

TEXAS TECH UNIVERSITY

LUBBOCK, TEXAS

MINUTES OF BOARD OF REGENTS MEETINGS

1985 - 1986

VOLUME I

MINUTES OF
BOARD OF REGENTS MEETING
March 14, 1986

TEXAS TECH UNIVERSITY
Lubbock, Texas

Minutes

Board of Regents
March 14, 1986

M107. The Board of Regents of Texas Tech University and Texas Tech University Health Sciences Center met in regular session at 9:00 a.m. on Friday, March 14, 1986, in the Board of Regents Suite on campus. The following Regents were present: Mr. J. E. Birdwell, Chairman, Mr. Larry D. Johnson, Vice Chairman, Mr. Jerry Ford, Mr. Rex Fuller, Mrs. Jean Kahle, Mr. Wesley W. Masters, Mr. Wendell Mayes, Jr., and Dr. Wm. Gordon McGee. Regent J. Fred Bucy was absent. University officials and staff present were: Dr. Lauro F. Cavazos, President, Mr. Clyde J. Morganti, Executive Assistant to the President, Office of the President; Dr. Eugene E. Payne, Vice President, Ms. Marsha Barnes, Assistant Vice President, Office of Finance and Administration; Dr. Donald R. Haragan, Vice President, Dr. Jerry D. Ramsey, Associate Vice President, Dr. Virginia M. Sowell, Assistant Vice President, Office of Academic Affairs and Research; Dr. Robert H. Ewalt, Vice President for Student Affairs; Dr. Sam Richards, Vice President for Health Sciences Center; Mr. Pat Campbell, General Counsel, Mrs. Ann Manning, Associate General Counsel, Office of General Counsel; Mr. John Anderson, Executive Director, Office for Development; Mr. Mike Sanders, Director, Office for Public Affairs; Mr. Robert L. Bray, Director, Office for Planning; Mrs. Bea Zeeck, Director, Office for University News and Publications; Mr. Max C. Tomlinson, Associate Vice President for Business Affairs; Mr. Fred J. Wehmeyer, Associate Vice President for Physical Plant and Support Services; Mr. Jay W. Lindsey, Assistant Vice President for Budget and Financial Services; Mr. Jack Fenwick, Director for Facility Planning and Construction; Mr. Eric Williams, Assistant Vice President for Physical Plant and Support Services, Health Sciences Center; Dr. J. Ted Hartman, Dean, School of Medicine; Dr. Richard Ishler, Dean, College of Education; Dr. Sam Curl, Dean, College of Agricultural Sciences; Dr. E. Dale Cluff, Director of Libraries; Dr. Harold Luce, Chairperson, Department of Music; and Mrs. Freda Pierce, Secretary of the Board, Office of the Board of Regents.

Others present were Dr. J. Knox Jones, Jr., Professor, Department of Biological Sciences; Dr. Janet W. Perez, Professor, Classical and Romance Languages; Mr. John Gillas, Professor, Mrs. Mary Gillas, Lecturer, Department of Music; Dr. Margaret Wilson, President, Faculty Senate; Mr. Jay Miller, University Daily; Mr. Mark Stutz, Lubbock Avalanche-Journal; Ms. Christie Murphy, KCBD-TV; Ms. Anne Friedenburg, KAMC-TV; and Mr. Eric Sommers, KLBK-TV.

M108. Mr. Birdwell called the meeting to order, and asked Mr. Fuller to read the attached resolution honoring our basketball team who had won the Southwest Athletic Conference tournament championship, and were presently in Dayton, Ohio, to play in the NCAA tournament; Attachment No. M1.

M109. Mr. Birdwell then read the following statement: "The Board of Regents of Texas Tech University and Texas Tech University Health Sciences Center now

having been duly convened in open session, and Statutory notice of these meetings of the Board of Regents having been duly given to the Secretary of State, I, as Chairman of the Board of Regents, hereby publicly announce Executive Sessions of the Board to be held in compliance with Article 6252-17 Texas Civil Statutes, and these Executive Sessions are specifically authorized by Section 2 - Paragraphs E, F, and G, of the Statute." The meeting resumed in open session at 10:35 a.m. at the conclusion of the meeting for Texas Tech University Health Sciences Center.

M110. Upon motion made by Mr. Fuller, seconded by Dr. McGee, the Minutes of the meeting of January 31, 1986, were approved.

M111. Mr. Mayes reported for the Academic and Student Affairs Committee. The following six items (M112 through M117) constitute action taken upon committee recommendation.

M112. Upon motion made by Mr. Mayes, seconded by Dr. McGee, the following was approved: RESOLVED, that the Board of Regents grants tenure to the faculty of Texas Tech University whose names appear on the attached list, effective this date; Attachment M2.

M113. Upon motion made by Mr. Mayes, seconded by Mr. Johnson, the following was approved: RESOLVED, that the Board of Regents approves the changes in academic rank as indicated on the attached roster, effective September 1, 1986; Attachment No. M3.

M114. Upon motion made by Mr. Mayes, seconded by Mr. Fuller, the following was approved: RESOLVED, that the Board of Regents designates as Horn Professors the faculty members indicated on the attached, effective March 14, 1986; Attachment No. M4. The three designees were introduced by Dr. Haragan at the opening of the Board meeting.

M115. Upon motion made by Mr. Mayes, seconded by Mr. Johnson, the following was approved: RESOLVED, that the Board of Regents confers emeritus status upon Betty J. Mills, as Curator Emeritus of the Museum.

M116. Upon motion made by Mr. Mayes, seconded by Dr. McGee, the following was approved: RESOLVED, that the Board of Regents ratifies administrative actions as follow: (1) Leaves of Absence for individuals as listed, Attachment No. M5; (2) Faculty Development Leaves for the individuals as listed, Attachment No. M6; and (3) Conferral of degrees at the May 17, 1986, Commencement.

M117. Upon motion made by Mr. Mayes, seconded by Mr. Masters, the following was approved: RESOLVED, that the attached resolution regarding finding of facts concerning the appointment of Dr. David E. Koepp, Professor and Chairperson of the Department of Plant and Soil Science, to the State Seed and Plant Board be approved; Attachment No. M7.

M118. Mr. Ford reported for the Finance and Administration Committee. The following twelve items (M119 through M130) constitute action taken upon committee recommendation.

M119. Upon motion made by Mr. Ford, seconded by Mr. Fuller, the following was approved: RESOLVED, that the Board of Regents approves the oil and gas lease form as attached hereto for exclusive use in leasing all Texas Tech University lands for oil and gas; Attachment No. M8.

M120. Upon motion made by Mr. Ford, seconded by Mr. Fuller, the following was approved: RESOLVED, that the Board of Regents approves the oil and gas division order form as attached hereto; Attachment No. M9.

M121. Upon motion made by Mr. Ford, seconded by Mr. Masters, the following was approved: RESOLVED, that the Board of Regents approves the oil and gas and other minerals lease form as attached hereto for exclusive use in leasing all Texas Tech University lands for oil and gas and other minerals; Attachment No. M10.

M122. Upon motion made by Mr. Ford, seconded by Mr. Fuller, the following was unanimously approved: RESOLVED, that the Board of Regents adopts the addendum to Board Policy 04.12, Mineral Leases, attached hereto; Attachment No. M11.

M123. Upon motion made by Mr. Ford, seconded by Mr. Masters, the following was approved: RESOLVED, the Board of Regents approves the formation of the Texas Tech University and Health Sciences Center Research Foundation; The Board of Regents approves the Foundation's Articles of Incorporation and By-Laws, and the Agreement between the University and the Foundation similar to those attached hereto, Attachment No. M12; ALSO RESOLVED, the Board of Regents approves the formation of the Collegiate Research Center for the College of Engineering.

M124. Upon motion made by Mr. Ford, seconded by Mr. Fuller, the following was approved: RESOLVED, that the Board of Regents approves the awarding of a Cash Investment Contract to Texas Bank and Trust, Shamrock, Texas; and authorizes the President to contract with this bank for the period beginning March 14, 1986, and extending for an indefinite period of time with termination of the contract at the option of either the University or the Bank or by mutual consent of both parties.

M125. Upon motion made by Mr. Ford, seconded by Mr. Masters, the following was approved: RESOLVED, that the Board of Regents approves the award of the contract to the low bidder, Brazos Offset Printers, Inc., Slaton, Texas, for printing The University Daily for FY 1986-87 and FY 1987-88, and authorizes the President to sign the contract.

M126. Upon motion made by Mr. Ford, seconded by Mr. Masters, the following was unanimously approved: RESOLVED, that the Board of Regents approves the attached policy 04.27 pertaining to lease of space; Attachment No. M13.

M127. Upon motion made by Mr. Ford, seconded by Mr. Fuller, the following was approved: RESOLVED, that the gifts on the attached list be accepted by the Texas Tech University Board of Regents; Attachment No. M14.

M128. Upon motion made by Mr. Ford, seconded by Mr. Johnson, the following was approved: RESOLVED, that the Board of Regents declares the electrical power distribution lines at the east campus property uneconomical and cannot be maintained using normal funding, and that the lines be sold to the electrical utility submitting the highest bid; AND FURTHER RESOLVED, that the Board of Regents authorizes the President to execute the required legal documents.

M129. Upon motion made by Mr. Ford, seconded by Mr. Fuller, the following was approved: RESOLVED, that the Board of Regents approves the attached financial plan for the allocation of the Higher Education Assistance Fund for Texas Tech University; Attachment No. M15.

M130. Upon motion made by Mr. Ford, seconded by Mr. Masters, the following was approved: RESOLVED, that the Board of Regents ratifies the cost reduction actions of the President and approves those recommended actions as listed in the attachments; Attachment No. M16. Prior to the vote, Dr. Cavazos explained in detail the efforts being made to cut operating costs.

M131. Mr. Masters reported for the Campus and Building Committee. The following twelve items (M132 through M143) constitute action taken upon committee recommendation.

M132. Upon motion made by Mr. Masters, seconded by Mr. Fuller, the following was approved: RESOLVED, that the bid of Mike Klein, General Contractor, in the amount of \$2,948,000 is accepted for the Civil-Agricultural Engineering Building renovation project and the President is authorized to duly execute a contract. BE IT FURTHER RESOLVED, that the total project budget is reestablished at \$3,503,000.

M133. Upon motion made by Mr. Masters, seconded by Mr. Johnson, the following was approved: RESOLVED, that the bid of Dave Leonard Construction Co. in the amount of \$5,362,627 is accepted for renovation of the Chemistry Building and the President is authorized to duly execute a contract.

M134. Upon motion made by Mr. Masters, seconded by Mr. Fuller, the following was approved: RESOLVED, that the Board of Regents approves the schematic design and authorizes the President to proceed with contract documents and the receipt of bids for renovation of the Natatorium.

M135. Upon motion made by Mr. Masters, seconded by Mr. Johnson, the following was approved: RESOLVED, that the Board of Regents approves the schematic design, and authorizes the President to proceed with contract documents and the receipt of bids for Phase I of the installation and renovation of fire alarms in general education buildings.

M136. Upon motion made by Mr. Masters, seconded by Dr. McGee, the following was approved: RESOLVED, that the bid of Knox, Gailey, and Meador in the amount of \$613,219 is accepted for the renovation of serving counters in the Hulen-Clement and Bledsoe-Gordon residence hall complex, and the President is authorized to duly execute a contract.

M137. Upon motion made by Mr. Masters, seconded by Mr. Johnson, the following was approved: RESOLVED, that the bid of Knox, Gailey, and Meador in the amount of \$200,969 is accepted for bathroom renovation in the Wells-Carpenter residence halls, and the President is authorized to duly execute a contract.

M138. Upon motion made by Mr. Masters, seconded by Mr. Johnson, the following was approved: RESOLVED, that the bid of Pharr and Company in the amount of \$119,000 is accepted for renovation of exterior doors and windows in Doak Hall, and that the President is authorized to duly execute a contract. BE IT FURTHER RESOLVED, that the project budget is reestablished at \$145,000.

M139. Upon motion made by Mr. Masters, seconded by Mr. Johnson, the following was approved: RESOLVED, that the Board of Regents authorizes the President to award the construction contract with the concurrence of the Chairman of the Board and the Chairman of the Campus and Building Committee to install air conditioning for the Housing Office in Doak Hall, and the President is authorized to duly execute a contract.

M140. Upon motion made by Mr. Masters, seconded by Mr. Johnson, the following was approved: RESOLVED, that the bid of Hunter Construction Co. in the amount of \$112,792 is accepted to replace doors in Chitwood/Weymouth Halls, and the President is authorized to duly execute a contract.

M141. Upon motion made by Mr. Masters, seconded by Mr. Johnson, the following was approved: RESOLVED, that the Board of Regents approves the schematic design, and authorizes the President to proceed with contract documents and the receipt of bids to upgrade the water system at the Agricultural Field Laboratories, Lubbock County.

M142. Upon motion made by Mr. Masters, seconded by Mr. Johnson, the following was approved: RESOLVED, that the Board of Regents ratifies the administrative actions to record February 4, 1986, as the completion date for the campus North Utility Tunnel.

M143. Upon motion made by Mr. Masters, seconded by Mr. Johnson, the following was approved: RESOLVED, that the Board of Regents endorses the City's planning for depressing U.S. 82 (Brownfield Highway) as it borders and intersects Texas Tech University property, and in accordance with the concept prepared by the engineering firm of HDR Infrastructure of Dallas, Texas.

BE IT FURTHER RESOLVED, that Texas Tech University collaborate with the City to refine this original HDR Infrastructure concept to the mutual satisfaction and agreement of the City and the University as further design, funding, and construction take place.

M144. Mr. Johnson reported for the Development Committee. He stated that gifts and grants year to date total is \$2,940,179.40.

M145. At the request of Dr. Cavazos, Mr. Sanders reported on the studies and work being done by the Select Committee on Higher Education.

M146. There being no further business, the meeting adjourned.

Freda Pierce, Secretary

FP:ad

Attachments (March 14, 1986)

- M 1. Resolution Honoring Basketball Team and Coaching Staff; M108.
- M 2. Faculty Granted Tenure; M112.
- M 3. Changes in Academic Rank; M113.
- M 4. Designated Horn Professors; M114.
- M 5. Leaves of Absence; M116.
- M 6. Faculty Development Leaves; M116.
- M 7. Fact Finding Resolution Concerning Appointment of Dr. David E. Koeppe to State Seed and Plant Board; M117.
- M 8. Oil and Gas Lease Form; M119.
- M 9. Oil and Gas Division Order Form; M120.
- M10. Oil, Gas and Mineral Lease Form; M121.
- M11. Addendum to Board Policy 04.12, Mineral Leases; M122.
- M12. Research Foundation Articles of Incorporation and By-Laws and Agreement between the University and Foundation; M123.
- M13. Lease of Space, Policy 04.27; M126.
- M14. Gift-In-Kind List; M127.
- M15. Financial Plan for Allocation of Higher Education Assistance Fund; M129.
- M16. Emergency Spending Reduction Plan; M130.

I, Freda Pierce, 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 Texas Tech University Board of Regents meeting on March 14, 1986.

(Mrs.) Freda Pierce, Secretary

SEAL

March 14, 1986

Texas Tech University
Board of Regents
March 14, 1986

Board Minutes
March 14, 1986
Attachment No. M1
Item M108

RESOLUTION

WHEREAS, the Texas Tech University basketball team, under its distinguished and able coach, Gerald Myers, won the eleventh annual Southwest Athletic Conference Post-Season Classic on March 9, 1986, and

WHEREAS, this was the second Southwest Athletic Conference tournament championship in a row for the Red Raiders, and

WHEREAS, the entire team played inspirational basketball and demonstrated great character and determination to win despite the seemingly insurmountable odds presented by the formidable competition from the other conference teams, and

WHEREAS, the Red Raider team serves as an example of fine students as well as outstanding athletes, thereby earning the respect of the fans and opposing players,

NOW THEREFORE BE IT RESOLVED, that the Board of Regents of Texas Tech University congratulates the team and the coaching staff for their achievements and publicly expresses the thanks and admiration of the entire University, and

BE IT FURTHER RESOLVED, that this resolution be spread upon the minutes of the Board and copies prepared for each member of the team and the coaching staff.

Texas Tech University
Board of Regents

John E. Birdwell, Chairman

Faculty Granted Tenure
Effective March 14, 1986

Name

Rank

COLLEGE OF AGRICULTURAL SCIENCES

Department of Animal Science

Gordon Wayne Davis

Assist. Prof.*

Department of Agricultural Economics

Dean Winston Hughes

Assoc. Prof.

COLLEGE OF ARTS AND SCIENCES

Department of Art

Kim C. Smith

Assist. Prof.*

Department of Chemistry

Daniel W. Armstrong

Assoc. Prof.*

Walter J. Chesnavich

Assist. Prof.*

Purnendu K. Dasgupta

Assoc. Prof.

Department of Mathematics

Robert E. Byerly

Assist. Prof.*

Clyde F. Martin

Professor

Kent Pearce

Assist. Prof.*

David A. Weinberg

Assist. Prof.*

Department of Music

James Keith Bearden

Assist. Prof.

Department of Physics

Vijendra K. Agarwal

Assist. Prof.*

*Also Promotion

Department of Political Science

Roslyn L. Simowitz

Assist. Prof.*

Department of Psychology

Calvin D. Stoltenberg

Assist. Prof.*

Department of Speech Communication

Richard L. Street

Assoc. Prof.

Department of Speech and Hearing Science

Marcia Weber-Olsen

Assist. Prof.

COLLEGE OF BUSINESS ADMINISTRATION

Area of Accounting

Don William Finn

Assist. Prof.*

Area of Finance

Scott Edward Hein

Assoc. Prof.

Area of Information Systems, Quantitative Sciences

Surya B. Yadav

Assoc. Prof.

COLLEGE OF ENGINEERING

Department of Civil Engineering

H. Scott Norville

Assist. Prof.*

Department of Petroleum Engineering

Marion D. Arnold

Professor

Carlton S. Land

Professor

COLLEGE OF HOME ECONOMICS

Department of Education, Nutrition and Restaurant
and Hotel Management

David K. Hayes

Assoc. Prof.

Department of Human Development and Family Studies

Bernard Davidson

Assist. Prof.*

SCHOOL OF LAW

William R. Casto

Assoc. Prof.*

Changes in Academic Rank

Effective September 1, 1986

| <u>Name</u> | <u>Current Rank</u> | <u>Proposed Rank</u> |
|-------------|---------------------|----------------------|
|-------------|---------------------|----------------------|

COLLEGE OF AGRICULTURAL SCIENCES

Department of Animal Science

| | | |
|--------------------|---------------|--------------|
| Gordon Wayne Davis | Assist. Prof. | Assoc. Prof. |
|--------------------|---------------|--------------|

Department of Entomology

| | | |
|-------------------|--------------|-----------|
| James K. Wangberg | Assoc. Prof. | Professor |
|-------------------|--------------|-----------|

COLLEGE OF ARTS AND SCIENCES

Department of Art

| | | |
|--------------|---------------|--------------|
| Kim C. Smith | Assist. Prof. | Assoc. Prof. |
|--------------|---------------|--------------|

Department of Chemistry

| | | |
|----------------------|---------------|--------------|
| Daniel W. Armstrong | Assoc. Prof. | Professor |
| Walter J. Chesnavich | Assist. Prof. | Assoc. Prof. |
| Robert A. Holwerda | Assoc. Prof. | Professor |

Department of Health, Physical Education and Recreation

| | | |
|--------------------|--------------|-----------|
| Margaret E. Willis | Assoc. Prof. | Professor |
|--------------------|--------------|-----------|

Department of History

| | | |
|----------------|--------------|-----------|
| Joseph E. King | Assoc. Prof. | Professor |
|----------------|--------------|-----------|

Department of Mathematics

| | | |
|----------------------|---------------|--------------|
| Roger W. Barnard | Assoc. Prof. | Professor |
| Robert E. Byerly | Assist. Prof. | Assoc. Prof. |
| William H. Gustafson | Assoc. Prof. | Professor |
| Kent Pearce | Assist. Prof. | Assoc. Prof. |
| David A. Weinberg | Assist. Prof. | Assoc. Prof. |

Department of Music

| | | |
|-------------|--------------|-----------|
| Gail Barber | Assoc. Prof. | Professor |
|-------------|--------------|-----------|

Department of Physics

| | | |
|---------------------|---------------|--------------|
| Vijendra K. Agarwal | Assist. Prof. | Assoc. Prof. |
| Lynn L. Hatfield | Assoc. Prof. | Professor |

Department of Political Science

| | | |
|--------------------|---------------|--------------|
| Roslyn L. Simowitz | Assist. Prof. | Assoc. Prof. |
|--------------------|---------------|--------------|

Department of Psychology

| | | |
|-----------------------|---------------|--------------|
| Calvin D. Stoltenberg | Assist. Prof. | Assoc. Prof. |
| Jane L. Winer | Assoc. Prof. | Professor |

COLLEGE OF BUSINESS ADMINISTRATION

Area of Accounting

| | | |
|-------------------|---------------|--------------|
| Don William Finn | Assist. Prof. | Assoc. Prof. |
| Paul Harry Munter | Assoc. Prof. | Professor |

Area of Information Systems and Quantitative Sciences

| | | |
|----------------|---------------|--------------|
| Surya B. Yadav | Assist. Prof. | Assoc. Prof. |
|----------------|---------------|--------------|

Area of Management

| | | |
|---------------|--------------|-----------|
| Barry A. Macy | Assoc. Prof. | Professor |
|---------------|--------------|-----------|

COLLEGE OF ENGINEERING

Division of Architecture

| | | |
|--------------------|--------------|-----------|
| Jusuck Koh | Assoc. Prof. | Professor |
| James Edmund White | Assoc. Prof. | Professor |

Department of Civil Engineering

| | | |
|-------------------|---------------|--------------|
| H. Scott Norville | Assist. Prof. | Assoc. Prof. |
|-------------------|---------------|--------------|

Department of Electrical Engineering

| | | |
|-----------------|--------------|-----------|
| Thomas F. Krile | Assoc. Prof. | Professor |
|-----------------|--------------|-----------|

Department of Industrial Engineering

| | | |
|------------------|--------------|-----------|
| William M. Marcy | Assoc. Prof. | Professor |
|------------------|--------------|-----------|

Department of Mechanical Engineering

| | | |
|------------------|--------------|-----------|
| Raouf A. Ibrahim | Assoc. Prof. | Professor |
|------------------|--------------|-----------|

COLLEGE OF HOME ECONOMICS

Department of Education, Nutrition, Restaurant
and Hotel Management

| | | |
|----------------------|---------------|--------------|
| Margarette L. Harden | Assist. Prof. | Assoc. Prof. |
|----------------------|---------------|--------------|

Department of Merchandizing, Environmental Design
and Consumer Education

| | | |
|------------------|---------------|--------------|
| Janet M. Schrock | Assist. Prof. | Assoc. Prof. |
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Department of Human Development and Family Studies

| | | |
|---------------|--------------|-----------|
| Nancy J. Bell | Assoc. Prof. | Professor |
|---------------|--------------|-----------|

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| Bernard Davidson | Assist. Prof. | Assoc. Prof. |
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| Stephen R. Jorgensen | Assoc. Prof. | Professor |
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SCHOOL OF LAW

| | | |
|------------------|--------------|-----------|
| William R. Casto | Assoc. Prof. | Professor |
|------------------|--------------|-----------|

HORN PROFESSOR DESIGNEES

Professor John A. Gillas

Professor of Music

Dr. J. Knox Jones, Jr.

Professor of Biological Sciences

Dr. Janet W. Perez

Professor of Classical and Romance
Languages

Leaves of Absence

Approve leave of absence without pay for Ms. Dorinda N. Noble, Associate Professor of Social Welfare Education, for the period September 1, 1986, through August 31, 1987. This leave is requested in order that Ms. Noble might pursue a doctorate in the field of social work at the University of Texas in Austin. This study will provide opportunity to develop additional research skills and examine an area of practice that can be incorporated into our curriculum.

Approve leave of absence without pay for Mr. James V. Semrad, Assistant Professor of Physics, for the period January 16, 1986, through July 15, 1986. This leave is requested in order that Mr. Semrad might take a consulting position with an optical instruments company associated with the University of Arizona Optical Sciences Department. The benefits are increased knowledge by learning computer aided design and about modern optical systems. He will further study in areas of manufacturing, engineering, and management.

Faculty Development Leaves

Approve faculty development leave with salary for Dr. Norwood Andrews, Jr., Department of Classical and Romance Languages, from September 1, 1986 to January 15, 1987, to compile a book already begun relating to Portugal's Luís de Camões, that country's greatest literary figure.

Approve faculty development leave with salary for Dr. Edward Wilson Averill, Department of Philosophy, from September 1, 1986 to January 15, 1987, to conduct research on an analysis of the relationship between dispositional properties and physical laws.

Approve faculty development leave with salary for Dr. W. J. Conover, Area of Information Systems and Quantitative Sciences, from September 1, 1986 to January 15, 1987, to rewrite several research papers for publication in the field of Statistics.

Approve faculty development leave with salary for Dr. Edward V. George, Classical and Romance Languages Department, from January 15, 1987 to May 31, 1987, to complete three articles regarding the early intellectual activities of Juan Luis Vives, Renaissance humanist and educational theoretician.

Approve faculty development leave with salary for Dr. Philip J. Hannon, Political Science Department, from January 15, 1987 to May 31, 1987, to conduct research on the role of the lawyer and para-legal in securing the rights of hospital patients.

Approve faculty development leave with salary for Dr. Nancy P. Hickerson, Department of Anthropology, from January 15, 1987 to May 31, 1987, to study Kiowa linguistic and cultural history at the Newberry Library in Chicago, which will constitute a new approach to the problem of Kiowa origins.

Approve faculty development leave with salary for Professor Lynwood Kreneck, Department of Art, from September 1, 1986 to January 15, 1987, to produce a body of art work while researching the properties and solving printing problems of newly developed water-base screenprint acrylic INKS.

Approve faculty development leave with one-half salary for Dr. Allan J. Kuethe, Department of History, from September 1, 1986 to May 31, 1987, to conduct research in Seville, Simancas, and Madrid, Spain to complete work on a book entitled The Consulado de Cadiz, Spanish American Commercial Policy, and the Colonial Reforms of Charles III, 1763-1778.

Approve faculty development leave with salary for Professor Diana Moore, Department of Health, Physical Education, Recreation and Dance, from September 1, 1986 to January 15, 1987, to study with Isa Partsch Bergsohn at the University of Arizona in order to acquire knowledge on the Kurt Jooss technique in modern dance.

Approve faculty development leave with salary for Dr. Marietta Morrissey, Department of Sociology, from January 15, 1987 to May 31, 1987, to conduct research at the University of Texas Libraries on Caribbean slave women and complete a book on gender stratification in slave communities.

Approve faculty development leave with salary for Dr. Daniel O. Nathan, Philosophy Department, from September 1, 1986 to January 15, 1987, to visit the University of Michigan and consult with philosophy and law colleagues concerning possible analogies between legal reasoning and the reasoning used in aesthetic interpretation for publication purposes.

Approve faculty development leave with salary for Dr. Donald W. Rude, Department of English, from January 15, 1987 to May 31, 1987, to prepare a book length manuscript: A Descriptive Catalogue of Joseph Conrad's Literary Manuscripts, Typescripts and Proofs for publication.

Approve faculty development leave with one-half salary for Dr. Donna L. Sollie, Department of Human Development and Family Studies, from September 1, 1986 to May 31, 1987, to conduct research in Lancaster, England, on personal relationships and social networks.

Approve faculty development leave with salary for Dr. John T. Sennetti, Area of Information Systems and Quantitative Science, from September 1, 1986 to January 15, 1987, to complete research on statistically related accounting topics in order to better serve doctoral students.

Approve faculty development leave with salary for Dr. Otis W. Templer, Department of Geography, from January 15, 1987 to May 31, 1987, to conduct geographic research and writing on Texas water resources and water policy. A co-authored book-length manuscript is planned for publication.

Approve faculty development leave with salary for Dr. William Westney, Department of Music, from January 15, 1987 to May 31, 1987, to prepare a book manuscript, new lecture/recitals, and prepare for a solo debut in London, England.

Approve faculty development leave with salary for Diane S. Wood, Department of Classical and Romance Languages, from September 1, 1986 to January 15, 1987, to study and research the sixteenth-century Parisian printer Denys Janot and his relationship to the development of the popular novel in France during the early Renaissance.

Approve faculty development leave with salary for Dr. Robert E. Wilkes, Area of Marketing, from September 1, 1986 to January 15, 1987, to study extensively selected characteristics of the purchase behavior of mature (55 and older) customer markets, and those of Hispanics, as well as devote time to revision of the graduate course in Marketing Strategy.

Resolution

Fact Findings of the Appointment of
Dr. David E. Koeppe to
The State Seed and Plant Board

WHEREAS, The Honorable Mark White, Governor of the State of Texas, has appointed Dr. David E. Koeppe to The State Seed and Plant Board; and

WHEREAS, Section 1 and 2 of Article 6252-9a, Vernon's Texas Civil Statutes, require a certain finding of facts before an employee of one State Agency may accept an offer to serve another State Agency in positions of honor, trust or profit,

BE IT THEREFORE RESOLVED, that the Board of Regents of Texas Tech University find and determine the following:

1. The service of Dr. David E. Koeppe as a member of The State Seed and Plant Board is of benefit to the State of Texas and Texas Tech University.
2. The service of Dr. David E. Koeppe as a member of The State Seed and Plant Board does not conflict with his position of employment at Texas Tech University.
3. A member of The State Seed and Plant Board serves without compensation but is entitled to reimbursement by the State for necessary travel and per diem incurred in the performance of their duties as members of the Board.

WITNESS MY HAND this 14th day of March, 1986.

BOARD OF REGENTS
TEXAS TECH UNIVERSITY

By: _____
John E. Birdwell, Chairman

ATTEST:

(Mrs.) Freda Pierce, Secretary

OIL AND GAS LEASE

This Agreement made and entered into this _____ day of _____, 19 _____
between

herein called Lessor, and _____ of _____
herein called Lessee. WITNESSETH:

1. Lessor for and in consideration of Ten Dollars and other good and valuable consideration in hand paid, receipt of which is hereby acknowledged, and of the covenants and agreements hereinafter contained on the part of Lessee to be paid, kept and performed, hereby grants, leases and lets unto Lessee, for the sole and only purpose of prospecting, drilling for and producing oil and gas, laying pipe lines, building tanks, storing oil, and building structures thereon to produce, save, take care of, treat and transport said products, the following lands situated in _____ County, _____ to-wit:

considered for all purposes of this lease as containing exactly _____ acres, whether there be more or less.

2. Subject to the other provisions herein contained, this lease shall be for a term of _____ (herein called "primary term") and as long thereafter as oil and gas or either of them is produced in paying quantities from said land under the provisions hereof.

3. When production of oil and/or gas is secured, Lessee agrees to pay or deliver to Lessor during the term hereof:

(a) as a royalty on oil, which is defined as including all hydrocarbons produced in liquid form at the mouth of the well and all condensate, distillate, and other liquid hydrocarbons recovered from oil or gas by separator as required below, an equal _____ part of that produced and saved, the same to be delivered at the well or to the credit of Lessor into the pipe line to which the wells may be connected. Lessee may from time to time purchase any royalty oil in its possession paying therefor the highest posted price, plus premium, if any, offered or paid for oil, condensate, distillate or other liquid hydrocarbons, respectively, of a like type and gravity for the field where produced and when run, or the gross proceeds of the sale thereof, whichever is greater.

(b) As a royalty on any gas, which is defined as all hydrocarbons and gaseous substances not defined as oil in subparagraph (a) above, produced from said land and sold or used off the premises or in the manufacture of gasoline or other product therefrom, the market value at the

well of an equal _____ part of the gas so sold or used. Lessee agrees that before any gas produced is sold or used off said land, it will be run, free of cost to Lessor, through an adequate oil and gas separator of conventional type or other equipment at least as efficient to the end that all liquid hydrocarbons recoverable from the gas by such means will be recovered.

(c) Anything in subparagraphs (a) and (b) above to the contrary notwithstanding, Lessor may at any time, or from time to time, upon not less than sixty (60) days written notice to Lessee, require that payment of any royalties provided for herein be made in kind. At such time or times as Lessor is not taking royalty gas in kind, the market value of gas sold at the wells by Lessee shall be conclusively presumed to be the price realized by Lessee for the sale thereof.

4. Lessee agrees that all royalties accruing under the lease (including those paid in kind) shall be without deduction for the cost of producing, gathering, storing, separating, treating, dehydrating, compressing, processing, transporting, and otherwise making the oil, gas and other products produced hereunder ready for sale or use.

5. If drilling operations are not commenced on said land on or before one year from this date the lease shall then terminate as to both parties unless on or before such anniversary date Lessee shall pay or tender to Lessor or to the credit of Lessor in _____ (which bank and its successors are Lessor's agent and shall continue as the depository for all rentals payable hereunder regardless of changes in ownership of said land or the rentals) the sum of _____ Dollars (\$ _____), (herein called rental), which shall cover the privilege of deferring commencement of drilling operations for a period of twelve months. In like manner and upon like payment or tenders annually the commencement of drilling operations may be further deferred for successive periods of twelve (12) months each during the primary term. The payment or tender of rental may be made by the check or draft of Lessee mailed or delivered to said bank on or before such date of payment. If such bank (or any successor bank) should fail, liquidate or be succeeded by another bank or for any reason fail or refuse to accept rental, Lessee shall not be held in default for failure to make such payment or tender of rental until thirty (30) days after Lessor shall deliver to Lessee a proper recordable instrument, naming another bank as agent to receive such payments or tenders. The cash down payment is consideration for this lease according to its terms and shall not be allocated as mere rental for a period. Lessee may at any time execute and deliver to Lessor or to the depository above named or place of record a release or releases covering any portion or portions of the above described premises and thereby surrender this lease as to such portion or portions and be relieved of all obligations as to the acreage surrendered, and thereafter the rentals payable hereunder shall be reduced in the proportion that the acreage covered hereby is reduced by said release or releases.

6. If prior to discovery of oil or gas on said land, Lessee should drill a dry hole or holes thereon, or if after discovery of oil or gas the production thereof should cease from any cause, this lease shall not terminate if Lessee commences additional drilling or reworking operations within sixty (60) days thereafter or (if it be within the primary term) commences or resumes the payment or tender of rentals on or before the rental paying date next ensuing after the expiration of three months from date of completion of dry hole or cessation of production. If at the expiration of the primary term oil or gas is not being produced on said land but Lessee is then engaged in drilling or reworking operations thereon, the lease shall remain in force so long as operations are prosecuted with no cessation of more than thirty (30) consecutive days, and if they result in the production of oil or gas so long thereafter as oil or gas is produced from said land.

7. After the time that the above described land has been drilled to the density necessary to entitle each well producing oil and/or gas in paying quantities, to the maximum production

allowable, under the rules and regulations of governmental authority having jurisdiction, but not prior thereto, Lessee is hereby granted the right to pool or unitize all of the land covered by this lease that is not allocated to a producing well, but not a part thereof, with any other land, lease, leases, mineral estates or parts thereof for the production of oil or gas. Units pooled for oil hereunder shall not exceed 40 acres plus a tolerance of ten percent, and units pooled for gas hereunder shall not exceed 640 acres plus a tolerance of ten percent. Lessee shall file written unit designations in the county in which the premises are located and furnish a copy thereof to Lessor. Such units may be designated either before or after the completion of wells. The entire acreage pooled into a unit shall be treated for all purposes, except the payment of royalties on production from the pooled unit, as if it were included in this lease. In lieu of the royalties herein provided, Lessor shall receive on production from a unit so pooled only such portion of the royalty stipulated herein as the amount of its acreage placed in the unit or its royalty interest therein on an acreage basis bears to the total acreage so pooled in the particular unit involved.

8. Lessee shall have free use of oil and gas from said land for all operations hereunder and the royalties shall be computed after deducting any so used. Lessee shall have free use of water, except water from Lessor's wells and tanks, for drilling operations only. Lessee shall have the right at any time until 120 days after the expiration or termination of this lease to remove all personal property and equipment placed by Lessee on said premises, including the right to draw and remove all casing. Any such personal property, equipment or casing remaining on said premises after the expiration of said 120-day period shall be conclusively presumed to have been abandoned by Lessee, and shall become the property of Lessor.

9. The rights of either party hereunder may be assigned in whole or in part and the provisions hereof shall extend to the heirs, executors, administrators, successors, and assigns, but no change or division in ownership of the land, rentals or royalties, however accomplished, shall operate to enlarge the obligations or diminish the rights of Lessee. No such change or division in the ownership of the land, rentals or royalties shall be binding upon Lessee for any purpose until such person acquiring any interest has furnished Lessee with the instrument or instruments, or certified copies thereof, constituting his chain of title from the original Lessor. In the event of an assignment of this lease as to a segregated portion of said land, the rentals payable hereunder shall be apportioned as between the several leasehold owners ratably according to the surface area of each, and default in rental payment by one shall not affect the rights of other leasehold owners hereunder. An assignment of this lease, in whole or in part, shall, to the extent of such assignment, relieve and discharge Lessee of any obligations hereunder, and, if Lessee or assignee of part or parts hereof shall fail or make default in the payment of the proportionate part of the rentals due from such Lessee or assignee or fail to comply with any other provision of the lease, such default shall not affect this lease insofar as it covers a part of said lands upon which Lessee or any assignee thereof shall make payment of said rentals.

10. Lessee shall not be liable for delays or defaults in its performance of any agreement or covenant hereunder due to force majeure. The term "force majeure" as employed herein shall mean: any act of God including but not limited to storms, floods, washouts, landslides, and lightning; laws, acts, orders or requests of federal, state, municipal or other governments or governmental officers or agents under color of authority. If Lessee is required, ordered or directed by any federal, state or municipal law, executive order, rule, regulation or request enacted or promulgated under color of authority to cease drilling operations, reworking operations or producing operations on the land covered by this lease or if Lessee by force majeure is prevented from conducting drilling operations, reworking operations or producing operations, then until such time as such law, order, rule, regulation, request or force majeure is terminated and for a period of ninety (90) days after such termination each and every provision of this lease that might

operate to terminate it or the estate conveyed by it shall be suspended and inoperative and this lease shall continue in full force. If any period of suspension occurs during the primary term, the time thereof shall be added to such term.

11. Lessor hereby warrants and agrees to defend the title to said land against those claiming by, through or under it, but not otherwise, and agrees that Lessee, at its option, may discharge any tax, mortgage or other lien upon said land, and in the event Lessee does so, it shall be subrogated to such lien with the right to enforce same and apply rentals and royalties accruing hereunder toward satisfying same. Without impairment of Lessee's rights under the warranty in the event of failure of title, it is agreed that, if Lessor owns an interest in said land less than the entire fee simple estate, then the royalties, rentals, and surface damages, if any, to be paid Lessor shall be reduced proportionately.

12. If at the expiration of the primary term or at any time thereafter, there is located on the leased premises a well or wells capable of producing gas in paying quantities and such gas is not produced for lack of a suitable market and this lease is not being maintained in force and effect under the other terms and provisions hereof, Lessee may pay as royalty a sum of money equal to _____ the annual rentals provided in paragraph No. 5 above; such payment shall be made to Lessor or tendered to its credit in _____ prior to the expiration of the primary term of this lease or, if the primary term has expired prior to the shutting in of said well, within sixty (60) days after Lessee shuts in said well or ceases to produce gas therefrom or within sixty (60) days after this lease ceases to be maintained in force under its other provisions; and if such payment is made, this lease shall be considered to be a producing lease and such payment shall extend the term of this lease for a period of one (1) year from the date such payment or tender is made, and in like manner, _____ subsequent and additional annual royalty payments may be made or tendered and it will be considered under all provisions of this lease that gas is being produced from the leased premises during any annual period for which such royalty is paid or tendered as authorized above.

13. _____ years from the date of the expiration of the primary term of this lease, this lease shall terminate as to all of the above described land, save and except as to each proration unit established under the rules and regulations of governmental authority having jurisdiction in order to obtain the maximum allowable per well, upon which there is located a well capable of producing oil and/or gas in paying quantities, and as to each said proration unit shall terminate as to all depths below but not above, 100 feet below the stratigraphic equivalent of the base of the deepest zone or formation penetrated or drilled to and tested in a well Lessee has theretofore drilled thereon, which zone or formation is to be identified from the electric log or logs of said wells.

14. Lessee shall adequately protect the oil and gas under the above described land from drainage from adjacent lands, and shall drill as many wells as the facts may justify and to the depths necessary for effective protection against undue drainage by wells on adjacent lands. The term "adjacent lands" includes lands which have a common corner or corners with the above described land.

15. The provisions of this paragraph are applicable only in the event Lessor owns the surface estate in and to the above described land, or an undivided interest therein.

(a) When requested by Lessor, Lessee shall bury its pipe lines below deep plow depth.

(b) No well shall be drilled nearer than 400 feet to any house or barn now on the above described land, without the written permission of Lessor.

(c) Lessee shall pay Lessor for damages caused by its operations to all personal property, improvements, livestock, and growing crops on said land. In addition Lessee shall pay to Lessor:

\$ _____ per location for each well and tank battery;

\$ _____ per rod for all flow lines;

\$ _____ per rod for all roads.

\$ _____

(d) Lessee shall consult with Lessor relative to proposed roads to drill sites and other facilities, and insofar as possible roads shall be located adjacent to existing fences and/or turn rows and laterally thereto in the most direct route to the well site or other facility.

(e) Prior to cutting any existing fence Lessee will install, on each side of the proposed cut, braced-in type posts, and the existing fence will be firmly fixed, taut and without sags and the fence then cut and a sturdy metal gate installed.

(f) While Lessee is conducting operations hereunder, all areas of operations will be kept free of trash and all other debris and within a reasonable time after operations are completed, the area will be finally cleaned and earthen pits and construction will be removed to the end that all objects and structures foreign to the natural condition of the land will be removed and eliminated.

(g) Lessee will take all necessary action to protect all fresh water bearing zones, and upon abandonment of any well, Lessee shall plug the same in compliance with applicable laws, rules and regulations of any governmental authority having jurisdiction. At no time shall salt-water, radioactive or poisonous wastes or muds or other deleterious substances be stored or placed in earthen pits unless the same are constructed and sealed in a water tight manner so that such substances cannot escape through or over such pits and under no circumstances are earthen pits or surface pits to be used for disposal of such substances.

16. This lease shall be binding upon and inure to the benefit of, Lessor and Lessee and their respective heirs, successors, legal representatives and assigns.

IN WITNESS WHEREOF, this lease is executed on the date first above written.

SINGLE ACKNOWLEDGMENT

THE STATE OF _____ §
COUNTY OF _____ §

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared

known to me to be the person whose name _____ subscribed to the foregoing instrument, and acknowledged to me that _____ executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the _____ day of _____ A.D. 19__.

Notary Public in and for the State of

PRINTED NAME: _____

DIVISION ORDER

DATE: _____ EFFECTIVE DATE: _____
TO: _____ PROPERTY NAME: _____
OPERATOR NAME: _____

1. TEXAS TECH UNIVERSITY hereby guarantees and warrants that it is the legal owner of _____ interest in the proceeds derived from the sale of oil and gas and all other hydrocarbons produced from the

described as follows:

in _____ County, State of _____ and until further notice either from you or us, you will give credit for all such proceeds, after deducting production and severance applicable thereto.

2. Settlement for the proceeds realized from the sale of said oil and gas and hydrocarbons shall be made monthly by mailing to the undersigned at the address shown below, a bank check for the amount due. You may withhold, without interest, monthly payments due payee of amounts less than Ten Dollars (\$10.00); it being agreed, however, that regardless of the amount so accumulated, you will make payments of full amounts so credited semi-annually.
3. In case of an adverse claim or dispute which affects title to TEXAS TECH UNIVERSITY'S ownership credited hereunder, TEXAS TECH UNIVERSITY agrees to furnish evidence of title satisfactory to you. In the event of failure to furnish such satisfactory evidence of title, you are hereby authorized to withhold payments accruing to such affected ownership, on the amount so withheld until the claim or dispute is finally settled and proof of such final settlement is furnished to you.

4. You will not be responsible for any change of ownership in the absence of written notice and satisfactory proof thereof. All transfers of interest shall be made effective by you as of 7:00 a.m. on the first day of the calendar month next succeeding the date such written notice is received by you.

WITNESS:

Signature of Owner:

Tax Exempt under I.R.S. Code 117

OIL, GAS AND MINERAL LEASE

This Agreement made and entered into this _____ day of _____, 19 _____
between

herein called Lessor, and _____ of _____
herein called Lessee. WITNESSETH:

1. Lessor for and in consideration of Ten Dollars and other good and valuable consideration in hand paid, receipt of which is hereby acknowledged, and of the covenants and agreements hereinafter contained on the part of Lessee to be paid, kept and performed, hereby grants, leases and lets unto Lessee, for the sole and only purpose of prospecting, drilling for and producing oil, gas, and all other minerals laying pipe lines, building tanks, storing oil, and building structures thereon to produce, save, take care of, treat and transport said products, the following lands situated in _____ County, _____ to-wit:

considered for all purposes of this lease as containing exactly _____ acres, whether there be more or less.

2. Subject to the other provisions herein contained, this lease shall be for a term of _____ (herein called "primary term") and as long thereafter as oil, gas or other minerals, or any of them is produced in paying quantities from said land under the provisions hereof.

3. When production of oil and/or gas is secured, Lessee agrees to pay or deliver to Lessor during the term hereof:

(a) as a royalty on oil, which is defined as including all hydrocarbons produced in liquid form at the mouth of the well and all condensate, distillate, and other liquid hydrocarbons recovered from oil or gas by separator as required below, an equal _____ part of that produced and saved, the same to be delivered at the well or to the credit of Lessor into the pipe line to which the wells may be connected. Lessee may from time to time purchase any royalty oil in its possession paying therefor the highest posted price, plus premium, if any, offered or paid for oil, condensate, distillate or other liquid hydrocarbons, respectively, of a like type and gravity for the field where produced and when run, or the gross proceeds of the sale thereof, whichever is greater.

(b) As a royalty on any gas, which is defined as all hydrocarbons and gaseous substances not defined as oil in subparagraph (a) above, produced from said land and sold or used off the

premises or in the manufacture of gasoline or other product therefrom, the market value at the well of an equal _____ part of the gas so sold or used. Lessee agrees that before any gas produced is sold or used off said land, it will be run, free of cost to Lessor, through an adequate oil and gas separator of conventional type or other equipment at least as efficient to the end that all liquid hydrocarbons recoverable from the gas by such means will be recovered.

(c) On all other minerals mined and marketed, _____, either in kind or value at the well or mine, at lessee's election, except that on sulphur the royalty shall be One Dollar (\$1.00) per long ton;

(d) Anything in subparagraphs (a), (b), or (c) above to the contrary notwithstanding, Lessor may at any time, or from time to time, upon not less than sixty (60) days written notice to Lessee, require that payment of any royalties provided for herein be made in kind. At such time or times as Lessor is not taking royalty gas in kind, the market value of gas sold at the wells by Lessee shall be conclusively presumed to be the price realized by Lessee for the sale thereof.

4. Lessee agrees that all royalties accruing under the lease (including those paid in kind) shall be without deduction for the cost of producing, gathering, storing, separating, treating, dehydrating, compressing, processing, transporting, and otherwise making the oil, gas, minerals and other products produced hereunder ready for sale or use.

5. If drilling or mining operations are not commenced on said land on or before one year from this date the lease shall then terminate as to both parties unless on or before such anniversary date Lessee shall pay or tender to Lessor or to the credit of Lessor in _____ (which bank and its successors are Lessor's agent and shall continue as the depository for all rentals payable hereunder regardless of changes in ownership of said land or the rentals) the sum of _____ Dollars (\$ _____), (herein called rental), which shall cover the privilege of deferring commencement of drilling operations for a period of twelve months. In like manner and upon like payment or tenders annually the commencement of drilling operations may be further deferred for successive periods of twelve (12) months each during the primary term. The payment or tender of rental may be made by the check or draft of Lessee mailed or delivered to said bank on or before such date of payment. If such bank (or any successor bank) should fail, liquidate or be succeeded by another bank or for any reason fail or refuse to accept rental, Lessee shall not be held in default for failure to make such payment or tender of rental until thirty (30) days after Lessor shall deliver to Lessee a proper recordable instrument, naming another bank as agent to receive such payments or tenders. The cash down payment is consideration for this lease according to its terms and shall not be allocated as mere rental for a period. Lessee may at any time execute and deliver to Lessor or to the depository above named or place of record a release or releases covering any portion or portions of the above described premises and thereby surrender this lease as to such portion or portions and be relieved of all obligations as to the acreage surrendered, and thereafter the rentals payable hereunder shall be reduced in the proportion that the acreage covered hereby is reduced by said release or releases.

6. If prior to discovery of oil or gas or other minerals on said land, Lessee should drill a dry hole or holes thereon, or if after discovery of oil, gas or other minerals the production thereof should cease from any cause, this lease shall not terminate if Lessee commences additional drilling or reworking operations within sixty (60) days thereafter or (if it be within the primary term) commences or resumes the payment or tender of rentals on or before the rental paying date next ensuing after the expiration of three months from date of completion of dry hole or cessation of production. If at the expiration of the primary term oil or gas is not being produced on said

land but Lessee is then engaged in drilling or reworking operations thereon, the lease shall remain in force so long as operations are prosecuted with no cessation of more than thirty (30) consecutive days, and if they result in the production of oil, gas, or other minerals so long thereafter as oil, gas or other minerals are produced from said land.

7. After the time that the above described land has been drilled to the density necessary to entitle each well producing oil and/or gas in paying quantities, to the maximum production allowable, under the rules and regulations of governmental authority having jurisdiction, but not prior thereto, Lessee is hereby granted the right to pool or unitize all of the land covered by this lease that is not allocated to a producing well, but not a part thereof, with any other land, lease, leases, mineral estates or parts thereof for the production of oil or gas. Units pooled for oil hereunder shall not exceed 40 acres plus a tolerance of ten percent, and units pooled for gas hereunder shall not exceed 640 acres plus a tolerance of ten percent. Lessee shall file written unit designations in the county in which the premises are located and furnish a copy thereof to Lessor. Such units may be designated either before or after the completion of wells. The entire acreage pooled into a unit shall be treated for all purposes, except the payment of royalties on production from the pooled unit, as if it were included in this lease. In lieu of the royalties herein provided, Lessor shall receive on production from a unit so pooled only such portion of the royalty stipulated herein as the amount of its acreage placed in the unit or its royalty interest therein on an acreage basis bears to the total acreage so pooled in the particular unit involved.

8. Lessee shall have free use of oil and gas from said land for all operations hereunder and the royalties shall be computed after deducting any so used. Lessee shall have free use of water, except water from Lessor's wells and tanks, for drilling operations only. Lessee shall have the right at any time until 120 days after the expiration or termination of this lease to remove all personal property and equipment placed by Lessee on said premises, including the right to draw and remove all casing. Any such personal property, equipment or casing remaining on said premises after the expiration of said 120-day period shall be conclusively presumed to have been abandoned by Lessee, and shall become the property of Lessor.

9. The rights of either party hereunder may be assigned in whole or in part and the provisions hereof shall extend to the heirs, executors, administrators, successors, and assigns, but no change or division in ownership of the land, rentals or royalties, however accomplished, shall operate to enlarge the obligations or diminish the rights of Lessee. No such change or division in the ownership of the land, rentals or royalties shall be binding upon Lessee for any purpose until such person acquiring any interest has furnished Lessee with the instrument or instruments, or certified copies thereof, constituting his chain of title from the original Lessor. In the event of an assignment of this lease as to a segregated portion of said land, the rentals payable hereunder shall be apportioned as between the several leasehold owners ratably according to the surface area of each, and default in rental payment by one shall not affect the rights of other leasehold owners hereunder. An assignment of this lease, in whole or in part, shall, to the extent of such assignment, relieve and discharge Lessee of any obligations hereunder, and, if Lessee or assignee of part or parts hereof shall fail or make default in the payment of the proportionate part of the rentals due from such Lessee or assignee or fail to comply with any other provision of the lease, such default shall not affect this lease insofar as it covers a part of said lands upon which Lessee or any assignee thereof shall make payment of said rentals.

10. Lessee shall not be liable for delays or defaults in its performance of any agreement or covenant hereunder due to force majeure. The term "force majeure" as employed herein shall mean: any act of God including but not limited to storms, floods, washouts, landslides, and lightning;

aws, acts, orders or requests of federal, state, municipal or other governments or governmental officers or agents under color of authority. If Lessee is required, ordered or directed by any federal, state or municipal law, executive order, rule, regulation or request enacted or promulgated under color of authority to cease drilling operations, reworking operations or producing operations on the land covered by this lease or if Lessee by force majeure is prevented from conducting drilling operations, reworking operations or producing operations, then until such time as such law, order, rule, regulation, request or force majeure is terminated and for a period of ninety (90) days after such termination each and every provision of this lease that might operate to terminate it or the estate conveyed by it shall be suspended and inoperative and this lease shall continue in full force. If any period of suspension occurs during the primary term, the time thereof shall be added to such term.

11. Lessor hereby warrants and agrees to defend the title to said land against those claiming by, through or under it, but not otherwise, and agrees that Lessee, at its option, may discharge any tax, mortgage or other lien upon said land, and in the event Lessee does so, it shall be subrogated to such lien with the right to enforce same and apply rentals and royalties accruing hereunder toward satisfying same. Without impairment of Lessee's rights under the warranty in the event of failure of title, it is agreed that, if Lessor owns an interest in said land less than the entire fee simple estate, then the royalties, rentals, and surface damages, if any, to be paid Lessor shall be reduced proportionately.

12. If at the expiration of the primary term or at any time thereafter, there is located on the leased premises a well or wells capable of producing gas in paying quantities and such gas is not produced for lack of a suitable market and this lease is not being maintained in force and effect under the other terms and provisions hereof, Lessee may pay as royalty a sum of money equal to _____ the annual rentals provided in paragraph No. 5 above; such payment shall be made to Lessor or tendered to its credit in _____ prior to the expiration of the primary term of this lease or, if the primary term has expired prior to the shutting in of said well, within sixty (60) days after Lessee shuts in said well or ceases to produce gas therefrom or within sixty (60) days after this lease ceases to be maintained in force under its other provisions; and if such payment is made, this lease shall be considered to be a producing lease and such payment shall extend the term of this lease for a period of one (1) year from the date such payment or tender is made, and in like manner, _____ subsequent and additional annual royalty payments may be made or tendered and it will be considered under all provisions of this lease that gas is being produced from the leased premises during any annual period for which such royalty is paid or tendered as authorized above.

13. _____ years from the date of the expiration of the primary term of this lease, this lease shall terminate as to all oil and gas rights in the above described land, save and except as to each proration unit established under the rules and regulations of governmental authority having jurisdiction in order to obtain the maximum allowable per well, upon which there is located a well capable of producing oil and/or gas in paying quantities, and as to each said proration unit shall terminate as to all depths below but not above, 100 feet below the stratigraphic equivalent of the base of the deepest zone or formation penetrated or drilled to and tested in a well Lessee has theretofore drilled thereon, which zone or formation is to be identified from the electric log or logs of said wells.

14. Lessee shall adequately protect the oil and gas under the above described land from drainage from adjacent lands, and shall drill as many wells as the facts may justify and to the depths necessary for effective protection against undue drainage by wells on adjacent lands. The term "adjacent lands" includes lands which have a common corner or corners with the above described land.

15. The provisions of this paragraph are applicable only in the event Lessor owns the surface estate in and to the above described land, or an undivided interest therein.

(a) When requested by Lessor, Lessee shall bury its pipe lines below deep plow depth.

(b) No well shall be drilled nearer than 400 feet to any house or barn now on the above described land, without the written permission of Lessor.

(c) Lessee shall pay Lessor for damages caused by its operations to all personal property, improvements, livestock, and growing crops on said land. In addition Lessee shall pay to Lessor:

\$ _____ per location for each well and tank battery;

\$ _____ per rod for all flow lines;

\$ _____ per rod for all roads.

\$ _____

(d) Lessee shall consult with Lessor relative to proposed roads to drill sites and other facilities, and insofar as possible roads shall be located adjacent to existing fences and/or turn rows and laterally thereto in the most direct route to the well site or other facility.

(e) Prior to cutting any existing fence Lessee will install, on each side of the proposed cut, braced-in type posts, and the existing fence will be firmly fixed, taut and without sags and the fence then cut and a sturdy metal gate installed.

(f) While Lessee is conducting operations hereunder, all areas of operations will be kept free of trash and all other debris and within a reasonable time after operations are completed, the area will be finally cleaned and earthen pits and construction will be removed to the end that all objects and structures foreign to the natural condition of the land will be removed and eliminated.

(g) Lessee will take all necessary action to protect all fresh water bearing zones, and upon abandonment of any well, Lessee shall plug the same in compliance with applicable laws, rules and regulations of any governmental authority having jurisdiction. At no time shall salt-water, radioactive or poisonous wastes or muds or other deleterious substances be stored or placed in earthen pits unless the same are constructed and sealed in a water tight manner so that such substances cannot escape through or over such pits and under no circumstances are earthen pits or surface pits to be used for disposal of such substances.

16. This lease shall be binding upon and inure to the benefit of, Lessor and Lessee and their respective heirs, successors, legal representatives and assigns.

IN WITNESS WHEREOF, this lease is executed on the date first above written.

SINGLE ACKNOWLEDGMENT

THE STATE OF _____ §
COUNTY OF _____ §

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared

known to me to be the person whose name _____ subscribed to the foregoing instrument, and acknowledged to me that _____ executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the _____ day of _____ A.D. 19__.

Notary Public in and for the State of

PRINTED NAME: _____

04.12 Mineral Leases.

- (1)(E) Use of Texas Tech University standardized oil and gas lease or oil and gas and mineral lease forms will be required for all leases.
- (F) Use of Texas Tech University standardized division order forms will be required for all division orders.
- (2)(D) Use of Texas Tech University standardized oil and gas lease or oil and gas and mineral lease forms will be required for all leases.
- (E) Use of Texas Tech University standardized division order forms will be required for all division orders.

ARTICLES OF INCORPORATION

OF

TEXAS TECH UNIVERSITY AND HEALTH SCIENCES CENTER RESEARCH FOUNDATION

We, the undersigned natural persons, at least two (2) of whom are citizens of the State of Texas, and who are of the age of eighteen (18) years or more, acting as incorporators of a corporation under the Texas Non-Profit Corporation Act, do hereby adopt the following Articles of Incorporation for such corporation:

ARTICLE I

NAME

The name of the corporation is TEXAS TECH UNIVERSITY AND HEALTH SCIENCES CENTER RESEARCH FOUNDATION.

ARTICLE II

NONPROFIT CORPORATION

The corporation is a nonprofit corporation.

ARTICLE III

DURATION

The period of its duration is perpetual.

ARTICLE IV

PURPOSES

The purposes for which the corporation is organized are: to function as a private not-for-profit research foundation for the exclusive benefit of Texas Tech University and Texas Tech University Health Sciences Center for charitable, educational, and scientific purposes; to support research projects and associated educational undertakings in one or more of their academic colleges and schools; to seek and obtain contracts, grants, and gifts for the advancement of research; to aid, assist, supplement, and complement such work through and in cooperation with Texas Tech University and Texas Tech University Health Sciences Center; to obtain through gifts or otherwise, funds for construction and maintenance of new buildings, laboratories, and equipment to be used by the Texas Tech University and Health Sciences Center Research Foundation in conformity with the laws of the State of Texas and with legal consent of the State of Texas; to continue to enhance the development of an educational institution of excellence which supports short and long term research needs through the promotion of close working relationships between Texas Tech University and Texas Tech University Health Sciences Center and local, state, and federal government agencies and private industry.

ARTICLE V

INITIAL REGISTERED OFFICE AND AGENT

The street address of the initial registered office of the corporation is P. O. Box 4641, Texas Tech University, Lubbock, Texas 79409 and the name of its initial registered agent at such address is Mr. Pat Campbell.

ARTICLE VI

BOARD OF DIRECTORS

The number of directors shall be determined by the bylaws of the corporation, and shall be subject to change from time to time as the bylaws may be amended; the number of directors shall never be less than seven (7) nor more than eleven (11), and the initial number of directors, which shall continue to be the number of directors until the initial by-laws in that respect are amended, shall be eleven (11) directors. The directors for the first years shall be the following named persons, all of whom are residents of the State of Texas and whose post office addresses are shown opposite their respective names.

The directors shall be appointed in such manner at such times and for such terms as shall be determined by the bylaws of the corporation.

ARTICLE VII

MEMBERSHIP

The corporation's membership shall consist of the voting members of the Board of Directors.

ARTICLE VIII

ASSETS

This corporation shall transact its business without profit, shall issue no stock and shall have no stockholders. The business of this corporation shall be transacted by the Board of Directors at such times, and for such terms, and in such manner as shall be determined by the by-laws of the corporation. In case of dissolution of said organization, all remaining funds and assets will be distributed to Texas Tech University or Texas Tech University Health Sciences Center to be used for such educational purposes as designated by the Board of Regents. If at time of dissolution Texas Tech University and Texas Tech University Health Sciences Center are not in existence, funds and assets shall be donated to the State of Texas.

ARTICLE IX
COMPENSATION

No part of its property, whether the income or principal, shall be distributable to any director, officer or employee of the corporation, and no part of the net earnings of the corporation shall inure to the benefit of any private individual, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article IV hereof. No part of its activities shall consist of carrying on propaganda or otherwise attempting to influence legislation, and it shall not participate in or intervene in (including the publishing or distributing of statements) any political campaign on behalf of any candidate for public office.

ARTICLE X
INCORPORATORS

The name and street address of each incorporator is:

IN WITNESS WHEREOF, we have hereunto set our hands, this _____ day of _____, 19____.

State of Texas
County of Lubbock

I, _____, a notary public, do hereby certify that on this _____ day of _____, 19____, personally appeared before me _____, _____, and _____ who, each being by me first duly sworn, severally declared that they are the persons who signed the foregoing document as incorporators, and that the statements therein contained are true.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the date and year above written.

Notary Public for the State of Texas

THE BY-LAWS
OF
TEXAS TECH UNIVERSITY AND HEALTH SCIENCES CENTER RESEARCH FOUNDATION

Article I - Name

- Section 1. The Name of the Non-Profit Corporation is and shall be the Texas Tech University and Health Sciences Center Research Foundation.

Article II - Purpose

Purposes for which this Non-Profit Corporation is organized are:

- Section 1. To function as a private not-for-profit research foundation for the exclusive benefit of Texas Tech University and Texas Tech University Health Sciences Center for charitable, educational, and scientific purposes.
- Section 2. To support research projects and associated educational undertakings in one or more of the Academic Colleges and Schools of Texas Tech University and Texas Tech University Health Sciences Center.
- Section 3. To seek and obtain contracts, grants, and gifts for the advancement of research; to aid, assist, supplement, and complement such work through and in cooperation with Texas Tech University and Texas Tech University Health Sciences Center; and to obtain through gifts or otherwise, funds for construction and maintenance of new buildings, laboratories, and equipment to be used by the Texas Tech University and Health Sciences Center Research Foundation in conformity with the laws of the State of Texas and with legal consent of the State of Texas.
- Section 4. To continue to enhance the development of an educational institution of excellence which supports short and long term research needs through the promotion of close working relationships between Texas Tech University and Texas Tech University Health Sciences Center and local, state, and federal government agencies and private industry.

Article III - Location

- Section 1. The place of business and office of Texas Tech University and Health Sciences Center Research Foundation is and shall be in the City of Lubbock, Lubbock County, Texas.

Article IV - Board of Directors

- Section 1. The Board of Directors of the Foundation shall be composed of eleven (11) members, seven (7) of whom are appointed by the Board of Regents of Texas Tech University and Texas Tech University Health Sciences Center. The remaining four (4) members will be appointed by the Board of City Development of Lubbock, Texas. In

addition, Board membership shall include as ex-officio non-voting members the Chief Executive Officers of Texas Tech University and Texas Tech University Health Sciences Center, the Chief Fiscal Officers of Texas Tech University and Texas Tech University Health Sciences Center, the Deans of the Academic Colleges and Schools, the Chief Academic Officers of Texas Tech University and Texas Tech University Health Sciences Center, the Executive Director of the Foundation, and the General Counsels of Texas Tech University and Texas Tech University Health Sciences Center.

Section 2. Vacancies shall be filled in the same manner as new members are appointed. In the event that an appointment is made to fill the unexpired term of a member, the appointment shall be made for the duration of the unexpired term.

Section 3. Terms of office of voting members of Board of Directors of the Foundation shall be for three (3) years. The duration of office for the initial members shall be staggered so that at least one-third of the members will be appointed each year. Voting members of the Board of Directors may serve no more than two consecutive terms.

Section 4. The nominating committee for positions on the Board of Directors will consist of the Chief Academic Officers of Texas Tech University and Texas Tech University Health Sciences Center with recommendations secured from the Deans of the Academic Colleges and Schools. The Chief Executive Officers of Texas Tech University and Texas Tech University Health Sciences Center will approve the nominations prior to submittal to the Board of Regents and the Board of City Development.

Article V - Officers

Section 1. Officers of the Texas Tech University and Health Sciences Center Research Foundation shall be the Chairman, Vice Chairman, and Secretary.

Section 2. The officers shall be elected by majority vote of the Board of Directors at the annual meeting and shall hold office for a period of one year and until their successors shall be duly elected. When officers are elected at this annual meeting, they shall assume their duties immediately.

Section 3. The voting members of the Board of Directors shall constitute the membership of the Foundation.

Section 4. The Chairman of the Foundation or his designee shall be the Chief Executive Officer. He shall preside at all meetings of the Board of Directors and shall exercise executive direction of the business of the Foundation. He shall have the authority to direct the Vice Chairman to act in his behalf. The Chairman of the Board of

Directors or his designee shall be responsible for negotiation of service contracts with other agencies. All contracts and agreements with other agencies must be approved and executed by both the Chairman or his designee and the Executive Director.

- Section 5. The Vice Chairman shall be vested with full power to exercise the functions of the Chairman at anytime that the Chairman is incapacitated or unavailable.
- Section 6. The Secretary will keep the minutes of all meetings of the Board of Directors and, when so ordered by the Board of Directors, will affix the Seal of the Non-Profit Corporation to such documents and instruments as may be authorized by the Board of Directors and attest same as the acts of the Corporation. The Secretary will, in general, perform all duties incident to the office of Secretary subject to the control of the Board of Directors. The Secretary shall be responsible for keeping and forwarding copies of the minutes of all regular and special meetings of the Board and Executive Committees to the Board of Regents.
- Section 7. The Executive Director of the FOUNDATION shall be appointed by the Board of Regents of the UNIVERSITY upon the recommendation of the executive committee of the Board of Directors of the FOUNDATION. The Board of Regents of the UNIVERSITY has the authority to dismiss the Executive Officer from this office. The Executive Director of the Foundation shall be custodian of all funds and in charge of all financial records of Texas Tech University and Health Sciences Center Research Foundation under the direction of the Board of Directors. He will see that systematic accounts are kept as required by law and that an annual financial report and other such reports, as may be requested, are made to the Board.
- Section 8. All Foundation employees must conduct Foundation research through one or more of the Academic Colleges or Schools of Texas Tech University or Texas Tech University Health Sciences Center. The Dean of each Academic College is the chief administrative officer of that college or school, conducting operations within the Foundation. Approval must be made by the Dean of any contract, grant, or gift to the Foundation. All contracts and agreements with other agencies must be approved and executed by both the Chairman or his designee and the Executive Director.

Article VI - Meetings

- Section 1. The Board shall hold one regular meeting each year, in the final half of the calendar year.
- Section 2. Special meetings of the Board shall be held as determined by the Board itself or upon call of the Chairman or upon request in writing signed by at least three voting members. Notice to members by regular mail should be posted ten (10) days or more before such meetings.

Section 3. The exact date and place of holding meetings shall be as fixed by the Board or stated in the call issued for the meeting by the Chairman.

Section 4. Whenever, by statute or the articles of incorporation or these bylaws, notice is required to be given to any Director, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated in such notice, shall be equivalent to the giving of such notice. Attendance of a director at a meeting shall constitute a waiver of notice of such meeting, except where a Director attends for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

Article VII - Quorum

Section 1. At all meetings of the board of directors a majority of the number of directors fixed by these bylaws shall constitute a quorum for the transaction of business unless a greater number is required by law or the articles of incorporation. The act of a majority of the directors present at any meeting at which a quorum is present shall be the act of the board of directors, except as otherwise specifically provided by statute or by the articles of incorporation or by these bylaws. If a quorum is not present at a meeting of the board of directors, the directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum is present.

Article VIII - Committees

Section 1. There shall be an Executive Committee of the Board of Directors of the Foundation, which shall consist of the following members:

1. The Chairman of the Foundation.
2. The Vice Chairman of the Foundation.
3. The Secretary of the Foundation.
4. The Ex-officio non-voting members described in Article IV, Section 1 of the Bylaws.

Between meetings of the Board of Directors, the Executive Committee is empowered and shall have the power and authority to act for the Board of Directors of the Foundation in the management of the business and affairs of the Foundation pursuant to Article II subject to such limitations as determined by the Board of Directors. Actions taken by the Executive Committee between meetings of the Foundation Board of Directors shall, at the next meeting of the Foundation Board of Directors, be considered and, if approved, thereby ratified and confirmed by the Board of Directors of the Foundation.

Section 2. The Executive Committee shall meet upon the call of the Chairman or at the call of two other members. The time and place shall be announced in the call, and notification of such meeting may be made

or caused to be made by either telephone or by mail. A quorum of the Executive Committee shall be not less than two voting and one non-voting member.

Section 3. There shall be such other standing and special committees appointed by the Chairman as may be determined by the Board.

Article IX - Assets

Section 1. The Foundation can pursue the ownership of and own buildings, equipment, patents, license rights to products, copyrights, shares in corporations and businesses, partnerships in corporations and businesses, and other such assets necessary to carry out its purposes.

Section 2. The Board shall have the authority to disperse Foundation assets for the purchase of equipment, building, hiring personnel, and other such functions as necessary to fulfill Article II.

Section 3. The Board shall be responsible for ensuring that, with the concurrence of the Chief Executive Officers of Texas Tech University and Texas Tech University Health Sciences Center, Foundation assets are assigned to the Academic Colleges and Schools that were responsible for the procurement of those assets through the Foundation, and with similar concurrence of the Chief Executive Officers, any funds resulting from the sale of Foundation assets shall be used for the principal benefit of the Academic Schools and Colleges that were responsible for the procurement of those assets.

Section 4. In the event of the dissolution of the Foundation, Foundation funds and assets shall be donated to Texas Tech University or Texas Tech University Health Sciences Center for educational purposes as designated by the Board of Regents. If at time of dissolution Texas Tech University and Texas Tech University Health Sciences Center are not in existence, funds and assets shall be donated to the State of Texas.

Article X - Amendments

Section 1. The By-Laws may be amended at any regular meeting or at any other meeting, provided that notice containing the proposed amendments is mailed to the members of the Foundation and to the members of the Board of Regents of the University thirty (30) days in advance of the meeting, and provided three-fifths of those Foundation Board members present approve such amendment, and provided final approval is given by the Board of Regents of the University.

AGREEMENT BETWEEN

TEXAS TECH UNIVERSITY, TEXAS TECH UNIVERSITY HEALTH SCIENCES CENTER,
AND TEXAS TECH UNIVERSITY AND HEALTH SCIENCES CENTER RESEARCH FOUNDATION

This AGREEMENT is made on this the _____ day of _____, 1986 by
and between TEXAS TECH UNIVERSITY of Lubbock, Lubbock County, Texas
(hereinafter called UNIVERSITY), TEXAS TECH UNIVERSITY HEALTH SCIENCES CENTER
of Lubbock, Lubbock County, Texas (hereinafter called HEALTH SCIENCES CENTER),
and the TEXAS TECH UNIVERSITY AND HEALTH SCIENCES CENTER RESEARCH FOUNDATION of
Lubbock, Lubbock County, Texas (hereinafter called the FOUNDATION).

WHEREAS, the FOUNDATION was formed for the exclusive benefit of the
UNIVERSITY and HEALTH SCIENCES CENTER for charitable, educational, and
scientific purposes, so as to further the aims and objectives of the
UNIVERSITY and the HEALTH SCIENCES CENTER, all as is set forth in Article II of
the FOUNDATION Bylaws; and,

WHEREAS, the UNIVERSITY, the HEALTH SCIENCES CENTER and the FOUNDATION
provide certain services and benefits to each other; and

WHEREAS, the UNIVERSITY, the HEALTH SCIENCES CENTER and the FOUNDATION
work together to promote research and to support any associated educational
undertaking; and

WHEREAS, both the UNIVERSITY and the HEALTH SCIENCES CENTER are governed
by the same Board of Regents pursuant to V.T.C.A. Education Code Sections
109.21 and 110.02; and

WHEREAS, the Chief Executive Officer of the UNIVERSITY is also the Chief
Executive Officer of the HEALTH SCIENCES CENTER under the authority of V.T.C.A.
Education Code Section 109.23 and 110.04; and

WHEREAS, if at a future time the Chief Executive Officer of the UNIVERSITY is not the Chief Executive Officer of the HEALTH SCIENCES CENTER, all authority given the Chief Executive Officers in this Agreement will be given to the Chief Executive Officer of the system; and

WHEREAS, for the furtherance of such purposes and to attain the greatest degree of integrity and efficiency in carrying out the purposes of the FOUNDATION and the request of the donors and grantors thereto, and to set out agreed upon, joint procedures for the orderly administration of the FOUNDATION, the UNIVERSITY and the HEALTH SCIENCES CENTER in their joint functions, the FOUNDATION, the UNIVERSITY and the HEALTH SCIENCES CENTER do hereby agree as follows:

ARTICLE I.

FUNCTIONS

The FOUNDATION, in accord with its Articles of Incorporation and Bylaws, (Attached as Exhibit "A" and "B" hereto) will work to assist in providing and making available to Academic Colleges and Schools, their students and faculty assets to accomplish its goals and objectives. The FOUNDATION will function essentially as a fiduciary entity on behalf of the funding agency and the Academic Colleges and Schools' programs or activities to be funded. The UNIVERSITY and the HEALTH SCIENCES CENTER will assist the FOUNDATION by providing space, facilities, equipment, and staff for performing certain ministerial services. Salaries for provided staff will be paid for by the FOUNDATION. The FOUNDATION offices will be located on the UNIVERSITY campus.

ARTICLE II.

RESPONSIBILITY OF THE UNIVERSITY AND THE HEALTH SCIENCES CENTER

The Board of Directors of the FOUNDATION and the Board of Regents must assure that the activities of the FOUNDATION in support of each academic school and college are consistent with the UNIVERSITY'S and the HEALTH SCIENCES CENTER'S objectives, goals, and priorities. Therefore, the Chief Executive Officers will be responsible for assuring the proper allocation and utilization of resources made available through the FOUNDATION. Furthermore, only those officers designated by the Chief Executive Officers can serve as a signatory on FOUNDATION accounts.

The UNIVERSITY and the HEALTH SCIENCES CENTER will make available to the FOUNDATION, upon request, such services as are available for research conducted by the UNIVERSITY and by the HEALTH SCIENCES CENTER. In exchange for such services, the FOUNDATION will reimburse the UNIVERSITY and the HEALTH SCIENCES CENTER for costs incurred. The FOUNDATION shall retain the right to charge funding agencies an overhead rate adequate to maintain support services essential to the conduct of large-scale basic and applied research projects in addition to a fee for providing such services.

At least once a year, the Deans of each academic college and school will report to the FOUNDATION Board of Directors on their units' activities conducted through the Foundation.

At the close of each fiscal year, an independent firm of certified public accountants will be retained by the FOUNDATION to audit all funds and activities of the FOUNDATION and to render a report to the Board of Directors of the FOUNDATION and to the Board of Regents. All appropriate officers of the

UNIVERSITY, of the HEALTH SCIENCES CENTER and of the FOUNDATION will cooperate with the accountant in the preparation of a proper audit.

ARTICLE III.

BUDGET AND ALLOCATION PROCEDURES

Restricted funds shall be allocated by the restrictions of the grantor under supervision of the Executive Director. The allocation and budgeting of unrestricted funds is to be determined by the following procedure:

During the year the Executive Director collects information on needs for unrestricted funds from the appropriate Deans of the Academic Colleges and Schools, the Chief Academic Officers, and the Chief Fiscal Officers. In May of each year, the Executive Director prepares an estimate of income and expenses to be paid from these funds for the succeeding fiscal year. A draft budget is presented to the Chief Executive Officer. The Chief Executive Officer, in consultation with the Dean of the respective academic college or school, the Chief Academic Officers, and the Chief Fiscal Officers will make a final decision on a proposed budget to be presented to the Executive Committee of the FOUNDATION.

The Executive Director will present the President's proposed budget to the Board of Directors who will have final approval.

Copies of the approved budgets will be distributed by the Executive Director by August 15th. The Executive Director will provide the members of the Board of Directors a report of Allocation of Unrestricted Funds at the next scheduled Board meeting.

Requests for budget adjustments to unrestricted fund accounts will be submitted by way of a memorandum from the responsible account manager to the Executive Director. The Executive Director may approve adjustments of \$10,000 or less. Adjustments of more than \$10,000 and less than \$50,000 require concurrence of the Chief Executive Officers. Adjustments of more than \$50,000 require approval of the Board of Directors. All budget adjustment revenues and expenditures are reported quarterly to the Board of Directors of the FOUNDATION. A complete audit report, developed by an independent CPA, is provided annually to the Board of Directors, to the Chief Fiscal Officers, and to the Board of Regents.

ARTICLE IV.

ACCOUNTING AND INVESTMENT PROCEDURES

FOUNDATION funds will be receipted, accounted, and disbursed within the UNIVERSITY'S accounting system as agency funds. (Agency Funds are those funds belonging to another agency for which the UNIVERSITY serves as Trustee.)

The FOUNDATION'S available cash funds will be invested by the Executive Director within the UNIVERSITY'S cash investment program with all interest earnings credited to the FOUNDATION. Except for certain restricted accounts, earnings from investments normally accrue to the general operating fund of the FOUNDATION. With the concurrence of the Board of Regents, the FOUNDATION may also elect to use other investment programs which may not be available to the UNIVERSITY.

ARTICLE V.

DISBURSEMENT CONTROL

Disbursements from FOUNDATION accounts will be supervised by the Executive Director and will be made only for expenditures consistent with the explicit purposes for which the accounts were established and the restrictions of the funding agency. Full documentation will be required for each disbursement in accord with the policies of the FOUNDATION, the UNIVERSITY and the HEALTH SCIENCES CENTER.

Any salary payment, non-cash gift, and/or supplementation given any UNIVERSITY or HEALTH SCIENCES CENTER employee must be reported to the Chief Executive Officer or his designee.

ARTICLE VI.

CHAIRMAN OF THE BOARD OF DIRECTORS

The Chairman of the Board of Directors of the FOUNDATION is the chief executive officer of the FOUNDATION.

ARTICLE VII.

UNIVERSITY AND HEALTH SCIENCES CENTER OFFICERS AS FOUNDATION OFFICERS

In accordance with the Bylaws of the FOUNDATION, certain officers of the UNIVERSITY and the HEALTH SCIENCES CENTER will serve as ex-officio members of the FOUNDATION'S Board of Directors. The Dean of each academic college or school shall be the chief administrative officer of that college or school

conducting operations within the FOUNDATION. The Deans will report to the Board of Directors on FOUNDATION business. They or their designee will formulate and manage programs in which the FOUNDATION participates. They will be responsible for the following: FOUNDATION and outside agency relations; public relations of the FOUNDATION; development of research, teaching, and funding proposals; management of proposal efforts; processing of receipts; and the management of research and teaching programs supported by FOUNDATION funds.

ARTICLE VIII.

EXECUTIVE DIRECTOR RESPONSIBILITIES

The Executive Director of the FOUNDATION shall be appointed by the Board of Regents upon the recommendation of the Executive Committee of the Board of Directors of the FOUNDATION. Only the Board of Regents has the authority to dismiss the Executive Director from this office. He shall be the custodian of all funds and financial records for the FOUNDATION. He will report to the Board of Directors for FOUNDATION business. He will see that systematic accounts are kept and other financial reports as requested by the Board of Directors are made. The Executive Director is responsible for safeguarding all securities and other assets of the FOUNDATION including the deposit, withdrawal, investment, and transfer of all funds, securities, and other assets.

The Executive Director of the FOUNDATION will provide to those UNIVERSITY and HEALTH SCIENCES CENTER officers, designated by the Chief Executive Officer of the UNIVERSITY and of the HEALTH SCIENCES CENTER as responsible for individual FOUNDATION accounts, monthly reports (including monthly ledger

sheets) reflecting all fiscal activities in each account for which such officer is responsible. A copy of the quarterly financial report, which consists of (1) a balance sheet, (2) a statement of changes of revenues, expenses and fund balances, (3) an operating report, and (4) a budget report, shall go to the FOUNDATION offices.

The Executive Director of the FOUNDATION shall furnish a quarterly report to the FOUNDATION, to the officers of the FOUNDATION, and to the Chief Executive Officer of the UNIVERSITY and of the HEALTH SCIENCES CENTER reflecting full investment information concerning the investment and utilization of FOUNDATION funds and resources, including endowment funds and restricted accounts.

The allocation, expenditure, and transfer of all resources will be reported to the Board of Directors of the FOUNDATION regularly by the Executive Director. The Executive Director will assure that all expenditures, irrespective of the allocation process, are consistent with State law and the Articles of Incorporation of the FOUNDATION.

Compensation of the Executive Director shall be set as mutually agreed by the Board of Regents and the Board of Directors of the FOUNDATION.

ARTICLE IX.

AMENDMENT OF FOUNDATION BYLAWS

The By-laws may be amended at any regular meeting or at any other meeting, provided that notice containing the proposed amendments is mailed to the members of the FOUNDATION and to the members of the Board of Regents of the UNIVERSITY thirty (30) days in advance of the meeting, and provided three-fifths of those FOUNDATION Board members present approve such amendment, and provided final approval is given by the Board of Regents of the UNIVERSITY.

ARTICLE X.

TERMINATION

This Agreement shall begin _____ and shall continue for an indefinite period; however, either party hereto may terminate this Agreement by giving 90 days written notice sent certified mail to the other party. At the termination of this Agreement, all remaining funds will be distributed to Texas Tech University or Texas Tech University Health Sciences Center to be used for educational purposes as designated by the Board of Regents.

John E. Birdwell
Chairman, Board of Regents
Texas Tech University

Date: _____

John E. Birdwell
Chairman, Board of Regents
Texas Tech University Health Sciences
Center

Date: _____

Chairman, Board of Directors
Texas Tech University and Health Sciences
Center Research Foundation

Date: _____

(Notary)

04.27

Lease of Space

All space leased by Texas Tech University shall be obtained through the State Purchasing and General Services Commission regardless of source of funds.

Gift-In-Kind
In Excess of \$100,000

Visulogger II System:

The Visulogger II system is designed to be used by drilling personnel at both onshore and offshore locations. This microprocessor-based system gathers critical drilling information from sensors on the drilling rig; digitizes the data; compares it with alarm limits preset by the driller; displays the data on a video monitor; and periodically prints the values of current drilling parameters at a remote site, such as a trailer. The Visulogger II system consists of six basic components: Driller's Monitor, Remote Keyboard, Horn Alarm Box, Permalogger Printer, Electronics Module and Junction Box.

Driller's Monitor: The driller's monitor gives the driller an accurate, continuous video readout of key drilling and tripping parameters. When a monitored parameter changes, the new value appears instantly on the screen.

Remote Keyboard: The Visulogger II system is easily programmed and controlled through the remote keyboard. With this unit, the driller has complete control of the Visulogger system so that he can take advantage of the full system versatility without leaving his station.

Horn Alarm Box: Control signals from the Visulogger II system cause the alarm horn to sound when any data falls outside pre-set alarm limits.

Optional Slave TV Monitor: Additional video displays for company supervisory personnel are provided by the optional slave TV monitors.

Permalogger Printer: The Permalogger permanently records the various parameters being monitored by the Visulogger system.

Electronic Module: The electronic module contains the microprocessor circuitry that directs the operation of the Visulogger system.

| | |
|----------------------|--------------|
| Retail Selling Price | \$145,925.00 |
|----------------------|--------------|

Electronic Mud System:

TOTCO's mud monitoring instrumentation provides accurate sensitivity to all varieties of mud system and mud conditions on drilling rigs, both land and offshore.

| | |
|----------------------|--------------|
| Retail Selling Price | \$ 36,523.00 |
|----------------------|--------------|

TSC-500A Degasser:

TOTCO Solids Control's new TSC-500A Degasser takes up no more space than an ordinary shale shaker, yet it removes virtually all gasses safely and effectively, including H_2S , from drilling mud at rates up to 500 gallons per minute.

Retail Selling Price \$ 22,500.00

Total Retail Selling Price \$204,948.00

Donor - TOTCO, 600 Rock Road West, Norman, OK 73069 (Mr. Jim Claude,
Vice President)

Recipient - Department of Petroleum Engineering

FINANCIAL PLAN FOR THE ALLOCATION OF
 HIGHER EDUCATIONAL ASSISTANCE FUND
 FOR TEXAS TECH UNIVERSITY

A. Overall HEAF Allocation

The following is a general plan for all HEAF funds, subject to change as approved by the Board of Regents. (This plan was tentatively approved by the Board of Regents at the August, 1985, meeting as a part of the FY 1986 budget plan).

| | <u>Ten-year Allocation</u> | |
|----------------------------------------------------|--------------------------------|---------------|
| MR&R/New Construction | \$ 40,481,460 | 38.7% |
| Make-up legislative funding deficit (FY 86, 87) | 5,600,000 | 5.4% |
| Undesignated (reserve) | 22,400,000 | 21.4% |
| Extra library books | 5,000,000 | 4.8% |
| Equipment | <u>31,000,000</u> | <u>29.7%</u> |
| Total expenditures | <u>\$104,481,460</u> | <u>100.0%</u> |

B. MR&R and New Construction

The following is an allocation and a general plan for the use of HEAF for MR&R and New Construction, subject to change as approved by the Board of Regents.

SUMMARY

| | | |
|-------------------------------------------------------------|---------------------|----------------------|
| Group I Projects - Major (\$1,000,001 and over) | \$22,373,000 | |
| Group II Projects - Major (\$100,001 - \$1,000,000) | \$ 6,527,000 | |
| Group III Projects - Intermediate (\$10,000 - \$100,000) | \$ 2,600,000 | |
| Reserve (Emergency projects/small overruns) | \$ 2,981,460 | |
| Annual Allocation for Minor and Intermediate Projects | <u>\$ 6,000,000</u> | (\$600,000 per year) |
| TOTAL | <u>\$40,481,460</u> | |

DETAIL -- Each project over \$100,000 in the "planned" column in this section will be returned later to the Board of Regents for allocation approval.

GROUP I - MAJOR PROJECTS
 (\$1,000,001 and over)

| | <u>Planned</u> | <u>Allocated</u> | <u>Total</u> |
|-------------------------------------------------|---------------------|---------------------|---------------------|
| 1. Textile Research - East Campus | | \$ 2,450,000 | \$ 2,450,000 |
| 2. C&ME Renovation | | 3,403,000 | 3,403,000 |
| 3. Chemistry Renovation | | 6,500,000 | 6,500,000 |
| 4. Engineering Research (Textile Renovation) | \$ 3,621,000 | | 3,621,000 |
| 5. Electrical Eng. Renovation | 3,667,000 | | 3,667,000 |
| 6. Physical Plant Addition | 2,732,000 | | \$ 2,732,000 |
| TOTAL FUNDED | <u>\$10,020,000</u> | <u>\$12,353,000</u> | <u>\$22,373,000</u> |

GROUP II - MAJOR PROJECTS
 (\$100,001 - \$1,000,000)

| | <u>Planned</u> | <u>Allocated</u> | <u>Total</u> |
|-----------------------------------------------|---------------------|---------------------|---------------------|
| 1. Swimming Pool | \$ | \$ 200,000 | \$ 200,000 |
| 2. Meats Lab Renovation | | 700,000 | 700,000 |
| 3. Fire Alarms | | 485,000 | 485,000 |
| 4. Library Roof & Columns | | 495,000 | 495,000 |
| 5. Biology Greenhouse | 952,000 | | 952,000 |
| 6. Campus - Secondary Electrical Phase I | 950,000 | | 950,000 |
| 7. Home Economics - Clothing & Textiles | 170,000 | | 170,000 |
| 8. Campus - Replace Roofs | 500,000 | | 500,000 |
| 9. Animal Science - New Deal Water System | 500,000 | | 500,000 |
| 10. Campus - Secondary Electrical Phase II | 800,000 | | 800,000 |
| 11. KTXT - TV Renovation | 275,000 | | 275,000 |
| 12. Science - Remodel | 500,000 | | 500,000 |
| TOTAL FUNDED | <u>\$ 4,647,000</u> | <u>\$ 1,880,000</u> | <u>\$ 6,527,000</u> |

GROUP III - INTERMEDIATE PROJECTS
 (\$10,001 - \$100,000)

| | <u>Planned</u> | <u>Allocated</u> | <u>Total</u> |
|------------------------------------------------------|----------------|------------------|--------------|
| 1. PCB Transformer Disposal | \$ | \$ 60,000 | \$ 60,000 |
| 2. Home Economics - Marriage and Family Therapy | 51,000 | | 51,000 |
| 3. Home Economics - Human Dev. and Family Studies | 77,000 | | 77,000 |
| 4. Old Power Plant - Demolition | 90,000 | | 90,000 |

| | <u>Planned</u> | <u>Allocated</u> | <u>Total</u> |
|-----------------------------------------------|--------------------|------------------|--------------------|
| 5. Laundry - Demolition | \$ 25,000 | | \$ 25,000 |
| 6. Chemical Engineering - Tile Repair | 15,000 | | 15,000 |
| 7. University News - Sound Studio | 40,000 | | 40,000 |
| 8. Law - Remodel Classroom 109 | 86,000 | | 86,000 |
| 9. Music - Storage Facilities | 20,000 | | 20,000 |
| 10. Sixth Street Mall | 90,000 | | 90,000 |
| 11. Biology - Animal Facilities | 53,000 | | 53,000 |
| 12. BA - Remodel BA 152 | 13,000 | | 13,000 |
| 13. Education - Renovate 313 and 315 | 14,000 | | 14,000 |
| 14. Animal Science - Landscape New Deal | 50,000 | | 50,000 |
| 15. Junction - Renovate Faculty Seminar House | 25,000 | | 25,000 |
| 16. Library - Stack Elevator | 90,000 | | 90,000 |
| 17. Home Economics - Animal Facilities | 98,000 | | 98,000 |
| 18. Campus - Academic R. O. Units | 61,000 | | 61,000 |
| 19. Science - Fume Hoods 234/236 | 45,000 | | 45,000 |
| TOTAL COMMITTED | \$ 943,000 | \$ 60,000 | \$1,003,000 |
| UNCOMMITTED | 1,597,000 | | 1,597,000 |
| TOTAL FUNDED | <u>\$2,540,000</u> | <u>\$ 60,000</u> | <u>\$2,600,000</u> |

ANNUAL ALLOCATION FOR MINOR AND INTERMEDIATE PROJECTS
 (\$100 - \$100,000)

| | <u>Planned</u> | <u>Allocated</u> | <u>Total</u> |
|-----------------------|--------------------|-------------------|--------------------|
| 1. Allocated 1986 | \$ | \$ 600,000 | \$ 600,000 |
| 2. Planned years 2-10 | 5,400,000 | | 5,400,000 |
| TOTAL | <u>\$5,400,000</u> | <u>\$ 600,000</u> | <u>\$6,000,000</u> |

C. Extra Library Books

The following is an allocation and a general plan for the use of HEAF funds for extra library books, subject to change as approved by the Board of Regents. The "planned" column will be returned later to the Board of Regents for allocation approval.

| | <u>Planned</u> | <u>Allocated</u> | <u>Total</u> |
|-----------------------|--------------------|-------------------|--------------------|
| 1. Allocated 1986 | \$ | \$ 500,000 | \$ 500,000 |
| 2. Planned years 2-10 | 4,500,000 | | 4,500,000 |
| TOTAL | <u>\$4,500,000</u> | <u>\$ 500,000</u> | <u>\$5,000,000</u> |

D. Equipment

The following is an allocation and a general plan for the use of HEAF funds for equipment, subject to change as approved by the Board of Regents. The projects in the "planned" columns will be returned later to the Board of Regents for allocation approval.

| | <u>Planned</u> | | <u>Allocated</u> <u>Years 1-2</u> | <u>Total</u> |
|-------------------------------------------------------------|----------------------------|-----------------------------|--------------------------------------|---------------------|
| | <u>Years</u> <u>3-5</u> | <u>Years</u> <u>6-10</u> | | |
| 1. Allocated in year 5 for years 6-10 | | \$14,000,000 | | \$14,000,000 |
| 2. Allocated for years 1-5 | | | | |
| a. Collegiate units (distributed computing/other equipment) | \$ 9,450,000 | | \$3,000,000 | 12,450,000 |
| b. Central computing Center | | | 2,800,000 | 2,800,000 |
| c. Administrative units | 200,000 | | 50,000 | 250,000 |
| d. Physical plant | 1,200,000 | | 300,000 | 1,500,000 |
| TOTAL | <u>\$10,850,000</u> | <u>\$14,000,000</u> | <u>\$ 6,150,000</u> | <u>\$31,000,000</u> |

APPENDIX
UNFUNDED PROJECTS
IN PRIORITY ORDER

GROUP I - MAJOR PROJECTS - UNFUNDED
(Over \$1,000,001)

| | |
|-------------------------------------------------------|---------------------|
| 7. Science Renovation | \$ 3,000,000 |
| 8. Southwest Collection Building | 5,000,000 |
| 9. Home Economics - Renovation | 1,800,000 |
| 10. Agricultural Education/Mechanization - Renovation | 2,500,000 |
| 11. Chemical Engineering - Renovation | 1,140,000 |
| 12. Multistory Buildings - Fire Safety | 1,340,000 |
| 13. Library - Complete 5th and 6th Stack Levels | 2,645,000 |
| 14. Biology - Renovation | 3,554,000 |
| 15. Agricultural Sciences - Renovation | 1,016,000 |
| 16. Mathematics Renovation | 2,241,000 |
| 17. Administration - Remodeling | 2,770,000 |
| 18. Energy Conservation - Phase II | 3,225,000 |
| 19. Handicap Access Modifications | 2,195,000 |
| 20. Replace Windows | 1,212,000 |
| 21. Health and Safety Hazards | 2,830,000 |
| 22. New Garage and Vehicle Rental Office | 1,950,000 |
| 23. Museum - Auditorium Addition | 1,450,000 |
| 24. Law - Renovation | 1,090,000 |
| 25. Business Administration - Renovation | 2,232,000 |
| 26. Agricultural Buildings at New Deal | 1,570,000 |
| 27. Library - Renovation | 2,479,000 |
| 28. Home Economics - RHIM Lab | 1,260,000 |
| 29. Museum Renovation | 1,830,000 |
| TOTAL UNFUNDED | <u>\$50,329,000</u> |

GROUP II - MAJOR PROJECTS - UNFUNDED
(\$100,001 to \$1,000,000)

| | |
|--------------------------------------------------|------------|
| 13. Chemistry Roof Repair | \$ 298,000 |
| 14. Chemical Eng. - Upgrade Utilities | 250,000 |
| 15. Library - 3rd Floor Rare Books | 750,000 |
| 16. Animal Science - Renovation | 850,000 |
| 17. Psychology - Animal Facilities | 115,000 |
| 18. Outside Lighting | 350,000 |
| 19. University Theatre - Scene and Costume Shops | 185,000 |
| 20. Replace Sump, CW and Condensate Pumps | 345,000 |
| 21. Child Development - Renovation | 300,000 |
| 22. BA - Freight Elevator | 275,000 |
| 23. Architecture - Elevator Control Renovation | 100,000 |
| 24. Chemical Eng. - Unit Operations Lab | 150,000 |
| 25. Upgrade Building Electrical Systems | 936,000 |
| 26. Law - Enclose Patio Area | 250,000 |
| 27. Journalism - Renovation | 550,000 |
| 28. Campus - Replace Elevator Controls | 291,000 |
| 29. Museum - Sculpture Court | 150,000 |
| 30. Campus - Renovate Building Exteriors | 275,000 |

| | |
|-----------------------------------------------------------|--------------|
| 31. Art Building - Complete Renovation/Gallery Addition | 336,000 |
| 32. Campus - Replace Gas Distribution Lines | 206,000 |
| 33. Librarian Offices | 105,000 |
| 34. Campus - Replace Overhead Electrical With Underground | 109,000 |
| 35. Junction - Renovation Bathhouse Units | 144,000 |
| 36. Drane Hall - Replace Water Systems | 120,000 |
| 37. Plant and Soil Science - Greenhouse | 490,000 |
| 38. Chemistry - Hazardous Chemical Storage | 500,000 |
| 39. McClellan Hall - Renovation | 596,000 |
| 40. University Theatre/Speech Clinic Renovation | 663,000 |
| 41. KTXT - TV Addition | 750,000 |
| 42. Chemical Eng. - Rooms 104-105, 212, and 215 | 225,000 |
| 43. Plant and Soil Science - Renovation | 536,000 |
| 44. New Deal - Gas Line Replacement | 180,000 |
| 45. Museum - Cooling Tower Addition | 226,000 |
| 46. Livestock Arena - Metabolism Lab Addition | 750,000 |
| 47. Livestock Arena - Auditorium Addition | 400,000 |
| 48. Library - Renovate Tech Process Area | 250,000 |
| 49. Plant and Soil Sciences - Plant Stress Field Lab | 150,000 |
| | <hr/> |
| TOTAL UNFUNDED | \$13,156,000 |
| | <hr/> |

GROUP III - INTERMEDIATE PROJECTS - UNFUNDED
 (\$10,000 - \$100,000)

| | |
|------------------------------------------------|--------|
| 20. Music - Choral Room Renovation | 95,000 |
| 21. Landscaping - C&Ag Eng/Chemistry | 60,000 |
| 22. Mass Comm - Renovate Photo Labs | 60,000 |
| 23. Law - Replace South Doors | 20,000 |
| 24. Museum - Fumigation Chamber | 35,000 |
| 25. Holden - Remodel ICASALS | 70,000 |
| 26. Home Economics - Apparel Const Lab | 50,000 |
| 27. Landscaping - Physical Plant | 25,000 |
| 28. BA - Reconfigure 052-054 | 80,000 |
| 29. Plant and Soil Science - HVAC Renovation | 65,000 |
| 30. Science - Renovate Physics 109 | 12,000 |
| 31. Library - Carrel Locks | 11,000 |
| 32. BA - Reconfigure 067-069 | 70,000 |
| 33. Biology - Replace Ceiling Tiles | 30,000 |
| 34. Ag Science - Computer Lab | 18,000 |
| 35. Law - Replace West Doors | 20,000 |
| 36. Ag Science - Renovation | 45,000 |
| 37. Home Economics - Multipurpose Conf Suite | 50,000 |
| 38. South Gym - Renovation | 72,000 |
| 39. KTXT-TV - North Addition | 31,000 |
| 40. Plant and Soil Science - Office Alteration | 39,000 |
| 41. BA - Reconfigure LH 07 | 18,000 |
| 42. Library - Wheelchair Access | 20,000 |
| 43. Ag Economics - Office Renovation | 18,000 |
| 44. English - Study Alcoves | 30,000 |
| 45. Junction - Road Repair | 12,000 |

| | |
|------------------------------------------------------------------------------|--------|
| 46. Museum Conservation Lab | 55,000 |
| 47. Home Economics - Office/Design Lab | 70,000 |
| 48. BA - Reconfigure BA 053 | 18,000 |
| 49. Law - Install Book Lockers | 75,000 |
| 50. Art/Arch - Remodel Room 1 | 20,000 |
| 51. Plant and Soil Science - Univ Greenhouse Renovation | 70,000 |
| 52. BA - Reconfigure BA 055 | 18,000 |
| 53. Home Economics - 275 and 276 Lab Alterations | 60,000 |
| 54. Law - Install Locakable Coat Racks | 50,000 |
| 55. McClellan Hall - Renovate Rooms | 15,000 |
| 56. Ag Economics - Classroom Seating | 31,000 |
| 57. Home Economics - Office/Front Foyer Alterations | 77,000 |
| 58. Law - Installation of Book-Theft Protection System for Library | 75,000 |
| 59. Entomology - Renovation of Insectary | 20,000 |
| 60. Home Economics - Rooms 264, 269, 269A, 271, and restroom adjacent 270 | 50,000 |
| 61. BA - Reconfigure BA 060 | 15,000 |
| 62. Ag Sciences - Replace Windows | 68,000 |
| 63. BA - Reconfigure LH 08 | 90,000 |
| 64. Plant and Soil Science - Office/Lab Alterations | 27,000 |
| 65. Landscaping - Science/EE | 75,000 |

TOTAL UNFUNDED

\$2,035,000

ALL GROUPS --

TOTAL UNFUNDED

\$65,520,000



Texas Tech University
Texas Tech University Health Sciences Center

Office of the President
Box 4349/Lubbock, Texas 79409-4349/(806) 742-2121



February 26, 1986

M E M O R A N D U M

TO: All Faculty and Staff, Texas Tech University
and Texas Tech University Health Sciences Center

FROM: Lauro F. Cavazos

SUBJECT: Emergency Spending Reduction Plan

As you know, Governor Mark White has issued an Executive Order to all state agencies and institutions of higher education to implement plans by March 1, 1986, to reduce spending of general revenue appropriation funds by 13 percent for the current biennium, September 1, 1985, through August 31, 1987. This reduction is required because of the unprecedented drop in the price of oil which is reducing the state's anticipated revenue, thereby requiring budget adjustments to compensate. Comptroller Bob Bullock is forecasting a \$1.3 billion shortfall from the state's \$26.1 billion budget by August, 1987.

Excluded from the proposed reductions by Governor White are constitutionally and statutorily dedicated funds for the Foundation School Program, highway revenues, retirement systems, dedicated park funds, and the Higher Education Assistance Fund (HEAF). Subtracting the exclusions, we are left with a state base of \$10.1 billion which must be cut \$1.3 billion to make the 13 percent reduction. This means that Texas Tech University and the Health Sciences Center combined have been asked to reduce budgets funded by general revenue appropriations by \$26.2 million over the biennium. To work towards this goal, the following actions are necessary:

1. Effective immediately, a hiring freeze is imposed on all positions. The only exceptions will be for positions which involve the protection of public safety and public property and the provision of life sustaining health services. Requests for exceptions will be forwarded to the appropriate personnel director with approval of your divisional vice president with final approval by me. We recognize that a certain number of faculty positions will have to be filled, and those will be reviewed on a case by case basis.

TTU/TTUHSC Faculty and Staff
February 26, 1986
Page 2

2. Effective immediately, no promotions or merit increases will be granted without written approval by me, based upon recommendations and justification by the appropriate divisional vice president. Any requests for promotion or merit increase will be forwarded through the appropriate personnel director to my office. Commitments that have been made for promotion in 1985-86 will not be affected. The employee awards program currently in process will be continued. The legislatively prescribed 3 percent pay increase to staff, and 3 percent merit pool for faculty, both effective September 1, 1986, are unchanged.
3. Effective immediately, no new professional or personnel services contracts will be entered into except those absolutely required for the continuation of the most essential public services. This includes architects, engineers, medical research, or management consultants. Any exception must be approved by me.
4. Effective immediately, no purchases of supplies, motor vehicles, and capital equipment shall be made except those for which documented savings or need can be clearly demonstrated. Any exception will be based upon recommendation by your divisional vice president and approved by the chief fiscal officer.
5. Effective immediately, all general revenue appropriation funded construction and renovation of buildings not currently under contract will be deferred indefinitely. Exceptions will be approved based upon recommendations submitted to the Director of Planning at the University or Assistant Vice President for Physical Plant and Support Services at the Health Sciences Center with final approval by me.
6. Effective immediately, the Vice President for Finance and Administration will review all contracts for leased space and renegotiate any such contracts which would result in additional savings.
7. Effective immediately, all out-of-state travel funded by general revenue appropriations will be limited to functions involving the direct delivery of services which are absolutely required to perform the statutory mission of Texas Tech. Any such travel must be submitted through normal channels to be approved by me in advance and based upon the recommendation of your divisional vice president. In addition, in compliance with the Governor's directive, I am instructing the Budget Office to reduce the unencumbered balance in current M&O budgets by 2% to approximate the 20% reduction in travel expenditures directed by the Governor.
8. Effective immediately, the Vice President for Finance and Administration will review the operation of all lighting, cooling, heating, and water

TTU/TTUHSC Faculty and Staff
February 26, 1986
Page 3

use equipment and facilities and implement additional energy and water conservation measures to our already outstanding program of energy conservation.

9. I am directing each vice president to examine all program functions, establish priorities, and to consolidate functions when possible, in order to achieve immediate savings.
10. The Vice President for Finance and Administration will immediately develop procedures to assist administrators to comply with the provisions of these actions. A monthly report of progress will be made to me by the divisional vice presidents. I will brief the Board of Regents on our progress at each of their meetings.

The foregoing policies and directives will remain in effect until modified or rescinded by me. If they do not achieve the savings directed by the Governor, we may have to initiate additional reduction programs. You will be kept informed if the need for this action develops or if there are other significant developments in this matter.

I realize each of these actions is difficult and will require our utmost effort and professionalism to maintain the quality of our programs. But we must reduce spending and meet our fiscal responsibilities in our pay-as-you-go state. I am confident that you will understand the conditions which have arisen and led to the actions that are required. I count heavily upon your assistance in coping with the situation.

REGENTAL APPROVED EMERGENCY ACTIONS FOR COST REDUCTION
MARCH 14, 1986

The following are additional emergency actions for Texas Tech University which can be taken to effect significant energy savings in the 1986 and 1987 fiscal years. These actions are to be in addition to those already implemented by the President on March 1, 1986.

The following recommendations were developed under the guidance of the vice presidents in consultation with the academic deans, the Energy Conservation Committee, and administrative staff offices:

1. It is recommended that from March 17-21, 1986, (Spring Break) and May 19-31, 1986, the campus operate on a holiday schedule for cooling. These are not holidays; however, during these time periods students and many faculty will not be on campus. Most of the administrative offices and research functions will be operational. The holiday cooling schedule would be similar to that used over Thanksgiving or Independence Day holidays. Auxiliary buildings (e.g., Housing) are not affected. Special needs, such as animal care, are accommodated on a case-by-case basis. A similar reduced cooling schedule would occur during FY 1987. It is estimated that this action would save \$52,000 per year in utility costs.
2. It is recommended that in the summers of 1986 and 1987 we go to a 10-hour day work schedule, Monday through Thursday, beginning June 2, and ending August 22, 1986, with similar dates for 1987. The teaching schedule would be changed to four days. The normal staff schedule would change to 7:00 a.m. to 6:00 p.m. Staff employees would be given the option of working four ten-hour days or four reduced-hour days (staff employees who select a reduced-hour-per-week schedule would have an equivalent reduction in their salary and benefits). In a few exceptional cases, the current work schedule would be generally retained (e.g., police, food service, grounds). The estimated savings in utilities would be \$96,700 per year.
3. It is recommended that during the year all thermostats be set to 75° for cooling and 68° for heating. A summer dress code would be established and employees encouraged to dress comfortably for the warmer conditions. Space heaters, which are high-energy using devices, would be disallowed. Fans would be permitted. It is estimated that this action would save \$120,000 per year.
4. It is recommended that year round the air handlers and chillers for air-conditioning would be terminated 15 minutes earlier than at present. This action would save \$100,000 per year.
5. We typically bring a second chiller on line for 45 days in the hottest part of the summer. It is recommended that this chiller not be brought up. This would result in a brownout for cooling. It would be necessary to bring some buildings off the cooling system. A prioritized rotating building list would be developed by Physical Plant and Academic Affairs. The estimated savings by this action are \$90,000 per year.

6. It is recommended that the Library and ATLC go from a 7-day to a 6-day open schedule in the summers of 1986 and 1987. The savings in utility costs by this action would be \$40,200 per year.
7. It is recommended that the Museum and the Ranching Heritage Center schedules be reduced. The resultant savings would be determined after the new schedule is set.
8. It is recommended that in the summers of 1986 and 1987 partial or complete closings be made of selected classroom buildings. This will require consolidation of some programs into fewer buildings during the summer. All classroom buildings will be reviewed but those which appear to have the greatest potential savings include: the classroom wing of Holden Hall; Chemistry; Biology; classroom wing of Business Administration; Law School; Home Economics; Agricultural Engineering; Food Technology; Animal Science; Livestock Arena; Pavillion; Meats Lab; Chemical Engineering; and Petroleum Engineering. Academic Affairs will work with the Building Maintenance Department to develop a consolidation plan and selective closing schedule which will result in a real savings of approximately \$50,000 in utility costs per year.
9. It is recommended that all special requests for after-hour cooling/heating be critically scrutinized and reduced. Estimated savings are \$20,000 per year.

The total estimated savings from all of these actions are \$1,137,800 for two years. The complexities and interactions of the above recommendations may require adjustment to the implementation and affect the actual savings realized.

Each of these actions would place an inconvenience upon faculty and staff. Working conditions would not be ideal. However, it is felt that the faculty and staff will be supportive in making sacrifices in order to accommodate the state-wide emergency and to help avoid other types of cuts (e.g., personnel reductions) which would seriously impair the attainment of the mission of the institution.

TEXAS TECH UNIVERSITY
Lubbock, Texas

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TEXAS TECH UNIVERSITY
Lubbock, Texas

For Information Only: Professorial Appointments
December, 1985, through February, 1986

1.

| <u>Name, Rank, and/or Title</u> | <u>Department or Office</u> | <u>Appointment Period</u> |
|------------------------------------------------------|----------------------------------------------|-------------------------------|
| Gangopadhyay, Shubra Visiting Assistant Professor | Physics | 01/16/86-05/31/86 |
| Lefkowitz, Doris Visiting Assistant Professor | Biological Sciences | 01/16/86-05/31/86 |
| Moras-Sanchez, Rafael Assistant Professor | Industrial Engineering | 06/01/86-08/31/86 |
| Peters, Randell D. Visiting Associate Professor | Physics | 01/16/86-05/31/86 |
| Schramm, Harold Lawrence, Jr. Assistant Professor | Range & Wildlife Management | 01/16/86-08/31/86 |
| Sites, Robert W. Assistant Professor | Entomology | 01/16/86-05/31/86 |
| Thompson, Leslie D. Visiting Assistant Professor | Animal Science | 01/16/86-05/31/86 |
| Zieher, Klaus W. Visiting Associate Professor | Electrical Engineer- ing/Computer Science | 01/16/86-05/31/86 |

TEXAS TECH UNIVERSITY
Lubbock, Texas

For Information Only: Professorial
Resignations and/or Terminations
December, 1985, through February, 1986

2.

| <u>Name, Rank, and/or Title</u> | <u>Department or Office</u> | <u>Effective Date</u> |
|---------------------------------------------------|-----------------------------------------------|---------------------------|
| *Allen, Archie C. Associate Professor | Biological Sciences | 01/31/86 |
| Baugh, Clarence L. Associate Professor | Biological Sciences | 01/16/86 |
| Brandt, Robert T. Visiting Assistant Professor | Animal Science | 12/31/85 |
| Guerin-Gonzales, Camille Assistant Professor | History | 01/14/86 |
| Reichert, John D. Professor | Electrical Engineering/ Computer Science | 01/16/86 |
| Rohwer, John L. Assistant Professor | Health, Physical Education, and Recreation | 05/31/86 |
| **Sanger, Albert J. Professor | Engineering Technology | 01/15/86 |

*Retiring
**Deceased

TEXAS TECH UNIVERSITY

BUDGET ADJUSTMENTS OF \$100,000 OR MORE FOR
SUPPLEMENTAL AWARDS OR RENEWALS OF RESEARCH
AND OTHER SPONSORED PROJECTS

3. December 1, 1985 through December 31, 1985

| <u>Project Activity</u> | <u>Amount</u> | <u>Source of Funds</u> |
|-----------------------------------------------------------------------|-------------------|--------------------------------------------|
| Current Restricted - Coordinated Research in Pulsed Power Physics | \$ 194,615 | Air Force Office of Scientific Research |
| Instructional Materials for Vocational Home Economics Education | 135,460 | Texas Education Agency |
| TOTAL | <u>\$ 330,075</u> | |

4. SPRING ENROLLMENT, 1986

As of the 12th class day of the 1986 spring semester, enrollment at Texas Tech University stood at 21,407. This enrollment number compares with an enrollment total of 21,651 on the 12th class day for the spring of 1985.

The decrease in spring enrollments from last year seems to be very consistent with statewide patterns except that Texas Tech University had a smaller decrease than most state institutions of higher education.

The 1986 12th class day enrollments by college or school and the comparable 1985 figures at the university are: Agricultural Sciences, 1,098, 1,149; Arts and Sciences, 6,331, 6,080; Business Administration, 4,432, 4,195; Education, 1,115, 1,268; Engineering, 3,061, 3,517; Graduate, 3,239, 3,331; Home Economics, 1,489, 1,418; Law, 498, 500; Nursing, 125, 144; Allied Health, 19, 38; and other, 0, 11.

After careful review, the final official totals for 1986 will be sent to the Coordinating Board, Texas College and University System.

B & M Vending - Concession Vending Services

5. a. The following Contract No. MU128 with B & M Vending Company for concession vending services is entered for informational purposes. Execution of this contract was authorized in the Board Minutes of August 2, 1985, Item M198.

Contract No. MU128

AGREEMENT

made this 1st day of September, in the year Nineteen Hundred Eighty Five
BETWEEN

Texas Tech University, Texas Tech University Health Sciences Center, Lubbock, Lubbock County, Texas, acting by and through Lauro F. Cavazos, President, hereinafter referred to as "University" and B & M Vending Co., Lubbock, Texas, hereinafter referred to as "Vendor."

WHEREAS, the Vendor is desirous of making available to Texas Tech University and Texas Tech University Health Sciences Center the concession vending of candy, snacks, pastries, hot coffee and chocolate, milk, chocolate milk, refrigerated and hot sandwiches, hot canned foods and cigarettes for the purpose of sale on the premises of the University located at Lubbock, Texas:

NOW THEREFORE, in consideration of the premises and promises herein contained, the parties agree that:

1. The Vendor will install on the premises of the University at locations specified by the University the following minimum number of vending machines:

| | |
|----------------------------|--------------|
| Candy, Snacks and Pastries | 168 machines |
| Hot Coffee and Chocolate | 7 machines |
| Milk, Chocolate Milk, etc. | 12 machines |
| Hot and Cold Sandwiches | 10 machines |
| Hot Canned Food | 4 machines |
| Cigarettes | 20 machines |

All machines installed must be of adequate size and must be new or a relatively recent model so as to compare favorably in appearance and performance with the best machine available. The University may require some machines to match decor of machines for various other products. No vending machine may exceed a noise level of 72 decibels while in operation. By mutual consent, additional machines over and above the minimum specified above may be installed. The University reserves the right to install vending machines at any location where the Vendor will not agree to place a machine.

All electrical and water outlets required shall be installed by the University and the installation charges shall be reimbursed by the Vendor. Upon the completion of the installation of these services, the title and responsibility for proper operation of these services shall rest with the University. The University will furnish to the Vendor, without cost, electrical energy and water.

2. All items sold must be approved by the University in advance of sale. The following named brands will be provided under this contract:

ITEM

- | | |
|-----------------------------|--------------------------------------------------------------|
| 1. Snickers | 13. Milky Way |
| 2. M & M's | 14. Granola Bar |
| 3. Reese Peanut Butter Cups | 15. Krackel |
| 4. Planters Cheese Crackers | 16. Butternut |
| 5. Planters Peanuts | 17. Jumbo Block |
| 6. Three Musketeers | 18. Hershey Almond |
| 7. Hershey Chocolate | 19. Planters Nut Mix |
| 8. Baby Ruth | 20. Milk Shake |
| 9. Butterfinger | 21. Frito Lay Vend Pack Products |
| 10. Payday | 22. Pastry Items (Rainbo, Hostess, Dolly Madison, Grandma's) |
| 11. Corn Nuts | |
| 12. Zero | |

(All Pastry items must be sealed with a coded expiration date)

Selling price of all products shall be as follows:

| | |
|----------------------------|-------------------------|
| Candy and Gum | 35¢ thru 45¢ |
| Pastries | 45¢ |
| Chips | 40¢ |
| Coffee and Hot Chocolate | 25¢ per 7 oz. cup |
| Milk, Chocolate Milk, etc. | 40¢ per Half Pint |
| Hot and Cold Sandwiches | 60¢ thru \$1.30 |
| Hot Canned Foods | 85¢ per 8 oz. or larger |
| Cigarettes | \$1.25 per pack |

Any change in price must have prior approval of the University. Request for increases in prices must be submitted to the University with justification and support document(s).

3. Subject to the conditions outlined in Paragraph 10 hereof, title to the vending machines shall remain the property of B & M Vending Co. The Vendor shall install the machines in conformity with all federal, state and local building, health and other applicable laws.
4. The Vendor shall have the right to enter upon the premises of the University at all reasonable times for the purpose of servicing and inspecting said machines and for removal of such machines upon the termination of this Agreement. The Vendor shall service the machines as many times per day as necessary to keep the vending machines properly supplied and in good working order.

Vendor will park his vehicles in service areas at each building, or at other places designated or approved by the University.

It is understood that the machines in the women's residence halls will be serviced from 10 a.m., to 4 p.m. or at other times acceptable to the University.

The Vendor shall be required to keep the vending machines and the areas adjacent thereto in neat and sanitary condition at all times. The Vendor shall protect University property during the servicing of machines.

5. All approved items supplied by the Vendor shall conform in all respects to all state and national laws relating to the adulteration of food and drink and shall meet FDA standards on nutrition, in all respects, and shall be suitable for human consumption. The Vendor will indemnify University for any and all damage suffered by it for breach of such warranty, or for any other loss, cost and expense as a result of any claim, demand or litigation arising out of or pursuant to the Agreement, except the independent actions of third parties.
6. The Vendor shall indemnify and hold harmless the University against any and all any damages or claims arising from the negligence of the Vendor, its agents or employees. In addition, the Vendor will be required to carry property damage and public liability insurance in appropriate amounts as agreed with the University.
7. The University will promptly notify the Vendor in writing of any claims made against it arising out of a breach of said warranty, and such claim shall be handled by the Vendor. In

the event of a suit on a claim, the University shall promptly forward to the Vendor every summons or other process. The Vendor shall have a right to defend, adjust or settle any such claims. No expense shall be incurred and no settlement shall be attempted without the Vendor's written consent.

8. The vending concession herein granted to the Vendor shall be exclusive on the campus of Texas Tech University and Texas Tech University Health Sciences Center at Lubbock, Texas, with the following exceptions which are locations in which the concession herein granted shall not apply:

University Center Building, Stadium Game Sales, Bookstore, Residence Halls Snack Bars and Dining Halls and at infrequent events on the campus where vending machines are not suitable.

9. In view of the considerations herein contained, the following distribution of gross sales and guarantee will be made:

| <u>Product</u> | <u>Paid to University</u> |
|------------------------------------------------------------------------|---------------------------|
| Candy, Snacks and Pastries | 28.1% of gross sales |
| Coffee and Hot Chocolate | 25% of gross sales |
| Milk, Chocolate Milk, Orange and other drinks | 10% of gross sales |
| Hot and Cold Sandwiches | 10% of gross sales |
| Hot Canned Foods | 10% of gross sales |
| Cigarettes | 15¢ per pack |
| Guarantee for the period: September 1, 1985 through August 31, 1987 | |

\$150,000

10. Settlement shall be made on a monthly basis. The Vendor agrees to submit monthly sworn statements to the University showing proper accounting details reflecting the sales activity of this Agreement. The reports will include sales of specific locations within the Residence Halls, Health

Sciences Center and other locations. These reports will be submitted within fifteen (15) days after the end of the month. Simultaneously with the submission of a sworn statement, the Vendor will make payment as stipulated in Paragraph 9 above. The Vendor shall render such reports in a manner acceptable to the University and shall further permit the University to make any reasonable auditing check which they may desire of the operation.

The amount of the minimum guarantee shall accrue to the University and be payable one-twenty fourth each month, with excess payments in any month over and above the minimum guarantee to be credited against the accumulated minimum guarantee. The University shall retain a lien on the machines, pending payment of the guarantee or any balance due upon this Agreement.

11. This Agreement shall become effective September 1, 1985, and shall expire on August 31, 1987 . In the event the retail prices need to be increased beyond the perimeters set forth in paragraph 2 above, the Vendor has the right to request a revision of this contract. It may be renegotiated by the President of the University or his designated representative and if a mutually satisfactory revision cannot be reached, the contract may be cancelled by either party with ninety (90) days written notice to the other party.
12. The University shall have access and the right to examine any of the Contractor's directly pertinent books, documents, papers, or other records involving transactions related to this contract.
13. The Contractor shall execute a performance bond issued by a surety company authorized to do business in this state in the amount of \$150,000, payable to the State, and conditioned on the faithful performance of the obligations, agreements and covenants of the agreement.
14. The Contractor must provide a current financial statement prepared by a certified public accountant at the time of contracting with the University.
15. The University reserves the right to cancel this Agreement on ten (10) days written notice if the Vendor fails to comply with any of the foregoing stipulations.

16. This Agreement is not transferable or assignable except upon written approval of the University.

Venue shall be in Lubbock County, Texas.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement at Lubbock, Texas, in triplicate, each of which shall be considered an original by their duly authorized officer.

TEXAS TECH UNIVERSITY AND
TEXAS TECH UNIVERSITY HEALTH
SCIENCES CENTER

B & M VENDING COMPANY

By:

Lauro F. Cavazos, ~~Ph.D.~~
President

Date: _____

Date: 1-16-86

REVIEWED FOR FISCAL IMPLICATIONS

Chief Fiscal Officer

Date: 1/24/86

REVIEWED FOR FORM AND CONTENT

General Counsel

Date: 1-25-86

Lee Lewis General Contractor, Inc. - Tech Press Addition

5. b. The following Contract No. 649 with Lee Lewis General Contractor, Inc., in the amount of \$591,700 for the Tech Press Addition is entered for informational purposes. Execution of this contract was authorized in the Board Minutes of November 22, 1985, Item M75.

CONSTRUCTION SERVICES

Contract No. 649
Account Number 3702 42 1182

AGREEMENT

THIS AGREEMENT made this 12th day of December, in the year Nineteen Hundred Eighty Five

BY AND BETWEEN

Texas Tech University, Lubbock, Lubbock County, Texas, the Owner, acting herein by and through Lauro F. Cavazos, President, and Lee Lewis General Contractor, Inc., the Contractor.

The Owner and the Contractor agree as set forth below:

ARTICLE 1

THE WORK

The Contractor shall perform all the Work required by the Contract Documents for Tech Press Addition (FP&C 83-34).

ARTICLE 2

CONTRACT SUM

The Owner shall pay the Contractor for the performance of the Work, as provided in the Conditions of the Contract, in current funds, the Contract Sum of Five Hundred Ninety-One Thousand Seven Hundred Dollars and no/100 (Including Alternates 1 & 2)

(Written Amount)

\$591,700

(Figures)

Included in the total contract sum is \$350,000 which represents cost of materials and other expenses requiring tax exemptions from City and State sales taxes.

ARTICLE 3

TIME OF COMMENCEMENT AND COMPLETION

The Work to be performed under this Contract shall be commenced on or after a date to be specified in a written "Notice to Proceed" from the Owner and completed in 210 consecutive calendar days.

The Contractor further agrees to pay, as liquidated damages, the sum of \$150 for each consecutive calendar day after date shown in Notice to Proceed.

ARTICLE 4

PROGRESS PAYMENTS

Based upon Applications for Payment submitted by the Contractor, the Owner shall make progress payments on account of the Contract Sum to the Contractor as provided in the conditions of the Contract as follows:

Once each calendar month, the Owner shall make a progress payment to the Contractor on the basis of a duly certified and approved estimate of the Work performed during the preceding calendar month under this Contract; but to insure the proper performance of this Contract, the Owner shall retain five percent (5%) of the amount of each estimate until final completion and acceptance of all Work covered by this Contract: Provided that the Owner, at any time after fifty percent (50%) of the Work has been completed, finds that satisfactory progress is being made, may make any of the remaining progress payments in full; and, provided further, that upon completion and acceptance of each separate building, public work or other division of the Contract on which the price is stated separately in the Contract, payment may be made in full, including retained percentages thereon less authorized deductions. It shall be the Owner's option that upon "substantial completion" of the entire Work, he may increase the total payments to ninety-five percent (95%) of the Contract price provided satisfactory evidence is furnished that all payrolls, material bills and other indebtedness connected with the Work have been paid.

In addition, and in connection with any progress payment, if the Owner requests same, he shall be furnished manifest proof of any Subcontractors' actual fiscal account as related to the actual Subcontract value; and such account shall be in a form as requested by the Owner.

Final payment, constituting the entire unpaid balance of the Contract Sum, shall be paid by the Owner to the Contractor thirty (30) days after Substantial Completion of the Work unless otherwise stipulated in the Certificate of Substantial Completion, provided the Work has then been completed, the Contract fully performed and a final Certificate for Payment has been issued by the Contractor and approved by the Architect.

ARTICLE 5

THE CONTRACT DOCUMENTS

The Contract Documents consist of this Agreement, Conditions of the Contract (General, Supplementary and other conditions), Drawings, Specifications, all Addenda issued prior to execution of this Agreement and all Modifications issued subsequent thereto. These form the Contract, and all are as fully a part of the Contract as if attached to this Agreement or repeated herein.

The Owner reserves the right to do work and to award other contracts in connection with other portions of the project.

ARTICLE 6

PAYMENT AND PERFORMANCE BONDS

It is hereby agreed that a Performance Bond and a Payment Bond, each of 100% of the contract sum, are included herein and made a part of this contract.

ARTICLE 7

OWNER'S REPRESENTATIVE

The Owner hereby designates the President of Texas Tech University or the person designated as acting President in his absence, as its duly authorized and designated representative as that term is used and appears in this Agreement to act for and on behalf of Owner. This designation shall remain in full force and effect until and unless Contractor is otherwise notified in writing by Owner and directed to Contractor at his address.

IN WITNESS WHEREOF, the parties have hereunto set their hands.

Venue shall be in Lubbock County, Texas.

OWNER

TEXAS TECH UNIVERSITY

CONTRACTOR

LEE LEWIS GENERAL CONTRACTOR,
INC.

BY: /s/ Lauro F. Cavazos
Lauro F. Cavazos, Ph.D.
President

Date: 12/20/85

By: /s/ Lee Lewis

Date: 1/13/86

REVIEWED FOR FISCAL IMPLICATIONS

/s/ E. E. Payne
Chief Fiscal Officer
Date: 12/19/85

REVIEWED FOR FORM AND CONTENT

/s/ Pat Campbell
General Counsel
Date: 12/18/85

TEXAS TECH UNIVERSITY
Office of Development
January 1986
Gifts and Grants

6. a.

SUMMARY

| | <u>January 1985</u> | <u>YTD FY '85</u> | <u>January 1986</u> | <u>YTD FY '86</u> |
|----------------------------------|---------------------|-------------------|---------------------|-------------------|
| Texas Tech University | 209,370.12 | 1,432,582.81 | 305,885.11 | 1,748,215.34 |
| Texas Tech University Foundation | 262,028.18 | 1,143,249.63 | 67,879.38 | 882,961.76 |
| TOTAL: | \$471,398.30 | \$2,575,832.44 | \$373,764.49 | \$2,631,177.10 |

Subject to Audit Verification