

MINUTES

OF THE

SPECIAL MEETING OF THE

BOARD OF REGENTS

OF

THE TEXAS A&M UNIVERSITY SYSTEM

HELD IN

COLLEGE STATION, TEXAS

AUGUST 28, 2001

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**MINUTES OF THE
SPECIAL MEETING OF THE BOARD OF REGENTS
AUGUST 28, 2001**

A special meeting of the Board of Regents of The Texas A&M University System (TAMUS), was convened by Mr. Erle Nye, Chairman, at 8:37 a.m., on Tuesday, August 28, 2001, in the Board of Regents Meeting Room, on the campus of Texas A&M University (TAMU), College Station, Texas.

The following members of the Board were present:

Mr. Erle Nye, Chairman
Dr. Dionel E. Avilés, Vice Chairman
Mr. Phil Adams
Dr. Wendy Gramm
Mr. L. Lowry Mays
Mr. R.H. (Steve) Stevens
Dr. Susan Rudd Wynn

The following members of the Board were not present:

Ms. Anne Armstrong
Mr. Lionel Sosa

Mr. Nye said the purpose of this special meeting was to consider and approve three items: (1) Fiscal Year 2002 Budgets for The Texas A&M University System, (2) Fiscal Year 2002 Service Department Accounts, and (3) Letter of Agreement with Dr. Ray M. Keck, III, to Serve as President of Texas A&M International University. Mr. Nye said the Board was also scheduled to meet in closed session to receive information from Mr. Howard D. Graves, Chancellor, regarding the performance evaluations of the System's chief executive officers.

RECESS

(Secretary's Note: The Committee on Finance met from 8:40 a.m. until 1:45 p.m.)

RECONVENE

Mr. Nye reconvened the meeting of the Board at 1:46 p.m., and the Board took action as set forth below:

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MINUTE ORDER 165-2001**APPROVAL OF FISCAL YEAR 2002 OPERATING BUDGETS,  
THE TEXAS A&M UNIVERSITY SYSTEM**

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

The following operating budgets submitted by the Members of The Texas A&M University System for the fiscal year ending August 31, 2002, are hereby approved and adopted subject to the provisions contained in System Policy 27.04, Budget Authorization, Limitations, and Delegations of Authority.

| Member                                                | FY 2001                   | FY 2002                   | Change     |
|-------------------------------------------------------|---------------------------|---------------------------|------------|
| Prairie View A&M University                           | \$88,367,702.00           | 112,549,234.00            | 27%        |
| Tarleton State University                             | 68,352,461.00             | 81,644,828.00             | 19%        |
| Texas A&M International University                    | 32,579,488.00             | 36,640,381.00             | 12%        |
| Texas A&M University                                  | 761,456,381.00            | 832,311,876.00            | 9%         |
| Texas A&M University-Commerce                         | 70,855,256.00             | 75,312,852.00             | 6%         |
| Texas A&M University-Corpus Christi                   | 66,715,950.00             | 77,389,698.00             | 16%        |
| Texas A&M University-Kingsville                       | 74,721,457.00             | 83,803,607.00             | 12%        |
| Texas A&M University-Texarkana                        | 13,347,823.00             | 15,597,004.00             | 17%        |
| West Texas A&M University                             | 68,256,276.00             | 74,470,869.00             | 9%         |
| Texas Agricultural Experiment Station                 | 128,732,083.00            | 132,049,123.00            | 3%         |
| Texas Agricultural Extension Service                  | 79,476,837.00             | 85,870,832.00             | 8%         |
| Texas Forest Service                                  | 23,755,835.00             | 27,273,724.00             | 15%        |
| Texas Veterinary Medical Diagnostic<br>Laboratory     | 9,538,883.00              | 11,735,607.00             | 23%        |
| Texas Wildlife Damage Management<br>Service           | 6,412,989.00              | 6,887,993.00              | 7%         |
| Texas Engineering Experiment Station                  | 71,327,355.00             | 72,863,231.00             | 2%         |
| Texas Engineering Extension Service                   | 56,539,309.00             | 58,196,432.00             | 3%         |
| Texas Transportation Institute                        | 34,711,427.00             | 36,818,058.00             | 6%         |
| Texas A&M University System<br>Health Science Center  | 76,675,777.00             | 97,573,303.00             | 27%        |
| System Administrative & General Offices<br>Operations | 10,160,235.00             | 16,583,000.00             | 63%        |
| Debt Service                                          | 124,888,244.00            | 136,660,940.00            | 9%         |
| <b>GRAND TOTAL</b>                                    | <b>\$1,866,871,768.00</b> | <b>\$2,072,232,592.00</b> | <b>11%</b> |

**MINUTE ORDER 166-2001**

**APPROVAL OF FISCAL YEAR 2002 SERVICE DEPARTMENT ACCOUNTS,  
THE TEXAS A&M UNIVERSITY SYSTEM**

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

The service department accounts of the members of The Texas A&M University System for the fiscal year ending August 31, 2002, included in **Exhibit A**, are hereby approved subject to the provision contained in System Regulation 21.02.05, Service Departments.

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CONVENE IN CLOSED SESSION

At 1:50 p.m., Mr. Nye announced that the Board would convene in closed session to consider matters as permitted by Chapter 551 of the Texas Government Code: 551.071, for consultation with System attorneys on pending and proposed litigation and matters recognized as attorney/client confidential and privileged; 551.072, for discussion regarding the acquisition, lease, exchange, disposition and value of real estate; and, 551.074, for discussion of matters involving the appointment, employment, evaluation, reassignment, duties, discipline or dismissal or to hear complaints or charges against an officer or employee.

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

RECONVENE IN OPEN SESSION

Mr. Nye reconvened the meeting in open session. He said the Board met in closed session from 1:50 p.m. to 3:33 p.m. The Board took action as set forth below:

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**MINUTE ORDER 167-2001**

**APPROVAL OF LETTER OF AGREEMENT WITH RAY M. KECK, III,  
TO SERVE AS PRESIDENT OF TEXAS A&M INTERNATIONAL UNIVERSITY,  
THE TEXAS A&M UNIVERSITY SYSTEM**

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

The letter of agreement, attached to the official minutes as **Exhibit B**, with Ray M. Keck, III, to serve as President of Texas A&M International University is hereby approved.

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ADJOURN

There being no further business, Mr. Nye adjourned the meeting at 3:50 p.m., the same day.

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

VBS