

TEXAS TECH UNIVERSITY SYSTEM
Lubbock, Texas

Minutes

Board of Regents

December 13, 2021

Monday, December 13, 2021.—The members of the Board of Regents of the Texas Tech University System convened in a special-called meeting by videoconference at 2:03 pm on Monday, December 13, 2021, in the Board of Regents Committee Room (106), First Floor, System Administration Building, 1508 Knoxville Avenue, Lubbock, Texas, with the following in attendance:

ATTENDANCE.—

Regents present in person were Mark Griffin, Vice Chairman; J. Michael Lewis, Chairman; and Dusty Womble.

Regents present by videoconference were Arcilia Acosta; Cody Campbell; Ginger Kerrick Davis; Pat Gordon; Keaghan Holt, Student Regent; John D. Steinmetz; John B. Walker.

Administration and staff present in person were Dr. Tedd Mitchell, Chancellor, TTUS; Dr. Lawrence Schovanec, President, TTU; Mr. Gary Barnes, Vice Chancellor and Chief Financial Officer, TTUS; Mr. Eric Bentley, Vice Chancellor and General Counsel, TTUS; Mr. Keino McWhinney, Secretary of the Board and Executive Assistant to the Chancellor, TTUS; Mrs. Kim Turner, Chief Audit Executive, Office of Audit Services, TTUS; Mrs. Noel Sloan, Vice President for Administration and Finance and Chief Financial Officer, TTU; Mr. Kirby Hocutt, Director, Athletics, TTU; Mrs. Kendra Burris, Deputy Chancellor, Chancellor's Office, TTUS; Mr. Dailey Fuller, Chief of Staff, Chancellor's Office, TTUS; Mr. Joe Carmichael, IT Support Senior Specialist, Institutional Advancement, TTUS; Mr. Tyrel Fuchs, IT Support Technician II, TTU; and Mrs. Christina Martinez, Assistant Secretary to the Board of Regents, TTUS.

Administration and staff present by videoconference included Mrs. Mikela Bryant, Foundation Counsel, TTUS; and Mr. Byron Kennedy, Vice President for Advancement, TTU.

- I. MEETING OF THE BOARD—CALL TO ORDER; CONVENE INTO OPEN SESSION OF THE BOARD.—Chairman Lewis announced a quorum present and called the meeting to order at 2:03 pm.

- A. ROLL CALL—Chairman Lewis called on Board Secretary Keino McWhinney to establish who was on the call and present in the Board Room.
- B. COMMITTEE OF THE WHOLE—Chairman Lewis presided over items to be considered and approved by the Committee of the Whole.
 - I.B.1. TTUS: Report on audits.—The Board accepted an audit report.
 - I.B.2. TTU: Approve budget adjustment to the FY 2022 Operating Budget.—The Board approved a budget adjustment to Texas Tech University’s FY 2022 Operating Budget. This request will add an additional expense of \$7,562,356 to TTU’s FY 2022 Operating Budget.

TEXAS TECH UNIVERSITY – BOARD APPROVAL ITEM

Activity	Source of Funds		Expense
	Other	Income	
Board Approval			
Bowl Game Budget		\$1,614,869	\$1,862,356
This budget adjustment establishes the 2021 Bowl Game Budget for Texas Tech’s participation in the Liberty Bowl. As set forth in the Big 12 Conference bylaws, a bowl estimated member participation subsidy of \$1,614,869 will be provided by the Big 12 Conference for the University’s football team to participate in the bowl. All bowl related expenses (preparatory, travel, supplemental compensation, etc.) are estimated to be \$1,862,356.			
Contractual Obligations Budget Adjustment	\$5,700,000		\$5,700,000
Budget adjustment for expenses related to the Football staff transition, including contractual obligations to outgoing & incoming coaches, supplemental compensation related to overlapping staff for Bowl preparation, etc.			
Total		\$7,314,869	\$7,562,356

- I.B.3. TTU: Approve an agreement with ClubCorp TTC, LLC.—The Board delegated authority to the president, or his designee, to finalize negotiations and execute an agreement with ClubCorp TTC, LLC (“ClubCorp”).

The Board previously approved and authorized the execution of an agreement with ClubCorp that expires December 31, 2021.

The new agreement will be effective for five (5) years with the option to extend for up to three (3) renewal terms of five (5) years

each upon mutual agreement. In addition, ClubCorp will make a \$3,500,000 capital investment in 2022 and 2023 for additional club improvements. The parties will mutually agree upon the facility and equipment improvements. If the contract is extended for the first renewal term, ClubCorp will make an additional \$1,000,000 capital investment in 2027. If Texas Tech University (“TTU”) does not extend the first renewal term, then 50% of the capital investment will need to be repaid; there is no penalty for the other additional renewal terms.

The agreement will contain provisions allowing TTU internally operated catering services to oversee, manage and direct home gameday operations for suite and club level catering. TTU, at its sole discretion, may revert gameday operations to ClubCorp at any time during the term of the agreement or the subsequent renewals. If such reversion of gameday operations occurs, ClubCorp will make an additional \$1,000,000 capital investment. ClubCorp will be responsible for the operation of the private restaurant and club as well as private events taking place in stadium facilities.

The new agreement will also include complimentary Texas Tech Club memberships for all suite holders and implementation of a minimum rent guarantee (\$4,500,000 over 10-years). The agreement will require quarterly meetings with Athletics leadership team and annual meetings with Athletics leadership team and Texas Tech University CFO to ensure quality and service is being met. The agreement will allow for early termination based on performance that does not meet mutually agreeable minimum thresholds set to achieve customer satisfaction.

The new agreement will include several partnerships with TTU students and our RHIM Department, including five (5) paid internships per year, five (5) guest lecturing classes per semester, opportunity for RHIM program students to gain experience in gameday operations, and commitment as title sponsor of RHIM job fair each year.

- II. EXECUTIVE SESSION.—At 2:20 pm, the Board recessed and convened into Executive Session as authorized by Chapter 551.0741, 551.072, 551.073, 551.074 and 551.076 of the *Texas Government Code*.
- III. OPEN SESSION.—At 3:11 pm, the Board reconvened in open session to consider items from Executive Session.
 - III.A. REPORT OF EXECUTIVE SESSION.—Chairman Lewis called on Vice Chairman Griffin to present motions regarding items discussed in Executive Session.

Vice Chairman Griffin announced there was one motion resulting from Executive Session.

III.A.1. Vice Chairman Griffin moved that the Board authorize the acceptance of a gift and naming of an academic unit at Texas Tech University in accordance with the terms and conditions set forth in Executive Session... and delegate to President Schovanec the authority to announce the naming at the appropriate time. The motion was seconded by Regent Womble and unanimously approved by the Board.

No action was taken on any other matters that were posted for discussion in Executive Session, which included:

Consultation with Attorney Regarding Legal Matters or Pending and/or Contemplated Litigation or Settlement Offers (Tex. Govt. Code § 551.071) including: Pre-litigation and litigation update; and Other pending legal matters, potential legal claims updates, settlement offer updates, and discussion and advice from general counsel on pending legal issues.

Deliberation Regarding the Purchase, Exchange, Lease, Sale, or Value of Real Property (Tex. Govt. Code § 551.072).

Deliberation Regarding Individual Personnel Matters Relating to the Appointment, Employment, Evaluation, Reassignment, Duties, Discipline, or Dismissal of Officers or Employees of the TTU System and its Component Institutions. (Tex. Govt. Code § 551.074) including: Discussion of Chancellor duties, assignments, and expectations; Discussion of Chancellor and President evaluations; and Discussion of other personnel matters including the duties, performance and evaluation of Texas Tech University System or component institution officers and employees.

Deliberation Regarding Security Devices or Security Audits. (Section 551.076).

(*In connection with this item, to the extent that any agenda notation or supplemental written materials, which might otherwise be covered by Tex. Govt. Code §551.1281(b)(1), have been excluded from an internet web posting, such exclusion has been authorized by a certification pursuant to Tex. Govt. Code §551.1281(c).)

B. CHAIRMAN'S ANNOUNCEMENTS.—There were no announcements.

IV. ADJOURNMENT.—Chairman Lewis adjourned the meeting at 3:12 pm.

I, Keino McWhinney, the duly appointed and qualified Secretary to the Board of Regents, hereby certify that the above and foregoing is a true and correct copy of the Minutes of the Texas Tech University System Board of Regents meeting on December 13, 2021.



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Keino McWhinney
Secretary of the Board