

MINUTES

OF THE

MEETING OF THE

BOARD OF REGENTS

OF

THE TEXAS A&M UNIVERSITY SYSTEM

HELD IN

COLLEGE STATION, TEXAS

JANUARY 22, 1998

(Approved May 28, 1998, Minute Order 121-98)

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JANUARY 22, 1998**

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**MINUTES OF THE
MEETING OF THE BOARD OF REGENTS
JANUARY 22, 1998**

CONVENE BOARD MEETING

A regular meeting of the Board of Regents of The Texas A&M University System was convened by Mr. Don Powell, Chairman of the Board of Regents, at 8:38 a.m., on Thursday, January 22, 1998, in Room 292 of the Memorial Student Center, on the campus of Texas A&M University, College Station, Texas. The following members of the Board were present:

Mr. Don Powell, Chairman
Mr. T. Michael O'Connor, Vice Chairman
Mr. Robert H. Allen
Ms. Anne Armstrong
Dr. Dionel E. Avilés
Mr. John H. Lindsey
Mr. Frederick D. McClure
Mr. Erle Nye
Ms. M. Guadalupe L. Rangel

INVOCATION

The invocation was presented by Dr. Charles Hines, President of Prairie View A&M University.

CHAIRMAN'S REMARKS

Mr. Powell gave the following statement:

"I saw the Business School Dean a moment ago and I was reminded about an article I had just read in the *Harvard Business Review* this past January/February article concerning performance of key contributors. I think the article indicated that it is rare to find a company that does not periodically review the key contributors to the profit or to the mission of an entity, be it individuals, work teams, business units or boards of directors. The entity that normally is excluded in performance appraisals are boards of directors. I want to share with you a couple of things about the Board of Regents of The Texas A&M University System.

"It occurred to me that since I have some opportunity here to make some remarks, I wanted to tell you that 1997 was a great year as it relates to the entire System. Part of the reason it was a good year is that -- I want to assure each of you that you have eight, perhaps nine, dedicated, committed, tireless public servants who are working for the betterment of The Texas A&M University System. It is indeed a privilege for me to serve with each of them. We all walk, perhaps with a different

pace, some are fast, some of us are slow, but, I can tell you that each individual has the interest of The Texas A&M University System at heart. We have rigorous debate. We have differences of opinion, but at the end of the day the integrity of each of these individuals comes out for the betterment of the A&M System.

“If I were ranking the Board and if I were giving them a performance appraisal, I will tell you that ‘A,’ ‘A+,’ for their performance appraisal would be rendered today and I publicly wanted to express my appreciation for their tireless efforts to The Texas A&M University System.

“It also occurred to me that another entity that perhaps we don’t talk very much about is the staff within the System. I am specifically referring to academics, finance, legal, state affairs, planning and facilities. And, watching these folks work in 1997, it occurred to me that we have in excess of \$300 million of construction either going on, preliminary design, detailed design -- and that’s big business.

“Finances -- a \$1.8 billion organization. I am not sure where we would rank in the *Fortune 500*, but that, too, is very big business. I am happy to report to you that the financial condition of the System is outstanding. Our balance sheet is in order. We can service our debt. Cash flow is appropriate. Auditors have reviewed us, not only from the state, but internally, and found our condition to be very sound. Rating agencies have looked at us and have given us the highest marks that they can give an institution such as Texas A&M University. Financially we are in extremely, extremely good fortune. I think, again, it is a tribute to the leadership that we have at the System office. Thank you, Mr. Lindsay. Thank you, General Peel.

“It also occurred to me that we had a great year in Austin. Dr. Calvert and his staff, together with the leadership of the Chancellor and the presidents and the agency heads, their efforts again were tireless and the A&M System benefited greatly. I think proportionately we received much more state funds than the balance of the higher education entities within the state. And, it is a direct result of the great relationship that this institution and other agencies have with the state. Again, thank you Dr. Calvert for all the work that you have done as it relates to that.

“Academics -- academics is what we are about. Dr. Sayavedra has been extremely important in all the program changes, coordination with the Coordinating Board, some other efforts that we are attempting to do and I know that he has spent many, many hours in assisting you and your associates with academic programs. Thank you, Dr. Sayavedra.

“Dr. Lee has been very instrumental in assisting us in the planning session and our contacts with Washington, contacts with Austin. He is in Austin at a Coordinating Board meeting -- doing his job.

“What I am really trying to say is that we have outstanding leadership at the System. Sometimes, I think it’s healthy and important for us to pause and to thank and express our appreciation to those folks and I wanted to do that publicly today.

“Last spring I was out in front of the Regents’ office one evening about 7:00 p.m., about sunset. I was visiting with an individual and a person passed us and said, ‘I want you to meet Dr. so and so.’ As I met him I discovered he was a member of the faculty at Texas A&M University and had been here something like 30-35 years. And, I posed the question to him, ‘Sir, why do so many people want to attend Texas A&M University?’ I will never forget what he said. He paused a moment and he said, ‘It is a sense of value.’ And, those words have stuck with me since that time and I have thought about them lying in bed. I have thought about them subconsciously. A sense of value -- and throughout this System we have a sense of value that is unique. Each member agency, each university is unique within its own right. It perhaps might be the Baylor College of Dentistry Center for Tele-Health -- a sense of value. It perhaps might be the laboratory at Tarleton, the Wellness and Motor Behavior Laboratory to assist in spinal injuries -- a sense of value. It perhaps is the Early Childhood Development Center at Corpus Christi -- unique to that institution -- a sense of value. It perhaps might be the Alternative Energy Wind Resource at West Texas A&M University -- a sense of value. It could be the 4-H program with the Texas Agricultural Extension Service that affects the lives of many, many Texans -- a sense of value. We are indeed fortunate that each university and each agency produces a sense of value for the betterment for all of Texas. I’m proud to be associated with The Texas A&M University System.

“But, I think as we go forward there are some things that I would hope that the Board of Regents would take action on -- some strategic issues. At planning session(s), perhaps in the spring, the summer or the fall -- I have not discussed this with the Board of Regents -- as I mentioned a while ago, these are individuals, they have their own ideals. These are just simply my ideals, but these are strategic initiatives that I would hope that we could address in the coming days and perhaps sooner than later.

“One of which is technology. We had a report yesterday at a committee meeting from Dr. Sayavedra about the virtual university. I don’t have to tell you about what is happening in the internet world. Many, many things are happening. I happen to be in the banking business and I can tell you that there are many things affecting our industry as it relates to the internet. The same thing is true in education. Peter Drucker, the management guru, recently said in *Forbes Magazine*; ‘Thirty years from now, the big university campuses will be relics. Already we are beginning to deliver more lectures and classes off campus, via satellite or two-way video at a fraction of the cost. The colleges won’t survive as a residential institution. Today’s buildings are hopelessly unsuited and totally unneeded.’ Now, I think that Dr. Drucker may be overstating it somewhat, but you get the message. And, I would hope that we would be on the leading edge as it relates to technology. So I would challenge the Board to make sure that we are

proactive as it relates to technology. Anything that is happening in the world, I would hope that The Texas A&M University System would be at the forefront.

“Second initiative, and we hear a lot about it, we read a lot about it -- accountability, measuring outcomes. Through the new Management Information System that is in the process of being developed from the finance department, will give us a tool that we have not had before. I think our publics will demand that we are accountable to them, that we are more productive than we have ever been in the past, that we become low cost providers, superior value to students, that we will have systems in place where we can make informed decisions and that we will be good stewards of, not only the state's money, but students' money and benefactors that give money to this institution.

“I recall another quote from *Time Magazine* as it relates to the management style of higher education. A quote from a recent article in *Time Magazine* says, ‘... the challenges, how do you enforce a management style which refutes the dysfunctional educational management culture defined by some of the culture of complacency.’ This is what *Time Magazine* recently called ‘the dance of the lemons’ referring to a phrase education researchers use to describe the way school bureaucracies shuffle unproductive employees and unproductive programs from post to post. I would hope that the A&M System would be highly productive, that we in fact would be a low cost producer, that we would measure our outcomes, we would know where we have deficiencies and we would know where we have strengths. And, I challenge the Board of Regents to be sure that in fact we have systems in place to do that.

“The third initiative has to do with perhaps Mr. McClure's committee that most of you know is looking at how we should evaluate additions to the System. And, I would ask that committee to expand its scope and also one more time assess the structure of the System. It may be that everything is just perfect but we have grown very rapidly in days past and I think it is important that we once again reassess the way in which we are organized.

“A fourth initiative, again something that we talk a lot about, diversity. Today we will receive a couple of reports as it relates to the Hopwood decision. President Bowen and the leadership at Texas A&M had a seminar, a workshop, a year ago understanding the ramifications of the Hopwood decision. He will have another workshop, I believe it is in February, and I would encourage you to attend that workshop. I think it is important that we understand the ramifications of the Hopwood decision. I also think it is important that we not dwell upon the Hopwood decision entirely because I think the positive energy that we attempt to look at and understand its ramifications perhaps could become negative energy. And, I am going to challenge the Board of Regents to put a positive spin on the Hopwood decision and even though we understand it but I will ask the Board of Regents to find ways to provide financial assistance to disadvantaged Texans, specifically minorities, to further their education at The Texas A&M University

System. I am going to ask Regent Nye to find a way, within the law, Mr. Nye, that we provide financial assistance to those needy students who have not had an opportunity to go or attend a four-year institution. And, I think we can lead the way. I think we can be 'the' beacon of the state and find ways to provide financial assistance to these students. At the same time, I think it is important, and I know that a lot of work has been done on this, that we look at our admission standards and we find ways within the law that we welcome all Texans, all people to be part of The Texas A&M University System.

"The fifth initiative that I am going to ask our Board of Regents to do is once again examine the role of the flagship, Texas A&M University-College Station. Each and every university I know talks a great deal about excellence. What university doesn't aspire to be excellent. In reality though, we all recognize that for all the talk of achievement and greatness and excellence, a relative few institutions deserve to be recognized. For me, excellence is not a state of being, but an ongoing pursuit. If we in this community believe that we have done all we must to achieve greatness, our success will quickly falter. One of the great things about the A&M culture is the deep sense of self-confidence that pervades our environment. It is perhaps what I love most about this place. Our challenge is to shift the focus just a little. Without ever doubting how good we are, let's focus more on how we can become better. Excellence is not a destination, it is a journey. Our predecessors set off on this wonderful path and it is our responsibility to cover a great distance for travelers who will follow us. Where are we on that journey? We on the Board of Regents are committed to providing the right kind of leadership as we can to continue the journey of excellence and clearly a couple of clear objectives are already in place.

"First, and extremely important, we must have an absolutely world-class faculty. When raiding parties from other institutions are looking for the very best to recruit, I want our universities to be at the top of their lists. Of course, we must maintain our culture -- that won't lure many away. In order to do this, we must do two things. First, we must pay them very handsomely. I would hope that we would look at a reward system. At the Academic Convocation I said I would hope that the faculty at Texas A&M University is the highest paid faculty in the country, I believe that. Regent Allen has a keen interest in some alternative ways that we can reward faculty. I will ask him to lead an initiative in that area. We are going to demand and expect the best faculty. Mediocrity will not be tolerated but the rewards will be very great. The faculty must be the very best. Our challenge, as I mentioned, is to reward the faculty, solely on merit, and we must refuse to reward mediocrity, demanding a strong work ethic and rewarding the most scholarly work.

"Second, we must improve strength-to-strength. While each university and agency in The Texas A&M University System must strive to become excellent within its mission, our System to be the best it can be, not every one of our universities can be all things to all people. In visiting our campuses around the State, I have discovered far more examples of true excellence than I ever imagined and my expectations were high. Each of our campuses contribute significantly to the success

and to the reputation and each must pull its weight and meet the high standards in which we aspire. But, the reputation of the entire A&M System will require our taking the flagship to new heights. Unless College Station can be mentioned in the same context as Ann Arbor or Berkeley, not only our System, but each of our individual universities will not succeed as we intend. The Texas A&M University campus at College Station must not be a rival to the other System institutions, it must be seen as a valuable source. Together our institutions have the opportunity to achieve critical mass on the road to excellence that individually they could not have. That kind of inner institutional collaboration will be an essential ingredient to our success. We must allow the flagship campus to be the hub of the wheel or the wheel will not turn. And, as we continue on this journey of excellence, there are two important related principles of which we cannot compromise. First, we will do it within our own terms with a unified commitment and second, we must protect the culture. The culture is unique at Texas A&M. The Corps of Cadets is important. Silver taps is important. It is important to remove your hat when you walk into the Memorial Student Center. If we achieve excellence and do away with our culture it is for naught. The culture must endure the excellence part of our goals and objectives. We will be dedicated to improving the social, economic, health and environmental conditions of all Texans.

“I am reminded of a quote of the writings of T. S. Eliot when he said, ‘Where is the life we have lost in living? Where is the wisdom we have lost in knowledge? Where is the knowledge we have lost in information?’ We are about information, we are about knowledge, hopefully we are about wisdom. But more important than anything else, we are about individual lives. The Texas A&M University System is in place to be the preeminent system as we move into the next century. I am delighted and honored to be part of it.”

CHANCELLOR’S REMARKS

Mr. Powell called on Dr. Barry B. Thompson, Chancellor of The Texas A&M University System (TAMUS). Dr. Thompson said what really makes TAMUS unique is its land-grant mission. Over the decades A&M has persisted and achieved greatness because it has not lost sight of the bulls eye -- being research, teaching and service that is carried out every day by everyone who works for TAMUS. Dr. Thompson said he is proud that TAMUS is still in touch with the real people it has pledged to serve through the land-grant mission. He said he totally supports the commitment of Chairman Powell in making the flagship even more outstanding. Dr. Thompson said there is not another system in the U.S. that is still perceived as being a land-grant system -- many have walked away from their original mission and basically are not fulfilling that mission. More and more states who still pledge some fidelity to that concept are moving into public education.

Dr. Thompson said as Texas grows from 19 million to 32 to 34 million in the Year 2030 -- the public schools must be significantly improved. It is mathematically impossible to home school enough people to privatize the public education system enough to create the kind of talent pool, work power pool, etc. that this state needs. TAMUS must be heavily involved in improving that environment and being sure that people can read at grade level and being sure that people have the necessary skills to achieve. Another thing TAMUS does very well is in teaching people to think critically. One of the great debates besides technology going on in higher education today is the debate over vocational education versus the traditional liberal education. Dr. Thompson argued for the very strongest fine arts and liberal arts programs that we can have if we are going to be a world-class flagship university and a world-class system.

Mr. Powell thanked Dr. Thompson and then announced that the report on the Texas A&M Research Foundation would be postponed until March.

REPORT ON AIRBAG RESEARCH

Mr. Powell called on Dr. Herbert Richardson, Director of Texas Transportation Institute (TTI), who introduced Dr. Lindsay Griffin, an experimental psychologist with TTI.

Dr. Griffin said in the last 100 years, on the streets and highways of the U.S., there have been over 3 million people killed. The current societal costs associated with these fatalities are \$150 billion per year. Highway safety and the loss of life and injuries experienced is a major public health problem in the U.S. Dr. Griffin said due to the progress at TTI, the number of fatalities and injuries have been reduced considerably. The work done in the crash testing program on longitudinal barriers, guard rails, bridge rails, and median barriers and the work being done on breakaway structures, making signs, luminary supports, and utility poles that break away when struck has been very successful. Also the use of seat belts has saved lives since the passage of state laws in the 1980s.

Dr. Griffin said one more safety device being installed is airbags. In 1999, airbags will be mandated for cars and trucks, on the driver side as well as the passenger side. Airbags have saved a lot of lives, but many people have been killed from airbags. Some deaths have occurred due to the impact of the airbag on the passenger side. Dr. Griffin said the velocity of the inflation of the airbag has been cut down considerably and the public has been warned of the danger of children/infants riding in the front seat. As of January 1998, the government initiated plans whereby people can petition to have an on/off switch placed in their vehicle for the passenger side. Passengers with special medical conditions can elect to have the airbags turned off through the automobile dealership. Dr. Griffin said more intelligent airbag systems are being developed and the new sensors will make the decision how fast to deploy the airbag by the severity of the crash and by the position of the driver and/or passenger. They have saved thousands of lives and prevented numerous

injuries. Mr. Powell thanked Dr. Griffin and Dr. Richardson for the presentation.

REMARKS FROM CHANCELLOR'S STUDENT ADVISORY BOARD

Mr. Powell called on Scott Hughes, Chair of the Chancellor's Student Advisory Board (CSAB). Mr. Hughes said CSAB has three responsibilities: (1) to promote interest beneficial to the student, (2) to act as an official voice of the students to the System leadership and the public at large concerning System-wide issues, and (3) to consider matters of policy and their implementation. He then discussed the 1997-98 goals.

The following members of the CSAB presented remarks specific to their respective universities: J. B. Horton, West Texas A&M University (WTAMU); Shawna Haddock, Texas A&M University-Texarkana (TAMU-T); Teri Figueroroa, Texas A&M University-Kingsville (TAMU-K); Marcus Cross, Texas A&M University-Corpus Christi (TAMU-CC); Chawn Wilson, Texas A&M University-Commerce; John Michael, Texas A&M University at Galveston (TAMUG); Curtis Childers, Texas A&M University (TAMU); Arturo Sanchez, Texas A&M International University (TAMIU); Marla Mock, Tarleton State University (TSU); and David Walden, Prairie View A&M University (PVAMU).

RECESS

Mr. Powell recessed the meeting at 10:13 a.m.

(Secretary's Note: Meetings of the Committee on Finance and Academic and Student Affairs Committee were held from 10:31 a.m. to 12:20 p.m.)

RECONVENE

Mr. Powell reconvened the meeting at 12:21 p.m. and announced that the Board would consider two items out of order, Items 18 and 25. Dr. Charles Hines, President of Prairie View A&M University (PVAMU), presented PVAMU's part of Item 18 (*Recommendation for Dr. Ikhlas Sabouni, Professor and Associate Dean in the College of Architecture*) to receive the Regents Professor Service Award. Dr. Robert Furgason, President of Texas A&M University-Corpus Christi (TAMU-CC), presented TAMU-CC's part of Item 18 (*Recommendation for Dr. John W. "Wes" Tunnell, Jr., Professor of Biology and Director, Center for Coastal Studies*) to receive the Regents Professor Service Award. The Board took action as set forth below:

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**MINUTE ORDER 01-98 (AGENDA ITEM 18)**

**DESIGNATION OF THE TITLE OF  
"REGENTS PROFESSOR"  
TO DR. IKHLAS SABOUNI,  
PRAIRIE VIEW A&M UNIVERSITY,  
AND DR. JOHN W. "WES" TUNNELL, JR.,  
TEXAS A&M UNIVERSITY-CORPUS CHRISTI,  
THE TEXAS A&M UNIVERSITY SYSTEM**

On motion of Mr. Nye, seconded by Mr. O'Connor, and by a unanimous vote, the following minute order was adopted:

The Board of Regents of The Texas A&M University System hereby grants the designation of "Regents Professor" to the following two faculty members, effective December 5, 1997:

Dr. Ikhlas Sabouni  
Prairie View A&M University

Dr. John W. "Wes" Tunnell, Jr.  
Texas A&M University-Corpus Christi

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Mr. Powell and Dr. Thompson presented the awards and plaques to each recipient.

Mr. Powell presented Item 25 and the Board took action as set forth below:

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**MINUTE ORDER 02-98 (AGENDA ITEM 25)**

**ADOPTION OF A RESOLUTION AND  
BESTOWING THE TITLE OF EMERITUS UPON  
DR. ZERLE L. CARPENTER,  
THE TEXAS A&M UNIVERSITY SYSTEM**

On motion of Mr. Nye, seconded by Mr. O'Connor, and by a unanimous vote, the following minute order was adopted:

Whereas, Dr. Zerle L. Carpenter received a Bachelor of Science in Animal Science from Oklahoma State University, a master of Science in Meat and Animal Science and Biochemistry from the University of Wisconsin, and a Doctor of Philosophy in Meat and Animal Science and Food Science from the University of Wisconsin; and

Whereas, he joined Texas A&M University in 1962 as Assistant Professor in the Department of Animal Science; and

Whereas, he served as Associate Professor in the Department of Animal Science from 1966 to 1971, as Professor from 1971 until the present, and as Head of the Department from 1978 to 1982; and

Whereas, Dr. Zerle L. Carpenter was appointed Director of the Texas Agricultural Extension Service in 1982 and was named Associate Vice Chancellor for Agriculture in 1988 and held these positions until his retirement on December 31, 1997; and

Whereas, Dr. Carpenter had provided exemplary leadership for the largest state Extension service in the nation and has launched programs that have been models for other states and the nationwide Cooperative Extension System; and

Whereas, he initiated a statewide effort in 1985 to increase local citizen involvement in needs assessment so that Extension educational programs could focus on critical issues, and that this effort has involved more than 10,000 citizens in long-range planning every four years; and

Whereas, Dr. Carpenter recognized the need to increase Extension's outreach in the state's major urban counties and launched an urban program initiative in 1991 that has had a positive impact on the quality of life of hard-to-reach audiences; and

Whereas, he led the effort to enhance the recruitment and development of a volunteer corps that today numbers more than 160,000, and that these volunteers are critical in extending Extension's resources and its programs in outreach education; and

Whereas, Dr. Zerle L. Carpenter has been a staunch proponent of the 4-H and Youth Development Program that annually involves almost 600,000 youth across the State and that this program is renowned for preparing young people to be responsible citizens and leaders; and

Whereas, he has served the State of Texas and the nation with distinction by virtue of chairing various committees, task forces and commissions impacting state and national policies, the most recent of these being appointed by the Secretary of Agriculture to the National Agricultural Research, Extension, Education and Economics Advisory Board; and

Whereas, Dr. Carpenter has received a myriad of awards reflecting his state and national leadership and prominence, including the Distinguished Achievement Award in Teaching from the Association of Former Students of Texas A&M University, the Distinguished Alumni Award from Oklahoma State University, The Texas A&M University System Vice Chancellor's Award in Excellence for Administration, the National Distinguished Service Ruby Award from Epsilon Sigma Phi, and the rank of Fellow in the Institute of Food Technologists and the American Society of Animal Science; now, therefore, be it

Resolved, that the Board of Regents gratefully acknowledges the distinguished leadership, dedicated service and outstanding performance which Dr. Zerle L. Carpenter has provided during 35 years of service to The Texas A&M University System; and be it further

Resolved, that in recognition of his long and distinguished service to the Texas Agricultural Extension Service and The Texas A&M University System, the title of Director and Associate Vice Chancellor Emeritus is conferred upon



Dr. Zerle L. Carpenter, and he is granted all rights and privileges of this title effective January 22, 1998; and be it further

Resolved, that this resolution be spread upon the minutes and copies, thereof, signed by the Chairman of the Board of Regents, be presented to Dr. Zerle L. Carpenter and a copy filed in the Archives of Texas A&M University.

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Mr. Powell presented a framed resolution to Dr. Carpenter.

RECESS

Mr. Powell recessed the meeting at 12:25 p.m.

RECONVENE MEETING AND CONVENE IN CLOSED SESSION

At 1:38 p.m., Mr. Powell reconvened the meeting and announced that having convened in open session, the Board would convene in a closed session to consider matters as permitted by the following sections of Chapter 551 of the Texas Government Code: Section 551.071, for consultation with System attorneys on pending and proposed litigation and matters recognized as attorney-client confidential and privileged; Section 551.072, for discussion regarding the acquisition, lease, exchange, disposition and value of real estate, including Items 6 and 7; Section 551.074, for discussion of matters involving the appointment, employment, evaluation, reassignment, duties, discipline or dismissal or to hear complaints or charges against an officer or employee, including Items 16, 17 and 30.

Mr. Powell said in accordance with the law, no final action, decision or vote with regard to any matter considered in the closed meeting would be made or taken.

Mr. Powell asked the following members of the administration to stay for the closed session: Dr. Barry B. Thompson, Chancellor; Dr. Leo Sayavedra, Deputy Chancellor for Academic Institutions and Agencies; Mr. Dick Lindsay, Deputy Chancellor for Finance and Operations; Mr. Delmar Cain, General Counsel; and Ms. Tami Sayko, Chancellor's Chief of Staff. Mr. Powell announced that the following would be called on for reports during the closed session: Mr. Tom Kale, Vice Chancellor for Business Services; Dr. Dennis McCabe, President of TSU; Dr. Robert Furgason, President of TAMU-CC; Dr. Charles Hines, President of PVAMU; Dr. Ray Bowen, President of TAMU; Dr. Charles Jennett, President of TAMIU; Dr. Russell Long, President of WTAMU; and Mr. Frank Clark, System Director of Internal Audit.

RECONVENE BOARD MEETING IN OPEN SESSION

At 4:01 p.m., Mr. Powell reconvened the meeting of the Board in open session and announced the Board had met in closed session from 1:40 p.m. until 4:00 p.m. The Board took action as set forth below:

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**MINUTE ORDER 03-98 (AGENDA ITEM 16)**

**APPOINTMENT OF  
DR. KEITH MCFARLAND AS  
INTERIM PRESIDENT,  
TEXAS A&M UNIVERSITY-COMMERCE**

On motion of Mr. Nye, seconded by Mr. Allen, and by a unanimous vote, the following minute order was adopted:

Dr. Keith McFarland is appointed Interim President of Texas A&M University-Commerce, effective January 1, 1998, and shall act in such capacity until a president is appointed.

**MINUTE ORDER 04-98 (AGENDA ITEM 17)**

**APPOINTMENT OF  
DR. RICHARD BUCHANAN AS  
INTERIM VICE PRESIDENT,  
THE TEXAS A&M UNIVERSITY SYSTEM-BAYLOR COLLEGE OF DENTISTRY**

On motion of Mr. Nye, seconded by Mr. Allen, and by a unanimous vote, the following minute order was adopted:

Dr. Richard Buchanan is hereby appointed Interim Vice President of the Texas A&M University System-Baylor College of Dentistry, effective January 1, 1998, and shall act in such capacity until a vice president is appointed.

**MINUTE ORDER 05-98 (AGENDA ITEM 27)**

**GRANTING OF ACADEMIC TENURE,  
THE TEXAS A&M UNIVERSITY SYSTEM**

On motion of Mr. Nye, seconded by Mr. Allen, and by a unanimous vote, the following minute order was adopted:

The Board of Regents of The Texas A&M University System, in accordance with System Policy 12.01 on academic freedom, responsibility and tenure, hereby authorizes the granting of tenure to the faculty members as set forth on Tenure List 97-98-03, a copy of which is attached to the official minutes as **Exhibit A**.

**MINUTE ORDER 06-98 (AGENDA ITEM 28)**

**GRANTING OF EMERITUS TITLES,  
THE TEXAS A&M UNIVERSITY SYSTEM**

On motion of Mr. Nye, seconded by Mr. Allen, and by a unanimous vote, the following minute order was adopted:

In recognition of long and distinguished service to The Texas A&M University System, the Board of Regents hereby confirms the recommendation of the Chancellor, and confers the title of "Emeritus/Emerita" upon individuals as shown on Emeritus Title List No. 97-98-03, a copy of which is attached to the official minutes as **Exhibit B**, and grants all rights and privileges of this title.

**MINUTE ORDER 07-98 (AGENDA ITEM 29)**

**CONFIRMATION OF APPOINTMENTS AND PROMOTIONS,  
THE TEXAS A&M UNIVERSITY SYSTEM**

On motion of Mr. Nye, seconded by Mr. Allen, and by a unanimous vote, the following minute order was adopted:

The appointments and promotions accepted and approved by the Chief Executive Officers of the respective Components of The Texas A&M University System, or their designees, as shown on Appointment List No. 97-98-03, a copy of which is attached to the official minutes as **Exhibit C**, and Promotion List No. 97-98-03, a copy of which is attached to the official minutes as **Exhibit D**, are hereby confirmed.

**MINUTE ORDER 08-98 (AGENDA ITEM 30)**

**APPOINTMENT OF  
DR. EDWARD A HILER  
AS INTERIM DIRECTOR,  
TEXAS AGRICULTURAL EXTENSION SERVICE**

On motion of Mr. Nye, seconded by Mr. Allen, and by a unanimous vote, the following minute order was adopted:

Dr. Edward A. Hiler is hereby appointed Interim Director of the Texas Agricultural Extension Service, effective January 1, 1998, and shall act in such capacity until a director is appointed.

**RECESS**

Mr. Powell recessed the meeting at 4:05 p.m.

*(Secretary's Note: A meeting the Committee on Buildings and Physical Plant was held from 4:06 p.m. to 4:45 p.m.)*

**RECONVENE**

Mr. Powell reconvened the meeting at 4:46 p.m.

Mr. Powell called on Mr. McClure for the report of the Committee on Audit.

**REPORT OF THE COMMITTEE ON AUDIT**

Mr. McClure, Chairman of the Committee on Audit, said the Committee met the day before, January 21, and received a report from Ms. Kyle Doerr, Project Manager, Office of the State Auditor, on the recently completed management controls audit at PVAMU. Mr. McClure said although there were recommendations for improvement, according to Ms. Doerr, things are operating well at PVAMU and thus the State Auditor did not issue a negative report. Mr. McClure noted for the record that this has not always been the case and on behalf of the Committee commended Dr. Hines and his colleagues for their leadership in this regard. In addition, Ms. Doerr reported on actions taken by the 75<sup>th</sup> Session of the State Legislature affecting the audit functions of state agencies. A report was received from Mr. Frank Clark and Mr. Mark Poehl on the System's Internal Audit Plan for FY 1999, a copy of which will be provided to all Board members. It is anticipated that the audit plan will be on the agenda for consideration by the Committee and the Board at the March meeting. Mr. McClure said the Committee reviewed the bi-monthly internal audit report, which each of the members of the Board has received, and is bringing no significant items from that report to the Board's attention. Finally, Mr. Lindsay reported on his initial discussions with outside consultants and institutions in the Committee's review of the structure and organization of the System's Internal Audit Department.

Mr. Powell called on Mr. Nye for the report of the Committee on Finance.

**REPORT OF THE COMMITTEE ON FINANCE**

Mr. Nye, Chairman of the Committee on Finance, said the Committee discussed its items earlier the same day and recommended Items 1 through 4 for approval. The Board took action as set forth below:

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MINUTE ORDER 09-98 (AGENDA ITEM 1)

**AUTHORIZATION TO EXECUTE THE
ANNUAL FINANCIAL EDUCATIONAL AND
ADMINISTRATIVE SERVICES CONTRACT FOR
CLINICAL CURRICULUM WITH SCOTT AND WHITE CLINIC,
TEXAS A&M UNIVERSITY**

On motion of Mr. Nye, seconded by Mr. McClure, and by a unanimous vote, the following minute order was adopted:

The Chancellor of The Texas A&M University System, upon the recommendations of System legal counsel, as to form and legal sufficiency; and the President for Texas A&M University, is hereby authorized to execute the Annual Financial Educational and Administrative Services Contract for Clinical Curriculum with Scott and White Clinic.

MINUTE ORDER 10-98 (AGENDA ITEM 2)

**ACCEPTANCE OF
REPORT OF APPROPRIATIONS BY THE CHANCELLOR,
THE TEXAS A&M UNIVERSITY SYSTEM**

On motion of Mr. Nye, seconded by Mr. McClure, and by a unanimous vote, the following minute order was adopted:

The following report of appropriations by the Chancellor, a copy of which is attached to the official minutes as **Exhibit E**, is hereby accepted.

MINUTE ORDER 11-98 (AGENDA ITEM 3)

**ADOPTION OF 1999 BUDGET GUIDELINES,
THE TEXAS A&M UNIVERSITY SYSTEM**

On motion of Mr. Nye, seconded by Mr. McClure, and by a unanimous vote, the following minute order was adopted:

The Texas A&M University System guidelines for the FY 1999 operating budgets, attached to the official minutes as **Exhibit F**, are hereby adopted.

MINUTE ORDER 12-98 (AGENDA ITEM 4)

**ACCEPTANCE OF
GIFTS, GRANTS, LOANS AND BEQUESTS,
THE TEXAS A&M UNIVERSITY SYSTEM**

On motion of Mr. Nye, seconded by Mr. McClure, and by a unanimous vote, the following minute order was adopted:

The Board of Regents hereby accepts the gifts, grants, loans and bequests made to the Members of The Texas A&M University System concerned as shown on Gifts, Grants, Loans and Bequests Lists No. 97-98-03, a copy of which is attached to the official minutes as **Exhibit G**.

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Mr. Powell called on Dr. Avilés for the report of the Committee on Buildings and Physical Plant.

**REPORT OF THE COMMITTEE ON BUILDINGS AND PHYSICAL PLANT**

Dr. Avilés, Chairman of the Committee on Buildings and Physical Plant, said the Committee held a meeting earlier the same day and recommended approval of Items 5 through 12. In addition, the Committee recommended the following architect/engineer design team for the Parking Lot and Street Renovations in the Student Housing Area at Texas A&M University: Pledger Kalkomey, Inc. of Brenham, Texas. The Board took action as set forth below:

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MINUTE ORDER 13-98 (AGENDA ITEM 5)

**DESIGNATION OF LAND FOR
THE WEST CAMPUS GREENWAY,
TEXAS A&M UNIVERSITY**

On motion of Mr. Lindsey, seconded by Mr. Allen and by a unanimous vote, the following minute order was adopted:

The area bordering White Creek containing approximately 40 acres, identified on **Exhibit H** attached to the official minutes, is designated and preserved as the West Campus Greenway.

MINUTE ORDER 14-98 (AGENDA ITEM 6)

**AUTHORIZATION TO
EXECUTE GROUND LEASE AGREEMENTS,
TEXAS A&M UNIVERSITY-CORPUS CHRISTI**

On motion of Mr. Lindsey, seconded by Mr. Allen and by a unanimous vote, the following minute order was adopted:

The Board of Regents of The Texas A&M University System hereby authorizes the Chancellor of The Texas A&M University System, or his designee, to execute the appropriate ground lease agreements and management agreements with Camden Property Trust for the construction, maintenance, and operation of additional On-Campus Housing Facilities at Texas A&M University-Corpus Christi.

MINUTE ORDER 15-98 (AGENDA ITEM 7)

**AUTHORIZATION FOR
THE PURCHASE OF LAND AND IMPROVEMENTS,
ERATH COUNTY, TEXAS,
THE TEXAS A&M UNIVERSITY SYSTEM**

On motion of Mr. Lindsey, seconded by Mr. Allen and by a unanimous vote, the following minute order was adopted:

The Chancellor of The Texas A&M University System, or his designee, following recommendation by the System Real Estate Office and legal review by the Office of General Counsel, is authorized to execute all documents necessary to purchase Lot 1, Block 45 of the King's Revised Map of College View Addition, Stephenville, Erath County, Texas. The purchase price of Twenty-Seven Thousand Five Hundred Dollars (\$27,500.00) plus closing costs is hereby appropriated from Tarleton State University's Unappropriated Plant Funds - General Use Fees, Account No. 083030.

MINUTE ORDER 16-98 (AGENDA ITEM 8-REVISED)

**APPROVAL OF EVALUATION RANKING
OF THE COMPETITIVE SEALED PROPOSALS
FOR THE ATHLETICS FACILITIES RENOVATIONS/ADDITIONS,
PHASE IIIB (KYLE FIELD STADIUM EXPANSION),
TEXAS A&M UNIVERSITY**

On motion of Mr. Lindsey, seconded by Mr. Allen and by a unanimous vote, the following minute order was adopted:

The recommended evaluation rankings of the competitive sealed proposals received for construction of the Athletic Facilities Renovations/Additions, Phase IIIB (Kyle Field Stadium Expansion) project at Texas A&M University is approved.

Authorization is granted to begin negotiation with the proposer selected first in the order of ranking approved by the Board of Regents. If negotiations are unsuccessful with that proposer, the Chancellor is authorized to approve termination of those negotiations and to approve conducting negotiations with each proposer next in order of ranking until an agreement for contract is reached.

MINUTE ORDER 17-98 (AGENDA ITEM 9)

**APPROVAL OF THE PROGRAM OF REQUIREMENTS,
APPROPRIATION FOR DESIGN AND SELECTION
OF THE ARCHITECT/ENGINEER DESIGN TEAM FOR
THE PARKING LOT AND STREET RENOVATIONS
IN THE STUDENT HOUSING AREA,
TEXAS A&M UNIVERSITY**

On motion of Mr. Lindsey, seconded by Mr. Allen and by a unanimous vote, the following minute order was adopted:

The program of requirements for the Parking Lot and Street Renovations in the Student Housing Area at Texas A&M University is approved.

Supplementing a previous appropriation of \$8,000.00, the amount of \$77,000.00 is appropriated from Parking Facilities for design of the Parking Lot and Street Renovations in the Student Housing Area at Texas A&M University.

The Board of Regents of The Texas A&M University System reasonably expects to incur debt in one or more obligations for this project, and all, or a portion of the proceeds received from the sale of such obligations is reasonably expected to be used to reimburse the account(s) for amounts previously appropriated and/or expended from such account(s).

The firm of Pledger Kalkomey, Inc., of Brenham, Texas, is selected to head the architect/engineer design team for the Parking Lot and Street Renovations in the Student Housing Area at Texas A&M University.

MINUTE ORDER 18-98 (AGENDA ITEM 10)

**APPROVAL OF THE
REVISED PROGRAM OF REQUIREMENTS AND
APPROPRIATION FOR DESIGN TO RENOVATE MANNING HALL,
TEXAS A&M UNIVERSITY-KINGSVILLE**

On motion of Mr. Lindsey, seconded by Mr. Allen and by a unanimous vote, the following minute order was adopted:

The revised program of requirements to Renovate Manning Hall at Texas A&M University-Kingsville is approved.

Supplementing previous appropriations of \$200,000.00, the amount of \$195,000.00 is appropriated from Manning Hall Temporary for Design to Renovate Manning Hall at Texas A&M University-Kingsville.

The Board of Regents of The Texas A&M University System reasonably expects to incur debt in one or more obligations for this project, and all, or a portion of the proceeds received from the sale of such obligations is reasonably expected to be used to reimburse the account(s) for amounts previously appropriated and/or expended from such account(s).

MINUTE ORDER 19-98 (AGENDA ITEM 11)

**APPROVAL OF THE INCREASED
PROJECT BUDGET AND SUPPLEMENTAL APPROPRIATION
FOR DESIGN FOR THE CAMPUS HVAC SYSTEM IMPROVEMENTS,
TEXAS A&M UNIVERSITY-KINGSVILLE**

On motion of Mr. Lindsey, seconded by Mr. Allen and by a unanimous vote, the following minute order was adopted:

The increased project budget of \$8,169,769.00 for the Campus HVAC System Improvements at Texas A&M University-Kingsville.

Supplementing previous appropriations of \$465,000.00, the amount of \$380,000.00 is appropriated from Higher Education Assistance Fund for design for the Campus HVAC System Improvements at Texas A&M University-Kingsville is approved.

MINUTE ORDER 20-98 (AGENDA ITEM 12)

**ACTION ON BIDS FOR THE ADDITION
TO THE SOUTHERN CROP IMPROVEMENT FACILITY,
TEXAS AGRICULTURAL EXPERIMENT STATION**

On motion of Mr. Lindsey, seconded by Mr. Allen and by a unanimous vote, the following minute order was adopted:

Based on bids received December 16, 1997, the contract is awarded to Chappell Hill Construction Company, Inc. of Brenham, Texas, at \$4,705,000.00, the low base bid and Alternates 1, 2, 3, 4, 5, 6 and 7 for the Addition to the Southern Crop Improvement Facility, Texas Agricultural Experiment Station, College Station, Texas.

Supplementing previous appropriations of \$420,000.00, the amount of \$5,107,304.00 is appropriated from U.S. Department of Agriculture Grant and the amount of \$254,540.00 is appropriated from Permanent University Fund Debt Proceeds for the Addition to the Southern Crop Improvement Facility, Texas Agricultural Experiment Station, College Station, Texas.

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Mr. Powell called on Ms. Rangel for the report of the Committee on Academic and Students Affairs.

**REPORT OF THE COMMITTEE ON ACADEMIC AND STUDENT AFFAIRS**

Ms. Rangel, Chairman of the Committee on Academic and Student Affairs, said the Committee met on January 21 and 22 and recommended approval of Items 13, 14 and 15. The Board took action as set forth below:

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MINUTE ORDER 21-98 (AGENDA ITEM 13)

**AUTHORIZATION TO CHANGE THE
NAME OF THE TEXAS ANIMAL DAMAGE CONTROL SERVICE
TO THE TEXAS WILDLIFE DAMAGE MANAGEMENT SERVICE,
TEXAS ANIMAL DAMAGE CONTROL SERVICE**

On motion of Mr. Allen, seconded by Mr. Nye and by a unanimous vote, the following minute order was adopted:

The Chancellor of The Texas A&M University System is authorized to take all necessary action to officially change the name of the Texas Animal Damage Control Service to the Texas Wildlife Damage Management Service to be effective no later than September 1, 1998.

MINUTE ORDER 22-98 (AGENDA ITEM 14)

**AUTHORIZATION FOR A NEW LOGO,
TEXAS FOREST SERVICE**

On motion of Mr. Allen, seconded by Mr. Nye and by a unanimous vote, the following minute order was adopted:

The Board of Regents of The Texas A&M University System hereby authorizes the Texas Forest Service to use the colors and logo, as illustrated in **Exhibit I** which is attached to the official minutes, effective immediately.

MINUTE ORDER 23-98 (AGENDA ITEM 15)

**APPROVAL OF CAMPUS ENROLLMENT MANAGEMENT
PLAN PROJECTIONS, 1998-99 ACADEMIC YEAR,
FOR SYSTEM INSTITUTIONS,
THE TEXAS A&M UNIVERSITY SYSTEM**

On motion of Mr. Allen, seconded by Mr. Nye and by a unanimous vote, the following minute order was adopted:

The Board of Regents of The Texas A&M University System hereby approves the 1998-99 Academic Year Enrollment Management Plan Projections

for System institutions as contained in **Exhibit J**, a copy of which is attached to the official minutes.

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**OTHER ITEMS**

Mr. Powell called on Dr. Bowen who presented Items 19, 20 and 21. The Board took action as set forth below:

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MINUTE ORDER 24-98 (AGENDA ITEM 19)

**APPROVAL OF DR. JOSEPH PATTI
TO SERVE AS AN EMPLOYEE, OFFICER AND MEMBER
OF THE BOARD OF DIRECTORS OF INHIBITEX, INC.,
TEXAS A&M UNIVERSITY**

On motion of Mr. Nye, seconded by Mr. Allen and by a unanimous vote, the following minute order was adopted:

The Board of Regents of The Texas A&M University System hereby formally approves Dr. Joseph Patti to serve as an employee, an officer, and as a member of the Board of Directors of Inhibitex, Inc., a company which has licensed Texas A&M University System intellectual property rights for the Microbial Surface Components Recognizing Adhesive Matrix Molecules technology.

MINUTE ORDER 25-98 (AGENDA ITEM 20)

**APPROVAL OF DR. MAGNUS HÖÖK TO SERVE
AS A MEMBER OF THE BOARD OF DIRECTORS
OF INHIBITEX, INC.,
TEXAS A&M UNIVERSITY**

On motion of Mr. Nye, seconded by Mr. Allen and by a unanimous vote, the following resolution was adopted:

The Board of Regents of The Texas A&M University System hereby formally approves Dr. Magnus Höök to serve as a member of the Board of Directors of Inhibitex, Inc., a company which has licensed Texas A&M University System intellectual property rights for the Microbial Surface Components Recognizing Adhesive Matrix Molecules technology.

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Mr. Powell asked Dr. Bowen to present Item 21. The Board took action as set forth below:

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MINUTE ORDER 26-98 (AGENDA ITEM 21)

**REAPPOINTMENT OF
MR. HENRY GILCHRIST
TO THE BOARD OF DIRECTORS OF THE
PRIVATE ENTERPRISE RESEARCH CENTER,
TEXAS A&M UNIVERSITY**

On motion of Mr. Nye, seconded by Mr. Allen and by a unanimous vote, the following minute order was adopted:

Effective January 22, 1998, Mr. Henry Gilchrist is hereby reappointed to the Board of Directors of the Private Enterprise Research Center at Texas A&M University for a term to expire January 2003.

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Mr. Powell called on Dr. Long who presented Items 22, 23 and 24. The Board took action as set forth below:

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MINUTE ORDER 27-98 (AGENDA ITEM 22)

**ADOPTION OF RESOLUTION TO
EXPRESS APPRECIATION TO THE 1996-97
LADY BUFFS BASKETBALL COACH,
WEST TEXAS A&M UNIVERSITY**

On motion of Mr. Nye, seconded by Mr. McClure and by a unanimous vote, the following minute order was adopted:

Whereas, Bob Schneider, coach of the West Texas A&M University Lady Buffs Basketball Team, having even entered in the national tournament of the NCAA Division 11 National Play-offs, received notable recognition by being named the NCAA Division 11 Women's Basketball Coach of the Year; now, therefore, be it

Resolved, that we the members of the Board of Regents of The Texas A&M University System, meeting on this 22nd day of January 1998 at College Station, Texas, express our heartfelt congratulations to the coach of the West Texas A&M University Lady Buffs Basketball Team for his contributions to West Texas A&M University; and be it further

Resolved, that this resolution be spread upon the minutes, and copies thereof, signed by the Chairman of the Board of Regents, be presented to the

coach and to the Archives of West Texas A&M University, as a permanent mark of this Board's appreciation and gratitude to him for a job well done.

MINUTE ORDER 28-98 (AGENDA ITEM 23)

**ADOPTION OF RESOLUTION TO EXPRESS
APPRECIATION TO THE 1997 LADY BUFFS VOLLEYBALL TEAM,
WEST TEXAS A&M UNIVERSITY**

On motion of Mr. Nye, seconded by Mr. McClure and by a unanimous vote, the following minute order was adopted:

Whereas, the West Texas A&M University Lady Buffs Volleyball Team received recognition by winning the 1997 NCAA Division 11 Lone Star Conference South Championship; and

Whereas, the West Texas A&M University Lady Buffs Volleyball Team received further esteem and recognition by winning both the Lone Star Conference Tournament and the South Central Regional Tournament; and

Whereas, four players earned all-region honors by being placed on the All-South Central Region team; and

Whereas, one player distinguished the team further by being named NCAA Division 11 Player of the Year; Lone Star Conference South Division MVP, and seven times won the LSC South Division Hitter of the Week award; and

Whereas, the West Texas A&M University Lady Buffs Volleyball Team, having compiled an exemplary 1997 season, advanced to the national play-offs which resulted in a national title giving the Lady Buffs further notable recognition as the NCAA Division 11 National Championship team; now therefore, be it

Resolved, that we the members of the Board of Regents of The Texas A&M University System, meeting on this 22nd day of January 1998 at College Station, Texas, express our heartfelt congratulations to all the members of the West Texas A&M University Lady Buffs Volleyball Team for their contributions to West Texas A&M University; and, be it further

Resolved, that this resolution be spread upon the minutes, and copies thereof, signed by the Chairman of the Board of Regents, be presented to each member of the team and to the Archives of West Texas A&M University, as a permanent mark of this Board's appreciation and gratitude to all these individuals for a job well done.

MINUTE ORDER 29-98 (AGENDA ITEM 24)

**ADOPTION OF A RESOLUTION TO
EXPRESS APPRECIATION TO THE
1997 LADY BUFFS VOLLEYBALL COACH,
WEST TEXAS A&M UNIVERSITY**

On motion of Mr. Nye, seconded by Mr. McClure and by a unanimous vote, the following minute order was adopted:

Whereas, Debbie Hendricks, coach of the West Texas A&M University Lady Buffs Volleyball Team, having been awarded the title of NCAA Division 11 National Champions, received notable recognition by being named the Tachikara/American Volleyball Coaches Association NCAA Division 11 National Coach of the Year; now, therefore, be it

Resolved, that we the members of the Board of Regents of The Texas A&M University System, meeting on this 22nd day of January 1998 at College Station, Texas, express our heartfelt congratulations to the coach of the West Texas A&M University Lady Buffs Volleyball Team for her contributions to West Texas A&M University; and be it further

Resolved, that this resolution be spread upon the minutes, and copies thereof, signed by the Chairman of the Board of Regents, be presented to the coach and to the Archives of West Texas A&M University, as a permanent mark of this Board's appreciation and gratitude to her for a job well done.

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Mr. Powell called on Dr. Bowen to present Item 26. The Board took action as set forth below:

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MINUTE ORDER 30-98 (AGENDA ITEM 26)

**ADOPTION OF RESOLUTION RECOGNIZING
AND COMMENDING THE FACULTY, STAFF AND STUDENTS
WHO CONTRIBUTED TO THE SUCCESS OF THE DEDICATIONS
OF THE GEORGE W. BUSH PRESIDENTIAL LIBRARY AND MUSEUM,
GEORGE BUSH SCHOOL OF GOVERNMENT AND PUBLIC SERVICE
AND PRESIDENTIAL CONFERENCE CENTER,
TEXAS A&M UNIVERSITY**

On motion of Mr. McClure, seconded by Mr. O'Connor and by a unanimous vote, the following minute order was adopted:

Whereas, the Honorable George Herbert Walker Bush served with distinction as the 41st President of the United States of America; and

Whereas, Texas A&M University invited President Bush to consider its campus as a suitable location for his Presidential Library; and

Whereas, President Bush agreed that Texas A&M University was, indeed, the appropriate location for a library and museum to house the papers and artifacts of his administration; and

Whereas, a magnificent complex was constructed to include the George Bush Presidential Library and Museum, the Presidential Conference Center, and the Academic Building-West housing the George Bush School of Government and Public Service, the Department of Political Science, and the Department of Economics; and

Whereas, the Texas A&M University faculty, staff, and students took pride in the honor that was bestowed on the Texas A&M University campus when it was chosen as the site for the George Bush Presidential Library and Museum; and

Whereas, hundreds of faculty, staff, and students devoted great effort and many hours preparing for the thousands of visitors and dignitaries who would attend the dedication of various parts of this center; and

Whereas, the George Bush School of Government and Public Service was dedicated on September 10, 1997; and

Whereas, the George Bush Presidential Library and Museum was dedicated on November 6, 1997; and

Whereas, the Presidential Conference Center including The International Center was dedicated on November 7, 1997; and

Whereas, these dedications attracted thousands of people from throughout the world; and

Whereas, those thousands of people joined President and Mrs. Bush, and included their children, grandchildren, and other relatives, and President and Mrs. Clinton, President and Mrs. Ford, President and Mrs. Carter, former first ladies Mrs. Lyndon B. Johnson and Mrs. Ronald Reagan, family members of former presidents Eisenhower, Kennedy, and Nixon, former heads of state of various nations, presidential cabinet members, governors, congressmen, celebrities, representatives of major national news organizations; and

Whereas, all in attendance left with a favorable impression of Texas A&M University and the people with whom they came in contact; now, therefore, be it

Resolved, that the Board of Regents gratefully acknowledges the major contributions made by the faculty, staff, and students of Texas A&M University who worked long hours and gave such strong effort to see that every need was met in making the dedications a great success and a pleasant memory for all who attended; and, be it further

Resolved, that this resolution be spread upon the minutes and copies, thereof, signed by the Chairman of the Board of Regents, be presented to President Ray M. Bowen for distribution to those members of the faculty, staff, and students so honored by this resolution and that a copy be filed in the archives of Texas A&M University.

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Mr. Powell called on Dr. Bowen to present Item 31.

Dr. Bowen said this item is a request asking the Board to authorize the President of TAMU to act on behalf of the Board in signing an affiliation agreement with the South Texas College of Law (STCL). Texas A&M's interest in having a college of law is at least 30 years old. In 1968, a similar item was approved by a unanimous vote, authorizing the President and the administration to proceed to the Coordinating Board to request a merger with STCL as a state-supported law school. Dr. Bowen said discussions failed and the Coordinating Board turned it down. He said discussions with STCL have continued sporadically since that time, but in the 1972-73 academic year, Vice President John Calhoun, working on behalf of President Jack Williams, received permission from the Board of Regents to propose to the Coordinating Board the creation of a college of law at TAMU. This would have been a new college of law, fully funded by the State. It was turned down by the Coordinating Board.

In the Target 2000 study there were repeated expressions of the belief that TAMU would not obtain its aspirations as a public university without a college of law. Dr. Bowen said as this possibility has been looked at and weighed, to see if it would be possible to bring a law program to the students of TAMU, pragmatic decisions have been made. He said the State authorizing a college of law on the campus of TAMU does not seem to be in the realm of possibility. It is the perception of cost and the perception that there is an adequate number of lawyers in the state and so a pragmatic decision has been made, a creative relationship, a new kind of academic relationship with a private, unaffiliated college of law. He said recognizing the reality of the political environment and the economic environment, it was decided to enter into a set of formal discussions and evaluations with STCL. Dr. Bowen said this approach is like bringing an element into the System, but different. It is an approach in some sense like creating an entity such as the A&M Foundation, or the Association of Former Students, but somewhat different than that. He said it is like a partnership with Scott and White and the College of Medicine, but different than that. While these relationships are possible guidance, this would be an original relationship for the State, but not the nation.



Dr. Bowen said he thinks a college of law will bring distinction to TAMU. He said other considerations include whether STCL is the right approach given the pragmatic issues, is the academic quality sufficient to be called a college of TAMU and does it have the potential to enhance itself. Dr. Bowen said the answer to these questions is "yes." He said other questions include, is it highly regarded within legal education circles, is the faculty good, is the enrollment healthy, are its graduates successful. Dr. Bowen said the answer to these questions is "yes." He said law schools have different characteristics, different personalities, and this one is strong in advocacy, strong in certain aspects of law where others might have a different kind of preference. STCL is a practical school, fully accredited, good facilities, good library, well managed, free of financial problems, has an established development program, not encumbered by legal disputes, and the campus culture is compatible with TAMU.

Dr. Bowen said the risks are as in any new relationship, the environment might not have been assessed correctly; for example, the proposed minute order would not authorize TAMU to offer a degree, TAMU must still go to the Coordinating Board. The risk is receiving concern from the Coordinating Board and the request to them might become difficult to implement. He said it is a small risk but the need is there to be open and pragmatic about that.

Dr. Bowen said for guidance, as the formalities of an affiliation agreement are developed, other organizational relationships have been looked at which have similarities to the one being contemplated. Michigan State University recently entered into a similar relationship with the Detroit College of Law and Pennsylvania State University entered into one with the Dickinson College of Law. Dr. Bowen said the conclusion, from himself and the vice presidents of TAMU working on this project, is that this is an affiliation that would be beneficial to TAMU and an affiliation plan has begun to develop. STCL is governed by a 19-member board of directors. TAMU would have six members on the board, which would initially raise the board to 25 members, and over a three-year period it would come back to 19 with TAMU's six being fixed. Dr. Bowen said this would be a college of TAMU that would be entirely private. STCL would not change its status as a private entity. The affiliation agreement would not allow STCL to receive state funds and they do not wish to have state funds other than their existing tuition-equalization money. Dr. Bowen said this a different kind of model. He said Dr. Ron Douglas, Provost, is comfortable with the academic oversight provided. Dr. Bowen said the academic oversight is not different fundamentally than what is in place with the other academic colleges. The agreement gives TAMU a role in its admission process, which is very important to students of TAMU. He said he would like TAMU students to reap some benefits of an affiliation which would allow them the benefit of admission to STCL and he said he would like that benefit to expand to the other System universities. Dr. Bowen said the affiliation agreement allows membership on STCL admissions committee. He said this would give TAMU significant presence in the city of Houston. The STCL would be known as the "South Texas College of Law of Texas A&M University." In the history of TAMU, other decisions, such as this one, were made which turned out to have a dramatic effect on the university.

Mr. O'Connor asked how STCL rates in the State of Texas. Dr. Bowen said he understands that there are approximately 300 law schools in the nation and STCL ranks about 100. He said STCL believes the barrier to a higher ranking comes from the lack of name recognition and they feel they will make a major jump in rankings with this affiliation. Dr. Bowen said he does not know how STCL is ranked in Texas.

Mr. O'Connor asked about STCL being such a specialized school, can there be any interaction with the law school and the College of Business or the George Bush College. Dr. Bowen said after an affiliation is achieved and after presenting this to the Coordinating Board, TAMU will explore joint degree programs. He said these kinds of activities are present between a number of the law schools and other universities in the State and TAMU has not had that opportunity. Dr. Bowen said the public policy activities within the Bush School and the law programs at STCL will allow graduates of TAMU to enter those careers that interface between the legal profession and public policy.

Mr. O'Connor asked if the physical structure is more than adequate for the population. Dr. Bowen answered in the affirmative and said it is an excellent facility with room to grow. STCL is trying to reduce its enrollment, currently it has 1,200 students, counting about 400 part-time, and that number is down from a few years ago. He said STCL believes the quality of its program would benefit from smaller numbers. Mr. O'Connor asked the average age of the students. Dr. Bowen said he believes it is 30.

Ms. Rangel said while she would be very enthusiastic about having a law school, she thinks this is a matter which should be treated in-house. She said this would be the only law school in the System; therefore, she thinks it is very important to follow up on the work that has already been done, and then follow that up with further involvement on the part of the Board to protect the interest of the State. She said some of the problems she has with the agreement is it would not be appropriate for the Board to allow Dr. Bowen to sign this agreement without first scrubbing it at the Board level. She said academics have not been addressed and the Board has not seen any financial statements, or anything besides the statement being presented. Ms. Rangel said there were several discrepancies in the item. She said Dr. Bowen stated orally that there are 19 members on the STCL board. In the item, it states there are 18 members on that board, and then on the agreement, on page 2, the number "19" is mentioned twice and then "13" is mentioned. She said there are some inconsistencies.

Ms. Rangel said she would like to go over some of the details that she feels need to be looked at very carefully. She said if this is to work correctly, it has to be done very cautiously in her estimation. Ms. Rangel said Dr. Bowen told the Board that this is one of the most important decisions ever made regarding TAMU, ranking with the top five or six. She said she believes that because this will be the only law school any Texas A&M student can attend. Ms. Rangel asked about page 2, sentence 3, on the agreement, "Law school will

comply with the University's name licensing requirements and will also be entitled to use the logo of the university." She said Dr. Bowen has never discussed copyrights. Ms. Rangel asked who has the copyrights to the publications of those professors, who has the copyrights to the Internet courses that possibly will be taught in the future and would the Texas A&M name be used on those things. She said there are many details that are not addressed.

Ms. Rangel said number 2 has some problems, "...the affiliation is not intended to and shall not have the effect of..." and number 3, the last sentence, "The law school agrees to report to the university proposed or actual changes in the fees and costs for the students." She said the agreement does not say anything about the admissions standards of these students who are going to be allowed to go there and does not say anything about the Board of Regents involvement with control of these fees. Ms. Rangel said she is bothered by the fact that the Board is totally left out of this agreement and even though Dr. Bowen stated that STCL will not touch state funds, it will touch private funds. She said this part goes on to say that "...the Board (STCL) will eventually allow more members representing A&M on their board." She said Dr. Bowen stated earlier that the people assigned to the STCL board will not be members of the Board of Regents, so again there is no Board (of Regents) representation. Ms. Rangel said number 5, "...law school through its board of directors, president and dean of faculty will continue to have responsibility for all the management, operating, financial, academics..." She said, again, no power to the Board (of Regents) over those decisions on admissions and finances. She asked what would happen if there is a situation in the future similar to what happened at University of Texas Law School with the discussion on admissions. Ms. Rangel said if that were to happen, the Board (of Regents) would never have any control at all to protect the System. Number 7, "Law school and university agree to each appoint an equal number of members to an operating committee which will meet from time to time to discuss matters of mutual interest, to such affiliated institutions including, without limitation, joint degrees." She said if there are joint degrees, foreign programs, certification programs -- that involves money. That money is presently controlled by the Board, what will happen in that situation. Ms. Rangel said Number 8 specifically says there will be prospective sharing of technology, libraries, development, and all of the libraries and technologies at TAMU have been developed with state money and yet this agreement would leave all of that under STCL control and the Board (of Regents) would not have anything to say about the technologies and the libraries that STCL will have its hands on.

Ms. Rangel said number 9 states that this agreement is for 20 years and after that point either party can elect to terminate. TAMU can't complain until year number 5. She said number 10 says that TAMU has no right to look at any of STLC's financial audits and that is very problematic if STCL is going to be using TAMU funds from private sources to build up its law school. She referred to number 11, they want lists of former students and help in raising money; number 12, "University agrees that it will use its best efforts to cause the university foundation to assist and coordinate with the law school's development office." She said there is still no benefit to TAMU students or the

System. Ms. Rangel said number 16 stipulates that TAMU will have the power to give them advice as to who they choose as president of the law school, but the Board (of Regents) will not have the power; and number 19, "the law school and university agree to take such action as may be necessary and appropriate to foster the effective assimilation of law school graduates.." -- she said that is vague. She said number 20 regards the mailing lists, the general mailing lists that Dr. Bowen plans to give them so that they can raise money for the law school and Number 21, that TAMU will "...agree to consult and cooperate at such times as may be reasonably necessary in regards to admissions with respect to law school's accreditation by the bar associations." Ms. Rangel said they are very interested in TAMU helping them in their standing with the American Bar Association, yet they are not willing to give Dr. Bowen any say as to who is admitted. She said number 23, "All notices, consents, approvals, requests and other communications, required or permitted under this agreement shall be given in writing, ...and signed and sent to the Chairman of the Board of Regents." She said that is the one and only time the Chairman of the Board of Regents of the System is mentioned. She said, in other words, the Board will have zero power if Dr. Bowen signs this agreement.

Ms. Rangel said she thinks this agreement needs a lot of work and thinks the problems could be solved prior to the signing if the Board (of Regents) and the STCL board sit down and hammer these things out. She said she does believe in the long run this would be good for TAMU, if it is done correctly.

Dr. Bowen responded by saying the question of the number of members on STCL's board is 18 appointed members, as stated in its bylaws, plus an alumni representative, thus, 19 members, and the important thing is that there are 19 voting members. He said the affiliation agreement addresses the fact that TAMU needs a presence on the STCL board as soon as possible and suggests that the Board of Regents provide six people. Dr. Bowen said the question about the role of the Board (of Regents) hinges on these six individuals -- that is where the Board would exercise its influence and to that extent it appropriates some control. He said those six individuals would immediately join the 19-member board. Dr. Bowen said over the next three years, two per year would step off the STCL board ending up with a 19-member board, six from TAMU, and the 19 minus the 6 is the number 13 that was mentioned, so in the steady state STCL would have 13 board members appointed through its current mechanism and there would be 6 others appointed by the Board (of Regents). He said the source of influence control, policy setting, changing policy and modifying the affiliation agreement would flow from the initiative of those six people. He said STCL is managed with a six-member executive committee and it would immediately put two members out of the appointed six on its executive committee. Dr. Bowen said in regard to fees, it is correct that STCL would set its fees as they do now, TAMU's influence as to whether that would be a good idea or a bad idea would have to be exerted through those six members on the STCL board and he said his advice to the dean/president, is that they can set their own fees.

Dr. Bowen said Ms. Rangel made reference to the UT problem and he assumes this is the potential of an employee of that organization making a public statement about which TAMU would disagree. He believes the same opportunity exists but the same control problem exists at TAMU with employees. The purpose of the operating committee is to create more opportunities for TAMU students and make this affiliation stronger academically. Dr. Bowen replied to the question of joint programs and said, if in fact the joint programs were academic, it would go through the same process of coming to this Board and would be approved in the usual way. If it were a continuing education course, jointly taught, he said it would not come to this Board, but that they don't come to this Board now. Dr. Bowen said money associated with international programs would work so that if STCL was the sponsor, it would be the banker, and if TAMU was the sponsor, it would be the banker. He said it is true that the fees for those programs would not come to this Board for approval, they would come to the 19-member STCL board. Dr. Bowen said in reference to sharing technology, TAMU would not be giving STCL any purchased equipment, only allowing them to connect into the library and benefit from an Internet access which would merge the technological resources. He said if a course is created in some joint role, ownership would not be relinquished and if they created a course it would be theirs.

Dr. Bowen referred to the term of 20 years and the possibility of having to wait five years before expressing concerns; concerns can be expressed immediately through the six members of the Board. He believes the influence that those six individuals would have, combined with the desire on the part of the STCL board and administration to make this successful, would cause TAMU concerns to be heard very early. He said TAMU does have the right to look at all of STCL's financial statements and audits, the provision in the affiliation agreement tries to regulate that, indicating that every year, 120 days after the completion of STCL's fiscal year, those reports have to be made available to TAMU. They would be made available any time they are wanted, but the affiliation agreement guarantees the minimum. Dr. Bowen said STCL will not get the list of former students -- he cannot get the list. STCL will receive mailing lists, public information that any citizen could receive in Texas by filing an open records request. Included in the development dimension of the relationship is the provision of development activities coordinated as designed and built in to insure that in fact there will not be competition for private dollars from the same source. STCL has agreed to coordinate public relations activities so that it will not represent itself as TAMU in an inappropriate fashion.

Dr. Bowen said in reference to "the office," the purpose of the office is to bring together one of STCL's academic officials to work with TAMU to help create these joint programs. He said it is the belief that if that person is a resident at TAMU, and there is a space in the Bush School, and the director of that school is anxious to have an individual there, there will be no support provided for secretarial action but it is a kind of collegial interaction that would be provided any serious academic that wanted to develop some relationship with TAMU. Dr. Bowen said STCL has offered to reciprocate. He addressed

accreditation and said that is a very important clause in the agreement, because STCL's accreditation is of vital importance to TAMU. Dr. Bowen said when TAMU proposes a degree that comes to the Board for approval, the ability to have it accredited and keep it accredited is paramount. He said there are many options for control and apologized if something was overlooked and offered to go over it again if necessary.

Ms. Rangel said she thinks it still leaves the Board very powerless, even with six members, there is no majority that would make a difference. She said this law school would be a System law school. Dr. Bowen said as a technical point, the affiliation agreement allows the Board members to be on that board, it does not restrict or anything. Ms. Rangel said even with six, it is powerless and the agreement needs a lot of work before Dr. Bowen signs it. She said since it does affect every student in the System, not just A&M students, she believes it is the Board's responsibility to be very careful about this agreement.

Mr. O'Connor asked if there are similar agreements of a state institution versus a private law school. Dr. Bowen said he knows of two: Michigan State University entered into an agreement with the Detroit College of Law and until a few years ago they were located in Detroit, but they are now resident on the University of Michigan campus. A building was built using their tuition revenue and endowment revenue with a loan underwritten by Michigan State University. Dr. Bowen said he interviewed their president and they see it as a successful partnership. Mr. O'Connor asked how long it has been going on. Dr. Bowen said about three years. Mr. O'Connor asked if Dr. Bowen saw their documents. Dr. Bowen replied in the affirmative and said he had access to their affiliation agreement before they began to craft the one with STCL. He said the other affiliation is slightly different, Penn State University has an affiliation with the Dickinson College of Law in Carlyl, Pennsylvania. That one is also a couple years old -- it is more like a merger than an affiliation in that while Dickinson retained its independent status, a lot of the administrative decisions have been delegated to the Penn State Board. Dr. Bowen said Penn State is virtually a private university, they are a constitutional entity not structured in the same legal fashion as many other boards.

Mr. Allen said Ms. Rangel's questions and Dr. Bowen's answers are simply part of the mosaic that has developed over several months. He said this should be viewed as a dynamic process with this document as the entry document into a relationship that is going to change over time, and certainly there will be a lot of issues that will have to be addressed. Mr. Allen said the Board certainly has the influence, the ability to influence STCL's decisions and to some extent STCL has the ability to influence the Board's decisions. He said this gives TAMU an opportunity to take a step in the direction that Target 2000 talks about at length. There will be a law school that is an appendage of the university and a much shorter period of time than was expected and he thinks the Board should commend Dr. Bowen and his team for initiating these discussions and taking it to the point where there is an entry agreement. Mr. Allen made a motion to approve Item 31.

Ms. Rangel said she did commend Dr. Bowen for all of his work and it was excellent up until this point. She said the Board's part needs to be done and she does not feel she can give permission to sign this agreement as it is. She said she thinks it is chock-full of holes and it is not advantageous as a regent to approve something where TAMU will be powerless.

Mr. McClure seconded the motion.

Mr. O'Connor asked in light of the Board's discussion, was there room for changing the dynamics and evolving this under the current agreement proposed. Dr. Bowen replied in the affirmative. Mr. O'Connor asked if the Board sees that the dynamics need to be changed, for whatever reason, was there room for that action. Dr. Bowen said the affiliation agreement recognizes that it will change in time and this is anticipated. He said the process would be to initiate it to him or to the six members appointed by the Board, then he would go to the STCL board and they would then have to meet and decide. He said this agreement was created without TAMU people participating directly in it and he thinks in that situation he would anticipate the voice and concerns would be listened to, they would be amplified.

Mr. O'Connor asked if the Board expresses a concern and they fail to take action, are there any options. Dr. Bowen replied in the affirmative, after the five-year period. Prior to that time it would be very difficult as written in the agreement. He said STCL values this agreement and, speaking hypothetically, he would go to the STCL administration at the Board's instructions after two years and tell it about the dissatisfaction and would say three years from now, this agreement will be terminated. Dr. Bowen said he is quite sure STCL would listen and be responsive. He said there are elements of persuasion that are available to any organization which are not necessarily codified in a document like this.

Mr. O'Connor asked if the licensing potential was on an annual basis and would the Board have the option, if STCL disagrees with something, that the licensing part be non-renewable. Dr. Bowen introduced Mr. Scott Kelly, Associate General Counsel, to explain the terms of what that implies, that is a limiting right on STCL's part, not an all encompassing right on its part. Dr. Bowen said, for example, if STCL wishes to create a T-shirt with TAMU's name on it, that has to be licensed through the normal ways. Mr. O'Connor said they will probably have it on the building and other places and if there was a disagreement, nothing could be done unless the six can influence the rest of the members and he asked about the renewal of TAMU's name. He asked if they had to be renewed on an annual basis as a license. Dr. Bowen said he believes that it is defined by the time parameters in this agreement -- 20 years. Mr. Kelly said the provisions as far as the use of the name are simply part of the agreement, the same time periods will apply. He said the agreement speaks in terms of the 20-year term and it speaks in terms of after the five years there is a provision in the contract for working out problems that are perceived either by A&M or by STCL. But, he said, implicit in any contract is the fact that if the situation is sufficiently egregious for either party, even though the contract does

not specifically provide for a mechanism of ending that contract, any party to any contract can say at any time they don't want it anymore, they are done -- that is inherent in any contract. Mr. O'Connor asked if the law will support that. Mr. Kelly replied if the situation is such that there is a breach of the agreement. Mr. O'Connor said this would not necessarily be a breach, maybe it is just a difference of opinion. Mr. McClure said he would argue differently -- if one party walked away and he would agree with Mr. Kelly, at any point if a party decides to walk away, then they go to contract law and breach considerations and whatever damages flow from that, 5 years, 20 years, it doesn't make any difference. Mr. Kelly affirmed. Mr. McClure said secondly is it also not implicit in the agreement that if both parties, TAMU and the STCL board, at any time decide that both want to change the terms of the agreement, by mutual agreement, that can happen at any time. Mr. Kelly agreed. Mr. McClure said if the terms of the affiliation agreement changed after it had been entered into, it could start in a week because of changed circumstances. Mr. Kelly agreed with Mr. McClure. Ms. Rangel said a good contract will spell that out to avoid that conflict and there is nothing spelled out in this contract that would protect the Board. Ms. Rangel said Dr. Bowen said something extremely important -- that TAMU people were not involved in the production of this document. Dr. Bowen corrected that and said Mr. Kelly was involved. Ms. Rangel asked who actually wrote it. Dr. Bowen said Mr. Kelly wrote it in conjunction with an attorney that worked for STCL.

Mr. O'Connor asked if there was an avenue for mediation. Mr. Kelly said the parties to a contract can always agree to any kind of method like that, mediation, arbitration, etc. Mr. O'Connor said as counsel, was Mr. Kelly assuring the Board that this does not necessarily have to be stated because it is assumed. Mr. Kelly said he would recommend to the Board as their counsel that it not specifically state in the agreement because that somehow binds the Board to go to some kind of third party mediation. He said he thinks the agreement as it is structured provides greater flexibility.

Mr. Nye said he really does believe that if TAMU and the System are to be world-class institutions, a full complement of the professional schools, including law, is needed. He said STCL is a fine school. He believes the affiliation that is being proposed would be beneficial to TAMU and to the System as well as STCL. Mr. Nye said he understands that an affiliation of this nature is not traditional in some minds but that it is somewhat a pattern that is followed in other places, and he believes it offers benefits that outweigh the risks. He said concerns have been expressed, the Board has had the agreement for approximately five to six weeks; he thoroughly reviewed it and expressed some reservations and there were changes made to accommodate the two concerns that he had and he is very satisfied with it. Mr. Nye said he doesn't necessarily share the views that are expressed about the uncertainty in the agreement, he said he thinks the agreement is not altogether untypical given that this is not an acquisition or a merger, it is an affiliation. In that regard he thinks the representation on the Board and the understanding of the need to go forward together in a partnership concept will work well. He said the agreement, in his view, is adequate for that purpose. Mr. Nye said he has



operated as Chairman of the Board of the Baylor College of Dentistry with an affiliation agreement of long-standing with Baylor University and that was a state-assisted private dental school operating in an affiliation with another private university of substantially larger size. He said that time is of the essence and he believes the Board needs to entrust the execution of the affiliation agreement to the president of TAMU. He understands there are some risks but thinks the benefits far outweigh the risks. He said he is enthusiastic about these possibilities and this relationship.

Mr. O'Connor said he would like Mr. Kelly to finish answering his question, does he feel comfortable that there are avenues if there is a dispute that it can be resolved. Mr. Kelly said he feels very comfortable that the avenues that have been worked out in this agreement are the right kinds of avenues for this type of agreement. If the Board was acquiring the property of this institution, there would be a more detailed agreement in terms of dealing with property, dealing with outstanding liabilities, etc. Mr. Kelly said this is in the nature of a coming together of these two entities. If a mechanism of a definite term had been provided where both parties could walk away for any or no reason merely by giving notice, and he said in the future if there are bumps along the way, people will not react too soon and make decisions that perhaps will not work out to be in the best interest of the parties. Mr. Kelly said there is also a mechanism provided after a reasonable period of time (5 years) where one can give notice, but then there is a one year period where the parties hopefully can work this out. The reason the agreement is for three years is that is the time of a law school education, so if a student comes into the school, it will not injure the students due to a cut-off in the middle. The five years is for a sense of stability. Mr. Kelly stated again that if the Board decided ultimately a week after the contract was entered into that there was something so horribly wrong with it that it could not be continued, the Board would go to contract law to determine whether you had the right to make that decision.

Ms. Rangel asked why not amend it up front before you sign it. Mr. Kelly said the reason why that kind of provision does not enter into all kinds of contracts is that every event that could occur cannot be imagined so one has to be careful not to limit oneself by the terms of a contract by providing a laundry list of events which could cause termination and thereby limit your abilities on the other end.

Ms. Rangel said she is talking about acquiring a comfort level, amending it up front before Dr. Bowen signs it so this Board can have greater power in this agreement. Even though it is not a merger and it is not an acquisition, the proposal of naming the building "The Texas A&M University Law Center," a perfect example of a facility with the name Texas A&M. She said this building will deteriorate and at some point they are going to want A&M money to renovate and that might be before the end of five years. Ms. Rangel said there are no protections for the System in this agreement and she would like to see this affiliation happen and asked if a clause could be added that says the Board agrees as long as no System money is touched. Mr. Kelly said you could add that, but in effect it is there because the agreement already provides that there

will be no state dollars. Ms. Rangel said she was not talking about state dollars, she was talking about private dollars from A&M's Foundation, those are still moneys from TAMU. Mr. Kelly said if somebody were to create that kind of a gift and if it was accepted under those terms, then that is what would be done. Mr. Allen said the Board has the right to approve such a gift with the terms attached and said the Board just approved a long list of gifts. Ms. Rangel asked if STCL was talking about setting up its own foundation through the Texas A&M Foundation. Mr. Kelly said that is not provided for in the agreement-- this would be done pursuant to an agreement with the A&M Foundation. He said this would be coordinated so there would not be a situation where persons who are seeking to raise funds on behalf of STCL are approaching persons also being approached by TAMU or the System. Mr. Allen said the Board would approve such action.

Mr. McClure asked what sort of legal liability attaches to either the University or the System. Mr. Kelly said the way the agreement is structured, a principal consideration is to limit that exposure. The reason there are not more members being appointed on their board is to assist in limiting the exposure, the level of risk that would attach to the System by entering into this agreement for actions by STCL. The persons who are appointed by the Board to sit on the board of STCL are not sitting as representatives of the Board of Regents, they are sitting as persons who have been appointed by a power given in this contract to the Board and are sitting as individual persons on that board exercising their own individual judgment. He said part of the reason for structuring it that way is so that TAMU is not controlling that entity. Mr. Kelly said if TAMU is controlling that entity, it becomes much more possible for a third party who is bringing a lawsuit against STCL to successfully sue TAMU. Mr. Kelly said TAMU will get named in any kind of lawsuits that are brought anyway and the question isn't whether you get named, the question is how fast you can get out. This is structured to get out quickly. Mr. Kelly said TAMU has a role in hiring and the tenure process for STCL's tenured faculty, but it is not a veto role or an approval role, it is that the provost at TAMU has input that will go into the decision of the dean of STCL, but it is not determinative. Where it is not determinative, TAMU will have reduced exposure to being found liable for some kind of action in connection with employment decisions. Mr. Kelly said one of the overriding concerns of this agreement is to reduce the exposure to legal risk for TAMUS. This agreement creates a good balance of the Board's ability to effect change, to shape the law school, to provide direction to the law school, but at the same time not be exposed to legal risk.

Ms. Rangel said if it is going to be called the Texas A&M Law Center, she said it would affect this Board and the System if they had a Hopwood case. Mr. Kelly said it would affect in a public relations issue and it could affect in a political issue. Ms. Rangel said it could bring down the reputation of the whole System and this Board would have no power. Mr. Kelly said he respectfully disagreed that the Board would have no power. He said the Board has powers of the persons that are placed on there; the Board has power of the direction that it would provide to the President of TAMU and their interactions. Mr. Kelly said STCL wants very much for this agreement to occur and be successful and they are not likely to turn a deaf ear to the views coming out from this Board. There is a balance of influence without taking it over. He said hypothetically, this Board could become the board of STCL but if that were to be the case, then the exposure to the risk would be much greater.

Mr. O'Connor asked if there was a way, through language, to state that the six members that this Board appoints serves at the pleasure of the Board so that they can be replaced prior to their term or if committed, once they are in their term, that they are there. Mr. Kelly said that could be done. Dr. Bowen said he has confidence in the selection of the people the Board would appoint. He cautioned not putting it in the agreement because it might be stifling in terms of ability to create a good relationship.

Ms. Armstrong said in matters of this sort, timing is terribly important and she thinks if the Board delays to perfect and perfect, they may lose the opportunity. She said she personally feels as a Regent of the System that from the beginning, Chairman Powell urged the Board to give him input as this developed. A copy of the first draft of the agreement was received in early December and she said she never felt hesitant in her ability to call him or the System staff that was working on this, so she feels that she did have a chance to scrub it, or change it if she wished. Ms. Armstrong said the changes that were made this week strengthen the Board's hand. She said she was pleased with the agreement and pleased with the staff's work and said she would call for the question.

The Board took action as set forth below:

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MINUTE ORDER 31-98 (AGENDA ITEM 31)

**AUTHORIZATION FOR THE PRESIDENT OF
TEXAS A&M UNIVERSITY TO HAVE
SIGNATURE AUTHORITY TO EXECUTE THE
AGREEMENT FOR EXCLUSIVE AFFILIATION WITH
SOUTH TEXAS COLLEGE OF LAW,
TEXAS A&M UNIVERSITY**

On motion of Mr. Allen, seconded by Mr. McClure, with Ms. Rangel voting "nay" and by a majority vote, the following minute order was adopted:

The Board of Regents of The Texas A&M University System hereby authorizes the President of Texas A&M University to have signature authority to execute the Agreement for Exclusive Affiliation between South Texas College of Law and Texas A&M University.

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Mr. Powell announced that the next Board of Regents meeting would be held March 26-27, 1998, in College Station, Texas.

**ADJOURNMENT**

There being no further business, Mr. Powell adjourned the meeting at 5:45 p.m.

Vickie Burt  
Executive Secretary to the Board of Regents  
The Texas A&M University System

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