

MINUTES

OF THE

MEETING OF THE

BOARD OF REGENTS

OF

THE TEXAS A&M UNIVERSITY SYSTEM

HELD IN

COLLEGE STATION, TEXAS

January 24-25, 2008

(Approved March 27-28, 2008)

TABLE OF CONTENTS

**MINUTES OF THE
MEETING OF THE BOARD OF REGENTS
January 24-25, 2008**

CONVENE – THURSDAY, JANUARY 24, 2008..... 1

RECESS TO EXECUTIVE SESSION 1

RECONVENE IN OPEN SESSION – FRIDAY, JANUARY 25, 2008..... 2

INVOCATION 3

CHAIRMAN’S REMARKS 3

CHANCELLOR’S REMARKS 3

PRESENTATION OF THE A&M SYSTEM’S ANNUAL FINANCIAL REPORT FOR FISCAL YEAR 2007..... 5

RECESS..... 9

RECONVENE 9

REPORT FROM THE COMMITTEE ON AUDIT10

REPORT FROM THE COMMITTEE ON FINANCE10

 MINUTE ORDER 003-2008 (AGENDA ITEM 1) ACCEPTANCE OF GIFTS, DONATIONS,
 GRANTS, AND ENDOWMENTS, THE TEXAS A&M UNIVERSITY SYSTEM10

 MINUTE ORDER 004-2008 (AGENDA ITEM 2) AUTHORIZATION TO ENTER INTO AN
 AMENDMENT TO THE OUTSIDE COUNSEL CONTRACT WITH AN INCREASE IN CONTRACT
 CAP FOR THE LAW FIRM OF PILLSBURY WINTHROP SHAW PITTMANN, L.L.P.,
 THE TEXAS A&M UNIVERSITY SYSTEM10

 MINUTE ORDER 005-2008 (AGENDA ITEM 3) AUTHORIZATION FOR THE ACQUISITION OF
 MEDICAL PRACTICE GROUPS ON BEHALF OF THE TEXAS A&M HEALTH SCIENCE
 CENTER COLLEGE OF MEDICINE, THE TEXAS A&M UNIVERSITY SYSTEM
 HEALTH SCIENCE CENTER11

 MINUTE ORDER 006-2008 (AGENDA ITEM 4) APPROVAL OF 2008 STILES FARM
 FOUNDATION BUDGET, TEXAS AGRILIFE EXTENSION SERVICE11

REPORT FROM THE COMMITTEE ON BUILDINGS AND PHYSICAL PLANT12

 MINUTE ORDER 007-2008 (AGENDA ITEM 5) APPROVAL OF THE PROJECT SCOPE AND
 BUDGET, APPROPRIATION FOR CONSTRUCTION SERVICES, AND APPROVAL FOR
 CONSTRUCTION FOR THE TEXAS INSTITUTE FOR PRECLINICAL STUDIES FACILITY AT
 TEXAS A&M UNIVERSITY, THE TEXAS A&M UNIVERSITY SYSTEM12

 MINUTE ORDER 008-2008 (AGENDA ITEM 6) APPROVAL OF THE REVISED PROJECT SCOPE
 AND BUDGET AND APPROPRIATIONS FOR CONSTRUCTION SERVICES FOR
 THE MITCHELL PHYSICS BUILDINGS AT TEXAS A&M UNIVERSITY,
 THE TEXAS A&M UNIVERSITY SYSTEM13

 MINUTE ORDER 009-2008 (AGENDA ITEM 7) NAMING OF THE “ROBERT ALPHONSO HENRY
 MUSIC LIBRARY,” PRAIRIE VIEW A&M UNIVERSITY14

 MINUTE ORDER 010-2008 (AGENDA ITEM 8) AUTHORIZATION TO LEASE SPACE IN POTEET
 HALL, KINGSVILLE, TEXAS, TEXAS A&M UNIVERSITY-KINGSVILLE14

 MINUTE ORDER 011-2008 (AGENDA ITEM 9) AUTHORIZATION TO ACCEPT A GIFT OF LAND,
 PURCHASE A TRACT OF LAND, NEGOTIATE AN OPTION TO PURCHASE AN ADJACENT TRACT
 OF LAND AND NEGOTIATE CONSTRUCTION OF A BUILDING ON THIS LAND IN
 ROUND ROCK, WILLIAMSON COUNTY, TEXAS, AS A CAMPUS SITE, THE TEXAS A&M
 UNIVERSITY SYSTEM HEALTH SCIENCE CENTER14

REPORT FROM THE COMMITTEE ON ACADEMIC AND STUDENT AFFAIRS15

 MINUTE ORDER 012-2008 (AGENDA ITEM 10) APPROVAL OF PRELIMINARY AUTHORITY FOR
 A MASTER’S DEGREE PROGRAM IN SPORT MANAGEMENT, AND AUTHORIZATION TO
 SUBMIT REQUEST TO THE TEXAS HIGHER EDUCATION COORDINATING BOARD FOR
 APPROVAL, WEST TEXAS A&M UNIVERSITY15

REPORT FROM THE POLICY REVIEW COMMITTEE16

 MINUTE ORDER 013-2008 (AGENDA ITEM 11) APPROVAL OF REVISIONS TO SYSTEM POLICY
 33.05 (*EMPLOYEE TRAINING*), THE TEXAS A&M UNIVERSITY SYSTEM16

OTHER ITEMS16

 MINUTE ORDER 014-2008 (AGENDA ITEM 13) APPROVAL OF APPOINTMENT AND
 COMMISSIONING OF PEACE OFFICERS, TEXAS FOREST SERVICE17

 MINUTE ORDER 015-2008 (AGENDA ITEM 14) CONFIRMATION OF APPOINTMENT AND
 COMMISSIONING OF PEACE OFFICERS, THE TEXAS A&M UNIVERSITY SYSTEM17

 MINUTE ORDER 016-2008 (AGENDA ITEM 15) APPROVAL OF ACADEMIC TENURE,
 THE TEXAS A&M UNIVERSITY SYSTEM17

 MINUTE ORDER 017-2008 (AGENDA ITEM 16) GRANTING OF THE TITLE OF
 EMERITUS/EMERITA, THE TEXAS A&M UNIVERSITY SYSTEM18

 MINUTE ORDER 018-2008 (AGENDA ITEM 18) GRANTING OF FACULTY DEVELOPMENT
 LEAVE FOR FISCAL YEAR 2009, TEXAS A&M UNIVERSITY-KINGSVILLE18

 MINUTE ORDER 019-2008 (AGENDA ITEM 19) APPROVAL FOR DR. MLADEN KEZUNOVIC, A
 SYSTEM EMPLOYEE, TO SERVE AS AN EMPLOYEE, OFFICER AND MEMBER OF THE BOARD
 OF DIRECTORS OF A BUSINESS ENTITY SEEKING TO LICENSE TECHNOLOGY FROM THE
 TEXAS A&M UNIVERSITY SYSTEM, TEXAS ENGINEERING EXPERIMENT STATION18

 MINUTE ORDER 020-2008 (AGENDA ITEM 20) APPROVAL FOR DR. OTHON K. REDINIOTIS, A
 SYSTEM EMPLOYEE, TO SERVE AS AN EMPLOYEE, OFFICER AND MEMBER OF THE BOARD
 OF DIRECTORS OF A BUSINESS ENTITY SEEKING TO LICENSE TECHNOLOGY FROM THE
 TEXAS A&M UNIVERSITY SYSTEM, TEXAS ENGINEERING EXPERIMENT STATION19

 MINUTE ORDER 021-2008 (AGENDA ITEM 12) ADOPTION OF A RESOLUTION EXPRESSING
 APPRECIATION TO DR. ED DAVIS, THE TEXAS A&M UNIVERSITY SYSTEM19

 MINUTE ORDER 022-2008 (AGENDA ITEM 17) AUTHORIZATION TO NAME THE COLLEGE OF
 ARTS AND SCIENCES THE “MARVIN D. AND JUNE SAMUEL BRAILSFORD COLLEGE OF
 ARTS AND SCIENCES,” PRAIRIE VIEW A&M UNIVERSITY22

 MINUTE ORDER 023-2008 (AGENDA ITEM 21) APPOINTMENT OF MR. PAUL S. HILL TO
 THE TEXAS A&M UNIVERSITY AT GALVESTON BOARD OF VISITORS,
 TEXAS A&M UNIVERSITY23

 MINUTE ORDER 024-2008 (AGENDA ITEM 22) APPROVAL OF MINUTES OF THE
 DECEMBER 6-7, 2007, MEETING OF THE BOARD OF REGENTS, BOARD OF REGENTS, THE
 TEXAS A&M UNIVERSITY SYSTEM23

 MINUTE ORDER 025-2008 (AGENDA ITEM 23) APPOINTMENT OF DR. LUCIAN YATES, III,
 AS DEAN OF THE WHITLOWE RADCLIFFE GREEN COLLEGE OF EDUCATION,
 PRAIRIE VIEW A&M UNIVERSITY24

 MINUTE ORDER 026-2008 (AGENDA ITEM 24) APPOINTMENT OF DR. ROSANNE STRIPLING,
 AS PROVOST AND VICE PRESIDENT FOR ACADEMIC AFFAIRS,
 TEXAS A&M UNIVERSITY-TEXARKANA24

 MINUTE ORDER 027-2008 (AGENDA ITEM 25) APPOINTMENT OF MR. JOHN SKRABANEK,
 AS ASSOCIATE AGENCY DIRECTOR AND CHIEF FINANCIAL OFFICER,
 TEXAS ENGINEERING EXTENSION SERVICE24

 MINUTE ORDER 028-2008 (AGENDA ITEM 26) APPOINTMENT OF DR. MARK A. HUSSEY,
 AS INTERIM VICE CHANCELLOR FOR AGRICULTURE AND LIFE SCIENCES,
 THE TEXAS A&M UNIVERSITY SYSTEM25

MINUTE ORDER 029-2008 (AGENDA ITEM 27) AUTHORIZATION FOR THE PRESIDENT TO EXECUTE EMPLOYMENT CONTRACT WITH FOOTBALL HEAD STRENGTH COACH, TEXAS A&M UNIVERSITY25

MINUTE ORDER 030-2008 (AGENDA ITEM 28) AUTHORIZATION FOR THE PRESIDENT TO EXECUTE EMPLOYMENT CONTRACTS WITH ASSISTANT FOOTBALL COACHES, TEXAS A&M UNIVERSITY25

MINUTE ORDER 031-2008 (AGENDA ITEM 29) APPROVAL TO CHANGE THE TITLES OF THE PROVOST AND SENIOR VICE PRESIDENT FOR ACADEMIC AND STUDENT AFFAIRS TO PROVOST AND SENIOR VICE PRESIDENT FOR ACADEMIC AFFAIRS, AND OF THE VICE PRESIDENT FOR INSTITUTIONAL RELATIONS AND PUBLIC SERVICE TO VICE PRESIDENT FOR STUDENT AFFAIRS AND INSTITUTIONAL RELATIONS, PRAIRIE VIEW A&M UNIVERSITY26

MINUTE ORDER 032-2008 (AGENDA ITEM 30) APPOINTMENT OF DR. H. RUSSELL CROSS, AS EXECUTIVE VICE PRESIDENT FOR OPERATIONS, TEXAS A&M UNIVERSITY27

MINUTE ORDER 033-2008 (AGENDA ITEM 31) CONFIRMATION OF THE REASSIGNMENT OF THE VICE PRESIDENT FOR DEVELOPMENT TO THE POSITION OF SENIOR EXECUTIVE FOR DEVELOPMENT, TEXAS A&M UNIVERSITY27

MINUTE ORDER 034-2008 (AGENDA ITEM 32) CONFIRMATION OF THE REASSIGNMENT OF THE CHIEF MARKETING OFFICER AND VICE PRESIDENT FOR COMMUNICATIONS TO THE POSITION OF CHIEF MARKETING OFFICER, TEXAS A&M UNIVERSITY27

MINUTE ORDER 035-2008 (AGENDA ITEM 33) APPOINTMENT OF MR. JASON COOK, AS VICE PRESIDENT FOR MARKETING AND COMMUNICATIONS, TEXAS A&M UNIVERSITY28

MINUTE ORDER 036-2008 (AGENDA ITEM 34) APPOINTMENT OF MS. COURTNEY TROLINGER, AS VICE PRESIDENT FOR GOVERNMENTAL AFFAIRS, TEXAS A&M UNIVERSITY28

MINUTE ORDER 037-2008 (AGENDA ITEM 35) APPOINTMENT OF MR. MICHAEL G. O’QUINN, AS VICE PRESIDENT FOR INSTITUTIONAL AND FEDERAL AFFAIRS, TEXAS A&M UNIVERSITY28

MINUTE ORDER 038-2008 (AGENDA ITEM 36) APPOINTMENT OF MR. CHAD E. WOOTTON, AS VICE PRESIDENT FOR DEVELOPMENT AND STRATEGIC OUTREACH, TEXAS A&M UNIVERSITY29

MINUTE ORDER 039-2008 (AGENDA ITEM 37) CONFIRMATION OF THE REASSIGNMENT OF THE SENIOR VICE PRESIDENT AND CHIEF FINANCIAL OFFICER TO THE POSITION OF SPECIAL ASSISTANT TO THE PRESIDENT, TEXAS A&M UNIVERSITY29

REPORT FROM THE SYSTEM ATHLETIC LIAISON30

OTHER BUSINESS30

ADJOURNMENT31

**MINUTES OF THE
MEETING OF THE BOARD OF REGENTS
January 24-25, 2008**

CONVENE – THURSDAY, JANUARY 24, 2008

Mr. Bill Jones, Chairman, convened a regular meeting of the Board of Regents of The Texas A&M University System (TAMUS) at 1:03 p.m. on Thursday, January 24, 2008, in the Board of Regents Meeting Room, Texas A&M University (TAMU), College Station, Texas. The following members of the Board were present:

Mr. Bill Jones, Chairman
Mr. John D. White, Vice Chairman
Mr. Morris Foster
Mr. Lupe Fraga
Mr. Erle Nye
Mr. Gene Stallings
Ms. Ida Clement Steen (*joined the meeting at 4:00 p.m.*)
Mr. Jim Wilson
Ms. Cassie Daniel, Student Regent

The following member of the Board was not present:

Mr. J.L. Huffines

Mr. Jones announced that a quorum of the Board was present.

~~~~~

**RECESS TO EXECUTIVE SESSION**

Mr. Jones announced that the Board would recess to executive session to consider matters as provided in Chapter 551 of the Texas Government Code: Section 71, for consultation with System attorneys regarding legal matters or pending and/or contemplated litigation or settlement offers; Section 72, for deliberations regarding the purchase, exchange, lease or value of real property; Section 73, for deliberations regarding negotiated contracts for prospective gifts or donations; and Section 74, for deliberations regarding personnel matters relating to appointment, employment, evaluation, reassignment, duties, discipline, or dismissal or to hear complaints against an officer or employee (including Items 23 through 37).

Mr. Jones 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 from 1:05 p.m. until 4:30 p.m.)*

**RECONVENE IN OPEN SESSION – FRIDAY, JANUARY 25**

Mr. Jones reconvened the meeting at 9:35 a.m. in Room 292 of the Memorial Student Center (MSC).

The following members of the Board were present:

Mr. Bill Jones, Chairman  
Mr. John D. White, Vice Chairman (*joined the meeting at 9:43 a.m.*)  
Mr. Morris Foster  
Mr. Lupe Fraga  
Mr. Erle Nye  
Mr. Gene Stallings  
Ms. Ida Clement Steen  
Mr. Jim Wilson  
Ms. Cassie Daniel, Student Regent

The following member of the Board was not present:

Mr. J.L. Huffines

Mr. Jones announced that a quorum of the Board was present.

Mr. Jones announced that Dr. Elsa Murano was attending her first meeting as President of TAMU and Mr. Gary Sera was attending his first meeting as Director of the Texas Engineering Extension Service (TEEX).

Mr. Jones said 2008 was off to a great start. He said he had attended the groundbreaking ceremony for the Texas A&M Health Science Center (HSC) Bryan Campus and the HSC Convocation. Mr. Jones commended Dr. Nancy Dickey, President and Vice Chancellor for Health Affairs, for her hard work.

Mr. Jones announced that the Board had met in executive session on Thursday, January 24, 2008, from 1:05 p.m. until 4:30 p.m. Mr. Jones said in executive session the Board had considered Items 23 through 37 and would take action on those items at the end of the meeting during the reports from the standing committees. Mr. Jones said they also conferred with the Chancellor, several System and university administrators and System attorneys on personnel, land, and legal matters.

**INVOCATION**

Mr. Jones called on Ms. Beth Brinker, an agricultural communications and journalism major, who presented the invocation.

**CHAIRMAN’S REMARKS**

Mr. Jones said the Board had breakfast with the executive committee of TAMU’s distinguished professors. He said it gave the Board members a full appreciation of some of the outstanding talent at Texas A&M and some of the astounding things they are doing in their particular fields. He said the Board also gained ideas from them on cutting-edge activities and academia in general.

**CHANCELLOR’S REMARKS**

Dr. Michael D. McKinney, Chancellor, said there were a number of exciting things happening around the System. He said they were excited about the new HSC campus and new programs. He said construction projects were progressing on the College Station campus, including the Texas Institute for Genomic Medicine (TIGM) building that would soon be open.

Dr. McKinney said progress was being made at the Tarleton State University System Center-Central Texas in Killeen. He announced that Dr. Garry Ross had been chosen as the new full-time leader and executive director.

Dr. McKinney said they were pleased about the potential for a four-year campus in San Antonio. He said they must reach an enrollment level of 1,000 students to be an independent university and must have 1,500 full-time students before they could receive tuition revenue bonds (TRBs).

Dr. McKinney said at the Killeen campus, enrollment for the spring semester was 947 full-time student equivalents. He said the head count at the San Antonio campus for the spring semester was more than 1,000. This was an increase of approximately 100 full-time student equivalents over last spring. Dr. McKinney said the projected deadline to reach 1,500 full-time students was 2010. He said every community college in the San Antonio area had provided them with a recruiting office. They have personnel assigned to identify and persuade perspective students to enroll at the new San Antonio campus. Dr. McKinney said they are interviewing for a full-time executive director. He said they are committed to hiring someone who can establish the university on a firm academic footing, work with the community, help raise funds, and be the “face” of the university. Dr. McKinney said scholarship funds should become available to the students by the summer. He said they had already collected \$250,000 and have \$1.1 million in pledges to be used as current-use money. Dr. McKinney said they have received strong support from members of the community who recognize how vital the campus is to South Texas and San Antonio.

Mr. Nye asked who represents us in the San Antonio community. Dr. McKinney said from a System perspective he did, as well as Dr. Frank Ashley, Regent Steen, Ms. Carolyn Green and Dr. Janet Black. Dr. McKinney said we also have support from Mr. Carl Raba, Ms. Carri Baker Wells, Senator Carlos Uresti and Mr. Jay Kimbrough.

Mr. Nye said that while he appreciated this, he felt a full-time person was needed to interact with all elements of the community. Dr. McKinney responded in the affirmative. He said the executive director would take on the role of community relations and head up academics.

Dr. McKinney briefly discussed proposed new programs, new faculty positions and the timeline for the San Antonio campus. He said an official academic needs assessment of the community had not been conducted. He said they had relied on people who were experts in terms of economic development and higher education.

Mr. Nye asked, in terms of recruiting faculty members, if some of them came from the System institutions. Dr. McKinney responded that some did. He said Texas A&M University-Kingsville (TAMU-K) had played a vital role in populating the faculty ranks. He said San Antonio had many people with great education and teaching abilities.

Mr. Jones commented that a number of the proposed new programs were masters' programs. He said he thought masters' and PhD programs typically did not draw as many students as undergraduate programs. Mr. Jones asked if there was an issue related to this and if undergraduate programs were already full. Dr. McKinney responded in the negative. He said they view the undergraduate programs as their responsibility, but the reason they were adding the masters' programs was that indications were that this was where they would get students. He said this included teachers who were going back to school to receive certification in counseling and bilingual education.

Dr. Ashley said one thing to keep in mind is that we are concentrating on upper level or the last two years of the undergraduate program. He said the teacher certification and business programs were in big demand in San Antonio. Dr. Ashley said other programs to be offered included certification, communications, business and the Master of Public Accountancy. He said these programs were being requested by the businesses in San Antonio.

Dr. McKinney said their long-term obligation had to be a bachelor's degree. By adding the masters program, they could better prepare for the students who were eventually coming to the university. The masters program was where they would get the most rapid growth and their long-term plan was to continue to work closely with community colleges.

Mr. Jones asked the anticipated "roll-out" date for the first two years. Dr. McKinney responded that they did not have an anticipated date at this time. He said the community colleges do a better job of remedial education than we do and for a lot less. He said we have concentrated on the third and fourth year.



Dr. Ashley addressed Mr. Jones and said another thing that dictated the programs they would offer was the facilities. He said in the future, he hoped they would have a large agriculture program, but right now, they do not have the facilities and labs. Dr. Ashley said they have the facilities to offer what is now proposed. He foresaw adding these majors in the future.

Mr. Nye asked if the courses and faculty members being brought in had been determined by a market analysis. He asked which courses and faculty were needed. Dr. Ashley responded that it was determined by the programs they had. Dr. McKinney responded that it was partially based on feedback from the business community. He said they also looked at the University of Texas at San Antonio (UTSA).

Mr. Nye said that he was all in favor of offering everything we could because it would lead to a greater likelihood of success, but he was curious if we were likely to get students for some of these programs. Dr. McKinney responded that he asked the same question because he wanted to make sure that we were not adding programs where we had faculty as opposed to adding faculty where we want to add programs.

Mr. Nye said he was not counseling minimization, but he was counseling that they do everything they need to do to get that number. He asked the date needed to have 1,500 students. Dr. Stanton Calvert, Vice Chancellor for Governmental Relations, responded January 2010. Mr. Nye said that was not much time.

Dr. Ashley said for them to keep in mind that they have had growth without scholarships or recruiters. He said that they had 15 percent growth the last semester and he was very optimistic.

Dr. McKinney added that one of the proposed programs was special education teaching. He said the assistance received from Kingsville should not be unappreciated or underestimated.

Dr. McKinney said the Academy of Medicine, Engineering and Science of Texas (TAMEST) would have a conference on renewable energy titled “The Business of Fueling the Future – Earth, Wind and Solar” on March 27-28, 2008, at the Hilton Hotel in College Station. He said the organization consisted of Nobel Prize winners, members of the National Academy of Science, National Academy of Engineering and the Institute of Medicine.

**PRESENTATION OF THE A&M SYSTEM’S ANNUAL  
FINANCIAL REPORT FOR FISCAL YEAR 2007**

Ms. B. J. Crain, Associate Vice Chancellor for Budgets and Accounting, said she would brief the Board on the financial report that had been delivered to the State Comptroller. She reminded them that our fiscal year ended August 31, 2007. She said

that once they passed that milestone, they began working with system members to compile one combined financial report for the entire A&M System.

Ms. Crain said they had already had their exit conference with the State Auditor's Office and there would be no findings on their financial report for 2007. She said they did not have an independent audit so they relied on the State Auditor's Office to audit the System's finances.

Ms. Crain said that total assets of TAMUS, as of August 31, 2007, were \$6 billion. The cash concentration pool and capital assets made up two-thirds of our assets. Accounts receivable and system endowments were approximately \$800 million each. She said the "other" area was mainly associated with our securities lending collateral, which was \$286 million. Ms. Crain said when you look at comparative numbers you see a small amount of growth in cash and investments. She said capital assets showed a growth of eight percent. The offset to security lending was included in other obligations, which explained the 52 percent increase. She said net asset increase was nine percent over the course of the fiscal year and the increase in total liabilities and net assets was five percent.

Ms. Crain said that we have \$500 million worth of non-depreciable assets including land and construction in progress. Mr. Nye asked if these were at book rather than at value. Ms. Crain responded in the affirmative. She said there was a total of \$3.6 billion in depreciable assets and the "other" category (library holdings, museum collection, livestock and leasehold improvements) was \$170 million. She said depreciation was two-thirds of the assets at this point. Ms. Crain said that we had \$3.5 billion in net assets at the end of 2007 which was made up of three pieces--invested in capital assets, \$730 million; restricted, \$780 million (debt service, capital projects, endowments, and permanent funds); and unrestricted, \$2 billion.

Ms. Crain said when they talk about available balances the \$2 billion was what the legislature would look at in the middle of a session. She said half of this amount was actually reserved for legal and binding items, but they do have to acknowledge and report on it. She said \$730 million was TAMU and Texas A&M University at Galveston (TAMUG) combined; regional campuses had \$15 million; System Offices had \$68 million, which she said was largely because they recorded a little over \$400 million for accounts receivable for Permanent University Fund (PUF) debt. She said prior to 2005, the University of Texas System (UT System) held this on their books and added that an independent auditor had asked them to change this procedure. Ms. Crain said there was \$54 million for self-insurance programs, \$61 million for retirement of indebtedness and \$96 million for funds functioning as endowment, which was the special mineral fund corpus held at the state.

Ms. Crain said unrestricted net assets for regional campuses was \$303 million, agriculture \$126 million, and engineering \$120 million. This reflected a \$100 million increase over the previous year. She said over the five-year period, we had \$900 million

growth, but half of the growth was in reserves. Ms. Crain added that as our capital programs become larger, this number would increase.

Ms. Crain gave a breakdown of unrestricted reserves. She said those reserves, which included any accounts receivables, encumbrances, or any capital plans that are in the planning stage were \$1 billion. She said “unreserved” is what they look at as being available to the presidents and directors to actually spend on their campus. She said of the \$760 million, \$150 million was funds functioning as an endowment and \$96 million was for the special mineral fund. Ms. Crain said we have approximately three months of operations funds that have been allocated for some type of future project or internal obligation.

Ms. Crain said total revenues for the A&M System were \$3.1 billion for 2007. She said state appropriations went up \$50 million, or a little over five percent from last year and thanked Dr. Calvert for his good work. She said we have room for expansion in contracts and grants and limited room for expansion in tuition and fees. She explained that the other category included things such as professional services, data processing, royalties, and interest earnings. Ms. Crain said auxiliary enterprise revenues would only increase as much as the demand for those services and activities. She said Available University Funds (AUF) are at five percent and federal appropriations are fairly constant. She said that overall this was a seven percent increase over last year.

Ms. Crain said there is not a lot of growth in state appropriations, but over the term of the five-year period, there was \$570 million in growth or 23 percent. She said state appropriations grew \$100 million or 13 percent over the five-year period. She said contracts and grants had seen a 19 percent growth or \$130 million. Ms. Crain added that tuition and fees were \$130 million or a 35 percent growth. She said auxiliary enterprises saw a 30 percent growth and the rest was miscellaneous of \$150 million.

Ms. Crain said one of the areas for expansion was contract and grant revenue. She said for FY 2007, revenue was \$823 million, which was a six percent growth over FY 2006. She said two-thirds of this revenue was in federal contracts and grants with state, foreign, local and private.

Mr. Nye said the federal grants, as he understood it, were often dependent upon seed money from the state. He said sometimes when we ask for state appropriations for a program, the federal multiplier could be great. He said it was particularly appropriate that we urge our state legislators to understand the full implications of some of these grants. Ms. Crain responded in the affirmative. She said that specifically they have had this in the state legislature with Prairie View A&M University (PVAMU) on some of their agriculture match. She said even if it is not total dollars, there was at least some sort of cost sharing or in kind requirements.

Ms. Crain said the other piece of revenue that she wanted to discuss dealt with tuition and fees. She said there was a \$222 million increase over the five-year period or 60 percent growth in tuition and fees. She pointed out that statutory tuition was capped at

\$50 per semester credit hour (SCH) in the fall of 2005. Ms. Crain said designated tuition was authorized in FY 2004. She said TAMU and TAMUG were the first to implement any designated tuition increases in the spring of 2004. The total tuition and fees for 2007 was \$591 million, which was an 11 percent increase over the previous year. Mr. Nye asked if this was a full year of growth. Ms. Crain responded in the affirmative. He asked if she had information regarding the number of SCHs offered. Ms. Crain responded that she would need to get back with him on that information.

Ms. Crain said the total operating expenses for FY 2007 was \$2.7 million, which was \$100 million in growth over 2006 or a four percent increase. She said salaries and wages were a driving factor with 58 percent of our total expenditures in the form of people costs. She said the “other” category included a laundry list of items such as travel, repairs, costs of goods sold, rental, leases, printing and investment expenses which totaled \$230 million. She said none of those items was over \$50 million. Ms. Crain said when you look at the trend line, salaries and benefits were the predominate expense and the others do not change much over time.

Ms. Crain discussed scholarship expenses over a four-year period compared to tuition and fees. She said from 2006-2007, there was \$32 million worth of increase in tuition and at the same time, there was a \$20 million increase in scholarships. She said this showed there was an effort to get scholarship numbers increased. She said in 2005, there was a \$43 million increase in tuition and fees and a \$15 million increase in scholarships. In 2006, there was a \$43 million increase in tuition and fees compared to a \$26 million increase in scholarships. She said over time this demonstrated that the universities were trying to increase their scholarship numbers.

Ms. Crain said we support our students with the dollars we receive in other ways. She said federal loans were increasing over time. Ms. Crain said \$122 million was spent on student employment. She said student services included financial aid programs, admissions, registrar, student organizations, and anything that was available to assist the students. Mr. Nye asked if she had the total for 2004 and 2007. Ms. Crain responded that the total was \$651 million in 2004, compared to \$870 million in 2007 or a 34 percent increase.

Ms. Crain said research expenditures were the numbers you heard in national reports and rankings. Total research expenditures for 2007 amounted to \$636 million and included \$300 million from federal resources, and \$120 million from state appropriations. She said when you hear national rankings for TAMU, they include not only TAMU but also the numbers for Texas AgriLife Research, Texas Engineering Experiment Station (TEES) and the expenditures for the Texas Transportation Institute (TTI). She said that total also included \$134 million in research handled by the A&M Research Foundation. Mr. Nye asked if the numbers for the HSC were up from prior years. Ms. Crain responded that it has increased some but it also included the research numbers from Scott & White. She said the regional campuses have one-tenth of the research programs.

Mr. Jones asked what the 75 percent represented. Ms. Crain responded \$495 million.

Ms. Crain said we need to maintain a healthy and steady financial growth. She said they would continue to work the legislative session with the help of Dr. Calvert and Dr. McKinney. She said they would watch to make sure tuition numbers were affordable and auxiliary enterprises were priced such that those activities were successful. Ms. Crain said they would be aggressive in their contract and grant activities. She said we would need to remain attentive to cost savings and any best practices that might need to be implemented. Finally, she said that we must continue to meet the needs of our students, our customers, and the State of Texas through access and affordability, educational programs, the research entities and extension and outreach.

Mr. Stallings asked what percent of financial growth we would like to have and what would satisfy her. Ms. Crain responded that this depended since so much of what we do is tied to our outputs, on students coming in and going out. She said we obviously have to keep up with inflation. Ms. Crain said five percent growth was a nice place to be and we did well in the legislative session, which had been helpful.

Mr. Nye asked our current credit ratings. Mr. Greg Anderson, Associate Vice Chancellor, responded that we actually trade as a AAA when you look at other AAAs out there, but we are Aa1 and AA+.

Dr. McKinney commented that the higher education inflation index was about five percent per year. He said whatever the state does not give on the five percent/per year/per student basis, we must make up with tuition and fees.

### **RECESS**

Mr. Jones recessed the meeting at 10:31 a.m.

*(Secretary's Note: The Committee on Finance convened at 10:31 a.m. and adjourned at 10:38 a.m. The Committee on Buildings and Physical Plant convened at 10:38 a.m. and adjourned at 11:11 a.m. The Committee on Academic and Student Affairs convened at 11:11 a.m. and adjourned at 11:13 a.m. The Policy Review Committee convened at 11:13 a.m. and adjourned at 11:14 a.m.)*

### **RECONVENE**

Mr. Jones reconvened the meeting at 11:15 a.m. He announced that the Board had not received any requests for public testimony.

Mr. Jones called on Mr. White to present the report from the Committee on Audit.

**REPORT FROM THE COMMITTEE ON AUDIT**

Mr. White, Chairman of the Committee on Audit, reported that the Committee met on Thursday, January 24, 2008. He said there was nothing to be brought before the Board, which he said was a reflection of the great work that Ms. Cathy Smock, Chief Auditor, and her staff were doing.

Mr. Jones called on Mr. Nye to present the report from the Committee on Finance.

**REPORT FROM THE COMMITTEE ON FINANCE**

Mr. Nye, Chairman of the Committee on Finance, reported that the Committee met earlier the same day. He said they considered and approved Items 1 through 4. The Board took action as set forth below:

~~~~~

MINUTE ORDER 003-2008 (AGENDA ITEM 1)

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

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

The Board of Regents hereby accepts the gifts, donations, grants, and endowments made to the members of The Texas A&M University System concerned as shown on **Exhibit A**, a copy of which is attached to the official minutes as Gifts, Donations, Grants, and Endowments List No. 08-03.

MINUTE ORDER 004-2008 (AGENDA ITEM 2)

**AUTHORIZATION TO ENTER INTO AN AMENDMENT TO THE
OUTSIDE COUNSEL CONTRACT WITH AN INCREASE IN
CONTRACT CAP FOR THE LAW FIRM OF
PILLSBURY WINTHROP SHAW PITTMANN, L.L.P.,
THE TEXAS A&M UNIVERSITY SYSTEM**

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

The Board of Regents of The Texas A&M University System, subject to the approval by the Attorney General of Texas, authorizes the General Counsel of The Texas A&M University System to execute and deliver on behalf of The Texas A&M University System an amendment to the Outside Counsel Contract for legal services with the law firm of Pillsbury Winthrop Shaw Pittman, L.L.P. in an amount not to exceed \$700,000 for FY08.

The Board of Regents of The Texas A&M University System requests that the Attorney General of Texas approve an amendment to the contract with the law firm of Pillsbury Winthrop Shaw Pittman, L.L.P., with a cap amount not to exceed \$700,000 to provide legal services to The Texas A&M University System for FY08.

MINUTE ORDER 005-2008 (AGENDA ITEM 3)

**AUTHORIZATION FOR THE ACQUISITION OF
MEDICAL PRACTICE GROUPS ON BEHALF OF THE
TEXAS A&M HEALTH SCIENCE CENTER COLLEGE OF MEDICINE,
THE TEXAS A&M UNIVERSITY SYSTEM HEALTH SCIENCE CENTER**

On motion of Mr. Nye, seconded by Ms. Steen 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 to the President of The Texas A&M University System Health Science Center to negotiate and to the Chancellor of The Texas A&M University System, upon review for legal sufficiency by the Office of General Counsel, to execute one or more agreements with medical practice groups to incorporate such group or groups into The Texas A&M University System Health Science Center College of Medicine and to consummate the transactions evidenced by any such agreements, including any ancillary contracts or agreements related thereto.

MINUTE ORDER 006-2008 (AGENDA ITEM 4)

**APPROVAL OF 2008 STILES FARM FOUNDATION BUDGET,
TEXAS AGRILIFE EXTENSION SERVICE**

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

The operating budget for the Stiles Farm Foundation for calendar year 2008, a copy of which is attached to the official minutes as **Exhibit B**, is hereby approved.

~~~~~

Mr. Jones called on Mr. Foster to present the report from the Committee on Buildings and Physical Plant.

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

Mr. Foster, Chairman of the Committee on Buildings and Physical Plant, reported that the Committee met earlier the same day. He said that the Committee recommended approval of Items 5 through 9. The Board took action as set forth below:

~~~~~

MINUTE ORDER 007-2008 (AGENDA ITEM 5)

**APPROVAL OF THE PROJECT SCOPE AND BUDGET,
APPROPRIATION FOR CONSTRUCTION SERVICES, AND
APPROVAL FOR CONSTRUCTION FOR THE
TEXAS INSTITUTE FOR PRECLINICAL STUDIES FACILITY AT
TEXAS A&M UNIVERSITY,
THE TEXAS A&M UNIVERSITY SYSTEM**

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

The project scope along with a project budget of \$47,800,000 for the Texas Institute for Preclinical Studies Facility is approved.

The amount of \$36,000,000 is appropriated from Account No. 01-085330, Permanent University Fund Debt Proceeds; and \$7,800,000 from Account No. 01-083536, Revenue Financing System Debt Proceeds, for construction services and related project costs.

The Texas Institute for Preclinical Studies Facility, Texas A&M University, Research Park, College Station, Texas (Project No. 2-2988), is approved for construction.

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 008-2008 (AGENDA ITEM 6)

**APPROVAL OF THE REVISED PROJECT SCOPE AND BUDGET AND
APPROPRIATIONS FOR CONSTRUCTION SERVICES FOR THE
MITCHELL PHYSICS BUILDINGS AT
TEXAS A&M UNIVERSITY,
THE TEXAS A&M UNIVERSITY SYSTEM**

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

The revised project scope for the Mitchell Physics Buildings project at Texas A&M University is approved.

The revised project budget of \$82,500,000 for the Mitchell Physics Buildings at Texas A&M University is approved.

The amount of \$15,767,845 is appropriated from Account No. 01-085330, Permanent University Fund Debt Proceeds, for construction services and related project costs for the Mitchell Physics Buildings at Texas A&M University.

The amount of \$1,716,000 is reverted to Account No. 01-083536, Revenue Financing System Debt Proceeds (Gifts).

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.

In accordance with the donor agreements, all gifts received for this project from Mr. and Mrs. George P. Mitchell are hereby appropriated, and a like amount of previous appropriations of Revenue Financing System and Permanent University Fund Debt Proceeds are reverted.

MINUTE ORDER 009-2008 (AGENDA ITEM 7)

**NAMING OF THE
“ROBERT ALPHONSO HENRY MUSIC LIBRARY,”
PRAIRIE VIEW A&M UNIVERSITY**

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

The music library in the Hobart Taylor Building on the campus of Prairie View A&M University be named the “Robert Alphonso Henry Music Library.”

MINUTE ORDER 010-2008 (AGENDA ITEM 8)

**AUTHORIZATION TO LEASE SPACE IN
POTEET HALL, KINGSVILLE, TEXAS,
TEXAS A&M UNIVERSITY-KINGSVILLE**

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

The Chancellor of The Texas A&M University System, or designee, following approval for legal sufficiency by the Office of General Counsel, is authorized to negotiate and execute an agreement for the purpose of leasing approximately 30,700 square feet of classroom, laboratory, and office space in Poteet Hall located on the Texas A&M University–Kingsville campus, Kingsville, Texas. The primary term of this lease will be five (5) years with the option to extend for five (5) additional years. The base rental will be \$39,900 per quarter for the first year of the primary term, increasing thereafter by 4% per annum for the remainder of the primary term.

MINUTE ORDER 011-2008 (AGENDA ITEM 9)

**AUTHORIZATION TO ACCEPT A GIFT OF LAND,
PURCHASE A TRACT OF LAND,
NEGOTIATE AN OPTION TO PURCHASE AN ADJACENT TRACT OF LAND
AND NEGOTIATE CONSTRUCTION OF A BUILDING ON THIS LAND IN
ROUND ROCK, WILLIAMSON COUNTY, TEXAS, AS A CAMPUS SITE,
THE TEXAS A&M UNIVERSITY SYSTEM HEALTH SCIENCE CENTER**

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

The Chancellor of The Texas A&M University System, or designee, following review and approval for legal sufficiency by the Office of General Counsel, is authorized to present information and documents as requested by the Texas Higher Education Coordinating Board, and to negotiate and execute all documents necessary for the purchase of ten (10) acres of land, more or less, and to concurrently accept a gift of land containing fifteen (15) acres, more or less, and to obtain an option to purchase approximately 25 acres adjacent to the subject purchase and gift tracts, all of which are situated in the T. Toby Survey, Abstract 624, Williamson County, Texas. The purchase price of \$1,306,800.00 (adjusted at \$3.00 per square foot based on a final survey), plus closing costs, is hereby approved.

Use of the gift and purchase tracts will be restricted to medical and educational purposes for 25 years, and the gift tract will be subject to a reversionary interest that states the title will automatically revert to the grantor, or assigns, if construction of a building on either the gift or purchase tracts has not commenced within ten (10) years from the date of closing.

The Chancellor of The Texas A&M University System, or designee, following review and approval for legal sufficiency by the Office of General Counsel, is authorized to negotiate, subject to approval by the Board, a long-term ground lease and lease-purchase agreement for construction and lease of a building on a portion of the acquired property.

~~~~~

Mr. Jones called on Ms. Steen to present the report from the Committee on Academic and Student Affairs.

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

Ms. Steen, Chair of the Committee on Academic and Student Affairs, reported that the Committee met earlier that same day and the Committee recommended approval of Item 10. The Board took action as set forth below:

~~~~~

MINUTE ORDER 012-2008 (AGENDA ITEM 10)

**APPROVAL OF PRELIMINARY AUTHORITY FOR A
MASTER'S DEGREE PROGRAM IN SPORT MANAGEMENT,
AND AUTHORIZATION TO SUBMIT REQUEST TO THE
TEXAS HIGHER EDUCATION COORDINATING BOARD FOR APPROVAL,
WEST TEXAS A&M UNIVERSITY**

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

The Board of Regents approves amending the Table of Programs for West Texas A&M University to include preliminary authority for a master's degree program in sport management.

The Board also authorizes the President to submit this preliminary authority request to amend its Table of Programs to the Texas Higher Education Coordinating Board for approval.

~~~~~

Mr. Jones called on Mr. Stallings to present the report from the Policy Review Committee.

**REPORT FROM THE POLICY REVIEW COMMITTEE**

Mr. Stallings, Chair of the Policy Review Committee, reported that the Committee met earlier the same day and the committee recommended approval of Item 11. The Board took action as set forth below:

~~~~~

MINUTE ORDER 013-2008 (AGENDA ITEM 11)

**APPROVAL OF REVISIONS TO
SYSTEM POLICY 33.05 (*EMPLOYEE TRAINING*),
THE TEXAS A&M UNIVERSITY SYSTEM**

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

The revisions to System Policy 33.05, (*Employee Training*), as shown in **Exhibit C**, a copy of which is attached to the official minutes, are approved and effective immediately.

~~~~~

**OTHER ITEMS**

Mr. Jones called on Dr. McKinney to present Items 13 through 16, and 18 through 20. The Board took action as set forth below:

~~~~~

MINUTE ORDER 014-2008 (AGENDA ITEM 13)

**APPROVAL OF APPOINTMENT
AND COMMISSIONING OF PEACE OFFICERS,
TEXAS FOREST SERVICE**

On motion of Mr. Nye, seconded by Mr. Fraga 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 appointment of and commissions Texas Forest Service employees Alan R. Fox and Paul A. Pruitt as peace officers.

MINUTE ORDER 015-2008 (AGENDA ITEM 14)

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

On motion of Mr. Nye, seconded by Mr. Fraga 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 Presidents of member universities are authorized to appoint and commission campus peace officers in accordance with the requirements of the law, subject to confirmation by the Board of Regents of The Texas A&M University System, as shown in **Exhibit D**, a copy of which is attached to the official minutes.

MINUTE ORDER 016-2008 (AGENDA ITEM 15)

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

On motion of Mr. Nye, seconded by Mr. Fraga 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 E**, a copy of which is attached to the official minutes as, Tenure List No. 08-03.

MINUTE ORDER 017-2008 (AGENDA ITEM 16)

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

On motion of Mr. Nye, seconded by Mr. Fraga 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 the individuals as shown in **Exhibit F**, a copy of which is attached to the official minutes as, Emeritus Title List No. 08-03, and grants all rights and privileges of this title.

MINUTE ORDER 018-2008 (AGENDA ITEM 18)

**GRANTING OF FACULTY DEVELOPMENT LEAVE FOR FISCAL YEAR 2009,
TEXAS A&M UNIVERSITY-KINGSVILLE**

On motion of Mr. Nye, seconded by Mr. Fraga 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 31.03, System Regulation 12.99.01 and Sections 51.101-108 of the Texas Education Code, authorizes faculty development leave to the faculty members as shown in **Exhibit G**, a copy of which is attached to the official minutes as, Faculty Development Leave List FY 2009, Texas A&M University-Kingsville.

MINUTE ORDER 019-2008 (AGENDA ITEM 19)

**APPROVAL FOR
DR. MLADEN KEZUNOVIC,
A SYSTEM EMPLOYEE, TO SERVE AS AN EMPLOYEE,
OFFICER AND MEMBER OF THE BOARD OF DIRECTORS OF A
BUSINESS ENTITY SEEKING TO LICENSE TECHNOLOGY FROM
THE TEXAS A&M UNIVERSITY SYSTEM,
TEXAS ENGINEERING EXPERIMENT STATION**

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

The Board of Regents of The Texas A&M University System hereby grants approval to Dr. Mladen Kezunovic, Professor of Electrical Engineering and TEES Researcher, to serve in his individual capacity as an employee, officer and member of the board of directors of Test Laboratories International, Inc., a business entity seeking to enter into an agreement with The Texas A&M University System relating to the research, development, licensing, or exploitation of intellectual property conceived, created, discovered, invented and developed by Dr. Kezunovic.

MINUTE ORDER 020-2008 (AGENDA ITEM 20)

**APPROVAL FOR
DR. OTHON K. REDINIOTIS,
A SYSTEM EMPLOYEE, TO SERVE AS AN EMPLOYEE,
OFFICER AND MEMBER OF THE BOARD OF DIRECTORS OF A
BUSINESS ENTITY SEEKING TO LICENSE TECHNOLOGY FROM
THE TEXAS A&M UNIVERSITY SYSTEM,
TEXAS ENGINEERING EXPERIMENT STATION**

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

The Board of Regents of The Texas A&M University System hereby grants approval for Dr. Othon K. Rediniotis, Associate Professor of Aerospace Engineering and TEES Researcher, to serve in his individual capacity as an employee, officer and member of the board of directors of Orthochronos, Inc., a business entity seeking to enter into an agreement with The Texas A&M University System relating to the research, development, licensing, or exploitation of intellectual property conceived, created, discovered, invented and developed by Dr. Rediniotis.

~~~~~

Mr. Jones called on Dr. McKinney to present Item 12. The Board took action as set forth below:

~~~~~

MINUTE ORDER 021-2008 (AGENDA ITEM 12)

**ADOPTION OF A RESOLUTION EXPRESSING APPRECIATION TO
DR. ED DAVIS,
THE TEXAS A&M UNIVERSITY SYSTEM**

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

Whereas, Dr. Eddie J. Davis has unselfishly devoted himself to Texas A&M University and The Texas A&M University System since 1972, most recently serving as Interim President of Texas A&M University from December 2006 to January 2008; and

Whereas, Dr. Davis graduated from Texas A&M University in 1967 with a bachelor of science degree in agricultural journalism, later attended Harvard University's graduate school of business administration, and then returned to Texas A&M University to earn a master's degree in educational administration and a doctorate in higher education administration in 1973 and 1980, respectively; and

Whereas, he has served in numerous leadership roles including executive deputy chancellor for The Texas A&M University System, vice president for fiscal affairs at Texas A&M University, and vice president for fiscal affairs and treasurer at North Texas State University; and

Whereas, prior to serving as Interim President, Dr. Davis provided outstanding leadership in guiding Texas A&M University's fund-raising efforts and overseeing the management of assets and endowments as the chief executive officer of the Texas A&M Foundation, before taking a leave of absence to serve as Interim President; and

Whereas, during his tenure as Interim President and as a direct result of his leadership as president of the Texas A&M Foundation, Texas A&M University celebrated the conclusion of its 'One Spirit, One Vision' Campaign in March 2007, by exceeding this \$1 billion capital campaign by several hundred thousand dollars; and

Whereas, Dr. Davis, upon assuming the Interim President role, immediately met with senior university and student leaders to assure them that the University's direction and administration was in sure hands, and to pledge his accessibility and interest in their concerns and issues; and

Whereas, Dr. Davis showed great leadership in successfully navigating a legislative session by ably representing the University before the 80th Texas Legislature; and

Whereas, Texas A&M University received an additional \$50 million in general revenue from the legislature, an 11.6 percent increase, the largest increase in memory that allowed for the institution to continue its upward trajectory; and

Whereas, in response to the tragic human massacre at Virginia Tech University, Dr. Davis immediately established an on-going Task Force on Campus Emergencies whose work to date has led to an exemplary number of students, faculty and staff registering for Code Maroon, a new emergency notification service that provides Texas A&M University the ability to communicate health and safety emergency information quickly; and

Whereas, in recognition of the value of university governance and the need for an effective venue for university staff members to participate in the decision-making process of the University, Dr. Davis established a University Staff Advisory Council Task Force; and

Whereas, increased diversity being a major imperative for Texas A&M University, Dr. Davis took the concept of a President's Council on Climate and Diversity and made it into a reality; and

Whereas, Dr. and Mrs. Davis went out of their way to make themselves accessible and supportive of student interests and programs and opened the president's home to a variety of student leader groups, and the students distinctly honored Dr. Davis with a Fish Camp namesake designation; and

Whereas, Dr. Davis' continued efforts to produce efficiency and cost savings within the University helped mitigate the rise in tuition and fees; and

Whereas, while facing both the day-to-day demands typical to a major university president, and a variety of unusual challenges that emerged during his tenure as Interim President, Dr. Davis exemplified a steady, experienced, thoughtful and gracious approach to even the most difficult situations, which served as a model for other university leaders during the interim period; now, therefore, be it

Resolved, that we, the members of the Board of Regents of The Texas A&M University System, desire to express our appreciation to Dr. Eddie J. Davis for the outstanding leadership and service shown as Interim President of Texas A&M University; and, be it, further

Resolved, that this resolution be spread upon the minutes, and copies thereof be signed by the Chairman of the Board of Regents, filed with the Archives of Texas A&M University, and presented to Dr. Eddie J. Davis as a sincere expression of gratitude for his leadership and dedication as Interim President of Texas A&M University.

~~~~~

Dr. Davis said that he had no greater privilege, as a graduate of Texas A&M, than to be asked to lead his alma mater. He said he treasured the time he had and it was wonderful for both he and his wife, JoAnn. Dr. Davis said he was going back to doing what he did best, interacting with our great friends, corporate partners, and the wonderful foundations around the country to help build and continue to supply the capital necessary to make Texas A&M successful.

Dr. Davis said he had decided in life that we keep a lot of balls in the air. He said the difference is that some of these balls are made out of wood, some out of steel, and some out of crystal. He said that Texas A&M was a Waterford crystal ball. Dr. Davis

said in everything we do we need to think about how precious and fragile it is. He urged them as they thought about the difficult decisions ahead, to always keep this in mind.

Mr. Jones commented that he equated what Dr. Davis did to a highly trained pilot flying an airplane, strapping on a parachute, going to the door and jumping out, and telling them that the plane is under your control, make sure it lands safely. He said that he and the Board were very appreciative of the care that Dr. Davis took in managing this fine institution and taking over a very difficult job at a difficult time.

Mr. Jones called on Dr. George Wright, President of PVAMU, to present Item 17.

Dr. Wright recommended that the College of Arts and Sciences at PVAMU be named the “Marvin D. and June Samuel Brailsford College of Arts and Sciences.” He said that General (Retired) Marvin D. Brailsford graduated cum laude in 1959 from PVAMU and served a distinguished military career. He said General Brailsford culminated his 33 years of military service as the Deputy Commanding General of the U.S. Army Material Command in 1992 during the Persian Gulf War. Dr. Wright said that both the General and June Brailsford and several of their family members, who were also PVAMU alumni, were ardent supporters of PVAMU and its students. The Board took action as set forth below:

~~~~~

MINUTE ORDER 022-2008 (AGENDA ITEM 17)

**AUTHORIZATION TO NAME THE
COLLEGE OF ARTS AND SCIENCES THE
“MARVIN D. AND JUNE SAMUEL BRAILSFORD
COLLEGE OF ARTS AND SCIENCES,”
PRAIRIE VIEW A&M UNIVERSITY**

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

The College of Arts and Sciences on the campus of Prairie View A&M University is hereby named the “Marvin D. and June Samuel Brailsford College of Arts and Sciences.”

~~~~~

Mr. Jones said that they appreciate all of the former students, particularly those who give back. He recognized General and Mrs. Brailsford.

Mr. Jones said that they had already voted on and approved Item 7, which was naming of the “Robert Alphonso Henry Music Library.” He recognized Dr. Marian Henry, chair of the PVAMU naming committee and brother of Dr. Robert Alphonso Henry.

Mr. Jones called on Dr. Elsa Murano, President of TAMU, and Dr. Bowen Loftin, Vice President and CEO of TAMUG, to present Item 21.

The Board took action as set forth below:

~~~~~

MINUTE ORDER 023-2008 (AGENDA ITEM 21)

**APPOINTMENT OF
MR. PAUL S. HILL
TO THE TEXAS A&M UNIVERSITY AT GALVESTON
BOARD OF VISITORS,
TEXAS A&M UNIVERSITY**

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

Effective February 1, 2008, Mr. Paul S. Hill is hereby appointed to the Texas A&M University at Galveston Board of Visitors for a term of three years.

~~~~~

Mr. Jones presented Item 22. The Board took action as set forth below:

~~~~~

MINUTE ORDER 024-2008 (AGENDA ITEM 22)

**APPROVAL OF MINUTES OF THE
DECEMBER 6-7, 2007,
MEETING OF THE BOARD OF REGENTS,
BOARD OF REGENTS, THE TEXAS A&M UNIVERSITY SYSTEM**

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

The Minutes of the December 6-7, 2007, Regular Board Meeting, are hereby approved.

~~~~~

Mr. Jones called on Dr. McKinney to present Items 23 through 37. The Board took action as set forth below:

~~~~~

MINUTE ORDER 025-2008 (AGENDA ITEM 23)

**APPOINTMENT OF
DR. LUCIAN YATES, III,
AS DEAN OF THE WHITLOWE RADCLIFFE GREEN
COLLEGE OF EDUCATION,
PRAIRIE VIEW A&M UNIVERSITY**

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

Effective February 1, 2008, Dr. Lucian Yates, III is hereby appointed Dean, Whitlowe Radcliffe Green College of Education at Prairie View A&M University at an initial salary of \$130,000.

MINUTE ORDER 026-2008 (AGENDA ITEM 24)

**APPOINTMENT OF
DR. ROSANNE STRIPLING,
AS PROVOST AND VICE PRESIDENT FOR ACADEMIC AFFAIRS,
TEXAS A&M UNIVERSITY-TEXARKANA**

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

Effective January 28, 2008, Dr. Rosanne Stripling is hereby appointed Provost and Vice President for Academic Affairs at Texas A&M University-Texarkana, at the current Provost salary of \$139,600.

MINUTE ORDER 027-2008 (AGENDA ITEM 25)

**APPOINTMENT OF
MR. JOHN SKRABANEK,
AS ASSOCIATE AGENCY DIRECTOR AND
CHIEF FINANCIAL OFFICER,
TEXAS ENGINEERING EXTENSION SERVICE**

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

Effective immediately, Mr. John Skrabanek is hereby appointed Associate Agency Director and Chief Financial Officer of the Texas Engineering Extension Service, at an initial annual salary of \$138,697.

MINUTE ORDER 028-2008 (AGENDA ITEM 26)

**APPOINTMENT OF
DR. MARK A. HUSSEY,
AS INTERIM VICE CHANCELLOR
FOR AGRICULTURE AND LIFE SCIENCES,
THE TEXAS A&M UNIVERSITY SYSTEM**

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

Dr. Mark A. Hussey is hereby appointed Interim Vice Chancellor for Agriculture and Life Sciences of The Texas A&M University System, effective January 25, 2008, at an annual salary of \$250,000 during this interim appointment.

MINUTE ORDER 029-2008 (AGENDA ITEM 27)

**AUTHORIZATION FOR THE PRESIDENT TO EXECUTE
EMPLOYMENT CONTRACT WITH FOOTBALL
HEAD STRENGTH COACH,
TEXAS A&M UNIVERSITY**

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

Authority is hereby granted, upon review for legal form and sufficiency by the Office of General Counsel, to the President of Texas A&M University to execute an employment contract with the following person:

David T. Kennedy – Head Strength Coach.

MINUTE ORDER 030-2008 (AGENDA ITEM 28)

**AUTHORIZATION FOR THE PRESIDENT TO EXECUTE
EMPLOYMENT CONTRACTS WITH
ASSISTANT FOOTBALL COACHES,
TEXAS A&M UNIVERSITY**

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

Authority is hereby granted, upon review for legal form and sufficiency by the Office of General Counsel, to the President of Texas A&M University to execute employment contracts with the following persons:

Nolan N. Cromwell – Assistant Football Coach,
Reginald W. Herring – Assistant Football Coach,
Randy Lamont Jordan – Assistant Football Coach,
Van Buren Malone III – Assistant Football Coach,
Charles M. McMillian – Assistant Football Coach,
Thomas M. Rossley – Assistant Football Coach,
James L. Turner –Assistant Football Coach, and
Elwood J. Wyatt – Assistant Football Coach.

MINUTE ORDER 031-2008 (AGENDA ITEM 29)

**APPROVAL TO CHANGE THE TITLES OF THE
PROVOST AND SENIOR VICE PRESIDENT FOR
ACADEMIC AND STUDENT AFFAIRS TO
PROVOST AND SENIOR VICE PRESIDENT FOR ACADEMIC AFFAIRS,
AND OF THE VICE PRESIDENT FOR INSTITUTIONAL RELATIONS
AND PUBLIC SERVICE TO VICE PRESIDENT FOR
STUDENT AFFAIRS AND INSTITUTIONAL RELATIONS,
PRAIRIE VIEW A&M UNIVERSITY**

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

The Board of Regents approves Prairie View A&M University’s request to change the titles of the Provost and Senior Vice President for Academic and Student Affairs to Provost and Senior Vice President for Academic Affairs and of the Vice President for Institutional Relations and Public Service to Vice President for Student Affairs and Institutional Relations, effective February 1, 2008.

~~~~~

Dr. Wright publicly commended Dr. E. Joahanne Thomas-Smith, Provost and Senior Vice President, for all she does at PVAMU. He said that she works seven days a week and handles all accreditation issues for PVAMU.

~~~~~

MINUTE ORDER 032-2008 (AGENDA ITEM 30)

**APPOINTMENT OF
DR. H. RUSSELL CROSS,
AS EXECUTIVE VICE PRESIDENT FOR OPERATIONS,
TEXAS A&M UNIVERSITY**

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

Dr. H. Russell Cross is hereby appointed Executive Vice President for Operations at Texas A&M University, effective February 1, 2008, at an annual salary of \$310,000.

MINUTE ORDER 033-2008 (AGENDA ITEM 31)

**CONFIRMATION OF THE REASSIGNMENT OF THE
VICE PRESIDENT FOR DEVELOPMENT TO THE
POSITION OF SENIOR EXECUTIVE FOR DEVELOPMENT,
TEXAS A&M UNIVERSITY**

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

Pursuant to System Policy 01.03, Section 1.6, the Board of Regents of The Texas A&M University System confirms the reassignment of Robert L. Walker from the position of Vice President for Development to the position of Senior Executive for Development at Texas A&M University, effective February 1, 2008, at an annual salary of \$211,438.92 (current salary).

MINUTE ORDER 034-2008 (AGENDA ITEM 32)

**CONFIRMATION OF THE REASSIGNMENT OF THE
CHIEF MARKETING OFFICER AND VICE PRESIDENT FOR
COMMUNICATIONS TO THE POSITION OF
CHIEF MARKETING OFFICER,
TEXAS A&M UNIVERSITY**

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

Pursuant to System Policy 01.03, Section 1.6, the Board of Regents of The Texas A&M University System confirms the reassignment of Steven B. Moore from the position of Chief Marketing Officer and Vice President for Communications to Chief Marketing Officer for Texas A&M University effective February 1, 2008, at an annual salary of \$230,000.

MINUTE ORDER 035-2008 (AGENDA ITEM 33)

**APPOINTMENT OF
MR. JASON COOK,
AS VICE PRESIDENT FOR MARKETING AND COMMUNICATIONS,
TEXAS A&M UNIVERSITY**

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

Mr. Jason Cook is hereby appointed Vice President for Marketing and Communications at Texas A&M University, effective February 1, 2008, at an annual salary of \$250,000.

MINUTE ORDER 036-2008 (AGENDA ITEM 34)

**APPOINTMENT OF
MS. COURTNEY TROLINGER,
AS VICE PRESIDENT FOR GOVERNMENTAL AFFAIRS,
TEXAS A&M UNIVERSITY**

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

Ms. Courtney Trolinger is hereby appointed Vice President for Governmental Affairs at Texas A&M University, effective February 1, 2008, at an annual salary of \$198,000.

MINUTE ORDER 037-2008 (AGENDA ITEM 35)

**APPOINTMENT OF
MR. MICHAEL G. O'QUINN,
AS VICE PRESIDENT FOR INSTITUTIONAL AND FEDERAL AFFAIRS,
TEXAS A&M UNIVERSITY**

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

Mr. Michael G. O'Quinn is hereby appointed Vice President for Institutional and Federal Affairs at Texas A&M University, effective February 1, 2008, at an annual salary of \$196,248.

MINUTE ORDER 038-2008 (AGENDA ITEM 36)

**APPOINTMENT OF
MR. CHAD E. WOOTTON,
AS VICE PRESIDENT FOR DEVELOPMENT AND STRATEGIC OUTREACH,
TEXAS A&M UNIVERSITY**

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

Mr. Chad E. Wootton is hereby appointed Vice President for Development and Strategic Outreach at Texas A&M University, effective February 1, 2008, at an annual salary of \$192,000.

MINUTE ORDER 039-2008 (AGENDA ITEM 37)

**CONFIRMATION OF THE REASSIGNMENT OF THE
SENIOR VICE PRESIDENT AND CHIEF FINANCIAL OFFICER
TO THE POSITION OF SPECIAL ASSISTANT TO THE PRESIDENT,
TEXAS A&M UNIVERSITY**

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

Pursuant to System Policy 01.03, Section 1.6, the Board of Regents of The Texas A&M University System confirms the reassignment of K. Sue Redman, Senior Vice President and Chief Financial Officer, to the position of Special Assistant to the President for Texas A&M University.

~~~~~

Mr. White pointed out that these items were considered in executive session the previous day. He said Dr. Murano did an excellent job of explaining to the Board her vision of the operation of TAMU. He said she was very complimentary of everybody that they had just reviewed and would approve. Mr. White commended Dr. Murano on a very well thought out process. He said they have excellent people in place and it was great to keep them as part of the TAMU family and to add to what they do.

Mr. Jones asked Dr. Murano to take a few minutes to introduce her new executive team. Dr. Murano said that she was grateful to all of them for approving her requests. She said she was very excited about the things that they will do together as a team on behalf of TAMU. She said not only the individuals mentioned in the agenda items, but the many others who were in place in positions and doing great jobs already for the university.

Dr. Murano introduced Dr. Robert Walker. Dr. Walker said that he has had the privilege of serving under seven presidents and he counts every day that he has been privileged to work at Texas A&M as an honor. He said he was looking forward to continuing to make people happy.

Dr. Murano introduced Dr. Russell Cross, Mr. Michael O'Quinn, Ms. Courtney Trolinger, Mr. Chad Wootton, Mr. Jason Cook and Dr. Terry Pankrantz, Interim Vice President for Finance and CFO.

Mr. Jones called on Mr. White to present the report from the System Athletic Liaison.

### **REPORT FROM THE SYSTEM ATHLETIC LIAISON**

Mr. White, System Athletic Liaison, said he wanted to talk about individuals who have been recognized during the last couple of months.

Mr. Henry Frazier, III, Head Football Coach at PVAMU, was named the College Sporting News Coach of the Year.

Mr. White said that with the win over St. Edwards University over the Christmas break, the head men's basketball coach at TSU, Mr. Lon Reisman, achieved a milestone of 400 wins during his career at Tarleton, and since he came, Tarleton has had only two losing seasons, eight conference or division championships, 16 post-season tournaments, five NCAA Division II Regional Tournaments, and back-to-back regional championships in 2005 and 2006.

Mr. White said that at TAMU, Ms. Ashlee Pistorius won the 2008 National Award as the top collegiate female soccer player.

Mr. White reported that former TAMU-K Javelina football player, former All American and Washington Redskins' All Pro, Mr. Darrell Green was named one of the finalists for the Pro Football Hall of Fame.

### **OTHER BUSINESS**

Mr. Jones asked if there were any announcements or new business to come before the Board. There was none.

Mr. Jones announced that the next regular meeting was scheduled for March 27-28, 2008, on the campus of TAMU.

**ADJOURNMENT**

On motion of Mr. Foster, seconded by Mr. Nye and by a unanimous vote, the meeting was adjourned at 11:52 a.m.

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

VBS:jb