

TEXAS TECH UNIVERSITY SYSTEM

MINUTES OF THE BOARD OF REGENTS  
OF  
TEXAS TECH UNIVERSITY

FEBRUARY 27, 2003

UNIVERSITY  
OF TEXAS  
AT AUSTIN

TEXAS TECH UNIVERSITY SYSTEM  
Lubbock, Texas

Minutes

Board of Regents  
February 27, 2003

Thursday, February 27, 2003.—The members of the Board of Regents of the Texas Tech University System convened at 11:50 a.m. on Thursday, February 27, 2003, in the Board Room, Second Floor, Room 201, Administration Building, Akron and Broadway Avenues, Lubbock, Texas, with the following in attendance:

ATTENDANCE.—

Regents present were C. Robert Black, Chairman; Brian C. Newby, Vice Chair; Carin Barth; E. R. "Dick" Brooks; J. Robert Brown; John W. Jones; Nancy E. Jones and David R. Lopez. Regent J. Michael Weiss was unable to attend the meeting.

Also participating at the opening of the meeting were Dr. David R. Smith, Chancellor, TTU System; Dr. Donald Haragan, Interim President, Texas Tech University; Mr. Elmo Cavin, Acting President, Texas Tech University Health Sciences Center; Mr. Jim Brunjes, Chief Financial Officer, TTUS; Mr. Richard Butler, Senior Vice Chancellor, TTUS; Mr. Ben Lock, Senior Vice Chancellor, TTUS; Mr. Pat Campbell, Vice Chancellor and General Counsel, TTUS; Dr. John Opperman, Vice Chancellor for Policy and Planning, TTUS; Mr. Mike Ellicott, Vice Chancellor for Facilities Planning and Construction, TTUS; Dr. William Marcy, Provost, TTU; Dr. Lynda Gilbert, Vice President for Fiscal Affairs, TTU; and Lucy Lanotte, Executive Secretary to the Board of Regents.

- I. CALL TO ORDER.—Chairman Black announced a quorum present and called the meeting to order. Before proceeding with the meeting, Chairman Black expressed appreciation, on behalf of the board, to Regent Brown for his years of service as chairman of the board.
- II. INTRODUCTIONS AND RECOGNITIONS.—Chairman Black called on Dr. Smith and Dr. Haragan for the introductions and recognitions. Dr. Haragan recognized Dr. John White, professor of architecture, who received the Truett Latimer Award from Preservation Texas, an award that is given to working professionals who demonstrate a significant commitment to preservation as part of their job responsibilities.



III. EXECUTIVE SESSION.—At approximately 11:52 a.m., the board recessed and convened into Executive Session as authorized by Chapter 551 of the *Texas Government Code*.

IV. RECONVENING OF THE BOARD TO OPEN SESSION.—At approximately 2:02 p.m. on Thursday, February 27, the board reconvened in open session in the Board Room, Second Floor, Room 201, Administration Building, Akron and Broadway Avenues, Lubbock, Texas, to consider items as a board and in the Committee of the Whole.

IV.A. APPROVAL OF MINUTES.—Regent Brown moved that the minutes of the board meeting held on December 13, 2002 be approved. Regent Brooks seconded the motion, and the motion passed unanimously.

#### IV.B. COMMITTEE OF THE WHOLE

Chairman Black announced that for the purpose of facilitating action on the items to be considered, Vice Chair Newby would preside over the Committee of the Whole.

IV.B.1. Regent Newby presented the item regarding approval of the Consent Agenda and acknowledgment of review of the Information Agenda. Regent Newby noted that Item "g" of the Consent Agenda had been moved to the regular agenda of the Finance and Administration Committee, and moved that the Consent Agenda be approved as modified. The motion was seconded and passed unanimously. The following are the Minute Orders approved by this motion:

IV.B.1.a. TTU: Approve leave of absence.—The board approved the following faculty development leave, as approved administratively by the president and the chancellor.

Leave without pay for Song Yang, Professor, College of Arts and Sciences, for the period January 16, 2003 through December 31, 2003. The purpose of this leave is to conduct research at the National Institutes of Health in Bethesda, Maryland.

IV.B.1.b. TTU: Approve emeritus appointments.—The board approved the granting of emeritus status to the retired individuals listed below, as approved administratively by the president and the chancellor.

Billy Earl Askins	Professor and Chair of Curriculum and Instruction (35 years)
Edward Wilson Averill	Professor of Philosophy (22 years)
John Ross Edward Bliese	Associate Professor of Communication Studies (16 years)
Anthony Norman Brittin	Professor of Music (39 years)
Lester G. Butler	Associate Professor of Curriculum and Instruction (28 years)
Sydney Paul Cravens	Associate Professor of Classical and Modern Languages and Literatures (30 years)
Benjamin Sanchez Duran	Professor of Mathematics and Statistics (31 years)
John Arthur Gillas	Horn Professor of Music (31 years)
James William Harper	Associate Professor of History (35 years)
Duane Paul Jordan	Associate Professor of Mechanical Engineering (38 years)
Walter Robert McDonald	Horn Professor of English (31 years)
William J. B. Oldham	Professor of Computer Science (15 years)
Henry David Payne, III	Associate Professor of Music (35 years)
Sherman Alfred Phillips, Jr.	Associate Professor of Plant and Soil Science (20 years)

Charles Augustus Reavis	Professor of Educational Psychology and Leadership (25 years)
Roger Carl Schaefer	Associate Professor of Political Science (26 years)
David James Schmidly	Professor of Biological Sciences (7 years)
Patrick Wilbert Shaw	Professor of English (30 years)
Jan Dalton Tarwater	Professor of Mathematics and Statistics (34 years)

IV.B.1.c. TTUHSC: Approve exception to Section 03.03.8, *Regents' Rules*.—The board approved an exception to Section 03.01.8.c., Nepotism, *Regents' Rules*, to allow Dr. Joachim Weber, Senior Research Associate, spouse of Dr. Ina Urbatsch, Assistant Professor, Cell Biology and Biochemistry, to perform research in the laboratory of Dr. Urbatsch, as approved administratively by the president and the chancellor. All personnel actions, compensation decisions, performance evaluations, merit increases and all other administrative decisions will fall under the direct purview of Dr. Harry Weitlauf, Chairman and Professor of Cell Biology and Biochemistry, School of Medicine.

IV.B.1.d. TTUHSC: Approve employee appointment to non-elective position.—The board approved the following employee appointment to a non-elective position, as approved administratively by the president and the chancellor:

Rodolfo Arredondo, Ed.D., professor, Department of Neuropsychiatry, School of Medicine, appointed to the National Advisory Committee of the National Institute of Health/National Institute on Drug Abuse by Secretary of Health and Human Services Tommy Thompson. The appointment is for four years and is effective upon taking the oath of office.

The board also found with respect to Dr. Arredondo that his service is of benefit to the nation and Texas Tech University Health Sciences Center and that his service does not conflict with his position of employment at Texas Tech University Health Sciences Center.

- IV.B.1.e. TTUHSC: Approve finding of fact necessary for dual employment.—The board approved a finding of fact necessary for the dual employment of Anthony J. Busti, BSN, PharmD., assistant professor in the Department of Pharmacy Practice (School of Pharmacy-Dallas), as an adjunct professor for Texas Women's University beginning January 12, 2003 through December 15, 2003, with compensation at the amount of \$3,500 per semester, as approved administratively by the president and the chancellor.

The board also found with respect to Mr. Busti that his adjunct professor appointment (i) will benefit the state of Texas and Texas Tech University Health Sciences Center ("TTUHSC"); and (ii) will not conflict with his position of employment at TTUHSC, as the positions have no overlapping time requirements.

- IV.B.1.f. TTUS: Approve finding of fact necessary for dual employment.—The board approved a finding of fact necessary for the dual employment of John Opperman, Vice Chancellor for Policy and Planning of Texas Tech University System, with the office of the Lieutenant Governor of Texas commencing January 21, 2003, as approved administratively by the president and the chancellor.

The board also found with respect to John Opperman that (i) his position with the office of the Lieutenant Governor of Texas to assist in resolving the State's fiscal situation (37.5% FTE) will benefit the state of Texas; and (ii) his appointment with the office of the Lieutenant Governor will not conflict with his employment at Texas Tech University System on issues related to long-range strategic planning, academic policy and other duties assigned by the Chancellor (62.5% FTE).

- IV.B.1.g. TTU: Approve renewal of agreement with Cox Cable to provide cable television service to the residence halls.—The item was moved to the regular agenda of Finance and Administration Committee.

- IV.B.1.h. TTU: Approve budget adjustments for the period November 1, 2002 through December 31, 2002.—The board approved budget adjustments for the period November 1, 2002 through December 31, 2002, included herewith as Attachment No. 1, as approved administratively by the president and the chancellor:

IV.B.1.i. TTUS and TTU: Approve delegation of signature authority.—

The board approved the delegation of signature authority, which updates delegations of signature authority previously approved by the Board of Regents to include newly hired and appointed employees. The request had been approved administratively by the president and the chancellor:

- (1) To authorize the chancellor to designate officers and employees of the university to approve all travel of employees of Texas Tech University, except to countries outside the United States other than United States possessions, Canada and Mexico, provided that such travel contributes to the mission of the university and is in accordance with current travel regulations and who may further delegate their authority, effective February 28, 2003, and to continue until August 31, 2003, or until such time as they are separated from the university or assigned other responsibilities, which ever comes first.
- (2) To authorize the chancellor to designate officers and employees of the university to approve official travel reimbursement from State appropriations and all other funds for officers and employees of Texas Tech University provided that the purpose of the travel and reimbursement for such are in accordance with state travel regulations, other statutory requirements, or other action promulgated by this board, effective February 28, 2003, and to continue until August 31, 2003, or until such time as they are separated from the university or assigned other responsibilities, whichever comes first.
- (3) To authorize the chancellor to designate officers and employees of the university to approve and pay all accounts covering expenditures for state-appropriated funds and all other university-controlled funds, effective February 28, 2003, and to continue until August 31, 2003 or until such time as they are separated from the university or assigned other responsibilities, which ever comes first.
- (4) To sign checks drawn on the revolving fund and all other checking accounts of the university in any depository bank, except the University's Cashier's Account, effective February 28, 2003, and to continue

until August 31, 2003, or until such time as they are separated from the university or assigned other responsibilities, and further provided that any mechanically signed check of \$25,000 or more shall be reviewed and manually signed by one of the employees listed who may sign:

Donald R. Haragan, Interim President

- (5) To sign and/or countersign cashier's checks drawn on the university's Cashier's Account, effective February 28, 2003, and to continue until August 31, 2003 or until such time as they are separated from the university or assigned other responsibilities, whichever comes first and further provided that any mechanically signed check of \$25,000 or more be reviewed and manually signed by one of the employees listed who may sign or countersign:

Employees who may sign or countersign:

Donald R. Haragan, Interim President

- (6) To authorize transfer by wire or other means, of funds between Texas Tech University depositories, effective February 28, 2003, and to continue until August 31, 2003, or until such time as they are separated from the university or assigned other responsibilities, whichever comes first.

Employees who may authorize or counter-authorize:

Donald R. Haragan, Interim President

- (7) To authorize and approve the sale, purchase and transfer of Stocks, bonds, and other securities which are owned or controlled by Texas Tech University provided such action is approved by any two of the individuals listed below, effective February 28, 2003, and to continue until August 31, 2003, or until such time as they are separated from the university or assigned other duties or responsibilities:

Donald R. Haragan, Interim President



However, for all instruments contributed to the university, one of the two required signatures must be from one of the following:

Mark Lindemood, Vice Chancellor for Institutional Advancement

- IV.B.1.j. TTUHSC: Approve delegation of signature authority.—The board approved the delegation of signature authority, which updates the delegation of signature authority previously approved by the Board of Regents to include a newly hired employee. The request had been approved administratively by the president and the chancellor.

To authorize and approve the sale, purchase and transfer of stocks, bonds, and other securities which are owned or controlled by the Health Sciences Center provided such action is approved by any two of the individuals listed below, effective February 28, 2003, and to continue until August 31, 2003, or until such time as they are separated from the Texas Tech University System or assigned other duties or responsibilities, whichever comes first:

David R. Smith, M.D., Chancellor  
Jim Brunjes, Chief Financial Officer  
Charles D. Wall, Assistant Chief Financial Officer for Cash Management and Investments  
Elmo M. Cavin, Acting President and Executive Vice President  
Michael Crowder, Associate Vice President for Business Affairs  
Lynda Gilbert, Vice President for Fiscal Affairs, TTU  
Charlie L. Stallings, Associate Vice President for Fiscal Affairs, TTU  
Nancy H. Whittaker, Assistant Vice President for Fiscal Affairs and Comptroller, TTU

However, for all instruments contributed to the Health Sciences Center, one of the two required signatures must be from one of the following:

Mark Lindemood, Vice Chancellor for Institutional Advancement  
Greg Teeter, Legal Counsel for Institutional Advancement

- IV.B.1.k. TTUHSC: Approve revisions to Traffic and Parking Regulations, including vehicle registration fees.—The board approved revisions to the Traffic and Parking Regulations as set out below, as approved administratively by the president and the chancellor:

Amend the Regulations applicable to Texas Tech University Health Sciences Center as follows:

a. Paragraph I.

These regulations are established by ~~Texas Tech University and Texas Tech University Health Sciences Center campuses~~ in order to facilitate the safe and orderly conduct of business and to provide registered vehicles parking space as conveniently as possible within the limits of space available. Operating a motor vehicle on campus is a privilege and is conditioned, in part, on complying with these rules and regulations.

b. Paragraph V.B.

"B. Due to the diverse nature of operations between the University and the Health Sciences Center campuses, it is necessary to have certain regulations that pertain to the specific institution; ~~these are included as Items XI-XVI for the Health Sciences Center campuses~~ submitted separately by each institution. Following are the regulations that apply to Texas Tech as defined in C.1. below."

c. Paragraph V.C.1.

"1. The campus is defined as all lands owned, managed, or otherwise controlled by ~~the University and the various Health Sciences Center campuses~~, herein called "Texas Tech".

d. Paragraph V.C.4.

"4. A valid parking space is defined as an area designated on three sides by lines and/or posts, curbs, or other types of barriers for the explicit purpose of parking a motor vehicle."

e. Paragraph V.N.

"N. The parking wheel stops and curbs located all over campus are six inches tall. Many newer and some older model vehicles have special ground effects attachments, air dams, fog/driving lights, or other attachments that reduce ground clearance under the vehicle. Driving such vehicles over the parking wheel stop or curb may cause damage to these vehicles. Drivers are urged to use caution when parking vehicles to avoid damage. Texas Tech University System assumes no responsibility in such cases."



f. Paragraph VII.C.21.

"21. Failure to pay Pay Station 20.00."

g. Paragraph VII.F.

"F. All motorcycle registration permits are issued for the academic year for students and the fiscal year for faculty and staff. They may be purchased at any time during the year at a rate that is prorated monthly. ~~(See schedule in Appendix A or B)~~"

h. Paragraph VII.G.

"G. Bicycles should be parked in racks whenever available. Use of shrubs, trees, or any architectural structures to secure bicycles is prohibited. Bicycles are not permitted in Texas Tech academic or administrative buildings. Any bicycle found in violation of this subsection may be impounded. The normal impoundment fee is \$40.00. THE IMPOUNDMENT FEE DOES NOT INCLUDE THE COST OF THE CITATION OR ANY APPLICABLE STORAGE FEES. (See Section VIII IX.A. 1 and 2)"

i. Paragraph VII.J.

"J. Any bicycle or locking device not removed from campus at the end of the Spring Semester may will be considered abandoned property and may will be properly disposed of through Property Inventory.

j. Paragraph VII.K.2.

~~"2. All violations as set forth in ordinances enacted by the City of Lubbock, Texas may be adjudicated in Municipal Court, 10<sup>th</sup> Street and Avenue J, Lubbock, Texas.~~

k. Paragraph VIII.B.

"B. Appeal the citation in writing, within ten (10) calendar days of the alleged violation, through the ~~individual designated as the supervisor of parking appeals for University violations or the Traffic and Parking Office at the Health Sciences Center for violations that occur there.~~"

l. Paragraph IX.B.

"B. If the owner or driver of a motor vehicle to be impounded arrives before impoundment has begun, the vehicle will not be impounded. If the owner arrives after impoundment has begun,

the vehicle will not be impounded if the driver opts to pay the tow truck driver or ~~Texas Tech parking enforcement personnel~~ a fee of \$25.00 (payable in a manner acceptable to either the towing company or ~~Texas Tech~~) in lieu of impoundment."

m. Paragraph IX.D.

- "D. No personal property or vehicles (including boats, trailers, motor homes, etc.) shall be permitted to be stored or parked on the campus without permission from the appropriate Traffic and Parking Office.

n. Paragraph X.C.

- ~~"C. The University provides a shuttle bus service to assist persons with their on-campus transportation needs. The shuttle bus service is operated between the hours of 5:00 P.M. and 4:00 A.M. during the fall and spring semesters (when school is in session). One of the buses is lift equipped to accommodate persons with disabilities. Shuttle bus schedules are available at various locations campus including the residence halls, the Texas Tech Police Department, and the Dean of Students' Office."~~

o. Paragraph XI.D.

- "D. Renewal notices for persons assigned reserved and area reserved spaces are sent out no later than July 1 each year. Employees must renew their vehicle registration by the date stated in the renewal notice. Payment may be made by credit card (Visa, MasterCard, and Discover), cash, personal check, or payroll deduction. (Payroll deduction is available at the Amarillo, El Paso, Lubbock, and Odessa campuses.)

At the Lubbock campus, vehicle registration can be made at the "Traffic and Parking On-Line Parking Permits" site at the TTUHSC home page (<http://www/ttuhsc.edu>) under Site Directory at Administrative. Credit card information may be entered directly into this site and personal checks can be mailed though campus mail to Room 2C490 Mail Stop 6290. This site is "secure" and all data entered will be protected.

p. Paragraph XII.A.

- "A. Persons who hold a Thompson Hall motor vehicle registration permit (R-25 or C-5) or a Texas Tech Medical Center – Southwest vehicle registration permit (S1) should park in the designated area reserved parking lots (A3, A5, B3, C3, or F1)

parking areas when parking at the Lubbock Health Sciences Center campus."

q. Paragraph XII.B.

- "B. Persons who hold a Health Sciences Center parking permit (A2, A3, A5, B2, B3, C3, E1, or F1) should park in the C5 visitor parking area at Thompson Hall.

r. Paragraph XVI.C.1.

- "1. Contractors may obtain, at no charge, a construction permit for their trucks or cars from the TTUHSC Traffic and Parking Office, Room 2G190 BB097 (~~located next to the Bursar's Office on the 2<sup>nd</sup> Floor of Wing C~~)."

s. Paragraph XVII

See Fee and Refund Schedule included herewith as Attachment No. 2.

- IV.B.1.I. TTU: Accept major gift-in-kind to the Museum of Texas Tech University.—The board accepted the following gift-in-kind for the benefit of the Museum of Texas Tech University: Nine pieces of African art valued at \$267,000 from Gerald and Anita Smith of Houston, Texas, as approved administratively by the president and the chancellor.

Regent Newby then moved that the board acknowledge its review of the Information Agenda as follows:

Information Agenda

Information is provided as required by Section 01.01.6.b(2)(c), *Regents' Rules*

- (1) TTU and TTUHSC: Summary of Revenues and Expenditures by Budget Category, FY 2003 per Section 01.01.8.c(3)(f), *Regents' Rules*: All actual expenditures will be reviewed by the Finance and Administration Committee annually and provided as information.
  - (a) TTU: Report dated November 30, 2002 for fiscal year 2003; and
  - (b) TTUHSC: Report dated November 30, 2002 for fiscal year 2003.
- (2) TTUHSC: Contract Renewals per Section 07.12.4.b., *Regents' Rules*: "Approval of the president is required for all contract

renewals. A list of those renewal contracts greater than \$1,000,000 per annum, including the amount of the contract, will be provided to the board as an information item at the next regular board meeting."

- (a) R.E. Thomason General Hospital; Neurosurgical Services Agreement; 9/1/02-8/31/06; \$5,889,127;
- (b) Texas Department of MHMR – El Paso Psychiatric Center; Inpatient Psychiatric Medical Services Agreement; 9/1/02-8/31/03; \$1,248,156;
- (c) Texas Higher Education Coordinating Board; Family Practice Residency Program Operational Grant Agreement; 9/1/02-8/31/03; \$1,244,100;
- (d) University Medical Center; Master Coordinating Agreement – Radiology Lease Space; 7/1/02-6/30/04; \$20,000,000; and
- (e) University Medical Center; Master Coordinating Agreement – Radiology Faculty Support; 7/1/02-6/30/04; \$20,000,000.

(3) TTUHSC: School of Medicine Faculty Employment Contracts per Section 07.12.4.c, *Regents' Rules*: "Approval of the president is required for faculty employment contracts greater than \$100,000 per annum. A list of all faculty employment contracts greater than \$100,000 per annum will be provided to the board as an information item at the next board meeting."

- (a) Dominguez, Leonardo, M.D., Assistant Professor/NTT; Ophthalmology, Lubbock; 9/1/02-8/31/04; \$120,000;
- (b) Eezzuduemhoi, Deborah, M.D., Instructor/NTT; Ophthalmology, Lubbock; 11/11/02-8/31/03; \$140,000;
- (c) Hodges, David S., M.D., Associate Professor/NTT; Internal Medicine, Lubbock; 12/16/02-12/15/03; \$180,000;
- (d) Levine, Johanan, M.D., Associate Professor/NTT; Neuropsychiatry, El Paso; 9/1/02-8/31/03; \$150,000;
- (e) Phillips, Benny P., M.D., Academic Associate Professor/NTT; Ob/Gyn, Lubbock; 11/1/02-11/1/04; \$115,000 (part-time);
- (f) Richards, William E., M.D., Academic Assistant Professor/NTT; Ob/Gyn, Lubbock; 11/1/02-11/1/04; \$115,000 (part-time);
- (g) Robinson, Valerie, M.D., Assistant Professor/NTT; Neuropsychiatry, Lubbock; 1/15/03-8/31/06; \$130,000; and
- (h) Zoller, Dennis P., M.D., Associate Professor/NTT; Family Medicine, Amarillo; 11/1/02-8/31/03; \$148,000.

(4) TTU: Report on establishment of new centers and institutes: As requested by the Board of Regents, a list of newly established centers and institutes will be provided to the board as an information item at the next board meeting.

- (a) Economic Development Resource Center; broker and coordinate resources and partnerships to provide planning and technical outreach assistance to stabilize communities in the High Plains Region of West Texas and Eastern New Mexico; to diversify and strengthen the regional economic climate in fostering innovation, job growth, and the creation of wealth; and to promote the development and use of technology to compete successfully in the global marketplace; and

- (b) Center for Dispersive Processes; engage in the fundamental and applied research and graduate educational activities required to understand and model transport phenomena associated with the dispersion of mass, momentum and thermal energy.

The motion was seconded and passed unanimously.

Vice Chair Newby stated that consideration of items by the Committee of the Whole was concluded.

- V. OPEN SESSION. – The board continued in Open Session to meet concurrently with its Standing Committees.
- VI. MEETINGS AND REPORTS OF STANDING COMMITTEES.—At approximately 2:03 p.m., at the direction of Chairman Black, the board recessed into meetings of its Standing Committees, which were conducted sequentially in open session. Chairman Black also stated that committee reports to the full board for its consideration would be presented at the conclusion of the respective committee meeting.

The Finance and Administration Committee met from approximately 2:05 p.m. until approximately 2:42 p.m. in the Board Room, Second Floor, Room 201, Administration Building, Akron and Broadway Avenues, Lubbock, Texas; the Facilities Committee met from approximately 2:42 p.m. until approximately 2:45 p.m. in the Board Room, Second Floor, Room 201, Administration Building, Akron and Broadway Avenues, Lubbock, Texas; and the Academic, Clinical and Student Affairs Committee met from approximately 2:45 p.m. until approximately 2:59 p.m. in the Board Room, Second Floor, Room 201, Administration Building, Akron and Broadway Avenues, Lubbock, Texas.

#### VI.A. REPORT OF THE FINANCE AND ADMINISTRATION COMMITTEE

The Finance and Administration Committee met from approximately 2:05 p.m. until approximately 2:42 p.m. in the Board Room, Second Floor, Room 201, Administration Building, Akron and Broadway Avenues, Lubbock, Texas. At the conclusion of the committee meeting, Chairman Black called on Regent Brooks, Chair of the committee, to give the committee's report.

Committee Chairman Brooks reported that the Finance and Administration Committee met in open session to consider those matters on its agenda and to formulate recommendations to the Board of Regents of the Texas Tech University System. Unless otherwise indicated, the actions set forth in the Minute Orders that follow were recommended by the Finance and Administration Committee and approved in open



session and without objection by the Board of Regents of the Texas Tech University System.

- VI.A.1. TTU: Approve fee assessment schedule effective Summer semester, 2003.—The board approved the fees to be assessed and charged to regularly enrolled and prospective students beginning with the Summer semester, 2003 with the exception of state tuition and institutional tuition which will be assessed beginning with the Fall semester, 2003, as modified and included herewith as Attachment No. 3.
- VI.A.2. TTU: Approve establishment of endowments within the Museum of Texas Tech University.—The board approved the establishment of four endowments within the Museum of Texas Tech University. The corpus of these endowments comes from the \$7,647,817 that was generated from the sale of Ben E. Keith stock that was gifted to the University by the Kenneth Keith Estate. Of the total amount realized from the sale of the stock, \$600,000 will be used to support the Vatican Exhibition, renovations to the Paleontology Exhibition and matching for other gifts to the Museum. The remaining amount realized from the sale of the Ben E. Keith stock will be used to establish four endowments. The requested endowments are:

Kenneth Keith Museum Operations Endowment	\$4,047,817
Center for Advanced Study of Museum Science and Heritage Management Endowment	\$1,000,000
Keith Museum Science and Heritage Management Student Assistance Endowment	\$1,000,000
Keith Museum Research Enhancement Endowment	\$1,000,000

- VI.A.3. TTU: Approve renewal of agreement with Cox Cable to provide cable television service to the residence halls.—The item was withdrawn.
- VI.A.4. TTUHSC: Approve fee assessment schedule effective Fall semester, 2003.—The board adopted the global fee document establishing fees to be assessed and collected from regularly enrolled and prospective students effective with the Fall semester, 2003, included herewith as Attachment No. 4.
- VI.A.5. TTUHSC: Approve modifications of endowments for the Department of Neuropsychiatry in the School of Medicine.—The board approved that the Haag Endowment and the Gladys Waller Brown Endowment be modified and combined with the Malouf Abraham Endowment for the Neurology of Aging to create the Abraham-Tarbox Chair in Neurodegenerative

Diseases which shall be used for the treatment and study of neuropsychiatric disorders of late life.

- VI.A.6. TTU and TTUHSC: Approve interagency contracts with State Office of Risk Management for Workers' Compensation Insurance coverage.—The board approved the Interagency Contracts between Texas Tech University ("TTU") and Texas Tech University Health Sciences Center ("TTUHSC") and the State Office of Risk Management to provide Workers' Compensation Insurance coverage. The payment for this required service will be made as defined by the rules of the State Office of Risk Management.

Each of these agreements is in excess of \$1 million: the TTU agreement is \$1,380,414.87; the TTUHSC agreement is \$1,381,730.69. The term of each agreement runs from September 1, 2002 through August 31, 2003 and governs services provided and losses paid for FY 2003.

- VI.A.7. TTUS: Approve revised charter of the Office of Audit Services and amendments to Chapter 07, Regents' Rules, concerning audits.—The board approved (1) the revised charter of the Office of Audit Services, included herewith as Attachment No. 5; and (2) the amendments to Chapter 07, *Regents' Rules*, concerning audits, in order to comply with the Texas Internal Auditing Act and the Standards for the Professional Practice of Internal Auditing, included herewith as Attachment No. 6.

- VI.A.8. TTUS: Approve investment in eligible investment pool.—The item was withdrawn.

## VI.B. REPORT OF THE FACILITIES COMMITTEE

The Facilities Committee met from approximately 2:42 p.m. until approximately 2:45 p.m. in the Board Room, Second Floor, Room 201, Administration Building, Akron and Broadway Avenues, Lubbock, Texas. At the conclusion of the committee meeting, Chairman Black called on Regent Robert Brown, Chair of the committee, to give the committee's report.

Committee Chairman Brown reported that the Facilities Committee met in open session to consider those matters on its agenda and to formulate recommendations to the Board of Regents of the Texas Tech University System. Unless otherwise indicated, the actions set forth in the Minute Orders that follow were recommended by the Facilities Committee and approved in open session and without objection by the Board of Regents of the Texas Tech University System.

- VI.B.1. TTUS: Report on Office of Facilities Planning and Construction projects.—The board accepted the report on the Office of Facilities Planning and Construction, a summary of which is included herewith as Attachment No. 7.

VI.C. REPORT OF THE ACADEMIC, CLINICAL AND STUDENT AFFAIRS COMMITTEE

The Academic, Clinical and Student Affairs Committee met from approximately 2:45 p.m. until approximately 2:59 p.m. in the Board Room, Second Floor, Room 201, Administration Building, Akron and Broadway Avenues, Lubbock, Texas. At the conclusion of the committee meeting, Chairman Black called on Regent Lopez, Chair of the committee, to give the committee's report.

Committee Chairman Lopez reported that the Academic, Clinical and Student Affairs Committee met in open session to consider those matters on its agenda and to formulate recommendations to the Board of Regents of the Texas Tech University System. Unless otherwise indicated, the actions set forth in the Minute Orders that follow were recommended by the Academic, Clinical and Student Affairs Committee and approved in open session and without objection by the Board of Regents of the Texas Tech University System.

- VI.C.1. TTU: Approve granting of academic tenure.—The board approved granting tenure to the following faculty of Texas Tech University, effective this date:

Li Guigen, associate professor, Department of Chemistry and Biochemistry, College of Arts and Sciences;

Jia-Sheng Wang, associate professor, Department of Environmental Toxicology, College of Arts and Sciences; and

Michael Parkinson, associate professor, School of Mass Communications, College of Arts and Sciences.

- VI.C.2. TTU: Approve changes in academic rank and granting of tenure.—The board approved changes in academic rank, effective September 1, 2003, and the granting of tenure, effective this date, for the following faculty of Texas Tech University:

Jacqui Haygood, from assistant professor to associate professor, Department of Agricultural Education & Communications, College of Agricultural Sciences and Natural Resources;



Warren Ballard, from associate professor to professor, Department of Range, Wildlife and Fisheries Management, College of Agricultural Sciences and Natural Resources;

Richard Deslippe, from assistant professor to associate professor, Department of Biological Sciences, College of Arts and Sciences;

Lauren Gollahon, from assistant professor to associate professor, Department of Biological Sciences, College of Arts and Sciences;

Eduardo Cabrera, from assistant professor to associate professor, Department of Classical and Modern Languages & Literatures, College of Arts and Sciences;

Robert Flowers, from associate professor to professor, Department of Chemistry and Biochemistry, College of Arts and Sciences;

Susan Lang, from assistant professor to associate professor, Department of English, College of Arts and Sciences;

Scott McMurry, from assistant professor to associate professor, Department of Environmental Toxicology, College of Arts and Sciences;

Ernest Smith, from assistant professor to associate professor, Department of Environmental Toxicology, College of Arts and Sciences;

Anatoly Korchagin, from assistant professor to associate professor, Department of Mathematics and Statistics, College of Arts and Sciences;

Andreas Schneider, from assistant professor to associate professor, Department of Sociology, Anthropology and Social Work, College of Arts and Sciences;

Nora Griffin-Shirley, from assistant professor to associate professor, Department of Educational Psychology and Leadership, College of Education;

Robin Lock, from assistant professor to associate professor, Department of Educational Psychology and Leadership, College of Education;

Carmen Roman-Shriver, from assistant professor to associate professor, Department of Education, Nutrition and Restaurant/Hotel Management, College of Human Sciences;

Alan Reifman, from assistant professor to associate professor, Department of Human Development & Family Studies, College of Human Sciences;

Lisa Garner Santa, from assistant professor to associate professor, School of Music, College of Visual and Performing Arts;

Lisa Rogers, from assistant professor to associate professor, School of Music, College of Visual and Performing Arts; and

Linda Donahue, from assistant professor to associate professor, Department of Theatre and Dance, College of Visual and Performing Arts.

VI.C.3. TTU: Approve changes in academic rank.—The board approved changes in academic rank for the following faculty of Texas Tech University, effective September 1, 2003:

Sukant Misra, from associate professor to professor, Department of Agricultural and Applied Economics, College of Agricultural Sciences and Natural Resources;

David Birney, from associate professor to professor, Department of Chemistry and Biochemistry, College of Arts and Sciences;

Dominick Casadonte, from associate professor to professor, Department of Chemistry and Biochemistry, College of Arts and Sciences;

Carol Korzeniewski, from associate professor to professor, Department of Chemistry and Biochemistry, College of Arts and Sciences;

Bolanle Olaniran, from associate professor to professor, Department of Communication Studies, College of Arts and Sciences;

Marjean Purinton, from associate professor to professor, Department of English, College of Arts and Sciences;

Vaia Papadimitriou, from associate professor to professor, Department of Physics, College of Arts and Sciences;

Fred Hartmeister, from associate professor to professor, Department of Educational Psychology and Leadership, College of Education;

Andreas Neuber, from assistant professor to associate professor, Department of Electrical and Computer Engineering, College of Engineering;

Hamed Sari-Sarraf, from assistant professor to associate professor, Department of Electrical and Computer Engineering, College of Engineering;

Richard Wampler, from associate professor to professor, Department of Human Development and Family Studies, College of Human Sciences; and

Shelley Harp, from associate professor to professor, Department of Merchandising, Environmental Design and Consumer Economics, College of Human Sciences.

VI.C.4. TTU: Approve granting of continuing appointment to librarians and archivists.—The board approved granting continuing appointment to William Tydeman, Ph.D., Associate Dean of Libraries, effective this date.

VI.C.5. TTU: Approve granting of promotion to librarians and archivists.—The board approved granting of promotion to the librarians listed below, effective September 1, 2003:

Susan Norrisey, from associate librarian to librarian, Library; and  
Bonnie Reed, from associate librarian to librarian, Library.

VI.C.6. TTU: Approve designation of Horn Professorships.—The board approved the designation of the individuals listed below as Horn Professors, effective this date:

Loretta Bradley, Ph.D., Department of Educational Psychology, College of Education; and

Wijesuriya Dayawansa, Ph.D., Department of Mathematics and Statistics, College of Arts and Sciences.

VI.C.7. TTU: Approve conferral of honorary degree.—The board approved the conferring of an honorary degree of Doctor of Humane Letters, Honoris Causa, upon Jack Dale at the University commencement ceremony on May 17, 2003.

- VI.C.8. TTUHSC: Approve granting of tenure.—The board approved granting academic tenure to the following faculty of Texas Tech University Health Sciences Center, effective this date:

Michael B. Silva, M.D., professor, Surgery, School of Medicine; and  
Thomas J. Thekkumkara, Ph.D., associate professor,  
Pharmaceutical Sciences, School of Pharmacy.

- VI.C.9. TTUHSC: Approve changes in rank and granting of tenure.—The board approved changes in academic rank effective September 1, 2003, and the granting of tenure, effective this date, to the following faculty of Texas Tech University Health Sciences Center:

Sharon Cannon, R.N., Ed.D., associate professor to professor,  
School of Nursing;

Martine Coue, Ph.D., assistant professor to associate professor, Cell  
Biology and Biochemistry, School of Medicine;

Curtis Michael Pfarr, Ph.D., assistant professor to associate  
professor, Cell Biology and Biochemistry, School of Medicine; and

Sharma S. Prabhakar, M.D., assistant professor to associate  
professor, Internal Medicine, School of Medicine.

- VI.C.10. TTUHSC: Approve changes in academic rank.—The board approved changes in academic rank, effective September 1, 2003, for the following faculty of Texas Tech University Health Sciences Center:

**Tenured Faculty:**

Barbara G. Border, Ph.D., associate professor to professor, Laboratory  
Sciences and Primary Care, School of Allied Health Sciences;

Sandor Gyorke, Ph.D., associate professor to professor, Physiology,  
School of Medicine;

Rajinder K. Koul, Ph.D., associate professor to professor, Speech,  
Language and Hearing Sciences, School of Allied Health Sciences;

**Non-Tenure Track Faculty:**

Elizabeth A. Amos, R.N., Ph.D., assistant professor to associate  
professor, School of Nursing;

Robert E. Bennett, M.D., associate professor to professor, Pediatrics,  
School of Medicine;

Loren E. Bryant, Ph.D. , assistant professor to associate professor,  
Family and Community Medicine, School of Medicine;

James K. Burks, M.D., associate professor to professor, Internal  
Medicine, School of Medicine;

Everado Cobos, M.D., associate professor to professor, Internal  
Medicine, School of Medicine;

Harold E. Habegar, R.Ph., assistant professor to associate professor,  
Pharmacy Practice, School of Pharmacy;

Thomas W. Hale, Ph.D., associate professor to professor, Pediatrics,  
School of Medicine;

Joan M. Hooker, M.S., instructor to assistant professor, Rehabilitation  
Sciences, School of Allied Health Sciences;

Leigh Ann Jenkins, M.D., associate professor to professor, Internal  
Medicine, School of Medicine;

Betsy Goebel Jones, Ed.D., assistant professor to associate professor,  
Family and Community Medicine, School of Medicine;

Robert P. Kauffman, M.D., assistant professor to associate professor,  
Obstetrics and Gynecology, School of Medicine;

Judith P. Keller, M.S., instructor to assistant professor, Communication  
Disorders, School of Allied Health Sciences;

Ranee J. Lenz, Pharm.D., assistant professor to associate professor,  
Pharmacy Practice, School of Pharmacy;

James R. Loflin, M.D., assistant professor to associate professor,  
Emergency Medicine, School of Medicine;

Sherry A. Luedtke, Pharm.D., assistant professor to associate  
professor, Pharmacy Practice, School of Pharmacy;

Nelly A. Otera, M.D., assistant professor to associate professor, Family  
and Community Medicine, School of Medicine;

Frank L. Quattromani, M.D., associate professor to professor,  
Radiology, School of Medicine;



Dana S. Phillips, M.D., assistant professor to associate professor, Obstetrics and Gynecology, School of Medicine;

De An Smith, M.S., instructor to assistant professor, Rehabilitation Sciences, School of Allied Health Sciences;

Vijay Tonk, Ph.D., associate professor to professor, Pediatrics, School of Medicine;

Ruc Manh Tran, M.D., associate professor to professor, Pathology, School of Medicine;

Roxanne M. Tyroch, M.D., assistant professor to associate professor, Internal Medicine, School of Medicine;

Alan H. Tyroch, M.D., assistant professor to associate professor, Surgery, School of Medicine; and

Tracey A. Woodward, R.N., M.S.N., instructor to assistant professor, School of Nursing.

- VI.C.11. TTUHSC: Authorize the School of Medicine to accept the donation of a medical practice in the specialty of allergy and immunology from donor R.J. Mehdiabadi, M.D.—The board accepted the donation of Dr. R. J. Mehdiabadi's active medical practice in the areas of allergy and immunology.

- VII. RECONVENING OF THE BOARD TO OPEN SESSION.—At approximately 2:59 p.m. on Thursday, February 27, the board reconvened in the Board Room, Second Floor, Room 201, Administration Building, Akron and Broadway Avenues, Lubbock, Texas, to consider items as the Committee of the Whole and Meeting of the Board of Regents.

VII.A. COMMITTEE OF THE WHOLE

Chairman Black announced that for the purpose of facilitating action on the items to be considered, Vice Chair Newby would preside over the Committee of the Whole.

- VII.A.1. TTUS: Approve adoption of Amended and Restated Fifth Supplemental Resolution to the Master Resolution establishing the Revenue Financing System Commercial Paper Program and approving and authorizing instruments and procedures relating thereto.—Mr. Brunjes presented the item to adopt and approve the

Amended and Restated Fifth Supplemental Resolution to the Master Resolution, included herewith as Attachment No. 8, establishing the Revenue Financing System Commercial Paper Program and approving and authorizing instruments and procedures related thereto. This Resolution allows the Texas Tech University System to provide liquidity in support of Commercial Paper Notes by utilizing available Texas Tech University System funds in lieu of bank liquidity support.

Following discussion, Regent Newby moved that the board approve the adoption of the Amended and Restated Fifth Supplemental Resolution to the Master Resolution, as presented. The motion was seconded, and passed unanimously.

VII.A.2. TTUS: Report of the Investment Advisory Committee; approve Mid-Cap Equity Investment Manager and Hedge Fund Investment Managers.—Mr. Brunjes presented the report of the Investment Advisory Committee and the following recommendations of the committee:

- (a) Hotchkis and Wiley Capital Management, be hired as a Mid-Cap equity manager in accordance with the asset allocation plan of the Long Term Investment Fund as approved by the Board of Regents;
- (b) State Street Global Advisors be hired as an investment manager for the above index funds until such time as investment managers in approved asset classes have been hired in accordance with the asset allocation plan of the Long Term Investment Fund as approved by the Board of Regents; and
- (c) Taconic Capital Partners, L.P., King Street Capital, L.P., and Oaktree Capital Management, LLC be hired as alternative asset (hedge fund) managers in accordance with the asset allocation plan of the Long Term Investment Fund as approved by the Board of Regents.

Mr. Brunjes also noted that the committee had discussed hedge funds and the procedure for handling investment of hedge funds. He stated that although the leverage of one individual investment firm could be greater than 2 to 1, the leverage of the overall portfolio of hedge funds would be maintained at less than 2 to 1. Mr. Brunjes further noted that the committee had concluded that it is still within prudent management for the leverage of the entire portfolio of hedge funds to be less than 2 to 1.

Following discussion, Regent Newby moved that the board approve the recommendation of the Investment Advisory Committee to hire the investment managers as presented. The motion was seconded, and passed unanimously.

- VII.A.3. TTUS: Finding of fact for a multi-year employment contract.—Mr. Campbell presented the item for a finding of fact by the board concerning entering into a multi-year employment contract with M. Roy Wilson, M.D., to serve as president of Texas Tech University Health Sciences Center; and authorizing the chancellor to extend an offer to Dr. Wilson upon such terms as the chancellor deems appropriate.

Following discussion, Regent Newby moved that the board determine that it is in the best interest of Texas Tech University Health Sciences Center to enter into a multi-year employment contract with M. Roy Wilson, M.D., to serve as president of Texas Tech University Health Sciences Center; and authorize chancellor to extend an offer to Dr. Wilson upon such terms as the chancellor deems appropriate. The motion was seconded, and passed unanimously.

Vice Chair Newby stated that consideration of items by the Committee of the Whole was concluded.

#### VII.B. REPORT OF EXECUTIVE SESSION

Chairman Black called on Vice Chair Newby to present motions regarding items discussed in Executive Session.

Regent Newby moved that the board authorize the general counsel to resolve the three pending lawsuits within the parameters set forth in the Executive Session. The motion was seconded, and passed unanimously.

- VII.C. REPORT ON OFFICE OF COMMUNITY AND MULTICULTURAL AFFAIRS.—Chairman Black called on Chancellor Smith who, along with Cathy Allen, Vice Chancellor for Community and Multicultural Affairs, presented the report on the Office of Community and Multicultural Affairs, included herewith as Attachment No. 9.



A brief discussion of HUBs was also included in this report. It was noted that a full report on the HUB program will be presented at the Board of Regents meeting in May.

VII.D. REPORT ON RACIAL PROFILING PROTECTION ACT.—Chairman Black called on Mr. Brunjes who presented the report on the Racial Profiling Protection Act, included herewith as Attachment No. 10.

VII.E. SCHEDULE FOR BOARD MEETINGS.—Mr. Ben Lock presented the following proposed schedule for future board meetings. May 15-16, 2003, Lubbock; August 7-8, 2003, Lubbock (at TTUHSC); October 2-3, 2003, Lubbock; December 18-19, 2003, Lubbock; February 26-27, 2004, (workshop/retreat), Amarillo; and May 13-14, 2004, Lubbock.

Mr. Lock noted that in response to recent suggestions from the regents, the above schedule will be revised and resubmitted to the board for its consideration at the May board meeting.

VII.F. THE PRESIDENT'S REPORT, TTU.—Interim President Haragan deferred his report to Chancellor Smith.

VII.G. THE PRESIDENT'S REPORT, TTUHSC.—Acting President Cavin deferred his report to Chancellor Smith.

VII.H. CHANCELLOR'S REPORT.—Chairman Black called on Chancellor Smith who presented the Chancellor's Report, included herewith as Attachment No. 11.

VII.I. CHAIRMAN'S ANNOUNCEMENTS.—Chairman Black appointed Regent Brown (chair), Regent Brooks and Regent Newby to the Infinito Horizonte Award nominating committee. Chairman Black asked that the committee consider whether there is an appropriate nominee for the Award and make its report at the May board meeting.

Chairman Black and Chancellor Smith presented plaques to retiring Regents Nancy Jones and John Jones. Regent Nancy Jones stated that she appreciates the new friends and colleagues she has acquired through her service on the board. She also noted that she admires the motivation and commitment that the people at Texas Tech have for Texas Tech University, the System, and the Health Sciences Center. She considered her service on the board to be a privilege and noted that she now has an increased appreciation for sports.

Regent John Jones stated that he has enjoyed his six years of service on the board and expressed his appreciation for everything that has been done for he and his family.

VII.J. ADJOURNMENT.—Regent Brooks moved that the meeting be adjourned. The motion was seconded and passed unanimously. Chairman Black adjourned the meeting at approximately 4:35 p.m.

## INDEX OF ATTACHMENTS

Attachment 1	TTU Budget Adjustments for the period November 1, 2002 through December 31, 2002
Attachment 2	TTUHSC Traffic and Parking Regulations, Fee and Refund Schedule
Attachment 3	TTU Global Fee document
Attachment 4	TTUHSC Global Fee document
Attachment 5	Revised charter of Office of Audit Services
Attachment 6	Amendments to Chapter 07, <i>Regents' Rules</i>
Attachment 7	TTUS Report on the Office of Facilities Planning and Construction projects
Attachment 8	TTUS Amended and Restated Fifth Supplemental Resolution to the Master Resolution
Attachment 9	TTUS Report of the Office of Community and Multicultural Affairs
Attachment 10	TTUS Report on Racial Profiling Protection Act
Attachment 11	TTUS Chancellor's Report

I, Ben Lock, the duly appointed and qualified Secretary of the Board of Regents, hereby certify that the above and foregoing is a true and correct copy of the Minutes of the Texas Tech University System Board of Regents meeting on February 27, 2003.



Ben Lock  
Secretary

Seal

**TTU: Budget adjustments for the period November 1, 2002 through December 31, 2002.**

TEXAS TECH UNIVERSITY – BOARD APPROVAL ITEMS  
(November 1, 2002 –December 31, 2002)

NO.	ACTIVITY	SOURCE OF FUNDS		EXPENSE	REMARKS
		OTHER	INCOME		
BOARD APPROVAL:					
HC03537	CHACP 1 – Chiller #2 CFC Conversion	\$1,700,000		\$1,700,000	Transfer funding from the fund balance for a major conversion and upgrade of Chiller #2 within CHACP 1
HC03982	CHACP 2 – Chiller #2 CFC Conversion	999,999		999,999	Transfer funding from the fund balance for a major overhaul of Chiller #2 within CHACP 2
HC05150	Bowl Game		\$716,560	716,560	Establish the budget for the Tangerine Bowl
W01814	Double T Shoppe		(376,022)	(376,022)	Adjust revenues and expenses to reflect the outsourcing of the Double T Shoppe to Barnes and Noble
SH00553	Auxiliary Overhead	871,553		871,553	Transfer funding from Student Affairs Administration to Auxiliary Overhead

## TRAFFIC AND PARKING REGULATIONS 2003-2004

### XVII. Parking Fees and Refunds - Texas Tech University Health Sciences Center

2003- 2004 Rates Through	Faculty/Staff Reserved Space		Faculty/Staff Area Reserved		Commuter		Commuter		Two-Wheeler	
	12 months		12 months		12 months		9 months		12 months	
	Cost	Refund	Cost	Refund	Cost	Refund	Cost	Refund	Cost	Refund
Sep. 30	\$220.00	\$192.90	\$110.00	\$93.50	\$78.00	\$65.50	\$59.00	\$46.40	\$24.00	\$16.00
Oct. 31	201.70	174.50	101.20	85.10	71.75	59.00	52.45	39.85	22.00	14.00
Nov. 30	183.30	156.20	92.35	76.70	65.50	52.45	45.90	33.35	20.00	12.00
Dec. 31	165.00	137.80	83.55	68.30	59.30	45.90	39.35	26.80	18.00	9.95
Jan. 31	146.60	119.50	74.70	59.90	53.05	39.35	32.80	20.25	15.95	8.00
Feb. 28	128.30	101.20	65.90	51.50	46.80	32.80	26.25	13.65	14.00	6.00
Mar. 31	110.00	82.80	57.05	43.10	40.55	26.30	19.70	7.10	12.00	3.95
Apr. 30	91.60	64.50	48.25	34.70	34.30	19.75	13.10	0.00	9.95	2.00
May. 31	73.30	46.10	39.40	26.30	28.10	13.20	6.60	0.00	8.00	0.00
Jun. 30	54.90	27.80	30.60	17.90	21.85	6.65			5.95	0.00
Jul. 31	36.60	9.50	21.75	9.50	15.60	0.00			3.95	0.00
Aug. 31	18.30	0.00	11.75	0.00	9.35	0.00			2.00	0.00

Refunds are based on the schedule.

Refunds will not be given unless identifiable remnants of the permit(s) are presented at the time of the refund request.

Additional Permits (after two)	\$2.00
Replacement Permits w/identifiable remnants; non-transferable permit	\$2.00
Temporary Permits (Non-Refundable)	
Commuter Area Parking per Week	\$2.00
Faculty/Staff Area Parking per Week	\$3.00
Reserved Space per Week	\$6.00

**TEXAS TECH UNIVERSITY**  
**Effective Beginning Summer Semester, 2003**  
**Summary of Tuition, Fee, and Other Charges**

All tuition, fees, rentals, rates, and charges of Texas Tech University are charged and collected under specific authorization of the laws of the State of Texas, including, but not limited to, the authorization in Texas Education Code Section 54.504, Section 55.16, and other applicable sections.

The Board of Regents has previously authorized the President of Texas Tech University to establish waiver criteria and waiver approval procedures for the fees, rentals, rates, and charges in accordance with state laws, including but not limited to Texas Education Code, Section 54.5035 and Section 54.0513.

**(A) TUITION**

**As a result of the action by the 77th Legislature, Regular Session, the following tuition rates are in effect for the academic year beginning with the Fall semester, 2003:**

1. All Colleges Except School of Law - Residents of Texas: \$46 per semester credit hour.
2. Institutional Tuition For All Colleges: \$46 per semester credit hour.
3. All Colleges - Non-Resident Students, United States Citizens and Foreign Students: \$313 per semester credit hour.
4. School of Law - Residents of Texas: \$240 Per semester credit hour.
5. The Board of Regents has authorized the President to approve the assessment of graduate tuition at a rate that at a minimum is equal to the established state tuition rate but not to exceed the maximum allowed by law per semester credit hour for students enrolled in graduate and professional program courses.
6. The President of Texas Tech University is authorized, in accordance with state statutes, to require those graduate students exceeding the cap on maximum doctoral hours established by the State of Texas to pay non-resident tuition regardless of residence status.
7. The Board of Regents has authorized the President to approve the assessment of a fee in addition to regular tuition for students registered for a course or courses in art, architecture, drama, speech or music where individual coaching or instruction is the usual method of instruction.

**(B) ACADEMIC FEES**

**Unless otherwise noted, the following fee rates are in effect for the period that begins with the Summer 2003 semester.**

1. **Advising, Retention, and Placement Fees:** These fees are college specific and will allow the college to provide enhanced student advising, retention programs, and provide funding for recruitment of potential employers for students graduating from programs within these colleges.
  - College of Agriculture and Natural Resources (per semester credit hour) 1.75
  - Rawls College of Business (per semester credit hour) 3.25



2. **Special Instruction Fee:** This fee is for the semester/term requested only. It is restricted to a one-time cost associated with a particular or special section of a course. It will not be renewed unless another request is submitted.
3. **Information Technology Fee** (Per Semester Credit Hour) The \$4.00 per semester credit hour increase will be used to fund the current information technology infrastructure within the University. 14.00
4. **Library Fees:** (Per Semester Credit Hour) It is recommended that the Library Use Fee be increased \$10 per semester credit hour for 2003-2004. The increase would provide the required support for the Library infrastructure, acquisitions and technological needs. 15.00
5. **Cultural Activities Fee:** (Per Semester Credit Hour) This fee funds the major presentational elements in the College of Visual and Performing Arts including musical concerts, theatre productions, dance presentations, and art exhibits and shows. With this fee all Texas Tech University students are able to participate fully in the wide diversity of the College of Visual and Performing Arts presentations without an additional charge. This fee also funds the Lectureship Series that brings speakers of national reputation to the Texas Tech campus. 1.00
6. **Laboratory Fee:** Per Laboratory Section; not less than \$2 per Section, if charged. But not more than \$30, except that the fee shall not exceed, in general, the cost of operating the laboratory. The fee established for individual laboratory sections shall be determined and approved under a policy established by the administration.
7. **Distance Education/Electronic Instruction Fees:** These fees will reflect the cost of development and delivery of courses offered by electronic delivery modalities. The Vice Provost for Outreach and Extended Studies and the Provost recommend a standard and set fee not to exceed \$30.00 per semester credit hour and a set fee not to exceed \$215.00 for all students enrolled in courses delivered electronically. For non-resident students the rate may be an amount not to exceed twice the amount of non-resident tuition.
8. **Course Fee:** (Per Semester Credit Hour) Not less than \$3 but not more than \$45 per hour, except that the fee shall not exceed, in general, the cost of materials or services directly associated with the course—not including faculty salaries. The fee established for individual courses shall be determined and approved under a policy established by the administration.
9. **Field Trip Fees:** This fee will be assessed to students for courses that require travel by students for field trips associated with the course. This fee will not exceed the actual cost of the related field trip.
10. **Off-campus Travel Fee:** This fee will be a set fee and will reflect the cost of faculty members traveling off campus to deliver a course. This fee will not exceed the actual cost of traveling off-campus.
11. **Auditing Fee** (Students enrolled in 11 semester credit hours or less) 10.00
12. **Law School Deposit** 200.00
13. **Post Suspension Assistance Fee** (XL – Strategies) This \$50.00 fee increase will allow the XL: Strategies for Learning Program to increase the number of sections available to students required to take this non-credit course as well as provide additional sections for

students that would like to enroll in the Franklin-Covey time-management course. It will also fund instructor training/staff development and allow students online access to their XL student records (attendance, grades, etc.). 150.00

14. **Library Fines:** To cover the costs ranging from late return fees to lost, stolen, or damaged interlibrary loan books. \$1 to \$225. 225.00

### (C) STUDENT RELATED FEES

Unless otherwise noted, the following fee rates are in effect for the period that begins with the Summer 2003 semester.

1. **Student Services Fee:** In accordance with Texas Education Code, Sections 54.5031 and 54.503 and the recommendations of the Student Services Fee Advisory Committee comprised of TTU undergraduates, TTU/TTUHSC graduate students, Student Affairs staff members, the Assistant Vice President for Student Affairs, and the Director of Campus Life, the Vice President for Student Affairs recommends an increase of the Student Services Fee from \$9.00 and cap of 12 credit hours (maximum \$108.00) to \$9.75 and cap of 12 credit hours (maximum \$117.00) for full-time students including students enrolled in courses at the Hill Country Campuses.

The fee increase is attributed to the following:

- Increased costs of maintaining the student transportation system;
- Increased costs of maintenance and operations of new Career Center facility (Wiggins Complex), Student Media facility, and West Hall facility;
- Increased costs of current and new activities, programs, and services (e.g., Career Services, Child Care, Counseling Services, Newspaper Readership Program, RaiderGate, Red Raider CAMP, Red to Black Financial Counseling, Student Governments funding, Student Organization funding, etc.); and
- Anticipated increases in benefits and salaries for Student Affairs exempt, non-exempt, and student staff.

2. **Student Recreation Center Fee:** In accordance with Texas Education Code, Section 54.509 and the recommendations of the Student Recreation Center Fee Advisory Committee comprised of TTU undergraduates, TTU/TTUHSC graduate students, Student Affairs staff members, the Assistant Vice President for Student Affairs, and the Director of Recreational Sports, the Vice President for Student Affairs recommends an increase of the Student Recreation Center Fee (including debt service) from \$57.00 flat fee to \$59.50 flat fee during fall and spring semesters and an increase from \$28.50 flat fee to \$29.75 flat fee for summer sessions.

The fee increase is attributed to the following:

- Increased costs of maintenance and operations of new 65,000 square foot addition to Student Recreation Center facility;
- Increased costs of maintenance and operations of new West campus intramural fields and expanded intramural programs; and
- Anticipated increases in benefits and salaries for Student Recreation Center and Student Aquatic Center exempt, non-exempt, and student staff.

3. **Medical Services Fee: (Effective Fall 2003 Semester)** In accordance with Texas Education Code, Section 54.508 and the recommendations of the Student Health Center Fee Advisory Committee comprised of TTU undergraduates, TTU/TTUHSC graduate students, Student Affairs and Student Health Services staff members, the Administrative



Director and Medical Director of Student Health Services, the Assistant Vice President for Student Affairs, and the Vice President for Student Affairs recommends an increase of the Medical Services Fee (including debt service) from \$60.00 flat fee to \$62.50 flat fee during fall and spring semesters and an increase from \$30.00 flat fee to \$31.25 flat fee during the summer sessions. For students enrolled at the TTU Hill Country campuses, the medical services fee will be \$3.00 per semester credit hour.

The fee increase is attributed to the following:

- Increased costs of maintenance and operations of Student Health Center (Thompson Hall) facility;
- Increased costs of expanded demand of psychiatric services along with new allergy, nutrition, and Raiders Assistance programs; and
- Anticipated increases in benefits and salaries for Student Health Center exempt, non-exempt, and student staff.
- The Hill Country Fee will cover a student's medical insurance coverage.

4. **Student Union Fee:** In accordance with Texas Education Code, Section 54.524 and the recommendations of the Student Union Fee Advisory Committee comprised of TTU undergraduates and graduate students, Student Affairs staff members, the Assistant Vice President for Student Affairs, the Director of the Student Union, and the Vice President for Student Affairs recommends an increase of the Student Union Fee from \$91.00 flat fee to \$95.00 flat fee during the fall and spring semesters and an increase from \$45.50 flat fee to \$47.50 flat fee during the summer sessions.

The fee increase is attributed to the following:

- Increased costs of maintenance and operations of new 92,000 square foot addition to Student Union Building facility;
- Increased costs of the Center for Campus Life and Postech offices; and
- Anticipated increases in benefits and salaries for Student Union Building exempt, non-exempt, and student staff.

5. **Identification Card Maintenance Fee:** For Academic Year 2004-2005 it is recommend that the Identification Card Maintenance Fee be maintained at \$5.50.

- |   |       |
|---|-------|
| • Identification Card Replacement Fee:  | 12.00 |
| • Identification Card Revalidation Fee: | 5.00  |

6. **International Education Fee:** In accordance with Texas Education Code, Section 54.5132, the Student Government Association and the Office of International Affairs via the Vice President for Student Affairs recommends there be an increase in the International Education Fee from \$2.00 to \$3.00 per semester flat fee for enrolled students.

7. **Off-Campus Student Transportation Fee:** In accordance with the recommendations of the Student Services Fee Advisory Committee comprised of TTU undergraduate, TTU/TTUHSC graduate students, Student Affairs staff, the TTU Student Senate Transportation Committee and the TTU Student Government Association, the Vice President for Student Affairs recommends the establishment of an optional (option-in) Off-Campus Student Transportation Fee of \$50 flat fee during the fall and spring semesters and \$25.00 flat fee during the summer sessions.

The new fee is attributed to the following:

- Increased costs of expanded off-campus bus transportation system during the 2003-2004 academic year.

#### (D) HOUSING AND DINING FEES

Unless otherwise noted, the following fee rates are in effect for the period that begins with the Summer 2003 semester.

In accordance with Texas Education Code, Section 55.16 and the recommendations of the Director of Housing & Residence Life, the Director of Hospitality Services, the Assistant Vice President for Student Affairs, the Residence Hall Association (RHA) composed of TTU residence hall students, the Vice President for Student Affairs recommends an increase of approximately 10% (including debt service) for room and board rates as follows:

#### Room Rates Fall 2003- Spring 2004

	Current 02-03	Proposed 03-04
Non Air Conditioned Halls		
Bledsoe, Sneed, Doak	\$2316	\$2548
*Gaston	\$2352	\$2588
Air Conditioned Halls		
Chitwood, Clement, Coleman, Gates, Horn, Hulen, Knapp, Murdough, Stangel, Wall, and Weymouth	\$3007	\$3308
*Gaston	\$3043	\$3348
Single Room Fee		
All halls	\$814	\$1654

**\*Gaston Hall operates throughout the academic year. The additional charge will allow residents to remain in the building during the Christmas break.**

Gordon Hall Suites		
Efficiency	\$3079	\$3387
One Bedroom	\$3208	\$3529
Two Bedroom	\$3418	\$3760
Single Room Fee		
Gordon Hall	\$888	\$1764
**Carpenter/Wells Apartments		
Four Bedroom	\$3614	\$3976
Three Bedroom	\$3845	\$4230
Two Bedroom	\$4305	\$4736
One Bedroom	\$4703	\$5174

**\*\* All bedrooms in Carpenter/Wells are singles.**

***Gaston Apartments		
One Bedroom	\$576/mo	\$634/mo
Two Bedroom	\$676/mo	\$744/mo

**\*\*\* Gaston Apartments are rented on a monthly basis without a meal plan. Rates include all utilities, furnishings, telephone and Ethernet.**

**Board Rates  
Fall 2003- Spring 2004**

**Declining Dining Bucks Meal Plans**

	Current* 02-03	Proposed** 03-04
Red & Black	\$2990	
Diamond	\$2490	\$2715
Platinum	\$2340	\$2565
Gold	\$2140	\$2365
Silver	\$1940	\$2165

\*Includes user fee of \$1390

\*\*Includes user fee of \$1515

**Room Rates  
Summer 2004**

	Current 02-03	Proposed 03-04
Non Air Conditioned Halls	\$369	\$406
Air Conditioned Halls	\$412	\$453
Single Room Fee	\$160	\$226
Carpenter/Wells*		
Four Bedroom	\$459	\$505
Three Bedroom	\$478	\$526
Two Bedroom	\$515	\$567
One Bedroom	\$549	\$604

\* All rooms are singles

Rates for 5 week summer session.

**Board Rates  
Summer 2004**

	Current* 02-03	Proposed** 03-04
Dining Bucks Meal Plans		
Red & Black (N/A \$250 Bucks)		\$410
Diamond (\$195/\$210 Bucks)	\$340	\$370
Platinum (\$165/\$180 Bucks)	\$310	\$340
Gold (\$135/\$150 Bucks)	\$280	\$310
Silver (\$115/\$130 Bucks)	\$260	\$290

Rates for 5 week summer session.

\*Includes user fee of \$145

\*\*Includes user fee of \$160

### Room & Board Miscellaneous 2002--2003

The Department of Housing & Residence Life and Department of Hospitality Services provide various services in addition and room ad board. The following fees are recommended for these various services for 2003-2004.

	Current 02-03	Proposed 03-04
Small Guest Apartments		
Double Occupancy, per person	\$30	\$35
Single Occupancy, per person	\$40	\$45
Large Guest Apartments		
Double Occupancy, per person	\$42	\$47
Single Occupancy, per person	\$56	\$61
Conference Room Rates		
Double Occupancy, per person	\$19	\$20
Single Occupancy, per person	\$25	\$26
Apartment Reservation Fee*		\$250

\* New fee to reduce number of canceled apartment contracts. Will give the department greater ability to increase occupancy/retention of contracts for on- campus apartments in Carpenter/Wells and Gaston Apartments.

Due to the advance printing and acceptance of applications for accommodations the following fees for the 2004-2005 fiscal year are also requested:

	Current	Proposed
Housing Application Fee	\$30	\$50
Apartment Reservation Fee	\$0	\$250
Advance Payment	\$250	\$400

### ROOM AND BOARD RATES 1997-2004

Academic Year	Double Room/Full Board Plan	Percentage Increase
1997-98	\$4154	
1998-99	\$4388	5.60%
1999-00	\$4630	5.50%
2000-01	\$4908	6.00%
2001-02**	\$5337	8.70%
2002-03	\$5497	3.00%
2003-04	\$6023	9.56%

\*\* Rates prior to 2001-02 include the Basic 20 Meals Per Week Plan. Rates beginning with 2001-02 include the Diamond Meal Plan. A Red/Black Meal Plan will also be offered beginning with the 2003-04 academic year to provide a premium meal plan. A Diamond Meal Plan can provide a complete meal plan if used appropriately.

The fee increase is attributed to the following:

- Increased costs of maintenance (deferred maintenance) and operations of on-campus residence hall facilities and on-campus hospitality facilities along with implementation costs associated with Master Planning;
- Increased costs of previous (e.g. Carpenter/Wells Apartments, etc.) and new debt service associated with State Fire Marshall mandated life safety improvements (fire suppression systems);
- Increased cost of \$100 for "dining bucks" adding additional value to on-campus meal plan;
- Increased costs of University administrative overhead charges; and
- Anticipated increases in benefits and salaries for Housing & Residence Life and Hospitality Services exempt, non-exempt, and student staff.

### (E) OTHER FEES

Unless otherwise noted, the following fee rates are in effect for the period that begins with the Summer 2003 semester.

1. **Intercollegiate Athletic Fee:** The Intercollegiate Athletics Fee allows students to access the student seating for all home sporting events on a first come basis. In addition, students will have the opportunity to purchase up to four [4] tickets at half the regular ticket price for available reserved Intercollegiate Athletic tickets during the fall and spring semesters. For high demand venues, the availability of tickets may be reduced to two [2] tickets per student. 50.00
2. **Application Fees** will be charged for the following applications from prospective students:
 

• Undergraduate (United States Citizens)	50.00
• Graduate (United States Citizens)	50.00
• Law School	50.00
• Foreign (Undergraduate and Graduate)	60.00
• Honors College	25.00
3. **Diploma Replacement Fee** 16.00
4. **Diploma Insert Fee** (re-application for graduation) 2.00
5. **Duplicate Copy of Registration Fee Receipt** 0.50
6. **Binding Theses and Dissertations:**

• Theses – 3 official copies	55.00
• Dissertations – 3 official copies and microfilming	110.00
• Personal Copies	17.00
• Packets for Enclosure	5.00
• Mailing Charges	
a. Domestic	5.00
b. International	8.00
7. **Sponsored International Student Administrative Fee** 250.00
8. **Education Abroad Fee** (with the approval of the Vice Provost for Academic Affairs and Vice President for Fiscal Affairs) the fee may be set in an amount not to exceed the cost of offering the program but not less than \$100.00 and not more than \$500.00: 500.00



- |  |        |
|--|--------|
| 9. <b><u>Add/Drop Fee</u></b> (per Occurrence)   | 1.00   |
| 10. <b><u>International Student Fee charged to each non-immigrant international student:</u></b>   |        |
| • each semester  | 50.00  |
| • each summer session  | 25.00  |
| 11. <b><u>Installment Payment of Tuition/Fees Option Fee</u></b> (Student Business Services Billing Fee) assessed on the second installment of Tuition and Fees each semester or session   | 25.00  |
| 12. <b><u>Late Charges on Emergency Loans</u></b>  | 25.00  |
| 13. <b><u>Late Payment Fee</u></b> (assessed the first working day after the billing due date)   | 50.00  |
| 14. <b><u>Late Registration Fee</u></b> (beginning the 1 <sup>st</sup> class day)  | 50.00  |
| 15. <b><u>Reinstatement Fee:</u></b>   | 200.00 |
| 16. <b><u>Returned Check Charges</u></b>   | 25.00  |
| 17. <b><u>New Student Orientation Fee:</u></b>   | 45.00  |
| 18. <b><u>Facilities Fee:</u></b> (Per Semester Credit Hour) This fee is for the cost of facilities maintenance and renewal at the Hill Country Campus. This fee applies only to those students enrolled in courses at any of the TTU Hill Country Campuses.   | 8.00   |
| 19. <b><u>Student Business Services Fee:</u></b> (Per Semester Credit Hour) This fee will be used to support the student support areas of the University. This fee will be used to fund the Student Financial Aid Office, Admissions, Office of the Registrar, Student Business Services, and New Student Relations. | 7.00   |

#### (F) EXTENDED STUDIES

Unless otherwise noted, the following fee rates are in effect for the period that begins with the Summer 2003 semester.

- |  |       |
|--|-------|
| 1. <b><u>Correspondence Courses:</u></b>                               |       |
| • Kindergarten through 5th Grade                                       | 90.00 |
| • Middle School  | 90.00 |
| • High School Level (per ½ unit)                                       | 90.00 |
| • High School (Dual credit)  | 88.00 |
| • College Level (per semester credit hour)                             | 88.00 |
| 2. <b><u>Credit by Examination</u></b> (High School and College Level) |       |
| • 1 to 10 Exams  | 28.00 |
| • 11 to 20 Exams   | 20.00 |
| • 21 or more   | 12.00 |
| 3. <b><u>Transfer Fee</u></b>  | 25.00 |

4. <u>Regrade Fee</u>	5.00
5. <u>Extension Fee</u>	120.00
6. <u>Shipping Charges</u> (will range from \$6 to \$45 depending on Textbook cost and shipping priority)	45.00
7. <u>Administrative Processing Fee</u>	25.00
8. <u>Re-exam Fee</u>	28.00
9. <u>Materials Replacement Charges</u> (will range from \$3 to \$13 dependent on materials being replaced)	13.00
10. <u>Kindergarten Acceleration Screening Measure and Guide</u>	106.00
11. <u>TTUISD Evaluation Fee</u>	50.00
12. <u>External Degree Evaluation Fee</u>	65.00

**(G) THREE YEAR COMPARISON**

<b>TEXAS TECH UNIVERSITY</b> <b>Estimated Cost of Tuition and Fees</b> <b>Three Year Comparison – Fall Semester Estimates</b> <b>Resident Student Basis – 15-hour Enrollment</b>							
	2000-2001 Academic Year	2001-2002 Academic Year	Percent Increase/ Decrease	2002-2003 Academic Year	Percent Increase/ Decrease	Proposed 2003-2004 Academic Year	Percent Increase/ Decrease
Tuition	\$1200.00	\$1,260.00	5%	\$1,320.00	5%	\$1,380.00	5%
Student Services Fee	\$131.40	\$115.80	-12%	\$108.00	-7%	\$117.00	8% *
Medical Services Fee	\$52.00	\$55.00	6%	\$60.00	9%	\$62.50	4% *
Student Union Fee	\$88.00	\$88.00	0%	\$91.00	3%	\$95.00	4% *
Athletic Fee				\$50.00	New	\$50.00	0%
Library Fee	\$30.00	\$60.00	100%	\$75.00	25%	\$225.00	200%
Information Technology Fee	\$105.00	\$105.00	0%	\$150.00	43%	\$210.00	40%
International Education Fee	\$1.00	\$1.00	0%	\$2.00	100%	\$3.00	50% *
Recreation Sports Fee	\$25.00	\$55.00	120%	\$57.00	4%	\$59.50	4% *
Cultural Activities Fee	\$0.00	\$1.00	100%	\$15.00	1400%	\$15.00	0%
Student Business Services Fee						\$105.00	New
ID Card	\$4.50	\$4.50	0%	\$5.50	0%	\$5.50	0% *
Course Fees (estimated)	\$105.00	\$105.00	0%	\$105.00	0%	\$105.00	0%
Total Estimate	\$1,741.90	\$1,850.30	6%	\$2,038.50	10%	\$2,432.50	19%

**Notes:**

1. Out of State Tuition will be \$313/hour for the 2003-2004 academic year.
2. Student Advisory Committees have recommended for two fees marked with an asterisks (\*).

TEXAS TECH UNIVERSITY HEALTH SCIENCES CENTER – STUDENT FEES  
Effective Beginning Fall Semester, 2003  
Summary of Changes

(A) Tuition

As authorized by Texas Education Code, Section 54.051, the following tuition rates are in effect for the academic year beginning with the fall semester, 2003:

School of Allied Health, School of Nursing, Graduate School of Biomedical Sciences, and School of Pharmacy – Residents of Texas

The resident tuition rate will increase from \$44 per semester credit hour to \$46 per semester credit hour.

School of Allied Health, School of Nursing, Graduate School of Biomedical Sciences, and School of Pharmacy – Non-Resident Students

The tuition rate for non-resident students, including United States Citizens and Foreign students, will increase from \$262 per semester credit hour to \$313 per semester credit hour with no maximum.

(B) Institutional Tuition

Section 54.0513, Texas Education Code, authorizes the assessment of Institutional Tuition in an amount not to exceed the amount assessed for State Tuition. The \$2 per semester credit hour increase from \$44 to \$46 will be used to provide funds for the general operating expenses of the Health Sciences Center.

(C) Information Technology Fee

It is recommended that the HSC Information Technology Fee be increased from \$7 per semester credit hour to \$10 per semester credit hour for students enrolled in the colleges of Allied Health, Graduate School of Biomedical Sciences, Nursing, and Pharmacy. It is recommended that for students enrolled in the School of Medicine the fee be increased from \$168 annually to \$240 annually. This increase will provide resources to support the maintenance and development of information technology infrastructure and services related to student services and the learning environment of the Health Sciences Center.

(D) Student Services Fee

In accordance with Texas Education Code, Sections 54.5031 and 54.503 and the recommendations of the Student Services Fee Advisory Committee comprised of TTU undergraduates, TTU/TTUHSC graduate students, Student Affairs staff members, the Assistant Vice President for Student Affairs, the Director of Campus Life, and the Vice President for Student Affairs, recommends an increase of the Student Services Fee from \$9.00 and cap of 12 credit hours (maximum \$108.00) to \$9.75 and cap of 12 credit hours (maximum \$117.00).

The fee increase is attributed to the following:

- Increased costs of maintaining the student transportation system;
- Increased costs of maintenance and operations of new Career Center facility (Wiggins Complex), Student Media facility, and West Hall facility;

- Increased costs of current and new activities, programs, and services (e.g., Career Services, Child Care, Counseling Services, Newspaper Readership Program, RaiderGate, Red Raider CAMP, Red to Black Financial Counseling, Student Governments funding, Student Organization funding, etc.); and
- Anticipated increases in benefits and salaries for Student Affairs exempt, non-exempt, and student staff.

(E) Medical Services Fee

In accordance with Texas Education Code, Section 54.508 and the recommendations of the Student Health Center Fee Advisory Committee comprised of TTU undergraduates, TTU/TTUHSC graduate students, Student Affairs and Student Health Services staff members, the Administrative Director and Medical Director of Student Health Services, the Assistant Vice President for Student Affairs, and the Vice President for Student Affairs, recommends an increase of the Medical Services Fee (including debt service) from \$60.00 flat fee to \$62.50 flat fee during fall and spring semesters and an increase from \$30.00 flat fee to \$31.25 flat fee during the summer sessions.

The fee increase is attributed to the following:

- Increased costs of maintenance and operations of Student Health Center (Thompson Hall) facility;
- Increased costs of expanded demand of psychiatric services along with new allergy, nutrition, and Raiders Assistance programs; and
- Anticipated increases in benefits and salaries for Student Health Center exempt, non-exempt, and student staff.

(F) Recreation Center Fee

In accordance with Texas Education Code, Section 54.509 and the recommendations of the Student Recreation Center Fee Advisory Committee comprised of TTU undergraduates, TTU/TTUHSC graduate students, Student Affairs staff members, the Assistant Vice President for Student Affairs, the Director of Recreational Sports, and the Vice President for Student Affairs recommends an increase of the Student Recreation Center Fee (including debt service) from \$57.00 flat fee to \$59.50 flat fee during fall and spring semesters and an increase from \$28.50 flat fee to \$29.75 flat fee for summer sessions.

The fee increase is attributed to the following:

- Increased costs of maintenance and operations of new 65,000 square foot addition to Student Recreation Center facility;
- Increased costs of maintenance and operations of new West campus intramural fields and expanded intramural programs; and
- Anticipated increases in benefits and salaries for Student Recreation Center and Student Aquatic Center exempt, non-exempt, and student staff.



TEXAS TECH UNIVERSITY HEALTH SCIENCES CENTER  
STUDENT FEES  
EFFECTIVE BEGINNING 2003-2004 ACADEMIC YEAR

(1) REGISTRATION FEES

(A) School of Allied Health, School of Nursing, Graduate School of Biomedical Sciences, and School of Pharmacy

1. Residents of Texas - Long Term

	a.	b.	c.	d.	e.	f.	g.	h.	i.	
	*State Tuition \$46/SCH	Student Services Fee ** (1)	Medical Services Fee (1)	Institutional Tuition (1)	Recreation Center Fee (1)	Info Tech Fee (1)	ID Card Fee	Student Athletic Fee	Record Processing Fee	Total
Hours	(1)	Fee ** (1)	Fee (1)	(1)	Fee (1)	Fee (1)	Fee	Fee	Fee	
1	\$46.00	\$9.75	\$0.00	\$46.00	\$0.00	\$10.00	\$5.50	\$0.00	\$5.00	\$122.25
2	92.00	19.50	0.00	92.00	0.00	20.00	5.50	0.00	5.00	234.00
3	138.00	29.25	0.00	138.00	0.00	30.00	5.50	0.00	5.00	345.75
4	184.00	39.00	62.50	184.00	59.50	40.00	5.50	50.00	5.00	629.50
5	230.00	48.75	62.50	230.00	59.50	50.00	5.50	50.00	5.00	741.25
6	276.00	58.50	62.50	276.00	59.50	60.00	5.50	50.00	5.00	853.00
7	322.00	68.25	62.50	322.00	59.50	70.00	5.50	50.00	5.00	964.75
8	368.00	78.00	62.50	368.00	59.50	80.00	5.50	50.00	5.00	1,076.50
9	414.00	87.75	62.50	414.00	59.50	90.00	5.50	50.00	5.00	1,188.25
10	460.00	97.50	62.50	460.00	59.50	100.00	5.50	50.00	5.00	1,300.00
11	506.00	107.25	62.50	506.00	59.50	110.00	5.50	50.00	5.00	1,411.75
12	552.00	117.00	62.50	552.00	59.50	120.00	5.50	50.00	5.00	1,523.50
13	598.00	117.00	62.50	598.00	59.50	130.00	5.50	50.00	5.00	1,625.50
14	644.00	117.00	62.50	644.00	59.50	140.00	5.50	50.00	5.00	1,727.50
15	690.00	*** 117.00	62.50	690.00	*** 59.50	150.00	5.50	50.00	5.00	1,829.50

(1) See SUMMARY OF CHANGES, Items (A), (B), (C), (D), (E), and (F).

\* Add \$92 per semester credit hour for enrollment in the Pharmacy Program. Add for enrollment in Graduate Programs: Nursing \$23 per semester credit hour, \$23 per semester credit hour for Allied Health Master's in Speech/Language Pathology Program and Master's in Science in Molecular Pathology Program, and \$46 per semester credit hour for Allied Health Doctorate in Audiology Program and Doctorate of Science in Physical Therapy Program.

Additional tuition may be charged for graduate courses taken through TTU.

\*\* See Student Services Fees Schedule of services provided.

\*\*\* Hours over 15, add \$46 per hour for State Tuition, \$23 per hour for Nursing Graduate Tuition, \$92 per hour for School of Pharmacy Tuition, \$23 per hour for Allied Health Master's in Speech/Language Pathology and Master's in Science in Molecular Pathology graduate tuition, and \$46 per hour for Allied Health Doctorate in Audiology and Doctorate of Science in Physical Therapy graduate tuition. Also, for each hour over 15, add \$46 per hour for Institutional Tuition, \$10 per hour for Information Technology Fee; Student Services, Medical Services, Recreation Center, Identification Card, Student Athletic, and Record Processing Fees remain the same.

2. Residents of Texas - Summer Term

	a.	b.	c.	d.	e.	f.	g.	h.	i.	
	*State Tuition \$46/SCH	Student Services Fee ** (1)	Medical Services Fee (1)	Institutional Tuition (1)	Recreation Center Fee (1)	Info Tech Fee (1)	ID Card Fee	Student Athletic Fee	Record Processing Fee	Total
Hours	(1)	Fee ** (1)	Fee (1)	(1)	Fee (1)	Fee (1)	Fee	Fee	Fee	
1	\$46.00	\$9.75	\$31.25	\$46.00	\$29.75	\$10.00	\$5.50	\$0.00	\$5.00	\$183.25
2	92.00	19.50	31.25	92.00	29.75	20.00	5.50	0.00	5.00	295.00
3	138.00	29.25	31.25	138.00	29.75	30.00	5.50	0.00	5.00	406.75
4	184.00	39.00	31.25	184.00	29.75	40.00	5.50	0.00	5.00	518.50
5	230.00	48.75	31.25	230.00	29.75	50.00	5.50	0.00	5.00	630.25
6	276.00	58.50	31.25	276.00	29.75	60.00	5.50	0.00	5.00	742.00
7	322.00	*** 68.25	*** 31.25	322.00	*** 29.75	70.00	5.50	0.00	5.00	853.75

(1) See SUMMARY OF CHANGES, Items (A), (B), (C), (D), (E), and (F).

\* Add \$92 per semester credit hour for enrollment in the Pharmacy Program. Add for enrollment in Graduate Programs: Nursing \$23 per semester credit hour, \$23 per semester credit hour for Allied Health Master's in Speech/Language Pathology Program and Master's in Science in Molecular Pathology Program, and \$46 per semester credit hour for Allied Health Doctorate in Audiology Program and Doctorate of Science in Physical Therapy Program.

Additional tuition may be charged for graduate courses taken through TTU.

\*\* See Student Services Fees Schedule of services provided.

\*\*\* Hours over 7, add \$46 per hour for State Tuition, \$23 per hour for Nursing Graduate Tuition, \$92 per hour for School of Pharmacy Tuition, \$23 per hour for Allied Health Master's in Speech/Language Pathology and Master's in Science in Molecular Pathology graduate tuition, and \$46 per hour for Allied Health Doctorate in Audiology and Doctorate of Science in Physical Therapy graduate tuition. Also, for each hour over 7, add \$46 per hour for Institutional Tuition, \$9.75 per hour (maximum of \$117.00) for Student Services Fees; \$10 per hour for Information Technology Fee; Medical Services, Recreation Center, Identification Card, Student Athletic, and Record Processing Fees remain the same.

(1) REGISTRATION FEES (continued)

(A) School of Allied Health, School of Nursing, Graduate School of Biomedical Sciences, and School of Pharmacy

3. Non-Resident Students, United States Citizens and Foreign Students - Long Term

	a.	b.	c.	d.	e.	f.	g.	h.	i.	
	*State Tuition \$313/SCH	Student Services	Medical Services	Institutional Tuition	Recreation Center	Info Tech	ID Card	Student Athletic	Record Processing	
Hours	No Minimum	(1) Fee ** (1)	Fee (1)	(1)	Fee (1)	Fee (1)	Fee	Fee	Fee	Total
1	\$313.00	\$9.75	\$0.00	\$46.00	\$0.00	\$10.00	\$5.50	\$0.00	\$5.00	\$389.25
2	626.00	19.50	0.00	92.00	0.00	20.00	5.50	0.00	5.00	768.00
3	939.00	29.25	0.00	138.00	0.00	30.00	5.50	0.00	5.00	1,146.75
4	1,252.00	39.00	62.50	184.00	59.50	40.00	5.50	50.00	5.00	1,697.50
5	1,565.00	48.75	62.50	230.00	59.50	50.00	5.50	50.00	5.00	2,076.25
6	1,878.00	58.50	62.50	276.00	59.50	60.00	5.50	50.00	5.00	2,455.00
7	2,191.00	68.25	62.50	322.00	59.50	70.00	5.50	50.00	5.00	2,833.75
8	2,504.00	78.00	62.50	368.00	59.50	80.00	5.50	50.00	5.00	3,212.50
9	2,817.00	87.75	62.50	414.00	59.50	90.00	5.50	50.00	5.00	3,591.25
10	3,130.00	97.50	62.50	460.00	59.50	100.00	5.50	50.00	5.00	3,970.00
11	3,443.00	107.25	62.50	506.00	59.50	110.00	5.50	50.00	5.00	4,348.75
12	3,756.00	117.00	62.50	552.00	59.50	120.00	5.50	50.00	5.00	4,727.50
13	4,069.00	117.00	62.50	598.00	59.50	130.00	5.50	50.00	5.00	5,096.50
14	4,382.00	117.00	62.50	644.00	59.50	140.00	5.50	50.00	5.00	5,465.50
15	4,695.00	*** 117.00	62.50	690.00	*** 59.50	150.00	5.50	50.00	5.00	5,834.50

(1) See SUMMARY OF CHANGES, Items (A), (B), (C), (D), (E), and (F).

\* Add \$92 per semester credit hour for enrollment in the Pharmacy Program. Add for enrollment in Graduate Programs: Nursing \$23 per semester credit hour, \$23 per semester credit hour for Allied Health Master's in Speech/Language Pathology Program and Master's in Science in Molecular Pathology Program, and \$46 per semester credit hour for Allied Health Doctorate in Audiology Program and Doctorate of Science in Physical Therapy Program.

Additional tuition may be charged for graduate courses taken through TTU.

\*\* See Student Services Fees Schedule of services provided.

\*\*\* Hours over 15, add \$313 per hour for State Tuition, \$23 per hour for Nursing Graduate Tuition, \$92 per hour for School of Pharmacy Tuition, \$23 per hour for Allied Health Master's in Speech/Language Pathology and Master's in Science in Molecular Pathology graduate tuition, and \$46 per hour for Allied Health Doctorate in Audiology and Doctorate of Science in Physical Therapy graduate tuition. Also, for each hour over 15, add \$46 per hour for Institutional Tuition, \$10 per hour for Information Technology Fee; Student Services, Medical Services, Recreation Center, Identification Card, Student Athletic, and Record Processing Fees remain the same.

4. Non-Resident Students, United States Citizens and Foreign Students - Summer Term

	a.	b.	c.	d.	e.	f.	g.	h.	i.	
	*State Tuition \$313/SCH	Student Services	Medical Services	Institutional Tuition	Recreation Center	Info Tech	ID Card	Student Athletic	Record Processing	
Hours	No Minimum	(1) Fee ** (1)	Fee (1)	(1)	Fee (1)	Fee (1)	Fee	Fee	Fee	Total
1	\$313.00	\$9.75	\$31.25	\$46.00	\$29.75	\$10.00	\$5.50	\$0.00	\$5.00	\$450.25
2	626.00	19.50	31.25	92.00	29.75	20.00	5.50	0.00	5.00	829.00
3	939.00	29.25	31.25	138.00	29.75	30.00	5.50	0.00	5.00	1,207.75
4	1,252.00	39.00	31.25	184.00	29.75	40.00	5.50	0.00	5.00	1,586.50
5	1,565.00	48.75	31.25	230.00	29.75	50.00	5.50	0.00	5.00	1,965.25
6	1,878.00	58.50	31.25	276.00	29.75	60.00	5.50	0.00	5.00	2,344.00
7	2,191.00	*** 68.25	*** 31.25	322.00	*** 29.75	70.00	5.50	0.00	5.00	2,722.75

(1) See SUMMARY OF CHANGES, Items (A), (B), (C), (D), (E), and (F).

\* Add \$92 per semester credit hour for enrollment in the Pharmacy Program. Add for enrollment in Graduate Programs: Nursing \$23 per semester credit hour, \$23 per semester credit hour for Allied Health Master's in Speech/Language Pathology Program and Master's in Science in Molecular Pathology Program, and \$46 per semester credit hour for Allied Health Doctorate in Audiology Program and Doctorate of Science in Physical Therapy Program.

Additional tuition may be charged for graduate courses taken through TTU.

\*\* See Student Services Fees Schedule of services provided.

\*\*\* Hours over 7, add \$313 per hour for State Tuition, \$23 per hour for Nursing Graduate Tuition, \$92 per hour for School of Pharmacy Tuition, \$23 per hour for Allied Health Master's in Speech/Language Pathology and Master's in Science in Molecular Pathology graduate tuition, and \$46 per hour for Allied Health Doctorate in Audiology and Doctorate of Science in Physical Therapy graduate tuition. Also, for each hour over 7, add \$46 per hour for Institutional Tuition, \$9.75 per hour (maximum of \$117.00) for Student Services Fees; \$10 per hour for Information Technology Fee; Medical Services, Recreation Center, Identification Card, Student Athletic, and Record Processing Fees remain the same.

(1) REGISTRATION FEES (continued)

(B) School of Medicine

1. Residents of Texas

	Academic Year 9 Months - 12 Months
a. Tuition	\$6,550.00
b. Student Services Fee (1)	292.50
c. Medical Services Fee (1)	156.25
d. Institutional Tuition (1)	1104.00
e. Recreation Center Fee (1)	148.75
f. Information Technology Fee (1)	240.00
g. Identification Card Fee	13.75
h. Student Athletic Fee	100.00
i. Record Processing Fee	12.50
j. Long Term Disability Insurance	40.00
k. Malpractice Insurance	25.00
Total	<u>\$8,682.75</u>

2. Non-Resident Students, United States Citizens and Foreign Students

	Academic Year 9 Months - 12 Months
a. Tuition	\$19,650.00
b. Student Services Fee (1)	292.50
c. Medical Services Fee (1)	156.25
d. Institutional Tuition (1)	1104.00
e. Recreation Center Fee (1)	148.75
f. Information Technology Fee (1)	240.00
g. Identification Card Fee	13.75
h. Student Athletic Fee	100.00
i. Record Processing Fee	12.50
j. Long Term Disability Insurance	40.00
k. Malpractice Insurance	25.00
Total	<u>\$21,782.75</u>

Tuition - Summer Term

3. No additional tuition for summer term is required of School of Medicine students, regardless of residency.

(1) See SUMMARY OF CHANGES, Items (B), (C), (D), (E), and (F).

(2) OTHER FEES, CHARGES, RATES OR RENTALS

Annual Assessment Fee	- School of Pharmacy (spring semester)	60.00
Application Fee	- Allied Health	35.00
	- Graduate School of Biomedical Sciences	
	Foreign	55.00
	U.S. Citizen	30.00
	- Medicine	40.00
	- Nursing (including Special Students)	40.00
	Late Application Fee	25.00
	- Pharmacy	75.00
	Nontraditional Program	150.00
Auditing (per class)	Students enrolled in 11 semester credit hours or less	
	- Allied Health, Graduate School of Biomedical Sciences, and Nursing	10.00
Binding Theses & Dissertations	- Allied Health (Theses) - 4 Official Copies - No Microfilming	72.00
	- Graduate School of Biomedical Sciences Theses - 4 Official Copies	72.00
	Dissertations - 4 Official Copies and Microfilming	127.00
	- Nursing (Masters) - 4 Official Copies and Microfilming	117.00
	- Personal Copies (per copy)	17.00
	- Mailing Charges	
	Domestic (per copy)	5.00
	International (per copy)	8.00
	- Pockets for Enclosure (per pocket)	5.00
Clinical Simulation Center (per course)	- Nursing – Freshmen, Sophomore, Junior, Senior, and Graduate	25.00
Course Fees (per course) ***	Not less than \$3 per course, but not more than \$45, except that the fee shall not exceed, in general, the cost of the materials or services directly associated with the course – not including the faculty salaries. The fee established for individual courses shall be determined by the Administration.	
	- Allied Health, Graduate School of Biomedical Sciences, Nursing, Medicine and Pharmacy	Min. 3.00 Max. 45.00
Credentialing Fee	- Pharmacy-Nontraditional; one-time fee	500.00
Drug Information Center	- Pharmacy (fall semester)	120.00
Graduation Fee	- Allied Health	
	Undergraduate	35.00
	Graduate	50.00

(2) OTHER FEES, CHARGES, RATES OR RENTALS

Graduation Fee cont.	- Graduate School of Biomedical Sciences	50.00
	- Medicine	50.00
	- Nursing	
	Undergraduate	35.00
	Graduate	50.00
	- Pharmacy	50.00
I.D. Card Maintenance Fee	- Allied Health, Graduate School of Biomedical Sciences, Nursing and Pharmacy (per semester)	5.50
	- Medicine (Annual)	13.75
I.D. Card Replacement Fee (per occurrence)	- All Schools	12.00
I.D. Card Revalidation Fee	- All Schools	5.00
Information Technology Fee *** (C)	- Allied Health, Graduate School of Biomedical Sciences, Nursing and Pharmacy (Per credit hour)	10.00
	- Medicine (Annual)	240.00
Installment Option Fee	- Allied Health, Nursing, Graduate School of Biomedical Sciences, Medicine, and Pharmacy	\$25/Student/Semester
International Student Fee (non-immigrant international students only)	- Allied Health, Graduate School of Biomedical Sciences, Nursing, and Pharmacy (per semester, per summer session \$25)	50.00
	- Medicine (Annual)	100.00
Laboratory Fees	- Per laboratory section; not less than \$2 per section, but not more than \$30, except that the fee shall not exceed, in general, the cost of operating the laboratory not including personnel and equipment costs. The fee established for individual laboratory courses shall be determined and approved under a policy by the Administration.	
	- Allied Health, Graduate School of Biomedical Sciences, and Pharmacy	30.00
	- Medicine (per year) first and second year Students	32.00
Late Charges on Loans	- All Schools	25.00
Late Payment Fee	- All Schools	50.00/billing
Late Registration Fee	- All Schools	50.00



(2) OTHER FEES, CHARGES, RATES, OR RENTALS

Library Charges	- Overdue Items	.50/day; maximum of 25.00
	- Lost Items	25.00 processing fee, plus actual cost of material
	- Interlibrary Loan	
	Per item borrowed (book, photocopy or AV)	4.00
	Per item – Rush	10.00
	Per item – Overnight Delivery	15.00
	- Intralibrary Loan	
	Books	No Charge
	Photocopies	.10-.25/page; maximum of 4.00
	Audiovisuals	2.00/item
	(Some ILL items may be subject to additional royalty fees as assessed by Copyright Compliance Center.)	
	- Laser Print	.05/page
	Color Laser Print	.25/page
Long Term Disability Insurance *	- Medicine (Annual)	40.00
Malpractice Insurance *	- Allied Health (fall semester)	14.50
	Physician Assistant Program (fall semester)	61.00
	- Nursing (fall semester)	12.00
	- Pharmacy (fall semester)	17.00
	- Medicine (per year)	25.00
Medical Services Fee (E) ****	- Allied Health, Graduate School of Biomedical Sciences, Nursing and Pharmacy (fall and spring)	62.50
	(summer terms)	31.25
	- Medicine (Annual)	156.25
Microscope and Educational Materials Fee	- Allied Health (CLS Juniors and Seniors)	50.00
	- Medicine (first and second year students)	120.00
Orientation Fee	- Nursing	50.00
Placement Guarantee Fee	Collected upon acceptance of admission	
	- Allied Health, Graduate School of Biomedical Sciences, and Nursing	50.00
	- Medicine and Pharmacy	100.00
Post Census Day Matriculation Fee	- Allied Health, Graduate School of Biomedical Sciences, Nursing, Pharmacy, and Medicine	200.00
Program Fee	- Pharmacy – Nontraditional	150.00
		Per Credit Hour
Progressions Fee	- Nursing	40.00
Record Processing Fee	- Allied Health, Nursing, Pharmacy, and Graduate School of Biomedical Sciences	
	(Per semester)	5.00
	- Medicine (Annual)	12.50

(2) OTHER FEES, CHARGES, RATES, OR RENTALS

Recreation Center Fee (F) ***	- Allied Health, Graduate School of Biomedical Sciences, Nursing, and Pharmacy (fall and spring) (summer terms) - Medicine (Annual)	59.50 29.75 148.75
Returned Check Charges	- All Schools	25.00
Special Course Fees **	- All Schools	Variable; based on costs to provide instruction
Standardized Testing Fee	- Nursing	12.00
Student Athletic Fee	- Allied Health, Graduate School of Biomedical Sciences, Nursing and Pharmacy (fall and spring) - Medicine (Annual)	50.00 100.00
Student Services Fee (D) ***	- Allied Health, Graduate School of Biomedical Sciences, Nursing and Pharmacy - Medicine (Annual)	Per Credit Hour 9.75 Maximum of 117.00 292.50
Validation Fee	- Nursing (Charged on all graduate Assessment course)	50.00

\* The Board of Regents has previously authorized the President of TTUHSC to increase or decrease Malpractice Insurance Fees for students in each of the schools and the School of Medicine Long Term Disability Insurance Fee as necessary to respond to changes in the cost of providing the insurance coverage. The schools seek only to recoup the cost of providing the coverage.

\*\* The Board of Regents has previously authorized the President and the Executive Vice President of TTUHSC to fix special course fees for credit courses and fees for non-credit courses, workshops, seminars and other meetings.

\*\*\* Waivers for Teaching Assistants, Research Assistants, Graduate Assistants, and Graduate Part-Time Instructors per Board of Regents' approval December 15, 2000.

\*\*\*\* On August 11, 2000, the Board of Regents approved waivers of the Medical Services fee for Texas Tech University System benefits eligible employees enrolled as students.

\*\*\*\*\* The Board of Regents previously authorized the President of TTUHSC to approve the assessment of additional tuition at a rate not to exceed the maximum allowed by law, Texas Education Code, Section 54.008, per semester credit hour from students enrolled in graduate program courses in the Schools of Allied Health, Biomedical Sciences, Nursing, and Pharmacy.

The Board of Regents previously authorized School of Allied Health graduate tuition at 1-1/2 times the undergraduate rate for the Master's in Speech/Language Pathology Program and Master's in Science in Molecular Pathology Program. The tuition rate for this program will increase from \$66 per semester credit hour to \$69 per semester credit hour (1-1/2 times \$46) for Texas residents and from \$284 per semester credit hour to \$336 per semester credit hour (\$313 + \$23) for non-residents.

The Board of Regents previously authorized School of Allied Health graduate tuition at 2 times the undergraduate rate for the Doctorate in Audiology Program and Doctorate of Science in Physical Therapy Program. The tuition rate for this program will increase from \$88 per semester credit hour to \$92 per semester credit hour (2 times \$46) for Texas residents and from \$306 per semester credit hour to \$359 per semester credit hour (\$313 + \$46) for non-residents.

The Board of Regents previously authorized School of Nursing graduate tuition at 1-1/2 times the undergraduate rate. The School of Nursing graduate tuition will increase from \$66 per semester credit hour to \$69 per semester credit hour (1-1/2 times \$46) for Texas residents and from \$284 per semester credit hour to \$336 per semester credit hour (\$313 + \$23) for non-residents.

The Board of Regents previously authorized School of Pharmacy tuition at three times the resident tuition rate. The School of Pharmacy tuition will be \$138 per semester credit hour (3 times \$46) for Texas residents and \$405 per semester credit hour (\$313 + \$92) for non-residents. Students in the School of Pharmacy Residency Program will be charged the resident tuition rate of \$46 per semester credit hour for Texas residents and \$313 per semester credit hour for non-residents.

(3) STUDENT SERVICES FEE SCHEDULE 2003-2004

Credit Hours	Student Services Fee
1	9.75
2	19.50
3	29.25
4	39.00
5	48.75
6	58.50
7	68.25
8	78.00
9	87.75
10	97.50
11	107.25
12	117.00

Student Services Fee supports the following:

Campus Life  
Campus Organizations  
Career Center  
Graduate Student Association  
Health Sciences Center Student Government  
Law School Student Government  
Ombudsman Office  
Parent Relations  
Special Events  
Spirit Activities (*Cheerleaders, Pom Pon, Masked Rider, Texas Tech Marching Band, Court Jesters, High Riders, Red Raider CAMP, Saddle Tramps*)  
Student Counseling Center  
Student Government Association  
Student Media  
Student Mediation Center (Student Judicial and Legal Services)  
Student Services Administration  
Student Transportation  
Testing Center

Texas Tech University System  
Office of Audit Services  
Charter

## MISSION

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

## OBJECTIVES

The OAS provides independent, objective assurance and consulting services designed to add value and improve the operations of the System. The OAS helps the System accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

## ORGANIZATIONAL RESPONSIBILITY AND REPORTING RELATIONSHIPS

The OAS is established by the Board in accordance with the Texas Internal Auditing Act (Act). The Board is responsible for the employment and dismissal of a chief audit executive (CAE) to manage the affairs of the OAS. The Chancellor has the authority to make recommendations to the Board on the employment and dismissal of the CAE. The CAE reports functionally to the Chair of the Finance Committee of the Board and administratively to the Chancellor. Annually, the Chancellor and the Board will evaluate the performance of the CAE.

## INDEPENDENCE

To ensure independence and objectivity, OAS reports to the highest level of System management. Additionally, the staff of OAS have no direct responsibility or authority for activities or operations that may be audited or reviewed. Auditors do not develop and install procedures, prepare records, make management decisions, or engage in any other activity that could be reasonably construed to compromise their independence. Auditors are not, however, precluded from making recommendations and suggestions for the improvement of internal controls or operating policies and procedures. An audit or review does not substitute or relieve other System personnel from their assigned responsibilities.



## SCOPE OF WORK

The scope of work of the OAS is to determine whether the System's network of risk management, control, and governance processes, as designed and represented by management, is adequate and functioning in a manner to ensure:

- Risks are appropriately identified and managed.
- Adequate processes and internal controls are in place to assure good performance and checks and balances.
- Interaction with the various governance groups occurs as needed.
- Significant financial, managerial, and operating information is accurate, reliable, and timely.
- Employees' actions are in compliance with policies, standards, procedures, and applicable laws and regulations.
- Resources are acquired economically, used efficiently, and adequately protected.
- Programs, plans, and objectives are achieved.
- Quality and continuous improvement are fostered in the System's control process.
- Significant legislative or regulatory issues impacting the System are recognized and addressed properly.

Opportunities for improving management control, profitability, and the System's image may be identified during audits. OAS will communicate these opportunities to the appropriate level of management.

## ACCOUNTABILITY

The CAE, in the discharge of his duties, shall be accountable to the Board to:

- Produce and submit an annual plan as prescribed by the Act.
- Prepare a report annually to the Board, the Chancellor, the Governor, and state agencies as required by law on the activities of the OAS in a format prescribed by the State Auditor.

- Report significant issues related to the processes for controlling the activities of the System, including potential improvements to those processes, and provide information concerning the resolution of such issues.
- Provide information periodically on the status and results of the annual audit plan and the sufficiency of department resources, including OAS personnel.
- Coordinate with other control and monitoring functions (including, but not limited to General Counsel, Texas Tech Police Department, The State Auditor's Office, and external auditors).

## RESPONSIBILITY

The CAE and staff of the OAS have responsibility to:

- Develop a flexible annual audit plan using appropriate risk-based methodology, including any risks or control concerns identified by management, and submit that plan to the Board and the Chancellor for review and approval.
- Implement the approved annual audit plan, including, as appropriate, any special tasks or projects requested by the Board, the Chancellor and upper management and any special investigations.
- Maintain a professional audit staff with sufficient knowledge, skills, experience, and professional certifications to meet the requirements of this charter.
- Establish a quality assurance and improvement program by which the CAE assures the operations OAS activities.
- Perform consulting services, beyond auditing's assurance services, to assist management in meeting its objectives. Examples may include facilitation, process design, training, and advisory services.
- Evaluate and assess significant new or changing services, processes, operations, systems, and control processes coincident with their development, implementation, and/or expansion.
- Issue periodic reports to the Board, Chancellor, and appropriate management summarizing results of audit activities.
- Keep the Board informed of emerging trends and successful practices in internal auditing.

- Maintain and evaluate significant departmental performance measurements.
- Assist in the investigation of significant suspected fraudulent activities within the System and keep the Board, the Chancellor, and management informed of such investigations.
- Coordinate, at the pleasure of the Board or Chancellor, any external audit or investigative effort performed by certified public accountants, the State Auditor's Office, or governmental agencies. This coordination may include scheduling of entrance and exit conferences, conveyance of documents, scheduling of interviews, and the submission of responses to findings and recommendations of the external auditors.
- Consider the scope of work of the external auditors and regulators, as appropriate, for the purpose of providing optimal audit coverage to the System at a reasonable overall cost.

#### AUTHORITY

The CAE and staff of the OAS are authorized to:

- Have full, free unrestricted access to all functions, manual and electronic records (including student, personnel, and medical records), property, and personnel relevant to any audit or review. Documents and information entrusted to auditors during the course of an engagement will be handled in a prudent manner.
- Have full and free access to the Board and the Chancellor.
- Allocate resources, set frequency and duration of audits, select subjects, determine scopes of work, and apply the techniques required to accomplish audit objectives.
- Obtain the necessary assistance of personnel in units of the System where the OAS performs audits, as well as other specialized services from within or outside the System.

The CAE and staff of the OAS are not authorized to:

- Perform any operational duties for the System.
- Initiate or approve accounting or other transactions external to the OAS.

- Direct the activities of any System employee not employed by the OAS, except to the extent such employees have been appropriately assigned to auditing teams or to otherwise assist the auditors.

#### STANDARDS OF AUDIT PRACTICE

The OAS will meet or exceed the Standards for the Professional Practice of Internal Auditing promulgated by The Institute of Internal Auditors and generally accepted government auditing standards.

## PROPOSED AMENDMENTS TO CHAPTER 07, *Regents' Rules*

(1) Amend Section 07.00, Definitions, as follows:

**07.00 Definitions**

07.00.5 "OAS" "OIAC" means the Office of Audit Services Internal Audit and Consulting.

(2) Amend Section 07.02, Audits, as follows:

**07.02 Audits**

07.02.1 Mission statement. The Office of Audit Services ("OAS") OIAC is to assist the board and other units of the TTU system in identifying, avoiding, and, where necessary, mitigating risks.

07.02.2 Objectives. and goals The OAS shall:

- a. provide independent, objective assurance and consulting services designed to add value and improve the operations of the TTU system; conduct reviews within the TTU system that comply with The Internal Audit Act of Texas and the standards of the practice of the profession of internal auditing ("the standards");
- b. help the TTU system accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes; provide relevant, useful, reliable, and timely information to management for a basis of their decision making;
- c. participate on committees and tasks forces as an *ex-officio* member in order to ensure proper control structures are established; and
- d. participate in system design as an advisor.

07.02.3 Organizational responsibility, reporting relationships, and authority. The OAS is established by the board in accordance with the state's Internal Auditing Act ("the Act"). The board is responsible for the employment and dismissal of a chief audit executive ("CAE") to manage the affairs of the OAS. The chancellor has the authority to make recommendations to the board on the employment and dismissal of the CAE. The CAE reports functionally to the board's chair of the Finance Committee, and administratively to the chancellor. Annually,



the chancellor and the board will evaluate the performance of the CAE of OAS.

- a. ~~The OIAC is established by the board in accordance with the state's Internal Auditing Act. The board is responsible for the employment and dismissal of a director of OIAC to manage the affairs of the office. The chancellor has the authority to make recommendations to the board on the employment and dismissal of the director. The director reports functionally to the board's chair of the Finance and Administration Committee, and administratively to the chancellor. Annually, the chancellor and the board will evaluate the performance of the director of OIAC.~~
- b. ~~OIAC employees are granted full, free, and unrestricted access to all manual or electronic records (including medical), policies, physical properties, plans, and personnel the office believes to be relevant to any audit or review. Documents and information given to internal auditors during the course of an audit or review will be handled in a prudent manner.~~
- c. ~~To ensure independence and objectivity, the OIAC staff has no direct responsibility or authority for activities or operations that may be audited or reviewed. For example, internal auditors do not develop and install procedures, prepare records, make management decisions, or engage in any other activity that could be reasonably construed to compromise their independence. Internal auditors are not, however, precluded from making recommendations and suggestions for the improvement of internal controls or operating policies and procedures. An auditor review does not substitute or relieve other system personnel from their assigned responsibilities.~~
- d. ~~The director of OIAC will be involved in the selection of external auditors and will coordinate any external audit effort performed by certified public accountants, the State Auditor's Office, or governmental auditors. This coordination includes entrance and exit conferences and the submission of responses to findings and recommendations to the external auditors.~~

07.02.4 Independence. To ensure independence and objectivity, OAS reports to the highest level of TTU system management. Additionally, the staff of OAS have no direct responsibility or authority for activities or operations that may be audited or reviewed. Auditors do not develop and install procedures, prepare records, make management

decisions, or engage in any other activity that could be reasonably construed to compromise their independence. Auditors are not, however, precluded from making recommendations and suggestions for the improvement of internal controls or operating policies and procedures. An audit or review does not substitute or relieve other TTU system personnel from their assigned responsibilities.

#### Annual and long-range plan

- a. ~~Annually, the director of OIAC will prepare an audit activities plan. The plan will be prepared for the institution's fiscal year ending August 31. The director will consult with the chair of the Finance and Administration Committee of the board, the chancellor, deputy chancellors, the presidents and chief fiscal officers.~~
- b. ~~In order to provide broad systematic audit coverage to the TTU system, a portion of time is set aside for audits of selected system operations. Part of the plan is dedicated to performing audits that are required by state law or TTU system policy. The remaining time is allocated to cyclical (long-range) audits and those determined through the use of risk assessment techniques.~~
- c. ~~The chair of the Finance and Administration Committee of the board, the chancellor, and the director of OIAC will each review and approve the audit plan. The approved plan will be submitted to all members of the board. The director of OIAC will keep the chair of the Finance and Administration Committee of the board, the chancellor and the presidents informed of any changes to the plan.~~
- d. ~~After the end of each fiscal year, the director of OIAC will prepare an annual report of audit activities required by the state's Internal Auditing Act. This annual report will be submitted to each board member and the appropriate president and the chancellor.~~

#### 07.02.5 Scope of Work.

- a. The scope of work of the OAS is to determine if the TTU system's network of risk management, control, and governance processes, as designed and represented by management, is adequate and functioning in a manner to ensure:

(1) risks are appropriately identified and managed;

- (2) adequate processes and internal controls are in place to assure good performance and checks and balances;
- (3) interaction with the various governance groups occurs as needed;
- (4) significant financial, managerial, and operating information is accurate, reliable, and timely;
- (5) employees' actions are in compliance with policies, standards, procedures, and applicable laws and regulation;
- (6) resources are acquired economically, used efficiently, and adequately protected;
- (7) programs, plans, and objectives are achieved;
- (8) quality and continuous improvement are fostered in the TTU system's control process; and
- (9) significant legislative or regulatory issues impacting the TTU system are recognized and addressed properly.

b. Opportunities for improving management control, profitability, and the TTU system's image may be identified during audits. OAS will communicate these opportunities to the appropriate level of management.

~~Work scope. The OIAC will conduct its activities in accordance with applicable standards for professional practice of internal auditing. The scope of each audit will be based on all or any combination of the following:~~

- ~~a. reliability and integrity of information—review the reliability and integrity of financial and operating information and the means used to identify, measure, classify, and report such information;~~
- ~~b. compliance with policies, plans, procedures, laws, and regulations—review the systems established to ensure compliance with these policies, plans, procedures, laws, and regulations that could have a significant impact on operations and reports and determining the extent of the organization's compliance;~~

- ~~c. safeguarding of assets — review the means of safeguarding assets and, as appropriate, verify the existence of such assets;~~
- ~~d. economical and efficient use of resources — appraise the economy and efficiency with which resources are employed; and~~
- ~~e. accomplishment of established objectives and goals for operations or programs — review operations or programs to ascertain whether results are consistent with established objectives and goals and whether the operations or programs are being carried out as planned.~~

07.02.6 Accountability. Reporting—The CAE, in the discharge of his or her duties, shall be accountable to the board to:

- a. produce and submit an annual plan as prescribed by “the Act”; At the conclusion of each audit, the OIAC will generally issue a report to which the responsible institutional manager will respond. Conflicts and differences of opinion will be resolved by the appropriate level of management. Management is responsible for implementing the course of action outlined in its response. Management’s decision not to implement a recommendation is its implied assumption of any risk associated with such a decision.
- b. prepare a report annually to the board, the chancellor, the governor, and state agencies, as required by law, on the activities of the OAS in a format prescribed by the state auditor; Before each board meeting, the director of OIAC will meet with the chancellor and the chair of the Finance and Administration Committee of the board to review and discuss the results of audits completed since the last board meeting.
- c. report significant issues related to the processes for controlling the activities of the TTU system, including potential improvements to those processes, and provide information concerning the resolution of such issues;
- d. provide information periodically on the status and results of the annual audit plan and the sufficiency of department resources, including OAS personnel; and
- e. coordinate with other control and monitoring functions (including, but not limited to general counsel, the TTU

police department, the state auditor's office, and external auditors.

- 07.02.7 Responsibility. The CAE and staff of the OAS have responsibility to: Quality control and improvement effort. The OIAC has instituted a continuous quality improvement/control effort required by internal auditing standards. The quality of internal audit services is evaluated by answering a self-assessment questionnaire at the end of each of the three phases inherent in every audit (planning, fieldwork, and reporting); providing audit clients the opportunity to express their level of satisfaction with the services provided them; and measuring staff performance against predetermined benchmarks that encourage excellence. Once every three years, the OIAC will arrange for an external quality assurance review by individuals independent of the OIAC. The result of this review will be submitted to each board member, the presidents, the chief financial officer, and the chancellor.
- a. develop a flexible annual audit plan using appropriate risk-based methodology, including any risks or control concerns identified by management, and submit that plan to the board and the chancellor for review and approval;
  - b. implement the approved annual audit plan including, as appropriate, any special tasks or projects requested by the board, the chancellor and upper management, and any special investigations;
  - c. maintain a professional audit staff with sufficient knowledge, skills, experience, and professional certifications to meet the requirements of this chapter;
  - d. establish a quality assurance and improvement program by which the CAE ensures high standards in OAS operations;
  - e. perform consulting services, beyond auditing assurance services, to assist management in meeting its objectives. Examples may include facilitation, process design, training, and advisory services;
  - f. evaluate and assess significant new or changing services, processes, operations, systems, and control processes coincident with their development, implementation, and/or expansion;



- g. issue periodic reports to the board, the chancellor, and appropriate management summarizing results of audit activities;
- h. keep the board informed of emerging trends and successful practices in internal auditing;
- i. maintain and evaluate significant departmental performance measurements;
- j. assist in the investigation of significant suspected fraudulent activities within the TTU system and keep the board, the chancellor, and management informed of such investigations;
- k. coordinate, at the pleasure of the board or chancellor, any external audit or investigative effort performed by certified public accountants, the state auditor's office, or governmental agencies. This coordination may include scheduling of entrance and exit conferences, conveyance of documents, scheduling of interviews, and the submission of responses to findings and recommendations of the external auditors; and
- l. consider the scope of work of the external auditors and regulators, as appropriate, for the purpose of providing optimal audit coverage to the TTU system at a reasonable overall cost.

07.02.8 Authority

- a. The CAE and staff of the OAS are authorized to:
  - (1) have full, free, unrestricted access to all functions, manual and electronic records (including student, personnel, and medical records), property, and personnel relevant to any audit or review. Documents and information entrusted to auditors during the course of an engagement will be handled in a prudent manner;
  - (2) have full and free access to the board and the chancellor;
  - (3) allocate resources, set frequency and duration of audits, select subjects, determine scopes of work, and apply the techniques required to accomplish audit objectives; and

- (4) obtain the necessary assistance of personnel in units of the TTU system where the OAS performs audits, as well as other specialized services from within or outside the TTU system.

b. The CAE and staff of the OAS are not authorized to:

- (1) perform any operational duties for the TTU system;
- (2) initiate or approve accounting or other transactions external to the OAS; or
- (3) direct the activities of any TTU system employee not employed by the OAS, except to the extent such employees have been appropriately assigned to auditing teams or to otherwise assist the auditors.

07.02.9 Standards of audit practice. The OAS will meet or exceed the standards for the professional practice of internal auditing promoted by the Institute of Internal Auditors and the generally accepted government auditing standards.

- (3) **If the above amendments are approved, change "OIAC" to "OAS" wherever it occurs in the following sections of Chapter 07:**

Section 07.03.4.c  
Section 07.03.5  
Section 07.03.7  
Section 07.06

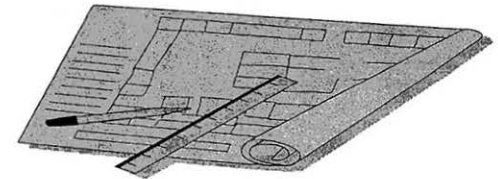


## Bricks and Mortar Report

Projects Under Construction

February 2003

**TTU**



Project	Cost	Status	Completion Date
Jones Stadium Stage IIA	\$51,900,000	Under Construction	August 2003
Football Training Facility	\$11,000,000	Under Construction	July 2003
Student Union Bldg. Expansion/Renov.	\$38,000,000	Under Construction	June 2003/October 2004
Experimental Sciences Building	\$36,997,000	Under Construction	July 2004
Golf Course	\$9,013,000	Substantially Complete	August 2003
Admin. Bldg. Roof Repairs	\$850,000	Under Construction	July 2003
Marsha Sharp Center for Student Athletes	\$4,100,000	Under Construction	November 2003
<b>TOTAL</b>	<b>\$151,860,000</b>		

## HSC

Project	Cost	Status	Completion Date
HSC Academic Classroom Bldg.	\$15,400,000	Under Construction	September 2003
HSC El Paso Third Floor Addition	\$9,700,000	Under Construction	September 2004
HSC El Paso Hydronic Pipe Replacement	\$1,700,000	Under Construction	September 2004
HSC Synergistic Center	\$2,300,000	Under Construction	March 2003
<b>TOTAL</b>	<b>\$29,100,000</b>		
<b>GRAND TOTAL</b>	<b>\$180,960,000</b>		

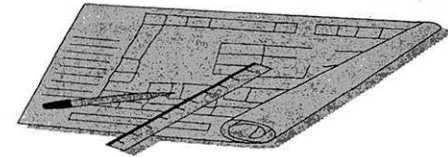


## Bricks and Mortar Report

Projects In Design

February 2003

**TTU**



Project	Cost	Status	Completion Date
Animal and Food Sciences Facility	\$17,000,000	Design in Progress	August 2004
Admin Building Stone Repair	\$950,000	Design in Progress	TBD
Texas Tech Parkway	\$9,237,000	Design in Progress	December 2003
Marsha Sharp Freeway [TxDOT Project]	TBD	Design in Progress	2007+
Student Wellness Center	\$8,500,000	Design in Progress	TBD
Residence Hall Fire Protection	\$7,000,000	Design in Progress	TBD
Golf Course Support Facilities	\$1,692,000	Design in Progress	September 2003
Business Administration Bldg.	\$50,000,000	Programming in Progress	TBD
Art 3-D Annex	\$6,000,000	Programming in Progress	TBD
Vietnam Center	\$35,000,000	Planning In Progress	TBD
Museum NSRL Expansion	\$4,100,000	Design in Progress	TBD
<b>TOTAL</b>	<b>\$139,479,000</b>		

## HSC

Project	Cost	Status	Completion Date
HSC Clinical Tower Research Center	\$33,747,550	Design in Progress	TBD
HSC Campus Infrastructure Improvement	\$5,000,000	Design in Progress	TBD
Amarillo Clinic Renovation	\$2,900,000	Design Professional Selected	TBD
HSC El Paso Research Facility I	\$38,500,000	Design in Progress	TBD
<b>TOTAL</b>	<b>\$80,147,550</b>		
<b>GRAND TOTAL</b>	<b>\$219,626,550</b>		

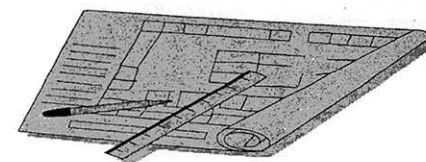


## Bricks and Mortar Report

Future Projects

February 2003

**TTU**



Project	Cost	Status	Completion Date
Museum Davies Addition	\$2,000,000	Planned	TBD
Rec. Center New Pool	\$3,800,000	On Hold	TBD
Hulen/Clement Food Court Renovation	\$4,400,000	On Hold	TBD
Retirement Village	TBD	Planned	TBD
Graduate Library	TBD	On Hold	TBD
Engineering Expansion/Renovation	\$50,000,000	On Hold	TBD
Honors College	TBD	On Hold	TBD
Golf Clubhouse/Team Facility	\$6,000,000	On Hold	TBD
Advanced Research Center	TBD	Planning Budget Approved	TBD
Art Building Renovation	\$400,000	Deferred	TBD
College of Fine & Performing Arts	\$40,000,000	On Hold	TBD
Performing Arts Center	\$40,000,000	On Hold	TBD
Child Care Center	\$2,000,000	On Hold	TBD
Dairy Barn Renovation/Relocation	\$2,000,000	On Hold	TBD
<b>TOTAL</b>	<b>\$150,600,000</b>		

**HSC**

Project	Cost	Status	Completion Date
El Paso Medical School	\$45,000,000	Proposed	TBD
HSC Roof Replacement	\$2,000,000	Planned	TBD
<b>TOTAL</b>	<b>\$47,000,000</b>		
<b>GRAND TOTAL</b>	<b>\$197,600,000</b>		



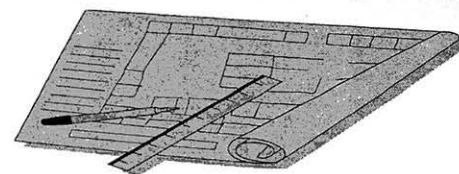


## Bricks and Mortar Report

Projects Completed

February 2003

TTU



Project	Cost	Status	Completion Date
English-Philosophy & Education	\$46,199,000	Complete	August 2002
Flint Avenue Parking Facility	\$10,900,000	Complete	August 2002
Jones Stadium Stage I	\$22,000,000	Complete	September 2001
Museum Addition	\$6,900,000	Complete	March 2002
West Hall/Visitors Center	\$6,000,000	Complete	August 2001
Recreation Center Expansion/Renovation	\$12,000,000	Complete	November 2001
Broadway Gatehouses	\$816,000	Complete	August 2001
Pfluger Fountain	\$826,000	Complete	April 2002
Indiana Marquee	\$352,000	Complete	August 2001
Frazier Plaza and Statue	\$515,000	Complete	September 2001
Tennis Softball Complex	\$4,059,784	Complete	September 2001
Dan Law Field	\$1,612,000	Complete	June 2002
Fuller Track Field House	\$480,000	Complete	June 2002
Bonfire	\$400,000	Complete	September 2002
Campus Fiber Optic Connection	\$1,667,000	Complete	September 2001
Stangel/Murdough Fire Suppression	\$1,704,000	Complete	August 2001
Chitwood Weymouth Fire Suppression	\$2,769,000	Complete	August 2000
Horn/Knapp Fire Suppression	\$3,600,000	Complete	December 2002
<b>TOTAL</b>	<b>\$122,799,784</b>		

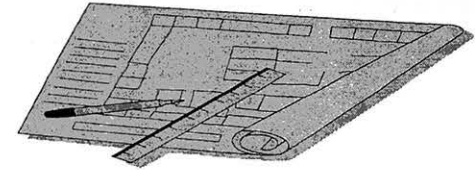


## Bricks and Mortar Report

Projects Completed

February 2002

**HSC**



Project	Cost	Status	Completion Date
Amarillo Academic/Clinic Facility	\$23,319,252	Complete	April 2002
Midland Physicians Assistant Building	\$6,000,000	Complete	August 2001
Odessa Clinic Renovation	\$1,200,000	Complete	September 2000
Communications Disorders Renovation	\$2,161,000	Complete	May 2000
HSC Admin Relocation	\$1,862,000	Complete	March 2001
<b>TOTAL</b>	<b>\$34,542,252</b>		
<b>GRAND TOTAL</b>	<b>\$157,342,036</b>		

**AMENDED AND RESTATED FIFTH SUPPLEMENTAL RESOLUTION  
TO THE MASTER RESOLUTION ESTABLISHING THE  
REVENUE FINANCING SYSTEM COMMERCIAL PAPER PROGRAM  
AND APPROVING AND AUTHORIZING INSTRUMENTS  
AND PROCEDURES RELATING THERETO**

WHEREAS, on October 21, 1993, the Board of Regents of Texas Tech University (the "Board"), acting separately and independently for and on behalf of Texas Tech University ("TTU") and separately and independently for and on behalf of Texas Tech University Health Sciences Center (the "Health Sciences Center"), adopted the **"MASTER RESOLUTION ESTABLISHING THE REVENUE FINANCING SYSTEM UNDER THE AUTHORITY AND RESPONSIBILITY OF THE BOARD OF REGENTS OF TEXAS TECH UNIVERSITY"**, which resolution twice has been amended, on November 8, 1996 and on August 22, 1997 (which resolution, as amended, is referred to herein as the "Master Resolution"); and

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

WHEREAS, the Master Resolution establishes the Revenue Financing System comprised of TTU and, to the extent permitted by law (including specifically Section 55.17(e), Texas Education Code), the Health Sciences Center, and pledges the Pledged Revenues to the payment of Parity Obligations to be outstanding under the Master Resolution; and

WHEREAS, the Board heretofore has adopted a **"FIFTH SUPPLEMENTAL RESOLUTION TO THE MASTER RESOLUTION ESTABLISHING THE REVENUE FINANCING SYSTEM COMMERCIAL PAPER PROGRAM AND APPROVING AND AUTHORIZING INSTRUMENTS AND PROCEDURES RELATING THERETO"** (defined as the "Fifth Supplemental Resolution") and pursuant to the Fifth Supplemental Resolution has the authority to issue at any one time outstanding up to \$100,000,000 in aggregate principal amount of its **"BOARD OF REGENTS OF TEXAS TECH UNIVERSITY REVENUE FINANCING SYSTEM COMMERCIAL PAPER NOTES, SERIES A"** (the "Commercial Paper Notes") as Parity Obligations under the terms of the Master Resolution; and

WHEREAS, under the terms of the Fifth Supplemental Resolution, no more than \$50,000,000 in Commercial Paper Notes could be issued and be outstanding at any one time without the Board amending the Fifth Supplemental Resolution to permit the issuance of Commercial Paper Notes in excess of \$50,000,000; and

WHEREAS, on May 11, 2000, the Board adopted an amendment to the Fifth Supplemental Resolution which authorized the issuance of Commercial Paper Notes in an amount not to exceed \$70,000,000 in principal amount outstanding at any one time; and

WHEREAS, the Board has determined that it is desirable to amend and restate the Fifth Supplemental Resolution, as amended (this "Fifth Supplement") to allow the Texas Tech University System to provide liquidity in support of Commercial Paper Notes by utilizing available Texas Tech University System funds in lieu of or in addition to bank liquidity support, and to make other changes to eliminate provisions no longer necessary and incorporate into one document all of the provisions governing the issuance of Commercial Paper Notes; and

WHEREAS, the notes authorized to be issued by this Fifth Supplement (herein defined as the "Notes") are to be issued and delivered pursuant to Chapter 55, Texas Education Code, Chapter 1371, Texas Government Code, and other applicable laws.

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

## ARTICLE I DEFINITIONS AND CONSTRUCTION OF TERMS

Section 1.01. **Definitions.** In addition to the definitions set forth in the preamble of this Fifth Supplement, the terms used in this Fifth Supplement and not otherwise defined shall have the meanings given in the Master Resolution or in Exhibit "A" to this Fifth Supplement attached hereto and made a part hereof.

Section 1.02. **Construction of Terms.** If appropriate in the context of this Fifth Supplement, words of the singular number shall be considered to include the plural, words of the plural number shall be considered to include the singular, and words of the masculine, feminine, or neuter gender shall be considered to include the other genders.

## ARTICLE II AUTHORIZATION OF NOTES

Section 2.01. **General Authorization.** Pursuant to authority conferred by and in accordance with the provisions of the Constitution and laws of the State of Texas, particularly the Acts, Commercial Paper Notes shall be and are hereby authorized to be issued in an aggregate principal amount not to exceed ONE HUNDRED MILLION DOLLARS (\$100,000,000) at any one time Outstanding for the purpose of financing Project Costs of Eligible Projects and to refinance, renew, or refund Notes, Prior Encumbered Obligations, and Parity Obligations, including interest thereon; all in accordance with and subject to the terms, conditions, and limitations contained herein. For purposes of this Section 2.01, any portion of Outstanding Notes to be paid from money on deposit with the Issuing and Paying Agent and from the available proceeds of Parity Obligations or other obligations of the Board issued on the day of calculation shall not be considered Outstanding. The authority to issue Commercial Paper Notes from time to time under the provisions of this Fifth Supplement shall exist until the Maximum Maturity Date, regardless of whether at any time prior to the Maximum Maturity Date there are any Commercial Paper Notes Outstanding.

Section 2.02. **Commercial Paper Notes.** Under and pursuant to the authority granted hereby and subject to the limitations contained herein, Commercial Paper Notes to be designated "**Board of Regents of Texas Tech University System Revenue Financing System Commercial Paper Notes, Series A**" are hereby authorized to be issued and sold and delivered from time to time in such principal amounts as determined by an Authorized Representative in denominations of \$100,000 or in integral multiples of \$1,000 in excess thereof, numbered in ascending consecutive numerical order in the order of their issuance, and shall mature and become due and payable on such dates as an Authorized Representative shall determine at the time of sale; provided, however, that no Commercial Paper Note shall (i) mature after the Maximum Maturity Date or (ii) have a term in excess of 270 calendar days.

Subject to the limitations contained herein, Commercial Paper Notes herein authorized shall be dated as of their date of issuance (the "Note Date") and shall bear no interest or bear interest at such rate or rates per annum computed on the basis of actual days elapsed and on a 365-day or 366-day (as applicable) year (but in no event to exceed the Maximum Interest Rate in effect on the date of issuance thereof), as may be determined by an Authorized Representative. Interest, if any, on Commercial Paper Notes shall be payable at maturity. Commercial Paper Notes may be payable to bearer or may be issued in registered form, without coupons, or may be issued in book-entry only form pursuant to Section 2.03(b) as determined by an Authorized Representative. Both principal of and interest on the Commercial Paper Notes shall be payable in lawful money of the United States of America, without exchange or collection charges to the Holder thereof in the manner provided in the Form of Commercial Paper Note set forth in Exhibit B to this Fifth Supplement.

Commercial Paper Notes issued hereunder may contain terms and provisions for the redemption or prepayment thereof prior to maturity, subject to any applicable limitations contained herein, as provided herein or otherwise as shall be determined by an Authorized Representative.



Subject to applicable terms, limitations, and procedures contained herein, the Commercial Paper Notes may be sold in such manner at public or private sale and at par or at such discount or premium (within the interest rate and yield restrictions provided herein) as an Authorized Representative shall approve at the time of the sale thereof.

**Section 2.03. Issuing and Paying Agent and Book-Entry Only System.** (a) *Issuing and Paying Agent.* For so long as all of the Commercial Paper Notes are held in a book-entry only system form, the Issuing and Paying Agent for the Commercial Paper Notes may be the Board, or the institution determined by the Authorized Representative to have submitted the lowest responsible bid for such services in response to requests for proposals. The Board covenants and agrees to keep and maintain the Registration Books at the corporate office of the Issuing and Paying Agent designated as the place of payment and transfers of the Commercial Paper Notes (the "Designated Trust Office"), all as provided herein and pursuant to such reasonable rules and regulations as the Issuing and Paying Agent may prescribe. If any Commercial Paper Note is not held in a book-entry only system form, the Board covenants to maintain and provide a Issuing and Paying Agent at all times while the Commercial Paper Notes are outstanding and not held in book-entry only system form, which, if it is not acting in such capacity, shall be a national or state banking association or corporation organized and doing business under the laws of the United States of America or of any State and authorized under such laws to exercise trust powers. Should a change in the Issuing and Paying Agent for the Commercial Paper Notes occur after the appointment of the initial Issuing and Paying Agent by the Authorized Representative, the Board agrees to promptly cause a written notice thereof to be (i) sent to each Holder of the Commercial Paper Notes then outstanding by United States mail, first class, postage prepaid and (ii) published in a financial newspaper or journal of general circulation in The City of New York, New York, once during each calendar week for at least two calendar weeks; provided, however, that the publication of such notice shall not be required if notice is given to each Holder in accordance with clause (i) above. Such notice shall give the address of the successor Paying Agent/Registrar. A successor Issuing and Paying Agent may be appointed without the consent of the Holders.

The Board and the Issuing and Paying Agent may treat the bearer (in the case of Commercial Paper Notes so registered) or the Registered Owner of any Commercial Paper Note as the absolute owner thereof for the purpose of receiving payment thereof and for all purposes, and, to the extent permitted by law, the Board and the Issuing and Paying Agent shall not be affected by any notice or knowledge to the contrary.

(b) *Book-Entry Only System.* If an Authorized Representative determines that it is possible and desirable to provide for a book-entry only system of Commercial Paper Note registration with DTC, such Authorized Representative, acting for and on behalf of the Board, is hereby authorized to approve, execute, and deliver a Letter of Representations to DTC and to enter into such other agreements and execute such instruments as are necessary to implement such book-entry only system, such approval to be conclusively evidenced by the execution thereof by said Authorized Representative. Under the initial book-entry only system with DTC, (i) no physical Note certificates will be delivered to DTC and (ii) there will be executed and delivered to the Issuing and Paying Agent, as custodian for DTC, a master note relating to the Commercial Paper Notes (the "Master Note") in substantially the form set forth in Exhibit C. Except as provided herein, the ownership of the Notes shall be registered in the name of Cede & Co., as nominee of DTC, which will serve as the initial securities depository for the Notes. Ownership of beneficial interests in the Notes shall be shown by book entry on the system maintained and operated by DTC and DTC Participants, and transfers of ownership of beneficial interests shall be made only by DTC and the DTC Participants by book entry, and the Board and the Issuing and Paying Agent shall have no responsibility therefor. DTC will be required to maintain records of the positions of the DTC Participants in the Notes, and the DTC Participants and persons acting through the DTC Participants will be required to maintain records of the purchasers of beneficial interests in the Notes. Except as provided in clause (i) of this Section 2.03(b), the Notes shall not be transferable or exchangeable, except for transfer to another securities depository or to another nominee of a securities depository.



With respect to Commercial Paper Notes registered in the name of DTC or its nominee, neither the Board nor the Issuing and Paying Agent shall have any responsibility or obligation to any DTC Participant or to any person on whose behalf a DTC Participant holds an interest in the Commercial Paper Notes. Without limiting the immediately preceding sentence, neither the Board nor the Issuing and Paying Agent shall have any responsibility or obligation with respect to (i) the accuracy of the records of DTC or any DTC Participant with respect to any ownership interest in the Commercial Paper Notes, (ii) the delivery to any DTC Participant or any other person, other than a registered owner of the Commercial Paper Notes, as shown on the Registration Books, of any notice with respect to the Commercial Paper Notes, including any notice of redemption, and (iii) the payment to any DTC Participant or any other person, other than a registered owner of the Commercial Paper Notes, as shown in the Registration Books, of any amount with respect to principal of and premium, if any, or interest on the Commercial Paper Notes.

Whenever, during the term of the Commercial Paper Notes, the beneficial ownership thereof is determined by a book entry at DTC, the requirements in this Fifth Supplement of holding, registering, delivering, exchanging, or transferring the Commercial Paper Notes shall be deemed modified to require the appropriate person or entity to meet the requirements of DTC as to holding, registering, delivering, exchanging, or transferring the book entry to produce the same effect.

Either the Board or DTC may determine to discontinue the book-entry only system and in such case, unless a new book-entry only system is put in place, physical certificates in the form set forth in Exhibit B shall be provided to the beneficial holders of the Commercial Paper Notes under the DTC book-entry only system.

If at any time, DTC ceases to hold the Commercial Paper Notes in its book-entry only system, all references herein to DTC shall be of no further force or effect.

Whenever the beneficial ownership of the Commercial Paper Notes is determined by a book entry at DTC, delivery of Commercial Paper Notes for payment at maturity shall be made pursuant to DTC's payment procedures as are in effect from time to time and the DTC Participants shall transmit payment to beneficial owners whose Commercial Paper Notes have matured. The Board and each Issuing and Paying Agent, Bank, and Dealer are not responsible for transfer of payment to the DTC Participants or beneficial owners.

**Section 2.04. Form of Commercial Paper Notes.** (a) *Physical Delivery.* If not issued in book-entry only form as provided in Section 2.03(b), the Commercial Paper Notes and the Certificate of Authentication to appear on each of the Commercial Paper Notes shall be substantially in the form set forth in Exhibit B to this Fifth Supplement with such appropriate insertions, omissions, substitutions, and other variations as are permitted or required by this Fifth Supplement and may have such letters, numbers, or other marks of identification (including identifying numbers and letters of the Committee on Uniform Securities Identification Procedures of the American Bankers Association) ("CUSIP" numbers) and such legends and endorsements thereon as may, consistently herewith, be approved by an Authorized Representative. Any portion of the text of any Commercial Paper Notes may be set forth on the reverse thereof, with an appropriate reference thereto on the face of the Commercial Paper Notes and the Commercial Paper Notes shall be printed, lithographed, or engraved or produced in any other similar manner, or typewritten, all as determined and approved by an Authorized Representative.

(b) *Book-Entry Only System.* If the Commercial Paper Notes are issued in book-entry only form pursuant to Section 2.03(b), they shall be issued in the form of a Master Note in substantially the form attached hereto as Exhibit C to which there shall be attached the form of Commercial Paper Note set forth in Exhibit B; and it is hereby declared that the provisions of Exhibit B are incorporated into and shall be a part of the Master Note. It is further provided that this Fifth Supplement, the Master Resolution, and the form of Commercial Paper Note set forth in Exhibit B shall constitute the "Underlining Records" referred to in the Master Note.

**Section 2.05. Execution - Authentication.** Under authority granted by Section 1371.055, Texas Government Code, the Commercial Paper Notes shall be executed on behalf of the Board by the Chief Financial Officer of the System under its seal reproduced or impressed thereon and attested by the Secretary or any Assistant Secretary of the Board. The signature of said officers on the Notes may be manual or facsimile. Notwithstanding the other provisions of this Section 2.05, the Master Note shall be executed on behalf of the Board by the manual signature of the Chief Financial Officer of the System. Notes bearing the manual or facsimile signatures of individuals who are or were the proper officers of the Board on the date of passage of this Fifth Supplement shall be deemed to be duly executed on behalf of the Board, notwithstanding that such individuals or either of them shall cease to hold such offices at the time of the initial sale and delivery of Notes authorized to be issued hereunder and with respect to Notes delivered in subsequent sales, exchanges, and transfers, all as authorized and provided in Chapter 1201, Texas Government Code.

Other than pursuant to Section 2.03(b), no Commercial Paper Note shall be entitled to any right or benefit under this Fifth Supplement, or be valid or obligatory for any purpose, unless there appears on such Commercial Paper Note a certificate of authentication substantially in the form provided in Exhibit B to this Fifth Supplement, executed by the Issuing and Paying Agent by manual signature, and such certificate upon any Commercial Paper Note shall be conclusive evidence, and the only evidence, that such Commercial Paper Note has been duly certified or registered and delivered.

**Section 2.06. Commercial Paper Notes Mutilated, Lost, Destroyed, or Stolen.** If any Commercial Paper Note shall become mutilated, the Board, at the expense of the Holder of said Commercial Paper Note, shall execute and the Issuing and Paying Agent shall authenticate and deliver a new Note of like tenor and number in exchange and substitution for the Commercial Paper Note so mutilated, but only upon surrender to the Issuing and Paying Agent of the Commercial Paper Note so mutilated. If any Commercial Paper Note shall be lost, destroyed, or stolen, evidence of such loss, destruction, or theft may be submitted to the Board and the Issuing and Paying Agent. If such evidence be satisfactory to them and indemnity satisfactory to them shall be given, the Board, at the expense of the Holder, shall execute and the Paying Agent shall authenticate and deliver a new Commercial Paper Note of like tenor in lieu of and in substitution for the Commercial Paper Note so lost, destroyed, or stolen. In the event any such Commercial Paper Note shall have matured, the Issuing and Paying Agent instead of issuing a duplicate Commercial Paper Note may pay the same without surrender thereof after making such requirement as it deems fit for its protection, including a lost instrument bond. Neither the Board nor the Issuing and Paying Agent shall be required to treat both the original Commercial Paper Note and any duplicate Commercial Paper Note as being outstanding for the purpose of determining the principal amount of Commercial Paper Notes which may be issued hereunder, but both the original and the duplicate Commercial Paper Note shall be treated as one and the same. The Board and the Issuing and Paying Agent may charge the Holder of such Commercial Paper Note with their reasonable fees and expenses for such service.

**Section 2.07. Negotiability, Registration, and Exchangeability.** The Commercial Paper Notes shall be, and shall have all of the qualities and incidents of a negotiable instrument under the laws of the State of Texas, and each successive Holder, in accepting any of the obligations, shall be conclusively deemed to have agreed that such obligations shall be and have all of the qualities and incidents of a negotiable instrument under the laws of the State of Texas.

Registration Books relating to the registration, payment, and transfer or exchange of the Commercial Paper Notes shall at all times be kept and maintained by the Board at the Designated Trust Office of the Issuing and Paying Agent, and the Issuing and Paying Agent shall obtain, record, and maintain in the Registration Books the name, and to the extent provided by or on behalf of the Holder, the address of each Holder of the Commercial Paper Notes, except for Commercial Paper Notes registered to bearer. A copy of the Registration Books shall be provided to and held by the Board in the manner provided in Section 2.03 hereof. Any Commercial Paper Note may, in accordance with its terms and the terms hereof, be transferred or exchanged for Commercial Paper

Notes of like tenor and character and of other authorized denominations upon the Registration Books by the Holder in person or by his duly authorized agent, upon surrender of such Commercial Paper Note to the Issuing and Paying Agent for cancellation, accompanied by a written instrument of transfer or request for exchange duly executed by the Holder or by his duly authorized agent, in form satisfactory to the Registrar.

Upon surrender for transfer of any Commercial Paper Note at the designated office of the Registrar, the Issuing and Paying Agent shall register and deliver, in the name of the designated transferee or transferees, one or more new Commercial Paper Notes executed on behalf of, and furnished by, the Board of like tenor and character and of authorized denominations and having the same maturity, bearing interest at the same rate and of a like aggregate principal amount as the Commercial Paper Note or Commercial Paper Notes surrendered for transfer.

Furthermore, Commercial Paper Notes may be exchanged for other Commercial Paper Notes of like tenor and character and of authorized denominations and having the same maturity, bearing the same rate of interest and of like aggregate principal amount as the Commercial Paper Notes surrendered for exchange, upon surrender of the Commercial Paper Notes to be exchanged at the designated office of the Registrar. Whenever any Commercial Paper Notes are so surrendered for exchange, the Issuing and Paying Agent shall register and deliver new Commercial Paper Notes of like tenor and character as the Commercial Paper Notes exchanged, executed on behalf of and furnished by, the Board to the Holder requesting the exchange.

The Board and the Issuing and Paying Agent may charge the Holder a sum sufficient to reimburse them for any expenses incurred in making any exchange or transfer after the first such exchange or transfer. The Issuing and Paying Agent or the Board may also require payment from the Holder of a sum sufficient to cover any tax, fee, or other governmental charge that may be imposed in relation thereto. Such charges and expenses shall be paid before any such new Commercial Paper Note shall be delivered.

The Board and the Issuing and Paying Agent shall not be required to transfer or exchange any Commercial Paper Note selected, called, or being called for redemption in whole or in part.

New Commercial Paper Notes delivered upon any transfer or exchange shall be valid special obligations of the Board, evidencing the same debt as the Commercial Paper Notes surrendered, shall be secured by this Fifth Supplement and shall be entitled to all of the security and benefits hereof to the same extent as the Commercial Paper Notes surrendered.

The Board reserves the right to change the above registration and transferability provisions of the Commercial Paper Notes at any time on or prior to the delivery thereof in order to comply with applicable laws and regulations of the United States in effect at the time of issuance thereof. In addition, to the extent that the provisions of this Section conflict with or are inconsistent with the provisions of the Form of Commercial Paper Note set forth in Exhibit B, such other provisions shall control. The Board further reserves the right to change the registration and transferability provisions to implement a book-entry only registration system with a securities depository.

**Section 2.08. Note Payment Fund.** If all of the Commercial Paper Notes are not held in a book-entry only system form as provided in Section 2.03(b) hereof, there shall be created a fund at the Issuing and Paying Agent entitled the "Revenue Financing System Note Payment Fund" (the "Note Payment Fund"). The proceeds from the sale of Parity Obligations issued for the purpose of refunding and retiring Notes Outstanding under this Fifth Supplement shall be paid to the Issuing and Paying Agent for deposit to the credit of the Note Payment Fund and used for such purpose. In addition, all amounts required to be paid to the Issuing and Paying Agent for deposit by the Board pursuant to Section 2.09 shall be paid to the Issuing and Paying Agent for deposit to the Note Payment Fund and shall be used to pay principal of, premium, if any, and interest on Notes at the respective interest payment, maturity or redemption of such Notes as provided herein, including the



repayment of any amounts owed with respect to the Promissory Note in evidence of Advances under a Liquidity Agreement.

Additionally, all Advances under a Liquidity Agreement shall be paid to the Issuing and Paying Agent for the account of the Board and deposited into the Note Payment Fund and used to pay the principal of, premium, if any, and interest on the Commercial Paper Notes.

The foregoing notwithstanding, if all of the Commercial Paper Notes are held in a book-entry only system as provided in Section 2.03(b), all such moneys derived from the sources described above in this Section may be transferred directly by the Board or the Issuing and Paying Agent to DTC, if the Board does not serve in such capacity as permitted by Section 2.03(a).

**Section 2.09. Establishment of Financing System; Issuance of Parity Obligations; Security and Pledge.** (a) *Notes as Parity Obligations.* By adoption of the Master Resolution, the Board has established the Financing System for the purpose of providing a financing structure for revenue supported indebtedness of TTU, the Health Sciences Center, and for any institutions and agencies which are from time to time included as Participants of the Financing System. The Master Resolution is intended to establish a master plan under which revenue supported debt of the Financing System may be incurred. This Fifth Supplement provides for the authorization, issuance, sale, delivery, form, characteristics, provisions of payment and redemption, and security of the Notes which are a series of Parity Obligations. The Master Resolution is incorporated herein by reference and as such made a part hereof for all purposes, except to the extent modified and supplemented hereby and the Notes are hereby declared to be Parity Obligations under the Master Resolution. The Board hereby determines that it will have sufficient funds to meet the financial obligations of each Participant in the Financing System (currently TTU and the Health Sciences Center), including sufficient Pledged Revenues to satisfy the Annual Debt Service Requirements of the Financing System and to meet all financial obligations of the Board relating to the Financing System. Furthermore, the Board hereby determines that each of the Participants for whom the Notes are being issued possess the financial capability to satisfy its Direct Obligation after taking into account the issuance of the Notes.

(b) *Pledge of Pledged Revenues.* The Notes are special obligations of the Board payable from and secured solely by the Pledged Revenues pursuant to the Master Resolution and this Fifth Supplement. The Pledged Revenues are hereby pledged, subject to the liens securing the Prior Encumbered Obligations, to the payment of the principal of, premium, if any, and interest on the Notes as the same shall become due and payable. The Board agrees to pay the principal of, premium, if any, and the interest on the Notes when due, whether by reason of maturity or redemption.

(c) *Advances.* An Authorized Representative shall implement the procedures necessary to make an Advance under a Liquidity Agreement, if there is not anticipated to be Pledged Revenues or other lawfully available funds in an amount sufficient and in ample time to pay the principal of and interest and any premium, if any, on the Commercial Paper Notes as such principal, interest and premium, respectively, come due, whether by reason of maturity or redemption. Amounts attributable to and derived either from Advances under and pursuant to a Liquidity Agreement or from amounts provided pursuant to Section 4.03(b) shall be used only to pay the principal of, premium, if any, and interest on the Commercial Paper Notes.

**Section 2.10. Cancellation.** All Commercial Paper Notes which at maturity are surrendered to the Issuing and Paying Agent for the collection of the principal and interest thereof or are surrendered for transfer or exchange pursuant to the provisions hereof or are refunded through an Advance shall, upon payment or issuance of new Commercial Paper Notes, be cancelled by the Issuing and Paying Agent and forthwith transmitted to the Board, and thereafter the Board shall have custody of such cancelled Commercial Paper Notes.

Section 2.11. **Liquidity Agreement.** The Board reserves the right to enter into one or more Liquidity Agreements to provide liquidity in support of all or a portion of the Commercial Paper Notes to be outstanding under this Fifth Supplement. Whenever the term "Liquidity Agreement" is used in this Fifth Supplement, it shall refer to an agreement referred to in this Section 2.11 and the term "Advances" shall mean advances made under any such Liquidity Agreement.

Section 2.12. **Promissory Note.** The Board reserves the right to authorize one or more Promissory Notes to evidence Advances made under a Liquidity Agreement, and such Promissory Notes shall be on a parity and of equal dignity with the Commercial Paper Notes.

Section 2.13. **Fiscal and Other Agents.** In furtherance of the purposes of this Fifth Supplement, the Board may from time to time appoint and provide for the payment of such additional fiscal, paying, or other agents or trustees as it may deem necessary or appropriate in connection with the Notes.

### ARTICLE III ISSUANCE AND SALE OF NOTES

Section 3.01. **Issuance and Sale of Notes.** (a) *Sale by Authorized Representative.* All Commercial Paper Notes shall be sold in the manner determined by the Authorized Representative to be most economically advantageous to the Board.

(b) *Terms of Commercial Paper Notes.* The terms of the Commercial Paper Notes shall be established and they shall be delivered by the Issuing and Paying Agent in accordance with telephonic, computer, or written instructions of any Authorized Representative and in the manner specified below and in the Issuing and Paying Agent Agreement. To the extent such instructions are not written, they shall be confirmed in writing within 24 hours of the transmission or communication thereof. Said instructions shall specify such principal amounts, dates of issue, maturities, rates of discount or interest, or the formula or method of calculating interest and the basis upon which it is to be calculated, purchase price, and other terms and conditions which are hereby authorized and permitted to be fixed by any Authorized Representative at the time of sale of the Commercial Paper Notes. Such instructions shall also contain provisions representing that all action on the part of the Board necessary for the valid issuance of the Commercial Paper Notes then to be issued, or the incurring of Advances under a Promissory Note then to be incurred, has been taken, that all provisions of Texas and federal law necessary for the valid issuance of such Commercial Paper Notes with provision for original issue discount and interest exclusion from federal income taxation have been complied with, and that such Commercial Paper Notes will be valid and enforceable special obligations of the Board according to their terms, subject to the exercise of judicial discretion in accordance with general principles of equity and bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and that, based upon the advice of Bond Counsel, the earned original issue discount on the Commercial Paper Notes or stated interest on the Commercial Paper Notes, as the case may be, is, subject to the conditions set forth in the opinion of Bond Counsel delivered concurrently with the commencement of the issuance of Commercial Paper Notes, excludable from gross income of the owners thereof for federal income tax purposes. Such instructions shall also certify that, as of the date of such certificate:

(i) the Board has been advised by Bond Counsel that the projects to be financed or refinanced by the Commercial Paper Notes will constitute Eligible Projects, and, further, that the proposed issuance will not cause the Board to be in violation of its covenants set forth in Section 4.04 hereof;

(ii) the requirements of Section 5 of the Master Resolution have been complied with;



(iii) the Board is in compliance with the covenants set forth in Article IV as of the date of such instructions;

(iv) the sum of the interest payable on such Commercial Paper Note issued and Outstanding or in the process of issuance and any discount established for such Commercial Paper Notes will not exceed a yield to the maturity date of such Commercial Paper Note in excess of the Maximum Interest Rate in effect on the date of issuance of such Commercial Paper Note;

(v) approval of the Eligible Project, if required, by the Texas Higher Education Coordination Board has been obtained;

(vi) if a Liquidity Agreement is then in effect, no "Event of Default" thereunder has occurred and is continuing as of the date of such certificate; and

(vii) after the proposed issuance, the principal amount of Commercial Paper Notes to be Outstanding after such issuance does not exceed the amount of Commercial Paper Notes authorized to be issued under this Fifth Supplement plus the available commitment under a Liquidity Agreement, if then in effect.

Should the Commercial Paper Notes be held in a book-entry only system form in accordance with the provisions of Section 2.03(b), and the Board acts in the capacity of Issuing and Paying Agent during the time such book-entry only system is in effect, the terms of the Commercial Paper Notes shall be established by the Authorized Representative consistent with the procedures of DTC regarding the issuance of the Master Note.

(c) *Promissory Note.* If a Liquidity Agreement is then in effect, a Promissory Note shall be delivered to the Bank and thereafter Advances may be made thereunder in accordance with the terms of such Liquidity Agreement.

**Section 3.02. Proceeds of Sale of Commercial Paper Notes.** The proceeds of the sale of any Commercial Paper Notes (net of all expenses and costs of sale and issuance) shall be applied for any or all of the following purposes as directed by an Authorized Representative:

(i) used for the payment and redemption or purchase of Outstanding Commercial Paper Notes, Parity Obligations or Prior Encumbered Obligations at or before maturity and the refunding of any Advances (evidenced by the Promissory Note) under a Liquidity Agreement; or

(ii) used for the purpose of financing Project Costs of Eligible Projects.

**Section 3.03. Issuing and Paying Agent Agreement.** The Board heretofore has appointed Bankers Trust Company to serve as Paying Agent and Registrar under the terms of the Issuing and Paying Agent Agreement, executed by an Authorized Representative on behalf of the Board, relating to the Commercial Paper Notes.

**Section 3.04. Dealer Agreement.** The Board heretofore has appointed J.P. Morgan Securities, Inc. to serve as commercial paper dealer (the "Dealer") under the terms of the Dealer Agreement, executed by an Authorized Representative on behalf of the Board, pertaining to the sale, from time to time, of Commercial Paper Notes or the purchase of Commercial Paper Notes from the Board, all for a fee as set forth in the Dealer Agreement. An Authorized Representative is hereby authorized to enter any supplemental agreements with the Dealer or with any successor Dealer.

#### ARTICLE IV COVENANTS OF THE BOARD

**Section 4.01. Limitation on Issuance.** Unless this Fifth Supplement and the Liquidity Agreement are amended and modified by the Board in accordance with the provisions of Section 5.01, the Board covenants that there will not be issued and Outstanding at any time more than \$100,000,000 in principal amount of Commercial Paper Notes. The Board, however, does reserve the right to issue additional Parity Obligations in excess of said amount, without limitation, by a Supplement duly adopted by the Board.

**Section 4.02. Provisions for Liquidity.** The Board covenants to maintain available funds plus any available bank loan commitment issued under the terms of a Liquidity Agreement in an amount equal to the total principal amount of Outstanding Commercial Paper Notes plus interest to accrue thereon for the following 270 days. In furtherance of the foregoing covenant, the Board agrees that it will not issue any Commercial Paper Notes or make any borrowings which will result in a violation of such covenant.

**Section 4.03. Available Funds.** (a) *Parity Obligations.* To the extent Notes cannot be issued to renew or refund Outstanding Notes, the Board shall provide funds or shall in good faith endeavor to sell a sufficient principal amount of Parity Obligations or other obligations of the Board in order to have funds available, together with other moneys available therefor, to pay the Notes and the interest thereon, or any renewals thereof, as the same shall become due, and other amounts due under a Liquidity Agreement.

(b) *Lawfully Available Funds.* Notwithstanding anything to the contrary contained herein, to the extent that the Dealer cannot sell Commercial Paper Notes to renew or refund Outstanding Notes on their maturity, the Board covenants to use lawfully available funds to purchase Notes issued to renew and refund such maturing Notes and such payment, issuance and purchase are not intended to constitute an extinguishment of the obligation represented by such maturing Notes and the Board may issue Notes to renew and refund the Notes held by it when the Dealer is again able to sell Notes. While such Notes are held by the Board they shall bear interest at the rate being earned by the funds used to purchase such Notes on the date of purchase.

**Section 4.04. Commercial Paper Notes to Remain Tax Exempt.** (a) *General Tax Covenant.* The Board covenants (i) to refrain from any action which would adversely affect, and (ii) to take such action to ensure, the treatment of the Commercial Paper Notes as obligations described in section 103 of the Internal Revenue Code of 1986 (the "Code"), the interest on which is not includable in the "gross income" of the holder for purposes of federal income taxation. In furtherance thereof, the Board covenants as follows:

(a) to take any action to assure that no more than 10 percent of the proceeds of the Commercial Paper Notes or the projects financed therewith (less amounts deposited to a reserve fund, if any) are used for any "private business use", as defined in section 141(b)(6) of the Code or, if more than 10 percent of the proceeds are so used, that amounts, whether or not received by the City, with respect to such private business use, do not, under the terms of this Fifth Supplement or any underlying arrangement, directly or indirectly, secure or provide for the payment of more than 10 percent of the debt service on the Commercial Paper Notes, in contravention of section 141(b)(2) of the Code;

(b) to take any action to assure that in the event that the "private business use" described in subsection (a) hereof exceeds 5 percent of the proceeds of the Commercial Paper Notes or the projects financed therewith (less amounts deposited into a reserve fund, if any) then the amount in excess of 5 percent is used for a "private business use" which is "related" and not "disproportionate", within the meaning of section 141(b) (3) of the Code, to the governmental use;

(c) to take any action to assure that no amount which is greater than the lesser of \$5,000,000, or 5 percent of the proceeds of the Commercial Paper Notes (less amounts deposited into a reserve fund, if any) is directly or indirectly used to finance loans to persons, other than state or local governmental units, in contravention of section 141(c) of the Code;

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

(e) to refrain from taking any action that would result in the Commercial Paper Notes being "federally guaranteed" within the meaning of section 149(b) of the Code;

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

(1) proceeds of the Commercial Paper Notes invested for a reasonable temporary period of 3 years or less until such proceeds are needed for the purpose for which the obligations are issued,

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

(3) amounts deposited in any reasonably required reserve or replacement fund to the extent such amounts do not exceed 10 percent of the proceeds of the Commercial Paper Notes;

(g) to otherwise restrict the use of the proceeds of the Commercial Paper Notes or amounts treated as proceeds of the Commercial Paper Notes, as may be necessary, so that the Commercial Paper Notes do not otherwise contravene the requirements of section 148 of the Code (relating to arbitrage) and, to the extent applicable, section 149(d) of the Code (relating to advance refundings); and

(h) to pay to the United States of America at least once during each five-year period (beginning on the date of delivery of the Commercial Paper Notes) an amount that is at least equal to 90 percent of the "Excess Earnings", within the meaning of section 148(f) of the Code, and to pay to the United States of America, not later than 60 days after the Commercial Paper Notes have been paid in full, 100 percent of the amount then required to be paid as a result of Excess Earnings under section 148(f) of the Code.

(b) *Arbitrage*. The Board further covenants that it will execute and deliver to the Issuing and Paying Agent then serving in that capacity a Federal Tax Certificate in the form approved by Bond Counsel in connection with the original issuance of the Commercial Paper Notes, and each issuance of Commercial Paper Notes thereafter to pay Project Costs, and that in connection with any other issuance of Commercial Paper Notes, it will execute and deliver to the Issuing and Paying Agent a confirmation that the facts, estimates, circumstances and reasonable expectations contained therein continue to be accurate as of such issue date. The Board represents and covenants that it will not expend, or permit to be expended, the proceeds of any Commercial Paper Notes in any manner inconsistent with its reasonable expectations as certified in the Federal Tax Certificates to be executed from time to time with respect to the Commercial Paper Notes; provided, however, that the Board may expend Note proceeds in any manner if the Board first obtains an unqualified opinion of



Bond Counsel that such expenditure will not adversely affect the exemption from federal income taxation of interest paid on the Commercial Paper Notes. The Board represents that it has not been notified of any listing or proposed listing by the Internal Revenue Service to the effect that it is an issuer whose arbitrage certifications may not be relied upon. The Board further covenants with the Holders of all Commercial Paper Notes at any time Outstanding that no use of the proceeds of any of the Commercial Paper Notes or any other funds of the Board will be made which will cause any of such Commercial Paper Notes to be "arbitrage bonds" subject to federal income taxation by virtue of being described in section 148 of the Code. In particular, but not by way of limitation, so long as any of the Commercial Paper Notes are Outstanding, the Board, with respect to such proceeds and other funds which may be treated as proceeds, will comply with all requirements of section 148 and the regulations of the United States Department of the Treasury issued thereunder, to the extent that such regulations are, at the time, applicable and in effect. In particular, but not by way of limitation, the Board covenants:

(i) to pay to the United States of America at least once during each five-year period (beginning on the date of delivery of the Commercial Paper Notes to pay issued Project Costs) an amount that is at least equal to 90 percent of the "Excess Earnings," within the meaning of section 148(f) of the Code and to pay to the United States of America, not later than 60 days after the Commercial Paper Notes have been paid in full, 100 percent of the amount then required to be paid as a result of Excess Earnings under section 148(f) of the Code; and

(ii) to maintain such records as will enable the Board to fulfill its responsibilities under this section and section 148 of the Code and to retain such records for at least six years following the final payment of principal and interest on the Commercial Paper Notes.

(c) *Compliance with Covenants.* It is the understanding of the Board that the covenants contained in this Section 4.04 are intended to assure compliance with the Code and any regulations or rulings promulgated by the U.S. Department of the Treasury pursuant thereto. In the event that regulations or rulings are hereafter promulgated which modify, or expand provisions of the Code, as applicable to the Commercial Paper Notes, the Board will not be required to comply with any covenant contained herein to the extent that such failure to comply, in the opinion of nationally-recognized bond counsel, will not adversely affect the exemption from federal income taxation of interest on the Commercial Paper Notes under section 103 of the Code. In the event that regulations or rulings are hereafter promulgated which impose additional requirements which are applicable to the Commercial Paper Notes, the Board agrees to comply with the additional requirements to the extent necessary, in the opinion of nationally-recognized bond counsel, to preserve the exemption from federal income taxation of interest on the Commercial Paper Notes under section 103 of the Code.

(d) *Allocation of, and Limitation on, Expenditures for Eligible Projects.* The Board covenants to account for the expenditure of sale proceeds and investment earnings to be used for the Eligible Project on its books and records in accordance with the requirements of the Code. The Board recognizes that in order for the proceeds to be considered used for the reimbursement of costs, the proceeds must be allocated to expenditures within 18 months of the later of the date that (1) the expenditure is made, or (2) the Eligible Project is completed; but in no event later than three years after the date on which the original expenditure is paid. The foregoing notwithstanding, the Board recognizes that in order for proceeds to be expended under the Code, the sale proceeds or investment earnings must be expended no more than 60 days after the earlier of (1) the fifth anniversary of the delivery of the Commercial Paper Notes, or (2) the date the Commercial Paper Notes are retired. The Board agrees to obtain the advice of nationally-recognized bond counsel if such expenditure fails to comply with the foregoing to assure that such expenditure will not adversely affect the tax-exempt status of the Commercial Paper Notes. For purposes hereof, the Board shall not be obligated to comply with this covenant if it obtains an opinion of nationally-recognized bond

counsel substantially to the effect that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

(e) *Disposition of Property Financed with Commercial Paper Notes.* The Board covenants that the property constituting an Eligible Project financed with the proceeds of the Commercial Paper Notes will not be sold or otherwise disposed in a transaction resulting in the receipt by the Board of cash or other compensation, unless the Board obtains an opinion of nationally-recognized bond counsel substantially to the effect that such sale or other disposition will not adversely affect the tax-exempt status of the Commercial Paper Notes. For purposes of the foregoing, the portion of the property comprising personal property and disposed in the ordinary course shall not be treated as a transaction resulting in the receipt of cash or other compensation. For purposes hereof, the Board shall not be obligated to comply with this covenant if it obtains an opinion of nationally-recognized bond counsel substantially to the effect that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

**Section 4.05. Opinion of Bond Counsel.** The Board shall cause the legal opinion of Bond Counsel as to the validity of the Commercial Paper Notes and as to the exclusion of interest on the Commercial Paper Notes from gross income of the owners thereof for federal income tax purposes to be furnished to DTC if the Commercial Paper Notes are held in a book-entry only system, or to any Holder without cost. In addition, a copy of said opinion may be printed on each of the Commercial Paper Notes. In addition, in connection with the annual updating of the Offering Memorandum (as provided in accordance with Section 6.08 hereof) as required by the Dealer Agreement, or if required under the terms of the Liquidity Agreement, there shall be provided an annual updated opinion of Bond Counsel, at the cost of the Board (or the Dealer as agreed to in the Dealer Agreement).

## **ARTICLE V AMENDMENTS**

**Section 5.01. Amendment of Supplement.** (a) *Amendments Without Consent.* This Fifth Supplement and the rights and obligations of the Board and of the owners of the Outstanding Commercial Paper Notes may be modified or amended at any time without notice to or the consent of any owner of the Commercial Paper Notes or any other Parity Obligations, solely for any one or more of the following purposes:

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

(ii) to cure any ambiguity or inconsistency, or to cure or correct any defective provisions contained in this Fifth Supplement, upon receipt by the Board of an opinion of Bond Counsel, that the same is needed for such purpose, and will more clearly express the intent of this Fifth Supplement;

(iii) to supplement the security for the Outstanding Commercial Paper Notes issued hereunder, replace or provide additional credit facilities, or change the form of the Outstanding Commercial Paper Notes or make such other changes in the provisions hereof, including extending the Maximum Maturity Date, as the Board may deem necessary or desirable and which shall not, in the judgment of the Board, materially adversely affect the interests of the owners of the Outstanding Commercial Paper Notes;

(iv) to make any changes or amendments requested by any bond rating agency then rating or requested to rate Commercial Paper Notes, as a condition to the issuance or maintenance of a rating, which changes or amendments do not, in



the judgment of the Board, materially adversely affect the interests of the owners of the Outstanding Commercial Paper Notes; or

(v) to increase the amount of Commercial Paper Notes which may be Outstanding pursuant to Section 4.01.

(b) *Amendments With Consent.* Subject to the other provisions of this Fifth Supplement, the owners of Outstanding Commercial Paper Notes aggregating at least 51 percent in Outstanding Principal Amount shall have the right from time to time to approve any amendment, other than amendments described in subsection (a) of this Section, to this Fifth Supplement which may be deemed necessary or desirable by the Board, provided, however, that nothing herein contained shall permit or be construed to permit, without the approval of the owners of all of the Outstanding Commercial Paper Notes, the amendment of the terms and conditions in this Fifth Supplement or in the Commercial Paper Notes so as to:

(i) make any change in the maturity of the Outstanding Commercial Paper Notes;

(ii) reduce the rate of interest borne by Outstanding Commercial Paper Notes;

(iii) reduce the amount of the principal payable on Outstanding Commercial Paper Notes;

(iv) modify the terms of payment of principal of or interest on the Outstanding Commercial Paper Notes, or impose any conditions with respect to such payment;

(v) affect the rights of the owners of less than all Commercial Paper Notes then Outstanding; or

(vi) change the minimum percentage of the Outstanding Principal Amount of Commercial Paper Notes necessary for consent to such amendment.

(c) *Notice.* If at any time the Board shall desire to amend this Fifth Supplement pursuant to subsection (b), the Board shall cause notice of the proposed amendment to be published in a financial newspaper or journal of general circulation in The City of New York, New York, once during each calendar week for at least two successive calendar weeks. Such notice shall briefly set forth the nature of the proposed amendment and shall state that a copy thereof is on file at the principal office of the Issuing and Paying Agent for inspection by all owners of Commercial Paper Notes issued hereunder. Such publication is not required, however, if the Board gives or causes to be given such notice in writing to DTC, if the Commercial Paper Notes are held in a book-entry only system, or to each owner of Commercial Paper Notes. A copy of such Notice shall be provided in writing to (i) the Bank at the address shown in a Liquidity Agreement as the address to which notices to the Bank are to be sent and (ii) to each national rating agency maintaining a rating on the Commercial Paper Notes.

(d) *Receipt of Consents.* Whenever at any time not less than thirty (30) days, and within one year, from the date of the first publication of said notice or other service of written notice of the proposed amendment the Board shall receive an instrument or instruments executed by all of the owners or the owners of at least 51 percent in Outstanding Principal Amount of the Commercial Paper Notes, as appropriate, which instrument or instruments shall refer to the proposed amendment described in said notice and which specifically consent to and approve such amendment in substantially the form of the copy thereof on file as aforesaid, the Board may adopt the amendatory resolution in substantially the same form.

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

(f) *Consent Irrevocable.* Any consent given by any owner of Commercial Paper Notes pursuant to the provisions of this Section shall be irrevocable for a period of six months from the date of the first publication or other service of the notice provided for in this Section, and shall be conclusive and binding upon all future owners of the same Commercial Paper Notes during such period. Such consent may be revoked at any time after six months from the date of the first publication of such notice by the owner who gave such consent, or by a successor in title, by filing notice thereof with the Issuing and Paying Agent and the Board, but such revocation shall not be effective if the owners of at least 51 percent in Outstanding Principal Amount of Commercial Paper Notes prior to the attempted revocation consented to and approved the amendment.

(g) *Ownership.* For the purpose of this Section, the ownership and other matters relating to all Commercial Paper Notes registered as to ownership shall be determined from the registration books kept by the Issuing and Paying Agent therefor. The fact of the owning of Commercial Paper Notes issued hereunder not registered as to ownership by any Holder and the amount and the numbers of such Commercial Paper Notes and the date of the holding of the same may be proved by the affidavit of the person claiming to be such Holder if such affidavit shall be deemed by the Issuing and Paying Agent to be satisfactory, or by a certificate executed by any trust company, bank, banker or any other depository, wherever situated, if such certificate shall be deemed by Issuing and Paying Agent to be satisfactory, showing that at that date therein mentioned such person had on deposit with such trust company, bank, banker or other depository the Commercial Paper Notes described in such certificate. The Issuing and Paying Agent may conclusively assume that such ownership continues until written notice to the contrary is served upon the Issuing and Paying Agent.

(h) *Consent of Bank.* For so long as the Bank is not in default under a Liquidity Agreement then in effect, no amendment to this Fifth Supplement shall become effective without the prior written consent of the Bank, which consent shall not be unreasonably withheld.

## ARTICLE VI MISCELLANEOUS

**Section 6.01. Fifth Supplement to Constitute a Contract; Equal Security.** In consideration of the acceptance of the Notes by those who shall hold the same from time to time, this Fifth Supplement shall be deemed to be and shall constitute a contract between the Board and the Holders from time to time of the Notes and the pledge made in this Fifth Supplement by the Board and the covenants and agreements set forth in this Fifth Supplement to be performed by the Board shall be for the equal and proportionate benefit, security, and protection of all Holders of the Notes, without preference, priority, or distinction as to security or otherwise of any of the Notes over any of the others by reason of time of issuance, sale, or maturity thereof or otherwise for any cause whatsoever, except as expressly provided in or permitted by this Fifth Supplement or, with respect to the Promissory Note, the terms of a Liquidity Agreement.

**Section 6.02. Individuals Not Liable.** All covenants, stipulations, obligations, and agreements of the Board contained in this Fifth Supplement shall be deemed to be covenants, stipulations, obligations, and agreements of the Board to the full extent authorized or permitted by the Constitution and laws of the State of Texas. No covenant, stipulation, obligation, or agreement herein contained shall be deemed to be a covenant, stipulation, obligation, or agreement of any member of the Board or agent or employee of the Board in his individual capacity and neither the members of the Board nor any officer thereof shall be liable personally on the Notes or be subject to any personal liability or accountability by reason of the issuance thereof.

**Section 6.03. Additional Actions.** (a) *Execution and Delivery of Documents.* The Chairman of the Board, the Vice Chairman of the Board, the Secretary of the Board, the Authorized Representatives, and the other officers, employees and agents of the Board are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they may deem necessary or advisable in order to consummate the issuance, sale, and delivery of the Notes and otherwise to effectuate the purposes of this Fifth Supplement, the Dealer Agreement, the Issuing and Paying Agent Agreement, the Depository Trust Company Letter of Representation, if any, and the Liquidity Agreement, if any. In addition, the Chairman of the Board, the Vice Chairman of the Board, the Authorized Representative, and Bond Counsel are hereby authorized to approve, subsequent to the date of this adoption of this Fifth Supplement, any amendments to the above named documents, and any technical amendments to this Fifth Supplement as may be required by Fitch, Moody's, or S&P as a condition to the granting of a rating on the Commercial Paper Notes acceptable to an Authorized Representative.

(b) *Notice to Rating Agencies and Bondholders.* An Authorized Representative shall promptly give written notice to Fitch, Moody's and S&P, as appropriate, of any changes or amendments to this Fifth Supplement, any execution and delivery of a Liquidity Agreement, any amendment, substitution or termination of any Liquidity Agreement then in effect (including the expiration of any such Liquidity Agreement), of any amendment or substitution of the Dealer Agreement or the Issuing and Paying Agent Agreement, or any change or amendment to any other operative document used in connection with the issuance from time to time of the Notes. Notice of any of the aforementioned events also shall be given to Holders in accordance with and in the manner described in Section 5.01(c).

**Section 6.04. Severability of Invalid Provisions.** If any one or more of the covenants, agreements, or provisions herein contained shall be held contrary to any express provisions of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements, or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements or provisions and shall in no way affect the validity of any of the other provisions hereof or of the Notes issued hereunder.

**Section 6.05. Payment and Performance on Business Days.** Whenever under the terms of this Fifth Supplement or the Notes, the performance date of any provision hereof or thereof, including the payment of principal of or interest on the Notes, shall occur on a day other than a Business Day, then the performance thereof, including the payment of principal of and interest on the Notes, need not be made on such day but may be performed or paid, as the case may be, on the next succeeding Business Day with the same force and effect as if made on the date of performance or payment is scheduled.

**Section 6.06. Limitation of Benefits With Respect to the Fifth Supplement.** With the exception of the rights or benefits herein expressly conferred, nothing expressed or contained herein or implied from the provisions of this Fifth Supplement or the Notes is intended or should be construed to confer upon or give to any person other than the Board, the Holders, the Issuing and Paying Agent, the Bank, and the Dealer any legal or equitable right, remedy or claim under or by reason of or in respect to this Fifth Supplement or any covenant, condition, stipulation, promise, agreement, or provision herein contained. This Fifth Supplement and all of the covenants, conditions, stipulations, promises, agreements, and provisions hereof are intended to be and shall be for and inure to the sole and exclusive benefit of the Board, the Holders, the Issuing and Paying Agent, the Bank, and the Dealer as herein provided and as provided in the Issuing and Paying Agent Agreement, the Liquidity Agreement, and the Dealer Agreement.

**Section 6.07. Approval of Attorney General.** No Notes herein authorized to be issued shall be sold or delivered by an Authorized Representative until the Attorney General of the State of Texas

shall have approved this Fifth Supplement, and other agreements and proceedings as may be required in connection therewith, all as is required by the Acts.

**Section 6.08. Approval of Offering Memorandum.** An Authorized Representative is hereby authorized to approve the form of Offering Memorandum, to be used by the Dealer in the offering of the Commercial Paper Notes, and the use thereof by the Dealer in connection therewith and to cooperate with the Dealer in periodically updating and approving the Offering Memorandum.

**Section 6.09. Amendment and Restatement.** Except to the extent set forth herein, the Fifth Supplemental Resolution and the Notes issued thereunder are hereby amended and restated. The provisions of the Fifth Supplemental Resolution relating to the Notes, the agreements and certifications executed and delivered upon the delivery of the Notes, and all actions taken with respect to the Notes are hereby confirmed. After the receipt of the approval of the Attorney General of the State of Texas of this Fifth Supplement, Commercial Paper Notes may be issued hereunder and the provisions of this Fifth Supplement shall govern such Commercial Paper Notes and no additional "Notes", as defined in the Fifth Supplemental Resolution, may be issued thereunder.

**Section 6.10. Public Notice.** It is hereby found and determined that each of the officers and members of the Board was duly and sufficiently notified officially and personally, in advance, of the time, place, and purpose of the Meeting at which this Fifth Supplement was adopted, and that this Fifth Supplement would be introduced and considered for adoption at said meeting; that said meeting was open to the public, and public notice of the time, place, and purpose of said meeting was given, all as required by Chapter 551, Texas Government Code.

PASSED AND ADOPTED, this 27th day of February, 2003.

ATTEST:

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Chairman

(SEAL)



## EXHIBIT A DEFINITIONS

As used in this Fifth Supplement, the terms below defined shall be construed, are used and are intended to have the following meanings, unless the text hereof specifically indicates otherwise:

The term "*Acts*" shall mean, collectively, Chapter 55, Texas Education Code, as amended, and Chapter 1371, Texas Government Code, as amended.

The term "*Advances*" shall have the same meaning given said term in a Liquidity Agreement.

The term "*Bank*" shall mean the financial institution selected by the Board under the terms of a Liquidity Agreement, or any subsequent lender which becomes a party to such Liquidity Agreement, or any other financial institution executing a Liquidity Agreement.

The terms "*Board Representative*" and "*Authorized Representative*" shall mean the Chancellor of the System, the Sr. Vice Chancellor & Chief Financial Officer, the Assistant Vice Chancellor, Investments & Assistant CFO, the Vice President for Fiscal Affairs of TTU, the Vice President for Fiscal Affairs of the Health Sciences Center, or such other official of the System, TTU or the Health Sciences Center appointed by the Board to carry out the functions of the Board specified herein.

The term "*Business Day*" shall mean any day which is not a Saturday, Sunday, legal holiday, or a day on which banking institutions in the City of Lubbock, Texas, The City of New York, New York or in the city where the Designated Trust Office of the Paying Agent/Registrar is located are authorized by law or executive order to close.

The term "*Code*" shall mean the Internal Revenue Code of 1986, as amended.

The term "*Commercial Paper Note*" shall mean a Note issued pursuant to the provisions of the Master Resolution and this Fifth Supplement, having the terms and characteristics specified in Section 2.02 and in the form described in Exhibit B to this Fifth Supplement.

The terms "*Costs*" and "*Project Costs*" shall mean all costs and expenses defined as "project costs" under the Acts incurred in relation to Eligible Projects and permitted by law to be paid with the proceeds of the Notes, including without limitation design, planning, engineering, and legal costs; acquisition costs of land, interests in land, right of way, and easements; construction costs; costs of machinery, equipment, and other capital assets incident and related to the operation, maintenance, and administration of the Eligible Projects; and financing costs, including interest during construction and thereafter, underwriter's discount, and/or legal, financial, and other professional services fees and expenses, and shall include reimbursement for Costs attributable to Eligible Projects incurred prior to the issuance of any Commercial Paper Notes.

The term "*Dealer*" shall have the meaning given said term in Section 3.04.

The term "*Designated Trust Office*" shall have the meaning given said term in Section 2.03(a) of this Fifth Supplement.

The term "*DTC*" shall mean The Depository Trust Company, New York, New York, or any successor securities depository.

The term "*DTC Participant*" shall mean securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations on whose behalf DTC was created to hold securities to facilitate the clearance and settlement of securities transactions among DTC Participants.



The term "*Eighth Series Bonds*" shall mean the Board of Regents of Texas Tech University Revenue Financing System Bonds, Eighth Series (Taxable 2001), as authorized by the Eighth Supplement.

The term "*Eighth Supplement*" shall mean the Eighth Supplemental Resolution adopted by the Board on November 2, 2001, authorizing the sale of the Eighth Series Bonds.

The term "*Eligible Project*" shall mean the acquisition, purchase, construction, improvement, enlargement, and/or equipping of any property, buildings, structures, activities, services, operations, or other facilities, or any other project, program or improvement authorized by the laws of the State of Texas for and on behalf of the Financing System or any Participant thereof.

The term "*Fiscal Year*" shall mean the 12-month operational period of TTU commencing on September 1 of each year and ending on the following August 31.

The term "*Fifth Supplement*" shall mean this Amended and Restated Fifth Supplemental Resolution adopted by the Board on February 28, 2003, authorizing the Commercial Paper Notes.

The term "*First Series Bonds*" shall mean the Board of Regents of Texas Tech University Revenue Financing System Refunding Bonds, First Series (1993) authorized by the First Supplement.

The term "*First Supplement*" shall mean the resolution adopted by the Board on October 21, 1993, authorizing the First Series Bonds.

The term "*Fitch*" shall mean Fitch Ratings or, if such entity is dissolved or liquidated or otherwise ceases to perform securities ratings services, such other nationally recognized securities rating agency as may be designated in writing by the Board.

The term "*Fourth Series Bonds*" shall mean the Board of Regents of Texas Tech University Revenue Financing System Bonds, Fourth Series (Taxable 1996) authorized by the Fourth Supplement.

The term "*Fourth Supplement*" shall mean the resolution adopted by the Board on November 8, 1996, authorizing the Fourth Series Bonds.

The terms "*Holder*" or "*Noteholder*" shall mean the Registered Owner or any person, firm, association, or corporation who is in possession of any Commercial Paper Note issued to bearer or in blank.

The terms "*Issuing and Paying Agent*" and "*Paying Agent*", "*Paying Agent/Registrar*" and "*Registrar*" shall mean with respect to the Commercial Paper Notes the agent appointed pursuant to Section 2.03, or any successor to such agent.

The term "*Liquidity Agreement*" shall mean an agreement between the Board and a Bank, the Board has reserved the right to enter into with respect to Commercial Paper Notes as authorized by Section 2.04.

The term "*Master Resolution*" shall mean the Master Resolution Establishing The Revenue Financing System under the Authority and Responsibility of the Board of Regents of Texas Tech University, adopted by the Board on October 21, 1993, as amended on November 8, 1996 and on August 22, 1997.

The term "*Maximum Interest Rate*" shall mean the greater of the maximum net effective interest rate permitted by law to be paid on obligations issued or incurred by the Board in the exercise of its borrowing powers (prescribed by Chapter 1204, Texas Government Code, as amended) on the effective date of a Liquidity Agreement or such higher rate as may be allowed as the maximum net

effective interest rate permitted by any future law to be paid on obligations issued or incurred by the Board in the exercise of its borrowing powers.

The term "*Maximum Maturity Date*" shall mean December 31, 2033.

The term "*Moody's*" shall mean Moody's Investors Service or, if such entity is dissolved or liquidated or otherwise ceases to perform securities rating services, such other nationally recognized securities rating agency as may be designated in writing by the Board.

The terms "*Note*" or "*Notes*" shall mean the evidences of indebtedness authorized to be issued and at any time outstanding pursuant to this Fifth Supplement and shall include Commercial Paper Notes (including the Master Note as defined in Section 2.03(b)) or Promissory Notes, as appropriate.

The term "*Note Date*" shall have the meaning given in Section 2.02.

The term "*Note Payment Fund*" shall mean that fund created pursuant to Section 2.11.

The term "*Parity Obligations*" shall mean, collectively, the First Series Bonds, the Second Series Bonds, the Third Series Bonds, the Fourth Series Bonds, the Commercial Paper Notes, the Sixth Series Bonds, the Seventh Series Bonds and the Eighth Series Bonds.

The term "*Promissory Note*" shall mean the promissory note issued pursuant to the provisions of this Fifth Supplement and any Liquidity Agreement in evidence of Advances made by the Bank to refund any Commercial Paper Note, or the interest thereon, having the terms and characteristics contained in such Liquidity Agreement and issued in accordance therewith, including any renewals or modifications thereof.

The term "*Registered Owner*" shall mean the person or entity in whose name any Note is registered in the Registration Books.

The term "*Registration Books*" shall mean books or records relating to the registration, payment, and transfer or exchange of the Commercial Paper Notes maintained by the Issuing and Paying Agent pursuant to Section 2.03.

The term "*S&P*" shall mean Standard & Poor's Ratings Services, a Division of The McGraw Hill Companies or, if such entity is dissolved or liquidated or otherwise ceases to perform securities rating services, such other nationally recognized securities rating agency as may be designated in writing by the Board.

The term "*Second Series Bonds*" shall mean the Bonds as authorized by the Second Supplement.

The term "*Second Supplement*" shall mean the Second Supplement adopted by the Board on February 10, 1995, authorizing the sale of the Second Series Bonds.

The term "*Seventh Series Bonds*" shall mean the Board of Regents of Texas Tech University Revenue Financing System Bonds, Seventh Series (2001) authorized by the Seventh Supplement.

The term "*Seventh Supplement*" shall mean the resolution adopted by the Board on November 2, 2001, authorizing the Seventh Series Bonds.

The term "*Sixth Series Bonds*" shall mean the Board of Regents of Texas Tech University Revenue Financing System Refunding and Improvement Bonds, Sixth Series (1999) authorized by the Sixth Supplement.

The term "*Sixth Supplement*" shall mean the Sixth Supplement adopted by the Board on February 12, 1999, authorizing the sale of the Sixth Series Bonds.

The term "*Third Series Bonds*" shall mean the Bonds as authorized by the Third Supplement.

The term "*Third Supplement*" shall mean the Third Supplement adopted by the Board on November 8, 1996, authorizing the sale of the Third Series Bonds.

All terms not herein defined shall have the meanings given to said terms by the Master Resolution or as otherwise defined in this Fifth Supplement.

EXHIBIT B  
FORM OF COMMERCIAL PAPER NOTES

United States of America  
State of Texas  
BOARD OF REGENTS OF TEXAS TECH UNIVERSITY SYSTEM  
REVENUE FINANCING SYSTEM  
COMMERCIAL PAPER NOTE, SERIES A

Note Number \_\_\_\_\_ Interest Rate \_\_\_\_\_ Note Date \_\_\_\_\_ \$ \_\_\_\_\_

On \_\_\_\_\_ (the "Maturity Date") for value received, THE BOARD OF REGENTS (the "Board") OF TEXAS TECH UNIVERSITY SYSTEM (the "System")

Promises To Pay To The Order of

\_\_\_\_\_

The Principal Sum Of

\_\_\_\_\_

Payable At

\_\_\_\_\_

(the "Issuing and Paying Agent").

on the Maturity Date, specified above, and to pay interest, if any, on said principal amount, specified above, on said Maturity Date, from the above specified Note Date to said Maturity Date at the per annum Interest Rate specified above (computed on the basis of actual days elapsed and a 365-day or 366-day year, as applicable) solely from the sources hereinafter identified and as hereinafter stated; both principal and interest on this Commercial Paper Note being payable in immediately available lawful money of the United States of America at the principal corporate office of the Issuing and Paying Agent, specified above, or its successor. No interest will accrue on the principal amount hereof after said Maturity Date.

This Commercial Paper Note is one of an issue of commercial paper notes (the "Commercial Paper Notes") which, together with the below referenced Promissory Note (such Promissory Note and the Commercial Paper Notes being hereinafter collectively referred to as the "Notes"), has been duly authorized and issued in accordance with the provisions of a master resolution (the "Master Resolution") and an amended and restated fifth supplemental resolution thereto (the "Supplemental Resolution"; the provisions of the Master Resolution are incorporated by reference in the Supplemental Resolution and the Master Resolution and the Supplemental Resolution shall hereinafter be referred to collectively as the "Supplemental Resolution") passed by the Board on behalf of the System, an agency and political subdivision of the State of Texas, for the purpose of financing Costs of Eligible Projects (each as defined in the Supplemental Resolution) and to refinance, renew and refund the Notes, other Parity Obligations and Prior Encumbered Obligations; all in accordance and in strict conformity with the provisions of the Constitution and laws of the State of Texas, including but not limited to, Chapter 55, Texas Education Code, as amended, and Chapter 1371, Texas Government Code, as amended. Capitalized terms used herein and not otherwise defined shall have the meaning given in the Supplemental Resolution.

This Commercial Paper Note, together with the other Notes and other Parity Obligations, is payable from and equally secured by the Pledged Revenues; provided, however, that the lien on and pledge of the Pledged Revenues is junior and subordinate to the lien and pledge securing the payment of the Prior Encumbered Obligations, all as further defined and described in the Supplemental Resolution. The Notes do not constitute a legal or equitable pledge, charge, lien, or encumbrance upon any property of the Board, except with respect to the Pledged Revenues as described in the Supplemental Resolution, and the Holder hereof shall never have the right to demand payment of this obligation from any sources or properties of the Board except as described in the Supplemental Resolution. THE NOTES DO NOT CONSTITUTE OR CREATE A DEBT OR

LIABILITY OF THE STATE OF TEXAS, AND NEITHER THE FAITH AND CREDIT NOR THE TAXING AUTHORITY OF THE STATE OF TEXAS IS IN ANY MANNER PLEDGED, GIVEN, OR LOANED TO THE PAYMENT OF THE NOTES.

Reference is hereby made to the Supplemental Resolution, copies of which may be obtained upon request to the Board, and by acceptance of this Commercial Paper Note the Holder hereof hereby assents to all of the terms and provisions of the Supplemental Resolution, including, but not limited to, provisions relating to definitions of terms; the description of and the nature of the security for the Notes and the Pledged Revenues; the conditions upon which the Supplemental Resolution may be amended or supplemented with or without the consent of the Holders of the Notes; and the right to issue obligations payable from and secured by the Pledged Revenues.

It is hereby certified and recited that all acts, conditions, and things required by law and the Supplemental Resolution to exist, to have happened, and to have been performed precedent to and in the issuance of this Commercial Paper Note, do exist, have happened, and have been performed in regular and in due time, form, and manner as required by law and that the issuance of this Commercial Paper Note, together with all other Notes, is not in excess of the principal amount of Notes permitted to be issued under the Supplemental Resolution.

This Commercial Paper Note has all the qualities and incidents of a negotiable instrument under the laws of the State of Texas.

This Commercial Paper Note may be registered to bearer or to any designated payee. Title to any Commercial Paper Note registered to bearer shall pass by delivery. If not registered to bearer, this Commercial Paper Note may be transferred only on the books of the Board maintained at the designated office of the Issuing and Paying Agent. Upon surrender hereof at the designated office of the Issuing and Paying Agent, this Commercial Paper Note may be exchanged for a like aggregate principal amount of fully registered (which registration may be to bearer) Commercial Paper Notes of authorized denominations of like interest rate and maturity, but only in the manner, and subject to the limitations, and upon payment of the charges provided in the Supplemental Resolution and upon surrender and cancellation of this Commercial Paper Note.

This Commercial Paper Note shall not be entitled to any benefit under the Supplemental Resolution or be valid or become obligatory for any purpose until this Commercial Paper Note shall have been authenticated by the execution by the Issuing and Paying Agent of the Certificate of Authentication hereon.

IN WITNESS WHEREOF, the Board has authorized and caused this Commercial Paper Note to be executed and attested on its behalf by the manual or facsimile signatures of the Chief Financial Officer of the System and the Secretary of the Board and the official seal of the System impressed or a facsimile thereof to be printed hereon.

BOARD OF REGENTS OF TEXAS TECH  
UNIVERSITY SYSTEM

\_\_\_\_\_  
Chief Financial Officer

ATTEST:

\_\_\_\_\_  
Secretary

(SEAL)



CERTIFICATE OF AUTHENTICATION

This Commercial Paper Note is one of the Commercial Paper Notes delivered pursuant to the within mentioned Supplemental Resolution.

\_\_\_\_\_  
\_\_\_\_\_  
as Issuing and Paying Agent

By: \_\_\_\_\_  
Countersignature

# UNITING UNIQUENESS



TEXAS TECH UNIVERSITY SYSTEM

**Office of Community &  
Multicultural Affairs**

[WWW.DOUBLETDIVERSITY.COM](http://WWW.DOUBLETDIVERSITY.COM)

1



## Mission Statement



TEXAS TECH UNIVERSITY SYSTEM

**Office of Community &  
Multicultural Affairs**

The Office of Community and Multicultural Affairs, a division of the Texas Tech University System, is committed to promoting and fostering an inclusive System climate that values and respects students, faculty and staff, and the communities that we serve.

This mission is accomplished through community outreach, diversity awareness training, recruitment and retention activities, partnerships, and social interactions, thereby assisting those whom we serve to attain the highest degree of success.

2



## Diversity Strategic Planning Committee



### PURPOSE STATEMENT

To develop an aggressive strategic plan for diversity, with measurable outcomes, that creates a new campus culture in which all elements/units are held accountable for ensuring that the TTU System's population more closely reflects the State's demographics.

3



## Diversity Strategic Planning Committee

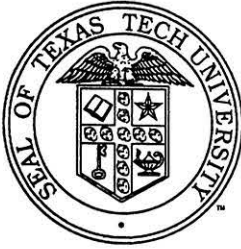
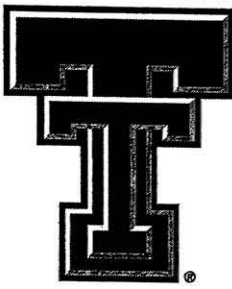

### GOALS

- A campus climate that values diversity
- Culturally diverse students, faculty, and staff
- A user-friendly campus
- Community involvement




4

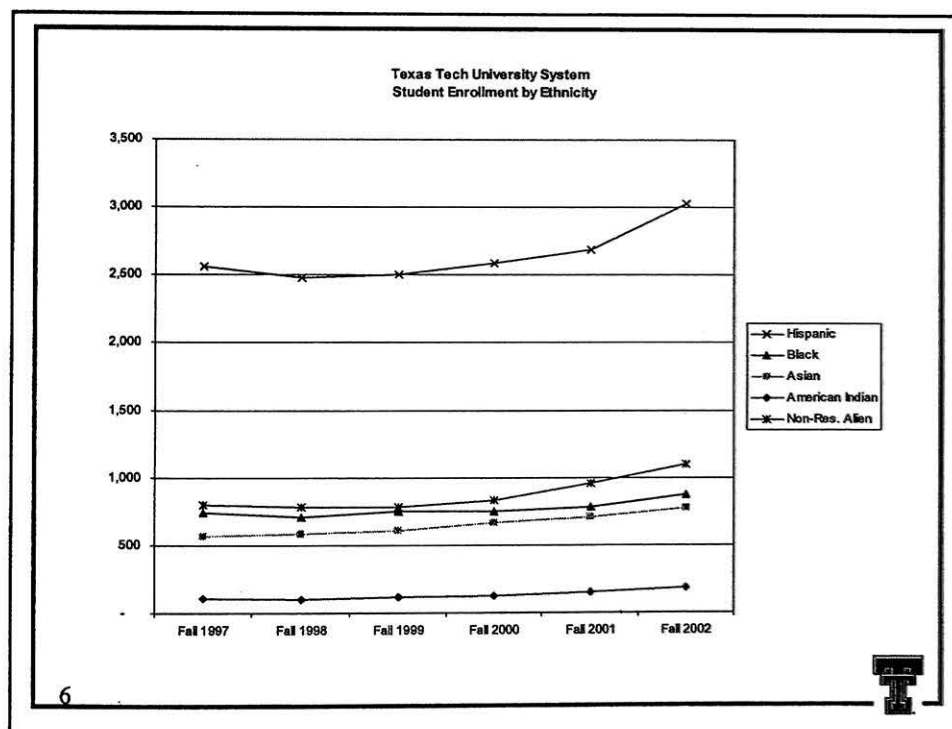


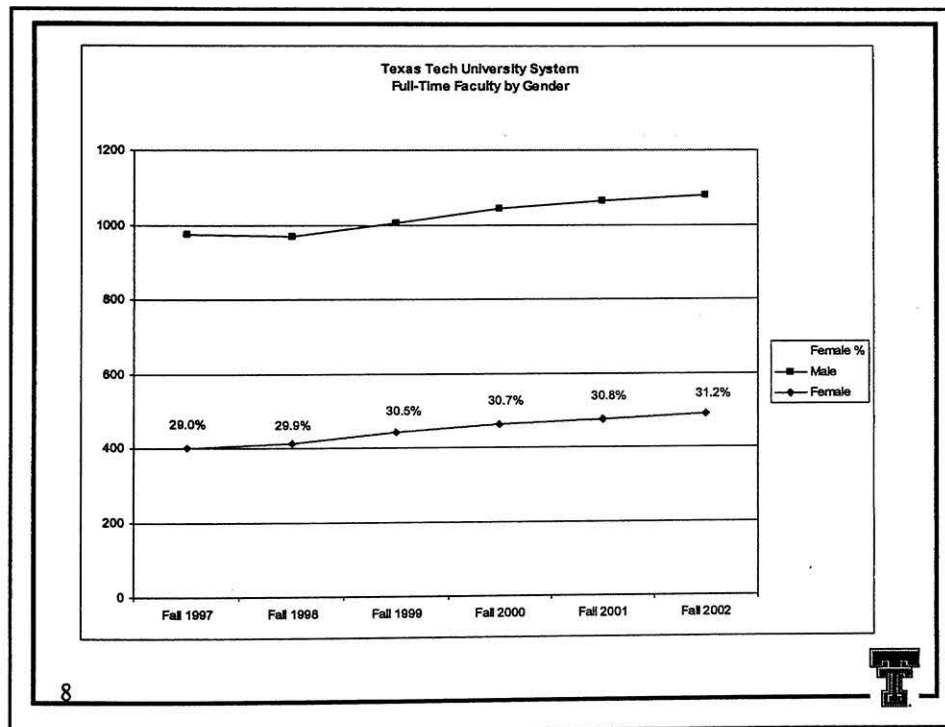
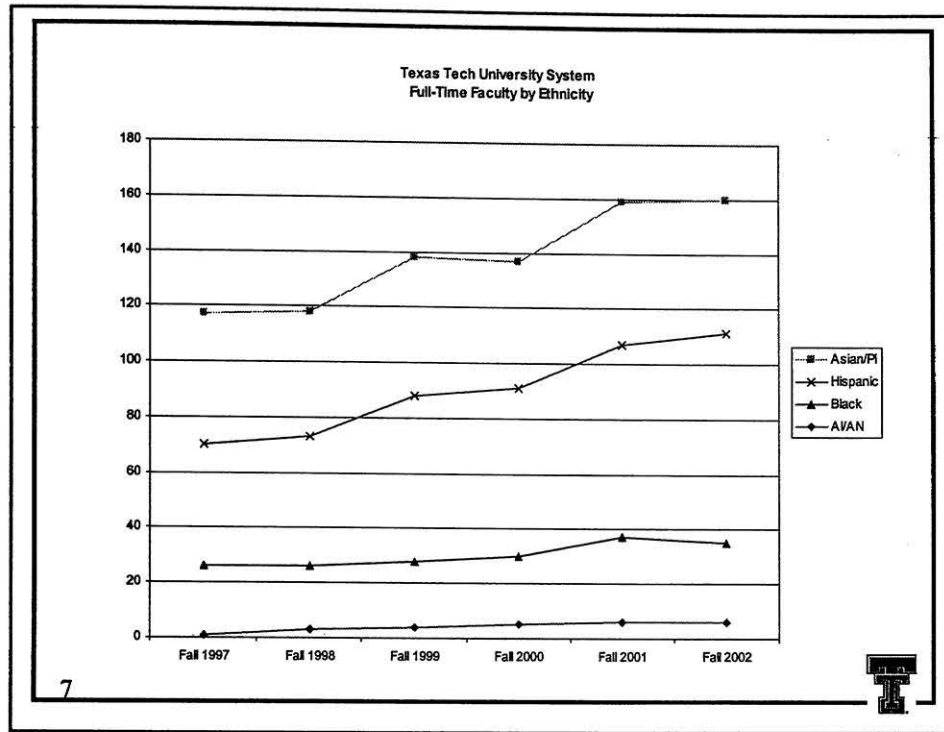




## How Are We Doing

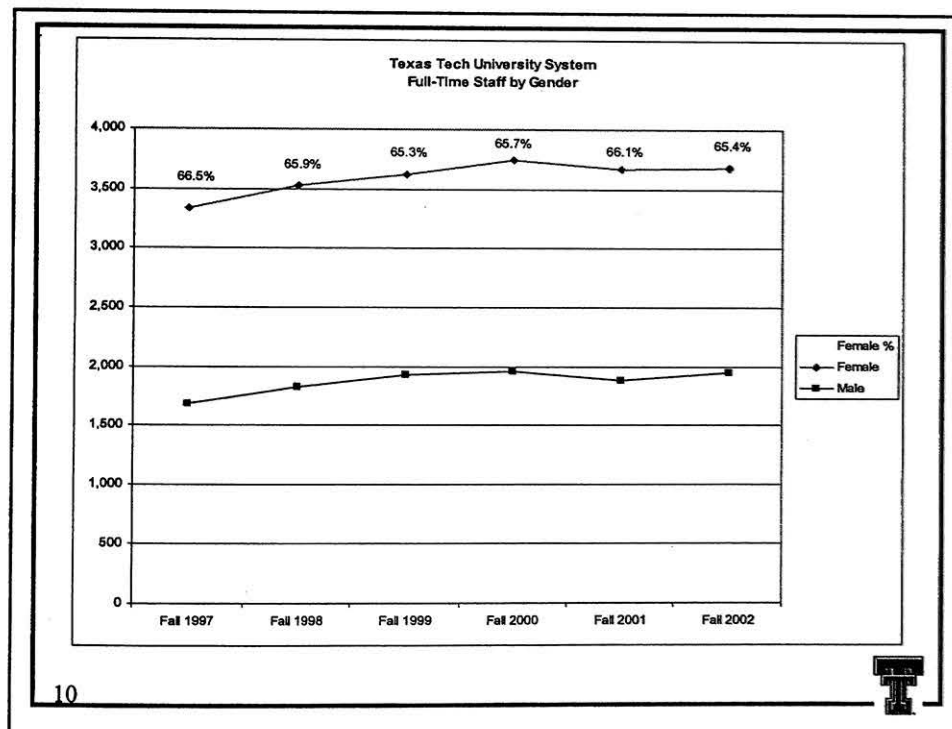
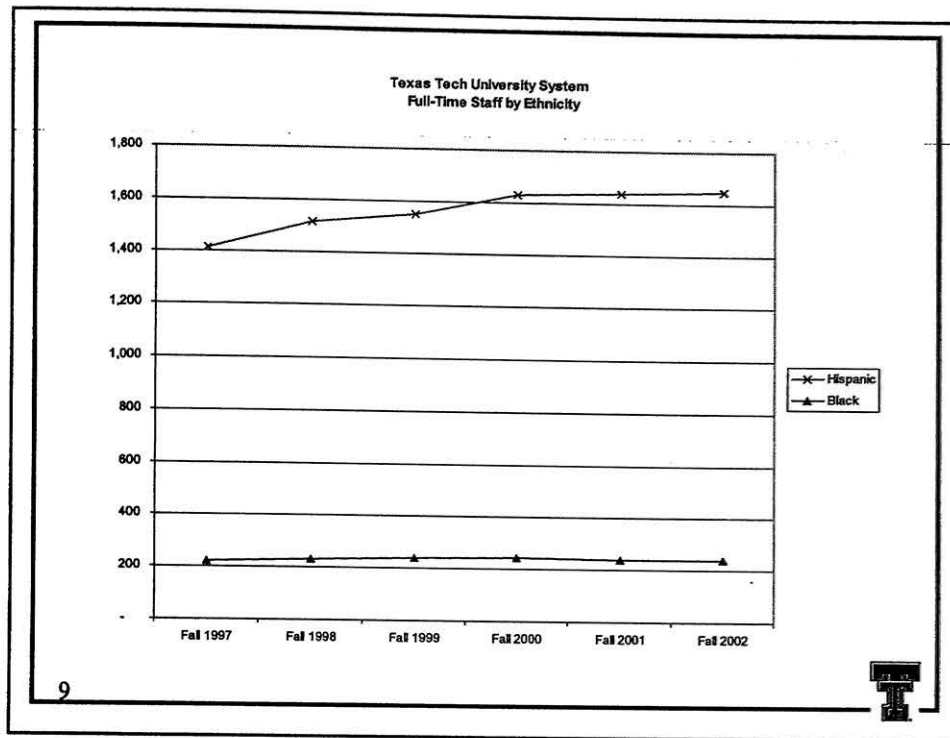
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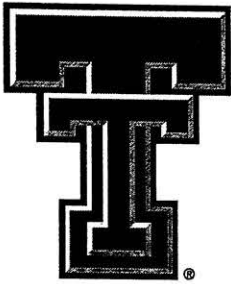
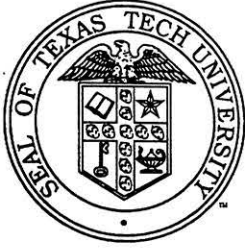
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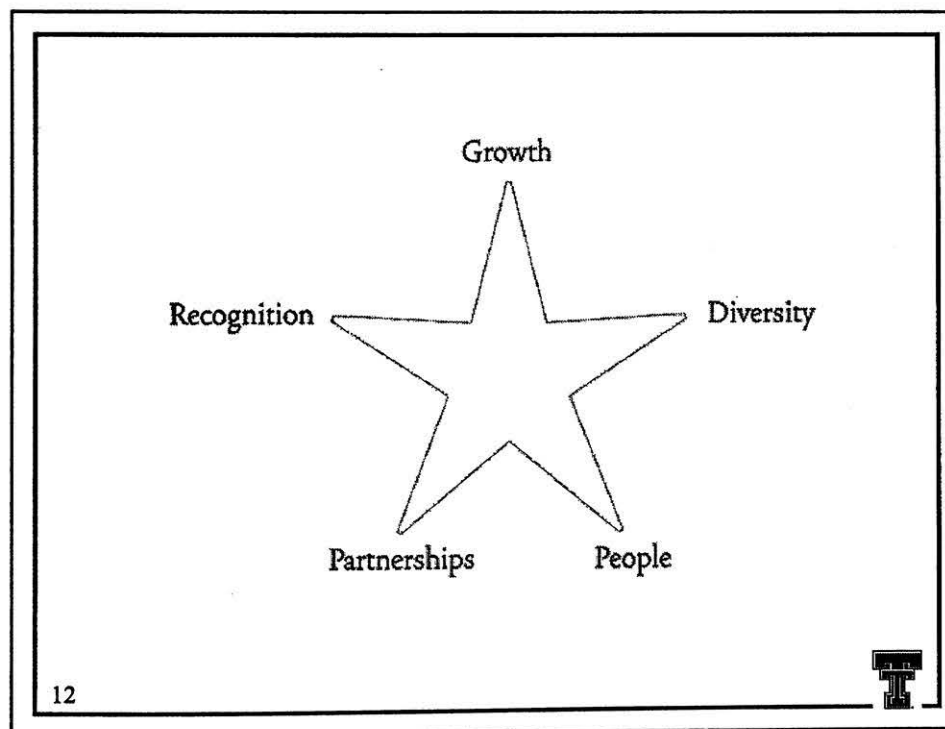


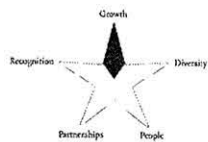




# What Are We Doing ?

11





## Growth

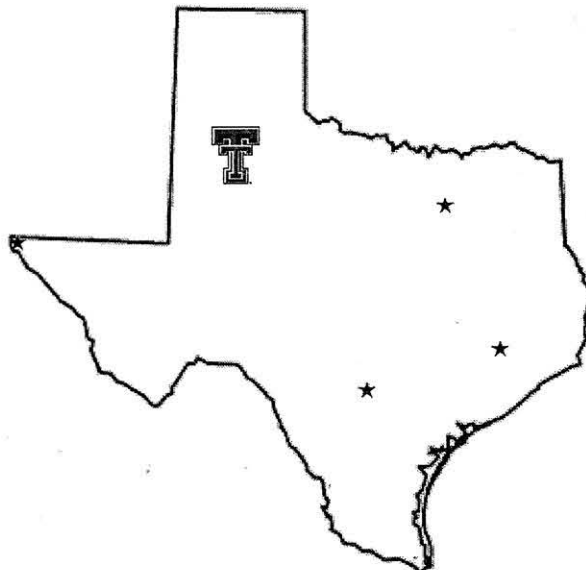
- Showcasing Texas Tech
- Preparing for College Workshops



13



## TARGETED SCHOOLS LOCATIONS



14

Dallas, El Paso, Houston & San Antonio



## Preparing For College Workshops



- Conducts state-wide workshops in schools, churches, community centers, etc.
- Provide attendees with information on the college admissions process, FAFSA preparation, scholarships, grants, fee waivers, etc.

15



## Showcasing Texas Tech



- In November of 2000, the Texas Tech Board of Regents provided funding for 9 students and 9 administrators from Jack Yates High School in Houston to spend 2 ½ days on the Tech campus.
- The group met with administrators, faculty, staff and students, attended a football game and toured the campus and the city.



16





## Results



- Established relationship with Jack Yates High School
- 10 Students from Yates applied to Texas Tech
- In the Fall of 2001, 4 students from Jack Yates enrolled in Texas Tech

17



## Results

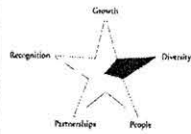


- Program expanded to targeted schools in Dallas, El Paso, Houston & San Antonio

18







## Diversity



- Mentor Tech
- Tech Link
- Diversity Strategic Planning Committee



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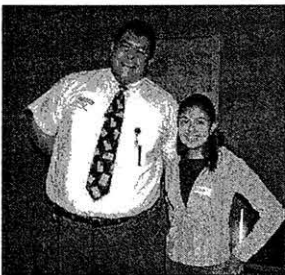


## Mentor Tech



**Dr. Lauro Cavazos & Ophelia Powell-Malone**

### Mentoring Programs



- Matches freshmen, first year Transfer and first year graduate Hispanic & African American Students with TTU faculty and staff
- Provides students with one on one personal contact to assist them with academic, professional, cultural and personal issues

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## Tech Link New Student Phone Bank

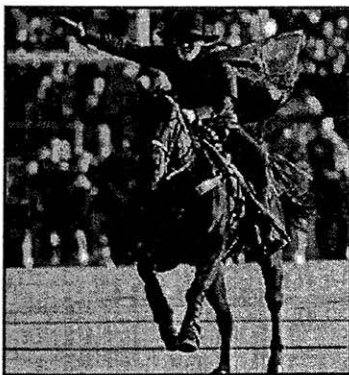
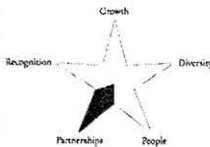
- Utilizes current students to connect with new students
- Gives new students an opportunity to ask questions, make comments or express concerns
- Keeps students abreast of upcoming events, areas to get involved, etc.



21



## Partnerships



- Community Colleges
- Pastors' Forum
- Chancellor's Community Minority Advisory Council

22



***Transfer Admissions Activity, 1997-2002***

	Applied	Accepted	% Accepted	Enrolled	Yield
1997	3,446	2,631	76.3%	2,078	79.0%
1998	3,188	2,147	67.3%	1,665	77.6%
1999	2,993	2,271	75.9%	1,788	78.7%
2000	3,167	2,363	74.6%	1,771	74.9%
2001	3,622	2,610	72.1%	1,936	74.2%
2002	4,075	2,919	71.6%	2,218	76.0%

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***Fall '02 Transfers by Ethnic Origin***

Ethnic Origin	Number	Percent
American Indian	19	0.86%
Asian	29	1.31%
African American	56	2.52%
Hispanic	311	14.02%
International	34	1.53%
Other/Unknown	6	0.27%
White	1,763	79.49%
<b>Total</b>	<b>2,218</b>	<b>100%</b>

24



## Pastors' Forum



- Provides opportunity for mutual sharing of ideas, concerns and needs
- Establishes a network for information dissemination
- Promote support of Texas Tech students in the Lubbock community

25



## Chancellor's Community Minority Advisory Council (CCMAC)

- Established for the purpose of building effective communication between Texas Tech and the Minority Communities.
- Provides information, perceptions, and suggestions for improving Texas Tech's relationship with and service to the Minority Community.
- Members share information regarding Texas Tech with the community and any organizations they represent.



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Growth


Recognition

Diversity


Partnerships


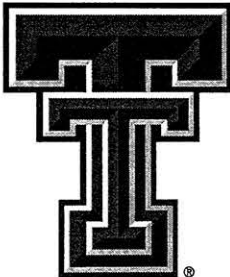
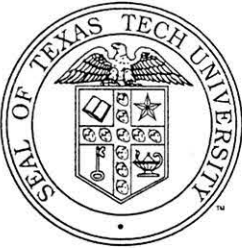
People

# Recognition




27






## It's Really All About...







28








# People

29


## student|first

TEXAS TECH UNIVERSITY SYSTEM





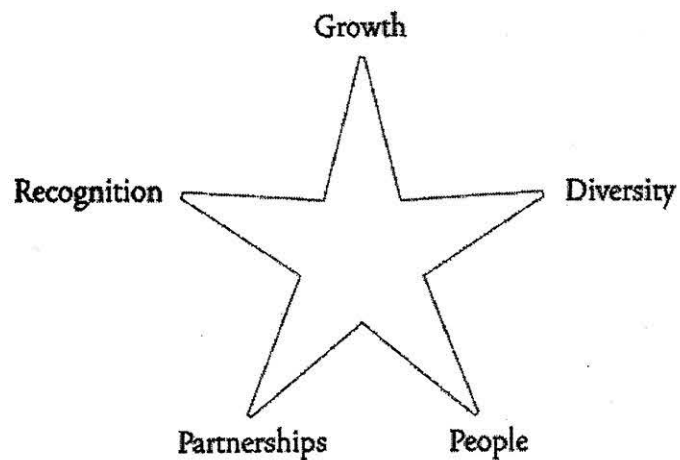
### VISION

Make Texas Tech the most student-friendly university system in the nation. Students are the reason Texas Tech exists and should be the focus of all university activities, facilities, programs, services, and marketing strategies.

30

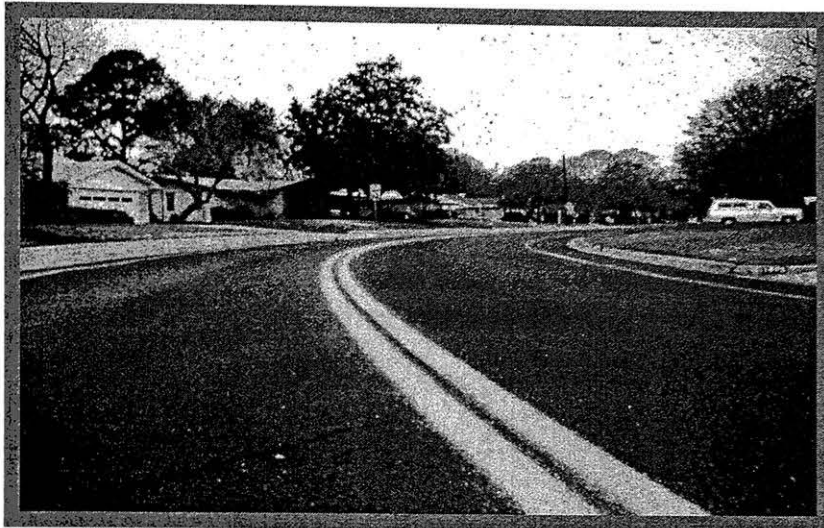

# THE BOTTOM LINE

31



32





33



34







**TEXAS TECH UNIVERSITY SYSTEM**

**RACIAL PROFILING ACT**

February 27, 2003

TTUS Police



**TEXAS TECH UNIVERSITY SYSTEM**

**CHAPTER TWO—GENERAL DUTIES OF  
OFFICERS**

Added by Acts 2001, 77th Leg., ch. 947, § 2,  
eff. Sept. 1, 2001.

**Art. 2.131. Racial Profiling Prohibited**

**A peace officer may not engage in racial profiling.**

February 27, 2003

TTUS Police





## **TEXAS TECH UNIVERSITY SYSTEM**

### **CHAPTER TWO—GENERAL DUTIES OF OFFICERS**

#### **Art. 2.132. Law Enforcement Policy on Racial Profiling**

(1) "Law enforcement agency" means an agency of the state, or of a county, municipality, or other political subdivision of the state, that employs peace officers who make traffic stops in the routine performance of the officers' official duties.

(2) "Race or ethnicity" means of a particular descent, including Caucasian, African, Hispanic, Asian, or Native American descent.

February 27, 2003

TTUS Police



## **TEXAS TECH UNIVERSITY SYSTEM**

### **Art. 2.133. Reports Required for Traffic and Pedestrian Stops**

(2) "Pedestrian stop" means an interaction between a peace officer and an individual who is being detained for the purpose of a criminal investigation in which the individual is not under arrest.

(b) A peace officer who stops a motor vehicle for an alleged violation of a law or ordinance regulating traffic or who stops a pedestrian for any suspected offense shall report to the law enforcement agency that employs the officer information relating to the stop

February 27, 2003

TTUS Police



## **TEXAS TECH UNIVERSITY SYSTEM**

Art. 2.134. Compilation and Analysis of Information Collected

**(b) A law enforcement agency shall compile and analyze the information contained in each report received by the agency under Article 2.133. Not later than March 1 of each year, each local law enforcement agency shall submit a report containing the information compiled during the previous calendar year to the governing body of each county or municipality served by the agency in a manner approved by the agency.**

February 27, 2003

TTUS Police



## **TEXAS TECH UNIVERSITY SYSTEM**

Art. 2.134. Compilation and Analysis of Information Collected

**(c) A report required under Subsection (b) must include:**

**(1) a comparative analysis of the information compiled under Article 2. 133 to:**

**(A) determine the prevalence of racial profiling by peace officers employed by the agency; and**

**(B) examine the disposition of traffic and pedestrian stops made by officers employed by the agency, including searches resulting from the stops; and**

February 27, 2003

TTUS Police



## TEXAS TECH UNIVERSITY SYSTEM

Art. 2.134. Compilation and Analysis of Information Collected

(2) information relating to each complaint filed with the agency alleging that a peace officer employed by the agency has engaged in racial profiling.

February 27, 2003

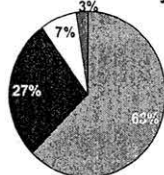
TTUS Police



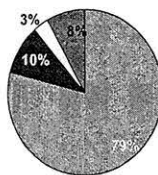
## TEXAS TECH UNIVERSITY SYSTEM

### RACIAL PROFILING PROTECTION ACT

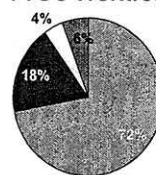
Lubbock County



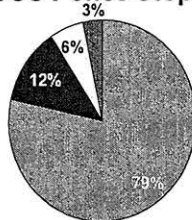
TTUS Students



TTUS Workforce



TTUS Police Stops



■ White

■ Hispanic

□ Black

■ All Other

February 27, 2003

TTUS Police

Chancellor's Report  
Texas Tech University System

Board of Regents Meeting  
February 27, 2003

Dr. Smith noted that he appreciated Chairman Black and all the support that he has given the board and the university on the legislative effort that we are presently undertaking. He stated that there are so many numbers out there: 7%, 12.5%, 18.2% and then the governor's cuts that we wanted to share with you what these figures mean. He prefaced this in the beginning and the end that we aren't there yet in the sense of we know a solid number. This isn't time for us to panic. This is time for us to do our work. What he has said repeatedly to the media and to everyone else is that it is still early in the process. We do need to make you aware of where we are in the process and what the different proposals are.

Dr. Smith asked that Dr. Haragan, Mr. Cavin and Dr. Opperman join in the presentation. He noted that this is a challenging time. This is interesting because we are dealing with some dynamics that we have not seen. We are seeing a growth in demand, a growth in participation and at the same time there are less resources. That is the fundamental issue that we are facing. Texas Tech's success becomes a problem in the budget process. If we were stagnant, we would be dealing with a different base of funds, operations and expenses than we are currently with the growth. You all understand very well that we enroll more students, betting that the formula funding will follow in the next biennium. We are funded currently at Texas Tech University at an enrollment of about 24,500 and yet we have 27,600 in our classes. The similar holds true for the Health Sciences Center except they actually grew at a faster rate, percentage wise, than Texas Tech University. Those are the challenges.

At the same time, Dr. Smith believes this board feels and we do, given the discussion on diversity, we have a response as a public institution to educate more students, not less. Although, as you know, some of our colleagues are arguing they should down-size enrollment at this time where there is greater demand and there is a charge for the state to close the gaps. Many believe that should occur at other campuses within their systems. So, there are some interesting dynamics at play even within higher education. We are ready to do our part. Of course, the question is can we given the scenarios that he presented.

This is the bottom line although Dr. Opperman will be addressed in a moment and it is hoped the \$10 billion figure is still good. Although we have heard

rumblings, I am going to tell you in the last few days that this \$10 billion figure may not hold. There may be some concern with February receipts that the number could get larger. Nothing is confirmed on that, but it is certainly a concern out there.

At \$9 billion, we were asked the first round here was to deal with a 7% cut the current fiscal year, the operating year that we are in presently. The impact on the two universities is \$13.76 million. Dr. Smith explained that he would elaborate on this figure later in the report. The issue there, of course, that cut came or that request to cut came in a mid-year. We were already halfway through. Most of your hires, as you all know from business, had already been made. Personnel is about 65% of all of our expenditures. A lot of our capital had been purchased already as one would enter a fiscal year. So we were really cutting this kind of 7% within half the budget year which means annualized it could be closer to 14% reduction.

The other point Dr. Smith wanted to make because there are certain parts of the state budget that are really not touchable, particularly when you are drawing down federal match like Medicaid and other things. This reduction was placed heavily on areas such as higher education. In other words, a third of the total state reduction is coming from higher education.

Dr. Smith presented the first scenario of three summary slides which will discuss the 7%, the LBB numbers which are 12.5% to 18.2% and the governor's projections. This is what our response was to the leadership and where we would be taking these particular cuts. Dr. Smith summarized that we did like everyone else. We focused on administrative areas for reduction. At this time we are trying to keep that away from the classrooms. Honestly, as all of you would do in your businesses at this point, we have certain areas where we have lapsed salaries and funds and we are going to try to minimize, at least in the short run, the impact on any classrooms so that the impact has been in a freeze of personnel. We would say it is a flexible one in the sense that if there is a critical person that we need to hire, we would do that but overall any new positions now have to go through the presidents. In effect, there is a freeze on. Administration is the target of that freeze presently. As these cuts may grow in the future, they may impact the academic areas but right now that is our primary focus along with others.

The point Dr. Smith wanted to make about the 7% and the fact that we really have used some lapsed salaries and other reserves created through mechanisms like that. If this becomes permanent in the next year, which we think it probably will or something like it, we are going to have to make some permanent changes in personnel: i.e., those will be vacant. We will not be able to post. We will delete those positions and others to meet the budget requirements that have been demanded by leadership. We have used some reserve-type dollars in the administrative areas to handle this \$13.7 million in the



short-run. If this becomes annualized, additional steps and actions will have to be taken. Because of the short notice, we obviously have to transfer and set up an account to allow the comptroller to certify the \$13.7 million in savings and we have taken those steps.

For an example, in order to exempt the academic units, Mr. Cavin achieved around 200 to sometime up to \$300,000 a month of salary savings just because we control those centrally at the Health Sciences Center rather than hit the independent academic units. That's where some of this is coming from. But in the long run, that is not going to be an area where he can sustain those kind of cuts. We are going to have to make additional administrative decisions on the out years as will all the operating areas, whether it is Max Hinojosa, it is Mike Ellicott. Those are things we are going to have to do. As he told the committee, reducing administration since even at the chancellor's level we have 4.75 FTEs in the Office of the Chancellor, 71 of our positions at the Chancellor's Office are police officers out of 162 paid for by state funds. That is 44% of all the positions. You quickly see where administration is when you try to define it. Everybody thinks it is this nebulous thing that we can reduce. Administration at the universities means a lot of student services. It means that students will wait in line longer when you cut administration, whether it is in the area of information technology, the Bursar's Office, the Registrar's Office, etc. That is administration and that's where the people sit, in Lynda's shops and others like Michael Shonrock's.

The 2004-2005 budget issues not become the second set of numbers we have to focus on. We have been given some targets by the Legislative Budget Board and the leadership to try to achieve in the area of reductions. All the same factors come to play. How are we going to be able to handle this in the backdrop of growth and, of course, continued economic decline in some areas of this state economy. Some summary items are available for review, but they looked at these targets and again, they decided higher education funding from the state would be cut by about \$900 million. That's the number we need to achieve to do that. In general, in higher education per institution you need to achieve about a 12.5% reduction annually.

Regent Lopez asked from which base the 12.5% reduction would be acquired. Dr. Smith responded that the amount would be against our appropriation from the last biennium which was when we were getting received money for 24,500 students. The problem is that there is a budget out there that is called current services. At current services, they would build into our expected revenue based on formula the growth to 27,600 which was our base period.

Regent Lopez noted that the 12.5% from what actually is needed to continue the projected services for a larger student base would be larger than 12.5%. Dr. Smith responded that the number will be larger – it is almost 15%. At the Health Sciences Center, it is about 18.8%. The Health Sciences Center is a little

disadvantaged because it has more tuition revenue bonds which fall under the 12.5% and there is some debt payment that we would have to make of about \$14 million for the biennium. So, those numbers grow as a result of that. So the annualized affect on the Health Sciences Center is about 18.8% and it is closer to 15% for the university when one looks at current services. Dr. Smith noted that these cuts are substantial. He stated that we cannot make those kinds of cuts without affecting the academic enterprise.

An example, the Health Sciences Center's overall administrative percentage is 3.73%. You can't get there. You could cut all the administration and you would still have a problem. Administration is predominately student services. So, that's part of the point.

An other point is other things in here are intertwined with us. It isn't just these cuts. Health and Human Services is going to be targeted for reduction. In fact, in hearings today on Medicaid, one of the only ways they can achieve a reduction in Medicaid is to reduce physician payments by 30%. Medicaid is 30% of the budget on revenue at the Health Sciences Center. They also want to achieve savings from the criminal justice system. That is a \$76 million contract at the Health Sciences Center. These are intertwined and compounding.

Dr. Smith presented an additional example that will affect Texas Tech University. If they charge the Coordinating Board to come up with reductions in their overall budget, they would have to possibly reduce things like the Texas Grants Program or at the Health Sciences Center, the funding for the Family Medicine Program. Pretty soon you are getting up to figures of 25% to 27% reductions. It has been missed how these are intertwined with the method of finance of Texas Tech or the Health Sciences Center.

Dr. Smith asked Dr. Opperman to comment. Dr. Opperman noted that the committees have only in the last week to ten days started the hearings with the large agencies. They are just now beginning to get a feel for what the depth of this is. The agencies they have gone through until the last ten days or so are agencies that you just don't get a good feel for what 12.5% means or how these things are interconnected because they aren't typically affected by the things. So, they are beginning to get a feel for it. As they begin preparing for markup, which will begin in early April, they will have to start thinking through very carefully what the solutions are really going to be and hopefully they are going to be open minded on some things that they need to be open minded on. Until now, it has been easy for them to sort of avoid those issues because they haven't been confronted with them.

Dr. Smith presented the summary slide for the LBB – the targets that we have been given and what the annualized impact would be. That would be about \$42 million a year for the two institutions. Again, that does not include any assumptions related to the intertwined funds. That has no assumptions as to

what would happen to Medicaid or the Coordinating Board. That is not in that figure.

The governor's proposal – and this one is a little softer because, as you recall, most of this analysis is going to come off the State of the State message. This is a similar kind of message to everyone here. The difference here is that there is an overall reduction of our base which is achieved through the elimination of special items. As you recall, special items are very critical – rather, they are essential. Concerning our College of Agriculture, without the special line item because we do not have a land grant, is about \$2.6 million a year and that really enable us to have our graduate programs and the research base. We would not be able to sustain this without those kind of dollars. Similarly, Human Sciences, Engineering, the International Cultural Center and the Museum are also tied into some special items. The feeling by some is that the formula provides funding and it should be based only on the students and student numbers and that we really should sweep the money out of the special items and redistribute it to the formula. This is more equitable. Of course, these have been set up historically for years and years for a lot of different reasons. In addition to the Health Sciences Center, El Paso is heavily dependent at over \$8.7 million a year in special items. Midland and Odessa are just about dependent on special items to exist. That's how critical special items are to Texas Tech University System. Because the governor taking that \$600 million off the top and then applying a cut, is why you get larger numbers annually with the governor's budget. Again, Dr. Smith wanted to caution the board because this is based on the State of the State message more than it is on any numbers that have been published. This is our analysis at this point. Again, the intertwined nature of all of this: i.e., reductions in Medicaid, the Coordinating Board, are not net figure either.

Dr. Smith pointed out that a question we are frequently asked is at those levels it does affect class size. Dr. Marcy will confirm that we will have the faculty vacancies. We will have issues related to class size, accreditation, summer school, evening classes, etc. It will affect the academic enterprise at both universities.

The Health Sciences Center does \$90 million a year of charity care which we charge off. If you do a cost to charge ration of 60% to 70%, it is about \$58 million. In addition to that, bad debt is about \$20 million on top of that. Can you do those kind of things? How would we keep folks out? There is a lot of debate about how that is all impacted throughout this.

Another proposal that you may have heard about is deregulation. We think there will have to be some flexibility in the end. The issues here, it seems to us, as we analyze this is that our students at Texas Tech are not as wealthy as some of the other universities. We have done the analysis of the average family income. For example, between \$40,000 and \$80,000 in average family income we have about 28% of our student body between those figures. They are the ones who will get



squeezed. Because below \$40,000 you will predominantly get picked up through one program or another – state or federal – or through the university. We also actually have twice as many – we have about 8% to 10% at any given year of students who are designated zero expectation of family contribution: i.e., the poorest of the poor. Texas A&M and the University of Texas are about 4%. By the way, the University of Texas has only 10% of its population between \$40,000 and \$80,000 family income. Texas A&M is about 18%. The other disparity is you would then want to apply more scholarships if you raise tuition and fees due to deregulation to be able to offset the expenditures for those. The problem there is that there is already disparity. The University of Texas is able to give about \$2,400 of aid per student per year. We are at \$1,300. So, this is not a level playing field when one starts out to do deregulation. Of course, you can argue that market forces will prevail so Texas Tech you can't obviously afford to do it but we compete over here in a national marketplace for the same faculty as everyone else. Do we dummy down? None of us want to be a part of that. So, there are some interesting challenges.

We are getting the message out. We shouldn't panic, but at the same time everybody needs to be aware of what this could do if indeed there aren't some changes made as far as the revenue estimates and/or expenditures. Finally, the other is you are left with some of the other difficult decisions which you have already made today.

Dr. Smith opened the floor to questions.

Regent Brown noted that revenue bond interest cost is something that we are going to have to look at eliminating or reducing. So, across the system we have projects that are scheduled to be built: one in El Paso, the research tower. That decision is being made across our entire system. Dr. Smith pointed out that at the Health Sciences Center, at \$18.9 million a year, our debt expectations that year alone are about \$7 million in retired tuition revenue bonds. It is about \$14 million for the biennium. Even if we do not have the responsibility or we take that away and remove it so that we can have to deal with only \$11 million a year to cut, Mr. Cavin is still going to have to make some significant cuts. What we decided to do was take the debt service on those yet to be released bonds put it just below the line. In other words, we can't afford it. We still have to cut or go below that another \$11 to \$12 million just to meet the LBB expectations without considering that Medicaid could get cut. We did it in Lubbock. We did it El Paso and we are not going to go ahead and to a HEAF-related project in Amarillo.

Dr. Haragan stated that Dr. Smith has been to Austin on numerous occasions talking to various people there but we have only testified so far to the House Appropriations Committee. Mr. Black was there with us on that occasion. We will be talking with the Senate Finance Committee next week. Dr. Haragan noted that what Dr. Opperman said is extremely important. The legislators are now beginning to see what this is really going to mean to the university and how deep

some of these cuts are going to be for us. When we are talking about something on the order of \$27 or \$28 million for the biennium, we are talking about a huge amount of money. There is no way possible that we could take that and budget adjustments and budget reductions without having not just an impact but a serious impact on what we do. We have decided that when it comes to the reductions at the university, we are going to try to set as much as we can our priorities aside and look at not across the board type cuts but programmatic type adjustments that we can make. Obviously, it is going to impact people because that is where our money is. It is in people at the university. The other side of the issue, the way that you adjust something like this is that you can either look at the expenditure side or you can look at the revenue side. Right now, the only revenue that we would have coming in would be the one we have talked about and that is what the students would have to bear – increase in tuition and fees. So, it is a real balancing act to decide since we are interested in maintaining access and we are in a period of extremely rapid growth, it is a real balancing act to decide how you are going to reduce expenditures and at the same time what type of adjustments can you afford to make to students that are already being pressed. So, it is a huge problem that we are faced with. What we would like to do is for the fall semester of next year utilize the approval that you have just made on tuition and fees so that we will make no further changes in the fall. Depending upon what the legislature does, depending on if and then how much they deregulate tuition, we would have to make some very hard decisions as to how we wanted to balance that with whatever programmatic reductions we think we could take.

Regent Nancy Jones noted that the discussion about summer school is an interesting one because she can see that as a strategy in which a student could graduate more quickly, lowering the total cost because you keep the student fees down to four years instead of five years. It would be interesting to see and yet she hears other universities talking about having to completely get rid of their summer school programs.

Dr. Haragan responded that if we could make our summer the same size as the fall and the spring, it would be not only good for the students from the standpoint that you have taken. It would accelerate their time but it also would be good for the university as far as revenue is concerned. Dr. Marcy talked early on and we are still talking about the idea of trying to accelerate the time to graduation for students. Preliminary computations that he has made would indicate that if a student could simply save one semester in their graduation time, that it may be worth as much as \$30,000 to the bottom line. Not only would they not be paying fees for a longer period of time, provided there are jobs available, they would be in the marketplace sooner. This is something that we have been talking with the students and the student government association about and see if we can't have some program to start trying to help the students understand the leverage that they have in the system.



Regent Nancy Jones commented that this requires greater flexibility in terms of allowing the student to take a course out of sequence and that sort of thing which, hopefully, would not impair the academic quality of it. Dr. Haragan responded that one of the things we would have to guarantee is that the sequence that is necessary would be provided and that is another thing altogether. We have talked a lot about trying to refocus the faculty on the core courses. There are a lot of courses that are very important to education – very important to people's undergraduate education at the upper levels that are not as productive in the sense that fewer students are registered in the courses. So, we are going to look at the course inventory and try to decide those courses that we could either eliminate or courses we could teach by some other delivery method such as more courses being taught on-line. Then direct the faculty more back to the core courses of the curriculum. That is simply an efficiency measure and how far that will get us I am not sure but it is something that we are looking at.

Chairman Black stated that one number that Dr. Haragan presented at the House Appropriations hearing that was effective is that in round numbers or ballpark numbers, if you are trying to offset the LBB request of 12.5%, we would have to increase tuition over \$1,000 per year per student.

Regent Lopez noted that such facts are very illustrative as much as we can simplify them for us to better understand. This makes a lot of sense.

Dr. Smith reported that on the Health Sciences Center side, deregulation doesn't work. You don't have enough students to apply the cost against. You would have to raise tuition almost 400% on average, because we know there is a deferential, to meet the shortfall of the LBB.

Regent Lopez stated that short of tuition deregulation other than educating students about the haste makes it a better investment for them when they are paying for their education, we really don't have any tools to provide incentives to say if you take 16 hours it is going to be less than otherwise.

Dr. Haragan responded that we need to get busy and increase our scholarship endowment. If in fact there is going to be more burden on the students then there has to be more avenues for them for financial aid for both need based and academic scholarships. Dr. Smith presented some numbers earlier on comparisons between Texas Tech and others. We are not able to cope as well as some institutions. Of course, we also have some momentum that we enjoy. Our growth has been good and we have enjoyed that growth. We would rather not stem that momentum. In the case of the University of Texas, they are actually working the opposite direction right now. They have more students than they would like to accommodate – something like 52,000 or so. I think they would like to be at 47,000 or 48,000. They have the larger scholarship endowment as well. So, they are better equipped to manage their enrollment than we would be.

Chairman Black asked Dr. Smith to report the good news with regard to federal funding. Dr. Smith commended the team and Dr. Haragan and Mr. Cavin and their leadership. We had probably if you took out the year that we got the ICETEA money, this was our best year. Remember, we got almost \$8 million in ICETEA money one this. This is almost \$19 million this year from the federal appropriation process. It was an excellent year for both the university and the Health Sciences Center. Dr. Smith wanted to thank all the individuals that were involved.

Dr. Smith noted that this isn't over yet. The fact that we are able to educate and tell people about where we are in the budget process, that is normal. He feels more like being in an agency again rather than a university. Universities used to be a little bit immune to this, but at least more so than the agencies. Now you feel like you are an agency again and you are battling the same things just to get back to even. He noted that we would all be happy to get back to even.

Chairman Black stated that this information has been very helpful. He encouraged the board members to talk with their state representatives. Now the board members are better equipped with the facts and armed with the numbers so that they can better tell their story.

Mr. Cavin reported that as far as the Health Sciences Center is concerned, when we talk 12.5% cuts over the biennium that is about \$22.8 million but it is complicated by the tuition revenue bond issue. When we receive \$66.9 million of tuition revenue bond authority during the 77<sup>th</sup> Legislature, if we in turn build those buildings and both the buildings that we are addressing – that is the research tower in El Paso and the clinical building in Lubbock – the two of those if we build them and we are currently at the design/development stage, so we are at a point coming in the next 30 days or so where we are kind of at a stopping point. If we go through with the construction phase, that debt service that drives that 12.5% number up to a little over 18%. So we do not feel that it is in the best interest of our institution to continue to put money into bricks and mortar that would further cut programs and obviously that interprets to people. Our decision is to delay those two facilities until such time as the dust settles in the state capitol and we know better what we've got to deal with. Also, going back to the current services budget that was introduced, because of the enrollment at the Health Sciences Center which over the base period was a little over 15% student body, obviously to meet the health care needs of West Texas, to meet the closing the gaps initiative of the Coordinating Board, we in turn anticipated that we would receive a little over \$5.5 million of new money to fund that. Well, you add those figures together and you up at about \$36.5 or \$37 million over the biennium that we are down. That's the reason we are making some of the decisions that we are making. We, in turn, are looking at that level of cuts. We are looking at the big picture trying to, in turn, get those types of cuts by vice presidential deans for

respective areas but we also don't want this to be an across the board in every department, as such.

Chairman Black asked that by delaying the decision of whether to proceed or not with construction of the two buildings until after the legislature is over, would this cost us anything other than time. Mr. Cavin noted that it would only cost us time. We are not stopping everything. We are coming to a stopping point as far as the design before we stop. That would, in turn, cost us probably by the end of next month we will have put in about \$5.1 million in the facilities, but not \$66.9 million.

Mr. Cavin noted that Dr. Smith had mentioned at the Health Sciences Center, and this is true of all health sciences centers because of limited enrollment, we can't make this up on student fees. There is no way. We would have to increase our student fees by 300 to 400% to make this up on student fees. There is another scenario that is interesting, too, that most people understand and that is terminating an academic program does not have an immediate affect. You have students who are in that pipeline. You have a commitment to those students. The only thing you can do is you don't admit students to the program next year, but you've got the commitment to the students in the pipeline and you've got the commitment to tenured faculty. So, there is not an immediate impact if you say let's kill program X,Y,Z. We want to prepare and we know we've got about six months to prepare but we don't know what we are preparing for. So, we don't want to pull the trigger too fast as far as some of these cuts are concerned. It is imperative that we get an appropriation bill passed in regular session. If we go into special session, that shortens it even more.

Regent Lopez complimented the administration for having a good balance between being informative without being alarmists. As you can provide us with sound bites for when we have those "bump in" opportunities and they ask for information since we can't offer it.

Richard Butler commented that one thing we have been saying to a number of groups is that there is a lot of thought going into where we are going to be in June when the session is over and where we are going to be at the end of the biennium. As Texans, I wonder shouldn't be asking where we are going to be in ten years in terms of our workforce. That is really the question that has to be asked. Right now we are 49<sup>th</sup> in the number of high school students going on to four-year programs. What is the workforce in Texas going to look like? How many people are going to migrate out of the state for better jobs?

Dr. Smith noted that it is important that we don't overreact even when it comes down to a number that somehow we are thinking a little strategically or not just reacting.