



TEXAS TECH UNIVERSITY SYSTEM

BOARD OF REGENTS

AGENDA BOOK

October 13-14, 2016

BOARD OF REGENTS
TEXAS TECH UNIVERSITY SYSTEM

AGENDA

October 13-14, 2016

BOARD OF REGENTS

Mr. Mickey L. Long, Chairman

Mrs. Debbie Montford, Vice Chairman

Mr. Larry K. Anders

Mr. John D. Esparza

Mr. L. Frederick "Rick" Francis

Mr. Ron Hammonds

Mr. Christopher M. Huckabee

Mr. Tim Lancaster

Mr. John D. Steinmetz

Mr. Jeremy W. Stewart, Student-Regent

Standing Committees:

Academic, Clinical and Student Affairs:

Tim Lancaster (Chair); Rick Francis; John Esparza; Jeremy Stewart

Audit:

John Steinmetz (Chair); John Esparza; Ron Hammonds

Facilities:

Larry Anders (Chair); John Steinmetz; Chris Huckabee

Finance and Administration:

Rick Francis (Chair); Larry Anders; Tim Lancaster

AGENDA

Board of Regents Meeting

Lubbock, Texas

October 13-14, 2016

Abbreviated Agenda with Approximate Times*

Thursday, October 13, 2016

Meeting of Standing Committees

(Conducted sequentially)

12:30 pm	Academic, Clinical and Student Affairs Committee Location: Ballroom (Room 118), First Floor, Student Union Building, 15 th Street and Akron Avenue, Lubbock, Texas
12:40 pm (or upon adjournment of the Academic, Clinical and Student Affairs Cmte. meeting.)	Audit Committee Location: Ballroom (Room 118), First Floor, Student Union Building, 15 th Street and Akron Avenue, Lubbock, Texas
1:15 pm (or upon adjournment of the Audit Cmte. meeting)	Facilities Committee Location: Ballroom (Room 118), First Floor, Student Union Building, 15 th Street and Akron Avenue, Lubbock, Texas
2:00 pm (or upon adjournment of the Facilities Cmte. meeting)	Finance and Administration Committee Location: Ballroom (Room 118), First Floor, Student Union Building, 15 th Street and Akron Avenue, Lubbock, Texas

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*For general information. Unless otherwise noted, all open session meetings will take place in the Ballroom (Room 118), First Floor, Student Union Building, 15th Street and Akron Avenue, Lubbock, Texas. Any executive session meetings that should occur throughout the day will take place in the Red Raider Lounge (Room 119), First Floor, Student Union Building, 15th Street and Akron Avenue, Lubbock, Texas. The times listed are estimates, with periodic recesses. Committee meetings will begin no earlier than 12:30 pm on Thursday, October 13, 2016. Any committee meetings not completed on Thursday, October 13, 2016, will be completed on Friday, October 14, 2016. The Board has the option to convene as a Meeting of the Board/Committee of the Whole and convene into Executive Session after the last committee meeting adjourns or whenever deemed necessary on Thursday, October 13, 2016. The Meeting of the Board will reconvene at 8:30 am on Friday, October 14, 2016. If necessary, the Meeting of the Board will recess after introductions/recognitions at approximately 9:00 am to conduct any committee meetings which were not concluded on Thursday, October 13, 2016. The Meeting of the Board will reconvene upon adjournment of the any committee meeting(s) if applicable at approximately 9:30 am to complete the remainder of its business. The Meeting of the Board is expected to adjourn at approximately 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 xiii. 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.

Board of Regents Meeting

Lubbock, Texas

October 13-14, 2016

Abbreviated Agenda with Approximate Times*

Thursday, October 13, 2016

Meeting of the Board

CONTINUED FROM PREVIOUS PAGE

- | | |
|---|---|
| 2:30 pm
(or upon adjournment of
the Finance and
Administration Cmte.
meeting or whenever
deemed necessary) | Call to Order; reconvene Meeting of the Board
Meeting of the Committee of the Whole and the Board
Location: Ballroom (Room 118), First Floor, Student
Union Building, 15th Street and Akron Avenue,
Lubbock, Texas |
| 2:30 pm | Executive Session
Location: Red Raider Lounge (Room 119), First Floor,
Student Union Building, 15th Street and Akron
Avenue, Lubbock, Texas |
| 4:30 pm | Following Executive Session, convene into Open Session,
and Meeting of the Committee of the Whole and the
Board
Location: Ballroom (Room 118), First Floor, Student
Union Building, 15th Street and Akron Avenue,
Lubbock, Texas |
| 4:30 pm | Recess |

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Board of Regents Meeting

Lubbock, Texas

October 13-14, 2016

Abbreviated Agenda with Approximate Times*

Friday, October 14, 2016

Meeting of the Board

8:30 am Call to Order; reconvene Meeting of the Board

- Introductions and Recognitions
- Recess

Location: Ballroom (Room 118), First Floor,
Student Union Building, 15th Street and Akron
Avenue, Lubbock, Texas

9:00 am Recess

If necessary, committee meetings not completed on Thursday, October 13, 2016 will reconvene.

9:30 am Call to Order; reconvene Meeting of the Board

- Meeting of the Committee of the Whole and the Board

Location: Ballroom (Room 118), First Floor,
Student Union Building, 15th Street and Akron
Avenue, Lubbock, Texas

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Board of Regents Meeting

Lubbock, Texas

October 13-14, 2016

Abbreviated Agenda with Approximate Times*

Friday, October 14, 2016

Meeting of the Board

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|----------|---|
| 10:15 am | Executive Session
Location: Red Raider Lounge (Room 119), First Floor,
Student Union Building, 15th Street and Akron Avenue,
Lubbock, Texas |
| 11:55 am | Following Executive Session, convene into Open Session,
and Meeting of the Committee of the Whole and the
Board
Location: Ballroom (Room 118), First Floor,
Student Union Building, 15 th Street and Akron
Avenue, Lubbock, Texas |
| 12:00 am | Adjournment |

*For general information. Unless otherwise noted, all open session meetings will take place in the Ballroom (Room 118), First Floor, Student Union Building, 15th Street and Akron Avenue, Lubbock, Texas. Any executive session meetings that should occur throughout the day will take place in the Red Raider Lounge (Room 119), First Floor, Student Union Building, 15th Street and Akron Avenue, Lubbock, Texas. The times listed are estimates, with periodic recesses. Committee meetings will begin no earlier than 12:30 pm on Thursday, October 13, 2016. Any committee meetings not completed on Thursday, October 13, 2016, will be completed on Friday, October 14, 2016. The Board has the option to convene as a Meeting of the Board/Committee of the Whole and convene into Executive Session after the last committee meeting adjourns or whenever deemed necessary on Thursday, October 13, 2016. The Meeting of the Board will reconvene at 8:30 am on Friday, October 14, 2016. If necessary, the Meeting of the Board will recess after introductions/ recognitions at approximately 9:00 am to conduct any committee meetings which were not concluded on Thursday, October 13, 2016. The Meeting of the Board will reconvene upon adjournment of the any committee meeting(s) if applicable at approximately 9:30 am to complete the remainder of its business. The Meeting of the Board is expected to adjourn at approximately 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 xiii. 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.

Board of Regents Meeting

October 13-14, 2016

Agenda

Thursday, October 13, 2016

**Ballroom (Room 118), First Floor, Student Union Building,
15th Street and Akron Avenue,
Lubbock, Texas**

I. Meeting of Standing Committees

A. Academic, Clinical and Student Affairs Committee

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- 1. TTU: Approve appointments with tenure2
- 2. TTUHSC El Paso: Approve appointment with tenure3
- 3. Adjournment

B. Audit Committee

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- 1. TTUS: Report on audits.....3
- 2. Executive Session: The Audit Committee will convene into Executive Session in the Red Raider Lounge (Room 119), First Floor, Student Union Building, 15th Street and Akron Avenue, to consider matters permissible under Chapter 551 of the *Texas Government Code*, including:
 - a. Consultation with Attorney — Section 551.071.
 - b. Discussion of personnel matters – Section 551.074.
- 3. Open Session: At the conclusion of Executive Session, the committee will convene into Open Session in the Ballroom (Room 118), First Floor, Student Union Building, 15th Street and Akron

Avenue, to consider appropriate action, if any, on items discussed in Executive Session.

4. Adjournment

C. Facilities Committee

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- 1. TTU: Approve naming of a lab within the Industrial Engineering building.....2
- 2. TTU: Approve naming of the outdoor grass practice field at the Football Training Facility 4
- 3. TTUHSC: Approve a project to construct the Lubbock Expansion project5
- 4. TTUS: Report on Facilities Planning and Construction projects.....8
- 5. Adjournment

D. Finance and Administration Committee

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- 1. TTUS, TTU, TTUHSC and TTUHSC at El Paso: Approve purchasing contracts in excess of \$1,000,0003
- 2. TTU: Authorize president to execute contract with W.W. Grainger, Inc.....6
- 3. TTUHSC: Authorize president to execute purchase contract with authorized distributors for Eylea 8
- 4. TTUHSC El Paso: Approve to exceed the full-time equivalent limitation on employees paid from appropriated funds9
- 5. TTUS: Amend the use of debt proceeds in Chapter 07 (Fiscal Management), *Regents' Rules*..... 10
- 6. TTUS: Amend the money market fund description in the Investment Policy Statement for the Short/Intermediate Term Investment Fund..... 12

7. TTUS: Approve appointment of new members to the Board of Directors of Texas Tech Foundation, Inc 14

8. Adjournment

II. Meeting of the Board—Call to Order; convene into Open Session of the Board Chairman Long

III. Executive Session: The Board may convene into Executive Session in the Red Raider Lounge (Room 119), First Floor, Student Union Building, 15th Street and Akron Avenue to consider matters permissible under Chapter 551 of the *Texas Government Code*, including, for example: Chairman Long

- 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 Open Session in the Ballroom (Room 118), First Floor, Student Union Building, 15th Street and Akron 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 Chairman Montford

V. Recess Chairman Long

Friday, October 14, 2016
Ballroom (Room 118), First Floor, Student Union Building,
15th Street and Akron Avenue,
Lubbock, Texas

- VI. **Meeting of the Board—Call to Order; reconvene into Open Session of the Board**
- VII. **Introductions and Recognitions** Chancellor Duncan,
 President May
 President Schovanec,
 President Mitchell, and
 President Lange
- VIII. **Recess** Chairman Long
- IX. **Meeting of Standing Committees** (if not concluded on Thursday)
- X. **Meeting of the Board—Call to Order; reconvene into Open Session of the Board**
- XI. **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 board meeting held on August 11-12, 2016.....Chairman Long
 - B. Committee of the Whole.....Vice Chairman Montford

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- 1. ASU, TTU, TTUHSC, TTUHSC El Paso, TTUSA and TTUS: Approve Consent Agenda; acknowledge review of Information Agenda 8

Consent Agenda

- a. ASU: Approve name change for the College of Graduate Studies (ACS)
- b. TTU: Approve employee appointment to non-elective position (ACS)
- c. TTU: Approve affirmation of managerial group and exclude members of the Board of Regents from access to classified information (CW)

- d. ASU: Approve acknowledgement of the Campus Condition Index Report and submission to the THECB (F)
- e. TTU: Approve acknowledgement of the Campus Condition Index Report and submission to the THECB (F)
- f. TTUHSC: Approve acknowledgement of the Campus Condition Index Report and submission to the THECB (F)
- g. TTUHSC El Paso: Approve acknowledgement of the Campus Condition Index Report and submission to the THECB (F)
- h. TTUHSC: Approve Permanent Right of Access and Use of Texas Tech University Health Sciences Center land on the Amarillo campus (F)
- i. TTUHSC: Authorize the renewal of a long-term lease at the TTUHSC Southwest Campus to the Lubbock County Medical Examiner (FA)

Information Agenda

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

- (1) TTUHSC: Contract Renewals per Sections 07.12.4.d and 07.12.6.b., *Regents' Rules* – A list of renewal, extended or amended contracts in excess of \$1,000,000 per annum, including the amount of the contract, shall be provided to the board as an information item at the next regular board meeting.
- (2) TTU: Consulting contracts with an initial consideration of \$25,000 or less per Section 07.12.4.e.(2), *Regents' Rules* – “(a) Board approval is not required, but notice of the proposed contract must be provided to the chair and the chair of the Finance and Administration Committee prior to execution of the contract. (b) A report of the contract shall be provided as an Information Agenda item at the next board meeting.”
- (3) TTU: Report on 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 approval by the president, with notice provided

to the board via an item in the information Agenda for the next meeting of the board.”

- (4) TTUHSC: Notification regarding approval by the Board of Governors of University Medical Center (“UMC”) of four new endowed chairs – UMC has established and continues to support endowed chairs to benefit the TTUHSC School of Medicine and UMC.
- (5) TTUHSC El Paso: Emergency approval of employment agreement as provided by Section 07.12.3.e(3)(c), *Regents Rules* – “Health-related institution faculty employment contracts. For such contracts that would require the approval of the board under Section 07.12.3.e(2), when it is not feasible or practical to delay action until the next scheduled regular or special called meeting of the board and upon the recommendation of the chancellor, approval of the contract may be given by the chair or the chair of the Finance and Administration Committee. Contracts approved in this manner shall be reported to the board as an information item at the next board meeting.”
- (6) ASU: Emergency or exigent circumstances approval of property purchase by Section 07.12.3.g, *Regents’ Rules* – “Unless prohibited by law and upon recommendation of the chancellor, when an emergency or 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, approval may be given for a contract by verbal approval of the chair or of the chair of the Finance and Administration Committee. Contracts approved in this manner shall be presented to the board as an information item at the next board meeting.”
- (7) TTUS: Authorization for an ‘early start’ of a +\$25,000 consulting contract via Section 07.12.4.e(1)(b), *Regents’ Rules* – “A consulting contract with an initial consideration in excess of \$25,000 may be executed prior to approval by the board if: i. the contract includes a provision that limits the total amount to be paid to the consultant to no more than \$25,000 unless and until such time as the board has approved the agreement; and ii. the chair or chair of the Finance and Administration Committee authorize a proposal submitted to them by the chancellor, or the chancellor’s designee, regarding execution of the agreement in advance of approval by the board.”

- XII. Reports of Standing Committees:** Standing Committee reports will be presented sequentially to the Committee of the Whole.
- A. Report of the Academic, Clinical and Student Affairs Committee..... Regent Lancaster
 - B. Report of the Audit Committee Regent Steinmetz
 - C. Report of the Facilities Committee Regent Anders
 - D. Report of the Finance and Administration Committee..... Regent Francis
- XIII. The Board will continue in Open Session as the Committee of the Whole and Meeting of the Board of Regents.**
- A. Schedule for Board meetings:
 December 15-16, 2016, Lubbock
 February 23-24, 2017, Lubbock
 May 18-19, 2017, Lubbock
 August 10-11, 2017, Lubbock
 December 14-15, 2017, Lubbock Ben Lock
 - B. The Chancellor’s Report Chancellor Duncan
 - C. The President’s Report, ASU President May
 - D. The President’s Report, TTU President Schovanec
 - E. The President’s Report, TTUHSC President Mitchell
 - F. The President’s Report, TTUHSC El Paso..... President Lange
- XIV. Executive Session:** The Board may convene into Executive Session, in the Red Raider Lounge (Room 119), First Floor, Student Union Building, 15th Street and Akron Avenue, to consider matters permissible under Chapter 551 of the *Texas Government Code*, including, for example: Chairman Long
- 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

XV. Open Session: The Board will convene into Open Session in the Ballroom (Room 118), First Floor, Student Union Building, 15th Street and Akron 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 SessionVice Chairman Montford
- B. Chairman’s Announcements.....Chairman Long

XVI. AdjournmentChairman Long

**ACADEMIC,
CLINICAL AND
STUDENT AFFAIRS**

Academic, Clinical and Student Affairs Committee

Committee Meeting
October 13, 2016

Time: 12:30 pm

Place: Ballroom (Room 118), First Floor, Student Union Building, 15th Street and Akron Avenue, Lubbock, Texas

Regents: Lancaster (Chair), Esparza, Francis, Stewart

Agenda

- Approve minutes of committee meeting held on August 11, 2016
- 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”), TTUS, 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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- | | | |
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| 1. | TTU: Approve appointments with tenure | 2 |
| 2. | TTUHSC El Paso: Approve appointment with tenure..... | 3 |
| 3. | Adjournment | |

NOTE: Following consideration of the above items by the committee, the Committee Chair will present the Committee Report to the full Board of Regents for its consideration on Friday, October 14, 2016.

1. TTU: Approve appointments with tenure.

Presenter: Dr. Michael Galyean

Presentation Time: 2 minutes

Board approval required by: Section 04.02, *Regents' Rules*; TTU Operating Policy 32.17**RECOMMENDATION**

The chancellor concurs with the recommendation of the president that the Board of Regents approve the granting of tenure to the following faculty member upon appointment at Texas Tech University ("TTU"):

Jerry Dwyer, Ph.D., new Professor of Mathematics Education in the Department of Curriculum and Instruction and Director of the Center for the Integration of STEM Education and Research, College of Education. Dr. Dwyer returns to Texas Tech from George Washington University where he was a tenured Professor of Mathematics and Director of the STEM Academy from 2015-2016. Previously, he had been a tenured Professor of Mathematics at Texas Tech University, having started his faculty position at TTU in 2003.

BACKGROUND INFORMATION

The faculty member named above has been judged by the respective department faculty, appropriate committees and administrative personnel as worthy of academic tenure. Procedures set forth in the university tenure policy (OP 32.01) for the awarding of tenure to qualified members of the faculty have been carefully followed. Fulfillment of the faculty member's appointment at Texas Tech University includes receiving tenure here.

Approval of this individual's tenure brings the number of full-time tenured faculty at Texas Tech University to 785, and the total number of all faculty at the university, either tenured or tenure track, to a total of 1097. With this appointment, the percentage of tenure track faculty who have been awarded tenure will be 72.

2. TTUHSC El Paso: Approve appointment with tenure.

Presenter: Richard A. Lange, M.D., M.B.A. Presentation Time: 1 minute
Board approval required by Section 04.02, *Regents' Rules*; and HSC Operating Policy 60.01

RECOMMENDATION

The chancellor concurs with the recommendation of the president that the Board of Regents approve the granting of tenure to David Cistola, M.D., Ph.D. concurrent with his appointment as the professor in the Department of Biomedical Sciences at the Paul L. Foster School of Medicine, effective as of September 1, 2016.

Dr. Cistola joins the Texas Tech University Health Sciences Center at El Paso ("TTUHSC El Paso") from the University of North Texas Health Science Center where he has served as a tenured professor of Cardiovascular and Metabolic Diseases and as vice president for Research & Innovation. He earned his MD/PhD from Boston University School of Medicine. He trained as an NIH Fellow in the Cardiovascular Institute and held the Andrew Costello Fellowship of the Juvenile Diabetes Foundation International.

Dr. Cistola's research interests include biophysical techniques related to the development of new diagnostic and screening methods for cardiovascular disease, diabetes and Alzheimer's disease. He has served as a member and Chair of the NIH F04 Study Section, which reviews pre- and post-doctoral fellowship applications in Chemistry, Biochemistry, Biophysics and Bioengineering. He also has served on the Rehabilitation Peer Review Panel of the Defense Medical Research and Development Program, and the Military Relevance Review Panel of the Congressionally Directed Medical Research Program of the U.S. Department of Defense ("DoD").

BACKGROUND INFORMATION

Pursuant to 04.02, *Regents' Rules*, the Board of Regents approves the awarding of academic tenure with initial appointment. Approval of this individual for tenure brings the number of tenured faculty in all academic schools of the Health Sciences Center El Paso to 39. There are a total of 70 faculty either in the tenure-track or tenured. After this appointment, the percentage of tenure track faculty who has been awarded tenure will be 54 percent. The number of faculty that is on the non-tenure track is 221.

AUDIT

Audit Committee

Committee Meeting
October 13, 2016

Time: 12:40 pm (or upon adjournment of the Academic, Clinical and Student Affairs Committee meeting)

Place: Ballroom (Room 118), First Floor, Student Union Building, 15th Street and Akron Avenue, Lubbock, Texas

Regents: Steinmetz (Chair), Esparza, Hammonds,

Agenda

- Approve minutes of committee meeting held on August 11, 2016
- 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”), TTUS, 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. | TTUS: Report on audits | 3 |
| 2. | Executive Session: The Audit Committee will convene into Executive Session in the Red Raider Lounge (Room 119), First Floor, Student Union Building, 15th Street and Akron Avenue, to consider matters permissible under Chapter 551 of the <i>Texas Government Code</i> , including: | |
| | a. Consultation with Attorney — Section 551.071. | |
| | b. Discussion of personnel matters – Section 551.074. | |
| 3. | Open Session: At the conclusion of Executive Session, the committee will convene into Open Session in the Ballroom (Room 118), First Floor, Student Union Building, 15th Street and Akron Avenue, to consider appropriate action, if any, on items discussed in Executive Session. | |
| 4. | Adjournment | |

NOTE: Following consideration of the above items by the committee, the Committee Chair will present the Committee Report to the full Board of Regents for its consideration on Friday, October 14, 2016.

1. TTUS: Report on audits.

Presenter: Mrs. Kim Turner

Presentation Time: 10 minutes

Report to Board required by: Section 07.02.7, *Regents' Rules*; and Audit Committee Charter

Mrs. Kim Turner, Chief Audit Executive, will present a report on the System's audit projects.

FACILITIES

Facilities Committee

Committee Meeting
October 13, 2016

Time: 1:15 pm (or upon adjournment of the Audit Committee meeting)

Place: Ballroom (Room 118), First Floor, Student Union Building, 15th Street and Akron Avenue, Lubbock, Texas

Regents: Anders (Chair), Huckabee, Steinmetz

Agenda

- Approve minutes of committee meetings held on August 11, 2016
- 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”), TTUS, 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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2. TTU: Approve naming of the outdoor grass practice field at the Football Training Facility	4
3. TTUHSC: Approve a project to construct the Lubbock Expansion project.....	5
4. TTUS: Report on Facilities Planning and Construction projects	8
5. Adjournment	

NOTE: Following consideration of the above items by the committee, the Committee Chair will present the Committee Report to the full Board of Regents for its consideration on Friday, October 14, 2016.

1. TTU: Approve naming of a lab within the Industrial Engineering building.

Presenter: Ms. Lisa Calvert & Mr. Michael Molina Presentation Time: 5 minutes
Board approval required by: Section 08.05.01, *Regents' Rules*

RECOMMENDATION

The chancellor concurs with the recommendation of the president that the Board of Regents approve the naming of the Advanced Manufacturing Technology Teaching Laboratory, a part of the Industrial Engineering building, within the Edward E. Whitacre Jr. College of Engineering, as the “Stinson Family Advanced Manufacturing Technology Laboratory.”

The donor concurs with the naming of this interior space. Appropriate signage for the laboratory will specify the approved name.

BACKGROUND INFORMATION

J. Michael and Pamela A. Stinson made a generous gift of \$1 million to the Texas Tech Foundation, Inc. (the “Foundation”) to establish a discretionary research fund for the dean of the Edward E. Whitacre College of Engineering. In honor and recognition of the Stinsons’ generous support, the Advanced Manufacturing Technology Laboratory, a part of the Industrial Engineering building, within the Edward E. Whitacre Jr. College of Engineering, will be named the “Stinson Family Advanced Manufacturing Technology Laboratory.”

The gift has been paid in full.

The \$1 million gift exceeds the fifty percent (50%) threshold requirement for naming consideration of new or renovated facilities, as verified by the vice chancellor for facilities planning and construction.

J. Michael and Pamela A. Stinson are longtime supporters of Texas Tech University (“TTU”) and the Edward E. Whitacre Jr. College of Engineering. They have established the Charlie & Clara Burford Endowment, the Ayoub-Stinson Engineering Endowment and the Michael and Pamela Stinson Scholarship Endowment in Engineering. Mr. and Mrs. Stinson are members of the Spur Society, the Engineering Key Society and the Chancellor’s Council.

J. Michael Stinson is retired from ConocoPhillips, serving previously as Senior Vice President, Government Affairs. He currently serves on the Board of Directors for Harvest Natural Resources, is a Fellow of the Institute of Petroleum Engineers and a member of the American Petroleum Institute, the Society of Petroleum Engineers and the America Association of Petroleum Engineers. Mr.

Stinson received the Distinguished Alumnus Award of Engineering in 1991 and is an Emeritus member of the Engineering Advisory Council.

Pamela Stinson is a Consultant with Peak-in-Sight and has served as Director of Team Learning and Senior Lecturer at the Jesse H. Jones Graduate School of Management at Rice University.

Regents' Rules 08.05.01, *Regents' Rules* require board approval of the naming of all buildings, auditoriums, rooms, laboratories, streets, athletic fields, landscape features, and other facilities within the TTU system.

2. TTU: Approve naming of the outdoor grass practice field at the Football Training Facility.

Presenter: Ms. Lisa Calvert & Mr. Michael Molina Presentation Time: 5 minutes
Board approval required by: Section 08.05.01, *Regents' Rules*

RECOMMENDATION

The chancellor concurs with the recommendation of the president that the Board of Regents approve the naming of the outdoor grass practice field at the Football Training Facility, a component of the Edward E. Whitacre Jr. Athletic Complex, as the "Tim Culp Family Field."

The donor concurs with the naming of the field. Appropriate signage will specify the approved name.

BACKGROUND INFORMATION

Tim and Annette Culp have made a generous pledge of \$950,000 to the Texas Tech Foundation, Inc. (the "Foundation") for the benefit of Texas Tech University's Campaign for Fearless Champions Fund and the subsequent construction of the Edward E. Whitacre Jr. Athletic Complex. In recognition of this gift, the outdoor grass practice field will be named the "Tim Culp Family Field."

The pledge will be payable in incremental payments over five (5) years, with the final pledge payment due January 2019.

The \$950,000 gift exceeds the fifty percent (50%) threshold requirement for naming consideration of new facilities, as verified by the vice chancellor for facilities planning and construction.

Tim and Annette Culp are generous supporters of the Texas Tech University System and Texas Tech University athletics. Tim received a BBA in Accounting from Texas Tech University in 1981 and Annette received a BS in Human Sciences from Texas Tech University in 1981. Tim and Annette are members of the Chancellor's Council. Tim is Chairman of Platinum Energy Resources. He also serves as the President of Desert Production, Inc., Vice President of Merento Realty, Inc., and Vice President of BCP Resources.

Regents' Rules 08.05.01.f requires board approval of the naming of all buildings and other facilities within the TTU system. For athletic facilities, the gift must be "equal to a minimum fifty percent (50%) of the estimated construction cost of the facility or area, as verified by the vice chancellor for facilities planning and construction."

3. TTUHSC: Approve a project to construct the Lubbock Expansion project.

Presenter: Mr. Michael Molina

Presentation Time: 5 minutes

Board approval required by: Section 08.01.3, *Regents' Rules*

RECOMMENDATION

The chancellor concurs with the recommendation of the president that the Board of Regents authorize the chancellor or the chancellor's designee to (i) proceed with a project to plan, design, and construct the Education, Research & Technology building, the Conference Center building, Texas Tech University Health Sciences Center's ("TTUHSC") West Expansion, and new front entry to the Lubbock TTUHSC campus with a total project budget of \$85,900,000; (ii) report the project to the Texas Higher Education Coordinating Board; (iii) amend the Design Professional contract, (iv) amend the Construction Manager Agent contract; and (v) amend the Construction Manager at Risk contract. The project budget of \$85,900,000 is comprised of RFS funding of the 84th Texas Legislature's Regular Session authorization of TRB (\$60,264,000) and Unexpended Plant Funds cash (\$25,636,000). The budget includes the previously approved Stage I design budget of \$2,403,613 which was funded through the Revenue Finance System ("RFS") repaid with the Tuition Revenue Bond ("TRB") Legislative appropriation.

It is further recommended that the board acknowledge that it expects to pay expenditures in connection with the construction of the project prior to the issuance of obligations to finance the project and, in that respect, the board finds that the reimbursement for the payments of such expenditures will be appropriate and consistent with the lawful objectives of the Texas Tech University System, and, as such, declare its intention, in accordance with the provisions of *Treasury Regulations*, Section 1.150-2, to reimburse itself for original expenditures, advanced in connection with the design, planning and construction of a project with an aggregate maximum principal amount expected to be \$85,900,000.

The chancellor further recommends that the president be authorized to negotiate and execute any and all agreements with city, state, and county agencies, utility companies and other entities required to successfully complete the project.

BACKGROUND INFORMATION

In August 2015, the Board of Regents approved Stage I design services to provide for the solicitation and contracting of Design Professional, Construction Manager Agent, and construction partners; facility functional use programming; schematic design; survey; geo-tech testing; site analysis; utility infrastructure analysis; and final package development for a full funding request.

The project combines two projects from the institution's THECB Capital Expenditure Plan Summary (MP1) - the Lubbock West Expansion, Rank #1, \$38,700,000 and Lubbock Education, Research & Technology Building, Rank #2, \$45,000,000 (North Expansion), plus other initiatives. The total project encompasses (1) expansion of the existing TTUHSC building to the west with physical connections at the basement and second floor levels of the Preston Smith Library; (2) construction of two buildings to the north of the existing TTUHSC building; and (3) creation of a formal boulevard entrance to the campus as part of the campus long-range master plan.

The proposed West Expansion will construct an 110,576 GSF addition to the west side of the existing TTUHSC building. This expansion will provide facilities for study and research in the anatomical sciences with 1 – 240 seat flip classroom, 4 – 100 seat classrooms, and a new modern, compliant and larger gross anatomy lab that responds to an increased School of Medicine class size for LCME accreditation requirements. Also, faculty and staff offices, student lounge/collaboration study areas, and space programmed for a café kiosk. The outdoor terraces located on the 2nd and 5th floors are programmed and structured for future building growth. The project also provides physical connections to the Preston Smith Library at the basement and second floor levels; previously programmed in that facility. Furthermore, the expansion will accommodate growth in other schools through utilization of the new facility and provide an opportunity to correct life safety and deferred maintenance within the existing building.

The proposed North Expansion will construct two buildings totaling 72,642 GSF:

The Education, Research, and Technology building with 58,142 GSF will be constructed in support of institutional initiatives, program growth and academic changes. This facility will provide state-of-the-art research laboratories, translational research facilities classrooms, offices, support spaces, new technology and equipment, and related infrastructure upgrades.

The free-standing Conference Center building with 14,500 GSF will be constructed to provide adequate daily, on-site conferencing space. This facility will be adjacent to the new Education, Research, and Technology building and the existing Academic Classroom Building. The combination of the proposed programs for these buildings and their central adjacency to other facilities will provide accessibility, connectivity and promoting the use of the facilities by the entire campus community.

The overall project includes replacement parking and upgrade to various campus infrastructure components in support of these buildings. However, it is anticipated that these projects will leverage the introduction of new building

systems and infrastructure to maximize resources in its construction and selected equipment.

To complement these new facilities and provide for the growth of the medical academic campus, the project will construct a new boulevard entrance to the campus at 4th Street through the creation of a signalized intersection per TTUHSC's long-range campus master plan.

The executive vice president for finance and administration has verified the source of funds.

4. **TTUS: Report on Facilities Planning and Construction projects.**

Presenter: Mr. Michael Molina

Presentation Time: 5 minutes

Report requested by: Board of Regents

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



FINANCE AND ADMINISTRATION

Finance and Administration Committee

Committee Meeting
October 13, 2016

Time: 2:00 pm (or upon adjournment of the Facilities Committee meeting)

Place: Ballroom (Room 118), First Floor, Student Union Building, 15th Street and Akron Avenue, Lubbock, Texas

Regents: Francis (Chair), Anders, Lancaster

Agenda

- Approve minutes of committee meetings held on August 11, 2016

I.D. Consideration of items to be recommended by the Finance and Administration Committee to the Board of Regents of the Texas Tech University System ("TTUS") for and on behalf of Angelo State University ("ASU"), TTUS, 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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4. TTUHSC El Paso: Approve to exceed the full-time equivalent limitation on employees paid from appropriated funds	9
5. TTUS: Amend the use of debt proceeds in Chapter 07 (Fiscal Management), <i>Regents' Rules</i>	10
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7. TTUS: Approve appointment of new members to the Board of Directors of Texas Tech Foundation, Inc..... 14
8. Adjournment

NOTE: Following consideration of the above items by the committee, the Committee Chair will present the Committee Report to the full Board of Regents for its consideration on Friday, October 14, 2016.

1. TTUS, TTU, TTUHSC and TTUHSC at El Paso: Approve purchasing contracts in excess of \$1,000,000.

Presenter: Mr. Jim Brunjes

Presentation Time: 5 minutes

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

RECOMMENDATION

The chancellor concurs with the recommendation of each respective president that the Board of Regents approve purchasing contracts for each component in excess of \$1,000,000 per annum as listed in the table herein (on page FA-5).

BACKGROUND INFORMATION

The 84th Legislature passed Senate Bill 20, an Act relating to state agency contracting which was effective September 1, 2015.

Among other things, Senate Bill 20 enacted Tex. Gov't Code §2261.254, which requires Board of Regent approval of each contract for the purchase of goods or services that has a value exceeding \$1,000,000 unless the Board of Regents has delegated approval and signature authority.

Historically, the *Regents' Rules*

(i) required Board of Regents approval for “contracts...in excess of \$1,000,000 per annum” and delegated authority to the chancellor for TTUS “contracts...of \$1,000,000 or less” and to the president(s) for component institution “contracts...of \$1,000,000 or less per annum”; and

(ii) excepted from the Regents' Rules contracting policy “purchasing documents, which shall be processed in accordance with state law and purchasing regulations” [where the phrase “purchasing documents” was undefined, but was intended to cover P.O.s, state purchasing cooperatives, DIR approved contracts, and similar arrangements].

In 2015 and 2016 the *Regents' Rules* were modified to address various aspects of Senate Bill 20, including:

(i) Board of Regents approval is required for contracts “in excess of \$1,000,000 over the entire term of the contract unless a different consideration is specified” and delegated authority to the chancellor or president, as applicable, for contracts “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) eliminated the exception for “purchasing documents.”

As a result of the modifications to the *Regents' Rules*, we are requesting that the Board approve the purchasing contracts that exceed \$1,000,000 per annum as listed in the table herein (on page FA-5). Purchasing contracts are all compliant with Texas Education Code § 51.9335 and component Operating Policies and Procedures. Approval is requested for each vendor and shall be for a period of the lesser of four years from the approval date or the remaining term of the purchasing contract.

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 and exceed the level of delegation authority (less than \$1,000,000 per annum) granted in Section 07.12.4.a. *Regents' Rules*.

TTUS, TTU, TTUHSC and TTUHSC at El Paso - purchasing contracts in excess of \$1,000,000

Component	Vendor	Services to be Provided	Per Annum Expenditures	Start	End	Procurement Method
TTU/TTUS	Summus Dell	Computer Equipment and services	\$ 5,337,507	01-09-2012	01-09-2017	DIR ¹ Agreement
TTU	AT&T Datacom	Telecommunications products and services	\$ 1,782,600	07-01-2015	07-01-2019	DIR ¹ Agreement
TTU	Carcon Industries	Food and supplies for resale - TTU Hospitality Services	\$ 7,540,156	10-21-2014	10-20-2019	Provista Purchasing Cooperative
TTU	Carrier Corporation	Equipment and services for TTU Chiller Plant	\$ 4,560,200	10-01-2014	09-30-2017	Buyboard Purchasing Cooperative
TTUS	ConvergeOne Inc	VOIP Telephony systems maintenance	\$ 1,232,892	09-01-2014	11-05-2018	DIR ¹ Agreement
TTU	Eisevier BV-Amsterdam	Books/reference materials for TTU Library	\$ 1,768,723	01-01-2016	12-31-2019	Direct Publisher of Intellectual Materials
TTU	Summus VWR	Lab equipment and supplies	\$ 1,055,663	11-17-2009	06-30-2018	E&I Purchasing Cooperative
TTU	Possible Missions Fisher Scientific	Lab equipment and supplies	\$ 1,687,862	08-08-2014	10-31-2020	UT Alliance Purchasing Cooperative
TTU	EBSCO	Books/reference materials for TTU Library	\$ 1,102,963	09-01-2016	08-31-2017	Direct Publisher of Intellectual Materials
TTUHSC	JT Vaughn Construction LLC	Job order contractor for remodeling & small construction projects across all campuses	\$ 5,527,084	11-01-2011	10-31-2016	The Cooperative Purchasing Network
TTUHSC	Alpha Building Corporation	Job order contractor for remodeling & small construction projects across all campuses	\$ 3,381,334	11-01-2011	10-31-2016	The Cooperative Purchasing Network
TTUHSC	Possible Missions Fisher Scientific	Scientific and laboratory supplier	\$ 1,296,310	11-01-2013	10-31-2020	Univ. of Texas System Supply Chain Alliance
TTUHSC	Summus Dell	Computer hardware, software, and services	\$ 2,666,397	01-09-2013	01-09-2017	DIR ¹
TTUHSC	SHI Government Solutions	Computer hardware and software	\$ 3,822,640	10-18-2012	12-31-2018	DIR ¹ Buy Board
TTUHSC	Summus Henry Schein	Medical supplies for clinical operations	\$ 2,178,972	01-01-2013	12-31-2016	Alliant/ Premier Group Purchasing Organization
TTUHSC EP	Summus Dell	Computer hardware, software, and services.	\$ 1,053,879	01-09-2013	01-09-2017	DIR ¹
TTUHSC EP	Sigma Solutions	Computer hardware and services	\$ 1,221,111	01-09-2013	01-09-2017	DIR ¹

¹ DIR = Texas Department of Information Resources

2. **TTU: Authorize president to execute contract with W.W. Grainger, Inc.**

Presenter: Mrs. Noel Sloan

Presentation Time: 5 minutes

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

RECOMMENDATION

The chancellor concurs with the recommendation of the president of Texas Tech University ("TTU") that the Board of Regents authorize the president or his designee to approve and execute a contract with W. W. Grainger, Inc. ("Grainger") to provide maintenance, repair, and operations ("MRO") supplies and equipment to the TTU Operations Division.

BACKGROUND INFORMATION

The president of TTU recognizes the need for TTU to contract with a qualified vendor who can provide best value and reduce operating costs by leveraging technology and reducing overhead costs by establishing product standardization and implementing state-of-the-art ordering, inventory management, and delivery systems.

TTU Procurement Services, on behalf of TTU's Operations Division, issued a Request for Proposals (RFP) on June 5, 2015 seeking competitive responses from vendors and selected Grainger as the most qualified and possessing the best overall value to TTU. The contract will be effective November 1, 2016 or upon approval of the Board and end on October 31, 2020. There is an option to renew the contract for four additional one year periods upon written approval of the parties.

Previously TTU has contracted with Grainger under a purchasing cooperative contract with an annual spend amount around \$750,000. As this agreement will allow TTU to combine purchases previously made through more than one vendor, the annual spend amount will exceed \$1,000,000 and could range as high as \$2,000,000 per year.

The contract with Grainger moves TTU to a *just-in-time* strategy for purchasing MRO supplies and equipment. This means TTU will receive goods only as needed, thereby removing historical inventory costs. Cost savings for the initial year of the contract are estimated to be \$571,800 due to a reduction in inventory costs, staff time to process purchase orders, and freight expenses. Thereafter, additional savings in staff time and freight expenses of approximately \$243,000 per year could be realized over the remaining three years of the contract's initial term as well as during the four renewal periods.

Section 07.12.3.a., *Regents' Rules*, requires Board approval on contracts that involve a stated or implied consideration in excess of \$1,000,000 per annum.

3. TTUHSC: Authorize president to execute purchase contract with authorized distributors for Eylea.

Presenter: Mr. Elmo M. Cavin

Presentation Time: 5 minutes

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

RECOMMENDATION

The chancellor concurs with the recommendation of the president that the Board of Regents authorize the president to approve and execute a purchase contract with authorized distributors for Eylea.

BACKGROUND INFORMATION

The Texas Tech University Health Sciences Center (“TTUHSC”) Department of Ophthalmology regularly treats a significant number of patients suffering from age-related macular degeneration. An important aspect of treatment is a pharmaceutical product that has a product description of Eylea 40 MG ML 0.05 SDV. The only manufacturer of Eylea is Regeneron Pharmaceuticals, Inc. There are three companies that are authorized to distribute Eylea for Regeneron Pharmaceuticals, Inc. The companies are McKesson Specialty Care Distribution Corporation, Besse Medical, and CuraScript Specialty Distribution. TTUHSC must purchase the product from one or more of these three companies. TTUHSC is seeking approval from the Board of Regents to enter into an agreement and purchase order with these three companies to purchase Eylea. It is anticipated that the total amount for this fiscal year will be approximately \$1,250,000.

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.

4. TTUHSC El Paso: Approve to exceed the full-time equivalent limitation on employees paid from appropriated funds.

Presenter: Ms. Sue Fuciarelli

Presentation Time: 5 minutes

Board approval required by Article IX, Section 6.10 of the General Appropriations Act

RECOMMENDATION

The chancellor concurs with the recommendation of the president that the Board of Regents allow the Texas Tech University Health Sciences Center at El Paso (“TTUHSC El Paso”) to exceed the number of full-time equivalent (“FTE”) employees paid from appropriated funds for Fiscal Year 2017 that are authorized in Article III of the General Appropriations Act. It is also recommended that the Board of Regents approve to submit a request to the Governor and the Legislative Budget Board to grant approval for these institutions to exceed the authorized number of FTE employees paid from appropriated funds and to submit subsequent reports as required in Article IX, Section 6.10 of the General Appropriations Act.

Request to Exceed Limitation on State Employment Levels

Institution	FTE Cap	Requested Increase	Revised FTE Level	Source of Funds
Texas Tech University Health Sciences Center at El Paso (“TTUHSC El Paso”)	545.50	96	641.50	Appropriated

Justification: TTUHSC El Paso enrollment increased from 493 in Fall 2014 to 621 in Fall 2016 with continued enrollment growth anticipated for Fall 2017. TTUHSC El Paso is requesting additional FTEs to support this enrollment growth, as well as the continued growth of our newly established Health Sciences University.

BACKGROUND INFORMATION

The General Appropriations Act places a limit on the number of FTE employees paid from appropriated funds that an institution may employ without written approval of the Governor and the Legislative Budget Board. To exceed the FTE limitation, a request must be submitted by the governing board and must include the date on which the board approved the request, a statement justifying the need to exceed the limitation, the source of funds to be used to pay the salaries, and an explanation as to why the functions of the proposed additional FTEs cannot be performed within current staffing levels. Detailed justification information is provided in the table above. In addition, the institution must also provide subsequent reporting to the Governor and the Legislative Budget Board when the institution exceeds the FTE limitation established in the General Appropriations Act.

5. TTUS: Amend the use of debt proceeds in Chapter 07 (Fiscal Management), Regents' Rules.

Presenter: Mr. Eric Fisher

Presentation Time: 2 minutes

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

RECOMMENDATION

The Regents Rules Review Committee (Rules Committee) recommends that the Finance and Administration Committee consider adoption of the following amendment to Chapter 07 (Fiscal Administration).

07.05.2 RFS debt management policy.

- a. The TTU system and its components are eligible to participate in the RFS.
- b. The TTU system shall use the following guidelines for the RFS:
 - (1) [Debt proceeds will be used only for capital expenditures or bond issuance costs. Generally, capital expenditures are for assets having a useful life of over one year.](#) Buildings and other major capital projects shall be financed for a period of up to the lesser of the project's estimated useful life or 40 years.
 - ~~(2)~~ Equipment shall be financed for a period up to the lesser of its projected useful life or 10 years.

(And renumber all succeeding subdivisions of Section 07.05.2.b accordingly.)

BACKGROUND INFORMATION

Clarification of our *Regents' Rules* policy was required to better mirror U.S. Treasury regulations.

Board chair Mickey Long re-established the Rules Committee on April 10, 2015 and appointed the following members to that advisory committee: Debbie Montford (chair), Larry Anders; Rick Francis; and John Steinmetz.

The Rules Committee is charged with considering and, when appropriate, submitting to the appropriate Board committee proposed amendments to the *Regents' Rules* of the Texas Tech University System. 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*.

Section 07.05 regarding debt management was last amended in February 2014 as part of a comprehensive review of the policy.

6. TTUS: Amend the money market fund description in the Investment Policy Statement for the Short/Intermediate Term Investment Fund.

Presenter: Mr. Eric Fisher

Presentation Time: 2 minutes

Board approval required by: Section 01.08, *Regents' Rules*

RECOMMENDATION

The Regents Rules Review Committee (Rules Committee) recommends that the Finance and Administration Committee consider adoption of the following amendment to the money market fund description for the Short/Intermediate Term Investment Fund ("SITIF"):

- 7.1 Cash Pool. The cash pool will be invested primarily in money market funds and other cash instruments:
- a. Any money market fund or mutual fund that is AAA rated, or its equivalent, by at least two nationally recognized rating services. All funds in this category must [be offered at a constant \\$1.00 net asset value and](#) comply with the diversification, quality, liquidity, and maturity requirements of SEC regulation 2a-7 under the Investment Company Act of 1940.

BACKGROUND INFORMATION

In July 2014, the Securities Exchange Commission approved new rules and amendments to Rule 2a-7 under the Investment Company Act of 1940, which governs money market funds. These, among other changes, no longer require money market funds to have a constant net asset value of \$1.00 and also allow funds to impose investor gates and redemption fees. These changes are effective in October 2016.

However, it is recommended that our investment policy continue to require our money market fund purchases be in funds that are offered at a constant \$1.00 net asset value. Investment in "stable" net asset value funds offers better risk protection than investment in "floating" net asset value funds.

Board chair Mickey Long re-established the Rules Committee on April 10, 2015 and appointed the following members to that advisory committee: Debbie Montford (chair), Larry Anders; Rick Francis; and John Steinmetz.

The Rules Committee is charged with considering and, when appropriate, submitting to the appropriate Board committee proposed amendments to the *Regents' Rules* of the Texas Tech University System. 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*.

The Investment Policy Statement – SITIF was adopted by the Board on February 26, 2010, and last amended on August 8, 2014

7. TTUS: Approve appointment of new members to the Board of Directors of Texas Tech Foundation, Inc.

Presenter: Ms. Lisa Calvert

Presentation Time: 5 minutes

Board approval required by: MOU between the Texas Tech University System and the Texas Tech Foundation, Inc.

RECOMMENDATION

The chancellor recommends that Board of Regents approve the appointment of the individuals as listed below to the Board of Directors of Texas Tech Foundation, Inc.

1st Term Expiring August 31, 2020

Chris Aulds
 Tim Culp
 J. Pat Hickman
 Joshua Hunt
 David King
 Michael Owen, M.D.
 Jack Rentz
 Donald Sinclair
 Ben Stribling
 Robert Taylor

2nd Term Expiring August 31, 2020

David H. Arrington
 Tracy K. Elms
 Alvin New
 Susan M. Rose
 Debra L. Scioli
 Dale V. Swinburn

BACKGROUND INFORMATION

This is an annual procedure whereby members of the Board of Directors of Texas Tech Foundation, Inc. (the "Foundation") are appointed to serve four-year terms. On August 26, 2016, Trey Berry, Chair of the Foundation's Board Development and Membership Committee, recommended the appointment of the aforementioned individuals at the Foundation's annual meeting of the Board of Directors.

The Foundation's Board of Directors unanimously approved the appointment of the persons listed above to serve a four-year term, beginning September 1, 2016 and ending August 31, 2020.

The Memorandum of Understanding between the Texas Tech University System and the Texas Tech Foundation, Inc., the members of the Foundation Board shall be appointed by and serve at the will of the University System Board of Regents, upon recommendation from the Foundation.



**MEETING OF THE
BOARD**

Meeting of the Board
Thursday, October 13, 2016

-
- I. **Meeting of Standing Committees:** Conducted sequentially and separately from the Meeting of the Board at the adjournment of the Carr Scholarship Foundation meeting; refer to agenda for each respective committee meeting.

Location: Ballroom (Room 118), First Floor, Student Union Building, 15th Street and Akron Avenue, Lubbock, Texas

Time: 2:30 pm (or upon adjournment of the last committee meeting of the day or whenever deemed necessary)

Place: Ballroom (Room 118), First Floor, Student Union Building, 15th Street and Akron Avenue, Lubbock, Texas

Agenda

- II. **Meeting of the Board—Call to Order; convene into Open Session of the Board**.....Chairman Long

- III. **Executive Session:** The Board may convene into Executive Session in the Red Raider Lounge (Room 119), First Floor, Student Union Building, 15th Street and Akron Avenue to consider matters permissible under Chapter 551 of the *Texas Government Code*, including, for example:Chairman Long

- 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 Open Session in the Ballroom (Room 118), First Floor, Student Union Building, 15th Street and Akron 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 Chairman Montford

V. RecessChairman Long

Meeting of the Board
Friday, October 14, 2016

Time: 8:30 am

Place: Ballroom (Room 118), First Floor, Student Union Building, 15th Street and Akron Avenue, Lubbock, Texas

Agenda

- VI. Meeting of the Board—Call to Order; reconvene into Open Session of the Board**.....Chairman Long
- VII. Introductions and Recognitions**..... Chancellor Duncan,
President May,
President Schovanec
President Mitchell, and
President Lange
- VIII. Recess** Chairman Long
- IX. Meeting of Standing Committees** (if not concluded on Thursday)
- X. Meeting of the Board—Call to Order; reconvene into Open Session of the Board**
- XI. 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 Board meetings held on August 11-12, 2016.....Chairman Long
 - B. Committee of the Whole.....Vice Chairman Montford

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CW

- 1. ASU, TTU, TTUHSC, TTUHSC El Paso, TTUSA, and TTUS: Approve Consent Agenda; acknowledge review of Information Agenda..... 8

Consent Agenda

- a. ASU: Approve name change for the College of Graduate Studies (ACS)
- b. TTU: Approve employee appointment to non-elective position (ACS)

- c. TTU: Approve affirmation of managerial group and exclude members of the Board of Regents from access to classified information (CW)
- d. ASU: Approve acknowledgement of the Campus Condition Index Report and submission to the THECB (F)
- e. TTU: Approve acknowledgement of the Campus Condition Index Report and submission to the THECB (F)
- f. TTUHSC: Approve acknowledgement of the Campus Condition Index Report and submission to the THECB (F)
- g. TTUHSC El Paso: Approve acknowledgement of the Campus Condition Index Report and submission to the THECB (F)
- h. TTUHSC: Approve Permanent Right of Access and Use of Texas Tech University Health Sciences Center land on the Amarillo campus (F)
- i. TTUHSC: Authorize the renewal of a long-term lease at the TTUHSC Southwest Campus to the Lubbock County Medical Examiner (FA)

Information Agenda

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

- (1) TTUHSC: Contract Renewals per Sections 07.12.4.d and 07.12.6.b., *Regents' Rules* – A list of renewal, extended or amended contracts in excess of \$1,000,000 per annum, including the amount of the contract, shall be provided to the board as an information item at the next regular board meeting.
- (2) TTU: Consulting contracts with an initial consideration of \$25,000 or less per Section 07.12.4.e.(2), *Regents' Rules* – “(a) Board approval is not required, but notice of the proposed contract must be provided to the chair and the chair of the Finance and Administration Committee prior to execution of the contract. (b) A report of the contract shall be provided as an Information Agenda item at the next board meeting.”
- (3) TTU: Report on 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 approval by the president, with notice provided to the board via an item in the information Agenda for the next meeting of the board.”

- (4) TTUHSC: Notification regarding approval by the Board of Governors of University Medical Center (“UMC”) of four new endowed chairs – UMC has established and continues to support endowed chairs to benefit the TTUHSC School of Medicine and UMC.
- (5) TTUHSC El Paso: Emergency approval of employment agreement as provided by Section 07.12.3.e(3)(c), *Regents Rules* – “Health-related institution faculty employment contracts. For such contracts that would require the approval of the board under Section 07.12.3.e(2), when it is not feasible or practical to delay action until the next scheduled regular or special called meeting of the board and upon the recommendation of the chancellor, approval of the contract may be given by the chair or the chair of the Finance and Administration Committee. Contracts approved in this manner shall be reported to the board as an information item at the next board meeting.”
- (6) ASU: Emergency or exigent circumstances approval of property purchase by Section 07.12.3.g, *Regents’ Rules* – “Unless prohibited by law and upon recommendation of the chancellor, when an emergency or 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, approval may be given for a contract by verbal approval of the chair or of the chair of the Finance and Administration Committee. Contracts approved in this manner shall be presented to the board as an information item at the next board meeting.”
- (7) TTUS: Authorization for an ‘early start’ of a +\$25,000 consulting contract via Section 07.12.4.e(1)(b), *Regents’ Rules* – “A consulting contract with an initial consideration in excess of \$25,000 may be executed prior to approval by the board if: i. the contract includes a provision that limits the total amount to be paid to the consultant to no more than \$25,000 unless and until such time as the board has approved the agreement; and ii. the chair or chair of the Finance and Administration Committee authorize a proposal submitted to them by the chancellor, or the chancellor’s designee, regarding

execution of the agreement in advance of approval by the board.”

XII. Reports of Standing Committees: Standing Committee reports will be presented sequentially to the Committee of the Whole.

- A. Report of the Academic, Clinical and Student Affairs Committee..... Regent Lancaster
- B. Report of the Audit Committee Regent Steinmetz
- C. Report of the Facilities Committee Regent Anders
- D. Report of the Finance and Administration Committee..... Regent Francis

XIII. The Board will continue in Open Session as the Committee of the Whole and Meeting of the Board of Regents.

- A. Schedule for Board meetings:
 December 15-16, 2016, Lubbock
 February 23-24, 2017, Lubbock
 May 18-19, 2017, Lubbock
 August 10-11, 2017, Lubbock
 December 14-15, 2017, Lubbock Ben Lock
- B. The Chancellor’s Report Chancellor Duncan
- C. The President’s Report, ASU President May
- D. The President’s Report, TTU President Schovanec
- E. The President’s Report, TTUHSC President Mitchell
- F. The President’s Report, TTUHSC El Paso..... President Lange

XIV. Executive Session: The Board may convene into Executive Session in the Red Raider Lounge (Room 119), First Floor, Student Union Building, 15th Street and Akron Avenue to consider matters permissible under Chapter 551 of the *Texas Government Code*, including, for example:Chairman Long

- 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

XV Open Session: The Board will convene into the Ballroom (Room 118), First Floor, Student Union Building, 15th Street and Akron 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 Chairman Montford
- B. Chairman’s Announcements.....Chairman Long

XVI. AdjournmentChairman Long

1. **ASU, TTU, TTUHSC, TTUHSC El Paso, TTUSA and TTUS:
Approve Consent Agenda; acknowledge review of
Information Agenda.**

RECOMMENDATION

The chancellor recommends that the Board of Regents (i) approves the Consent Agenda for the meeting of October 13-14, 2016; 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

October 13-14, 2016

BOARD OF REGENTS

Mr. Mickey L. Long, Chairman
Mrs. Debbie Montford, Vice Chairman
Mr. Larry K. Anders
Mr. John D. Esparza
Mr. L. Frederick "Rick" Francis
Mr. Ron Hammonds
Mr. Christopher M. Huckabee
Mr. Tim Lancaster
Mr. John D. Steinmetz
Mr. Jeremy W. Stewart

Standing Committees:

Academic, Clinical and Student Affairs:
Tim Lancaster (Chair); Rick Francis; John Esparza; Jeremy Stewart

Audit:
John Steinmetz (Chair); John Esparza; Ron Hammonds

Facilities:
Larry Anders (Chair); John Steinmetz; Chris Huckabee

Finance and Administration:
Rick Francis (Chair); Larry Anders; Tim Lancaster

**TEXAS TECH UNIVERSITY SYSTEM
BOARD OF REGENTS**

October 13-14, 2016

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INFORMATION AGENDA

(Titles only; full agenda is on page 15)
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) **TTUHSC: Contract Renewals per Sections 07.12.4.d and 07.12.6.b., *Regents' Rules*** – A list of renewal, extended or amended contracts in excess of \$1,000,000 per annum, including the amount of the contract, shall be provided to the board as an information item at the next regular board meeting.
- (2) **TTU: Consulting contracts with an initial consideration of \$25,000 or less per Section 07.12.4.e.(2), *Regents' Rules*** – “(a) Board approval is not required, but notice of the proposed contract must be provided to the chair and the chair of the Finance and Administration Committee prior to execution of the contract. (b) A report of the contract shall be provided as an Information Agenda item at the next board meeting.”
- (3) **TTU: Report on 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 approval by the president, with notice provided to the board via an item in the information Agenda for the next meeting of the board.”
- (4) **TTUHSC: Notification regarding approval by the Board of Governors of University Medical Center (“UMC”) of four new endowed chairs** – UMC has established and continues to support endowed chairs to benefit the TTUHSC School of Medicine and UMC.
- (5) **TTUHSC El Paso: Emergency approval of employment agreement as provided by Section 07.12.3.e(3)(c)., *Regents Rules*** – “Health-related institution faculty employment contracts. For such contracts that would require the approval of the board under Section 07.12.3.e(2), when it is not feasible or practical to delay action until the next scheduled regular or special called meeting of the board and upon the recommendation of the chancellor, approval of the contract may be given by the chair or the chair of the Finance and Administration Committee. Contracts approved in this manner shall be reported to the board as an information item at the next board meeting.”
- (6) **ASU: Emergency or exigent circumstances approval of property purchase by Section 07.12.3.g, *Regents' Rules***: “Unless prohibited by law and upon recommendation of the chancellor, when an

emergency or 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, approval may be given for a contract by verbal approval of the chair or of the chair of the Finance and Administration Committee. Contracts approved in this manner shall be presented to the board as an information item at the next board meeting.”

- (7) **TTUS: Authorization for an ‘early start’ of a +\$25,000 consulting contract via Section 07.12.4.e(1)(b), Regents’ Rules**
- “A consulting contract with an initial consideration in excess of \$25,000 may be executed prior to approval by the board if: i. the contract includes a provision that limits the total amount to be paid to the consultant to no more than \$25,000 unless and until such time as the board has approved the agreement; and ii. the chair or chair of the Finance and Administration Committee authorize a proposal submitted to them by the chancellor, or the chancellor’s designee, regarding execution of the agreement in advance of approval by the board.”

a. **ASU: Approve name change for the College of Graduate Studies.**

Board approval required by: Section 04.11.3.b., *Regents' Rules*

The request is to approve a name change of the College of Graduate Studies to the College of Graduate Studies and Research, effective January 1, 2017. This request has been approved administratively by the president and the chancellor and is recommended for approval by the Board of Regents.

BACKGROUND INFORMATION

Angelo State University requests the name change to the College of Graduate Studies and Research to more clearly define the responsibilities of the College and to acknowledge its role in both graduate and undergraduate research. The College has also taken on additional responsibilities for research compliance and integrity. This name change is common for many universities of the size of ASU. No additional personnel or budget will be required due to this change.

Pursuant to Section 04.11.3.b., *Regents' Rules*, Board approval is required for this policy.

b. TTU: Approve employee appointment to non-elective position.

Board approval required by: Article 16, Section 33, Texas Constitution; Chapter 667.007, Texas Government Code and 70.15 TTU Operating Policy

The request is to approve an employee appointment to a non-elective position, as listed below. Further, the president and chancellor recommend that the Board of Regents find with respect to the appointee that her service is of benefit to the State of Texas and Texas Tech University and that her services does not conflict with her respective position of employment at Texas Tech University. This request has been approved administratively by the president and the chancellor and is recommended for approval by the Board of Regents.

Governor Greg Abbott has appointed Ms. Kelli M. Frias, Ph.D., assistant professor – Marketing for Rawls College of Business, Texas Tech University, as a member of the Product Development & Small Business Incubator Board (“PDSBI”) for one term set to expire February 1, 2021. The PDSBI fund is a revolving loan program administered by the Office of the Governor, Texas Economic Development Bank within the Office of Economic Development Finance at the direction of the PDSBI Board. The purpose of the fund is to aid in the development, production and commercialization of new or improved products and to foster and stimulate small business in the state.

This appointment will not conflict with the appointee’s employment at Texas Tech University. This individual will serve without compensation, but may be reimbursed for necessary travel and per diem in the performance of her duties as a member of the body to which she is appointed.

BACKGROUND INFORMATION

The Texas Constitution, *Texas Government Code*, and Texas Tech University Operating Policy require a finding of fact before a university employee may accept an appointment to serve in a non-elective state office.

c. TTU: Approve affirmation of managerial group and exclude members of the Board of Regents from access to classified information.

Board approval required by: Section 01.02.1.b, *Regents' Rules*; Section 109.001(c), *Texas Education Code*; and National Industrial Security Program Operating Manual

The request is to approve the following resolutions affirming the classified material managerial group and excluding members of the Board of Regents from access to classified information, as provided for in Department of Defense 5220.22-M, and National Industrial Security Program Operating Manual, 2-104 and 2-106. This request has been approved administratively by the president and the chancellor and is recommended for approval by the Board of Regents.

RESOLVED, that those persons occupying the following positions at Texas Tech University (TTU) be known as the Managerial Group, having the authority and responsibility for the negotiation, execution and administration of User Agency contracts, as described in Department of Defense 5220.22-M, *National Industrial Security Program Operating Manual*:

President, TTU
 Vice President for Research, TTU
 Senior Associate Vice President for Research (Facility Security Officer), TTU

RESOLVED, that the Managerial Group is hereby delegated all of the board's duties and responsibilities pertaining to the protection of classified information under classified contracts of the Department of Defense or User Agencies of the Industrial Security Program awarded to TTU;

RESOLVED, that until such time as the persons occupying the positions of President and Vice President for Research have been granted Personnel Security Clearances by the Department of Defense, these persons shall be excluded from access to all classified information in the possession of TTU;

RESOLVED, that the following named officers and members of the Board of Regents shall not require, shall not have, and can be effectively excluded from access to all classified information in the possession of TTU, do not occupy positions that would enable them to affect adversely the policies and practices of TTU in the performance of any classified contracts for the Department of Defense or User Agencies of its Industrial Security Program awarded to TTU and need not be processed for personnel security clearance:

BOARD OF REGENTS

Mr. Larry K. Anders
Mrs. Debbie Montford
Mr. John Steinmetz
Mr. John Esparza
Mr. Frederick Francis
Mr. Tim Lancaster
Mr. Mickey Long
Mr. Ronnie Hammonds
Mr. Christopher Huckabee
Mr. Jeremy Stewart (Student Regent)

BACKGROUND INFORMATION

Protection of classified information is regulated by the Federal Government. Federal regulations regarding security matters provide a means for the Board of Regents to delegate responsibility for the protection of classified information to a managerial group. The alternative to a managerial group is for the Board to retain this responsibility under conditions established by federal regulations and which will require Board members to obtain a security clearance for access to classified information. Most universities elect to establish managerial groups.

To operate with a managerial group, the Board, by federal regulation, must exclude themselves from possessing a security clearance and instead appoint officials of the university to act as the managerial group.

With the appointment of the most recent regents, the Board of Regents must update its statement of self-exclusion to meet the requirements of federal regulations.

d. **ASU: Approve acknowledgement of the Campus Condition Index Report and submission to the THECB.**

Board approval required by: *Texas Education Code*, §61.05821

The request is to approve acknowledgement of Angelo State University's Campus Condition Index Report ("CCIR") and submission of the report to the Texas Higher Education Coordinating Board ("THECB"). This request has been approved administratively by the president and the chancellor and is recommended for approval by the Board of Regents.

[NOTE: The ASU Campus Condition Index Report is attached on the following page.]

BACKGROUND INFORMATION

Submission of the annual Campus Condition Index Report ("CCIR") is now required to be submitted to the Texas Higher Education Coordinating Board ("THECB"), as stated in 19 TAC §17.101(2)(B). *Texas Education Code*, §61.05821 requires institutions report Campus Condition Index Report ("CCIR") to their governing boards each year. In order to maintain simplicity and consistency, Texas Tech will continue to use the Texas Higher Education Coordinating Boards' CCIR summary format.

This report identifies (1) the current accumulated deferred maintenance needs; (2) the projects planned to address accumulated deferred maintenance needs in the next five years; and (3) the actual expenditures on accumulated deferred maintenance in the most recent fiscal year. The categories indicate the type of reinvestment required to maintain existing facilities; whether to stay on schedule, catch up, or convert existing facilities to an optimal condition. The CCI, a ratio, compares the unexpended critical and deferred maintenance to an index value (replacement value) and estimates the institutions' overall facilities condition. Institutions are rated as good (5% or less), fair (between 5% and 10%), or poor (10% or greater).

Based on the institutions data (1) the Educational and General Campus Condition Index ("EGCCI") or Ratio of Critical and Deferred Maintenance for Educational and General spaces to Educational and General Campus Condition Index Value is 0.0533%; and (2) the Institution-wide Campus Condition Index ("IWCCI") or Ratio of Critical and Deferred Maintenance (for all spaces) to the Institution-wide Campus Condition Index Value is 0.0374%. The comparable measures reported in the THECB's fall 2015 CCIR were 0.000% and 0.000%, respectively.

A copy of the report was submitted to the THECB for their information.

Angelo State University
2016 CCI Summary Report
 September 23, 2016

Summary by Period and Category						
	Critical	Deferred	Planned	Adaptation	Total	
Budgeted - Current Year	\$ -	\$ -	\$ 1,456,000.00	\$ 1,582,000.00	\$ 3,038,000.00	
Expenditures - Previous Year	\$ -	\$ 268,479.00	\$ -	\$ 625,797.00	\$ 894,276.00	
Projected - Years 2 through 5	\$ -	\$ -	\$ 3,744,000.00	\$ 630,000.00	\$ 4,374,000.00	
Unbudgeted - Current Year	\$ -	\$ -	\$ -	\$ -	\$ -	
Total	\$ -	\$ 268,479.00	\$ 5,200,000.00	\$ 2,837,797.00	\$ 8,306,276.00	
Summary by Type and Category						
Architectural	\$ -	\$ 268,479.00	\$ 1,840,000.00	\$ 1,289,680.00	\$ 3,398,159.00	
HVAC	\$ -	\$ -	\$ 220,000.00	\$ -	\$ 220,000.00	
Plumbing and Electrical	\$ -	\$ -	\$ 335,000.00	\$ 6,200.00	\$ 341,200.00	
Safety	\$ -	\$ -	\$ -	\$ -	\$ -	
Legal and Mandatory	\$ -	\$ -	\$ -	\$ 241,917.00	\$ 241,917.00	
Other	\$ -	\$ -	\$ 2,805,000.00	\$ 1,300,000.00	\$ 4,105,000.00	
Total	\$ -	\$ 268,479.00	\$ 5,200,000.00	\$ 2,837,797.00	\$ 8,306,276.00	

Top Five Priority Projects						
Priority	Name	Period	Category	Type	Amount	
1	Gymnasium Wall Refresh	Budgeted - Current Year	Facility Adaptation	ARCH - Architectural	\$ 120,000.00	
2	Rassman 101 & 102 Classroom Conversion	Budgeted - Current Year	Facility Adaptation	ARCH - Architectural	\$ 160,000.00	
3	Plaza Verde Fire Escape	Budgeted - Current Year	Facility Adaptation	Legal	\$ 120,000.00	
4	Cavness Hallway Refresh	Projected - Yrs 2-5	Facility Adaptation	ARCH - Architectural	\$ 100,000.00	
5	Cavness Lab Upgrades	Projected - Yrs 2-5	Facility Adaptation	ARCH - Architectural	\$ 250,000.00	

E&G Deferred Maintenance	\$ 132,244.00					
Non-E&G Deferred Maintenance	\$ 136,235.00					
Total Deferred Maintenance	\$ 268,479.00					

	2016 Amount	DM Index Value
Educational and General Campus Condition Index Value (EGCCIV)	\$ 248,331,067.00	0.0533%
Institution-Wide Campus Condition Index Value (IWCCIV)	\$ 717,748,232.00	0.0374%

**NOTE: This index value is based on the 2016 Building Replacement Value information as published by THECB. The updated THECB information is typically published in February each year.

e. TTU: Approve acknowledgement of the Campus Condition Index Report and submission to the THECB.

Board approval required by: *Texas Education Code*, §61.05821

The request is to approve acknowledgement of Texas Tech University's Campus Condition Index Report ("CCIR") and submission of the report to the Texas Higher Education Coordinating Board ("THECB"). This request has been approved administratively by the president and the chancellor and is recommended for approval by the Board of Regents.

[NOTE: The TTU Campus Condition Index Report is attached on the following page.]

BACKGROUND INFORMATION

Submission of the annual Campus Condition Index Report ("CCIR") is now required to be submitted to the Texas Higher Education Coordinating Board ("THECB"), as stated in 19 TAC §17.101(2)(B). *Texas Education Code*, §61.05821 requires institutions report Campus Condition Index Report ("CCIR") to their governing boards each year. In order to maintain simplicity and consistency, Texas Tech will continue to use the Texas Higher Education Coordinating Boards' CCIR summary format.

This report identifies (1) the current accumulated deferred maintenance needs; (2) the projects planned to address accumulated deferred maintenance needs in the next five years; and (3) the actual expenditures on accumulated deferred maintenance in the most recent fiscal year. The categories indicate the type of reinvestment required to maintain existing facilities; whether to stay on schedule, catch up, or convert existing facilities to an optimal condition. The CCI, a ratio, compares the unexpended critical and deferred maintenance to an index value (replacement value) and estimates the institutions' overall facilities condition. Institutions are rated as good (5% or less), fair (between 5% and 10%), or poor (10% or greater).

Based on the institutions data (1) the Educational and General Campus Condition Index ("EGCCI") or Ratio of Critical and Deferred Maintenance for Educational and General spaces to Educational and General Campus Condition Index Value is 0.5900%; and (2) the Institution-wide Campus Condition Index ("IWCCI") or Ratio of Critical and Deferred Maintenance (for all spaces) to the Institution-wide Campus Condition Index Value is 0.3100%. The comparable measures reported in the THECB's fall 2015 CCIR were 0.7235% and 0.4006%, respectively.

A copy of the report was submitted to the THECB for their information.

Texas Tech University									
2016 CCI Summary Report									
September 16, 2016									
Summary by Period and Category									
Period	Critical	Deferred	Planned	Adaptation	Total				
Budgeted - Current Year	\$ -	\$ 6,203,042.61	\$ 25,213,331.12	\$ 60,370,868.83	\$ 91,787,242.56				
P Previous Expenditures	\$ 2,620,729.49	\$ 1,089,986.17	\$ 6,150,424.78	\$ 17,692,008.80	\$ 27,553,149.24				
Projected - Years 2 Through 5	\$ -	\$ 4,505,000.00	\$ 10,580,000.00	\$ 1,210,000.00	\$ 16,295,000.00				
Unbudgeted - Current Year	\$ -	\$ -	\$ -	\$ -	\$ -				
Total	\$ 2,620,729.49	\$ 11,798,028.78	\$ 41,943,755.90	\$ 79,272,877.63	\$ 135,635,391.80				
Summary by Type and Category									
Maintenance Type	Critical	Deferred	Planned	Adaptation	Total				
Architectural	\$ 510,729.49	\$ 5,557,334.24	\$ 6,670,195.10	\$ 44,672,670.16	\$ 57,410,928.99				
HVAC	\$ 1,000,000.00	\$ 1,529,792.43	\$ 15,805,905.76	\$ 11,141,532.79	\$ 29,477,230.98				
Plumbing and Electrical	\$ 700,000.00	\$ 3,908,263.00	\$ 7,743,419.50	\$ 11,838,291.56	\$ 24,189,974.06				
Safety	\$ 250,000.00	\$ 275,000.00	\$ 8,535,829.77	\$ 8,326,833.12	\$ 17,387,662.89				
Legal and Mandatory	\$ 160,000.00	\$ 283,405.11	\$ 1,277,511.77	\$ 1,992,400.00	\$ 3,713,316.88				
Other	\$ -	\$ 244,234.00	\$ 1,910,894.00	\$ 1,301,150.00	\$ 3,456,278.00				
Total	\$ 2,620,729.49	\$ 11,798,028.78	\$ 41,943,755.90	\$ 79,272,877.63	\$ 135,635,391.80				
Top Five Priority Projects									
Priority	Project Name	Period	Category	Type	Amount				
1	2014 Audit: 1127 Replace Windows / Seals	Budgeted - Current Year	Deferred Maintenance	Architectural	\$ 850,000.00				
2	Replace HVAC Controls and Recommission (Floors 1-3) - Ph 2	Budgeted - Current Year	Planned Maintenance	HVAC	\$ 250,000.00				
3	MAIN SWITCHGEAR REPLACEMENT	Budgeted - Current Year	Planned Maintenance	Plumbing and Electrical	\$ 100,000.00				
4	Replace Low Slope Roof Ph 3	Budgeted - Current Year	Deferred Maintenance	Architectural	\$ 437,000.00				
5	Repair Exterior Brick Joints - Ph 3	Budgeted - Current Year	Deferred Maintenance	Architectural	\$ 200,000.00				
	E&G Deferred Maintenance	\$ 742,607.26							
	Non-E&G Deferred Maintenance	\$ 3,285,435.35							
	Total Deferred Maintenance	\$ 4,028,042.61							
	2016 Amount								
	Educational and General Campus Condition Index Value (EGCCIV)	\$ 1,262,187,683.00	0.5900%						
	Institution-Wide Campus Condition Index Value (IWCCIV)	\$ 3,416,655,996.00	0.3100%						
**NOTE: This index value is based on the 2016 Building Replacement Value information as published by THECB. The updated THECB information is typically published in February each year.									

f. TTUHSC: Approve acknowledgement of the Campus Condition Index Report and submission to the THECB.

Board approval required by: *Texas Education Code*, §61.05821

The request is to approve acknowledgement of Texas Tech University Health Sciences Center's Campus Condition Index Report ("CCIR") and submission of the report to the Texas Higher Education Coordinating Board ("THECB"). This request has been approved administratively by the president and the chancellor and is recommended for approval by the Board of Regents.

[NOTE: The TTUHSC Campus Condition Index Report is attached on the following page.]

BACKGROUND INFORMATION

Submission of the annual Campus Condition Index Report ("CCIR") is now required to be submitted to the Texas Higher Education Coordinating Board ("THECB"), as stated in 19 TAC §17.101(2)(B). *Texas Education Code*, §61.05821 requires institutions report Campus Condition Index Report ("CCIR") to their governing boards each year. In order to maintain simplicity and consistency, Texas Tech will continue to use the Texas Higher Education Coordinating Boards' CCIR summary format.

This report identifies (1) the current accumulated deferred maintenance needs; (2) the projects planned to address accumulated deferred maintenance needs in the next five years; and (3) the actual expenditures on accumulated deferred maintenance in the most recent fiscal year. The categories indicate the type of reinvestment required to maintain existing facilities; whether to stay on schedule, catch up, or convert existing facilities to an optimal condition. The CCI, a ratio, compares the unexpended critical and deferred maintenance to an index value (replacement value) and estimates the institutions' overall facilities condition. Institutions are rated as good (5% or less), fair (between 5% and 10%), or poor (10% or greater).

Based on the institutions data (1) the Educational and General Campus Condition Index ("EGCCI") or Ratio of Critical and Deferred Maintenance for Educational and General spaces to Educational and General Campus Condition Index Value is 0.0399%; and (2) the Institution-wide Campus Condition Index ("IWCCI") or Ratio of Critical and Deferred Maintenance (for all spaces) to the Institution-wide Campus Condition Index Value is 0.0526%. The comparable measures reported in the THECB's fall 2015 CCIR were 0.0209% and 0.0275%, respectively.

A copy of the report was submitted to the THECB for their information.

Texas Tech University Health Sciences Center									
2016 CCI Summary Report									
September 9, 2016									
Summary by Period and Category									
	Critical	Deferred	Planned	Adaptation	Total				
Budgeted - Current Year	\$ -	\$ 495,182.41	\$ 2,861,464.69	\$ 562,539.91	\$ 3,919,187.01				
Expenditures - Previous Year	\$ -	\$ 1,628,440.72	\$ 5,968,830.95	\$ 4,712,803.38	\$ 12,310,075.05				
Projected - Years 2 through 5	\$ -	\$ -	\$ 8,280,000.00	\$ -	\$ 8,280,000.00				
Unbudgeted - Current Year	\$ -	\$ -	\$ 1,499,000.00	\$ 200,000.00	\$ 1,699,000.00				
Total	\$ -	\$ 2,123,623.13	\$ 18,609,295.64	\$ 5,475,343.29	\$ 26,208,262.06				
Summary by Type and Category									
Architectural	\$ -	\$ 100,787.64	\$ 5,154,539.98	\$ 3,857,899.58	\$ 9,113,227.20				
HVAC	\$ -	\$ 52,687.00	\$ 8,904,750.64	\$ 177,311.00	\$ 9,134,748.64				
Plumbing and Electrical	\$ -	\$ 560,844.88	\$ 1,736,367.63	\$ 132,646.05	\$ 2,429,858.56				
Safety	\$ -	\$ 957,332.19	\$ 435,977.53	\$ 116,615.00	\$ 1,509,924.72				
Legal and Mandatory	\$ -	\$ 451,971.42	\$ 264,112.05	\$ 16,338.57	\$ 732,422.04				
Other	\$ -	\$ -	\$ 2,113,547.81	\$ 1,174,533.09	\$ 3,288,080.90				
Total	\$ -	\$ 2,123,623.13	\$ 18,609,295.64	\$ 5,475,343.29	\$ 26,208,262.06				
Top Five Priority Projects									
Priority	Name	Period	Category	Type	Amount				
1	Roof Replacement Aaron Medical Center - Midland	Budgeted - Current Year	Planned Maintenance	ARCH - Architectural	\$ 200,000.00				
2	WHRI Chiller Replacement - Amarillo	Budgeted - Current Year	Planned Maintenance	HVAC	\$ 530,000.00				
3	Sanitary Sewer Upgrades - Lubbock	Budgeted - Current Year	Planned Maintenance	P&E - Plumbing & Electrical	\$ 225,000.00				
4	Boiler Replacement- Odessa	Budgeted - Current Year	Planned Maintenance	HVAC	\$ 200,000.00				
5	Replace Air Handling Unit - 3A02- Lubbock	Budgeted - Current Year	Planned Maintenance	HVAC	\$ 600,000.00				
	E&G Deferred Maintenance	\$ 266,015.19							
	Non-E&G Deferred Maintenance	\$ 229,167.22							
	Total Deferred Maintenance	\$ 495,182.41							
	2016 Amount								
	Educational and General Campus Condition Index Value (EGCCIV)	\$ 666,251,109.00	0.0399%						
	Institution-Wide Campus Condition Index Value (IWCCIV)	\$ 941,430,203.00	0.0526%						
** NOTE: This is preliminary information based on the 2016 Base Rate & Space Information and current available expense data (pending year-end closing). The updated THECB information is typically published in Febru									

g. TTUHSC El Paso: Approve acknowledgement of the Campus Condition Index Report and submission to the THECB.

Board approval required by: *Texas Education Code*, §61.05821

The request is to approve acknowledgement of Texas Tech University Health Sciences Center El Paso's Campus Condition Index Report ("CCIR") and submission of the report to the Texas Higher Education Coordinating Board ("THECB"). This request has been approved administratively by the president and the chancellor and is recommended for approval by the Board of Regents.

[NOTE: The TTUHSC El Paso Campus Condition Index Report is attached on the following page.]

BACKGROUND INFORMATION

Submission of the annual Campus Condition Index Report ("CCIR") is now required to be submitted to the Texas Higher Education Coordinating Board ("THECB"), as stated in 19 TAC §17.101(2)(B). *Texas Education Code*, §61.05821 requires institutions report Campus Condition Index Report ("CCIR") to their governing boards each year. In order to maintain simplicity and consistency, Texas Tech will continue to use the Texas Higher Education Coordinating Boards' CCIR summary format.

This report identifies (1) the current accumulated deferred maintenance needs; (2) the projects planned to address accumulated deferred maintenance needs in the next five years; and (3) the actual expenditures on accumulated deferred maintenance in the most recent fiscal year. The categories indicate the type of reinvestment required to maintain existing facilities; whether to stay on schedule, catch up, or convert existing facilities to an optimal condition. The CCI, a ratio, compares the unexpended critical and deferred maintenance to an index value (replacement value) and estimates the institutions' overall facilities condition. Institutions are rated as good (5% or less), fair (between 5% and 10%), or poor (10% or greater).

Based on the institutions data (1) the Educational and General Campus Condition Index ("EGCCI") or Ratio of Critical and Deferred Maintenance for Educational and General spaces to Educational and General Campus Condition Index Value is 0.2052%; and (2) the Institution-wide Campus Condition Index ("IWCCI") or Ratio of Critical and Deferred Maintenance (for all spaces) to the Institution-wide Campus Condition Index Value is 0.2596%. The comparable measures reported in the THECB's fall 2015 CCIR were 0.1481% and 0.1880%, respectively.

A copy of the report was submitted to the THECB for their information.

Texas Tech University Health Sciences Center - El Paso									
2017 CCI Summary Report									
September 23, 2016									
Summary by Period and Category									
	Critical	Deferred	Planned	Adaptation	Total				
Budgeted - Current Year	\$ -	\$ 647,835.00	\$ 177,559.36	\$ 1,236,322.11	\$ 2,061,716.47				
Expenditures - Previous Year	\$ -	\$ 327,550.00	\$ 542,916.15	\$ 627,223.32	\$ 1,497,689.47				
Projected - Years 2 through 5	\$ -	\$ 80,000.00	\$ 2,020,000.00	\$ -	\$ 2,100,000.00				
Unbudgeted - Current Year	\$ -	\$ 50,000.00	\$ 1,200,000.00	\$ 995,000.00	\$ 2,245,000.00				
Total	\$ -	\$ 1,105,385.00	\$ 3,940,475.51	\$ 2,858,545.43	\$ 7,904,405.94				
Summary by Type and Category									
Architectural	\$ -	\$ 132,497.12	\$ 1,441,767.35	\$ 1,764,210.66	\$ 3,338,475.13				
HVAC	\$ -	\$ 878,830.55	\$ 786,028.26	\$ 258,434.11	\$ 1,923,292.92				
Plumbing and Electrical	\$ -	\$ 69,057.33	\$ 713,818.91	\$ 656,653.90	\$ 1,439,530.14				
Safety	\$ -	\$ -	\$ 328,340.99	\$ 154,246.76	\$ 482,587.75				
Legal and Mandatory	\$ -	\$ -	\$ 325,520.00	\$ -	\$ 325,520.00				
Other	\$ -	\$ 25,000.00	\$ 345,000.00	\$ 25,000.00	\$ 395,000.00				
Total	\$ -	\$ 1,105,385.00	\$ 3,940,475.51	\$ 2,858,545.43	\$ 7,904,405.94				
Top Five Priority Projects									
Priority	Name	Period	Category	Type	Amount				
1	Roof Renewal - Miles Building	Budgeted - Current Year	Planned Maintenance	ARCH	\$ 450,000.00				
2	Stormwater Improvements (East Corner) - ASB	Budgeted - Current Year	Planned Maintenance	OTH	\$ 25,000.00				
3	HVAC Unit Replacement - ASB	Budgeted - Current Year	Planned Maintenance	HVAC	\$ 25,000.00				
4	Fire Alarm & Emergency Lighting Upgrades - CSB	Budgeted - Current Year	Planned Maintenance	SFT	\$ 150,000.00				
5	HVAC Upgrades - Miles Building	Budgeted - Current Year	Planned Maintenance	HVAC	\$ 450,000.00				
	E&G Deferred Maintenance	\$ 369,223							
	Non-E&G Deferred Maintenance	\$ 358,612							
	Total Deferred Maintenance	\$ 727,835							
	2016 Amount Calculated	DM Index Value							
	Educational and General Campus Condition Index Value (EGCCIV)	\$ 179,944,784	0.2052%						
	Institution-Wide Campus Condition Index Value (IWCCIV)	\$ 280,352,733	0.2596%						
** NOTE: This is preliminary information based on the 2016 Base Rate & Space Information and current available expense data (pending year-end closing). The updated THECB information is typically published in February.									

h. TTUHSC: Approve Permanent Right of Access and Use of Texas Tech University Health Sciences Center land on the Amarillo campus.

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

The request is to approve (i) a permanent right of access and use by Southwestern Public Service Company for 0.0947 acres (4,126 square feet) of Texas Tech University Health Sciences Center ("TTUHSC") land upon the Amarillo campus. This right of use will allow for the installation of an electric line/utility corridor to support the Panhandle Clinical Simulation Center project; and (ii) approval of the final architectural and engineering plans. 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 May 2016, the Board of Regents approved a project to plan, design, and construct the new Panhandle Clinical Simulation Center on the TTUHSC Amarillo campus with a total budget of \$9,750,000. The project will construct a 20,485 gross square foot educational facility for teaching clinical simulations to medical/nursing school students through the use of a state-of-the-art computer/software system for the in-patient, simulation and observation rooms. Also, there is a large classroom and two smaller classrooms, both with required support spaces.

To support the new construction an electrical service corridor and infrastructure will be provided by Southwestern Public Service Company ("SPS"). The utility company will pay all costs associated with planning, constructing and maintaining this proposed connector and any related work. Final architectural and engineering plans of the proposed utility corridor will be provided to TTUS for review and approval. Additionally, SPS will be required to return the property to original condition or an acceptable state.

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.

i. **TTUHSC: Authorize the renewal of a long-term lease at the TTUHSC Southwest Campus to the Lubbock County Medical Examiner.**

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

The request is to approve and execute a renewal lease of space at the Texas Tech University Health Sciences Center ("TTUHSC") Southwest Campus to the Lubbock County Medical Examiner's Office ("County"). The County currently leases approximately 10,498 gross square feet in the Institute for Forensic Science Building for morgue, autopsy and office space uses along with a secured delivery area and parking. The renewal lease would be for a period of 6 years beginning November 1, 2016 with an annual lease rate of \$16 per square foot for the first 3 years and \$18 per square foot for the last 3 years.

The County desires to lock-in a long-term relationship with TTUHSC in order to establish some location permanency for the County Medical Examiner's Office. Therefore, the County would prefer to enter into a 6 years lease and eliminate the 90 day no fault cancellation clause that is in the current lease agreement.

BACKGROUND INFORMATION

The Lubbock County Medical Examiner is located on TTUHSC Southwest Campus just off South Loop 289 and Quaker Avenue in Lubbock, Texas. The County has leased this space from TTUHSC at an annual lease rate of \$14 per square foot since February of 2009. Since that time the County has occupied the south portion of this one story building and has provided coroner services from this location.

TTUHSC Physical Plant will continue to provide basic maintenance services including utilities to the entire facility.

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) **TTUHSC: Contract Renewals per Sections 07.12.4.d and 07.12.6.b., *Regents' Rules*** – A list of renewal, extended or amended contracts in excess of \$1,000,000 per annum, including the amount of the contract, shall be provided to the board as an information item at the next regular board meeting.
- (a) CON1613484 (77931698) GE Healthcare IITS USA Corp; issuance of fiscal year 2017 maintenance & services order for Centricity Business Solutions; \$1,105,123.20
 - (b) CON1606311 (15315) Superior Health Plan Inc; NAIP Participation Agreement awarded thru Texas Health and Human Services Commission; \$3,700,000
 - (c) AMEND592606-005 (13440) Discovery Medical Network Inc; Amendment P to DMN Services Agreement, Schedule of Compensation, Att 2, 3, 6, 11; Decrease of \$2,680,265 to \$21,869,391
 - (d) AMEND589536-001 (91284) Northwest Texas Healthcare System Inc; Physician in Training Support Agreement, Medical Resident salary funding 07/01/2016 to 06/30/2017; Increase of \$249,916 to \$4,075,381
 - (e) AMEND588851-001 (98136) University Medical Center – UMC Lubbock; Master Coordinating Agreement 2016-2017; \$16,419,819
 - (f) AMEND1592373-001 (98136) University Medical Center – UMC Lubbock; Faculty support Department of Internal Medicine, Medical Oncology 2016-2017; \$1,000,000
- (2) **TTU: Consulting contracts with an initial consideration of \$25,000 or less per Section 07.12.4.e.(2), *Regents' Rules*** – “(a) Board approval is not required, but notice of the proposed contract must be provided to the chair and the chair of the Finance and Administration Committee prior to execution of the contract. (b) A report of the contract shall be provided as an Information Agenda item at the next board meeting.”
- (a) Good Sports, Inc., Title IX consulting services; will review athletics facilities and collect information pertinent to the intercollegiate athletics program at Texas Tech University (TTU); estimated at \$18,500 based on \$17,000 maximum cost for professional time, \$1,500 reimbursement of actual costs, \$1,500 deposit required upon completion of contract (Title IX Report); 9/1/2016 to 06/30/2017 with on-site review targeted for October 2016.
- (3) **TTU: Report on 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 approval by the president, with

notice provided to the board via an item in the information Agenda for the next meeting of the board.”

- (a) Texas Tech University Institute for Materials, Manufacturing, and Sustainment (IMMS); Office of Vice President for Research; proposed IMMS will be involved in multidisciplinary activities including: high-performance applied mathematics, computational modeling, mechanics, and physics; bio-inspired materials and healing mechanics; materials genome sequencing and cloning and next-generation manufacturing; sciences of failure and intelligent sensing materials and mechanics; materials property and structure performance controls and sustainability.

The proposed IMMS will be involved in TTU cross-campus departmental activities, which will nourish the growth of the TTU to meet the scientific and technological needs of Texas, the nation, and world.

Internal potential faculty participants include faculty members from mechanical engineering, electrical and computer engineering, applied mathematics, computational engineering and science, physics, chemistry, materials engineering, and industrial engineering. External participants will come from industry and universities.

Potential sources of IMMS funding are diverse industries and Federal research laboratories and agencies. Initial support requested from TTU is \$550,000 over a three-year period and space that will facilitate frequent and daily interactions among a large number of TTU faculty members and students.

Dr. Dy D. Le, former Chief of Mechanics Division, U.S. Army Research Laboratory, serves as the IMMS director.

- (4) **TTUHSC: Notification regarding approval by the Board of Governors of University Medical Center (“UMC”) of four new endowed chairs** – UMC has established and continues to support endowed chairs to benefit the TTUHSC School of Medicine and UMC. The four most recent appointments are:
- (a) John Culberson, M.D., the Bernhard T. Mittermeyer, M.D. Chair in Geriatric Medicine
 - (b) Scott Shurmur, M.D., the Ralph Paone, M.D. Endowed Chair
 - (c) Mohammad El-Rahawan, M.D., the Joon Park, M.D. Endowed Chair for Excellence in Medicine
 - (d) Joaquin Lado, M.D., the Vernon Farthing, M.D. Endowed Chair
- (5) **TTUHSC El Paso: Emergency approval of employment agreement as provided by Section 07.12.3.e(3)(c)., *Regents Rules*** – “Health-related institution faculty employment contracts. For such contracts that would require the approval of the board under Section 07.12.3.e(2), when it is not feasible or practical to delay action until the next scheduled regular or special called meeting of the board and upon the recommendation of the chancellor, approval of the contract may be given by the chair or the chair of the Finance and Administration Committee. Contracts approved in this manner shall be reported to the board as an information item at the next board meeting.”

(a) For the recruitment and ramp-up of physicians for the new El Paso west-side hospital and associated clinics, the Board chair and the chair of the Finance & Administration Committee approved the following physician employment contracts under the emergency approval authorization provided in the *Regents' Rules*.

(1) Approval of individual employment agreements with 5 physicians, including:

Mahesh Gajendran, MD	Internal Medicine	\$240,000/yr	5 years
Moataz Ragheb, MD	Psychiatry	\$230,000/yr	5 years
Pamela Kaw, MD	Ophthalmology	\$325,900/yr	5 years
Pankai Kishore, MD	Psychiatry	\$225,900/yr	5 years
George Harrington, MD	Orthopaedics	\$450,000/yr	5 years

(2) Standing approval of additional physician employment agreements for the west-side hospital/campus if the agreements have the same or substantially similar terms as the contracts shown above.

(b) For the recruitment of a physician for the El Paso main campus, the Board chair approved the following physician employment contract under the emergency approval authorization provided in the *Regents' Rules*.

Rakesh Khathri, MD ... Interventional Neurologist ... 3-year term ... \$380,000/year in salary plus \$25,000/year in incentives (incentive guaranteed during Years 1-2 but contingent on meeting certain metrics during Year 3).

(6) ASU: Emergency or exigent circumstances approval of property purchase by Section 07.12.3.g, *Regents' Rules* –

“Unless prohibited by law and upon recommendation of the chancellor, when an emergency or 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, approval may be given for a contract by verbal approval of the chair or of the chair of the Finance and Administration Committee. Contracts approved in this manner shall be presented to the board as an information item at the next board meeting.”

(a) ASU — Purchase of real property located at 1819 South Harrison Street, San Angelo, Texas, for price not to exceed \$297,000.

(7) TTUS: Authorization for an ‘early start’ of a +\$25,000 consulting contract via Section 07.12.4.e(1)(b), *Regents' Rules*

– “A consulting contract with an initial consideration in excess of \$25,000 may be executed prior to approval by the board if: i. the contract includes a provision that limits the total amount to be paid to the consultant to no more than \$25,000 unless and until such time as the board has approved the agreement; and ii. the chair or chair of the Finance and Administration Committee authorize a proposal submitted to them by the chancellor, or the chancellor’s designee, regarding execution of the agreement in advance of approval by the board.”

(a) On September 26, 2016, Chairman Long authorized an “early start” for the Alastair Cribb consulting contract subject to the contract including a provision

that limits payments to the consultant to no more than \$25,000 unless and until the full Board approves the contract.

ATTACHMENTS

ATTACHMENT

1

**TTUS Regents' Rules amendment relating to the use
of debt proceeds (07.05.2, RFS debt management policy)**

Regents' Rules amendment relating to the use of debt proceeds

The *Regents' Rules* policy regarding the use of debt proceeds for capital expenditures needs to better match current U.S. Treasury regulations.

Accordingly, a rifle-shot amendment is needed for one subsection of the Revenue Finance System provisions in Chapter 07.

Chapter 07 -- Fiscal Management

• • •

07.05.2 RFS debt management policy.

- a. The TTU system and its components are eligible to participate in the RFS.
- b. The TTU system shall use the following guidelines for the RFS:
 - (1) Debt proceeds will be used only for capital expenditures or bond issuance costs. Generally, capital expenditures are for assets having a useful life of over one year. Buildings and other major capital projects shall be financed for a period of up to the lesser of the project's estimated useful life or 40 years. ↗
 - ~~(2)~~ (2) Equipment shall be financed for a period up to the lesser of its projected useful life or 10 years.
 - ~~(3)~~ (2) To the extent required by law, the Texas Higher Education Coordinating Board shall be notified of project costs in accordance with the relevant rules promulgated by the Coordinating Board.
 - ~~(4)~~ (3) Individual revenue streams considered for debt service must meet a 1.15 debt coverage ratio test, unless the debt is issued as tuition revenue debt, in which case it must meet a 1.00 debt coverage ratio test. Debt coverage is defined as total revenue divided by total debt service.

- ~~(5)~~ (4) Debt service shall be collected from departments at the component institutions in the amount of the 1.15 ratio, as noted in Subdivision (4) of this subsection, until the maximum reserve accumulated is equal to a department's maximum annual debt service for the remaining debt outstanding. When the maximum reserve is reached, the debt service shall be collected in the amount of a 1.00 ratio.
- ~~(6)~~ (5) The board shall approve designated debt financing prior to a project's initiation. Reimbursement clauses, revenue stream certification, non-default certification, and all requirements of the RFS Master Resolution shall be included in the agenda items submitted for board approval that authorize the debt financing.
- ~~(7)~~ (6) Application to and approval of the Texas Bond Review Board is required for all new long-term issues, except as noted below. Long-term issuances also are subject to the examination and approval of the Texas Attorney General. (Note: Sec. 1231.041(b), *Texas Government Code*, eliminates the requirement for institutions of higher education to seek approval by the Texas Bond Review Board for bonds rated AA- or better, unless state general revenue is pledged on the debt.)

ATTACHMENT

2

**TTUS Amendment to SITIF Investment Policy Statement
Relating to money market funds**

Amendment to the SITIF Investment Policy Statement relating to money market funds

The Investment Policy Statement for the Short/Intermediate Term Investment Fund (SITIF) needs a rifle-shot amendment for one subsection that relates to investments in money market funds.

Effective October 2016, revised Securities and Exchange Commission rules governing money market funds will take effect. One of the changes will no longer require money market funds to have a constant net asset value of \$1.00.

However, it is recommended that our investment policy continue to require our money market fund purchases be in funds that are offered at a constant \$1.00 net asset value. Investment in "stable" net asset value funds offers better risk protection than investment in "floating" net asset value funds.

Texas Tech University System

INVESTMENT POLICY STATEMENT

Short/Intermediate Term Investment Fund

• • •

- 7.1 **Cash Pool.** The cash pool will be invested primarily in money market funds and other cash instruments:
- a. Any money market fund or mutual fund that is AAA rated, or its equivalent, by at least two nationally recognized rating services. All funds in this category must [be offered at a constant \\$1.00 net asset value and](#) comply with the diversification, quality, liquidity, and maturity requirements of SEC regulation 2a-7 under the Investment Company Act of 1940.