

**MINUTES**

**OF THE**

**MEETING OF THE**

**BOARD OF REGENTS**

**OF**

**THE TEXAS A&M UNIVERSITY SYSTEM**

**HELD IN**

**COLLEGE STATION, TEXAS**

**September 16-17, 2004**

*(Approved December 7-8, 2004, Minute Order 196-2004)*

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**MINUTES OF THE  
MEETING OF THE BOARD OF REGENTS  
September 16-17, 2004**

**CONVENE-THURSDAY, SEPTEMBER 16**

Mr. Lowry Mays, Chairman, convened a regular meeting of the Board of Regents of The Texas A&M University System (TAMUS) at 2:05 pm, on Thursday, September 16, 2004, in Room 292 of the Memorial Student Center (MSC), on the campus of Texas A&M University (TAMU), College Station, Texas. The following members of the Board were present:

Mr. Lowry Mays, Chairman  
Mr. Erle Nye, Vice Chairman  
Mr. Phil Adams  
Dr. Susan Rudd Bailey  
Dr. Wendy Gramm  
Mr. Bill Jones  
Mr. Lionel Sosa  
Mr. R.H. (Steve) Stevens, Jr.  
Mr. John D. White

**INVOCATION**

Mr. Mays called on Mr. Colin Crawford, a sophomore majoring in Maritime Studies at Texas A&M University at Galveston (TAMUG), who presented the invocation.

**CHAIRMAN'S REMARKS**

Mr. Mays said that he was very happy to be back. He then called on Dr. Benton Cocanougher, Interim Chancellor, for remarks.

**CHANCELLOR'S REMARKS**

Dr. Cocanougher said that Texas A&M University-Commerce (TAMU-C) had celebrated its 115<sup>th</sup> anniversary on September 2, 2004, with a number of academic and community related events and had a very successful day.

Dr. Cocanougher said that we all recognize that we impact the lives of thousands of Texans each year in our academic programs and extension activities. He said that what often goes unrecognized and unreported are the many other types of services that we offer. Dr. Cocanougher said that he had asked Dr. Ed Smith, Interim Director of Texas Cooperative Extension (TCE), to provide an example of our internet information services to the citizens of Texas. Dr. Cocanougher said that in taking just the Department

of Entomology at TAMU, in 2003 there were over 40 million hits on their websites. He said that approximately 2.8 million of these represented more extensive, what are classified as “user sessions,” where they were getting information from the website. This averages over 7,500 user sessions per day for 365 days. He said that there are so many things going on at our academic institutions that serve Texas that are sometimes not as readily apparent as many of the activities that are seen.

Dr. Cocanougher called on Mr. Jim Hull, Director of the Texas Forest Service (TFS), who reported that the previous evening his agency had received a call from the Federal Emergency Management Agency (FEMA) asking them to deploy their instant management team. Mr. Hull said the team had headed for Camp Beauregard in Louisiana. He explained that their mission was to be responsible for the receiving and distribution of all disaster relief supplies that would be coming into that part of the nation. He said that they had gotten as far as Lufkin, Texas, when they received a call that Hurricane Ivan had decided to go further east than expected, and as a consequence the task force was relieved of its responsibilities. Mr. Hull further explained that just before the Board meeting he had received a call from the State of Florida requesting their assistance. Mr. Hull said that they have had six to ten of their employees in Florida for some time helping to respond to Hurricanes Charlie, Frances and now Hurricane Ivan. He said that Hurricane Jeanne was crossing the Dominican Republic and was expected to hit Florida sometime late in the weekend or early the next week. Mr. Hull said that one reason the TFS is assisting is because the responders in Florida are worn out. He said that they are involved in the organization of all of the disaster response people that are coming in; including the operations, planning, logistics, finance and communication.

Mr. Lanny Smith, Director of the Texas Engineering Extension Service (TEEX), said that Texas Task Force 1 was currently deployed at the State Operations Center in Austin, Texas. He said that they have been in Jackson, Mississippi. He said that this was a Type III Team consisting of 31 personnel who can do light structural collapse duty, technical rescue and anything that goes outside of weapons of mass destruction (WMD) response in steel reinforced buildings in terms of confined space in rescue operations. Mr. Smith said that they have individuals with rapid needs assessment experience in Florida with the Joint Management Team 1 and they have also set up an operations center that is operational 24 hours a day in Bryan/College Station. He said that they are in constant communication with all of their elements. Mr. Smith said that as of 8:00 am, September 16, TEEX’s personnel deployed to the field at Baldwin County, Mississippi, were involved in rescue and reconstruction of some areas of a condominium complex that had collapsed and they were searching for individuals in the complex. He said that they were alerted on Tuesday and had arrived on the ground on Wednesday morning and were prepared to be fully operational for a period of 10 days with minimal support that could be extended as needed. Mr. Smith said that they were prepared for the long haul with Hurricane Jeanne coming up.

Dr. Cocanougher called on Dr. Nancy Dickey, President and Vice Chancellor for Health Affairs, TAMUS Health Science Center (HSC), who introduced the following: Dr. Betty N. Adams, Dean of the College of Nursing at Prairie View A&M University

(PVAMU); Dr. Susan S. Baker, Director and Professor of the Canseco School of Nursing at Texas A&M International University (TAMIU); Dr. Elaine Evans, Head and Assistant Professor of the College of Arts and Sciences at Tarleton State University (TSU); Dr. Frances Forgione, Assistant Professor and Undergraduate Program Coordinator of the School of Nursing at Texas A&M University-Corpus Christi (TAMU-CC); Dr. Josephine A. Kahler, Dean and Professor of the College of Health and Behavior Sciences at Texas A&M University-Texarkana (TAMU-T); Dr. Heidi Taylor, Division Head and Associate Professor of the Division of Nursing at West Texas A&M University (WTAMU); and Dr. Mary Pat Lamden, Director of Clinical Staff Development and Nursing Research at Scott and White Memorial Hospital. Dr. Dickey explained that this group meets periodically and has worked very hard to increase the number of students in the health profession.

Mr. Mays said that the Board was very happy to have the group join them and thanked them for the good work they are doing in their divisions.

**REPORT FROM THE  
CHANCELLOR'S STUDENT ADVISORY BOARD (CSAB)**

Dr. Cocanougher said that it was customary for the CSAB to attend the Board Meeting each year in September. He said that Mr. Ed Gorecki is the Chair for 2004. He said that the group is designed to provide advice and counsel to the Chancellor and the System concerning student-related issues. Dr. Cocanougher said that the CSAB has been a great resource throughout the years.

Mr. Gorecki, a student at TAMU-CC, thanked the Board for the opportunity to speak. He said that as the Chair of the CSAB he took great pride and pleasure in working with the energetic and passionate individuals in the CSAB. He said that the CSAB has comprised a list of initiatives that will greatly benefit students. One of the top initiatives is addressing the effects of tuition deregulation. Mr. Gorecki said that during the last legislative session, budget cuts and the caps lifted on tuition has forced universities to raise tuition costs to adequately fund what they are doing at the current levels. He said that every time tuition is increased, several students are no longer able to finance their college education. He said that they are now facing another five percent cut back. Mr. Gorecki said that students are being forced to take out more loans and second or third jobs. He said that they hope to examine the tuition deregulation effects and comprise a stance as a representative body to the Chancellor, Regents and hopefully, eventually the State to help them realize the necessity to adequately fund higher education.

Mr. Gorecki said that also during the last legislative session, Telecommunications Infrastructure Funds (TIF) were drastically cut. He said that these funds are essential in funding several points of academia at our universities. He said that this in turn has forced the need to increase certain fees to compensate for budget cuts. Mr. Gorecki said that they want to take these concerns and express them to legislators and help them to realize the importance of these funds to academics and the collegiate community.

Mr. Gorecki said that one of their initiatives includes system-wide student discounts. He said that each university has established a relationship with the local business community and some franchises. Mr. Gorecki said that some of the campuses get discounts at certain franchises that other campuses do not. He said that it was their goal that all TAMUS students get discounts at the same franchises.

Mr. Gorecki said that students need to preach more to legislators about saving money. He said that this was the reason they were continuing their Rock the Vote Campaign that was started in 2003. He said that the campaign was a success and was catching on like wild fire. Mr. Gorecki thanked Dr. Cocanougher for his open door policy. He said that Dr. Cocanougher had attended several of their board meetings.

The following members of the CSAB presented remarks specific to their respective universities: Ms. Annessa Stagner, Student Body President of WTAMU; Mr. Nigel Redmond, Student Body President of PVAMU; Mr. Trey Dickert, Student Body President of TSU; Mr. Joseph Byrd, Student Government President of TAMIU; Mr. Jack Hildebrand, Student Body President of TAMU; Ms. Katie George, Student Body President of TAMUG; Ms. Stacy Newman, Student Body President of TAMU-C; Mr. Eping Lu, Student Body President of TAMU-CC; Mr. Ricardo Barrera, Student Body President of TAMU-K; Ms. Patricia Edwards, Student Body President of TAMU-T; and Mr. Jason Etheredge, Graduate School Organization President of TAMUS HSC.

Mr. Mays said that before he recessed the Board meeting and moved on to the committee meetings he needed to bring something to everyone's attention. He said that some members of the Board might not be able to attend the Board meeting on Friday, September 17. As a consequence, he said the Board, the same afternoon, Thursday, September 16, with time permitting, might return to open session following the executive session shown on the schedule for the afternoon, to possibly take action on those items presented in executive session including Items 10, 11, 27, 28 and 29.

### **RECESS**

Mr. Mays recessed the meeting at 3:02 pm.

*(Secretary's Note: The Committee on Academic and Student Affairs convened at 3:03 pm and adjourned at 3:36 pm. The Committee on Finance convened at 3:37 pm and adjourned at 3:45 pm.)*

### **RECONVENE AND RECESS TO EXECUTIVE SESSION**

Mr. Mays reconvened the meeting at 3:46 pm. He announced that the Board would recess its open session and meet in executive session in the Board Meeting Room. He said the executive session meeting would be held as provided in Chapter 551 of the Texas Government Code: 551.071, for consultation with System Attorneys regarding legal matters or pending and/or contemplated litigation or settlement offers; 551.072, for deliberations regarding the purchase, exchange, lease or value of real property; 551.073,

for deliberations regarding negotiated contracts for prospective gifts or donations; 551.074, for deliberations regarding personnel matters relating to appointment, employment, evaluation, reassignment, duties, discipline, or dismissal or to hear complaints or charges against an officer or employee.

Mr. Mays said that in accordance with the law, no final action, decision, or vote with regard to any matter considered in the executive session would be made or taken.

*(Secretary's Note: The Board met in executive session on Thursday, September 16, 2004, from 4:05 pm until 5:55 pm.)*

**RECONVENE – FRIDAY, SEPTEMBER 17**

Mr. Mays reconvened the meeting in open session on Friday, September 17, 2004, at 8:41 am, in Room 292 of the MSC. The following members of the Board were present:

Mr. Lowry Mays, Chairman  
Mr. Erle Nye, Vice Chairman  
Mr. Phil Adams  
Dr. Wendy Gramm  
Mr. Bill Jones  
Mr. R.H. (Steve) Stevens, Jr.  
Mr. John D. White

The following members of the Board were not present:

Dr. Susan Rudd Bailey  
Mr. Lionel Sosa

Mr. Mays announced that the Board had met in executive session on Thursday, September 16, 2004, from 4:05 pm to 5:55 pm. He said that in the executive session the Board considered Items 10, 11 and 27. Mr. Mays said that the Board would take action on these items later in the day.

**RECESS**

Mr. Mays recessed the meeting at 8:42 am.

*(Secretary's note: The Committee on Buildings and Physical Plant convened at 8:43 am and adjourned at 9:31 am.)*

**RECONVENE**

Mr. Mays reconvened the meeting at 9:32 am. He called on Dr. Stanton Calvert, Vice Chancellor for Government Relations, to present a report on the upcoming legislative session.

**REPORT ON PREPARATIONS FOR THE 79<sup>TH</sup> LEGISLATIVE SESSION**

Dr. Calvert thanked the Board for the opportunity to brief them. He said that most importantly he thanked the Board for the assistance they have given thus far and will continue to give throughout the session with their presence at key times and their contacts with key individuals at the appropriate times. He said that he welcomed the chance to visit further with the members of the Board on an individual basis. A copy of Dr. Calvert's report is on file in the Office of the Board of Regents.

Dr. Calvert said that revenue is up. He said that the Comptroller has certified that last year's sales tax revenues have turned around and there has been an eight percent increase. Dr. Calvert said that this is the highest they have had in six years. He said that nine of the ten indicators are in the black and approximately \$600 million was transferred at the end of the last fiscal year on August 31, to the Rainy Day Fund. Dr. Calvert said that the Rainy Day Fund was capped during the last session in order to make the bill. He said that it is very unlikely that this will happen again. He said that it takes two-thirds or four-fifths vote depending on the circumstances.

Dr. Calvert said that the public school finance issue has not been solved. He said that public school finance is a dominating issue and a huge fiscal issue. Dr. Calvert said that rising health care costs pervades the State's budget.

Dr. Calvert said that the most important issue in our approach to the upcoming session is the five percent reduction in the current level of appropriations. He said that 95 percent of the current funding has been designated as the starting point for requesting appropriations for the next session.

Dr. Calvert reported that in regards to higher education interim studies, they were successful in securing the approval from the legislature to permit boards of regents to set designated tuition. He said that this has had a reciprocal effect, such as a lot of study, questions, and intensive delving into the amount of those increases and the purpose for which the funds derived from those increases have been used. Dr. Calvert said that absent the authority obtained during the last session, the ceiling on designated tuition would be \$48. He said that many questions have arisen in the aftermath of tuition deregulation. He said that although the legislature gave regents the authority to raise tuition, they retain the authority for oversight and will hold their feet to the fire on how these funds are being used. He said they not only want to know how appropriated funds are being used but also revenue and expenditures. Dr. Calvert said that the one thing that has risen above all else is accountability.

Dr. Calvert said that the proposed special item and exceptional item funding requests were reviewed intensely by the Chancellor and his staff. He said that budget revisions are due on October 15, 2004. He said that TAMUS budget hearings before the Legislative Budget Board (LBB) and the Governor's budget office staff will be held on September 20-23, 2004. Dr. Calvert said that in regards to the budget timeline there must be a plan. He said that the legislative process is driven by timelines, personalities and structures. He said that as events, personalities and leadership roles change, the System must adapt. He said that our first priority should be to try to get back what we lost. Dr. Calvert said that the System is short \$20 million to service the principal and interest on already approved and issued bonds. He said that health insurance costs are inevitable and cannot be changed. He said that the options are to get additional help on insurance premiums or raise prices for covering employees and dependents.

Dr. Calvert said that formulas are where 70 percent of the funds for universities are obtained. He said that because we are funded retrospectively on base year enrollment, one of the most important concerns is to get new students funded. He said that if we do not get new students funded, it is an effective cut because there is less for everyone. Dr. Calvert said that so much of the funds are wrapped up in the formulas.

Dr. Calvert said that the zero-sum concept is a phenomenon. He said that when the base year enrollment data changed, if the amount put into the formulas remains the same, meanwhile the state as a whole grows; it means a smaller amount for everyone. He said that if any institution grows less than the state average, then they not only lose because the pie did not grow enough, they lose because their share will always shrink.

Dr. Calvert said that special items are their third priority. He said that they have an aggressive list of special item requests. He said that realistically, in tight budget times, the prospect of getting all funding is virtually none. Dr. Calvert said that the prospect of getting some funded is very good. He said that no matter how tight the budget is when the last days occur, members will usually have an opportunity for something for their districts.

Dr. Calvert said that they have two new institutions emerging -- Texas A&M University San Antonio and Texas A&M University-Central Texas. He said that receiving authorization and receiving funding for principal and interest payments are two separate events. He said that they can and should lay out to the legislature what the necessary costs would be to start these campuses. Dr. Calvert said that TAMU-T is a different story in that it is a new campus but not a new institution. He said that the other institutions have laid out their needs which amount to approximately \$500 million. He said that they realize that they have never gotten everything they asked for funded.

Dr. Calvert said our internal management strategies should always be aggressive. He said our motto is to provide aggressive, clear, timely information that makes our case, but not misleading and not failing to point out shortcomings of our case if asked. He said that credibility is the most valuable currency we have. Dr. Calvert said that we approach

the legislature to solve problems with them and not to tell them what to do. He said that one egregious act could undo ninety-nine good acts.

Dr. Calvert said that in regards to external strategies, we need to redouble our efforts as the Legislative Session approaches. He said that the Presidents and Chancellor should have friendly, substantive visits with key leaders outlining our program and our needs. He said that presidents and chancellors should continue to host target legislators and build relationships with our former students and other alumni associations. Dr. Calvert said that we should tell legislative members that we appreciate their work.

Mr. Jones asked if Dr. Calvert had contacted The Association of Former Students (AFS). Dr. Calvert responded that he had and that he had received a favorable response. He said that he met with Mr. Michael O’Quinn, Vice President for Governmental Relations at TAMU, and together they met with the executive director and other leaders to participate with the Chancellor’s Office in doing joint thank you events. Dr. Cocanougher said that he met with the Board of the AFS last week and they were very supportive. Mr. Nye encouraged everyone on the Board to be available should the time arise.

Mr. Mays called on Mr. Stevens to present the report from the Committee on Audit.

**REPORT FROM THE COMMITTEE ON AUDIT**

Mr. Stevens, Chairman of the Committee on Audit, reported that the Committee had met on Thursday, September 16. He said that they received the Fourth Quarter Internal Audit Report from Ms. Cathy Smock, Chief Auditor, and an update on the Audit Tracking Report from Mr. Larry Bicket, Director of Policy Implementation and Compliance. Mr. Stevens said that in addition, Ms. Smock provided them with an update on the Governor’s Executive Order on Fraud Prevention. He said that they discussed contracted audit work that will be commencing at PVAMU and various other businesses concerning the internal audit staff.

Mr. Mays called on Mr. Adams to present the report from the Committee on Finance.

**REPORT FROM THE COMMITTEE ON FINANCE**

Mr. Adams, Chairman of the Committee on Finance, reported that the Committee had met on Thursday, September 16. He said that they considered and approved Items 1 through 5. He noted that Item 3 had been revised at the request of TAMU to exclude a gift of land. (*Items 6 and 7 were withdrawn prior to the meeting.*) The Board took action as set forth below:

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**MINUTE ORDER 130-2004 (AGENDA ITEM 01)**

**AUTHORIZATION TO EXCEED LIMITATIONS ON  
STATE EMPLOYMENT LEVELS,  
THE TEXAS A&M UNIVERSITY SYSTEM**

On motion of Mr. Adams, 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 request by the components, listed in **Exhibit A** and attached to the official minutes, for an exception to the limitations on state employment levels specified in House Bill 1, 78<sup>th</sup> Legislature.

**MINUTE ORDER 131-2004 (AGENDA ITEM 02)**

**AUTHORIZATION FOR THE DISTRIBUTION OF  
FIFTY PERCENT OF THE DURY LANE HELM &  
ARDELLA R. HELM CHARITABLE TRUST,  
THE TEXAS A&M UNIVERSITY SYSTEM**

On motion of Mr. Adams, 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 Office of General Counsel to take all appropriate action to seek court permission to distribute 50 percent of the Dury Lane Helm & Ardella R. Helm Charitable Trust, consisting of a 25 percent distribution to Texas Woman's University and 25 percent to Abilene Christian University.

**MINUTE ORDER 132-2004 (AGENDA ITEM 03)**

**ACCEPTANCE OF GIFTS, DONATIONS, GRANTS AND ENDOWMENTS,  
THE TEXAS A&M UNIVERSITY SYSTEM**

On motion of Mr. Adams, 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 accepts the gifts, donations, grants, and endowments made to the components of The Texas A&M University System concerned, as shown on Gifts, Donations, Grants, and Endowments List No. 05-01, a copy of which is attached to the official minutes as **Exhibit B**.

**MINUTE ORDER 133-2004 (AGENDA ITEM 04)**

**AUTHORIZATION TO NEGOTIATE AND EXECUTE A  
CONTRACT WITH AUSTIN ENERGY,  
TEXAS ENGINEERING EXPERIMENT STATION**

On motion of Mr. Adams, 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 grants authority and approval to the Director of the Texas Engineering Experiment Station to negotiate and, upon review and approval for legal sufficiency by the Office of General Counsel, execute a five-year interlocal agreement with Austin Energy to provide technical services relating to increasing energy efficiency and conservation and performing energy management-related engineering services, technical assistance and training at facilities designated by Austin Energy and agreed to by TEES. The maximum contract amount shall be \$1 million.

**MINUTE ORDER 134-2004 (AGENDA ITEM 05)**

**AUTHORIZATION TO ESTABLISH A QUASI-ENDOWMENT  
NAMED THE” COMMUNITY OUTREACH  
SCHOLARSHIP AND FELLOW ENDOWMENT,”  
TEXAS A&M UNIVERSITY-CORPUS CHRISTI**

On motion of Mr. Adams, 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 authorizes the President of Texas A&M University-Corpus Christi to establish a quasi-endowment to be named the “Community Outreach Scholarship and Fellow Endowment.” The corpus for the quasi-endowment will be established with a transfer of \$50,000 from three existing Texas A&M University-Corpus Christi accounts which accumulated administrative fees over a period of five years from contracted services. This funding source does not include education (program) and general funds, restricted gifts or grants. Interest income from the funds held in the quasi-endowment will be used to provide scholarships to students at Texas A&M University-Corpus Christi for their demonstrated service to the Corpus Christi community and to award small fellowships to faculty who consistently build community service into their course requirements.

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Mr. Mays called on Mr. Nye to present the Report from the Committee on Buildings and Physical Plant.

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

Mr. Nye, Chairman of the Committee on Buildings and Physical Plant, said that the Committee met earlier the same day and considered Item 8 pertaining to construction, Item 9 pertaining to naming of facilities, and Items 10 and 11 pertaining to real estate. He said the following Architect/Engineer design team selection was recommended by the Committee:

1. The design team formed by Randall Scott Architects, Inc. of Dallas, Texas for design of the Recreational Sports Facility at Tarleton State University.

The Board took action as set forth below:

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**MINUTE ORDER 135-2004 (AGENDA ITEM 08)**

**APPROVAL OF THE PROGRAM OF REQUIREMENTS AND  
APPROPRIATION FOR DESIGN AND SELECTION OF THE  
ARCHITECT/ENGINEER DESIGN TEAM FOR THE  
RECREATIONAL SPORTS FACILITY,  
TARLETON STATE UNIVERSITY**

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

The program of requirements for the Recreational Sports Facility at Tarleton State University is approved.

Supplementing a previous appropriation of \$25,000, the amount of \$1,025,000 is appropriated from Account No. 023001 Designated Tuition for design of the Recreational Sports Facility at Tarleton State University.

The firm of Randall Scott Architects, Inc. of Dallas, Texas, is selected as the firm ranked first to head the architect/engineer design team for the Recreational Sports Facility at Tarleton State University.

Authorization is granted to begin negotiations with this firm. If negotiations are unsuccessful with this firm, authorization is granted to terminate those negotiations and begin negotiations with the firm next in order of ranking as listed on the Recommendation of Ranked Order, a copy of which is attached to the official minutes as **Exhibit C**, until an agreement for a design contract is reached.

The Board of Regents of The Texas A&M University System (Board) 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).

As required by Section 5(a) of the Master Resolution of the Revenue Financing System, the Board hereby determines that it will have sufficient funds to meet the financial obligations of The Texas A&M University System, including sufficient Pledged Revenues to satisfy the Annual Debt Service Requirements of the Revenue Financing System and to meet all financial obligations of the Board relating to the Revenue Financing System and that the Participants, on whose behalf the debt is issued, possess the financial capacity to satisfy their Direct Obligations.

**MINUTE ORDER 136-2004 (AGENDA ITEM 09)**

**NAMING OF THE  
"SAM N. JOHNSON, III THEATER,"  
TEXAS A&M INTERNATIONAL UNIVERSITY**

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

The Black Box Theater in the Fine and Performing Arts Center on the campus of Texas A&M International University is hereby named the "Sam N. Johnson, III Theater."

**MINUTE ORDER 137-2004 (AGENDA ITEM 09)**

**NAMING OF THE  
"FREESCALE DIGITAL SYSTEMS LABORATORY,"  
TEXAS A&M UNIVERSITY**

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

The Digital Systems Laboratory in Fermier Hall on the campus of Texas A&M University is hereby named the "Freescale Digital Systems Laboratory."

**MINUTE ORDER 138-2004 (AGENDA ITEM 10)**

**AUTHORIZATION FOR THE EXCHANGE OF LAND,  
GALVESTON COUNTY,  
THE TEXAS A&M UNIVERSITY SYSTEM**

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

The Interim Chancellor of The Texas A&M University System, or his designee, following determination of legal sufficiency by the Office of General Counsel, is authorized to present information and documents as requested by the Texas Higher Education Coordinating Board for the exchange approval process and to execute all documents necessary to convey to Sunbird Bay Development, L.P., or assigns, two parcels of land containing a total of 3.187 acres, more or less, for two tracts of land comprising a total of 11.79 acres, more or less, all of which are located in the East ½ of Section 12 of the Hall and Jones Survey of Galveston Island, Galveston County, Texas, and to accept cash contributions and other in-kind services to be paid to and performed on behalf of Texas A&M University at Galveston as partial consideration for the exchange of these properties.

**MINUTE ORDER 139-2004 (AGENDA ITEM 11)**

**AUTHORIZATION TO LEASE THE CIC BUILDING FOR THE  
TEXAS ENGINEERING EXPERIMENT STATION,  
THE TEXAS A&M UNIVERSITY SYSTEM**

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

The Interim Chancellor of The Texas A&M University System, or his designee, following approval for legal sufficiency by the Office of General Counsel, is authorized to negotiate and take all steps necessary to lease approximately 47,750 square feet of space in the “CIC Building” located at 200 Greens Prairie Road for the benefit of the Texas Engineering Experiment Station. The rental payment will be based upon a net leaseable area of approximately 38,000 square feet. The term of this lease will be for a period of five (5) years. The annual base rental rate for the first year will be \$12.00 per square foot escalating to \$14.76 per square foot by Year Five. In addition, the amount of \$300,000 is hereby approved for anticipated finish-out costs and furniture acquisitions.

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Mr. Mays called on Dr. Gramm to present the report from the Committee on Academic and Student Affairs.

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

Dr. Gramm, Chairman of the Committee on Academic and Student Affairs reported that the Committee met on Thursday, September 16 and considered and approved Items 12 through 21. The Board took action as set forth below:

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**MINUTE ORDER 140-2004 (AGENDA ITEM 12)**

**APPROVAL OF ADMISSION REQUIREMENTS FOR  
SYSTEM COMPONENT UNIVERSITIES AND THE  
HEALTH SCIENCE CENTER FOR THE 2005-2006 ACADEMIC YEAR,  
THE TEXAS A&M UNIVERSITY SYSTEM**

On motion of Dr. Gramm, seconded by Mr. White 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 2005-06 admission requirements of the System component universities and the Health Science Center, on terms and conditions substantially the same as those shown in **Exhibits D, E and F**, copies of which are attached to the official minutes.

**MINUTE ORDER 141-2004 (AGENDA ITEM 13)**

**APPROVAL OF CONCEPT PAPER TO ESTABLISH THE  
CENTER FOR FINANCIAL EDUCATION AND EMPOWERMENT,  
PRAIRIE VIEW A&M UNIVERSITY**

On motion of Dr. Gramm, seconded by Mr. White and by a unanimous vote, the concept paper to establish the Center for Financial Education and Empowerment was approved, a copy of which is attached to the official minutes as **Exhibit G**.

**MINUTE ORDER 142-2004 (AGENDA ITEM 14)**

**APPROVAL OF CONCEPT PAPER TO ESTABLISH THE  
CENTER FOR INTERNATIONAL BUSINESS EDUCATION,  
PRAIRIE VIEW A&M UNIVERSITY**

On motion of Dr. Gramm, seconded by Mr. White and by a unanimous vote, the concept paper to establish the Center for International Business Education was approved, a copy of which is attached to the official minutes as **Exhibit H**.

**MINUTE ORDER 143-2004 (AGENDA ITEM 15)**

**AUTHORIZATION TO OFFER THE MASTER OF SCIENCE IN  
AGRICULTURAL EDUCATION DEGREE PROGRAM  
VIA THE INTERNET (THE MSAE ONLINE),  
TARLETON STATE UNIVERSITY**

On motion of Dr. Gramm, seconded by Mr. White and by a unanimous vote, the following minute order was adopted:

Having complied with all the requirements of the Texas Higher Education Coordinating Board, Tarleton State University is hereby authorized to offer the Master of Science in Agricultural Education degree program via the Internet (the MSAE Online), effective Spring 2005.

The Board of Regents of The Texas A&M University System finds that the program offering authorized by this minute order is within the role, scope and capacity of the institution and will benefit students.

**MINUTE ORDER 144-2004 (AGENDA ITEM 16)**

**APPROVAL OF CONCEPT PAPER TO ESTABLISH THE  
BORDER CENTER FOR HOMELAND SECURITY,  
TEXAS A&M INTERNATIONAL UNIVERSITY**

On motion of Dr. Gramm, seconded by Mr. White and by a unanimous vote, the concept paper to establish the Border Center for Homeland Security was approved, a copy of which is attached to the official minutes as **Exhibit I**.

**MINUTE ORDER 145-2004 (AGENDA ITEM 17)**

**DISSOLUTION OF THE CENTER FOR CONTINUOUS AUDITING,  
TEXAS A&M UNIVERSITY**

On motion of Dr. Gramm, seconded by Mr. White and by a unanimous vote, the following minute order was adopted:

The Center for Continuous Auditing, established in 2001 by the Board of Regents under Minute Order 244-2001, is hereby dissolved as of September 17, 2004.

**MINUTE ORDER 146-2004 (AGENDA ITEM 18)**

**AUTHORIZATION TO ESTABLISH THE  
NATIONAL CENTER FOR FOREIGN ANIMAL AND  
ZOO NOTIC DISEASE DEFENSE,  
TEXAS A&M UNIVERSITY**

On motion of Dr. Gramm, seconded by Mr. White and by a unanimous vote, the following minute order was adopted:

The National Center for Foreign Animal and Zoonotic Disease Defense is hereby established as an organizational unit of Texas A&M University in the Office of the Vice President for Research and the Institute for Countermeasures Against Agricultural Bioterrorism.

**MINUTE ORDER 147-2004 (AGENDA ITEM 19)**

**APPROVAL OF NEW DOCTOR OF PHARMACY DEGREE AND  
AUTHORIZATION TO REQUEST APPROVAL FROM THE  
TEXAS HIGHER EDUCATION COORDINATING BOARD,  
TEXAS A&M UNIVERSITY-KINGSVILLE**

On motion of Dr. Gramm, seconded by Mr. White and by a unanimous vote, the following minute order was adopted:

The Board of Regents of The Texas A&M University System approves the establishment of a new Doctor of Pharmacy degree at Texas A&M University-Kingsville.

The Board also authorizes the President of Texas A&M University-Kingsville to submit this new degree program to the Texas Higher Education Coordinating Board for approval and hereby certifies that all applicable criteria of the Coordinating Board have been met.

**MINUTE ORDER 148-2004 (AGENDA ITEM 20)**

**APPROVAL OF ADMINISTRATIVE CHANGE TO CREATE A  
COLLEGE OF PHARMACY, RENAME THE NEW PHARMACY PROGRAM  
TO THE IRMA LERMA RANGEL COLLEGE OF PHARMACY AND  
AUTHORIZATION TO REQUEST APPROVAL FROM THE  
TEXAS HIGHER EDUCATION COORDINATING BOARD,  
TEXAS A&M UNIVERSITY-KINGSVILLE**

On motion of Dr. Gramm, seconded by Mr. White and by a unanimous vote, the following minute order was adopted:

The Board of Regents of The Texas A&M University System approves the administrative change to create a College of Pharmacy at Texas A&M University-Kingsville.

The Board also hereby renames the “Irma Rangel School of Pharmacy” to the “Irma Lerma Rangel College of Pharmacy.”

The Board also authorizes the President of Texas A&M University-Kingsville to submit this administrative change request to the Texas Higher Education Coordinating Board for approval and hereby certifies that all applicable criteria of the Coordinating Board have been met.

**MINUTE ORDER 149-2004 (AGENDA ITEM 21)**

**AUTHORIZATION TO OFFER THE BACHELOR OF SCIENCE  
IN INTERDISCIPLINARY STUDIES (EC-4) AS A  
DISTANCE EDUCATION DEGREE PROGRAM,  
TEXAS A&M UNIVERSITY-TEXARKANA**

On motion of Dr. Gramm, seconded by Mr. White and by a unanimous vote, the following minute order was adopted:

Having complied with all of the requirements of the Texas Higher Education Coordinating Board, Texas A&M University-Texarkana is hereby authorized to offer the Bachelor of Science in Interdisciplinary Studies (EC-4) degree program through a combination of Internet classes, interactive video and off-campus, face-to-face instruction, at sites in Hallsville and Longview, effective Fall 2004.

The Board of Regents of The Texas A&M University System finds that the program offering authorized by this minute order is within the role, scope and capacity of the institution and will benefit students.

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**OTHER ITEMS**

Mr. Mays called on Dr. Cocanougher to present Items 22 through 25. The Board took action as set forth below:

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**MINUTE ORDER 150-2004 (AGENDA ITEM 22)**

**CONFIRMATION OF THE APPOINTMENT  
AND COMMISSIONING OF PEACE OFFICERS,  
THE TEXAS A&M UNIVERSITY SYSTEM**

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

In accordance with System Policy 34.06 (*Appointment, Commissioning and Authority of Peace Officers*), the Board of Regents of The Texas A&M University System hereby confirms the appointment and commissioning of peace officers by the Presidents of the respective components of The Texas A&M University System, as shown in **Exhibit J**, attached to the official minutes.

**MINUTE ORDER 151-2004 (AGENDA ITEM 23)**

**CONFIRMATION OF THE APPOINTMENT AND COMMISSIONING OF  
BOBBY JONES AS A PEACE OFFICER,  
TEXAS FOREST SERVICE**

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

The Board of Regents of The Texas A&M University System hereby confirms the appointment of and commissions Texas Forest Service employee Bobby Jones as a peace officer.

**MINUTE ORDER 152-2004 (AGENDA ITEM 24)**

**GRANTING OF THE TITLE OF EMERITUS/EMERITA,  
THE TEXAS A&M UNIVERSITY SYSTEM**

On motion of Mr. Nye, seconded by Mr. Jones 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 in **Exhibit K**, Emeritus Title List No. 05-01, and grants all rights and privileges of this title.

**MINUTE ORDER 153-2004 (AGENDA ITEM 25)**

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

On motion of Mr. Nye, seconded by Mr. Jones 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 (*Academic Freedom, Responsibility and Tenure*), hereby authorizes the granting of tenure to the following faculty members as set forth in **Exhibit L**, Tenure List No. 05-01.

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Mr. Mays presented Item 26. The Board took action as set forth below:

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**MINUTE ORDER 154-2004 (AGENDA ITEM 26)**

**APPROVAL OF MINUTES OF THE  
JULY 22-23, 2004, REGULAR BOARD MEETING,  
BOARD OF REGENTS, THE TEXAS A&M UNIVERSITY SYSTEM**

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

The Minutes of the Regular Meeting of the Board of Regents of The Texas A&M University System held on July 22-23, 2004, in College Station, Texas, are hereby approved.

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Mr. Mays presented Item 27. He said that the item was considered in executive session on Thursday, September 16. The Board took action as set forth below:

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**MINUTE ORDER 155-2004 (AGENDA ITEM 27)**

**APPOINTMENT OF DR. DANNY R. KELLEY AS  
DEAN OF THE COLLEGE OF ARTS AND SCIENCES,  
PRAIRIE VIEW A&M UNIVERSITY**

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

Effective September 1, 2004, Dr. Danny R. Kelley is hereby appointed Dean of the College of Arts and Sciences at Prairie View A&M University at an initial salary of \$115,000.

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Dr. Joahanne Thomas-Smith, Provost and Vice President for Academic Affairs at PVAMU, said that she was pleased to present Dr. Kelley. She said that they strongly recommend him as the new dean. She said that Dr. Kelley is a graduate of PVAMU and attended the Peabody School at Johns Hopkins University and received his doctorate degree in music. Dr. Thomas-Smith said that he is an outstanding organist and has performed at Carnegie Hall and recently performed with the Houston Symphony. She said that he is well known as an educator. She said that he is very involved in cultural arts in the Houston area. Dr. Kelley was accompanied by his wife, Dr. Janice Kelley, a PVAMU graduate and physician in Houston, Texas.

**OTHER BUSINESS**

Mr. Mays announced that the next regular meeting was scheduled for December 8- 9, 2004.

*(Secretary's Note: The December meeting was changed to December 7-8, 2004, on the campus of TAMU-CC.)*

Mr. Nye recognized several members of the 2003 National Champion Equestrian Team at TAMU. Mr. Kevin Hurley, Associate Athletic Director, introduced Ms. Tanner Rossen, Head Coach, and Ms. Darla Niesmeyer, administrative assistant for the equestrian team. They presented the regents with championship rings.

**RECESS TO EXECUTIVE SESSION**

At 10:02 am, Mr. Mays recessed the meeting and announced that the Board would continue its executive session agenda.

*(Secretary's Note: The executive session was held in the Board Meeting Room. The Board met in executive session on Friday, September 17, 2004, from 10:25 am until 12:37 pm.)*

**RECONVENE IN OPEN SESSION AND ADJOURNMENT**

Mr. Mays reconvened the meeting in open session on Friday, September 17, 2004, at 12:38 pm. He announced that the Board had met in executive session from 10:25 am until 12:37 pm. Mr. Stevens moved that the Board adjourn its meeting. The motion was seconded. Mr. Mays called for a vote. All members of the Board voted “aye” and the meeting was adjourned at 12:40 pm, Friday, September 17, 2004.

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

VBS:jb