MINUTES

REGULAR MEETING

BOARD OF REGENTS

THE TEXAS A&M UNIVERSITY SYSTEM

HELD IN

COLLEGE STATION, TEXAS

November 10, 2016

(Approved February 9, 2017)
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MINUTES
REGULAR MEETING
BOARD OF REGENTS, THE TEXAS A&M UNIVERSITY SYSTEM

November 10, 2016

CONVENE

Chairman Clifton L. Thomas, Jr., convened a regular meeting of the Board of Regents of The Texas A&M University System at 8:31 a.m., Thursday, November 10, 2016, in the Board Meeting Room on the campus of Texas A&M University, College Station, Texas. The following members of the Board were present:

Mr. Clifton L. Thomas, Jr., Chairman
Ms. Elaine Mendoza, Vice Chairman
Mr. Phil Adams
Mr. Robert L. Albritton
Mr. Anthony G. Buzbee
Mr. Morris E. Foster (joined the meeting at 1:00 p.m.)
Mr. Bill Mahomes
Ms. Judy Morgan
Mr. Charles W. Schwartz
Ms. Stephanie Y. Martinez, Student Regent

RECESS TO EXECUTIVE SESSION

Chairman Thomas announced that the Board would recess to executive session as permitted by Chapter 551, Sections 71, 72, 73, 74 and 76 of the Texas Government Code. He said in accordance with the law, no final action, decision or vote with regard to any matter considered in executive session would be made or taken.

(Note: The Board met in executive session from 8:31 a.m. until 11:28 a.m.)

RECONVENE

At 1:00 p.m., Chairman Thomas reconvened the meeting in open session in the Bethancourt Ballroom of the Memorial Student Center. He said a quorum of the Board was present. He announced that the Board met in executive session from 8:31 a.m. to 11:28 a.m. and considered executive session agenda items and conferred with Chancellor John Sharp, several system and university administrators and system attorneys on personnel, real property and legal matters.

INVOCATION

Chairman Thomas called on Ms. Jazzmin Babers ’16, a Texas A&M Interdisciplinary Studies major and All-American Middle Blocker on Texas A&M’s defending Southeastern Conference volleyball team, from Syracuse, New York, who presented the invocation.
CHAIRMAN’S REMARKS

Chairman Thomas said since the last regular meeting, the Board had made several leadership appointments. He said Dr. Ray Keck, was Interim President of Texas A&M University-Commerce and Dr. Pablo Arenaz was Interim President of Texas A&M International University (TAMIU). He said additionally, effective January 1, 2017, Dr. Kelly Quintanilla would serve as interim president of Texas A&M University-Corpus Christi, following the retirement of Dr. Flavius Killebrew. He advised that also joining the A&M System on January 15, was Carrie Byington, M.D. as Vice Chancellor for Health Services, Dean of the College of Medicine and Senior Vice President for the Texas A&M Health Science Center (TAMHSC) within Texas A&M. Chairman Thomas said the A&M System institutions would be in good hands with these leaders on board.

CHANCELLOR’S REMARKS

Chancellor Sharp highlighted accomplishments of the A&M System (a copy of which is on file in the Office of the Board of Regents).

PRESENTATION REGARDING STRATEGIC OPPORTUNITY FOR TEXAS A&M UNIVERSITY-CORPUS CHRISTI AND TEXAS A&M UNIVERSITY-KINGSVILLE

Chancellor Sharp said this presentation (on file in the Office of the Board of Regents) was about whether the A&M System wanted to produce the largest university (in South Texas) at 22,000 students, the largest research university at $45 million, the most diverse academic university with courses offered by both universities, and the strongest athletic program. He advised that this would produce the most powerful university in all four areas west of College Station and south of Austin. Chancellor Sharp said the university would become the first emerging research university in the A&M System, at $45 million in research, and attract jobs, industry and additional research. He added that the emerging research university designation would also result in at least $10 million to the merged universities in research from government sources. He said the consolidation would provide an opportunity for all sports to become Division I, and the effect that athletics had on enrollment and the reputation of the school was undeniable. Chancellor Sharp noted that along with their friends and partners in Corpus Christi and Kingsville and the universities’ alumni, they should decide if they wanted to produce the most powerful university west of College Station and south of Austin in Texas. He said they viewed this as a win-win situation. He emphasized that they had perhaps the last opportunity to produce an amazing university for the students and Texas. Chancellor Sharp said that was reason enough to explore this and proceed.

Chancellor Sharp announced that The University of Texas (UT) had combined their universities south of that area, and at their upcoming board meeting, would inject $20 million into The University of Texas Rio Grande Valley (UTRGV). He said they knew what would happen at the McAllen Center that the A&M System just placed in the Rio Grande Valley, and what was happening at Texas A&M University-San Antonio, where the freshman class far exceeded everything they expected. He pointed out that those
two universities would grow substantially over the years, and they needed to decide whether in 15 years from now they would have the two smallest universities in that area, or would dominate that region with this merger. Chancellor Sharp said there were numerous strategic opportunities; for example, a massive infusion in engineering was needed immediately at A&M-Corpus Christi. He noted that did not mean they would take anything from Texas A&M-Kingsville; they just needed an ocean engineering program to match the Harte Institute. He said they needed industrial engineering for shipping companies like Maersk and others where students could intern. Chancellor Sharp explained that those engineering programs attracted incoming industries, such as ExxonMobil or steel companies from China. He said it had been suggested that they not move any programs from either university for five years after the Southern Association of Colleges and Schools (SACS) accreditation. He advised that this gave everyone time to move together, but it did not mean they could not add programs to Texas A&M-Kingsville or A&M-Corpus Christi, like the engineering programs they discussed. Chancellor Sharp said everyone should keep an open mind and focus on the students and creating the most powerful university in South Texas for a long, long time into the future. He stated that they must determine how the legislators and individuals in those communities feel because it is a strategic opportunity.

Dr. Steven Tallant, President of Texas A&M-Kingsville, reported that Texas A&M-Kingsville and A&M-Corpus Christi had a long history. He said at one time, Texas A&M-Kingsville was Texas A&I, and in the 1970s was part of the University System of South Texas (USST), with headquarters located on the King Ranch. He added that Texas A&I was the flagship university of that system with upper level campuses in Corpus Christi and Laredo. Dr. Tallant said during that 12-year span, they worked together and made efforts to strengthen and improve all three universities. He explained that the USST had a presence in the Coastal Bend area, and they saw other universities emerging and knew they must work together. He said since joining the A&M System in 1989, TAMIU, Texas A&M-Kingsville and A&M-Corpus Christi had flourished and done incredibly well. He noted that he viewed this conceptually as closing the loop or coming back to where they were many decades ago.

Dr. Tallant explained why they would consider this merger. He said they envisioned two campuses, one mission. He noted that the campuses were separated by 36.6 miles, approximately an hour of travel time. He said one-third of the Texas A&M-Kingsville faculty lived on the south side of Corpus Christi. Dr. Tallant added that these two campuses shared many resources and individuals commuting daily between the campuses.

Dr. Tallant said consider 30 years from now how this regional university could best produce students for South Texas and help economic development. He pointed out that this vision looked at regional universities and the fact that every great region had a great university producing research to support it. He said this would create the largest university serving South Texas, the most university research activity south of San Antonio and be extremely close to creating an emerging research university. Dr. Tallant noted that currently there were seven emerging research universities in the state. He said four were in the UT System, along with Texas Tech University, the University of Houston and the
University of North Texas (UNT). He advised that the merger would result in the first emerging research university in the A&M System, and a tremendous increase in opportunities for students and faculty. Dr. Tallant said it automatically opened up everything they had available on each campus to all students. He emphasized that they could deliver courses by distance education where students did not have to commute between campuses. He said faculty could also travel to the campuses to teach. He reported that there were ways to deliver courses and increase opportunities for students. Dr. Tallant said as an emerging research university, opportunities for faculty would increase tenfold in helping build their research portfolios and their careers.

Dr. Tallant announced that data on merging institutions reflected some cost savings, and he suggested putting those cost savings back into faculty and student success to create an environment where everyone did well. He said they could do more for the same, not the same for less. He added that there would be an incredible wealth of natural resources on the land, sea and air if these two universities were combined. Dr. Tallant added that Texas A&M-Kingsville had the best wildlife research center in the country in the Caesar Kleberg Wildlife Research Center. He pointed out that wildlife did not stop at the ocean, but could be in the sea, and combining those resources expanded what faculty could do in terms of research. He said the issue hinged on local and System interest and there were now reasons for that interest. Dr. Tallant advised that Dr. Killebrew would be retiring which left an opening and the timing was right to look at this. He said he was convinced that if they did not do this within six, eight or ten years, the state Legislature would do it anyway. He noted that within the last several years, Georgia had merged eight universities into four universities. Dr. Tallant said they had also done it in Indiana, and state legislatures were looking at universities with similar missions and proximity to consolidate. He stressed that the Coastal Bend region and Corpus Christi were prime for economic development. Dr. Tallant said they should think of Kingsville as The Woodlands 50 years ago; who thought The Woodlands would be where they were now. He asked where Kingsville would be in 40 or 50 years. He said with the current economic development, the opportunity to become an emerging research university and serve that region made remarkable sense. Dr. Tallant reported that he had spent many years in enrollment management and knew they must have a product that attracted faculty and students. He said a unified university would do both, and he worried about Texas A&M-Kingsville’s future in enrollment, student success and research. Dr. Tallant stated that this merger would help, and if they did not grow, they would lose funding because formula funding was based on growth. He said they not only had to grow, they had to grow better than everyone else did. He emphasized that they could stay where they were and be good, but eventually they would not be able to sustain it financially. Dr. Tallant said this was a model of sustainability for the future.

Dr. Tallant said the academic competition in South Texas was A&M-Corpus Christi and Texas A&M-Kingsville, UTRGV in the south, A&M-San Antonio in the north and the University of Texas at San Antonio (UTSA); the area they wanted to capture. He added that with this merger, the university would contain 21,000-plus students and remain a minority and Hispanic-serving institution (HSI). Dr. Tallant said that was extremely important so that they were still open to the federal and state funding they needed to serve the Hispanic population. He advised that this put them in a unique situation of having a
large HSI to meet the needs of South Texas. He said last year the combined universities awarded 3,900 diplomas, had a total of $42 million in research expenditures, and the restricted research -- the federally funded research -- was $27 million. Dr. Tallant emphasized that the endowments would be huge between the two, but there was concern about what would happen to endowments. He said it was not unusual for universities to have endowments for each college; the money could be dedicated to each campus. He noted that the endowments did not have to change, unless they wanted to create an endowment for both campuses together. Dr. Tallant said the merger would put them 12th in total enrollment, 7th in Hispanic enrollment, and 13th in degrees awarded out of 39 public universities in Texas.

Dr. Tallant discussed why they would want to become an emerging research institution. He said for one, it attracted a high caliber of faculty, attracted graduate students, and opened up an enormous amount of resources to the university. He advised that it would take approximately two years after the institutions unified to apply for this funding. He said upon acceptance by SACS, in two years, they would be eligible for the Texas Research Incentive Program (TRIP), a biennium funding of $138 million going to seven universities in Texas, or approximately $9 million. Dr. Tallant added that they would also be eligible for the Core Research Support Fund, approximately $117 million. He said they would be eligible for over a quarter of a million dollars. He noted that it would take several years of growing research expenditures to get the National University Research Fund, but it would be on the horizon. Dr. Tallant said becoming an emerging research institution provided an enormous amount of finances for the university to grow faculty, attract graduate students and increase economic development.

Dr. Tallant announced that the criteria to become an emerging research institution was to offer a comprehensive range of excellent undergraduate and graduate programs; award a minimum of 30 Ph.D. degrees annually; and generate 20% of the research universities’ criteria for restricted research expenditures -- 20% of $150 million, adjusted for inflation, or $30 million. He said between the two institutions there was a tremendous array of programs -- 98 undergraduate programs (some would be duplicates, but not all); 67 master programs, and 11 Ph.D. programs. He noted that they could not count a doctorate in nursing or an E.D.D.; it had to be a Ph.D. Dr. Tallant said they would instantly be at $27 million in research expenditures, $3 million below that threshold and within several years, they would exceed that. He pointed out that they needed to work on increasing the Ph.D. students; it had never been an emphasis at either campus. Dr. Tallant said the most current data indicated that the two institutions graduated 22 Ph.D. students. He added that they would need eight more each year, and Texas A&M-Kingsville had a new Ph.D. program in Sustainable Systems Engineering. Dr. Tallant said they were accepting 10 students per year and were in the second year of that program, so they should easily be able to meet that criteria. He explained that they either were on the verge of, or had met, all three criteria to become an emerging research institution.

Dr. Quintanilla said she would discuss the advantages and challenges of the proposed merger. She pointed out that as often discussed at Board meetings, the success of the students mattered most. She said the merger of Texas A&M-Kingsville and A&M-Corpus Christi would result in broader access to more diverse programs of study for all
students with increased access to academic courses and majors. She explained that this was important to students who had not yet chosen their major, or were changing their majors. She said it was also critically important -- and why it was part of the emerging research criteria -- that they looked toward the future for students’ jobs, which did not yet exist. Dr. Quintanilla emphasized that there was a need for students to think interdisciplinary and have a diverse course of study, and this would definitely be an advantage in that area. She said another advantage was reducing administrative costs, which would free up funding that eventually could be funneled into student education and research. She said both campuses had developed a host of initiatives that would retain students and help them become successful. Dr. Quintanilla said as they moved into the emerging research category and with their increased enrollment, they would have access to additional funding sources for initiatives happening on either campus to benefit students.

Dr. Quintanilla said another advantage for students related to teaching and research, that by working together, students on both campuses would have access to lab space and equipment, as well as distance learning opportunities. She added for example, an A&M-Corpus Christi student might want to take an engineering course not offered at A&M-Corpus Christi, so they could take that course at Texas A&M-Kingsville as a distance opportunity with access to their labs. Dr. Quintanilla said a Texas A&M-Kingsville student might be interested in something A&M-Corpus Christi had to offer, or a research project with a faculty member or students on A&M-Corpus Christi’s campus related to the Lone Star Unmanned Aircraft System. She advised that it would be beneficial to students on both campuses. She said both universities were fast tracking to emerging research institution designation, which meant access to funding that supported research initiatives for faculty. Dr. Quintanilla explained that any time faculty engaged in research, it benefitted students. She said both campuses worked with graduate students and undergraduate students, which was extremely important. She noted that to increase the number of minority faculty in underserved populations, they must get first-generation students in underserved populations into research early so they could see that as a projection down the line. Dr. Quintanilla said this merger would result in a very large institution with the ability to reach out to students that wanted to stay closer to home. She pointed out that there were other advantages for South Texas. She said the Coastal Bend region was poised to take off in ways that were unprecedented in terms of their success. Dr. Quintanilla stated that many industries were entering the area, and both institutions had helped create an environment for the multitude of opportunities. She said industry would not enter an area unless there was an educated workforce and both universities had worked closely with industry to support that. She added that they would continue to support those efforts, which was important to students, their job opportunities and the Coastal Bend. Dr. Quintanilla said in FY 2013, the two campuses combined produced $751 million in economic benefits for the Coastal Bend region, which would increase once they received the emerging research status.

Dr. Quintanilla said there were also challenges, concerns and important issues to consider if the two institutions merged. She noted that A&M-Corpus Christi and Texas A&M-Kingsville were both vibrant, growing and successful institutions. She said there were points of pride in both communities; the Islander university and Javelina nation each had a culture and identity important to who they were and was what helped lead to
their success. Dr. Quintanilla pointed out that as they considered this merger, becoming one university and blending those identities and cultures would be a challenge. She said although ultimately there would be cost savings, they would reinvest that into student success and other educational opportunities. She advised that in the short run the cost savings should probably be invested into marketing areas like advertising and signage that would have to be changed on both campuses. Dr. Quintanilla said additionally they would need to invest in increasing technology for administrative functioning across both campuses and increasing technology opportunities for more distance learning between the two campuses. She added that other concerns related to broad areas of functioning; such as how local concerns about the future direction of the university would be addressed, or how to engage and encourage alumni support, or how to establish a process to communicate effectively with faculty, staff and students to solicit their input into this process. Dr. Quintanilla explained that other concerns were how to resolve back office issues. She said a lot must be worked out related to operations, student records and fundraising. She reported that both enrollment management offices were worried about what the possible merger would do to recruitment for this upcoming year. Dr. Quintanilla said the athletic departments were also extremely worried. She emphasized that branding issues also must be considered and how to build on or enhance the university’s identity over time. She said underlying all these broad categories were a host of questions and issues that must be addressed as they moved forward.

Dr. Quintanilla noted that as Dr. Tallant mentioned, states like Georgia had recently gone through multiple mergers with lists of hundreds of points to consider for a successful merger. She said they would have to ask those critical questions. She advised that in the area of logistics related to academics, they would have to consider many programs, everything from the catalog to what would transfer from university to the next, to what programs overlapped and so on. Dr. Quintanilla said if done correctly, the unified campus could be more efficient with better academic support and programming, but it would take time. She stressed that they would definitely want to ensure that they worked through those details collectively so they had a much stronger outcome. She said athletics must be carefully considered, because A&M-Corpus Christi was a Division I university in the Southland Conference, and Texas A&M-Kingsville was a Division II university in the Lone Star Conference. Dr. Quintanilla pointed out that A&M-Corpus Christi had the same number of men’s sports, but the Javelinas had football and A&M-Corpus Christi had men’s tennis. She said in women’s athletics, they shared eight different sports, and A&M-Corpus Christi had an additional sport, women’s soccer. She added that moving forward, decisions needed to be made on how to work through all the logistics and deal with Title IX issues related to the male-to-female student ratio. Dr. Quintanilla said one advantage was the possibility of having Division I football with the same athletic budget. She said that for example, Sam Houston State University’s athletic budget was $15 million and the combined budget of A&M-Corpus Christi and Texas A&M-Kingsville would be $18 million. She said both institutions had amazing students, who were changing their families and taking on the world by becoming first-generation college students. Dr. Quintanilla explained that the universities were comprised of nationally recognized faculty and dedicated staff, with a strong alumni base and community support. She said as they moved forward, the first priority was communication with these stakeholders. She stated it was important to share information as they were doing today, but also receiving
input to determine the best way to move forward while keeping in mind what was best for the students.

Dr. Killebrew said he would explain the process involved in the potential consolidation. He pointed out that first, the Board’s approval was required and implementation would take between three to five years to complete. He said the next step was filing the legislation. Dr. Killebrew added that after the legislation was filed, the Texas Higher Education Coordinating Board (THECB) would be asked to submit an impact statement laying out the pros and cons and the estimated cost to the Legislative Budget Board (LBB). The impact statement would be part of the information considered by legislators in their decision on passage of a bill authorizing the consolidation. He advised that once the bill passed and became law, the additional steps related to accreditation by SACS’ Commission on Colleges (COC). Dr. Killebrew noted that the SACS COC’s accreditation was necessary for the new institution since financial aid was tied to that, and it was important they ensured that happened effectively and efficiently. He said they were required to immediately notify SACS that this would happen. He explained that it must be done at least six months before the merger and SACS COC would respond with a review and approval process, which could include a campus visit. He said this process would take a minimum of two to three years to complete. Dr. Killebrew reported that additionally both institutions had program-specific accreditations. He said both engineering programs were Accreditation Board for Engineering and Technology, Inc. (ABET) accredited, which was necessary for student licensure. He stated that they would have to work through those issues with each one of the accrediting bodies for the disciplines. He said that was the last step in the process.

Regent Albritton announced that this was a fabulous presentation with many compelling reasons for the merger, but the devil was in the details. He said he believed that this had a lot of “devil” in it because this would not work without buy-in, which usually took some time. He pointed out that he understood they were trying to get this introduced in January or February in the Legislature and this was mid-November. Regent Albritton asked how much buy-in they could get from faculty, students, alumnus and others to ensure they were making the right decision. He added that while there were many compelling reasons to move forward, the Board had an obligation to ensure they had done the correct due diligence. He said this was a big step, which affected two major cities and the state. Regent Albritton emphasized that he would love to think that both cities would win, but often that was hard to execute. He said they needed to dig a little deeper below the surface to ensure that all stakeholders were on board, and only then could the Board make the right decision on how to proceed. He noted that he wanted more information on the faculty, students and alumni’s position.

Regent Albritton said the Board’s job was to educate students, not to be in a race with another university. He advised that they should examine whether or not they were educating students in South Texas. He said if Texas was carrying its load and the A&M System was carrying its load and all students were being educated, the System was accomplishing what the state had asked them to do. Regent Albritton added that if they were not educating the students and needed this type of growth and consolidation, then they must do something about that. He said an important question that should be asked
before they moved forward was if the A&M System was doing the job now. He explained that the research aspect and a combined student body of 21,000 was very compelling, but related to cost savings, they would have to have a football stadium and other facilities. Regent Albritton said consequently, there would be substantial costs.

Regent Albritton stated that he would feel more comfortable as they learned more details and gained confidence that all constituencies had bought into this in a fair and equitable way to all parties concerned. He said most consolidations were because a troubled school was consolidating with a healthy school to stay afloat. He emphasized that the A&M System was consolidating two very successful institutions, which was not often done. Regent Albritton said the schools in the Georgia model were troubled schools. He noted that they needed to look at the model of why institutions typically consolidate. He said they might argue that with the growth factor in this region they had an obligation to the state, students and industry to ensure they were addressing those -- but were they successfully doing that now. Regent Albritton pointed out that one of his concerns was how quickly they were trying to get this enacted in the upcoming legislative session with so many unknowns about whether the constituencies had really bought in. He said the last thing they wanted was a great pro forma, but the execution failed.

Regent Foster said he agreed with Regent Albritton that today’s presentation was the beginning of the process, and filled in many of the gaps and questions he had. He added that it was an excellent pro forma that looked very enticing and something that could propel those two universities to the next level. Regent Foster said in terms of pace, the presentation included two slides entitled “Concerns” and “Other Considerations and Questions.” He explained that he considered those slides Phase II, or the second part of the process. He said he did not know how -- as a Regent -- he could begin to approve a decision this big until he knew the answers to those concerns and considerations. Regent Foster emphasized that they could all believe it was an excellent idea, but without the “buy-in” from those most affected by it, how successful could they be. He said he supported the process they were involved in and going to the next step in the evaluation of the concerns and considerations, getting buy-in and so forth. He noted that from his experience, anything set as an arbitrary schedule without doing the due diligence work, did not work very well. Regent Foster said if they got it done by the legislative session, that was great, but if they did not, they must be driven by the facts and fundamentals of the opportunity they were looking at. He advised that they were on an excellent idea, but he was concerned about the speed of the process.

Regent Buzbee said he liked bold ideas like this, and the presentation was great, but was just the tip of the initial idea. He added that there were so many unanswered questions, which was why there was opposition. He said his first question was what the university would be called. Regent Buzbee asked what about the alumni from an institution that had been in existence since 1925. He said that ultimately one of the cities would dominate, because one was 16 times larger than the other. He pointed out that he liked the idea, but did not think they had focused enough on the down side. Regent Buzbee said they might save money administratively, but had not discussed how much it would cost to accomplish this and whether those two numbers were close to each other.
Regent Buzbee reported that they had not discussed how some programs might be phased out after five years due to the economy of scale or they were being offered elsewhere, and how that affected a commuter who could not travel to Corpus Christi or Kingsville for that program. He pointed out that A&M-Corpus Christi and Texas A&M-Kingsville were 45 miles apart. Regent Buzbee said they did not talk about how the merger might affect other A&M System members in the general area. He noted that there was some competitiveness within the System between some universities, and suddenly two A&M System institutions merged into a “big dog” university. He said other System members had worked equally hard and with whom would they consolidate. Regent Buzbee explained that he would like to see the biggest advantages and the biggest disadvantages. He advised that Kingsville’s population was actually lower than it was in 1990, so the data did not really support the glowing statements made in the presentation. Regent Buzbee announced that the Board was open to this idea and had always wanted a bigger university to get those research dollars, but he believed there would be a lot of push back, especially in Kingsville. He said they could reduce some of that if they demonstrated that this made sense and why.

Vice Chairman Mendoza thanked them for the presentation. She asked if there was a way to quantify, given the demographics of the state, especially South Texas, the unmet need over the next 10, 15 or 20 years, of that growing population and how the combination of these two institutions might meet that need. Dr. James Hallmark, Vice Chancellor for Academic Affairs, replied that they were working with the State Demographer’s office, which had excellent data. He said this data indicated the growth of various demographics in specific regions, the college-going rate of those demographics and the current capacity of institutions in that area. Vice Chairman Mendoza speculated that there would be a lot of unmet need over the next 10 to 15 years, especially in the institution’s location because of the first-generation student population. She questioned that since they were in the middle of this process, was it necessarily sequential how much could be done in parallel. She said if the Board took a vote to consolidate, it did not sound like that was a terminal decision. She added that legislation still had to pass and the SACS accreditation had to happen. Vice Chairman Mendoza said this did not mean it was a done deal, did it?

Dr. Hallmark responded that there certainly were some sequential components of the process, which Dr. Killebrew focused on. He said there were a number of steps; for example, they had been working with colleagues in Georgia and their spreadsheet had 438 decision points and components, and many were mixed into the process. He added that many of those components were questions Dr. Quintanilla mentioned those needed to be addressed. Dr. Hallmark said those would be addressed as the opportunity arose. He advised that it would be premature to have taken a faculty consensus prior to this Board meeting; however, faculty consensus and buy-in was an essential component. He said those kind of things happened over time. Dr. Hallmark noted there were hundreds of steps, many needed to happen soon, and others were not urgent. Vice Chairman Mendoza asked how many of those steps were dependent upon some decision by the Board. She said what she heard was there was interest in pursuing this, but timing was a question, and there was so much data to be gathered. She asked did the Board’s vote help move that further and get everyone serious about providing them information and sharing their thoughts about this prospect.
Chancellor Sharp said the Board’s vote would tell the Legislature to pursue it. He pointed out that they hoped the Legislature would not pursue the merger without the Board’s vote. He said after the Board’s approval, the Legislature would introduce a bill and then there would be hearings and the entire process to pass the legislation. Chancellor Sharp advised that the fastest the SACS accreditation had been completed was 18 months. He said that was where the intense study was done to determine what happened to academic programs in the consolidation.

Regent Schwartz said the point was that the process began here. He added that if they delayed that process, it would never happen.

Regent Albritton asked if they were requesting to go to the Legislature in January or February to introduce the bill. He said were they talking about passing a law that required the A&M System to combine the two institutions.

Regent Schwartz replied that he did not know the terminology.

Regent Albritton noted that if the bill passed, the Legislature would expect the A&M System to merge the two institutions.

Regent Schwartz responded that it might be written to allow that, after SACS accreditation and other processes took place, the A&M System be granted the authority to merge the institutions. He said it did not necessarily have to be a mandatory act.

Regent Buzbee commented that they could always decide later after they had collected information.

Regent Schwartz said that was part of the process where the Legislature, in its wisdom, would collect the input from various constituencies.

Chancellor Sharp announced that the Legislature would hold many committee hearings to gauge the public input. He added that legislators would discuss this with their constituencies and decide. He said in the end, the Legislature made the decision; what this did was indicate to the Legislature that the A&M System was interested in pursuing this merger. Chancellor Sharp emphasized that whether or not they chose to was their decision.

Regent Schwartz said this was a three to five-year process and if they did not start the process now, at best they were looking at a five to seven-year process.

Vice Chairman Mendoza stated that the specific notion was that the Legislature did not have to submit a bill in this session, just because this Board voted.

Regent Albritton said he did not believe that if the Board approved this, the Legislature would just sit there. He added that he felt like if the Board voted, they were saying they wanted to do it. Vice Chairman Mendoza reiterated that meant a Board vote wanted them to pursue this merger.
Regent Mahomes asked could they say that the Board’s vote meant that they had no objection to moving forward. He agreed with Regent Buzbee, this was a big, bold idea. Regent Mahomes added that they should know as much as possible about it, but today they were not voting to approve this, just discussing if they should move forward.

Regent Foster noted that he would be willing to move ahead with the next part of the process. He said as a Board member -- approved by the Legislature to represent the people of this area -- until he saw that the constituents were in support of the idea and concept, he would not do much due diligence to say they would approve it to speed it up. He added that the Board had to satisfy each element of the approval process. He said they might be able to accomplish this in 30 or 60 days, but would be uncomfortable telling the Legislature that they had done everything they needed and were ready for their decision.

Regent Albritton said he understood that if the Board agreed to proceed, that gave Chancellor Sharp the authority to try to get a bill introduced and passed in the Legislature. He advised that the bill might contain stipulations that the A&M System had the right to back out, if the constituents’ feedback was not conducive to doing this. He noted that there was not enough time between now and when they wanted to introduce this legislation to get all the information and answers. Regent Albritton said if they were going to vote, he wanted to know exactly what they were voting on, and the A&M System’s commitment.

Vice Chairman Mendoza said there were several things they needed to know. She added that they did not want this swirling, and regardless if it took three to five years to earnestly begin the process of further investigating this and convincing the communities that the Board needed and wanted their buy-in, along with students, faculty and staff. Vice Chairman Mendoza said if they did not have a trigger event, who would take it seriously enough to put forth the effort in looking at the academic programs to find the gaps and duplicate programs. She advised that there was so much work to do and she was looking for a trigger event to show in earnest that they wanted to gather the appropriate information so that the Legislature and this Board could make the best decision possible.

Regent Albritton agreed, except for everyone’s buy-in. He said if they voted to proceed today or in a week, every one of those communities would think that the Board had already made their decision because they were enacting a bill that allowed consolidation without their input.

Regent Schwartz stated that he agreed with Vice Chairman Mendoza that this was a wonderful opportunity, but the Board’s first obligation was to maximize the students’ chances for success. He said he spent a lot of time looking at the state of education in the nation and Texas, and unfortunately saw increasing stress on these two institutions. He added that this was a chance to provide a first-rate opportunity for students in both communities and turn two excellent universities into a great university. Regent Schwartz said he did not believe that a regent should do anything that had opposition from a substantial number of stakeholders in the various communities. He advised that the political process played out best in the Legislature, not before the Board of Regents. He said the idea that the Regents would not worry about when the Legislature met and delay this process going forward, was to halt the process.
Regent Adams thanked them for an outstanding presentation. He said this consolidation had tremendous merit. He added that they were all mindful that change at any level was hard. He said it was incumbent upon this Board to decide if this was in the best interest of the students, communities they served, and the A&M System. Regent Adams advised that they needed buy-in, but there was always going to be a tremendous amount of push back and they would never get all the buy-in they wanted. He said Texas A&M might still be a military school without women, if not for Earl Rudder.

Regent Morgan asked would their motion give enough authority if -- instead of saying go forward, they approved the merger -- they gave authority to progress in the study of this situation.

Chairman Thomas announced that the Board was not voting on anything today. Regent Morgan responded that she understood, but would that satisfy the other Regents. Chairman Thomas said he did not know.

Vice Chairman Mendoza said for clarification, the Board was not the only decision maker in this process. She added that the Board was the beginning point, but there would be a lot of due diligence once there was a trigger event. She said the Legislature and legislators within those communities ultimately had to determine whether there would be legislation going forward. Vice Chairman Mendoza noted that the Board was part of the process, not the process.

Chairman Thomas said that made sense and agreed.

Student Regent Martinez explained that she would speak on behalf of students from both universities -- which kept both universities alive. She said that during the past month she had the honor of visiting Texas A&M-Kingsville and A&M-Corpus Christi, where she had the opportunity to meet students. She noted that a minimum of 100 students approached her the past week, and she had been contacted by approximately 50 students at each campus via telephone, email and Facebook, and received letters. Student Regent Martinez said both student government associations were livestreaming this meeting and thanked the panel for a great presentation. She commented that the presentation should clear up many questions that caused a lot of concern. She said aside from College Station, she had never entered a campus like Texas A&M-Kingsville where when she asked students why they were attending that university, they replied that their parents and grandparents had gone there. She said that it spoke a lot to what would be lost if these two campuses merged. She said at A&M-Corpus Christi, students were tremendously excited to be part of a growing campus, like TAMU and A&M-San Antonio.

Student Regent Martinez emphasized that students attended these universities based on the campus size. She said they had the option to attend a larger university like Texas A&M, but attended smaller campuses for particular reasons. She explained that personally, she appreciated the student-to-staff ratio in classrooms, which would change with the merger. Student Regent Martinez said the letters she received from students stated that if they had wanted to attend A&M-Corpus Christi or Texas A&M-Kingsville, they
would have. She noted that these students would lose the pride, culture and passion they identified with at their university. She said students attending A&M-Corpus Christi did not want to become “Javelinas,” and Texas A&M-Kingsville students were proud to be Javelinas, and expressed that at each game and daily on campus. Student Regent Martinez added that the student letters urged the Board to consider that they currently did not agree with the merger. She said that in her discussion with Chancellor Sharp, he asked how students could disagree with the proposal without the information. She added that she planned to discuss this with both student government associations within the next few weeks. Student Regent Martinez said they would review this Board meeting and the information to see what students wanted. She asked the Board to consider the cost of student attendance at a university like this. She said TAMIU and A&M-San Antonio were only two hours away, and part of the same university system that wanted to merge two great campuses into one Division I institution with a great athletics program, and they would never be able to catch up. She suggested that they make this presentation at each campus to see what the students wanted, because currently they did not agree with the merger. She said she would be happy to attend and answer questions for students. She pointed out that a Division I institution would not grow if students were not there.

Chairman Thomas thanked Student Regent Martinez for the students’ perspective.

Regent Mahomes said he wanted to add that in deference to the students -- which the Board must always be concerned about -- none of the students currently attending would be there when the merger became final. He advised that he was not being facetious, but change comes slowly and this would take a long time. He said he agreed with Regent Adams that Texas A&M would be much different if someone had not taken leadership in moving forward. Regent Mahomes added that personally, it would be different for women and others if not for the leadership. He said he did not know all the details, but the Board’s role was to take leadership, and how they got there should be left to the Board. He pointed out that he appreciated all the input, but they should not let bold ideas stop just because they did not have all the details. He said he also agreed that they should not move too quickly, but find a balance.

Regent Adams thanked Student Regent Martinez for her comments regarding the parents and grandparents who had attended these universities. He asked her to keep in mind that neither of these campuses would close with this merger. He said they would both be operational and the students would not lose that choice due to the consolidation.

Vice Chairman Mendoza asked if the combined universities were 52% Hispanic serving, and it decreased their stature as an HSI, would they be able to draw down more scholarship and student success dollars and be more competitive with that combination.

Dr. Hallmark said they did not have anything definitive on that. He added that there had been discussion about creating a higher level, like 40%, because so many institutions in the country were now at 25%, but to his knowledge, it had not been enacted. He said that was a good persuasive point when they were talking about drawing down federal funding, particularly from the National Science Foundation (NSF).
Vice Chairman Mendoza asked if they had any information regarding how many additional dollars they could pull down for student success and scholarships.

Dr. Hallmark said the NSF particularly loved those kinds of programs and large universities with high Hispanic enrollment were particularly attractive to them.

Regent Morgan asked when would the SACS’ accreditation be. She added it would take two to three years for the merger and two to three years for the SACS accreditation, so were they looking at six to seven years. Dr. Hallmark replied in the negative. He said once the legislative piece was completed, the institutions would be putting together the prospectus to SACS COC and that process would begin immediately. He noted that it had to meet their meetings timeline, but probably by the fall 2019 or fall 2020.

Vice Chairman Mendoza added that if the legislation did not pass, none of that happened. Dr. Hallmark replied in the affirmative.

Regent Schwartz said they could all identify many of the “chicken or the egg” issues for this process. He advised that the fact that they could not make that identification was not sufficient reason to stop the process from going forward.

Chairman Thomas announced that no requests had been received by the Board for oral testimony on this subject. He said they received several letters providing written testimony, which had been distributed to the Board members.

**RECESS AND RECONVENE**

Chairman Thomas recessed the meeting at 2:26 p.m.

(Note: The Committee on Audit convened at 2:26 p.m. and adjourned at 2:40 p.m. The Committee on Finance convened at 2:40 p.m. and adjourned at 2:46 p.m. The Committee on Buildings and Physical Plant convened at 2:46 p.m. and adjourned at 3:10 p.m.)

Chairman Thomas reconvened the meeting at 3:10 p.m.
REPORT FROM THE COMMITTEE ON AUDIT

Regent Morgan, Chairman of the Committee on Audit, said the committee met earlier and received several reports and updates, including the Monthly Audit Report, the Audit Tracking Report, Management’s Responses to the Audit Tracking Report and the Fiscal Year 2016 Internal Audit Annual Report.

REPORT FROM THE COMMITTEE ON FINANCE

Regent Schwartz, Chairman of the Committee on Finance, said the committee met earlier and considered Item 1.1. He added that the committee recommended Board approval of the item.

On motion of Regent Adams, seconded by Regent Buzbee, and by a unanimous vote, the following minute order was approved (224):

MINUTE ORDER 224-2016 (ITEM 1.1)

APPROVAL OF FY 2018 OPERATING BUDGET GUIDELINES,
THE TEXAS A&M UNIVERSITY SYSTEM

The Texas A&M University System guidelines for the FY 2018 operating budget, as shown in the attached exhibit, are hereby adopted.

REPORT FROM THE COMMITTEE ON ACADEMIC AND STUDENT AFFAIRS

Vice Chairman Mendoza, Chairman of the Committee on Academic and Student Affairs, said the committee met the previous day and received several discussion items. She added that they began with a presentation by Dr. Katherine Banks, Vice Chancellor and Dean of Engineering, on the 25 by 25 initiative. She said a lot of positive progress had been made, and congratulated Dr. Banks. Vice Chairman Mendoza advised that Mr. Michael Young, President of Texas A&M, underscored the idea that growth followed quality and they had shown that was the case. She noted that Dr. Banks and her team were to be commended on a spectacular ABET review with zero findings, where the 25 by 25 initiative was one of the pinnacle highlights of their review.

Vice Chairman Mendoza reported that the committee received a presentation by Dr. Karan Watson, Provost and Executive Vice President at Texas A&M, on all three levels of faculty salaries. She said they received broad information across the A&M System on where they stood in a competitive salary range -- with not only state institutions, but also breaking that down between Tier 1 institutions and so on. She noted that they would be discussing follow-up information. Vice Chairman Mendoza said she appreciated Dr. Watson taking the lead on that and generating that information. She
advised that the committee also received a presentation by Dr. Hallmark on student success metrics on enrollment. She said there was a lot of good information, some of which would be incorporated into the System strategic plan. Vice Chairman Mendoza announced that in February they would have a deep dive into the student success metrics for the A&M System. She said last year, that yielded a lot of great conversation and more metrics that Dr. Hallmark and his team were working to pull forward.

REPORT FROM THE COMMITTEE ON BUILDINGS AND PHYSICAL PLANT

Regent Adams said the committee met earlier and approved Items 3.1 through 3.10 as presented.

On motion of Regent Adams, seconded by Regent Morgan, and by a unanimous vote, the following minute orders were approved (225 through 234):

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MINUTE ORDER 225-2016 (ITEM 3.1)

APPROVAL OF THE PROJECT SCOPE AND BUDGET, APPROPRIATION FOR CONSTRUCTION SERVICES, AND APPROVAL FOR CONSTRUCTION FOR THE WEST CAMPUS SUPPORT BUILDING PROJECT (02-3177), TEXAS A&M UNIVERSITY, COLLEGE STATION, TEXAS, THE TEXAS A&M UNIVERSITY SYSTEM

The project scope along with a project budget of $17,000,000 for the West Campus Support Building Project is approved.

The amount of $17,000,000 is appropriated from Account No. 01-083536, Revenue Financing System Debt Proceeds, (Housing Revenue), for construction services and related project costs. The amount of $1,700,000 is reverted to Account No. 02-808817, Reserve-Housing Capital Projects.

The West Campus Support Building Project, Texas A&M University, College Station, Texas, 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 226-2016 (ITEM 3.2)

APPROVAL OF THE PROJECT SCOPE AND BUDGET, APPROPRIATION FOR CONSTRUCTION SERVICES, AND APPROVAL FOR CONSTRUCTION FOR THE BIOCONTAINMENT RESEARCH FACILITY PROJECT (02-3205), TEXAS A&M UNIVERSITY, COLLEGE STATION, TEXAS, THE TEXAS A&M UNIVERSITY SYSTEM

The project scope along with a project budget of $86,000,000 for the Biocontainment Research Facility Project is approved.

The amount of $75,000,000 is appropriated from Account No. 01-083536 Revenue Financing System Debt Proceeds, (TRB), and the amount of $1,500,000 is appropriated from Account No. 01-084243 Permanent University Fund Debt Proceeds (AUF), for construction services and related project costs.

The Biocontainment Research Facility Project, Texas A&M University, College Station, Texas, 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 227-2016 (ITEM 3.3)

APPROVAL OF THE PROJECT SCOPE AND BUDGET, APPROPRIATION FOR CONSTRUCTION SERVICES, AND APPROVAL FOR CONSTRUCTION FOR THE HVAC REPLACEMENT AT MOSHER HALL PROJECT (02-3213), TEXAS A&M UNIVERSITY, COLLEGE STATION, TEXAS, THE TEXAS A&M UNIVERSITY SYSTEM

The project scope along with a project budget of $15,028,100 for the HVAC Replacement at Mosher Hall Project is approved.

The amount of $15,028,100 is appropriated from Account No. 01-083536, Revenue Financing System Debt Proceeds (Housing Revenue), for construction services and related project costs. The amount of $1,340,000 is reverted to Account No. 02-030062 Residence Life.

The HVAC Replacement at Mosher Hall Project, Texas A&M University, College Station, Texas, 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 228-2016 (ITEM 3.4)

APPROVAL OF THE PROJECT SCOPE AND BUDGET, APPROPRIATION FOR CONSTRUCTION SERVICES, AND APPROVAL FOR CONSTRUCTION FOR THE ADDITION OF INSTRUCTIONAL AND SUPPORT SPACES PROJECT (16-3206), TEXAS A&M INTERNATIONAL UNIVERSITY, LAREDO, TEXAS, THE TEXAS A&M UNIVERSITY SYSTEM

The project scope along with a project budget of $71,000,000 for the Addition of Instructional and Support Spaces Project is approved.
The amount of $55,200,000 is appropriated from Account No. 01-083536, Revenue Financing System Debt Proceeds (TRB), the amount of $4,922,382 is appropriated from Account No. 16-141026, HEAF-Addition of Instructional and Support Spaces, and the amount of $4,667,618 is appropriated from Account No. 16-210224, DT-Addition of Instructional and Support Spaces, for construction services and related project costs.

The Addition of Instructional and Support Spaces Project, Texas A&M International University, Laredo, Texas, 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 229-2016 (ITEM 3.5)**

**APPROVAL OF THE PROJECT SCOPE AND BUDGET, APPROPRIATION FOR CONSTRUCTION SERVICES, AND APPROVAL FOR CONSTRUCTION FOR THE NURSING AND HEALTH SCIENCES BUILDING PROJECT (21-3186), TEXAS A&M UNIVERSITY-COMMERCE, COMMERCE, TEXAS, THE TEXAS A&M UNIVERSITY SYSTEM**

The project scope along with a project budget of $54,000,000 for the Nursing and Health Sciences Building Project is approved.

The amount of $48,000,000 is appropriated from Account No. 01-083536, Revenue Financing System Debt Proceeds (TRB), and the amount of $600,000 is appropriated from Account No. 21-185035, HEF-Nursing Building-New, for construction services and related project costs.

The Nursing and Health Sciences Building Project, Texas A&M University-Commerce, Commerce, Texas, 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 230-2016 (ITEM 3.6)**

**APPROVAL OF THE PROJECT SCOPE AND BUDGET, APPROPRIATION FOR CONSTRUCTION SERVICES, AND APPROVAL FOR CONSTRUCTION FOR THE MEDICAL RESEARCH AND EDUCATION BUILDING 2 PROJECT (23-3203), TEXAS A&M UNIVERSITY HEALTH SCIENCE CENTER, BRYAN, TEXAS, THE TEXAS A&M UNIVERSITY SYSTEM**

The project scope along with a project budget of $103,800,000 for the Medical Research and Education Building 2 Project is approved.

The amount of $62,000,000 is appropriated from Account No. 01-083536, Revenue Financing System Debt Proceeds (Tuition Revenue Bonds), and the amount of $31,800,000 is appropriated from Account No. 01-083536 Revenue Financing System Debt Proceeds (Designated Tuition and Interest Income), for construction services and related project costs.

The Medical Research and Education Building 2 Project, Texas A&M University Health Science Center, Bryan, Texas, 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 231-2016 (ITEM 3.7)**

**APPROVAL OF THE PROJECT SCOPE AND BUDGET, APPROPRIATION FOR CONSTRUCTION SERVICES, AND APPROVAL FOR CONSTRUCTION FOR THE MULTIPURPOSE BUILDING 3 PROJECT (24-3194), TEXAS A&M UNIVERSITY-CENTRAL TEXAS, KILLEEN, TEXAS, THE TEXAS A&M UNIVERSITY SYSTEM**

The project scope along with a project budget of $36,000,000 for the Multipurpose Building 3 Project is approved.

The amount of $32,400,000 is appropriated from Account No. 01-083536, Revenue Financing System Debt Proceeds (TRB), for construction services and related project costs.

The Multipurpose Building 3 Project, Texas A&M University-Central Texas, Killeen, Texas, 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 232-2016 (ITEM 3.8)

APPROVAL OF THE PROJECT SCOPE AND BUDGET, APPROPRIATION FOR PRE-CONSTRUCTION AND CONSTRUCTION SERVICES, AND APPROVAL FOR CONSTRUCTION FOR THE NEW CAMPUS ELECTRICAL SUBSTATION AND CAPACITY UPGRADE PROJECT (7-2015), TEXAS A&M UNIVERSITY, COLLEGE STATION, TEXAS, TEXAS A&M UNIVERSITY

The project scope along with a project budget of $9,750,000 for the New Campus Electrical Substation and Capacity Upgrade Project is approved.

The amount of $9,750,000 is appropriated from Account No. 01-083536, Revenue Financing System Debt Proceeds (Utility Revenue), for pre-construction and construction services and related project costs. The amount of $975,000 is reverted to Account No. 02-808884, Utilities Capital Projects.

The New Campus Electrical Substation and Capacity Upgrade Project, Texas A&M University, College Station, Texas, 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 233-2016 (ITEM 3.9)


The project scope along with a project budget of $6,578,770 for The Gardens at Texas A&M University Project is approved.
The amount of $2,441,683 is appropriated from Account No. 01-083536, Revenue Financing System Debt Proceeds (Gifts), the amount of $2,797,087 is appropriated from Account No. 02-513115, Gardens Project, and the amount of $800,000 is appropriated from Account No. 02-808811, Garden Projects, for construction services and related project costs.

The Gardens at Texas A&M University Project, Texas A&M University, College Station, Texas, 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 234-2016 (ITEM 3.10)

APPROVAL OF THE PROJECT SCOPE AND BUDGET, APPROPRIATION FOR CONSTRUCTION SERVICES, AND APPROVAL FOR CONSTRUCTION FOR THE WATERFRONT EVENTS PAVILION PROJECT (10-5391), TEXAS A&M UNIVERSITY AT GALVESTON, GALVESTON, TEXAS, TEXAS A&M UNIVERSITY

The project scope along with a project budget of $5,956,000 for the Waterfront Events Pavilion Project is approved.

The amount of $3,448,500 is appropriated from Account No. 01-083536, Revenue Financing System Debt Proceeds (Outsourced Dining: Chartwells/Commissions), the amount of $1,007,500 is appropriated from Account No. 10-034010 Dining Services-Reserve, and the amount of $1,000,000 is appropriated from Account No. 10-026340 Outsourced Dining: Chartwells, for construction services and related project costs.

The Waterfront Events Pavilion Project, Texas A&M University at Galveston, Galveston, Texas, 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.

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**ADDITIONAL ITEMS CONSIDERED BY THE BOARD**

Chairman Thomas announced that the Board began working on a strategic plan for the System over a year ago. He said that he appreciated the time and effort everyone put into this plan. He advised that they had a good result that would provide a strong framework for guiding the A&M System going forward.

Mr. Billy Hamilton presented Item 5.1.

On motion of Regent Mahomes, seconded by Vice Chairman Mendoza, and by a unanimous vote, the following minute order was approved (235):

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**MINUTE ORDER 235-2016 (ITEM 5.1)**

**APPROVAL OF THE TEXAS A&M UNIVERSITY SYSTEM 2016-2021 STRATEGIC PLAN, THE TEXAS A&M UNIVERSITY SYSTEM**

The Board of Regents, in establishing strategic direction for The Texas A&M University System, participated in a strategic planning process. The yearlong process resulted in the establishment of The Texas A&M University System 2016-2021 Strategic Plan, as shown in the attached exhibit, which is hereby approved by The Texas A&M University System Board of Regents. In order to ensure accountability to the Plan, the A&M System Offices is required to monitor measures of success and report annually to the Board of Regents on the progress of the Plan.
Chairman Thomas presented Items 5.2 through 5.10 (considered in executive session).

On motion of Regent Morgan, seconded by Regent Adams, and by a unanimous vote, the following minute orders were approved (236 through 244):

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**MINUTE ORDER 236-2016 (ITEM 5.2)**

**AUTHORIZATION TO LEASE UP TO 95,000 SQUARE FEET OF OFFICE AND WAREHOUSE SPACE IN THE NORTHPOINTE BUSINESS PARK LOCATED IN BRYAN, BRAZOS COUNTY, TEXAS, THE TEXAS A&M UNIVERSITY SYSTEM**

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 take all steps necessary to negotiate, execute and deliver one or more leases totaling up to 95,000 square feet of office and warehouse space at 2870 North Harvey Mitchell Parkway, Bryan, Brazos County, Texas, for use by The Texas A&M University System members.

**MINUTE ORDER 237-2016 (ITEM 5.3)**

**AUTHORIZATION TO EXECUTE A FIRST AMENDMENT TO GROUND LEASE IN SUPPORT OF THE FIXED BASED OPERATIONS OPERATING AGREEMENT AND AIRPORT OPERATIONS MANAGEMENT AGREEMENT COVERING AIRPORT OPERATIONS AT EASTERWOOD AIRPORT, THE TEXAS A&M UNIVERSITY SYSTEM**

The Chancellor of The Texas A&M University System, or designee, following review for legal sufficiency by the Office of General Counsel, is authorized to negotiate, execute and deliver to Astin Limited, L.L.C., or affiliate, a First Amendment to Ground Lease ratifying and amending the existing ground lease covering six parcels of land at Easterwood Airport for a term not to exceed 30 years for construction of capital improvements required to be built pursuant to the terms and conditions of the Fixed Based Operations Operating Agreement dated June 1, 2014, as amended, and to execute any and all other documents deemed necessary to consummate the transactions.

As required by Section 6(b) of the Master Resolution of the Revenue Financing System, the Board hereby determines that after conveyance of the leasehold estate 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 238-2016 (ITEM 5.4)**

**AUTHORIZATION TO EXECUTE A LEASE OF LAND ON THE CAMPUS OF TEXAS A&M INTERNATIONAL UNIVERSITY FOR CONSTRUCTION OF A TENNIS COMPLEX, TEXAS A&M INTERNATIONAL UNIVERSITY**

The Chancellor of The Texas A&M University System, or designee, following review for legal sufficiency by the Office of General Counsel, is authorized to negotiate, execute, and deliver a ground lease of approximately twelve acres on the campus of Texas A&M International University for the design and construction of a tennis complex for use by Texas A&M International University and the local tennis community, and to take any and all additional action and execute any and all ancillary documents deemed necessary to consummate the transaction.

**MINUTE ORDER 239-2016 (ITEM 5.5)**

**AUTHORIZATION TO SELL THE LAND AND IMPROVEMENTS LOCATED AT 102 CHILDS STREET IN CENTER, SHELBY COUNTY, TEXAS, TEXAS A&M VETERINARY MEDICAL DIAGNOSTIC LABORATORY**

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 sell the land and improvements at 102 Childs Street in Center, Shelby County, Texas, upon such terms and conditions as the Chancellor, or designee, deems appropriate, and is further authorized, following approval for legal sufficiency by the Office of General Counsel, to execute and deliver such documents as the Chancellor, or designee, deems appropriate to effectuate the sale.

**MINUTE ORDER 240-2016 (ITEM 5.6)**

**AUTHORIZATION TO PURCHASE LAND AND IMPROVEMENTS IN GALVESTON COUNTY, TEXAS, TEXAS A&M UNIVERSITY**

The Chancellor of The Texas A&M University System, or designee, following legal review by the Office of General Counsel, is authorized to negotiate, execute and deliver all documents and to take all other action necessary to purchase approximately 2.713 acres of land, more or less, and improvements adjacent to the campus of Texas A&M University at Galveston and commonly known as the Edison Chouest C-Port facility, in Galveston, Galveston County, Texas.
MINUTE ORDER 241-2016 (ITEM 5.7)

AUTHORIZATION FOR THE PRESIDENT TO NEGOTIATE AND EXECUTE A NEW EMPLOYMENT CONTRACT WITH PATRICK S. HENRY, HEAD MEN’S AND WOMEN’S TRACK AND FIELD COACH, TEXAS A&M UNIVERSITY

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

Head Men’s and Women’s Track and Field Coach - Patrick S. Henry.

MINUTE ORDER 242-2016 (ITEM 5.8)

APPOINTMENT OF DR. PABLO ARENAZ AS PRESIDENT OF TEXAS A&M INTERNATIONAL UNIVERSITY, THE TEXAS A&M UNIVERSITY SYSTEM

Effective immediately, Dr. Pablo Arenaz is hereby appointed president of Texas A&M International University, at an initial salary of $335,265.

MINUTE ORDER 243-2016 (ITEM 5.9)

APPOINTMENT OF DR. RAY M. KECK, III AS PRESIDENT OF TEXAS A&M UNIVERSITY-COMMERCE, THE TEXAS A&M UNIVERSITY SYSTEM

Effective immediately, Dr. Ray M. Keck, III is hereby appointed president of Texas A&M University-Commerce, at an initial salary of $335,265.

MINUTE ORDER 244-2016 (ITEM 5.10)

NAMING OF MR. GREGORY D. WINFREE AS SOLE FINALIST FOR AGENCY DIRECTOR OF TEXAS A&M TRANSPORTATION INSTITUTE, THE TEXAS A&M UNIVERSITY SYSTEM

Mr. Gregory D. Winfree is hereby named the sole finalist for Agency Director of Texas A&M Transportation Institute. As required by state law, final action may be taken after the 21-day notice is given.

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Dr. Banks presented Item 5.11.
On motion of Vice Chairman Mendoza, seconded by Regent Foster, and by a unanimous vote, the following minute order was approved (245):

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**MINUTE ORDER 245-2016 (ITEM 5.11)**

ADOPTION OF A RESOLUTION HONORING DENNIS L. CHRISTIANSEN, PH.D., P.E., FOR HIS OUTSTANDING DEDICATION AND SERVICE AS AGENCY DIRECTOR OF THE TEXAS A&M TRANSPORTATION INSTITUTE, THE TEXAS A&M UNIVERSITY SYSTEM

The Board of Regents of The Texas A&M University System adopted the resolution set forth in the attached exhibit.

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Dr. Christensen thanked the Board for the resolution and the support they had given the Texas A&M Transportation Institute (TTI) for so many years, which allowed them to do what they did. He especially thanked Chancellor Sharp because much of what they had accomplished in the last five years would not have happened without his help. He said it had been fun to be a small part of what Chancellor Sharp and Dr. Banks made happen over the last five years. Dr. Christensen advised that the agency status TTI had in the A&M System was the reason they were the size, depth and breadth they were. He said that organizational status gave them an unfair advantage against all the competition and allowed them to do what they were doing. He added that Mr. Winfree was a good friend and would bring a network and set of skills with him that guaranteed TTI would do well moving forward.

**CONSENT AGENDA ITEMS**

Chairman Thomas presented Items 6.1 through 6.26.

On motion of Regent Adams, seconded by Regent Morgan, and by a unanimous vote, the following minute orders were approved (246 through 271):

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MINUTE ORDER 246-2016 (ITEM 6.1)

APPROVAL OF MINUTES FROM THE SEPTEMBER 1, 2016, REGULAR BOARD MEETING; SEPTEMBER 1, 2016, SPECIAL BOARD MEETING; SEPTEMBER 2, 2016, SPECIAL WORKSHOP MEETING; SEPTEMBER 27, 2016, SPECIAL TELEPHONIC MEETING; AND OCTOBER 18, 2016, SPECIAL TELEPHONIC MEETING, BOARD OF REGENTS, THE TEXAS A&M UNIVERSITY SYSTEM

The Minutes of the September 1, 2016, Regular Board Meeting; the September 1, 2016, Special Board Meeting; the September 2, 2016, Special Workshop Meeting; the September 27, 2016, Special Telephonic Meeting; and the October 18, 2016, Special Telephonic Meeting are hereby approved.

MINUTE ORDER 247-2016 (ITEM 6.2)

GRANTING OF THE TITLE OF EMERITUS/EMERITA, NOVEMBER 2016, THE TEXAS A&M UNIVERSITY SYSTEM

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 the attached exhibit, Emeritus/Emerita Title List No. 17-02, and grants all rights and privileges of this title.

MINUTE ORDER 248-2016 (ITEM 6.3)

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

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 confirms the appointment and commissioning of campus peace officers by the presidents of their respective system member universities, in accordance with the requirements of the law, and as shown in the exhibit, attached to the official minutes, subject to their taking the oath required of peace officers.
MINUTE ORDER 249-2016 (ITEM 6.4)


The Board of Regents of The Texas A&M University System hereby grants the designation of “Regents Professor” for exemplary performance during FY 2015-16 to the following 11 faculty members, effective immediately:

Dr. David E. Bergbreiter, Texas A&M University
Dr. Samuel D. Brody, Texas A&M University at Galveston
Dr. Jeffrey D. Cirillo, Texas A&M Health Science Center
Dr. Roberto R. Heredia, Texas A&M International University
Dr. Kim D. Jones, Texas A&M University-Kingsville
Dr. Mladen Kezunovic, Texas A&M University,
Texas A&M Engineering Experiment Station
Dr. Larry F. Lemanski, Texas A&M University-Commerce
Dr. Robert L. Ohsfeldt, Texas A&M Health Science Center
Dr. Vijay P. Singh, Texas A&M University
Dr. Marilyn Spencer, Texas A&M University-Corpus Christi
Dr. Ryland F. Young III, Texas A&M University, Texas A&M AgriLife Research

The Board of Regents of The Texas A&M University System hereby grants the designation of “Regents Fellow” for exemplary professional service during FY 2015-16 to the following seven agency service, extension and research professionals, effective immediately:

Ms. Lisa K. Akin, Texas A&M Engineering Experiment Station
Dr. Jon A. Epps, Texas A&M Transportation Institute
Mr. Donald Galloway, Texas A&M Forest Service
Ms. Lesa K. Hill, Texas A&M Engineering Extension Service
Dr. Jason B. Moats, Texas A&M Engineering Extension Service
Ms. Darlene Myatt, Texas A&M AgriLife Extension Service
Dr. Joe L. Outlaw, Texas A&M AgriLife Extension.

MINUTE ORDER 250-2016 (ITEM 6.5)

APPROVAL OF REVISIONS TO SYSTEM POLICY 10.01 (INTERNAL AUDITING), THE TEXAS A&M UNIVERSITY SYSTEM

The revisions to System Policy 10.01 (Internal Auditing), as shown in the attached exhibit, are approved, effective immediately.
MINUTE ORDER 251-2016 (ITEM 6.6)

APPROVAL OF REVISIONS TO SYSTEM POLICY 10.02
(CONTROL OF FRAUD, WASTE AND ABUSE),
THE TEXAS A&M UNIVERSITY SYSTEM

The revisions to System Policy 10.02 (Control of Fraud, Waste and Abuse), as shown in the attached exhibit, are approved, effective immediately.

MINUTE ORDER 252-2016 (ITEM 6.7)

APPROVAL OF REVISIONS TO SYSTEM POLICY 25.01
(USE AND OPERATION OF SYSTEM AIRCRAFT),
THE TEXAS A&M UNIVERSITY SYSTEM

The revisions to System Policy 25.01 (Use and Operation of System Aircraft), as shown in the attached exhibit, are approved, effective immediately.

MINUTE ORDER 253-2016 (ITEM 6.8)

APPROVAL OF REVISIONS TO SYSTEM POLICY 25.06
(PARTICIPATION BY HISTORICALLY UNDERUTILIZED BUSINESS),
THE TEXAS A&M UNIVERSITY SYSTEM

The revisions to System Policy 25.06 (Participation by Historically Underutilized Business), as shown in the attached exhibit, are approved, effective immediately.

MINUTE ORDER 254-2016 (ITEM 6.9)

APPROVAL OF REVISIONS TO SYSTEM POLICY 27.04 (BUDGET AUTHORIZATIONS,
LIMITATIONS, AND DELEGATIONS OF AUTHORITY),
THE TEXAS A&M UNIVERSITY SYSTEM

The revisions to System Policy 27.04 (Budget Authorizations, Limitations, and Delegations of Authority), as shown in the attached exhibit, are approved, effective immediately.

MINUTE ORDER 255-2016 (ITEM 6.10)

APPROVAL OF REVISIONS TO SYSTEM POLICY 51.06
(NAMING OF BUILDINGS AND OTHER ENTITIES),
THE TEXAS A&M UNIVERSITY SYSTEM

The revisions to System Policy 51.06 (Naming of Buildings and Other Entities), as shown in the attached exhibit, are approved, effective immediately.
MINUTE ORDER 256-2016 (ITEM 6.11)

GRANTING OF FACULTY DEVELOPMENT LEAVE FOR FY 2017,
TEXAS A&M INTERNATIONAL UNIVERSITY

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 member as shown in the exhibit, Faculty Development Leave List FY 2017, Texas A&M International University.

MINUTE ORDER 257-2016 (ITEM 6.12)

APPROVAL OF ACADEMIC TENURE, NOVEMBER 2016,
TEXAS A&M UNIVERSITY

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 at Texas A&M University as set forth in the exhibit, Tenure List No. 17-02.

MINUTE ORDER 258-2016 (ITEM 6.13)

ESTABLISHMENT OF THE CENTER FOR TRANSLATION OF HEALTHCARE TECHNOLOGIES,
TEXAS A&M UNIVERSITY AND TEXAS A&M ENGINEERING EXPERIMENT STATION

The Center for Translation of Healthcare Technologies is hereby established as a joint center between Texas A&M University and the Texas A&M Engineering Experiment Station.

MINUTE ORDER 259-2016 (ITEM 6.14)

ESTABLISHMENT OF THE ADVANCED SCIENTIFIC COMPUTING CENTER,
TEXAS A&M UNIVERSITY AND, TEXAS A&M ENGINEERING EXPERIMENT STATION

The Advanced Scientific Computing Center is hereby established as a joint center between Texas A&M University and the Texas A&M Engineering Experiment Station at Texas A&M University at Qatar.
MINUTE ORDER 260-2016 (ITEM 6.15)

ESTABLISHMENT OF THE CENTER FOR POPULATION HEALTH AND AGING, TEXAS A&M UNIVERSITY

The Center for Population Health and Aging is hereby established as a center of Texas A&M University within the Texas A&M University Health Science Center.

MINUTE ORDER 261-2016 (ITEM 6.16)

APPROVAL OF A NEW MASTER OF SCIENCE IN NURSING DEGREE PROGRAM WITH A MAJOR IN FORENSIC NURSING, AND AUTHORIZATION TO REQUEST APPROVAL FROM THE TEXAS HIGHER EDUCATION COORDINATING BOARD, TEXAS A&M UNIVERSITY

The Board of Regents of The Texas A&M University System approves the establishment of a new degree program at Texas A&M University leading to a Master of Science in Nursing with a major in Forensic Nursing.

The Board also authorizes submission of Texas A&M University’s new degree program 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 262-2016 (ITEM 6.17)

APPROVAL OF A NEW MASTER’S DEGREE IN PHYSICIAN ASSISTANT STUDIES, AND AUTHORIZATION TO REQUEST APPROVAL FROM THE TEXAS HIGHER EDUCATION COORDINATING BOARD, TEXAS A&M UNIVERSITY

The Board of Regents of The Texas A&M University System approves the establishment of a new degree program at Texas A&M University leading to a Master of Physician Assistant Studies.

The Board also authorizes submission of Texas A&M University’s new degree program 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 263-2016 (ITEM 6.18)

APPROVAL OF A NEW BACHELOR OF SCIENCE
DEGREE PROGRAM WITH A MAJOR IN OCEANOGRAPHY,
AND AUTHORIZATION TO REQUEST APPROVAL FROM THE
TEXAS HIGHER EDUCATION COORDINATING BOARD,
TEXAS A&M UNIVERSITY

The Board of Regents of The Texas A&M University System approves the establishment of a new degree program at Texas A&M University leading to a Bachelor of Science in Oceanography.

The Board also authorizes submission of Texas A&M University’s new degree program 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 264-2016 (ITEM 6.19)

NAMING OF AREAS WITHIN THE GARDENS:
“CENTURY OAK II IN MEMORY OF DAN D. CLINTON, SR. ’21
– HARRIS COUNTY EXTENSION AGENT”;
“EDNA FUCHS MEMORIAL ROSE BED”; AND
“PATTY AND JOE HLAVINKA, JR. ’56 FARM TRAIL,”
TEXAS A&M UNIVERSITY

The Board of Regents of The Texas A&M University System hereby names the following areas within The Gardens.

Century Oak II - “Century Oak II In Memory of Dan D. Clinton, Sr. ’21 - Harris County Extension Agent”

Rose Bed - “Edna Fuchs Memorial Rose Bed”

Farm Trail - “Patty and Joe Hlavinka, Jr. ’56 Farm Trail.”

MINUTE ORDER 265-2016 (ITEM 6.20)

NAMING OF THE
“DOROTHY AND ARTHUR MCFERRIN ’65
PARSONS MOUNTED CAVALRY HEADQUARTERS,”
TEXAS A&M UNIVERSITY

The Board of Regents of The Texas A&M University System hereby names the new Parsons Mounted Cavalry Headquarters Facility located at the Fiddler’s Green at 3748 F&B Road (northwest corner of Harvey Mitchell Parkway and F&B Road) the “Dorothy and Arthur McFerrin ’65 Parsons Mounted Cavalry Headquarters.”
MINUTE ORDER 266-2016 (ITEM 6.21)

APPROVAL OF ACADEMIC TENURE, NOVEMBER 2016,
TEXAS A&M UNIVERSITY-COMMERCE

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 at Texas A&M University-Commerce as set forth in the exhibit, Tenure List No. 17-02.

MINUTE ORDER 267-2016 (ITEM 6.22)

ESTABLISHMENT OF THE
BIOMEDICAL INSTITUTE FOR REGENERATIVE RESEARCH,
TEXAS A&M UNIVERSITY-COMMERCE

The Biomedical Institute for Regenerative Research is hereby established as an organizational unit of Texas A&M University-Commerce within the College of Science and Engineering.

MINUTE ORDER 268-2016 (ITEM 6.23)

APPROVAL OF ACADEMIC TENURE, NOVEMBER 2016,
TEXAS A&M UNIVERSITY-KINGSVILLE

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 member at Texas A&M University-Kingsville, as set forth in the exhibit, Tenure List No. 17-02.

MINUTE ORDER 269-2016 (ITEM 6.24)

AUTHORIZATION TO ESTABLISH THREE QUASI-ENDOWMENTS,
TEXAS A&M UNIVERSITY-KINGSVILLE

The Board of Regents of The Texas A&M University System authorizes the president of Texas A&M University-Kingsville to establish three quasi-endowments entitled as follows.

- “Arrington Match – Becky & Maurice Schmidt Conner Museum Quasi-Endowment”
- “Arrington Match – Julie & Balous Miller Dream Scholarship Quasi-Endowment”
- “Arrington Match – Flores-Feist Chemistry Student Travel Quasi-Endowment”
MINUTE ORDER 270-2016 (ITEM 6.25)

APPROVAL OF A NEW MASTER OF SCIENCE IN ACCOUNTING DEGREE PROGRAM, AND
AUTHORIZATION TO REQUEST APPROVAL FROM THE
TEXAS HIGHER EDUCATION COORDINATING BOARD,
TEXAS A&M UNIVERSITY-TEXARKANA

The Board of Regents of The Texas A&M University System approves the establishment of a new degree program at Texas A&M University-Texarkana leading to a Master of Science in Accounting.

The Board also authorizes submission of Texas A&M University-Texarkana’s new degree program 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 271-2016 (ITEM 6.26)

APPROVAL OF 2017 STILES FARM FOUNDATION BUDGET,
TEXAS A&M AGRILIFE EXTENSION SERVICE

The Board of Regents of The Texas A&M University System, acting in its capacity as trustees of the Stiles Farm Foundation, hereby approves the operating budget for the Stiles Farm Foundation for calendar year 2017, attached to the official minutes as shown in the attached exhibit.

ANNOUNCEMENTS

Chairman Thomas announced that the next regular Board meeting was scheduled for Thursday, February 9, 2017, and the Committee on Academic and Student Affairs’ meeting was scheduled for Wednesday, February 8, 2017.

ADJOURN

There being no further business, Chairman Thomas asked for a motion to adjourn. Upon motion of Regent Buzbee, seconded by Regent Adams, the meeting was adjourned at 3:30 p.m.

Vickie Burt Spillers
Executive Director, Board of Regents

(Minutes transcribed by Gwen Kirby, Office of the Board of Regents.)
The Texas A&M University System
FY 2018 Operating Budget Guidelines

The Texas A&M University System (A&M System) is committed to serving the citizens of the state of Texas and understands that the valuable, but limited, resources provided to us must be utilized in the most efficient and effective manner and, as always, with the benefit of the state taxpayers foremost on our minds. The A&M System will continue to act as good stewards of the state of Texas' limited resources and will ensure the benefit to the state taxpayer is considered in every academic, research and service activity performed.

The A&M System remains focused on keeping the cost of attending our universities affordable, expanding student access, improving existing programs, developing new programs to meet new demands, expanding research and commercialization capabilities and implementing operational efficiencies through shared services, strategic outsourcing and other opportunities. Careful consideration must be given to maintaining the proper balance between tuition and fee increases and financial aid, and the effects these have on student access. The imperative of excellence in all we do and the reality of resource limitations in the state of Texas increase the difficulty of meeting these challenges and dictate that we devote our collective skills to ensuring that the productivity of all A&M System resources is optimized.

In preparation for the upcoming FY 2018 budget process, we will remain focused on keeping administrative costs low through the continued improvement of operational efficiencies. In addition, budget recommendations shall be prepared within the estimated funds available and reserve balances should only be used in special one-time situations or where a definite plan provides justification of a limited use of such balances. In self-supporting activities, total funds budgeted shall not exceed realistic estimates of income and balances brought forward. It is expected that government and private contracts will finance their proportionate share of increases being recommended. Recommendations for other operating expenses should be based upon careful estimates of actual needs, taking into account every possibility for savings. Every effort should be made to ensure that we are taking advantage of cost savings opportunities and reducing expenditures wherever possible. In addition, all budgetary projections should include provisions to accommodate items subject to possible inflationary increases during the course of this operating year.

Chief Executive Officers are authorized to begin the process of preparing the FY 2018 operating budgets within the limits of available resources. The System Office of Budgets and Accounting will provide detailed instructions to be used in the support of each phase of the review and approval process for the Chancellor and Board of Regents.
FY 2018 Budget Calendar

2016

November

Budget guidelines and budget calendar presented to the Board for approval

2017

January 10th

85th Regular Session begins

February

FY 2017 budget update provided to the Board

May 29th

‘Sine Die,’ 85th Regular Session

June

Preliminary budgets submitted to the System Office of Budgets and Accounting for review

July/August

Programmatic Budget Reviews

August

FY 2018 Budget presented to the Board for approval

Request approval of full-time equivalent (FTE) employment levels and service department agenda items
Board of Regents

Strategic Plan

2016 - 2021

September 1, 2016
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Dear Members of The Texas A&M University System Community:

Since our last strategic plan (2009-2013), we have made tremendous progress in providing education, conducting research, and delivering services and training to the people of Texas and beyond. We are proud of our collective accomplishments and recognize this progress would not have been possible without each and every one of you, your commitment to the mission of our land-grant system, and your hard work.

As we look toward the future, we are very aware of the forces reshaping higher education and putting pressure on traditional higher education business models. We live in a dynamic, ever-changing world where the demands placed on higher education institutions, especially large public systems like ours, continue to evolve and increase in complexity. And as a land-grant system, we embrace the responsibility to be responsive to these needs:

- Changes in employer expectations and student career trajectories are challenging us to think in new ways about how to best educate our students and how to provide them with the types of experiential learning opportunities that prepare them for the increasing demands of the workplace and to be well-rounded and engaged citizens.
- Changes in student demographics are encouraging us to think intentionally about the type of support we need to provide our students to succeed.
- The increasingly competitive climate for research funding is inspiring us to think in new ways about collaboration across disciplines, schools, and campuses, and how to leverage our core strengths in research to establish areas of sustainable competitive advantage.
- The growing population of Texas and the growing needs of the local economy are stimulating us to think about innovative ways to make our services, our training, and the translational benefits of our research accessible to the broader public.
- And finally, the evolving financial realities of our system renew our commitment to ensuring that The Texas A&M University System is a responsible and effective steward of our resources and will continue to sustainably deliver excellence in education, research, and services.

In the midst of all these changes, we are confident that with your help, we can not only stay the course, but accelerate progress. As a system of individual member institutions, we are so much more than the sum of our parts. Our diversity makes us strong, and the distinctive combination of universities and agencies, under one system umbrella, makes us uniquely positioned for success going forward.

This strategic plan is the product of a yearlong process which builds on the individual strategic plans of the member institutions and incorporates input from all member institutions. It builds on our strengths, but also presents a bold vision for the future. It is designed to be a living plan that we are committed to monitoring as we execute. We will measure our progress and success, but we will also be flexible in our execution and adjust course as needed. We will do this together, and together we will be one of the finest university systems in the nation.

Sincerely,

Cliff Thomas
Chair, Board of Regents

John Sharp
Chancellor
I. EXECUTIVE SUMMARY

Who We Are: Mission and Core Principles

We are a land-grant system of 11 universities and 7 agencies. Our mission is to provide education, conduct research, commercialize technology, offer training, and deliver services for the people of Texas and beyond through our universities and state agencies.

- As a land-grant system, we embrace our responsibility to serve the state of Texas. This means we will ensure that we provide access to excellent quality education to qualified Texans through our universities and agencies, that our research will be connected to and beneficial for the Texas community, and that our services support and enable citizens, organizations, and businesses throughout Texas. In addition, we believe our role as a national and international leader in education, research, and services will bring great benefits to the state of Texas by attracting students, funding, and innovation from all around world.

- As a system of distinct institutions, we are greater than the sum of our parts, with the contributions of our member universities and agencies extending well beyond their individual campuses. One of the great strengths of the A&M System is the breadth of capabilities our various member institutions bring. As a system, we are successful – in our education, research, and service missions – when we combine complementary capabilities in the pursuit of excellence and access for our constituents.

Three core principles guide us in the pursuit of our mission:

1. **Excellence**: We will pursue excellence in **education** by preparing our students for long-term success. We will pursue excellence in **research** by attracting top-tier researchers and significant research funding to our system and by investing in breakthrough research. We will pursue excellence in **service** by aligning our offerings to the specific needs of Texas and by delivering high-quality training.

2. **Impact**: We will aim not just for excellence, but for impact. Our graduates will be engaged citizens who contribute to the growth of our economy and the well-being of our society, and will be prepared to succeed in an increasingly global work and life environment. Our researchers, whether in universities or in agencies, will translate research into practical solutions that address the needs of our local communities, the nation and the world at large. Our institutions will have a lasting impact on Texas, the nation, and the world by delivering services to meet the needs of our communities.

3. **Access and Affordability**: We are committed to providing a high-quality education at a reasonable price to remain accessible to the people of Texas, regardless of their socio-economic situation. We will leverage our physical presence in all counties of Texas and innovative technology to make services and translational research widely available to the people and organizations of Texas.
Our Vision: Imperatives for the Future

Consistent with our Mission and Core Principles, we have developed a vision that defines success over the next five years. **We intend to be the system of choice for students, employers, faculty and staff, and research funders.** To make this vision a reality, we expect the A&M System to work towards the following imperatives:

1. **All qualified students will find a place in the A&M System and will have an array of pathways to pursue their ambitions and interests.** We will develop a coordinated recruitment and admissions strategy for the A&M System and create coherent pathways among institutions.

2. **The A&M System will remain affordable and accessible.** We will continue to ensure our costs remain reasonable so that the cost of education does not become a barrier for Texans to access the A&M System.

3. **Our students will leave the A&M System as responsible and engaged citizens prepared for successful careers in an increasingly global economy.** Our member institutions will develop the educational experiences, experiential opportunities, and service opportunities our students need to succeed post-graduation in a global economy.

4. **The A&M System will increase its prominence by building a robust and targeted research portfolio.** We will continue to encourage cross-institution and cross-discipline collaboration, and we will support our member institutions in their research pursuits, including obtaining emerging research status.

5. **The A&M System will provide services that respond to the needs of the people of Texas and contribute to the strength of the state’s economy.** We will continue to address the needs of Texas and utilize technology to reach citizens in new ways.

6. **The A&M System, in adhering to the high standard of excellence and growth required in this strategic plan, will display prudent financial stewardship and sustainability.** Our member institutions will be diligent about their plans for growth, and the A&M System will ensure financially sound decision-making at the aggregate level. We have robust financial management capabilities in place and will continue to manage the A&M System’s financial health in a holistic manner.

We will be able to accomplish these imperatives by relying on the strength and the commitment of our people, both faculty and staff. As a system, we recognize the important contributions of faculty and staff, and are committed to recruiting, retaining, and supporting the talent that is so critical to our collective success.

Our Accountability: How We Will Measure Success and Monitor Progress

As a governing board for a diverse system of distinct individual institutions, we embrace our governance role. This plan does not outline specific strategies or tactics to pursue the mission, vision, and imperatives outlined above. Rather, we intend this plan to make clear our aspirations and expectations for the A&M System and member institutions; we then look to the A&M System leadership and member institutions’ leadership to continue to develop plans that leverage their strengths and unique contexts to find success.
The Texas A&M University System, Board of Regents – Strategic Plan 2016 –2021

However, we also seek to ensure that the Board of Regents is actively engaged in its governance role and that this plan serves as a living document to focus our attention and the A&M System’s attention on the key imperatives we embrace. Thus, we have articulated a set of accountability statements that we will focus on as a Board on a regular basis to ensure we measure our success, monitor progress, and actively engage with the A&M System leadership to pursue our goals over the next five years. The measures of success are highlighted below.

| 1. All qualified students will find a place in the A&M System and will have an array of pathways to pursue their ambitions and interests. | 1. Yield of admitted applicants at the A&M System level |
| | 2. Share of total Texas postsecondary enrollment over time |
| | 3. Share of top 10% of Texas high school graduates who join the A&M System over time |
| | 4. Share of Texas high school graduates who join the A&M System that are in the top 10% in terms of SAT scores |
| 2. The A&M System will remain affordable and accessible. | 5. Ratio of student debt to median family income |
| | 6. Percentage of cohort designated as first generation students, underrepresented students, Pell grant recipients |
| | 7. Time-to-degree (matriculation to graduation, accounting for transfers) |
| 3. Our students will leave the A&M System as responsible and engaged citizens prepared for successful careers in an increasingly global economy. | 8. Improvement in absolute persistence rates and graduation rates over time |
| | 9. Actual vs. expected persistence and graduation rates |
| | 10. Placement rates six months after graduation (including employment, graduate school enrollment, service placements) |
| | 11. Salaries at third and fifth years following graduation |
| | 12. Student Return on Investment |
| 4. The A&M System will increase its prominence by building a robust and targeted research portfolio. | 13. Total A&M System-wide research expenditures ($) |
| 5. The A&M System will provide services that respond to the needs of the people of Texas and contribute to the strength of the state’s economy. | 14. Total volume of research activities across the A&M System |
| 6. The A&M System, in adhering to the high standard of excellence and growth required in this strategic plan, will display prudent financial stewardship and sustainability. | 15. Number of National Academy members |
| | 16. Progress toward emerging research status |
| | 17. Number of degrees granted in critical fields identified by the state |
| | 18. Number of agency contact hours |
| | 19. Number of services provided (e.g. diagnostic samples processed, fires fought, emergency rescues) |
| | 20. Composite Financial Index (CFI) – Actual and Forecasted |
| | 21. Reserve ratio |
| | 22. Administrative cost ratio |
| | 23. Return on Investable Assets |
| | 24. State appropriations / Full-time student equivalent |
| | 25. Tuition and fees / Full-time student equivalent |
| | 26. Expansion of donor base and overall funds raised |
Enumerating measures of success is only the beginning. Through our strategic planning process, we have renewed our commitment to building this plan and measuring its success. We will integrate this effort into our ongoing work by creating a process that will ensure we regularly review and ask questions about the progress we are making towards our goals. We will achieve this by doing the following:

- The Board of Regents will hold the A&M System accountable to the strategic plan.
- The A&M System will leverage the existing annual programmatic review process to monitor progress against the strategic plan imperatives and measures of success, and address any issues that arise.
- This process will also be used to facilitate the development of institutional-level growth plans and the synthesis of those plans into a systemwide understanding of growth and its implications.
II. OUR CONTEXT

The Higher Education Landscape and the Needs of Texas

The dynamic nature of higher education in the United States continues to present unique challenges to colleges and universities across the country. Teaching methods, learning tools, faculty and student research methods, and post-graduate employment opportunities are all changing in ways that require coordinated, strategic responses. In Texas, demographic changes and dramatic population growth add complexity to an already shifting landscape. These trends, described in more detail below, have significant implications for how The Texas A&M University System will achieve its mission and remain committed to its core principles.

- **The nature of work is changing.** Students graduating in the next five years will face a vastly different career landscape than past generations. They will have multiple careers—not just multiple jobs—over the course of their lifetime. These changes will demand a durable set of skills to ensure long-term success. Further, technical industries will require specific forms of training and many jobs benefit from on-demand learning opportunities. This means a variety of education approaches—allowing for lifelong learning, not just a one-time college degree—will be required to help prepare students for their rapidly evolving careers. The A&M System will not only be able to provide traditional degree opportunities through its universities, but will also continue to provide non-degree learning opportunities (e.g. courses, certifications, targeted training) through both its agencies and universities.

- **The nature of teaching and learning is changing.** The demand for higher education is shifting. While traditional degree programs will remain a critical part of our education system, training programs, alternative credentials, and competency-based programs are growing and will address the educational needs of the workforce going forward. Given these shifts, agency and non-traditional campus programs will play a growing role in fulfilling the needs of the future workforce. The A&M System will address these diverse educational needs by building on existing training, credentialing, and certificate options.

- **The nature of research is changing.** Today, the major issues in industry, government, and society are complex and multifaceted. Solving these issues requires bringing together scholars, technical experts, and industry professionals from a wide range of disciplines. However, traditional academic structures can often be a barrier to building the cross-sector teams needed to address major issues. In order to provide the interdisciplinary response to address today’s challenges, research efforts must increasingly be based on collaboration across departments and campuses and might even involve partners from industry sectors. Research funders see the value of this interdisciplinary approach and are shifting funding models to support larger-scale collaborative projects. This trend presents an opportunity for the A&M System to harness its collective research capabilities across member universities and agencies. Finally, the commercialization of research is changing. An increasing share of new technology is coming from entrepreneurial environments, requiring institutions to provide additional support to researchers within the A&M System.
The profile of the student population is changing. The college-aged population in Texas is booming. Between 2010 and 2014, the 18-20 year old population in Texas grew 4.5%. Nationally, this college-aged population grew only 0.6% over the same time period. The demographic composition of these prospective students continues to evolve and is much different today than it was years ago. In 2010, 61% of Texas students graduating high school were minorities. In 2014, 66% of Texas high school graduates were minorities. As these demographic shifts occur, higher education institutions must be responsive in how they serve their student body and how they prepare them for success beyond college. Educating and serving these historically under-represented populations will require a new, differentiated approach to student support systems. Given the A&M System’s mission, it is critical that each university and agency consider the distinct demographics of the citizens they serve.

The needs of Texas are growing. The rapid population growth described above is not limited to college-aged Texans. The overall population growth implies an increasing demand for the services that A&M System members provide. A&M System members are already leveraging technology to increase their capacity to deliver practical, research-informed solutions to the broader public. Continued growth will require new and creative uses of technology to expand the methods of service delivery going forward.

The world of higher education is increasingly global: Our economy is increasingly global and it is affecting how higher education institutions operate, how they prepare students, and what educational and research partnerships they pursue. During their college years, our students benefit from classroom and social experiences that open them up to different cultures and languages. They also benefit from a growing number and variety of study abroad experiences. Once they graduate, many of our students will work for multinational companies that have offices across the globe—many of our alumni will live abroad for at least part of their lives. Our faculty, and ultimately our students, will benefit from the many research collaborations we are able to establish with universities and organizations abroad. Bringing together the best minds to focus on a particular research question, no matter where the people are located, is the best guarantee of long-term success.

III. OUR IDENTITY

We Take Our Mission as a Land-Grant System Seriously

We are a land-grant system of 11 universities and 7 agencies. Our mission is to provide education, conduct research, commercialize technology, offer training, and deliver services for the people of Texas and beyond through our universities and state agencies.

- As a land-grant system, we embrace our responsibility to serve the state of Texas.
- As a system of distinct institutions, we are greater than the sum of our parts, with the contributions of our member universities and agencies extending well beyond their individual campuses.
- Our universities focus on education and research but also achieve much more for the state of Texas. Most of our universities primarily serve their regional constituents and maintain their own academic strengths.
- Our agencies are an important differentiator of the A&M System. Thanks to our agencies, the A&M System is able to serve the broader community to an extent that is unmatched by other university systems. While service and research are the main strengths of the agencies, they are complementary to our universities, even when it comes to education. Through collaboration, agencies empower the universities to succeed.
The Texas A&M University System, Board of Regents – Strategic Plan 2016–2021

- While universities and agencies collaborate and often overlap in their functions, they are also very different. This plan is meant to be inclusive of universities and agencies in all areas, however, not all elements apply to both because of their distinct nature.

### Three Core Principles Guide Our Work

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<th>Core Principles</th>
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<td>1 Excellence</td>
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<td>2 Impact</td>
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- **Excellence**
  We will pursue excellence in education by preparing our students for long-term success. We will pursue excellence in research by attracting top-tier researchers and significant research funding to our system and investing in breakthrough research. We will pursue excellence in service by aligning our offerings to the specific needs of Texas and by delivering high-quality training to the people and organizations of Texas.

The Board of Regents aspires for the A&M System to be a state and national leader in education, research, and service. After thoughtful discussion about the Board of Regents’ desire to emphasize quality in these three areas, “Excellence” emerged as a prevailing principle to strive for. As the first core principle, the Board of Regents believes that excellence should not be sacrificed in the pursuit of other A&M System goals.

- **Impact**
  We will aim not just for excellence, but for impact. Our graduates will be engaged citizens who contribute to the growth of our economy and the well-being of our society, and will be prepared to succeed in an increasingly global work and life environment. Our researchers, whether in universities or in agencies, will translate research into practical solutions that address the needs of our local communities, the nation and the world at large. Our universities and agencies will have a lasting impact in Texas by delivering services to meet the needs of our local and regional communities.

- **Access and Affordability**
  We will remain committed to providing a high-quality education at a reasonable price to remain accessible to the people of Texas, regardless of their socio-economic situation. We will leverage our physical presence in all counties of Texas and innovative use of technology to make services and translational research widely available to the people and organizations of Texas.

### Our Successes to Date

As we look forward, we take pride in the A&M System’s progress to date.

- **Improved excellence**
  The A&M System has improved educational outcomes. Total full-time enrollment for the A&M System has grown 4% annually between 2011 and 2016. While serving a larger and increasingly diverse student body, the A&M System has been able to increase graduation rates. Between 2011 and 2015, the systemwide six-year graduation rate increased three percentage points. While graduation rates vary across the A&M System, the 2014 systemwide graduation rate of 60% was well above the Texas average for public four-year institutions of 52%. In addition to educational quality, the quality of research and service will continue to be a focus for the A&M System.

- **Increased impact**
  The impact of the A&M System’s education, research, and service mission has significantly expanded in recent years. In 2015, more than 30,000 degrees were conferred, an increase of over 4,800 from 2011, demonstrating the educational contributions of the A&M System. In addition, there has been growth in systemwide research. Research expenditures have increased from just above $850 million
across all universities and agencies in 2011 to over $945 million in expenditures for 2015. This broad, but also deep presence across the state is a unique strength of the A&M System and provides an unparalleled opportunity to address statewide issues. Finally, the A&M System’s agencies and universities have been recognized as national leaders among their peer organizations.

- **Expanded access and maintained affordability**

  The Texas A&M University System is currently serving a larger and more diverse student body. Overall, the System educated 16,000 more full-time students in 2014 than it did in 2010. More than 80% of students at three of the A&M System’s campuses—Kingsville, Prairie View, and Laredo—are underrepresented students. The A&M System has also remained affordable. Annual tuition and fees at all A&M System campuses remain in line with the state average for in-state tuition and fees at four-year institutions. For 2015-2016, when the Texas average for undergraduate tuition was $8,347, member tuition and fees ranged from $5,878 to $9,988. Between 2011 and 2015, member tuition and fees have increased an average of only 4% annually. Finally, with an active presence in all Texas counties and the leveraging of new technologies, access to services has improved through the continued development of the agencies.

### IV. OUR VISION FOR THE FUTURE

Our vision is to be the system of choice for students, employers of graduates, faculty and staff, and research funders.

#### Strategic Imperatives

As we look ahead, achieving this vision will require us to pursue six key strategic imperatives. While all members will have a role in addressing each imperative, the tactical approaches that member universities and agencies adopt to realize these imperatives will differ given the different contexts of each member. As a coalition of member institutions, each with its own set of strengths and core capabilities, we will deliver results related to each of these key areas.

1. **All qualified students will find a place in the A&M System and will have an array of pathways to pursue their ambitions and interests.**

   Being the system of choice for students requires the A&M System to provide new opportunities and pathways for students to pursue their interests. Today, there are more qualified applicants than our universities can educate, and students are often considering only one or a few of the A&M System schools when excellent opportunities for those students might exist elsewhere in the A&M System. There is an opportunity to harness the strength of all member universities in a way that provides new and valuable pathways for students that wouldn’t be possible if pursued by any individual member. One possibility, among others, is to make transfers between institutions more seamless.

   These efforts could help place and keep more high-quality students within the A&M System by increasing the share of admitted students who choose to attend a member university over a university outside of the A&M System. These new pathways could also help the A&M System educate a greater share of Texas college students than otherwise possible.

- The A&M System will develop a coordinated recruitment and admissions strategy for the A&M System. Development of this coordinated approach will rely on the joint efforts of the A&M System Offices and leaders from member institutions

- The A&M System will create coherent pathways among institutions
2. The A&M System will remain affordable and accessible.

The land-grant mission calls for the A&M System to educate the citizens of Texas. In order to achieve this, the A&M System must ensure that cost and a lack of support for diverse students do not prevent qualified students from attending and finding success at a member institution. To remain affordable, the A&M System will build on its history of keeping tuition reasonable so that cost does not become a significant barrier. To remain accessible, the A&M System must ensure qualified students from all backgrounds are able to attend and have the support they need to succeed in the A&M System. The Board of Regents feels the A&M System should remain accessible to low income and first-generation students, as well as underrepresented students.

- The A&M System will continue to ensure that cost does not become a barrier for Texans to access the A&M System
- A&M System members will provide the differentiated support services needed to continue to serve increasingly diverse student bodies

3. Our students will leave the A&M System as responsible and engaged citizens prepared for successful careers in an increasingly global economy.

We embrace the responsibility of preparing our students for success in their careers and lives. The Board of Regents views the primary responsibility of the A&M System as a practical one: to improve the lives of its students by enhancing their career prospects, which in turn helps address the talent needs of Texas employers. The success of this goal won’t be determined on day one following completion of a degree or certificate, but years into a graduate’s career. This long-term goal implies members must educate well-rounded graduates who are prepared for dynamic careers, not just the first stage of their careers.

Whether enrolled in degree or certificate programs at our universities, or in training programs through our agencies, students will enjoy greater career prospects upon completion and employers will be able to find the talent they need for economic prosperity. This goal requires our member institutions to develop programs that are responsive to the evolving needs of students and the economy. Additionally, the A&M System aims to provide an experience that will shape students into lifelong learners and engaged citizens, with critical thinking skills they can leverage long after they have left the A&M System.

- Our member institutions will develop the appropriate educational experiences and experiential opportunities, including study abroad experiences, that provide our students with improved immediate and long-term employment outcomes
- The service and leadership opportunities available to students of the A&M System will help shape model citizens who serve their communities through philanthropy, civic engagement, and other forms of service

4. The A&M System will increase its prominence by building a robust and targeted research portfolio.

We will continue to encourage cross-institution and cross-discipline collaboration, and we will support our member institutions in their research pursuits, including obtaining emerging research status.

While much of the research is concentrated at Texas A&M University and the agencies, every member institution has a role to play. Given the rising need for collaboration in the pursuit of research opportunities, the A&M System – with its network of diverse members – is well-poised for success going forward. Member universities have a broad range of research specialties and the agencies have remarkable capabilities.

With the appropriate collaboration among members, the A&M System can demonstrate its qualifications for interdisciplinary research in a way that few others in the state or even in the nation can.
The Texas A&M University System, Board of Regents – Strategic Plan 2016 –2021

- Texas A&M University will become one of the nation’s top research universities
- The A&M System will pursue large-scale, collaborative research opportunities
- The A&M System will support well-positioned member universities in their pursuit of the emerging research university designation or other prominent research classifications

5. The A&M System will provide services that respond to the needs of the people of Texas and contribute to the strength of the state’s economy.

The A&M System’s members provide education and research to the state, but also provide more direct forms of service. University members play a significant role in service through student service programs and other forms of engagement with local communities. Agencies partner with industry leaders to share their innovations and employ a number of Texans.

All A&M System members will adapt to continue meeting the needs of the public as the need for services continues to grow due to population growth and changing demographics.

- All A&M System members will increase service connections across sectors
- A&M System members will address the employment needs of the state by educating for critical fields experiencing shortages
- Agencies will remain leaders in their respective fields and improve reach of services

6. The A&M System, in adhering to the high standard of excellence and growth required in this strategic plan, will display prudent financial stewardship and sustainability.

 Responsible growth will remain central to the mission of serving Texas as the state population and the need for quality education continue to grow. The diversity of the state will also call for increased access to the A&M System for underrepresented populations. By continuing to act as a good steward of its resources, the A&M System will build on its strengths and pursue growth that does not put undue stress on the A&M System’s financial health. The A&M System has already developed robust capabilities and processes for managing its financial health in a holistic way, and the A&M System will continue to focus on increasing operational efficiency. A strength of the A&M System’s financial health is its deep understanding of debt management, which will prove invaluable as the A&M System continues to grow responsibly.

- Enrollment growth will be managed and deliberate. Members will undergo a campus-level process to determine their own growth goals as part of the annual programmatic review process
- The A&M System will assist with coordination of program development across campuses to prevent inefficient duplication within a geographic region
- Efficient use of resources will allow for A&M System growth without harming quality or affordability

We will be able to accomplish these imperatives by relying on the strength and the commitment of our people, both faculty and staff. As a system, we recognize the important contributions of faculty and staff and are committed to recruiting, retaining, and supporting the talent that is so critical to our collective success.
V. OUR ACCOUNTABILITY

How We Will Measure Success

In an effort to bring accountability to the plan, metrics have been carefully selected as measurements of progress for each of the imperatives. The measures have been kept intentionally simple and few in number to achieve two purposes.

- First, given the varied nature of member universities and agencies, measurements should be widely applicable to the relevant members.
- Second, we believe that quality education, research, and service should be measured in simple ways to reflect the practical goals of the A&M System.

All qualified students will find a place in the A&M System and will have an array of pathways to pursue their ambitions and interests.

1. Yield of admitted applicants at the A&M System level
2. Share of total Texas postsecondary enrollment over time
3. Share of top 10% of Texas high school graduates who join the A&M System over time
4. Share of Texas high school graduates who join the A&M System that are in the top 10% in terms of SAT scores

Our students will leave the A&M System as responsible and engaged citizens prepared for successful careers in an increasingly global economy.

5. Improvement in absolute persistence rates and graduation rates over time
6. Actual vs. expected persistence and graduation rates
7. Placement rates six months after graduation (including employment, graduate school enrollment, service placement)
8. Salaries at third and fifth years following graduation
9. Student Return on Investment

The A&M System will remain affordable and accessible.

5. Ratio of student debt to median family income
6. Percentage of cohort over time designated as First-generation students, under-represented students, Pell grant recipients
7. Time-to-degree (matriculation to graduation, accounting for transfers)

The A&M System will increase its prominence by building a robust and targeted research portfolio.

13. Total A&M System-wide research expenditures ($)
14. Total volume of research activities across the A&M System
15. Number of National Academy members
16. Progress toward emerging research status
The A&M System will provide services that respond to the needs of the people of Texas and contribute to the strength of the state's economy.

17. Number of degrees granted in critical fields identified by the state
18. Number of agency contact hours
19. Number of services provided (e.g., diagnostic samples processed, fires fought, emergency rescues)

The A&M System, in adhering to the high standard of excellence and growth required in this strategic plan, will display prudent financial stewardship and sustainability.

20. Composite Financial Index
21. Reserve ratio
22. Administrative cost ratio
23. Return on investable assets
24. State appropriations/Full-time student equivalent
25. Tuition and fees/Full-time student equivalent
26. Expansion of donor base and overall funds raised

Process for Accountability

A review process will ensure accountability at all levels:

- The Board of Regents will hold the A&M System accountable to the strategic plan.
- The A&M System will leverage the existing annual programmatic budget review process to monitor progress against the strategic plan imperatives and measures of success and address any issues that arise.
- This process will also be used to facilitate the development of institutional-level growth plans and the synthesis of those plans into a systemwide understanding of growth and its implications.

The Board of Regents will establish a cadence for the review of progress against the measurable goals of this plan and institutional plans for growth. This process will contribute to a culture of accountability in which the A&M System is held responsible for the plan laid out here and will ensure the Board of Regents has the information needed to evaluate the A&M System progress over time.
<table>
<thead>
<tr>
<th>Measurements for Success</th>
<th>November¹</th>
<th>December</th>
<th>January</th>
<th>February – March</th>
<th>April – May / July – August²</th>
</tr>
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<tbody>
<tr>
<td>Member institutions prepare an annual update on measurements associated with the six imperatives</td>
<td>Member institutions report on metrics, submitting all measurements to the A&amp;M System Offices</td>
<td>The A&amp;M System Offices aggregate measures at the A&amp;M System level and take note of any red flags that indicate a lack in progress</td>
<td>The A&amp;M System Offices communicate with leadership of member institutions regarding any areas of concern. Institutional leadership will provide any relevant clarification for their reported metrics</td>
<td>The A&amp;M System Offices provide the Board of Regents with systemwide update on progress of strategic plan during programmatic review session</td>
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</table>

| Growth Planning                                               | Each university will prepare a five-year operational plan. This will include a review of their enrollment growth targets and rationale for this projection, as well as the monetary and people investments needed to achieve the growth plan | The A&M System Offices and Chancellor review plans and provide any initial feedback for plan iteration | The A&M System Offices aggregate growth plan and inputs at a systemwide level, identifying any significant issues from the aggregation | The A&M System Offices provide any modification advice to campuses and address any significant issues. The A&M System Offices set contingency plans for missed growth targets and funding shortfalls | Finalized A&M System growth plan presented to the Board of Regents during programmatic review session |

¹ Some metrics will rely on reporting from outside the A&M System and may not be available until later in the process. ² The Board of Regents’ review of progress should occur April - May during non-legislative years and July - August in legislative years, similar to the programmatic budget review cycle.
The A&M System will develop incentives to encourage members to deliver on the goals of this plan.

Traditional funding mechanisms have encouraged A&M System members to act independently, particularly in the pursuit of research opportunities. In response, the A&M System will develop means to encourage collaboration among members, either by providing resources to support joint pursuits, or by providing vehicles that reduce the barriers for collaboration.

The A&M System may integrate key goals of this plan into the performance management of A&M System leaders.

The Board of Regents will select the key metrics to be included in the evaluation of member institution leaders. Not all metrics tracked are appropriate for evaluation. The unique circumstance of each campus will be considered, and the improvement of key metrics over time is viewed as a better indicator of performance than an institution’s performance relative to its A&M System peers.

System Administration Responsibilities:
- Facilitate academic and research collaboration across members
- Aggregate member growth plans and develop a systemwide view on financial sustainability
- Orchestrated reporting and accountability to the Board of Regents

Member Institution Responsibilities:
- Focus on carrying out education, service, and research imperatives
- Partner in A&M System efforts
Addendum
VI. ADDENDUM: THE STRATEGIC PLANNING PROCESS

The Texas A&M University System Board of Regents began the strategic planning process in December 2015 with the intention of setting A&M System strategic priorities for the next five years and establishing an active accountability process to ensure execution of those priorities. This plan was developed over a yearlong period, with the process led by the Board of Regents and with deep engagement of the A&M System administration and leadership from member institutions.

Development of the Plan involved the following activities:

- An initial gathering of a fact base to assess the current state of The Texas A&M University System. The current state was considered in the context of the broader higher education landscape, in relation to institutional peers, and in conjunction with the needs of Texas. These internal data points and perspectives provided a comprehensive view of the A&M System to date in preparation for planning future goals.

- The strategic planning process began with the first Strategic Planning Committee Retreat in January to reaffirm the mission and explore potential areas of focus for the A&M System. This group included a 14-member Strategic Planning Committee (SPC), made up of the Board of Regents and institutional leaders, along with five A&M System Offices representatives.

  **Board of Regents**  
  - Chairman Cliff Thomas  
  - Vice Chairman Elaine Mendoza  
  - Regent Phil Adams  
  - Regent Robert L. Albritton  
  - Regent Anthony G. Buzbee  
  - Regent Morris E. Foster  
  - Regent Bill Mahomes  
  - Regent Judy Morgan  
  - Regent Charles W. Schwartz  
  - Student Regent Alvaro Gabriel Pereira  

  **Institutional Leadership**  
  - Vice Chancellor M. Katherine Banks  
  - President Dan R. Jones, Texas A&M University-Commerce  
  - President Steven H. Tallant, Texas A&M University-Kingsville  
  - President Michael K. Young, Texas A&M University  

  **System Offices Representatives**  
  - Chancellor John Sharp  
  - General Counsel Ray Bonilla  
  - Vice Chancellor James R. Hallmark  
  - Executive Vice Chancellor Billy Hamilton  
  - Vice Chancellor Jon Mogford  

- Over the course of the SPC Retreat in January 2016, a February 2016 Board workshop session that included the SPC, and a second SPC Retreat in March 2016, the SPC developed core principles, strategic imperatives, measurements for success, and an accountability process – the main components of the strategic plan.
The Texas A&M University System, Board of Regents – Strategic Plan 2016–2021

- A&M System CEOs provided feedback on two iterations of the plan, resulting in changes to the document including the following:
  - Greater clarity on the role of agencies in the A&M System
  - Recognition of the diverse circumstances in which member institutions are operating, leading to a flexible plan that articulates aspirational goals and provides appropriate guidance, and also allows each member institution to respond to its own environment
  - Additional detail and refinements to the measures for success

- Finally, the SPC met again on April 28, 2016 during the Board of Regents workshop to review the final draft in preparation for approval at the November 2016 Board of Regents meeting.

The plan is the product of thoughtful discussions and careful decisions:

- **Quality vs. Excellence**
  Quality was initially proposed as a core principle of the A&M System. While “quality” is often thought of in terms of quality of inputs (e.g. caliber of incoming students and faculty), “excellence” focuses more on the absolute level of quality and also indicates a higher emphasis on the value gained by various stakeholders through their involvement with the A&M System, as well as the pursuit of reaching the A&M System’s full potential.

- **Growth and Access**
  Enrollment growth is central to the land-grant mission of providing access to Texans, but rather than prescribing growth targets by campus, the SPC aims to guide growth by setting growth principles and establishing a process to implement growth across campuses. Through this process, campuses will plan their own growth targets and share their plans with the Board of Regents. A rigorous analysis and discussion of these plans should result in growth that is thoughtful, intentional, and productive for the A&M System.

Strategic Plan metrics are designed to measure progress towards imperatives, while providing some flexibility for further specification:

*All qualified students will find a place in the A&M System and will have an array of pathways to pursue their ambitions and interests.*

1. **Yield of admitted applicants at the A&M System level**
   Measuring yield of qualified applicants encourages member institutions to focus on recruiting all qualified students as capacity allows. Further, this measure would positively reflect A&M System efforts to coordinate placement of students across campuses.

2. **Share of total Texas postsecondary enrollment over time**
   In order to best serve the state and fulfill the A&M System’s land-grant mission, the strategic plan aspires for the A&M System to grow its share of Texas high school graduates who enroll in college. The share of total Texas postsecondary enrollment over time will reveal how successful the A&M System is in communicating the value of an A&M System education to prospective students.

3. **Share of top 10% of Texas high school graduates who join the A&M System over time**

4. **Share of Texas high school graduates who join the A&M System that are in the top 10% in terms of SAT scores**
Recruiting top-quality students is an important element that will contribute to the overall excellence of the A&M System over time.

**The A&M System will remain affordable and accessible.**

5. **Ratio of student debt to median family income**

Affordability is best measured by the financial burden on students and their families to fund their education. Measuring the ratio of student debt to median income urges universities to manage both the cost of delivering the education and the financial aid strategy to minimize the debt level of students.

6. **Percentage of cohort designated as first generation students, underrepresented students, Pell grant recipients**

The SPC believes that continuing to serve a diverse population of students is a top priority for the A&M System, especially given the growing diversity of the state and our land-grant mission. Measuring the above characteristics of incoming cohorts over time will ensure that member universities continue to maintain a diverse student body that represents the underlying demographics of the state. Tracking this statistic will also be an important input to determining what resources should be dedicated to initiatives related to student success (academic success, retention, and graduation). As the diversity of the student body increases, the demand on student-related supports is likely to increase as well.

7. **Time-to-degree (matriculation to graduation, accounting for transfers)**

Reducing the time-to-degree for students reduces students’ overall cost of acquiring a higher education degree, and can also be used as an indicator of the effectiveness of support services provided to students to enable them to graduate in a timely fashion. The SPC understands that this measure is affected by non-traditional and working students. This metric is intended to be considered in the context of the students that individual institutions serve and is not intended to create a disincentive to universities for serving higher need students.

**Our students will leave the A&M System as responsible and engaged citizens prepared for successful careers in an increasingly global economy.**

8. **Improvement in absolute persistence rates and graduation rates over time**

Persistence and graduation rates are widely used and recognized as indicators of educational quality. The SPC believes these are critical outcome measures that need to continue to be tracked.

9. **Actual vs. expected persistence and graduation rates**

In addition to measuring institution-specific persistence and graduation rates over time, there is also value in comparing the actual results to expected results. Expected retention and graduation rates can be calculated using regression analysis, with student demographics as some of the underlying variables, to demonstrate what a given member institution within the A&M System might achieve. This type of analysis would involve pulling in student demographic and outcomes data from other institutions, and would provide an additional, important data point for system and university leadership to evaluate individual university and overall A&M System performance. A positive difference between actual and expected outcomes would indicate that the institution created more value than expected with the resources it had at its disposal; a negative difference between actual and expected outcomes would indicate that the institution in question should perhaps take a closer look at the initiatives in place to support student outcome improvements.
10. Placement rates six months after graduation (including employment, graduate school enrollment, service placements)

Given the SPC’s strong focus on outcomes rather than input measures, the student placement rate six months after graduation is an important metric for the A&M System. It measures the ability of the A&M System to prepare students for success post-graduation, with success defined as the students’ ability to secure their next pursuit, whether that is a career, service, or educational (e.g. graduate school) placement. The career aspect, while certainly not the only definition of success, was top of mind for the SPC. Given the A&M System’s land-grant mission, the A&M System aspires to create strong alignment between state (and also national and global) labor market needs, the A&M System’s program offerings, and the content, critical thinking, and life skills that students acquire over the course of their education with the A&M System.

11. Salaries at third and fifth years following graduation

While the SPC believes that short-term measures of post-graduation success are important, longer-term indicators of success also need to be captured to determine whether the A&M System is indeed providing long-term value to its students. For this reason, measurement of starting salaries is not included as a key measure. Instead, the SPC considers salaries at the third and fifth years following graduation a better indicator of preparing students for a successful career path. State agencies have current initiatives to track salaries of graduates which should aid in the reporting of this data.

12. Student Return on Investment

With the intention of ensuring that a A&M System education is valuable to students, the SPC believes measuring student return on investment will not only estimate the economic return of education at the A&M System, but will also project the career-readiness of students who graduate from the A&M System. This will also be important information to share with prospective students (and their families) who are considering a range of higher education choices, both in Texas and beyond.

_The A&M System will increase its prominence by building a robust and targeted research portfolio._

13. Total A&M System-wide research expenditures ($)

After considering a number of measures of accountability for the A&M System’s research efforts, the SPC agreed that A&M System-wide research expenditures is the primary metric for measuring the success of the A&M System in the area of research, following a virtuous cycle of “successful research begets successful research.” This measure also acts as an incentive to grow research activity through collaboration across member institutions.

14. Total volume of research activities across the A&M System

Measuring the total number of unique research activities at member institutions will help to highlight and recognize all research across the A&M System, regardless of size.

15. Number of National Academy members

Given the importance of faculty to advancing research activity, measuring the number of National Academy members will encourage the A&M System to recruit renowned faculty in areas of A&M System strength.

16. Progress toward emerging research status

Eligibility for status as an emerging research university requires an institution to meet a number of criteria for expenditures, doctoral students, and undergraduate and graduate programs. The SPC recognizes that attaining this top-tier designation is an aspirational goal for the A&M System’s universities, but believes any intermediate progress towards the criteria is a step in the right direction.
The A&M System will provide services that respond to the needs of the people of Texas and contribute to the strength of the state’s economy.

17. **Number of degrees granted in critical fields identified by the state**

Given the mission of the A&M System to serve the state, the A&M System has a role to play in educating students in disciplines which are experiencing a shortage of qualified workers. The Texas Higher Education Coordinating Board identifies critical fields necessary for serving the needs of the state, and includes the number of degrees awarded in the fields as an appropriate success measure.

18. **Number of agency contact hours**

Given the diverse activities at the A&M System agencies, contact hours – a measure of the time agencies spend serving their constituents – is a broad metric meant to capture the level of activities at service-oriented agencies.

19. **Number of services provided (e.g. diagnostic samples processed, fires fought, emergency rescues)**

While contact hours and research dollars were agreed upon as appropriate metrics for a majority of the agencies, some agencies did not feel these measures captured their key outputs. As such, a volume measure of services provided as opposed to contact hours provides a more appropriate measure of the expanding efforts of some agencies.

The A&M System, in adhering to the high standard of excellence and growth required in this strategic plan, will display prudent financial stewardship and sustainability.

The A&M System Offices selected the following financial sustainability measures as the simplest set of metrics for members to report while still providing a holistic view of financial health. In addition to the monitoring of financial health of members, this reporting will assist the A&M System Offices in developing an aggregate assessment of financial health at the A&M System level.

20. **Composite Financial Index**

21. **Reserve ratio**

22. **Administrative cost ratio**

23. **Return on investable assets**

24. **State appropriations/Full-time student equivalent**

25. **Tuition and fees/ Full-time student equivalent**

26. **Expansion of donor base and overall funds raised**
Board of Regents
Strategic Plan Summary

2016 ~ 2021
Board of Regents
Strategic Plan Summary

2016 ~ 2021
Dear Members of The Texas A&M University System Community:

Since our last strategic plan (2009–2013), we have made tremendous progress in providing education, conducting research, and delivering services and training to the people of Texas and beyond. We are proud of our collective accomplishments and recognize this progress would not have been possible without each and every one of you, your commitment to the mission of our land-grant system, and your hard work.

As we look toward the future, we are very aware of the forces reshaping higher education and putting pressure on traditional higher education business models. We live in a dynamic, ever-changing world where the demands placed on higher education institutions, especially large public systems like ours, continue to evolve and increase in complexity. And as a land-grant system, we embrace the responsibility to be responsive to these needs:

- Changes in employer expectations and student career trajectories are challenging us to think in new ways about how to best educate our students and how to provide them with the types of experiential learning opportunities that prepare them for the increasing demands of the workplace and to be well-rounded and engaged citizens.

- Changes in student demographics are encouraging us to think intentionally about the type of support we need to provide our students to succeed.

- The increasingly competitive climate for research funding is inspiring us to think in new ways about collaboration across disciplines, schools, and campuses, and how to leverage our core strengths in research to establish areas of sustainable competitive advantage.
• The growing population of Texas and the growing needs of the local economy are stimulating us to think about innovative ways to make our services, our training, and the translational benefits of our research accessible to the broader public.

• And finally, the evolving financial realities of our system renew our commitment to ensuring that The Texas A&M University System is a responsible and effective steward of our resources and will continue to sustainably deliver excellence in education, research, and services.

In the midst of all these changes, we are confident that with your help, we can not only stay the course but accelerate progress. As a system of individual member institutions, we are so much more than the sum of our parts. Our diversity makes us strong, and the distinctive combination of universities and agencies, under one system umbrella, makes us uniquely positioned for success going forward.

This strategic plan is the product of a yearlong process that builds on the individual strategic plans of the member institutions and incorporates input from all member institutions. It builds on our strengths but also presents a bold vision for the future. It is designed to be a living plan that we are committed to monitoring as we execute. We will measure our progress and success, but we will also be flexible in our execution and adjust course as needed. We will do this together, and together we will be one of the finest university systems in the nation.

Sincerely,

Cliff Thomas
Chairman, Board of Regents

John Sharp
Chancellor
We will pursue excellence in education by preparing our students for long-term success.
Who We Are: Mission and Core Principles

We are a land-grant system of 11 universities and 7 agencies. Our mission is to provide education, conduct research, commercialize technology, offer training, and deliver services for the people of Texas and beyond through our universities and state agencies.

As a land-grant system, we embrace our responsibility to serve the state of Texas.

As a system of distinct institutions, we are greater than the sum of our parts, with the contributions of our member universities and agencies extending well beyond their individual campuses.

Three core principles guide us in our pursuit of this mission:

- **Excellence:** We will pursue excellence in **education** by preparing our students for long-term success. We will pursue excellence in **research** by attracting top-tier researchers and significant research funding to our system and by investing in breakthrough research. We will pursue excellence in **service** by aligning our offerings to the specific needs of Texas and by delivering high-quality training.

- **Impact:** We will aim not just for excellence but for impact. Our graduates will be engaged citizens who contribute to the growth of our economy and the well-being of our society, and will be prepared to succeed in an increasingly global work and life environment. Our researchers, whether in universities or in agencies, will translate research into practical solutions that address the needs of our local communities, the nation, and the world at large. Our universities and agencies will have a lasting impact on Texas, the nation, and the world by delivering services to meet the needs of our communities.

- **Access and affordability:** We are committed to providing a high-quality education at a reasonable price to remain accessible to the people of Texas, regardless of their socio-economic background. We will leverage our physical presence in all counties of Texas and use innovative technology to make services and translational research widely available to the people and organizations of Texas.
Our Vision: Imperatives for the Future

We will be the system of choice for students, employers, faculty and staff, and research funders:

1. All qualified students will find a place in the A&M System and will have an array of pathways to pursue their ambitions and interests. We will develop a coordinated recruitment and admissions strategy for the A&M System and create coherent pathways among institutions.

2. The A&M System will remain affordable and accessible. We will continue to ensure that our costs remain reasonable so that the cost of education does not become a barrier for Texans to access the A&M System.

3. Our students will leave the A&M System as responsible and engaged citizens prepared for successful careers in an increasingly global economy. Our member institutions will develop the educational experiences, experiential opportunities, and service opportunities that our students need to succeed post-graduation in a global economy.

4. The A&M System will increase its prominence by building a robust and targeted research portfolio. We will continue to encourage cross-institution and cross-discipline collaboration, and we will support our member institutions in their research pursuits, including obtaining emerging research status.

5. The A&M System will provide services that respond to the needs of the people of Texas and contribute to the strength of the state’s economy. We will continue to address the needs of Texas and use technology to reach citizens in new ways.

6. The A&M System, in adhering to the high standard of excellence and growth required in this strategic plan, will display prudent financial stewardship and sustainability. Our member institutions will be diligent about their plans for growth, and the A&M System will ensure financially sound decision-making at the aggregate level. We have robust financial management capabilities in place and will continue to manage the A&M System’s financial health in a holistic manner.

We will be able to accomplish these imperatives by relying on the strength and commitment of our people, both faculty and staff. As a system, we recognize the important contributions of faculty and staff and are committed to recruiting, retaining, and supporting the talent that is so critical to our collective success.
The A&M System will provide services that respond to the needs of the people of Texas.
Our students will leave the A&M System as responsible and engaged citizens prepared for successful careers.
## Our Accountability:
### How We Will Measure Success

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<th>Imperatives</th>
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<tr>
<td>3. Our students will leave the A&amp;M System as responsible and engaged citizens prepared for successful careers in an increasingly global economy.</td>
<td>8. Improvement in absolute persistence rates and graduation rates over time</td>
</tr>
<tr>
<td></td>
<td>9. Actual vs. expected persistence and graduation rates</td>
</tr>
<tr>
<td></td>
<td>10. Placement rates six months after graduation (including employment, graduate school enrollment, and service placement)</td>
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<tr>
<td></td>
<td>11. Salaries at third and fifth years following graduation</td>
</tr>
<tr>
<td></td>
<td>12. Student return on investment</td>
</tr>
<tr>
<td>4. The A&amp;M System will increase its prominence by building a robust and targeted research portfolio.</td>
<td>13. Total A&amp;M System-wide research expenditures</td>
</tr>
<tr>
<td></td>
<td>14. Total volume of research activities across the A&amp;M System</td>
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<tr>
<td></td>
<td>15. Number of National Academy members</td>
</tr>
<tr>
<td></td>
<td>16. Progress toward emerging research status</td>
</tr>
<tr>
<td>5. The A&amp;M System will provide services that respond to the needs of the people of Texas and contribute to the strength of the state's economy.</td>
<td>17. Number of degrees granted in critical fields identified by the state</td>
</tr>
<tr>
<td></td>
<td>18. Number of agency contact hours</td>
</tr>
<tr>
<td></td>
<td>19. Number of services provided (e.g. diagnostic samples processed, fires fought, and emergency rescues)</td>
</tr>
<tr>
<td>6. The A&amp;M System, in adhering to the high standard of excellence and growth required in this strategic plan, will display prudent financial stewardship and sustainability.</td>
<td>20. Composite Financial Index</td>
</tr>
<tr>
<td></td>
<td>21. Reserve ratio</td>
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<td></td>
<td>22. Administrative cost ratio</td>
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<td></td>
<td>23. Return on investable assets</td>
</tr>
<tr>
<td></td>
<td>24. State appropriations/Full-time student equivalent</td>
</tr>
<tr>
<td></td>
<td>25. Tuition and fees/Full-time student equivalent</td>
</tr>
<tr>
<td></td>
<td>26. Expansion of donor base and overall funds raised</td>
</tr>
</tbody>
</table>
Our Accountability:
How We Will Monitor Progress

- The Board of Regents will hold the A&M System accountable to the Strategic Plan.
- The A&M System will leverage the existing annual programmatic budget review process to monitor progress against the strategic plan imperatives and measures of success, and to address any issues that arise.
- This process will also be used to facilitate the development of institutional-level growth plans and the synthesis of those plans into a systemwide understanding of growth and its implications.
- The complete strategic plan can be found on The Texas A&M University System website at http://www.tamus.edu/plan.
The A&M System will grow intentionally and deliberately while adhering to high standards of excellence and financial sustainability.
BOARD OF REGENTS

Cliff Thomas
Chairman
Victoria

Elaine Mendoza
Vice Chairman
San Antonio

Phil Adams
Bryan/College Station

Robert L. Albritton
Fort Worth

Anthony G. Buzbee
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Judy Morgan
Texarkana

Charles W. Schwartz
Houston

Alvaro Gabriel Pereira
Student Regent
College Station
The Texas A&M University System
Board of Regents
P.O. Box 15812
College Station, Texas 77841-5013
(979) 845-9600
www.tamus.edu

The complete strategic plan can be found on The Texas A&M University System website at http://www.tamus.edu/plan.
Resolution

Board of Regents
The Texas A&M University System

WHEREAS, Dennis Christiansen has faithfully served The Texas A&M University System for 45 years – from 1971 through 2016 – most recently as the fifth Agency Director of the Texas A&M Transportation Institute (TTI), which is widely known as the largest and finest higher education-affiliated transportation research center in the United States; and

WHEREAS, Dr. Christiansen received a bachelor’s degree in civil engineering from Northwestern University and master’s and Ph.D. degrees in civil engineering from Texas A&M University; and

WHEREAS, Dr. Christiansen began his TTI career as a Research Assistant in 1971, while a master’s degree student, and received increased leadership responsibilities throughout the years, serving as an Engineering Research Associate, Assistant Research Engineer, Program Manager, Associate Research Engineer, Research Engineer, Division Head, Associate Agency Director, Agency Deputy Director and Agency Director since 2006; and

WHEREAS, with his extensive research experience in traffic operations, transportation planning, and transit planning, Dr. Christiansen became an international expert in high occupancy vehicle (HOV) lanes, pioneering the HOV lane concept in Houston; and

WHEREAS, Dr. Christiansen served as a Visiting Associate Professor on the civil engineering faculty at Texas A&M University where he developed and taught a graduate civil engineering course in public transportation planning, operation and management, and was the author of numerous books, reports and publications about various facets of transportation and traffic engineering; and

WHEREAS, during his tenure as TTI’s Agency Director, from 2006 to 2016, the Institute’s annual research expenditures grew more than 60 percent – from $38 million to $61 million – and the Institute’s total operating budget grew from $44.5 million to $67.8 million; and

WHEREAS, during the same time period, TTI’s intellectual property portfolio has generated more than $76 million in gross royalties, and TTI researchers have received 62 U.S. patents to date; and

WHEREAS, during his leadership, TTI’s research facilities and laboratories across the state of Texas expanded from 216,000 square feet in 2006 to more than 324,000 square feet in 2016; and

WHEREAS, Dr. Christiansen has overseen the development and expansion of current TTI facilities, including the TTI State Headquarters and Research Building Environmental and Emissions Facility, the Sediment and Erosion Control Laboratory, and the Visibility Research Laboratory, in addition to expanding current agency urban offices in Austin, Dallas, El Paso, Houston and San Antonio, and opening new urban offices in Waco, Washington, D.C. and Mexico City; and
WHEREAS, his visionary leadership and commitment to TTI’s future led to TTI’s partnership with the Texas A&M Engineering Experiment Station in the joint Center for Infrastructure Renewal and the development of TTI’s new State Headquarters, both in development at The A&M University System’s REllIS Campus; and

WHEREAS, Dr. Christiansen has championed research diversification and partnerships and overseen the creation of innovative new research programs and products during his time as Agency Director, including initiatives in physical and perimeter security, transportation finance and policy, transportation safety and mobility, environmental and air quality, connected and automated transportation, and the Freight Shuttle System; and

WHEREAS, during his tenure as Agency Director, Dr. Christiansen implemented a successful professional staff development program for TTI staff to build not only technical competency, but also managerial and leadership skills; and

WHEREAS, in honor of his research and leadership accomplishments and service to The Texas A&M University System, Dr. Christiansen received the Regents Fellow Service Award from The Texas A&M University System Board of Regents in 2004; and

WHEREAS, his accomplishments have been recognized nationally with numerous awards for his leadership in higher education in the field of transportation, including honorary membership in the Institute of Transportation Engineers (ITE), the ITE Theodore M. Matson Award, the Transportation Research Board’s Fred Burgraff Award, and the S. S. Steinberg Award from the American Road and Transportation Builders Association; and

WHEREAS, Dr. Christiansen’s many accomplishments have been recognized by his peers, including elected membership as president of the International Institute of Transportation Engineers, the Council of University Transportation Centers, the Research and Education Division of the American Road and Transportation Builders Association, and the ITS America Board; and

WHEREAS, Dr. Christiansen has dedicated 45 years – his entire professional life – toward advancing the national and international reputation of TTI and The Texas A&M University System, where he is well-respected among his peers; now, therefore, be it

RESOLVED, that we, the members of the Board of Regents of The Texas A&M University System, gratefully acknowledge the dedication and service of Dr. Christiansen to TTI and The Texas A&M University System and, be it, further

RESOLVED, that this resolution be included in the minutes, and copies thereof be signed by the Chairman of the Board of Regents of The Texas A&M University System, and be presented to Dr. Christiansen and to the Archives of Texas A&M Transportation Institute as an expression of appreciation and respect for Dr. Dennis L. Christiansen.

ADOPTED, this 10th day of November 2016.
THE TEXAS A&M UNIVERSITY SYSTEM  
CONFIRMATION OF EMERITUS/EMERITA TITLES  
EMERITUS/EMERITA TITLE LIST NO. 17-02

<table>
<thead>
<tr>
<th>System Member</th>
<th>Years of Service</th>
<th>Current Rank</th>
<th>Title Conferred</th>
<th>Effective Date</th>
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<tbody>
<tr>
<td>Dr. John R. Hanson, II</td>
<td>42</td>
<td>Professor</td>
<td>Professor Emeritus of Economics</td>
<td>Upon Approval by the Board and the Honoree’s Complete Retirement</td>
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<tr>
<td>Dr. Gerald E. Hite</td>
<td>36</td>
<td>Professor</td>
<td>Professor Emeritus of Marine Sciences</td>
<td>Upon Approval by the Board and the Honoree’s Complete Retirement</td>
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<td>Dr. Peter J. Hugill</td>
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<td>Professor</td>
<td>Professor Emeritus of Geography</td>
<td>Upon Approval by the Board and the Honoree’s Complete Retirement</td>
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<td>Dr. Charles A. Johnson</td>
<td>38</td>
<td>Dean</td>
<td>Dean Emeritus of Liberal Arts</td>
<td>Upon Approval by the Board and the Honoree’s Complete Retirement</td>
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<tr>
<td>Dr. Susan L. Knock</td>
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<td>Dr. Deborah C. Simmons</td>
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<td>Upon Approval by the Board and the Honoree’s Complete Retirement</td>
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<td>Dr. E. Eugene Terry</td>
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<td>Professor</td>
<td>Professor Emeritus of Internal Medicine</td>
<td>Upon Approval by the Board and the Honoree’s Complete Retirement</td>
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<tr>
<td>Dr. Bernd G. Würsig</td>
<td>27</td>
<td>Distinguished Professor</td>
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<td>System Member Honoree</td>
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<tr>
<td>Dr. Wyndylyn von Zharen</td>
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<td>Regents Professor</td>
<td>Regents Professor Emerita of Marine Sciences</td>
<td>Upon Approval by the Board and the Honoree’s Complete Retirement</td>
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<tr>
<td>Dr. S. Bradleigh Vinson</td>
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<td>Professor Emeritus of Entomology</td>
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<td>University Officer’s Name</td>
<td>Title</td>
<td>Hire Date</td>
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<td>TARLETON STATE UNIVERSITY</td>
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<td>Loya, Carlos</td>
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<td>Gonzalez, Andrew</td>
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<td>08/22/2016</td>
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<td>Juarez, Andrea E.</td>
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<td>07/18/2016</td>
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</table>
10.01 Internal Auditing

Revised November 10, 2016 (MO -2016)
Next Scheduled Review: November 10, 2021
Click to view Revision History.

Policy Statement

The internal auditing program of The Texas A&M University System (system) provides the Board of Regents (board), chancellor, university presidents and agency directors independent, objective assurance and consulting services designed to add value and improve the system’s operations. The internal auditing program helps the members accomplish their goals and objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of the members’ risk management, control and governance processes. Additionally, the internal auditing program provides useful and timely information on both the internal and external auditing activities occurring within the system.

Reason for Policy

This policy develops a framework for the implementation of the auditing activities within the system and defines the authority and scope of the internal auditing program as an effective management tool for use by the board, chancellor, university presidents and agency directors. The Texas Internal Auditing Act requires the system to have an internal auditing function and recognizes internal auditing as a professional management support and control activity.

Definitions

Click to view Definitions.

Procedures and Responsibilities

1. AUTHORITY AND SCOPE OF THE INTERNAL AUDIT PROGRAM

The System Internal Audit Department (SIAD), under the advice and consent of the Committee on Audit of the Board of Regents, has sole authority and responsibility for providing the internal auditing program for the system. The program must perform its duties in accordance with the Texas Internal Auditing Act, the Institute of Internal Auditors’ International Standards for the Professional Practice of Internal Auditing and Code of Ethics and generally accepted government auditing standards. The scope of assurance and
consulting services includes reviewing and determining if the networks of risk management, control and governance processes, as designed and implemented by management systemwide, are adequate and functioning in a manner to ensure that the system’s:

- Risks are appropriately identified and managed.
- Financial, managerial and operating information is accurate, reliable and timely.
- Employee’s actions are in compliance with policies, standards, procedures and applicable laws and regulations.
- Operations are efficient and effective.
- Resources are acquired economically, used efficiently and adequately protected.
- Accountability systems are in place to make sure organizational and program missions, goals, plans and objectives are achieved.

The chief auditor and staff of SIAD are authorized to:

- Have unrestricted access to all functions, records, information, property and personnel of the system.
- Have full and free access to the Committee on Audit.
- Allocate resources, set frequencies, select subjects, determine scopes of work and apply the techniques required to accomplish audit objectives.
- Obtain the necessary assistance of personnel within the system, as well as other specialized services from outside the organization, to assist in the conduct of planned audits.

The chief auditor and staff of SIAD will not:

- Perform any operational duties for the system or its affiliates that would impair its ability to conduct independent and objective reviews.
- Initiate or approve accounting transactions external to the internal auditing department.
- Direct the activities of any system employee not employed by the SIAD, except to the extent such employees have been appropriately assigned to auditing teams or to otherwise assist the internal auditors.

2. INDEPENDENCE

To provide for the independence of the internal auditing program, the chief auditor reports functionally to the Committee on Audit of the Board of Regents and administratively to the chancellor, with the exception of annual performance and compensation reviews which shall be conducted by the Committee on Audit. In accordance with Section 2.5 of System Policy 01.03, Appointing Power and Terms and Conditions of Employment, “The board shall appoint the chief auditor. . . . The chief auditor shall report to the board through the Committee on Audit of the Board, with access to the chancellor. The board may dismiss or reassign the chief auditor without cause.”

3. RESPONSIBILITIES
The chief auditor, in the discharge of his/her duties, shall be accountable to the Committee on Audit and the system board to:

- Develop an annual audit plan using an appropriate risk-based methodology and submit the plan to the board through the Committee on Audit for review and approval.
- Implement the annual audit plan and report results to the board, chancellor and the university presidents and agency directors.
- Review allegations of fraud or fraudulent actions in accordance with the system fraud policy, Policy 10.02, Fraud, Waste and Abuse.
- Provide reports to the Committee on Audit and chancellor on the implementation status of prior audit recommendations.
- Provide information periodically to the Committee on Audit and chancellor on the status and results of the annual audit plan and the sufficiency of department resources.
- Act as the system’s general liaison with any external audit agency.
- Provide reports to the Committee on Audit and chancellor on any issues related to significant external audits, including audits conducted by the Texas State Auditor’s Office.
- Provide advisory and consulting services to assist management in meeting its objectives, including participating in the procurement, development, implementation or modification of major information systems.

Management has the responsibility to:

- Furnish the chief auditor, within 30 calendar days, a written report of planned or completed actions to address the recommendations outlined in the internal audit report provided to the university president or agency director. The report shall include a timetable for the planned actions.
- Report to the chief auditor the status of implementation of prior audit recommendations.
- Notify the chief auditor of any external audits, investigations or inspections to be conducted at its institution or agency.
- Obtain authorization by law or through a delegation of authority from the Texas State Auditor’s Office when contracting for an external audit.
- Provide the chief auditor information on audit issues from all external audits, investigations or inspections conducted at its institution or agency, including a copy of the final audit report with management’s responses, if applicable.
- Notify the chief auditor when its institution begins the procurement, development, implementation or modification of a major information system.

Related Statutes, Policies, or Requirements

Texas Internal Auditing Act (Government Code, Chapter 2102)
The Institute of Internal Auditors, International Professional Practices Framework

U.S. Government Accountability Office, Government Auditing Standards (The Yellow Book)

This policy supersedes:
System Policy 21.02, Compliance with Recommendations of the State Auditor
System Regulation 21.02.01, Audits by the State Auditor
System Regulation 21.02.02, External Audits Other than by State Auditor
System Policy 21.03, Internal Auditing
System Regulation 21.03.01, Internal Auditing

Member Rule Requirements

A rule is not required to supplement this policy.

Contact Office

System Internal Audit Department
(979) 458-7100
10.02 Fraud, Waste and Abuse

Revised November 10, 2016 (MO -2016)
Next Scheduled Review: November 10, 2021
Click to view Revision History.

Policy Statement

Fraud, waste and abuse of resources of any kind by employees or members of The Texas A&M University System (system) are prohibited. The system places a strong emphasis on establishing and maintaining strong internal control systems to assist in the prevention, deterrence and detection of fraud, waste and abuse.

Employees are required to report factual information suggestive of fraudulent, wasteful or abusive activities that may involve the system or any of its members. The system maintains the Risk, Fraud & Misconduct Hotline as a mechanism for reporting these types of activities. The system pursues available legal remedies against persons or entities involved in fraudulent, wasteful or abusive acts against the system.

Reason for Policy

This policy is established to protect the assets, resources and interests of the system; to increase the awareness of all employees of the possibility of fraud, waste and abuse; and to govern the reporting and review of allegations of suspected fraud, waste and abuse.

Definitions

Click to view Definitions.

Procedures and Responsibilities

1. RESPONSIBILITIES OF SYSTEM MEMBERS

Management at all levels within the system is responsible for establishing the appropriate tone of intolerance for fraud, waste and abuse by establishing a culture founded on integrity and high ethical standards and principles as set forth in the system ethics policy. Management must display the proper attitudes toward complying with laws, policies, regulations and rules. Management should also be cognizant of the risks and exposures
inherent in its area of responsibility and should establish and maintain proper internal controls which will provide for the security and accountability of the resources entrusted to it.

2. RESPONSIBILITIES OF ALL EMPLOYEES

All employees are responsible for acting with propriety in the use of any resources of the system and to abide by laws, policies, regulations and rules of the system and its members. When suspected fraud, waste or abuse is observed by or made known to an employee, the employee is responsible for reporting that information.

3. RESPONSIBILITIES OF THE CHIEF AUDITOR

The chief auditor of the system has the primary responsibility for the review, documentation and reporting of all allegations of suspected fraud, waste and abuse in the system. The reviews, documentation and reports shall be considered confidential to the extent permitted by law.

4. REVIEW PROCESS

The chancellor shall ensure that the system uses all available resources to review allegations of suspected fraud, waste and abuse. Participation among appropriate parties, including the chancellor, the applicable member chief executive officer, the System Internal Audit Department, the Office of General Counsel, the System Ethics and Compliance Office and law enforcement officials, shall allow for comprehensive and coordinated reviews.

5. ACTIONS

The system pursues disciplinary and recovery actions against employees found to have participated in fraudulent, wasteful or abusive acts as defined by this policy.

Related Statutes, Policies, or Requirements

System Policy 07.01, Ethics

System Policy 10.01, Internal Auditing

System Policy 32.01, Employee Complaint and Appeal Procedures

System Policy 32.02, Discipline and Dismissal of Employees

The January 2013 version of this policy supersedes:
System Policy 21.04, Control of Fraud, Waste and Abuse.
Member Rule Requirements

A rule is not required to supplement this policy.

Contact Office

System Internal Audit Department
(979) 458-7100
25.01 Use and Operation of System Aircraft

Revised November 10, 2016 (MO -2016)
Next Scheduled Review: November 10, 2021
Click to view Revision History.

Policy Statement

The Texas A&M University System (system) is responsible for approving guidelines regarding the use and operation of system-owned aircraft.

Reason for the Policy

This policy establishes the specific guidelines for the use, operation and reporting requirements of system aircraft operations.

Procedures and Responsibilities

1. Use of System Aircraft

1.1 System aircraft (or state aircraft reserved through the System Aircraft Office) will be used only in the conduct of official state business and only in compliance with the travel regulations contained in the current General Appropriations Act and any other laws applicable to the use of state-owned or leased aircraft.

1.2 When any system aircraft (including state aircraft reserved through the System Aircraft Office) is flown in the conduct of official system business, passengers who are not system officers or employees on official system business may also fly provided they are state officers or employees, are persons in the care or custody of state officers or employees, or are persons whose transportation furthers the official state business purposes of that flight with approval of the priority person to whom the aircraft is assigned. In accordance with Attorney General Opinion H-1089, the system Board of Regents (board) finds that attendance of the spouses of members of the board and officials of the Office of the Board of Regents, spouses of member chief executive officers and other administrative officers at certain official functions is in furtherance of official state business in certain circumstances. Examples include, but are not limited to, attendance at board meetings when there is an official function hosted by a member and retirement functions honoring long-time key employees of the system.

1.3 System aircraft (or state aircraft reserved through the System Aircraft Office) should be used only when the official business of the state or the system cannot be conducted as
well as, or more economically, through the use of regularly scheduled commercial aircraft. Specifically, it is appropriate to use these aircraft when the destination is not served by commercial carriers, the time required to use such a carrier interferes with other obligations, or the number of state officers and employees traveling makes the use of these aircraft cost effective.

1.4 Requests for use of system aircraft (or state aircraft reserved through the System Aircraft Office) by members of the board will be arranged through the executive director to the board.

1.5 Except for requests by the board, the chancellor is delegated the authority to establish a priority list for use in scheduling flights.

1.6 In accordance with the expressed intent of the legislature that state-owned aircraft be utilized by all agencies of the state, use of system aircraft by other state officials and state personnel on official state business is appropriate and will be authorized provided that system aircraft are available.

1.7 System aircraft pilots will report to and act under the direction of the chancellor or designee.

2. Operation of System Aircraft

2.1 System aircraft will and must be operated at all times in accordance with the provisions of the Federal Aviation Agency’s approved flight manual and the system’s Flight Operations Procedures.

2.2 Under federal regulations, the pilot of any aircraft is responsible for and is the final authority as to the flight operation of that aircraft. All decisions concerning the flight itself will rest solely with the pilot.

2.3 It shall be the policy of operations for system aircraft (or state aircraft reserved through the System Aircraft Office) that two pilots be on board for each scheduled flight, unless otherwise authorized by the priority person to whom the aircraft is assigned.

3. Record Keeping and Reporting

3.1 All flight requests should include:

(a) departure date and time;
(b) destination and intermediate stops;
(c) name of each passenger;
(d) contact name, phone number, system affiliation, and account number(s) for billing purposes; and
(e) purpose(s) of travel.
3.2 The completed passenger manifest, which includes the date of travel, aircraft identification number, name and signature of each passenger along with his or her purpose of travel and institution, the pilots' names and signatures, plus each destination, times of departure and arrival, and readings of the aircraft Hobbs meter shall serve as the official record of all flights on system aircraft (or state aircraft reserved through the System Aircraft Office).

3.3 An annual summary report of all flights conducted by the system aircraft will be prepared by the System Office of Budgets and Accounting. Copies of this annual summary and copies of monthly flight manifests will be submitted to the Legislative Budget Board and the TxDOT Aviation Division, as necessary, to comply with the requirements of the current General Appropriations Act. Copies of all reports prepared by the system on aircraft operations shall be submitted to the system board for review by the Committee on Finance.

Related Statutes, Policies, or Requirements

Tex. Gov't Code Ch. 2205, Subchapter B

Member Rule Requirements

A rule is not required to supplement this policy.

Contact Office

System Office of Budgets and Accounting
(979) 458-6100
25.06 Participation by Historically Underutilized Business

Revised November 10, 2016 (MO -2016)
Next Scheduled Review: November 10, 2021
Click to view Revision History.

Policy Statement

This policy establishes the Historically Underutilized Business (HUB) Program for The Texas A&M University System (system).

Reason for Policy

This policy complies with Section 2161.003, Texas Government Code, which requires that “A state agency, including an institution of higher education, shall adopt the commission’s rules under Section 2161.002 as the agency’s or institution’s own rules.”

Procedures and Responsibilities

1. It is the policy of the system to involve qualified HUBs to the greatest extent allowed by law in the system's procurement and contracting of construction, professional services, and purchase, lease or rental of all supplies, materials, services and equipment. The system, its contractors and subcontractors shall not discriminate on the basis of race, color, sex, religion, national origin, age, disability, genetic information, veteran status, sexual orientation, gender identity, or political belief or affiliation in the awarding of contracts. Every system employee responsible for conducting business with outside vendors has the responsibility of making a good faith effort of ensuring that HUBs are afforded an equitable opportunity to compete for all procurement and contracting activities of the system.

2. Each member’s chief executive officer (CEO) will designate an employee as HUB coordinator or director who will have responsibility for implementing all programs dealing with HUB activities for that member and for carrying out the requirements of this policy. The chancellor will designate a System Offices employee to serve in the role of HUB coordinator for the system. The system HUB coordinator will provide guidance for the system and support the activities of the members’ HUB coordinators/directors.

3. The system adopts the rules as specified in Title 34 Texas Administrative Code Part 1, Chapter 20, Subchapter B, relating to the HUB Program for application to all construction projects and purchases of goods and services.
4. The chancellor shall report to the board annually on the progress made by the system and each member regarding HUB participation.

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**Related Statutes, Policies, or Requirements**

Tex. Gov't Code Ch. 2161, Historically Underutilized Businesses

34 Tex. Admin. Code Part 1, Ch. 20, Subch. B, Historically Underutilized Business Program

Office of HUB & Procurement Programs

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**Member Rule Requirements**

A rule is not required to supplement this policy.

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**Contact Office**

Office of HUB & Procurement Programs
(979) 458-6413
27.04 Budget Authorizations, Limitations and Delegations of Authority

Revised November 10, 2016 (MO 2016)
Next Scheduled Review: November 10, 2021
Click to view Revision History.

Policy Statement

The Board of Regents (board) of The Texas A&M University System (system) is responsible for the approval of the annual operating budget. Authorizations, limitations and delegations of authority with respect to the annual operating budget as approved by the board are provided through this policy.

Reason for the Policy

This policy clarifies the budget authorizations, limitations and delegation of authority specifically provided to the chancellor.

Procedures and Responsibilities

1. BUDGET INCREASES

Except as authorized in Section 2, an increase to the operating budget from funds not previously appropriated by the board, including general revenue, special mineral fund, available university fund, higher education fund, permanent university fund bond proceeds, and revenue financing system bond proceeds, requires advance approval of the board. Increases of less than $750,000 may be approved by the chancellor and reported to the board for confirmation at its next regular board meeting.

2. AUTHORIZATION FOR BUDGET AND FISCAL CHANGES

With the approval of the chancellor, or pursuant to delegations of authority by the chancellor, the following changes may be made in the budgets as approved by the board:

2.1 Creation of Additional Positions and Increases in Operating Budgets. Funds from vacant positions, from operations and maintenance contingencies, from fund transfers, or from available balances, may be used to create additional positions and to increase operating budgets when it is in the best interest of the system.
2.2 Income in Excess of Budget Estimates. Income received in excess of budget estimates from sales and services, federal funds, gifts and grants, and other miscellaneous sources may be allocated to the expenditures of such funds.

2.3 Re-appropriation of Balances from Previous Fiscal Year. Balances from previously appropriated funds are re-appropriated for expenditure during the following fiscal year.

3. DISTRIBUTION OF THE AVAILABLE UNIVERSITY FUND (AUF)

The criteria for allocation of the AUF each year to Texas A&M University and Prairie View A&M University shall be based on a just and equitable methodology as recommended by the chancellor through the annual operating budget process. The appropriate share will be determined and applied to the balance of the AUF after funding debt service and support for the System Offices.

Related Statutes, Policies, or Requirements


System Policy 27.03, Annual Operating Budget Process

System Regulation 27.04.01, Chancellor's Delegations of Authority Related to Budget and Fiscal Changes

Member Rule Requirements

A rule is not required to supplement this policy.

Contact Office

System Office of Budgets and Accounting
(979) 458-6100

27.04 Budget Authorizations, Limitations and Delegations of Authority
51.06 Naming of Buildings and Other Entities

Revised November 10, 2016 (MO -2016)
Next Scheduled Review: November 10, 2021
Click to view Revision History.

Policy Statement

It shall be the policy of the Board of Regents (board) of The Texas A&M University System (system) to honor or memorialize individuals who have made significant contributions to the system by naming buildings, definable portions of buildings, geographical areas or academic entities for such individuals.

Reason for Policy

This policy establishes the process for naming buildings and other entities.

Procedures and Responsibilities

1. ADVANCE APPROVAL OF INDIVIDUALS RECOGNIZED

   It shall be the policy of the board to honor or memorialize individuals who have made major financial contributions or had major financial contributions made on their behalf or who have performed outstanding services for the system or one of the members by naming buildings, definable portions of buildings, geographical areas or academic entities (e.g., colleges, centers, institutes and similar organizational units) for such individuals. In all cases, except as cited in the following section, the board shall approve in advance the names of individuals to be so recognized.

   Members are encouraged to develop guidelines to help determine what donor gifts are considered to be major financial contributions warranting the recommended naming of a facility pursuant to Section 4 of this policy or the naming of a facility pursuant to Section 2 of this policy.

2. FUNDRAISING ACTIVITIES AND DONOR RECOGNITION

   In the event, however, that one of the members wishes to undertake a plan of fundraising in which definable portions of a specific building or a well-defined geographical area under its jurisdiction would be given donors’ names through member administrative action, the board will consider the approval of such a plan including the name in its entirety in advance. In
such instances, the list of donors so recognized shall be returned to the board upon the completion of the fundraising campaign for the purposes of maintaining a permanent historical record.

3. LIMITATIONS ON INDIVIDUALS RECOGNIZED

No buildings or other entities of the system may be named for a current member of the board, a current employee of the system or a current state or federal official unless:

(a) The naming is done in conjunction with Section 2 of this policy; or

(b) The naming is a result of a major financial contribution made by or on behalf of the individual and receives the unanimous approval of all the board members present at a regular meeting of the board. Naming a building or other entity for a current regent makes that regent ineligible to vote on that agenda item.

4. PROCEDURES FOR THE BOARD OF REGENTS

4.1 The board shall be responsible for the review, study and consideration of all matters submitted to the board regarding the naming of buildings, definable portions of buildings, other geographical areas and academic entities for persons who have made outstanding contributions to the member, state or nation, or who have attained eminent accomplishments in their field of endeavor and other related matters.

4.2 The board as a whole shall seek persons to be recognized by having facilities and academic entities named in their honor. It shall also consider nominations by individual regents, the chancellor and the member chief executive officers (CEO) and shall consider recommendations of the general public when they are transmitted through one of said officials. Faculty or staff recommendations shall be made to the member CEO for consideration in submitting recommendations.

4.3 All recommendations other than those at board meetings shall be forwarded to the executive director to the board accompanied by biographical material and reasons for the nomination. The executive director shall forward copies of all recommendations to all members of the board and to the chancellor for study and review. The board may take action at any meeting on the recommendation.

4.4 The member CEO shall notify the honoree of the action of the board immediately after such action is taken by the board.

Related Statutes, Policies, or Requirements

Tex. Gov’t Code Ch. 2165

51.06 Naming of Buildings and Other Entities
Member Rule Requirements

A rule is not required to supplement this policy.

Contact Office

System Office of Budgets and Accounting
(979) 458-6100
<table>
<thead>
<tr>
<th>Name/Title/Department</th>
<th>Years of TAMIU Tenured, Tenure-Track Service</th>
<th>Semester of Leave</th>
<th>Location and Brief Description of Leave</th>
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</thead>
<tbody>
<tr>
<td>Jeffrey M. Brown</td>
<td>14</td>
<td>Spring 2017 - Fall 2017</td>
<td>Dr. Brown will spend his leave in Laredo, Texas engaging in an intensive review of the literature in the field of cognitive psychology to enhance his knowledge and productivity in his research and to become more effective in the classroom. As part of that effort, he will also learn to use the sophisticated equipment (e.g. eyetracker) in the Cognitive Science Lab at TAMIU with the goal of becoming a contributing member of the Cognitive Science faculty research team currently engaged in cutting edge research on bilingual language processing and memory. In addition, he will attend conferences and discipline-relevant meetings. This will directly impact his research, the educational experience and knowledge of the students at TAMIU.</td>
</tr>
<tr>
<td>Name</td>
<td>Present Rank</td>
<td>Yrs. Towards Tenure</td>
<td>Effective Date/Tenure</td>
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<tr>
<td><strong>COLLEGE OF AGRICULTURE AND LIFE SCIENCES</strong></td>
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<tr>
<td>Dr. Girish S. Agarwal</td>
<td>Professor</td>
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<td>&gt;15</td>
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<tr>
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<td>Biological and</td>
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<tr>
<td>Dr. Sakiko Okumoto</td>
<td>Associate Professor</td>
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<td>9</td>
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<td>Soil and Crop</td>
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<td><strong>COLLEGE OF ARCHITECTURE</strong></td>
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<td>Dr. Robert D. Brown</td>
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<tr>
<td><strong>COLLEGE OF DENTISTRY</strong></td>
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<tr>
<td>Dr. Xianghong Luan</td>
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<td><strong>COLLEGE OF EDUCATION AND HUMAN DEVELOPMENT</strong></td>
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<td>Dr. Cheryl J. Craig</td>
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<tr>
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<td>Professor</td>
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<td>&gt;15</td>
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COLLEGE OF ENGINEERING

Dr. J. Karl Hedrick  Professor  0  >15  Upon Approval by the Board and Faculty Arrival
Mechanical Engineering

COLLEGE OF NURSING

Dr. Sharon L. Dormire  Professor  0  >15  Upon Approval by the Board and Faculty Arrival
College of Nursing

COLLEGE OF VETERINARY MEDICINE AND BIOMEDICAL SCIENCES

Dr. Ramesh Vemulapalli  Professor  0  15  Upon Approval by the Board and Faculty Arrival
Veterinary Pathobiology

TEXAS A&M UNIVERSITY SCHOOL OF LAW

Ms. Elizabeth Trujillo  Professor  0  14  Upon Approval by the Board and Faculty Arrival
School of Law
TEXAS A&M UNIVERSITY
BACKGROUND OF FACULTY
RECOMMENDED FOR ACADEMIC TENURE

COLLEGE OF AGRICULTURE AND LIFE SCIENCES

<table>
<thead>
<tr>
<th>Name</th>
<th>Education</th>
<th>Employment Towards Tenure</th>
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</table>
                      | University of Rochester                                      | Professor (Tenured 1975)  
                      |                                                                 | Institute of Science, Mumbay  
                      | 1977 – 1995  
                      |                                                                 | Professor (Tenured 1977)  
                      | University of Hyderabad, India  
                      | 1995 – 2006  
                      |                                                                 | Director and Distinguished Scientist  
                      |                                                                 | Physical Research Lab, India  
                      | Fa 2004 – Sp 2016  
                      |                                                                 | Regents Professor (Tenured 2004)  
                      | Fa 2016  
                      |                                                                 | Professor  
                      | Fa 2016  
                      |                                                                 | Texas A&M University  

                      | Tubingen University, Germany                               | Assistant Professor  
                      |                                                                 | Virginia Tech  
                      | Fa 2015 – Su 2016  
                      |                                                                 | Associate Professor (Tenured 2015)  
                      | Fa 2016  
                      |                                                                 | Associate Professor  
                      | Fa 2016  
                      |                                                                 | Texas A&M University  

COLLEGE OF ARCHITECTURE

<table>
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<tr>
<th>Name</th>
<th>Education</th>
<th>Employment Towards Tenure</th>
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</thead>
</table>
                      | University of Guelph, Canada                                 | Assistant Professor  
                      |                                                                 | University of Guelph, Canada  

Page 3 of 7
**COLLEGE OF ARCHITECTURE (Continued)**

- Fa 1990 – Su 1996
  - Associate Professor (Tenured 1990)
  - University of Guelph, Canada

- Fa 1996 – Su 2016
  - Professor
  - University of Guelph, Canada

- Fa 2016
  - Professor
  - Texas A&M University

**COLLEGE OF DENTISTRY**

<table>
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<td>University of Illinois at Chicago</td>
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<td>Fa 2009 – Su 2016</td>
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<td></td>
<td></td>
<td>Associate Professor (Tenured 2009)</td>
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<td></td>
<td>University of Illinois at Chicago</td>
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**COLLEGE OF EDUCATION AND HUMAN DEVELOPMENT**

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<td></td>
<td>University of Alberta</td>
<td>Associate Professor (Tenured 2003)</td>
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<td></td>
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<td>University of Houston</td>
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<tr>
<td></td>
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<td>Fa 2004 – Su 2016</td>
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<tr>
<td></td>
<td></td>
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<tr>
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<td></td>
<td>University of Houston</td>
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<td>Fa 2016</td>
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<td></td>
<td></td>
<td>Professor</td>
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<td>Texas A&amp;M University</td>
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</table>
COLLEGE OF EDUCATION AND HUMAN DEVELOPMENT (Continued)

Dr. Michael A. de Miranda  Ph.D. (1996)  University of California  
Fa 1993 – Sp 1997  Assistant Professor  California State University, Los Angeles  
Fa 1997 – Sp 1998  Associate Professor (Tenured 1998)  California State University, Los Angeles  
Fa 1998 – Sp 2006  Associate Professor (Tenured 2001)  Colorado State University  
Fa 2006 – Sp 2016  Professor  Colorado State University  
Fa 2016  Professor  Texas A&M University

Dr. Roger Howe  Ph.D. (1969)  University of California, Berkeley  
Fa 1969 – Sp 1973  Assistant Professor  State University of New York at Stony Brook  
Fa 1973 – Sp 1974  Associate Professor (Tenured 1973)  State University of New York at Stony Brook  
Fa 1974 – Sp 2016  Professor (Tenured 1974)  Yale University  
Fa 2016  Professor  Texas A&M University

COLLEGE OF ENGINEERING

<table>
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<th>Name</th>
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<tr>
<td>Dr. J. Karl Hedrick</td>
<td>Ph.D. (1971)</td>
<td>Su 1970 – Su 1974  Assistant Professor</td>
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<td>Stanford University</td>
<td>Arizona State University</td>
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COLLEGE OF ENGINEERING (Continued)

Fa 1974 – Su 1980  
Associate Professor (Tenured 1974)  
Massachusetts Institute of Technology

Fa 1980 – Su 1988  
Professor  
Massachusetts Institute of Technology

Fa 1988 – Su 2017  
Professor (Tenured 1988)  
University of California at Berkeley

Fa 2017  
Professor  
Texas A&M University

COLLEGE OF NURSING

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<th>Name</th>
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</table>
Assistant Professor  
University of Florida |
|                    | University of Florida | Fa 2002 – Su 2009  
Assistant Professor  
The University of Texas at Austin |
|                    |                    | Fa 2009 – Su 2010  
Associate Professor (Tenured 2009)  
The University of Texas at Austin |
|                    |                    | Fa 2010 – Su 2014  
Associate Professor (Tenured 2010)  
Florida Atlantic University |
|                    |                    | Fa 2014 – Su 2016  
Associate Professor (Tenured 2014)  
Mercer University |
|                    |                    | Fa 2016  
Professor  
Texas A&M University |
### COLLEGE OF VETERINARY MEDICINE AND BIOMEDICAL SCIENCES

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<td>Andhra Pradesh</td>
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<td>Agricultural Institute, India</td>
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<td>Fa 2005 – Su 2011</td>
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<td></td>
<td></td>
<td>Associate Professor (Tenured 2005)</td>
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<td>Purdue University</td>
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<td></td>
<td>Fa 2011 – Sp 2016</td>
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<tr>
<td></td>
<td></td>
<td>Professor</td>
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<tr>
<td></td>
<td></td>
<td>Purdue University</td>
</tr>
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<td></td>
<td>Su 2016</td>
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<tr>
<td></td>
<td></td>
<td>Professor</td>
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<td>Texas A&amp;M University</td>
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### TEXAS A&M UNIVERSITY SCHOOL OF LAW

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<tr>
<td></td>
<td>University of Houston</td>
<td>Assistant Professor</td>
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<td></td>
<td>Law Center</td>
<td>University of Detroit Mercy School of Law</td>
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<td></td>
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<td>Fa 2007 – Su 2012</td>
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<td></td>
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<td>Associate Professor (Tenured 2010)</td>
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<td></td>
<td></td>
<td>Suffolk University Law School</td>
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<td>Fa 2012 – Su 2016</td>
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<td></td>
<td></td>
<td>Professor</td>
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<td></td>
<td></td>
<td>Suffolk University School of Law</td>
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<td>Professor</td>
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</tr>
<tr>
<td>Name</td>
<td>Present Rank</td>
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</tr>
<tr>
<td>Dr. David L. Tan</td>
<td>Professor</td>
<td>Higher Education and Learning Technologies</td>
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<td>COLLEGE OF SCIENCE AND ENGINEERING</td>
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<tr>
<td>Dr. Judith Marchand Ball</td>
<td>Associate Professor</td>
<td>Biological and Environmental Sciences</td>
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<td>SCHOOL OF AGRICULTURE</td>
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<td>Dr. Randal M. Harp</td>
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<td>Agriculture</td>
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<td>COLLEGE OF HUMANITIES, SOCIAL SCIENCES AND ARTS</td>
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<tr>
<td>Dr. Ray M. Keck, III</td>
<td>Professor</td>
<td>Literature &amp; Languages</td>
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TEXAS A&M UNIVERSITY-COMMERCE  
BACKGROUND OF FACULTY  
RECOMMENDED FOR ACADEMIC TENURE

COLLEGE OF EDUCATION AND HUMAN SERVICES

<table>
<thead>
<tr>
<th>Name</th>
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<th>Employment Towards Tenure</th>
</tr>
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</table>
                     |         | Assistant Professor  
                     |         | Associate Professor (Tenured 1996)  
                     |         | University of Oklahoma  |
|                    | University of Arizona |                                                   |
|                    |                     | Fa 2008 – Sp 2016  
                     |         | Professor  
                     |         | University of Oklahoma  |
|                    |                     | Fa 2016  
                     |         | Professor  
                     |         | Texas A&M University-Commerce  |

COLLEGE OF SCIENCE AND ENGINEERING

<table>
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<th>Name</th>
<th>Education</th>
<th>Employment Towards Tenure</th>
</tr>
</thead>
</table>
                     |         | Assistant Professor  
                     |         | Texas A&M University  |
| Ball                | Louisiana State University |                                                   |
|                     |                         | Fa 2002 – Sp 2016  
                     |         | Associate Professor (Tenured 2002)  
                     |         | Texas A&M University  |
|                     |                         | Fa 2016  
                     |         | Associate Professor  
                     |         | Texas A&M University-Commerce  |

SCHOOL OF AGRICULTURE

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<th>Employment Towards Tenure</th>
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</thead>
</table>
                     |         | Assistant Professor  
                     |         | Texas A&M University-Commerce  |
|                    | Oklahoma State University |                                                   |
|                    |                         | Fa 2000 – Sp 2004  
                     |         | Assistant Professor  
                     |         | Tarleton State University |

Page 2 of 3
SCHOOL OF AGRICULTURE (Continued)

Dr. Randal M. Harp (continued)
Fa 2004 – Sp 2010
Associate Professor (Tenured 2007)
Tarleton State University

Fa 2010 – Sp 2016
Professor
Tarleton State University

Fa 2016
Professor
Texas A&M University-Commerce

COLLEGE OF HUMANITIES, SOCIAL SCIENCES AND ARTS

<table>
<thead>
<tr>
<th>Name</th>
<th>Education</th>
<th>Employment Towards Tenure</th>
</tr>
</thead>
</table>
Princeton University                                      |
|               |                         | Assistant Professor
Laredo State University                                   |
|               |                         | Fa 1994 – Sp 2016
Professor
Texas A&M International University                         |
<table>
<thead>
<tr>
<th>Name</th>
<th>Present Rank</th>
<th>Department</th>
<th>Yrs. Towards Tenure</th>
<th>Effective Date/Tenure</th>
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</thead>
<tbody>
<tr>
<td>Dr. Mohammad S. Alam</td>
<td>Professor</td>
<td>Electrical Engineering and Computer Science</td>
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<tr>
<td>Dr. Nael Barakat</td>
<td>Professor</td>
<td>Mechanical and Industrial Engineering</td>
<td>0</td>
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<tr>
<td>Dr. William M. Worek</td>
<td>Professor</td>
<td>Mechanical and Industrial Engineering</td>
<td>0</td>
<td>&gt;15</td>
</tr>
<tr>
<td>Name</td>
<td>Education</td>
<td>Employment Towards Tenure</td>
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<tr>
<td></td>
<td></td>
<td>Purdue University – Fort Wayne</td>
<td></td>
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</tr>
<tr>
<td></td>
<td></td>
<td>Fa 1997 – Su 1998 Associate Professor</td>
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<td>Purdue University – Fort Wayne</td>
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<td></td>
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<td>Fa 1998 – Su 1999 Professor</td>
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<td>Purdue University – Fort Wayne</td>
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<td>Fa 1999 – Sp 2001 Associate Professor</td>
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<td></td>
<td>University of Alabama</td>
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<td>Fa 2001 – Su 2016 Professor</td>
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<tr>
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<td></td>
<td>University of South Alabama</td>
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<td></td>
<td></td>
<td>Professor</td>
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<td>Texas A&amp;M University-Kingsville</td>
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<tr>
<td>Dr. Nael Barakat</td>
<td>Ph.D. (2000) McMaster University (Canada)</td>
<td>Fa 2002 – Su 2005 Assistant Professor</td>
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<td>Fa 2005 – Sp 2009 Assistant Professor</td>
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<td>Grand Valley State University</td>
<td></td>
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</tr>
<tr>
<td></td>
<td></td>
<td>Fa 2009 – Fa 2012 Associate Professor</td>
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<td>Grand Valley State University</td>
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<tr>
<td></td>
<td></td>
<td>Sp 2013 – Su 2016 Professor</td>
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</tr>
<tr>
<td></td>
<td></td>
<td>Grand Valley State University</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Fa 2016</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Professor</td>
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<td>Texas A&amp;M University-Kingsville</td>
<td></td>
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</tr>
</tbody>
</table>
Dr. William M. Worek  Ph.D. (1980)  Illinois Institute of Technology

Fa 1980 – Su 1986
Assistant Professor
Illinois Institute of Technology

Fa 1986 – Su 1989
Associate Professor
University of Illinois at Chicago

Fa 1989 – Sp 1995
Associate Professor (Tenured 198)
University of Illinois at Chicago

Fa 1995 – Su 2012
Professor
University of Illinois at Chicago

Fa 2012 – Sp 2013
Professor
Michigan Technological University

Fa 2013 – Sp 2016
Professor
Stony Brook University

Fa 2016
Professor
Texas A&M University-Kingsville
The Stiles Farm Foundation

The Texas A&M University System

BUDGET
For the Calendar Year
2017
### SUMMARY EXHIBIT

<table>
<thead>
<tr>
<th></th>
<th>2015 Actual</th>
<th>2016 Estimate</th>
<th>2017 Budget</th>
</tr>
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<tbody>
<tr>
<td><strong>Operating Revenue</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Crop Sales</td>
<td>$340,403</td>
<td>$421,128</td>
<td>$474,938</td>
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<tr>
<td>Livestock Sales</td>
<td>175,908</td>
<td>138,800</td>
<td>143,393</td>
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<tr>
<td>Farm Program Income</td>
<td>-</td>
<td>15,000</td>
<td>24,843</td>
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<tr>
<td>Total Operating Revenue</td>
<td>$516,211</td>
<td>$574,928</td>
<td>$643,174</td>
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<tr>
<td><strong>Operating Expense</strong></td>
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<tr>
<td>Crops</td>
<td>209,865</td>
<td>290,714</td>
<td>319,317</td>
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<td>Livestock</td>
<td>33,539</td>
<td>19,346</td>
<td>25,798</td>
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<td>Admin/General Farm Expenses</td>
<td>229,457</td>
<td>218,504</td>
<td>245,436</td>
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<td>Depreciation</td>
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<td>43,387</td>
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<td>$574,564</td>
<td>$633,938</td>
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<td><strong>Net Income (loss) from Operations</strong></td>
<td>$ (7,950)</td>
<td>$364</td>
<td>$9,236</td>
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<tr>
<td><strong>Non-Operating Revenue</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest &amp; Cooperative Dividend Income</td>
<td>16,390</td>
<td>25,397</td>
<td>40,801</td>
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<tr>
<td>Rental</td>
<td>17,570</td>
<td>15,500</td>
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<td>Gifts and Grants</td>
<td>3,730</td>
<td>3,200</td>
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<td>Gain on Production Livestock Sold</td>
<td>65,426</td>
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<td>Gain (loss) on Sale of Property and Equipment</td>
<td>6,500</td>
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<tr>
<td>Realized Gain (loss) on Investments</td>
<td>18,362</td>
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<tr>
<td>Unrealized Gain (loss) on Investments</td>
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<tr>
<td>Total Non-Operating Revenue</td>
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<td>$44,097</td>
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<tr>
<td><strong>Non-Operating Expenses</strong></td>
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</tr>
<tr>
<td>Contributions and Donations</td>
<td>300</td>
<td>11,000</td>
<td>12,500</td>
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<tr>
<td>Field Day and Demonstrations Costs</td>
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<td>2,766</td>
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<td>Scholarships</td>
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<tr>
<td>Total Non-Operating Expenses</td>
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<td>$22,766</td>
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<td><strong>Net Non-Operating Income (Loss)</strong></td>
<td>$100,290</td>
<td>$21,331</td>
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<td><strong>Total Net Income</strong></td>
<td>$92,340</td>
<td>$21,695</td>
<td>$44,737</td>
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</table>
### STILES FARM FOUNDATION
Summary Balance Sheet
as of December 31, 2015

#### ASSETS

<table>
<thead>
<tr>
<th>Asset</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Cash and cash equivalent</td>
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<td>Cash</td>
<td>$846,409</td>
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<td>Investments</td>
<td>1,016</td>
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<tr>
<td>Accounts Receivable</td>
<td>118,597</td>
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<tr>
<td>Inventories</td>
<td>61,850</td>
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<tr>
<td>Prepaid expenses</td>
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<td><strong>Total current assets</strong></td>
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<tr>
<td>Property and equipment, net</td>
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<tr>
<td><strong>Other assets:</strong></td>
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<tr>
<td>Investments in cooperatives</td>
<td>16,405</td>
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<tr>
<td>Investment pool</td>
<td>1,129,563</td>
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<tr>
<td><strong>Total other assets</strong></td>
<td><strong>1,145,968</strong></td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td><strong>$3,222,663</strong></td>
</tr>
</tbody>
</table>

#### LIABILITIES AND NET ASSETS

<table>
<thead>
<tr>
<th>Liability</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>Current liabilities</td>
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<tr>
<td>Accounts payable</td>
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<tr>
<td>Accrued compensation</td>
<td>2,946</td>
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<tr>
<td>Unearned rental revenue</td>
<td>1,775</td>
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<tr>
<td><strong>Total current liabilities</strong></td>
<td><strong>$31,712</strong></td>
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<tr>
<td>Net assets</td>
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<td>Board designated</td>
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<td>Undesignated</td>
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<td><strong>Total unrestricted</strong></td>
<td><strong>$2,998,603</strong></td>
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<tr>
<td>Temporarily restricted</td>
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<td>Permanently restricted</td>
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<td><strong>Total restricted</strong></td>
<td><strong>192,348</strong></td>
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<td><strong>Total net assets</strong></td>
<td><strong>3,190,951</strong></td>
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<tr>
<td><strong>Total liabilities and net assets</strong></td>
<td><strong>$3,222,663</strong></td>
</tr>
</tbody>
</table>
OUTLOOK FOR 2017

As a research/demonstration farm, the Stiles Farm Foundation utilizes management decision aids that incorporate input costs and expected revenue based on projected yields and prices. Enterprise accounting identifies potential profit areas so resources can be focused toward profitable activity. The services of the Farm Assistance program of Texas A&M AgriLife Extension Service are utilized to identify the most profitable enterprise mix based on projections and historical data. The current enterprise mix includes cattle, corn, cotton, hay, grain sorghum, wheat and small grains for grazing.

An assessment of the current and near term farm environment points to the challenges faced by the industry as a whole and can provide guidance to Texas A&M AgriLife Extension Services efforts to address the needs of its agricultural clientele.

Some factors affecting the 2017 budget

Net income from operations in the 2016 calendar year will be near breakeven as prices for grain have been depressed for several seasons. Wet early season conditions produced above average corn and grain sorghum yields. However, because of an extremely hot and dry June and July and a very wet harvest preparation in August, cotton acres will not be harvested. Crop insurance will provide some cotton revenue.

The bright spot in 2016 production has been hay. With large amounts of rain coinciding with the natural growth habit of our improved pastures, we made a record hay crop. This will help maintain our cow herd with long term forecasts showing dry weather to come.

Since grain prices have fallen from the historical highs in 2012, we expect to put more acres and resources into perennial and annual forages for our beef cattle herd. If rainfall provides good forage, there will be additional replacement females retained in the cattle herd. The acreage split between corn and grain sorghum could vary depending on spring planting moisture.

The 2017 budget reflects government payment support values based on the 2014 farm bill. Under the new bill, there will be considerably less certainty of payments due to the elimination of direct payments. Budget numbers are based on stable cotton and grain prices, stronger cattle prices, and expected stable energy, fertilizer and other input costs. The 2016 budget includes additional labor expense to support a part time secretary.

The longer term outlook (Figure 1) indicates a steady Net Income with stable operating returns and investment returns. Projected risk in Net Income indicates a 50% probability of the foundation realizing a 2017 Net Income in a range from negative $66,000 to positive $78,000. Figure 2 illustrates the outlook and risk in the farm’s operating cash position. The operation begins 2017 with an estimated $600,000 in operating funds (including some liquid and near cash assets). The outlook through 2021 has the farm improving the operating cash position on average, with the possible accumulated ending cash position in 2021 ranging from $490,000 to $1.44 million.
# STILES FARM FOUNDATION

## Itemized Operating Budget

<table>
<thead>
<tr>
<th>Operating Revenue</th>
<th>2015 Actual</th>
<th>2016 Estimate</th>
<th>2017 Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cotton</td>
<td>$67,697</td>
<td>$53,146</td>
<td>$87,740</td>
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<tr>
<td>Grain</td>
<td>$236,416</td>
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<td>$341,688</td>
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<td>Hay</td>
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<td>$20,000</td>
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<tr>
<td>Specialty Production</td>
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<td>$25,500</td>
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<tr>
<td>Cattle</td>
<td>$175,808</td>
<td>$138,800</td>
<td>$143,393</td>
</tr>
<tr>
<td>Farm Program Income</td>
<td>-</td>
<td>$15,000</td>
<td>$24,843</td>
</tr>
<tr>
<td><strong>Total Operating Revenue</strong></td>
<td><strong>$516,211</strong></td>
<td><strong>$574,928</strong></td>
<td><strong>$643,174</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Operating Expense</th>
<th>2015 Actual</th>
<th>2016 Estimate</th>
<th>2017 Budget</th>
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<tbody>
<tr>
<td>Cotton Striping</td>
<td>10,835</td>
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<td>Grain Combining</td>
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<td>Specialty Production</td>
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<td><strong>Total Crop Production</strong></td>
<td><strong>$209,865</strong></td>
<td><strong>$290,714</strong></td>
<td><strong>$319,317</strong></td>
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</table>

<table>
<thead>
<tr>
<th>Operating Expense</th>
<th>2015 Actual</th>
<th>2016 Estimate</th>
<th>2017 Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Feed</td>
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<td>Veterinary</td>
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<td><strong>Total Livestock Production</strong></td>
<td><strong>$33,539</strong></td>
<td><strong>$19,346</strong></td>
<td><strong>$25,798</strong></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Operating Expense</th>
<th>2015 Actual</th>
<th>2016 Estimate</th>
<th>2017 Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounting</td>
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<td>33,436</td>
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<tr>
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<td>200</td>
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<td>Tires, Fuel, Lube</td>
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<td>Travel and Conferences</td>
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<td>Utilities</td>
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<td>12,000</td>
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<tr>
<td><strong>Total Admin and General Expense</strong></td>
<td><strong>$229,457</strong></td>
<td><strong>$218,604</strong></td>
<td><strong>$246,436</strong></td>
</tr>
</tbody>
</table>

| Depreciation                    | $51,300     | $46,000       | $43,387     |
| **Total Operating Expenses**    | **$524,161**| **$574,654**  | **$633,938**|

| Net Income (loss) from Operations | $(7,950) | $364 | $9,236 |
THE STILES FARM FOUNDATION

ORGANIZATION

The Stiles Farm Foundation was established as a self-supporting, non-profit institution by bequest of the late J.V. and H.A. Stiles. The Board of Regents of The Texas A&M University System accepted trusteeship of the foundation as requested in the Stiles brothers’ will on September 23, 1961.

The Stiles Farm Foundation consists of 2,716 acres of land adjacent to the town of Thrall and 131 acres near Lake Granger in Williamson County, Texas. A total of 513.5 acres of land is restricted to corpus and can never be sold, mortgaged or disposed of by the trustees.

As outlined in the will, the farm has been operated as a research/demonstration farm utilizing management practices and techniques that are progressive and innovative, but practical so that farmers can identify and incorporate accepted practices into their existing operations.

Under the leadership of the Director of the Texas A&M AgriLife Extension Service, researchers with Texas A&M AgriLife Research and specialists with Texas A&M AgriLife Extension Service establish demonstrations where research-proven practices are incorporated into the ongoing farming operation. They are working toward a goal of assisting farmers in obtaining better yields, improved quality and increased efficiency.

The Stiles Farm Foundation further benefits the public service and educational efforts of the agricultural state agencies of The Texas A&M University System by applying proceeds from farming production to academic scholarships, local community public service, special events and field demonstrations.
STILES FARM FOUNDATION
Accounting, Budgeting and Management Information

The Foundation has adopted principles recommended by the American Institute of Certified Public Accountants for commercial agricultural producers. Some significant aspects of these are listed as follows:

A. Inventories

Inventories of hay, grain and cattle held for sale are valued using the Farm Price method of valuation which is the current market price less the estimated cost of disposal.

B. Revenue Recognition

The farm recognizes revenue on grain and hay at the time of harvest. Revenue from cattle is recognized at the time of weaning. The revenue is recorded at the current market price less estimated cost of disposal. Subsequent sales result in an increase or decrease in the recognized revenue by the difference between the amount inventoried and the amount realized. The current revenue also reflects the adjustments of inventory value to the current market price less estimated cost of disposal.

Government program payments are recorded as income in the year received. Royalty income is recorded as income in the year received.

C. Fixed Assets

Land, equipment and buildings acquired by bequest are stated at the estimated fair market value at the date of bequest. All subsequent acquisitions are stated at cost and, except for land, are depreciated on the straight-line method over the estimated useful lives of the various assets. Expenditures for additions and major improvements are capitalized and expenditures for maintenance and repairs are charged to earnings as incurred. When properties are retired or otherwise disposed of, the cost thereof and the applicable accumulated depreciation is removed from the respective accounts and the resulting gain or loss is reflected in earnings. A gain or loss is not recognized on trade-ins when the fair value of the asset is usually recorded at the cash paid plus the book basis of the trade-in. If the fair value is easily and accurately obtained a gain or loss on the trade-in is recognized, if appropriate.

D. Income Taxes

The Foundation is a non-profit entity and does not have activities subject to federal or state income taxes. It does, however, file a Form 990, Return for Organizations Exempt from Federal Income Taxes with the IRS.
Fixed Assets

Fixed assets are stated at cost, except that land acquired by bequest is stated at the estimated fair market value at the date of bequest. A summary of assets and related depreciation is shown below.

<table>
<thead>
<tr>
<th>Asset</th>
<th>Audited 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land</td>
<td>$ 633,080</td>
</tr>
<tr>
<td>Building and improvements</td>
<td>463,705</td>
</tr>
<tr>
<td>Machinery and equipment</td>
<td>860,488</td>
</tr>
<tr>
<td>Fences</td>
<td>189,341</td>
</tr>
<tr>
<td>Roads and terraces</td>
<td>215,964</td>
</tr>
<tr>
<td>Production livestock</td>
<td>110,593</td>
</tr>
<tr>
<td>Total property and equipment</td>
<td>2,473,171</td>
</tr>
<tr>
<td>Less: Accumulated depreciation</td>
<td>(1,497,331)</td>
</tr>
<tr>
<td>Property and equipment, net</td>
<td>$ 975,840</td>
</tr>
</tbody>
</table>

Other Assets

Investments in Texas Cotton Growers Association and Plains Cotton Cooperative Associations, agricultural cooperatives, are recorded at cost and represent long-term investments acquired through non-cash patronage dividends. These dividends or “book credits” represent a pro-rata share of the cooperatives earnings which are normally allocated to cooperative patrons on an annual basis. The book credits are refunded in cash to the patrons whenever excess cash earnings are accumulated by the cooperatives. The investment is not readily marketable, and transfer or sale, other than back to the issuing cooperative, is usually restricted or prohibited. The investment is acquired as a result of doing business with the cooperative and is not acquired in expectation of a return on investment.

Restricted Investments

The Trustees of the Foundation have established a policy that proceeds of 501.92 acres of land sold during 1996 shall be retained and invested, with the income from the investments being made available only for maintenance, repair and upgrades of the farm property and equipment. At August 31, 2016, cash balances and investments totaled $1,682,981 which includes $1,288,767 in an investment pool under the direction of The Texas A&M University System and $394,214 in a bank money market account for future use.
**Cash Flow**

The nature of dry land row crop farming requires substantial cash flow outflows in the early part of the calendar year. The resulting fall harvest and cash inflows occur in the last quarter of the year. The negative cash flow effect of this fact is that as much as 80% of total expenditures are made before any funds are received in a given year. Farm expenditures are paid from an operating checking account, which draws money from cash invested in money market accounts that are available for immediate use as costs of planting and production are incurred. Cash not needed for operations reside in an investment pool.

**Personal Services**

The Stiles Farm Foundation Trustees provide management supervisory services through the staff of the Texas A&M AgriLife Extension Service. The farm reimburses these costs including the value of any fringe benefits and travel. Farm housing is provided for the farm manager to reside at the Stiles Farm Foundation headquarters location. Two to three employees are employed by the Stiles Farm as tractor drivers and general laborers. The 2017 budget for these personnel reflects a pay range of $7.50 to $11 per hour, plus benefits for full time employees.

**Land Bequest**

In 1999, the Foundation received a bequest of 131.05 acres of land from the Mary Pitman Living Trust, to be managed as an endowment for the promotion of agriculture. The property may not be sold for twenty years, and if sold, the proceeds are to be used for the use and promotion of agriculture. Based on 1999 appraisal, the land has been recorded at the appraised value of $104,840.
Figure 1. Projected Variability in Net Income.

Note: Percentages indicate the probability that Net Income is below the indicated level. The shaded area contains 50% of the projected outcomes.
Figure 2. Projected Variability in Operating Cash Reserves.

Note: Percentages indicate the probability that Cash Reserves are below the indicated level. The shaded area contains 50% of the projected outcomes.