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MATERIAL SUPPORTING THE AGENDA

Volume Xd

March 1963 - August 1963

This volume contains the Material Supporting the Agenda furnished to each member of the Board of Regents prior to the meetings held on April 4-5, May 24-25, July 12-13, and August 17, 1963.

The material is divided according to the Standing Committees and the meetings that were held and is submitted on three different colors, namely:

- (1) white paper - for the documentation of all items that were presented before the deadline date
- (2) blue paper - all items submitted to the Executive Session of the Committee of the Whole and distributed only to the Regents, Chancellor, and Chancellor Emeritus
- (3) yellow paper - emergency items distributed at the meeting

Material distributed at the meeting as additional documentation is not included in the bound volume, because sometimes there is an unusual amount and other times maybe some people get copies and some do not get copies. If the Secretary were furnished a copy, then that material goes in the appropriate subject folder.

This volume includes Material Supporting the Agenda, exclusive of Attachments No. 1 and No. 2 and the Budget Docket for Meetings Nos. 613, 614, 615, and 616. Supplementary Agenda material is filed at the close of the material for each meeting.



THE BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS

## Material Supporting the Agenda

Meeting No. ..... 615 .....

Name ..... OFFICE COPY .....

Date ..... July 12-13, 1963 .....

*Volume I and*  
VOLUME II

CALENDAR  
MEETING OF THE BOARD OF REGENTS  
OF  
THE UNIVERSITY OF TEXAS  
JULY 12-13

Place: Main Building

Telephone No.: GR 1-1265

Page No.

Thursday, July 11

2:00 p. m.

Meeting of Special Committee  
to Study Administrative Fringe  
Benefits

Room 209

Friday, July 12

9:30 a. m.

Meeting of the Board

94

Room 209

10:30 a. m.

Meeting of Standing Committees

Land and Investment  
Committee

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Room 210

Academic and Developmental  
Affairs Committee

24

Room 209

12:00 noon

Lunch - Room 101

1:00 p. m.

Joint Meeting of the Buildings  
and Grounds Committee and  
Medical Affairs Committee\*

42, 57

Room 210

2:30 p. m.

Meeting of Executive Committee\*\*

3

Room 209

4:30 p. m.

Meeting of the Committee of the  
Whole

81

Room 209

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\* To dispose of those matters of common interest after which  
Medical Affairs Committee will convene in Room 209.

\*\* All Regents invited to attend since Annual budget will be dis-  
cussed. The time will vary, but meeting will be followed by  
Committee of the Whole.

\*\*\* Volume I

		<u>Page No.</u>
<u>Saturday, July 13</u>		
9:00 a. m.	Meeting of the Committee of the Whole <u>Room 209</u>	81
10:30 a. m.	Meeting of the Board <u>Room 212</u>	94

## **Executive Committee**

## EXECUTIVE COMMITTEE \*

Date: Friday, July 12, 1963  
 Time: 2:30 p. m.  
 Place: Regents' Room, Main Building 209

## Members:

Regent Brennan, Chairman  
 Regent Connally  
 Regent Madden  
 Regent McNeese  
 Regent Redditt

Page No.

1. Report of Interim Actions of Executive Committee, May 25, 1963 - June 28, 1963, for Ratification by Board of Regents. 5
- a. Amendments to the Budget
- (1) Central Administration (None)
  - (2) Main University (2B-13 and 2B-14)
  - (3) Texas Western College (3B-6 and 3B-7)
  - (4) Medical Branch (4B-7)
  - (5) Dental Branch (None)
  - (6) M. D. Anderson Hospital and Tumor Institute (None)
  - (7) Southwestern Medical School (None)
  - (8) Postgraduate School of Medicine (None)
  - (9) South Texas Medical School (None)
- b. Travel Items
- (1) Central Administration (None)
  - (2) Main University (2T-41, 2T-43 through 2T-53)
  - (3) Texas Western College (None)
  - (4) Medical Branch (4T-12)(4T-13, 4T-14)
  - (5) Dental Branch (None)
  - (6) M. D. Anderson Hospital and Tumor Institute (6T-5)
  - (7) Southwestern Medical School (7T-7 and 7T-8)
  - (8) Postgraduate School of Medicine (None)
  - (9) South Texas Medical School (None)
2. Requests Received Too Late for Interim Action  
 - Action Required - *none 2T-54 thru 2T-57 2T-610* 14  
*4T-13, 9T-9 + 2B-15, 3B-8, 5B-1*  
*4T-14, 6B-7, 7B-9*
3. Requests (Budget and Travel Items) Presented at Meeting - Action Required *2T-61 thru 2T-66 + 4T-15* 19
4. Budget Docket 19

\* All members of the Board are invited to be present at which time the 1963-64 Budget for The University of Texas system will be considered.

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c. Martin <del>D</del> ramer	
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d. Medical Branch	
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f. M. D. Anderson Hospital and Tumor Institute	
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h. South Texas Medical School	
i. Graduate School of Biomedical Sciences at Houston (Replaces Postgraduate School of Medicine)	
j. Auxiliary Enterprises Budgets	
(1) Main University	
(2) Texas Western College	
(3) Medical Branch	
(4) M. D. Anderson Hospital and Tumor Institute	
(5) Southwestern Medical School	
k. Sponsored Research Projects	
l. Physicians' Referral Service, M. D. Hospital	

*Supplementary P. 4a*

SUPPLEMENTARY AGENDA

EXECUTIVE COMMITTEE

The following items, submitted too late to be included in the supporting material mailed on July 2, have been referred to the Executive Committee:

- |  | <u>Page No.</u> |
|--|-----------------|
| I. Travel Requests: Main University<br>(2T-58, 2T-59, 2T-60) | 3 — 13a         |
| II. Travel Request: Medical Branch<br>(4T-14)                | 4 - 13b         |

*Mrs. J.'s suggestion about simplifying  
Travel Repts - see letter attached  
to back of this volume.*

A. EXECUTIVE COMMITTEE

1. REPORT OF INTERIM ACTIONS OF EXECUTIVE COMMITTEE, MAY 25, 1963--June 28, 1963, FOR RATIFICATION BY BOARD OF REGENTS. --Since the meeting of the Board of Regents on May 25, 1963, and the Board's approval of the Report of the Executive Committee, the Committee has unanimously approved, unless otherwise indicated, the following interim requests. Each request has been submitted by the respective institutional head and concurred in by the Chancellor. These requests are reported in each of the following groups by institutions in the order that they were approved. \*

a. Amendments to the Budget

(1) Central Administration

There were no requests for amendments to the Budget for Central Administration.

(2) Main University

- (a) Amend the 1962-63 Main University Budget on Page 100 by increasing the full-time salary rate of Susan W. Wilson from \$2,940 to \$4,200 for twelve months, effective May 29, 1963, funds to come from Government Contract Funds (1/2 T.) Genetics Foundation (1/2 T.). Also amend the budget to show a change in status of Susan W. Wilson from Laboratory Research Assistant II (1/2 T.) to Research Scientist Assistant I (F. T.), Department of Zoology (2B-13).
- (b) Amend the Sponsored Research Budget on Page 1 by increasing the salary rate of Richard O. Grohman from \$3,204 to \$5,784 for twelve months, effective June 1, 1963, funds to come from Government Contract Funds. Also amend the budget to show a change in status of Mr. Grohman from Technical Staff Assistant II to Research Scientist Associate II, Defense Research Laboratory (2B-13).
- (c) Amend the Budget for Summer Institute for High School Teachers (a National Science Foundation Grant) by increasing the salary rate of Robert Bruce Johnston from \$4,000 to \$7,500 for nine months, effective June 4, 1963, funds to come from National Science Foundation Grant. Also amend the budget to show a change in status

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\* The material as submitted to the members of the Executive Committee is incorporated in this Volume for those not members of the Committee and follows Page 23.

of Mr. Johnston from Teaching Assistant to Assistant Professor of Physics. Mr. Johnston's period of appointment is from June 4 through August 10, 1963. (2B-13)

- (d) Amend the 1962-63 Main University Budget on Page 82 by increasing the salary rate of Royce Z. Lockart, Associate Professor of Microbiology, from \$12,667 to \$14,000 for twelve months, effective June 1, 1963, funds to come from U. S. Public Health Service Career Award (1-K3-AI-19, 385-01). (2B-13)
- (e) Amend the Sponsored Research Project Budget on Page 1 by increasing the salary rates of the individuals listed below in the amounts shown for twelve months, effective June 1, 1963, funds to come from Government Contract Funds. Also amend the budget to show the changes in status for the individuals as indicated: \*

<u>Name</u>	<u>Salary Rate</u>	<u>Change in Status</u>
(1) Allen G. Findeisen	To: \$6,168 From: 4,584	To: Research Engineer Associate II (F. T.) From: Research Engineer Assistant I (3/4 T.)
(2) Tommy G. Goldsberry	To: \$6,168 From: 4,800	To: Research Scientist Associate II (F. T.) From: Research Scientist Assistant I (2/3T.)
(3) John A. Behrens	To: \$4,200 From: 3,072	To: Research Scientist Assistant I (F. T.) From: Laboratory Research Assistant II (3/4T)
(4) Raymond W. Bohls, Jr.	To: \$5,784 From: 4,200	To: Research Engineer Associate II (F. T.) From: Research Engineer Assistant I (1/2T.)
(5) Peter D. Morris	To: \$6,780 From: 4,200	To: Research Scientist Associate III (F. T.) From: Research Scientist Assistant I (5/8T.)

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\* All are employed in the Defense Research Laboratory.

(e) continued

<u>Name</u>	<u>Salary Rate</u>	<u>Change in Status</u>
(6) Charles E. Allday	To: \$6,780 From: 4,800	To: Research Scientist Associate II (F. T.) From: Research Scientist Assistant I (1/2T.)
(7) Jack A. Shooter	To: \$4,200 From: 3,072	To: Research Scientist Assistant I (F. T.) From: Laboratory Research Assistant II (3/10T.)
(8) Kent McCormack	To: \$6,168 From: 4,800	To: Research Scientist Associate II (F. T.) From: Research Scientist Assistant I (13/40 T.)
(9) Edward Lee Miller	To: \$5,784 From: 3,072	To: Research Engineer Associate I (F. T.) From: Laboratory Research Assistant II (7/20T.)
(10) Terry D. Plemons	To: \$4,800 From: 3,072	To: Research Scientist Assistant I (F. T.) From: Laboratory Research Assistant II (1/2T.)

(2B-14)

- (f) Amend the 1962-63 Main University Budget on Page 124 by increasing the full-time salary rate of Francis J. Kelly from \$7,800 to \$10,020 for twelve months, effective June 1, 1963, funds to come from Government Contract Funds. Also amend the budget to show a change of status for Mr. Kelly from Social Science Research Associate IV (1/2T) to Social Science Research Associate V, (F. T.) Educational Psychology Department. (2B-14).
- (g) Amend the 1962-63 Main University Budget on Page 85 by increasing the full time salary rate of Carl B. Collins from \$4,800 to \$8,160 for twelve months, effective June 1, 1963, funds to come from Government Contract Funds. Also amend the budget to show a change of status for Mr. Collins from Research Scientist Assistant II (1/4T) to Research Scientist Associate IV (F. T.), Physics Department. (2B-14).

- (h) Amend the 1962-63 Main University Budget on Page 33 by transferring \$400.00 from the Departmental Maintenance and Operation Account, Balcones Research Center - Administration to Travel Account. (2B-14)
- (3) Texas Western College
- (a) Amend the 1962-63 Texas Western College Summer Session Budget on Page 3 by increasing the full-time salary rate of John C. Akard, Instructor in Economics and Business Administration (1/2 T.), from ~~\$5,900~~<sup>\$4,000</sup> to ~~\$4,000~~<sup>\$4,900</sup> for nine months, effective June 4 through July 12, 1963, funds to come from Unallocated Salaries. (3B-6)
- (b) Amend the 1962-63 Texas Western College Budget on Page 2 by transferring from Unallocated Maintenance and Equipment \$750.00 into Travel Account, Office of the President. (3B-7)
- (4) Medical Branch
- (a) Amend the 1962-63 Medical Branch Budget on Page 54 by increasing the salary rate of Wiktor W. Nowinski, Research Professor of Surgery, from \$12,000 to \$13,800 for twelve months, effective June 1, 1963, funds to come from U. S. Public Health Service Grant. (4B-7)
- (b) Amend the 1962-63 Medical Branch Budget on Page 54 by increasing the salary rate of Joseph Paderewski, Creative Research Worker in Surgery, from \$7,440 to \$8,520 for twelve months, effective May 1, 1963, funds to come from Departmental Budget, Government Contract Funds, and Special Activities Funds. Also amend the budget to show a change in status of Mr. Paderewski from Medical Sculptor to Creative Research Worker. (4B-7)
- (5-9) Dental Branch, M. D. Anderson Hospital and Tumor Institute, Southwestern Medical School, Postgraduate School of Medicine, South Texas Medical School

There were no requests for amendments to the budget from Dental Branch, M. D. Anderson Hospital and Tumor Institute, Southwestern Medical School, Postgraduate School of Medicine and South Texas Medical School.

## b. Travel Items

(1) Central Administration

There were no requests for permission to travel from Central Administration.

(2) Main University

<u>(a) Name</u>	<u>Period of Absence</u>	<u>Destination</u>
W. F. Bradley, Professor of Chemical Engineering (2T-41)	September 1 - 21, 1963	Stockholm, Sweden, and Rome, Italy

Purpose: Stockholm, to deliver a paper at the 1963 International Clay Conference; Rome, to attend and deliver a paper at the Sixth General Assembly of the International Union of Crystallography.

Expenses: There will be no expense to the University.

<u>(b) Name</u>	<u>Period of Absence</u>	<u>Destination</u>
Mary L. Alexander Research Scientist, Genetics Foundation (2T-43)	August 19 - September 22, 1963	Washington, D. C. ; Edinburgh, Scot- land; The Hague, Netherlands; Paris, France

Purpose: Washington, to attend International Congress of Zoology; Edinburgh, to visit Institute of Animal Genetics; The Hague, to attend XI International Congress of Genetics and present paper; Paris, to visit Laboratoire Pasteur.

Expenses: Expenses estimated at \$232.00 for transportation and \$285.00 for per diem (19 days), to be paid from Contract and Grant Funds.

<u>(c) Name</u>	<u>Period of Absence</u>	<u>Destination</u>
Robert N. Little Professor of Physics (2T-44)	June 30 - July 27, 1963	Rome, Italy; Amsterdam, Holland; Paris, France; Harwell, England, and perhaps other places where labora- tories for nuclear research are located.

Purpose: To assist Doctor Kinsey in his visits to other laboratories working in the same field of research as the new nuclear laboratory at the University.

Expenses: Expenses estimated at \$1,000.00 for transportation and \$405.00 for per diem (28 days) to come from General Funds - Research in Nuclear Physics.

<u>(d) Name</u>	<u>Period of Absence</u>	<u>Destination</u>
(Ronald) Terence Grieder, Assistant Professor of Art (2T-45)	May 30 - September 10, 1963	Peru, Argentina, and Brazil

Purpose: To obtain photographs of art for teaching purposes.

Expenses: Expenses estimated at \$900.00 for transportation and \$1,500.00 for per diem (100 days), to be paid from Contract Funds.

<u>(e) Name</u>	<u>Period of Absence</u>	<u>Destination</u>
Bassett Maguire, Jr., Assistant Professor of Zoology (2T-46)	June 23 - August 10, 1963 Aug. 15 - Sept. 5, 1963 Sept. 7 - 23, 1963	Eniwetok-atoll, South Pacific, Washington, D. C., and San Juan, Puerto Rico

Purpose: This request covers three different trips, each one for more than two weeks: to do studies concerning the processes of dispersal and colonization of small aquatic organisms in specialized environments in Eniwetok-atoll; to deliver a paper at International Congress of Zoology in Washington, D. C., and then to San Juan to do the same studies as previously done in Eniwetok-atoll.

Expenses: Expenses estimated at \$196.00 for transportation to Washington from General Funds. (Other expenses under terms of Contract.)

<u>(f) Name</u>	<u>Period of Absence</u>	<u>Destination</u>
Terrell H. Hamilton Assistant Professor of Zoology (2T-47)	June 3 - August 31, 1963	Boston, Massachusetts

Purpose: To work in the Harvard Biological Laboratories in connection with research being done under Grant GM 08871-02.

Expenses: Expenses estimated at \$200.00 for transportation and \$120.00 for per diem (8 days), to be paid from Grant Fund.

<u>(g) Name</u>	<u>Period of Absence</u>	<u>Destination</u>
Michael Menaker Assistant Professor of Zoology (2T-48)	June 3 - August 31, 1963	Boston Massachusetts

Purpose: To work in Harvard Biological Laboratories in connection with research being done under NSF Grant.

Expenses: Expenses estimated at \$400.00 for transportation and \$120.00 for per diem (8 days) to be paid from Grant Funds.

<u>(h) Name</u>	<u>Period of Absence</u>	<u>Destination</u>
Willis R. Woolrich, Dean Emeritus, College of Engineering; Professor of Mechanical Engineering (2T-49)	June 15 - July 1, 1963	Philadelphia, Pennsylvania and Milwaukee, Wisconsin

Purpose: To attend session of American Society for Engineering Education; to receive Distinguished Service Award, American Society of Heating, Refrigerating, and Air Conditioning Engineers, Incorporated.

Expenses: Expenses estimated at \$163.00 for transportation to be paid from Engineering Foundation - Gift Funds.

<u>(i) Name</u>	<u>Period of Absence</u>	<u>Destination</u>
Michael Ian Davis, Instructor in Chemistry (2T-50)	September 2 - 19, 1963	Rome, Italy

Purpose: To give a paper at the International Union of Crystallography Congress and visit laboratories at the University of London.

Expenses: There will be no expense to the University.

<u>(j) Name</u>	<u>Period of Absence</u>	<u>Destination</u>
Hans W. Schluter Associate Professor of Physics (2T-51)	July 5 - August 12, 1963 (July 25 - August 7 personal business)	Paris, France; Munich, Germany

Purpose: To attend the International Symposium on Ionization Phenomena in Gases; to visit plasma laboratories and exchange technical information on research.

Expenses: Expenses estimated at \$760.00 for transportation and \$170.00 for per diem (24 days) to be paid from Contract Funds.

<u>(k) Name</u>	<u>Period of Absence</u>	<u>Destination</u>
Gail A. Ratliff Student Group Advisor I, International Office (2T-52)	June 24 - Aug. 30, 1963	Japan, Hong Kong, Calcutta, New Delhi, Srinigar, Bombay, etc.

Purpose: To participate in Orientation Seminar on Socio-economic background on students of the Far East and Southeast Asia.

Expenses: There will be no expense to the University.

<u>(l) Name</u>	<u>Period of Absence</u>	<u>Destination</u>
Harold Wood Smith Professor of Electrical Engineering (2T-53)	July 19 - Aug. 4, 1963	Bad Homburg, Germany

Purpose: To attend NATO Advanced Study Institute on Low Frequency Electromagnetic Radiation as a participant in Bad Homburg, Germany.

Expenses: Expenses estimated at \$255.00 for per diem (17 days) to be paid from Contract funds. (NSF)

(3) Texas Western College

There were no requests for permission to travel from Texas Western College.

(4) Medical Branch

<u>Name</u>	<u>Period of Absence</u>	<u>Destination</u>
E. Burke Evans, M.D. Associate Professor, Acting Chief, Orthopedic Surgery (4T-12)	June 14-30, 1963	Atlantic City, New Jersey; Hot Springs, Virginia

Purpose: To attend AMA Meeting and to attend committee meetings in connection with Scientific Assembly as Chairman of Section on Orthopedic Surgery; to participate as panelist.

Expenses: Expenses estimated at \$290.00 for transportation and \$510.00 for per diem (17 days) to be paid from Account No. 19377-13002 (Current Restricted).

(5) Dental Branch

There were no requests for permission to travel from the Dental Branch.

(6) M. D. Anderson Hospital and Tumor Institute

<u>Name</u>	<u>Period of Absence</u>	<u>Destination</u>
Clifton F. Mountain, M.D., Assistant General Surgeon (6T-5)	June 23 - July 13, 1963	Ann Arbor, Michigan

Purpose: To participate in Summer Workshop on Digital and Analog Computers in Biomedical Sciences at the University of Michigan School of Public Health.

Expenses: Expenses estimated at \$175.00 for transportation and \$315.00 for per diem (21 days) to be paid from N. C. I. Grant CA-06675-01A1.

(7) Southwestern Medical School

(a) <u>Name</u>	<u>Period of Absence</u>	<u>Destination</u>
S. Edward Sulkin, Professor and Chair- man, Dept. of Micro- biology (7T-7)	Aug. 20 - Sept. 18, 1963	Rio de Janeiro, Brazil

Purpose: To present a paper entitled "Bat Rabies in the Americas: North America" (by invitation), at the 7th International Congresses on Tropical Medicine and Malaria; to collect insectivorous bats in Trinidad and Tobago.

Expenses: There will be no expense to the University.

<u>(b) Name</u>	<u>Period of Absence</u>	<u>Destination</u>
Doctor Roger H. Unger, Assistant Professor, Internal Medicine (without salary) (7T-8)	Aug. 18 - Sept. 18, 1963	Uppsala, Sweden

Purpose: To attend and participate in a meeting of the International Symposium on Diabetes.

Expenses: Expenses estimated at \$600.00 for transportation and \$105.00 for per diem (7 days) to be paid from 8368 Upjohn Grant.

(8-9) Postgraduate School of Medicine  
South Texas Medical School

There were no requests for permission to travel from Postgraduate School of Medicine or from South Texas Medical School.

(The Secretary of the Board has compiled the foregoing items which have been unanimously approved by the Executive Committee. Unless there is some objection by a committee member, the foregoing report is ready to be presented for the Board's ratification and is on the Agenda for the open session on Friday morning.)

See pp. 13a + 13b.

Supplementary  
EXECUTIVE COMMITTEE

Main University  
Medical Branch  
Institution or Institutions

Item No.

Subject: Travel Requests

The following additional items to the agenda are requests for permission to travel which have been recommended by the respective Institutional Head, concurred in by the Chancellor and submitted to the Executive Committee since the supporting material was mailed on July 2.

A. Main University

<u>Name</u>	<u>Period of Absence</u>	<u>Destination</u>
Alfred Schild, Professor of Mathematics (2T-58)	July 9 - Sept. 4, 1963	Aspen, Colorado

Purpose: To participate in the Physics Division, Aspen Institute for Humanistic Studies.

Expenses: There will be no expense to the University.

<u>Name</u>	<u>Period of Absence</u>	<u>Destination</u>
Jon A. Schlosser, Research Scientist Assistant III, Research on Relativity and Gravitational Theories (2T-59)	July 9 - Sept. 4, 1963	Aspen, Colorado

Purpose: To participate in Physics Division, Aspen Institute for Humanistic Studies.

Expenses: There will be no expense to the University.

<u>Name</u>	<u>Period of Absence</u>	<u>Destination</u>
Jack W. Ledbetter, Assistant Professor of General Business (2T-60)	June 28 - July 27, 1963	Norman, Oklahoma; Palo Alto, Berkeley, and Los Angeles, California

Purpose: To conduct field interviews in connection with the College of Business Administration Case Research Program and to consult with selected educators in connection with new case oriented course in government regulation of business.

Expenses: Expenses estimated at \$310.00 for transportation and \$270.00 for per diem (18 days) to be paid from General Funds.

B. Medical Branch

<u>Name</u>	<u>Period of Absence</u>	<u>Destination</u>
W. F. Verwey, Professor and Chairman, Department of Microbiology (4T-14)	August 26 - September 13, 1963	Rio de Janeiro, Brazil

Purpose: To attend International Congress of Tropical Diseases and Malaria; to participate in a round table on cholera; to present paper based upon work done by Doctor Watanabe and Doctor Verwey and also to visit institutions in Sao Paulo, Rio, and Trinidad.

Expenses: Expenses estimated at \$206.00 for per diem (19 days), to be paid from Professional Fees 19335 07002.

NOTE: The foregoing items have been unanimously approved by the Executive Committee and should be included in the Report of Interim Actions.

2. ITEMS THAT HAVE BEEN SUBMITTED BY THE ADMINISTRATION BUT NOT APPROVED BY THE EXECUTIVE COMMITTEE AS OF JUNE 28, 1963.
- The following requests have been approved by the Administration upon recommendation of the respective institutional head. Some of these, as indicated, have been approved by the Chairman of the Executive Committee, some have been submitted to the Executive Committee but too late for the poll of the committee to be reported in this Volume, and others have not yet been approved by the Chairman of the committee.

a. Travel Items

(1) Central Administration

There are no requests for travel pending for Central Administration.

(2) Main University

<u>(a) Name</u>	<u>Period of Absence</u>	<u>Destination</u>
Hugh S. Forrest, Associate Professor of Zoology (2T-54)	August 12 - Sept. 13, 1963	Boston, Mass.; Woods'Hole and Cape Cod; Great Britain, Holland

Purpose: To visit various laboratories and consult with other scientists; to attend the International Congress of Genetics at the Hague, September 1-10, 1963.

Expenses: Expenses estimated at \$220.00 for transportation and \$180.00 for per diem (12 days) to be paid from Contract Funds.

<u>(b) Name</u>	<u>Period of Absence</u>	<u>Destination</u>
Jerre S. Williams, Professor of Law (2T-55)	August 30-Sept. 23, 1963	Lyon, France; London, England

Purpose: To attend the Fifth International Conference for Labor Law and Social Security at Lyon, and to attend the Institute for Advanced Legal Studies at London, on invitation to be guest of honor together with two other American law teachers.

Expenses: Expenses estimated at \$765.00 for transportation and \$250.00 for per diem (25 days) to be paid from Ford Foundation Grant - School of Law.

<u>(c) Name</u>	<u>Period of Absence</u>	<u>Destination</u>
Winfred Phillip Lehmann Professor of Germanic Languages (2T-56)	June 13 - July 2, 1963	Washington, D. C.; Paris, France; Marburg, Germany; Cairo, Egypt

Purpose: To attend a seminar in Washington; a meeting of Committee for Linguistics Information in Paris; to visit linguistics institute in Marburg; and Middle East Center business in Cairo.

Expenses: (1) Ticket to Washington, D. C. and New York to be paid from General Funds assigned from Excellence Fund as matching funds for Middle East and South Asia Language and Area Center;  
(2) \$700 from contract funds (NDEA Title IV), Graduate School; and  
(3) trip from Paris to Cairo will be paid from " 'soft' Egyptian currency available through the International Office.

<u>(d) Name</u>	<u>Period of Absence</u>	<u>Destination</u>
Susan Mowery, Assistant to the Coordinator, BU-TU Contract and to Coordinator, Texas- Taiwan Contract, International Office(2T-57)	Aug. 1-30, 1963 (approximately)	Baghdad, Iraq, and Taipei, Taiwan

Purpose: To visit the University contract team members.

Expenses: There will be no expense to the University.

(3) Texas Western College

There are no requests for travel pending for Texas Western College.

(4) Medical Branch

<u>Name</u>	<u>Period of Absence</u>	<u>Destination</u>
Doctor Ardzroony A. Packchanian, Profes- sor of Microbiology (4T-13)	Aug. 12 - Sept. 3, 1963	Prague, Czechoslovakia; Paris, France; Erivan, Armenia; Antwerp, Belgium; Geneva, Switzerland; Washington, D. C.

Purpose: To present a scientific paper before the II International Congress of Pharmacology at Prague, Czechoslovakia, and to visit scientific centers at the cities mentioned above and to confer with ONR and NSF in Washington.

Expenses: Expenses estimated at \$347.00 for transportation and \$353.00 for per diem (23 days) to be paid from Naval Contract Nonr 1061(00): NR NO. 103-200

(5-6) Dental Branch and M. D. Anderson  
Hospital Tumor Institute

There are no requests for travel pending for Dental Branch or M. D. Anderson Hospital and Tumor Institute.

(7) Southwestern Medical School

<u>Name</u>	<u>Period of Absence</u>	<u>Destination</u>
Donald W. Seldin, M.D., Professor and Chairman, Dept. of Internal Medicine (7T-9)	Aug. 13 - Sept. 14, 1963	Oslo, Norway; Stockholm, Sweden; Berlin, Germany; Prague, Czechoslovakia; Frankfurt, Germany; Munich, Germany; Paris, France; London, England

Purpose:

- (1) To attend the II International Congress of Nephrology
- (2) To The University of West Berlin in connection with setting up a joint training program
- (3) To visit several laboratories to present our work as well as to learn new technics in Oslo, Stockholm, Copenhagen and London.

Expenses: There will be no expense to the University.

(8-9) Postgraduate School of Medicine  
and South Texas Medical School

There are no requests for travel pending for Postgraduate School of Medicine or South Texas Medical School.

b. Amendments to the Budget

(1) Central Administration

There are no amendments to the budget pending for Central Administration.

(2) Main University

- (a) Amend the 1962-63 Main University Budget on Page 18 by increasing the full-time salary rate of Marsha A. Wilkins from \$2,940 to \$4,020 for twelve months, effective June 1, 1963, funds to come from Departmental Funds - General Budget. Also amend the budget to show a change of status for Marsha A. Wilkins from Dormitory Counseling Supervisor I (P. T.) to Psychologist I (P. T.), Testing and Counseling Center. (2B-15)

- (b) Amend the 1962-63 Main University Budget on Page 144 by increasing the full-time salary rate of Jackie L. Stone from \$2,580 to \$4,392 for twelve months, effective June 1, 1963, funds to come from Government Contract Funds. Also amend the budget to show a change in status for Jackie L. Stone from Laboratory Research Assistant I (P. T.) to Research Engineer Assistant I (P. T.), Electrical Engineering - Electronic Materials Research Laboratory. (2B-15)

(3) Texas Western College

Amend the 1962-63 Texas Western College Summer Session Budget on Page 4 by increasing the full-time salary rate of John B. Finnegan from \$3,600 to \$4,800 for nine months, effective June 4 - July 12, 1963, funds to come from Unallocated Salaries. Also amend the budget to show a change in status for Mr. Finnegan from Graduate Assistant (P. T.) to Instructor (P. T.), Department of English. (3B-8)

(4) Medical Branch

There are no amendments to the budget pending for Medical Branch.

(5) Dental Branch

Amend the 1962-63 Dental Branch Budget on Page 6 by transferring \$1,500 from Reserve for Maintenance, Operation, Equipment, Supplies and Travel Account into the account Staff Traveling Expenses. (5B-1)

(6) M. D. Anderson Hospital and Tumor Institute

Amend the M. D. Anderson Hospital and Tumor Institute Budget on Page 26 by increasing the salary rate of David Marrack, Associate Pathologist, Section of Experimental Clinical Pathology, from \$18,750 to \$22,000 for twelve months, effective June 1, 1963, funds to come from National Cancer Institute Grant CA-06939-01. (6B-7)

(7) Southwestern Medical School

Amend the 1962-63 Budget for Southwestern Medical School on Page 7 by transferring \$2,000 from Unallocated Maintenance and Equipment Account into the account Conferences, Lectures, and Attendance at Scientific Meetings (Travel). (7B-9)

(8-9) Postgraduate School of Medicine  
and South Texas Medical School

There are no amendments to the budget pending for Postgraduate School of Medicine or South Texas Medical School.

3. REQUESTS (BUDGET AND TRAVEL ITEMS) PRESENTED AT MEETING. -- Any requests approved by the Chancellor and not included in Item 2 preceding will be distributed either in the Supplementary Agenda material or at the meeting.
4. <sup>(2T-61 thru 2T-66; 4T-15)</sup> BUDGET DOCKET. -- The Budget Docket which consists exclusively of Amendments to the 1962-63 Budget for The University of Texas system as submitted by each institutional head and approved by the Chancellor is in the last section of Volume I.

You will possibly be interested in the following items:

<u>Page</u>	<u>Item</u>
C-b-1	4 (Appointment of Assistant Dean, South Texas Medical School)
M-b-6	61-71 (Excellence Fund)
M-b-27	Military Leaves as Provided by <u>Rules and Regulations</u>
W-b-5	52-53 (Resignation of Football Coach and Assistant)
AB-3	24 (Transfer of Unused Funds)
S-b-1	4 (Resignation of William Buchanan Professor)

It is recommended that the Budget Docket as distributed by the Secretary prior to the meeting be approved and be attached to this report.

This Docket, together with all amendments to the budget which are normally reported by the Executive Committee, is furnished to the State Library and other Capitol offices in compliance with the provisions of the current Appropriations Bill.

5. AMENDMENT TO 1963-64 CLASSIFIED PERSONNEL PAY PLAN, MAIN UNIVERSITY (3-CL-63).  
--Below is a Xerox copy of the proposal as presented by Chancellor Ransom.

Proposal  
Presented by  
Chancellor:

University Personnel Director Holland recommends and Vice President Hackerman and Chancellor Ransom concur in the recommendation that the following addition to the Classified Personnel Pay Plan be made, effective September 1, 1963:

<u>Code</u>	<u>Title</u>	<u>Monthly Range</u>	<u>Annual Range</u>
6530	Art Curator and Educational Director	\$514-680	\$6168-8160

The opening of the new Teaching Art Gallery and the expansion of responsibilities of the Art Department make it necessary to employ an individual to assume the responsibility of Art Curator and Educational Director. The salary range recommended is comparable to the responsibilities and educational requirements for other classifications requiring this salary range.

Additional  
Information  
by Secretary:

There is no position in the State Classification Plan which is strictly comparable to the one recommended, according to Mr. Jack Holland. He states that this salary range "is based on a recently completed extensive survey of salaries paid by Museum and Art Galleries in this country."

6. WAIVER OF NEPOTISM RULE, MAIN UNIVERSITY.  
--Below is a Xerox copy of the proposal as presented by Chancellor Ransom.

Proposal  
Presented by  
Chancellor:

Part One, Chapter III, Section 5.34 of the Rules and Regulations of the Board of Regents of The University of Texas reads:

"No person, any relative of whom holds an academic rank of instructor or higher or occupies a nonteaching position with a monthly salary rate of \$450 or more at one of the component institutions of The University of Texas, shall be appointed even temporarily to an equal or higher position in either category in another department or subdivision of the same institution, except by specific petition approved in advance by the appropriate administrative officials and the Chancellor, with subsequent report to the Board of Regents; provided, however, if any such proposed appointment involves tenure, prior approval of the Board of Regents is required."

To Chancellor



THE UNIVERSITY OF TEXAS  
AUSTIN 12, TEXAS

UNIVERSITY PERSONNEL OFFICE

June 13, 1963

CHANCELLOR'S OFFICE U. OF T.	
Acknowledged.....	File.....
REC'D JUN 14 1963	
TO.....	FOR INFO AND RETURN
TO.....	PLEASE ADVISE ME
TO.....	PLEASE HANDLE

Dr. Norman Hackerman  
Vice-President and Provost  
The University of Texas  
Austin, Texas

Dear Dr. Hackerman:

The opening of the new Art Gallery and the expansion of responsibilities of the Art Department which will accompany the opening will require that we provide a new position in the Classified Personnel Pay Plan.

We propose the following additional job classification to be effective September 1, 1963:

ADD:

<u>Code</u>	<u>Title</u>	<u>Monthly Range</u>	<u>Annual Range</u>
6530	Art Curator and Educational Director	\$514-680	\$6168-8160

The range which we are recommending is based on the recently completed extensive survey of salaries paid by museum and art galleries in this country.

Other classes and salary ranges in the Classified Personnel Pay Plan have also been considered in recommending this range since, in our opinion, they are comparable in level of duties and responsibilities and educational requirements.

We have also referred to the State Classification Plan, but find no position there which is strictly comparable to the one which we are recommending.

Should you need additional information the details of our survey are on file in this office.

Very truly yours,

Jack Holland  
Director

zjf

Distribution of Approve Copies:

- Dr. H. H. Ransom
- Mr. J. H. Colvin
- Mr. G. C. Starnes
- University Personnel Office

6/13  
Harry Ransom  
6/14/63

PRESIDENT'S OFFICE, U OF T  
 ACKNOWLEDGED \_\_\_\_\_ FILE \_\_\_\_\_  
 THE UNIVERSITY OF TEXAS  
 REC'D MAY 21 1963  
 AUSTIN 12, TEXAS  
 REFER TO \_\_\_\_\_  
 PLEASE ANSWER \_\_\_\_\_  
 \_\_\_\_\_ AND RETURN \_\_\_\_\_

PRESIDENT'S OFFICE, U OF T  
 ACKNOWLEDGED \_\_\_\_\_ FILE \_\_\_\_\_  
 REC'D MAY 16 1963  
 REFER TO *Chancellor*  
 PLEASE ANSWER \_\_\_\_\_  
 \_\_\_\_\_ AND RETURN \_\_\_\_\_

UNIVERSITY PERSONNEL OFFICE

May 16, 1963

*Exec. Comm*

Dr. Norman Hackerman  
 Vice-President and Provost  
 The University of Texas  
 Austin, Texas

Dear Dr. Hackerman:

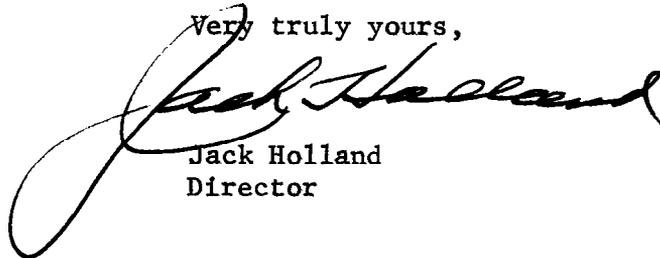
Mr. A. Moffit has requested an exception to the nepotism rule of the Board of Regents in order that he may appoint Mrs. June A. Moll to the position of Humanities Research Center Librarian at a monthly salary of \$565, the annual rate being \$6,780. Mrs. Moll's husband, Mr. James W. Moll, is employed by the College of Fine Arts as an Associate Professor of Drama.

Prior to this time Mrs. Moll has been employed at a salary rate that did not violate the nepotism rules.

Mr. Moffit has requested that Mrs. Moll be considered for continuous service; therefore, should you agree with his request the exception should be made under Paragraph 5.44 which provides that "In extraordinary cases where the interest of the University will be best served, the Board of Regents, upon special petition from an institutional head approved by the Chancellor, may suspend these regulations . . ." Mr. Moffit has requested this waiver in order that Mrs. Moll's appointment may be effective September 1, 1963.

Should you have further questions concerning this request, please do not hesitate to call on us.

Very truly yours,

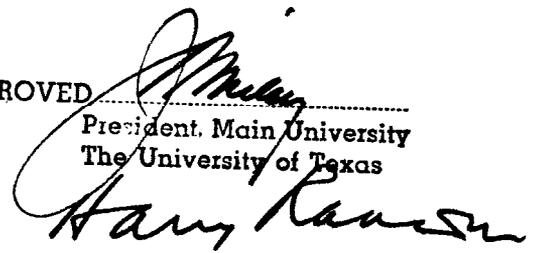
  
 Jack Holland  
 Director

jf

Distribution of Approved Copies:  
 Mr. A. Moffit  
 University Personnel Office

This will be submitted to the Executive Committee at the next regular meeting. Received too late for Regents' consideration at May meeting.

APPROVED

  
 President, Main University  
 The University of Texas

*JOS*  
*received*  
*papers*  
*leaf*  
*5/17*

Mrs. June A. Moll is currently employed in the Library as Reference Librarian at a salary rate that does not violate the nepotism regulation; however, effective September 1, 1963, it is the recommendation of Mr. A. Moffit that Mrs. Moll be appointed to the position of Librarian of the Stark Library at a salary which is not permitted under existing rules of the Regents. Mrs. Moll's husband, Mr. James W. Moll, is employed by the College of Fine Arts as an Associate Professor of Drama.

Section 5.44, Chapter III, Part One of the Regents' Rules and Regulations reads:

"In extraordinary cases where the interest of the University will be best served thereby, the Board of Regents, upon special petition from an institutional head approved by the Chancellor, may suspend these regulations except as to the appointment of any relative of a Regent, the Chancellor of the University, or the head of any component institution. (Amendment No. 1, Meeting No. 589, July, 1960)"

Mr. Moffit has requested approval of the Regents to suspend the regulation in the case of Mrs. June A. Moll and this recommendation is concurred in by University Personnel Director Holland, President Smiley and Chancellor Ransom.

Additional  
Information  
by Secretary:

According to the 1962-63 Budget on Page 196, Mrs. Moll now receives an annual salary of \$5,268 and on Page 157 Mr. Moll receives an annual salary of \$9,800.

In setting up the files for the Board of Regents, the Waiver of Nepotism Rule beginning with 1963-64 will be numbered according to each institution. If this item is approved, it will be Item No. 2 for Main University since Waiver No. 1 (James D. McFarland, Jr.) was approved at the May meeting.

There may be a slight variation in the actual number since prior to this meeting - and in the Dockets for this meeting - requests for Waivers of Nepotism Rule have in many instances been reported through the Docket.

7. LEAVES OF ABSENCE WITHOUT PAY FOR 1963-64, EXTENSION OF - MAIN UNIVERSITY.  
--Below is a Xerox copy of the proposal as presented by Chancellor Ransom.

Proposal  
Presented by  
Chancellor:

Part One, Chapter III, Section 16 of the Rules and Regulations of the Board of Regents of The University of Texas sets out conditions on certain leaves of absence without

pay. Section 16.3 and 16.4 read as follows:

"A second consecutive year of leave should not be requested except for military service, reasons of health, or continued graduate study. This provision will be interpreted liberally in the case of junior staff members working on advanced degrees."

"Except in very unusual circumstances a third consecutive leave of absence for one year will not be granted. Such circumstances would now include extended military service or prolonged illness."

The respective Budget Council, Department Chairman, and Dean recommend approval of the following:

1. Professor Fred M. Bullard, Department of Geology, an extension of his leave of absence for the 1963-64 academic year. Dr. Bullard's leave from his regular teaching duties in the Department of Geology was effective February 1, 1962. Dr. Bullard is working with the University of Baghdad as a part of the cooperative program of The University of Texas under a contract through the Department of State and is making a contribution for the University.

2. Mr. E. H. Bucknall, Professor of Mechanical Engineering, a leave for two consecutive years beginning September 1, 1963, to serve as Professor of Metallurgy at the Indian Institute of Technology.

Professor Bucknall will serve a two year visiting appointment at India's leading engineering school that will add to his experience, enable him to complete requirements for the Doctor of Science in Metallurgy, and to do research.

3. Mr. Martin Kramer, Assistant Professor of Philosophy, a leave beginning September 1, 1963, for the third consecutive year to work as consultant in the Bureau of the Budget in Washington, D.C..

Professor Kramer's original leave was granted on the basis of a medical condition. He is making good progress and is convinced of the importance of the continuation of his leave to the extent that he would resign if a leave were not granted. He is a very promising young philosopher and we would experience considerable difficulty in finding a representative of the Oxford approach to philosophy as gifted as Professor Kramer.

Dr. Hackerman recommends and Chancellor Ransom concurs in the recommendation that approval of these requests is in the best interests of the University.

Additional  
Information  
by Secretary:

These are budgetary items which if approved will be in the 1963-64 Budget.

THE UNIVERSITY OF TEXAS  
OFFICE OF THE VICE-PRESIDENT AND PROVOST  
MAIN UNIVERSITY  
AUSTIN 12

To GWC

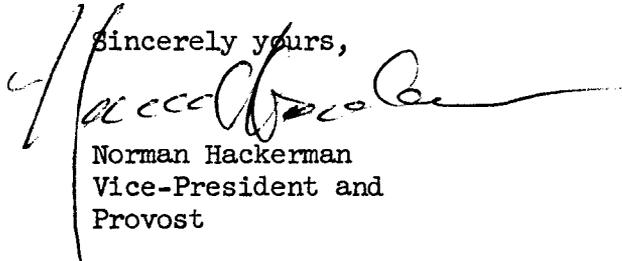
June 6, 1963

Chancellor Harry Ransom  
The University of Texas  
Austin, Texas

Dear Chancellor Ransom:

The attached request for a second consecutive year of leave for Dr. Fred Bullard of the Department of Geology is brought to your attention since it requires an exception to the leave policy set forth in Chapter III, Part One, Sec. 16 of the Rules and Regulations of the Board of Regents. Dr. Bullard began his leave with the Second Semester of the 1961-62 Long Session and has been on leave during the 1962-63 Long Session.

Sincerely yours,



Norman Hackerman  
Vice-President and  
Provost

NH:vt  
Encl.

P. S. The printed budget for 1963-64 will show Dr. Bullard on leave as well as Dr. Bucknall and Dr. Kramer, the latter two reported to you by my letter of June 3; accordingly, no RBC's will be processed on these men.

NH

THE UNIVERSITY OF TEXAS

PRESIDENT'S OFFICE, U OF T  
 ACKNOWLEDGED \_\_\_\_\_ FILE \_\_\_\_\_  
 REC'D JUN 3 1963  
 REFER TO \_\_\_\_\_  
 PLEASE ANSWER \_\_\_\_\_  
 PLEASE READ AND RETURN \_\_\_\_\_  
 May 31, 1963

PRESIDENT'S OFFICE, U OF T  
 ACKNOWLEDGED \_\_\_\_\_ FILE \_\_\_\_\_  
 REC'D JUN 4 1963  
 REFER TO Chancellor  
 PLEASE ANSWER \_\_\_\_\_  
 PLEASE READ AND RETURN \_\_\_\_\_

CHANCELLOR'S OFFICE U. OF T.  
 Acknowledged \_\_\_\_\_ File \_\_\_\_\_  
 REC'D JUN 5 1963  
 TO \_\_\_\_\_ FOR INFO AND RETURN  
 TO \_\_\_\_\_ PLEASE ADVISE ME  
 TO \_\_\_\_\_ PLEASE HANDLE

Dean J. A. Burdine  
 W. M. O. B. 201  
 The University

Dear Dean Burdine:

I have now received the anticipated request from Professor Fred M. Bullard for an extension of his leave of absence from the main campus for the 1963-64 academic year to continue his work in Baghdad. A copy of his letter is attached.

*LV Hackman  
 7/1/62*

The Budget Council of the Department of Geology recommends unanimously that this extension of leave be granted. We are confident that Dr. Bullard is making a great contribution in his work with the University of Baghdad as part of the cooperative program with the University of Texas.

Sincerely yours,

*Stephen E. Clabaugh*  
 S. E. Clabaugh  
 Chairman

SEC:bs

*Received & approved as in best interests of University  
 Harry Hackman  
 6/5/63*

"Recommend approval as in best interests of the University." - N. Hackman  
 6/4/63

Office of the Dean  
 COLLEGE OF ARTS & SCIENCES  
 Rec'd JUN 5 1963  
 Approved: *[Signature]*  
 Dean of Col. of A. & S.  
 Refer to *[Signature]*

"Dean Burdine approved by 'phone."  
 N. H. - 6/4

*Handwritten notes at the top of the page, partially obscured and difficult to read.*

THE UNIVERSITY OF TEXAS  
OFFICE OF THE VICE-PRESIDENT AND PROVOST  
MAIN UNIVERSITY  
AUSTIN 12

CHANCELLOR'S OFFICE U. OF T.  
Acknowledged ..... File.....  
REC'D JUN 5 1963  
TO.....FOR INFO AND RETURN  
TO..... PLEASE ADVISE ME  
TO..... PLEASE HANDLE

June 3, 1963

Chancellor Harry Ransom  
The University of Texas  
Austin, Texas

Dear Chancellor Ransom:

Chapter III, Part One, Sec. 16 of the Rules and Regulations of the Board of Regents sets prohibitions on certain leaves of absence without pay. Attached are two such requests which I am recommending for exception:

*This has not been ack'd yet*

1. Mr. E. H. Bucknall, Professor of Mechanical Engineering, a leave for two consecutive years beginning September 1, 1963, to serve as Professor of Metallurgy at the Indian Institute of Technology.

2. Mr. Martin Kramer, Assistant Professor of Philosophy, a leave beginning September 1, 1963, for the third consecutive year, to work as a consultant in the Bureau of the Budget in Washington, D. C.

Sincerely yours,

*Handwritten signature of Norman Hackerman*

Norman Hackerman  
Vice-President and Provost

*OK*

*Handwritten initials HHT*

NH:vt

Encls.

THE UNIVERSITY OF TEXAS  
AUSTIN 12

DEPARTMENT OF MECHANICAL ENGINEERING  
TAYLOR HALL 163

May 24, 1963

REGENTS' OFFICE, U OF T	
ACKNOWLEDGED	FILE
MAY 29 1963	
TO	GREENWOOD 11501
NUMBER	AREA CODE 512
AND RETURN	

The Regents of The University of Texas  
Through Dr. W. W. Hagerty  
Dean of Engineering

Dear Sirs:

I have today received telegraphic confirmation that a letter is in the mail offering me a two-year visiting appointment as Professor of Physical Metallurgy at the Indian Institute of Technology, Kharagpur, at terms already settled. This is a post provided by the U.K. Government at India's leading engineering school. The chair is one which I feel honored to be offered and the conditions are so generous that I would find it difficult to refuse. I believe that The University of Texas is also honored and that the Regents will be disposed to help me by granting leave of absence from September 1963 until Summer or Fall of 1965.

If special reasons are required in support of this request, I would advance the following:

- (1) The appointment, with its light teaching schedule should allow me to complete before my return several technical papers which I have in rough form, and the two books I have under contract, as well as taking up new research work.
- (2) The appointment should add to my experience and already high reputation and I should almost certainly complete requirements for the degree of Doctor of Science (Birmingham, England) in Metallurgy - a very high qualification indeed.
- (3) My leave of absence would facilitate the settling in of Drs. Thomas and Stark in the Department at a period when the new accomodation of the Materials Center is not yet available and Professor L. R. Benson still has a year to serve.

The Regents of The University of Texas  
Through Dr. W. W. Hagerty  
Dean of Engineering

May 24, 1963  
Page No. 2.

I shall complete in Summer School my obligations to present graduate students and expect to make research contracts with NASA and Texas Instruments which can continue in my absence.

Sincerely yours,



E. H. Bucknall  
Professor

cc President  
Vice-President and Provost  
Dean of Engineering  
Acting Chairman of Mechanical Engineering Dept.

ms

APPROVED:

  
\_\_\_\_\_  
W. W. Hagerty, Dean  
College of Engineering  
\_\_\_\_\_  
H. L. Kent, Acting Chairman  
Mechanical Engineering Department

*This is in the  
best interests of  
the University  
Noman Hackerman  
5/30*

"This is in the best  
interests of the University."  
Noman Hackerman, 5/30

63-4 B + D

THE UNIVERSITY OF TEXAS  
AUSTIN 12

DEPARTMENT OF PHILOSOPHY

PRESIDENT'S OFFICE, U OF T	
ACKNOWLEDGED _____	FILE _____
REC'D MAY 31 1963	
REFER TO _____	
PLEASE ANSWER _____	
PLEASE READ AND RETURN _____	

May 30, 1963

Dean John A. Burdine  
Dean, College of Arts and Sciences, W.M.O.B. 201

Dear Dean Burdine:

The Budget Council of the Department of Philosophy is unanimous in asking that Professor Martin Kramer be granted a leave of absence for a third consecutive year. We would not make this recommendation were we not of the opinion that this action is genuinely to the advantage of the University of Texas.

Professor Kramer has been working for the past two years as a consultant in the Bureau of the Budget in Washington D.C. The experience he has gained there will be of some value to him in his work in philosophy of law; in addition, he has continued to write and publish articles in philosophical journals. This spring he taught one course for the University of Maryland. We are convinced, therefore, that his philosophical development is continuing while he is in Washington. We are also convinced that we shall have considerable difficulty in finding a representative of the Oxford approach to philosophy as gifted as Kramer. A brief examination of his record will show that he completed a brilliant undergraduate career at Harvard and distinguished himself as a Rhodes Scholar at Oxford, where he completed his Ph.D. We should be very sorry to lose Mr. Kramer. He continues to be a very promising young philosopher.

This is not to overlook the fact that our minds are not made up about the desirability of his appointment to a tenure position. But we do not want to lose the opportunity to watch Kramer's development here at Texas. He is far too promising to let him go at this early stage in his teaching career.

As you know, of course, the precise reason for Kramer's going to Washington was a medical one. He felt that he must undergo psychoanalysis to cure a very severe case of insomnia. Kramer is convinced that the treatments of the past two years have improved his condition, and he feels confident that he can overcome his psychological troubles with an additional year of therapy. He is so strongly convinced of the importance of a third year that he would resign if a leave were not granted. I do not want to leave the impression, however, that he is a desperately ill person. I did not even know that he was bothered by insomnia until the late Professor Murphy told me about it on the occasion of my becoming chairman of the department.

I am confident that Kramer will be able to return to the University of Texas after another year and that we should grant him another leave of absence in order to facilitate that return. I hope that you can win approval for this leave.

Sincerely yours,

*John R. Silber*  
*with file*  
*Approved - [Signature]*  
*6/1/63*

John R. Silber  
Chairman

JRS:cjb

Office of the Dean COLLEGE OF ARTS & SCIENCES	
Rec'd	MAY 30 1963
Approved:	<i>Noted - [Signature]</i>
Dean of Col. of A. & S.	
Refer to	_____

8. 1963-64 OPERATING BUDGET. -- The 1963-64 Budget for The University of Texas system which is being proposed by the Administration will be submitted in the following volumes:

- a. Central Administration and Available University Fund */ salary not raised at last meeting.*
- b. Main University
- c. Texas Western College
- d. Medical Branch
- e. Dental Branch
- f. M. D Anderson Hospital and Tumor Institute
- g. Southwestern Medical School
- h. South Texas Medical School
- i. Graduate School of Biomedical Sciences at Houston. -- This will replace the Budget formerly known as "Postgraduate School of Medicine."

When the Budgets are adopted, it seems it would be in order that a statement regarding the creation of this new school be included so that the record kept in this office will in later years show what happened to the Postgraduate School of Medicine and how the Graduate School of Biomedical Sciences began.

- j. Auxiliary Enterprises Budgets. -- Though the Budgets are not completed at this time, Budget Officer Graydon has advised me that there will be separate Auxiliary Enterprises Budgets for

- (1) Main University
- (2) Texas Western College
- (3) Medical Branch
- (4) M. D. Anderson Hospital and Tumor Institute
- (5) Southwestern Medical School

- k. Sponsored Research Projects

Copies of the proposed Budget portions will be sent under separate cover and will be mailed at intervals as completed. The Budget Summaries as normally prepared by the Administration will be included with the last mailing group. You will probably receive some of the Budgets before receiving this material.

- l. Physicians' Referral Service, M. D. Hospital

Office Copy



THE UNIVERSITY OF TEXAS

AUSTIN 12, TEXAS

BOARD OF REGENTS

BETTY ANNE THEDFORD, SECRETARY

June 28, 1963

Chairman W. W. Heath  
Vice-Chairman A. G. McNeese, Jr.  
Regent Walter P. Brennan  
Regent H. F. Connally, Jr.  
Regent Frank C. Erwin, Jr.  
Regent (Mrs.) J. Lee Johnson III  
Regent Wales H. Madden, Jr.  
Regent Levi A. Olan  
Regent John S. Redditt

Mrs. Johnson and Gentlemen:

The Executive Committee will consider at the July meeting the Administration's recommended 1963-64 Budgets for The University of Texas system and in turn will present the budgets for the Board's consideration.

The enclosed budgets as listed below have been completed, and the Chancellor's office has requested that they be mailed to you at this time.

Attached to this letter is a memorandum from Budget Officer Graydon to Doctor Dolley that has been approved by Chancellor Ransom.

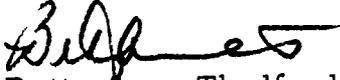
When the remaining budgets are mailed the usual Budget Summaries and other supplementary data for all units will be included. This material cannot be prepared until all the budgets are completed.

1. Central Administration and Available University Fund
2. Main University  
Operating Budget  
Sponsored Research Projects
3. Texas Western College  
Operating Budget  
Auxiliary Enterprises
4. Southwestern Medical School  
Operating Budget  
Auxiliary Enterprises

June 28, 1963

5. Dental Branch
6. M. D. Anderson Hospital and Tumor Institute  
Operating Budget  
Auxiliary Enterprises  
Physicians' Referral Service
7. Graduate School of Biomedical Sciences
8. South Texas Medical School

Sincerely yours,

  
Betty Anne Thedford

T/lml  
enclosures



THE UNIVERSITY OF TEXAS

AUSTIN 12, TEXAS

SYSTEM OFFICES  
CHANCELLOR

June 27, 1963

MEMORANDUM

TO: Dr. J. C. Dolley

FROM: Frank Graydon

SUBJECT: Main University Budget, 1963-64

This morning (June 27th) we received the second draft copy of the Main University budget which is scheduled to be mailed to the Regents tomorrow, June 28th. Based on an incomplete audit, it is my opinion that certain aspects of it need a detailed check-out and revision.

The total level of the budget is within the limit set by the Board, being some five thousand dollars less than the figure shown in the first draft. The allocations of salary costs to departments appear to be in order, and the mechanics of totaling and summarizing seem substantially correct.

In several instances, I have observed discrepancies in the comparable statement of prior year (1962-63) salary rates as they are lined out with 1963-64 proposed rates. This discrepancy is applicable primarily in those instances in which individuals have two or more rates, such as a nine-month academic rate and a twelve-month administrative or research (assigned or computed) rate. There appears to be no problem with the majority of academic personnel based on only their nine-month rate or with the classified personnel based on only their twelve-month rate. The Multiple Listing Salary Roster (p. 431) needs to be completely restated to reflect comparable nine-month academic salary rates, twelve-month total salary rates (assigned or computed), or combinations thereof, as applicable. This "rate" discrepancy, as you may recall, was noted and discussed at the May 14th budget hearing with Main and Central. It has been partially corrected; however, in the third draft of the budget it needs additional attention.

The above comments are not intended to be critical of any individual, office, or the new budget procedures. This is one of the problems not yet solved in the attempt to move toward "computerized" budget preparation.

June 27, 1963

Recommendation: In presenting the Main University budget, I suggest that we recommend approval subject to the editorial correction of the 1962-63 salary rates for comparability with the 1963-64 proposed salary rates. In certain instances it may be necessary to restate the 1963-64 rate combinations. This adjustment would not involve any change in the total salary of any individual.

FDG:iv

Note: The budget for the Institute of Public Affairs is included in Draft II at the same level it was submitted in Draft I.

# Check-List - 1963-64 Operating Budgets

1. Central Administration and Available University Fund

2. Main University

Operating Budget

Auxiliary Enterprises

Sponsored Research Projects

3. Texas Western College

Operating Budget

Auxiliary Enterprises

4. Medical Branch

Operating Budget

Auxiliary Enterprises

5. Southwestern Medical School

Operating Budget

Auxiliary Enterprises

6. Dental Branch-

7. M. D. Anderson Hosp. & Tumor Inst.

Operating Budget

Auxiliary Enterprises

Physicians' Referral Service





THE UNIVERSITY OF TEXAS

AUSTIN 12, TEXAS

SYSTEM OFFICES  
CHANCELLOR

June 27, 1963

MEMORANDUM

TO: Dr. J. C. Dolley

FROM: Frank Graydon

SUBJECT: Main University Budget, 1963-64

This morning (June 27th) we received the second draft copy of the Main University budget which is scheduled to be mailed to the Regents tomorrow, June 28th. Based on an incomplete audit, it is my opinion that certain aspects of it need a detailed check-out and revision.

The total level of the budget is within the limit set by the Board, being some five thousand dollars less than the figure shown in the first draft. The allocations of salary costs to departments appear to be in order, and the mechanics of totaling and summarizing seem substantially correct.

In several instances, I have observed discrepancies in the comparable statement of prior year (1962-63) salary rates as they are lined out with 1963-64 proposed rates. This discrepancy is applicable primarily in those instances in which individuals have two or more rates, such as a nine-month academic rate and a twelve-month administrative or research (assigned or computed) rate. There appears to be no problem with the majority of academic personnel based on only their nine-month rate or with the classified personnel based on only their twelve-month rate. The Multiple Listing Salary Roster (p. 431) needs to be completely restated to reflect comparable nine-month academic salary rates, twelve-month total salary rates (assigned or computed), or combinations thereof, as applicable. This "rate" discrepancy, as you may recall, was noted and discussed at the May 14th budget hearing with Main and Central. It has been partially corrected; however, in the third draft of the budget it needs additional attention.

The above comments are not intended to be critical of any individual, office, or the new budget procedures. This is one of the problems not yet solved in the attempt to move toward "computerized" budget preparation.

June 27, 1963

Recommendation: In presenting the Main University budget, I suggest that we recommend approval subject to the editorial correction of the 1962-63 salary rates for comparability with the 1963-64 proposed salary rates. In certain instances it may be necessary to restate the 1963-64 rate combinations. This adjustment would not involve any change in the total salary of any individual.

FDG:iv

Note: The budget for the Institute of Public Affairs is included in Draft II at the same level it was submitted in Draft I.

**Academic and Developmental Affairs  
Committee**

## ACADEMIC AND DEVELOPMENTAL AFFAIRS COMMITTEE

Date: Friday, July 12, 1963  
 Time: 10:30 a. m.  
 Place: Regents' Room, Main Building 209

## Members:

Vice-Chairman McNeese, Chairman  
 Regent Connally  
 Regent (Mrs.) Johnson  
 Regent Redditt

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b. Docket (Attachment No. 2) <i>S</i>	26
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*Contd on P. 24a - Supplementary*

SUPPLEMENTARY AGENDA

## ACADEMIC AND DEVELOPMENTAL AFFAIRS COMMITTEE

The following items have been referred to the Academic and Developmental Affairs Committee too late to be included in the supporting material mailed on July 2.

	<u>Page No.</u>
I. Recommended Procedures for Student Loan Collection	6 41a
II. Proposed Catalogue Changes in the Department of Art Requirement and Teacher Certificate in Music	7 41c

B. ACADEMIC AND DEVELOPMENTAL AFFAIRS COMMITTEE

1. CENTRAL ADMINISTRATION

- a. Development Board, Appointments. --At the May meeting of the Regents, the Rules and Regulations, Part One, Chapter V, Sub-section 2.61 was amended so that the membership of the University Development Board shall consist of

- (1) One member of the Board of Regents designated annually by the Chairman
- (2) The Chancellor of the University
- (3) Six members named by the Executive Council of the University of Texas Ex-Students' Association
- (4) Twelve members named by the Board of Regents

"After September 1, 1963, all new appointees, except the member from the Board of Regents and the Chancellor, will serve for three-year terms. Original staggered terms of one, two, and three years will be determined by lot for all members, except the Regent representative and the Chancellor, on September 1, 1963. In selecting members, the Board of Regents and the Executive Council shall give due consideration to geographical and component institution factors. Vacancies shall be filled by the original appointing agency."

The membership of the University Development Board currently is:

<u>Appointed by Board of Regents:</u>	<u>Term Expires</u>
Mr. Dan C. Williams, Chairman	Aug. 31, 1968
Mr. Ernest Cockrell, Jr.	Aug. 31, 1964
Mrs. Charles Devall	Aug. 31, 1968
Mr. J. Francis Morgan	Aug. 31, 1966
Mr. Tom Sealy *	Aug. 31, 1964
Mr. Preston Shirley	Aug. 31, 1966
	Aug. 31, 1966

Appointed by Ex-Students' Executive Council

Mr. Edward Clark, Vice-Chairman	Aug. 31, 1966
Mr. Hines H. Baker	Aug. 31, 1968
Mr. Charles S. Coates	Aug. 31, 1966
Mr. L. L. Colbert	Aug. 31, 1964
Mr. J. M. Odom	Aug. 31, 1964
Mr. Charles N. Prothro	Aug. 31, 1968

\* Tom Sealy is newly elected Chairman.

*Ransom:*  
 Gene Wortham - H  
 Jack Joaze - H  
 Robert Johnson - St.  
 Mrs. Pat Langford  
 Beville

*Medden:*  
 Herbert R. Hudson -  
 J. Mark McLaughlin

Appointed by Chairman of the  
Board of Regents:

Regent Wales H. Madden, Jr. Aug. 31, 1964

Chancellor:

Doctor Harry H. Ransom

Continuing  
Membership

At the May meeting, Chairman Heath called attention to the existing vacancy on the Development Board and also to the fact that the amendment to the Rules and Regulations would expand the membership of the Development Board. He requested members of the Board "to file with the Chairman suggestions for appointments to the Development Board. Vacancies on this Board will be nominated by the Chairman after consultation with the Academic and Developmental Affairs Committee at the July meeting."

- b. Docket (Attachment No. 2). -- Chancellor Ransom's Docket (Attachment No. 2) is in Volume I. Immediately preceding is an outline as prepared by Secretary Thedford with your attention directed to those items in all CAPS. This docket consists chiefly of regular recurring items such as Federal Research Contracts and Gifts and Grants.

Gifts and Grants. -- In the report of Gifts and Grants for Main University, the IBM Machine does not pick up amounts under \$100.00. For example, Item 1 on Page 8 is actually a gift of \$400; \$375.00 is deposited with one account and \$25.00 with another. The \$25.00 will be reported in the semi-annual report of gifts less than \$100.00. As a result, the summary of gifts in the outline of the Docket can only be approximately the total received.

Typo or Inadvertent Errors. -- It is recommended that in the approval of the Docket the Secretary be authorized to make editorial changes on the Official Copy of the minutes and to notify those to whom the Secretary distributes the minutes the changes that have been made, and, of course, to indicate in the transmittal letter to the Regents all such changes. It has been called to the attention of this office that Item 1 on Page W-4 should be Contract No. AF 41 (603)-3203.

Documents. -- As you know, this office is repository for all official documents reported in the Docket, and these documents are checked when the Dockets are sent to the Regents.

- c. 1963-64 Holiday Schedule, Central Administration and Main University.--Below is a Xerox copy of the proposal as presented by Chancellor Ransom.

Proposal  
Presented by  
Chancellor:

Mr. Jack Holland, Director of University Personnel, has recommended the dates to be observed as holidays for salaried employees of the Main University and Central Administration during 1963-64. Dr. Ransom and Dr. Hackerman concur in the recommendations of Mr. Holland as set out below and request the adoption by the Board of Regents of the official holiday schedule.

September 2, 1963	(Monday)	-- Labor Day
November 28, 1963	(Thursday)	-- Thanksgiving
November 29, 1963	(Friday)	-- ***
December 23, 1963	(Monday)	-- Christmas Holiday
December 24, 1963	(Tuesday)	-- Christmas Holiday
December 25, 1963	(Wednesday)	-- Christmas Holiday
January 1, 1964	(Wednesday)	-- New Year's Day
March 27, 1964	(Friday)	-- ***

\*\*\* In lieu of State Legal Holidays not observed by University employees.

Additional  
Information  
by Secretary:

Normally the official holiday schedule is reported in the Docket; however, the Appropriations Bill effective September 1, 1963, changed the holiday policy for State salaried employees in that when any specific holiday falls on a Saturday or Sunday, Saturday or Sunday will be observed as the holiday.

- d. Vacancy, Board of Trustees for Southwest Texas Area Educational Television Council. -- Below is a Xerox copy of the proposal as presented by Chancellor Ransom:

Proposal  
Presented by  
Chancellor:

On April 4, 1963 the Regents appointed President J. R. Smiley to the Board of Trustees of the Council for a term expiring January 1966. President Smiley has resigned. Chancellor Ransom recommends that Vice Chancellor Norman Hackerman be appointed to fill the unexpired term; Dr. Hackerman has consented to serve if appointed. (See Minutes, April 4, 1963, p. 19, for full list of Regents appointees to the Board of Trustees of the Council.)



THE UNIVERSITY OF TEXAS  
AUSTIN 12, TEXAS

COPY

PRESIDENT'S OFFICE, U OF T	
ACKNOWLEDGED _____	FILE _____
REC'D	<b>JUN 18 1963</b>
REFER TO _____	
PLEASE ANSWER _____	
PLEASE READ AND RETURN _____	
June 18, 1963	

UNIVERSITY PERSONNEL OFFICE

Dr. Norman Hackerman  
Vice-President and Provost  
The University of Texas  
Austin, Texas

Dear Dr. Hackerman:

The Appropriations Bill as finally signed by the Governor changed the holiday policy for State employees in that it provides that when any specified holiday falls on a Saturday or a Sunday, then that Saturday or Sunday will be observed as the holiday. Previous policy was that when any specified holiday fall on a Sunday the following Monday was to be taken and deemed to be the holiday.

With this provision it will be necessary for us to modify the holiday schedule as it was recommended to you in our letter of June 12, 1963. Because one of the State holidays, January 19, 1964, falls on a Sunday, we will be eligible for one less holiday than has been recommended. I therefore recommend that we delete from our holiday schedule the Monday following Easter which will remove March 30, 1964, from the schedule previously submitted.

I have contacted Mr. Landrum and he is prepared, with your approval, to make the necessary adjustments in the Regents' docket.

Very truly yours,

*Jack Holland*  
Jack Holland  
Director

jf

Original Signed by  
NORMAN HACKERMAN

6-19-63



THE UNIVERSITY OF TEXAS  
AUSTIN 12, TEXAS

COPY

UNIVERSITY PERSONNEL OFFICE

PRESIDENT'S OFFICE, U OF T  
ACKNOWLEDGED \_\_\_\_\_ FILE \_\_\_\_\_  
REC'D JUN 13 1963  
REFER TO \_\_\_\_\_  
PLEASE ANSWER \_\_\_\_\_  
PLEASE READ AND RETURN  
June 12, 1963

Dr. Norman Hackerman  
Vice-President and Provost  
The University of Texas  
Austin, Texas

Dear Dr. Hackerman:

The current State Appropriations Bill provides a total of twelve specified holidays plus two working days at Christmas, to be observed by salaried employees of State agencies during the fiscal year 1963-64. A further provision of the Bill is that "Every day on which an election is held throughout the State shall also be observed as an official holiday by State employees." It, however, also provides that "When any specified holiday falls on a Saturday, then that Saturday will be observed as the holiday." Three of the twelve specified holidays fall on a Saturday, thus reducing by three the total number of working days to be observed as holidays by the University. The Bill further provides a maximum of ten working days of vacation for "annual employees of the State." State institutions of higher education are, however, privileged to rearrange holiday and vacation schedules within the total number of days provided.

Within the provision of the Appropriations Bill we recommend the following dates to be observed as holidays for salaried employees of the Main University and Central Administration:

September 2, 1963	(Monday)	-- Labor Day
November 28, 1963	(Thursday)	-- Thanksgiving
November 29, 1963	(Friday)	-- ***
December 23, 1963	(Monday)	-- Christmas Holiday
December 24, 1963	(Tuesday)	-- Christmas Holiday
December 25, 1963	(Wednesday)	-- Christmas Holiday
January 1, 1964	(Wednesday)	-- New Year's Day
March 27, 1964	(Friday)	-- ***
March 30, 1964	(Monday)	-- ***

\*\*\* In lieu of State Legal Holidays not observed by University employees.

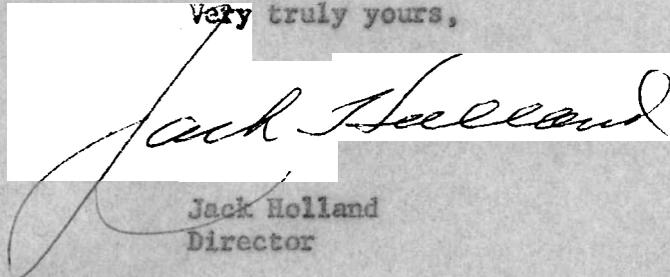
Dr. Norman Hackerman  
June 12, 1963

Page 2

I think that we should point out that under this proposed schedule there will be only 4 holidays for the non-teaching staff during the Christmas season. Staff employees will be expected to work December 26, 27 and December 30 and 31 unless at the convenience of the department permission is granted to take some of these days in lieu of earned vacation. We recommend approval of such a procedure.

While the holidays may seem fewer for 1963-64 due to the fact that 3 of them fall on Saturdays, in 1964-65 the days off will be increased in number for during that year none of the holidays will fall on a Saturday and we will also gain an additional day due to the fact that it will be the year for the general elections.

Very truly yours,

A handwritten signature in cursive script that reads "Jack Holland". The signature is written in dark ink and is positioned over a white rectangular redaction box. Below the signature, the name "Jack Holland" and the title "Director" are printed in a standard serif font.

Jack Holland  
Director

zjf

cc: Dr. H. H. Ransom

Original Signed By:  
NORMAN HACKERMAN

JUN 13 1963

Additional  
Information  
by Secretary:

The present members of the Board of Trustees of the Southwest Texas Area Educational Television Council that have been appointed by the Board of Regents are:

	<u>Term Expires</u>
Regent Walter P. Brenan	January 1964
Superintendent Irby Carruth, Austin Independent School District	January 1965
President J. G. Flowers, Southwest Texas State College	January 1966
Doctor Lester Harrell, Texas Commission on Higher Education	January 1964
Vice-Chancellor L. D. Haskew	January 1965
Mr. E. W. Jackson	January 1966
Mr. E. G. Morrison (Chairman of the Council)	January 1964
President J. R. Smiley (Resigned June 30, 1963)	January 1966

There are twenty-five members of the Board of Trustees: eight are appointed by the Board of Regents; eight are appointed by the representatives of the institutions in Bexar County who are members of the Council; eight are appointed by the Board of Trustees of the Council; and one is appointed by the State Commissioner of Education.

2. MAIN UNIVERSITY

- a. Recommendations of Graduate Assembly:  
(1) Separate School of Business Within  
Graduate School (2) Joint Program in  
Psychology at the Southwestern Medical  
School (3) Anthropology an Area at Doctoral  
Level. -- Below is a Xerox copy of the  
proposal as presented by Chancellor Ransom.

Proposal  
Presented by  
Chancellor:

The Graduate Assembly of The University of Texas has recommended and the Graduate Faculty has approved the following items:

1. To create a separate School of Business within the Graduate School of The University of Texas. The motion adopted is as follows:

"To create a separate Graduate School of Business within the Graduate School of The University of Texas to administer all Master's degree programs in business administration (excluding the Ph. D. program), and that the graduate catalogue (No. 6212, pages 61-62 and 69) be edited to conform with this motion. The Dean of the Graduate School of The University of Texas shall retain responsibility for continuing review of long-range objectives and the maintenance of standards of the Graduate School of Business. The details of this motion shall conform with those

*Questioned by  
James O. Riley  
until Sept. 1964*

specified in the 'Charter for a Graduate School of Business,' distributed with the agenda of the Graduate Legislative Council dated April 10, 1963 (Incorporated with the minutes of the meeting of April 22, 1963). See D. and P., page 318"

2. The authorization of a joint program in psychology at the Southwestern Medical School in Dallas, Motions adopted is as follows:

"To edit the appropriate statement in the Graduate Catalogue (No. 6212, pages 52-53):

The Doctor of Philosophy Degree (Ph. D.)

The University is authorized to offer the Doctor of Philosophy in the following areas:

Southwestern Medical School

Present Catalogue Statement

Proposed Catalogue Statement

Anatomy  
Biophysics  
Microbiology

Anatomy  
Biophysics  
Microbiology  
Psychology

To edit the appropriate statements in the Catalogue of the Graduate School, The University of Texas Publication Number 6212, page 309:"

3. To include Anthropology among the areas authorized to offer the Doctor of Philosophy degree. Motion adopted is as follows:

"To edit the appropriate statement in the Graduate Catalogue (No. 6212, page 52) by adding Anthropology between American Civilization and Astronomy.

"To edit the appropriate statement in the Graduate Catalogue (No. 6212, pages 74-76):"

President Smiley and Chancellor Ransom recommend approval of the Board of Regents of the recommendations of the Graduate Faculty and request authorization to submit the recommendations to the Texas Commission on Higher Education for their approval.

Details supporting these recommendations are found in the Documents and Proceedings of the Graduate Assembly, pages 323-330 inclusive.

Additional  
Information  
by Secretary:

In this connection, I mailed to each of you on May 7, the Minutes of the Graduate Assembly which included this proposed legislation.

If the foregoing proposals are approved, the Secretary suggests that the action be reported in the following manner:

Suggested  
Minute Order  
If Approved:

"Upon recommendation of Chancellor Ransom, through appropriate channels, the following recommendations of the Graduate Assembly were adopted with authorization that the necessary changes be incorporated in the Catalogue of the Graduate School (The University of Texas Publication No. 6212) with the further authorization that the proposals be submitted to the Texas Commission on Higher Education for its approval:

- (1) It is recommended that a separate Graduate School of Business within the Graduate School of The University of Texas be created to administer all Master's degree programs in business administration (excluding the Ph.D. program), and that the graduate catalogue (No. 6212, pages 61-62 and 69) be edited to conform with this motion. The Dean of the Graduate School of The University of Texas shall retain responsibility for continuing review of long-range objectives and the maintenance of standards of the Graduate School of Business. The details of this motion shall conform with those specified in the 'Charter for a Graduate School of Business,' as set out on the following pages. (Page Nos. 31b-31e)
- (2) It is recommended that a joint program in psychology at the Southwestern Medical School in Dallas be authorized and that Pages 52-53, 309 and 313 of Catalogue No. 6212 be so conformed.
- (3) It is recommended that Anthropology be included among the areas authorized to offer the Doctor of Philosophy degree and that Catalogue No. 6212 on Page 52 be so conformed and on Pages 74-76 that the paragraphs entitled 'Objectives of Graduate Work' and 'Programs of Graduate Work' be revised to read:

'Objectives of Graduate Work

'The aim of graduate work in the Department is to prepare students in theory and method of anthropology and in several substantive areas of specialization. Through graduate

study culminating in the master's or doctoral degree students are equipped for college and university teaching; for museum curatorial work; for certain kinds of administrative and research positions in government, such as the Indian Service, the National Institutes of Health, and the National Park Service; and for employment with research foundations.

#### 'Programs of Graduate Work

Graduate study and facilities for research in anthropology are offered in the areas of physical anthropology, archaeology, ethnology, and social anthropology, with emphasis on North, Central, and South America; Africa; and East Asia.

"It is further recommended that on Pages 74-76 the following be added to the paragraph entitled 'Specific Degree Requirements:'

'Students entering the program for the Doctor of Philosophy degree are expected to follow these procedures. At the end of the first full year of resident graduate study in anthropology, a departmental committee chaired by the graduate adviser will review the student's record and, if deemed necessary, give an examination. The committee will evaluate and make recommendations at this time. The recommendations may include "supporting work" outside the department.

'A student will normally be prepared to apply for admission to candidacy for the Ph.D. after the equivalent of two full years of graduate work in anthropology. The requirements for being admitted to candidacy are: (1) A demonstration of an ability to organize primary materials and to prepare and write a coherent scientific report. A student who has not demonstrated this satisfactorily will not be admitted to candidacy until a course in scientific writing or its equivalent is satisfactorily passed. (2) The satisfactory completion of an approved program in statistics and/or the philosophy of science. (3) The passing of the language requirement of the Graduate School. (4) The passing of qualifying examinations in five areas. All students will be required to take an examination in Theory and Methods. Each student may elect to be examined in four of the six following areas: ethnography of two continental areas, prehistory of two continental areas, physical anthropology, social anthropology and ethnology, linguistics, and psychological anthropology.

' Upon admission to candidacy, the student will continue on a program of work approved by his committee. This program will include a plan for research leading to the preparation of the dissertation, the preparation of the dissertation, and any additional work deemed necessary to prepare him in his special field of concern.

' A student will be required to present himself for candidacy within four years of the beginning of full-time graduate work, and to submit his dissertation for approval within three years of the time of his admission to candidacy.'"

(The proposed Catalogue changes are set out in the 1963 Minutes of the Graduate Assembly on Pages 323-327.)

On Pages 31b-31e is the Proposed Charter for A Graduate School of Business Administration at The University of Texas.

PROPOSED CHARTER FOR  
A GRADUATE SCHOOL OF BUSINESS ADMINISTRATION  
AT THE UNIVERSITY OF TEXAS

This petition is for the creation of a separate graduate school of business within the Graduate School of the University. It does not concern the Ph.D. program, being limited to the master's programs. It has received favorable action by the Ad Hoc Committee on Problems in the Graduate Programs of Professional Areas, the Graduate Council, and the Graduate Dean. The following sections are presented in the proposed charter:

1. Academic justifications for the establishment of the separate school;
  2. Advantages of separate school in external relations with the business community;
  3. Proposed organization of the separate school;
  4. Added resources required; and
  5. Basic principles for operations of Graduate School of Business and its relation to the University Graduate School.
1. Academic Justification for the Establishment of a Separate Graduate School of Business.
    - 1.1 Such a move would be consistent with the increasing emphasis on education for business at the graduate level. A graduate school would accommodate expected expansion in the number of persons who will seek professional training for business after receiving an undergraduate degree in another area. The two foundation reports\* make a strong case for this pattern of education for business. The decision to establish a graduate school of business would not in any way commit us at this time to deemphasis in the undergraduate program. Time and future developments would determine the scope and nature of the undergraduate program. It appears that the real growth in education for business will be at the graduate level, and a graduate school of business would provide the requisite framework to cope with this expansion.
    - 1.2 This move would be in line with the organization for business education to be found currently at the best universities in the nation. At the end of World War II, three graduate schools of business were in existence--Harvard, Chicago and Stanford. Since World War II, graduate schools of business have been established at Columbia, California, Northwestern, UCLA, Cornell, Carnegie Tech, and Virginia. A number of additional ones have been announced within the last year. Among them are Illinois, Michigan State, Southern California, and Washington University (St. Louis). At the present time, there is no graduate school of business in the southwest. The only ones in the south are at the University of Virginia and Tulane University. None exists between St. Louis and the west coast.
    - 1.3 The establishment of a graduate school of business would make possible recognition of the true nature and objectives of professional education for business, and would provide the organizational framework within which to offer master's programs in business of maximum effectiveness. The fact that education for business at the graduate level is advanced professional training and therefore dissimilar to traditional graduate work in the arts and sciences makes it very difficult to mold such a program into our present

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\* Gordon & Howell, HIGHER EDUCATION FOR BUSINESS, Columbia University Press, 1959 (sponsorship of The Ford Foundation) and Pierson et al THE EDUCATION OF AMERICAN BUSINESSMEN, McGraw-Hill, 1959 (sponsorship of the Carnegie Foundation).

graduate-undergraduate organizational structure. Actually, this type of education is more nearly akin in its educational objectives to the work offered in law and medicine than to traditional graduate programs. The pattern, established by Harvard University and adopted by other schools, of giving a master's degree for this work has caused a reassessment of educational objectives. The master's degree in business now is so firmly established that it would be impossible competitively to offer a second bachelor's degree at the conclusion of a five-year program. Attempts to offer a two-year master's program in business through the regular graduate school have encountered special difficulties, none of which is related directly to a lack of cooperation from the Graduate Dean's Office. Instead, these problems stem from the inconsistencies inherent in an attempt to fit the professional program into the traditional university-wide graduate educational plan. Differences exist which affect all aspects of educational policy. A fundamental reason for these differences is related to the specific matters which must be handled differently in a professional program for business as compared with regular graduate work.

- 1.4 Criteria for admission to the MBA program could be improved. When a student undertakes graduate work in areas in which he has had undergraduate education, his undergraduate grades provide an important indication of potential success at the graduate level. However, an undergraduate program in an entirely different subject matter area may be an inadequate screening device for aptitude for the MBA program. Since it is common for persons to enter the master's program in business with undergraduate degrees in such fields as engineering, physical sciences, and social sciences, evaluation of the undergraduate background must be made on a different basis than for continuation in the prior field of study. More emphasis must be given to screening examinations and other factors, such as the quality of the undergraduate degree program.
- 1.5 The graduate school of business would provide a more logical basis for faculty participation in educational policy at the master's level.

## 2. The Advantages of the Separate School in External Relations with the Business Community.

- 2.1 Because of the well-established pattern for graduate work in business at most of the better universities, the prestige associated with a graduate school of business is substantial. Regardless of the quality of the master's programs at The University of Texas, we will never attain appropriate recognition for our master's degree programs until they are offered in a graduate school of business.
- 2.2 The large number of degree-holders from graduate schools of business who are in prominent positions in Texas business firms makes such a change very desirable. Many of these people tend to "look down" on any business program without the graduate school of business label.
- 2.3 The proposed change is essential in order to attain the goals of regional leadership established for The University of Texas. It is a matter of time (probably a very short time) until another university in the State will announce the establishment of a graduate school of business. It is important from the standpoint of University prestige that we lead in this area, rather than follow.
- 2.4 Each year a large number of graduates from colleges and universities in the State go elsewhere for professional education in business, primarily because other schools carry the graduate school label. Some of these programs definitely are inferior to the graduate work in business currently being offered here. When these talented young people go elsewhere for their professional training in business, they frequently stay and spend their productive life in that area. A quality graduate school of business could provide the basis for attracting a considerable number of the outstanding college graduates in the southwest (and other areas as well) who are interested in professional business education.

- 2.5 The graduate school of business would provide the basis for extensive and continuous support from Texas Business firms. The success and experience of the outstanding graduate schools of business emphasize the potentials of these stronger ties with the business world.
- 2.6 Scholarships and awards from industry frequently are limited to students enrolled in a graduate school of business.

### 3. Proposed Organization of the Separate Graduate School of Business

In the forthcoming reorganization of the graduate programs of the University there will be a clear-cut statement of the organizational lines of responsibility as between the graduate school of business and the University Graduate School. Dean Whaley has suggested that these details be worked out at that time.

### 4. Added Resources Required by a Graduate School of Business.

#### 4.1 Faculty

No significant expansion in total faculty requirements would be necessary beyond that required to handle the same number of students within the present structure. Those faculty members involved in both the graduate and undergraduate programs would be members of both faculties.

#### 4.2 Administrative requirements

No additional teaching departments would be required. The current departmental structure can service, in an orderly way, both the undergraduate college and the graduate school of business. It is recommended that the Dean of the College of Business Administration be the administrative officer in charge of both the graduate and undergraduate programs (this is the pattern at every university where two programs exist, except the University of Virginia). Because of the overlap in faculty and the joint use of physical facilities, it appears logical that one individual should have overall responsibility for both programs. It would be necessary to establish in the Office of the Dean of the College of Business Administration, under the direction of an Associate Dean (a position already established in the College), the primary responsibility for the graduate school operations. No additional cost of either teaching staff or classified personnel is anticipated except that occasioned by increasing enrollments.

#### 4.3 Physical facilities

The graduate school of business will make use of the physical facilities available in the new building. No added physical facilities are anticipated as a result of the establishment of the graduate school of business.

### 5. Basic Principles for Operation of the Graduate School of Business and its Relation to the University Graduate School.

5.1 The Ad Hoc Committee created to study the desirability of a separate graduate school of business recommended that such a school be established "within the framework of the Graduate School." The committee interpreted this to mean that (a) operational matters such as admission and degree requirements should be left to the Graduate School of Business, and (b) the Dean of the Graduate School of the University should retain responsibility for continuing review of long-range objectives and the maintenance of standards.

5.2 Admission requirements of the Graduate School of Business shall be determined by the Director in consultation with the Director of Graduate Admissions at the Main University (a new position which is being created). Admission standards for the MBA degree should be equivalent to the level of those established for the Graduate School as a whole. If found desirable, the Aptitude Test for Graduate Study in Business, or other test considered to have a better predictive value for success in graduate study in business, may be used as one criterion for admission.

- 5.3 The master's degrees in business would be administered by the Graduate School of Business. The Ph.D. degree would remain under the administration of the Dean of the Graduate School of the University.
- 5.4 Responsibility for operational matters having to do with degree requirements would reside with the faculty of the Graduate School of Business.
- 5.5 All records of master's candidates in business administration would be maintained by the graduate school of business. Such reports as the Graduate Dean might require for overall supervision will be furnished by the Graduate School of Business.
- 5.6 Standards both of admission and for continuance in the master's programs should continue at the present or even higher level. The standards and curricula for the master of professional accounting degree which is in reality a five year program in accounting should be adjusted to meet the requirements of the profession. These standards for this particular program must be approximately equivalent to the Master of Business Administration.

- b. Recommendations of Faculty Council:  
Establishment of School of Communication; --Below is a Xerox copy of the  
proposal as presented by the Chancellor.

Proposal  
Presented by  
Chancellor

The Faculty Council and the General Faculty of the Main University have recommended the establishment of a School of Communication which is detailed on pages 8101-04 of the Documents and Minutes of the General Faculty. *Mrs. J. do there duplication*

Dr. Hackerman and Chancellor Ransom recommend approval of the Board of Regents of the recommendation for the establishment of a School of Communication, as recommended by the General Faculty and request authorization to submit the recommendations to the Texas Commission on Higher Education for their approval.

(Note: Dr. Hackerman will present this item.)

Additional  
Information  
by Secretary:

Since the Rules and Regulations do not provide for the minutes of the institutional faculties to be distributed to the Regents but do provide that a copy be filed in this office, I am setting out below the recommendations of the General Faculty as set out in the minutes referred to above.

Normally proposed changes in degree requirements and faculty legislation are presented through the Docket. However, since this is the establishment of a separate school at the Main University, it should be incorporated in the minutes. Thus, if the Regents approve

the proposed recommendations, it is the Secretary's suggestion that the minute order include the following excerpts from the Minutes of the General Faculty.

#### ADMINISTRATIVE

Administrative actions recommended for the creation of a School of Communication:

1. That a School of Communication be approved as an administrative and academic unit of The University of Texas, responsible to the Vice President in charge of Academic Affairs; and that the School administer a program for the junior, senior, and graduate years.
2. That the Department of Speech be transferred from the College of Arts and Sciences into the School of Communication; and that the School of Journalism be transferred from the College of Arts and Sciences into the School of Communication, becoming the Department of Journalism.
3. That the Division of Radio-Television-Film Production, now responsible directly to the Vice President in charge of Academic Affairs, be made a division within the School of Communication, responsible to the Director of the School.
4. That a Department of Radio-Television-Film be approved and constituted from the program of instruction in radio-television-film now in the Department of Speech; and that this Department be made a unit in the School of Communication.
5. That a Communication Research Bureau be established in the School of Communication.

#### ACADEMIC

Recommendations regarding undergraduate degrees:

1. That the degree of Bachelor of Arts with a major in speech be transferred from the College of Arts and Sciences to the School of Communication, with no change in degree requirements, but with a change in title to Bachelor of Science in Speech.
2. That the degree of Bachelor of Journalism be transferred from the College of Arts and Sciences to the School of Communication, with no change in degree requirements and no change in title.
3. That a degree of Bachelor of Science in Radio-Television-Film be established to replace the former degrees in radio-television broadcasting offered in the College of Fine Arts and the present sequence of radio-television-film courses which may be taken for the Bachelor of Arts degree with a major in speech.

Catalogue changes essential to carry out these three changes are as follows:

I. Authorize a division of the University catalogue for the School of Communication.

II. In the Arts and Sciences Catalogue 1961-63, pages 59-62, delete all statements under the heading, REQUIREMENTS FOR THE DEGREE OF BACHELOR OF JOURNALISM; and transfer these statements, without alteration, to the catalogue for the School of Communication.

III. (1) In the Arts and Sciences Catalogue 1961-63, p. 51: Delete the section under the heading of "Speech."

(2) In the Catalogue for the School of Communication, include the following requirements:

Bachelor of Science in Speech

A. Prescribed Work

Requirements 1 through 10 shall be precisely the same as Requirement 1 through 10 under "Requirements for the Degree of Bachelor of Arts, Plan I, A. Prescribed Work," in the Arts and Sciences Catalogue 1961-63, pages 41-42, except for the following editing made essential by shifting the degree from the College of Arts and Sciences:

In Requirement 2, delete: Some majors do not permit this substitution (Latin or Greek for Mathematics). See requirements under "C. Majors and Minors."

In Requirement 7, delete "s" from "Majors," and from "Minors."

In Requirement 8, delete the following sentences:

Not more than twelve of the thirty-six semester hours of advanced courses of this requirement may be taken outside of the College of Arts and Sciences. For a student who chooses a major in Latin American studies, eighteen of these thirty-six semester hours of advanced courses must be from Latin American content courses.

In the last paragraph of Requirement 10, delete:

. . . not more than 24 semester hours in any one of the following semiprofessional or professional subjects or more than 30 semester hours in any combination of them: home economics, journalism, architecture, business administration, education, engineering, fine arts, law, library science, air science, military science, naval science, pharmacy.

(Reason: The first part of requirement 10, not deleted, restricts the student to not more than 36 hours in any one subject; the part which is deleted was intended to apply only to the Bachelor of Arts degree and does not now apply to the Bachelor of Journalism degree.)

B. Major and Minors

The statement now found under "Speech" in the Arts and Sciences Catalogue for 1961-63, page 51, describing the major and minor requirements for the Bachelor of Arts degree with a major in speech, was slightly revised on April 16, 1962, too late for inclusion in the Catalogue. It is proposed here to insert the revised statement without alteration except for the deletion of radio-television as a possible field of concentration for the major and its addition to the list of possible minors. The statement as amended, is as follows:

Major: Thirty semester hours of speech, including 305K; 306 or 306K. Twenty-four of the 30 hours must be in a field of concentration (general speech or speech pathology and audiology). Fifteen hours must be advanced, and six must be of senior rank.

Minor: Twelve semester hours, including six hours of advanced courses, in one of the following subjects: anthropology, business administration, classical civilization, drama, economics, English, geography, government, history, journalism, linguistics, philosophy, psychology, radio-television-film, sociology.

- IV. In the Catalogue for the School of Communication include the following requirements:

Bachelor of Science in Radio-Television-Film

A. Prescribed Work

Requirements 1 through 10 shall be precisely the same as Requirements 1 through 10 under "Requirements for the Degree of Bachelor of Arts, Plan I, A. Prescribed Work," in the Arts and Sciences Catalogue, 1961-63, pages 41-42, except for the following editing made essential by shifting the degree from the College of Arts and Sciences and separating Radio-Television-Film from the Department of Speech:

In Requirement 2, delete: Some majors do not permit this substitution (Latin or Greek for Mathematics). See requirements under "C. Majors and Minors."

In Requirement 7, delete "s" from "Majors," and from "Minors."

In Requirement 8, delete the following sentences:

Not more than twelve of the thirty-six semester hours of advanced courses of this requirement may be taken outside of the College of Arts and Sciences. For a student who chooses a major in Latin American Studies, eighteen of these thirty-six semester hours of advanced courses must be from Latin American content courses.

In the last paragraph of Requirement 10, delete:

. . . not more than 24 semester hours in any one of the following semiprofessional or professional subjects or more than 30 semester hours in any combination of them: home economics, journalism, architecture, business administration, education, engineering, fine arts, law, library science, air science, military science, naval science, pharmacy.

(Reason: The first part of requirement 10, not deleted, restricts the student to not more than 36 hours in any one subject; the part which is deleted was intended to apply only to Bachelor of Arts degree and does not now apply to the Bachelor of Journalism degree.)

B. Major and Minors

Amend the statement describing the major and the minor now required for the Bachelor of Arts degree with a major in speech, substituting the words "Radio-Television-Film" wherever the word "Speech" appears to read as follows:

Major: Thirty semester hours of radio-television-film, including 306L, 315K, and 315L, and fifteen hours of advanced courses, of which six must be of senior rank.

Minor: Twelve semester hours, including six hours of advanced courses, in one of the following subjects: anthropology, business administration, classical civilization, drama, economics, English, Education, geography, government, history, journalism, linguistics, philosophy, psychology, speech.

- V. In the Catalogue of the School of Communication:  
Repeat all of the requirements now found in the College of Arts and Sciences Catalogue under "General Requirements for Degrees", pages 39-40, except to make the editing change, where necessary, to substitute "The School of Communication" for "The College of Arts and Sciences."
- VI. In the Catalogue of the School of Communications:  
Include the statements now found in the College of Arts and Sciences Catalogue under "Special Requirements", pages 42-43, except for deletion of the second sentence of Requirement 1, which applies only to majors in English, Geology and Speech. These requirements shall be made to apply to all degrees in the School of Communication.

## RECOMMENDATIONS CONCERNING THE GRADUATE PROGRAM

The following recommendations will be submitted to the Graduate Legislative Council for approval: 1. That the title of Master of Arts Degree, with a major in speech, and that the course requirements remain unchanged; 2. That the title of Master of Journalism degree be changed to Master of Science in Journalism, and that the course requirements remain unchanged; 3. That there be established a degree of Master of Arts in Communication with a major in Radio-Television-Film; this degree program will remain essentially the same as that followed at present through the program for the Master of Arts degree with a major in the radio-television sequence now in the Speech Department. (NOTE: When these recommendations are presented to the Graduate Legislative Council, they will be properly labeled with page references from the Graduate Catalogue.)

The following editorial changes were made part of the motion (all references are to the 1961-63 catalogue of the College of Arts and Sciences):

A. Transfer the description of all journalism and advertising courses from pages 138-143 of the Arts and Sciences catalogue to the catalogue of the proposed School of Communication. B. Transfer the description of all speech courses from pages 182-188 of the Arts and Sciences catalogue to the catalogue of the proposed School of Communication, with the understanding that courses in radio and television now listed under "speech" will be listed under the heading of Radio-Television-Film. C. Transfer all radio courses and radio-television courses from pages 143-146 of the Arts and Sciences catalogue to the catalogue of the proposed School of Communication. D. Delete from page 35 of the Arts and Sciences catalogue, under "Application of ROTC Courses Toward Degrees in the College of Arts and Sciences," section 6 concerning the Bachelor of Journalism degree; and adjust the following number in the list accordingly. E. In the catalogue of the proposed School of Communication include a statement regarding "The Application of ROTC Courses Toward Degrees in the School of Communication"; place herein the following statements (unchanged from regulations now applying to the Bachelor of Arts degree with a major in speech, and the Bachelor of Journalism degree):

- (1) Bachelor of Science in Speech
- |  |          |
|--|----------|
| 1. Free electives (non-advanced)-----  | 15 hours |
| 2. Substitute for Government 610b----- | 3 hours  |
| 3. Advanced electives-----             | 6 hours  |
| TOTAL-----                             | 24 hours |
- (2) Bachelor of Science in Radio-Television-Film  
(Same as required for Bachelor of Science in Speech)
- (3) Bachelor of Journalism
- |  |          |
|--|----------|
| 1. Substitute for Government 610b----- | 3 hours  |
| 2. Free electives, maximum of -----    | 13 hours |
| TOTAL-----                             | 16 hours |

F. Delete from page 37, Arts and Sciences catalogue, under the heading, "Other Honorary Organizations," the following: Alpha Delta Sigma (for men in advertising), Sigma Delta Chi (for men in journalism), Theta Sigma Phi (for women in journalism). G. Include in the catalogue for the proposed School of Communication a statement on "Graduation with Honors" similar to the statement on pages 37-38 of the Arts and Sciences catalogue, except for changes to remove phrases applicable to the College of Arts and Sciences only. H. Delete from page 38 references to the Bachelor of Journalism degree.

- c. Vending Machine Contract Between Campus Services, Inc., and Neelley Vending Company of Austin. --Below is a Xerox copy of the proposal as presented by the Chancellor.

Proposal  
Presented by  
Chancellor:

Mr. Jack Maguire has notified the Chancellor's Office that Campus Services, Inc. has exercised its right under the contract with Automatic Canteen Corporation to cancel its vending contract with that company. The attached letter from Mr. Maguire gives the reasons for this action by Campus Services, and the attached letters from Mr. Uhbrich are evidence of required cancellation notice.

Under the terms of the management contract between The University of Texas and The Ex-Students' Association (assigned by the latter to Campus Services, Inc.) the Board of Regents reserves the right to approve any contract made by the managing party. In accordance with this provision, Campus Services, Inc. requests the approval of the Board of a contract with Neelley Vending Company of Austin. This contract is set out in full. The new contract differs from the existing contract between Campus Services and Automatic Canteen only in the commission rates and in references to prior contracts not now pertinent. Basically, as a comparison will show, the Automatic Canteen contract provides for rates increasing with volume by machine, whereas the Neelley contract calls for a flat rate which is higher than the beginning rate provided by Canteen but lower than the higher rates provided by Canteen. The letter from Campus Services compares the results of applying these rates to actual experience. Note also that the proposed contract is not with the company which offered the highest rates. The Chancellor's Office concurs in the reasoning of Campus Services that the advantages of dealing with a home-owned local company justifies the small differential between the rates in the proposed contract and the slightly higher rates of the other bidder. Campus Services has given assurance of the financial stability of the Neelley Vending Company and its ability to meet the terms of the contract. The Chancellor's Office recommends approval by the Board of the proposed contract.

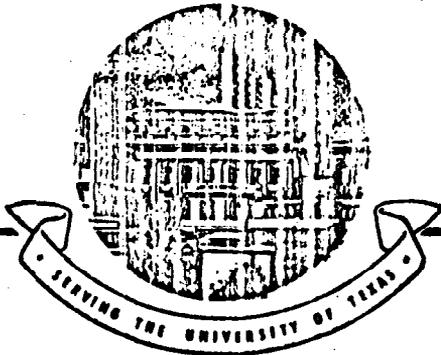
(Please include the attached documents in the material supporting the agenda.)

LC:tm

Additional  
Information  
by Secretary:

In accordance with instructions in the foregoing memorandum, the documents referred to are on Pages 37a-37L. I have marked those portions which seem pertinent to the subject involved.

If this contract is approved, a copy will be in the Secretary's Files, Volume X.



# Campus Services, INC.

BOX 7928 • UNIVERSITY STATION  
AUSTIN 12, TEXAS • PH. GR 6-4424

June 13, 1963

File No: L - 17

RECEIVED  
THE UNIVERSITY OF TEXAS

JUN 14 1963  
9:55 A.M.

BUSINESS MANAGER  
MAIN UNIVERSITY

Mr. James H. Colvin  
Business Manager  
The University of Texas  
Austin, Texas

Dear Mr. Colvin:

The enclosed letter from John Ulbrich, president of Campus Services, Inc., and Business Manager of The Ex-Students' Association, is self-explanatory.

Because of a general deterioration in service and failure to live up to the letter of the contract, Automatic Canteen of America is being notified that its services as vendor on this campus will end August 31, 1963. The Board of Directors of Campus Services, Inc., with the full approval of the Executive Council of The Ex-Students' Association, has examined proposals from a number of other vendors and voted to negotiate a new contract for this service with the Neelley Vending Company of Austin. A copy of the proposed new contract--which differs very little from the existing contract with Automatic Canteen, and which has been previously approved by the Board of Regents--is enclosed.

Since the contract between The Ex-Students' Association and The University stipulates that our contracts with vendors are to be approved by the Board of Regents, we are submitting this proposed contract with the Neelley Company and urge that it be submitted to the Board at its July meeting. Otherwise, some interruption in vending services could result since the new vendor will need up to 60 days to get his equipment installed and operating.

Sincerely,

*Jack R. Maguire*

Jack R. Maguire  
Member, Board of Directors

JRM:gm

RECEIVED  
THE UNIVERSITY OF TEXAS

JUN 13 1963  
3:10 P.M.

BUSINESS MANAGER  
MAIN UNIVERSITY



# Campus Services, INC.

BOX 7928 • UNIVERSITY STATION  
AUSTIN 12, TEXAS • PH. GR 6-4424

June 17, 1963

RECEIVED  
THE UNIVERSITY OF TEXAS

File No.: CS

JUN 17 1963

BUSINESS MANAGER  
MAIN UNIVERSITY

Canteen Company of Houston, Inc.  
505 Jackson Hill  
Houston, Texas 1

Dear Sirs:

In accordance with paragraph 10 of the contract applying to the vending operation on the Main Campus of The University of Texas and to the Balcones Research Center, both located in Austin, Texas, between Automatic Canteen Company of America and its subsidiary, Canteen Service Company of Houston, and Campus Services, Inc. of Austin, executed March 22, 1960, notice of termination of this contract is hereby given to be effective August 21, 1963.

It is anticipated that Canteen will expedite the removal of its equipment so that all machines will be off the campus by August 28, 1963.

This notice has no effect on the contract applying to operations between the above parties in Galveston, Texas.

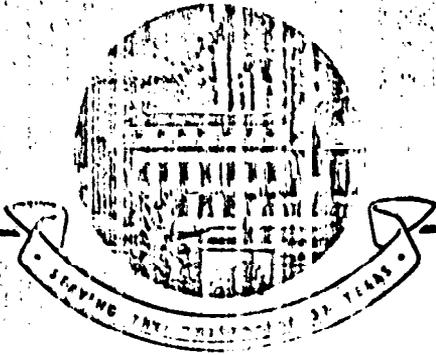
Sincerely yours,

John K. Ulbrich  
President

JKU/mc

cc: Automatic Canteen Co. of America  
Mr. W. E. Marsico  
Mr. James H. Colvin

VIA REGISTERED MAIL  
RETURN RECEIPT REQUESTED



# Campus Services, Inc.

BOX 7928 • UNIVERSITY STATION  
AUSTIN 12, TEXAS • PH. GR 6-4424

June 17, 1963

File No. :-GS-

Mr. W. E. Marsico  
Regional Sales Director  
Canteen Company  
8912 Sovereign Row  
Dallas, Texas

RECEIVED  
THE UNIVERSITY OF TEXAS

JUN 17 1963

BUSINESS MANAGER  
MAIN UNIVERSITY

Dear Bill:

I am attaching a copy of our letter of cancellation of Canteen's contract for vending on the campus in Austin. We anticipate the continuation of Canteen Service in Galveston.

In regard to the timing of machine removal, there are several locations where we will be able to get permission to remove machines prior to August 21. I will be happy to work with Mr. Rice in coordinating this.

In regard to the cancellation, the Board of Directors of Campus Services was polled by telephone on June 13 and 14, 1963, and a majority voted again to discontinue Canteen's service and to place the contract with Neelley Vending Company.

Sincerely,

*John K. Ulbrich*  
John K. Ulbrich  
Business Manager

JKU/mc  
cc: Mr. James H. Colvin



# Campus Services, INC.

BOX 7928 • UNIVERSITY STATION  
AUSTIN 12, TEXAS • PH. GR 6-4424

June 13, 1963

File No: L - 17

RECEIVED  
THE UNIVERSITY OF TEXAS

JUN 14 1963  
9:35 A.M.

BUSINESS MANAGER  
MAIN UNIVERSITY

Mr. James H. Colvin  
Business Manger  
The University of Texas  
Austin, Texas

Dear Mr. Colvin:

RECEIVED  
THE UNIVERSITY OF TEXAS

JUN 13 1963

3:10 P.M.

BUSINESS MANAGER  
MAIN UNIVERSITY

We respectfully submit, for your approval, the attached contract between Campus Services, Inc. and The Neelley Vending Company of Austin. This contract covers the vending of candy, ice cream, pastry, coffee, cigarettes, sandwiches, etc. (excluding bottled soft drinks) on the Campus of the Main University and the Balcones Research Center here in Austin.

This particular vending contract was reopened because of service and other conditions which had developed with the present vendor. Bids were taken from two national companies, one Texas company, and one local company. To determine the successful bidder, two basic factors were considered. The first and most important was the indication of the prospective vendors ability and willingness to give quality service.

A primary consideration in a vendor's ability to give good service is the type of equipment he proposes to use. The Neelley Vending Company plans to install all new machines, most of which will be manufactured by the Vendo Company which is highly respected in the industry. Other bidders also proposed the use of new machinery.

Another very important measure of any vendor's service is his current relationship with his customers and competitors. In analyzing the bids received, customers of all the bidders were questioned as to the type of service they enjoyed from the various companies. Other people in the industry also were asked their opinion of each prospective vendor. The Neelley Vending Company ranked above the other bidders in this respect. All of his customers had very high opinions of his service; such large installations as Southwestern Bell Telephone Company here in Austin and the City of Austin were most complimentary of Mr. Neelley's service. Other people in the vending business such as the local bottlers and even Mr. Neelley's direct competitors reported that Mr. Neelley operated one of the finest vending operations in the United States.

Mr. James H. Colvin

2

June 13, 1963

Mr. Neelley is a resident of Austin and very active in civic and church affairs. He is well thought of by the local business community and gives the overall appearance of a person with the character necessary to conduct business on the Campus of The University of Texas.

The second factor studied in the selection of a vendor was an analysis of the commission scales bid. As several of the proposals submitted used sliding scale commissions based on sales per machine, the percentages which were bid tended to be somewhat confusing. Therefore, a study was made using the first six months' sales of the 1962-1963 fiscal year. To these actual sales, each bidder's commission scale was applied to determine the net income which would have been received by Campus Services under each proposal. The following is a summary of this study.

<u>VENDOR</u>	<u>TOTAL PROJECTED COMMISSIONS</u> Sept., 1962--Feb., 1963
Automatic Merchandisers, Inc. of Dallas	\$14,117.30*
Automation Foods, Inc.	13,618.45
The Neelley Vending Company of Austin	14,623.13
Automatic Retailers of America	14,958.96
Automatic Canteen Company (actual commissions)	14,117.30*

\*Automatic Merchandisers and Canteen are identical as Automatic Merchandisers bid the same scale Canteen is currently using.

While Mr. Neelley did not bid the highest commission scale, he was second highest and within some \$300.00 of the highest bid. This being the case, it was the consensus of the Board of Directors of Campus Services, Inc. that the contract be awarded to The Neelley Vending Company on the basis of its excellent record of service to its customers.

The Board also felt that much would be gained by dealing with a local company with local management. We will, in the case of The Neelley Company, be dealing direct with its owner, Mr. Gordon Neelley.

We hope to have presented here a summary of the considerations involved in selecting the Neelley Vending Company for this contract. Much time was devoted to this undertaking by the staff of The Ex-Students' Association, and

Mr. James H. Colvin

3

June 13, 1963

the members of the Board of Directors of Campus Services, and we feel that a fair and correct decision has been reached. We will be happy to furnish you any further information you may want as we realize that the foregoing is, at best, a brief summary.

Sincerely,

*John K. Ulbrich*  
John K. Ulbrich  
President

JKU:gm

THE STATE OF TEXAS     ()  
                                   ()  
 COUNTY OF TRAVIS        ()

This CONTRACT and AGREEMENT, entered into on this the \_\_\_\_\_ day of \_\_\_\_\_, 1963, by and between CAMPUS SERVICES, INC., a Texas Corporation, herein referred to as "CAMPUS," and THE NEELLEY VENDING COMPANY, a Corporation with its principal office and place of business in Austin, Texas, and having a permit to transact business in Texas, herein referred to as "NEELLEY," bears evidence as follows.

WITNESSETH:

WHEREAS, The Ex-Students' Association of The University of Texas has the sole and exclusive right to manage the operation of all vending machines which are installed on the Campus of the Main University, together with all extensions thereof in Travis County, Texas, except for the vending machines which may be or will hereafter be located in Memorial Stadium, Gregory Gymnasium and Clark Field; and

WHEREAS, "CAMPUS," a subsidiary of The Ex-Students' Association of The University of Texas, is vested with all of the rights and privileges incident to the management and operation of all vending machines as described above; and

WHEREAS, "NEELLEY" has made application to "CAMPUS" to conduct certain vending machine operations on the Campus of The University of Texas and represents that it has the knowledge, ability and personnel to conduct properly these operations, and in reliance on these assurances "CAMPUS" is willing to contract in such capacity on the terms and agreements hereinbelow expressed; and

WHEREAS, "CAMPUS" has granted and by this contract does grant to "NEELLEY" the exclusive right to operate certain vending machines, exclusive of bottled soft drinks, on the Campus of the Main University as more particularly hereinafter set forth.

NOW, THEREFORE, for and in consideration of the mutual benefits, the consideration herein provided to be paid, and the covenants herein, "CAMPUS" and "NEELLEY" hereby agree:

1. "NEELLEY" will perform all duties incident to such vending machine operations in keeping with the policies and rules of The University of Texas, and all restrictions placed upon "CAMPUS" by that certain contract dated the 29th day of February, 1960, by and between The Ex-Students' Association of The University of Texas and The Board of Regents of The University of Texas, which is attached hereto as Exhibit "A" and made a part hereof for all purposes, are hereby made applicable and binding upon "NEELLEY."

2. "CAMPUS" grants to "NEELLEY" the right to operate vending machines on the Campus of The University at such locations and places as may be designated and specified by "CAMPUS", but it is understood that this right shall not extend to and include vending machines located in Memorial Stadium, Gregory Gymnasium, and Clark Field.

3. "NEELLEY" agrees to install on the Campus of the Main University or any extension thereof at the locations and places specified by "CAMPUS" appropriate vending machines for the sale of such food products, certain soft drinks vended in cups, and other items as may be specified by "CAMPUS." All machines must be adequate in size and must be new or a relatively recent model so as to compare favorably in appearance and performance with the best machines available; as to this determination, "CAMPUS" will have the right to make the final decision. "CAMPUS" reserves the right to specify the type of machine, place of installation, and the items to be vended at each location as well as the right to determine the price of the article vended. All machines shall be installed and operated in conformity with the approval of "CAMPUS" and all federal, state and local building, health and other applicable laws. All food products, soft drinks and other items vended shall conform in all respects to local, state and national laws relating to the adulteration of food and drink.

4. As part of the consideration of this agreement, "NEELLEY" agrees to pay "CAMPUS" in Travis County, Texas, the following percentages of the gross income from all machines operated by "NEELLEY" pursuant to this agreement.

Average Sales Volume per Machine  
For Each Accounting Period

<u>Item</u>	<u>Commission Rate</u>
(1) 10¢ Cold drinks 10 oz. cup with ice	32%
(2) 10¢ coffee 7 oz. insulated cup	20%
(3) 10¢ Hot chocolate 7 oz. insulated cup	20%
(4) Cigarettes (all sales)	
(a) 30¢ per pack	1¢ per pack
(b) 35¢ per pack	5¢ per pack
(5) 5¢ and 10¢ candy items	17%
(6) Milk, Choc. milk, butter milk, & orange drink in 1/2 pint cartons at 10¢ per carton	10%
(7) Ice cream - sandwiches and bar at 10¢	10%
(8) Sandwiches 20-30-35¢ each	7%
(9) Hot & cold plate lunches & casseroles at 50-60-65¢	5%
(10) Salads at 20¢ and 25¢	5%
(11) Desserts - pie, pudding, eclairs, etc. at 10-20-25¢ each	5%
(12) Pastry - Fried Pies, sweet rolls, fritos, and potato chips at 10¢	7%
(13) Hot canned foods at 20¢ and 30¢	10%

The commission rates stated above shall be applicable to the total gross sales of the given product for the period.

It is understood and agreed that no product brands will be changed without the express permission of "CAMPUS," nor will any prices be set without the express permission of "CAMPUS."

5. "NEELLEY" acting by and through its duly authorized representative, shall have the right to enter upon the premises of the University at all reasonable times for the purpose of servicing and inspecting machines and for the removal of such machines upon the termination of this agreement. With respect to a determination

of the type or method of servicing and what is a reasonable time therefor, "CAMPUS" reserves the right to make a final decision thereon. "NEELLEY" will use its trucks, service and maintenance crews in conformity with the instruction of "CAMPUS". The machines shall be kept in a neat and sanitary condition at all times, and "NEELLEY" will fully cooperate in the elimination of all unsanitary conditions.

6. "NEELLEY" agrees to pay all costs of installation for its machines and equipment, but will be furnished electrical energy and water free of cost by "CAMPUS."

7. As a part of the consideration of this agreement, "NEELLEY" agrees to maintain or to have maintained for the benefit of "CAMPUS" adequate insurance coverage with a company or companies acceptable to "CAMPUS," at all times comparable to that customarily used in business ventures of this type with the amounts and types of such coverage to be approved by "CAMPUS"; however, in no event shall the coverage be less than: Property Damage Insurance, \$100,000.00; Personal Injury Insurance, \$100,000.00 damage to any one person and \$200,000.00 damage to persons resulting from any one accident; and Product Liability Insurance, \$100,000.00.

"NEELLEY" agrees to save "CAMPUS" harmless and free from any loss, cost, damage or expense arising out of any occurrence related to this venture and will indemnify "CAMPUS" against any damage or claim arising from the negligence of its employees, assignees, vendors, their agents or employees, or from any damage or claims suffered by breach of any express or implied warranty.

8. All sums of money due and owing "CAMPUS" pursuant to the provisions of this agreement will be paid monthly to "CAMPUS" at its offices on the Campus of The University of Texas, along with a full and accurate accounting in duplicate of each machine together with its location. In this connection, "NEELLEY" hereby agrees to furnish "CAMPUS" complete monthly reports in duplicate as to gross volume of each machine operated by it pursuant to this contract. Such reports shall

be furnished to "CAMPUS" by "NEELLEY" within fifteen (15) days following the end of the preceding month. "CAMPUS" reserves the right to audit the records of "NEELLEY" at any reasonable time during business hours, and, in this connection, "CAMPUS" may from time to time check or inspect the trucks and machines of "NEELLEY."

9. "NEELLEY" further agrees that it will upon the termination of this agreement and within reasonable time thereafter remove all machines placed on the premises and will restore the property to as nearly its original condition as possible. All property of "NEELLEY" remaining on the premises ninety (90) days after the termination of this agreement shall become the property of "CAMPUS."

10. This agreement shall become effective when executed by the parties and shall continue in effect through the 31st day of August, 1964, unless modified in writing by the mutual agreement of the parties hereto or terminated by either party on giving sixty (60) days' written notice to the other party.

Any notice required under this contract shall be duly served if it is sent by United States Registered or Certified Mail, postage prepaid, to the party receiving such notice at the address given below:

Campus Services, Inc.

University Station  
Box 7278  
Austin 12, Texas

Neelley Vending Company

813 West North Loop  
Austin 56, Texas

11. It is agreed that "CAMPUS" shall have the right not only to designate the location and type of machine as well as products to be vended, but "CAMPUS" shall also have the right to designate the removal from the Campus of any machine or machines operated by "NEELLEY."

12. This agreement is subject to: (a) that certain contract by and between the Board of Regents of The University of Texas and The Ex-Students' Association of The University of Texas, dated February 29, 1960, attached hereto as Exhibit "A"; (b) a contract relating to vending machine operations on the Campus of The University of Texas between "CAMPUS" and Automatic Canteen of America, the effective termination date of which is August 21, 1963.

13. All the rights and privileges which are hereby granted to "NEELLEY" shall not be transferred to or assigned in whole or in part without the prior written consent of "CAMPUS."

14. It is understood and agreed that NEELLEY VENDING COMPANY of Austin shall be liable and responsible for the full performance of each and all of the terms and provisions of this agreement.

EXECUTED this \_\_\_\_\_ day of \_\_\_\_\_, A. D. 1963.

CAMPUS SERVICES, INC.

By: \_\_\_\_\_  
President

ATTEST:

\_\_\_\_\_  
Secretary

"CAMPUS"

THE NEELLEY VENDING COMPANY

By: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Secretary

Approved for the University on this  
the \_\_\_\_\_ day of \_\_\_\_\_, 1963.

\_\_\_\_\_

d. 1963-64 Membership of Athletic Council.

--At the May meeting of the Regents, and at the suggestion of Chairman Heath, the recommendations of President Smiley for membership of the Athletic Council was deferred until the July meeting of the Board at which time both the academic members and those to be appointed by the Board could be reviewed.

- (1) Academic Representatives. -- President Smiley's recommendation, concurred in by Chancellor Ransom, and presented in the Supporting Material for the May meeting was:

"In accordance with action taken at the July 1961 meeting of the Board of Regents to the effect that 'the Athletic Council be composed of four (amended later to five) faculty members appointed by the President of Main University, approved by the Chancellor and approved by the Board of Regents . . . , ' I write to recommend that Mr. W. T. Guy, Jr., Professor of Mathematics, and Mr. J. J. McKetta, Professor of Chemical Engineering, be added as new members for a one year period beginning September 1, 1963, taking the places of Messrs. Bailey and McCraw, so that the faculty members of the Council for 1963-64 will be the following:

M. L. Begeman, Chairman  
 J. B. Frantz  
 W. T. Guy, Jr.  
 J. J. McKetta  
 R. G. Roessner "

- (2) Regents' Representatives. -- As a matter of information for the recently qualified Regents, the membership of the Athletic Council is composed of

- (a) Five faculty members, Main University, appointed by the President of Main University, approved by the Chancellor, and by the Board of Regents
- (b) One Ex-Student appointed by the Ex-Students' Association
- (c) One Student appointed by the Students' Association
- (d) Two members appointed at large by the Board of Regents.

All to be appointed annually and properly certified by the respective group.

At the Regents' meeting on October 6, 1962, Mr. John Thompson of Dallas was reappointed as the Board's representative and Mr. Wallace Scott, Jr., of Austin was named as the other representative of the Board, "both for the year 1962-63 and until successors thereafter are appointed."

- (3) Southwest Conference Representative.  
-- The Chairman of the Athletic Council is the University's representative on the Southwest Conference. At the May meeting of the Board of Regents, Regent Erwin pointed out the disadvantage to the Athletic Council program in changing this representative. Whereupon consideration of the term of appointment was referred to the Academic and Developmental Affairs Committee for recommendation.

- e. TSP, Submission of Amendment to Secretary of State. -- The Texas Student Publications, Inc., Charter was amended more than a year ago. The amendments were submitted in the usual manner by the Secretary of the Board. After a lapse of time, these were returned because the form of submission was not in accordance with the Texas Non-Profit Corporation Act passed by the 56th Legislature.

After correspondence and many conferences between Attorney Waldrep and Robert L. Towrey, Director of Corporation Division, an amendment to the Charter providing for the submission of amendments thereto was proposed. Attorney Waldrep, the Director of Texas Student Publications, Inc., and Secretary Thedford thought it was acceptable. The amendment was approved by the Regents and submitted to the Secretary of State early this year. On March 26, 1963, it was again returned with the statement that it is necessary "there be filed a Designation of Registered Office and Registered Agent instrument" and further Mr. Towrey stated that the proposed amendment (as set out below) is not satisfactory.

Amendment as approved by the Regents:

Article X  
Amendments to the Charter

Proposed amendments to the Charter of Texas Student Publications, Inc., may be made as follows: by student election on receiving a majority of the ballots cast on such amendment, or by the Board of Regents of The University of Texas.

Any and all Amendments to the Charter of Texas Student Publications, Inc., shall be approved by the Board of Regents of The University of Texas and shall be submitted to the Secretary of State in compliance with law through the Secretary of the Board of Regents of The University of Texas.

This correspondence was referred to Mr. Waldrep and he again has had several conferences with Mr. Towrey and presents the following report:

"Mr. Robert L. Towrey of the Office of Secretary of State has indicated a willingness to accept the attached Article X which relates to the Amendments to the Charter of the Texas Student Publications, Inc.

We are also enclosing the original file received by you from the Secretary of State, and upon the approval of the Board of Regents of the proposed Article X we will be glad to redraft the Articles of Amendment to the Articles of Incorporation for submission to the officers of the Texas Student Publications, Inc.

"When and if the Articles are executed it will also be necessary to designate a registered agent pursuant to the provisions of Article 2.05 of the Texas Nonprofit Corporation Act.

"Please let us know if we can furnish anything additional in this connection."

The amendment which the Secretary of State agrees to accept is as follows:

Article X  
Amendments to Charter

Proposed amendments to the Charter of Texas Student Publications, Inc., may be made as follows: by student election on receiving a majority of the ballots cast on such amendment, or by the Board of Regents of The University of Texas.

All amendments to the Charter of Texas Student Publications, Inc., shall be adopted by a majority vote of the Board of Directors of said corporation in compliance with law and approved by the Board of Regents of The University of Texas and submitted to the Secretary of State by the Secretary of the Board of Regents of The University of Texas.

Mr. Towrey insists that all amendments shall also be approved by the Board of Directors of TSP as well as the Board of Regents.

I (Secretary) can not submit any amendments to the Secretary of State without the Regents' approval. I feel sure that Mr. Waldrep will be able to answer all questions involved.

July 1963  
Meeting

ACADEMIC AND DEVELOPMENTAL AFFAIRS COMMITTEE

Main University  
Institution or Institutions

Item No.

Subject: Recommended Procedures for Student Loan Collection.--  
Below is a Xerox copy of the proposal as presented by  
Chancellor Ransom.

Proposal  
Presented  
by Chancellor:

The University Auditor, Business Manager and Dean of Students have recommended that approval of the Board of Regents be obtained to institute student loan collection procedures as follows:

- 1) After all reasonable efforts to collect delinquent loans have been exhausted by the Bursar and the Director of Student Financial Aids, the case will be referred to the University Auditor. The Auditor will notify the delinquent borrower and cosigner of impending action by the University Attorney if satisfactory settlement is not obtained on the loan in thirty days.
- 2) If the Auditor's notification to the delinquent borrower fails, the case will be referred to the University Attorney who will notify the delinquent borrower and cosigner of impending legal action if a satisfactory disposition of the loan is not made within thirty days.
- 3) If the University Attorney's letter is unsuccessful in obtaining a satisfactory settlement of the delinquent loan account, the case will be taken to court to seek judgment against the borrower and cosigner.

Dr. Hackerman concurs in the recommendations for the necessity of instituting firmer actions in regard to the collection of delinquent student loans. The most serious actions that may be taken under present authorization are: (1) drop the delinquent borrower from the rolls of the University, if presently enrolled, (2) bar the delinquent borrower from re-entry to the University, if he is not currently enrolled, and (3) refuse to issue an unqualified transcript of his University record.

These actions are failing to produce satisfactory results in many cases.

SUPPLEMENTAL

AGENDA ITEM FOR BOARD OF REGENTS' MEETING

Date of Meeting: July 12-13, 1963

For Consideration of Academic and Developmental Affairs Committee

(Also of interest to \_\_\_\_\_ Committee)

Component Unit(s) Concerned: Main University

Subject: Student Loan Collection Procedures

The University Auditor, Business Manager and Dean of Students have recommended that approval of the Board of Regents be obtained to institute student loan collection procedures as follows:

- 1) After all reasonable efforts to collect delinquent loans have been exhausted by the Bursar and the Director of Student Financial Aids, the case will be referred to the University Auditor. The Auditor will notify the delinquent borrower and cosigner of impending action by the University Attorney if satisfactory settlement is not obtained on the loan in thirty days.
- 2) If the Auditor's notification to the delinquent borrower fails, the case will be referred to the University Attorney who will notify the delinquent bodrower and cosigner of impending legal action if a satisfactory disposition of the loan is not made within thirty days.
- 3) If the University Attorney's letter is unsuccessful in obtaining a satisfactory settlement of the delinquent loan account, the case will be taken to court to seek judgment against the borrower and cosigner.

Dr. Hackerman concurs in the recommendations for the necessity of instituting firmer actions in regard to the collection of delinquent student loans. The most (continued)

Original to Secretary of the Board of Regents

ccs: Chancellor

Vice-Chancellor: Hackerman

Institutional Head Concerned: \_\_\_\_\_

Others Concerned: Mr. Landrum *[Signature]*

\_\_\_\_\_  
\_\_\_\_\_

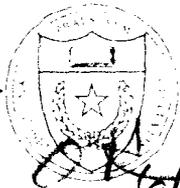
Date: July 1, 1963

GWL jh



serious actions that may be taken under present authorization are: (1) drop the delinquent borrower from the rolls of the University, if presently enrolled, (2) bar the delinquent borrower from re-entry to the University, if he is not currently enrolled, and (3) refuse to issue an unqualified transcript of his University record.

These actions are failing to produce satisfactory results in many cases.



PRESIDENT'S OFFICE UOFT  
 ACKNOWLEDGED..... FILE.....  
 REC'D JUN 19 1963  
 REFER TO.....  
 PLEASE ANSWER.....  
 PLEASE RECD AND RETURN.....

June 19, 1963

(deal) file  
 to B.R.  
 via G.L.

Dr. Norman Hackerman  
 Vice-President and Provost  
 The University of Texas

Dear Dr. Hackerman:

The attached audit report on student loan funds at the Main University clearly indicates the inadequacy of past and current loan collection procedures. Efforts by responsible University personnel to collect delinquent loans have been handicapped by the absence of any established procedure which would permit litigation in the courts to obtain judgment against delinquent borrowers and cosigners.

The Internal Audit Section has prepared a description of loan collection procedures now in effect (enclosure #2). The most serious actions that may now be taken against a delinquent borrower are to (1) drop him from the rolls of the University if enrolled at the time delinquency occurs, (2) bar him from re-entry to the University when he is dropped from the rolls or if he is not enrolled at the time delinquency occurs, and (3) refuse to issue a clear transcript of his University work. These actions obviously are failing to bring satisfactory results in a very great number of cases.

We recommend that the following actions be authorized to supplement the loan collection procedures described in enclosure #2:

1. After all reasonable efforts to collect delinquent loans have been exhausted by the Bursar and the Director of Student Financial Aids, the case will be referred to the University Auditor. The Auditor will notify the delinquent borrower and cosigner of impending action by the University Attorney if satisfactory settlement is not obtained on the loan in thirty days. ✓
2. If the Auditor's notification to the delinquent borrower fails, the case will be referred to the University Attorney who will notify the delinquent borrower and cosigner of impending legal action if a satisfactory disposition of the loan is not made within thirty days. ✓
3. If the University Attorney's letter is unsuccessful in obtaining a satisfactory settlement of the delinquent loan account, the case will be taken to court to seek judgment against the borrower and cosigner. ✓

June 19, 1963

It appears that our only hope of collecting many of the delinquent loans outstanding, and of maintaining a satisfactory loan collection record in the future, is to have recourse to legal action when necessary. ✓

Discussions have been held with Mr. Waldrep and with Dr. Barnett, Dean of Students, concerning the status of delinquent loans and the necessity for firmer action to improve the record of collections. They both concur in the need for more severe action. We recommend your concurrence in these recommendations and the transmittal of them to the Regents for their consideration.

Sincerely yours,

*G. C. Starnes*

G. C. Starnes  
Auditor

*John H. Dodson*

John H. Dodson  
Director of Student  
Financial Aids

Information Copy To:

Mr. Waldrep

APPROVAL RECOMMENDED:

*James H. Colvin*  
James H. Colvin  
*Glenn E. Barnett*  
Glenn E. Barnett

*Recommended*  
*6/19*

Approved Copies To:

- Mr. Colvin
- Dr. Barnett
- Mr. Waldrep
- Mr. Dodson
- Auditor (2)



Enclosure #1

May 7, 1963

MEMORANDUM

TO: Mr. G. C. Starnes, Auditor

SUBJECT: AUDIT OF STUDENT LOAN FUNDS

An audit has been completed for the regular student loan funds handled by the Bursar's Office. National Defense loans generally were excluded from the review except that a sample was selected for confirmation purposes. The audit was necessarily performed on a test basis because of the volume involved and included auditing procedures generally followed on audits of this type (see Schedule 1, attached). The following paragraphs present the results of some of the procedures and/or observations.

Confirmations

Letters requesting confirmations of loan balances at February 28, 1963, were mailed to all note makers in a selected number of the regular loan funds and to those whose names began with the letter "L" in the National Defense loan fund. The results of the confirmation procedures are presented in Schedule 2, attached.

Loan Funds Notes Receivable

An examination of individual balances due from individuals in a selected group of the regular loan funds revealed that a surprising volume of loans, both dollar-wise and number-wise, appear to be uncollectible. The usual collection procedures have been exhausted and the students have been barred by the Dean of Student Life for non-payment of their student loan. "Barred" means that the student is "barred from readmission and from receiving a clear transcript until cleared by the Dean of Student Life." Schedule 3, attached, presents a classification of the balances in selected loan funds between loans causing barring and current loans not yet due or loans in the process of collection.

In connection with the examination, loans causing "barring" were tallied according to the year in which made and were compared with the total loans made during that year for a selected number of loan funds and years. The results, presented in Schedule 4, attached, would tend to indicate that, for the most part, loans were quite carefully administered in any given year. They further indicate that the volume of uncollectible loans did not occur suddenly but is an accumulation built up over the years. As far as could be determined, the last time uncollectible student notes receivable were written off was 1949.

At January 31, 1963, student loan notes receivable other than National Defense loans amounted to \$121,623.65. If the percentage of loans causing barring developed on Schedule 3, attached (54.14%), was applied to this figure, loans causing barring at January 31, 1963, would be \$65,847.04. The result is alarming regardless of the fact that the "barred" loans figure may have accumulated gradually. More than half of the regular student notes receivable carried on our books would appear to be uncollectible.

### Recommendations

#### 1. Delinquent student notes receivable

In view of the large number of accumulated delinquent student loan notes receivable and since we have responsibility to donors who made the loan funds possible, some positive action on our part seems necessary. I generally do not favor writing off the delinquent student notes receivable but instead offer the following suggestions for your consideration:

- (1) A collection campaign beyond our usual collection procedures. One approach might be to write a special letter or series of letters to the makers of delinquent notes requesting payment.
- (2) Contacting co-makers, where applicable, and seriously expecting them to either have the maker pay the loan or pay it themselves. The Student Financial Aid Office has initiated a policy of sending copies of correspondence with makers of delinquent notes to the co-makers.
- (3) Requiring co-makers on all loans. Or, this suggestion could be applied on a selective fund basis as it is now but so as to include more funds.
- (4) Notifying the Retail Merchants Associations in the delinquent makers' home towns. We currently notify the Austin Retail Merchants Association when an individual's note is three to four months delinquent.

#### 2. Annual financial report balance sheet presentation of student loan funds

Current balance sheet presentation of student loan funds shows only one figure for student notes receivable. I think that some consideration should be given to breaking this receivable figure between notes considered collectible and those of doubtful collectibility. Putting loans which have caused barring into a separate category might be one approach. The amount of effort involved in classifying the receivable balances may be determined to outweigh the benefits.

#### 3. Registrar's policy regarding issuance of transcripts to barred students

The Registrar's Office appears to have two policies regarding issuance of transcripts to individuals barred from The University of Texas. The policy followed in a particular situation depends on who initiated barring instructions.

- (1) If barred by the Bursar (general property deposit overdraft, bad check, etc.), the notation on the transcript states, "Barred from readmission and from receiving a transcript until cleared by the Bursar." This notation means what it says - no transcript.

(2) If barred by the Dean of Student Life, (disciplinary reasons, non-payment of student loans, etc.), the notation states, "Barred from readmission and from receiving a clear transcript until cleared by the Dean of Student Life." The Registrar's Office will attempt to discourage these persons from securing a transcript but if the individual is insistent enough will release a copy with the notation mentioned previously in this paragraph appearing on it. A transcript issued under these circumstances is not a clear one.

Placing barring because of non-payments of student loans on the same basis as barring for other financial difficulty reasons, as they apply to issuance of transcripts, would seem to be a desirable step. Of course, other considerations may render such a policy impracticable. Purely from the loan fund point of view, better collections should result.

4. Internal control in Bursar's Office

A possible weakness in internal control due to one employee's handling the cashiering for student loans and keeping the hand posted records of the loans was noted again.

Two employees now perform these functions interchangeably. Transferring the note records out of the Bursar's Office does not appear feasible; neither does limiting a student loan cashier's functions only to handling the window appear feasible. Actually, the two employees plus one additional step should insure sufficient internal control. This step is that as loan disbursements are made, a copy of the loan list should be sent to the internal auditor. Assuming (1) that defalcations would most likely occur upon the receipt of cash in payment of a loan; (2) that upon instigation of the loan no knowledge is available as to the method of payment; and (3) that all original records of a loan must be destroyed to avoid detection, the internal auditor may use these lists to audit the disposition of any or all loans. This, in conjunction with periodic test confirmations, should insure adequate control.

If you have questions relative to my comments or the audit, I shall be glad to discuss them with you.

*James C. Werchan*

James C. Werchan  
Accounting Group Supervisor

JCW:md

APPROVED:

*Bruce M. Smith*

Bruce M. Smith  
Assistant Auditor

cc: James H. Colvin  
Walter V. Jesse

SCHEDULE 1  
THE UNIVERSITY OF TEXAS - MAIN UNIVERSITY  
STUDENT LOAN FUNDS  
AUDITING PROCEDURES PERFORMED DURING 1963 AUDIT

1. Determined that subsidiary loan fund accounts equaled the general ledger.
2. Determined that the individual loan record cards equaled the notes receivable figure for the particular fund (or reconciled thereto).
3. Confirmed student notes receivable on a test basis. Reconciled or accounted for differences.
4. Verified addition of trial balance supplied by Bursar.
5. Determined collection procedures in effect and wrote a summarization thereof.
6. Determined that a properly executed and approved note was on file for loans selected for the test.
7. Scheduled total notes receivable, "barred" notes receivable, and current and semi-current notes receivable for selected funds.
8. Computed percentages of loans eventually causing "barring" to total loans made in selected years for several loan funds.
9. Tested interest computations.
10. Traced collections recorded on individual loan cards to appropriate cash receipt vouchers on a test basis.
11. Reviewed internal control.

SCHEDULE 2  
 THE UNIVERSITY OF TEXAS - MAIN UNIVERSITY  
 STUDENT LOAN FUNDS  
 RESULTS OF STUDENT LOAN NOTES RECEIVABLE CONFIRMATION PROCEDURES  
 As of April 16, 1963

	Confirmation Requests Mailed	Replies Received at April 16, 1963	
		Number	Per Cent
Regular Loans Included			
J. Latham Ables Memorial	43	19	44.19
Kathleen Lomax Bland Memorial	30	3	10.00
Carl V. Bredt Memorial Fund	34	20	58.82
Brown Scholarship	138	57	41.30
Chimes	5	0	0.00
Mary Dannenbaum Memorial	15	6	40.00
Miscellaneous	<u>5</u>	<u>3</u>	<u>60.00</u>
Total Regular Loans	<u>270</u>	<u>108</u>	<u>40.00</u>
National Defense Loans Included			
Active (Letter L)	23	21	91.30
Inactive (Letter L)	25	19	76.00
Due for Collection (Letter L)	<u>18</u>	<u>13</u>	<u>72.22</u>
Total National Defense Loans	<u>66</u>	<u>53</u>	<u>80.30</u>
Total Loans Included	<u>336</u>	<u>161</u>	<u>47.92</u>

Notes:

1. Confirmation requests were mailed showing balances as of February 28, 1963.
2. Except for the Miscellaneous and National Defense categories, all loans outstanding at February 28, 1963 in the funds listed above were included in the confirmation procedures.
3. Differences between confirmation replies and the Bursar's records relative to outstanding loan balances either have been reconciled, or, in the case of previously disputed balances, reaffirm the maker's contentions.
4. A small number of the confirmation requests were returned because the addresses were not current.

SCHEDULE 3  
 THE UNIVERSITY OF TEXAS - MAIN UNIVERSITY  
 STUDENT LOAN FUNDS  
 CLASSIFICATION OF STUDENT LOAN NOTES RECEIVABLE OUTSTANDING - SELECTED FUNDS  
 As of January 31, 1963

Fund	Total		Loans Causing Barring (a)		Other Loans (b)	
	Per Cent	Amount	Per Cent	Amount	Per Cent	Amount
W. Latham Ables Memorial	100.00	\$ 1,830.00	37.16	\$ 680.00	62.84	\$ 1,150.00
Association of University House- mothers for Men	100.00	1,080.00	46.30	500.00	53.70	580.00
William J. Battle Memorial	100.00	2,272.95	24.55	557.95	75.45	1,715.00
W. Y. Benedict Memorial	100.00	440.00	15.91	70.00	84.09	370.00
Kathleen Lomax Bland Memorial	100.00	1,251.70	66.85	836.70	33.15	415.00
Book Trailers of Austin	100.00	135.00	37.04	50.00	62.96	85.00
Carl V. Bredt Memorial Fund	100.00	1,643.85	6.80	111.85	93.20	1,532.00
Brown Scholarship	100.00	4,223.05	67.87	2,866.05	32.13	1,357.00
Bugbee	100.00	3,302.05	48.21	1,592.05	51.79	1,710.00
Chimes	100.00	150.10	100.00	150.10		
Price-Cross	100.00	200.95			100.00	200.95
Mary Dannenbaum Memorial	100.00	785.50	19.10	150.00	80.90	635.50
Davidson Emergency	100.00	1,862.80	55.91	1,041.50	44.09	821.30
Wilbur S. Davidson	100.00	28,337.30	47.91	13,575.90	52.09	14,761.40
W. M. Scarbrough	100.00	3,081.90	81.21	10,623.50	18.79	2,458.40
Totals (Selected Funds)	100.00	<u>\$60,597.15</u>	54.14	<u>\$32,805.60</u>	45.86	<u>\$27,791.55</u>

a) Students have been "barred from readmission and from receiving a clear transcript until cleared by the Dean of Student Life" for failure to pay their loans.

b) Includes current loans and loans which may be somewhat delinquent but not to the point of causing the student to be barred.

SCHEDULE 4  
 THE UNIVERSITY OF TEXAS - MAIN UNIVERSITY  
 STUDENT LOAN FUNDS  
 PERCENTAGES OF LOANS EVENTUALLY CAUSING "BARRING" - SELECTED FUNDS  
 As of January 31, 1963

	1955- 1956	1956- 1957	1957- 1958	1958- 1959	1959- 1960	1960- 1961	Com- bined
<b>L. Latham Ables Memorial</b>							
Loans Made	109	126	91	96	111	138	671
Loans Made Eventually Causing Barring	4	1	0	4	3	2	14
Per Cent Causing Barring	3.67	.79	-	4.17	2.70	1.45	2.09
<b>William J. Battle Memorial</b>							
Loans Made	-	31	77	81	123	125	437
Loans Made Eventually Causing Barring	-	2	1	4	2	1	10
Per Cent Causing Barring		6.45	1.30	4.94	1.63	.80	2.29
<b>Brown Scholarship</b>							
Loans Made	284	316	359	300	335	322	1916
Loans Made Eventually Causing Barring	4	11	7	11	13	8	54
Per Cent Causing Barring	1.41	3.48	1.95	3.67	3.88	2.48	2.82
<b>Bugbee</b>							
Loans Made	125	135	110	113	113	110	706
Loans Made Eventually Causing Barring	4	2	3	3	2	1	15
Per Cent Causing Barring	3.20	1.48	2.73	2.65	1.77	.91	2.12
<b>Wilbur S. Davidson</b>							
Loans Made	109	112	151	106	83	113	674
Loans Made Eventually Causing Barring	5	8	13	9	11	2	48
Per Cent Causing Barring	4.59	7.14	8.61	8.49	13.25	1.77	7.12
<b>E. M. Scarbrough</b>							
Loans Made	1181	814	1189	731	707	635	5257
Loans Made Eventually Causing Barring	26	20	37	15	13	7	118
Per Cent Causing Barring	2.20	2.46	3.11	2.05	1.84	1.10	2.24

Notes:

1. The meaning of the term "Barring" can be explained by the notation which appears on the student's permanent record card in the Registrar's Office: "Barred from readmission and from receiving a clear transcript until cleared by the Dean of Student Life." It was imposed for non-payment of his loan.
2. Figures represented as "Loans Made Eventually Causing Barring" are the loans made in that year which eventually caused barring and not the loans which caused barring in that year. Further, the figures include only those barred loans still on our records as of the date of this schedule and not any which may have been barred at one time and then paid.
3. The Loans Made figures for 1959-1960 and 1960-1961 were taken from the appropriate annual financial reports; these figures for 1955-1959 were determined by dividing the total dollar amount of loans made by the average loan amount. The figures for loans eventually causing barring were derived from the Bursar's records.

THE UNIVERSITY OF TEXAS - MAIN UNIVERSITY  
PROCEDURES - LOAN COLLECTIONS  
As of March 31, 1963

Enclosure #2

This listing of procedures undertaken relative to collections on student loan notes receivable is concerned primarily with what happens if a student does not pay. While what occurs if he pays at certain stages may be enumerated in some instances, that side will be incomplete as far as overall continuity.

1. A "Notice" (sample 1) is prepared in triplicate when the Bursar's Office prepares other papers necessary for a new loan. These notices are filed by due date. About 10 days before a note is due, the original notice is mailed to the maker. The first and second carbons remain in the file. The date the original notice is mailed is stamped on the original and on the second carbon.

If student pays, first and second carbons (above) are thrown away, note is stamped "Paid" and is given to the student, and payment card is stamped "Paid" and is removed from the active file. If by check, held 15 days before released.

2. If student does not pay, approximately 2 weeks after due date the first carbon (sample 1) is mailed to the student. The second carbon remains in the file. This document is referred to as the "Second Notice".

If either of the above notices is returned for a better address, the Registrar's Office is contacted to secure a current address. If the Registrar's Office is unable to supply a more current address, the notice is sent to the maker's home address.

3. If the student does not respond to the "Second Notice" by the end of 1 week to 10 days after it was mailed, the Bursar's Office mails a standard postal card "Summons" (Sample 1-A) to the students who are in school. Actually the Bursar's Office waits until 1 week to 10 days after all second notices for a month have been mailed. All postal cards for a given month are mailed at one time. For example, the second notices for the end of March, 1963, will be mailed about the second week in April, 1963; the postal card summons for the entire month of March will be mailed about the beginning of the fourth week in April.

No action is taken at this time on students who are not in school. They are not sent the postal card summons.

4. The next step is for the Bursar's Office to send notices to the Loan and Scholarship Office that certain loans are delinquent. This applies both to those who did not answer the summons (students in school) and those makers who are not in school.

The rule is that the delinquent notice is sent 1 month after the note is due. In practice, it is actually sent approximately 1 month after the end of the month in which the note became due. Thus, the delinquent notices to the Loans and Scholarships Office for loans becoming due in March, 1963, will be sent about May 1, 1963.

The form, referred to as the "Delinquent Notice" (sample 2) is prepared in duplicate, the copy being retained by the Bursar. If the student pays later in the collection process, this duplicate will be stamped "Paid" and, after waiting 2 weeks on check payments, will be sent to the Loans and Scholarships Office as notification that the delinquent loan has been paid. No waiting period is necessary on cash or money order payments.

The second carbon (triplicate) of the "Notice" mentioned in 1 above is retained in the Bursar's file.

5. When a loan is 3 to 4 months delinquent, it is reported to The Retail Merchants' Association of Austin by the Bursar's Office (Sample 3). The original notice is sent to the borrower and the carbon is mailed to The Retail Merchants' Association.

There is a close working relationship between the Bursar's Office and the Loans and Scholarships Office regarding notifying Retail Merchants. If Loans and Scholarships has a promise from the student or reason to believe that he will pay, they notify the Bursar's Office to refrain from notifying Retail Merchants. In the absence of any word to the contrary, the Bursar's Office will notify Retail Merchants even though Loans and Scholarships is attempting to collect.

6. After the Loans and Scholarships Office receives the delinquent notices from the Bursar, students enrolled are summoned to that office. If they answer the summons, arrangements regarding payment of the loan are made. If the summons are not answered in a week or if the student does not follow through on arrangements he has agreed to, a "copy drop" (copy of drop letter) is sent to the student (Sample 4). This form is prepared in duplicate, with the original being retained by the Loans and Scholarships Office. Actually, the original is never sent to the Dean of Student Life as this is merely an attempt to secure a response from the student.
7. If enrolled students still don't respond by the end of one week after the "copy drop" letter is sent, they are dropped from the University rolls and are barred from readmission until cleared. This is accomplished by sending a drop letter to the Dean of Student Life (Sample 5).
8. If makers of notes are not enrolled, form letters (Sample 6) are sent to the permanent address immediately after receiving delinquent notices from the Bursar. These letters are sent again when the notes are 3, 4, and 5 months past due. The 5 months letter has note: "This loan will be 6 months past due on \_\_\_\_\_. If not paid by that date, you will be barred from readmission."

9. If the notes are not paid by the dates given, the individuals are barred from readmission (Sample 7). Letters are prepared in original and 4 copies. One copy goes to student, one goes to the Loans and Scholarships file, and the original and two copies go to the Dean of Student Life. The Dean keeps original, sends one to the Registrar, and sends one back to the Loans and Scholarships Office. The Loans and Scholarships approved copy is then sent to the Bursar's Office where appropriate notations are made on the records.
10. The Bursar's Office recently put a new procedure into effect. Once a year, a notice is mailed to all individuals who have delinquent loans outstanding. Of course, some of the notes are returned because of the inability of maintaining current addresses for everyone.
11. The Loans and Scholarships Office has initiated a policy of sending copies of correspondence with makers of delinquent notes to the co-makers. This applies, obviously, only to the delinquent notes in funds requiring co-makers.

#### Clearing a Student Who Has Been Barred

- (1) If someone comes by the Bursar's Office and pays a delinquent loan which has caused "Barring", the Bursar's Office stamps the original delinquent notice (see Number 4 above) "Paid" and sends it to the Loans and Scholarships Office. If payment is by check, the Bursar's Office will wait 2 weeks to see that the check is good before sending the delinquent notice stamped "Paid" over.
- (2) Student is then cleared by the Loans and Scholarships Office sending a clearing letter (Sample 8) to the Registrar's Office. It is prepared in original plus 4 copies and is distributed in the same manner as the Barring letter in Number 9 above.

July 1963  
Meeting

Main University  
Institution or Institutions

Item No.

Subject: Proposed Catalogue Changes in the Department of Art Requirement and Teacher Certificate in Music. --Below is a Xerox copy of the proposal as presented by Chancellor Ransom.

Proposal Presented  
by Chancellor:

Vice Chancellor Hackerman and Chancellor Ransom concur in the recommendations of the College of Fine Arts and the Faculty Council as recorded in the Documents and Proceedings of the Faculty Council, pages 3215 and 3216.

We request approval of the Board of Regents of these recommendations.

Recommendations  
of Faculty Council:

The recommendations of the Faculty Council are:

Change in Standard of Work Required:

Reason: To raise the level of accomplishment among the students in studio art courses and to accommodate those who are qualified.

Page 16 - Catalogue of College of Fine Arts, 1961-63.

Change from: Students who receive a grade of D or F in any applied music course may not continue in that course during the next semester until the requests of other students for such work have been met.

Change to: Students who receive a grade of D or F in any applied music course or studio art course may not continue in that course during the next semester until the requests of other students for such work have been met.

Changes to be incorporated in Plan IIIA, for students majoring in Music Education, Four Year Curriculum. These are found on pages 29 and 30, College of Fine Arts Catalogue, 1961-63.

Reason: Plan IIIA must conform to the approved additions and revisions incorporated in the All-Level Provisional Certificate Program in Music Education.

Page 29, second paragraph from bottom.

Change from: For Band Instrument Principals: Principal Instrument 401, 410, 420, Music 200 in violin, in percussion, in voice, in woodwind or brass, 210K in advanced woodwind or advanced brass, 222J, 222K, and piano proficiency equivalent to Music 210K.

Change to: For Band Instrument Principals: Principal Instrument 401, 410, 420, Music 200 in percussion and voice, 210L in woodwind and brass, 210M in violin or violoncello; 222J, 222K, and piano proficiency equivalent to Music 210K.

Page 29, last paragraph:

Change from: For String Instrument Principals: Principal Instrument 401, 410, 420, Music 200 in violin or violoncello, in percussion, in voice, in woodwind or brass, 210K in advanced violin or advanced violoncello, 222J, 222K, and piano proficiency equivalent to Music 210K.

Change to: For String Instrument Principals: Principal Instrument 401, 410, 420, Music 200 in percussion and voice, 210M in violin or viola and violoncello or bass, 210L in woodwind or brass; 222J, 222K, and piano proficiency equivalent to Music 210K.

Page 30, second paragraph:

Change from: Courses outside the Department of Music: English 601, Art 301, Drama 314; six semester hours in American history chosen from History 315K, 315L, 315Q, 316K, 316L, or six semester hours of advanced courses in American History; Government 610; six semester hours in natural science;\* three additional semester hours in natural science or in social science; three semester hours elective.

Change to: English 601 and three additional semester hours of English above the Freshman level; Art 305, Drama 314; six semester hours in American History chosen from History 315K, 315L, 315Q, 316K, 316L, or six semester hours of advanced courses in American history; Government 610; twelve semester hours in any two of the following three areas: natural science,\* mathematics, and foreign language.

Page 30, third paragraph: Professional Courses

Change from: Curriculum and Instruction 308, 320L, either 367L.3 and 367P.3 or 667L.4 or 667M.6; Educational Psychology 318, 320K; Music 371L. In addition, for voice, piano, harp, and organ principals: Music 354J, 354K; for band and string instrument principals: Music 272L and 372M.

Change to: For voice, piano, harp, and organ principals: Curriculum and Instruction 332S, 370S.91, 667Wa.9 and b.9, and Educational Psychology 332S, Educational History 361.1; Music 254J, 254K, and 272N.

For band and string instrument principals: Curriculum and Instruction 332S, 370S.92, 667Wa.9 and b.9, and Educational Psychology 332S, Educational History 361.1; Music 272L or 272N or 254J and 272M and 254K.

Page 30, Elective Courses:

Change from: Five to twelve semester hours.

Change to: Three to eight semester hours.

Page 30: Cut Plan IIIB in its entirety.

SUPPLEMENTAL

AGENDA ITEM FOR BOARD OF REGENTS' MEETING

Date of Meeting: July 12-13, 1963

For Consideration of Academic and Developmental Affairs Committee

(Also of interest to \_\_\_\_\_ Committee)

Component Unit(s) Concerned: Main University

Subject: Proposed Catalogue Changes in the Department of Art Requirement and  
Teacher Certificate in Music

Vice Chancellor Hackerman and Chancellor Ransom concur in the recommendations of the College of Fine Arts and the Faculty Council as recorded in the Documents and Proceedings of the Faculty Council, pages 3215 and 3216.

We request approval of the Board of Regents of these recommendations.

Original to Secretary of the Board of Regents

ccs: Chancellor

Vice-Chancellor: Hackerman

Institutional Head Concerned: \_\_\_\_\_

Others Concerned: Mr. Landrum *[Signature]*

\_\_\_\_\_  
\_\_\_\_\_

Date: July 1, 1963

GWL jh



THE UNIVERSITY OF TEXAS  
AUSTIN 12

PRESIDENT'S OFFICE U OF T	
ACKNOWLEDGED	FILE
REC'D	DATE
REFERRED	DATE
PLEASE ASSIGN	DATE

CHANCELLOR'S OFFICE U. OF T.	
Acknowledged	File
REC'D	JUN 27 1963
TO	FOR INFO AND RETURN
TO	PLEASE ADVISE ME
TO	PLEASE HANDLE

June 24, 1963

President J. R. Smiley  
University of Texas  
Main B. 102

Dear President Smiley

On June 20, 1963, the Faculty Council approved by the circularization procedure the proposed catalogue changes in the Department of Art requirement and teacher certificate in Music (D&P 3215).

This legislation is now ready for your approval and submission to the Board of Regents.

Sincerely yours

*Eugene*  
Eugene W. Nelson, Secretary  
The Faculty Council

*to*  
*GWL*  
*4/28*  
*HJ*

*see copy*  
*Hackerman*  
*6/26*

"Recommend approval." - Norman Hackerman

*Norman Hackerman*  
*6/26*

## DOCUMENTS AND PROCEEDINGS OF THE FACULTY COUNCIL

PROPOSED CATALOGUE CHANGES IN THE DEPARTMENT OF ART REQUIREMENT AND  
TEACHER CERTIFICATE IN MUSIC

The College of Fine Arts has filed with the Secretary of the Faculty Council the recommendations published below. The proposal for changes in the catalogue of the College of Fine Arts with respect to Department of Art requirement has been approved by the college faculty by means of circularization, as of April 8, 1963. The following proposal for changes in the catalogue of the College of Fine Arts with respect to teacher certification in Music was approved by the college faculty by means of circularization, as of May 25, 1963. The Secretary has classified these recommendations to be of exclusive application and primary interest only to a single school or college.

Notice is hereby given that this legislation will be presented to the Board of Regents for adoption unless a signed protest, with reasons, is received by the Secretary of the Faculty Council from a member of the Council within five days of the date of this publication. If a protest is received, the proposed legislation will be presented to the Faculty Council for action at its meeting of September 16, 1963.

*Eugene W. Nelson*  
Eugene W. Nelson, Secretary  
The Faculty Council

RECOMMENDATIONS OF THE COLLEGE OF FINE ARTSChange in Standard of Work Required:

Reason: To raise the level of accomplishment among the students in studio art courses and to accommodate those who are qualified.

Page 16 - Catalogue of College of Fine Arts, 1961-63.

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Changes to be incorporated in Plan IIIA, for students majoring in Music Education, Four Year Curriculum. These are found on pages 29 and 30, College of Fine Arts Catalogue, 1961-63.

Reason: Plan IIIA must conform to the approved additions and revisions incorporated in the All-Level Provisional Certificate Program in Music Education.

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Change to: For voice, piano, harp, and organ principals: Curriculum and Instruction 3328, 3708.91, 667Wa.9 and b.9, and Educational Psychology 3328, Educational History 361.1; Music 254J, 254K, and 272N.

For band and string instrument principals: Curriculum and Instruction 3328, 3708.92, 667Wa.9 and b.9, and Educational Psychology 3328, Educational History 361.1, Music 272L or 272N or 254J and 272M and 254K.

Page 30, Elective Courses:

Change from: Five to twelve semester hours.

Change to: Three to eight semester hours.

Page 30: Cut Plan IIIB in its entirety.

Filed with the Secretary of the Faculty Council by Professor Frederick J. Hunter, Secretary of the College of Fine Arts Faculty, June 7, 1963.

Distributed among the members of the Faculty Council by the University Stenographic Bureau, June 15, 1963.

## **Buildings & Grounds Committee**

## BUILDINGS AND GROUNDS COMMITTEE

Date: Friday, July 12, 1963  
 Time: 1:00 p. m.  
 Place: Main Building, Room 210 (Office of the Secretary)

## Members:

Regent Redditt, Chairman  
 Regent Brennan  
 Regent Johnson  
 Regent McNeese

	<u>Page No.</u>
A. Joint Meeting of the Buildings and Grounds and Medical Affairs Committees (1:00 p.m.)	
1. Medical Branch	
a. Outpatient-Clinical Diagnostic Building: Ratification and Approval of Transfer Between Appropriations	44
b. State Psychopathic Hospital: Approval of Additional Remodeling	44
c. Children's Hospital Building: Approval of Award of Contract for Remodeling Pediatrics Research Laboratory	45
d. Outpatient-Clinical Diagnostic Building: Possible Approval of Purchase Order and Installation Charges for 35 MEV Betatron*	
e. <del>Request of Sealy and Smith Foundation for Transfer of Certain Land to the Foundation</del>	75
2. Southwestern Medical School	
Danciger Research Laboratories Building: Approval of Issuance of Change Order to Contract for Construction (For Additional Built-in Laboratory Equipment and Installation Thereof)	46
3. South Texas Medical School	
a. South Texas Medical Center: Transfer of Land for Veterans Administration Hospital Site	46
b. South Texas Medical School: Possible Authorization to Committee to Approve Preliminary Plans and Outline Specifications**	

\* No documentation at this time; waiting on more information from the Medical Branch.

\*\* No recommendation.

B.	Meeting of the Buildings and Grounds Committee	
1.	Main University	
a.	Old Art Building: Authorization for Demolition	46
b.	Law School Building: Approval of Specifications for Furniture and Furnishings for Addition and Additional Appropriations Therefor	46
c.	Lila B. Etter Alumni House: Possible Appointment of Special Committee to Approve Final Plans and Specifications	47
d.	Will C. Hogg Geology Building: Approval of Name	47
e.	Balcones Research Center: Authorization to Construct Civil Engineering Structures Laboratory	47
f.	Linguistics Research Center: Approval of Leasing Space	48
g.	Law School Building: Award of Contract for Classroom Furniture for Addition*	48 48a
h.	Experimental Science Building, Laboratory Equipment Contract for Remodeling of Certain Rooms: Request of Royal School Laboratories, Inc. for Upward Price Adjustment in Contract Already Awarded**	
i.	Wilhide Engineering Corporation: Reconsideration of Forfeiture of Bid Bond***	
j.	Certain Existing Buildings (Second Part Under "Ten-Year Building Program"): Appointment of Engineers to Prepare Plans and Specifications for Modernization and Remodeling****	56a 48a

- 
- \* Bids were opened June 27. Recommendation will be in Supplementary Agenda. P. 48a
- \*\* No recommendation: supporting material on Pages 49-56 .
- \*\*\* You have already received this material separate book
- \*\*\*\* Probably will be in Supplementary Agenda. P. 56a

Supplementary P. 43a.

SUPPLEMENTARY AGENDA

BUILDINGS AND GROUNDS COMMITTEE

Below is additional material for the Buildings and Grounds Committee.

Item II has been added since the original agenda was distributed and listed in the Material Supporting the Agenda, Volume II. There is no recommendation by the Administration.

- |     |   |                 |
|-----|---|-----------------|
| I.  | Main University   | <u>Page No.</u> |
|     | A. Award of Contract for Furniture and Furnishings for Addition to Law School Building (Item 7)   | 10 48e          |
|     | B. Appointment of Engineer to Prepare Plans and Specifications for Modernizing and Remodeling of Five Existing Building                         | 10, 12 48e      |
| II. | Medical Branch  |                 |
|     | Remodeling of Psycho II and III Buildings for Child's Psychiatry Unit-Consideration of Proposed Changes in Financing Due to Problems with USPHS | 41 56a          |

THE UNIVERSITY OF TEXAS  
OFFICE OF THE COMPTROLLER  
AUSTIN 12

RECOMMENDATIONS TO REGENTS'  
BUILDINGS AND GROUNDS COMMITTEE

June 25, 1963

1. MEDICAL BRANCH - RATIFICATION AND APPROVAL OF TRANSFER BETWEEN APPROPRIATIONS FOR NEW OUTPATIENT-CLINICAL DIAGNOSTIC BUILDING.--At the time the contract was awarded for the construction of the New Outpatient-Clinical Diagnostic Building at the Medical Branch, a Contingency Allowance of \$30,000.00 was set up with authority to Comptroller Sparenberg to issue change orders to the contract within this amount. It is now considered wise to extend and modify certain plumbing lines and duct work in the ceiling of the third floor, so that certain fixtures may later be installed on the proposed fourth floor with a minimum of cost (in the next contract). There was sufficient money in the allotment account for this project to cover this additional cost, and upon the recommendation of Comptroller Sparenberg and approval of Vice Chancellor Dolley and Chancellor Ransom, a transfer of \$20,000.00 was made from the allotment account to the contingency allowance account, and a change order issued to cover the work referred to above.

It is recommended that the Board ratify and approve the transfer between appropriations as outlined above and the issuance of change orders by Comptroller Sparenberg within the increased amount of \$50,000.00.

2. MEDICAL BRANCH - APPROVAL OF ADDITIONAL REMODELING IN THE STATE PSYCHOPATHIC HOSPITAL.--Extensive remodeling of the State Psychopathic Hospital at the Medical Branch was completed in June, 1962 out of a Legislative Appropriation made for this and other remodeling projects (and other funds). A balance still remains in this appropriation, and the following letter has been received from Dr. Truslow (by Mr. Walker), requesting authority for expenditure of a part of this balance:

"The Chairman of the Department of Psychiatry and the Director of Hospitals have requested that additional remodeling be done in the State Psychopathic Hospital. Specifically, they have requested the following remodeling:

1. Installation of protection screen over windows to the nursing stations.
2. Detention screens to provide additional closed ward area. } *major quarters*
3. Construction and installation of 26 additional clothes closets for patients.

"The Physical Plant Department has estimated that the total cost of the work would not exceed \$9,275.00.

"The plate glass windows at the nursing stations have been removed for safety reasons. The windows have been broken by patients; therefore, all the glass panels have been removed. The operation of the nursing station without any protection from noise, personnel or patients, is extremely difficult. The recommendation is that stainless steel screen wire in metal frames be installed over the plate glass windows (to be reinstalled) of each nursing station.

"After several months of operation, the Psychiatry Department has found that their patient load requires additional closed areas. The recommendation is to install thirty additional detention screens in two ward areas to give additional closed areas and provide the necessary operating flexibility.

"At the time this building was remodeled there were no clothes closets placed in detention areas. The practice at that time was to retain the patients' clothing in one central location. During the time the building was being remodeled the closed area was transferred to another building where there was no central facility. Therefore, they had to allow patients in the detention areas to retain their clothing and other personal articles. After a year and a half of operating under this system, the professional staff is convinced that this is by far the more preferable way to handle the patients. The recommendation is for 26 lockers in the closed areas.

"I concur in the recommendations of the Department of Psychiatry and the Hospital Administration that this remodeling work is necessary. I would recommend that the estimated amount of \$9,275.00 be taken from the Unexpended Legislative Appropriation for Major Repair and Rehabilitation of Buildings and Facilities as set forth in the Monthly Financial Report of Central Administration. The work will be done by the Physical Plant Staff of the Medical Branch."

This recommendation is concurred in by Comptroller Sparenberg and Chancellor Ransom, and it is recommended that the Board authorize the work as outlined in the letter, with the funds to come from the Legislative Appropriation referred to.

3. MEDICAL BRANCH - APPROVAL OF AWARD OF CONTRACT FOR REMODELING PEDIATRICS RESEARCH LABORATORY IN CHILDREN'S HOSPITAL BUILDING.--On May 14, 1963 the Medical Branch received bids on remodeling the Pediatrics Research Laboratory in the Children's Hospital Building, as follows:

Bidder	Base Bid Only (Add Alternates not Included)
Meyerson Construction Company, Houston, Texas	\$21,800.00
Lowry, Emmett F. Construction Company, Texas City, Texas	21,988.00
Eriksson Construction Company, Inc., Galveston, Texas	23,866.00
Oliver Construction Company, Galveston, Texas	25,191.00

At the time the plans were drawn on this project and bids called for, it was estimated by the Medical Branch that the project cost would not exceed \$20,000.00 and, therefore, the contract award would not require prior Board approval. As shown by the tabulation listed above, however, the bids were all over \$20,000.00. Mr. David Meyerson of Meyerson Construction Company, Houston, Texas, the low bidder, was asked whether he would be willing to hold his bid open until after the Regents' meeting on July 12 and 13, 1963, so that the bids could be presented to the Board for consideration. This he agreed to do.

It is, therefore, recommended that the Board authorize this remodeling in accordance with plans and specifications prepared by the Medical Branch Physical Plant staff, which have been approved by the Comptroller's Office, and approve the award of a contract in the amount of \$21,800.00 to the low bidder, Meyerson Construction Company, Houston, Texas. This project is to be paid for from the William Buchanan Foundation Grant, which has a balance of over \$22,000.00, per the Medical Branch monthly financial report.

4. SOUTHWESTERN MEDICAL SCHOOL - APPROVAL OF ISSUANCE OF CHANGE ORDER TO CONTRACT FOR CONSTRUCTION OF DANCIGER RESEARCH LABORATORIES BUILDING (FOR ADDITIONAL BUILT-IN LABORATORY EQUIPMENT AND INSTALLATION THEREOF).--At the Regents' Meeting held December 1, 1962 a contract was awarded for the construction of the Danciger Research Laboratories Building at the Southwestern Medical School. Prior to this bid opening a number of items of built-in laboratory equipment had been deleted from the plans and specifications, since there was some doubt that the bids on the construction of the building would come within the amount of money available. When the bids were received, however, they were well within the money available, and the allotment account for this project still has a sizable balance.

A change order is in the process of preparation which covers the reinstating of part of the built-in laboratory equipment originally deleted. Quotations are being secured from the Contractor covering the items of laboratory equipment and the installation thereof. Most of the pieces of laboratory equipment in this change order are covered by unit prices obtained at the time of the original bidding. All other quotations are being checked by the Architects and the Comptroller's Office for reasonableness before being approved. It is estimated that this change order will be in an amount between \$101,000.00 and \$105,000.00. It is recommended that Comptroller Sparenberg be given authority to issue a change order not to exceed \$105,000.00 covering built-in laboratory equipment and installation thereof in the Danciger Research Laboratories Building at Southwestern Medical School, the money needed to cover the change order and the Architects' fees thereon to come from the allotment account for the project.

5. SOUTH TEXAS MEDICAL SCHOOL - TRANSFER OF LAND FOR VETERANS ADMINISTRATION HOSPITAL SITE IN SOUTH TEXAS MEDICAL CENTER.--An agreement existing between the Board of Regents and the San Antonio Medical Foundation provides that the Foundation will not transfer any South Texas Medical Center land other than for medical care, education, or research purposes and that any such transfer shall be approved by the Board of Regents. Dr. James P. Hollers, Chairman of the Board of Directors of the Foundation, has filed a request that the Regents approve the transfer of approximately 35 acres as a site for construction of a Veterans Administration Hospital in the South Texas Medical Center should such location be selected by the Veterans Administration. Location of the site is to accord with the Master Plan for the South Texas Medical Center previously adopted by the Board of Regents and the Foundation. It is recommended that such transfer be approved with stipulation that site location shall accord with the Master Plan. *(Mrs. J. approves if desirable to have this type hosp. in close conjunction with the school.)*

6. MAIN UNIVERSITY - AUTHORIZATION FOR DEMOLITION OF OLD ART BUILDING.-- Information has been received from Mr. Byron Shipp, Registrar, that the Old Art Building has now been vacated by the Department of Art, and there is no further need for this building as a classroom building. In line with the University's policy of removing temporary buildings when they are no longer required, it is recommended by Messrs. Colvin, Smiley, and Sparenberg that this building be torn down and removed from the campus as soon as possible.

It is recommended that authorization be given to the Main University Business Manager to advertise for bids and award a contract for the demolition of this building. It is not known, of course, whether the bids will involve a payment to the University or a payment by the University. In case it is necessary for the University to pay for the demolition, the funds necessary will be provided within the Main University Physical Plant Budget.

7. MAIN UNIVERSITY - APPROVAL OF SPECIFICATIONS FOR FURNITURE AND FURNISHINGS FOR ADDITION TO LAW SCHOOL BUILDING AND ADDITIONAL APPROPRIATION THEREFOR.--Specifications for Furniture and Furnishings for the Addition to the Law School Building at the Main University have been prepared by members of the staff of the Comptroller's Office and approved by President Smiley, Comptroller Sparenberg, and Chancellor Ransom. It is recommended that they be approved by the Board and that Comptroller Sparenberg be authorized to advertise for bids to be considered by the Board at a later meeting.

In order to cover the estimated cost of the furniture and furnishings covered by these specifications and the classroom furniture contract to be awarded at this meeting, it is recommended by President Smiley, Comptroller Sparenberg, and Chancellor Ransom that transfers of funds and an additional appropriation be made to the Allotment Account for the Addition to the Law School Building as set out below.

At the meeting of the Board held April 5, 1963 authorization was given for a change order in the amount of \$23,700.97 to the Library Bookstack contract for the Addition to the Law School Building to cover additional library bookstacks in the basement and on the fourth floor of the building. At the request of the Dean of the Law School, it is now being recommended that the amount of \$14,049.15, plus architects' fees thereon, covering the library bookstacks in the basement area, be transferred back to the Allotment Account for use for furniture and furnishings instead, since it is estimated by Dean Keeton that there will not be a need for these particular bookstacks for five to ten years.

An additional appropriation of \$10,000.00 is recommended from Permanent University Fund Bond Proceeds. In justification of this additional appropriation, attention is called to the fact that, at the meeting held April 5, 1963, approval was given for the installation of closed circuit television from the Travis County Courthouse to the Law School Building at an estimated cost of \$37,052.00, but with no additional appropriation for this purpose at that time. Also, at August 31, 1962, the sum of \$200,000.00 was lapsed from the original appropriation for the Addition to the Law School Building.

*Mrs. J. who will be on Com.?*

8. MAIN UNIVERSITY - POSSIBLE APPOINTMENT OF SPECIAL COMMITTEE TO APPROVE FINAL PLANS AND SPECIFICATIONS FOR THE LILA B. ETTER ALUMNI HOUSE.--At the Regents' Meeting held November 13, 1962, the preliminary plans for the Lila B. Etter Alumni House at the Main University were approved and Fred W. Day, Jr. of Austin, Texas was appointed as Associate Architect, with authorization to proceed with preparation of working drawings and specifications. These working drawings and specifications are not yet complete, but it is expected that they will be completed within a week or ten days after this meeting. Since the Ex-Students' Association is very anxious to proceed with the construction of this building as quickly as possible, and since there will not be another Regents' meeting until September, it is recommended that a Special Committee, consisting of Comptroller Sparenberg, Vice Chancellor Hackerman, Vice Chancellor Haskey, and Chancellor Ransom, be appointed to approve the working drawings and specifications as prepared by the Associate Architect, with authorization to Comptroller Sparenberg to advertise for bids to be considered by the Board at a later meeting.

9. MAIN UNIVERSITY - APPROVAL OF NAME FOR WILL C. HOGG GEOLOGY BUILDING.--The Main University Faculty Committee for Building and Space Allocation, President Smiley, Comptroller Sparenberg, and Chancellor Ransom all recommend that the Board ratify and confirm the name assigned to the new building to be constructed at the Main University for the use of the Geology Department, the Bureau of Economic Geology, the Hogg Foundation, and for other general purposes, as the "Will C. Hogg Geology Building".

10. MAIN UNIVERSITY - AUTHORIZATION TO CONSTRUCT CIVIL ENGINEERING STRUCTURES LABORATORY AT BALCONES RESEARCH CENTER.--National Science Foundation has made a grant to the Main University on a 50-50 matching basis, which, together with University funds already appropriated, includes funds with which to construct a small Civil Engineering Structures Laboratory.

It is contemplated that this laboratory building will be constructed at Balcones Research Center just west of the Machine Shop; it is to be a building with concrete block walls resting on a concrete slab, with pre-cast concrete beams on second floor, and is estimated to cost \$17,190.00. The work is to be performed by the Physical Plant staff at Balcones Research Center plus additional hourly labor as needed.

It is recommended by the Main University Faculty Committee for Building and Space Allocation and Main University Business Manager Colvin, which recommendation is concurred in by Comptroller Sparenberg, President Smiley, and Chancellor Ransom, that authorization be given to proceed with the construction of this building as outlined above, with the understanding that the plans and specifications for this project, to be prepared by the Main University physical plant staff, must be approved by the Comptroller's Office.

11. MAIN UNIVERSITY - APPROVAL OF LEASING SPACE FOR LINGUISTICS RESEARCH CENTER.--The Linguistics Research Center under the direction of Dr. W. P. Lehmann is now renting approximately 2,500 square feet of space as authorized by the Regents at the meeting held June 30, 1962. The Center continues to expand, largely due to additional grants from the National Science Foundation, and the need for additional space has now doubled. Dr. Lehmann has requested that authorization be given to lease approximately 5,000 square feet of floor space as near the Main University Campus as possible. The full cost of rental, estimated to be about \$1,200.00 per month, is to be borne by the National Science Foundation. It is, therefore, recommended by Mr. Colvin and Dr. Hackerman, which recommendation is concurred in by Dr. Ransom, that Dr. Lehmann's request be approved by the Board. It is understood, of course, that the rental of this space will be handled through the State Board of Control in the usual manner.

OTHER MATTERS TO BE CONSIDERED BY THE  
REGENTS' BUILDINGS AND GROUNDS COMMITTEE

Medical Branch - Possible Approval of Purchase Order and Installation Charges for 35 MEV Betatron for New Outpatient-Clinical Diagnostic Building

South Texas Medical School - Possible Authorization to Committee to Approve Preliminary Plans and Outline Specifications on New South Texas Medical School

Main University - Award of Contract for Classroom Furniture for Addition to Law School Building

✓ Main University - Laboratory Equipment Contract for Remodeling of Certain Rooms in Experimental Science Building: Request of Royal School Laboratories, Inc. for Upward Price Adjustment in Contract Already Awarded

✓ Main University - Reconsideration of Forfeiture of Bid Bond by Wilhide Engineering Corporation

Main University - Appointment of Engineers to Prepare Plans and Specifications for Modernization and Remodeling of Certain Existing Buildings (Second Part Under "Ten-Year Building Program")

THE UNIVERSITY OF TEXAS  
OFFICE OF THE COMPTROLLER  
AUSTIN 12

SUPPLEMENT TO  
RECOMMENDATIONS TO REGENTS'  
BUILDINGS AND GROUNDS COMMITTEE

July 2, 1963

12. MAIN UNIVERSITY - AWARD OF CONTRACT FOR CLASSROOM FURNITURE FOR ADDITION TO LAW SCHOOL BUILDING.--In accordance with authorization by the Board at the meeting held May 25, 1963, bids were called for and were opened and tabulated on June 27, 1963 for Classroom Furniture for the Addition to the Law School Building at the Main University, as shown below:

Bidder	Bidder's Bond	Proposal "A" (Chrome Plated Metal Frames)	Proposal "B" (Painted Metal Frames)
The Abel Stationers Austin, Texas	5%	\$23,440.00	\$21,400.00
American Seating Company Dallas, Texas	5%	22,216.00	20,947.00
The Harve Avants Associates Fort Worth, Texas	5%	20,973.55	20,973.55

After consideration of the bids by all concerned, it is recommended by Comptroller Sparenberg, which recommendation is concurred in by Chancellor Ransom, that a contract be awarded for Proposal "A" in the amount of \$20,973.55 to The Harve Avants Associates, Fort Worth, Texas, the low bidder on Proposal "A". It is considered by all who are familiar with classroom furniture of this type that chrome plated metal frames have a superior finish and will require less maintenance. Proposal "B" was included in this call for bids in order to be sure that the bids would come within the amount of money tentatively allotted for this purpose, since it had been expected that the bids for painted metal frames would be considerably less than those for chrome plated metal frames. The recommended contract award is within the amount available, and, hence, the recommendation is made for Proposal "A" rather than Proposal "B".

*ms. J. why do we need this? who decided?*

13. MAIN UNIVERSITY - APPOINTMENT OF ENGINEERS TO PREPARE PLANS AND SPECIFICATIONS FOR MODERNIZATION AND REMODELING OF CERTAIN EXISTING BUILDINGS (SECOND PART UNDER "TEN-YEAR BUILDING PROGRAM").--At the Regents' Meeting held December 10, 1960, Engineers Bernard Johnson and Associates of Houston were appointed and authorization was given to proceed with Modernization and Remodeling of Certain Specific Existing Buildings, which involved approximately one-half of those listed in the Ten-Year Building Program adopted in September, 1960. It was understood that these buildings authorized would be divided into two parts and that as soon as the construction was under way on the second part (of the first one-half), Engineers would be appointed and authorization would be given to proceed with the second one-half as outlined in the Ten-Year Building Program. At the meeting held April 5, 1963, a contract was awarded on the second part of the first one-half of this program, and it is recommended that Engineers now be appointed for the second one-half. ~~A list of recommended Engineering firms is attached.~~

*New York graph*

*B + 7 of ... to ... Harvey Co  
as Engineers for the second one-half as outlined  
in year Bldg. Program*

It is further recommended that authorization be given at this time for the preparation of plans and specifications for the Physics Building (estimated cost, \$260,000.00), the Chemistry Building (estimated cost, \$350,000.00), and the Experimental Science Building, East End (estimated cost, \$120,000.00), with an appropriation of \$46,000.00 to be set up from the Available University Fund appropriation for 1963-64 entitled New Building Construction, Utilities Expansion, and Air Conditioning Projects - Unallocated, to cover the Engineers' Fees on these three buildings with the appropriation for the actual construction work to be made later. In accordance with the Ten-Year Building Program and procedures already adopted, it is also contemplated that part of the "Contingency Allowance" provided in the original list (\$87,500.00 out of \$275,000.00) will be provided for these three buildings. No request is made at this time for preparation of plans and specifications on the buildings remaining in this second one-half of the program, since it is contemplated that there might be a change in the buildings recommended to be modernized and remodeled, which list will be presented for Regents' approval at a later date.

It is contemplated, however, that the work to be done later by the firm of Engineers selected at this meeting will include plans, specifications, and some supervision on Petroleum Engineering Building, R. O. T. C. Building, and Service Building, as shown on the Ten-Year Building Plan approved in September, 1960, and may include also the plans, specifications, and part of the supervision on similar work which may be authorized later on in the following buildings: Old Geology Building and Main Building Tower.

OTHER MATTERS TO BE CONSIDERED BY THE  
REGENTS' BUILDINGS AND GROUNDS COMMITTEE

Medical Branch - Remodeling of Psycho II and III Building for Child Psychiatric Unit - Consideration of Proposed Changes in Financing Due to Problems with United States Public Health Service

THE UNIVERSITY OF TEXAS  
OFFICE OF THE COMPTROLLER  
AUSTIN 12

July 1, 1963

RECOMMENDATION OF COMPTROLLER SPARENBERG

RE: ENGINEERS FOR MODERNIZATION AND REMODELING OF  
CERTAIN EXISTING BUILDINGS - MAIN UNIVERSITY

1. Zumwalt and Vinther, Dallas and Austin
2. Bovay Engineers, Inc., Houston
3. Bernard Johnson Engineers, Inc., Houston

ROYAL OF RICHMOND  
ROYAL SCHOOL LABORATORIES, INC.  
Meadow & Clay Streets  
Richmond 20, Va.

April 10, 1963

UNIVERSITY OF TEXAS  
Department of Construction & Maintenance  
Austin 12,  
Texas  
Attn: Ralph D. Huber, Architect  
Superintendent of Construction & Maintenance

SUBJECT: Remodeling of rooms 306, 309 and 311  
Experimental Science Building  
University of Texas  
Austin, Texas  
Factory Order 16943

Dear Mr. Huber:

We have a report from our representative, Mr. Harry R. Morgan of San Antonio concerning the above noted project to the effect that our roughing in drawings did not include all of the equipment required for this contract.

However, we have checked the contract documents including the specifications and we find reference only to rooms 306, 309 and 311. This is very specifically pointed out both in your notice to bidders and under scope of work general construction and scope of work, laboratory equipment. As you can see, the formal proposal also refers only to rooms 306, 309 and 311.

Consequently, due to the wording of your specifications we did not include any equipment in rooms other than 306, 309, 311 and we do not feel that we are obligated to furnish equipment in areas other than those listed. Your specifications are very explicit in the area covered and we see no way that we could have interpreted these drawings to have included other than the 3 rooms listed.

Of course we will be most happy to furnish the additional equipment but we would have to do so at an extra cost to the contract.

Your prompt review of this matter will be appreciated and I shall look forward to hearing from you. Thank you.

Sincerely yours,

ROYAL OF RICHMOND

/s/ C. Wesley Lucas

C. Wesley Lucas  
Assistant Sales Manager

CWL/js

THE UNIVERSITY OF TEXAS  
Department of Construction and Maintenance  
AUSTIN 12, TEXAS

17 April 1963

Re: Laboratory Equipment Contract for Remodeling  
of Rooms 306, 309, and 311, Experimental  
Science Building, The University of Texas,  
Main University, Austin  
Factory Order 16943

Mr. C. Wesley Lucas  
Assistant Sales Manager  
Royal School Laboratories, Inc.  
Meadow & Clay Streets  
Richmond 20, Virginia

Dear Mr. Lucas:

This will acknowledge receipt of your letter of April 10, 1963, in which you state that your bid did not include all the equipment shown on the plans for the above project.

Your contract requires you to furnish all laboratory equipment shown on the drawings and described in the specifications entitled "Laboratory Equipment Contract for Remodeling of Rooms 306, 309, and 311, Experimental Science Building, The University of Texas, Main University, Austin, Texas." This involves 27 pieces of laboratory equipment shown clearly, crosshatched and numbered on Sheet No. 3 of the drawings. Note No. 2 on this sheet states "Laboratory equipment shown hatched and numbered." There is no mention made for the bidders to omit any of the work shown on the drawings.

The areas to be remodeled under this contract are three rooms. Room 306 remains one room, room 309 is divided into six rooms, and room 311 is divided into five rooms.

It appears that in preparing your bid for this project you overlooked one important requirement of the specifications. That requirement, which is on Page 2 of the Supplementary General Conditions, is quoted below:

EXAMINATION OF PREMISES

Before submitting proposals for his work, each bidder will be held to have examined the premises and acquainted himself with the existing conditions under which he will be obligated to operate in performing the work, or that will in any manner affect the work under this contract. No extra charge will be allowed subsequently because of any error or negligence on the part of the Contractor in this respect.

Your attention is also called to the "Form of Proposal" upon which your bid was submitted. It begins with the sentence: "Having carefully examined the site, the plans and specifications, general conditions, and supplementary general conditions entitled 'Remodeling of Rooms 306, 309, and 311 Experimental Science Building, The University of Texas, Main University, Austin,' as prepared by the Department of Construction and Maintenance, the Undersigned proposes to furnish all labor, materials, equipment, scaffolding, and incidentals required to complete all work in accordance with the above documents for the following sum: . . ." If this requirement had been met, there would have been no question about the quantity of work required.

Mr. C. Wesley Lucas - Page 2

17 April 1963

Sheet Nos. 1 and 2 of the drawings show the new work by the General Contractor involved in remodeling these three rooms. Sheet No. 3 shows in plan the laboratory equipment required in the remodeling with elevations of all laboratory equipment shown on Sheet Nos. 4 and 5.

There is a liquidated damage clause of \$25 per day in your contract if the work is not completed in the time set out in your proposal. The project is already behind schedule. Please proceed immediately with all the work shown and included in your contract.

Very truly yours

/s/ Ralph E. Huber

Ralph E. Huber, Architect  
Superintendent of  
Construction and Maintenance

REH zg

cc Mr. C. H. Sparenberg  
Mr. James H. Colvin  
Mr. Carl J. Eckhardt  
Bonding Company: Great American Insurance Co.  
Ellis, Smith & Co.  
315 South Akard, Dallas 2, Texas

ROYAL OF RICHMOND  
ROYAL SCHOOL LABORATORIES,  
INC.

April 22, 1963

Mr. W. W. Heath  
Chairman  
THE BOARD OF REGENTS OF  
THE UNIVERSITY OF TEXAS  
P. O. Box "N"  
University Station  
Austin, Texas

SUBJECT: Laboratory Equipment Contract for  
Rooms 306, 309 and 311  
Experimental Science Building  
University of Texas  
Main University  
Austin, Texas  
Royal Factory Order 16943

Dear Mr. Heath:

As you are probably aware, we have a contract with the University of Texas to furnish certain LABORATORY EQUIPMENT for rooms 306, 309 and 311 in the Experimental Science Building at the Main University, University of Texas. In accordance with the terms of this contract, we prepared roughing in drawings of the equipment indicated in rooms 306, 309 and 311 and submitted them

-2-

to your Superintendent of Construction and Maintenance, Mr. Ralph E. Huber. Under date of April 3, 1963 we received a letter from Mr. O. Carl Happel of your organization stating that the drawings did not cover all of the equipment required under the contract. Subsequent investigation revealed that he was referring to additional equipment in spaces numbered 305, 307 and 303. However, a check of your specifications does not indicate any reference whatsoever to these spaces or equipment in these spaces being included in this contract. The specifications very specifically refer only to rooms 306, 309 and 311. For your information and convenience we quote the following references.

- 1- Cover to your specifications states room 306, 309 and 311.
- 2- Title page to your specifications states rooms 306, 309 and 311.
- 3- Notice to bidders, page A refers to rooms 306, 309 and 311.
- 4- Page B. of your specifications under paragraph entitled Scope of work - Laboratory equipment makes specific reference to rooms 306, 309 and 311.
- 5- Page P1 of your form of proposal refers to rooms 306, 309 and 311 only.
- 6- Page 27 of your specifications entitled Laboratory equipment- Scope of Work reads as follows: "All equipment covered by this specification shall be furnished, delivered and installed ready for use in accordance with the drawings and these specifications". Your specification in no case refers to any rooms other than 306, 309 and 311.
- 7- In the contract agreement under article 1 entitled Scope of Work, you will again note that only rooms 306, 309 and 311 are referred to.

In looking at the drawings we see that there are several numbered rooms indicated other than rooms 309, 306 and 311 but since this is a re-modeling job it was natural to assume that the additional equipment could either have been existing or for further procurement since your specifications were so explicit in listing the three rooms involved. Again, due to the very definite mention in your specifications of the three rooms involved, we did not feel it was necessary to visit the site or to request clarification from your Architect.

On the 10, 1963 we wrote to Mr. Huber indicating that in accordance with the specifications we planned to furnish only the equipment indicated in rooms 306, 309 and 311 and a copy of that letter is marked appendage #1 and attached hereto for your information. Under date of April 17, 1963 we received a reply from your Mr. Huber indicating that even though the specifications listed only rooms 306, 309 and 311 that we were required under the contract to furnish the additional rooms shown on the drawing. In paragraph 3 of his letter he indicated that room 309 had been sub-divided into 6 rooms and room 311 had been sub-divided into 5 rooms. However, we see no reference on the plans or in the specifications to the fact that these rooms had been sub-divided and given new numbers and consequently again it was only reasonable that we assume that the rooms 306, 309 and 311 to which he referred in his specifications were the same rooms 306, 309 and 311 indicated on the drawings. We can see nothing in the specifications to lead us to believe otherwise.

Of course we would be most happy to furnish any additional equipment that you would require on a mutually agreeable basis with regard to pricing but it would have to be at extra cost to the contract.

With reference to the last paragraph of Mr. Huber's letter of April 17, 1963 concerning liquidated damages, we must protest in that a legitimate discrepancy in your specifications does exist, making any delay to the contract because of this discrepancy justifiable and therefore not subject to the liquidated damage clause. Of course no further action can be taken on the contract until this matter is resolved. For purposes of computing the amount of delay, we submit that the delay actually began on April 8, 1963 when we received Mr. Happel's letter of April 3, 1963 calling attention to this discrepancy.

-3-

We regret very much the necessity for having to write this letter and wish you to understand that ROYAL values very highly the patronage of The University of Texas but we do feel that due diligence was exercised in preparing our proposal and the submission of our quotation on this project and respectfully request your kind consideration of the foregoing comments. If you should so desire, we would be most happy to have a representative from this office meet with you to discuss this situation at a time convenient to you.

Your prompt reply will be appreciated. Thank you.

Sincerely yours,

ROYAL SCHOOL LABORATORIES, INC.

/s/ C. Wesley Lucas

C. Wesley Lucas  
Assistant Sales Manager

CWL/js

CC: Great American Insurance Company

Enclosure

THE UNIVERSITY OF TEXAS  
BOARD OF REGENTS

W. W. HEATH, Chairman  
Perry-Brooks Building  
Austin, Texas

April 26, 1963

Royal School Laboratories, Inc.  
Meadow and Clay Streets  
Richmond 20, Virginia

Attention: Mr. C. Wesley Lucas, Assistant Sales Manager

Subject: YOUR LETTER OF APRIL 22, 1963 IN REGARD TO THE LABORATORY  
EQUIPMENT CONTRACT FOR THE REMODELING OF ROOMS 306, 309,  
AND 311, EXPERIMENTAL SCIENCE BUILDING, MAIN UNIVERSITY,  
AUSTIN, TEXAS

Gentlemen:

Your letter above referred to has been discussed with Mr. Charles H. Sparenberg, Comptroller of The University of Texas System, who has over-all supervision of these matters, and Mr. Sparenberg has carefully reviewed your letter and related matters with Mr. Ralph E. Huber, Architect on the Main University staff, and Architects Walter C. Moore and Samuel M. Burnett, Jr., Architects in the Comptroller's Office.

You are hereby informed that we are in complete agreement that you do not have a justifiable case, and that we concur completely with the statements made by Mr. Huber in his letter of 17 April 1963 to your Mr. C. Wesley Lucas. We wish to add the following additional comments:

April 26, 1963

We do not feel that your heavy emphasis on the specifications and your ignoring the comments made by Mr. Huber about the drawings are justifiable at all, and we furthermore feel that your own statement that "we did not feel that it was necessary to visit the site or to request clarification from your Architect" removes any force or effect from your arguments. If you had taken the time and precaution to do what other bidders did, you would have known that Rooms 309 and 311 were to be subdivided into additional rooms, and that the additional numbers referred to these contemplated subdivisions.

So far as we know, you are the only one of a total of 23 bidders on this project who allegedly had any difficulty understanding the facts of life indicated by the plans and specifications, which were apparently clear to everyone else.

Furthermore, I am advised by Mr. Huber that your own representative, Mr. Harry R. Morgan of San Antonio, Texas, told our Mr. Happel, of Mr. Huber's office, that he was aware of what was called for by the plans and specifications and his understanding agreed with ours.

Obviously, under the circumstances, I am in complete agreement with the Administration's insistence that you comply completely with your contract without any added cost to us.

Very truly yours

/s/ W. W. Heath

W. W. Heath, Chairman  
Board of Regents of  
The University of Texas

WWH:jg

Copies to: Mr. Charles H. Sparenberg, Comptroller, The University of Texas  
Mr. James H. Colvin, Business Manager, Main University  
Mr. Carl J. Eckhardt, Director of Physical Plant, Main University  
Mr. Ralph E. Huber, Architect, Main University  
Great American Insurance Company (Bonding Company)  
c/o Ellis, Smith and Company, Resident Agents  
315 South Akard, Dallas 2, Texas  
Mr. Harry R. Morgan, San Antonio, Texas

HARRY R. MORGAN  
507 Maverick Building  
San Antonio 5, Texas

May 15, 1963

Mr. W. W. Heath, Chairman, The Board of Regents  
University of Texas  
Perry-Brooks Bldg.  
Austin, Texas

Subject: Your letter to C. Wesley Lucas, Royal School Laboratories  
Richmond. Va. Dated April 26. 1963.

Dear Mr. Heath:

A copy of the above letter was received in this office May 14, 1963.

There is one thing I want to correct in your letter, this being the second paragraph on the second page of your letter.

I was not aware of any work regarding the laboratory furniture other than in Rooms shown on the plans and specifications numbered 306 309 and 311, which plans accompanied the invitations for bid, until calling upon Mr. Happel April 8th or there about at which time Mr. Happel gave me a sheet from an old set of plans showing Rooms 306 309 and 311. I did not know at the time of the bid opening or until after we had submitted rough-in drawings that furniture for more than rooms 306, 309A, 309B, 309C and 311 of the plans was required.

Yours very truly

/s/ Harry R. Morgan

CC C. Wesley Lucas  
Royal School Laboratories Inc.  
Richmond, Va.

Harry R. Morgan

ROYAL OF RICHMOND  
ROYAL SCHOOL LABORATORIES,  
INC.

May 24, 1963

Mr. W. W. Heath, Chairman  
The Board of Regents  
University of Texas  
Perry - Brooks Building  
Austin, Texas

SUBJECT: Laboratory Equipment Contract for the  
Remodeling of Rooms 306, 309 and 311  
Experimental Science Building  
Main University  
Austin, Texas

Dear Mr. Heath:

I have reviewed the correspondence of April 22nd wherein our Mr. Lucas endeavored to explain our interpretation of the specifications and scope of the equipment for which we have been awarded a contract. I have also reviewed your answer of April 26th, together with the bidding documents, specifications and plans.

I must confess that there easily could exist an area of confusion regarding the scope insofar as the specifications refer only to the three rooms, but the plans are complete and show all areas. We do appreciate and understand the position which you have adopted but we also would like you to lend credence to our position. We shall produce this job in its entirety because it is the policy of this company if we have made an error in the manner in which we have bid a job, we shall accept our own mistakes, but in all fairness to us from strictly a businessman's point of view, it must be obvious that an error was committed. The bid tabulation was as follows.

Royal	\$18,960.00
Metalab	24,290.00
Kewaunee	25,038.00
Hamilton	27,490.00
Taylor	27,994.00
Prassal	26,777.00

Our bid was approximately 25 percent less than the lowest bidder and approximately one-third lower than the other major bidders.

We wish to reiterate our position in stating that mistake or not, we will fulfill our contract at the price quoted, however, we do feel that you should, in good conscience submit to your board that our price should be raised to at least \$1,000.00 less than the lowest bidder because we do not believe that the University of Texas would deliberately take advantage of a supplier if they thought that we furnished our proposal in good intentions under a mistaken interpretation of the scope, and that it was obvious that we had done so by merely looking at our price.

We hope that you will give this proposal due consideration.

Yours very truly,

ROYAL SCHOOL LABORATORIES, INC.

/s/ Stanley Levick

Stanley Levick  
President

SL/sab

THE UNIVERSITY OF TEXAS  
BOARD OF REGENTS

W. W. HEATH, Chairman  
Perry-Brooks Building  
Austin, Texas

May 27, 1963

Mr. Stanley Levick, President  
Royal of Richmond  
Post Office Box 671  
Ashland, Virginia

Re: Laboratory Equipment Contract for  
the Remodeling of Rooms 306, 309 and  
311, Experimental Science Building,  
Main University, Austin, Texas.

Dear Mr. Levick:

This will acknowledge receipt of your letter of May 24. I interpret your letter to mean that you intend to produce the job in its entirety on the basis of your original bid, but that you hope that for the reasons stated in your letter the University will adjust upward the price to be paid you.

In other words, I understand that legally you accept our position, but hope that we will voluntarily make some sort of adjustment. If my understanding is not correct, please advise me.

I am sending a copy of your letter to Comptroller Sparenberg and also a copy to Senator John Redditt, Chairman of The University of Texas Board of Regents Buildings and Grounds Committee, as well as to the Secretary of the Board. I am asking the Secretary of the Board to put your request for adjustment on the Buildings and Grounds Committee Agenda for our next meeting in order that the Committee may consider your request for price adjustment, after which the full Board will act upon the Committee's recommendation. As you know, a state university spending public money acts in a fiduciary capacity and is limited in its legal authority moneywise. I am sure the Committee will need to consider the question of whether the University has the legal right to make this adjustment or if it is required to pay the bid price once the bid has been accepted. At any rate, I am pleased to know your Company will go forward with its contract under the original bid, and want you to understand that your request for a voluntary adjustment on our part will be considered.

Yours very truly,

/s/ W. W. Heath

W. W. Heath

Airmail

cc Senator John Redditt  
Mr. Charles H. Sparenberg, Comptroller  
Miss Betty Anne Thedford, Secretary

56a

THE UNIVERSITY OF TEXAS — MEDICAL BRANCH

GALVESTON

THE SCHOOL OF MEDICINE  
THE SCHOOL OF NURSING  
THE TECHNICAL CURRICULA  
THE POST-GRADUATE PROGRAM



JUN 29 1963

THE JOHN SEALY HOSPITAL  
THE CHILDREN'S HOSPITAL  
THE PSYCHOPATHIC HOSPITAL  
THE ROSA AND HENRY ZIEGLER HOSPITAL

Dr. Harry H. Ransom  
Chancellor  
The University of Texas  
University Station  
Austin 12, Texas

CHANCELLOR'S OFFICE U. OF T.  
Acknowledge..... File.....  
REC'D JUL 2 1963  
TO..... FOR INFO AND RETURN  
TO..... PLEASE ADVISE ME  
TO..... PLEASE HANDLE

Dear Dr. Ransom:

We have just received from the Regional Office of the U.S.P.H.S. a decision that remodeling plans for Psycho II and III for a Child Psychiatry Unit do not meet the specifications of the Hill-Burton Act and therefore cannot be approved. The specific issues were the width of the corridors (7') on the second and third floors of the building; patient rooms should have an area of at least 100 square feet per bed in single rooms and 80 square feet per bed in multiple-bed rooms. Also, all bedrooms must have windows.

We have determined not only that the cost of widening these halls and enlarging the rooms would be prohibitive, but also that the effective room space lost would seriously compromise our program plans.

We can make the following statements that are related to this whole matter:

1. This particular rule relating to the widths of halls is one of several which many remodeling projects have protested as unrealistic and outdated, in terms of their original purposes.
2. The reason these questions did not arise until this late date was the fact that a site visit by the State Health Department was not made until after the grant was made rather than prior to the grant award. (Prior inspections are, as we understand, the normal procedure.)
3. There is no specific or fundamental safety or fire hazard or regulation involved, in view of the fact that only children are to be placed in this area; and particularly in view of the fact that there is no point on any floor more than thirty (30) feet from one, and in most cases from two, fire escape or stair well.
4. Accordingly, we feel fully justified in seeking another source of funds and proceeding with our original plans.

Dr. Harry H. Ransom  
June 28, 1963  
Page 2

You are fully aware of the pressures upon us and the urgency of achieving this renovation. We are, therefore, proposing the following approach to the problem - which has been discussed in detail with Mr. Walker:

1. That the Sealy & Smith Foundation again be approached for the balance of \$105,000; OR
2. That the Sealy & Smith Foundation be asked to increase by \$105,000 their interest free loan to the University, totaling \$700,000, presently allocated to the construction of the basement and first three floors of the Outpatient Diagnostic Building. (This additional total would not extend the repayment of the loan more than two and one-half years.)

N.B. - In either case, \$105,000 is probably the maximum, with possibilities of some decrease in the total amount from total estimates on the Psycho II and III remodeling itself.

I request earnest consideration of Central Administration along one of these two alternatives at the earliest possible moment, and presentation of your recommendation to the Regents as a special item at the July 12-13 meeting. Approval of this will assure our reactivation of work on the final plans and specifications, and procedure with renovation of the building without significant loss of time.

Sincerely yours,

ORIGINAL SIGNED BY  
JOHN B. TRUSLOW, M. D.  
EXECUTIVE DEAN AND DIRECTOR  
John B. Truslow, M.D.  
Executive Dean and Director

JBT:jgw

cc: Mr. E. D. Walker

State  
Arch file

DEPARTMENT OF  
HEALTH, EDUCATION, AND WELFARE  
REGIONAL OFFICE  
REGION VII  
1114 Commerce Street - Ninth Floor  
Dallas 2, Texas

PUBLIC HEALTH SERVICE

June 5, 1963

Dr. J. E. Peavy  
Commissioner of Health  
State Department of Health  
Austin, Texas

Attention: Mr. Kenneth M. Muhn, Director  
Division of Hospital Services

Dear Dr. Peavy:

Subject: **TEK-305**  
The University of Texas Medical Branch  
Child Psychiatric Unit  
Galveston, Galveston County, Texas



This office has given considerable study to the structural plan of the existing building, which it was hoped might be remodeled for the above project. No attempt has been made here to review the arrangement of the several areas in the second and third floors, as indicated on floor plans dated June 4, 1962, and forwarded with your letter of April 23, 1963. The writer has made single line studies -- trying, without success, to determine whether the requirements of the Program could be carried out within the frame of the existing structure.

We, therefore, must say that this office cannot approve any plan for this type of occupancy in which all corridors are not a minimum of 7' - 0" wide, and patient rooms do not have an area of at least 100 sq. ft. per bed in single rooms and 80 sq. ft. per bed in multiple-bed rooms. Also, all bedrooms must have windows.

If a revised design can be arrived at in which the above requirements are fulfilled, and a Program included, we will be pleased to give it every consideration.

Sincerely yours,

*Ralph Bryan*  
RALPH BRYAN

Architect  
Hospital & Medical Facilities

## **Medical Affairs Committee**

## MEDICAL AFFAIRS COMMITTEE

Date: Friday, July 12, 1963  
 Time: 1:00 p. m.  
 Place: Main Building, Room 210 (Office of the Secretary) -  
 After the Joint Meeting with B&G Committee, will  
 meet in Regents' Room (209)

## Members:

Regent Connally, Chairman  
 Regent Erwin  
 Regent Madden  
 Regent Olan

	<u>Page No.</u>
1. Joint Meeting of Medical Affairs and Buildings and Grounds Committees (1:00 p. m.)*	
a. Medical Branch	
(1) Outpatient-Clinical Diagnostic Building: Ratification and Approval of Transfer Between Appropriations	44
(2) State Psychopathic Hospital: Approval of Additional Remodeling	44
(3) Children's Hospital Building: Approval of Award of Contract for Remodeling Pediatrics Research Laboratory	45
(4) Outpatient-Clinical Diagnostic Building: Possible Approval of Purchase Order and Installation Charges for 35 MEV Betatron**	
(5) Request of Sealy and Smith Foundation for Transfer of Certain Land to the Foundation	75
b. Southwestern Medical School	
Danciger Research Laboratories Building: Approval of Issuance of Change Order to Contract for Construction (For Additional Built-in Laboratory Equipment and Instal- lation Thereof)	46
c. South Texas Medical School	
(1) South Texas Medical Center: Transfer of Land for Veterans Administration Hospital Site	46

\* The report of these items will be in the report of the  
Buildings and Grounds Committee.

\*\* No documentation at this time, waiting on more in-  
formation from Medical Branch.

- (2) South Texas Medical School: Possible Authorization to Committee to Approve Preliminary Plans and Outline Specifications\*
2. Meeting of the Medical Affairs Committee (Regents' Room, 209)
- a. Medical Branch
- (1) *Mrs. J: questions this,*  
Affiliation Agreement with the Norwich Pharmacal Company 60
- (2) Interagency Contract - Moody State School for Cerebral Palsied Children *- Supporting material received after volume was heard,* 74
- (3) Reports
- (a) Resignation of Arthur Ruskin, M. D., Medical Branch 74
- (b) Status of Dietary and Food Service Operation 75
- b. Southwestern Medical School and Postgraduate School of Medicine
- William Buchanan Grant Foundation Funds, Reallocation 79
- c. Postgraduate School of Medicine (Graduate School of Biomedical Sciences at Houston) *what about autonomy of it? Mrs. J*
- Mrs. J: appears on an interim basis & decision at Sept. meeting.* } Activation of Graduate School of Biomedical Sciences and Appointment of Acting Dean 80
- d. South Texas Medical School - Reports on Status of 80
- (1) Funding STMS Construction (Doctor Haskew)
- (2) Nursing School Development (Doctor Haskew)

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\* No recommendation.

*See next page for  
Emergency Item presented  
before meeting.*

EMERGENCY

AGENDA ITEM FOR BOARD OF REGENTS' MEETING

Date of Meeting: July 12-13, 1963

For Consideration of Medical Affairs Committee

(Also of interest to \_\_\_\_\_ Committee)

Component Unit(s) Concerned: Medical Branch

Subject: Affiliation Agreement and Interim Operation Agreement Between Shriners  
Hospitals for Crippled Children and the Board of Regents of  
The University of Texas  
Re: Shriner Burns Hospital to be located in Galveston

(Supporting material to be furnished together with recommendations  
at Board meeting.)

Original to Secretary of the Board of Regents

ccs: Chancellor

Vice-Chancellor: \_\_\_\_\_

Institutional Head Concerned: Dr. Truslow

Others Concerned: Mr. Walker

Mr. Landrum

Date: July 8, 1963

GWL jh



D. MEDICAL AFFAIRS COMMITTEE

1. JOINT MEETING OF MEDICAL AFFAIRS AND BUILDINGS AND GROUNDS COMMITTEE (1:00 p. m. ) . -- The Medical Affairs Committee and the Buildings and Grounds Committee are scheduled to meet at 1:00 p. m. in Room 210 to consider the following items. The documentation and recommendations of these items are on the pages as indicated. (These pages are in the Administration's recommendations to the Buildings and Grounds Committee.)

a. Medical Branch

- (1) Outpatient-Clinical Diagnostic Building: Ratification and Approval of Transfer Between Appropriations (Page 44 )
- (2) State Psychopathic Hospital: Approval of Additional Remodeling (Page 44 )
- (3) Children's Hospital Building: Approval of Award of Contract for Remodeling Pediatrics Research Laboratory (Page 45 )
- (4) Outpatient-Clinical Diagnostic Building: Possible Approval of Purchase Order and Installation Charges for 35 MEV Betatron (Page      ) - No documentation
- (5) Request of Sealy and Smith Foundation for Transfer of Certain Land to the Foundation (Page 75 )

b. Southwestern Medical School

Danciger Research Laboratories Building: Approval of Issuance of Change Order to Contract for Construction (For Additional Built-in Laboratory Equipment and Installation Thereof) (Page 46 )

c. South Texas Medical School

- (1) South Texas Medical Center: Transfer of Land for Veterans Administration Hospital Site (Page 46 )
- (2) South Texas Medical School: Possible Authorization to Committee to Approve Preliminary Plans and Outline Specifications (Page      ) - No documentation



June 7, 1963

Dr. James P. Hollers, Chairman  
San Antonio Medical Foundation  
4600 Broadway  
San Antonio, Texas

Dear Jim:

Your letter of June 4 concerning transfer by donation of South Texas Medical Center land for a United States Veterans Hospital has been sent to me. As Dr. Ransom told you, we are prepared to recommend to the Board of Regents that transfer of a site for this purpose be approved.

However, if I understand the location of the site proposed, we cannot recommend that. I interpret your description to comprehend Parcel 6 on the Master Site Plan. If I am in error, please let me know and in that event the remainder of my letter is not germane.

The Master Plan, which we all studied, paid good money for, and approved only a few months ago reserves Parcel 6 for "Private Secondary Teaching Hospitals" and is quite explicit on the need for reserving this area for such purpose. We agree with the Master Plan emphatically on that point. A great medical school simply must have additional teaching hospitals as time passes, and their location in close proximity to the Medical School center is a telling consideration. To use Parcel 6 for a Veterans Administration Hospital would mean that future teaching hospitals would have to be located at considerable distance from the Medical School.

As you know, while constructive affiliations between a Veterans Administration Hospital and a Medical School are quite possible and useful, it cannot be a fully-affiliated teaching hospital. Further, its patient load cannot have the variety and educational-research potential of several secondary hospitals.

I wonder why such a major departure from the Master Plan is necessary. The possibility of a Veterans Administration Hospital was contemplated in that Plan, and a site was provided in Parcel 13 or Parcel 14. We all agreed to that Plan, and I think the reasons are still cogent ones. Parcel 14 would certainly be more advantageous to the Veterans Hospital since they would have elbow room, far fewer traffic problems, and more leeway in exterior configurations and style of building. And, they would still be in close proximity to the Medical School, without the confusion produced by a contiguous large-patronage Hospital District general hospital.

Dr. James P. Hollers  
Page 2

June 7, 1963

Please understand that we are not reluctant to use Medical Center land for a Veterans Administration Hospital nor to work in cooperation with one if it is established. Our point is exclusively one of Medical Center planning.

Yours truly,

L. D. Haskew  
Vice-Chancellor

LDH:ps

cc: Chancellor Ransom  
Assistant Dean Shaeffer  
Mr. Sparenberg



THE UNIVERSITY OF TEXAS

AUSTIN 12, TEXAS

COPY

SYSTEM OFFICES  
CHANCELLOR

June 6, 1963

Dr. James P. Hollers, Chairman  
Board of Trustees  
San Antonio Medical Foundation  
P. O. Box 1628  
San Antonio 6, Texas

Dear Dr. Hollers:

Thank you for your letter of June 4.

The question of the approval of the donation of a site for the new U. S. Veterans Administration Hospital in the South Texas Medical Center is being placed on the agenda for the July 12 meeting of the Board of Regents.

We shall inform you as soon as action has been taken on the matter.

Sincerely yours,

Harry Ransom

HR k

bcc: Mr. Landrum (for July meeting)



2  
BOARD OF TRUSTEES

THE **SAN ANTONIO MEDICAL FOUNDATION**

DR. JAMES P. HOLLERS, CHAIRMAN  
4800 BROADWAY (9)  
TA 8-3289

153 NAVARRO STREET • P. O. BOX 1628 • SAN ANTONIO 6, TEXAS • Capitol 7-8181

MAJ. GEN. ELBERT DECOURSEY, SECRETARY  
TRINITY UNIVERSITY  
718 STADIUM DRIVE (12)  
PE 5-5281

MELROSE HOLMGREEN, TREASURER  
ALAMO IRON WORKS,  
MONTANA & HOFEGEN (3)  
CA 3-8181

HOWELL W. JONES,  
ASS'T. SEC'Y.-TREAS.  
153 NAVARRO (5)  
CA 7-8181

C. STANLEY BANKS, JR.  
VICTOR H. BRAUNIG  
CHARLES C. BUTT  
J. H. CALVERT  
BRIG. GEN. A. B. CROWTHER  
LEROY G. DENMAN, JR.  
L. E. FITE  
TOM C. FROST, JR.  
FRANK M. GILLESPIE  
DR. ALBERT W. HARTMAN  
DR. DAVID JACOBSON  
DR. MAX E. JOHNSON  
BISHOP EVERETT H. JONES  
SID KATZ  
DR. JOHN L. MATTHEWS  
C. W. MILLER  
DR. MERTON M. MINTER  
LESLIE R. NEAL, SR.  
FORREST M. SMITH  
DR. JOHN M. SMITH, JR.  
ALBERT STEVES, III  
BRUCE THOMAS  
DR. HAROLD VAGTBORG

*R/K ack  
& say we  
are schedulng  
for July 12  
meety  
of  
BR.  
CWH  
July meetg*

June 4, 1963

Dr. Harry Ransom  
Chancellor  
The University of Texas  
Austin 12, Texas

Dear Doctor Ransom:

Pursuant to the agreement between the Board of Regents, University of Texas, and the San Antonio Medical Foundation, request is made that the Board of Regents approve the donation of a site of approximately 3/4 acres for a new U. S. Veterans Administration Hospital in the South Texas Medical Center.

The site selected for the Veterans Administration Hospital is the western part of the 65 acres adjoining the University of Texas property. The eastern part of this property is reserved for the location of the Bexar County Hospital District Teaching Hospital. The exact metes and bounds of this property will not be determined until the Veterans Administration has funds in hand for construction and is ready for the actual transfer of the property by deed. We shall be grateful if you will process this request through the proper channels and inform us at your earliest convenience.

Sincerely yours,

*James P. Hollers*  
JAMES P. HOLLERS  
Chairman  
Board of Trustees

JPH: lmt

2. MEETING OF THE MEDICAL AFFAIRS COMMITTEE  
(REGENTS' ROOM, 209)

a. Medical Branch

- (1) Affiliation Agreement with the Norwich Pharmacal Company.  
--Below is a Xerox copy of the proposal by the Administration regarding an Affiliation Agreement with Norwich Pharmacal Company.

Proposal  
Presented by  
Chancellor:

Dr. Truslow has proposed an affiliation agreement with The Norwich Pharmacal Company. Attachment "A" is the philosophical basis for such a working agreement; Attachment "B" states the policy and terms upon which the specific agreement would be drawn; and Attachment "C" provides the operating basis for such an affiliation and would also be included as a part of any formal contract. \*

The Chancellor's Office recommends that the Board approve these attached documents as the basis for a formal contract to be drafted with Norwich Pharmacal Company to be submitted at a subsequent meeting of the Board for final approval; provided, however, the Chancellor's Office recommends, with the concurrence of Dr. Truslow, the following two changes in Attachment "B":

- (1) Restate II, C, of Attachment "B" to read as follows:

"The appointee be not obligated to accept for investigation any drug which in his considered opinion has been insufficiently studied to establish reasonably safe transition to man or the investigation of which would not be compatible with the teaching and research programs of the Medical Branch."

- (2) Restate II, G, of Attachment "B" to read as follows:

"The patent policy of The University of Texas shall apply, ~~except that The Norwich Pharmacal Company shall be granted an exclusive royalty-free license for one year and, thereafter, a non-exclusive royalty-free license,~~ with respect to any patentable discoveries resulting from pharmacological testing of Norwich compounds at The University of Texas."

---

\*Attachments are on the following pages.

ATTACHMENT "A"

STATEMENT ON THE PHILOSOPHY OF A WORKING  
AGREEMENT BETWEEN A PHARMACEUTICAL HOUSE  
AND A UNIVERSITY

The premises of any proposal which may evolve hopefully in the very near future particularly include:

- I. Two parties of which the membership in one is dedicated to the manufacture and distribution of effective, pure, unharmed pharmaceutical products, at a profit, and in a public market utterly dependent upon that party for full measure of the integrity of the product; and of which the membership in the other is dedicated to the recruitment and education of students in the biological sciences and the health professions in an atmosphere insuring academic freedom and opportunity to pursue research and to publish without reference to copyrights, patents, or financial profits.
- II. These two parties whether they number one member in each (as would pertain in a simple bilateral agreement between Norwich Pharmacal Company and The Board of Regents of The University of Texas), or whether each party might increase in membership - need each other in substantial measure in fulfillment of their missions. Each, however, can jeopardize this whole project either through rigid definition or insensitive pursuit of their respective missions.

- III. The area of our principal and immediate opportunity for close collaboration in the interests of the public, is the area of pharmacological testing of compounds (designed, and already tested thoroughly in animals), for untoward effects in man and for effective preventive, diagnostic or therapeutic effects on man in the constant fight to conquer disease and disability and to maintain health.
- IV. With respect to the pharmaceutical house membership in this agreement, it may be said that: Practically speaking, such pharmacological testing may be described as falling into three phases for all of which the personnel, facilities and concentration of disease problems in a university teaching hospital provide the ideal elements. Pharmaceutical products have to be increasingly well-tested as their number and complexity increases; with a consequent increase in number of those compounds which effect man differently from animals and which develop delayed side-reactions. Thorough testing in depth is absolutely essential.
- V. With respect to the medical faculty membership in this agreement, it may be said that: Pharmacological testing of proposed medicinal compounds in human beings has been conducted in recent years under conditions and criteria which vary from extremely superficial to extremely thorough. Several conditions of modern academic life

have been largely contributing to this potentially dangerous situation; and all together have combined up to now to more superficiality in testing procedures and more expediencies in their conduct and analyses than medical educators can condone or pharmaceutical houses can longer risk.

- VI. Therefore, it is incumbent upon faculties of medicine: to acknowledge the public duty and the scientific responsibility for adequate testing of pharmaceutical compounds in human beings; to develop skills, techniques and procedures supportive to this duty without compromise to academic freedom; to recruit students to this field and establish appropriate prestige values in relation to this calling of so much significance to the general public; to educate the public with reference to the potential conflict between physician liability and the general welfare in terms of advancing medical knowledge in cases where absolutely unforeseeable events can and do occur; and to work out procedures of research support and research reporting giving maximum consideration to the public welfare in consideration of those areas where academic freedom and free enterprise appear antagonistic in their classical interpretation.
- VII. In the light of all of these considerations it is essential once and for all, that all parties agree upon two basic conditions of modern scientific and political life:
- A. In the face of modern medical science and

technology there is no man who can comprehend techniques, knowledge and judgment in relation to more than a small fraction of pharmaceutical compounds in respect to their possible effect upon man. In other words, there are and there can be no General Human Pharmacologists. The skills needed are segmented already, defined in systemic and categorizing specialties. A "complete" (comprehensive) department or division of Human Pharmacology must include numerous individuals with special interests, training and experience across the board.

- B. In the face of modern competitive business wherein the price of a man's integrity can sometimes be set in dollars, no man and no university can afford to relate scientific conclusions to a proprietary source of funds.

ATTACHMENT "B"

POLICY STATEMENT WITH REFERENCE TO A POSSIBLE AFFILIATION  
BETWEEN THE UNIVERSITY OF TEXAS AND THE NORWICH PHARMACAL COMPANY

- I. The affiliation between a pharmaceutical house and a university must rest upon such a statement of principles as is described in ATTACHMENT "A". With respect to salaries, purchases, publications, patent policies and other administrative matters, the grant must be administered in accordance with the Rules and Regulations of The Board of Regents of the University. A copy of these Rules and Regulations, as they relate to publications and patent policies, is attached.
- II. If the philosophy of relationship and individual integrity expressed in ATTACHMENT "A" and in Paragraph I. above is acceptable to both parties, I am prepared to recommend to the Chancellor and Regents that The University of Texas Medical Branch enter into a three-year contract with Norwich Pharmacal Company (involving the sum of \$25,000 a year for three years (plus \$8,000 to \$10,000 the first year only for remodeling) in the form of a grant to the University in support of a faculty member in the Departments of Pharmacology and Toxicology, Internal Medicine or Anesthesiology, provided that:
  - A. Such an appointee is selected in complete conformity with criteria for faculty appointments.
  - B. This appointee be primarily interested, qualified and inspired in the field of pharmacological testing of pharmaceutical compounds in human beings.

ATTACHMENT "B"

Page 2

- C. The appointee be not obligated to accept for investigation any drug which in his considered opinion has been insufficiently studied to establish reasonably safe transition to man.
- D. Investigational protocols will not be dictated by the grantor but will be devised by cooperative effort between the appointee and the grantor so as to conform with the intent established in Paragraphs III and IV of ATTACHMENT "A" and with such requirements as may be established by the F. & D.A. Upon mutual acceptance of the investigational protocol and receipt of the drug or drugs, the appointee will proceed with pharmacological testing of the drug or drugs with reasonable dispatch and in conformance with the protocol. The appointee shall be free to investigate, test and consult with respect to drugs submitted from any source provided that investigations of Norwich compounds in progress are not unreasonably delayed, by virtue of such other activity.
- E. During the course of any investigation, all records, reports and submissions required by governmental regulation will be maintained and/or submitted to The Norwich Pharmacal Company as stated in the appropriate regulations.

- F. The appointee shall have complete freedom to publish any and all reports concerning his investigations. In the case of Norwich products, a copy of the manuscript will be provided The Norwich Pharmacal Company for comment prior to submission for publication. All publications and reports will deal with the compound under investigation in terms of its chemical formula or generic name. Proper reference, as is common by footnote, will be made to the trademarked name. The appointee shall treat as confidential, all information supplied by The Norwich Pharmacal Company during the period of his investigation and prior to any publication.
- G. The patent policy of The University of Texas shall apply except that The Norwich Pharmacal Company shall be granted an exclusive license, at a royalty not to exceed ten per cent of net receipts, with respect to any patentable discoveries resulting from pharmacological testing of Norwich compounds at The University of Texas.
- H. In relation to the Norwich agreements it would be understood that a faculty appointee would be sought at the earliest possible moment, and that not more than \$15,000 of the Norwich grant would go toward his salary, the balance to be a free fund for his research work. Additional salary to a total appropriate to rank and individual distinction would be supplied by the University.
- I. University reserves the right to seek agreements with other pharmaceutical houses on the same basis; to the end that a versatile faculty in human pharmacology be recruited and trained.

ATTACHMENT "C"

THE NORWICH PHARMACAL FUND FOR RESEARCH AND  
TRAINING IN CLINICAL PHARMACOLOGY

PROGRAM: The Norwich Pharmacal Company will provide a grant to The University of Texas Medical Branch, Galveston, Texas. This grant is to contribute to the support of a full-time clinical investigator in the area of Clinical Pharmacology. The grant shall be for a total of \$75,000 payable to the school at the rate of \$25,000 annually for three years. An additional request for remodeling costs in the amount of \$8,000 - \$10,000 is contemplated in the first year only.

AIMS: The objective of the program is to bridge the gap between basic and clinical pharmacology and thereby stimulate both research and training in Clinical Pharmacology. It is hoped that through the support of a full-time clinical teacher and investigator medical students, residents, graduate students and clinical research fellows will become interested in the discovery and critical evaluation of drugs useful in the practice of medicine. It is believed that through this program additional clinical pharmacologists may be developed.

The Clinical Pharmacologist

1. Shall have completed his clinical residency training.

ATTACHMENT "C"

Page 2

2. Shall have established his interest in teaching and research.
3. Shall have a full-time faculty appointment in the department of his specialization; he will also have an appointment appropriate to his training in the Department of Pharmacology.
4. Should carry a full share of the lecture, laboratory and conference assignments for sophomore medical students in Pharmacology 101.
5. Should actively participate in the lectures, seminars and other teaching functions of the department of his specialty.
6. Should bring clinical research fellows into basic pharmacology research in order that they may later apply this basic scientific knowledge and techniques to clinical evaluation.
7. Should bring advanced graduate students from basic pharmacology into clinical areas to participate in the critical clinical evaluation of the therapeutic efficacy and mechanisms of drug action.
8. Should have ample time to pursue his major research interests.
9. Should develop research projects of mutual interests with other departments (either clinical or basic science).

ATTACHMENT "C"

Page 3

FACILITIES:

Facilities for research and counselling should be adequate and available in both the Department of Pharmacology and Toxicology and the department of clinical specialization.

ADMINISTRATION OF THE GRANT:

It is expected that the grant will be used for the major portion of the salary of the appointee and for the support of his activities. This may include the employment of technical assistants and supplementation for residents. It is believed that funds for supplementation of the clinical pharmacologist's salary should be provided by The University of Texas Medical Branch. An annual report will be submitted jointly by the Chairmen of the Department of Pharmacology and Toxicology and the appointee's clinical department as to the disposition of the funds and the progress made in fulfilling the objectives of the program. This report will be sent to the Vice-President in Charge of Research of The Norwich Pharmacal Company, to the Director, Clinical Pharmacology Division of The Norwich Pharmacal Company and to the Executive Dean and Director of The University of Texas Medical Branch, Galveston, Texas.

EXTENSIONS:

At the expiration of this grant, it may be renewed by mutual agreement between The Norwich Pharmacal Company and The University of Texas.

THE UNIVERSITY OF TEXAS — MEDICAL BRANCH  
GALVESTON

THE SCHOOL OF MEDICINE  
THE SCHOOL OF NURSING  
THE TECHNICAL CURRICULA  
THE POST-GRADUATE PROGRAM

April 25, 1963

THE JOHN SEALY HOSPITAL  
THE CHILDREN'S HOSPITAL  
THE PSYCHOPATHIC HOSPITAL  
THE ROSA AND HENRY ZIEGLER HOSPITAL

Mr. Lanier Cox  
Vice-Chancellor for  
Administrative Services  
The University of Texas  
University Station  
Austin 12, Texas

Dear Lanier:

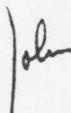
Since the Thalidomide-inspired Federal Legislation, tightening up standards on evaluating drugs for general use, there have been some extremely interesting discussions both within our faculty and in relation to one or two pharmaceutical houses, based upon the desirability of developing better relations between these two major parties to this responsibility.

The attached document represents the titration of several exchanges of letters on this **subject**, and the resulting proposal appears one of perhaps extraordinary **possibilities**. The Lederle people are already seeking similar discussions and conversations with us.

Let me emphasize that the attached document has already been studied by Norwich executives and Legal Staff, and it seems to me a remarkable surrender on rather vital issues of previous disagreement in the area of patents and publications. It deserves our most earnest consideration and a promptness which you undoubtedly cannot give it while the Legislature circus is still playing in nine rings, but perhaps you can pass it on to Burnell if you agree that it deserves our earnest consideration.

With warm personal regards.

Sincerely yours,



John B. Truslow, M.D.  
Executive Dean and Director

JBT:jgw  
Enclosure

**EATON**  
LABORATORIES  
NORWICH, NEW YORK



April 15, 1963

John B. Truslow, M.D.  
Executive Dean and Director  
The University of Texas  
Medical Branch  
Galveston, Texas

Dear Dr. Truslow:

Thank you for your letter of March 19, 1963 with your suggestions for a proposed agreement between The Norwich Pharmacal Company and The University of Texas - Medical Branch. I regret having taken so long to reply.

Your approach to this problem is basically completely in accord with our own concepts of what should constitute the framework of such an agreement.

I have suggested minor revisions of language and a few additions for your consideration. The modified format is attached. Please consider the modifications not as irrevocable dictates but rather as a sincere effort to attain an agreement suitable to both our interests.

I shall await your thoughts and comments.

Very truly yours,

*Richard S. Himes*

R. S. Himes, M.D.  
Director,  
Clinical Pharmacology Division

msb  
Attach.

cc: Dr. Benedict E. Abreu

March 19, 1963

**AIRMAIL**

Dr. Richard S. Himes  
Director of Clinical Pharmacology  
The Norwich Pharmacal Company  
Norwich, New York

Dear Dr. Himes:

Attached are three statements for your perusal and consideration and approval relating to a grant from the Norwich Pharmacal Company to the University of Texas, and agreement on the (a) Philosophy - Attachment "A"; (b) Policy Statement - Attachment "B"; and (c) Specific Proposal related thereto - Attachment "C". A copy of the Rules and Regulations of the Board of Regents of the University of Texas, as they relate to publications and patent policies, is Attachment "D" to this letter.

I have taken a good deal of time to consider this matter, because I believe it has potential of becoming a pattern of many arrangements of this kind, bringing together the resources and the personnel and productivity of two major institutions of a free society - the free enterprise system and academic freedom in our universities - all to the benefit of the public.

If you and I can find appropriate language and understanding on these matters, I believe I can recommend it to the Chancellor and Regents with confidence in its approval.

Personally, I remain very much excited about this and very hopeful of its satisfactory consummation.

Very sincerely yours,

ORIGINAL SIGNED BY  
JOHN B. TRUSLOW, M. D.  
EXECUTIVE DEAN AND DIRECTOR

John B. Truslow, M.D.  
Executive Dean and Director

JBT:jgw  
Attachments

cc: Dr. William B. Stillman  
Dr. Benedict E. Abreu

bcc: Mr. E. D. Walker and Mr. Warren G. Harding

Pages 71, 72, and 73 were left for any additional items for Medical Affairs Committee but there was none. These pages may be used for notes and comments.

THE UNIVERSITY OF TEXAS — MEDICAL BRANCH

GALVESTON

July 2, 1963

SUPPORT FOR  
Agenda item  
2.2.(2) - Pp. 7

Not received into  
to be handled in P.O.

THE SCHOOL OF MEDICINE  
THE SCHOOL OF NURSING  
THE TECHNICAL CURRICULA  
THE POST-GRADUATE PROGRAM



THE JOHN SEALY HOSPITAL  
THE CHILDREN'S HOSPITAL  
THE PSYCHOPATHIC HOSPITAL  
THE ROSA AND HENRY ZIEGLER HOSPITAL

Dr. Harry H. Ransom  
Chancellor  
The University of Texas  
University Station  
Austin 12, Texas

CHANCELLOR'S OFFICE U. OF T.	
Acknowledged .....	File .....
REC'D JUL 3 1963	
TO .....	FOR INFO AND RETURN
TO <i>EWK</i> .....	PLEASE ADVISE ME
TO .....	PLEASE HANDLE

*in Staff mtg*

Dear Dr. Ransom:

On Friday, June 28, Mr. Raymond Vowell and Dr. Cyril J. Ruilmann of the staff of the Texas State Board for Hospitals and Special Schools visited the Medical Branch for conferences on a proposed Interagency Contract for the operation of the Moody State School for Cerebral Palsied Children. Both Mr. Vowell and Dr. Ruilmann were very anxious that we proceed immediately with the development of an Interagency Contract which would be effective September 1, 1963 if possible.

The meeting held here on Friday included Mr. Vowell, Dr. Ruilmann, Mr. Walker, Mr. Bobbitt - Director of Hospitals, Dr. E. Burke Evans of the Division of Orthopedic Surgery, Drs. C. William Daeschner and Arr Nell Boelsche of the Department of Pediatrics, Mr. John Stump - the Administrator of the Moody School, and myself.

The operation of the school, both from the training and service standpoint as well as fiscal management aspects, was discussed in detail. The consensus of our Medical Staff and Hospital Administration was that the operating requirements of the Moody School, whether statutory or administrative, were acceptable and workable. I might add that this was without reservation. The facilities have been inspected by representatives from our Fiscal Offices and Physical Plant Department, and they do not anticipate any unusual problems which would hamper our taking over and operating the facility.

There were a number of basic points which were unanimously agreed upon. These were as follows:

1. The total operation should be handled by the Medical Branch; i.e., the Interagency Contract should be for a specified number of dollars for operating and managing the facility.
2. Routine operation, maintenance and repair would be taken care of through the normal programs at the Medical Branch.

Dr. Harry H. Ransom

July 2, 1963

Page 2

However, any major repairs or rehabilitation which arise will be the financial responsibility of the Board for Hospitals and Special Schools; e.g., hurricane damage, damage by fire or windstorm, etc.)

3. The contract should be drawn, if possible, so that there is no question of the fact that all employees who work at the Moody School are Medical Branch employees. Otherwise, we might face the question of two classified personnel pay plans.
4. Quarterly billing and payments would be acceptable as a reimbursement procedure. It would be desirable if the billing required only a certification for services rendered in managing the facility of so many beds, etc., rather than requiring a detailed billing for all services rendered.

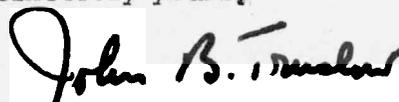
The transfer of employees from Employment Retirement to Teacher Retirement, providing WCI coverage, and other items of a like nature, can all be handled administratively. We have done some preliminary checking on the numerous administrative changes that would have to be made and we have not found anything that cannot be taken care of without too much difficulty.

There may be other details which will be needed in order to prepare the contract, if so we will be happy to furnish any additional information that is required.

I believe that the Board for Hospitals and Special Schools meets on July 8. Mr. Vowell wanted to be able to report to the Board at that time that we had reached administrative agreement, in general, on the major provisions of the contract proposal. As pointed out earlier, there was no disagreement on any point in our discussions here in Galveston.

I recommend that we proceed as rapidly as possible in drafting the proposed contract.

Sincerely yours,



John B. Truslow, M.D.  
Executive Dean and Director

JBT:jgw

cc: Mr. Lanier Cox                      Mr. Raymond Vowell  
Mr. Burnell Waldrep              Dr. Cyril J. Ruilmann  
Mr. E. D. Walker                    Mr. Daniel J. Bobbitt  
Mr. Warren G. Harding

- (2) Interagency Contract - Moody State School for Cerebral Palsied Children.  
 --The Appropriation Bill for 1963-65 includes the following:

MOODY STATE SCHOOL FOR CEREBRAL PALSIED CHILDREN

	For the Years Ending August 31, 1964	August 31, 1965
--	--	--------------------

Out of General Revenue Fund:

For payment of salaries and wages, travel, other operating expenses, including maintenance and repairs, capital outlay and other activities for which no other provisions are made	\$ <u>253,558</u>	\$ <u>254,073</u>
Total, Moody School for Cerebral Palsied Children	\$ <u>253,558</u>	\$ <u>254,073</u>

It is the intent of the Legislature that the appropriations made above for the Moody School for Cerebral Palsied Children shall be expended through an interagency contract between the Hospital Board and The University of Texas Medical Branch at Galveston, Texas. Such contract shall designate the facilities of the Moody State School as part of the teaching and research program of the Medical Branch, and shall also provide for carrying out the responsibilities of the Hospital Board as authorized by H. B. 1, Acts, 51st Legislature, 1949, as amended.

Recommendation of Administration:

The Administration recommends that authorization be given to negotiate and consummate an interagency contract between the Hospital Board and The University of Texas Medical Branch in Galveston to carry out the intent of the Legislature.

(3) Reports

- (a) Resignation of Arthur Ruskin, M.D., Medical Branch. -- Chancellor Ransom wishes to report that he has received the official resignation of Arthur Ruskin, M.D., as Associate Professor of Internal Medicine at the Medical Branch in Galveston.

Doctor Ruskin has been on Leave of Absence during this year and is now affiliated with the Department of Health, Education and Welfare, Washington, D. C.

(This item will be reported in the Docket rather than in the minutes as are all budgetary actions.)

THE UNIVERSITY OF TEXAS—MEDICAL BRANCH  
GALVESTON

July 5, 1963

THE SCHOOL OF MEDICINE  
THE SCHOOL OF NURSING  
TECHNICAL CURRICULA  
POST-GRADUATE PROGRAM

THE JOHN SEALY HOSPITAL  
THE CHILDREN'S HOSPITAL  
THE PSYCHOPATHIC HOSPITAL  
THE ROSA AND HENRY ZIGLER HOSPITAL

Dr. Harry H. Ransom  
Chancellor  
The University of Texas  
University Station  
Austin 12, Texas

CHANCELLOR'S OFFICE U. OF T.	
Acknowledged	Filed
REC'D	
TO	AND RETURN
TO	PLEASE ADVISE ME
TO	BY MAIL

Dear Dr. Ransom:

Although this is primarily a report to you of my trip to Chicago July 2 and 3, 1963, it is also a presentation of some facts and impressions about the whole philosophy of the Shriners of North America in relation to their forty years of support of the Shriners Hospitals for Crippled Children, and its bearing upon their new venture in establishing three Shriners Burns Institutes this year. The report, therefore, is more lengthy than I would otherwise wish.

The Shriners Hospitals for Crippled Children are a phenomenal enterprise. They are symbols of extraordinarily intimate dedication in the hearts of 850,000 Shriners, and untold millions of their families and friends. They are the chief source of stimulation to the achievement today of a Shrine Endowment Fund in excess of \$200,000,000 ("growing at the rate of two and one-half million dollars a month"); and operation and professional standards and performance are highly regarded in all the communities in which they are located.

They are administered strictly by the Board of Trustees of the Shriners Hospitals for Crippled Children with respect to budget and design, and with respect to personnel, purchasing and operating policies. There is also a National Surgical Advisory Board "serving in an advisory capacity in all medical and surgical matters" (recently this Board of "5 eminent orthopedic surgeons in North America" has been enlarged by adding "two other surgeons specially trained and qualified in the treatment and care of burns"). Current and long-time Chairman of this Board - and a good friend of the University of Texas throughout the months of study - is Dr. Guy Caldwell of New Orleans, whom I have known for many years.

Within strictest, but fairly realistic guidelines, each individual Crippled Childrens Hospital conducts its day-to-day operations with monthly accountability to a local Board of Governors - all members of the Shrine of North America in good standing, elected by the Board of Trustees of the Shriners Hospitals for Crippled Children. A few of the Crippled Childrens Hospitals have been available to neighboring medical schools for informal

contributions to medical and nursing teaching programs - but none has ever been affiliated formally with a medical school, or intimately involved with a University Medical Center. It is probably fair to say that a very considerable membership of the Shrine consider this relative isolation and autonomy as a measure characteristic of the excellence they have achieved.

It is at least wise to bear this in mind as we enter into a relationship with the Shriner organization which introduces not only a characteristic of intimate affiliation, but also several other and related aspects. These include introduction of emergency ward care in a Shriner Hospital. In contrast to orthopedic problems where the crippled children have emphasized corrective, operative and rehabilitation care, there can be no denial to the emergency nature of acute burns in children. Accordingly, there can be no Shriner-imposed restrictions on eligibility for emergency admissions relative to Shrine membership, sponsorship or approval. This principle is clearly understood by Dr. Caldwell and is understood by Dr. Caldwell's committee and by Mr. Beffa and his group. It is incorporated in the draft of the affiliation agreement, but it still is likely to have its troublesome features from time-to-time.

An affiliation agreement further involves University nomination for appointment of all professional and scientific personnel - thus introducing another outside influence into the picture. This also is understood by the Powers-that-be, but it may take some time to educate the Shrine membership.

Finally, there are the proposals that the hospital itself contract with the University on specific services - both professional and operational; and in this area I predict there will be both tough and reasonable bargainers.

Our role in this set of negotiations is important enough as one of three breaking the Shrine patterns of past operation; but the fact is emerging that even though Harvard and the Massachusetts General Hospital received the first award several months ago, the University of Texas, for a number of reasons, is going to emerge as the first in operation and the first in the spotlight of their attention.

There is an awful sense of urgency in the leadership of the Shrine today to convert their months of planning and programming into action. There is even deep-seated personal rivalry among Imperial Potentates-elect to be the one to dedicate the first of the new Burns Institutes. Their stated time-schedule, to which they are unquestionably earnestly dedicated, is "a hole in the ground by Spring and occupancy two years from today." Moreover, they propose to start with a pilot program, essentially endowing 7 beds

on 8C of the Plastic Surgery Service to become operative in 60 to 90 days.

Relative to this time-table, the following sequence of events seems essential and reasonable if both the Trustees of the Sealy & Smith Foundation and the Board of Regents of the University of Texas are disposed to give their approval to those areas of their respective responsibility. In this connection, the University of Texas owes a very great deal to the generosity of Mr. John McCullough in going to Chicago on a very few hours' notice and participating so effectively and persuasively in the conferences there.

With respect to the University, the first and important commitment relates to the affiliation agreement which Mr. Beffa describes as "the instrument of understanding", drafted and amended during our conferences in Chicago on July 3rd. Enclosed is a copy of this instrument in the form to which I agreed as recommendable to Central Administration, with the exception of paragraphs 9 through 12 - which related to basic University authority and policy. By telephone on July 4th, Mr. Beffa told me that this instrument had been approved by their Board of Trustees, but I do not know whether it was without further amendment to the draft as last seen by me. The approved instrument is in the mail and should reach Mr. Cox, Mr. Waldrep and me on the afternoon of July 5th.

Since there is obvious desirability for the Regents to be able to consider this as a special item at their July 12-13 meeting, and if my opinion is valid that there are no serious difficulties intrinsic in the agreement as drawn, I have indicated that I would ask that Mr. Cox or Mr. Waldrep communicate by telephone to Mr. Beffa on Monday or Tuesday at the latest, to straighten out any problems related to University policies or authority, and that if telephone conversation proves unsatisfactory, we would all do our level best to confer again with them in Chicago if this could be arranged.

The other request made by Mr. Beffa and the Trustees was that one person, if possible, or two or three if necessary, be designated by the University to negotiate the "operating addenda" suggested in paragraph 10 of the affiliation agreement - and particularly to approve, on behalf of the Regents, the contract setting up the interim 7-bed service. I would like to suggest that consideration be given to naming Dr. Frank Connally, Mr. C. H. Sparenberg and Mr. E. D. Walker for such negotiations and - in the case of the interim contract - a commitment.

Tentative budget for the interim contract is enclosed in the total amount of \$252,950.00. This would seem to me to divide itself, in relation to our budgetary format, into \$127,750 for hospital management and a large part of the balance for the educational programs.

With respect to the Sealy & Smith Foundation, there will be either a specially called meeting or their regular meeting in July to discuss the question of site and in accordance with instructions from Mr. Cox, I made a very strong stand against the roughly triangular site between the Harris Clinic and the Administration Building. Mr. McCullough's strong support of this position, emphasizing its limited space and its questionable footing, clinched the Shriners' exclusion of this site from further consideration - although it had been their first choice.

The site of the parking lot opposite the South face of the John Sealy Hospital and bordered by North Boulevard and Mechanic Street was our slightly favored site from the point of view of master planning at the Medical Branch. This, however, was rejected by both the Shrine and Mr. McCullough for very good reasons.

Therefore, the site agreed upon was the area East of the Harris Clinic, measuring about 136 feet in depth from Strand Street to the New Surgical Research Building, and bounded at the West End by the new Harris Clinic Parking Lot, and at the East End by the new street just cut through parallel to the School of Nursing from Strand Street to Avenue A. You will note that this takes a very substantial part of our parking program area, but all things considered, it is unquestionably the preferential site and worth this sacrifice, in our opinion.

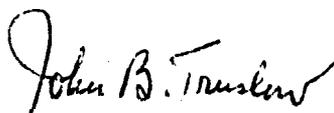
Another draw-back in the site is that it involves a 300 foot 3-story high covered passageway leading from the new hospital to the John Sealy Hospital.

All together, I believe this event in the history of the Medical Branch is a very important one. Coupled with the ground-breaking of the new wing of the St. Mary's Infirmary on the same day as the announcement of the Shriners Burns Institute at the Medical Branch, it signals a tremendous step forward in the establishment of a Galveston Medical Center of real dimensions and distinction in Texas and in the Southwest. It must certainly encourage other additions and developments in the very near future. Great credit for this must go to Dr. Truman Blocker - not only for his distinction over the years in the field of the care and research of burns, but for his tremendous expenditure of time and energy over the past few months with the Shrine Burn Center groups.

I sincerely hope that Central Administration will make every effort to support

this development, with particular emphasis on the time-factors which may become critical.

Very sincerely yours,



John B. Truslow, M.D.  
Executive Dean and Director

JBT:jgw  
Enclosures

cc: Dr. H. Frank Connally  
Mr. John McCullough  
Mr. F. Lanier Cox  
Mr. Burnell Waldrep  
Dr. Truman G. Blocker, Jr.  
Mr. E. D. Walker

INTERIM OPERATION

July 2, 1963

SHRINE INSTITUTE FOR BURNS AT UNIVERSITY OF TEXAS MEDICAL SCHOOL  
IN GALVESTON, TEXAS-----  
7 beds basis \$50.00 per patient day per bed  
Based upon 100% occupancy, i.e. 365 day year

365 x \$50.00	\$18,250.00	
X 7 patients	<u>      </u>	X 7
		\$127,750.00
Shrine Professor of Surgery		25,000.00
Travel, expense		5,000.00
Secretary (Medical)		5,200.00
Typist		3,600.00
3 Residents @ \$350.00 per month		12,600.00
Department of Anesthesia		8,400.00
Department of Pediatrics		8,400.00
Photography and Art (includes exhibits)		8,000.00
Office supplies, telephone		3,500.00
2 Shrine Burn fellowships		<u>13,000.00</u>
		\$220,450.00
Fringe benefits, retirement, life insurance		<u>5,000.00</u>
		\$225,450.00
<u>Capital expense</u>		
Typewriters, duplicators, desks, chairs, Adding machine, etc.		5,000.00
10% for contingency		<u>22,500.00</u>
	TOTAL	\$252,950.00

July 2, 1963

Page 2

\$50.00 per day (only actual patient care to be charged) includes the following:

Nursery care, ward care, board, laundry, housekeeping, operating room, x-rays, rehabilitation, medicine and dressing.

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No appropriation for research until Shrine Unit has been completed.

If a desired research becomes desirable, approval shall be requested before proceeding, and budget approvable shall be required.

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No costs required for office space. Hospital will furnish without cost. No hospital overhead shall be charged by hospital.

No provision for Administrator, Chief Surgeon to handle administrative affairs during interim. Administrator shall be appointed prior to operation of Shrine Unit.

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Approval of this budget is requested, however, not to be released until contracts of operations have been approved. It is anticipated that interim operation could begin approximately September 1, 1963.

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**AFFILIATION AGREEMENT**

between

**SHRINERS HOSPITALS FOR CRIPPLED CHILDREN,**

and

**BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS**

THIS AGREEMENT OF AFFILIATION made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, by and between Shriners Hospitals for Crippled Children, a Colorado Corporation, operating the Shriners Hospitals for Crippled Children Institute for Burns, hereinafter referred to as the "Shriners Burns Institute", and the Board of Regents of the University of Texas, hereinafter referred to as the "Medical Branch",

**WITNESSETH:**

WHEREAS, the Medical Branch has acquired wide recognition as a great focal point for teaching, research, diagnosis, and therapy in many spheres of medical science; and

WHEREAS, the Shriners Burns Institute, desiring to make a contribution to medical science, has concluded to establish and operate a hospital for the treatment and care of children afflicted with acutely dangerous burns, and for research activities and training programs related thereto, which hospital it proposes to construct and locate near the facilities of University of Texas Medical Branch in the City of Galveston, Texas; and

WHEREAS, there are numerous phases of the work of both the Medical Branch and the Shriners Burns Institute which should be coordinated and which will require the cooperation on the part of both in order to accomplish the finest results.

NOW, THEREFORE, in consideration of the aforesaid premises and the mutual covenants and agreements herein contained, the parties agree as follows:

1. The Shriners Burns Institute undertakes to and will acquire a tract of land, of adequate size, suitably located and erect thereon, at its expense, an appropriate building or

buildings to house the facilities proposed to be established by it from time to time.

2. The facilities established by the Shriners Burns Institute, in all respects and at all time, shall be an independent autonomous operation, constituting a part of the medical center established and operated by the Board of Regents of the University of Texas, and which shall be operated under all present and future rules and regulations promulgated by the Board of Trustees of Shriners Hospitals for Crippled Children in connection with the operation of its various hospitals.

3. The Shriners Burns Institute shall continue to follow its policies of passing upon all applications for admission into its hospital facilities; such policies being waived only in cases of emergency admission, and thereafter subject to review; however, it will cooperate with the Medical Branch in receiving such children, who otherwise meet its qualifications, and who require the specialized care and treatment for which its facilities are established.

4. The name under which the facilities of the Shriners Burns Institute will be operated shall be such as will be determined from time to time by the Board of Trustees of Shriners Hospitals for Crippled Children.

5. The professional and scientific staff of these facilities shall be appointed solely by the Shriners Burns Institute, subject however to nomination by the Faculty of Medicine of the University of Texas, Medical Branch. Such nomination establishes eligibility for membership on the Faculty of Medicine of said university.

6. The facilities of the Shriners Burns Institute, its technics, patient care and treatment, procedures and patients, shall be available to the Medical Branch for teaching purposes, insofar as the same may be consistent with good medical practices, proper patient care and the observance of any duty arising out of the relationship of patient and doctor or patient and hospital.

7. From time to time, the Medical Branch may prescribe reasonable standards for the operation and maintenance of the facilities of the Shriners Burns Institute, all of which shall be observed and complied with by the staff administering said facilities within such time, as and to the extent the same may be reasonably possible, and insofar as the same shall be consistent with good medical practices, proper patient care and the observance of any duty arising out of the relationship of patient and doctor or patient and hospital.

8. It is understood by the parties that the salary scales for professional and classified personnel in the Shriners Burns Institute shall be commensurate with local area conditions.

9. The Shriners Burns Institute shall assume the entire cost of the operation and maintenance of the facilities it proposes to establish, including but not limited to the expense of providing its staff, executives, medicines, equipment, and usual operating expenses. In some instances, with respect to certain facilities or operations, because of mutual benefits to be derived therefrom, it may be appropriate and beneficial to divide costs and expenses between the parties hereto, in which event, before any liability shall accrue for the same, the amount and division thereof shall be arrived at by agreement of the parties, reduced to writing, and become an addendum hereto. In no event shall either party collect or receive a profit from the other by reason of any such division of costs or expense.

10. From time to time, the parties hereto, by and through a duly authorized agent, may enter into operating addenda with respect to any subject matter incident to the operation of the facilities of the Shriners Burns Institute, or the relationship between the Shriners Burns Institute and the Medical Branch; such as, but without intending by the enumeration thereof any limitation of the subject matter of such addenda, agreements with respect to or for

- (a) nursing care or teaching,
- (b) heat, light, water or other central service utilities,
- (c) research facilities and the ownership and use thereof,

- (d) dietetics and food preparation,
- (e) board and room for personnel,
- (f) maintenance of buildings, equipment or grounds,
- (g) parking facilities,
- (h) disasters, force majeure, strikes, civil disturbance, impact of war, mobilization or national emergency,
- (i) insurance and handling of claims of all kinds,
- (j) professional services, and
- (k) the appointment, duties and scope of operation of any joint committee or committees.

In computing the cost, expense or value of any service, or for the use of any facility, building or personnel, which may be shared jointly, or which may be supplied by one party to the other, in whole or in part, all profit to the party receiving payment shall be eliminated.

All such addenda shall be reduced to writing, separately numbered, duly executed by an agent expressly authorized to do so, attached hereto, and shall become a part hereof. Each such addenda shall remain in full force and effect until expressly terminated by either party. Termination by either party shall require giving at least 6 months written notice to the other party of the effective date of such termination unless this provision is waived by mutual written agreement. The termination of one addendum shall not affect others which are not terminated.

11. Each party shall defend, indemnify and save the other harmless from all claims and liability, for all injuries to person, including death, and all damage to property, including any related loss, cost or expense, arising out of, or caused by, the sole negligence of its agents, servants and employees acting in the performance of his or her duties or in the scope of his or her assignment for such employer.

12. This complete Agreement, and all addenda thereto, may be terminated for good cause by either party upon five (5) years written notice thereof to the other party.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed in their names by their respective authorized officers, and their corporate seals to be hereunto affixed, as of the day and year first above written.

SHRINERS HOSPITALS FOR CRIPPLED CHILDREN,  
a corporation,

By

  
\_\_\_\_\_  
President

Attest:

  
\_\_\_\_\_  
Secretary

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS

By

\_\_\_\_\_  
President

Attest:

\_\_\_\_\_  
Secretary

- (b) Status of Dietary and Food Service Operation. -- There will be a report on the status of Dietary and Food Service Operation at the Medical Branch in Galveston by Doctor Truslow and Mr. Walker.
- (c) Request of Sealy and Smith Foundation for Transfer of Certain Land to the Foundation. -- Chairman Heath received the material as set out on the following pages from Mr. J. W. McCullough of The Sealy and Smith Foundation. It is my understanding that by July 5 the Shriners of North America will have selected the towns for the sites of the three hospitals. At this point, the Administration is studying the legal aspects of the Foundation's request.

Copy of letter and plat and bill mailed to Miss Theford.6-24-63  
(This letter rec'd 6-20-63)

**THE SEALY & SMITH FOUNDATION  
FOR THE JOHN SEALY HOSPITAL**  
318 COTTON EXCHANGE BUILDING  
GALVESTON, TEXAS

**DIRECTORS**  
JOHN W. McCULLOUGH  
JOHN W. HARRIS  
DR. EDWARD RANDALL, JR.  
WALLINGER MILLS  
W.W. McLEOD  
ALVIN N. KELSO  
MONER F. SANDERFORD

**OFFICERS**  
JOHN W. McCULLOUGH  
PRESIDENT  
JOHN W. HARRIS  
VICE PRESIDENT  
ALVIN N. KELSO  
SECRETARY  
C. R. BYARD  
TREAS. AND ASST. SEC'Y

June 14, 1963

Mr. W. W. Heath, Chairman  
Board of Regents  
The University of Texas  
Austin, Texas

Dear Mr. Heath:

The Shriners (A. A. O. N. M. S.) of North America have authorized the construction of three hospitals for the treatment of children suffering from burns, and for research in connection with such treatment. The Medical Branch here has attracted serious consideration of the Committee for locating one of these hospitals and we are anxious to help in any way possible. We have agreed to donate a site.

One of the tracts under consideration by the Shrine Committee is shown on the attached plat, marked in red #1. It is my understanding that this property is owned jointly by the State of Texas and The Sealy & Smith Foundation for the John Sealy Hospital.

In 1957 the Legislature passed Senate Bill 473, and for your ready reference a copy of this Bill is attached.

The Sealy & Smith Foundation desires to acquire the State's interest in this property and to deed it to the Shriners without cost.

We request therefore that the University agree to convey this tract to this Foundation, for conveyance by it to the Shrine without cost, in the event it is agreed that the hospital be built on it. A decision is due to be made by the Shriners very shortly and for that reason we request your prompt co-operation. Should you or any one of your staff care to discuss the matter with me, I will be glad to appear in Austin at any time for the purpose.

Very truly yours,

  
J. W. McCULLOUGH,  
President

Encls. (2)

cc: Dr. Harry H. Ransom  
Dr. H. F. Connally, Jr.



Texas as an integral part of the hospital operations of the Medical Branch, but without cost or expense to the Medical Branch or to the State for maintenance, operations, repairs, or otherwise.

SEC. 7. By agreement between the Board of Regents of The University of Texas and the Trustees of the Sealy-Smith Foundation, the purpose or use of this hospital facility to be constructed by the Sealy-Smith Foundation may be changed to any other purpose or use consistent with the purposes of the Foundation and with the operation of a medical school; provided, however, that no agreement shall be made which will impose upon the Medical Branch or the State of Texas any obligation for maintenance, operation, repairs, or otherwise.

SEC. 8. The fact that the authority of the Board of Regents of The University of Texas to convey this property without specific legislative authorization is questionable and that the land as located can best be utilized as a site for the establishment of a psychopathic hospital without cost to the State for construction or operation creates an emergency and an imperative necessity that the Constitutional Rule requiring that bills be read on three several days in each House be suspended, and that this Act take effect and be in force from and after its passage, and it is so enacted.

b. Southwestern Medical School and Postgraduate  
School of Medicine

William Buchanan Grant Foundation  
Funds, Reallocation. --Below is a  
Xerox copy of the proposal as pre-  
sented by Chancellor Ransom.

Proposal  
Presented by  
Chancellor:

At the Regents' meeting of February 18, 1961, \$2,000 was allocated to the Postgraduate School of Medicine for expenses of the Hill Country Seminar in Pediatrics to be held in Hunt, Texas in August, 1960. At the same Regents' meeting, allocation of the balance of the Buchanan Foundation Grant income accrued or to be accrued was to be used for the establishment of a Professorship in Pediatrics in the Southwestern Medical School in Dallas.

The Hill Country Seminar was not held because of poor advance registration. Actually \$147.65 was expended from the \$2,000. There remains an unexpended balance of \$1,852.35 in the Grant Fund, and the amount still remains in the funds for the Postgraduate School of Medicine. Dr. Taylor has requested that this \$1,852.35 be made available for the use of The University of Texas Postgraduate School of Medicine for the furtherance of the school's pediatric programs to be centered in the Houston area in accordance with the Regents' policy. Dr. Gill concurs in the recommendation of Dr. Taylor that this balance not be transferred to the Southwestern Medical School.

Since these funds have not been transferred to support the Chair in Pediatrics in Dallas, Chancellor Ransom concurs in the recommendation of Drs. Taylor and Gill that the \$1,852.35 be expended for pediatric programs in the Houston area. The purpose for the expenditure is the same as originally approved, but the location is different and complies with the now existing Regents' policy regarding programs sponsored by the Postgraduate School of Medicine.

THE UNIVERSITY OF TEXAS  
SOUTHWESTERN MEDICAL SCHOOL  
5323 HARRY HINES BOULEVARD  
DALLAS 35, TEXAS



May 9, 1963

C  
Dr. Grant Taylor, Dean  
The Postgraduate School of Medicine of The University of Texas  
Texas Medical Center  
Houston, Texas

Dear Grant:

O  
Thank you for your call. I am sorry I had misunderstood the situation regarding the \$2,000 allocation from the Buchanan Fund several years ago for your needs. Inasmuch as the unexpended portion of this fund did not go back into the funds held by the Endowment Office, there would not be any complications, so far as I can see, which would make it difficult for you to use this money. I think that all that would be required now would be simple approval by the Board to use it for the new proposal. This certainly would have our full support and I do hope that there will be no problems in your using the remaining money for your new program. I am sorry I had misunderstood the situation previously.

P  
With best good wishes and kindest regards, I am

Sincerely yours,

A. J. Gill, M.D.  
Dean

Y  
AJG/es

Copy to: Dr. Ransom  
Mr. Cox  
Mr. Landrum  
Mr. Sparenberg

THE UNIVERSITY OF TEXAS  
SOUTHWESTERN MEDICAL SCHOOL  
5323 HARRY HINES BLVD.  
DALLAS 35, TEXAS

OFFICE OF THE DEAN

May 8, 1963

Mr. G. W. Landrum, Assistant to the Chancellor  
The University of Texas  
Austin 12, Texas

Dear Graves:

Our understanding is the same as yours about the allocation of funds to Grant Taylor's pediatrics program scheduled for Hill Country several years ago. Inasmuch as the unused portion reverted back to the Buchanan Fund and has now been otherwise committed, I think it would be very difficult indeed to withdraw this amount. We had all assumed that the transaction was closed when the funds were not used for the purpose approved.

With best good wishes and kindest regards, I am

Sincerely yours,

  
A. J. Gill, M.D.  
Dean

AJG/cs  
Copyto Mr. Sparenberg

THE UNIVERSITY OF TEXAS

POSTGRADUATE SCHOOL OF MEDICINE



OFFICE OF THE DEAN

May 6, 1963

TEXAS MEDICAL CENTER  
HOUSTON 25

Mr. G. W. Landrum  
Assistant to the Chancellor  
The University of Texas  
Austin 12, Texas

Dear Graves:

The following additional information and circumstances may be helpful to you in arriving at a final decision concerning my request for the use of the unexpended balance of the Buchanan funds, previously allocated to me for support of a Hill Country Pediatric Seminar, for pediatric programs in Houston.

On the direction of Chancellor Logan Wilson, John Truslow, Jim Gill and I met in Fort Worth for the purpose of making recommendations concerning the distribution of an accumulation of Buchanan funds and the subsequent use of these funds. My suggestion that the funds go to support a chair of pediatrics at Southwestern Medical School and that the accumulated fund be divided between the three institutions met with agreement and formed the basis of the recommendations of the committee. As I recall, John Truslow and I agreed that if our requests for currently needed funds were met out of the accumulation, neither he nor I would subsequently participate in the Buchanan funds.

At the time The University of Texas Postgraduate School of Medicine was in desperate need of funds generally; however, a particularly acute need existed for support of an already scheduled program entitled: The Hill Country Pediatric Seminar; therefore I requested \$2,129.00 in support of this program. Because of poor advance registration and my desire not to expend the Buchanan funds ill-advisably, the program was cancelled. The cost of printing and circularization of the programs amounted to \$147.65; therefore an unexpended balance of \$1,852.35 remained.

In the meantime, by Regental action, the programs of The University of Texas Postgraduate School of Medicine were to be centered in the Houston area, an action that forestalled rescheduling the program in Hunt, Texas. The current scheduling of pediatric programs for the Houston area again raises the question of a source of financial support for these programs; hence my request for the use of the unexpended balance of \$1,852.35 for this purpose. Unfortunately, my original request for a portion of the Buchanan funds specified the Hill Country Pediatric Seminar. I should have requested these funds for the use of The University of Texas Postgraduate School of Medicine in the furtherance of the school's pediatric programs.

Mr. G. W. Landrum

-2-

May 6, 1963

I caught Lanier Cox on the fly at the last Regents' meeting and my letter requesting the reallocation of the unexpended balance of these funds reflected his advice. I am sorry that my request did not contain the background material you had to review.

Sincerely,

  
Grant Taylor, M. D.

GT/bd

cc: Dr. Jim Gill  
Dr. John Truslow

IV PSM

May 3, 1963

Dr. Grant Taylor  
Dean  
The University of Texas  
Postgraduate School of Medicine  
Texas Medical Center  
Houston 25, Texas

Dear Dr. Taylor:

Mr. Ranson referred to me your request concerning the allocation of \$1,352.35 from the William Buchanan Foundation Grant.

I have checked the minutes of the Regents' meeting of February, 1961 and find that \$2,000.00 was allocated for a particular seminar with the understanding that any unused portion of the \$2,000.00 allocation would revert to the Buchanan Grant as unallocated income. It is my understanding that the \$1,352.35 is the unexpended portion of this grant. Therefore, this amount is not now allocated for use of the Postgraduate School of Medicine. It is my interpretation from reading the minutes of the February, 1961 meeting that the amount of \$1,352.35 actually is part of the fund available to Southwestern Medical School as support for a Chair to be known as The William Buchanan Professorship in Pediatrics.

I am sending copies of this letter to Mr. Sparenberg and Mr. Waldrep in the event that they may comment on my interpretation, if they find my interpretation to be in error.

Sincerely yours,

G. W. LANDRUM  
Assistant to the Chancellor

G. W. Landrum  
Assistant to the Chancellor

GWL:jh

cc: Dr. Ranson  
Mr. Sparenberg  
Mr. Waldrep

*reg. returned to me  
Up  
See R. R. [unclear]*

c. Postgraduate School of Medicine (Graduate School of Biomedical Sciences at Houston)

Activation of Graduate School of Biomedical Sciences and Appointment of Acting Dean. -- Chancellor Ransom presents the following recommendation.

Proposal  
Presented by  
Chancellor:

It is recommended that the Board of Regents, under the authority of House Bill 500, as passed by the 58th Legislature, Regular Session:

- (1) Activate the Graduate School of Biomedical Sciences at Houston with a Division of Graduate Education and a Division of Continuing Education.
- (2) Suspend the operation of the Postgraduate School of Medicine and transfer all of its activities to the Division of Continuing Education of the Graduate School of Biomedical Sciences at Houston.
- (3) Appoint Dr. Grant Taylor as Dean of the Division of Continuing Education of the Graduate School of Biomedical Sciences at Houston, and as Acting Dean of the Graduate School of Biomedical Sciences at Houston, to serve in the latter capacity until a Dean is appointed.

After submitting the foregoing recommendation, Chancellor Ransom has furnished additional material on this subject as set out on Pages 80a-80c.

d. South Texas Medical School: Reports on Status of

- (1) Funding South Texas Medical School Construction (Doctor Haskew)
- (2) Nursing School Developments at San Antonio (Doctor Haskew)

## SUPPLEMENTAL MATERIAL FOR AGENDA ITEM

1. In accordance with the Act of the 58th Legislature of the State of Texas, House Bill 500, passed by the House of Representatives on April 29, 1963, by the Senate on May 13, 1963, and signed by the Governor and becoming Law on June 11, 1963, and in accordance with the Laws of the State of Texas establishing The University of Texas and subsequent Acts of the Legislature, The Board of Regents of The University of Texas hereby establishes and activates The University of Texas Graduate School of Biomedical Sciences in Houston. The Graduate School of Biomedical Sciences will conduct graduate programs at the master's and doctoral levels and postdoctoral programs in the sciences and related academic areas pertinent to medical education and research.

The Dean of the Graduate School of Biomedical Sciences in Houston is authorized to recommend through the usual channels to the Board of Regents students to be awarded the degree of Master of Science and Doctor of Philosophy who have satisfied the requirements of the University of Texas for such degrees as published in the catalog of the Graduate School of Biomedical Sciences.

Such recommendations shall be made only after completion of prescribed courses, the submission and approval of an appropriate thesis or dissertation to the Dean and Faculty of The University of Texas Graduate School of Biomedical Sciences in Houston and the satisfactory completion of oral and written examinations conducted by the Faculty of the Graduate School of Biomedical Sciences in Houston.

The Dean of The University of Texas Graduate School of Biomedical Sciences is authorized to enter into cooperative agreements with other institutions of higher learning, subject to the approval of the Chancellor and the Board of Regents of The University of Texas, to accomplish the purposes of the school and to enter into affiliation agreements with hospitals and other medical institutions, subject to the same approval, where necessary to accomplish the purposes set forth in the Act of the Legislature authorizing the establishment of the Graduate School of the Biomedical Sciences in Houston. In accomplishing the purposes of the school, the Dean is directed to make the fullest use possible of all divisions of The University of Texas which can contribute to the successful accomplishment of the aims of the school.

The Administrative Officers and other personnel of The University of Texas are hereby directed to cooperate with, support and assist the Dean of the Graduate School of Biomedical Sciences in Houston in the successful fulfillment of these aims.

2. Pending the appointment of the Dean of the Graduate School of Biomedical Sciences in Houston, Dr. Grant Taylor is hereby designated Acting Dean with all of the powers of the Dean, to serve at the pleasure of the Board of Regents until such time as a Dean is appointed. The Acting Dean is empowered to perform all the authorized actions expected of Deans. He shall report to the Board of Regents through the Chancellor of The University of Texas. The Acting Dean, and the Dean, when appointed, shall be a member of the Medical Affairs Committee of The University of Texas and shall report on affairs of the school as directed by the Chancellor of The University of Texas.

3. The Acting Dean is directed to appoint a committee of no less than five and not more than nine members of the faculties or staff of The University of Texas Dental Branch, The University of Texas M. D. Anderson Hospital and Tumor Institute, and The University of Texas Postgraduate School of Medicine in Houston to establish the criteria for appointment of the general faculty of The University of Texas Graduate School of Biomedical Sciences at Houston and recommendation for the Graduate Faculty from among the members of the staff of the institutions named, from such other institutions of higher learning,

hospitals and medical institutions which shall be regularly affiliated with The University of Texas Graduate School of Biomedical Sciences by authorization of the Board of Regents and from among the members of the faculties of the several schools, colleges, and institutes of The University of Texas wherever located. The criteria to be developed by the committee, as a minimum, will be those commonly accepted by other graduate elements of The University of Texas. It is recognized that in order to carry out all the purposes of the Act of the Legislature, it will be necessary to appoint physicians and others to the faculty whose primary function shall be that prescribed by the Dean in carrying out the purposes of the Act, including those specifically related to the Division of Continuing Education for physicians and paramedical groups.

4. In accordance with the Act of the Legislature the actions of the Board of Regents are rescinded as they relate to the establishment and operation of The University of Texas Postgraduate School of Medicine. The operations of The University of Texas Postgraduate School of Medicine are hereby transferred to the Division of Continuing Education in the Health Sciences of The University of Texas Graduate School of Biomedical Sciences in Houston, and the Dean of the University of Texas Postgraduate School of Medicine is named the Director of this Division. All moneys of whatever kind, appropriated, nonappropriated, donated or contracted for The University of Texas Postgraduate School of Medicine are transferred to the Graduate School of Biomedical Sciences to be administered and expended by the Dean for the purposes intended and for the sole purposes of the Division of Continuing Education as recommended by the Director of the Division. The Dean is directed to inform all agencies concerned of the transfer and to provide assurances that the funds appropriated, donated or contracted will be expended for the purposes as originally intended.

The Faculty of The University of Texas Postgraduate School of Medicine hereby are granted temporary appointments to the General Faculty of The University of Texas Graduate School of Biomedical Sciences in the Division of Continuing Education until such time as they are relieved by action of the Board of Regents or permanent appointments are made. The affiliation agreements currently in effect with The University of Texas Postgraduate School of Medicine are affirmed and recognized and will be considered to be affiliations with the Graduate School of Biomedical Sciences in Houston, Division of Continuing Education.

5. In order to carry out the mandate of the Legislature in regard to research to be carried out within the facilities of The University of Texas Graduate School of Biomedical Sciences in Houston or within the facilities of other component units of The University of Texas in Houston as they relate to The University of Texas Graduate School of Biomedical Sciences in Houston and to provide effective cooperation with other institutions public and private in furtherance of research in the biomedical sciences and related fields, the Board of Regents hereby establishes in the Graduate School of Biomedical Sciences an Institute of Biomedical Sciences. The Institute will be dedicated to research. It shall contain but not be permanently limited to divisions of experimental pathology, biomathematics, nuclear and environmental medicine, dental science and communications.

It is the intent of the Board of Regents to provide, by means of this Institute, a research organization which will include but not be limited to members of the Faculty of The University of Texas Graduate School of Biomedical Sciences in Houston. The Institute, devoted to the production of new knowledge, will provide facilities for research to be conducted by the faculty and students of The University of Texas Graduate School of Biomedical Sciences in Houston, while the school in turn will provide an immediate means for the transmission of this new knowledge.

A director of the Institute will be appointed by the Board of Regents on the recommendation of the Dean of The University of Texas Graduate School of Biomedical Sciences in Houston and the Chancellor of The University of Texas. The Director of the Institute will be responsible

to the Dean of The University of Texas Graduate School of Biomedical Sciences in Houston but shall have great freedom to act independently in carrying out the duties of his office. He shall also serve as Assistant Dean of The University of Texas Graduate School of Biomedical Sciences in Houston.

6. The Dean (or Acting Dean) of The University of Texas Graduate School of Biomedical Sciences in Houston is directed to prepare a catalog of the school to be approved by the Board of Regents at the September, 1963, meeting for immediate publication. The Dean (Acting Dean) is authorized and encouraged to seek affiliations with other institutions of higher learning, particularly in Houston, which may seek to cooperate in carrying out the purposes of the Act and is empowered to include in the catalog the appropriate courses of instruction offered by these institutions which courses after the usual approvals will be recognized by The University of Texas as if given within the University. The University similarly will allow qualified students of these institutions to register for credit in such double numbered courses as are approved by the institution in which the student is regularly enrolled.

The Dean is authorized to accept for the academic year beginning September, 1963, qualified students from The University of Texas Dental Branch, The University of Texas M. D. Anderson Hospital and Tumor Institute, and such affiliated institutions in Houston as are approved. In succeeding years, students will be accepted in the manner to be prescribed in the catalog of The University of Texas Graduate School of Biomedical Sciences in Houston.

7. The Dean (Acting Dean) of The University of Texas Graduate School of Biomedical Sciences in Houston is directed to prepare and to present to the Board of Regents at the September meeting a general development program for the School, the institute and their library consistent with the ten-year development plan of The University of Texas and the anticipated needs of the institutions concerned.

8. The Dean (Acting Dean) is directed to proceed promptly in the accomplishment of the purposes set forth above and is directed to seek the advice and assistance of all components of the University in accomplishing this directive.

9. The Dean (Acting Dean) is directed to prepare and to submit to the Chancellor the names of distinguished scientists, educators, ~~members of industry, business or the professions, whom the Chancellor, upon approval, will appoint as a Board of Advisers to the Dean. Such a Board, of not less than nine, nor more than fifteen members, shall be appointed as soon as feasible. The Board shall assist the Dean in the development of criteria for the appointment of faculty, student programs, and the general purposes and aims of the school, in the development of research programs in the institute, in the development of cooperative programs with other institutions of higher learning. The Board of Advisers shall serve at the pleasure of the Dean, the Chancellor, and the Board of Regents.~~ One third of the number of the Board shall be nominated by the ~~Dean~~ <sup>Chancellor</sup> each year and there shall be no limitation upon reappointment.

with c 9

BD J Reg

Chancellor on 208

Bd J Reg

80d

10. In requesting the creation of the Graduate School of Biomedical Sciences at Houston, it was made clear to the Texas Commission on Higher Education and to the Legislature that the proposal was to provide an organizational framework to recognize and enhance the existing academic programs at the Houston units of The University of Texas. The Commission recommended the creation of the new school on this basis. The existing academic programs at the Houston units are medically oriented in the following areas:

- Biology (including radiation biology and biomathematics)
- Biochemistry
- Physics (including radiological physics and nuclear medicine)
- Psychology
- Dental Science

Authorization by the Board is requested to begin the operations of the Graduate School of Biomedical Sciences at Houston with these programs and to file these programs with the Commission for its approval.

*Approved*

LC:tm  
7/12/63

## **Committee of the Whole**

COMMITTEE OF THE WHOLE  
Chairman Heath, presiding

Date: Friday, July 12, 1963  
Time: 4:30 p. m. \*  
Place: Regents' Room, Main Building 209

*See p. 82b for Emergency items already submitted*

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a. <u>Rules and Regulations, Part One, Chapter III, Section 5: Amendment</u> - <i>Held until Sept. meeting</i>	83
b. Tax-Sheltered Annuities	86
c. Federal Government Research Contracts and Grants Compliance Review - Nondiscrimination - <i>Informational report</i>	86
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(1) Required Physical Education Program <i>Decided after board volume</i>	<del>89</del>
(2) Institute of Public Affairs	
(3) Marine Station at Port Aransas (now called Institute of Marine Science) - <i>Decided after building volume</i>	
f. Program for Developing Professorships and Chairs → <i>Supplementary Agenda (2 items)</i>	90 82a
2. Items Referred by Standing Committees, If Any	92
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a. Chairman Heath	
b. Vice-Chairman McNeese	
c. Regent Brennan	

*Mrs. J; Regents should have a report for study.*

\* The Committee of the Whole will convene immediately following adjournment of the Executive Committee, which meets at 2:30 p. m.

- d. Regent Connally
- e. Regent Erwin
- f. Regent (Mrs.) Johnson
- g. Regent Madden
- h. Regent Olan
- i. Regent Redditt

SUPPLEMENTARY AGENDA

COMMITTEE OF THE WHOLE

The following items were received too late to be included in the supporting material mailed on July 2:

- |   | <u>Page No.</u> |
|---|-----------------|
| I. Main University: Authorization for the Sale of Property at 2101 Meadowbrook, Austin, Texas | 14 91a          |
| II. System-Wide: Authorization for Negotiation for Renewal of Bank Depository Agreements      | 15 91b          |

*Approved*

DP July 2 - 10 826  
707

AGENDA ITEM FOR BOARD OF REGENTS' MEETING

Date of Meeting: July 12 - 13, 1963

For Consideration of Committee of the Whole Committee

(Also of interest to \_\_\_\_\_ Committee)

Component Unit(s) Concerned: Main University

Subject: Emergency Items

I. For Action

Deanship of College of Engineering - *See Page following!*

Deanship of College of Education /

(Dr. Hackerman will make the presentation on these items)

II. Oral Reports

Status of Biological Field Station (National Science Foundation Proposal)--  
Brackenridge Tract - *Passed until September meeting*

Institutional Expenses at Departmental Level *Passed until Sept. meeting*

(Dr. Hackerman will make oral reports on these two items)

GWL:tm  
Original to  Secretary of the Board of Regents

ccs: Chancellor

Vice-Chancellor: Hackerman

Institutional Head Concerned: \_\_\_\_\_

Others Concerned: Mr. Landrum

\_\_\_\_\_  
\_\_\_\_\_

Date: July 5, 1963



THE UNIVERSITY OF TEXAS

AUSTIN 12, TEXAS

SYSTEM OFFICES  
CHANCELLOR

July 5, 1963

To members of the Board of Regents:

As I told the Board some time ago, Dean W. W. Hagerty has been regularly sought for deanships and presidencies since his success in building the University of Texas engineering program became nationally apparent.

For some months Dean Hagerty has kept me in close touch with inquiries and negotiations. This point should be emphasized, for many administrative officers ignore the code of ethics of the American Association in considering offers from other institutions. Dean Hagerty has refused numerous offers during the past year.

Many weeks ago, Drexel Institute of Philadelphia offered Dean Hagerty its presidency. He refused, but agreed to prepare for them a development plan of reorganization and academic revision. After this plan was submitted, the Board of Trustees returned to Dean Hagerty last week with the renewed offer of the presidency. They raised the salary of the president to \$50,000, plus the usual--and some unusual--emoluments. More important, they stipulated a free hand in pursuing the goals of development which Dean Hagerty had assumed might not be initiated for some years.

Having received this new offer last Saturday, Dean Hagerty told me on Monday that he felt that he could not refuse. He will go to Philadelphia this week-end to settle final details.

Dean Hagerty is a superb administrator, and we will miss him. Fortunately, however, the College of Engineering has developed a number of men with both scholarly background and national stature, any one of whom would make an effective dean.

On Tuesday I asked the College to name a faculty committee of advice to the administration on this vacancy. The committee was elected on Wednesday. After extended meetings with me and among themselves, they submitted a series of recommendations on July 4.

To these recommendations I wholeheartedly subscribe, and Dr. Hackerman concurs:

- (1) That the new dean be selected from this faculty.
- (2) That the dean be chosen from among three candidates presented by the faculty: (a) Dr. John McKetta, (b) Dr. A. W. Straiton, and (c) Dr. J. Neils Thompson.

Dr. McKetta was unanimously put first on the list, except for his own vote cast for other members of the faculty.

The administration therefore recommends that as an emergency item at the July 12 meeting, the Board consider Dr. McKetta as Dean of the College of Engineering, effective October 1, the date on which Dean Hagerty's resignation will become effective.

I believe that the University is sure to find in Dr. McKetta a dean equal in stature and imagination to Dean Hagerty. As national president of the American Institute of Chemical Engineers he has made a brilliant record; he is equally well known among Texas engineers and in Texas industry.

I hope therefore that the Board will elect him.

Sincerely yours,

*Harry Ransom*  
Harry Ransom

mc

E. COMMITTEE OF THE WHOLE

1. ITEMS PRESENTED BY CHANCELLOR

- a. Rules and Regulations, Part One,  
Chapter III, Section 5: Amendment  
 --Below is a Xerox copy of the  
 proposal as presented by Chancellor  
 Ransom.

Proposal  
Presented by  
Chancellor:

Chancellor Ransom recommends that the Regents' Rules and Regulations pertaining to appointment of relatives (nepotism rule) be amended in accordance with the following proposal:

PROPOSED CHANGES IN THE NEPOTISM RULE  
 FOR THE UNIVERSITY OF TEXAS SYSTEM

The proposed changes occur in the following Sections of Chapter III:

<u>Present</u>	<u>Proposed</u>
5.3 Restrictions on Appointments.	5.3 Same
5.31 No relative, within the second degree of affinity or the third degree of consanguinity, of a member of the Board of Regents will be considered for appointment, but such person will be considered for reappointment in those cases where the appointment was antecedent to the Board member's appointment.	5.31 Same
5.32 No person shall be initially appointed even temporarily when it is the duty of a relative on the University staff to act in some official capacity upon the appointment.	5.32 No person shall be initially appointed, or promoted, when it is the duty of a relative on the University staff to act in any official capacity upon his appointment or promotion, regardless of the source of funds for payment of salary; nor shall any appointment or promotion be made if either person would be under the administrative supervision of the other or if either would have any official voice in recommending salary increases or promotions in rank for the other.
5.33 No person shall be initially appointed even temporarily in any department or similar subdivision if he has a relative in that department or subdivision holding an academic rank of instructor or higher or occupying a nonteaching position with a monthly salary rate of \$450 or more.	5.33 Relatives shall not hold positions of tenure rank in the same department.

- 5.34 No person, any relative of whom holds an academic rank of instructor or higher or occupies a nonteaching position with a monthly salary rate of \$450 or more at one of the component institutions of The University of Texas, shall be appointed even temporarily to an equal or higher position in either category in another department or subdivision of the same institution, except by specific petition approved in advance by the appropriate administrative officials and the Chancellor, with subsequent report to the Board of Regents; provided, however, if any such proposed appointment involves tenure, prior approval of the Board of Regents is required.
- 5.35 Simultaneous initial appointments of two persons to positions in the same institution shall not be made if either appointment is to an academic position of instructor or higher or to a nonteaching position with a monthly salary rate of \$450 or more.
- 5.36 When two persons holding positions with the University marry, both may not continue to hold such positions beyond the current fiscal year, if the employment of married persons to such positions initially would violate these regulations.
- 5.37 No promotion or salary increase may be granted to an employee who has a relative occupying a position with the University except in accordance with these regulations governing initial appointment.
- 5.38 Relationship shall not be a bar to honorary positions or to nonremunerative positions.
- 5.4 General Provisions.
- 5.41 The provisions of the antinepotism rule apply to all programs administered under the Board of Regents.
- 5.42 For the purpose of administering these provisions, an employee occupies his position from the date at which his employment begins until his connection with the institution is formally terminated.
- 5.34 Appointments or promotions of relatives, not prohibited by Section 5.32, to the academic ranks of lecturer, instructor, or assistant professor (including special and visiting lecturers, instructors, and assistant professors) in the same department shall not be effective until approved by the Chancellor. Such appointments or promotions shall be reported as information to the Board of Regents in the earliest open docket.
- 5.35 When two persons holding positions with the University marry, both may not continue to hold such positions beyond the then current fiscal year, if the employment of married persons to such positions initially would violate these regulations. (Same as 5.36)
- 5.36 Relationship shall not be a bar to honorary positions or to nonremunerative positions. (Same as 5.38)
- 5.4 Same
- 5.41 Same
- 5.42 In extraordinary cases where the interest of the University will be served thereby, the Board of Regents, upon special advance petition from an institutional head approved by the Chancellor, may suspend these regulations except as to the appointment of any relative of a Regent, the Chancellor of the University, or the head of any component institution.

- 5.43 In an emergency, the head of each component institution of The University of Texas, acting upon the affirmative advice from the Administrative Council or similar body at the institution, is authorized to suspend in individual cases the regulations stated above, the suspension in no case to extend beyond the end of the current fiscal year. Such temporary suspension shall carry no implication of tenure and shall be reported to the Chancellor and the Board of Regents in the next docket.
- 5.44 In extraordinary cases where the interest of the University will be best served thereby, the Board of Regents, upon special petition from an institutional head approved by the Chancellor, may suspend these regulations except as to the appointment of any relative of a Regent, the Chancellor of the University, or the head of any component institution. (Amendment No. 1, Meeting No. 589, July, 1960)

The Recommended changes have been discussed and reviewed over the past several months, and have the endorsement of the Director of University Personnel, Vice President and Provost and members of the Chancellor's staff.

Additional  
Information  
By Secretary:

If the foregoing is given approval at this meeting, it will be resubmitted at the next regular meeting for final approval. This is in compliance with Rules and Regulations, Part One, Chapter VII, Subsection 4.1.



THE UNIVERSITY OF TEXAS  
AUSTIN 12, TEXAS

UNIVERSITY PERSONNEL OFFICE

June 3, 1963

Mr. F. Lanier Cox, Vice-Chancellor  
The University of Texas  
Austin, Texas

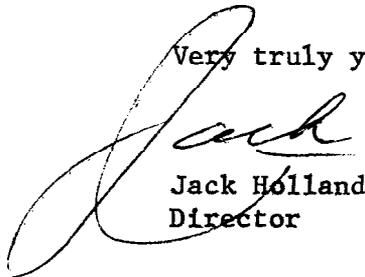
Dear Lanier:

I discussed our proposed changes in the nepotism rule with the members of this staff who are closely associated with the problems and questions that arise in the application of our present rules. We are unanimous in our enthusiastic approval of the revisions which you sent to me.

I am assuming that in paragraph 5.34 the mention of "the academic ranks of lecturer, instructor, or assistant professor" applies also to special lecturer, special instructor, visiting lecturer, visiting instructor, etc.

I will be anxious to have you call on me for any assistance that we can give in the preparation and promotion of these changes.

Very truly yours,



Jack Holland  
Director

jf

- b. Tax-Sheltered Annuities. --Below is a Xerox copy of the proposal as presented by Chancellor Ransom.

Proposal  
Presented by  
Chancellor:

Approval of the Board of Regents is requested to continue payments to Teachers Insurance Annuity Association for those administrative officers in The University of Texas System having such payments made from Current Restricted Funds during the 1962-63 year.

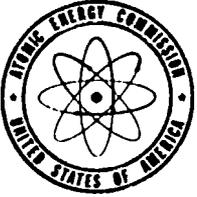
Under the Regents' policies, tax-sheltered annuities for employees of the University are being made available, effective September 1, 1963, to be purchased from companies licensed to do business in Texas. We are not asking for approval to have Teachers Insurance Annuity Association be available to employees, but are asking for a continuation of existing arrangements with certain administrative officers, previously approved by the Board of Regents in each case, as long as the premium payments are made from Current Restricted Funds.

Mr. Landrum has talked with Mr. William A. Harrison, State Insurance Commissioner, and Mr. Harrison has advised Mr. Landrum that there would be no difficulty in continuing arrangements with Teachers Insurance Annuity Association for those persons covered prior to the Attorney General's ruling concerning the eligibility of Teachers Insurance Annuity Association for tax-sheltered annuities, provided payments are made from Current Restricted Funds and not General Revenue funds.

- c. Federal Government Research Contracts and Grants Compliance Review - Nondiscrimination. --Below is a Xerox copy of the proposal as presented by Chancellor Ransom.

Proposal  
Presented by  
Chancellor:

In accordance with earlier discussions, the Administration promised to keep members of the Board of Regents advised of the requirements of the various federal agencies in regard to "nondiscrimination" clauses contained in federal contracts and grants. A copy of the latest communication received follows on Pages 87 and 88.



UNITED STATES  
ATOMIC ENERGY COMMISSION

IN REPLY REFER TO:

Oak Ridge, Tennessee  
June 3, 1963

Dr. R. Lee Clark, Director  
The University of Texas  
M. D. Anderson Hospital & Tumor Institute  
Houston 25, Texas

Subject: COMPLIANCE REVIEWS - NONDISCRIMINATION

Dear Dr. Clark:

The President's Committee on Equal Employment Opportunity has requested all Federal agencies, including AEC, to begin conducting "equal employment opportunity compliance reviews" on a more intensive basis. It is, therefore, anticipated that an AEC representative will call upon you to conduct a review of your practices to ascertain your organization's compliance with the nondiscrimination provisions contained in your contract. We shall contact you later regarding a mutually acceptable time for the review.

The President's Committee has furnished us a listing of items determined to be minimum expectations of all Federal contractors and which will be covered in the conduct of compliance reviews. Enclosed for your guidance and for guidance of your subcontractors are copies of the listing.

We shall be glad to discuss any questions you may have on this subject.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Herman M. Roth".

Herman M. Roth  
Director  
Research and Development Division

Enclosure:  
Listing of PCREO's Minimum Expectations

Minimum Expectations of Government Contractors in  
Achievement of Compliance with National Nondiscrimination Policy

1. The elimination or absence of any practice or policy which results in the exclusion of persons from employment or from any job category, position or work assignment because of race, creed, color, or national origin.
2. The elimination or absence of differential lines of seniority based upon race, creed, color, or national origin.
3. The elimination or absence of any differential lines of job progression based upon race, creed, color, or national origin.
4. The elimination or absence of any system of individual personnel record-keeping which contains identification as to race, creed, color, or national origin, unless such record-keeping in no way operates to impair an employee's opportunities during his employment with the contractor.
5. The elimination or absence of differential treatment of employees including facility use and assignment based on race, creed, color, or national origin.
6. The elimination or absence of recruiting techniques based primarily upon utilization of recruitment sources which do not practice an equality of opportunity policy in their consideration and servicing of applicants.
7. The inclusion of the "Equal Opportunity Employer" phrase or its equivalent in all recruitment advertising done by or on behalf of the contractor.
8. The timely filing of initially correct compliance report forms whenever required.
9. The timely compliance with all rules, regulations, and relevant orders of the President's Committee on Equal Employment Opportunity.
10. The institution of a reasonable managerial system on the part of the contractor to insure implementation of his equality of opportunity obligations.

- d. Alumni House: Amendment of Agreement. -- Below is a Xerox copy of the proposal as presented by Chancellor Ransom:

Proposal  
Presented by  
Chancellor:

ALUMNI HOUSE: AMENDMENT OF AGREEMENT. The Agreement dated October 29, 1962 between the Regents and the Executive Council of the Ex-Students Association respecting construction and operation of the Lila B. Etter Alumni House carries the following sentence, "The University of Texas will not provide steam or chilled water utilities." As architectural plans progressed, Business Manager Colvin of The Main University pointed out that it would be to Main University's advantage to sell steam and chilled water to the building, since supply lines were already nearby, in preference to selling gas and electric power for steam generation and water chilling inside the structure. The Associate Architects and their engineers showed that this arrangement would result in considerable savings on construction and no higher operating costs for the Ex-Students Association. Since the chief purpose of this provision was to comply fully with the spirit of Legislative prohibition against spending appropriated funds for alumni association activities, Vice-Chancellor Cox was asked for an opinion and he felt sure there would be no violation in a change. The Executive Council of the Ex-Students Association has requested the following amendment of the Agreement and such is recommended by Chancellor Ransom:

In Paragraph 2 delete the sentence, "The University of Texas will not provide steam or chilled water utilities" and substitute therefor, "The Association may purchase at full cost steam and chilled water from University of Texas utilities."

- e. Reports. -- Chancellor Ransom has asked that the following be listed on the Agenda.

- (1) Required Physical Education Program
- (2) Institute of Public Affairs
- (3) Marine Station at Port Aransas (now called Institute of Marine Science)

- f. Program for Developing Professorships and Chairs. -- Below is a Xerox copy of Chancellor Ransom's proposal in compliance with the Board's authorization at the May meeting.

Proposal  
Presented by  
Chancellor:

This report and proposal follows the authorization of the Board of Regents, given the Chancellor at the May Meeting, to prepare a plan for chairs and professorships.

By common consent of the Regents and the Development Board, high priority has been given the development of professorships and chairs in the University of Texas. It is now certain that by the end of the calendar year twelve to fifteen such endowments will have been established or pledged. The most recent prospects (none of which is ready for current publicity) include a Hoblitzelle Professorship at Southwestern Medical School, a professorship in the Graduate School of Biomedical Sciences, and several additional professorships in the Main University.

Although progress in the establishment of professorships has been much more rapid than any member of the administration would have been willing to predict at the beginning of the "Ten-Year Plan," these facts should be emphasized now: (1) the University of Texas is still far behind other Universities with which we like to compare Texas; (2) the basis of this program of development should be much broader - i.e., much less concentrated in law and the medical sciences, and (3) a professorship in a specific discipline is sure to encourage additional endowments in that discipline.

For this reason, the Chancellor recommends that, effective September 1, 1963, ten Professorships be assigned to departments of the Main University.

1. The professorships - following the pattern of the Kenan Professorships at the University of North Carolina and the Sterling Professorships at Yale - would be assigned to these departments with the understanding that when the department to which such a professorship is assigned receives a private endowment for a named professorship, the grant would be discontinued or shifter to another department which at that time did not have a private endowment for the purpose.

2. The Professorships so assigned would be called the Ashbel Smith Professorships. (Ashbel Smith was the first - and historically one of the most energetic - proponents of excellence in the University and has not been recognized at the Main University for his early contributions to academic policy and programs.)

3. That a total sum of not less than \$20,000 and not more than \$40,000 be allocated for these professorships in the year 1963-64. The source of funds would be the Faculty Improvement Fund and, if necessary, the Unappropriated Balance of the Available Fund.

4. The sum required for a specific professorship would be the difference between the budgeted salary of the professor named and \$20,000. (e.g., a professor budgeted at \$17,000 would receive a supplement in 1963-64 of \$3,000.)

5. That the Professorships be assigned for 1963-64 to the following divisions: Business, Engineering, and Arts and Sciences. In Business and Engineering the titles would be Ashbel Smith Professor of Business Administration and Ashbel Smith Professor of Engineering Sciences unless (by September) the respective colleges have sufficiently definite prospects of later private endowment in a specific department, in which case the professorship would be assigned to that department.

6. In Arts and Sciences Professorships would be assigned to the following departments, each of which has clear prospects of a private endowment in the course of the next decade: History, Germanic Languages, Sociology, Linguistics, Zoology, Philosophy, Journalism (visiting), and Drama (jointly with Fine Arts).

7. During modified service, a professor holding an Ashbel Smith Professorship would relinquish his salary supplementation and on retirement become Ashbel Smith Professor emeritus.

If this proposal is approved, the Administration would recommend specific professors for these appointments at the September meeting of the Board.

July 1963  
Meeting

SUPPLEMENTARY AGENDA

COMMITTEE OF THE WHOLE

Central Administration  
Institution or Institutions

Item No.

Subject: Authorization for the Sale of Property at 2101 Meadowbrook, Austin, Texas. --Below is a Xerox copy of the proposal as presented by the Chancellor.

Proposal  
Presented  
by Chancellor:

The University property at 2101 Meadowbrook, previously occupied by President Smiley, is now vacant. This property was acquired at a cost of \$45,000.00, after securing the approvals of the Legislative Budget Board and the Governor, to be used as a President's Home. Improvements have been made to the building and grounds during the two years we have owned the property.

We have considered the continued use of this property for University purposes. We are convinced that the best interests of The University of Texas will be served if the property is sold. The building and grounds are in excellent condition.

Since summer months are considered to be favorable for the sale of residential property, we recommend that the Board of Regents approve the following recommendations and procedures:

- 1) The movable furniture and equipment be retained by The University of Texas and reassigned for use at the Chancellor's residence at 1610 Watchhill Road and in the Academic Center or other University facilities deemed appropriate by the Chancellor.
- 2) The residence at 2101 Meadowbrook, including draperies, room air conditioners, other fixed equipment, and two rugs, be sold.
- 3) A committee of Chairman Heath, Comptroller Sparenberg, and Assistant to the Chancellor Landrum be authorized to proceed with the sale of the property, in the manner considered to be the most advantageous to the University. It is understood that the committee may negotiate a sale after securing appraisal of the property.
- 4) The final sales price agreed on is to be paid in cash to The University of Texas at the time of closing the transaction.
- 5) A report of the committee will be made to the Board of Regents at the next meeting following the sale closing.

SUPPLEMENTAL

AGENDA ITEM FOR BOARD OF REGENTS' MEETING

Date of Meeting: July 12-13, 1963

For Consideration of Committee of the Whole Committee

(Also of interest to \_\_\_\_\_ Committee)

Component Unit(s) Concerned: Central Administration

Subject: Authorization for the Sale of Property at 2101 Meadowbrook, Austin, Texas

The University property at 2101 Meadowbrook, previously occupied by President Smiley, is now vacant. This property was acquired at a cost of \$45,000.00, after securing the approvals of the Legislative Budget Board and the Governor, to be used as a President's Home. Improvements have been made to the building and grounds during the two years we have owned the property.

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(continued)

Original to Secretary of the Board of Regents

ccs: Chancellor

Vice-Chancellor: \_\_\_\_\_

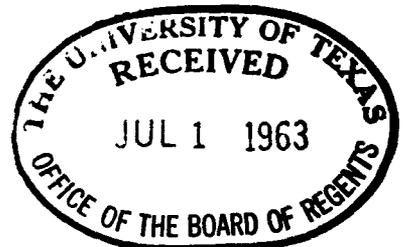
Institutional Head Concerned: \_\_\_\_\_

Others Concerned: Mr. Landrum *Landrum*

\_\_\_\_\_  
\_\_\_\_\_

Date: July 1, 1963

GWL jh



Subject: Authorization for the Sale of Property  
at 2101 Meadowbrook, Austin, Texas

- 3) A committee of Chairman Heath, Comptroller Sparenberg, and Assistant to the Chancellor Landrum be authorized to proceed with the sale of the property, in the manner considered to be the most advantageous to the University. It is understood that the committee may negotiate a sale after securing appraisal of the property.
- 4) The final sales price agreed on is to be paid in cash to The University of Texas at the time of closing the transaction.
- 5) A report of the committee will be made to the Board of Regents at the next meeting following the sale closing.

(See p 14)

THE UNIVERSITY OF TEXAS  
OFFICE OF THE COMPTROLLER  
AUSTIN 12

July 2, 1963

SYSTEM-WIDE - AUTHORIZATION FOR NEGOTIATION FOR RENEWAL OF BANK DEPOSITORY AGREEMENTS.--All of the University's present bank depository contracts, with the exception of the one with Texas National Bank, Houston, expire by their terms August 31, 1963. It is recommended that Comptroller Sparenberg, with the assistance of the Executive Heads and Business Managers of the Branches outside Austin, be authorized to negotiate renewal agreements with each of the present banks (listed below), all agreements to be for the two-year period beginning September 1, 1963.

Austin, Texas

The American National Bank  
The Austin National Bank  
The Capital National Bank  
City National Bank  
Texas State Bank

Dallas, Texas

First National Bank  
Mercantile National Bank  
Republic National Bank

El Paso, Texas

El Paso National Bank  
Southwest National Bank  
The State National Bank  
Chelmont State Bank

Galveston, Texas

First Hutchings-Sealy National Bank

Houston, Texas

First City National Bank  
Bank of the Southwest National Association  
Fannin State Bank

2. ITEMS REFERRED BY STANDING COMMITTEES, IF ANY. -- Any items referred by Standing Committees to the Committee of the Whole for recommendation or for action will be presented at this time.

- a. Executive Committee(Committee Chairman Brennan)
- b. Academic and Developmental Affairs Committee (Vice-Chairman McNeese)
- c. Buildings and Grounds Committee (Committee Chairman Redditt)
- d. Land and Investment Committee (Committee Chairman Madden)
- e. Medical Affairs Committee (Committee Chairman Connally)

3. REPORTS REFERRED BY SPECIAL COMMITTEES, IF ANY. -- Special Committee Chairmen will present at this time any reports which they deem should be reported to the Committee of the Whole.

4. SPECIAL ITEMS BY MEMBERS OF THE BOARD.

- a. Chairman Heath
- b. Vice-Chairman
- c. Regent Brennan
- d. Regent Connally
- e. Regent Erwin

f. Regent (Mrs.) Johnson

g. Regent Madden

h. Regent Olan

i. Regent Redditt

## **Meeting of the Board**



THE UNIVERSITY OF TEXAS  
AUSTIN 12, TEXAS



SYSTEM OFFICES  
CHANCELLOR

July 5, 1963

MEMORANDUM TO THE BOARD OF REGENTS

I am sending this memorandum in lieu of the usual oral information reports of the Chancellor to the regular session of the Board of Regents. Since it is not possible on July 5 to determine whether certain items in this report can be publicly released by July 12, I have put an asterisk against the first three paragraphs, which must remain confidential at this date.

1. \*SHRINE BURNS HOSPITAL AT GALVESTON

We have been notified that the Shrine has decided to locate one of three national burns research hospital centers at Galveston. The decision is obviously a tremendous vote of confidence in Dr. Truman Blocker. General conditions described by telephone, not for release at this time:

Building \$3,000,000  
Research Space 20,000 square feet  
Research personnel (available for supporting the program of the Medical Branch) 8 to 10 scientists

2. \*FORD FOUNDATION GRANT TO HOGG FOUNDATION

The Ford Foundation will grant to the Hogg Foundation a sum in excess of \$500,000 for two purposes: \$200,000 to support a five-year program of information and improvement in community projects of regional foundations; \$300,000 for matching grants to foundations in the Southwest undertaking such community projects. The Foundation's decision recognizes the superior leadership of Dr. Robert Sutherland in the field of inter-foundation cooperation.

3. \*GRADUATE SCHOOL OF BIOMEDICAL SCIENCES

The Rockefeller Institute has agreed upon a program of consultant-ship and scientific exchange with the Graduate School of Biomedical Sciences at Houston. The affiliation cannot be announced until details are settled with President Detlev Bronk. Meanwhile, Dr. Grant Taylor, as acting dean, is clarifying prospects for other major grants to the program of the GSBMS.

*J. U. V. C.*

4. ENGINEERING FACULTY NAMES COMMITTEE OF ADVICE

The Engineering faculty has named the following seven professors as a committee to consult with the University administration on the prospects of the deanship of the College:

Professor William Amstead  
Professor W. A. Cunningham  
Professor Phil Ferguson  
Professor Carl Gatlin  
Professor John McKetta  
Professor A. W. Straiton  
Professor Neils Thompson

The committee elected Professor Ferguson as chairman.

5. U. T. TO COLLABORATE ON EXHIBITS IN TEXAS BUILDING, WORLD FAIR

The University has been invited to collaborate on plans for exhibition in the Texas Building at the New York World Fair.

6. WATER RESOURCES COMMITTEE

One of the major research development projects in the University has been focused in the appointment of a committee to advise the newly appointed director of the project, Professor E. F. Gloyna. Members of the committee are Professor Harold Bold, Botany; Professor Corwin Johnson, Law; Professor J. H. Mackin, Geology; Professor J. R. Stockton, Business Statistics.

7. MAIN UNIVERSITY SUMMER SESSION REGISTRATION 1963

a. Comparison of registration for Summer Session of 1963 and Summer Session 1962.

	SUMMER SESSION 1963 (as of June 12, 1963)			SUMMER SESSION 1962 (as of June 20, 1962)		
	MEN	WOMEN	BOTH	MEN	WOMEN	BOTH
<b>ALL STUDENTS:</b>						
Architecture	91	5	96	100	1	101
Arts and Sciences	1628	1375	3003	1575	1085	2660
Business Administration	924	137	1061	802	109	911
Education	192	666	858	210	518	728
Engineering	627	3	630	662	3	665
Fine Arts	111	167	278	133	158	291
Graduate	1509	518	2027	1453	453	1906
Law	667	25	692	560	13	573
Pharmacy	<u>246</u>	<u>33</u>	<u>279</u>	<u>231</u>	<u>26</u>	<u>257</u>
<b>TOTAL</b>	<b>5995</b>	<b>2929</b>	<b>8924</b>	<b>5726</b>	<b>2366</b>	<b>8092</b>

b. Registration by Mode of Admission, All students:

READMIT	5249	2298	7547	4985	1820	6805
HIGH SCHOOL	189	168	357	219	165	384
COLLEGE TRANSFERS	555	463	1018	520	381	901
INDIVIDUAL APPROVAL EXAMS, ETC.:	<u>2</u>	<u>-</u>	<u>2</u>	<u>2</u>	<u>-</u>	<u>2</u>
<b>TOTAL</b>	<b>5995</b>	<b>2929</b>	<b>8924</b>	<b>5726</b>	<b>2366</b>	<b>8092</b>

8. NEBRASKA SURVEY OF JUNIOR FACULTIES

INSTRUCTOR

<u>University</u>	<u>No. Sections</u>	<u>Max. per sect.</u>	<u>Pay</u>			
			<u>1961-1962</u>		<u>1962-1963</u>	
			<u>Min.</u>	<u>Max.</u>	<u>Min.</u>	<u>Max.</u>
Colorado	4	25 <sup>1</sup>	5300	5700	5300	none <sup>2</sup>
Illinois	3	25	4800	none <sup>3</sup>	4800	none <sup>4</sup>
Iowa	3 <sup>5</sup>		4500	5700 <sup>6</sup>	4900	6400 <sup>7</sup>
Iowa State	4	25	5000	6500	5200	6800
Kansas	4	20	5500	5900	5800	6300 <sup>8</sup>
Kansas State	4 <sup>9</sup>	20-25	4500	7020	4500	7020
Montana State	3	40	4700	5800	4800	5900
Nebraska	4	25	4800	5100	4800	5200 <sup>10</sup>
Nevada	4	35	4400	5412	5400	6104
New Mexico	3		5400	5950	5800	6200
Ohio State		28	5100 <sup>11</sup>	6600	5100	6600
Oklahoma	4	30	4000	none	4000	none
South Dakota	4	25	4600	5200	5000	5800
Texas	3-4 <sup>12</sup>	25 <sup>13</sup>	4500 <sup>14</sup>	6500	4500	6500
Western Reserve	4	25				
Wisconsin	2	25	6250	6800	6450	7000

NOTES

1. Except for "baby lit" (40-55)
2. Actual reported maximum, 6200.
3. Actual reported maximum, 6300.
4. Actual reported maximum, 6600.
5. Instructors teach 1 section of freshman rhetoric and 2 sections of literature core.
6. Typical pay, 5500.
7. Typical pay, 6250.
8. "...full-time instructors (as distinguished from assistant instructors) teach 17 hours if they do not have the doctorate and 10 hours if they do have the doctorate. In each of these categories, however, the teaching load will not be confined entirely to composition courses. On the other hand in some rare instances we have advanced graduate students teaching a 12-hour load which consists entirely of composition courses."
9. 12 hours; usually not all freshman composition.
10. 5800 in one very exceptional case.
11. Only instructors with M.A.'s reported on.
12. 3 sections in spring, 4 sections in fall.
13. Maximum for composition courses.
14. For graduate students temporarily employed as instructors.

GRADUATE ASSISTANTS  
 (or fellows or teaching associates)

<u>University</u>	<u>No. Sections</u>	<u>Max. per Section</u>	<u>Pay</u>				<u>Fees Remitted?</u>
			<u>1961-62</u>		<u>1962-63</u>		
			<u>Min.</u>	<u>Max.</u>	<u>Min.</u>	<u>Max.</u>	
Colorado	2		2400	2500	2550	2550	Outstate only
Illinois	3	22	4000	4400	4000	4400	No
	2	22	2667	2933	2667	2933	Yes
	1	22	1333	1466	1333	1466	Yes
Iowa U.	2	25	2850	2850	2850	2850	No
	1-2 <sup>1</sup>	25	2250	2250	2250	2250	No
	1	25	1550	1550	1550	1550	No
Iowa State							
Kansas	4	20	4000	4000	4000	4000	No
	2	20	2000	2200	2000	2200	No
Kansas State	2	20-25	1890	2020	1980	2160	Outstate only
Montana State	1	40	1600	1600	1600	1600	Yes
Nebraska	2	25	2000	2200	2000	2200	Yes
Nevada	2	35	1800	1800	2000	2000	Yes
New Mexico	2		2200	2200	2300	2500	Outstate only
	3-5 <sup>2</sup>		1900	1900	2000	2000	"
Ohio State	1-2 <sup>3</sup>	28	2000	2000	2000	2000	Outstate only
	2 <sup>4</sup>	28	3000	3000	3000	3000	"
South Dakota	2	25	2400	2400	2500	2500	No
	1	25	1800	1800	1800	1800	No
Oklahoma	2	30	1800	2000	1800	2000	Outstate only
Texas	2	25	1800	2600	1800	2600	Outstate only
Western Reserve	2	25	2000	2000	2000	2200	Yes
	1	25	1200	1200	1200	1200	Yes
Wisconsin	2	25	2650	2710	2770	2830	Outstate only
	1	25	1325	1355	1385	1415	"

NOTES

1. 2 sections fall semester, 1 section spring semester.
2. Small sections (10 each) of remedial English.
3. 4/9 appointment teaches 4 sections over 3 quarters (2-1-1).
4. 2/3 appointment teaches 2 sections per quarter.

9.

WHERE THE 1962 NATIONAL MERIT SCHOLARSHIP WINNERS  
 INTEND TO ENTER COLLEGE, BY TYPE AND LOCATION OF  
 INSTITUTION

HOME STATE	NATIONAL MERIT SCHOLARSHIP AWARDS	State Univs. and Land-Grant Inst.* in home state		State Univs. and Land-Grant Inst.* outside home state		Private Inst. in home state		Private Inst. outside home state		Undecided	
		Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Total	1,212	177	14.6	120	9.9	220	18.2	515	42.5	180	14.9
Alabama	18	2	11.1	4	22.2	2	11.1	9	50	1	5.6
Alaska	4	0	0	3	75	0	0	1	25	0	0
Arizona	9	2	22.2	0	0	0	0	5	55.5	2	22.2
Arkansas	29	12	41.4	5	17.2	3	10.3	4	13.8	5	17.2
California	83	19	22.9	3	3.6	31	37.3	16	19.3	14	16.9
Colorado	10	2	20	0	0	0	0	8	80	0	0
Connecticut	18	0	0	1	5.6	1	5.6	11	61.1	5	27.8
Delaware	5	1	20	0	0	0	0	3	60	1	20
Dist. of Columbia	4	0	0	0	0	0	0	4	100	0	0
Florida	20	0	0	5	25	1	5	10	50	4	20
Georgia	28	7	25	2	7.1	6	21.4	9	32.1	4	14.3
Hawaii	4	0	0	0	0	0	0	4	100	0	0
Idaho	4	0	0	1	25	0	0	3	75	0	0
Illinois	72	8	11.1	10	13.9	16	22.2	31	43.1	7	9.7
Indiana	55	13	23.6	3	5.5	7	12.7	24	43.6	8	14.5
Iowa	22	7	31.8	1	4.5	3	13.6	8	36.4	3	13.6
Kansas	18	5	27.8	3	16.7	0	0	6	33.3	4	22.2
Kentucky	19	1	5.3	1	5.3	2	10.5	14	73.7	1	5.3
Louisiana	13	0	0	1	7.7	0	0	7	53.8	5	38.5
Maine	4	0	0	0	0	1	25	3	75	0	0
Maryland	11	0	0	0	0	1	9.1	8	72.7	2	18.2
Massachusetts	31	7	22.6	3	9.7	15	48.4	4	12.9	2	6.5
Michigan	50	18	36	1	2	9	18	13	26	9	18
Minnesota	40	5	12.5	3	7.5	18	45	9	22.5	5	12.5
Mississippi	8	0	0	3	37.5	0	0	3	37.5	2	25
Missouri	30	4	13.3	1	3.3	3	10	20	66.6	2	6.7
Montana	3	1	33.3	0	0	0	0	1	33.3	1	33.3
Nebraska	11	2	18.2	2	18.2	0	0	5	45.5	2	18.2
Nevada	1	0	0	0	0	0	0	1	100	0	0
New Hampshire	2	0	0	0	0	0	0	2	100	0	0
New Jersey	42	0	0	7	16.7	7	16.7	22	52.4	6	14.3
New Mexico	7	0	0	2	28.6	0	0	4	57.1	1	14.3
New York	98	6	6.1	7	7.1	12	12.2	54	55.1	19	19.4
North Carolina	33	7	21.2	0	0	14	42.4	7	21.2	5	15.2
North Dakota	7	2	28.6	1	14.3	0	0	4	57.1	0	0
Ohio	63	8	12.7	10	15.9	8	12.7	31	49.2	6	9.5
Oklahoma	14	4	28.6	1	7.1	0	0	7	50	2	14.3
Oregon	10	2	20	1	10	0	0	4	40	3	30
Pennsylvania	92	1	1.1	8	8.7	25	27.2	42	45.6	16	17.4
Rhode Island	6	0	0	2	33.3	0	0	4	66.7	0	0
South Carolina	13	1	7.7	3	23.1	1	7.7	4	30.8	4	30.8
South Dakota	8	0	0	1	12.5	1	12.5	5	62.5	1	12.5
Tennessee	19	1	5.3	1	5.3	2	10.5	12	63.1	3	15.8
Texas	68	17	25	6	8.8	22	32.4	14	20.6	9	13.2
Utah	6	0	0	1	16.7	1	16.7	2	33.3	2	33.3
Vermont	3	0	0	0	0	0	0	2	66.7	1	33.3
Virginia	18	0	0	1	5.6	0	0	13	72.2	4	22.2
Washington	22	4	18.2	2	9.1	4	18.2	8	36.4	4	18.2
West Virginia	13	1	7.7	2	15.4	0	0	8	61.5	2	15.4
Wisconsin	40	7	17.5	8	20	4	10	20	50	1	2.5
Wyoming	2	0	0	0	0	0	0	1	50	1	50
Puerto Rico	2	0	0	0	0	0	0	1	50	1	50

\*Member institutions of the Association of State Universities and Land-Grant Colleges, the State Universities Association, and the Association of State Colleges and Universities

10. "ON YOUR SON'S CHOICE OF COLLEGES:

"don't overrate 'status' of Eastern private university degrees for the job markets of the 70's.

"In New England speech, AEC's scholarly chairman Glenn Seaborg stressed 'increasing share of mass higher education' must be borne by public colleges and universities in 'self-interest' of the U. S.

"In Washington interview, Princeton's president said Ivy League schools are over-taxed by applicants seeking 'status' degrees. He said youths could get comparable educations in several states today. Specifically, he named University of Michigan, University of Texas."

--The American Businessman, May 6, 1963.

Harry Ransom  
Chancellor

HR k

cc: Miss Thedford

AGENDA  
MEETING OF THE BOARD OF REGENTS  
OF  
THE UNIVERSITY OF TEXAS  
JULY 12-13, 1963

- I. Invocation  
(July 12, Friday, 9:30 a. m. )
- II. Approval of Minutes, May 24-25, 1963. -- The Secretary has not received any requests for changes or additions to the Minutes of the Meeting of the Board of Regents on May 24-25, 1963.
- III. Report of Interim Actions of Executive Committee. -- These actions are reported on Pages 5-13.
- IV. Reports by Chancellor - See Preceding Pages 93 a.
- V. PUF Bonds, Series 1963 - Resolutions (Exhibits A, B, C, and D)
- A. Issuance and Sale (Exhibits A and B). -- Following this Agenda is Exhibit A--a resolution prepared by the Bond Counsel for the issuance and sale of Board of Regents of The University of Texas Permanent University Fund Bonds, Series 1963, in the amount of \$4,000,000.00. The bids for the sale of the bonds will be opened on July 10, 1963. A tabulation of the bids will be distributed at the meeting.
- B. Designation of Paying Agency --Exhibit C is a copy of the notice that was sent to the Texas banks with an invitation to bid for the designation of the paying agency. The bids will be opened on July 10, 1963, and a tabulation will be distributed at the meeting.
- C. Contract for Printing. --Exhibit D is a copy of the information distributed to companies desiring to submit bids for printing the bonds. The bid form includes the number of working days required for printing and delivery of the printed bonds to New York, New York. The bids will be opened on July 10, 1963, and a tabulation thereof distributed at the meeting.
- VI. RECESS FOR COMMITTEE MEETINGS  
(July 12, Friday, 10:30 a. m. )

SaturdayVII. Special Items by  
(July 13, Saturday, 10:30 a.m.)

- A. Institutional Heads (None have been submitted.)
  - 1. Central Administration and Main University  
(Chancellor Ransom)
  - 2. Texas Western College (Doctor Ray)
  - 3. Medical Branch (Doctor Truslow)
  - 4. Dental Branch (Doctor Olson)
  - 5. M. D. Anderson Hospital and Tumor  
Institute (Doctor Clark)
  - 6. Southwestern Medical School (Doctor Gill)
  - 7. Postgraduate School of Medicine (Doctor Taylor)
  - 8. South Texas Medical School (Doctor Berson)
- B. Chancellor
- C. Regents
  - 1. Chairman Heath
  - 2. Vice-Chairman McNeese

3. Regent Brenan
4. Regent Connally
5. Regent Erwin
6. Regent (Mrs.) Johnson
7. Regent Madden
8. Regent Olan
9. Regent Redditt

VIII. Report of Committee of the Whole by Chairman Heath

IX. Reports of Standing Committees

- A. Executive Committee by Committee Chairman Brenan
- B. Academic and Developmental Affairs Committee by Committee Chairman McNeese
- C. Buildings and Grounds Committee by Committee Chairman Redditt
- D. Land and Investment Committee by Committee Chairman Madden
- E. Medical Affairs Committee by Committee Chairman Connally

X. Reports of Special Committees, If Any

XI. Miscellaneous Reports, If Any

XII. Scheduled Meetings of the Board. -- At the May 1963 Meeting, *See Dr. Rasmus letter that follows* the Regents scheduled the first 1963-64 meeting on September 6 and 7 in Galveston. If additional meetings are considered at this session of the Board, there is listed below a football schedule and events about which the Secretary has thus far been notified.

UNIVERSITY OF TEXAS

19 *Jenni* 63

**FOOTBALL SCHEDULE**

Sept. 20 Tulane at New Orleans	8:00
Sept. 28 Texas Tech at Austin	7:30
Oct. 5 Oklahoma State at Austin	7:30
Oct. 12 Oklahoma at Dallas	2:00
Oct. 19 Arkansas at Little Rock	7:30
Oct. 26 Rice at Austin	7:30
Nov. 2 SMU at Dallas	2:00
Nov. 9 Baylor at Austin	2:00
Nov. 16 TCU at Austin	2:00
Nov. 28 A&M at College Station	2:00

Prior Commitments of Each Regent:  
*Mrs. Johnson:*  
 Sept. 17-21 - East - sm in school  
 Oct. 16-19 - out of pocket  
 Oct. 20-27 " " "  
 Nov. 9-14 - N. York.

- Oct. 5, 1963 Band Day
- Oct. 16, 1963 Annual Meeting of AGB, The Pennsylvania State University, University Park, Penn.
- Oct. 25, 1963 Ex-Students' Award Dinner  
*Annual System Conference*
- Oct. 26, 1963 Homecoming
- Nov. 9, 1963 Dad's Day
- Nov. 10, 1963 Fine Arts Festival
- Nov. 15-17, 1963 Dedication of New Art Building

XIII. ADJOURNMENT

**1963**

JANUARY							FEBRUARY							MARCH						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
1	2	3	4	5	6	7	1	2	3	4	5	6	7	1	2	3	4	5	6	7
8	9	10	11	12	13	14	8	9	10	11	12	13	14	8	9	10	11	12	13	14
15	16	17	18	19	20	21	15	16	17	18	19	20	21	15	16	17	18	19	20	21
22	23	24	25	26	27	28	22	23	24	25	26	27	28	22	23	24	25	26	27	28
29	30	31					29	30	31					29	30	31				
APRIL							MAY							JUNE						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
1	2	3	4	5	6	7	1	2	3	4	5	6	7	1	2	3	4	5	6	7
8	9	10	11	12	13	14	8	9	10	11	12	13	14	8	9	10	11	12	13	14
15	16	17	18	19	20	21	15	16	17	18	19	20	21	15	16	17	18	19	20	21
22	23	24	25	26	27	28	22	23	24	25	26	27	28	22	23	24	25	26	27	28
29	30						29	30	31					29	30	31				
JULY							AUGUST							SEPTEMBER						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
1	2	3	4	5	6	7	1	2	3	4	5	6	7	1	2	3	4	5	6	7
8	9	10	11	12	13	14	8	9	10	11	12	13	14	8	9	10	11	12	13	14
15	16	17	18	19	20	21	15	16	17	18	19	20	21	15	16	17	18	19	20	21
22	23	24	25	26	27	28	22	23	24	25	26	27	28	22	23	24	25	26	27	28
29	30	31					29	30	31					29	30	31				
OCTOBER							NOVEMBER							DECEMBER						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
1	2	3	4	5	6	7	1	2	3	4	5	6	7	1	2	3	4	5	6	7
8	9	10	11	12	13	14	8	9	10	11	12	13	14	8	9	10	11	12	13	14
15	16	17	18	19	20	21	15	16	17	18	19	20	21	15	16	17	18	19	20	21
22	23	24	25	26	27	28	22	23	24	25	26	27	28	22	23	24	25	26	27	28
29	30	31					29	30	31					29	30	31				

THE STATE OF TEXAS §

COUNTY OF TRAVIS §

The Board of Regents of The University of Texas convened in regular meeting on the 12th day of July, 1963, in Austin, Texas, with the following members and officers of said Board present, to-wit:

W. W. Heath	Chairman
A. G. McNeese, Jr.	Vice Chairman
Walter P. Brennan	Regent
Dr. H. F. Connally, Jr.	Regent
Frank C. Erwin, Jr.	Regent
Mrs. J. Lee Johnson, III	Regent
Wales H. Madden, Jr.	Regent
Rabbi Levi Olan	Regent
John S. Redditt	Regent
Miss Betty Anne Thedford	Secretary

and the following members absent, to-wit: \_\_\_\_\_

\_\_\_\_\_ ,  
constituting a quorum of said Board of Regents, at which meeting the following, among other business, was transacted, to-wit:

The Chairman introduced a resolution which was read in full by the Secretary. Regent \_\_\_\_\_ made a motion that the resolution be adopted as read. Regent \_\_\_\_\_ seconded the motion for adoption of the resolution. The motion, carrying with it the adoption of the resolution, prevailed by the following vote:

AYES: Regents Heath, McNeese, Brennan, Connally, Erwin, Johnson, Madden, Olan, and Redditt.

NOES: None.

The Chairman thereupon announced that the motion had duly and lawfully carried, and that the resolution had been duly and lawfully adopted. The resolution thus adopted follows:

RESOLUTION

OF THE BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS AUTHORIZING THE ISSUANCE OF \$4,000,000 BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS PERMANENT UNIVERSITY FUND BONDS, SERIES 1963; PRESCRIBING TERMS, CONDITIONS, AND DETAILS RELATING THERETO; PROVIDING FOR THE PAYMENT OF THE PRINCIPAL THEREOF AND THE INTEREST THEREON; AWARDING THE SALE THEREOF; AND CONTAINING OTHER PROVISIONS RELATING TO THE SUBJECT

WHEREAS, the Board of Regents of The University of Texas has heretofore authorized and issued the following described bonds, to-wit:

\$5,076,000 BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS PERMANENT UNIVERSITY FUND REFUNDING BONDS, SERIES 1958, dated July 1, 1958, numbered consecutively from 1 to 5076, both inclusive, in the denomination of \$1,000 each (Comptroller of Public Accounts Register No. 32645),

\$4,000,000 BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS PERMANENT UNIVERSITY FUND BONDS, SERIES 1959, dated July 1, 1959, numbered consecutively from 1 to 4000, both inclusive, in the denomination of \$1,000 each (Comptroller of Public Accounts Register No. 33243),

\$5,000,000 BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS PERMANENT UNIVERSITY FUND BONDS, SERIES 1960, dated July 1, 1960, numbered consecutively from 1 to 5000, both inclusive, in the denomination of \$1,000 each (Comptroller of Public Accounts Register No. 33810),

\$6,000,000 BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS PERMANENT UNIVERSITY FUND BONDS, SERIES 1961, dated July 1, 1961, numbered consecutively from 1 to 6000, both inclusive, in the denomination of \$1,000 each (Comptroller of Public Accounts Register No. 34360), and

\$5,000,000 BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS PERMANENT UNIVERSITY FUND BONDS, SERIES 1962, dated July 1, 1962, numbered consecutively from 1 to 1000, both inclusive, in the denomination of \$5,000 each (Comptroller of Public Accounts Register No. 34940),

and

WHEREAS, the outstanding bonds of the bond issues described above are payable from and secured by a first lien on and pledge

of the Interest of The University of Texas in the income from the Permanent University Fund, in the manner and to the extent provided and set forth in the resolutions authorizing said outstanding bonds, respectively; and

WHEREAS, said outstanding bonds constitute the only indebtedness payable from said Interest of The University of Texas in the income from the Permanent University Fund; and

WHEREAS, it is expressly provided in said outstanding bonds and in the resolutions authorizing the issuance thereof that the Board of Regents reserves the right and power to issue, under certain conditions, Additional Parity Bonds and Notes for the purposes and to the extent provided in Section 18, Article VII, Constitution of Texas, as amended by vote of the people at the election held in and throughout the State of Texas on the 6th day of November, 1956, said Additional Parity Bonds and Notes to be on a parity with the said outstanding bonds, and equally and ratably secured by and payable from a first lien on and pledge of the Interest of The University of Texas in the income from the Permanent University Fund, in the same manner and to the same extent as said outstanding bonds; and

WHEREAS, said Section 18 of Article VII of the Constitution of Texas, as amended, provides that the Board of Regents is authorized to issue negotiable bonds and notes for the purpose of constructing, equipping or acquiring buildings or other permanent improvements for The University of Texas System, in a total amount not to exceed two-thirds ( $2/3$ ) of twenty per cent (20%) of the value of the Permanent University Fund exclusive of real estate at the time of any issuance thereof; and

WHEREAS, the Board of Regents has determined, and hereby affirmatively determines, to authorize, issue, sell and deliver

an installment or issue of \$4,000,000 negotiable bonds for such constitutional purposes, the same to constitute Additional Parity Bonds as described above; and

WHEREAS, all conditions and requirements pertaining to, and in connection with, the issuance of such installment or issue of Additional Parity Bonds have been met, or will be met prior to the delivery thereof; Therefore

BE IT RESOLVED BY THE BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS:

Section 1:

AMOUNT, NAME, PURPOSE AND AUTHORIZATION OF BONDS: That the negotiable bonds of the Board of Regents of The University of Texas be issued in the principal amount of \$4,000,000, to be known and designated as "BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS PERMANENT UNIVERSITY FUND BONDS, SERIES 1963", for the purpose of constructing, equipping or acquiring buildings or other permanent improvements for The University of Texas System, to the extent and in the manner provided by law, under and in strict conformity with the Constitution and laws of the State of Texas, particularly Section 18 of Article VII of the Constitution of Texas, as amended by vote of the people at the election held in and throughout the State of Texas on the 6th day of November, 1956.

Section 2:

2.01 - DATE, NUMBERS, DENOMINATION, AND MATURITIES: That said bonds shall be dated July 1, 1963, shall be numbered consecutively from 1 to 800, both inclusive, shall be in the denomination of \$5,000 each, aggregating \$4,000,000, and shall become due and payable serially in their numerical order on July 1st in each of the years 1964 to 1983, both inclusive, in the respective amounts shown in the following schedule, to-wit:

<u>Bond Numbers</u> <u>(both incl.)</u>	<u>Year of</u> <u>Maturity</u>	<u>Amount</u> <u>Maturing</u>
1 - 32	1964	\$160,000
33 - 64	1965	160,000
65 - 96	1966	160,000
97 - 128	1967	160,000
129 - 164	1968	180,000
165 - 200	1969	180,000
201 - 236	1970	180,000
237 - 272	1971	180,000
273 - 312	1972	200,000
313 - 352	1973	200,000
353 - 392	1974	200,000
393 - 432	1975	200,000
433 - 476	1976	220,000
477 - 520	1977	220,000
521 - 564	1978	220,000
565 - 608	1979	220,000
609 - 656	1980	240,000
657 - 704	1981	240,000
705 - 752	1982	240,000
753 - 800	1983	240,000

2.02 - OPTION OF PRIOR REDEMPTION: That each of the bonds of this issue maturing on and after July 1, 1974, shall be subject to redemption prior to maturity on July 1, 1973, and on any interest payment date thereafter, at the price effective on such date determined as follows: par and unpaid accrued interest thereon to the date so fixed for redemption plus a premium of 2% of the par value if redeemed on or prior to January 1, 1978, such premium to be reduced on and after July 1, 1978 to 1%. Notice of the intention to redeem bonds shall be given in writing to the banks at which said bonds are payable, and said notice shall be published at least one (1) time in a financial journal or publication of general circulation in the United States of America, which notice shall be mailed to said banks and published in said journal or publication at least thirty (30) days prior to the date fixed for redemption. If, by the date fixed for redemption, funds shall have been made available sufficient to pay the principal of any bond so called for redemption and unpaid accrued interest thereon to the date fixed for

redemption plus the premium specified, it shall not thereafter bear interest. In the event less than all the bonds outstanding then eligible for redemption shall be thus called, the bonds then proposed to be redeemed shall be called in inverse numerical order.

Section 3:

3.01 - INTEREST RATES AND INTEREST PAYMENT DATES: That said bonds shall bear interest from date at the following rates per annum, respectively, to-wit:

Bonds Nos. \_\_\_\_ to \_\_\_\_, both inclusive, \_\_\_\_%,

interest payable January 1, 1964, and semi-annually thereafter on July 1st and January 1st of each year until the principal sum thereof is fully paid.

3.02 - BANKS OF PAYMENT: That both principal of and interest on said bonds shall be payable in lawful money of the United States of America, without exchange or collection charges to the owners or holders of the bonds and/or interest coupons, at \_\_\_\_\_

\_\_\_\_\_,  
or, at the option of the holder, at \_\_\_\_\_

\_\_\_\_\_,  
or at \_\_\_\_\_

\_\_\_\_\_. The principal of said bonds shall be payable only upon presentation and surrender of said bonds as they respectively become due, and interest falling due on and prior to the respective maturity dates of the bonds shall be payable only upon presentation and surrender of the interest coupons attached to said bonds as such coupons severally become due.

Section 4:

EXECUTION OF BONDS AND INTEREST COUPONS: That the official seal of The University of Texas shall be impressed, printed, or lithographed on each of said bonds, and each of said bonds and the interest coupons thereto attached shall be executed by the imprinted or lithographed signatures of the Chairman and the Secretary of the Board of Regents of said University.

Section 5:

REGISTERABILITY OF BONDS: That said bonds, at the option of the holder, shall be registerable as to principal only on the books of the Registrar, and for such purpose the Comptroller of The University of Texas is hereby designated "Registrar." Such registration shall be noted also on the bonds thus registered, and after such registration no transfer of such bonds shall be valid unless made on the books of the Registrar at the instance of the registered holder or his lawful attorney, thereunto duly authorized, and similarly noted on the bonds. Bonds thus registered may be discharged from registration by being transferred to bearer, after which they shall be transferable by delivery, but may again be registered as to principal as before. Bonds not so registered or which have been so transferred to bearer shall in all respects be negotiable. The registration of bonds as to principal shall not restrain the negotiability by delivery of the interest coupons appertaining thereto.

Subject to the provisions for registration as to principal alone hereinabove provided, nothing contained in the bonds or in this resolution shall affect or impair the negotiability of the bonds, and said bonds shall constitute negotiable instruments within the meaning of the Uniform Negotiable Instruments Act of the State of Texas.

Section 6:

6.01 - FORM OF BONDS: That said bonds shall be in substantially the following form:

No. \_\_\_\_\_

\$5,000

UNITED STATES OF AMERICA  
STATE OF TEXAS

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS  
PERMANENT UNIVERSITY FUND BOND

SERIES 1963

FOR VALUE RECEIVED, THE BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS hereby acknowledges itself indebted to and PROMISES TO PAY, out of the Fund specified herein, to the bearer hereof, or, if this bond be registered as to principal, to the registered holder hereof, ON THE FIRST DAY OF JULY, 19\_\_\_\_, the sum of

FIVE THOUSAND DOLLARS

(\$5,000), with interest thereon, also payable out of the Fund specified herein, at the rate of \_\_\_\_\_% (NOTE TO PRINTER: For interest rates, see Section 3.01 of bond resolution) per annum, until the principal sum hereof shall have been paid, interest payable January 1, 1964, and semi-annually thereafter on July 1st and January 1st of each year. Both principal of and interest on this bond are payable in lawful money of the United States of America, without exchange or collection charges to the owner or holder, at \_\_\_\_\_

\_\_\_\_\_, or, at the option of the holder, at

\_\_\_\_\_, or at \_\_\_\_\_.

The principal hereof shall be payable only upon presentation and surrender of this bond, and interest hereon falling due on and prior to the maturity of this bond shall be payable only upon presentation and surrender of the interest coupons hereto attached as such coupons severally become due.

THIS BOND IS ONE OF A SERIES OF 800 SERIAL BONDS of like tenor and effect, except as to serial number, interest rate, maturity, and reserved option of redemption, being numbered consecutively from 1 to 800, both inclusive, in the denomination of \$5,000 each, AGGREGATING \$4,000,000, and, together with the other bonds of said series, is issued for the purpose of constructing, equipping, or acquiring buildings or other permanent improvements for The University of Texas System, to the extent and in the manner provided by law, under and in strict conformity with the Constitution and laws of the State of Texas, particularly Section 18 of Article VII of the Constitution of Texas, as amended by vote of the people at the election held in and throughout the State of Texas on the 6th day of November, 1956, and pursuant to a resolution duly adopted by the Board of Regents of The University of Texas and duly of record in the official minutes of said Board of Regents, hereinafter referred to as the "Resolution."

THE DATE OF THIS BOND, in conformity with the Resolution, IS JULY 1, 1963.

EACH OF THE BONDS OF THIS ISSUE MATURING ON AND AFTER JULY 1, 1974, to-wit: Bonds Nos. 353 to 800, both inclusive, SHALL BE SUBJECT TO REDEMPTION PRIOR TO MATURITY ON JULY 1, 1973, and on any interest payment date thereafter at the price effective on such date determined as follows: par and unpaid accrued interest thereon to the date so fixed for redemption plus a premium of 2% of the par value if redeemed on or prior to January 1, 1978, such premium to be reduced on and after July 1, 1978 to 1%. Notice of the intention to redeem bonds shall be given in writing to the banks at which said bonds are payable, and said notice shall be published at least one (1) time in a

financial journal or publication of general circulation in the United States of America, which notice shall be mailed to said banks and published in said journal or publication at least thirty (30) days prior to the date fixed for redemption. If, by the date fixed for redemption, funds shall have been made available sufficient to pay the principal of any bond so called for redemption and unpaid accrued interest thereon to the date fixed for redemption plus the premium specified, it shall not thereafter bear interest. In the event less than all bonds outstanding then eligible for redemption shall thus be called, the bonds then proposed to be redeemed shall be called in inverse numerical order.

THIS BOND AND THE OTHER BONDS OF THE SERIES OF WHICH IT IS A PART are in all respects of equal dignity and on a parity with the outstanding bonds of the following bond issues: Board of Regents of The University of Texas Permanent University Fund Refunding Bonds, Series 1958, dated July 1, 1958, Board of Regents of The University of Texas Permanent University Fund Bonds, Series 1959, dated July 1, 1959, Board of Regents of The University of Texas Permanent University Fund Bonds, Series 1960, dated July 1, 1960, Board of Regents of The University of Texas Permanent University Fund Bonds, Series 1961, dated July 1, 1961, and Board of Regents of The University of Texas Permanent University Fund Bonds, Series 1962, dated July 1, 1962, and this bond and the other bonds of the series of which it is a part constitute "Additional Parity Bonds" as permitted by the Resolutions authorizing the issuance of said Series 1958, Series 1959, Series 1960, Series 1961, and Series 1962 Bonds, and this bond and the other bonds of the series of which this bond is a part are equally and ratably secured by and payable from a first

lien on and pledge of the Interest (as such term is defined in the Resolution) of The University of Texas in the income from the Permanent University Fund, as such Interest is apportioned by Chapter 42, Acts of the 42nd Legislature of Texas, Regular Session, 1931.

THE BOARD OF REGENTS RESERVES THE RIGHT TO ISSUE OTHER ADDITIONAL PARITY BONDS AND NOTES which shall be equally and ratably payable from the same source and secured in the same manner as the Series 1958 Bonds, the Series 1959 Bonds, the Series 1960 Bonds, the Series 1961 Bonds, the Series 1962 Bonds, and the bonds of this issue, but such Additional Parity Bonds and Notes may be issued only pursuant to and subject to the terms and conditions provided and contained in the Resolution.

THIS BOND IS REGISTERABLE AS TO PRINCIPAL only on the books of the Registrar. For such purpose the Comptroller of The University of Texas has been designated "Registrar." If registered, the fact of registration is to be noted on the back hereof and thereafter no transfer of this bond shall be valid unless made on the books of the Registrar and similarly noted hereon. Registration as to principal may be discharged by transfer to bearer, after which this bond may again be registered as before. The registration of this bond as to principal shall not restrain the negotiability of the interest coupons appertaining hereto, which coupons shall continue to be negotiable by delivery merely. Subject to the provision for registration as to principal alone endorsed hereon and as contained in the Resolution, nothing contained in this bond nor in the Resolution shall affect or impair the negotiability of this bond, and this bond shall constitute a negotiable instrument within the meaning of the Uniform Negotiable Instruments Act of the State of Texas.

IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions and things required to exist and to be done precedent to and in the issuance of this bond and the other bonds of the series of which this bond is a part have been properly done, have happened and have been performed in regular and due time, form and manner, as required by the Constitution and laws of the State of Texas and the Resolution; that due provision has been made for the payment of the principal of and interest on this bond and the other bonds of the series of which this bond is a part by an irrevocable pledge of the funds specified herein; and that the entire issue of bonds of which this one is a part does not exceed any Constitutional or statutory limitation.

IN WITNESS WHEREOF, the Board of Regents of The University of Texas has caused the official seal of said University to be impressed, printed, or lithographed hereon and this bond and the interest coupons hereto annexed to be executed by the imprinted or lithographed signatures of the Chairman and the Secretary of said Board of Regents, all as of the 1st day of July, 1963.

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Chairman

6.02 - FORM OF INTEREST COUPONS: That the interest coupons attached to said bonds shall be in substantially the following form:

No. \_\_\_\_\_

\$ \_\_\_\_\_

ON THE 1ST DAY OF

\_\_\_\_\_ 19\_\_

The Board of Regents of The University of Texas hereby promises to pay to bearer \*(unless the bond to which this coupon appertains has been called for previous redemption in accordance

with the terms thereof and due provision made to redeem same as therein provided) solely out of the fund specified in the bond to which this coupon appertains, without exchange or collection charges, at \_\_\_\_\_

\_\_\_\_\_ or, at the option of the holder,

at \_\_\_\_\_

\_\_\_\_\_ or at \_\_\_\_\_

the sum of \$\_\_\_\_\_ in lawful money of the United States of America, being interest due that date on "Board of Regents of The University of Texas Permanent University Fund Bond, Series 1963," bearing the number hereinafter specified, dated July 1, 1963. Bond No. \_\_\_\_\_.

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Chairman

\*(The parenthetical expression should be printed only in coupons which mature after July 1, 1973.)

6.03 - FORM OF REGISTRATION ENDORSEMENT: That the ownership registration endorsement to be printed on the back of each of the bonds shall be in substantially the following form:

(NO WRITING TO BE PLACED HEREON  
EXCEPT BY BOND REGISTRAR)

It is hereby certified that, at the request of the holder of the within bond, I have this day registered said bond as to principal in the name of such holder as indicated in the registration blank below, on books kept by me for such purpose. The principal of this bond shall be payable only to the registered holder hereof named in the below registration blank or his legal representative, and this bond shall be transferable only on the books of the Registrar and by an appropriate notation in such registration blank. If the last transfer on the books of

the Registrar and in the below registration blank shall be to bearer, the principal of this bond shall be payable to bearer and it shall be in all respects negotiable. In no case shall negotiability of the interest coupons appurtenant to this bond be affected by any registration of this bond as to principal.

Date of Registration	Name of Registered Holder	Signature of Bond Registrar
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

6.04 - FORM OF COMPTROLLER'S REGISTRATION CERTIFICATE: That each of said bonds shall be registered in the office of the Comptroller of Public Accounts of the State of Texas, as provided by law, and said Comptroller's registration certificate, which shall be printed on the back of each of said bonds and manually subscribed, shall be in substantially the following form:

OFFICE OF THE COMPTROLLER  
 THE STATE OF TEXAS  
 REGISTER NO. \_\_\_\_\_

I HEREBY CERTIFY that there is on file and of record in my office a certificate of the Attorney General of the State of Texas to the effect that this bond has been examined by him as required by law, and that he finds that it has been issued in conformity with the Constitution and laws of the State of Texas, and that it is a valid and binding special obligation of the Board of Regents of The University of Texas payable from the funds pledged to its payment by and in the Resolution authorizing same; and said bond has this day been registered by me.

WITNESS MY HAND AND SEAL OF OFFICE at Austin, Texas,

\_\_\_\_\_  
Comptroller of Public Accounts  
of the State of Texas

Section 7:

DEFINITIONS: That, as used in this resolution, the following words, terms, and expressions shall mean and include, and are defined, as follows:

(a) Permanent University Fund, or Fund: the Permanent University Fund as created by Article VII, Section 11, Constitution of Texas, further implemented by the provisions of Title 49, Chapter 1, Revised Civil Statutes of Texas, 1925, as amended and supplemented.

(b) University: The University of Texas.

(c) Board of Regents, or Board: the Board of Regents of The University of Texas.

(d) Interest of the University in the income from the Permanent University Fund: all of the income to the Permanent University Fund from grazing leases on University lands, and all of the other income from such Fund, after making provision for the payment of the University's proportion of the expense of administering such Fund, excepting one-third of the income arising and accruing to the Agricultural and Mechanical College of Texas from the 1,000,000 acres of land appropriated by the Constitution of 1876 and the land appropriated by the Act of 1883, as more particularly defined by Chapter 42, Acts of the 42nd Legislature of Texas, Regular Session, 1931 (Article 2592, Vernon's Annotated Civil Statutes).

(e) Bonds: the \$4,000,000 Board of Regents of The University of Texas Permanent University Fund Bonds, Series

1963, dated July 1, 1963, authorized by this resolution.

(f) Resolution: this resolution authorizing the issuance of the Bonds.

(g) 1958 Bond Resolution: the resolution adopted by the Board of Regents on the 23rd day of July, 1958, authorizing the issuance of the \$5,076,000 Board of Regents of The University of Texas Permanent University Fund Refunding Bonds, Series 1958, dated July 1, 1958.

(h) 1959 Bond Resolution: the resolution adopted by the Board of Regents on the 9th day of July, 1959, authorizing the issuance of the \$4,000,000 Board of Regents of The University of Texas Permanent University Fund Bonds, Series 1959, dated July 1, 1959.

(i) 1960 Bond Resolution: the resolution adopted by the Board of Regents on the 13th day of July, 1960, authorizing the issuance of the \$5,000,000 Board of Regents of The University of Texas Permanent University Fund Bonds, Series 1960, dated July 1, 1960.

(j) 1961 Bond Resolution: the resolution adopted by the Board of Regents on the 22nd day of July, 1961, authorizing the issuance of the \$6,000,000 Board of Regents of The University of Texas Permanent University Fund Bonds, Series 1961, dated July 1, 1961.

(k) 1962 Bond Resolution: the resolution adopted by the Board of Regents on the 29th day of June, 1962, authorizing the issuance of the \$5,000,000 Board of Regents of The University of Texas Permanent University Fund Bonds, Series 1962, dated July 1, 1962.

(l) Outstanding Bonds: the outstanding bonds of the Series 1958 Bonds, Series 1959 Bonds, Series 1960 Bonds, Series 1961 Bonds, and Series 1962 Bonds, referred to above.

(m) Additional Parity Bonds and Notes: the additional parity bonds and the additional parity notes permitted to be issued pursuant to Section 17 of the 1958 Bond Resolution, which Section 17 is referred to in the 1959 Bond Resolution, the 1960 Bond Resolution, the 1961 Bond Resolution, the 1962 Bond Resolution, and this Resolution.

(n) Interest and Sinking Fund: the "Board of Regents of The University of Texas Permanent University Fund Interest and Sinking Fund" established by the Comptroller of Public Accounts of the State of Texas in the State Treasury under the provisions of the 1958 Bond Resolution, which Fund is referred to in the 1959 Bond Resolution, the 1960 Bond Resolution, the 1961 Bond Resolution, the 1962 Bond Resolution, and this Resolution.

Section 8:

8.01 - BONDS AND OUTSTANDING BONDS ON A PARITY: That it is herewith certified and recited that the Bonds authorized by this Resolution are Additional Parity Bonds permitted and authorized to be issued by Section 17 of the 1958 Bond Resolution, and that all conditions and requirements of said Section 17 have been or will be met prior to the delivery of the Bonds herein authorized. The Outstanding Bonds and the Bonds herein authorized, and the interest on all of same, are and shall be on a parity and in all respects of equal dignity.

8.02 - BONDS SECURED BY FIRST LIEN: That, pursuant to the authority conferred upon the Board of Regents by the provisions of Section 18 of Article VII, Constitution of Texas, approved by vote of the people of Texas at the election held August 23, 1947, and pursuant to the provisions of the amendment to said Section 18 of Article VII approved by vote of the people of Texas at the election held November 6, 1956, and pursuant to the provisions of Chapter 255, Acts of the 55th Legislature of Texas, Regular Session, 1957, the Outstanding Bonds, together with the Bonds authorized by this Resolution and all other Additional Parity Bonds and Notes, when issued pursuant to the provisions of Section 17 of the 1958 Bond Resolution, and the interest on all of same, shall be and are hereby equally and ratably

secured by and payable from a first lien on and pledge of the Interest of the University in the income from the Permanent University Fund as such Interest is defined in Section 7(d) of this Resolution.

Section 9:

9.01 - ADDITIONAL PAYMENTS INTO INTEREST AND SINKING FUND: That, in addition to the moneys required to be transferred to the credit of the Interest and Sinking Fund in connection with the Outstanding Bonds under the provisions of the 1958 Bond Resolution, the 1959 Bond Resolution, the 1960 Bond Resolution, the 1961 Bond Resolution, and the 1962 Bond Resolution, the Comptroller of Public Accounts of the State of Texas shall, for the benefit of the Bonds herein authorized, transfer to the Interest and Sinking Fund out of The University of Texas Available University Fund (the fund in the State Treasury to which is deposited the Interest of the University), on or before November 1, 1963, and semi-annually thereafter on or before May 1st and November 1st of each year while the Bonds or interest thereon are outstanding and unpaid, a sum of money equal to the amount of interest or principal and interest (when both are scheduled to accrue and mature) which will become due on the Bonds on the January 1st or July 1st next following.

9.02 - AVAILABILITY OF MONEYS AT PLACES OF PAYMENT:

(a) That, to the end that moneys will be available at the places of payment in ample time to pay the principal of and interest on the Bonds as such principal and interest respectively mature, on or before November 5, 1963, and semi-annually thereafter on or before May 5th and November 5th of each year while any of the Bonds or interest thereon are outstanding and unpaid, the Comptroller of the University, or such officer as may hereafter be designated by the Board of Regents to perform the duties

now vested in such officer shall perform the following duties:

(1) prepare and file with the Comptroller of Public Accounts of the State of Texas a voucher based on which said Comptroller of Public Accounts of the State of Texas shall draw a warrant against the Interest and Sinking Fund in the amount of the interest or principal and interest (when both are scheduled to accrue and mature) which will become due on January 1st or July 1st next following; and (2) in the event Bonds shall have been called for redemption on January 1st or July 1st next following of any year, prepare and file with said Comptroller of Public Accounts of the State of Texas a voucher based on which said Comptroller of Public Accounts of the State of Texas shall draw a warrant against funds of the University legally available for such purpose in an amount sufficient to redeem the Bonds thus called.

(b) That, whenever a voucher is so filed with the Comptroller of Public Accounts of the State of Texas, he shall make the warrant based thereon payable to the order of that place of payment situated in the State of Texas, specified in Section 3.02 of this Resolution, and shall deliver such warrant to said place of payment on or before the November 15th or May 15th next following.

(c) That the place of payment situated in the State of Texas, designated in Section 3.02 of this Resolution, shall, out of moneys remitted to it under the provisions of this Section 9.02, and not otherwise, make available at the other places of payment specified in said Section 3.02, funds sufficient to pay such Bonds (whether payable to bearer or payable to the registered holder thereof) and such of the interest coupons as are presented for payment at such places of payment, and said place of payment situated in the State of Texas by accepting designation as such place of payment agrees and is obligated to perform such service.

9.03 - CANCELLATION AND FORWARDING OF BONDS AND COUPONS UPON

PAYMENT: That all Bonds and interest coupons paid by the places of payment, after cancellation by perforation, shall be forwarded by such places of payment to the University at Austin, Texas.

9.04 - PAYMENT OF CHARGES OF PAYING AGENTS: That the Board of Regents shall make provision with the places of payment designated as paying agents for the rendition of a statement to the University for any sums due such paying agents for services rendered in connection with the payment of the Bonds and interest coupons by said paying agents, and the amount of such charges shall be paid by the University from funds available for such purpose.

Section 10:

ADOPTION OF PROVISIONS OF SERIES 1958 BOND RESOLUTION: That all of the language, terms, provisions, covenants and agreements of Sections 15 to 19, both inclusive, of the 1958 Bond Resolution be and are hereby referred to and adopted and made applicable to the Bonds authorized by this Resolution for all purposes; and, without in any way limiting the foregoing, it is expressly provided that the Board of Regents reserves the right and power to issue and deliver Additional Parity Bonds and/or Additional Parity Notes pursuant to the provisions of Section 17 of said Series 1958 Bond Resolution, to which Section 17 reference is hereby made for full particulars.

Section 11:

APPROVAL AND REGISTRATION OF BONDS: That it shall be the duty of the Chairman of the Board of Regents or some officer of the Board acting under authority from him to submit the record of the Bonds, and, after the Bonds shall have been executed, to submit the Bonds to the Attorney General of the State of Texas for

examination and approval. After said Bonds shall have been approved by said Attorney General, they shall be delivered to the Comptroller of Public Accounts of the State of Texas for registration. Upon the registration of said Bonds, said Comptroller of Public Accounts (or a deputy lawfully designated in writing to act for him) shall manually sign the Comptroller's certificate of registration, which certificate, in accordance with Section 6.04 of this Resolution, is to be printed on the back of each Bond, and the seal of office of said Comptroller of Public Accounts shall be affixed to each of said Bonds.

Section 12:

SALE OF BONDS: That the sale of the Bonds herein authorized to

\_\_\_\_\_ ,  
\_\_\_\_\_ ,  
at a price equal to the principal amount of said Bonds plus accrued interest thereon from the date thereof to the date of actual delivery, plus a cash premium of \$\_\_\_\_\_, is hereby authorized, approved, ratified, and confirmed. When said Bonds have been approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas, they shall be delivered to the named purchasers upon receipt of the full purchase price.

ADOPTED AND APPROVED this 12th day of July, 1963.

/s/ W. W. Heath  
Chairman, Board of Regents, The  
University of Texas

ATTEST:

/s/ Betty Anne Thedford  
Secretary, Board of Regents,  
The University of Texas

(SEAL)

THE STATE OF TEXAS §

COUNTY OF TRAVIS §

I, the undersigned, Secretary of the Board of Regents of The University of Texas, do hereby certify that the attached and foregoing is a true and correct copy of a resolution adopted by said Board of Regents at a meeting thereof held on the 12th day of July, 1963 (which resolution pertains to the issuance of \$4,000,000 Board of Regents of The University of Texas Permanent University Fund Bonds, Series 1963, dated July 1, 1963), together with an excerpt from the minutes of said meeting showing the adoption of said resolution, as same appears of record in the official minutes of said Board of Regents on file in my office.

WITNESS MY HAND AND THE OFFICIAL SEAL OF SAID BOARD OF REGENTS, this the 12th day of July, 1963.

\_\_\_\_\_  
Secretary, Board of Regents,  
The University of Texas

(SEAL)

VINSON, ELKINS, WEEMS & SEARLS  
 ATTORNEYS AT LAW  
 FIRST CITY NATIONAL BANK BUILDING  
 HOUSTON 2, TEXAS

\$4,000,000 BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS

PERMANENT UNIVERSITY FUND BONDS, SERIES 1963

WE HAVE EXAMINED into the validity of the \$4,000,000 BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS PERMANENT UNIVERSITY FUND BONDS, SERIES 1963, dated July 1, 1963 (hereinafter called the "Bonds"), numbered consecutively from 1 to 800, both inclusive, in the denomination of \$5,000 each, maturing serially in their numerical order on July 1st in each of the years 1964 to 1983, both inclusive, bearing interest per annum at the following rates, respectively (interest payable January 1, 1964, and semi-annually thereafter on July 1st and January 1st of each year):

Bonds maturing in the years 1964 to 19	, both inclusive,	$\frac{7}{8}$ ,
Bonds maturing in the years 19 to 19	, both inclusive,	$\frac{7}{8}$ ,
Bonds maturing in the years 19 to 19	, both inclusive,	$\frac{7}{8}$ ,
Bonds maturing in the years 19 to 19	, both inclusive,	$\frac{7}{8}$ ,

with each of the Bonds of this issue maturing on and after July 1, 1974, being subject to redemption prior to maturity on July 1, 1973, and on any interest payment date thereafter at the price effective on such date determined as follows: par and accrued interest to the date so fixed for redemption plus a premium of 2% of the par value if redeemed on or prior to January 1, 1978, such premium to be reduced on and after July 1, 1978 to 1%, and provided that in the event less than all Bonds then eligible for redemption shall be thus called, the Bonds then proposed to be redeemed shall be called in inverse numerical order.

WE HAVE EXAMINED the Constitution and laws of the State of Texas and certified copies of the proceedings of the Board of Regents of The University of Texas authorizing the issuance of said Bonds, together with other proofs and showings relating thereto, including executed Bond No. 1 of said issue.

FROM SUCH EXAMINATION, IT IS OUR OPINION that:

(1) All of said \$4,000,000 Bonds have been authorized and issued under and in strict conformity with the Constitution and laws of the State of Texas, including Section 18 of Article VII, Constitution of Texas, as amended; and

(2) Said Bonds to the amount named are the valid and binding special obligations of the Board of Regents of The University of Texas, which Bonds, together with:

The outstanding bonds of the Board of Regents of The University of Texas Permanent University Fund Refunding Bonds, Series 1958, Board of Regents of The University of Texas Permanent University Fund Bonds, Series 1959, Board of Regents of The University of Texas Permanent University Fund Bonds, Series 1960, Board of Regents of The University of Texas Permanent University Fund Bonds, Series 1961, and Board of Regents of The University of Texas Permanent University Fund Bonds, Series 1962 (said outstanding Series 1958 Bonds, Series 1959 Bonds, Series 1960 Bonds, Series 1961 Bonds, and Series 1962 Bonds being hereinafter called the "Outstanding Bonds"), and

Additional Parity Bonds and Notes which may lawfully be hereafter issued pursuant to the Constitution and laws of the State of Texas and under the terms and conditions provided in the proceedings authorizing the Outstanding Bonds and the Bonds,

are equally and ratably secured by and payable from a first lien on and pledge of the Interest of The University of Texas in the income from the Permanent University Fund as such Interest is apportioned by Chapter 42, Acts of the 42nd Legislature of Texas, Regular Session, 1931 (the Outstanding Bonds and the Bonds being in all respects of equal dignity and on a parity with one another).

IT IS OUR FURTHER OPINION that the interest on the Bonds is exempt from Federal income taxes under existing statutes, regulations, rulings, and court decisions.

I, the undersigned, Secretary of the Board of Regents of The University of Texas, do hereby certify that the foregoing is a true and correct copy of the legal opinion of Vinson, Elkins, Weems & Searls, Attorneys at Law, Houston, Texas, which was dated and delivered concurrently with the delivery of and payment for the issue of bonds described in said opinion.

BETTY ANNE THEDFORD\*  
Secretary, Board of Regents, The University  
of Texas

\*(This is to be facsimile signature)

\$4,000,000  
BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS  
PERMANENT UNIVERSITY FUND BONDS - SERIES 1963  
NOTICE TO TEXAS BANKS (WITH ASSETS IN EXCESS OF \$100,000,000)  
CONCERNING PAYING AGENCY

Sealed bids will be received until 2:00 p.m. Central Standard Time, July 10, 1963, by the Board of Regents of The University of Texas for paying agency of the above bonds. The bonds will be numbered consecutively from 1 to 800, both inclusive, and will be in the denomination of \$5,000 each.

An advance copy of proposed Resolution for the issue is enclosed.

On the date the bonds are sold, which is scheduled for July 12, 1963, the Board of Regents will select a Texas bank with assets in excess of \$100,000,000 as paying agent and a New York bank and a Chicago bank as co-paying agents. The New York and Chicago co-paying agents are to be selected by the Texas bank.

The Texas paying agent selected will have deposited with it, under the terms of the bond resolution, at least forty-five (45) days in advance of each paying date, the full amount of money required to meet principal and interest payments next coming due; such deposits are to be secured by a pledge of the Texas paying agent with a trustee bank of bonds or other evidences of direct indebtedness of the United States of America in amounts at all times equal to such deposits.

The Texas bank will be required to make necessary arrangements with the New York paying agent and the Chicago paying agent for payment of such coupons and maturing bonds as may be presented to such banks. The paying agency fee charged by the New York and Chicago paying agents shall be paid by the Texas paying agent out of its over-all paying agency fee, which fee shall be in full for all services rendered and for all expenses incurred, including counsel fees, by all agents named.

Bids should be submitted on the accompanying form so far as practicable, but departures therefrom may be made where necessary to show in any instance the actual net charges for acting as paying agent. All bids shall be delivered or mailed in a sealed envelope plainly marked as a "Sealed Bid for Paying Agency" so that it can be identified readily. All such bids

should be addressed to the Board of Regents of The University of Texas and mailed or delivered to Wm. W. Stewart, Endowment Officer, The University of Texas, Main Building 205, Austin 12, Texas.

The right is reserved to reject any and all bids and to waive any and all irregularities. Inquiries may be made of the undersigned.

Wm. W. Stewart, Endowment Officer  
The University of Texas  
Austin 12, Texas

Austin, Texas  
June 21, 1963

BID FORM

To: The Board of Regents of  
The University of Texas

Date \_\_\_\_\_

Address: Care of Wm. W. Stewart  
Endowment Officer  
The University of Texas  
Main Building 205  
Austin 12, Texas

Gentlemen:

In accordance with the Notice to Texas Banks, dated June 21, 1963,  
we bid the following rates for Paying Agency for the following issue:

\$4,000,000 Board of Regents of The University  
of Texas Permanent University Fund Bonds,  
Series 1963 (800 bonds in the denomination  
of \$5,000 each)

\_\_\_\_\_ ¢ per coupon paid

\_\_\_\_\_ ¢ per bond paid

If we are selected as Texas Paying Agent, the following should be  
named as Co-Paying Agents:

New York Paying Agent \_\_\_\_\_

Chicago Paying Agent \_\_\_\_\_

Name of Bank \_\_\_\_\_

Signed by \_\_\_\_\_

Address \_\_\_\_\_

BID FORM

To: The Board of Regents of  
The University of Texas

Date \_\_\_\_\_

Address: Care of Wm. W. Stewart  
Endowment Officer  
The University of Texas  
Main Building 205  
Austin 12, Texas

Gentlemen:

In accordance with the Notice to Texas Banks, dated June 21, 1963,  
we bid the following rates for Paying Agency for the following issue:

\$4,000,000 Board of Regents of The University  
of Texas Permanent University Fund Bonds,  
Series 1963 (800 bonds in the denomination  
of \$5,000 each)

\_\_\_\_\_ ¢ per coupon paid

\_\_\_\_\_ ¢ per bond paid

If we are selected as Texas Paying Agent, the following should be  
named as Co-Paying Agents:

New York Paying Agent \_\_\_\_\_

\_\_\_\_\_

Chicago Paying Agent \_\_\_\_\_

\_\_\_\_\_

Name of Bank \_\_\_\_\_

Signed by \_\_\_\_\_

Address \_\_\_\_\_

\$4,000,000  
BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS  
PERMANENT UNIVERSITY FUND BONDS - SERIES 1963  
INFORMATION FOR COMPANIES DESIRING TO SUBMIT BIDS  
FOR PRINTING BONDS

Proposals will be received until 2:00 p.m. Central Standard Time, July 10, 1963, by the Board of Regents of The University of Texas for printing bonds herein described. The bonds will be numbered consecutively from 1 to 800, both inclusive, and will be in the denomination of \$5,000 each.

Enclosed is a copy of the proposed Resolution covering the issue and the OFFICIAL BID FORM for submitting proposals to print the bonds. Twenty-four pound 100% rag bond paper must be used. Bids are requested for "book" type bonds printed on blanks with lithographed borders.

The bidder will indicate the number of working days which will be required for printing and delivery of the printed bonds to The Signature Company in New York, New York, including allowance of time for checking proof in Houston, Texas, as well as in Austin. The total bid price is to include the cost of transportation to New York, New York. The bids must be on the OFFICIAL BID FORM placed in an envelope and sealed, plainly marked as a "Sealed Bid for Printing Bonds" and either addressed to or filed with Wm. W. Stewart, Endowment Officer, The University of Texas, Main Building 205, Austin 12, Texas. The bids will be considered by the Board of Regents on the 12th of July, 1963. The right is reserved to waive irregularities and to reject any and all bids. Special reference is made to the blank for the certificate by the Comptroller of Public Accounts to be printed on the back of the bond. It shall be the duty of the printer to cause the seal of the Comptroller to be impressed thereon. This can be accomplished either through use of a seal die to be furnished by the Comptroller and used in the printing process, or, at the option of the printer, by using a complete seal with handle to be furnished by the Comptroller. Special attention is called to the fact that the resolution authorizing the bonds will specify that the bonds are to be executed by the imprinted facsimile signatures of the Chairman and the Secretary of the Board. It shall be the duty of the printer to cause the seal of the University to be impressed or printed or lithographed on the bonds. The

coupons will carry the lithographed or printed facsimile signatures of the Chairman and the Secretary of the Board.

It shall further be the duty of the printer to print on the back of each bond the approving legal opinion of Vinson, Elkins, Weems & Searls, Attorneys at Law, Houston, Texas, together with an appropriate certification of said opinion by the printed signature of the Secretary of the Board of Regents. A copy of said legal opinion and certification is enclosed for the information of the bidder.

Wm. W. Stewart, Endowment Officer  
The University of Texas  
Austin 12, Texas

DATED June 21, 1963

OFFICIAL BID FORM

PROPOSAL FOR PRINTING OF BONDS  
BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS

PERMANENT UNIVERSITY FUND BONDS - SERIES 1963  
\$4,000,000

To: The Board of Regents of  
The University of Texas

Address: Care of Wm. W. Stewart  
Endowment Officer  
The University of Texas  
Main Building 205  
Austin 12, Texas

Gentlemen:

In accordance with your request dated June 21, 1963, we make  
the following proposal for printing bonds of the subject issue:

ISSUE

\$4,000,000 Board of Regents of The University  
of Texas Permanent University Fund Bonds,  
Series 1963 (800 bonds in denomination of  
\$5,000 each)

One Coupon Rate	\$ _____
Two Coupon Rates	\$ _____
Three Coupon Rates	\$ _____
Four Coupon Rates	\$ _____

\_\_\_\_\_ working days will be required for printing and delivery of printed  
bonds to New York, New York, including allowance of time for checking proofs  
in Houston, Texas, as well as in Austin.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 1963.

Submitted by:

\_\_\_\_\_

By: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

OFFICIAL BID FORM

PROPOSAL FOR PRINTING OF BONDS  
BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS

PERMANENT UNIVERSITY FUND BONDS - SERIES 1963  
\$4,000,000

To: The Board of Regents of  
The University of Texas

Address: Care of Wm. W. Stewart  
Endowment Officer  
The University of Texas  
Main Building 205  
Austin 12, Texas

Gentlemen:

In accordance with your request dated June 21, 1963, we make  
the following proposal for printing bonds of the subject issue:

ISSUE

\$4,000,000 Board of Regents of The University  
of Texas Permanent University Fund Bonds,  
Series 1963 (800 bonds in denomination of  
\$5,000 each)

One Coupon Rate	\$ _____
Two Coupon Rates	\$ _____
Three Coupon Rates	\$ _____
Four Coupon Rates	\$ _____

\_\_\_\_\_ working days will be required for printing and delivery of printed  
bonds to New York, New York, including allowance of time for checking proofs  
in Houston, Texas, as well as in Austin.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 1963.

Submitted by:

\_\_\_\_\_

By: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

## **Land & Investment Committee**

LAND AND INVESTMENT COMMITTEE

Date: Friday, July 12, 1963

Time: 10:30 a. m.

Place: Main Building, Room 210 (Office of the Secretary)

Members:

Regent Madden, Chairman  
Regent Brenan  
Regent Erwin  
Regent Olan

1. Detailed Agenda for the Land and Investment Committee as Prepared by the Endowment Officer
2. Trust and Special Funds Grouped for Investment  
  
Recommendations for Additions--for action by Committee only
3. Outline by Secretary of Recommendations of the Administration to the Land and Investment Committee and Attachment No. 1
4. Discussion Item: Organization of University Lands Office in Midland

LAND AND INVESTMENT COMMITTEE  
July 12, 1963

I. PERMANENT UNIVERSITY FUND

A. INVESTMENT MATTERS:

1. Report of Purchases, Sales and Calls of Securities.
2. Permanent University Fund Investment Program - Proposed Successor to Investment Advisory Committee Member Whose Term Expires on August 31, 1963.
3. Permanent University Fund Investment Program - Recommended Changes to Approved List of Dealers for Unlisted Stock Transactions.

B. LAND MATTERS:

1. Surface Lease No. 1749, Town of Wickett, Texas, Ward County.
2. Power Line Easement No. 1750, Community Public Service Company, Ward County.
3. Power Line Easement No. 1751, (renewal of 576), American Telephone and Telegraph Company, Ward and Ector Counties.
4. Pipe Line Easement No. 1752, (renewal of 556), Magnolia Pipe Line Company, Andrews County.
5. Pipe Line Easement No. 1753, (renewal of 537), Magnolia Pipe Line Company, Andrews County.
6. Pipe Line Easement No. 1754, (renewal of 536), Magnolia Pipe Line Company, Andrews County.
7. Pipe Line Easement No. 1755, Texas-New Mexico Pipe Line Company, Crane County.
8. Pipe Line Easement No. 1756, (renewal of 604), Phillips Petroleum Company, Andrews County.
9. Power Line Easement No. 1757, Texas Electric Service Company, Loving County.
10. Power Line Easement No. 1758, Texas Electric Service Company, Crane County.
11. Power Line Easement No. 1759, Texas Electric Service Company, Andrews and Ector Counties.
12. Material Source Permit No. 244, Howard Shaw Contracting Company, Andrews County.
13. Material Source Permit No. 245, State Highway Department, Crane County.
14. Grazing Lease No. 887, V. A. Wade, Ward County.
15. Grazing Lease No. 888, (renewal of 738), J. D. Poage, Reagan and Upton Counties.
16. Surface Leases Nos. 1043, 1112, and 1494, Phillips Petroleum Company, Assignment of Residence Sites to Company Employees.
17. Water Exploration Permit No. 89, Southern Gulf Utilities Texas Division Inc., Extension of Exploration Period.
18. Recommendation of Policy Concerning Power and Telephone Lines to Serve University Lessees.
19. Recommendation of Approval of Revised Surface Lease Contract Form for Residence, Business Site, and Miscellaneous Surface Leases on West Texas Lands.
20. Grazing Lease No. 814, Pecos County, Assignment from N. E. Johnson to Lucille S. Smith, Jim E. Rose, Jr., and Shelby H. Blaydes, dba LU-RO-SHEL & Company, a Partnership.

C. DISCUSSION MATTERS:

1. Organization of University Lands Offices in Midland.

## II. TRUST AND SPECIAL FUNDS

### A. INVESTMENT MATTERS:

1. Report of Purchases, Sale and Calls of Securities.
- \*2. Funds Grouped for Investment - Recommendations re Additions.
3. Trust and Special Funds Investment Program - Recommended Amendments to Policies Governing Program.
4. The Alexander Caswell Ellis Fellowship in Education Fund - Recommended Investment Program for Assets from the Estate of Mary H. Ellis, Deceased.

### B. GIFT, ESTATE AND BEQUEST MATTERS:

1. Hogg Foundation - Gift by the Varner-Bayou Bend Heritage Fund of Allied Stores Corporation Stock for the Benefit of the Child Guidance Center of Houston.
2. Medical Branch - Bequest Under the Will of Charlotte Warmoth, Deceased.
3. M. D. Anderson Hospital and Tumor Institute - Bequest Under the Will of Carolyn Froebel, Deceased.

### C. REAL ESTATE MATTERS:

1. Southwestern Medical School - Danciger Research Laboratories - Recommendation for Authorization to Negotiate Sale of Weinberger Property in Dallas.
2. Hogg Foundation - Varner Properties: Recommendation for Suit to Collect Rental on 1019 Capitol Avenue, Houston.

\*For action by the Land and Investment Committee only. For information of other members.

July 12, 1963

To the Members of the Regents' Land and Investment Committee  
The University of Texas

Subject: FUNDS GROUPED FOR INVESTMENT

Gentlemen:

It is recommended that the following additions, representing new money and funds being transferred, made to the "Funds Grouped for Investment" as of June 1, 1963, be approved, pursuant to the policy adopted by the Committee on July 9, 1948:

Lillian Barkley Scholarship Fund (\$2,637.91 already in Grouped)	\$ 22.72
The Accounting Education Fund (College of Business Administration Foundation) (\$31,726.04 already in Grouped)	10.00
J. Anderson Fitzgerald Special Scholarship Fund (College of Business Administration Foundation) (\$3,525.03 already in Grouped)	15.00
Morgan and Hamah Smith Callaway Fund (\$69,251.40 already in Grouped)	659.12
Emma Dallenbach Clark Fellowship in Psychology (\$11,423.28 already in Grouped)	123.67
John Wallace Dallenbach Fellowship in Psychology (\$41,036.71 already in Grouped)	474.75
Kate J. Decherd Bible Scholarships (\$4,093.19 already in Grouped)	239.11
J. C. Dolley Finance Education Fund (\$107.59 already in Grouped)	1.00
Frederick Eby Research Prize in Humanistic Studies in Education (\$225.00 already in Grouped)	50.00
Various Donors - Various Purposes (College of Engineering Foundation) (\$1,270.84 already in Grouped)	368.92
Advisory Council - Various Donors (College of Fine Arts Foundation) (\$1,832.20 already in Grouped)	16.50
E. William Doty Scholarship Fund (College of Fine Arts Foundation) (\$1,455.02 already in Grouped)	12.84
Department of Drama Ex-Students Scholarship Fund (College of Fine Arts Foundation) (\$312.63 already in Grouped)	2.86
Mavis Alexander Fitzgerald Awards (\$152.05 already in Grouped)	1.66
Mary E. Gearing Bequest for Child Welfare and Parent Education Foundation (\$10,982.99 already in Grouped)	295.78

FUNDS GROUPEd FOR INVESTMENT  
(Continued)

Hal P. Bybee Memorial Fund (Geology Foundation) (\$60,276.08 already in Grouped)	\$ 959.00
Robert H. Cuyler Memorial Scholarship (Geology Foundation) (\$10,461.42 already in Grouped)	11.00
Frederick W. Simonds Memorial Scholarship (Geology Foundation) (\$10,400.00 already in Grouped)	175.00
Dr. F. L. Whitney Memorial Scholarship (Geology Foundation) (\$6,690.00 already in Grouped)	105.00
The Gilbreth Award Fund (\$288.34 already in Grouped)	2.79
Interfraternity Council - Panhellenic Council Trust Fund (\$56,716.75 already in Grouped)	8,402.13
Kappa Epsilon Scholarship Fund (\$1,004.05 already in Grouped)	12.00
Library Memorial Fund - Various Donors (\$200.00 already in Grouped)	100.00
Lora Lee Pederson Scholarship Fund, Graduate School of Social Work (\$1,321.00 already in Grouped)	35.25
Alma Jacobs House Piner Fund (\$6,009.17 already in Grouped)	58.31
DeWitt Reddick Journalism Scholarship Fund (\$2,900.79 already in Grouped)	25.20
The Amanda Stolfus Memorial Trust Fund (\$2,199.05 already in Grouped)	28.72
The Robert Cantrell Feamster Foundation (Medical Branch) (\$2,308.60 already in Grouped)	22.38
Arild E. Hansen Lectureship Fund (Medical Branch) (\$4,960.18 already in Grouped)	500.00
C. D. Belding Memorial Fund (Texas Western College) (\$4,147.00 already in Grouped)	500.00
Additional Total Added to Funds Grouped 6/1/63	<u>\$13,230.71*</u>

\*(The above total of \$13,230.71, submitted for approval, supplements additions to Funds Grouped for Investment on June 1, 1963, in the amount of \$16,966.50, previously approved by the Land and Investment Committee.)

It is recommended that the above additions be approved.

Respectfully submitted

STAFF INVESTMENT COMMITTEE

J. C. Dolley, Vice Chancellor (Fiscal Affairs)  
Wm. W. Stewart, Endowment Officer  
Mary E. Cook, Assistant to the Endowment Officer

OUTLINE  
RECOMMENDATIONS OF ADMINISTRATION  
TO  
LAND AND INVESTMENT COMMITTEE

The Secretary has outlined the Recommendations of the Administration to the Land and Investment Committee (Attachment No. 1, L-1 through L-27) with your attention directed to those items in all CAPS:

	<u>Page No.</u>
I. Permanent University Fund	
A. Investment Matters-PURCHASES, SALES, AND CALLS Since Last Report	
1. Corporate Bonds \$1,000,000 Purchased (Total Principal Cost)	L-1
2. Common Stocks \$2,126,534.50 Purchased (Principal Cost Including Commissions)	L-1
3. Sales of Corporate Securities \$51.88	L-6
4. Calls of Corporate Securities \$763,726.50	L-6
B. Investment Program	
1. VACANCY, Investment Advisory Committee	L-6
2. Recommended Changes (Approved List of Dealers for Unlisted Stock Transactions)	L-7
C. Land Matters	
1. Easements Nos. 1749-1759	L-8
2. Grazing Leases Nos. 887-889	L-8
3. Material Source Permits Nos. 244 and 245	L-9
4. Assignment of Surface Leases 1043, 1112, and 1493	L-10
5. Extension of Water Permit No. 89 (THREE YEARS)	L-10
6. POLICY re Power and Telephone Lines to Serve University Lessees	L-10
7. REVISED Surface Lease Contract FORM for Residence, Business Site, and Miscellaneous Surface Leases	L-10
8. Assignment Grazing Lease No. 814	L-11

II. Trust and Special Funds

A. Report of Securities

1. PURCHASES Approximately \$372,961.98  
(Principal Cost) L-12
2. SALES \$368.92  
(Net Principal Proceeds) L-13
3. CALLS \$47,619.70  
(Total Principal Proceeds) L-13

B. Program, Investment

1. POLICIES, Amendments to L-14
2. POLICIES Governing  
(Complete including Amendments  
Proposed for July Meeting) L-15

- C. Estate of Mary H. Ellis (Alexander Caswell  
Ellis Fellowship Fund in Education) L-18  
INVESTMENT Program Recommended

D. Gift, Estate and Bequest Matters

1. Gift by the Varner-Bayou Bend Heritage  
Fund (Allied Stores Corporation Stock)  
for Child Guidance Center of Houston L-25
2. Bequest of Charlotte Warmoth (Medical Branch) L-25
3. Bequest of Carolyn Froebel (M. D. Anderson  
Hospital and Tumor Institute) L-26

E. Real Estate Matters

1. Authorization to Sell Weinberger Property  
(Southwestern Medical School) L-27
2. Varner Properties-Proposed Suit to  
Collect Rental from Houston Shoe Hospital  
(Mitchell Property-1019 Capitol Avenue) L-27

EXHIBIT A

THE UNIVERSITY OF TEXAS

Surface Lease No. \_\_\_\_\_

THE STATE OF TEXAS }  
COUNTY OF TRAVIS }

This AGREEMENT entered into this the \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, by and between the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS, herein called "Lessor," and \_\_\_\_\_, herein called "Lessee," WITNESSETH:

For and in consideration of the rentals to be paid by Lessee to Lessor and the covenants herein contained on the part of Lessee to be kept and performed, Lessor, pursuant to Article 2596, Vernon's Civil Statutes, does hereby lease unto Lessee for the period beginning on the first day of \_\_\_\_\_, and terminating on the last day of \_\_\_\_\_, with the option to extend and renew said lease from year to year, but in any event not to exceed a total period of ten (10) years, by paying to Lessor as rental the sum of \_\_\_\_\_, in advance, to the Auditor of The University of Texas, at Austin, Texas, on or before the first day of \_\_\_\_\_ of each year during the term hereof, the following described tract of land:

(Description)

The following terms and conditions as to the use of the leased premises hereby granted are expressly agreed to by Lessee, and a violation thereof is expressly understood to be sufficient cause for cancellation of this lease by Lessor, should Lessor so elect:

1. Lessee is hereby given the right and privilege of using and enjoying the surface of the above-described premises as a site for \_\_\_\_\_, and in this connection is given the right and privilege of erecting and maintaining thereon all necessary and desirable appurtenances therefor, including the right to erect, maintain and use building

and other structures, fixtures, equipment or other improvements necessary or convenient for such purpose. Lessee shall also have the right to drill and operate water wells thereon and to erect and maintain tanks for the proper storage of any such water so produced for the use thereof on the premises. The leased premises shall be fenced by the Lessee with a suitable fence capable of turning livestock.

2. Lessee shall furnish a designation and sketch of said land showing improvements located thereon and any other information concerning said land or lease whenever requested so to do by Lessor.

3. Lessee shall not commit or suffer to be committed waste upon said premises, and shall keep said premises and the improvements and equipment thereon in good order and repair and in clean, safe and healthful condition, and shall comply with all State, Federal and local laws, rules and regulations with regard to the use and conditions of the demised premises and improvements and equipment thereon.

4. Lessee shall have the right at any time during the term of this lease to remove all improvements and equipment owned or placed by it on said premises, but Lessee shall not remove any casing or otherwise interfere with any water well or wells that may have been drilled as a producer of water on said land, such casing to become the property of Lessor on the termination of this lease. At the termination of this lease, Lessee shall promptly surrender the premises in substantially as good condition as when received, ordinary wear and tear and damage by fire or the elements alone excepted, and will fill all excavations, level and restore the terrain to as nearly its present condition as is possible.

5. It is understood and agreed that this lease is made subject to any and all outstanding easements or mineral leases covering the premises. All oil, gas, and other mineral rights are hereby reserved to the State of Texas for the use and benefit of The University of Texas.

6. It is agreed and understood that Lessor is not to be liable for any damages or injuries to any person or persons or property on account of the occupancy, use or improvements placed on said premises by the Lessee, its successors or assigns, but that Lessee, its successors or assigns, is to fully indemnify, protect, and hold Lessor harmless against any such liability.

7. Lessee shall pay all charges connected with the operation of said premises, including all taxes, assessments and charges, general and specific, that may be levied or assessed against Lessee by reason of its use of said premises and improvements and equipment situated thereon.

8. In the event Lessee shall fail to pay any of said installments of rent, as provided herein, when the same shall become due, then such installment shall bear interest at the rate of ten (10%) per cent per annum from the date when the same becomes due until paid. It is further understood and agreed that Lessor shall have the right to declare this agreement forfeited, cancelled and terminated upon the breach by Lessee of any of the covenants, conditions and agreements contained herein; it being provided, however, that Lessor shall give Lessee written notice, as provided herein, of such intention to forfeit, cancel and terminate this agreement and the reasons therefor, and Lessee shall have thirty (30) days after receipt of such notice within which to rectify the breach or violation complained of.

9. Lessee may assign or sublet its leasehold interest in said demised premises, provided that all covenants and agreements herein contained to be kept and performed by it shall have been fully complied with; and provided further, that in the event of any such assignment or subletting that the same shall be evidenced in writing properly executed and acknowledged by the parties thereto and a copy thereof furnished Lessor; and Lessee agrees that it will not make any assignment or long-term subletting except in this manner and upon the above conditions, it being understood that any assignment or subletting made in any other way shall be absolutely void.

EXECUTED on the respective dates set opposite the parties' names below.

ATTEST:

BOARD OF REGENTS OF  
THE UNIVERSITY OF TEXAS

\_\_\_\_\_

By \_\_\_\_\_  
Chairman LESSOR  
Date: \_\_\_\_\_

\_\_\_\_\_  
By \_\_\_\_\_  
LESSEE  
Date \_\_\_\_\_

Approved as to Form:

Approved as to Content:

\_\_\_\_\_  
University Attorney  
Date: \_\_\_\_\_

\_\_\_\_\_  
University Endowment Officer  
Date: \_\_\_\_\_



To Mr. Madley  
Approved by Committee  
Do you need to mention it?

LAND AND INVESTMENT COMMITTEE, JULY 13, 1963.

TRUST AND SPECIAL FUNDS - REAL ESTATE MATTERS.--

TEXAS WESTERN COLLEGE - FRANK B. COTTON TRUST - ASSIGNMENT BY WESTERN GMC TRUCKS, INC., OF LEASE IN COTTON ADDITION, EL PASO.--Western GMC Trucks, Inc., holds a lease for 20 years from September 1, 1955, on 2.854 acres in the Cotton Addition, El Paso, with right of renewal at negotiated rental for another 10 years. The Lessee wishes to sublease approximately the westerly one-half of the ground to Motors Holding Division of General Motors Corporation and the remainder of the ground to Great Western Fuel and Oil Company, which is having its name changed to Western Oil Distributing Company. Western GMC Trucks, Inc., will continue to own the improvements on the ground and will continue responsible for rental and all other obligations under its lease. The lease requires approval by the Board of Regents of any subleases, and it is recommended that this approval be given.

WWS

July 1963  
Meeting

OUTLINE OF DOCKET  
(Attachment No. 2)

Referred to Academic and  
Developmental Affairs Committee

Below is an outline of Chancellor Ransom's Docket (Attachment No. 2) which is prepared and assembled by the Administration. Customary procedure is for the Secretary to outline this document in order that each Regent may easily pinpoint items or locate those areas in which he is particularly interested. Your especial attention is directed to items in all CAPS.

	<u>Page No.</u>
I. <u>Central Administration (C-1 through C-3)</u>	
A.     GIFTS	
1.    Miscellaneous (6) Totaling Approximately \$1,365.74	1
2.    Grant for Dean's Salary, South Texas Medical School (\$8,500)	2
B.     DELEGATION OF AUTHORITY to Sign for the President - Texas Western College	2
C.     Recommendations re Additional Work on the Undergraduate Library and Academic Center Under Agreement with Interior Space Design, Inc., A Division of Perkins and Will, Architects, Dated November 6, 1961	2
D.     DELEGATION OF AUTHORITY to Sign for the Chancellor	3
II. <u>Main University (M-1 through M-29)</u>	
A.     Research Contracts with Federal Government (39) Totaling Approximately \$1,701,704.28	1
B.     CONTRACTS, Miscellaneous (12) 4 Interagency Contracts	6
C.     Gifts and Grants (145) Totaling Approximately \$281,428.65	8
D.     Faculty LEGISLATION (3)	18
E.     Waiver of NEPOTISM (1)	18
F.     USE OF TEXTBOOKS WRITTEN BY FACULTY MEMBERS (13), Royalty ranges from 0 to 15%	18

	<u>Page No.</u>
G. TRAVEL PAID FROM NON-TRAVEL ACCOUNTS (6)	19
H. LABORATORY FEE SCHEDULE, Additions, Deletions and Changes in the Laboratory Fee Schedule, Dated September 1, 1963	20
I. Report on BIDS Received for Various Services and Permission for Business Manager to Enter into CONTRACTS	
1. Contract Award for Dairy Products, Division of Housing and Food Service 1963-64	21
2. Permission to Renew Contract for Laundry and Dry Cleaning in Kinsolving Dormitory	22
3. Air Force R. O. T. C. Uniforms Contract for the 1963-64 Fiscal Year	23
4. Vending Machine Contract for Washers, Dryers, and Soap Machines for University Residence Halls	23
5. Award of Laundry Service Contract for The University of Texas Division of Housing and Food Service - 1963-64 - BIDS	24
6. Award of Uniform and Linen Rental Contract BIDS	26
7. Rental of Lockers in Business-Economics Building	29
J. Sale of University Equipment to a Staff Member	29
K. Transfer of Unencumbered General Revenue Fund Appropriation	29
III. <u>Texas Western College (W-1 through W-4)</u>	
A. Leaves of Absence (3)	1
B. Business CONTRACT Items (8)	1
C. Gifts and Grants (26) Totaling Approximately \$11,066.76	2
D. Government Contracts and Grants (5) Totaling Approximately \$135,564.00	4
IV. Medical Branch (G-1 through G-5)	
A. Membership, Medical Staff of The University of Texas Medical Branch Hospitals (1)	1

	<u>Page No.</u>
B. The James W. McLaughlin Fellowship Fund, Recommendations Re (2)	1
C. Government Contracts and Grants (19) Totaling Approximately \$424,004.00	1
D. Gifts and Grants (16) Totaling Approximately \$195,229.77 Items 12 & 14	3
V. <u>Dental Branch (D-1)</u>	
A. Gifts and Grants (2) Totaling Approximately \$2,725.00	1
B. Government Contract (1) Totaling Approximately \$42,307.00	1
VI. <u>M. D. Anderson Hospital and Tumor Institute (A-1 and A-2)</u>	
A. Government Contracts and Grants (7) Totaling Approximately \$176,010.00	1
B. Gifts and Grants (9) Totaling Approximately \$43,072.74	2
VII. <u>Southwestern Medical School (S-1 through S-10)</u>	
A. Clinical Faculty (Appointments and Changes of Status)	1
B. Fellows (Appointment and Resignation)	1
C. Purchase of Air-Conditioners	1
D. Changes in Grants Previously Awarded (4)	2
E. Grant Refunds (2) Totaling \$3,164.73	2
F. Gifts and Grants (20) Totaling Approximately \$274,324.02	2
G. Government Contracts and Grants (26) Totaling Approximately \$983,907.00	3
H. National Defense Student Loan Program (\$710 Allocation)	9
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VIII. <u>Postgraduate School of Medicine (P-1)</u>	
A. Government Contracts and Grants (2) Totaling Approximately \$17,072.00	1
B. Gifts and Grants (4) Totaling Approximately \$1,431.59	1

Below is a SUMMARY of GIFTS AND GRANTS and FEDERAL CONTRACTS as REPORTED in the Docket:

<u>Institution</u>	<u>Gifts and Grants</u>	<u>Government Contracts</u>
Central Administration	\$ 1,365.74	\$
Main University	281,428.65	1,701,704.28
Texas Western College	11,066.76	139,564.00
Medical Branch	195,229.77	424,004.00
Dental Branch	2,725.00	42,307.00
M. D. Anderson Hospital and Tumor Institute	43,072.74	176,010.00
Southwestern Medical School	274,324.02	983,907.00
Postgraduate School of Medicine	1,431.59	17,072.00
South Texas Medical School	8,500.00	
Refunds	<u>3,164.73</u>	
	<u>\$815,979.54</u>	<u>\$3,484,568.28</u>