when additional classes cannot be assigned to the faculty member. This exception may not be granted for more than two consecutive long semesters for any faculty member. A faculty member granted a reduced teaching load under this provision may be assigned a corresponding increase in teaching load during a subsequent long semester.
 - c. A reduced teaching load may be granted where a faculty member has taught a load in excess of the standard requirements during the previous long semester. Such reduction in teaching load shall not exceed the previous overload taught by the faculty member.
 - d. A reduced teaching load may be granted for substantial academic advising responsibilities or for significant temporary academic administrative responsibilities relating to the institution as a whole.
 - e. A faculty member may work under an 11-month contract, in which summer load is included in the overall workload.
- 2. None of the above adjustments or exceptions to the standard academic workload are applicable to the minimum teaching load.

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- E. Administrative Release and Administrators with Part-Time Faculty Assignment
 - 1. Administrative Release

Reduced teaching loads for academically related responsibilities may be recommended by the department chair and approved by the dean contingent on the consent of the provost and vice president for academic affairs. Load credit is applied as follows:

- a. Academic Department Chair: Up to three hours a semester.
- b. Graduate Coordinator: Between zero and three hours a semester.
- c. Chair of the Faculty Senate: Three hours a semester.
- d. Faculty Athletic Representative: Three hours a year.
- 2. Administrators with part-time faculty assignment

Administrative officers who are paid partially from the line item appropriation "Faculty Salaries" may be assigned a prorated teaching load based on the minimum load of nine semester credit hours of undergraduate instruction for a full-time teaching assignment. The salaries for such employees paid form "Faculty Salaries" shall be prorated on the basis of their teaching load. The standard load of Academic Deans is 9 hours an academic year (15 hours release time for administrative responsibilities).

Salaries for administrative duties performed by administrative officers above the rank of Department Chair will not be paid from "Faculty Salaries" appropriations.

F. Administrative Responsibility for Monitoring Compliance

Administrative responsibility for monitoring compliance with these faculty academic workload rules and regulations is as follows:

- 1. The primary responsibility and accountability for scheduling the academic workload for faculty members, assuring an equitable and effective distribution of teaching assignments, and assuring individual compliance with institutional rules at Midwestern State University rests with the Department Chair.
- 2. Faculty assignments will be reviewed and approved by the Dean of the College at the time faculty teaching assignments are made by the Department Chair. The minimum teaching load may be scheduled by the Department Chair only upon the recommendation of the Dean of the College and approval of the Provost and Vice President for Student Affairs and the President of the University.
- 3. The Dean of the College shall be responsible for determining that the proportion of time devoted to instructional activity is the same as the proportion of salary received from faculty salaries. This determination shall be based upon the teaching load requirements authorized under the Faculty Workload (Teaching Load Policy).

- 4. The Provost and Vice President of Academic Affairs is responsible for reviewing the college and departmental teaching loads and related academic assignments and monitoring compliance.
- 5. The Provost and Vice President of Academic Affairs will prepare a report to the President of the University each semester regarding compliance with the institutional rules and regulations, which will include copies of any forms Midwestern State University may develop for reporting individual faculty academic workloads.
- 6. The President of the University will forward such reports as may be required to the Board of Regents, the Texas Tech University System, and the Texas Higher Education Coordinating Board. These reports will provide the means for demonstration of the University's accountability in faculty academic workload assignments.

VI. Responsible Office

Contact:Provost and Vice President for Academic AffairsPhone:(940) 397 - 4226E-mail:provostoffice@msutexas.edu

VII. Revision History

- 11/10/1989: As part of a thorough review of the University's Policies and Procedures Manual, Policy 2.449 Faculty Workload (Teaching Load Policy) revised by deleting the specific reduced teaching loads for each division to provide for more administrative freedom in making this determination each year, renumbered 3.127, and adopted and approved by the MSU Board of Regents.
- 05/10/1991: Revised by adding Radiologic Science modular format course workload requirements and adopted and approved by the MSU Board of Regents.
- 11/08/1991: Revised by striking the word "exclusively" from the second paragraph of the policy ("The standard teaching load for full-time faculty is twenty-four hours per academic year with the exception of those teaching two or more graduate courses. Nine hours per semester should constitute a full load for faculty teaching one or more exclusively graduate courses per semester.").
- 05/08/1992: Revised by clarifying the standard teaching load for full-time faculty is twelve hours per each regular semester ("The standard teaching load for full-time faculty is twenty-four twelve hours per academic year each regular semester with the exception of those teaching two or more graduate courses. Nine hours per semester should constitute a full load for faculty teaching one or more graduate courses per semester."); eliminating teaching load provisions related to the Speech and Hearing Clinic and Radiologic Technology; and adding that the faculty advisor for the Wichitan (student newspaper) will receive six hours of teaching load credit.

- 2/12/1993: Revised by adding the following to subsection B of the section concerning Determination of Teaching Load: "For junior and senior level natural science laboratories, one hour of laboratory per week equals one hour teaching load."
- 05/14/1993: Revised the policy's second paragraph as follows: "The standard teaching load for full-time faculty is twelve hours per <u>each regular semester</u> with the exception of those teaching two or more graduate courses. Nine hours per semester should will constitute a full load for faculty teaching one or more graduate courses per semester."
- 05/12/1995: Revised subsection O of the section concerning Determining Teaching Load as follows: "Radiologic Science modular format course: Twelve <u>Thirty</u> enrollments in three credit hour courses constitutes three hours of load credit. Students enrolled but under an incomplete status (I) do not count toward load credit."
- 05/09/1997: Revised the policy's second paragraph as follows: "The standard teaching load for full-time faculty is twelve hours per each regular semester [with the exception of those teaching two or more graduate courses]. Nine hours per semester will constitute a full load for faculty teaching one or more graduate courses per semester. Graduate faculty may apply for a modified teaching load of up to three hours reduction with approval of the division director and Vice President for Academic Affairs."
- 08/08/1997: Revised to better relate workload to teaching load and appropriately recognize the increased workload of the graduate faculty; and to clearly state policy and reflect change in thesis and telecommunications-base course loads.
- 11/09/2001: Revised by adding Statement I:

"It is the responsibility of the appropriate program chair and the dean to properly oversee the number of overload courses taught by each individual faculty member. The program chair and the dean of the college will approve all such overload contracts. The program chair and the dean will address such issues in order to protect the faculty from assuming or being assigned internal and/or external responsibilities which might encroach upon the quality of their work as faculty members."

- 02/15/2008: Revised to include information regarding psychology practicum courses.
- 08/08/2008: Revised by deleting the following sentences: "Head coaches will teach two courses a semester. Assistant coaches will teach three courses a semester.
- 11/06/2009: Revised the list of teaching load reductions to satisfy the National Association of Schools of Theatre's standard that policies concerning loads should be clearly developed and published with regard to the variety of educational, artistic, and administrative duties undertaken by theatre

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faculty. Revision of the Independent Study load determination reflects a change in the colleges' budget alignment.

- 08/05/2021: Renumbered, effective September 1, 2021 (when MSU became a component institution of the TTU System, by the MSU Board of Regents as Operating Policy/Procedure (OP) 06.07 Faculty Workload (Teaching Load Policy).
- /_/2024: Revised to comply with Texas Tech University System *Regents' Rules* 04.06 (Academic workload – general academic institutions). Adopted and approved by MSU President Stacia Haynie on June 13, 2024 and the Texas Tech University System Board of Regents on _____.

[Changes As Posted for Campus Review April 18 – May 9, 2024]

University Operating Policy/Procedure (OP) OP 06.17: Faculty Workload (Teaching Load Policy)

Approval Authority:	President Board of Regents
Policy Type:	University Operating Policy and Procedure
Policy Owner:	Provost and Vice President for Academic Affairs
Responsible Office:	Provost and Vice President for Academic Affairs
Next Scheduled Review:	08/01/202 <mark>25</mark>

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B. Standard Academic Workload

The standard academic workload for faculty members at Midwestern State University who are paid full-time from the appropriations item "Faculty Salaries" shall be four lecture courses or the equivalent of twelve semester credit hours of instruction each

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long semester. Variation in the twelve-hour academic workload occurs at the discretion of the President of the University, dependent on other academic responsibilities assigned to faculty members. The minimum academic workload for faculty members at Midwestern State University who are paid full-time from "Faculty Salaries" shall be three lecture classes or the equivalent of nine semester credit hours of instruction in organized classes each long semester.

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- <u>3.</u> <u>Laboratory: The</u> load is half that of weekly contact hours <u>except for</u> upper-level science laboratories, where the load is equivalent to weekly contact hours.
- <u>4.</u> The load in studio courses with a credit designation of "3 (2-4)" is four hours in a long semester and three hours in a summer term.
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theses completed under the direction of each department faculty member.

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 - b. <u>A reduced teaching load may be granted temporarily if classes do not</u> materialize and when additional classes cannot be assigned to the faculty member. This exception may not be granted for more than two consecutive long semesters for any faculty member. A faculty member granted a reduced teaching load under this provision may be assigned a corresponding increase in teaching load during a subsequent long semester.
 - c. <u>A reduced teaching load may be granted where a faculty member has taught a load in excess of the standard requirements during the previous long semester.</u> Such reduction in teaching load shall not exceed the previous overload taught by the faculty member.
 - d. <u>A reduced teaching load may be granted for substantial academic advising</u> responsibilities or for significant temporary academic administrative responsibilities relating to the institution as a whole.
 - e. <u>A faculty member may work under an 11-month contract, in which summer</u> load is included in the overall workload.
- 2. None of the above adjustments or exceptions to the standard academic workload are applicable to the minimum teaching load.
- E. Administrative Release and Administrators with Part-Time Faculty Assignment
 - <u>1.</u> <u>Administrative Release</u>

Reduced teaching loads for academically related responsibilities may be recommended by the department chair and approved by the dean contingent on the consent of the provost and vice president for academic affairs. Load credit is applied as follows:

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Administrative responsibility for monitoring compliance with these faculty academic workload rules and regulations is as follows:

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- 2. Faculty assignments will be reviewed and approved by the Dean of the College at the time faculty teaching assignments are made by the Department Chair. The minimum teaching load may be scheduled by the Department Chair only upon the recommendation of the Dean of the College and approval of the Provost and Vice President for Student Affairs and the President of the University.
- 3. The Dean of the College shall be responsible for determining that the proportion of time devoted to instructional activity is the same as the proportion of salary received from faculty salaries. This determination shall be based upon the teaching load requirements authorized under the Faculty Workload (Teaching Load Policy).
- <u>4.</u> The Provost and Vice President of Academic Affairs is responsible for reviewing the college and departmental teaching loads and related academic assignments and monitoring compliance.
- 5. The Provost and Vice President of Academic Affairs will prepare a report to the President of the University each semester regarding compliance with the institutional rules and regulations, which will include copies of any forms

Midwestern State University may develop for reporting individual faculty academic workloads.

6. The President of the University will forward such reports as may be required to the Board of Regents, the Texas Tech University System, and the Texas Higher Education Coordinating Board. These reports will provide the means for demonstration of the University's accountability in faculty academic workload assignments.

[Note the following former provision is now in section F.1 above: It is the responsibility of the appropriate department chair and the dean properly to oversee the number of overload courses taught by each faculty member.]

VI. <u>Responsible Office</u>

Contact:Provost and Vice President for Academic AffairsPhone:(940) 397 – 4226E-mail:provostoffice@msutexas.edu

VII. Revision History

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- 11/09/2001: <u>Revised by adding Statement I:</u>

"It is the responsibility of the appropriate program chair and the dean to properly oversee the number of overload courses taught by each individual faculty member. The program chair and the dean of the college will approve all such overload contracts. The program chair and the dean will address such issues in order to protect the faculty from assuming or being assigned internal and/or external responsibilities which might encroach upon the quality of their work as faculty members."

- 02/15/2008: <u>Revised to include information regarding psychology practicum courses.</u>
- 08/08/2008: <u>Revised by deleting the following sentences: "Head coaches will teach two courses a semester. Assistant coaches will teach three courses a semester.</u>
- 11/06/2009: Revised the list of teaching load reductions to satisfy the National Association of Schools of Theatre's standard that policies concerning loads should be clearly developed and published with regard to the variety of educational, artistic, and administrative duties undertaken by theatre faculty. Revision of the Independent Study load determination reflects a change in the colleges' budget alignment.
- 08/05/2021: Renumbered, effective September 1, 2021 (when MSU becomes a component institution of the TTU System, by the MSU Board of Regents as Operating Policy/Procedure (OP) 06.07 Faculty Workload (Teaching Load Policy).
- / /2024: <u>Revised to comply with Texas Tech University System Regents' Rules 04.06.</u> Adopted and approved by MSU President Stacia Haynie on

OP 06.17

and the Texas Tech University System Board of Regents on

_____•

Stacia Haynie, President Midwestern State University

Date Signed:

ATTACHMENT



TTUS Twenty-First Supplemental Resolution to the Master Resolution (Finance Item 5.)

REVISED 8-2-2024

Adopted: 08/08/24

TWENTY-FIRST SUPPLEMENTAL RESOLUTION TO THE MASTER RESOLUTION AUTHORIZING THE ISSUANCE, SALE, AND DELIVERY OF BOARD OF REGENTS OF TEXAS TECH UNIVERSITY SYSTEM REVENUE FINANCING SYSTEM REFUNDING AND IMPROVEMENT BONDS, AND APPROVING AND AUTHORIZING INSTRUMENTS AND PROCEDURES RELATING THERETO

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TWENTY-FIRST SUPPLEMENTAL RESOLUTION TO THE MASTER RESOLUTION AUTHORIZING THE ISSUANCE, SALE, AND DELIVERY OF BOARD OF REGENTS OF TEXAS TECH UNIVERSITY SYSTEM REVENUE FINANCING SYSTEM REFUNDING AND IMPROVEMENT BONDS, AND APPROVING AND AUTHORIZING INSTRUMENTS AND PROCEDURES RELATING THERETO

WHEREAS, on October 21, 1993, the Board of Regents of Texas Tech University (now known as the Board of Regents of Texas Tech University System, and herein referred to either as the "Board" or the "Issuer"), acting separately and independently for and on behalf of Texas Tech University ("TTU") and Texas Tech University Health Sciences Center (the "Health Sciences Center"), adopted a resolution establishing the "Revenue Financing System," which resolution, together with the resolutions adopted on November 8, 1996 and on August 22, 1997, is referred to herein as the "Master Resolution;" and

WHEREAS, unless otherwise defined herein, terms used herein shall have the meaning given in the Master Resolution; and

WHEREAS, the Master Resolution establishes the Revenue Financing System comprised of each institution and agency currently in the Texas Tech University System, and pledges the Pledged Revenues attributable to each participant of the Revenue Financing System to the payment of Parity Obligations to be outstanding under the Master Resolution; and

WHEREAS, the Board has previously adopted the First through Twentieth Supplemental Resolutions to the Master Resolution authorizing Parity Obligations thereunder and other permitted changes to the Master Resolution; and

WHEREAS, the Board reserved the right under the terms of the Master Resolution to issue additional obligations on a parity with the outstanding Parity Obligations; and

WHEREAS, the Board hereby determines that it is in the best interest of the participants in the Revenue Financing System to (i) refund certain of its previously issued and outstanding commercial paper notes (the "Refunded Commercial Paper Notes") in order to convert interim financing into long-term financing; (ii) refund all or certain of the outstanding debt obligations listed in <u>Schedule I</u> hereto (the "Refundable Obligations") for authorized purposes; (iii) finance or refinance the cost of facilities and improvements for the participants in the Revenue Financing System; and (iv) pay the costs of issuance relating to such Parity Obligations; and

WHEREAS, the bonds authorized to be issued by this Supplemental Resolution are to be issued and delivered pursuant to Chapter 55, Texas Education Code, as amended, Chapter 1207, Texas Government Code, as amended, Chapter 1371, Texas Government Code, as amended and other applicable laws;

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF REGENTS OF TEXAS TECH UNIVERSITY SYSTEM THAT:

Section 1. DEFINITIONS. In addition to the definitions set forth in the preamble of this Twenty-First Supplement, the terms used in this Twenty-First Supplement (except in the FORM OF BONDS) and not otherwise defined shall have the meanings given in the Master Resolution or in <u>Exhibit A</u> to this Twenty-First Supplement attached hereto and made a part hereof.

Section 2. AUTHORIZATION, PURPOSE, AND AMOUNT OF THE BONDS.

(a) *Purpose; Designation; Maximum Amount.* The "BOARD OF REGENTS OF TEXAS TECH UNIVERSITY SYSTEM REVENUE FINANCING SYSTEM REFUNDING AND IMPROVEMENT BONDS" are hereby authorized to be issued, from time to time, in one or more series or subseries, as further designated by series, indices, year of issuance, lien priority, time of issuance, sale method, federal tax treatment, transaction structure, and method of calculating interest, for the purpose of (i) acquiring, purchasing, constructing, improving, renovating, enlarging or equipping property, buildings, structures, facilities, roads, or related infrastructure for TTUS or any of its component institutions, (ii) refunding the Refunded Obligations, (iii) refunding the Refunded Commercial Paper Notes, and (iv) paying the costs related thereto. The title of the Bonds may also be revised by the Pricing Officer as reflected in the applicable Pricing Certificate. The combined principal amount of all Bonds issued pursuant to this Twenty-First Supplement shall not exceed \$550,000,000.

(b) New Money Authorization. The Bonds authorized for the purposes described in clause (i) of subsection (a) of this Section are being issued by the Board under authority of Chapter 55, particularly Section 55.13 thereof, and Chapter 1371. The Pricing Officer shall execute a certificate providing such documentation as may be required by the Public Finance Division of the Office of the Attorney General to (i) describe the specific projects for which the Bonds are being issued, and (ii) evidence the approval, if any, required to be obtained from the Texas Higher Education Coordinating Board for the projects to be financed with the proceeds of the Bonds. Any projects authorized by law for TTUS or any of its component institutions may be financed with the proceeds of the Bonds.

(c) *Refunding Bonds Authorization*. The Bonds authorized for the purposes described in clause (ii) of subsection (a) of this Section are being issued by the Board under authority of Chapter 55, particularly Sections 55.19 and 55.17893 thereof, Chapter 1371, and Chapter 1207.

(d) *Refunding of Commercial Paper Notes.* The Bonds hereby authorized to be issued for the purposes of refunding the Refunded Commercial Paper Notes are being issued to convert interim financing into long-term financing, as contemplated by the Board in the operation of the interim financing program as provided for in the Fifth Supplement, which constitutes a public purpose. The manner in which the refunding of the Refunded Commercial Paper Notes is being accomplished by the Board does not make it practicable to make the determinations required by Section 1207.008, Texas Government Code, as amended. The Refunded Commercial Paper Notes shall be those Outstanding Commercial Paper Notes designated by the Pricing Officer to be refunded and retired with a portion of the proceeds of the Bonds.

Section 3. TERMS OF BONDS; PRICING OFFICER; PARAMETERS.

(a) *Terms of Bonds.* Initially there shall be issued, sold, and delivered hereunder fully registered bonds, without interest coupons, numbered consecutively from R-l upward, payable to the respective initial registered owners thereof, or to the registered assignee or assignees of such bonds or any portion or portions thereof (in each case, the "Registered Owner"), in the denomination selected by the Pricing Officer (an "Authorized Denomination"), maturing not later than the date specified in Section 3(d) below, serially or otherwise on the dates, in the years and in the principal amounts, respectively, and dated, all as determined in the manner provided below.

(b) *Delegation to Pricing Officer*. As authorized by Chapter 1371 and/or Chapter 1207 and subject to the parameters set forth in Section 3(d) below, the Pricing Officer is hereby

authorized, appointed and designated to act on behalf of the Board in selling and delivering, in one or more series or subseries, taxable or tax-exempt, the Bonds and carrying out the procedures specified in this Twenty-First Supplement, including determining:

(i) the date for issuance and sale, and the dated date, of each series of Bonds;

(ii) the selection of the specific maturities or series (whole or part) of the Refunded Obligations to be refunded, as well as the principal amount of any Commercial Paper Notes to be refunded;

(iii) the name and any special or additional series designation for the Bonds;

(iv) the principal amount of each series of Bonds to be sold (subject to the limitations set forth in Section 2(a)), as well as the principal amount of each stated maturity within a series of Bonds;

(v) the price at which the Bonds shall be sold, including generation and use of reoffering premium and/or discount, determination of purchasers' compensation (if any), and applicable costs of issuance;

(vi) the principal amortization schedule for the Bonds (including, without limitation, the designation of any of the maturities of the Bonds as term bonds and any amortization installments to be deposited to the applicable interest and sinking fund relating to any term bond so designated);

(vii) the redemption features of the Bonds;

(viii) the rate or rates of interest, convention (whether fixed, variable, or a combination thereof), and indices, as applicable, to be borne by the Bonds;

(ix) the transaction structure associated with each series of Bonds, including the time of delivery of the proceeds and any unique characteristics associated therewith;

(x) whether to acquire a municipal bond insurance policy in support of all or any portion of the Bonds; and

(xi) any other matters relating to the issuance, sale and delivery of the Bonds; all of which shall be specified in one or more Pricing Certificates executed by the Pricing Officer.

(c) Effect of Determination Made by Pricing Officer; Expiration of Delegation. Any finding or determination made by the Pricing Officer, acting under the authority granted by this Twenty-First Supplement, in a Pricing Certificate shall have the same force and effect as if made by the Board. The authority hereby granted by the Board to the Pricing Officer shall expire if not exercised by the Pricing Officer within 365 days of the date of adoption of this Twenty-First Supplement (though the closing of a particular series of Bonds sold in accordance with this provision may occur after 365 days so long as such closing period is determined by a Pricing Officer to be of reasonable duration). The Pricing Officer may exercise such delegation on more than one occasion during such time period.

(d) *Parameters for Pricing*. The Pricing Officer may exercise any authority granted under Chapter 1207 and/or Chapter 1371 to effect the issuance of the Bonds, so long as on the date that each applicable Pricing Certificate is executed:

(i) the aggregate net present value savings, calculated in accordance with GASB Statement No. 7, realized as a result of a current refunding of the principal amount of the Refunded Obligations by the Bonds being issued at that time shall not be less than one percent (1.00%);

(ii) the aggregate net present value savings, calculated in accordance with GASB Statement No. 7, realized as a result of an advance refunding of the principal amount of the Refunded Obligations by the Bonds being issued at that time shall not be less than three percent (3.00%);

(iii) the maximum maturity of any series of Bonds issued hereunder shall not exceed February 15, 2064;

(iv) the price to be paid for the Bonds shall not be less than 95% of the aggregate principal amount thereof; and

(v) none of the Bonds shall bear interest at a rate greater than the highest rate permitted by applicable law.

(e) In General. The Bonds (i) may and shall be redeemed prior to the respective scheduled maturity dates, (ii) may be assigned and transferred, (iii) may be exchanged for other Bonds, (iv) shall have the characteristics, and (v) shall be signed and sealed, and the principal of and interest on the Bonds shall be payable, all as provided, and in the manner required or indicated, in the FORM OF BONDS, with such changes and additions as are necessary to conform the FORM OF BONDS to the terms of the sale of the Bonds set forth in the applicable Pricing Certificate. The final FORM OF BOND applicable to any issuance of Bonds shall be approved by the Pricing Officer and attached to the applicable Pricing Certificate.

Section 4. INTEREST. The Bonds shall bear interest calculated on the basis of a 360-day year composed of twelve 30-day months from the dates specified in the FORM OF BONDS to their respective dates of maturity at the rates approved by the Pricing Officer.

Section 5. REGISTRATION, TRANSFER AND EXCHANGE; AUTHENTICATION; BOOK-ENTRY ONLY SYSTEM.

(a) *Paying Agent/Registrar*. The Pricing Officer is directed to select, on behalf of the Board, the Paying Agent/Registrar for the Bonds. The Pricing Officer is authorized to enter into and carry out a Paying Agent/Registrar Agreement with the Paying Agent/Registrar with respect to the Bonds in substantially the form presented at this meeting and attached hereto as <u>Exhibit D</u>.

(b) *Registration Books.* The Issuer shall keep or cause to be kept at the corporate trust office designated in the Paying Agent/Registrar Agreement (the "Designated Trust Office") books or records for the registration of the transfer, exchange, and replacement of the Bonds (the "Registration Books"), and the Issuer hereby appoints the Paying Agent/Registrar as its registrar and transfer agent to keep such books or records and make such registrations of transfers, exchanges, and replacements under such reasonable regulations as the Issuer and the Paying

Agent/Registrar may prescribe; and the Paying Agent/Registrar shall make such registrations, transfers, exchanges, and replacements as herein provided. The Paying Agent/Registrar shall obtain and record in the Registration Books the address of the registered owner of each Bond to which payments with respect to the Bonds shall be mailed, as herein provided; but it shall be the duty of each registered owner to notify the Paying Agent/Registrar in writing of the address to which payments shall be mailed, and such interest payments shall not be mailed unless such notice has been given. The Issuer shall have the right to inspect the Registration Books at the Designated Trust Office of the Paying Agent/Registrar during regular business hours, but otherwise the Paying Agent/Registrar shall keep the Registration Books confidential and, unless otherwise required by law, shall not permit their inspection by any other entity.

(c) *Ownership of Bonds*. The entity in whose name any Bond shall be registered in the Registration Books at any time shall be deemed and treated as the absolute owner thereof for all purposes of this Twenty-First Supplement, whether or not such Bond shall be overdue, and, to the extent permitted by law, the Issuer and the Paying Agent/Registrar shall not be affected by any notice to the contrary; and payment of or on account of, the principal of, premium, if any, and interest on any such Bond shall be made only to such registered owner. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

(d) *Payment of Bonds and Interest.* The Paying Agent/Registrar shall further act as the paying agent for paying the principal of, premium, if any, and interest on the Bonds, all as provided in this Twenty-First Supplement. The Paying Agent/Registrar shall keep proper records of all payments made by the Issuer and the Paying Agent/Registrar with respect to the Bonds.

(e) *Authentication.* The Bonds initially issued and delivered pursuant to this Twenty-First Supplement shall be authenticated by the Paying Agent/Registrar by execution of the Paying Agent/Registrar's Authentication Certificate (the "Authentication Certificate") unless they have been approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas, and on each substitute Bond issued in exchange for any Bond or Bonds issued under this Twenty-First Supplement the Paying Agent/Registrar shall execute the Authentication Certificate. The Authentication Certificate shall be in the form set forth in the FORM OF BONDS.

Transfer, Exchange, or Replacement. Each Bond issued and delivered pursuant to (f)this Twenty-First Supplement, to the extent of the unpaid or unredeemed principal amount thereof, may, upon surrender of such Bond at the Designated Trust Office of the Paying Agent/Registrar, together with a written request therefor duly executed by the registered owner or the assignee or assignees thereof, or its or their duly authorized attorneys or representatives, with guarantee of signatures satisfactory to the Paying Agent/Registrar, may, at the option of the registered owner or such assignee or assignees, as appropriate, be exchanged for fully registered bonds, without interest coupons, in the appropriate form prescribed in the FORM OF BONDS, in any Authorized Denomination (subject to the requirement hereinafter stated that each substitute Bond shall be of the same series and have a single stated maturity date), as requested in writing by such registered owner or such assignee or assignees, in an aggregate principal amount equal to the unpaid or unredeemed principal amount of any Bond or Bonds so surrendered, and payable to the appropriate registered owner, assignee, or assignees, as the case may be. If a portion of any Bond shall be redeemed prior to its scheduled maturity as provided herein, a substitute Bond or Bonds having the same series designation and maturity date, bearing interest at the same rate, and payable in the same manner, in Authorized Denominations at the request of the registered owner, and in aggregate

principal amount equal to the unredeemed portion thereof, will be issued to the registered owner upon surrender thereof for cancellation. If any Bond or portion thereof is assigned and transferred, each Bond issued in exchange therefor shall have the same series designation and maturity date and bear interest at the same rate and payable in the same manner as the Bond for which it is being exchanged. Each substitute Bond shall bear a letter and/or number to distinguish it from each other Bond. The Paying Agent/Registrar shall exchange or replace Bonds as provided herein, and each fully registered bond delivered in exchange for or replacement of any Bond or portion thereof as permitted or required by any provision of this Twenty-First Supplement shall constitute one of the Bonds for all purposes of this Twenty-First Supplement, and may again be exchanged or replaced. On each substitute Bond issued in exchange for or replacement of any Bond or Bonds issued under this Twenty-First Supplement, the Authentication Certificate shall be printed thereon. An authorized representative of the Paying Agent/Registrar shall, before the delivery of any such Bond, date and manually sign the Authentication Certificate, and, except as provided in subsection (e) of this Section, no such Bond shall be deemed to be issued or outstanding unless the Authentication Certificate is so executed. The Paying Agent/Registrar promptly shall cancel all Bonds surrendered for transfer, exchange, or replacement. No additional orders or resolutions need be passed or adopted by the Issuer or any other body or person so as to accomplish the foregoing transfer, exchange, or replacement of any Bond or portion thereof, and the Paving Agent/Registrar shall provide for the printing, execution, and delivery of the substitute Bonds in the manner prescribed herein, and such Bonds shall be in typed or printed form as determined by the Pricing Officer. Pursuant to Chapter 1206, the duty of transfer, exchange, or replacement of Bonds as aforesaid is hereby imposed upon the Paying Agent/Registrar, and, upon the execution of the Authentication Certificate, the exchanged or replaced Bond shall be valid, incontestable, and enforceable in the same manner and with the same effect as the Bonds which were originally issued pursuant to this Twenty-First Supplement. The Issuer shall pay the Paying Agent/Registrar's standard or customary fees and charges, if any, for transferring and exchanging any Bond or any portion thereof, but the one requesting any such transfer and exchange shall pay any taxes or governmental charges required to be paid with respect thereto as a condition precedent to the exercise of such privilege. The Paying Agent/Registrar shall not be required to make any such transfer, exchange, or replacement of Bonds or any portion thereof (i) during the period commencing with the close of business on any Record Date and ending with the opening of business on the next following interest payment date, or (ii) with respect to any Bond or portion thereof called for redemption prior to maturity, within 45 days prior to its redemption date. To the extent possible, any new Bond issued in an exchange, replacement, or transfer of a Bond will be delivered to the registered owner or assignee of the registered owner not more than three business days after the receipt of the Bonds to be cancelled and the written request as described above.

(g) Substitute Paying Agent/Registrar. The Issuer covenants with the registered owners of the Bonds that at all times while the Bonds are outstanding the Issuer will provide a competent and legally qualified bank, trust company, financial institution, or other agency to act as and perform the services of Paying Agent/Registrar for the Bonds under this Twenty-First Supplement, and that the Paying Agent/Registrar will be one entity. The Issuer reserves the right to appoint a successor Paying Agent/Registrar upon providing the previous Paying Agent/Registrar with a certified copy of a resolution terminating such agency. In the event that the entity at any time acting as Paying Agent/Registrar (or its successor by merger, acquisition, or other method) should resign or otherwise cease to act as such, the Issuer covenants that promptly it will appoint a competent and legally qualified bank, trust company, financial institution, or other agency to act as Paying Agent/Registrar under this Twenty-First Supplement. Upon any change in the Paying Agent/Registrar, the previous Paying Agent/Registrar promptly shall transfer and deliver the Registration Books (or a copy thereof), along with all other pertinent books and records relating

to the Bonds, to the new Paying Agent/Registrar designated and appointed by the Issuer. Upon any change in the Paying Agent/Registrar, the Issuer promptly will cause a written notice thereof to be sent by the new Paying Agent/Registrar to each registered owner of the Bonds, by United States mail, first-class postage prepaid, which notice also shall give the address of the new Paying Agent/Registrar. By accepting the position and performing as such, each Paying Agent/Registrar shall be deemed to have agreed to the provisions of this Twenty-First Supplement, and a certified copy of this Twenty-First Supplement shall be delivered to each Paying Agent/Registrar.

(h) *Book-Entry Only System.* The Bonds issued in exchange for the Bonds initially issued and delivered to the Purchasers shall be issued in the form of a separate single fully registered Bond for each of the maturities thereof registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), and except as provided in subsection (i) hereof, all of the Outstanding Bonds shall be registered in the name of Cede & Co., as nominee of DTC. A "Blanket DTC Letter of Representations" in connection with utilizing the DTC Book-Entry Only System has been executed by the Pricing Officer and filed with DTC.

With respect to Bonds registered in the name of Cede & Co., as nominee of DTC, the Board and the Paying Agent/Registrar shall have no responsibility or obligation to any DTC Participant or to any person on behalf of whom such a DTC Participant holds an interest on the Bonds. Without limiting the immediately preceding sentence, the Board and the Paying Agent/Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any DTC Participant or any other person, other than a Bondholder, as shown on the Registration Books, of any notice with respect to the Bonds, including any notice of redemption, or (iii) the payment to any DTC Participant or any other person, other than a Bondholder, as shown in the Registration Books of any amount with respect to principal of, premium, if any, or interest on the Bonds. Notwithstanding any other provision of this Twenty-First Supplement to the contrary but to the extent permitted by law, the Board and the Paying Agent/Registrar shall be entitled to treat and consider the person in whose name each Bond is registered in the Registration Books as the absolute owner of such Bond for the purpose of payment of principal, premium, if any, and interest, with respect to such Bond, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfers with respect to such Bond, and for all other purposes whatsoever. The Paying Agent/Registrar shall pay all principal of, premium, if any, and interest on the Bonds only to or upon the order of the respective owners, as shown in the Registration Books as provided in this Twenty-First Supplement, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the Board's obligations with respect to payment of principal of, premium, if any, and interest on the Bonds to the extent of the sum or sums so paid. No person other than an owner, as shown in the Registration Books, shall receive a Bond certificate evidencing the obligation of the Board to make payments of principal, premium, if any, and interest pursuant to this Twenty-First Supplement. Upon delivery by DTC to the Paying Agent/Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in this Twenty-First Supplement with respect to interest checks being mailed to the registered owner at the close of business on the Record Date, the word "Cede & Co." in this Twenty-First Supplement shall refer to such new nominee of DTC.

(i) Successor Securities Depository; Transfers Outside Book-Entry Only System. In the event that the Board or the Paying Agent/Registrar determines that DTC is incapable of discharging its responsibilities described herein and in the representation letter of the Board to DTC described in subsection (h) of this Section or DTC determines to discontinue providing its

services with respect to the Bonds, the Board shall (i) appoint a successor securities depository, qualified to act as such under Section 17(a) of the Securities and Exchange Act of 1934, as amended, notify DTC and DTC Participants of the appointment of such successor securities depository and transfer one or more separate Bonds to such successor securities depository or (ii) notify DTC and DTC Participants of the availability through DTC of Bonds and transfer one or more separate Bonds to DTC Participants having Bonds credited to their DTC accounts. In such event, the Bonds shall no longer be restricted to being registered in the Registration Books in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names Bondholders transferring or exchanging Bonds shall designate, in accordance with the provisions of this Twenty-First Supplement.

(j) Payments to Cede & Co. Notwithstanding any other provision of this Twenty-First Supplement to the contrary, so long as any Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of, premium, if any, and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, in the manner provided in the representation letter of the Board to DTC referred to in subsection (f) of this Section.

(k) *Notice of Redemption.* The Paying Agent/Registrar shall give notice of redemption of Bonds by United States mail, first-class postage prepaid, at least thirty (30) days prior to a redemption date to each registered securities depository and to any national information service that disseminates redemption notices.

Each notice of redemption, whether required in the FORM OF BONDS or in this Section, shall contain a description of the Bonds to be redeemed including the complete name of the Bonds, the series, the date of issue, the interest rate, the maturity date, the CUSIP number, the amounts of maturity so called for redemption, the mailing date for the notice, the date of redemption, the redemption price, the name of the Paying Agent/Registrar and the address at which the Bonds may be redeemed, including a contact person and telephone number.

All redemption payments made by the Paying Agent/Registrar to the registered owners of the Bonds shall include a CUSIP number relating to each amount paid to such registered owner.

Section 6. FORM OF BONDS. The forms of the Bonds, including the form of the Authentication Certificate, the form of Assignment and the form of Registration Certificate of the Comptroller of Public Accounts of the State of Texas, with respect to the Bonds initially issued and delivered to the Purchasers pursuant to this Twenty-First Supplement, shall be, respectively, substantially as set forth in <u>Exhibit B</u>, with such appropriate variations, omissions, or insertions as are permitted or required by this Twenty-First Supplement.

Section 7. ESTABLISHMENT OF FINANCING SYSTEM AND ISSUANCE OF PARITY OBLIGATIONS. By adoption of the Master Resolution, the Board has established the Revenue Financing System for the purpose of providing a financing structure for revenue supported indebtedness of participants in the Revenue Financing System. The Master Resolution is intended to establish a master plan under which revenue supported debt of the Revenue Financing System can be incurred. This Twenty-First Supplement provides for the authorization, issuance, sale, delivery, form, characteristics, provisions of payment and redemption, and security of the Bonds which are Parity Obligations issued under the terms of the Master Resolution. The Master Resolution is incorporated herein by reference and as such made a part hereof for all purposes, except to the extent modified and supplemented hereby, and the Bonds are hereby declared to be Parity Obligations under the Master Resolution. As required by Section 5(a) of the Master Resolution, the Board hereby determines, in connection with the issuance of the Bonds, that it will have sufficient funds to meet the financial obligations of each participant in the Revenue Financing System (currently TTU, the Health Sciences Center, ASU, HSC El Paso, and MSU), including sufficient Pledged Revenues to satisfy the Annual Debt Service Requirements of the Revenue Financing System and to meet all financial obligations of the Board relating to the Revenue Financing System. Furthermore, the Board hereby determines that TTU, the Health Sciences Center, ASU, HSC El Paso, and MSU each possess the financial capability to satisfy its respective Direct Obligation after taking into account the payment of the Annual Debt Service Requirements on the Bonds.

Section 8. SECURITY AND PAYMENTS. The Bonds are special obligations of the Board payable from and secured solely by the Pledged Revenues pursuant to the Master Resolution and this Twenty-First Supplement. The Pledged Revenues are hereby pledged, subject to the liens securing the Prior Encumbered Obligations, if any, to the payment of the principal of, premium, if any, and interest on the Bonds as the same shall become due and payable. The Board agrees to pay the principal of, premium, if any, and the interest on the Bonds when due, whether by reason of maturity or redemption.

For the avoidance of doubt, the general revenues appropriated to the Board from the Texas University Fund established pursuant to Section 20, Article VII, Texas Constitution are not included in Pledged Revenues.

Section 9. PAYMENTS TO PAYING AGENT/REGISTRAR. Semiannually on or before each principal or interest payment date while any of the Bonds are outstanding and unpaid, commencing on the first interest payment date for the Bonds, the Board shall make available to the Paying Agent/Registrar, money sufficient to pay such interest on and such principal of the Bonds as will accrue or mature, or be subject to mandatory redemption prior to maturity, on such principal, redemption, or interest payment date. The Paying Agent/Registrar shall cancel all paid Bonds and shall furnish the Board with an appropriate certificate of cancellation.

Section 10. DAMAGED, MUTILATED, LOST, STOLEN, OR DESTROYED BONDS.

(a) *Replacement Bonds.* In the event any outstanding Bond is damaged, mutilated, lost, stolen, or destroyed, the Paying Agent/Registrar shall cause to be printed, executed, and delivered, a new bond of the same Series, principal amount, maturity, and interest rate, and in the same form, as the damaged, mutilated, lost, stolen, or destroyed Bond, in replacement for such Bond in the manner hereinafter provided.

(b) Application for Replacement Bonds. Application for replacement of damaged, mutilated, lost, stolen, or destroyed Bonds shall be made to the Paying Agent/Registrar. In every case of loss, theft, or destruction of a Bond, the applicant for a replacement bond shall furnish to the Issuer and to the Paying Agent/Registrar such security or indemnity as may be required by them to save each of them harmless from any loss or damage with respect thereto. Also, in every case of loss, theft, or destruction of a Bond, the applicant shall furnish to the Issuer and to the Paying Agent/Registrar evidence to their satisfaction of the loss, theft, or destruction of such Bond, as the case may be. In every case of damage or mutilation of a Bond, the applicant shall surrender to the Paying Agent/Registrar for cancellation the Bond so damaged or mutilated.

(c) *Payment in Lieu of Replacement.* Notwithstanding the foregoing provisions of this Section, in the event any such Bond shall have matured, and no default has occurred which is then continuing in the payment of the principal of, redemption premium, if any, or interest on the Bond, the Issuer may authorize the payment of the same (without surrender thereof except in the case of a damaged or mutilated Bond) instead of issuing a replacement Bond, provided security or indemnity is furnished as above provided in this Section.

(d) Charge for Issuing Replacement Bonds. Prior to the issuance of any replacement bond, the Paying Agent/Registrar shall charge the owner of such Bond with all legal, printing, and other expenses in connection therewith. Every replacement bond issued pursuant to the provisions of this Section by virtue of the fact that any Bond is lost, stolen, or destroyed shall constitute a contractual obligation of the Issuer whether or not the lost, stolen, or destroyed Bond shall be found at any time, or be enforceable by anyone, and shall be entitled to all the benefits of this Twenty-First Supplement equally and proportionately with any and all other Bonds duly issued under this Twenty-First Supplement.

(e) Authority for Issuing Replacement Bonds. In accordance with Chapter 1206, this Section shall constitute authority for the issuance of any such replacement bond without the necessity of further action by the Issuer or any other body or person, and the duty of the replacement of such Bonds is hereby authorized and imposed upon the Paying Agent/Registrar, and the Paying Agent/Registrar shall authenticate and deliver such Bonds in the form and manner and with the effect, as provided in Section 5(f) hereof for Bonds issued in exchange and replacement for other Bonds.

Section 11. AMENDMENT OF SUPPLEMENT.

(a) *Amendments Without Consent.* This Twenty-First Supplement and the rights and obligations of the Board and of the owners of the Bonds may be modified or amended at any time without notice to or the consent of any owner of the Bonds or any other Parity Obligations, solely for any one or more of the following purposes:

(i) To add to the covenants and agreements of the Board contained in this Twenty-First Supplement, other covenants and agreements thereafter to be observed, or to surrender any right or power reserved to or conferred upon the Board in this Twenty-First Supplement;

(ii) To cure any ambiguity or inconsistency, or to cure or correct any defective provisions contained in this Twenty-First Supplement, upon receipt by the Board of an opinion of nationally-recognized bond counsel, that the same is needed for such purpose, and will more clearly express the intent of this Twenty-First Supplement;

(iii) To supplement the security for the Bonds, replace or provide additional credit facilities, or change the form of the Bonds or make such other changes in the provisions hereof as the Board may deem necessary or desirable and which shall not, in the judgment of the Board, materially adversely affect the interests of the owners of the Outstanding Bonds;

(iv) To make any changes or amendments requested by any bond rating agency then rating or requested to rate Parity Obligations, as a condition to the issuance or maintenance of a rating, which changes or amendments do not, in the judgment of the Board, materially adversely affect the interests of the owners of the Outstanding Parity Obligations;

(v) To make such changes, modifications or amendments as are permitted by Section 19(d)(vi) of this Twenty-First Supplement;

(vi) To make such changes, modifications or amendments as may be necessary or desirable, which shall not adversely affect the interests of the owners of the Outstanding Parity Obligations, in order, to the extent permitted by law, to facilitate the economic and practical utilization of Credit Agreements with respect to the Parity Obligations; or

(vii) To make such other changes in the provisions hereof as the Board may deem necessary or desirable and which shall not, in the judgment of the Board, materially adversely affect the interests of the owners of Outstanding Parity Obligations.

Notice of any such amendment may be published by the Board in the manner described in subsection (c) of this Section; provided, however, that the publication of such notice shall not constitute a condition precedent to the adoption of such amendatory resolution and the failure to publish such notice shall, not adversely affect the implementation of such amendment as adopted pursuant to such amendatory resolution.

(b) Amendments With Consent. Subject to the other provisions of this Twenty-First Supplement, the owners of Outstanding Bonds aggregating a majority in Outstanding Principal Amount shall have the right from time to time to approve any amendment, other than amendments described in subsection (a) of this Section, to this Twenty-First Supplement which may be deemed necessary or desirable by the Board; provided, however, that nothing herein contained shall permit or be construed to permit, without the approval of the owners of all of the Outstanding Bonds, the amendment of the terms and conditions in this Twenty-First Supplement or in the Bonds so as to:

- (i) Make any change in the maturity of the Outstanding Bonds;
- (ii) Reduce the rate of interest borne by Outstanding Bonds;
- (iii) Reduce the amount of the principal payable on Outstanding Bonds;

(iv) Modify the terms of payment of principal of or interest on the Outstanding Bonds, or impose any conditions with respect to such payment;

(v) Affect the rights of the owners of less than all Bonds then Outstanding; or

(vi) Change the minimum percentage of the Outstanding Principal Amount of Bonds necessary for consent to such amendment.

(c) *Notice*. If at any time the Board shall desire to amend this Twenty-First Supplement other than pursuant to subsection (a) of this Section, the Board shall cause notice of the proposed amendment to be published in a financial newspaper or journal of general circulation in the City of New York, New York once during each calendar week for at least two successive calendar weeks. Such notice shall briefly set forth the nature of the proposed amendment and shall state that a copy thereof is on file at the principal office of the Registrar for inspection by all owners of Bonds. Such publication is not required, however, if the Board gives or causes to be given such notice in writing to each owner of Bonds.

(d) Receipt of Consents. Whenever at any time not less than thirty days, and within one year, from the date of the first publication of such notice or other service of written notice of the proposed amendment the Board shall receive an instrument or instruments executed by all of the owners or the owners of at least a majority in Outstanding Principal Amount of Bonds, as appropriate, which instrument or instruments shall refer to the proposed amendment described in such notice and which specifically consent to and approve such amendment in substantially the form of the copy thereof on file as aforesaid, the Board may adopt the amendatory resolution in substantially the same form.

(e) *Effect of Amendments*. Upon the adoption by the Board of any resolution to amend this Twenty-First Supplement pursuant to the provisions of this Section, this Twenty-First Supplement shall be deemed to be amended in accordance with the amendatory resolution, and the respective rights, duties, and obligations of the Board and all the owners of then Outstanding Bonds and all future Bonds shall thereafter be determined, exercised, and enforced under the Master Resolution and this Twenty-First Supplement, as amended.

(f) *Consent Irrevocable.* Any consent given by any owner of Bonds pursuant to the provisions of this Section shall be irrevocable for a period of six months from the date of the first publication or other service of the notice provided for in this Section, and shall be conclusive and binding upon all future owners of the same Bonds during such period. Such consent may be revoked at any time after six months from the date of the first publication of such notice by the owner who gave such consent, or by a successor in title, by filing notice thereof with the Registrar and the Board, but such revocation shall not be effective if the owners of a majority in Outstanding Principal Amount of Bonds, prior to the attempted revocation, consented to and approved the amendment.

(g) *Ownership*. For the purpose of this Section, the ownership and other matters relating to all Bonds registered as to ownership shall be determined from the registration books kept by the Registrar therefor. The Registrar may conclusively assume that such ownership continues until written notice to the contrary is served upon the Registrar.

Section 12. ADDITIONAL DEFEASANCE PROVISIONS. (a) In addition to the defeasance provisions set forth in Section 12 of the Master Resolution, it is hereby provided that, to the extent that the Bonds are treated as Defeased Debt for purposes of Section 12 of the Master Resolution, any determination not to redeem defeased Bonds that is made in conjunction with the payment arrangements specified in Section 12(a)(i) or (ii) of the Master Resolution shall not be irrevocable, provided that the Board: (1) in the proceedings providing for such defeasance, expressly reserves the right to call the defeased Bonds for redemption; (2) gives notice of the reservation of that right to the owners of the defeased Bonds immediately following the defeasance; (3) directs that notice of the reservation be included in any defeasance notices that it authorizes; and (4) at or prior to the time of the redemption, satisfies the conditions of subsection (a) of Section 12 of the Master Resolution with respect to such defeased Bonds as though it was being defeased at the time of the exercise of the option to redeem the defeased Bonds, after taking the redemption into account in determining the sufficiency of the provisions made for the payment of the defeased Bonds.

(b) Notwithstanding the provisions of Section 12(c) of the Master Resolution, in connection with the defeasance of the Bonds pursuant to Section 12 of the Master Resolution, the term "Government Obligations" shall mean (i) direct, noncallable obligations of the United States of America, including obligations that are unconditionally guaranteed by the United States of

America, (ii) noncallable obligations of an agency or instrumentality of the United States of America, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date of the purchase thereof are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, (iii) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that, on the date the Board adopts or approves the proceedings authorizing the financial arrangements are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, (iv) any other then authorized securities or obligations under applicable state law in existence at the time of such defeasance that may be used to defease obligations such as the Bonds. The foregoing notwithstanding, the Pricing Officer may elect in the Pricing Certificate to modify the definition of "Government Obligations" by eliminating any securities or obligations set forth in the preceding sentence upon determining that it is in the best interests of the Board to do so.

(c) Notwithstanding the provisions of Section 12 of the Master Resolution, the Board may provide for the irrevocable deposit contemplated by Section 12 of the Master Resolution to be made with the Paying Agent/Registrar or with any other eligible bank or trust company as then authorized by state law and thereafter the Board will have no further responsibility with respect to amounts available to such Paying Agent/Registrar (or other financial institution permitted by applicable law) for the payment of such Defeased Debt, including any insufficiency therein caused by the failure of the Paying Agent/Registrar (or other financial institution permitted by law) to receive payment when due on the Government Obligations.

(d) Notwithstanding the provisions of Section 12 of the Master Resolution or any of the other provisions of this Section, any taxable Bonds issued under this Twenty-First Supplement may be designated by the Pricing Officer in the Pricing Certificate as not being subject to defeasance to the extent that such Pricing Officer determines in the Pricing Certificate that such treatment is in the best economic interests of the Board.

TWENTY-FIRST SUPPLEMENT TO CONSTITUTE A CONTRACT; Section 13. EQUAL SECURITY. In consideration of the acceptance of the Bonds, the issuance of which is authorized hereunder, by those who shall hold the same from time to time, this Twenty-First Supplement shall be deemed to be and shall constitute a contract between the Board and the Holders from time to time of the Bonds, shall be binding on their respective successors and assigns, shall not be amended or repealed by the Board so long as any Bond remains an Outstanding Bond (except as permitted herein), and the pledge made in this Twenty-First Supplement by the Board and the covenants and agreements set forth in this Twenty-First Supplement to be performed by the Board shall be for the equal and proportionate benefit, security, and protection of all Holders, without preference, priority, or distinction as to security or otherwise of any of the Bonds authorized hereunder over any of the others by reason of time of issuance, sale, or maturity thereof or otherwise for any cause whatsoever, except as expressly provided in or permitted by this Twenty-First Supplement. An actual or constructive amendment of any term, provision, or covenant of this Twenty-First Supplement that is not compliant with the amendment process specified herein shall result in an impairment of the contract between the Board and the Holders hereby evidenced.

Section 14. SEVERABILITY OF INVALID PROVISIONS. If any one or more of the covenants, agreements, or provisions herein contained shall be held contrary to any express provisions of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants,

agreements, or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements, or provisions and shall in no way affect the validity of any of the other provisions hereof or of the Bonds issued hereunder.

Section 15. PAYMENT AND PERFORMANCE ON BUSINESS DAYS. Except as provided to the contrary in the FORM OF BONDS, whenever under the terms of this Twenty-First Supplement or the Bonds, the performance date of any provision hereof or thereof, including the payment of principal of or interest on the Bonds, shall occur on a day other than a Business Day, then the performance thereof, including the payment of principal of and interest on the Bonds, need not be made on such day but may be performed or paid, as the case may be, on the next succeeding Business Day with the same force and effect as if made on the date of performance or payment.

Section 16. LIMITATION OF BENEFITS WITH RESPECT TO THE TWENTY-FIRST SUPPLEMENT. With the exception of the rights or benefits herein expressly conferred, nothing expressed or contained herein or implied from the provisions of this Twenty-First Supplement or the Bonds is intended or should be construed to confer upon or give to any person other than the Board, the Holders, and the Paying Agent/Registrar, any legal or equitable right, remedy, or claim under or by reason of or in respect to this Twenty-First Supplement or any covenant, condition, stipulation, promise, agreement, or provision herein contained. This Twenty-First Supplement and all of the covenants, conditions, stipulations, promises, agreements, and provisions hereof are intended to be and shall be for and inure to the sole and exclusive benefit of the Board, the Holders, and the Paying Agent/Registrar as herein and therein provided.

Section 17. CUSTODY, APPROVAL, BOND COUNSEL'S OPINION, CUSIP NUMBERS, PREAMBLE AND INSURANCE.

(a) Submission of Proceedings to Attorney General. The Pricing Officer is hereby authorized to have control of the Bonds issued hereunder and all necessary records and proceedings pertaining to the Bonds pending their delivery and approval by the Attorney General of the State of Texas of the proceedings authorizing the Bonds in accordance with Chapter 1371. The Pricing Officer is hereby authorized, to the extent deemed necessary or advisable thereby, in the discretion thereof, to request that the Attorney General approve the Bonds in accordance with the provisions of Chapter 1202, Texas Government Code, as amended, in which case the Pricing Officer also is authorized to request the Comptroller of Public Accounts to register the Bonds, and to cause an appropriate legend reflecting such approval and registration to appear on the Bonds and the substitute Bonds. The Board hereby authorizes the payment of the fee of the Attorney General for the examination of the proceedings relating to the issuance of the Bonds, in the amount determined in accordance with the provisions of Section 1202.004, Texas Government Code, as amended. The approving legal opinion of bond counsel and the assigned CUSIP numbers may, at the option of the Issuer, be printed on the Bonds and on any Bonds issued and delivered in exchange or replacement of any Bond, but neither shall have any legal effect, and shall be solely for the convenience and information of the registered owners of the Bonds. The preamble to the Twenty-First Supplement is hereby adopted and made a part of this Twenty-First Supplement for all purposes.

(b) *Bond Insurance*. If authorized in a Pricing Certificate, the purchase of a municipal bond insurance policy from a municipal bond insurance provider that has an underlying rating of "AA" (or its equivalent) or better at the time a Bond Purchase Contract is executed (the "Bond Insurer") as additional security for all or part of a series of Bonds is hereby authorized. The printing

of a legend describing the municipal bond insurance policy issued by the Bond Insurer is hereby authorized. The payment of the premium to the Bond Insurer in consideration for the issuance of such policy, should one be so obtained, is hereby approved. The Insurance Commitment issued by the Bond Insurer shall be made a part hereof for all purposes. In addition, it is agreed that should such policy be obtained, the Board will comply with the conditions applicable to the Bonds, as set forth in the Insurance Commitment issued by the Bond Insurer, as if such conditions were incorporated in this Twenty-First Supplement, and will pay to the Paying Agent/Registrar for the Bonds the debt service due on the Bonds so insured by the Bond Insurer not later than one Business Day prior to each principal or interest payment date of the Bonds. In the event such policy is obtained, the Paying Agent/Registrar on or before the Business Day before the Scheduled principal or interest payment date; failure to make such payment to the Paying Agent/Registrar on or before the Business Day before the scheduled principal or interest payment date; failure to make such payment to the Paying Agent/Registrar on or before the Business Day before the scheduled principal or interest payment date; failure to make such payment to the Paying Agent/Registrar on or before the Business Day before the scheduled principal or interest payment date; failure to make s

Section 18. OFFICIAL STATEMENT. Prior to the offering of any Bonds in a public sale, the Pricing Officer, acting for and on behalf of the Board, shall cause a preliminary Official Statement to be prepared for distribution to prospective purchasers of the Bonds, such document to be in substantially the form utilized in connection with the sale of Parity Obligations previously issued by the Board, with such changes and completions as the Pricing Officer may deem necessary or appropriate to enable the Pricing Officer, acting for and on behalf of the Board, to deem the preliminary Official Statement to be final as of its date, except for such omissions as are permitted by the Rule. The use of such "deemed final" Official Statement in the offer and sale of the Bonds is hereby approved. Within seven (7) business days after any final agreement to purchase, offer, or sell any series of Bonds in a primary public offering, the Pricing Officer, acting for and on behalf of the Board, shall cause a final Official Statement to be provided to the Purchasers in compliance with the Rule and the rules of the MSRB.

Section 19. CONTINUING DISCLOSURE OBLIGATION.

Annual Reports. (i) The Board shall provide annually to the MSRB (1) within six (a) months after the end of each fiscal year ending in or after 2024, financial information and operating data with respect to the Board of the general type included in the final Official Statement approved by Section 18 hereof, being the information described in Exhibit C hereto, and (2) if not provided as part such financial information and operating data, audited financial statements of the Board, when and if available. Any financial statements so to be provided shall be prepared in accordance with the accounting principles described in Exhibit C hereto, or such other accounting principles as the Board may be required to employ from time to time pursuant to state law or regulation, and audited, if the Board commissions an audit of such statements and the audit is completed within the period during which they must be provided. If audited financial statements are not available by the required time, the Board will provide unaudited financial information of the type included in the Official Statement by the required time and audited financial statements when and if such audited financial statements become available. If audited financial statements are not prepared for any Fiscal Year and audited financial statements are prepared with respect to the State of Texas for such Fiscal Year, the Board shall provide, or cause to be provided, the audited financial statements of the State of Texas for the applicable Fiscal Year to the MSRB, in an electronic format as prescribed by the MSRB, within six months after the end of such Fiscal Year or as soon thereafter as such audited financial statements become available from the State Auditor of the State of Texas. Any such audited financial statements of the State of Texas so provided shall be prepared in accordance with generally accepted accounted principles for state governments, as such

principles may be changed from time to time to comply with state law.

(ii) If the Board changes its fiscal year, it will notify the MSRB of the change (and of the date of the new fiscal year end) prior to the next date by which the Board otherwise would be required to provide financial information and operating data pursuant to this Section.

(iii) The financial information and operating data to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by specific reference to any document available to the public on the MSRB's Internet Web site or filed with the SEC.

(b) *Notice of Certain Events.* The Board shall provide notice of any of the following events with respect to the Bonds to the MSRB in a timely manner and not more than 10 business days after occurrence of the event:

- 1. Principal and interest payment delinquencies;
- 2. Non-payment related defaults, if material;
- 3. Unscheduled draws on debt service reserves reflecting financial difficulties;
- 4. Unscheduled draws on credit enhancements reflecting financial difficulties;
- 5. Substitution of credit or liquidity providers, or their failure to perform;
- 6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB), or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- 7. Modifications to rights of holders of the Bonds, if material;
- 8. Bond calls, if material, and tender offers;
- 9. Defeasances;
- 10. Release, substitution, or sale of property securing repayment of the Bonds, if material;
- 11. Rating changes;
- 12. Bankruptcy, insolvency, receivership, or similar event of the Board, which shall occur as described below;
- 13. The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- 14. Appointment of a successor or additional Paying Agent/Registrar or the change of name of a Paying Agent/Registrar, if material;
- 15. Incurrence of a Financial Obligation of the Board, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Board, any of which affect security holders, if material; and
- 16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Board, any of which reflect financial difficulties.

For these purposes, (a) any event described in the immediately preceding paragraph 12 is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for an obligated person in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person, and (b) the Board intends the words used in the immediately preceding paragraphs 15 and 16 and the definition of Financial Obligation in this Section to have the meanings ascribed to them in SEC Release No. 34-83885, dated August 20, 2018.

The Board shall notify the MSRB, in a timely manner, of any failure by the Board to provide financial information or operating data in accordance with this Section by the time required by this Section.

As used in this Section, the term "obligated person" shall mean any person, including the Board, who is either generally or through an enterprise, fund, or account of such person committed by contract or other arrangement to support payment of all or part of the obligations on the Bonds (other than providers of municipal bond insurance, letters of credit, or other liquidity facilities).

(c) *Filings with the MSRB*. All financial information, operating data, financial statements, notices, and other documents provided to the MSRB in accordance with this Section shall be provided in an electronic format prescribed by the MSRB and shall be accompanied by identifying information as prescribed by the MSRB.

(d) *Limitations, Disclaimers, and Amendments.* (i) The Board shall be obligated to observe and perform the covenants specified in this Section with respect to the Board and the Bonds while, but only while, the Board remains an "obligated person" with respect to the Bonds within the meaning of the Rule, except that the Board in any event will give notice required by subsection (b) hereof of any Bond calls and defeasance that cause the Board to be no longer such an "obligated person."

(ii) The provisions of this Section are for the sole benefit of the registered owners and beneficial owners of the Bonds, and nothing in this Section, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The Board undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Section and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the financial results, condition, or prospects of the Board or the State of Texas or hereby undertake to update any information provided in accordance with this Section or otherwise, except as expressly provided herein. The Board does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Bonds at any future date.

(iii) UNDER NO CIRCUMSTANCES SHALL THE BOARD BE LIABLE TO THE HOLDER OR BENEFICIAL OWNER OF ANY BOND OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE BOARD, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS SECTION, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR *MANDAMUS* OR SPECIFIC PERFORMANCE.

(iv) No default by the Board in observing or performing its obligations under this Section shall constitute a breach of or default under this Twenty-First Supplement for purposes of any other provision of this Twenty-First Supplement.

(v) Nothing in this Section is intended or shall act to disclaim, waive, or otherwise limit the duties of the Board under federal and state securities laws.

Notwithstanding anything herein to the contrary, the provisions of this (vi) Section may be amended by the Board from time to time to adapt to changed circumstances resulting from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the Board, but only if (1) the provisions of this Section, as so amended, would have permitted an underwriter to purchase or sell Bonds in the primary offering of the Bonds in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and (2) either (a) the registered owners of a majority in aggregate principal amount (or any greater amount required by any other provision of this Resolution that authorizes such an amendment) of the Outstanding Bonds consent to such amendment or (b) a person that is unaffiliated with the Board (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interests of the registered owners and beneficial owners of the Bonds. The provisions of this Section may also be amended from time to time or repealed by the Board if the SEC amends or repeals the applicable provisions of the Rule or a court of final jurisdiction determines that such provisions are invalid, but only if and to the extent that reservation of the Board's right to do so would not prevent underwriters of the initial public offering of the Bonds from lawfully purchasing or selling Bonds in such offering. If the Board so amends the provisions of this Section, it shall include with any amended financial information or operating data next provided in accordance with subsection (b) an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information or operating data so provided.

Section 20. FEDERAL TAX COVENANTS. With respect to any Bonds issued hereunder as Tax-Exempt Bonds, the Board covenants to take any action to assure, or refrain from any action which would adversely affect, the treatment of the Tax-Exempt Bonds as obligations described in section 103 of the Code, the interest on which is not includable in the "gross income" of the holder for purposes of federal income taxation. In furtherance thereof, the Board covenants as follows:

(a) to take any action to assure that no more than 10 percent of the proceeds of the Tax-Exempt Bonds or the projects financed or refinanced therewith (taking into account an allocable share of neutral costs including costs of issuance and amounts deposited to a reserve fund, if any) are used for any "private business use," as defined in section 141(b)(6) of the Code or, if lesser, \$15,000,000; and if more than such amount of the proceeds are so used, that amounts or revenues, whether or not received by the Board, allocable to such property, do not, under the terms of this Twenty-First Supplement or any underlying arrangement, directly or indirectly, secure or provide for the payment of more than 10 percent of the debt service on the Tax-Exempt Bonds, or if lesser, \$15,000,000 in contravention of section 141(b)(2) of the Code;

(b) to take any action to assure that in the event that the "private business use" described in subsection (a) hereof exceeds 5 percent of the proceeds of the Tax-Exempt Bonds or the projects financed therewith (taking into account an allocable share of neutral costs) then the amount in excess of 5 percent is used for a "private business use" which is "related" and not "disproportionate," within the meaning of section 141(b)(3) of the Code, to the governmental use;

(c) to take any action to assure that no amount which is greater than the lesser of \$5,000,000, or 5 percent of the proceeds of the Tax-Exempt Bonds (taking into account an allocable share of neutral costs) is directly or indirectly used to finance loans to persons, other than state or local governmental units, in contravention of section 141(c) of the Code;

(d) to refrain from taking any action which would otherwise result in the Tax-Exempt Bonds being treated as "private activity bonds" within the meaning of section 141(b) of the Code;

(e) to refrain from taking any action that would result in the Tax-Exempt Bonds being "federally guaranteed" within the meaning of section 149(b) of the Code;

(f) to refrain from using any portion of the proceeds of the Tax-Exempt Bonds, directly or indirectly, to acquire or to replace funds which were used, directly or indirectly, to acquire investment property (as defined in section 148(b)(2) of the Code) which produces a materially higher yield over the term of the Tax-Exempt Bonds, other than investment property acquired with:

(1) proceeds of the Tax-Exempt Bonds invested for a reasonable temporary period of three years or, in the case of a current refunding, of 90 days or less, until such proceeds are needed for the purpose for which the bonds are issued,

(2) amounts invested in a bona fide debt service fund, within the meaning of section 1.148-1(b) of the Treasury Regulations, and

(3) amounts deposited in any reasonably required reserve or replacement fund as defined in Section 1.148-1(f) of the Treasury Regulations;

(g) to otherwise restrict the use of the proceeds of the Tax-Exempt Bonds or amounts treated as proceeds of the Tax-Exempt Bonds, as may be necessary, so that the Tax-Exempt Bonds do not otherwise contravene the requirements of section 148 of the Code (relating to arbitrage) and section 149(d) of the Code (which prohibits tax-exempt advance refundings of prior tax-exempt obligations);

(h) to pay to the United States of America at least once during each five-year period (beginning on the date of delivery of the Tax-Exempt Bonds) an amount that is at least equal to 90 percent of the "Rebate Amount," within the meaning of section 1.148-1(b) of the Regulations and to pay to the United States of America, not later than 60 days after the Tax-Exempt Bonds have been paid in full, 100 percent of the Rebate Amount then required to be paid under section 148(f) of the Code;

(i) except to the extent permitted by section 148 of the Code and the Regulations and rulings thereunder, to not enter into any transaction that reduces the Rebate Amount required to be

paid to the United States because such transaction results in a smaller profit or a larger loss than would have resulted if the transaction had been at arm's length and had the yield of the Tax-Exempt Bonds not been relevant to either party; and

(j) to timely file the information required by section 149(e) of the Code with the Secretary of the Treasury on Form 8038-G or such other form and in such place as the Secretary may prescribe.

For purposes of the foregoing clauses (a) and (b) above, the Board understands that the term "proceeds" includes investment proceeds and "disposition proceeds" as defined in the Treasury Regulations and, in the case of a refunding bond, transferred proceeds (if any) and proceeds of the refunded bonds expended prior to the date of the issuance of the Tax-Exempt Bonds. It is the understanding of the Board that the covenants contained herein are intended to assure compliance with the Code and any regulations or rulings promulgated by the U.S. Department of the Treasury pursuant thereto. In the event that regulations or rulings are hereafter promulgated which modify or expand provisions of the Code, as applicable to the Tax-Exempt Bonds, the Board will not be required to comply with any covenant contained herein to the extent that such failure to comply, in the opinion of nationally-recognized bond counsel, will not adversely affect the exemption from federal income taxation of interest on the Tax-Exempt Bonds under section 103 of the Code. In the event that regulations or rulings are hereafter promulgated which impose additional requirements which are applicable to the Tax-Exempt Bonds, the Board agrees to comply with the additional requirements to the extent necessary, in the opinion of nationallyrecognized bond counsel, to preserve the exemption from federal income taxation of interest on the Tax-Exempt Bonds under section 103 of the Code. In furtherance of the foregoing, the Pricing Officer may execute any certificates or other reports required by the Code and to make such elections, on behalf of the Board, which may be permitted by the Code as are consistent with the purpose for the issuance of the Tax-Exempt Bonds.

In order to facilitate compliance with the above clause (h), a "Rebate Fund" is hereby established by the Board for the sole benefit of the United States of America, and such Rebate Fund shall not be subject to the claim of any other person, including without limitation the registered owners of the Tax-Exempt Bonds. The Rebate Fund is established for the additional purpose of compliance with section 148 of the Code.

The Board hereby directs and authorizes the Pricing Officer to make elections permitted or required pursuant to the provisions of the Code or the Treasury Regulations, as they deem necessary or appropriate in connection with the Tax-Exempt Bonds, in the Certificate as to Tax Exemption or similar or other appropriate certificate, form or document.

Section 21. ADDITIONAL TAX COVENANTS REGARDING USE OF PROPERTY AND REIMBURSEMENT.

(a) Allocation of, and Limitation on, Expenditures for the Project. The Board covenants to account for the expenditure of proceeds from the sale of the Tax-Exempt Bonds and any investment earnings thereon to be used for the projects described in the certificate executed by the Pricing Officer in accordance with the provisions of Section 2(b) hereof (each such project referred to herein and this Section 21 as a "Project") on its books and records by allocating proceeds to expenditures within 18 months of the later of the date that (a) the expenditure on a Project is made or (b) each such Project is completed. The foregoing notwithstanding, the Board shall not expend such proceeds or investment earnings more than 60 days after the later of (a) the

fifth anniversary of the date of delivery of the Tax-Exempt Bonds, (b) the date the Tax-Exempt Bonds are retired, unless the Board obtains an opinion of nationally-recognized bond counsel substantially to the effect that such expenditure will not adversely affect the tax-exempt status of the Tax-Exempt Bonds, or (c) in the case of a reimbursement allocation no more than three years after the original expenditure is paid.

(b) Disposition of Project. The Board covenants that the property constituting a Project will not be sold, or otherwise disposed in a transaction resulting in the receipt by the Board of cash or other compensation, unless the Board obtains an opinion of nationally-recognized bond counsel substantially to the effect that such sale or other disposition will not adversely affect the tax-exempt status of the Tax-Exempt Bonds. For purposes of this subsection, the portion of the property comprising personal property and disposed of in the ordinary course of an established governmental program meeting the requirements of section 1.141-2(d)(4) of the Treasury Regulations shall not be treated as a transaction resulting in the receipt of cash or other compensation. For purposes of this Section, the Board shall not be obligated to comply with this covenant if it obtains an opinion of nationally-recognized bond counsel to the effect that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

(c) *Reimbursement.* The Board reasonably expects to reimburse capital expenditures made from its own funds with respect to the Projects described in Section 2(a)(i) hereof with Bond proceeds and this Twenty-First Supplement shall constitute a declaration of official intent under Treas. Reg. § 1.150-2.

Section 22. SALE OF BONDS.

(a) *Method of Sale*. The Bonds authorized by this Twenty-First Supplement may be sold to the Purchasers by (i) negotiated sale, in accordance with one or more Bond Purchase Contracts, (ii) private placement, in accordance with an agreement to purchase or other agreement, or (iii) competitive bidding, in accordance with a successful bid submitted therefor, as determined by the Pricing Officer, in accordance with Section 3 hereof. The Pricing Officer is hereby authorized and directed to execute each Bond Purchase Contract, agreement to purchase in the event of a private placement, or the successful bid form in the event of a competitive sale, as applicable, for and on behalf of the Board.

Purchasers. In the event the Bonds are being sold by negotiated sale, the Pricing (b)Officer is directed to select, on behalf of the Board, the senior managing underwriter and the other underwriters for each series of applicable Bonds to be issued hereunder to assure that the Bonds are sold on the most advantageous terms to the Board. In the event the Bonds are being sold by private placement, the Pricing Officer is directed to select, on behalf of the Board, the private placement purchaser for each series of applicable Bonds to be issued hereunder to assure that the Bonds are sold on the most advantageous terms to the Board. In the event the Bonds are being sold pursuant to a competitive bid, the Pricing Officer is directed to select, on behalf of the Board, the most qualified submitted bid, for each series of applicable Bonds to be issued hereunder to assure that the Bonds are sold on the most advantageous terms to the Board. In accordance with the terms hereof, including the specified parameters of Section 3(d), the Pricing Officer is directed to negotiate with the Purchasers all matters relating to the sale of the Bonds, including determining and fixing the date of the Bonds, the number of series, any additional designation or title by which the Bonds shall be known, the price at which the Bonds will be sold, the years in which the Bonds will mature, the principal amount to mature in each of such years, and the aggregate principal

amount of the Bonds or any series thereof, the rate or rates of interest to be borne by each such maturity, the interest payment periods, the dates, price, and terms upon and at which the Bonds shall be subject to redemption prior to maturity at the option of the Board, as well as any mandatory sinking fund redemption provisions, and all other matters relating to the issuance, sale, and delivery of each series of Bonds, including, without limitation, the possible use of municipal bond insurance for any series of Bonds and the use or uses of premium, if any, received as a part of the purchase price for Bonds.

(c) *Bond Purchase Contract.* Each Bond Purchase Contract shall be in substantially the form utilized in connection with the sale of Bonds previously issued by the Board for comparable purposes. A Bond Purchase Contract shall contain the terms of the sale of the Bonds, as negotiated by the Pricing Officer in accordance with the terms hereof. The actual sale of each series of Bonds, and the applicable Bond Purchase Contract setting forth the terms of such sale shall be approved in the applicable Pricing Certificate. The Pricing Officer is hereby authorized and directed to sign each Bond Purchase Contract in the final form approved by the Pricing Officer. The Pricing Officer's approval of a Bond Purchase Contract shall be conclusively evidenced by the execution thereof by a Pricing Officer.

(d) *Ratings.* To the extent required by applicable law and the associated transaction structure, no Bonds shall be delivered, pursuant to the authority set forth in Chapter 1371, unless prior to delivery, the particular series or subseries of Bonds shall have been rated by a nationally recognized rating agency for municipal securities in one of the four highest rating categories for long term obligations, as required by Chapter 1371.

(e) Payment of Attorney General Fee; Bond Review Board Approval. The Board hereby authorizes the payment of the fee of the Attorney General for the examination of the proceedings relating to the issuance of one or more series of the Bonds, in the amount determined in accordance with the provisions of Section 1202.004, Texas Government Code, as amended. To the extent required by applicable State law, the Bonds shall be approved by the Texas Bond Review Board prior to issuance.

(f) *Effect of Determination Made by Pricing Officer*. A finding or determination made by the Pricing Officer acting under the authority delegated thereto by this Twenty-First Supplement with respect to all matters relating to the issuance and sale of the Bonds shall have the same force and effect as if made by the Board.

Section 23. REFUNDING.

(a) *Refunded Obligations.* The principal amount of Bonds, if any, issued to refund all or portion of the Refundable Obligations, and the Refunded Obligations to be refunded, shall be specifically identified in the applicable Pricing Certificate. The Pricing Officer, acting for and on behalf of the Board, may elect not to refund any or all of the Refundable Obligations. In the event Bonds are to be sold for the purpose of refunding all or a portion of the Refundable Obligations for debt service savings purposes, then on or before the date of delivery of the Bonds, the Pricing Officer shall execute and deliver a certificate stating that the minimum amount of net present value savings resulting from the refunding of the Refunded Obligations herein established has been met or exceeded.

(b) *Refunded Commercial Paper Notes*. The principal amount of Bonds, if any, issued to refund Refunded Commercial Paper Notes shall be specifically identified in the applicable Pricing Certificate. Concurrently with the delivery of the Bonds, proceeds in the amount of the

principal amount of the Refunded Commercial Paper Notes that are to be refunded with a portion of the proceeds from the sale of the Bonds shall be deposited to the credit of the "Note Payment Fund" established in accordance with the provisions of the Fifth Supplement, to refund those Refunded Commercial Paper Notes designated by the Pricing Officer to be refunded and retired with a portion of the proceeds of the Bonds on a date selected by the Pricing Officer.

Section 24. REDEMPTION OF REFUNDED OBLIGATIONS. The Pricing Officer is hereby authorized to take such actions, consistent with the resolutions authorizing the issuance of the Refunded Obligations, that may be required to redeem prior to their scheduled maturities any of the Refunded Obligations. Upon the execution of the Bond Purchase Contract, the Pricing Officer may implement, on behalf of the Board, the redemption of any of the Refunded Obligations so designated in the Bond Purchase Contract or the Pricing Certificate, and that the redemption date for any of the Refunded Obligations shall be in accordance with applicable law.

Section 25. ESCROW AGREEMENT. The Board shall cause to be deposited (i) with the Escrow Agent (as named in the hereinafter described Escrow Agreement), or (ii) directly with the paying agent for or holder of the Refunded Obligations or the issuing and paying agent for the Refunded Commercial Paper Notes, as applicable, from the proceeds received from the sale of any series of Bonds and other available moneys of the Board, an amount sufficient to provide for the refunding thereof in accordance with Chapter 1207, to the extent Bonds are sold for such purpose. If required to establish firm banking arrangements with respect to the Refunded Obligations and the Refunded Commercial Paper Notes, the Pricing Officer is hereby authorized, for and on behalf of the Board, to execute and deliver one or more Escrow Agreements or deposit agreements with respect to the refunding of the Refunded Obligations and the Refunded Commercial Paper Notes, in the form approved by the Pricing Officer, with such changes as the Pricing Officer deems necessary to effect the sale of the Bonds to the Purchasers.

Section 26. FURTHER PROCEDURES. The Pricing Officer, and all other officers, employees, and agents of the Board, and each of them, shall be and they are hereby expressly authorized, empowered, and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge, and deliver in the name and under the corporate seal and on behalf of the Issuer all such instruments, whether or not herein mentioned, as may be necessary or desirable in order to carry out the terms and provisions of this Twenty-First Supplement, the Bonds, the sale and delivery of the Bonds and fixing all details in connection therewith, and to approve any Official Statement, or supplements thereto, in connection with the Bonds. In case any officer whose signature shall appear on the Bonds or any documents authorized in this Twenty-First Supplement shall cease to be such officer before the delivery of the Bonds, such signature shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery. Bond Counsel may institute any bond validation suit under Chapter 1205, Texas Government Code, as amended, or any successor statute, while the Bonds remain outstanding and unpaid.

Section 27. REPEAL OF CONFLICTING RESOLUTIONS. All resolutions and all parts of any resolutions (other than the Master Resolution), including any resolutions specifying other sources of funding for the projects to be financed with the Bonds that are in conflict or inconsistent with this Twenty-First Supplement are hereby repealed and shall be of no further force or effect to the extent of such conflict or inconsistency.

Section 28. RULES OF CONSTRUCTION. For all purposes of this Twenty-First Supplement, unless the context requires otherwise, all references to designated Sections and other

subdivisions are to the Sections and other subdivisions of this Twenty-First Supplement. The words "herein," "hereof and "hereunder" and other words of similar import refer to this Twenty-First Supplement as a whole and not to any particular Section or other subdivision. Except where the context otherwise requires, terms defined in this Twenty-First Supplement to impart the singular number shall be considered to include the plural number and vice versa. References to any named person means that party and its successors and assigns. References to any constitutional, statutory or regulatory provision means such provision as it exists on the date this Twenty-First Supplement is adopted by the Board and any future amendments thereto or successor provisions thereof. Any reference to the payment of principal in this Twenty-First Supplement shall be deemed to include the payment of mandatory sinking fund redemption payments. Any reference to "FORM OF BOND" shall refer to the form of the Bonds set forth in <u>Exhibit B</u> to this Twenty-First Supplement, as finalized in the applicable Pricing Certificate.

Section 29. ISSUER'S CONSENT TO PROVIDE INFORMATION AND DOCUMENTATION TO THE MAC. The MAC, a non-profit membership corporation organized exclusively for non-profit purposes described in section 501(c)(6) of the Code and which serves as a comprehensive financial information repository regarding municipal debt issuers in Texas, requires provision of written documentation regarding the issuance of municipal debt by the issuers thereof. In support of the purpose of the MAC and in compliance with applicable law, the Board hereby consents to and authorizes any Pricing Officer, Bond Counsel, and/or financial advisor to the Board to provide to the MAC information and documentation requested by the MAC relating to the Bonds; provided, however, that no such information and documentation shall be provided prior to the closing date of each such series of Bonds. This consent and authorization relates only to information and documentation that is a part of the public record concerning the issuance of the Bonds.

Section 30. PUBLIC NOTICE. It is hereby found and determined that each of the officers and members of the Board was duly and sufficiently notified officially and personally, in advance, of the time, place, and purpose of the Meeting at which this Twenty-First Supplement was adopted; that this Twenty-First Supplement would be introduced and considered for adoption at such meeting; and that such meeting was open to the public, and public notice of the time, place, and purpose of such meeting was given, all as required by Chapter 551, Texas Government Code, as amended.

Section 31. ACQUISITION OF STADIUM AND TRAINING FACILITY IMPROVEMENTS. The President of TTU shall be and is hereby expressly authorized and empowered to (i) exercise the Lessor's Purchase Commitment to terminate the Lease and purchase the Stadium Improvements and Training Facility Improvements pursuant to the Ground Lease Agreement dated as of November 22, 2022, between TTU and Red Raider Facilities Foundation, Inc. ("RRFF"), as amended by the First Amendment to Ground Lease Agreement dated as of July 13, 2023 (as amended, the "Ground Lease"), between TTU and RRFF, (ii) enter into one or more Escrow Agreements (as defined in the Ground Lease) and cause the delivery of the documentation required to be delivered in connection therewith, (iii) deliver written notices to RRFF of the exercise by TTU of the Lessor's Purchase Commitment for the Stadium Improvements or the Training Facility Improvements, as applicable, and (iv) perform all such acts and things and to execute, acknowledge, and deliver in the name and under the corporate seal and on behalf of the Issuer and TTU all such instruments, whether or not herein mentioned, as may be necessary or desirable in order to carry out the terms and provisions of the Ground Lease and to effectuate the acquisition of the Stadium Improvements and the Training Facility Improvements pursuant to the terms thereof. Capitalized terms used in this Section 31 but not otherwise defined in this Twenty-First Supplement shall have the meanings assigned in the Ground Lease.

SCHEDULE I

LIST OF REFUNDABLE OBLIGATIONS

Any outstanding maturities of the following obligations:

1. Board of Regents of Texas Tech University System Revenue Financing System Refunding and Improvement Bonds Sixteenth Series (2015A)

2. Board of Regents of Texas Tech University System Revenue Financing System Refunding and Improvement Bonds Seventeenth Series (Taxable 2015B)

3. Texas Public Finance Authority Midwestern State University Revenue Financing System Revenue and Refunding Bonds, Series 2016A;

4. Texas Public Finance Authority Midwestern State University Revenue Financing System Revenue Refunding Bonds, Taxable Series 2016B;

5. Texas Public Finance Authority Midwestern State University Revenue Financing System Revenue and Refunding Bonds, Series 2015A;

6. Texas Public Finance Authority Midwestern State University Revenue Financing System Revenue Refunding Bonds, Taxable Series 2012B; and

7. Any other general or special obligations hereafter-identified and selected by a Pricing Officer as a candidate presenting an opportunity advantageous to the Board and its constituencies.

EXHIBIT A

DEFINITIONS

As used in this Twenty-First Supplement the following terms and expressions shall have the meanings set forth below, unless the text hereof specifically indicates otherwise:

The term "ASU" shall mean Angelo State University, a component institution of TTUS.

The term "*Authorized Denominations*" shall mean Authorized Denominations as defined in Section 2 of this Twenty-First Supplement.

The term "Board" shall mean the Board of Regents of Texas Tech University System.

The term "*Bond Purchase Contract*" shall mean any bond purchase agreement between the Board and the Purchasers pertaining to the purchase of any series of Bonds by the Purchasers.

The term "*Bonds*" shall mean each series of Bonds, and all substitute bonds exchanged therefor, and all other substitute and replacement bonds issued pursuant to this Twenty-First Supplement; and the term "Bond" means any of the Bonds.

The term "*Business Day*" shall mean any day which is not a Saturday, Sunday, legal holiday, or a day on which banking institutions in the City of New York, New York or in the city where the Designated Trust Office of the Paying Agent/Registrar is located are authorized by law or executive order to close.

The term "Chapter 55" shall mean Chapter 55, Texas Education Code, as amended.

The term "Chapter 1206" shall mean Chapter 1206, Texas Government Code, as amended.

The term "Chapter 1207" shall mean Chapter 1207, Texas Government Code, as amended.

The term "Chapter 1371" shall mean Chapter 1371, Texas Government Code, as amended.

The term "*Chief Financial Officer*" shall mean the Vice Chancellor and Chief Financial Officer of TTUS so appointed by the Board or by the Chancellor of TTUS.

The term "Code" shall mean the Internal Revenue Code of 1986, as amended.

The term "*Commercial Paper Notes*" shall mean the Board of Regents of Texas Tech University Revenue Financing System Commercial Paper Notes, Series A, issued pursuant to the provisions of the Master Resolution and the Fifth Supplement.

The term "*Designated Trust Office*" shall have the meaning ascribed to such term in Section 5(b) of this Twenty-First Supplement.

The term "*DTC*" shall mean The Depository Trust Company, New York, New York, or any successor securities depository.

The term "DTC Participant" shall mean securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations on whose behalf DTC was

created to hold securities to facilitate the clearance and settlement of securities transactions among DTC Participants.

The term "*Eighteenth Supplement*" shall mean the Eighteenth Supplemental Resolution adopted by the Board on May 14, 2020, authorizing the sale of the Series 2020 Bonds.

The term "*Escrow Agent*" shall mean one or more banking institutions named in each Escrow Agreement and chosen in a manner consistent with the legal requirements set forth in Chapter 1207.

The term "*Escrow Agreement*" shall mean one or more escrow agreements between the Board and the Escrow Agent, dated as of date of the Bond Purchase Contract, and executed for the benefit of the owners and holders of the Refunded Obligations and/or the Refunded Commercial Paper Notes, as applicable.

The term *"Fifth Supplement*" shall mean the amended and restated fifth supplemental resolution adopted by the Board on August 8, 2008, authorizing the Commercial Paper Notes.

The term "*Financial Obligation*" shall mean a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of a debt obligation or any such derivative instrument; provided that "financial obligation" shall not include municipal securities as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

The term "*Health Sciences Center*" shall mean the Texas Tech University Health Sciences Center, a component institution of TTUS.

The term "*HSC El Paso*" shall mean the Texas Tech University Health Sciences Center at El Paso, a component institution of TTUS.

The term "MAC" shall mean the Municipal Advisory Council of Texas.

The term "*Master Resolution*" shall mean the Master Resolution Establishing The Revenue Financing System under the Authority and Responsibility of the Board of Regents of Texas Tech University, adopted by the Board on October 21, 1993, as amended on November 8, 1996 and on August 22, 1997.

The term "*Maturity*" shall mean the date on which the principal of a Bond becomes due and payable as therein and herein provided, whether at Stated Maturity, by redemption, declaration of acceleration, or otherwise.

The term "MSRB" shall mean the Municipal Securities Rulemaking Board.

The term "*MSU*" shall mean Midwestern State University, located in Wichita Falls, Texas, a component institution of TTUS.

The term "*Official Statement*" shall mean any official statement prepared with respect to the offer and sale of any series of Bonds as authorized by Section 18 hereof.

The term "*Parity Obligations*" shall mean the outstanding parity revenue obligations issued by the Board in accordance with the terms of the Master Resolution and secured by the Revenue

Financing System, namely as of the date of this Twenty-First Supplement, the Commercial Paper Notes, the Sixteenth Series Bonds, the Seventeenth Series Bonds, the Series 2017 Bonds, the Series 2020 Bonds, the Series 2023 Bonds and, when delivered, the Bonds authorized to be issued hereunder in one or more series.

The terms "Paying Agent/Registrar," "Paying Agent" or "Registrar" shall mean the agent appointed pursuant to Section 5 of this Twenty-First Supplement, or any successor to such agent.

The term "*Pricing Certificate*" shall mean one or more certificates executed by the Pricing Officer in accordance with Section 3(b) of this Twenty-First Supplement.

The term "*Pricing Officer*" shall mean each of the Chancellor and the Chief Financial Officer of TTUS, acting in such capacity severally and not jointly, including any party succeeding to substantially all or part of the responsibilities and duties of either of the foregoing, regardless of title (including any person acting in an interim or acting capacity).

The term "*Purchasers*" means collectively the initial purchasers of any series of Bonds issued under this Twenty-First Supplement as named in a Pricing Certificate, including any underwriters named therein in a negotiated sale.

The term "*Record Date*" shall mean, with respect to the Bonds, the last business day of each month preceding an interest payment date.

The term "*Refundable Obligations*" shall mean those obligations identified in <u>Schedule I</u> to this Twenty-First Supplement.

The term "*Refunded Commercial Paper Notes*" shall mean those Commercial Paper Notes refunded by an issuance of one or more series of Bonds issued hereunder, as identified in a certificate of the Pricing Officer executed pursuant to the terms of this Twenty-First Supplement.

The term "*Refunded Obligations*" shall mean those Refundable Obligations identified in a Pricing Certificate to be refunded with proceeds from the sale of one or more series of the Bonds.

The term "*Registration Books*" shall mean the books or records relating to the registration, payment, and transfer or exchange of the Bonds maintained by the Paying Agent/Registrar pursuant to Section 5 of this Twenty-First Supplement.

The term "*Regulations*" shall mean all applicable temporary, proposed and final regulations and procedures promulgated under the Code or promulgated under the Internal Revenue Code of 1954, to the extent applicable to the Code.

The term "*Revenue Financing System*" shall mean the revenue financing system of TTUS as established by the Board pursuant to the Master Resolution.

The term "Rule" shall mean SEC Rule 15c2-12, as amended from time to time.

The term "SEC" shall mean the United States Securities and Exchange Commission.

The term "Series 2017 Bonds" shall mean the Board of Regents of Texas Tech University System Revenue Financing System Refunding and Improvement Bonds, Series 2017A and Board of Regents of Texas Tech University System Revenue Financing System Refunding and Improvement Bonds, Taxable Series 2017B authorized by the Seventeenth Supplement.

The term "*Series 2020 Bonds*" shall mean the Board of Regents of Texas Tech University System Revenue Financing System Refunding and Improvement Bonds, Taxable Series 2020 Bonds, authorized by the Eighteenth Supplement.

The term "*Series 2023 Bonds*" shall mean the Board of Regents of Texas Tech University System Revenue Financing System Refunding and Improvement Bonds, Series 2023A and Board of Regents of Texas Tech University System Revenue Financing System Improvement Bonds, Taxable Series 2023B, authorized by the Twentieth Supplement.

The term "Seventeenth Series Bonds" shall mean the Board of Regents of Texas Tech University System Revenue Financing System Refunding and Improvement Bonds, Seventeenth Series (Taxable 2015B), authorized by the Sixteenth Supplement.

The term "Seventeenth Supplement" shall mean the Seventeenth Supplemental Resolution adopted by the Board on December 16, 2016, authorizing the sale of the Series 2017 Bonds.

The term "Sixteenth Series Bonds" shall mean the Board of Regents of Texas Tech University System Revenue Financing System Refunding and Improvement Bonds, Sixteenth Series (2015A), authorized by the Sixteenth Supplement.

The term "Sixteenth Supplement" shall mean the Sixteenth Supplemental Resolution adopted by the Board on December 12, 2014, authorizing the sale of the Sixteenth Series Bonds and the Seventeenth Series Bonds.

The term "*Tax-Exempt Bonds*" shall mean the Bonds issued hereunder as obligations described in section 103 of the Code, the interest on which is not includable in the "gross income" of the holder for purposes of federal income taxation.

The term "TTU" shall mean Texas Tech University, a component institution of TTUS.

The term "*TTUS*" shall mean the Texas Tech University System, under the governance of the Board.

The term "*Twentieth Supplement*" shall mean the Twentieth Supplemental Resolution adopted by the Board on May 4, 2023, authorizing the sale of the Series 2023 Bonds.

The term "*Twenty-First Supplement*" shall mean this Twenty-First Supplemental Resolution adopted by the Board on August [__], 2024, authorizing the sale of the Bonds.

All terms not herein defined shall have the meanings given to such terms by the Master Resolution or as otherwise defined in this Twenty-First Supplement.

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EXHIBIT B

FORM OF BONDS

UNITED STATES OF AMERICA STATE OF TEXAS BOARD OF REGENTS OF TEXAS TECH UNIVERSITY SYSTEM REVENUE FINANCING SYSTEM [REFUNDING AND IMPROVEMENT] BOND, [TAXABLE] SERIES 202_

). R			PRINCIPAL AMOUNT \$
INTEREST RATE %	MATURITY DATE, 20_	BOND DATE , 20_	CUSIP

REGISTERED OWNER: PRINCIPAL AMOUNT: DOLLARS

NO

ON THE MATURITY DATE specified above, the BOARD OF REGENTS OF TEXAS TECH UNIVERSITY SYSTEM (the "Issuer"), being an agency and political subdivision of the State of Texas, hereby promises to pay to the Registered Owner, specified above, or the registered assignee hereof (either being hereinafter called the "registered owner") the principal amount, specified above, and to pay interest thereon, calculated on the basis of a 360-day year composed of twelve 30-day months, from the Bond Date, specified above, to the Maturity Date, specified above, or the date of redemption prior to maturity, at the interest rate per annum, specified above; with interest being payable on ______15, 20_, and semiannually on each February 15 and August 15 thereafter, except that if the date of authentication of this Bond is later than the first Record Date (hereinafter defined), such principal amount shall bear interest from the interest any Record Date but on or before the next following interest payment date, in which case such principal amount shall bear interest from such next following interest payment date.

THE PRINCIPAL OF AND INTEREST ON this Bond are payable in lawful money of the United States of America, without exchange or collection charges, solely from funds of the Issuer required by the resolution authorizing the issuance of the Bonds to be on deposit with the Paying Agent/Registrar for such purpose as hereinafter provided. The principal of this Bond shall be paid to the registered owner hereof upon presentation and surrender of this Bond at maturity or upon the date fixed for its redemption prior to maturity, initially at the corporate trust office in Texas, or, with respect to a successor Paying Agent/Registrar, at the designated offices of such _, which is the "Paying Agent/Registrar" successor (the "Designated Trust Office") of for this Bond. The payment of interest on this Bond shall be made by the Paying Agent/Registrar to the registered owner hereof on each interest payment date by check, dated as of such interest payment date, and such check shall be sent by the Paying Agent/Registrar by United States mail, first-class postage prepaid, on each such interest payment date, to the registered owner hereof, at the address of the registered owner, as it appeared on the last business day of the month next preceding each such date (the "Record Date") on the Registration Books kept by the Paying Agent/Registrar, as hereinafter described; provided, that upon the written request of any owner of not less than \$1,000,000 in principal amount of Bonds provided to the Paying Agent/Registrar not later than the Record Date immediately preceding an interest payment date, interest due on such Bonds on such interest payment date shall be made by wire transfer to any designated account within the United States of America. In addition, interest may be paid by such other method, as shall be acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the registered owner hereof. Any accrued interest due upon the redemption of this Bond prior to maturity as provided herein shall be paid to the registered owner upon presentation and surrender of this Bond for redemption and payment at the Designated Trust Office of the Paying Agent/Registrar. The Issuer covenants with the registered owner of this Bond that on or before each principal payment date and interest payment date for this Bond it will make available to the Paying Agent/Registrar, the amounts required to provide for the payment, in immediately available funds, of all principal of and interest on the Bonds, when due. Notwithstanding the foregoing, during any period in which ownership of the Bonds is determined by a book entry at a securities depository for the Bonds, payments made to the securities depository, or its nominee, shall be made in accordance with arrangements between the Issuer and the securities depository. Terms used herein and not otherwise defined have the meaning given in the Bond Resolution (hereinafter defined).

THIS BOND is one of a series of bonds authorized in the aggregate principal amount of pursuant to a Twenty-First Supplemental Resolution to the Master Resolution adopted August [__], 2024, and pursuant to the Master Resolution referred therein (collectively, the "Bond Resolution") *FOR THE PURPOSE OF (i) ACQUIRING, PURCHASING, CONSTRUCTING, IMPROVING, RENOVATING, ENLARGING OR EQUIPPING PROPERTY, BUILDINGS, STRUCTURES, FACILITIES, ROADS, OR RELATED INFRASTRUCTURE FOR TTUS OR ANY OF ITS COMPONENT INSTITUTIONS, (ii) REFUNDING THE REFUNDED OBLIGATIONS, (iii) REFUNDING THE REFUNDED COMMERCIAL PAPER NOTES, AND (iv) PAYING THE COSTS RELATED THERETO.*

ON______, or on any date thereafter, the Bonds of this series scheduled to mature on and after______ may be redeemed prior to their scheduled maturities, at the option of the Issuer, with funds derived from any available and lawful source, as a whole, or in part, and, if in part, the particular Bonds, or portion thereof), to be redeemed shall be selected and designated by the Issuer (provided that a portion of a Bond may be redeemed only in an integral multiple of [\$5,000]), at a redemption price equal to the par value thereof and accrued-interest to the date fixed for redemption; provided that during any period in which ownership of the Bonds is determined by a book entry at a securities depository for the Bonds, if fewer than all of the Bonds of the same maturity and bearing the same interest rate are to be redeemed, the particular Bonds of such maturity and bearing such interest rate shall be selected in accordance with the arrangements between the Issuer and the securities depository.

BONDS MATURING ______ are "Term Bonds" and are subject to mandatory redemption at a price equal to the principal amount to be so redeemed and accrued and unpaid interest to the date of redemption, to-wit:

Such Bonds shall be redeemed in part by lot prior to maturity on ______, in the amounts designated below, to-wit:

Years Amounts

* Maturity

THE ISSUER shall redeem Term Bonds by lot, or purchase in the open market Bonds of the same maturity. The Board shall effect the retirement of the Term Bonds required to be retired by mandatory redemption, by either redemption in accordance herewith or prior purchase for cancellation in the open market at a price not exceeding the redemption price. To the extent that Term Bonds have been previously purchased for cancellation or redeemed other than pursuant to a sinking fund redemption payment, each sinking fund payment amount for such Term Bonds shall be reduced, to the extent practicable, by the amount obtained by multiplying the principal amount of such Term Bonds so purchased or redeemed by the ratio which each remaining sinking fund payment amount of such maturity bears to the total remaining sinking fund payment amounts of such maturity, and by rounding each such sinking fund payment amount to the nearest [\$5,000] integral multiple. On the maturity date of any Term Bonds, the Board shall effect the payment of the principal of maturing Term Bonds. The foregoing notwithstanding, during any period in which ownership of the Bonds is determined only by a book entry at a securities depository for the Bonds, the particular Bonds to be so redeemed shall be selected in accordance with the arrangements between the Board and the securities depository.

AT LEAST 30 days prior to the date fixed for any redemption of Bonds or portions thereof prior to maturity, a written notice of such redemption shall be sent by the Paying Agent/Registrar by United States mail, first-class postage prepaid, to the registered owner of each Bond to be redeemed at its address as it appeared on the 45th day prior to such redemption date; provided, however, that the failure to send, mail, or receive such notice, or any defect therein or in the sending or mailing thereof, shall not affect the validity or effectiveness of the proceedings for the redemption of any Bond. By the date fixed for any such redemption due provision shall be made with the Paying Agent/Registrar for the payment of the required redemption price for the Bonds or portions thereof which are to be so redeemed. If such written notice of redemption is sent and if due provision for such payment is made, all as provided above, the Bonds or portions thereof which are to be so redeemed thereby automatically shall be treated as redeemed prior to their scheduled maturities, and they shall not bear interest after the date fixed for redemption, and they shall not be regarded as being outstanding except for the right of the registered owner to receive the redemption price from the Paying Agent/Registrar out of the funds provided for such payment. If a portion of any Bond shall be redeemed, a substitute Bond or Bonds having the same maturity date, bearing interest at the same rate, payable in the same manner, in any Authorized Denomination at the written request of the registered owner, and in aggregate principal amount equal to the unredeemed portion thereof, will be issued to the registered owner upon the surrender thereof for cancellation, at the expense of the Issuer, all as provided in the Bond Resolution.

WITH RESPECT TO any optional redemption of the Bonds, unless certain prerequisites to such redemption required by the Bond Resolution have been met and moneys sufficient to pay the principal of and premium, if any, and interest on the Bonds to be redeemed shall have been received by the Paying Agent/Registrar prior to the giving of such notice of redemption, such notice shall state that such redemption may, at the option of the Board, be conditional upon the satisfaction of such prerequisites and receipt of such moneys by the Paying Agent/Registrar on or prior to the date fixed for such redemption, or upon any prerequisite set forth in such notice of redemption. If a conditional notice of redemption is given and such prerequisites to the redemption and sufficient moneys are not received, such notice shall be of no force and effect, the Board shall not redeem such Bonds and the Paying Agent/Registrar shall give notice, in the manner in which the notice of redemption was given, to the effect that the Bonds have not been redeemed.

IF THE DATE for the payment of the principal of or interest on this Bond shall be a Saturday, Sunday, a legal holiday, or a day on which banking institutions in the City of New York,

New York, or in the city where the Designated Trust Office of the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day on which banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due.

THIS BOND OR ANY PORTION OR PORTIONS HEREOF IN ANY AUTHORIZED DENOMINATION may be assigned and shall be transferred only in the Registration Books of the Issuer kept by the Paying Agent/Registrar acting in the capacity of registrar for the Bonds, upon the terms and conditions set forth in the Bond Resolution. Among other requirements for such assignment and transfer, this Bond must be presented and surrendered to the Paying Agent/Registrar, together with proper instruments of assignment, in form and with guarantee of signatures satisfactory to the Paying Agent/Registrar, evidencing assignment of this Bond or any portion or portions hereof in any Authorized Denomination to the assignee or assignees in whose name or names this Bond or any such portion or portions hereof is or are to be transferred and registered. The form of Assignment printed or endorsed on this Bond shall be executed by the registered owner or its duly authorized attorney or representative, to evidence the assignment hereof. A new Bond or Bonds payable to such assignee or assignees (which then will be the new registered owner or owners of such new Bond or Bonds), or to the previous registered owner in the case of the assignment and transfer of only a portion of this Bond, may be delivered by the Paying Agent/Registrar in exchange for this Bond, all in the form and manner as provided in the next paragraph hereof for the exchange of other Bonds. The Issuer shall pay the Paying Agent/Registrar's fees and charges, if any, for making such transfer or exchange as provided below, but the one requesting such transfer or exchange shall pay any taxes or other governmental charges required to be paid with respect thereto. The Paving Agent/Registrar shall not be required to make transfers of registration or exchange of this Bond or any portion hereof (i) during the period commencing with the close of business on any Record Date and ending with the opening of business on the next following principal or interest payment date, or, (ii) with respect to any Bond or any portion thereof called for redemption prior to maturity, within 45 days prior to its redemption date. The registered owner of this Bond shall be deemed and treated by the Issuerand the Paying Agent/Registrar as the absolute owner hereof for all purposes, including payment and discharge of liability upon this Bond to the extent of such payment, and, to the extent permitted by law, the Issuer and the Paying Agent/Registrar shall not be affected by any notice to the contrary.

ALL BONDS OF THIS SERIES are issuable solely as fully registered bonds, without interest coupons in the denomination of any integral multiple of [\$5,000]. As provided in the Bond Resolution, this Bond, or any unredeemed portion hereof, may, at the request of the registered owner or the assignee or assignees hereof, be exchanged for a like aggregate principal amount of fully registered bonds, without interest coupons, payable to the appropriate registered owner, assignee, or assignees, as the case may be, having the same maturity date, in the same form, and bearing interest at the same rate, in any Authorized Denomination as requested in writing by the appropriate registered owner, assignee, or assignees, as the case may be, as the case may be, upon surrender of this Bond to the Paying Agent/Registrar for cancellation, all in accordance with the form and procedures set forth in the Bond Resolution.

WHENEVER the beneficial ownership of this Bond is determined by a book entry at a securities depository for the Bonds, the foregoing requirements of holding, delivering, or transferring this Bond shall be modified to require the appropriate person or entity to meet the requirements of the securities depository as to registering or transferring the book entry to produce the same effect.

IN THE EVENT any Paying Agent/Registrar for the Bonds is changed by the Issuer, resigns, or otherwise ceases to act as such, the Issuer has covenanted in the Bond Resolution that it promptly will appoint a competent and legally qualified substitute therefor, and promptly will cause written notice thereof to be mailed to the registered owners of the Bonds.

IT IS HEREBY certified, recited, and covenanted that this Bond has been duly and validly authorized, issued, and delivered; that all acts, conditions, and things required or proper to be performed, exist, and be done precedent to or in the authorization, issuance, and delivery of this Bond have been performed, existed, and been done in accordance with law; that the Series of Bonds of which this Bond is one constitute Parity Obligations under the Bond Resolution; and that the interest on and principal of this Bond, together with the other Bonds of this Series and the other outstanding Parity Obligations are equally and ratably secured by and payable from a lien on and pledge of the Pledged Revenues, subject only to the provisions of, and the lien on and pledge of certain Pledged Revenues to, any outstanding Prior Encumbered Obligations.

THE ISSUER has reserved the right, subject to the restrictions referred to in the Bond Resolution, (i) to issue additional Parity Obligations which also may be secured by and made payable from a lien on and pledge of the aforesaid Pledged Revenues, in the same manner and to the same extent as this Bond, and (ii) to amend the provisions of the Bond Resolution under the conditions provided in the Bond Resolution.

THE REGISTERED OWNER hereof shall never have the right to demand payment of this Bond or the interest hereon out of any funds raised or to be raised by taxation or from any source whatsoever other than specified in the Bond Resolution.

BY BECOMING the registered owner of this Bond, the registered owner thereby acknowledges all of the terms and provisions of the Bond Resolution, agrees to be bound by such terms and provisions, acknowledges that the Bond Resolution is duly recorded and available for inspection in the official minutes and records of the Issuer, and agrees that the terms and provisions of this Bond and the Bond Resolution constitute a contract between each registered owner hereof and the Issuer.

IN WITNESS WHEREOF, the Issuer has caused this Bond to be signed with the manual, electronic, or facsimile signature of the Chair or Vice Chair of the Issuer and countersigned with the manual, electronic, or facsimile signature of the Secretary or Assistant Secretary of the Issuer, and has caused the official seal of the Issuer to be duly impressed, electronically provided, or placed in facsimile, on this Bond.

Secretary/Assistant Secretary Board of Regents of Texas Tech University System Chair/Vice Chair Board of Regents of Texas Tech University System

(SEAL)

FORM OF PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE

PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE

It is hereby certified that this Bond has been issued under the provisions of the Bond Resolution described in this Bond, and that this Bond has been issued in conversion of and exchange for or replacement of a bond, bonds, or a portion of a bond or bonds of an issue which originally was approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas.

Dated _____

Paying Agent/Registrar

FORM OF REGISTRATION CERTIFICATE OF COMPTROLLER OF PUBLIC ACCOUNTS TO ACCOMPANY THE BONDS UPON INITIAL DELIVERY

COMPTROLLER'S REGISTRATION CERTIFICATE:

REGISTER NO.

I hereby certify that this Bond has been examined, certified as to validity, and approved by the Attorney General of the State of Texas, and that this Bond and the proceedings authorizing its issuance have been registered by the Comptroller of Public Accounts of the State of Texas.

Witness my signature and seal this ______.

Comptroller of Public Accounts of the State of Texas

(COMPTROLLER'S SEAL)

FORM OF ASSIGNMENT

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned registered owner of this Bond, or duly authorized representative or attorney thereof, hereby assigns this Bond to

(Assignee's Social Security or Taxpayer Identification Number)

(print or typewrite Assignee's name and address, including zip code)

and hereby irrevocably constitutes and appoints

/

attorney to transfer the registration of this Bond on the Paying Agent/Registrar's Registration Books with full power of substitution in the premises.

Dated: _____ Signature Guaranteed:

NOTICE: This signature must be guaranteed by a member of the New York Stock Exchange or a commercial bank or trust company. NOTICE: This signature must correspond with the name of the Registered Owner appearing on the face of this Bond, company.

EXHIBIT C

DESCRIPTION OF ANNUAL FINANCIAL INFORMATION OF THE BOARD

The following information is referred to in Section 19 of this Resolution.

Annual Financial Statements and Operating Data

The financial information and operating data with respect to the Board to be provided annually in accordance with such Section are the quantitative financial information and operating data pertaining to the Board included in the Official Statement under the caption "DEBT SERVICE REQUIREMENTS," the subcaptions to the caption "TEXAS TECH UNIVERSITY SYSTEM" in Appendix A to the Official Statement entitled "- General Description - Enrollment," "- Admissions and Matriculation," "- Financial Management" and "- Selected Financial Information" and in Appendix B to the Official Statement entitled "TEXAS TECH UNIVERSITY SYSTEM ANNUAL COMBINED FINANCIAL REPORT."

Accounting Principles

The accounting principles referred to in such Section are generally accepted accounting principles for governmental units as prescribed by the Government Accounting Standards Board from time to time, as such principles may be changed from time to time to comply with state law or regulation.

EXHIBIT D

FORM OF PAYING AGENT/REGISTRAR AGREEMENT

PAYING AGENT/REGISTRAR AGREEMENT

THIS AGREEMENT is entered into as of ______, 20__ (this "*Agreement*"), by and between the Board of Regents of Texas Tech University System (the "Issuer"), and ______, a national banking association duly organized and existing under the laws of the United States of America (the "*Bank*").

RECITALS

WHEREAS, the Issuer has duly authorized and provided for the issuance of its Board of Regents of Texas Tech University System Revenue Financing System [Refunding and Improvement] Bonds, [Taxable] Series _____ (the "*Securities*"), which are to be issued in fully-registered form only as to the payment of principal and interest thereon; and

WHEREAS, the Issuer has selected the Bank to serve as Paying Agent/Registrar in connection with the payment of the principal of, premium, if any, and interest on said Securities and with respect to the registration, transfer and exchange thereof by the registered owners thereof; and

WHEREAS, the Bank has agreed to serve in such capacities for and on behalf of the Issuer and has full power and authority to perform and serve as Paying Agent/Registrar for the Securities;

NOW, THEREFORE, it is mutually agreed as follows:

ARTICLE ONE

APPOINTMENT OF BANK AS PAYING AGENT AND REGISTRAR

Section 1.01. Appointment.

The Issuer hereby appoints the Bank to serve as Paying Agent with respect to the Securities. As Paying Agent for the Securities, the Bank shall be responsible for paying on behalf of the Issuer the principal, premium (if any), and interest on the Securities as the same become due and payable to the registered owners thereof, all in accordance with this Agreement and the "Authorizing Document" (hereinafter defined).

The Issuer hereby appoints the Bank as Registrar with respect to the Securities. As Registrar for the Securities, the Bank shall keep and maintain for and on behalf of the Issuer books and records as to the ownership of said Securities and with respect to the transfer and exchange thereof as provided herein and in the "Authorizing Document."

The Bank hereby accepts its appointment, and agrees to serve as the Paying Agent and Registrar for the Securities.

Section 1.02. Compensation.

As compensation for the Bank's services as Paying Agent/Registrar, the Issuer hereby agrees to pay the Bank the fees and amounts set forth in Schedule A attached hereto for the first

year of this Agreement and thereafter the fees and amounts set forth in the Bank's current fee schedule then in effect for services as Paying Agent/Registrar for municipalities, which shall be supplied to the Issuer on or before 90 days prior to the close of the Fiscal Year of the Issuer, and shall be effective upon the first day of the following Fiscal Year.

In addition, the Issuer agrees to reimburse the Bank upon its request for all reasonable expenses, disbursements and advances incurred or made by the Bank in accordance with any of the provisions hereof (including the reasonable compensation and the expenses and disbursements of its agents and counsel).

THE ISSUER AND THE BANK HEREBY ACKNOWLEDGE AND AGREE THAT THE VALUE OF THIS AGREEMENT AND THE COMPENSATION PAID TO THE BANK DOES NOT AND SHALL NOT EXCEED \$99,999.

ARTICLE TWO

DEFINITIONS

Section 2.01. Definitions.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires:

"*Authorizing Document*" means the order, ordinance or resolution of the governing body of the Issuer pursuant to which the Securities are issued, as the same may be amended or modified, including any pricing certificate related thereto, certified by the Secretary of the Board of Trustees or any other officer of the Issuer and delivered to the Bank.

"*Bank Office*" means the corporate trust office of the Bank as indicated on the signature page hereof. The Bank will notify the Issuer in writing of any change in location of the Bank Office.

"Fiscal Year" means the fiscal year of the Issuer, ending August 31.

"Financial Advisor" means Hilltop Securities, Inc.

"Holder" and "Security Holder" each means the Person in whose name a Security is registered in the Security Register.

"Issuer Request" and "Issuer Order" means a written request or order signed in the name of the Issuer by a Pricing Officer (as defined in the Authorizing Document), any one or more of said officials, delivered to the Bank.

"Legal Holiday" means a day on which the Bank is required or authorized to be closed.

"Person" means any individual, corporation, partnership, joint venture, association, joint stock company, trust, unincorporated organization or government or any agency or political

subdivision of a government.

"*Predecessor Securities*" of any particular Security means every previous Security evidencing all or a portion of the same obligation as that evidenced by such particular Security (and, for the purposes of this definition, any mutilated, lost, destroyed, or stolen Security for which a replacement Security has been registered and delivered in lieu thereof pursuant to Section 4.06 hereof and the Authorizing Document).

"Record Date" has the meaning assigned in the Authorizing Document.

"*Redemption Date*" when used with respect to any Security to be redeemed means the date fixed for such redemption pursuant to the terms of the Authorizing Document.

"*Responsible Officer*" when used with respect to the Bank means the Chairman or Vice-Chairman of the Board of Directors, the Chairman or Vice-Chairman of the Executive Committee of the Board of Directors, the President, any Vice President, the Secretary, any Assistant Secretary, the Treasurer, any Assistant Treasurer, the Cashier, any Assistant Cashier, any Trust Officer or Assistant Trust Officer, or any other officer of the Bank customarily performing functions similar to those performed by any of the above designated officers and also means, with respect to a particular corporate trust matter, any other officer to whom such matter is referred because of his knowledge of and familiarity with the particular subject.

"Security Register" means a register maintained by the Bank on behalf of the Issuer providing for the registration and transfer of the Securities.

"*Stated Maturity*" means the date specified in the Authorizing Document the principal of a Security is scheduled to be due and payable.

Section 2.02. Other Definitions.

The terms "*Bank*," "*Issuer*" and "*Securities* (*Security*)" have the meanings assigned to them in the recital paragraphs of this Agreement.

The term "*Paying Agent/Registrar*" refers to the Bank in the performance of the duties and functions of this Agreement.

ARTICLE THREE

PAYING AGENT

Section 3.01. Duties of Paying Agent.

As Paying Agent, the Bank shall, provided adequate collected funds have been provided to it for such purpose by or on behalf of the Issuer, pay on behalf of the Issuer the principal of each Security at its Stated Maturity or Redemption Date, to the Holder upon surrender of the Security to the Bank at the Bank Office. As Paying Agent, the Bank shall, provided adequate collected funds have been provided to it for such purpose by or on behalf of the Issuer, pay on behalf of the Issuer the interest on each Security when due, by computing the amount of interest to be paid each Holder and preparing and sending checks by United States Mail, first class postage prepaid, on each payment date, to the Holders of the Securities (or their Predecessor Securities) on the respective Record Date, to the address appearing on the Security Register or by such other method, acceptable to the Bank, requested in writing by the Holder at the Holder's risk and expense.

The Bank is also authorized to transfer funds relating to the closing and initial delivery of the securities in the manner disclosed in the closing memorandum approved by the Issuer as prepared by the Issuer's Financial Advisor or other agent. The Bank may act on a facsimile transmission of the closing memorandum to be followed by an original of the closing memorandum signed by the Financial Advisor or the Issuer.

Section 3.02. Payment Dates.

The Issuer hereby instructs the Bank to pay the principal of and interest on the Securities on the dates specified in the Authorizing Document.

ARTICLE FOUR

REGISTRAR

Section 4.01. Security Register - Transfers and Exchanges.

The Bank agrees to keep and maintain for and on behalf of the Issuer at the Bank Office books and records (herein sometimes referred to as the "Security Register") and, if the Bank Office is located outside the State of Texas, a copy of such books and records shall be kept in the State of Texas, for recording the names and addresses of the Holders of the Securities, the transfer, exchange and replacement of the Securities and the payment of the principal of and interest on the Securities to the Holders and containing such other information as may be reasonably required by the Issuer and subject to such reasonable regulations as the Issuer and the Bank may prescribe. All transfers, exchanges and replacement of Securities shall be noted in the Security Register.

Every Security surrendered for transfer or exchange shall be duly endorsed or be accompanied by a written instrument of transfer, the signature on which has been guaranteed by an officer of a federal or state bank or a member of the National Association of Securities Dealers, in form satisfactory to the Bank, duly executed by the Holder thereof or his agent duly authorized in writing.

The Bank may request any supporting documentation it feels necessary to effect a reregistration, transfer or exchange of the Securities.

To the extent possible and under reasonable circumstances, the Bank agrees that, in relation to an exchange or transfer of Securities, the exchange or transfer by the Holders thereof will be completed and new Securities delivered to the Holder or the assignee of the Holder in not more than three (3) business days after the receipt of the Securities to be canceled in an exchange or transfer and the written instrument of transfer or request for exchange duly executed by the Holder, or his duly authorized agent, in form and manner satisfactory to the Paying Agent/Registrar.

Section 4.02. <u>Securities</u>.

At any time that the Securities are not subject to a book-entry-only system of registration and transfer, the Issuer shall provide an adequate inventory of printed Securities to facilitate transfers or exchanges thereof. The Bank covenants that the inventory of printed Securities will be kept in safekeeping pending their use, and reasonable care will be exercised by the Bank in maintaining such Securities in safekeeping, which shall be not less than the care maintained by the Bank for debt securities of other political subdivisions or corporations for which it serves as registrar, or that is maintained for its own securities.

Section 4.03. Form of Security Register.

The Bank, as Registrar, will maintain the Security Register relating to the registration, payment, transfer and exchange of the Securities in accordance with the Bank's general practices and procedures in effect from time to time. The Bank shall not be obligated to maintain such Security Register in any form other than those that the Bank has currently available and currently utilizes at the time.

The Security Register may be maintained in written form or in any other form capable of being converted into written form within a reasonable time.

Section 4.04. List of Security Holders.

The Bank will provide the Issuer at any time requested by the Issuer, upon payment of the required fee, a copy of the information contained in the Security Register. The Issuer may also inspect the information contained in the Security Register at any time the Bank is customarily open for business, provided that reasonable time is allowed the Bank to provide an up-to-date listing or to convert the information into written form.

The Bank will not release or disclose the contents of the Security Register to any person other than to, or at the written request of, an authorized officer or employee of the Issuer, except upon receipt of a court order or as otherwise required by law. Upon receipt of a court order and prior to the release or disclosure of the contents of the Security Register, the Bank will notify the Issuer so that the Issuer may contest the court order or such release or disclosure of the contents of the Security Register.

Section 4.05. <u>Cancellation of Securities</u>.

All securities surrendered to the Bank, at the designated Payment/Transfer Office, for payment, redemption, transfer or replacement, shall be promptly canceled by the Bank. The Bank will provide to the Issuer, at reasonable intervals determined by it, a certificate evidencing the destruction of canceled securities.

Section 4.06. Mutilated, Destroyed, Lost or Stolen Securities.

The Issuer hereby instructs the Bank, subject to the applicable provisions of the Authorizing Document, to deliver and issue Securities in exchange for or in lieu of mutilated, destroyed, lost or stolen Securities as long as the same does not result in an over-issuance.

In case any Security shall be mutilated, or destroyed, lost or stolen, the Bank, in its discretion, may execute and deliver a replacement Security of like form and tenor, and in the same denomination and bearing a number not contemporaneously outstanding, in exchange and substitution for such mutilated Security, or in lieu of and in substitution for such destroyed lost or stolen Security, only after (i) the filing by the Holder thereof with the Bank of evidence satisfactory to the Bank of the destruction, loss or theft of such Security, and of the authenticity of the ownership thereof and (ii) the furnishing to the Bank of indemnification in an amount satisfactory to hold the Issuer and the Bank harmless. All expenses and charges associated with such indemnity and with the preparation, execution and delivery of a replacement Security shall be borne by the Holder of the Security mutilated, or destroyed, lost or stolen.

Section 4.07. <u>Transaction Information to Issuer</u>.

The Bank will, within a reasonable time after receipt of written request from the Issuer, furnish the Issuer information as to the Securities it has paid pursuant to Section 3.01, Securities it has delivered upon the transfer or exchange of any Securities pursuant to Section 4.01, and Securities it has delivered in exchange for or in lieu of mutilated, destroyed, lost, or stolen Securities pursuant to Section 4.06.

Section 4.08. <u>Reporting Requirements</u>.

To the extent required by the Internal Revenue Code of 1986 and any regulations or rulings promulgated by the U.S. Department of the Treasury pursuant thereto, the Bank shall report, or assure that a report is made to the Holder and the Internal Revenue Service, any amount of acquisition premium, interest paid on, original issue discount or adjusted basis of the Security.

ARTICLE FIVE

THE BANK

Section 5.01. Duties of Bank.

The Bank undertakes to perform the duties set forth herein and agrees to use reasonable care in the performance thereof.

Section 5.02. <u>Reliance on Documents, Etc.</u>

(a) The Bank may conclusively rely, as to the truth of the statements and correctness of the opinions expressed therein, on certificates or opinions furnished to the Bank.

(b) The Bank shall not be liable for any error of judgment made in good faith by a Responsible Officer, unless it shall be proved that the Bank was negligent in ascertaining the pertinent facts.

(c) No provisions of this Agreement shall require the Bank to expend or risk its own funds or otherwise incur any financial liability for performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity satisfactory to it against such risks or liability is not assured to it.

(d) The Bank may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, note, security, or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties. Without limiting the generality of the foregoing statement, the Bank need not examine the ownership of any Securities, but is protected in acting upon receipt of Securities containing an endorsement or instruction of transfer or power of transfer executed in accordance with Section 4.01 hereof, which appears on its face to be signed by the Holder or an agent of the Holder. The Bank shall not be bound to make any investigation into the facts or matters stated in a resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, note, security or other paper or document supplied by Issuer.

(e) The Bank may consult with counsel, and the written advice of such counsel or any opinion of counsel shall be full and complete authorization and protection with respect to any action taken, suffered or omitted by it hereunder in good faith and in reliance thereon.

(f) The Bank may exercise any of the powers hereunder and perform any duties hereunder either directly or by or through agents or attorneys of the Bank.

Section 5.03. <u>Recitals of Issuer</u>.

The recitals contained herein with respect to the Issuer and in the Securities shall be taken as the statements of the Issuer, and the Bank assumes no responsibility for their correctness.

The Bank shall in no event be liable to the Issuer, any Holder or Holders of any Security, or any other Person for any amount due on any Security from its own funds.

Section 5.04. May Hold Securities.

The Bank, in its individual or any other capacity, may become the owner or pledgee of Securities and may otherwise deal with the Issuer with the same rights it would have if it were not the Paying Agent/Registrar, or any other agent.

Section 5.05. Moneys Held by Bank.

The Bank shall deposit any moneys received from the Issuer into a trust account to be held in a fiduciary capacity for the payment of the Securities, with such moneys in the account that exceed the deposit insurance available to the Issuer by the Federal Deposit Insurance Corporation, to be fully collateralized with securities or obligations that are eligible under the laws of the State of Texas to secure and be pledged as collateral for trust accounts until the principal and interest on such securities have been presented for payment and paid to the owner thereof. Payments made from such trust account shall be made by check drawn on such trust account unless the owner of such Securities shall, at its own expense and risk, request such other medium of payment.

Subject to the Unclaimed Property Law of the State of Texas, any money deposited with the Bank for the payment of the principal, premium (if any), or interest on any Security and remaining unclaimed for three years after the final maturity of the Security has become due and payable will be paid by the Bank to the Issuer if the Issuer so elects, and the Holder of such Security shall hereafter look only to the Issuer for payment thereof, and all liability of the Bank with respect to such monies shall thereupon cease. If the Issuer does not elect, the Bank is directed to report and dispose of the funds in compliance with Title Six of the Texas Property Code, as amended.

Section 5.06. Indemnification.

TO THE EXTENT PERMITTED BY LAW, THE ISSUER AGREES TO INDEMNIFY THE BANK, ITS DIRECTORS, OFFICERS AND EMPLOYEES, AND HOLD IT HARMLESS AGAINST, ANY LOSS, LIABILITY OR EXPENSE INCURRED WITHOUT NEGLIGENCE OR WILLFUL MISCONDUCT ON ITS PART, ARISING OUT OF OR IN CONNECTION WITH ITS ACCEPTANCE OR ADMINISTRATION OF ITS DUTIES HEREUNDER, INCLUDING THE COST AND EXPENSE AGAINST ANY CLAIM OR LIABILITY IN CONNECTION WITH THE EXERCISE OR PERFORMANCE OF ANY OF ITS POWERS OR DUTIES UNDER THIS AGREEMENT

Section 5.07. Interpleader.

The Issuer and the Bank agree that the Bank may seek adjudication of any adverse claim, demand, or controversy over its person as well as funds on deposit, in either a Federal or State District Court located in the State and County where the administrative offices of the Issuer are located, and agree that service of process by certified or registered mail, return receipt requested, to the address referred to in Section 6.03 of this Agreement shall constitute adequate service. The Issuer and the Bank further agree that the Bank has the right to file a Bill of Interpleader in any court of competent jurisdiction in the State of Texas to determine the rights of any Person claiming any interest herein.

Section 5.08. Depository Trust Company Services.

It is hereby represented and warranted that, in the event the Securities are otherwise qualified and accepted for "Depository Trust Company" services or equivalent depository trust services by other organizations, the Bank has the capability and, to the extent within its control, will comply with the "Operational Arrangements," effective August 1, 1987, which establishes requirements for securities to be eligible for such type depository trust services, including, but not limited to, requirements for the timeliness of payments and funds availability, transfer turnaround time, and notification of redemptions and calls.

ARTICLE SIX

MISCELLANEOUS PROVISIONS

Section 6.01. <u>Amendment</u>.

This Agreement may be amended only by an agreement in writing signed by both of the

parties hereto.

Section 6.02. Assignment.

This Agreement may not be assigned by either party without the prior written consent of the other.

Section 6.03. Notices.

Any request, demand, authorization, direction, notice, consent, waiver or other document provided or permitted hereby to be given or furnished to the Issuer or the Bank shall be mailed or delivered to the Issuer or the Bank, respectively, at the addresses shown on the signature page of this Agreement.

Section 6.04. Effect of Headings.

The Article and Section headings herein are for convenience only and shall not affect the construction hereof.

Section 6.05. Successors and Assigns.

All covenants and agreements herein by the Issuer shall bind its successors and assigns, whether so expressed or not.

Any corporation or association into which the Bank may be converted or merged, or with which it may be consolidated, or to which it may sell, lease, or transfer its corporate trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation, or transfer to which it is a party, ipso facto, shall be and become successor Paying Agent/Registrar hereunder and vested with all of the powers, rights, obligations, duties, remedies, discretions, immunities, privileges, and all other matters as was its predecessor, without the execution or filing of any instruments or any further act, deed, or conveyance on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

Section 6.06. Severability.

In case any provision herein shall be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 6.07. Benefits of Agreement.

Nothing herein, express or implied, shall give to any Person, other than the parties hereto and their successors hereunder, any benefit or any legal or equitable right, remedy, or claim hereunder.

Section 6.08. Entire Agreement.

This Agreement and the Authorizing Document constitute the entire agreement between

the parties hereto relative to the Bank acting as Paying Agent/Registrar and if any conflict exists between this Agreement and the Authorizing Document, the Authorizing Document shall govern.

Section 6.09. Counterparts.

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall constitute one and the same Agreement.

Section 6.10. <u>Termination</u>.

This Agreement will terminate (i) on the date of final payment of the principal of and interest on the Securities to the Holders thereof or (ii) may be earlier terminated by either party upon sixty (60) days written notice; provided, however, an early termination of this Agreement by either party shall not be effective until (a) a successor Paying Agent/Registrar has been appointed by the Issuer and such appointment accepted and (b) notice has been given to the Holders of the Securities of the appointment of a successor Paying Agent/Registrar. Furthermore, the Bank and Issuer mutually agree that the effective date of an early termination of this Agreement shall not occur at any time which would disrupt, delay or otherwise adversely affect the payment of the Securities.

The resigning Paying Agent/Registrar may petition any court of competent jurisdiction for the appointment of a successor Paying Agent/Registrar if an instrument of acceptance by a successor Paying Agent/Registrar has not been delivered to the resigning Paying Agent/Registrar within sixty (60) days after the giving of such notice of resignation.

Upon an early termination of this Agreement, the Bank agrees to promptly transfer and deliver the Security Register (or a copy thereof), together with other pertinent books and records relating to the Securities, to the successor Paying Agent/Registrar designated and appointed by the Issuer.

The provisions of Section 1.02 and of Article Five shall survive and remain in full force and effect following the termination of this Agreement.

Section 6.11. Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the State of Texas.

Section 6.12. Miscellaneous.

(a) The Paying Agent/Registrar represents and warrants, for purposes of Chapter 2270 of the Texas Government Code, that at the time of execution and delivery of this Agreement, none of the Paying Agent/Registrar, or any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the Paying Agent/Registrar, nor any wholly-owned subsidiary, majority-owned subsidiary, parent subsidiary, parent company, or affiliate of the Paying Agent/Registrar, will boycott Israel during the term of this Agreement. The terms "boycotts Israel" and "boycott Israel" as used in this

subsection (a) has the meaning assigned to the term "boycott Israel" in Section 808.001 of the Texas Government Code.

(b) The Paying Agent/Registrar represents and warrants, for purposes of Subchapter F of Chapter 2252 of the Texas Government Code, that at the time of execution and delivery of this Agreement neither the Paying Agent/Registrar, nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the Paying Agent/Registrar, (i) engages in business with Iran, Sudan or any foreign terrorist organization as described in Chapters 806 or 807 of the Texas Government Code, or Subchapter F of Chapter 2252 of the Texas Government Code, or (ii) is a company (as defined in Section 2270.0001(2), Texas Government Code)listed by the Texas Comptroller under Sections 806.051, 807.051 or 2252.153 of the Texas Government Code. The term "foreign terrorist organization" as used in this subsection (b) has the meaning assigned to such term in Section 2252.151 of the Texas Government Code.

(c) Notwithstanding anything contained herein, the representations and covenants contained in this Section 6.12 shall survive termination of the agreement until the statute of limitations has run.

(Execution page follows)

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

[PAYING AGENT/REGISTRAR]

By:		
Name:		

Title:

Address:

BOARD OF REGENTS OF TEXAS TECH UNIVERSITY SYSTEM

By: ______ [Pricing Officer]

Address: Texas Tech University System System Administration Building 1508 Knoxville Ave., Suite 315 Lubbock, Texas 79409

SCHEDULE A

Paying Agent/Registrar Fee Schedule

(See attached)

ATTACHMENT



TTUS Investment Policy Statement Long Term Investment Fund with proposed revisions (Finance Item 6.)

Texas Tech University System

INVESTMENT POLICY STATEMENT

Long Term Investment Fund

Dates Approved or Amended:

- -- Sec. 15.1.c, 15.3.a-b & 15.5.a amended...... 12-16-2011

- - update SITIF references to new STIF and ITIF;
 - update strategic asset class ranges terminology and policy changes (on Schedule A);
 - update management report requirements; and
 - align the management fee assessment with the annual budget process.

- update role and responsibility of the FAI committee, the CIO, and CFO;
- delete all references to STIF, ITIF, and IAC; and replace with description and function of the IRC;
- clarify/simplify performance benchmark and strategic benchmark;
- updates to statement on core investment beliefs; and
- inclusion of quarterly report by the CIO to the FAI committee.

Section 0 Definitions.

- 0.1 "Board" or "BOR"- Board of Regents, Texas Tech University System.
- 0.2 "FAI" Finance, Administration and Investments BOR.
- 0.3 "CIO" Chief Investment Officer of the Texas Tech University System.
- 0.4 "Foundation" Texas Tech Foundation, Inc., Angelo State University Foundation, Inc., and foundations of future component universities.
- 0.5 "LTIF" Long Term Investment Fund.
- 0.6 "NAV" Net Asset Value.
- 0.7 "SEC" Securities and Exchange Commission.
- 0.8 "TTUS OI" Office of Investments, Texas Tech University System.

- 0.9 "TTUS OI employees" the Chief Investment Officer, TTUS OI staff, and the Investments Managers.
- 0.10 "TTU system" or "TTUS" Texas Tech University System.
- 0.11 "TTUS VC and CFO" the Vice Chancellor and Chief Financial Officer of the Texas Tech University System.
- 0.12 "UPMIFA" Uniform Prudent Management of Institutional Funds Act.
- 0.13 "IRC" Investment Resource Council.
- 0.14 "Performance Benchmark" Performance benchmark of Global 60/40 + 100 bps over rolling three-year periods.
- 0.15 "Strategic Benchmark" Strategic benchmark of CPI+5% over rolling 10-year periods.

Section 1 Introduction.

This policy statement shall guide the management of investments by the TTUS IO. This policy statement is intended to set forth an appropriate set of goals and objectives for the LTIF and to define guidelines within which the TTUS OI may formulate and execute their investment decisions.

Section 2 Endowment Funds.

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

Section 3 Funds Functioning as Endowments.

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

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

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

Section 5 Fiduciary Responsibility.

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

Section 6 Management Procedures.

- 6.1 No endowment or other institutional fund shall be considered for management under this policy unless it is under the sole control of the Board, with full discretion as to investment of principal and expenditure of funds eligible for distribution. Although certain assets of the Foundation are invested in the LTIF, the Foundation's Board of Directors and its officers are legally responsible for the management and control of those assets. The Vice Chancellor for Institutional Advancement shall ensure there are no donor-imposed restrictions preventing the use of the LTIF.
- 6.2 The LTIF is the TTU system's commingled endowment/institutional fund. The LTIF shall be unitized and each new endowment gift added to the fund shall receive units in the fund based upon the market value of the gift and the NAV of the fund at the latest month-end preceding the date the gift is added to the fund. The NAV will be calculated as the month-end market value of the LTIF divided by the number of outstanding units in the LTIF. Earnings determined under the policy statement's spending policy shall be calculated on a unit basis for distribution purposes.
- 6.3 Professional services (investment managers and advisors) deemed appropriate for the management and investment of the fund may be retained. All investment managers and advisors who are required to be registered under the Investment Advisors Act of 1940 shall provide the most recent Form ADV filed with the SEC.

Section 7 Long-term Institutional Funds Authorized Withdrawal.

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

Section 8 Administration and Management of the LTIF.

- 8.1 The Board and institutional personnel of the TTU system shall exercise ordinary business care and prudence under the facts and circumstances prevailing at the time of the action or decision. In managing and investing the LTIF, the Board and institutional personnel shall consider all of the following:
 - a. the needs of the TTU system and the portfolio to make distributions while also preserving future purchasing power; and
 - b. the portfolio asset allocation's expected risk-adjusted returns over multi-year and longer periods of time, which will inevitably include a wide range of events and environments for both economies and markets;
 - c. the role that each investment decision plays within the overall investment portfolio;
 - d. global, regional and national economic conditions and trajectories;
 - e. the expected tax consequences of investment decisions or strategies;
 - f. the expected total return from income and appreciation of investments;
 - g. other resources of the TTU system and donors;
 - h. an investment's special relationship or special value, if any, to the charitable purposes of the institution.
- 8.2 Management and investment decisions about an individual asset must be made not in isolation but rather in the context of the LTIF's portfolio of investments as a whole and as part of an overall investment strategy having risk and return objectives reasonably aligned with the LTIF's stated goals and objectives.

Section 9 Spending Policy.

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

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

Section 10 Core Beliefs.

This section outlines the core beliefs for the overall governance and investment of the LTIF. These beliefs will serve as guiding principles in the decision making and implementation of the LTIF's investment mandate.

- 10.1 A well-defined governance structure with clearly delineated responsibilities is critical in achieving consistent, long term performance objectives.
- 10.2 Strategic Asset Allocation, through longer term risk, return and correlation estimates, sets the amount of risk spent on each asset class, and is expected to drive the portfolio's expected return and volatility over extended periods, with potentially significant short-term variances.
- 10.3 Tactical Allocation should be exploited to take advantage of dislocations in markets, or significant changes in the expected risk, return and/or correlations.
- 10.4 Asset prices reflect the aggregated expectations for the impact of macroeconomic, fundamental, and technical factors on future performance.
- 10.5 The opportunity for active manager out performance (alpha) is not uniformly distributed across asset classes or strategies, and those opportunities are not static over time.
- 10.6 Leverage can shape a program's overall risk and return profile.
- 10.7 Management of liquidity risk is necessary in order to fulfill the portfolio's function within TTUS (stable spending), as well as to create the potential to benefit from inevitable market dislocations.

Section 11 Statement of Goals and Objectives.

The Performance Objective is intended to support the achievement of the TTUS endowment's Strategic Objective. The strategic benchmark reflects the purpose of the endowment within the TTUS. The performance benchmark will be used to evaluate the TTUS OI's portfolio management against the opportunity set in global capital markets and will also anchor expectations for the portfolio's asset allocation.

The investment objectives:

- 11.1 The Strategic Objective is to preserve the real (inflation-adjusted) purchasing power of principal and earnings after accounting for endowment spending and inflation, net of all expenses. The benchmark for the Strategic Objective is to exceed the Consumer Price Index plus 5% over rolling ten-year periods, while providing a stable source of spending for TTUS.
- 11.2 The Performance Objective is to outperform a market benchmark consisting of a Global 60/40 passive portfolio, consisting of the MSCI ACWI-ND and Barclays Global Aggregate Bond Index (unhedged), plus 100 basis points, over rolling three year periods.

Section 12 Investment Resource Council (IRC)

- 12.1 The IRC is a resource council that supports stewardship and communication. The IRC will be managed by the Vice Chancellor and CFO, in coordination with the CIO and will:
 - a. Review Investment Policy Statement with asset allocation ranges
 - b. Review tactical target and ranges
 - c. Review performance benchmarks on a relative and risk adjusted basis
 - d. Support stewardship of and communication with stakeholders.
 - e. Since there is no governance or oversight role of the IRC, there will be no official chairperson.
- 12.2 The Composition of the IRC will include a blend of investment professionals and primary stakeholders. IRC composition will include the following:
 - a. Vice Chancellor and CFO
 - b. CIO
 - c. FAI recommendation
 - d. Component Universities' Foundations recommendation
 - f. Chancellor & Chairman appointments of investment professionals
 - g. CFO from each institution

- 12.3 Appointment shall be made by the Chancellor, in consultation with the Chairman of the Board of Regents and members of the FAI standing committee of the Board of Regents.
- 12.4 The IRC will meet quarterly, or as needed, at the direction of the CIO or VC & CFO.
- 12.5 External IRC members will serve three-year terms with staggered appointments with a maximum of two consecutive terms at the pleasure of the Chancellor.

For approval of:	CIO	FAI	Board	Comment	
Performance Benchmark	Recommend	Recommend	Approve	The Performance Benchmark will anchor expectations for the asset allocation	
Strategic Targets/Ranges and Tactical Ranges	Recommend	Recommend	Approve	Long-term strategic ranges for both the Growth and Stable Value sub-portfolios	
Rebalancing Ranges	Recommend	Approve	-	The CIO is authorized to tactically over or underweight against the targets as defined in Schedule A, Part 2	
Manager Selection & Redemption	Approve	Review	-	The CIO is authorized to fund and redeem managers. Any changes are reported quarterly to the FAI.	

Section 13 Governance

13.1 Determination and implementation of asset allocation.

a. Asset allocation is the primary mechanism to select the types of broad categorical risks which drive investment return. To achieve the goal and objectives of the LTIF, the fund's assets may be invested in the categories listed in Schedule A of this policy statement ("Schedule A").

- b. The LTIF shall be diversified both through two primary sub-portfolios, a growth portfolio, and a stable value portfolio.
- c. Any changes to the policy targets within the approved ranges for each asset class must be communicated to the FAI. The Board will be promptly updated upon approval.
- d. Any changes to the policy targets outside the approved ranges for each asset class must be approved in advance by the Board, and Schedule A shall be revised accordingly.
- e. Any changes to the policy benchmark must be approved in advance by the FAI and Schedule A shall be revised accordingly. The Board will be promptly updated upon approval.
- 13.2 Monitoring and rebalancing of asset allocation.
 - a. The asset allocation shall be monitored on an ongoing basis and rebalanced as needed by the CIO. The lower and upper bounds on the tactical ranges should not be exceeded, except in unusual circumstances. In the event the bounds are exceeded, the FAI must be notified at the next quarterly meeting. However, the CIO may rebalance before reaching those limits, or set exposures anywhere within the Tactical Rebalancing Policy ranges.
 - b. The CIO is considered in compliance with this policy if asset classes breach a range due to market volatility or substantial increases in unrecognized gains for illiquid investments.
 - c. The CIO has the authority to substitute synthetic exposure in lieu of like physical exposure, and vice versa, within the portfolio or as an overlay.
 - d. The CIO has the authority to physically rebalance between manager accounts and/or utilize forwards, futures, swaps, swaptions, options or other synthetic exposures as a way to adjust exposures within Tactical Rebalancing ranges.
 - e. The CIO will report the actual asset allocation, target allocation and ranges to the FAI quarterly.

Section 14 Standards of Conduct for Investment Managers and Advisors.

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

14.1 Code of ethics. Investment managers and advisors employed by the TTU system

shall:

- a. act with integrity, competence, diligence, respect, and in an ethical manner with the public, clients, prospective clients, employers, employees, and colleagues in the investment profession and other participants in the global capital markets;
- b. place the interest of clients, the interest of their employer, and the integrity of the investment profession above their own personal interest.
- c. uses reasonable care and exercise independent professional judgment when conducting investment analysis, making investment recommendations, taking investment actions, or engaging in other professional activities;
- d. practice, and encourage others to practice, in a professional and ethical manner that will reflect credit on themselves and the profession;
- e. promotes the integrity of and uphold the rules governing global capital markets; and
- f. maintains and improve their professional competence.
- 14.2 Standards of professional conduct:
 - a. Knowledge of the law. Investment managers and advisors must understand and comply with all applicable laws, rules, and regulations of any government agency, regulatory organization, licensing agency, or professional association governing their professional activities. Investment managers and advisors must not knowingly participate or assist in any violation of such laws, rules, or regulations.
 - b. Independence and objectivity. Investment managers and advisors must use reasonable care and judgment to achieve and maintain independence and objectivity in their professional activities. Investment managers and advisors must not offer, solicit, or accept any gift, benefit, compensation, or consideration that could be reasonably expected to compromise their own or another's independence and objectivity.
 - c. Misrepresentation. Investment managers and advisors must not knowingly make any statement that misrepresents facts relating to investment analysis, recommendations, actions, or other professional activities.
 - d. Misconduct. Investment managers and advisors must not engage in any conduct involving dishonesty, fraud, deceit, or commit any act that reflects adversely on their integrity, trustworthiness, or professional competence.
- 14.3 Investment analysis and recommendations. Investment managers and advisors

shall:

- a. exercise diligence, independence, and thoroughness in conducting investment analysis, making investment recommendations, and taking investment actions; and
- b. has a reasonable and adequate basis, supported by appropriate research and investigation, for any investment analysis, recommendation, and action.
- 14.4 Disclosure and conflicts of interest:
 - a. Managers, advisors, and potential managers must make full and fair disclosure of all matters that could reasonably be expected to impair their independence and objectivity or interfere with their respective duties to the TTU system.
 - b. Managers and advisors must, on an annual basis, ensure that such disclosures are prominently set forth, are delivered in plain language, and communicate the relevant information using the Texas State Auditor's Uniform Disclosure Form.
 - c. Managers, advisors, and potential managers are investing public funds and are subject to the Texas Open Records Act.

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

- 15.1 Introduction.
 - a. It is the policy of the TTU system that members of the Board and TTUS OI employees having authority over, or input into, the selection of investments or investment managers shall act in a manner consistent with their responsibilities to the TTU system and avoid circumstances in which their financial or other ties to outside persons or entities could present an actual, potential, or apparent conflict of interest or impair the reputation of the TTU system.
 - b. Board members and TTUS OI employees should avoid any actions or situations that might result in or create the appearance of using their association with the TTU system for private gain, according unwarranted preferential treatment to any outside individual or organization, losing independence or impartiality, or adversely affecting the reputation of or public confidence in the integrity of the TTU system. Toward this end, it is the responsibility of each Board member and TTUS OI employee to ensure that the system is made aware of situations that involve personal, familial, or business relationships that could jeopardize the reputation of or public confidence in the TTU system by complying with this policy and making all disclosures and certifications as set forth herein.

- c. For the purposes of this section, "business entity" means: any entity recognized by law through which business is conducted, including a sole proprietorship, partnership, firm, corporation, limited liability company, holding company, joint stock company, receivership, or trust.
- 15.2 Conflict of interest. A conflict of interest arises when the TTU system has or is considering a transaction or other business relationship with a Board member a TTUS OI employee, or a family member of one of these individuals (defined to include a spouse and any dependent relatives or household members). For this reason, any transaction or other business relationship between the TTU system and a Board member a TTUS OI employee, or any family member of one of these individuals is prohibited.
- 15.3 Presumed conflict of interest.
 - a. A conflict of interest is presumed to arise when the TTU system has or is considering an investment in a business entity in which a Board member, a TTUS OI employee, or a family member of any of these individuals has a substantial financial interest. A financial interest is presumed to be substantial if it entails:
 - any ownership or investment interest in a business entity (including stock, options, a partnership interest, or any other ownership or investment interest) valued at more than \$10,000, except equity in a company amounting to less than 10% ownership interest in the company;
 - (2) receipt of funds from the business entity that exceed 10 percent of the Board member's gross income for the previous year, or the expectation of the receipt of such funds in the future;
 - (3) any ownership interest in real property, personal property, intellectual property or any other interest valued at \$10,000 or more;
 - (4) a position of real or apparent authority in a business entity such as director, officer, trustee, partner, agent, controlling shareholder, shareholder with a 10% or more voting interest, or a direct or indirect participating interest in any shares, stock or otherwise, regardless of whether voting rights are included, in 10% or more of the profits, proceeds or capital gains of the entity involved; or
 - (5) any position as an employee of the entity involved.
 - b. A Board member, or a TTUS OI employee is not deemed to have a substantial financial interest in a publicly traded entity by reason of an investment in that entity by another publicly traded entity, such as through a mutual fund or non-

discretionary managed account or PIPE, of which the Board member does not control investment decisions.

- 15.4 Determination of a conflict of interest. In a situation where a Board member or TTUS OI employee has a presumed conflict of interest but contends that there is no actual conflict of interest, the TTUS VC and CFO shall make the determination of whether there is an actual conflict of interest and shall advise all involved parties of the determination.
- 15.5 Restriction on parallel investments.
 - a. A conflict of interest also may arise when a Board member, a TTUS OI employee, or a family member of any of these individuals has or is considering an investment in a business entity, including a fund or partnership, that may or may not be publicly traded and in which the TTU system has or is considering an investment. Such parallel investments may create at least an appearance that the Board member, or TTUS OI employee is benefiting from the TTU system's participation in the business entity. When these individuals have any financial interest in any such business entity in which the individual otherwise knows the TTU system has or is considering an investment, these individuals should promptly disclose to the TTUS VC and CFO as follows: in the case of a publicly traded business entity, any substantial financial interest; or in the case of a privately held or traded business entity, any financial interest. The individual should not participate in any decisions whatsoever regarding such investment by the TTU system.
 - b. Privately held or traded business entity. In order to avoid the perception of a conflict of interest between the TTU system and any Board member or TTUS OI employee, the TTU system shall not invest in any privately held or traded business entity in which any of these individuals, or a family member has any financial interest. Likewise, these individuals shall not invest in a privately held or traded business entity in which the TTU system has a financial interest. Such restrictions on investments shall continue to apply for one year after the departure of the Board member from the Board or the TTUS OI employee from the TTU system.
 - c. Any investment made on behalf of a Board member from the Board or the TTUS OI employee from the TTU system in any investment is not deemed in conflict if within a non-discretionary investment vehicle.
- 15.6 Annual requirements.
 - a. All Board members and TTUS OI employees annually shall:
 - (1) review this policy on conflicts of interest and restrictions on investments;

- (2) acknowledge by his or her signature that he or she has read and understood the policy and is and has been in full compliance with the letter and spirit of this policy; and
- (3) in the case of members of the Board, file financial disclosures as required by Section 03.03.4, *Regents' Rules*; or
- (4) in the case of TTUS OI employees, file the disclosure statement as required by Section 03.04.4, *Regents' Rules*.
- b. All disclosures required under this section shall be filed with the office of the TTUS VC and CFO.

Section 16 Communications and Reporting.

- 16.1 The investment managers are responsible for frequent and open communication to the TTU OI on all significant matters pertaining to the investment policies and the management of the LTIF assets.
- 16.2 The reporting responsibilities include:
 - a. communicating major changes in the investment managers' investment outlook, strategy, and portfolio structure;
 - b. communicating significant changes in the ownership, organizational structure, financial condition, or personnel staffing;
 - c. communicating, on a monthly or quarterly basis, all investment activities during the preceding month or quarter and providing valuation reports of the month- or quarter-end portfolio holdings;
 - d. communicating, on a quarterly basis, the performance of investment managers' activities; and
 - e. meeting at least annually, to discuss the managers' performance, investment outlook, investment strategy and portfolio re-balancing strategies.
- 16.3 Any breach of guidelines will be promptly reported to the CIO.

Section 17 Management Reports.

17.1 Quarterly, the CIO shall submit a written report of the status of the investments portfolio to the Chair of the Board's FAI Committee, the Chancellor, and IRC.

- 17.2 The report required by Section 18.1 shall contain a summary of the following:
 - a. asset balances, at market value, by asset class; targets, ranges, and
 - b. performance, absolute and relative to the Performance and Strategic Benchmarks

Section 18 Management Fees.

- 18.1 The TTU System <u>Administration</u> will assess and retain an investment management fee. In addition, TTUSA may assess an administrative fee that, when implemented, would be transferred to the component designated as beneficiary of each endowment. The authority to implement this fee is delegated to the Chancellor and his/her designee. The TTUS VC and CFO in conjunction with the component CFOs will establish a procedure for allocating administrative fees in instances where multiple components may benefit from an endowment.
- 18.2 The <u>implemented</u> fees will be assessed on a quarterly basis, and average market value will be based on a 12-quarter rolling average of the total net asset value of funds managed.
- 18.3 The TTUS OI shall be funded by a management fee assessed upon the LTIF. <u>Post</u> <u>implementation of the administrative fee, each Institutional Advancement department</u> shall be at least partly funded by the fee received by its respective component.
- 18.4 The management fee rates shall be reviewed annually by the TTUS VC and CFO in conjunction with the preparation of annual operating budgets. Any recommended changes will be communicated during the annual budget process as outlined in Section 07.04, *Regents' Rules*.

Section 19 Securities Lending.

- 19.1 For funds managed in a separate account format, the LTIF may not participate in securities lending unless recommended by the CIO and approved by the FAI. Any authorization for securities lending in separate accounts must be reported in advance to the Chair of the FAI. Also, any such authorization shall be reported as an Information Agenda item at the next Board meeting.
- 19.2 Commingled funds are exempt from this restriction.

Section 20 Amendment of Investment Policy Statement.

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

Section 21 Effective Date.

This investment policy was approved by the Board on December 10, 2020.

Schedule A

Sub-Portfolio	Performance Benchmark	Target	Strategic Range	Tactical Range
Growth Sub-	MSCI All Country World Index –	60%	+/-20%	+/-10%
Portfolio	Net Dividends	00/0	1 20/0	
Stable Value Sub-	Barclays Global Aggregate –	40%	+/-20%	+/-10%
Portfolio	Unhedged	40%		,

1. POLICY ALLOCATION TARGET & RANGES

2. ASSET CLASS DESCRIPTIONS, INVESTMENT STRATEGIES, AND LEGAL STRUCTURES

a. Growth Sub-Portfolio:

The Growth Sub-Portfolio is a mix of equity strategies with the objective of outperforming the 60% ACWI-ND exposure of the Performance Benchmark.

- (1) Investment strategies: Public Equity, Private Equity, Equity Hedge Funds, Real Estate Equity and equity based derivatives. The assets or strategies listed are illustrative, not a definitive list.
- b. Stable Value Sub Portfolio:

The Stable Value Sub-Portfolio is a mix of strategies with low correlation to the Growth Sub-Portfolio with the objective of outperforming the 40% Barclays Global Aggregate (unhedged) of the Performance Benchmark.

(1) Investment strategies: Cash, Cash Equivalents, Government Debt, Debt Issued by Government Agencies, Investment Grade Debt, Below Investment Grade Debt, Private Placement Debt, Asset-backed Securities, Structured Credit, Hedge Funds, Convertible Debt, volatility strategies, hedging strategies, and Distressed Debt. The assets or strategies listed are illustrative, not a definitive list.

Schedule B

DERIVATIVES POLICY

The risks of derivatives, like all investments, should be evaluated in the context of the total portfolio. The CIO will employ a Derivatives Manager to implement derivatives transactions and manage collateral for the LTIF. Investment Managers may utilize derivatives within the scope of their respective investment policies.

- 1. Permissible Derivatives:
 - a. Forward-based derivatives, including forward contracts, futures contracts, interest rate swaps, total return swaps, and similar instruments.
 - b. Option-based derivatives, including put options, call options, interest rate caps and floors, and similar instruments.
 - c. Both Exchange Traded and Over-the-Counter ("OTC") derivatives may be utilized (see Managing Counterparty Risk below).
- 2. Derivatives Exposure Limits:
 - a. The "Collateral Assets" of the LTIF.
 - b. The total notional value of all derivatives contracts managed by the Derivatives Manager on behalf of the LTIF is the "Total Derivatives Notional".
 - c. Total Derivatives Notional is limited to 200% of the value of Collateral Assets.
 - d. For example, if Collateral Assets are \$250 million, then the Total Derivatives Notional can be no more than \$500m.
 - e. In addition, the notional value of proprietary investment strategies developed by investment banks and delivered using derivative contracts are limited to 10% of the total value of the LTIF due to their complexity.
 - f. The Total Derivatives Notional is calculated without regard to the notional value of derivatives by Investment Managers, as those exposures are governed by strategy-level investment policies.
- 3. Counterparty Risk: Counterparty risk arises though the use of OTC derivatives. Counterparty risk is mitigated primarily through the use of collateral (cash or Treasuries)

that is moved to cover any mark-to-market exposure that arises. Any OTC transactions entered into by the LTIF will be governed by ISDA documentation including a Credit Support Annex (CSA). The Derivatives Manager will be responsible for monitoring all counterparty exposures on behalf of the LTIF and will work with derivatives counterparties to move collateral to appropriately as documented in CSAs agreed with each counterparty. LTIF Investment Managers that utilize OTC derivatives are also required to monitor counterparty risk, to transact under ISDA/CSA documentation and to ensure that all derivatives transactions are adequately collateralized.

- a. All counterparties shall have a long-term credit rating of at least BBB/Baa2 or equivalent by at least one nationally recognized rating agency at the time the related derivative is executed. If the term of the derivative contract is less than one year, a counterparty shall have a short-term credit rating of at least A1/P1 or equivalent by at least one nationally recognized rating agency at the time the related derivative is executed. If a counterparty is downgraded below the required levels, the Derivatives Manager must notify the CIO within one week to discuss options regarding termination of the contract.
- b. Investment Managers and the Derivatives Manager are responsible for adhering to approved counterparty credit guidelines. Any deviation from these guidelines requires the written approval from the CIO prior to executing any transactions.

Schedule C

CONSULTANT RESPONSIBILITIES

The CIO may retain the services of a consultant with consultation and approval of the CFO to assist staff as needed.