

OMISSION

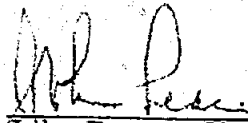
Pages 1139 - 1493

A. Ruth Baker

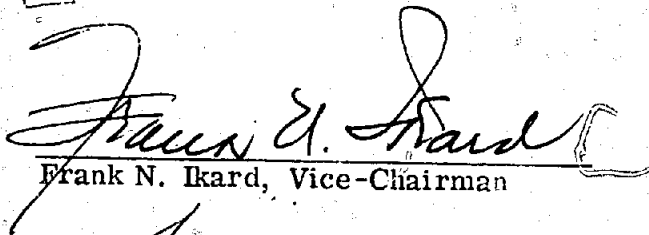
SIGNATURE OF OPERATOR

We, the undersigned members of the Board of Regents of The University of Texas System, hereby ratify and approve all actions taken at this meeting (December 8, 1972) to be reflected in the Minutes.

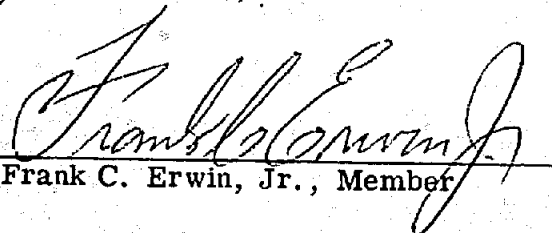
Signed this the 8th day of December, 1972, A. D.



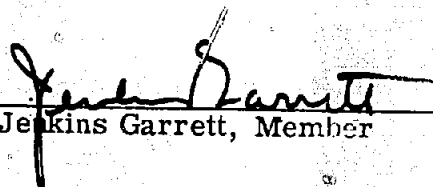
John Peace, Chairman



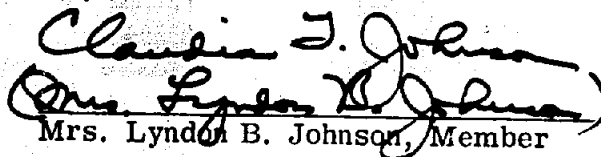
Frank N. Kard, Vice-Chairman



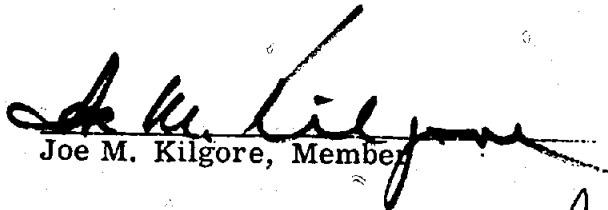
Frank C. Erwin, Jr., Member



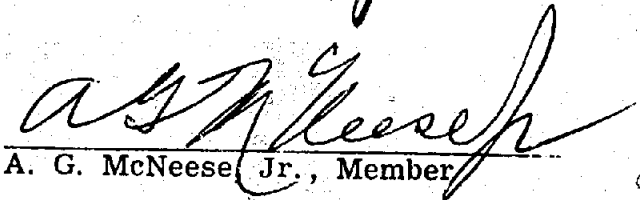
Jenkins Garrett, Member



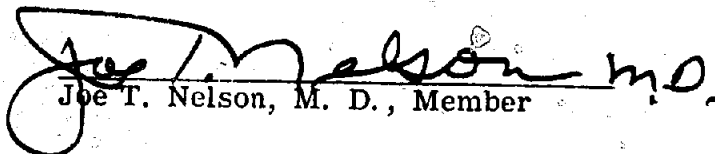
Mrs. Lynda B. Johnson, Member



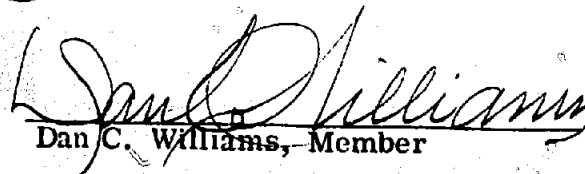
Joe M. Kilgore, Member



A. G. McNeese, Jr., Member



Joe T. Nelson, M. D., Member



Dan C. Williams, Member

Meeting No. 706

THE MINUTES OF THE BOARD OF REGENTS
OF
THE UNIVERSITY OF TEXAS SYSTEM

Pages 1 - 84

December 8, 1972

San Antonio, Texas

MEETING NO. 706

FRIDAY, DECEMBER 8, 1972.--The Board of Regents of The University of Texas System convened in regular session at 9:00 a.m. on Friday, December 8, 1972, in the Anacacho Room of The St. Anthony Hotel, San Antonio, Texas.

ATTENDANCE.--

<u>Present</u>	<u>Absent</u>
Chairman Peace, Presiding	None
Vice-Chairman Ikard	
Regent Erwin	
Regent Garrett	
Regent (Mrs.) Johnson	
Regent Kilgore	
Regent McNeese	
Regent Nelson	
Regent Williams	

Betty Anne Thedford, Secretary

Chancellor LeMaistre
Chancellor Emeritus Ransom
Deputy Chancellor Walker

The meeting was called to order by Chairman Peace.

CHAIRMAN'S OPENING REMARKS.--In his opening remarks, Chairman Peace welcomed the Regents and others in attendance at the meeting but said that he did not take any particular credit for the weather that had accompanied the guests to the city. This meeting, he continued, is a part of the Board of Regents' program of going to the sites of all of the new academic institutions.

Beginning with a meeting at Odessa, the members of the Board of Regents were taken out to the site of The University of Texas of the Permian Basin and were received cordially as each member of the Board will recall. Then, the Board of Regents also held a meeting in one of the buildings at The University of Texas at Dallas, another of the new academic institutions. We had planned to take the members of the Board to the site of The University of Texas at San Antonio, but because of the weather will not do so.

I do apologize for the weather and that we cannot go out to the site of the new academic institution here.

We do welcome you and we do appreciate the fact that the Board of Regents has completed its circuit to all of the sites where we do have new academic institutions.

I wish to thank the people in San Antonio generally for their cooperation in setting up this meeting and for their hospitalities which they have arranged.

As a first special order of business we shall receive a report on the \$17,000,000 Tuition Revenue Bonds.

U. T. SYSTEM: (1) RESOLUTION AUTHORIZING THE ISSUANCE OF BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM GENERAL TUITION REVENUE BONDS, SERIES 1972-A, \$17,000,000 (AUTHORIZED BY HOUSE BILL NO. 278, 62ND LEGISLATURE, R.S., 1971) AND AWARDING OF SALE OF BONDS TO A SYNDICATE MANAGED BY HALSEY, STUART & CO., INC., REYNOLDS SECURITIES INC., LEHMAN BROTHERS INCORPORATED, AND BLYTH EASTMAN DILLON & CO., INC. (2) DESIGNATION OF THE CAPITAL NATIONAL BANK IN AUSTIN, AUSTIN, TEXAS, OR CHEMICAL BANK, NEW YORK, NEW YORK, AS THE PAYING AGENT AND (3) AWARDED OF CONTRACT TO STECK-WARLICK COMPANY, THE STECK DIVISION, AUSTIN, TEXAS FOR THE PRINTING OF THE BONDS.--The resolution set out on Pages 4-16 was duly introduced for the consideration of said Board and read in full. It was then duly moved by Regent Nelson and seconded by Regent Williams that said resolution be adopted; and, after due discussion, said motion carrying with it the adoption of said resolution, prevailed and carried by the following vote:

AYES: All members of said Board shown present on Page 1 voted "Aye" except Regent McNeese who abstained.*

NOES: None.

The adoption of this resolution authorized issuance of Board of Regents of The University of Texas System General Tuition Revenue Bonds, Series 1972-A, in the amount of \$17,000,000, and awarded the sale of the bonds to a Syndicate managed by Halsey, Stuart & Co., Inc., Reynolds Securities Inc., Lehman Brothers Incorporated, and Blyth Eastman Dillon & Co., Inc., for the principal amount thereof plus accrued interest thereon to date of delivery plus a premium of \$1,700 (Page 16) and at the interest rates reflected on Page 4. The effective interest rate is 4.9680%.

The bonds (authorized by H. B. No. 278, 62nd Legislature, State of Texas, R.S., 1971) are for the purpose of providing funds to acquire, purchase, construct, improve, enlarge, and/or equip property, buildings, structures, and facilities for The University of Texas at Dallas, The University of Texas of the Permian Basin, The University of Texas at San Antonio, The University of Texas Medical School at Houston, The University of Texas Dental School at San Antonio, The University of Texas (Undergraduate) Nursing School at El Paso, and The University of Texas (Clinical) Nursing School at San Antonio; provided that the Board may allocate all or any part of such funds to any one or more of such institutions in its discretion and in accordance with Law. This resolution provides that the bonds may be additionally secured by a pledge of an unlimited library use fee to be assessed only if needed against students at the component institutions involved.

*It was noted for the purpose of the record that Regent McNeese abstained from voting on this resolution not necessarily because of any conflict of interest but he did not know whether his bank had any interests in any of these transactions or not.

12-08-72

1057

Upon motion of Regent Nelson, seconded by Regent Williams, the bid of The Capital National Bank in Austin, Austin, Texas, to serve as Paying Agent for the Board of Regents of The University of Texas System General Tuition Revenue Bonds, Series 1972-A, in the amount of \$17,000,000, was unanimously accepted. The Co-paying Agent designated was Chemical Bank, New York, New York (Pages 5, 7). The Paying Agent will charge \$0.075 per coupon paid and \$0.75 per bond paid.

The Steck-Warlick Company, The Steck Division, Austin, Texas, was awarded by unanimous vote the contract to print the Board of Regents of The University of Texas System General Tuition Revenue Bonds, Series 1972-A, in the amount of \$17,000,000, upon motion of Regent Nelson, seconded by Regent Williams. These bonds are to be printed according to specifications with lithographed borders for the sum of \$1,394.50, there being six (6) interest rates.

RESOLUTION AUTHORIZING THE ISSUANCE OF BOARD OF REGENTS
OF THE UNIVERSITY OF TEXAS SYSTEM GENERAL TUITION REVENUE
BONDS, SERIES 1972-A, \$17,000,000

WHEREAS, the Board of Regents of The University of Texas System is authorized to issue the bonds hereinafter authorized pursuant to Chapter 55, Texas Education Code.

THEREFORE, BE IT RESOLVED BY THE BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM:

Section 1. That said Board's negotiable, serial, coupon bonds to be designated "BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM GENERAL TUITION REVENUE BONDS, SERIES 1972-A", are hereby authorized to be issued, sold, and delivered in the principal amount of \$17,000,000, FOR THE PURPOSE OF PROVIDING FUNDS TO ACQUIRE, PURCHASE, CONSTRUCT, IMPROVE, ENLARGE, AND/OR EQUIP PROPERTY, BUILDINGS, STRUCTURES, AND FACILITIES FOR THE UNIVERSITY OF TEXAS AT DALLAS, THE UNIVERSITY OF TEXAS OF THE PERMIAN BASIN, THE UNIVERSITY OF TEXAS AT SAN ANTONIO, THE UNIVERSITY OF TEXAS MEDICAL SCHOOL AT HOUSTON, THE UNIVERSITY OF TEXAS DENTAL SCHOOL AT SAN ANTONIO, THE UNIVERSITY OF TEXAS (UNDERGRADUATE) NURSING SCHOOL AT EL PASO, AND THE UNIVERSITY OF TEXAS (CLINICAL) NURSING SCHOOL AT SAN ANTONIO; PROVIDED THAT THE BOARD MAY ALLOCATE ALL OR ANY PART OF SUCH FUNDS TO ANY ONE OR MORE OF SUCH INSTITUTIONS IN ITS DISCRETION AND IN ACCORDANCE WITH LAW.

Section 2. That said bonds shall be dated OCTOBER 1, 1972, shall be numbered consecutively from 1 THROUGH 3,400, shall be in the denomination of \$5,000 EACH, and shall mature and become due and payable serially on APRIL 1 in each of the years, and in the amounts, respectively, as set forth in the following schedule:

<u>YEARS</u>	<u>AMOUNTS</u>	<u>YEARS</u>	<u>AMOUNTS</u>
1974	\$ 170,000	1989	\$ 595,000
1975	195,000	1990	625,000
1976	215,000	1991	655,000
1977	240,000	1992	685,000
1978	265,000	1993	715,000
1979	295,000	1994	745,000
1980	325,000	1995	780,000
1981	360,000	1996	825,000
1982	390,000	1997	865,000
1983	430,000	1998	915,000
1984	465,000	1999	965,000
1985	495,000	2000	1,015,000
1986	525,000	2001	1,045,000
1987	555,000	2002	1,065,000
1988	580,000		

Said Bonds may be redeemed prior to their scheduled maturities, at the option of said Board, on the dates stated, and in the manner provided, in the FORM OF BOND set forth in this Resolution.

Section 3. That said bonds scheduled to mature during the years, respectively, set forth below shall bear interest at the following rates per annum:

maturities 1974 through 1986,	6.00%
maturities 1987,	5.25%
maturities 1988 through 1989,	4.80%
maturities 1990 through 1991,	4.90%
maturities 1992 through 1999,	5.00%
maturities 2000 through 2002,	4.50%

Said interest shall be evidenced by interest coupons which shall appertain to said bonds, and which shall be payable on the dates stated in the FORM OF BOND set forth in this Resolution.

Section 4. That said bonds, and the interest coupons appertaining thereto, shall be payable, shall have the characteristics, and shall be signed and executed (and said Bonds shall be sealed), all as provided, and in the manner indicated, in the FORM OF BOND set forth in this Resolution.

Section 5. That the form of said bonds, including the form of Registration Certificate of the Comptroller of Public Accounts of the State of Texas to be printed and endorsed on each of said bonds, and the form of the aforesaid interest coupons which shall appertain and be attached initially to each of said bonds, shall be, respectively, substantially as follows:

FORM OF BOND:

NO. _____

\$5,000

UNITED STATES OF AMERICA
STATE OF TEXAS
BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM
GENERAL TUITION REVENUE BOND
SERIES 1972-A

ON APRIL 1, _____, the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM promises to pay to bearer the principal amount of

FIVE THOUSAND DOLLARS

and to pay interest thereon, from the date hereof, at the rate of _____% per annum, evidenced by interest coupons payable APRIL 1, 1973, and semi-annually thereafter on each OCTOBER 1 and APRIL 1 while this bond is outstanding.

THE PRINCIPAL of this bond and the interest coupons appertaining hereto shall be payable to bearer, in lawful money of the United States of America, without exchange or collection charges to the bearer, upon presentation and surrender of this bond or proper interest coupon, at the following, which shall constitute and be defined as the "Paying Agent" for this Series of Bonds:

THE CAPITAL NATIONAL BANK IN AUSTIN, AUSTIN, TEXAS,
OR, AT THE OPTION OF THE BEARER, AT
CHEMICAL BANK, NEW YORK, NEW YORK.

THIS BOND is one of a Series of negotiable, serial, coupon bonds, dated OCTOBER 1, 1972, issued in the principal amount of \$17,000,000, FOR THE PURPOSE OF PROVIDING FUNDS TO ACQUIRE, PURCHASE, CONSTRUCT, IMPROVE, ENLARGE, AND/OR EQUIP PROPERTY, BUILDINGS, STRUCTURES, AND FACILITIES FOR THE UNIVERSITY OF TEXAS AT DALLAS, THE UNIVERSITY OF TEXAS OF THE PERMIAN BASIN, THE UNIVERSITY OF TEXAS AT SAN ANTONIO, THE UNIVERSITY OF TEXAS MEDICAL SCHOOL AT HOUSTON, THE UNIVERSITY OF TEXAS DENTAL SCHOOL AT SAN ANTONIO, THE UNIVERSITY OF TEXAS (UNDERGRADUATE) NURSING SCHOOL AT EL PASO, AND THE UNIVERSITY OF TEXAS (CLINICAL) NURSING SCHOOL AT SAN ANTONIO; PROVIDED THAT THE BOARD MAY ALLOCATE ALL OR ANY PART OF SUCH FUNDS TO ANY ONE OR MORE OF SUCH INSTITUTIONS IN ITS DISCRETION AND IN ACCORDANCE WITH LAW.

ON APRIL 1, 1983, OR ON ANY INTEREST PAYMENT DATE THEREAFTER, the outstanding bonds of this Series may be redeemed

prior to their scheduled maturities, at the option of said Board, IN WHOLE, OR IN PART, for the principal amount thereof and accrued interest thereon to the date fixed for redemption, plus a premium on the principal amount of each such bond as follows:

- 3% if redeemed April 1, 1983 through October 1, 1985
- 2% if redeemed April 1, 1986 through October 1, 1988
- 1% if redeemed April 1, 1989 through October 1, 1991
- 0% if redeemed April 1, 1992 or thereafter.

At least thirty days prior to the date fixed for any such redemption said Board shall cause a written notice of such redemption to be published at least once in a financial publication published in the City of New York, New York, or in the City of Austin, Texas. By the date fixed for any such redemption due provision shall be made with the "Paying Agent" for the payment of the required redemption price. If such written notice of redemption is published and if due provision for such payment is made, all as provided above, the bonds which are to be so redeemed thereby automatically shall be redeemed prior to their scheduled maturities, and they shall not bear interest after the date fixed for redemption, and they shall not be regarded as being outstanding except for the purpose of being paid by the "Paying Agent" with the funds so provided for such payment.

IT IS HEREBY certified, recited, and covenanted that this bond has been duly and validly issued and delivered; that all acts, conditions, and things required or proper to be performed, exist, and be done precedent to or in the issuance and delivery of this bond have been performed, existed, and been done in accordance with law; and that the interest on and principal of this bond and the Series of which it is a part, together with other outstanding revenue bonds, are secured by and payable from an irrevocable first lien on and pledge of specified Pledged General Tuition imposed on students enrolled at each and every institution, branch, and school now or hereafter operated by or under the jurisdiction of said Board, and a student Library Use Fee at each New System Institution of said Board, and certain Federal interest grants, and other revenues, collectively defined as "Pledged Revenues" and further described and defined in the Resolution authorizing this Series of bonds.

SAID BOARD has reserved the right, subject to the restrictions stated in said Resolution authorizing this Series of bonds, to issue additional parity revenue bonds which also may be secured by and made payable from an irrevocable first lien on and pledge of the aforesaid Pledged Revenues.

THE HOLDER HEREOF shall never have the right to demand payment of this obligation out of any funds raised or to be raised by taxation.

IN WITNESS WHEREOF, this bond and the interest coupons appertaining hereto have been signed with the facsimile signature of either the Chairman of said Board or the Vice-Chairman of said Board, and countersigned with the facsimile signature of the Secretary of said Board, and the official seal of said Board has been duly impressed, or placed in facsimile, on this bond.

XXXXXXXXX

 Secretary, Board of Regents,
 The University of Texas System

XXXXXXXXX

 Chairman, Board of Regents
 The University of Texas System.

FORM OF REGISTRATION CERTIFICATE:

1061

COMPTROLLER'S REGISTRATION CERTIFICATE: REGISTER NO.

I hereby certify that this bond has been examined, certified as to validity, and approved by the Attorney General of the State of Texas, and that this bond has been registered by the Comptroller of Public Accounts of the State of Texas.

Witness my signature and seal this

XXXXXXXXXX
Comptroller of Public Accounts of
the State of Texas.

FORM OF INTEREST COUPON:

NO. _____ \$ _____
ON _____ 1, _____

THE BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, promises to pay to bearer the amount shown on this interest coupon, in lawful money of the United States of America, without exchange or collection charges to the bearer, unless due provision has been made for the redemption prior to maturity of the bond to which this interest coupon appertains, upon presentation and surrender of this interest coupon, at the

THE CAPITAL NATIONAL BANK IN AUSTIN, AUSTIN, TEXAS,
OR, AT THE OPTION OF THE BEARER, AT
CHEMICAL BANK, NEW YORK, NEW YORK,
said amount being interest due that day on the bond, bearing the number hereinafter designated, of that issue of BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM GENERAL TUITION REVENUE BONDS, SERIES 1972-A, DATED OCTOBER 1, 1972. The holder hereof shall never have the right to demand payment of this obligation out of any funds raised or to be raised from taxation. Bond No. _____.

XXXXXXXXXX
Secretary, board of Regents
XXXXXXXXXX
Chairman, Board of Regents

Section 6. (a) That as hereinafter used in this Resolution the following terms shall have the meanings set forth below, unless the text hereof specifically indicates otherwise:

The term "Board" shall mean the Board of Regents of The University of Texas System.

The term "Bonds" shall mean collectively the Board of Regents of The University of Texas System General Tuition Revenue Bonds, Series 1971, authorized by resolution of the Board on December 2, 1971 (hereinafter called the "Series 1971 Bonds"), the Board of Regents of The University of Texas System General Tuition Revenue Bonds, Series 1972, authorized by resolution of the Board on March 16, 1972, (hereinafter called the "Series 1972 Bonds"), and the Board of Regents of The University of Texas System General Tuition Revenue Bonds, Series 1972-A, authorized by this resolution (hereinafter called the "Series 1972-A Bonds").

The term "Additional Bonds" shall mean the additional parity revenue bonds permitted to be authorized in this Resolution.

The term "Established System Institution" shall mean and include each of the following existing and operating institutions, respectively:

- The University of Texas at Austin
- The University of Texas at Arlington
- The University of Texas at El Paso
- The University of Texas M. D. Anderson Hospital
and Tumor Institute at Houston

The University of Texas Graduate School of Biomedical Sciences at Houston
 The University of Texas School of Public Health at Houston
 The University of Texas Dental Branch at Houston
 The University of Texas Medical Branch at Galveston
 The University of Texas Southwestern Medical School at Dallas
 The University of Texas Medical School at San Antonio
 The University of Texas Nursing School (System Wide), excepting the Nursing Schools at El Paso and San Antonio.

The term "New System Institution" shall mean and include each of the following institutions, respectively, to be operated by and under the jurisdiction of the Board, and which were newly created by various Acts of the 61st Legislature, Regular Session, 1969:

The University of Texas at Dallas
 The University of Texas of the Permian Basin
 The University of Texas at San Antonio
 The University of Texas Medical School at Houston
 The University of Texas Dental School at San Antonio
 The University of Texas (Undergraduate) Nursing School at El Paso
 The University of Texas (Clinical) Nursing School at San Antonio;

except and provided that although the Board intends to use its best efforts to acquire, purchase, construct, improve, enlarge, and/or equip buildings, structures, and facilities for the foregoing institutions as soon as practicable and to the extent permitted by law, in order to establish and commence full operation of each of said institutions as a part of The University of Texas System, the Board does not warrant or represent any particular date for commencing or completing any work at any such institution, and it is agreed and shall be understood that each such institution shall become and constitute a New System Institution, and the lien on the Pledged Revenues at any such institution shall be effective, only upon the actual enrollment of students on a regular basis and the commencement of regular operation of such institution, if and when such event occurs.

The term "each and every institution, branch, and school now or hereafter operated by or under the jurisdiction of the Board" shall mean and include all of the following:

- (a) each Established System Institution, and
- (b) each New System Institution,

together with any other institution, branch, or school now or hereafter operated by or placed under the jurisdiction of the Board pursuant to law (all collectively known as The University of Texas System).

The term "Pledged General Tuition" shall mean all of the aggregate amount of student tuition charges now or hereafter required or authorized by law to be imposed on students enrolled at each and every institution, branch, and school, now or hereafter operated by or under the jurisdiction of the Board, but specifically excluding and excepting (1) the amount of tuition scholarships now provided for by law, and (2) the following amount of such student tuition charges at each and every such institution, branch, and school which previously has been or

hereafter may be pledged to the payment of other bonds (excepting the Bonds and Additional Bonds) issued by the Board:

- (a) \$5.00 per regular semester and summer session for each student enrolled for 12 or more Semester Credit Hours; and
- (b) \$0.42 per Semester Credit Hour per regular semester and summer session for each student enrolled for less than 12 Semester Credit Hours;

and Section 55.17 (f) (2) of the Texas Education Code provides, and it is hereby covenanted, that the aggregate amount of student tuition charges which are now required or authorized by law to be imposed, and which are pledged to the payment of the Bonds and any Additional Bonds by this Resolution, shall never be reduced or abrogated while such obligations are outstanding; it being further covenanted that the aggregate amount of student tuition charges now required or authorized by law to be imposed on students enrolled at each and every institution, branch, and school operated by or under the jurisdiction of the Board are set forth in Chapter 54 of the Texas Education Code, as amended and modified by Chapters 511 and 755, Acts of the 62nd Legislature, Regular Session, 1971, to which Chapters reference is hereby made for all purposes.

The term "System Tuition" shall mean the aggregate amount of all student tuition charges actually received by The University of Texas System during any University of Texas System fiscal year, or during any twelve consecutive calendar month period, after deducting from such aggregate amount (1) the amount of tuition scholarships provided by law, and (2) the amount of such student tuition charges which has been pledged to the payment of other bonds (excepting the Bonds and Additional Bonds) issued by the Board.

The term "Library Use Fee" shall mean the gross collections of a special fee to be fixed, charged, and collected from all students (excepting those exempt by the aforesaid Chapter 755, Acts of the 62nd Legislature) regularly enrolled at each New System Institution, respectively, for the use and availability of all library facilities at each such New System Institution, respectively, in the manner and to the extent provided in this Resolution.

The term "Pledged Revenues" shall mean collectively (a) the Pledged General Tuition, (b) the Library Use Fee, (c) all debt service subsidy and interest grants received from the United States Government in connection with the Bonds and Additional Bonds, and (d) any additional revenues, income, receipts, or other resources, including, without limitation, any grants, donations, or income received or to be received from the United States Government, or any other public or private source, whether pursuant to an agreement or otherwise, which hereafter may be pledged to the payment of the Bonds or the Additional Bonds.

(b) That the Series 1972-A Bonds are "Additional Bonds" as permitted by Sections 19 through 21 of the resolution adopted by the Board on December 2, 1971, authorizing the issuance of the Series 1971 Bonds and the resolution adopted by the Board on March 16, 1972, authorizing the issuance of the Series 1972 Bonds, respectively, and it is hereby determined, declared, and resolved that the Series 1971 Bonds, the Series 1972 Bonds, and the Series 1972-A Bonds (herein collectively called the "Bonds") are and shall be secured and payable equally on a parity, and that Sections 6 through 22 of this resolution are

cumulative of Sections 6 through 22 of said resolutions adopted on December 2, 1971, and March 16, 1972, respectively, with said Sections thereof being restated and supplemented herein so as to be made equally applicable to the Series 1971 Bonds, the Series 1972 Bonds, and the Series 1972-A Bonds, and so as to comply with the requirements of said resolutions adopted on December 2, 1971, and on March 16, 1972.

Section 7. (a) That the Board covenants and agrees to fix, levy, charge, and collect a uniform Library Use Fee from all students (excepting those exempt by the aforesaid Chapter 755, Acts of the 62nd Legislature) regularly enrolled in each New System Institution, respectively, at each regular fall and spring semester and at each term of each summer session, for the use and availability of all library facilities at each such New System Institution, respectively, in such amounts, without any limitation whatsoever, as will be at least sufficient at all times to provide, together with other Pledged Revenues, the money for making all deposits required to be made to the credit of the Interest and Sinking Fund and the Reserve Fund in connection with the Bonds and any Additional Bonds.

(b) That the Library Use Fee shall be fixed, levied, charged, and collected when and as required by this Section; and the Library Use Fee shall be increased if and when required by this Section, and may be decreased or abrogated, so long as all Pledged Revenues are sufficient to provide the money for making all deposits required to be made to the credit of the Interest and Sinking Fund and Reserve Fund in connection with the Bonds and any Additional Bonds. All changes in such Library Use Fee shall be made by resolution of the Board, but such procedure shall not constitute or be regarded as an amendment of this Resolution, but merely the carrying out of the provisions hereof.

Section 8. That the Bonds and any Additional Bonds, and the interest thereon, are and shall be secured by and payable from an irrevocable first lien on and pledge of the Pledged Revenues, and the Pledged Revenues are further pledged to the establishment and maintenance of the Interest and Sinking Fund and the Reserve Fund as provided in this Resolution.

Section 9. That there is hereby created and there shall be established on the books of the Board a separate account or accounts which individually or collectively shall be known as the "Revenue Fund". All collections of Pledged Revenues shall be credited to the Revenue Fund immediately upon receipt.

Section 10. That to pay the principal of and interest on all outstanding Bonds and any Additional Bonds, as the same come due, there is hereby created and there shall be established at an official depository of the Board (which must be a member of the Federal Deposit Insurance Corporation) a separate fund to be entitled the "General Tuition Revenue Bonds Interest and Sinking Fund" (herein called the "Interest and Sinking Fund").

Section 11. That there is hereby created and there shall be established at an official depository of the Board (which must be a member of the Federal Deposit Insurance Corporation) a separate fund to be entitled the "General Tuition Revenue Bonds Reserve Fund" (herein called the "Reserve Fund"). The Reserve Fund shall be used finally in retiring the last of the outstanding Bonds and Additional Bonds, or for paying principal of and interest on any outstanding Bonds and Additional Bonds, when and to the extent the amount in the Interest and Sinking Fund is insufficient for such purpose.

Section 12. (a) That money in any Fund established pursuant to this Resolution may, at the option of the Board, be placed in time deposits or invested in direct obligations of, or obligations the principal of and interest on which are guaranteed by, the United States of America, and evidences of indebtedness of the Federal Land Banks, Federal Intermediate Credit Banks, Banks for Cooperatives, Federal Home Loan Banks, or Federal National Mortgage Association; provided that all such deposits and investments shall be made in such manner that the money required to be expended from any Fund will be available at the proper time or times. Such investments shall be valued in terms of current market value as of the last day of February and August of each year. Interest and income derived from such deposits and investments shall be credited to the Fund from which the deposit or investment was made. Such investments shall be sold promptly when necessary to prevent any default in connection with the Bonds or Additional Bonds.

(b) That money in all Funds created by this Resolution, to the extent not invested, shall be secured in the manner prescribed by law for securing funds of the Board, in principal amounts at all times not less than the amounts of money credited to such Funds, respectively.

Section 13. (a) That all accrued interest and any premium received as part of the proceeds from the sale and delivery of the Series 1972-A Bonds shall be deposited immediately to the credit of the Interest and Sinking Fund.

(b) That the Board shall transfer from the Pledged Revenues in the Revenue Fund and deposit to the credit of the Interest and Sinking Fund the amounts, at the times, as follows:

(1) on or before March 25, 1973, and semi-annually on or before each September 25th and March 25th thereafter, an amount which will be sufficient, together with other monies, if any, then on hand therein and available for such purpose, to pay the interest scheduled to accrue and come due on the Bonds on the next succeeding interest payment date; and

(2) on or before March 25, 1973, and semi-annually on or before each September 25th and March 25th thereafter, an amount equal to one-half of the principal scheduled to mature and come due on the Bonds on the next succeeding principal maturity date.

Section 14. That on or before March 25, 1973, and semi-annually on or before each September 25th and March 25th thereafter, the Board shall transfer from the Pledged Revenues in the Revenue Fund and deposit to the credit of the Reserve Fund an amount equal to 1/10th of the average annual principal and interest requirements of the Bonds; provided, however, that when the money and investments in the Reserve Fund are at least equal in market value to the amount of the average annual principal and interest requirements of the Bonds, then such deposits may be discontinued, unless and until the Reserve Fund should be depleted to less than said amount in market value, in which case said deposits shall be resumed and continued until the Reserve Fund is restored to said amount; and so long as the Reserve Fund contains said amount, any surplus in the Reserve Fund over said amount may be used to retire any Bonds or Additional Bonds by purchase on the open market, at such price as shall be determined by the Board, or by call for redemption prior to maturity (provided that if any Bond or Additional Bond is subject to call for redemption prior to maturity on the next succeeding interest payment date, its purchase price shall not exceed the redemption price that would be applicable on such date), or such surplus may be used for any other lawful purpose, at the option of the Board.

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Section 15. (a) That if on any occasion there shall not be sufficient Pledged Revenues to make the required deposits into the Interest and Sinking Fund and the Reserve Fund, then such deficiency shall be made up as soon as possible from the next available Pledged Revenues, or from any other sources available for such purpose.

(b) That immediately following each required semi-annual deposit from the Revenue Fund to the credit of the Interest and Sinking Fund and the Reserve Fund, as required by this Resolution, or any resolution authorizing the issuance of Additional Bonds, all remaining surplus Pledged Revenues then on deposit to the credit of the Revenue Fund may be used by the Board for any lawful purpose. It is specifically covenanted and agreed, however, that none of the Pledged Revenues in the Revenue Fund (including especially the Pledged General Tuition) will be released from the control of the Board, deposited into the State Treasury of the State of Texas, or otherwise expended or disposed of, until after each such required semi-annual deposit from the Revenue Fund has been made to the credit of the Interest and Sinking Fund and the Reserve Fund.

Section 16. On or before the last day of March, 1973, and semi-annually on or before the last day of each September and of each March thereafter while any of the Bonds or Additional Bonds are outstanding and unpaid, the Board shall make available to the paying agents therefor, out of the Interest and Sinking Fund, and/or the Reserve Fund, if necessary, money sufficient to pay such interest on and such principal of the Bonds and Additional Bonds as will accrue or mature on the April 1st or October 1st immediately following. The paying agents shall totally destroy all paid Bonds and Additional Bonds, and the coupons appertaining thereto, and shall furnish the Board with an appropriate certificate of destruction.

Section 17. That at such times as the aggregate amount of money and investments in the Interest and Sinking Fund and the Reserve Fund are at least equal in market value to (1) the aggregate principal amount of all unpaid (unmatured and matured) outstanding Bonds and Additional Bonds, plus (2) the aggregate amount of all unpaid (unmatured and matured) outstanding interest coupons appertaining to such Bonds and Additional Bonds, no further deposits need be made into the Interest and Sinking Fund or Reserve Fund. In determining the amount of such Bonds and Additional Bonds, and interest coupons appertaining thereto, outstanding at any time, there shall be subtracted and excluded the amount of any such Bonds and Additional Bonds, and interest coupons appertaining thereto, which shall have been duly called for redemption and for which funds shall have been deposited with the paying agents therefor sufficient, including any required redemption premium, for such redemption.

Section 18. That the Bonds and any Additional Bonds, and the interest coupons appertaining thereto, will constitute special obligations of the Board payable solely from the Pledged Revenues, and the holders of the Bonds and Additional Bonds, and the coupons appertaining thereto, shall never have the right to demand payment out of funds raised or to be raised by taxation.

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Section 19. That the Board shall have the right and power at any time and from time to time, and in one or more Series or issues, to authorize, issue, and deliver additional parity revenue bonds (herein called "Additional Bonds"), in any amounts, for any lawful purpose, and to refund any Bonds or Additional Bonds. Such Additional Bonds, if and when authorized, issued, and delivered in accordance with this Resolution, shall be secured and payable equally and ratably on a parity with the Bonds, and all other outstanding Additional Bonds, by an irrevocable first lien on and pledge of the Pledged Revenues.

Section 20. (a) The Interest and Sinking Fund and the Reserve Fund established by this Resolution shall secure and be used to pay all Additional Bonds as well as the Bonds. However, each resolution under which Additional Bonds are issued shall provide and require that, in addition to the amounts required by the provisions of this Resolution and the provisions of any other resolution or resolutions authorizing Additional Bonds to be deposited to the credit of the Interest and Sinking Fund, the Board shall transfer from the Pledged Revenues and deposit to the credit of the Interest and Sinking Fund at least such amounts as are required for the payment of all principal of and interest on said Additional Bonds then being issued, as the same comes due, and that the Board shall transfer from said Pledged Revenues and deposit to the credit of the Reserve Fund at least such amounts, in approximately equal semi-annual installments, as will, together with any other amounts already required to be deposited in the Reserve Fund in connection with the Bonds and any other outstanding Additional Bonds, be sufficient to cause the Reserve Fund to accumulate and contain within a period of not to exceed sixty months after the date of said Additional Bonds then being issued, a total amount of money and investments at least equal in market value to the average annual principal and interest requirements of all Bonds and Additional Bonds to be outstanding after the issuance of the then proposed Additional Bonds.

(b) The principal of all Additional Bonds must be scheduled to be paid or mature on April 1 of the years in which such principal is scheduled to be paid or mature; and all interest thereon must be payable on April 1 and October 1.

Section 21. Additional Bonds shall be issued only in accordance with this Resolution, but notwithstanding any provisions of this Resolution to the contrary, no installment, Series, or issue of Additional Bonds shall be issued or delivered unless:

(a) The senior financial officer of The University of Texas System signs a written certificate to the effect that the Board is not in default as to any covenant, condition, or obligation in connection with all outstanding Bonds and Additional Bonds, and the resolutions authorizing same, and that the Interest and Sinking Fund and the Reserve Fund each contains the amount then required to be therein.

(b) The State Auditor of the State of Texas, or a certified public accountant, signs a written certificate to the effect that, during either the next preceding University of Texas System fiscal year, or any twelve consecutive calendar month period ending not more than ninety days prior to the adoption

of the resolution authorizing the issuance of the then proposed Additional Bonds, either the Pledged Revenues were, or the System Tuition was, at least equal to 1.25 times the average annual principal and interest requirements of all Bonds and Additional Bonds to be outstanding after the issuance of the then proposed Additional Bonds.

Section 22. The Board further covenants and agrees that:

(a) It will fix, impose, charge, and collect all Pledged General Tuition; and will faithfully perform at all times any and all covenants, undertakings, stipulations, and provisions contained in this Resolution and each resolution authorizing the issuance of Additional Bonds, and in each and every Bond and Additional Bond; that it will promptly pay or cause to be paid from the Pledged Revenues the principal of and interest on every Bond and Additional Bond, on the dates and in the places and manner prescribed in such resolutions and Bonds or Additional Bonds; and that it will, at the times and in the manner prescribed, deposit or cause to be deposited from the Pledged Revenues the amounts required to be deposited into the Interest and Sinking Fund and the Reserve Fund; and any holder of the Bonds or Additional Bonds may require the Board, its officials and employees, and any appropriate official of the State of Texas, to carry out, respect, or enforce the covenants and obligations of this Resolution or any resolution authorizing the issuance of Additional Bonds, by all legal and equitable means, including specifically, but without limitation, the use and filing of mandamus proceedings, in any court of competent jurisdiction, against the Board, its officials and employees, or any appropriate official of the State of Texas.

(b) It is duly authorized under the laws of the State of Texas to create and issue the Bonds; that all action on its part for the creation and issuance of the Bonds has been duly and effectively taken, and that the Bonds in the hands of the holders and owners thereof are and will be valid and enforceable special obligations of the Board in accordance with their terms.

(c) It lawfully owns and is lawfully possessed of the lands, buildings, and facilities constituting the Established System Institutions and has a good and indefeasible estate in such lands, buildings, and facilities in fee simple, that it warrants that it has, and will defend, the title to all the aforesaid lands, buildings, and facilities, and every part thereof, for the benefit of the holders and owners of the Bonds and Additional Bonds against the claims and demands of all persons whomsoever, that it is lawfully qualified to pledge the Pledged Revenues to the payment of the Bonds and Additional Bonds in the manner prescribed herein, and has lawfully exercised such rights.

(d) It will from time to time and before the same become delinquent pay and discharge all taxes, assessments, and governmental charges, if any, which shall be lawfully imposed upon it, or the campuses, buildings, and facilities of The University of Texas System, that it will pay all lawful claims for rents, royalties, labor, materials, and supplies which if unpaid might by law become a lien or charge thereon, the lien of which would be prior to or interfere with the liens hereof, so that the priority of the liens granted hereunder shall be fully preserved in the manner provided herein, and that it will not create or suffer to be created any mechanic's, laborer's, materialman's or other lien or charge which might or could be prior to the liens hereof, or do or suffer any matter or thing whereby the liens hereof might or could be impaired; provided, however, that

no such tax, assessment, or charge, and that no such claims which might be used as the basis of a mechanic's, laborer's, material-man's or other lien or charge, shall be required to be paid so long as the validity of the same shall be contested in good faith by the Board.

(e) That it will continuously and efficiently operate and maintain in good condition, and at a reasonable cost, The University of Texas System and the facilities and services thereof, so long as any Bonds or Additional Bonds are outstanding.

(f) That while the Bonds or any Additional Bonds are outstanding and unpaid, the Board shall not additionally encumber the Pledged Revenues in any manner, except as permitted in this Resolution in connection with Additional Bonds, unless said encumbrance is made junior and subordinate in all respects to the liens, pledges, covenants, and agreements of this Resolution.

(g) Proper books of record and account will be kept in which full, true, and correct entries will be made of all dealings, activities, and transactions relating to the Pledged Revenues, and all books, documents, and vouchers relating thereto shall at all reasonable times be made available for inspection upon request of any bond holder.

(h) That each year while any of the Bonds or Additional Bonds are outstanding, an audit will be made of its books and accounts relating to the Pledged Revenues by the State Auditor of the State of Texas, or any certified public accountant, such audit to be based on the fiscal year of The University of Texas System. As soon as practicable after the close of each such fiscal year, and when said audit has been completed and made available to the Board, a copy of such audit for the preceding fiscal year shall be mailed to all bondholders who shall so request in writing. Such annual audit reports shall be open to the inspection of the bondholders and their agents and representatives at all reasonable times.

(i) That the Board covenants that it will not permit to be deposited to the credit of any of the Funds created by this Resolution, or applied to the payment of the principal of or interest on the Bonds or any Additional Bonds, any proceeds from any grant, subsidy, donation, or income received from the United States Government, whether pursuant to agreement or otherwise, if such deposit or application would result in interest payable on the Bonds or Additional Bonds being includable in whole or in part in gross income for Federal income tax purposes.

(j) That the Board covenants that it will comply with all of the terms and conditions of any and all grant or subsidy agreements applicable to the Bonds or Additional Bonds entered into between the Board and any governmental agency in connection with any grant or debt service subsidy; and the Board will take all action necessary to enforce said terms and conditions.

(k) That the Board hereby covenants that the proceeds from the sale of the Series 1971 Bonds will be used as soon as practicable for the purpose for which the Series 1971 Bonds are issued; that such proceeds will not be invested in any securities or obligations except for the temporary period pending such use; and that such proceeds will not be used directly or indirectly so as to cause all or any part of the Series 1971 Bonds to be or become "arbitrage bonds" within the meaning of Section 103(d) of the Internal Revenue Code of 1954, as amended, or any regulations or rulings prescribed or made pursuant thereto.

(1) That the Board covenants to and with the purchasers of the Series 1972 Bonds and the Series 1972-A Bonds that it will make no use of the proceeds of such Bonds at any time throughout the terms of such Bonds which, if such use had been reasonably expected on the date of delivery of such Bonds to and payment for such Bonds by the purchasers, would have caused the Bonds to be arbitrage bonds within the meaning of Section 103(d) of the Internal Revenue Code of 1954, as amended, or any regulations or rulings pertaining thereto; and by this covenant the Board is obligated to comply with the requirements of the aforesaid Section 103(d) and all applicable and pertinent Department of the Treasury regulations relating to arbitrage bonds. The Board further covenants that the proceeds of such Bonds will not otherwise be used directly or indirectly so as to cause all or any part of such Bonds to be or become arbitrage bonds within the meaning of the aforesaid Section 103(d), or any regulations or rulings pertaining thereto.

Section 23. That the Chairman of the Board is hereby authorized to have control of the Series 1972-A Bonds and all necessary records and proceedings pertaining to the Series 1972-A Bonds pending their delivery and their investigation, examination, and approval by the Attorney General of the State of Texas, and their registration by the Comptroller of Public Accounts of the State of Texas. Upon registration of the Series 1972-A Bonds, said Comptroller of Public Accounts (or a deputy designated in writing to act for said Comptroller) shall manually sign the Comptroller's Registration Certificate printed and endorsed on each of the Series 1972-A Bonds, and the seal of said Comptroller shall be impressed, or placed in facsimile, on each of the Series 1972-A Bonds.

Section 24. That it is hereby officially found and determined: that a case of emergency or urgent public necessity exists which requires the holding of the meeting at which this Resolution is adopted, such emergency or urgent public necessity being that the proceeds from the sale of the Series 1972-A Bonds are required as soon as possible and without delay for necessary and urgently needed public improvements; and that said meeting was open to the public, and public notice of the time, place, and purpose of said meeting was given, all as required by Vernon's Ann. Civ. St. Article 6252-17.

Section 25. That the Series 1972-A Bonds are hereby sold and shall be delivered to a Syndicate managed by Halsey, Stuart & Co., Inc., Reynolds Securities Inc., Lehman Brothers Incorporated, and Blyth Eastman Dillon & Co., Inc., for cash for the par value thereof and accrued interest thereon to date of delivery, plus a premium of \$1,700.00.

RECESS.--The Board of Regents recessed at 9:20 a.m. to reconvene promptly after the Standing Committees and the Committee of the Whole completed their meetings.

* * *

4:00 P.M., DECEMBER 8, 1972.--At 4:00 p.m. on Friday, December 8, 1972, the Board of Regents reconvened in the same room and with the same attendance as at the morning session.

The meeting was called to order by Chairman Peace.

SCHEDULED MEETINGS AND EVENTS.--Chairman Peace reviewed the following schedule for meetings of the Board of Regents and the dates for the 1973 commencement exercises.

The schedule of meetings of the Board of Regents was amended to read as follows:

January 26, 1973 - in Arlington
 March 5, 1973 - in Houston
 April 16 (formerly April 20, 1973) - in El Paso
 June 1, 1973 - in Galveston
 July 27, 1973 - in Austin

Below is a list of the dates for commencement:

May 12, 1973 - U. T. El Paso
 Galveston Nursing School
 May 14, 1973 - Houston Health Science Center
 May 15, 1973 - U. T. Arlington
 May 19, 1973 - U. T. Austin
 U. T. Dallas
 San Antonio Nursing School
 May 26, 1973 - San Antonio Health Science Center
 May 28, 1973 - Dallas Health Science Center
 June 6, 1973 - Galveston Medical Branch

APPROVAL OF MINUTES OF REGULAR MEETING OF OCTOBER 20, 1972, AND SPECIAL MEETING OF NOVEMBER 4, 1972.--Upon motion of Regent Nelson, seconded by Regent Williams, the Minutes of the regular meeting of the Board of Regents of The University of Texas System held in Austin on October 20, 1972, and the Minutes of the special meeting of the Board of Regents held in Austin on November 4, 1972, were unanimously approved in the form distributed by the Secretary and recorded in Volume XX, beginning with Pages 389 and 1049 respectively.

MESSAGE FROM MRS. J. R. PEACE.--Vice-Chairman Ikard read the following message that he received from Mrs. J. R. Peace relating to the Regents' memorial contribution on the death of J. R. Peace, the father of our Chairman, John Peace:

Your kindness to our family in the loss of our husband and father will ever remain one of our most cherished memories. The Peace Family Chapel is very dear to the hearts of us all and your taking time from your busy schedule to send such a generous gift is a tribute to your stature as a dedicated citizen.

You give so much of your talent and time and devotion to the educational system of the young people of our state. I am proud of your achievements, and with all humility, I am proud of my son, John.

Thank you for your thoughtfulness.

Mrs. J. R. Peace

REPORTS OF STANDING COMMITTEES

The meetings of the Standing Committees were conducted in open session, and the reports thereof are set out below:

REPORT OF SYSTEM ADMINISTRATION COMMITTEE (Page 18).-- Vice-Chairman Ikard, Chairman of the System Administration Committee, filed the following report of the System Administration Committee. The report was unanimously approved and the actions therein were ratified:

Since the last report on October 20, 1972, of the System Administration Committee, the following recommendation of the Administration was circulated to the members of the System Administration Committee and no exceptions were registered. This recommendation is herewith submitted for formal approval by the System Administration Committee:

1. U. T. Austin: Amendment to the Operating Budget for Student Publications (1-M and 2-M-72).--It is recommended by President Spurr, concurred in by System Administration, that approval be given to the action taken on October 2, 1972, by the Board of Operating Trustees of student publications at The University of Texas at Austin regarding a budgetary matter in Motion No. 5, as quoted below:

"MOTION NO. 5: Edmonds moved, and it was seconded that a Request for Budget Change be authorized so that \$3,450.00 may be spent for 500 additional copies of the 1972 Cactus, with expected income from the sale of the books to offset the added expense. This motion passed with unanimous (sic) approval."

REPORT OF THE ACADEMIC AND DEVELOPMENTAL AFFAIRS COMMITTEE (PAGES 18-27).--Committee Chairman Kilgore reported that all items in the Academic and Developmental Affairs Committee were approved in open session except Chancellor's Docket No. 60. Since there were exceptions, the docket was referred to the Executive Session of the Committee of the Whole and was approved with the exception of that portion that was withdrawn as reflected below in Item No. 1.

Committee Chairman Kilgore moved that the following report of the Academic and Developmental Affairs Committee be approved and the actions therein be ratified. This motion prevailed by unanimous vote:

1. U. T. System: Chancellor's Docket No. 60 Amended.--Chancellor's Docket No. 60 was referred to the Executive Session of the Committee of the Whole and was approved except that portion of the docket relating to The University of Texas of the Permian Basin. This portion was withdrawn at the request of President Amstead and will be resubmitted on January 26, 1973. The docket in the form approved is attached (Attachment No. 1) following Page 84 and made a part of these Minutes.

2. U. T. System: Authorization to Request Coordinating Board for School of Pharmacy at U. T. Dallas: Joint Doctor of Pharmacy Degree with Dallas Health Science Center; and Doctor of Pharmacy Program at U. T. Austin.--Chancellor LeMaistre submitted the following recommendations as a substitute for the recommendations he had previously submitted in the Material Supporting the Agenda. The substitute recommendations set out below were approved:
- a. The establishment of a School of Pharmacy at The University of Texas at Dallas under a Dean on that campus and with an associate dean on the Dallas Health Science Center campus to coordinate and supervise clinical programs and certain courses in medical sciences taken on that campus.
 - b. Authorization for The University of Texas at Dallas to offer a B.S. degree program in pharmacy beginning in September, 1975. Depending upon the extent of clinical experience required of the B.S. students, it may be desirable finally to have this degree offered jointly by The University of Texas at Dallas and the Dallas Health Science Center. The enrollment will be phased in as The University of Texas at Austin reduces its enrollment in pharmacy as part of its plan to improve the quality and update the curriculum of its pharmacy program.
 - c. Authorization for The University of Texas at Dallas and the Dallas Health Science Center to jointly offer a Doctor of Pharmacy degree program beginning in September, 1974.
 - d. Authorization for The University of Texas at Austin to offer the Doctor of Pharmacy in close cooperation with the San Antonio Health Science Center, including the possibility of offering a joint degree program beginning as soon as funding becomes available. With regard to The University of Texas at Austin B.S. in pharmacy program, it should be noted that its curriculum revision should include the use of the San Antonio Health Science Center as a primary affiliation for clinical experience and training, as well as the use of other health science centers as they may be appropriate.
 - e. Authorization for the System Administration to submit proposals on the above actions to the Coordinating Board after review by the four presidents concerned and appropriate faculty.

The Administration was directed to develop and present to the Board of Regents for approval a recommendation for transmittal to the Legislature and the appropriate licensing and supervisory boards and agencies a comprehensive plan for the education, licensing and use of pharmacy technicians who would be similar in concept and function to other allied health personnel.

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3. U. T. Arlington: Amendment to 1971-72 Rate Schedule for University-Owned Residence Halls (Dormitories) Effective September 1, 1973.--After President Harrison's justification for the proposed increases and based on the increased cost of operation during the past two fiscal years, the rate schedule for 1971-72 for University-owned residence halls (dormitories) at The University of Texas at Arlington was amended as follows to be effective September 1, 1973:

Rate Schedule for 1973-74

The University of Texas at Arlington - Dormitories

Long Session

Air Conditioned Halls:

Lipscomb (North)	\$420
Trinity	420

Non-Air Conditioned Halls:

Lipscomb (South)	\$410
Pachl	350
Brazos	350

Summer Session

Lipscomb (North)	\$190
Trinity	190

Conference Rates (per person)

Student Groups	\$ 2.50
Adult Groups	3.00

If linens are requested, the rate in each rate group would increase 25¢ per guest, plus the current cost of linen rental charge from the Linen Service.

Guest Rates (per person)

Overnight guests of dormitory students during the entire year will continue at \$2.00 per night.

The Administration was requested to report on the fiscal operations of the dormitories in December 1973 or at the first Regents' meeting thereafter.

4. U. T. Arlington: Authorization to Request Permission from Coordinating Board for Master of Architecture Degree and Master of Arts in Sociology Degree.--Authorization was given for the Administration to submit a request to the Coordinating Board, Texas College and University System for permission to institute programs leading to the following degrees at The University of Texas at Arlington:

- a. Master of Architecture Degree
- b. Master of Arts in Sociology Degree

5. U. T. Austin: Affiliation Agreement with City of Austin for Brackenridge Hospital for Clinical Training of Pharmacy Students.--An affiliation agreement between the City of Austin on behalf of Brackenridge Hospital and the Board of Regents of The University of Texas System on behalf of the College of Pharmacy of The University of Texas at Austin was authorized. This agreement is based on the model affiliation agreement adopted on September 8, 1971, for the U. T. Austin College of Pharmacy. The Chairman of the Board of Regents was authorized to execute this document when it has been approved as to form by a University attorney and as to content by the Vice-Chancellor for Health Affairs and the Deputy Chancellor for Administration.
6. U. T. Austin (Port Aransas Marine Institute) - Creation of The University of Texas Marine Science Institute Advisory Council and By-Laws Therefor Approved.-- President Spurr of The University of Texas at Austin was authorized to establish The University of Texas Marine Science Institute Advisory Council for The University of Texas Marine Science Institute at Port Aransas, and the By-Laws for the governance of that council were adopted in the form set out below:

BY-LAWS OF THE UNIVERSITY OF TEXAS
MARINE SCIENCE INSTITUTE ADVISORY COUNCIL

ARTICLE I

MEMBERSHIP

Section 1. There shall be a total of not less than five (5) nor more than twenty-five (25) members.

Section 2. The qualifications for membership shall require a belief in private support of public higher education, high standing in the community, and willingness to be generous in support of the Marine Science Institute.

Section 3. The major activities of members shall be assisting in the attainment of the purposes of the program, lending their endorsement to the program, and presenting the needs of the Institute to prospective donors.

Section 4. All members shall be appointed by the President of the University of Texas at Austin with prior specific written approval of the Chancellor and the Board of Regents; the Director of the Marine Science Institute and the Director of the Division of Natural Resources and Environment shall forward their recommendations for membership to the President.

Section 5. The following shall be ex-officio members of the Council: the Chancellor, the President of the University of Texas at Austin, Director of the Marine Science Institute, Director of the Division of Natural Resources and Environment, Applied Research Program Manager of the Institute, and the Director of Development.

Section 6. The terms of office for elected members shall be three years in length. The terms of office shall be staggered so that one-third of the members shall be appointed each year.

Section 7. The Council will elect a Chairman and such other officers as are appropriate from among its members.

ARTICLE II

MEETINGS

Section 1. The annual meeting of the Council shall be called by the Chairman and shall be held at The University of Texas Marine Science Institute at Port Aransas, Texas.

Section 2. Special meetings may be held at any time and place designated by the Chairman.

Section 3. One-third of the members shall constitute a quorum at any meeting.

Section 4. Notice of each meeting, annual or special, shall be mailed by the Secretary to each of the members not less than thirty days next preceding any such meeting.

ARTICLE III

EXECUTIVE COMMITTEE

Section 1. The Executive Committee of the Advisory Council shall consist of the following eight members: The Chairman of the Council who shall act as Chairman of the Executive Committee, the Vice Chairman of the Council, the Director of the Marine Science Institute, the Director of the Division of Natural Resources and Environment, the Applied Research Program Manager of the Institute and three other members elected by the Council at the annual meeting.

Section 2. The Executive Committee shall meet at the call of the Chairman. The presence of three members shall constitute a quorum.

Section 3. The Executive Committee shall have and may exercise all powers and authority of the Advisory Council when it is not in session.

ARTICLE IV

POWERS AND DUTIES OF OFFICERS

Section 1. Chairman. The Chairman shall preside at all meetings and exercise the usual responsibilities.

Section 2. Vice Chairman. The Vice Chairman shall act in the absence of the Chairman.

Section 3. Secretary. The Secretary shall keep the minutes, serve all notices of meetings and perform the duties incidental to the office of Secretary.

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ARTICLE V

ORDER OF BUSINESS

The Order of Business at all meetings of the Council:

1. Roll Call
2. Reading of minutes of last meeting
3. Consideration of communications
4. Resignations and elections
5. Reports of officers
6. Reports of committees
7. Unfinished business
8. Original resolutions and new business
9. Adjournment

ARTICLE VI

UNIVERSITY OF TEXAS MARINE SCIENCE INSTITUTE
FELLOWS

This is an honorary type of membership given for unusually fine or long service. It involves no responsibility or fixed duties. The Chairman of the Advisory Council shall act as Chairman of the Fellows group. Any advice and counsel given by the Fellows shall be duly considered by the Council.

ARTICLE VII

DUTIES

Section 1. The Council shall:

- (a) consult with and advise the Director of the Institute and its faculty on matters such as seminars, conferences, training programs, research programs, etc.
- (b) provide another avenue of liaison between the Institute and the community.
- (c) provide for the expression of the points-of-view of both the layman and the scientist.
- (d) promote the objectives of the Institute through fund-raising activities and through advice relative to utilization of

such funds, provided, however, the Council has no authority or power to accept contributions of money, property, or anything of value in its own name. All fund raising activities shall have as their aim the generation of contributions directly from the donor to the Institute.

ARTICLE VIII

AMENDMENTS

These By-Laws may be amended or repealed at any annual or special meeting of the Council by the affirmative vote of the majority of the members, provided, however, that no amendment or repeal of By-Laws shall be effective until final approval of the Board of Regents.

7. U. T. El Paso: Affiliation Agreement with William Beaumont General Hospital to Provide Clinical Training Experience for Graduate Students in Psychology.--The agreement on Pages 25-27 between the Board of Regents of The University of Texas System on behalf of The University of Texas at El Paso and the United States of America on behalf of the William Beaumont General Hospital was approved, and the Chairman of the Board of Regents was authorized to execute the agreement when it has been approved as to form by a University attorney and as to content by the Vice-Chancellor for Academic Affairs, the Vice-Chancellor for Health Affairs and the Deputy Chancellor for Administration. The purpose of this agreement is to provide clinical training experience for graduate students in general psychology.

MEMORANDUM OF AGREEMENT

I. BACKGROUND

1. The University of Texas at El Paso has an approved program for a Masters Degree in Psychology. This program consists of at least 24 hours of graduate level course work and 6 hours of thesis. One of the options open to the student in this program is the participation in a practicum experience in Psychology. This practicum experience will count as 3 to 6 credit hours and will be included as part of the 24 hours of course work necessary for the completion of the MA Degree in General Psychology. This course requires clinical facilities where the students can obtain clinical experiences both in diagnostics and therapeutic skills.
2. The U. S. Army medical facility, William Beaumont General Hospital, has the medical facilities available to provide Masters Degree candidates in Psychology at the University of Texas at El Paso the clinical learning experiences required in the field of Psychology. It is to the benefit of the University of Texas at El Paso for trainees to use the facilities of the U. S. Army medical facility, William Beaumont General Hospital, to obtain their clinical learning experiences.
3. The U. S. Army medical facility, William Beaumont General Hospital, and the Department of the Army will benefit from making clinical facilities available to the Masters Degree candidates in Psychology of the University of Texas at El Paso. The U. S. Army will obtain the trainees' learning experiences and services while contributing to the educational preparation of a future supply of psychologists.
4. Psychology trainees, during clinical training at the Army medical facility, will be under the jurisdiction of facility officials for training purposes and will follow facility rules while on post.
5. The affiliation is controlled by and subject to 5 U. S. C. 5351-6, 8144, and 8331-2, and Army Regulation 350-222.

II. UNDERSTANDING

1. The U. S. Army medical facility will:
 - a. Make available the clinical and related facilities needed for the learning experiences in Psychology by students enrolled in the practicum program in Psychology at the University of Texas at El Paso, and who are enrolled in the University of Texas at El Paso Masters Degree Program in Psychology.
 - b. Arrange a clinical learning experience schedule that will not conflict with those of the educational institution.
 - c. Designate a Medical Service Corps officer who holds a Ph. D. in Psychology from an accredited institution to coordinate the trainees' clinical learning experience in the Psychology Service, Department of Psychiatry.
 - d. Provide reasonable classroom, conference room, office and storage space for participating trainees.
 - e. Permit, on reasonable request, the inspection of clinical and related facilities by agencies charged with the responsibility for accreditation of the University of Texas at El Paso.
 - f. Consider equally all applicants from the University of Texas at El Paso, but will not automatically accept all such applicants.
 - g. Apply standards equivalent to those of the University of Texas at El Paso in evaluating students' achievements and to report grades on completed work as required by the University of Texas at El Paso.
2. The University of Texas at El Paso will:
 - a. Provide the Commander of the medical facility with the names of trainees to be interviewed and with appropriate records of classroom work.
 - b. Enforce rules and regulations governing trainees that are mutually agreed on by the University of Texas at El Paso and William Beaumont General Hospital.
 - c. Be responsible for the reporting of health examinations and such other medical examinations and protective measures as William Beaumont General Hospital and the University of Texas at El Paso mutually find to be necessary.

- d. Prohibit the publication by the trainees and faculty or staff members of any material related to their clinical learning experience that has not been approved for release for publication by the Army medical facility.
- e. Other special provisions as may be mutually required.
- f. Provide and maintain the personal records and reports necessary for conducting the trainees' clinical learning experience.

III. TRAINING

The training term shall coincide with the academic year of the University of Texas at El Paso. This agreement may be terminated by either institution or individual trainee by written notification to all concerned. Except under unusual conditions, such information will be submitted prior to the beginning of a participating period.

DATED:

UNIVERSITY OF TEXAS AT EL PASO

By: [Signature]
Dean of the Graduate School

[Signature]
President of the University

[Signature]
Deputy Chancellor for Administration

[Signature]
Vice-Chancellor for Health Affairs

[Signature]
Vice-Chancellor for Academic Affairs

Approved as to Form:
[Signature]
University Attorney

UNITED STATES OF AMERICA

By and through the Department of the Army

[Signature]
HAROLD S. KOLMER, M. D.
Colonel, MC
Chief, Department of Psychiatry
William Beaumont General Hospital
El Paso, Texas

By: [Signature]
ROBERT M. HARDAWAY III, M. D.
Brigadier General, MC
William Beaumont General Hospital
Commanding

BOARD OF REGENTS FOR THE UNIVERSITY OF TEXAS SYSTEM

Chairman

ATTEST:

Secretary

REPORT OF BUILDINGS AND GROUNDS COMMITTEE (Pages 28-44)--
Committee Chairman Erwin moved that the following report of
the Buildings and Grounds Committee be adopted and that the
actions therein be ratified. This motion was duly seconded
and prevailed by unanimous vote:

1. U. T. Arlington - Fine Arts Building: Approval of Preliminary Plans for Expansion of Capacity of Central Plant and Extension of Utilities Distribution System and Additional Appropriation Therefor.--Approval was given to the preliminary plans and outline specifications for the expansion of the capacity of the Central Plant and utilities distribution system at The University of Texas at Arlington for the purpose of serving the Fine Arts Building. These plans and specifications provide for a project at an estimated total project cost of \$2,555,000. The Project Engineer, Leo F. Landauer and Associates, Inc., was authorized to prepare final plans and specifications to be considered by the Board of Regents at a future meeting.

For this project, an additional appropriation of \$80,000 was authorized from Combined Fee Revenue Bonds to cover Engineer's fees and miscellaneous expenses through the preparation of final plans and specifications. It was noted that \$25,000 had previously been appropriated from the same source.

2. U. T. Arlington - Remodeled Area in Library to House Special Collections: Award of Contracts to Rockford Furniture Associates and Carpet Engineering Services Company for Furniture and Furnishings.--Contract awards based on the lowest acceptable bids were made as follows for furniture and furnishings for the remodeled area in the Library to House Special Collections at The University of Texas at Arlington:

Base Bid "A" (Furniture)	
Rockford Furniture Associates, Austin, Texas	\$ 16,185.20
Base Bid "B" (Carpet)	
Carpet Engineering Services Company, Dallas, Texas	<u>6,300.00</u>
Total Contract Awards	<u>\$ 22,485.20</u>

It was noted that two bids were not valid since one did not submit a bidder's bond or cashier's check and the other material offered was not that specified and was not approved as a substitute in advance of the bid opening as required by specifications. The funds needed to cover these contract awards are available in the Allotment Account for the project.

3. U. T. Arlington - Activities Building: Site Selected, Preliminary Plans Authorized; Lawrence D. White Associates, Inc., Appointed Architect and Funds Appropriated.--The area adjacent to the Men's Physical Education Building (utilizing the existing football field and bounded on the west by the dry creek) was selected as the site for the Activities Building at The University of Texas at Arlington.

The firm of Lawrence D. White Associates, Inc., Fort Worth and Austin, Texas, was appointed Project Architect for this facility with authorization to prepare preliminary plans and outline specifications for a building of approximately 150,000 gross square feet for physical education, intramurals, student activities, certain faculty activities and special events to be brought to the Board of Regents at a future date. The total estimated project cost is \$4,500,000. Regent Nelson voted "No" on the appointment of the Architect.

To cover the necessary topographic and foundation surveys, miscellaneous expenses and fees through preparation of preliminary plans and outline specifications, \$50,000 was appropriated from the proceeds of Constitutional Ad Valorem Tax Bonds and/or Combined Fee Revenue Bonds.

4. U. T. Austin - Graduate School of Business Building: Ratification of Award of Contract to Stokes Construction Company and Additional Appropriation for Project.--The Buildings and Grounds Committee received a report that the special committee appointed at the Regents' meeting on October 20, 1972, to award a contract for the Graduate School of Business Building at The University of Texas at Austin had awarded the contract to the low bidder, Stokes Construction Company, San Marcos, Texas, as follows:

Base Bid	\$5,155,515
Add Alternate No. 1 (Add Vinyl wall covering in certain areas)	<u>40,000</u>
Total Contract Award	<u>\$5,195,515</u>

The action of the special committee was ratified, and it was noted that the contract award, Architect's fees thereon, estimated costs of furniture and furnishings and air balancing, and miscellaneous expenses are within the total authorized project cost of \$6,000,000. The building is to consist of approximately 146,000 gross square feet.

An additional appropriation of \$5,765,000 was authorized from Permanent University Fund Bond proceeds to complete this project. It was noted that \$235,000 had previously been appropriated from the same source.

5. U. T. Austin - Gateway Apartments: Approval of Inscription on Plaque.--The following inscription was authorized for the plaque to be placed on the Gateway Apartments of The University of Texas at Austin. This inscription follows the standard pattern approved by the Board of Regents at its meeting held October 1, 1966:

GATEWAY APARTMENTS

1971

BOARD OF REGENTS

John Peace, Chairman
 Frank N. Ikard, Vice-Chairman
 Frank C. Erwin, Jr.
 Jenkins Garrett
 Mrs. Lyndon B. Johnson
 Joe M. Kilgore
 A. G. McNeese, Jr.
 Joe T. Nelson, M.D.
 Dan C. Williams

Charles A. LeMaistre, M.D.,
 Chancellor, The University
 of Texas System
 Stephen H. Spurr, President,
 The University of Texas
 at Austin

William H. Wade, Chairman,
 Faculty Building Advisory
 Committee, The University
 of Texas at Austin

Barnes, Landes, Goodman, and
 Youngblood, Project
 Architects
 S & G Construction Company,
 Contractor

6. U. T. Austin - Benedict and Mezes Halls: Award of Contracts to Dallas Office Supply and Rockford Furniture Associates for Furniture and Furnishings.--For furniture and furnishings for Benedict and Mezes Halls of The University of Texas at Austin, contracts were awarded as follows:

Dallas Office Supply Company, Dallas, Texas	
Base Bid "A" (Furniture)	\$ 17,811.07
Rockford Furniture Associates, Austin, Texas	
Base Bid "B" (Carpet)	1,622.00
Base Bid "C" (Draperies)	<u>1,777.85</u>
Total Contract Awards	<u>\$ 21,210.92</u>

Funds needed to cover these recommended contracts are available in the Allotment Account for the project.

Attention was called to the fact that although bid invitations were sent to 22 prospective bidders, only 3 bids were received and only 1 bid each was received for Base Proposals B and C.

7. U. T. Austin - Communication Building (Formerly Referred to as School of Communication Building and Student Publications Building): Appropriation for Equipping the Building.-- Based on detailed studies by faculty, staff, and outside consultants, for equipment on a room by room basis for the Communication Building (formerly referred to as School of Communication Building and Student Publications Building) which include classrooms and laboratories for the Communication Center and its laboratories, \$2,500,000 was appropriated from proceeds of Permanent University Fund Bonds for the priority equipment with a deferment of an appropriation of \$393,490 to be presented to the Board of Regents for consideration in 1973-74. It was pointed out that the actual cost to be paid from University funds for the priority equipment was estimated at \$2,893,490 and that grant applications had been filed with agencies of the Government for the funding of the balance of the priority equipment and that for the equipment other than this priority equipment funds would be sought from sources outside the University.
8. U. T. Austin - Faculty Center (Building on Northwest Corner of Intersection of Guadalupe and 25th Streets): Appointment of Committee to Approve Final Plans and Specifications for Remodeling and Additions.--A committee composed of Vice-President Colvin, Director Kristoferson, Deputy Chancellor Walker, Committee Chairman Erwin, and Board Chairman Peace was appointed (1) to approve final plans and specifications for remodeling of and additions to the first and second floors of the building on the northwest corner of the intersection of Guadalupe and 25th streets and (2) to authorize the Director of the Office of Facilities Planning and Construction to call for bids to be considered and acted on by the Board of Regents at its meeting on January 26, 1973.
9. U. T. Austin - Memorial Stadium: Authorization for Completion of Field Enclosure and Appropriation Therefor.-- Based on a need to upgrade the south end of the field at Memorial Stadium at The University of Texas at Austin, authorization was given to the Office of Facilities Planning and Construction (1) to prepare final plans and specifications for a low concrete wall approximately three feet in height to replace the existing chainlink fence and to add new lights to complement the recently installed flagpoles at an estimated total project cost of \$30,000, and (2) to award a contract for this work within the estimated cost.
- For this project, \$30,000 was appropriated from Permanent University Fund Bond proceeds.
10. U. T. Austin - Irrigation System on South Side of 26th Street from San Jacinto Boulevard to Red River Street: Ratification of Award of Contract to Wilkin Irrigation and Supply Company.--The Office of Facilities Planning and Construction reported that pursuant to authorization given by the Board of Regents on February 4, 1972, final

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plans and specifications had been completed for an irrigation system on the south side of 26th Street from San Jacinto Boulevard to Red River Street at The University of Texas at Austin and a contract had been awarded to the low bidder, Wilkin Irrigation and Supply Company, Irving, Texas, in the amount of \$13,832, which is within the \$16,500 appropriated for the project.

The award of the contract for this project was ratified.

11. U. T. Austin: Authorization to Increase Storage Fuel Tanks. --Committee Chairman Erwin reported the critical situation in Austin of fuel shortage and stated that The University of Texas at Austin had been notified if the shortage continues some of the electrical power will have to be diminished. It was ordered that the chief administrative officer of U. T. Austin be authorized to do what is reasonably necessary, including increase in storage fuel tanks, to avoid future power shortages on the U. T. Austin campus.

It was suggested by Vice-Chairman Ikard that the energy supply situation on the U. T. Austin campus be reviewed and studied with consideration given to having a back-up system.

This item was not on the agenda for this meeting and will be reported for ratification at the meeting on January 26, 1973.

12. U. T. Austin (Port Aransas Marine Institute) - Housing: Award of Contracts for Furniture and Furnishings to Abel Contract Furniture and Equipment Company, Inc., and Rockford Furniture Associates. --For furniture and furnishings for Housing at The University of Texas Marine Science Institute at Port Aransas, contracts were awarded to the lowest bidders as follows:

Abel Contract Furniture and Equipment Company, Inc., Austin, Texas Base Bid "A" (General Household Furniture)	\$ 18,097.00
Base Bid "B" (Refrigerators)	2,154.20
Base Bid "C" (Kitchen Ranges)	<u>1,742.00</u>
Total Contract Award to Abel Contract Furniture and Equipment Company, Inc.	21,993.20
Rockford Furniture Associates, Austin, Texas Base Bid "D" (Draperies)	<u>3,414.35</u>
Grand Total Contract Awards	<u>\$ 25,407.55</u>

It was noted that the funds necessary to cover these contract awards are available in the Allotment Account for the project.

13. U. T. Dallas - Environmental Science Building: Appointment of Committee to Approve Preliminary Plans and Specifications and to Authorize Final Plans and Specifications, and Increase in Cost Thereof.--A committee composed of President Jordan, Director Kristoferson, Deputy Chancellor Walker, Regent Williams and Committee Chairman Erwin was appointed to approve preliminary plans and specifications for the Environmental Science Building at The University of Texas at Dallas with authorization to direct the Project Architect to prepare final plans and specifications to be submitted to the Board of Regents for consideration at a later date. The total estimated project cost was increased from \$1,000,000 to \$1,100,000 with the cost to be paid from Tuition Revenue Bond proceeds. (See Permanent Minutes, Volume XIX, Page 2529).
14. U. T. Dallas: Library Building Named Eugene McDermott Library; Liberal Arts Building Named J. Erik Jonsson Center; and Social and Behavioral Sciences Building Named Cecil H. Green Center.--Section 1, Chapter VIII of the Regents' Rules and Regulations, Part One, was waived, and the following buildings on the campus of The University of Texas at Dallas were designated as follows:
- a. Library Building was named Eugene McDermott Library
 - b. Liberal Arts Building was named J. Erik Jonsson Center
 - c. Social and Behavioral Sciences Building was named Cecil H. Green Center.

This item was not on the agenda for this meeting and will be resubmitted for ratification at the meeting on January 26, 1973.

15. U. T. Dallas, U. T. Permian Basin and U. T. San Antonio - Central Energy Plants: Appointment of Committee to Take Action with Respect to Contracts.--Since the evaluation of the proposals received on November 14, 1972, to build, own and operate at the bidder's own expense a Central Energy Plant on leased land of the campuses of The University of Texas at Dallas, The University of Texas of the Permian Basin and The University of Texas at San Antonio and to furnish chilled water and steam at a rate to be proposed by each bidder has not been completed by the staff, the Project Engineer, and the outside consultant, a committee consisting of Board Chairman Peace, Committee Chairman Erwin, Deputy Chancellor Walker, Assistant Deputy Chancellor Landrum and Assistant to Deputy Chancellor Palmer was appointed with authorization to award a contract to the lowest and best bidder for each plant.

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16. U. T. El Paso - Addition to Physical Science Building and New Engineering Building: Approval of Preliminary Plans and Outline Specifications and Additional Appropriation.--It was reported that the preliminary plans and outline specifications for the addition to the Physical Science Building and New Engineering Building at The University of Texas at El Paso had been prepared by the firm of Carroll, Daeuble, DuSang, and Rand and the firm of Garland and Hilles, Project Architect. These plans and specifications cover a building of approximately 250,000 gross square feet at a total estimated project cost of \$14,300,000. Upon recommendation of System Administration, the preliminary plans were approved with authorization to the Architects to prepare final plans and specifications to be presented to the Board of Regents at a later meeting.

An additional appropriation of \$400,000 was authorized from Permanent University Fund Bond proceeds to cover miscellaneous expenses and professional fees through the preparation of final plans and specifications, \$150,000 having been previously appropriated.

It was noted that an application had been made by the Office of Facilities Planning and Construction for Federal assistance in the construction of this project.

17. U. T. El Paso - Training Facilities Instead of Kidd Field Press Box and Kidd Field Public Facilities: Authorization for Construction, Call for Bids, and Award Contract, and Appropriation Therefor.--Since the action taken by the Board of Regents on April 29, 1972, with respect to the remodeling of the Kidd Field Press Box and Public Facilities at The University of Texas at El Paso, it has been determined that the press no longer uses the Kidd Field Press Box at track meets and further that the training room space now in Holliday Hall is large enough to serve the needs of only the physical education program and that additional training rooms for intercollegiate athletics can best be provided in a location outside of Holliday Hall. Based on this information, the Buildings and Grounds Committee (1) authorized the construction of a training room facility of approximately 2,800 gross square feet rather than the remodeling of Kidd Field Press Box and Kidd Field Public Facilities and (2) appropriated \$50,000 from Permanent University Fund Bond proceeds. This is the amount of funds estimated to cover the cost of the remodeling.

It was further authorized that the U. T. El Paso Physical Plant Staff prepare final plans and specifications for the project and that the U. T. El Paso administration be authorized to advertise for bids and award a contract.

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18. U. T. El Paso - Recreational Facility South of Dormitories (Four Outdoor Basketball Courts and Six Outdoor Handball Courts): Award of Contract to McCracken Construction Company, Inc., and Additional Appropriation Therefor.--For the construction of four outdoor basketball courts and six outdoor handball courts with lighting for the Recreational Facility South of Dormitories at The University of Texas at El Paso, a contract was awarded to the low bidder, McCracken Construction Company, Inc., El Paso, Texas, as follows:

Base Bid	\$ 96,100
Add Alternate No. 1 (Add Basketball Court No. 4)	<u>11,600</u>
Total Contract Award	<u>\$ 107,700</u>

The total project cost was increased from \$104,000 to \$116,316; and for this cost, an appropriation of additional funds in the amount of \$108,316 from Permanent University Fund Bond proceeds was authorized. Previously, \$8,000 had been appropriated from the same source.

19. U. T. El Paso - Campus Lighting System (Addition to Phase II Electrical Distribution System): Approval of Final Plans and Specifications and Authorization to Advertise for Bids.--The final plans and specifications for a campus lighting system (addition to Phase II of the Electrical Distribution System) at The University of Texas at El Paso were approved. These plans were prepared by the Project Engineer, Gaynor and Sirmen, Inc., of Dallas, Texas, and cover a campus lighting system at an estimated total project cost of \$140,000. The Director of the Office of Facilities Planning and Construction was authorized to advertise for bids to be submitted to the Board of Regents at a future meeting.
20. U. T. Permian Basin - Possible Source of Water Supply: Report of Ed L. Reed Associates Re Source of Water Supply and Appointment of Committee for Negotiations.--A report was received from the firm of Ed L. Reed Associates of Midland, Texas, which firm was appointed in July 1972 to make the necessary studies, evaluations and reports regarding water sources for The University of Texas at Austin - The University of Texas McDonald Observatory at Mount Locke and The University of Texas of the Permian Basin. This report indicated that negotiations should be initiated with the City of Midland, the City of Odessa and the Colorado River Municipal Water District as to their interest in furnishing water for the U. T. Permian Basin campus.

Upon the recommendation of Deputy Chancellor Walker, the Buildings and Grounds Committee appointed a committee consisting of Committee Chairman Erwin, Deputy Chancellor Walker and University Attorney Gibson, with assistance from Mr. Ed Reed, to negotiate with the two cities and/or the Colorado River Municipal Water District for a water supply to U. T. Permian Basin with instructions to the committee to report back to the Board of Regents their recommendations at a subsequent meeting.

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21. U. T. Permian Basin - Transition Facilities (Two Classroom Buildings and Interim Library Building): Award of Contracts for Furniture and Furnishings to Abel Contract Furniture and Equipment Company, Inc., Library Bureau Division, Remington Rand Division of Sperry Rand Corporation, and Estey Corporation.--For the Transition Facilities (two classroom buildings and an interim library) later to be used for library purposes at The University of Texas of the Permian Basin, contracts were awarded for furniture and furnishings to the low bidders, as follows:

Base Proposal "A" (General Furnishings)	
Abel Contract Furniture and Equipment Company, Inc., Austin, Texas	\$ 94,985.55
Base Proposal "B" (Steel Bookstacks)	
Library Bureau Division, Remington Rand Division of Sperry Rand Corporation, Dallas, Texas	28,455.00
Base Proposal "C" (Library Technical Furniture)	
Estey Corporation, Red Bank, New Jersey	<u>15,163.00</u>
Total Contract Awards	<u>\$ 138,603.55</u>

It was noted that no valid bid was received on Base Proposal "D" and that purchase of this equipment will be made at a later date after issuance of another invitation for bids.

It was further noted that the funds necessary to cover these contract awards are available in the Allotment Account for the project.

22. U. T. San Antonio - Warehouse Building: Authorization to Construct, Selection of Site, and Appropriation.-- Upon the recommendation of System Administration, authorization was given for the construction of a warehouse facility (steel building on concrete slab) in a remote but accessible area on the west side of the campus of The University of Texas at San Antonio near the location of the fire station site consisting of approximately 10,800 square feet at a total estimated project cost of \$98,000.

The Physical Plant staff of U. T. San Antonio and the Office of Facilities Planning and Construction were authorized to prepare final plans and specifications with instructions to the appropriate administrative official of U. T. San Antonio to award a contract for this warehouse within the total project cost of \$98,000.

For this project, \$98,000 was appropriated from general budget funds, Account No. 14-5895-50 (Unallocated Including Special Equipment).

23. Dallas Health Science Center (Dallas Medical School) - Addition to Academic and Administration Building (Part of Phase I Building Program): Approval of Final Plans and Specifications; Authorization to Negotiate a Change Order to Phase I Building Program Contract; Authorization for Increase in Project Cost, and Appropriation Therefor.-- Final plans and specifications prepared by The Oglesby Group, Dallas, Texas, for an addition to the Academic and Administration Building now under construction at the Dallas Medical School of The University of Texas Health Science Center at Dallas were approved. This addition to the facility which will house the Faculty Center and have approximately 6,000 gross square feet will be constructed on the side of the Academic and Administration Building that is north of the Cafeteria/Auditorium. The estimated total project cost was increased from \$250,000, which amount had been previously appropriated, to \$310,000. An additional appropriation of \$60,000 from the following sources was appropriated to complete the financing of this project:

Restricted Dallas Medical School Funds - \$20,000

Institutional MSRDP Development Fund - \$40,000

The Director of the Office of Facilities Planning and Construction was authorized to negotiate a change order with in the authorized funds with Robert E. McKee, Inc., the contractor for the Phase I Building Program.

24. Dallas Health Science Center (Dallas Medical School) - Hoblitzelle Building: Report of Special Committee, Ratification of Award of Contract for Remodeling, Repair, and Refurbishing to Howard U. Freeman, Inc., and Appropriation Therefor.--A report was received that the committee appointed October 20, 1972, to award a contract for the remodeling, repair and refurbishing of the Hoblitzelle Building at the Dallas Medical School of The University of Texas Health Science Center at Dallas had awarded a contract to the low bidder, Howard U. Freeman, Inc., Irving, Texas, in the amount of \$423,176. It was noted that the contract is well within the estimated cost of \$670,000.

The Buildings and Grounds Committee ratified the action of the committee in the award of this contract and appropriated \$500,000 (which will cover the contract, Engineer's fees thereon, movable equipment, and miscellaneous expenses) from the following sources:

Dallas Medical School Plant Funds Account No. 957105 - Re-Caulk Windows, Hoblitzelle Building	\$40,000
Project No. 303-117 - Remodeling Hoblitzelle Building	\$460,000

25. Dallas Health Science Center (Dallas Medical School) - Remodeling of Gary Building: Authorization to Prepare Final Plans and Specifications by Phases and Additional Appropriation Therefor.--The following resolution was adopted:

WHEREAS, On June 4, 1971, preliminary plans and specifications were approved for remodeling the Hoblitzelle Building at the Dallas Medical School of The University of Texas Health Science Center at Dallas covering approximately 55,437 gross square feet at an estimated total project cost of \$2,100,000;

WHEREAS, On December 3, 1971, the Board of Regents authorized the preparation of final plans and specifications for 6,800 square feet at an estimated total project cost of \$370,000; however, the contract awarded on June 9, 1972, provided for the renovation of 11,000 gross square feet as the initial phase (Phase "A") of the total remodeling, and

WHEREAS, There remains for remodeling and renovation 44,437 gross square feet:

BE IT RESOLVED, (1) That the remaining 44,437 gross square feet to be remodeled be divided into three phases (B,C and D) of approximately 14,150 gross square feet each; (2) That the Project Architect, Harper and Kemp of Dallas, Texas, be authorized to prepare final plans and specifications with cost estimates for each of the three phases to be considered by the Board of Regents at a later meeting, and (3) That an additional appropriation of \$60,000 be authorized from Dallas Medical School Unexpended Plant Funds for Architect's fees and miscellaneous expenses through the preparation of final plans and specifications.

26. Dallas Health Science Center (Dallas Medical School) - Parking Structure: Approval of Final Plans and Specifications, and Authorization to Advertise for Bids.--The final plans and specifications, as authorized by the Board of Regents on September 11, 1972, for a parking structure for the Dallas Medical School of The University of Texas Health Science Center at Dallas were approved. This facility is for approximately 600 cars at an estimated project cost of \$1,300,000. The Director of the Office of Facilities Planning and Construction was authorized to advertise for bids for this facility to be presented to the Board of Regents at a later date.

27. Dallas Health Science Center (Dallas Medical School) - Campus West Perimeter and Transverse Roadwork: Authorization to Prepare Preliminary Plans; Authorization to Negotiate for Participation with Callier Hearing and Speech Center and Texas Woman's University School of Nursing; Appointment of Raymond L. Goodson, Jr., Inc., Project Engineer, and Appropriation Therefor. -- Authorization was given to extend the basic road network on the west perimeter of the Dallas Medical School of The University of Texas Health Science Center at Dallas and to add a transverse road to relieve congestion, improve circulation and safety and improve ingress and egress not only for the Dallas Medical School but for the Callier Hearing and Speech Center and Texas Woman's University School of Nursing. President Sprague and System Administration were authorized to negotiate with authorities of Callier Hearing and Speech Center and Texas Woman's University School of Nursing regarding their participation in the project.

The firm of Raymond L. Goodson, Jr., Inc., Dallas, Texas, was appointed Project Engineer with authorization to prepare preliminary plans and specifications and cost estimate to be brought back to the Board of Regents for approval at a later date. For this project, \$5,000 was appropriated from Dallas Medical School Plant Funds Account No. 957405 for Engineer's fees and miscellaneous expenses through the preparation of preliminary plans.

28. Galveston Medical Branch (Galveston Medical School) - Administration Building: Appointment of Committee to Award Contract for Furniture and Furnishings. -- A committee consisting of President Blocker, Director Kristoferson, Deputy Chancellor Walker, Committee Chairman Erwin and Board Chairman Peace was named to award a contract for furniture and furnishings for the Administration Building at the Galveston Medical School of The University of Texas Medical Branch at Galveston. It was noted that funds to cover this contract award are available in the Allotment Account for the project.

29. Galveston Medical Branch (Galveston Medical School) - Rehabilitation and Physical Fitness Center: Approval of Preliminary Plans and Additional Appropriation for Architect's Fees and Miscellaneous Expenses. -- The preliminary plans and outline specifications for the Rehabilitation and Physical Fitness Center for the Galveston Medical School of The University of Texas Medical Branch at Galveston were approved and authorization was given to the Project Architect, Koetter, Tharp and Cowell, Houston, Texas, to prepare final plans and specifications. This complex consists of approximately 42,000 gross square feet including a multi-purpose facility, a six lane swimming facility and a physical fitness research facility at an estimated total project cost of \$2,100,000.

In addition to the \$20,000 previously appropriated from Galveston Medical Branch Unexpended Plant Funds Project Account, \$75,000 was appropriated from the same source for Architect's fees and miscellaneous expenses through the preparation of final plans and specifications.

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30. Galveston Medical Branch (Galveston Medical School): Report on Status of Ashbel Smith Building (Referred to as Old Red).--President Blocker briefly reported on the status of the campaign to restore the Ashbel Smith Building (referred to as Old Red) at the Galveston Medical School of The University of Texas Medical Branch at Galveston. The Alumni Association hopes to receive \$200,000 to aid in the restoration, and at this time \$55,000 has been received in cash plus \$8,000 in pledges.
31. Galveston Medical Branch (Marine Biomedical Institute) - Initial Facility: Approval of Final Plans and Specifications for Extension of Utilities and Authorization to Advertise for Bids.--The final plans and specifications for the extension of utilities from the Central Chilling Plant to the site on the Smith property of the Initial Facility for the Marine Biomedical Institute of The University of Texas Medical Branch at Galveston as prepared by the Consulting Engineers, Ray S. Burns and Associates, Houston, Texas, were approved with authorization to the Director of the Office of Facilities Planning and Construction to advertise for bids. The estimated total project cost for this extension is \$365,000.
32. Galveston Medical Branch (Marine Biomedical Institute) - Initial Facility: Award of Contract to Spaw-Glass, Inc., and Additional Appropriation Therefor.--A construction contract was awarded to the low bidder, Spaw-Glass, Inc., Houston, Texas, for the Initial Facility of the Marine Biomedical Institute of The University of Texas Medical Branch at Galveston as follows:

Base Bid	\$ 1,093,000
Add Alternates:	
No. 1 (Ground Floor Slab)	10,700
No. 2 (Paving and Site Work)	41,000
	<u>1,144,700</u>
Deduct Alternate No. 3B (Steel Shell Driven, Concrete Filled, Piling)	5,000
Total Contract Award	<u>\$ 1,139,700</u>

This is for a building of approximately 37,000 gross square feet. The total project cost was approved for \$1,227,000 to cover the recommended building construction contract award, air balancing, fees, and miscellaneous expenses. For this project, an additional appropriation of \$1,137,000 was authorized from Permanent University Fund Bond proceeds. From the same source, \$90,000 has previously been appropriated.

33. Galveston Medical Branch (Galveston Hospitals) - Additions to John Sealy Hospital: Approval of Preliminary Plans; Authorization to Prepare Final Plans and Specifications; Authorization to Phase the Construction, and Appropriation Therefor. -- Approval was given to the preliminary plans and specifications for 420,000 gross square feet of space as an addition to the John Sealy Hospital of The University of Texas Medical Branch at Galveston (including a 528 hospital bed tower, a new central supply, pharmacy and bulk storage area and a new surgical operating suite), at a total estimated project cost of \$30,000,000 with authorization to the Project Architect, Pierce, Goodwin and Flanagan, Houston, Texas, to prepare the final plans and specifications as well as the plans and specifications for the site preparation work, piling and pile caps, both of which will be submitted to the Board of Regents at a later meeting for approval.

Authorization was given to appropriate an additional \$1,050,000 as an advance from proceeds of Permanent University Fund Bonds. Previous appropriations of \$556,250 have been made.

34. Galveston Medical Branch (Galveston Hospitals) - Acquisition and Installation of a Linear Accelerator, Authorization for Scope of Project, Appointment of Firm of Louis L. Oliver and Tibor Beerman, Project Architect (Including Walter P. Moore, Engineer) for Preparation of Final Plans, And Appropriation for Fees and Miscellaneous Expenses. -- Approval was given to acquire and install a linear accelerator in the John W. McCullough Out-Patient Building - Galveston Hospitals of The University of Texas Medical Branch at Galveston at an estimated cost of \$600,000. This cost includes the facility, linear accelerator and relocation of the Radiation Biology Laboratory. The firm of Louis L. Oliver and Tibor Beerman, Architects of Galveston, Texas, was appointed to design the facility to house the linear accelerator with authorization to prepare final plans and specifications. It was noted that Mr. Walter P. Moore, Structural Engineer of Houston, Texas, who prepared the structural design of the John W. McCullough Out-Patient Building will be associated with the firm of Oliver and Beerman for the structural design of the facility.

From the Medical Branch Unexpended Plant Funds Allocation Account, \$12,000 was appropriated for Architect's and Engineer's fees and miscellaneous expenses through the preparation of final plans and specifications.

35. San Antonio Health Science Center (San Antonio Medical School) - Physical Plant Warehouse Building: Authorization to Prepare Preliminary Plans and Outline Specifications, Appointment of Phelps and Simmons and Associates, Project Architect, and Appropriation Therefor. -- The following resolution was adopted:

WHEREAS, The San Antonio Medical School of The University of Texas Health Science Center at San Antonio needs approximately 12,000 square feet of additional warehouse storage space for which it is estimated the project cost will be \$275,000:

BE IT RESOLVED, (1) That Phelps and Simmons and Associates, San Antonio, Texas, be appointed

Project Architect for this structure with authorization to prepare preliminary plans and outline specifications to be approved by the Board of Regents at a later meeting and (2) that \$6,000 be appropriated from San Antonio Medical School Unexpended Plant Funds - Project Allocation Account to cover the cost of Architect's fees and miscellaneous expenses through the preliminary design phase.

Regent Garrett voted "No" on the basis of the cost of this construction.

36. San Antonio Health Science Center (San Antonio Dental School) - New Facility: Report of Committee to Award Contract and Ratification of Award of Contract to J. W. Bateson Company and Additional Appropriation Therefor.--The committee appointed at the Regents' meeting on October 20, 1972, and consisting of President Olson, Director Kristoferson, Deputy Chancellor Walker, Committee Chairman Erwin and Board Chairman Peace, to award a construction contract for the San Antonio Dental School of The University of Texas Health Science Center at San Antonio reported that the committee had awarded a contract, subject to all granting agency clearances, to the low bidder, J. W. Bateson Company, Dallas, Texas, as follows:

Base Bid	\$ 19,227,000
Deduct Alternate No. 01 (Plastic Clad Laboratory Furniture	<u>25,000</u>
	19,202,000
Add Alternates:	
No. 1 (Vinyl Wall Covering)	74,000
No. 2 (Dental Technician Casework)	43,000
No. 3 (Road Work)	35,000
No. 4 (Dental Clinic Doors)	87,000
No. 5 (Terrazzo Stair Finish)	30,000
No. 6 (Lighting Dimmers)	<u>43,000</u>
Total Contract Award	<u>\$ 19,514,000</u>

The action of the committee was ratified and it was noted that the total project cost of \$25,900,000 is well within the previously authorized project cost of \$28,000,000.

Funding for this New Facility was authorized from the following sources:

Legislature Appropriations	\$ 272,699.45	- Previously appropriated
Federal Grant	9,310,000.00	- Notice received
Tuition Revenue Bond Proceeds	<u>16,317,300.55</u>	
Total	<u>\$25,900,000.00</u>	

From Tuition Revenue Bond proceeds, \$15,827,000 was appropriated, making a total of \$16,317,300.55. This covers a building of approximately 453,769 gross square feet.

37. University Cancer Center (M. D. Anderson) - Lutheran Hospital Addition and Outpatient Clinic Expansion: Report of Committee to Award Contract and Ratification Thereof and Additional Appropriation Therefor.--A report was received from the committee appointed on October 20, 1972, to award a contract within the estimated construction cost of \$31,896,900 for the Lutheran Hospital Addition and Outpatient Clinic Expansion of M. D. Anderson of The University of Texas System Cancer Center. This committee, consisting of President Clark, Director Kristoferson, Deputy Chancellor Walker, Committee Chairman Erwin, and Board Chairman Peace, awarded subject to granting agency clearances a contract to the low bidder, Manhattan Construction Company, Houston, Texas, as follows:

Base Bid	\$ 25,863,000
Add Alternates:	
No. 1 (Service Area)	306,000
No. 2 (Site Work)	112,000
No. 4 (Tunnel to Garage)	79,000
No. 5 (Finish 5th Floor, Clinic)	695,000
No. 6 (Finish 6th Floor, Clinic)	580,000
No. 7 (Finish 7th Floor, Clinic)	560,000
No. 8 (Finish 8th Floor, Clinic)	700,000
No. 9 (Finish 9th Floor, Clinic)	632,000
No. 12 (Add Elevator, Clinic)	75,000
No. 13 (Add Elevator, Clinic)	78,000
No. 14 (Add Elevator, Clinic)	78,000
No. 19 (Add Floor, Clinic)	227,000
Total Contract Award	<u>\$ 29,985,000</u>

The committee also reported that pursuant to authorization of September 11, 1972, "that bids for additive alternates be provided and accepted within the construction funds available at the time of contract award or within a succeeding six month period if funds become available," Alternate No. 18, Addition of the Chapel, had been accepted as a change order to the construction contract, subject to certification of all required funding.

This report was received, and the action therein ratified.

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Authorization was given to fund the project from the following sources and appropriations therefor were made:

Gifts and Private Grants	\$ 6,568,101.03
Hill-Burton Grant	2,000,000.00
Proceeds from M. D. Anderson Hospital and Tumor Institute Endowment and Hospital Revenue Bonds, Series 1972	16,000,000.00
Legislative Appropriation	2,250,000.00
Permanent University Fund Bond Proceeds	3,216,812.00
Local Institutional Funds	<u>5,490,272.00</u>
Total	<u>\$ 35,525,185.03</u>

It was noted that an advance of \$1,485,000 had been previously appropriated from Permanent University Fund Bond proceeds.

38. System Nursing School (San Antonio Nursing School) - Appointment of Special Committee to Award Contract for Permanent Building.--The following resolution was adopted:

WHEREAS, At the June 9, 1972 meeting of the Board of Regents, final plans and specifications were approved for a permanent building of 79,500 gross square feet for the San Antonio Nursing School of The University of Texas System School of Nursing at an estimated total project cost of \$3,850,000 to come from Tuition Revenue Bonds;

WHEREAS, It has been determined since that Federal assistance under the provisions of the Nurse Training Act of 1971, P.L. 92-158 will not be available and the Office of Facilities Planning and Construction has advertised for bids to be received on December 20, 1972, and

WHEREAS, In order to proceed with the construction of this facility as rapidly as possible:

BE IT RESOLVED, That a committee consisting of President Willman, Director Kristoferson, Deputy Chancellor Walker, Committee Chairman Erwin and Board Chairman Peace be appointed to award the construction contract for the San Antonio Nursing School permanent building as outlined in Paragraph 1.

REPORT OF LAND AND INVESTMENT COMMITTEE (Pages 45-62). -- Committee Chairman Garrett filed with the Secretary the following report of the Land and Investment Committee (Pages 45-62). All actions were taken in open session and all items were approved. Committee Chairman Garrett moved the adoption thereof and the ratification of the actions taken therein. His motion unanimously prevailed.

Except as otherwise indicated in the reports, the Associate Deputy Chancellor for Investments, Trusts and Lands was authorized to execute all necessary instruments relating to real estate or mineral interest held or controlled by the Board of Regents as a part of the Permanent University Fund or as a part of any Trust or Special Fund when such instruments are approved as to form by a University attorney and as to content by an appropriate official.

Commendation of Floyd Shelton; Board Resolution Authorized. -- Committee Chairman Garrett opened the meeting of the Land and Investment Committee by calling to the Regents' attention the comparison of the assets of the Permanent University Fund in 1966 with those of 1972, which reflect an increase in book value of 31% and in investment income of 67%. Committee Chairman Garrett pointed out that Mr. Floyd Shelton, Associate Deputy Chancellor for Investments, Trusts and Lands, came to the University in 1966 and that he had resigned effective December 31, 1972.

At the request of the Committee Chairman, Associate Deputy Chancellor Shelton introduced his associates in the Land and Investment Office, to wit:

Mr. Steve Bynum, Investment Officer
Mr. James Zimmerman, Geologist-in-Charge, University
Lands
Mr. Bob Long, Trust Officer

Following comments about the splendid job performed by Mr. Shelton in his six years at the University, Chairman Peace expressed regret at Mr. Shelton's resignation and expressed sincere appreciation for his accomplishments. Upon motion of Board Chairman Peace, seconded by Regent Kilgore, an appropriate resolution relating to Mr. Shelton's services was authorized. This motion was unanimously adopted, and Board Chairman Peace appointed Committee Chairman Garrett to prepare the resolution for the Regents' signatures. The resolution will be incorporated in the January 1973 Minutes.

Vice-Chairman Ikard added these words of commendation: "I do not think it is possible to express appreciation for the kind of leadership Floyd Shelton has given us over the past years. I would like to add individually that Floyd Shelton has probably given to the University more than any other one I know in the husbandman of our natural resources and the management thereof."

Following these comments, Committee Chairman Garrett presented Mr. Raymond Todd, successor to Mr. Shelton.

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I. Permanent University Fund

A. Investment Matters

1. Report on Permanent University Fund Investments for the Fiscal Year Ended August 31, 1972. --A report on the Permanent University Fund investments for the fiscal year September 1, 1971 through August 31, 1972, was received in a bound volume. This report summarizes all investment transactions for the fiscal year during which periodic reports of investments are submitted to the Board of Regents. Under House Bill 1198, 62nd Legislature, State of Texas, R.S. 1971, this report shall be distributed to the Governor, members of the Legislature and other State officials.

2. Permanent University Fund: Report on Clearance of Monies to Permanent University Fund and Available University Fund. --
 From the Auditor, Oil and Gas Production the following report with respect to monies cleared by the General Land Office to the Permanent University Fund and the Available University Fund for the current fiscal year through October 1972 was received and made a part of this Committee's report:

<u>Permanent University Fund</u>	<u>September, 1972</u>	<u>October, 1972</u>	<u>Cumulative This Fiscal Year</u>	<u>Cumulative Preceding Fiscal Year (Averaged)</u>
<u>Royalty</u>				
Oil	\$ 1,242,423.30	\$ 1,223,773.52	\$ 2,466,196.82	\$ 2,674,365.48
Gas - Regular	167,629.87	225,191.01	392,820.88	573,728.84
- F. P. C.	1.73	- 0 -	1.73	4,670.74
Water	37,375.80	3,230.21	40,606.01	19,763.70
Salt Brine	1,235.28	472.85	1,708.13	2,243.54
Rental on Mineral Leases	97,658.90	5,749.11	103,408.01	56,605.08
Rental on Water Contracts	2,063.51	- 0 -	2,063.51	4,268.00
Rental on Brine Contracts	- 0 -	- 0 -	- 0 -	33.34
Amendments and Extensions of Mineral Leases	128,140.00	141,096.26	269,236.26	47,571.80
	<u>\$ 1,676,528.39</u>	<u>\$ 1,599,512.96</u>	<u>\$ 3,276,041.35</u>	<u>\$ 3,383,250.32</u>
Bonuses, Mineral Lease Sales (actual)	2,475,900.00	- 0 -	2,475,900.00	4,769,600.00
Total-Permanent University Fund	<u>\$ 4,152,428.39</u>	<u>\$ 1,599,512.96</u>	<u>\$ 5,751,941.35</u>	<u>\$ 8,152,850.52</u>
<u>Available University Fund</u>				
Rental on Easements	4,744.04	12,532.97	17,277.01	39,693.82
Interest on Easements and Royalty	994.25	- 0 -	994.25	2,401.76
Correction Fees - Easements	- 0 -	- 0 -	- 0 -	22.58
Transfer and Relinquishment Fees	52.07	163.04	215.11	1,139.10
Total-Available University Fund	<u>5,790.36</u>	<u>12,696.01</u>	<u>18,486.37</u>	<u>43,257.26</u>
Total-Permanent and Available University Funds	<u>\$ 4,158,218.75</u>	<u>\$ 1,612,208.97</u>	<u>\$ 5,770,427.72</u>	<u>\$ 8,196,107.78</u>
<u>Oil and Gas Development-October 31, 1972</u>				
Acreage Under Lease	604,020			
Number of Producing Acres	317,929			
Number of Producing Leases	1,406			

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1. Permanent University Fund: Easements and Surface Leases Nos. 3464-3479, Assignment of Easements Nos. 1727, 1818, 2711, 2712, 2713, 2715, 2716, 2717, 2718, 2719, 2721, 2722, 2723, 2724, 2727, 2728, 2734, 3125, and 1799, Material Source Permit No. 418, and Grazing Leases Nos. 1134-1143. --Easements and Surface Leases Nos. 3464-3479, Assignment of Easements Nos. 1727, 1818, 2711, 2712, 2713, 2715, 2716, 2717, 2718, 2719, 2721, 2722, 2723, 2724, 2727, 2728, 2734, 3125, and 1799, Material Source Permit No. 418 and Grazing Leases Nos. 1134-1143 were approved as set out below. All are within the policies of the Board of Regents and all have been approved as to form by a University Attorney and as to content by an appropriate official:

Easements and Surface Leases (Nos. 3464-3479)

All easements and surface leases are at the standard rate; are on the University's standard forms; and payment has been received in advance unless otherwise stated.

No.	Company	Type of Permit	County	Location (Block #)	Distance or Area	Period	Consideration
3464	Atlantic Richfield Company (Renewal of 551)	Surface Lease (Storage site)	Crane	31	5.05 acres	11/1/72-10/31/82	\$ 1,010.00 (Full)
3465	Phillips Pipe Line Company (Renewal of 1679)	Pipe Line	Andrews	11	182.7 rds. 4 1/2 inch	11/1/72-10/31/82	118.76
3466	Phillips Petroleum Company (Renewal of 1707)	Pipe Line	Andrews	9	488 rds. 2-3/8 inch	12/1/72-11/30/82	317.20
3467	Community Public Service Company	Power Line	Ward	16	170.9 rds. single pole	10/1/72-9/30/82	102.54
3468	Phillips Natural Gas Company (Renewal of 1688)	Pipe Line	Pecos	18, 19 20	3,208.4 rds. 3 1/2 inch 3,195.8 rds. 4 1/2 inch	11/1/72-10/31/82	4,162.73
3469	General Texas Corporation	Surface Lease (Test site)	Andrews	6	750' x 750'	12/1/72-11/30/73*	258.20

*Renewable from year to year, but not to exceed a period of ten (10) years

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Easements and Surface Leases - Continued--

No.	Company	Type of Permit	County	Location (Block #)	Distance or Area	Period	Consideration
3470	Jess Burner, Jr.	Surface Lease (Private airstrip site)	El Paso	L	30' x 6,000'	12/1/72- 11/30/73*	\$ 100.00
3471	West Texas Utilities Company	Power Line	Reagan, Upton	1,2, 3,8	1,373.9 rds. single pole	11/1/72- 10/31/82	824.34
3472	American Quasar Petroleum Company	Surface Lease (Salt water disposal site)	Andrews	6	One acre	11/1/72- 10/31/73**	250.00
3473	Phillips Petroleum Company	Pipe Line	Andrews	12, 13	16.7 rds. 3½ inch 100.6 rds. 4½ inch	5/1/72- 4/30/82	76.25
3474	Texas Electric Service Company (Renewal of 1700)	Surface Lease (Electrical sub-station site)	Crane	31	0.918 acres	12/1/72- 11/30/82	500.00 (Full)
3475	Texas Electric Service Company (Renewal of 1703)	Power Line	Crane	31	301.94 rds. transmission construction	12/1/72- 11/30/82	301.94
3476	Phillips Petroleum Company	Pipe Line	Crane	31	27 rds. 3½ inch	6/1/72- 5/31/82	50.00 (Minimum)
3477	Phillips Petroleum Company	Pipe Line	Crockett	29	184.67 rds. 2 3/8 inch	10/1/72- 9/30/82	120.04

*Renewable from year to year, but not to exceed a period of ten (10) years

**Renewable from year to year, but not to exceed a period of five (5) years

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Easements and Surface Leases - Continued---

No.	Company	Type of Permit	County	Location (Block #)	Distance or Area	Period	Consideration
3478	Shell Oil Company	Pipe Line	Andrews	9	626.03 rds. various size	11/1/72- 10/31/82	\$ 407.10
3479	L. O. Lynch	Surface Lease (Barbecue stand)	Reagan	11	200' x 200'	12/1/72- 11/30/73*	200.00

*Renewable from year to year, but not to exceed a period of ten (10) years

Assignment of Easements (Nos. 1727, 1818, 2711, 2712, 2713, 2715, 2716, 2717, 2718, 2719, 2721, 2722, 2723, 2724, 2727, 2728, 2734, 3125 and 1799)

Nos.	Assignor	Assignee	Type of Permit	County	Consideration
1727, 1818, 2711, 2712, 2713, 2715, 2716, 2717, 2718, 2719, 2721, 2722, 2723, 2724, 2727, 2728, 2734, 3125, 1799	Humble Pipe Line Company	The Permian Corporation	Pipe Lines	Reagan	\$ 950.00*

*Assignment Fee

Material Source Permit (No. 418)

No.	Grantee	County	Location	Quantity	Consideration
418	Trio Specialities Company	Ward	Block 16	1,167 cubic yards pad dirt	\$ 350.10

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Land Matters - Continued--

Grazing Leases (Nos. 1134-1143)

The following grazing leases are for the five-year period, January 1, 1973, through December 31, 1977, with extension for an additional five-year period, January 1, 1978, through December 31, 1982, at rental shown provided the Lessees carry out the range conservation and/or ranch improvement and practices specified in Exhibit B of the leases, which shall be certified by the University Land Agent. The leases are on the University's standard forms with semi-annual payment of rental on January 1 and July 1 of each year in the amounts set out in the leases.

Lease No.		Lessee	Location		Acreage	Previous Rental Per Acre	First Five Years			Second Five Years		
New	Old		County	Block			Per Acre	G*	H*	Annual Rental	Per Acre	H*
1134	995	W. R. Bissett	Crockett	41, 42, 44, 45	6,301.2	60¢	75¢	3¢	\$ 4,914.94	90¢	4¢	\$ 5,923.12
1135	996	D. F. Coates, Jr., J. F. Coates, and Roy Coates	Crockett	44, 45, 46, 47	14,276.3	60¢	75¢	3¢	11,135.52	90¢	4¢	13,419.72
1136	997	W. R. Bissett, R. L. Bissett, W. A. Hemphill and W. C. Hemphill	Crockett	40, 41, 42	20,372.9	60¢	75¢	3¢	15,890.86	90¢	4¢	19,150.52
1137	998	Mrs. Nell Anderson, William Oliver Harrison, and Michael Anderson Harrison	Loving Ward Winkler	17, 18, 19, 20, 21	131,096.25	30¢	18¢	2¢	26,219.26	22¢	3¢	32,774.06
1138	999	A. B. Connell, Jr.	Ector	35	3,316.26	18¢	18¢	2¢	6,632.52	22¢	3¢	8,290.66
1139	1000	Sam Mann	Reagan Crockett	7, 12	6,711.9	65¢	75¢	5¢	5,369.52	90¢	7¢	6,510.54
1140	1001	E. H. & H. H. Linthicum	Irion Crockett	40, 41	9,158.4	60¢	75¢	3¢	7,143.56	90¢	4¢	8,608.90

G* Grazing Rental
H* Hunting Rental

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Land Matters - Grazing Leases - Continued

Lease No.		Lessee	Location		Acreage	Previous Rental Per Acre	First Five Years			Second Five Years		
New	Old		County	Block			Per Acre	G*	H*	Annual Rental	Per Acre	G*
1141	1002	Alene Workman, Thomas D. Workman, Jr., Lucille Owens Barr, and Robert Wilson Barr	Reagan Upton	1, 4	14,105.0	55¢	70¢	4¢	\$10,437.70	85¢	5¢	\$12,694.50
1142	1003	Troy Williams	Crockett	42, 45	10,526.5	60¢	75¢	3¢	8,210.68	90¢	4¢	9,894.90
1143	1004	J. E. Hill, Jr.	Andrews	13	24,817.9	30¢	33¢	2¢	8,686.26	38¢	3¢	10,175.34

G* Grazing Rental
H* Hunting Rental

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2. Permanent University Fund - University Lands: Revisions of Surface Leasing Policies. -- Upon recommendation of the Associate Deputy Chancellor for Investments, Trusts and Lands and the Land Agent, Mr. Billy Carr, the Surface Leasing Policies for University Lands adopted October 1, 1969, and amended in April 1971 and April 1972 were revised as set out below to be effective January 1, 1973:

THE UNIVERSITY OF TEXAS SYSTEM

SURFACE LEASING POLICIES ON WEST TEXAS LANDS

EFFECTIVE JANUARY 1, 1973

Grazing and Hunting

1. Length of Lease--Five years, with a five year extension option at an increased rental.
2. Conservation and Lease Improvement Programs--All leases shall provide for a definite program of range conservation and lease improvement. It is contemplated that such programs will be worked out with the Lessee by the Land Agent based on cooperation with the local Texas Soil and Water Conservation District Directors and with the technical assistance of the Soil Conservation Service of the U. S. Department of Agriculture.

The soil conservation and lease improvement programs so developed shall be stated in writing and shall be attached to and become a part of each lease. Any deviations therefrom, which must be deemed beneficial to University Lands, must have the approval of the Land Agent and concurrence of the Associate Deputy Chancellor for Investments, Trusts and Lands.

3. Condition of Extension--The option to extend for five years shall be subject to satisfactory compliance by Lessee with all terms of the lease, including those required by the soil conservation and lease improvement program.
4. Cancellation--If the lessee at any time during the term of the lease does not show good faith and follow diligently the terms of the lease the University, after proper notification and at its option, reserves the right to terminate the lease.
5. Lease Renewal--If lessee has fulfilled the terms of the lease and agrees to the terms of a new lease, he, his heirs, devisees or assigns will be given first preference of renewal at a negotiated rental rate. It will be understood that the University shall not be obligated to renew the lease.
6. Livestock Limits--The lessee shall stock so as to practice PROPER GRAZING USE on the lease and have a planned grazing system.

The Soil Conservation Service Local Field Office Technical Guides (standards and specifications) shall serve as a guide to determination of PROPER GRAZING USE and the planned grazing system.

Surface Leasing Policies on West Texas Lands - Grazing and Hunting - Continued.--

7. Rental Rates--Rental rates will be determined by the Land Agent, based on the value and productivity of the land.
8. Pasturing Stock Other than Own--A lessee will be allowed, under appropriate circumstances, to pasture stock for a period not to exceed 6 months. Written permission from the Land Agent is required.
9. Subletting--Under no conditions will a lessee be allowed to sublet a grazing lease.
10. Size and Number of Leases--There shall be no restriction on the size of a grazing lease or the number of leases held by a family, partnership, or similar entity. No lease shall be divided unless each will constitute an economic operating unit.
11. Limitations Regarding Lessees--In renewing, assigning, or making new grazing leases, all things being equal, preference shall be given to Texas residents.
12. Farming--Irrigated farming shall be permitted in those areas where water does not have commercial priority or where water is being drained from under University lands. Provision shall be made in the grazing lease form to permit separation of irrigated land from the basic grazing lease without permission of the lessee. No dry land farming will be permitted on University lands without written permission from the Land Agent. Lands removed from the grazing lease for farming purposes will be subject to additional rental.
13. Oil Fields--At the discretion of the Land Agent, grazing areas containing a sizable oil field shall be removed from the basic grazing lease. All grazing leases are subject to the development and prospecting for oil and gas or other minerals, also to the issuance by lessor of easements and rights-of-way.
14. Damage Payments--Parties, other than grazing lessees, conducting operations on the leased premises shall pay for damages due to such operations in accordance with the University Damage Schedule. Payments for such damages shall be paid and handled in the manner set out therein.
15. Improvements--The University will require a lessee to maintain lease improvements at his own expense. All improvements on University lands are the property of the University.
16. Ingress and Egress--The University will be allowed to authorize its oil, gas, mineral, and hunting lessees, geophysical exploration and other permittees the right of ingress and egress over land adjacent to University land owned or controlled by University lessees.
17. Hunting Rights--A separate rental will be charged for the hunting rights, the amounts thereof to be determined by the Land Agent, based on information obtained from the Soil Conservation Service, the Parks and Wildlife Department, or otherwise.

Hunting rights can be subleased or leased for day hunting, at the discretion of the lessee.

Surface Leasing Policies on West Texas Lands - Grazing and Hunting - Continued. --

Lessee shall practice conservation of, and develop, the wildlife resources under lease.

Lessee shall file with the Land Agent copies of any reports required by the State Parks and Wildlife Department and furnish such other information as may be required by the Land Agent.

- 18. Assignment of Grazing Lease--Assignment of a grazing lease requires written permission of the University, with the University to receive one-half of any bonus paid by assignee.
- 19. Records--When requested to do so by the University, records shall be maintained and reports shall be furnished to the Land Agent by the lessee as to the number, ages, and type of livestock grazed on the lease and as to such other matters as may be considered necessary or appropriate.

3. Permanent University Fund - University Lands: Revision of Rate Schedules for Easements and Surface Leases and for Damages. --

The rate schedules for easements and surface leases and for damages on University Lands effective October 1, 1969, were revised as set out below to be effective January 1, 1973. These revisions were made upon recommendation of the Associate Deputy Chancellor for Investments, Trusts and Lands and the Land Agent Carr:

RATE SCHEDULE EFFECTIVE JANUARY 1, 1973
(Payable to The University of Texas System)

	RATES		
	1966	Current since 10/1/69	Proposed
I. PIPE LINE EASEMENTS			
A. Standard rates for varying sizes of pipe line, OD diameters, the rates being per rod for a ten year period, payable in advance:			
1. Lines under 6 inches	\$ 0.50	\$ 0.65	\$ 0.75
2. Lines 6" and under 12"	1.00	1.30	1.50
3. Lines 12" and under 25"	1.50	2.00	2.30
4. Lines 25" and under 36"	1.50	2.75	3.15
5. Lines 36" and over	1.50	3.50	4.00
B. MINIMUM for a pipe line easement		50.00	75.00
C. FILING FEE in the amount of \$5.00 made payable to the General Land Office must be submitted with all easements			

II. POWER AND TELEPHONE LINE EASEMENTS

A. Standard rates for varying types of lines, the rates being per rod for a ten year period, payable in advance:

1. Single pole construction	0.50	0.60	0.70
2. Buried telephone cable	0.50	0.65	0.75
3. H-frame pole construction	0.50	1.00	1.15
4. Steel tower construction	0.50	3.00	3.45

B. MINIMUM for a power or telephone line easement

	50.00	50.00	75.00
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C. FILING FEE in the amount of \$5.00 made payable to the General Land Office must be submitted with all easements

RATES

	1966	Current since 10/1/69	Proposed
--	------	-----------------------	----------

III. SURFACE LEASE (other than grazing)

A. Standard rates for various leases:

1. Plant sites, Booster stations, etc., per acre per year (Payable in advance for ten year period)	\$ 15.00	\$ 20.00	\$ 23.00
2. Tower sites, per year (Payable in advance for ten year period)	100.00	100.00	150.00
3. Cathodic protection unit installation (Payable in advance for ten year period)	50.00	50.00	75.00
4. Business sites, residential sites, and other miscellaneous leases (Annual rental payment)		Negotiated	

B. MINIMUM for any type surface lease, per year

	50.00	50.00	75.00
--	-------	-------	-------

C. NO FILING FEE required

IV. MATERIAL SOURCE PERMITS (Caliche, etc.)

A. Standard rate for one project

1. Per cubic yard, under 20,000 cubic yards	0.25	0.30	0.30
2. 20,000 cubic yards or over		Negotiated (0.10 minimum)	

B. MINIMUM for each permit

	50.00	50.00	75.00
--	-------	-------	-------

C. Separate check must be submitted for State Sales Tax at the then current rate

D. NO FILING FEE required

V. ASSIGNMENTS, TRANSFER, OR CORRECTION OF EASEMENTS, LEASES, ETC. 50.00 75.00

(The only exception will be if other consideration, in the amount of \$75.00 or more, such as bonus for grazing leases, is paid to The University of Texas System.)

THE UNIVERSITY OF TEXAS LANDS

DAMAGE SCHEDULE EFFECTIVE JANUARY 1, 1973

	RATES	
	Current since 10/1/69	Proposed
I. OIL FIELD OPERATIONS		
A. Well locations (As permitted by Railroad Commission)		
1. 14,000 feet or less (Drilling Depth), per location	\$150.00	\$175.00
2. In excess of 14,000 feet, (Drilling Depth), per location	300.00	350.00
3. Re-entry (No charge until expiration or release of lease, then rates shown under (1) and (2) are to be followed).		
The above rates include space for tank batteries		
4. Skidding of rig, prorated per mile	100.00	150.00
5. New road construction, prorated per mile	100.00	150.00
B. Pipe line construction (OD diameters)		
1. Water and fuel lines used for drilling purposes	0.25	0.30
2. Unburied lines, per rod	0.40	0.45
3. Lines under 6 inches, per rod	0.60	0.70
4. Lines 6 inches and under 12 inches, per rod	0.80	0.90
5. Lines 12 inches or over, per rod	1.00	1.20
6. Removal or replacement of buried lines, per rod	0.40	0.45
C. Power and telephone line construction		
1. Single pole, per mile	60.00	75.00
2. Buried cables, per rod	60.00	70.00
3. H-frame or steel tower, per mile	100.00	120.00
4. Removal of line, per mile	40.00	45.00
5. Removal of buried cable, per rod	0.40	0.45
D. Material source permits and road access		
1. Per entry and use of access road	50.00	50.00
(Before caliche can be removed, permission must be obtained from the University Land Agent and Oil Field Supervisor or his representatives, and at his request pits must be levelled in an acceptable manner.)		

Damage Schedule effective January 1, 1973 - Continued.--

	RATES	
	Current since 10/1/69	Proposed
II. <u>GEOPHYSICAL OPERATIONS</u>		
A. Damage payments for Geophysical Operations shall be as follows:		
1. Gravity meter and magnetometer survey operations, per crew, per day	\$ 20.00	\$ 25.00
2. Single shot (reflection or refraction shooting), per shot hole	10.00	15.00
3. Seismic weight-dropping, vibrators, Dinoseis operations per mile	75.00	100.00
4. Shooting crews per mile	150.00	175.00

III. GUIDELINES FOR OPERATING UNDER THIS SCHEDULE

All monies due for damages (except those attributable to acts of negligence) on lands leased to a grazing lessee, pursuant to this schedule of damages, shall be paid to the University for the account of the lessee of the land on which the damage was incurred. All funds so received shall be handled as set out below in Paragraph IV.

The payment of the standard damage rates does not in any way limit the liability of a company or operator in an action at law for any damages caused by reason of acts of negligence. Compensation for acts of negligence, such as loss or injury to livestock or excessive grass damage, shall be paid directly to the grazing lessee. In the event of a disagreement between the grazing lessee and operator, the University will arbitrate and fix damage payments.

No fence shall be cut or cattle guards installed without permission of the University Land Agent and Oil Field Supervisor.

All operators must notify Land Agent and Oil Field Supervisor and grazing lessee before any operations begin.

All standard damage payments or correspondence concerning this schedule shall be mailed to:

Mr. Billy Carr
University Land Agent and Oil Field Supervisor
P. O. Drawer 553
Midland, Texas 79701

IV. DAMAGE PROGRAM

1. All payments for damages per paragraph 14 of Surface Leasing Policies effective January 1, 1973, to be made to The University of Texas System, as Agent for the Lessee.
2. A separate account will be maintained for damage payments received for each lessee. (Lessee will be notified of all payments received, as they are received.)

Damage Program - Continued.--

3. Annually, as of October 1, each lessee shall be permitted to withdraw funds from his account in accordance with the following principles:
 - (a) Withdrawals shall be permitted, up to the total in the account, equal to the total amount actually expended by the lessee subsequent to October 1, 1969, for ranch or range improvements on the leased premises, reduced by the amount theretofore withdrawn from his account.
 - (b) Expenditures for ranch or range improvements, other than Soil Conservation Service approved programs, must be authorized in advance by the University Land Agent.
 - (c) Proof of expenditures shall be such as is required by the University Land Agent.
 4. At the termination of any lease, any unexpended balance in the lessee's account shall be paid to him.
 5. Any earnings from temporary investments of funds in this account may be expended for such conservation programs related to University Lands as may be recommended by the Land Agent and approved by the Associate Deputy Chancellor for Investments, Trusts and Lands.
4. Permanent University Fund: Planning Use Study of Block L, University Lands, El Paso County, Texas, Deferred. -- The recommendation in connection with planning the use of that portion of Block L, lying between the town of Fabens and Interstate Highway 10, together with a strip of land of approximately 2,000 feet wide to the north of Interstate 10, University Lands, El Paso County, Texas, was deferred until the next meeting.

II. Trust and Special Funds

A. Gift, Bequest and Estate Matters

1. U. T. Austin - L. D. and Marie Gale Unitrust: Acceptance of. -- A trust agreement signed on October 17, 1972, by Mr. and Mrs. L. D. Gale of Beaumont transferring to the Board of Regents as Trustee marketable securities with a value of \$101,862.50 to establish The L. D. and Marie Gale Unitrust was accepted under the terms outlined below. This trust agreement complies with the provisions of the Tax Reform Act of 1969:
 - a. The donors and the survivor of them will receive annually 5% of the value of the trust assets.
 - b. After the death of the survivor the trust will be added to the L. D., Marie and Edwin Gale Professorship in Judaic Studies Fund, and the name of that Fund will be changed to the L. D., Marie and Edwin Gale Chair in Judaic Studies.

2. U. T. Austin: Acceptance of Gift from Dr. and Mrs. C. L. Lundell and Establishment of C. L. Lundell Professorship of Systematic Botany. -- The establishment of the endowed C. L. Lundell Professorship of Systematic Botany at U. T. Austin was authorized, and the gift from Dr. and Mrs. C. L. Lundell of Lots 3 to 9, inclusive, Block 10, Town of Renner, Collin County, worth approximately \$45,000 was accepted as part of the endowment. The following conditions were agreed to:

- a. The Lundell Professor will be responsible for the use and integrity of the Lundell Herbarium which, together with the Lundell Rare Book Library, has been given to the University by Texas Research Foundation and accepted by the Board of Regents on June 9, 1972.
- b. Real estate worth about \$61,000 and being one parcel in the Town of Renner and three parcels in the City of Plano given by Texas Research Foundation with the Library and Herbarium and for the purpose of maintenance, upkeep and preservation of the Herbarium and Library will be added to the gift from Dr. and Mrs. Lundell to complete the endowment of the Lundell Professorship.

3. U. T. Austin - Murray Case Sells Estate: Authority to Join the Other Colleges and Universities in the Sale of Overriding Royalty Interests Under the Remaining Oil and Gas Leases Owned by Sells Petroleum Incorporated. -- The following resolution was adopted:

WHEREAS, In February 1971, and subsequently Sells Petroleum Corporation and the ten colleges and universities who were beneficiaries under the will of Murray Case Sells sold all the working interests and overriding royalty interests in Sells leases, except for those pertaining to four leases in the East Texas Field which are still on hand, and

WHEREAS, The Directors of the Company and the representatives of all the colleges and universities, except for Oklahoma State University, are in the process of inviting bids for these remaining leases with a stipulation that no bid for less than \$3,500,000 (for the full interest) will be considered:

BE IT RESOLVED, That authority be granted to the Associate Deputy Chancellor for Investments, Trusts and Lands to commit 5% interest in the overriding royalty owned by The University of Texas System to such sale; provided an offer is received which is acceptable to the Directors of the Corporation and the representatives owning an additional 85% of the overriding royalty.

4. Houston Health Science Center (Houston Medical School): Acceptance of Residuary Estate of Virginia Claire Brodie and Establishment of the Holman Taylor, Sr., M. D. and Holman Taylor, Jr., M. D. Scholarship Fund in Dermatology. -- The following resolution was adopted:

WHEREAS, Virginia Claire Brodie died approximately two years ago leaving her residuary estate of approximately

\$50,000 for an appropriate medical memorial in memory of Holman Taylor, Sr., M.D. and Holman Taylor, Jr., M.D.;

WHEREAS, A committee of four individuals named in the Will transferred several months ago the residuary estate to The University of Texas Foundation, Inc., for the establishment of The Holman Taylor, Sr., M.D., and Holman Taylor, Jr., M.D. Scholarship Fund in Dermatology with the income to be used for scholarships at the Houston Medical School of The University of Texas Health Science Center at Houston, and

WHEREAS, The Foundation now wishes to transfer the Fund to the Board of Regents:

BE IT RESOLVED, That the estate of Virginia Claire Brodie be accepted for the purposes outlined above.

5. University Cancer Center (M. D. Anderson): Acceptance of Bequest Under the Will of Doris Sarah Nelson. -- The estate of Mrs. Doris Sarah Nelson of Pleasant, Ohio, was left in trust with Mr. Jack T. Zeller, attorney in Mount Vernon, Ohio, with income for life, and with right to invade principal, to two persons ages 70 and 80 and upon the death of the survivor the trust estate to be distributed "to the M. D. Anderson Hospital and Tumor Institute of Houston, Texas, same to be used for cancer research." Upon recommendation of the Associate Deputy Chancellor for Investments Trusts and Lands, the trust estate of approximately \$30,000 was accepted.
6. System Nursing School: Acceptance of Carl C. Maxey Unitrust and Carl C. Maxey Annuity Trust for Lucy May Maxey Student Loan Fund for Nursing. -- The Board of Regents accepted from Mr. Carl C. Maxey of Pineland, Texas, the following trusts which transfer to the Board of Regents \$25,000 Gulf States Utilities Company 8-1/2% First Mortgage Bonds of 2/1/2000. On termination of the trusts, the trust assets are to be transferred to the Board of Regents to establish the Lucy May Maxey Student Loan Fund for Nursing to be used for loans to nursing students of the University System. Both trusts meet the requirements of the Tax Reform Act of 1969:
 - a. Carl C. Maxey Unitrust covering \$14,000 of the bonds with Mr. Maxey to receive 8% of the value of the trust assets annually or net income of the fund, whichever is the lesser, with income above 8% in any year to be paid to the extent less than 8% was paid in any prior years, and with termination on the death of Mr. Maxey, and
 - b. Carl C. Maxey Annuity Trust covering \$11,000 of the bonds with Mr. Maxey to receive \$900 annually during his life and then the same amount to Caroline M. Chandler (date of birth 9/17/1900), if surviving, during her life and then termination.

B. Real Estate Matters

1. University Cancer Center (M. D. Anderson) - Estate of Lily Reber Hills: Joinder in Sale of 396 Acres in Stonewall County to A. R. Sawyers. --Approval was given for joinder with West Texas Rehabilitation Center in the sale of 396 acres in Stonewall County described as the West 1/2 of Section 5 and all that part South of the Salt Fork of the Brazos River in the Northeast part of Section 5, all in Block "C", A. B. & M. Survey to Mr. A. R. Sawyers for a cash consideration of \$36,000, with a one-half non-participating interest in any royalty from oil, gas and other minerals to be retained. This acreage is a part of the residuary estate of Lily Reber Hills (one-half to the West Texas Rehabilitation Center and one-half to the Board of Regents as Trustee of the Cancer Foundation for cancer research at M. D. Anderson Hospital and Tumor Institute of The University of Texas System Cancer Center.)

III. Other Matters

Report of Securities Transactions for Permanent University Fund and for Trust and Special Funds for the Month of September 1972. --

The report of Securities Transactions for Permanent University Fund and for Trust and Special Funds for September 1972, as submitted by the Associate Deputy Chancellor for Investments, Trusts and Lands was received. It is attached (Attachment No. 2) following Page N-3 of Attachment No. 1 and made a part of these Minutes.

REPORT OF MEDICAL AFFAIRS COMMITTEE (Page 62-68) -- Committee Chairman Williams filed the following report of the Medical Affairs Committee and moved its adoption. The motion was duly seconded and unanimously prevailed;

1. Dallas Health Science Center (Dallas Allied Health Sciences School): Affiliation Agreement with Texas Institute of Rehabilitation and Research in Houston for Clinical Training of Allied Health Students. -- For the clinical training of allied health students for the Dallas Allied Health Sciences School of The University of Texas Health Science Center at Dallas, the following affiliation agreement (Pages 63-67) was authorized with the Texas Institute for Rehabilitation and Research at Houston, Texas, and the Chairman of the Board of Regents was authorized to execute this agreement which has been approved as to form by a University attorney and as to content by the Vice-Chancellor for Health Affairs and the Deputy Chancellor for Administration. This agreement is based on the model agreement approved by the Board of Regents on March 6, 1970, but contains minor modifications.

AGREEMENT

THE STATE OF TEXAS X
 X
 COUNTY OF DALLAS X

This AGREEMENT is executed on _____, 1972,
 between the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM,
 for and on behalf of The University of Texas Health Science
 Center at Dallas, Dallas Allied Health Sciences School,
 sometimes referred to as "School" in this agreement, and
 _____,
 Texas Institute for Rehabilitation and Research, Houston,
 sometimes referred to as "Facility" in this agreement,

WITNESSETH:

WHEREAS, the School and the Facility have the following
 common objectives: (1) to provide clinical experience in terms
 of patient and/or client and related instruction for students
 of the School; (2) to improve the overall educational program
 of the School by providing opportunities for learning expe-
 riences that will progress the student to advanced levels of
 performance; (3) to increase contacts between academic faculties
 and clinical faculties for fullest utilization of available
 teaching facilities and expertise; and (4) to establish and
 operate a Clinical Education Program of the first rank:

NOW, THEREFORE, for and in consideration of the foregoing,
 and in further consideration of the mutual benefits, the
 parties to this agreement agree as follows:

(1) GENERAL INFORMATION

(a) The Clinical Education Program will be consistent
 with the training period for the School.

(b) The period of time for each student's clinical
 education will be mutually agreed upon at least one month
 before the beginning of the Clinical Education Program.

(c) The number of students eligible to participate in the Clinical Education Program will be mutually determined and will be set forth in letter agreements between the departments involved.

(2) RESPONSIBILITIES OF THE SCHOOL

(a) The School will send the name, brief identifying data, and a report of health status of each student to the Facility at least three weeks before the beginning date of the Clinical Education Program.

(b) The School will be responsible for supplying any additional information required by the Facility prior to the arrival of the students.

(c) The School will assign to the Facility only those students who have satisfactorily completed the prerequisite didactic portion of the curriculum.

(d) The School will designate a faculty member to coordinate with a designee of the Facility the assignment to be assumed by the student participating in the Clinical Education Program.

(e) The School will enforce rules and regulations governing students that are mutually agreed upon by the School and the Facility.

(3) RESPONSIBILITY OF THE STUDENT

It is agreed that each student:

(a) is responsible for following the administrative policies of the Facility;

(b) is responsible for providing the necessary and appropriate dress required but not provided by the Facility;

(c) is responsible for his own transportation and living arrangements when not provided for by the Facility;

(d) is responsible for reporting to the Facility on time and following all established regulations during the regularly scheduled operating hours of the Facility; and

(c) will not submit for publication any material relating to the clinical education experience without prior written approval of the Facility and the School.

(4) RESPONSIBILITIES OF THE FACILITY

(a) The Facility shall provide a jointly-planned, supervised program of clinical instructional experience.

(b) The Facility shall maintain complete records and reports on each student's performance and provide an evaluation to the School on forms provided by the School.

(c) The Facility may, after conference with the School, request the School to withdraw from the Clinical Education Program any student whose performance is unsatisfactory, whose personal characteristics prevent desirable relationships within the Facility, or whose health status is detrimental to the student's successful completion of the clinical education assignment.

(d) The Facility shall provide equally to each student participating in the Clinical Education Program within a given period any student arrangements and considerations mutually agreed upon by the School and the Facility.

(e) The Facility shall, on reasonable request, permit the inspection of the clinical facilities, services available for clinical experiences, student records, and such other items pertaining to the Clinical Education Program by the School or agencies charged with the responsibilities for accreditation of the curriculum, or by both.

(f) The Facility shall certify that it subscribes to and will adhere to the letter and spirit of Title 6 of the Civil Rights Act of 1964 in all areas relating to student participation in the Clinical Education Program.

(g) The Facility shall designate and submit in writing to the School for acceptance the name and professional and academic

credentials of a person to be responsible for the Clinical Education Program.

(h) The Facility shall immediately notify the School in writing of any change in the person responsible for the Clinical Education Program.

(5) DEPARTMENTAL LETTER AGREEMENTS AUTHORIZED

(a) Recognizing that the specific nature of the clinical experience required by the several categories of allied health professionals may vary, it is agreed by the School and the Facility that, following the execution of this agreement and within the scope of its provisions, the several departments of the School will develop letter agreements with their clinical counterparts in the Facility to formalize operational details of the Clinical Education Program.

(b) The authority to execute these letter agreements shall remain with the Dean of the School and the chief administrative officer of the Facility unless it is specifically delegated to others.

(6) TERM OF AGREEMENT; MODIFICATION, TERMINATION

(a) This agreement is for a term of one year and thereafter from year to year unless terminated by either party on ninety days' written notice to the other. Except under unusual conditions, such notice shall be submitted before the beginning of a clinical education period.

(b) It is understood and agreed that the parties to this agreement may revise or modify this agreement by written amendment when both parties agree to such amendment.

(7) RESPONSIBILITY

Only insofar as it is authorized by law to do so, the School agrees to hold the Facility harmless from and against any and all liability for personal injury, including injury resulting in death or damage to property or both, resulting either directly or indirectly from the use by the School of the Facility, and agrees to reimburse the Facility for all reasonable expenses including attorney's fees incurred by the Facility in defending any such claim or claims.

EXECUTED by the parties on the day and year first above written.

ATTEST:

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM

Secretary

By _____
Chairman

ATTEST:

James M. Lias
Secretary

James M. Lias
Assistant Director for Administrative Services

Texas Institute
for Rehabilitation
and Research

By Miriam J. Partridge, LPT
Director, Physical Therapy

Miriam J. Partridge, LPT
Director, Physical Therapy
Approved as to Content:

Approved as to Form:

Bruner Wheeler
University Attorney

William C. ...
Vice-Chancellor for
Health Affairs

Ed ...
Deputy Chancellor for
Administration

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2. Dallas Health Science Center (Dallas Allied Health Sciences School): Request to Coordinating Board to Cancel Certificate Programs of Physical Therapy and Allied Health Education and to Establish Department of Allied Health Education and Instructional Media (Combination of Allied Health Teacher Education and Instructional Media Technology).--The Administration was authorized to request the Coordinating Board, Texas College and University System to drop the certificate programs of physical therapy and allied health education at the Dallas Allied Health Sciences School of The University of Texas Health Science Center at Dallas with the understanding that no new students would be admitted in the fall of 1973 or thereafter though the B.S. degrees will continue to be awarded for work in these two departments. President Sprague was congratulated on this move.

It was further authorized that permission be requested from the Coordinating Board, Texas College and University System to combine the Allied Health Teacher Education Program with the Instructional Media Technology Department into one Department of Allied Health Education and Instructional Media at the Dallas Allied Health Sciences School of the Dallas Health Science Center.

3. Galveston Medical Branch (Galveston Allied Health Sciences School) Affiliation Agreements with Four Facilities for Clinical Training of Allied Health Students.--For the clinical training of allied health students at the Galveston Allied Health Sciences School of The University of Texas Medical Branch at Galveston, affiliation agreements were authorized with the facilities listed below and the Chairman of the Board of Regents was authorized to execute these agreements. Each of these agreements is the same as the model agreement approved by the Board of Regents on March 6, 1970, and has been approved as to form by a University attorney and as to content by the Vice-Chancellor for Health Affairs and the Deputy Chancellor for Administration:

<u>Clinical Facility</u>	<u>Specialty</u>
Austin Cerebral Palsy Center, Austin, Texas	Occupational Therapy
Austin State School, Austin Texas	Physical Therapy
Austin State Hospital, Austin Texas	Occupational Therapy
Texas Scottish Rite Hospital, Dallas, Texas	Occupational Therapy

REPORT OF BOARD FOR LEASE OF UNIVERSITY LANDS. --Regent Garrett read the following report of the Board for Lease of University Lands:

The Board for Lease of University Lands met at 3:30 p. m. on December 7, 1972, in the General Land Office in Austin.

Plans were made for holding the 61st Sale of Oil and Gas Leases on University Lands next April 12, 1973 in the Commodore Building. The Board will offer 81,731 acres in 290 tracts. This compares to an acreage offering of 124,442 acres at the 60th sale last September where \$2,475,900 was collected in bonus money. Over 31,000 acres will be offered in the Deep Gas Trend where the Oil and Gas Companies are conducting a diligent search for gas which is now in short supply.

A proposal by Atlantic Richfield Company for a 1,424 acre secondary recovery unit in the Goldsmith North field was approved. The injection substance will be water. If successful, this water flood should increase our revenues by \$625,000 from this field.

A 36-acre enlargement of the Block 11 Devonian unit was also approved. This water flood is operated by Phillips Petroleum Company, and the enlargement action should increase our income from this unit by about \$40,000.

COMMITTEE OF THE WHOLE
(Pages 70-84)

RECOGNITION OF PERSONNEL IN NEW POSITIONS AND VISITORS. --
Prior to filing the report of the Committee of the Whole, Chairman Peace recognized and introduced the following who have assumed new positions since the change in the administrative structure of The University of Texas System on November 4, 1972:

Stanley Crawford, M. D. , Acting Dean of the San Antonio Medical School of The University of Texas Health Science Center at San Antonio

Dr. Wendell H. Nedderman, Acting President of The University of Texas at Arlington

J. D. Robertson, D. M. D. , Acting Dean of the San Antonio Dental School of The University of Texas Health Science Center at San Antonio

James D. Hollers, D. D. S. , of San Antonio, Member of the Coordinating Board, Texas College and University System, was also recognized.

Chairman Peace then filed the following report of the Committee of the Whole which was unanimously adopted upon motion of Vice-Chairman Ikard and seconded by Regent Williams.

REGENTS' RULES AND REGULATIONS, PART ONE: AMENDMENTS TO CHAPTERS II AND VI (TO CONFORM TO ORGANIZATIONAL AND ADMINISTRATIVE STRUCTURE) WITHDRAWN. --Without objection, the proposed amendments to the Regents' Rules and Regulations, Part One, Chapters II and VI were deferred at the request of Chancellor LeMaistre.

REGENTS' RULES AND REGULATIONS, PART ONE: AMENDMENTS TO CHAPTER III. --The necessary rules were waived and Chapter III of Part One of the Regents' Rules and Regulations was amended by deleting Subsections 14.2 of Section 14, 15.2 and 15.3 of Section 15, and 19.3 of Section 19 and the following substituted in lieu thereof to be effective immediately:

- 14.2 All classified and other nonteaching personnel are entitled to such holidays as are provided by the Legislature in the then current appropriation bill and as are approved annually by the Chancellor and the Board of Regents. (See the Classified Personnel rules in the institutional supplements.)
- 15.2 Vacations for classified and other nonteaching personnel on a regular basis (appointed 20 hours per week or more) shall be as provided by the Legislature in the then current appropriation bill and as approved by the Board of Regents. (See the Classified Personnel rules in the institutional supplements.)

- 15.3 In the case of death of an employee who has accumulated vacation leave, his estate will be paid for all accumulated vacation leave. The payment shall be calculated at a rate of compensation being paid the employee at the time of his death.
- 19.3 In the case of death of an employee who has accumulated sick leave, his estate will be paid for one-half of his accumulated sick leave, not to exceed thirty (30) days. The payment shall be calculated at the rate of compensation being paid the employee at the time of his death.

REGENTS' RULES AND REGULATIONS, PART TWO: AMENDMENTS TO CHAPTERS V AND VI. -- Chapters V and VI of Part Two of the Regents' Rules and Regulations were amended as follows:

1. Subsection 2.2 and its subdivisions of Section 2 of Chapter V were deleted and the following substituted in lieu thereof:
 - 2.2 Maternity Leave
 - 2.21 Upon request, a leave of absence without pay shall be granted to regular employees for maternity reasons. A pregnant employee who wishes to retain her position or comparable position may be granted such leave for a "reasonable period" of time as determined by the individual circumstances of her case with due consideration being given to the well-being of the employee and to the interests of the institution.
 - 2.22 A "reasonable period" is considered to not exceed three months prior to the anticipated delivery date and to not exceed three months after the delivery date, unless the employee presents a written statement from her physician which alters this period of leave of absence.
 - 2.23 A statement encompassing the details of a maternity leave shall be entered in the remarks section of the appropriate Personnel Action Form.
 - 2.24 Accrued sick leave shall be granted in conjunction with maternity leave and shall be governed by the policy on sick leave. Also, vacation leave and sick leave do not accrue while on maternity leave.
 - 2.25 A replacement may be provided on a temporary basis during the employee's absence.
2. Subsections 9.5 and 9.14 of Section 9 of Chapter VI were deleted and the following substituted in lieu thereof:
 - 9.5 A physical examination by a designated physician is required for all persons to be covered, and before the individual's name can be placed on the payroll, the executed original of the examination form must be filed in the System Personnel Office. The Supervisor furnishes a list of physicians for these examinations that must be approved by the System Personnel Director. The physician's fee is paid by the System Personnel Office for each examination. Persons who fail to pass the physical examination cannot be covered by the insurance. They may be employed only after signing a waiver of all rights.

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- 9.14 The System Personnel Office shall issue an annual report through proper channels to the Deputy Chancellor for Administration and to the Secretary to the Board of Regents for the information of the members of the Board which shall include at least the following information for each component institution: the total claims and number of days lost, total compensation and medical benefits paid, total amount paid to private physicians and component institutions for physical examinations performed, receipts, and total expenditures including allocation of overhead. The report shall also include the balance in the fund at the beginning of the fiscal year, total receipts including interest, total disbursements, and balance in the fund at the end of the fiscal year.

U. T. SYSTEM: ESTABLISHMENT OF CENTRAL SERVICES ACCOUNTS (S. B. NO. 1, 3RD CALLED SESSION, 62ND LEGISLATURE 1972, ARTICLE IV, SEC. 35). --To facilitate the implementation of the business operations related to the reorganization of The University of Texas System Biomedical Units, as authorized by the Board on October 20, 1972, the Deputy Chancellor for Administration was authorized and directed to establish Central Services Accounts in each of these units where he deems them to be appropriate. This authorization shall include the authority to determine the number of accounts needed and the appropriate operating procedures. He was further authorized to transfer such funds as are necessary for the operation of these accounts and to negotiate with the State Comptroller for the operation of these Central Services Accounts. Deputy Chancellor Walker was also directed to insure that appropriate reporting related to these accounts is included in the Chancellor's Docket, and pursuant to authority for the establishment of Central Services Accounts in Senate Bill No. 1, Third Called Session, Sixty-second Legislature, Article IV, Section 35 (General Appropriations Bill).

This item was not on the agenda, and it will be submitted for ratification at the meeting on January 26, 1973.

BOARD OF REGENTS' SELECTION COMMITTEE FOR CHIEF ADMINISTRATIVE OFFICERS: (1) U. T. ARLINGTON, (2) U. T. EL PASO, AND (3) HOUSTON HEALTH SCIENCE CENTER. --Authorization was given for the appointment of a Selection Committee for a Chief Administrative Officer for each of the following component units: The University of Texas at Arlington, The University of Texas at El Paso, and The University of Texas Health Science Center at Houston. The Selection Committee is provided for in the Regents' Rules and Regulations, Part One, Chapter II, Section 4, Subsection 4.1.

U. T. SYSTEM: AUTHORIZATION TO NEGOTIATE WITH TEXAS REGIONAL MEDICAL PROGRAM, INC., FOR TRANSFER OF GRANTEE OF REGIONAL MEDICAL PROGRAM OF TEXAS. --Upon recommendation of Chancellor LeMaistre, authorization was given to him to negotiate with a non-profit foundation, which has been chartered "Texas Regional Medical Program, Inc.," for the transfer of grantee responsibilities of the Regional Medical Program of Texas effective December 31, 1972.

U. T. SYSTEM: APPOINTMENT OF DAN PETTY DIRECTOR OF PUBLIC AFFAIRS. --Dan Petty, currently Executive Assistant to Governor Smith, was appointed Director of Public Affairs in the System Administration, to be effective at a mutually convenient date. (The details of this appointment will be reported in a subsequent docket.)

U. T. AUSTIN: REGENTS' REPRESENTATIVES ON THE BOARD OF TRUSTEES OF THE SOUTHWEST TEXAS AREA EDUCATIONAL TELEVISION COUNCIL (CHANNEL 9--KLRN): EXECUTIVE VICE-PRESIDENT PETER FLAWN AND DEAN WAYNE DANIELSON. -- To fill the expired terms of Mrs. A. K. Reynolds and Regent Joe M. Kilgore on the Board of Trustees of the Southwest Texas Area Educational Television Council (Channel 9--KLRN), Executive Vice-President Peter Flawn and Dean Wayne Danielson of the School of Communication, both of The University of Texas at Austin, were named for terms expiring January 1975.

With these appointments, the Regents' eight representatives on the Board of Trustees of the Southwest Texas Area Education Council are as follows:

Terms Expiring January 1973

Mr. Richard F. Brown, Publisher of the Austin American Statesman
 Dr. L. D. Haskew, Professor of Educational Administration, The University of Texas at Austin
 Mr. John Peace, Chairman of the Board of Regents of The University of Texas System, San Antonio

Terms Expiring January 1974

Mr. Roy Barrera, Attorney, San Antonio
 Dr. Jack Davidson, Superintendent of Schools, Austin Independent School District, Austin
 Dr. Stephen H. Spurr, President of The University of Texas at Austin

Terms Expiring January 1975

Dr. Peter Flawn, Executive Vice-President, The University of Texas at Austin
 Dr. Wayne Danielson, Dean of the School of Communication, The University of Texas at Austin

U. T. AUSTIN: RATIFICATION OF INCREASE IN STUDENT SERVICE FEE (REQUIRED) AND ALLOCATION TO SHUTTLE BUS.--The following item was not on the agenda for the October meeting; however, it was approved at that meeting and it was ratified at the meeting on December 8, 1972:

WHEREAS, The students at The University of Texas at Austin by referendum on October 11, 1972, expressed the need and desire for increased bus service, and

WHEREAS, The Student Shuttle Bus Committee has concurred in the need and desire for this additional service as has President Spurr and Chancellor LeMaistre:

BE IT RESOLVED, That the Student Service Fee (required) at The University of Texas at Austin be increased effective with the spring semester 1972 as set out below with the understanding that the increase of 50¢ per semester during the long term and the proportionate increase for the six-week, the nine-week, and the twelve-week summer terms be allocated to provide additional shuttle bus service to keep the buses operating from 9:30 p.m. until midnight:

Each semester long session	\$ 23.75
Six-week summer term	8.75
Nine-week summer term	13.13
Twelve-week summer term	17.50

Regent Erwin reminded the Regents that the present shuttle bus contract expires on August 31, 1973, and that recommendations to provide this service should be presented to the Academic and Developmental Affairs Committee at the December 1972 meeting.

U. T. AUSTIN: (1) APPOINTMENT OF DR. RAYNARD M. SOMMERFELD TO ARTHUR YOUNG DISTINGUISHED PROFESSORSHIP IN ACCOUNTING, (2) APPOINTMENT OF DR. EUGENE H. WISSLER TO BECKMAN PROFESSORSHIP IN CHEMICAL ENGINEERING, AND (3) APPOINTMENT OF DR. EISIG SILBERSCHLAG TO GALE PROFESSORSHIP IN JUDAIC STUDIES. --Upon recommendation of President Spurr, concurred in by Chancellor LeMaistre, the following professorships were awarded as indicated below, effective in the Spring Semester of 1973:

Dr. Raynard M. Sommerfeld
Arthur Young Distinguished Professor in Accounting

Dr. Eugene H. Wissler
Beckman Professor in Chemical Engineering

Dr. Eisig Silberschlag
Visiting Gale Professor in Judaic Studies

U. T. AUSTIN: ESTIMATED BUDGET FOR COTTON BOWL GAME ON JANUARY 1, 1973, AND EXTRA COMPENSATION FOR CERTAIN MEMBERS OF THE ATHLETICS STAFF. --Upon recommendation of President Spurr, concurred in by Chancellor LeMaistre, the following Estimated Budget and Schedule for Extra Compensation for Certain Members of the Athletics Staff in connection with the Cotton Bowl Game to be played on January 1, 1973, by the Longhorn team of The University of Texas at Austin were approved:

1. Estimated Budget for Cotton Bowl Game

Estimated Income

Direct Income from Cotton Bowl Association	\$100,000
Divided Profits from Southwest Athletics Conference, already included in 1972-73 budget	<u>35,000</u>
Total	135,000

Estimated Expenditures

Team & Athletics Staff - Travel, Accommodations, & Meals	\$32,400
Administration - Accommodations & Meals	500
Band - Travel, Accommodations, & Meals	11,250
Yell Leaders	500
Extra Compensation for Athletics Group	23,500
Awards	9,000
Complimentary Tickets	1,000
Public Relations - Sports News	500
Motion Picture - Photography	600
Miscellaneous	<u>1,000</u>
Total Estimated Expenditures	80,250

2. Schedule for Extra Compensation for Certain Members of the Athletics Staff

	<u>Salary</u>		<u>Extra Compensation</u>
Darrell K. Royal, Head Football Coach	\$40,000	8%	\$3,200.00
Fred S. Akers, Assistant Football Coach	18,800	8	1,504.00
William M. Campbell, Assistant Football Coach	25,000	8	2,000.00
Billy M. Ellington, Assistant Football Coach	19,800	8	1,584.00
Timothy M. Doerr, Assistant Football Coach	16,000	8	1,280.00
William T. Dykes, Assistant Football Coach	14,000	8	1,120.00
Willie L. Manley, Assistant Football Coach	17,000	8	1,360.00
David L. McWilliams, Assistant Football Coach	15,000	8	1,200.00
R. M. Patterson, Assistant Football Coach	18,800	8	1,504.00
Willie Zapalac, Assistant Football Coach	19,800	8	1,584.00
James C. Helms, Assistant Football Coach	11,000	8	880.00
Glen Swenson, Assistant Football Coach	13,200	8	1,056.00
Frank Medina, Trainer	12,500	5%	625.00
James V. Blaylock, Procurement Officer	7,584	5	379.20
Albert H. Lundstedt, Business Manager of Athletics	16,020	5	801.00
Alfred R. Rochs, Associate Business Manager of Athletics	13,452	5	672.60
Richard D. Boldt, Football Ticket Manager	9,096	5	454.80
James W. Ramsey, Sports News Director	13,350	5	667.50
William L. Little, Assistant Sports News Director	10,248	5	512.40
Ruth E. Gold, Executive Assistant	13,452	5	672.60
Michael Stephens, Assistant Trainer	8,328	5	416.40
			<u>23,473.50</u>

This item was not on the agenda and will be submitted for ratification at the meeting on January 26, 1973.

12-08-72

DALLAS HEALTH SCIENCE CENTER (DALLAS MEDICAL SCHOOL):
ESTABLISHMENT OF THE EUGENE McDERMOTT CENTER FOR THE
STUDY OF HUMAN GROWTH AND DEVELOPMENT. --To encourage
the scope and the activities in research in human growth and develop-
ment in the Department of Pediatrics at the Dallas Medical School of
The University of Texas Health Science Center at Dallas, a center for
this study was ordered established. In view of Mr. Eugene McDermott's
generous contributions to this field of research, it was ordered that
this center be named "The Eugene McDermott Center for the Study of
Human Growth and Development."

Presently the personnel and assets of the human growth and develop-
ment study which will be transferred to this center are located in the
Children's Medical Center in Dallas.

It is anticipated that this center will be supported by funds other than
State funds, and the Board of Regents accepted from The McDermott
Foundation a gift of \$200,000 through the Southwestern Medical Founda-
tion, payable \$50,000 per year for four years to sustain the current
operation.

The Chairman of the Board of Regents was authorized to execute any
necessary papers to create this center.

DALLAS HEALTH SCIENCE CENTER (DALLAS MEDICAL SCHOOL):
ACCEPTANCE OF GIFT FROM THE McDERMOTT FOUNDATION AND
ESTABLISHMENT OF THE EUGENE McDERMOTT CHAIR FOR THE
CENTER FOR THE STUDY OF HUMAN GROWTH AND DEVELOPMENT. --
From The McDermott Foundation, marketable securities having an
aggregate cash value of not less than \$600,000 on the dates of deliv-
eries of such securities to the Board of Regents of The University of
Texas System were accepted upon the terms, provisions and conditions
outlined in the following gift document. The purpose of this gift is to
endow a prestige chair for The Eugene McDermott Center for the Study
of Human Growth and Development at the Dallas Medical School of The
University of Texas Health Science Center at Dallas. It was ordered
that this chair be known as "The Eugene McDermott Chair" and that
the Chairman of the Board of Regents be authorized to execute the gift
instrument, dated December 8, 1972, from The McDermott Foundation,
as outlined below:

THE McDERMOTT FOUNDATION
3300 Republic National Bank Tower
Dallas, Texas 75201

December 8, 1972

Dr. Charles A. LeMaistre, Jr., Chancellor
The University of Texas System
601 Colorado Street
Austin, Texas 78701

Dear Dr. LeMaistre:

The McDermott Foundation (the "Foundation") hereby irrevocably
pledges and commits itself to make a gift to the Board of Regents (the
"Regents") of The University of Texas System (the "System") for the

exclusive use and benefit of The Center for the Study of Human Growth and Development (the "Center") at The University of Texas Southwestern Medical School at Dallas (the "Medical School"), upon the terms and provisions set out below. This gift (including the proceeds of its sale and mutations, hereinafter called the "fund") will consist of marketable securities having an aggregate cash value of not less than \$600,000.00 on the dates of delivery of such securities to the Regents, or, at the option of the Foundation cash in lieu of all or any part of said securities. The gift may be made in four (4) installments of approximately equal value on delivery dates, one of which will be delivered in each of the years 1972, 1973, 1974 and 1975, or such earlier dates as the Foundation may elect. The income of the fund, and the corpus of the fund in excess of its original value at the time or times of delivery, may be used for the purposes of the gift.

The purpose of the gift is to provide a fund for an endowed prestige chair for the study at the Center of human growth and development, with particular emphasis on the role of human structure and symmetry in human activity, performance, growth and development, to be occupied by an eminent scholar, who will enhance, enrich, stimulate and advance such field of study and contribute to knowledge and understanding in it to the end that the knowledge on this subject gained in the Center may be utilized in the training of physicians and to broaden the fields of endeavor of the Medical School. The person holding this chair will be selected from time to time by the Regents, who will be authorized in its discretion to remove, change or replace the holder of the chair pursuant to the rules and regulations of the System then in effect. Each appointment to the chair will be reviewed and approved in accordance with established academic policies and procedures of the System as they may exist from time to time, and the Regents will have the sole discretion with respect to the qualifications of each appointee and the duration of each appointment.

Income from the fund and principal in excess of its original value may also be used for the expenses of the administration of the fund and for supplementation of the salary and for other professional support of the holder of the chair, including assistance in his research; and the Regents may in its discretion use any such income or excess in value of corpus not considered necessary for the above purposes for any other purpose deemed by it to be advantageous to the Center, including, but not limited to, the support or participation in support of another chair or chairs at the Center, or any other purposes connected with the study of human growth and development.

It is a condition of this gift that the income from the fund and the corpus of the fund in excess of original value at the time or times of gift shall be used to supplement but never to supplant the funds, if any, regularly budgeted for said chair, or the Center, or the Medical School, or the System or any part thereof. It is recognized that the purpose of this gift would be defeated if by act of the government of the State of Texas or other legislative or administrative or governmental body, the Regents or the System or any part thereof, any of the fund should be used or employed to supplant instead of supplementing the funds, if any, which would normally be budgeted for said chair, or for the incidental expenses referred to above, or for the Center, or the Medical School. This gift is therefore made upon the condition that if such action by the State of Texas or other legislative or governmental body, or the Regents or the System, or any part thereof, occurs or is attempted, the Regents shall withhold the expenditure of further uncommitted moneys from the fund until there is compliance with the conditions of this gift.

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The Regents shall have the following authority and powers with respect to the fund in addition to those hereinabove granted by this letter or by law:

- (a) The Regents is empowered to administer the fund in accordance with such uniform rules and regulations as it may from time to time adopt, regardless of whether said rules and regulations contain a specific reference to the fund; or the Regents may administer the fund in such manner as in its sole discretion it deems best, whether in accordance with uniform rules and regulations or not;
- (b) The Regents shall have full and complete power and authority to determine and allocate income and other receipts as well as expenses between principal and income, if and to the extent that the Regents deems such allocation advisable in connection with the administration of the fund;
- (c) To the extent that any such requirements can be legally waived, neither the Regents nor its members shall ever be required to give any bond in connection with the administration of the fund;
- (d) The Regents may acquire or retain any property or create or retain undivided interests in property belonging to the fund, regardless of its non-productivity, or risk or lack of diversification, and without responsibility for production of income or increment to capital;
- (e) As soon as the Regents can conveniently do so it will invest the installments of the fund, as received by the Regents, in the Fund (the "Fund of The Common Fund") maintained by The Common Fund, a non-profit New York corporation, or its successors, subject to withdrawals and disbursements hereby permitted, and continue such investment of the fund for a period of at least five years after the date of commencement of such investment; provided, however, that if in the opinion of the Regents exercised in good faith, the Fund of The Common Fund during any two continuous annual periods shall not have with the fund at least equalled the published or otherwise readily available figures showing the average performance (including dividends, interest, net profits on sales and net enhancement in values) of investment programs with securities belonging to colleges and universities, the Regents shall be authorized and empowered in its discretion to invest the fund in a different manner, which shall expressly include the right to employ investment counsel or a manager of the fund with authority to manage same and select, buy, hold and sell the assets and properties from time to time comprising the fund. After the expiration of said five year period the Regents shall be authorized to continue the investment of the assets and properties belonging to the fund in the Fund of The Common Fund, or to otherwise handle and manage same as specified in Paragraphs (e) and (f) hereof, or in accordance with the rules and regulations of the System then in effect, or otherwise according to law;
- (f) Subject to (e) above, the Regents may hold in its name or in the name or names of its nominee or nominees, manage, control, exchange, partition, retain, lease, sell,

alienate, mortgage, pledge, administer or otherwise deal with the fund or any part or parts thereof, and invest and reinvest the investments of any kind the fund or any part or parts thereof in any property or undivided interests in property, including common trust funds, all on such terms and for such considerations as the Regents deems proper, without being limited by any statute or rule of law concerning investments by trustees or by public or educational or charitable institutions or other limitations of any kind. The Regents is specifically empowered to employ investment counsel in connection with the fund, or a manager thereof, and to delegate to it or him power in behalf of the fund to select, buy, hold and sell investments, and also to transfer or sell assets to common trust funds in return for cash, other assets or participations in such funds.

The members of the Regents, in the administration of the fund, shall be liable only for their own gross negligence or willful misconduct.

In the administration of the fund, the Regents may act by a quorum or a majority of all its members.

None of the fund shall ever be or become a part of the Permanent University Fund or of income therefrom, nor shall the legislature of the State of Texas have power or be in anywise authorized to change the purpose of the fund or to divert it from the purpose herein set out.

This letter is being signed in quadruplicate originals, and if this gift is acceptable to the Regents upon the terms, provisions and conditions set forth in this letter, please have two copies of this letter signed by its Chairman or Vice Chairman on behalf of the Regents to evidence its acceptance and return two copies to the Foundation.

Sincerely,

THE McDERMOTT FOUNDATION

By _____
Eugene McDermott
A Trustee duly authorized

By _____
Margaret M. McDermott
A Trustee duly authorized

ACCEPTED: _____, 1972

BOARD OF REGENTS OF THE UNIVERSITY
OF TEXAS SYSTEM

By _____
Its _____

GALVESTON MEDICAL BRANCH: APPOINTMENT OF COMMITTEE TO CONSIDER DISPOSITION OF 7,584.85 ACRES OF LAND IN MONTGOMERY COUNTY, TEXAS (SEALY & SMITH FOUNDATION): -- Chairman Peace was authorized to appoint a committee to bring in a recommendation to the Board of Regents with respect to the disposition and use of 7,584.85 acres of land in Montgomery County, Texas, that was accepted from the Sealy & Smith Foundation on June 9, 1972. Chairman Peace named the following Regents to the committee: Regent Erwin, Committee Chairman, and Regents Garrett and Williams.

SAN ANTONIO HEALTH SCIENCE CENTER (SAN ANTONIO MEDICAL SCHOOL): CANCELLATION OF AGREEMENT WITH NATIONAL INSTITUTE OF MENTAL HEALTH CLINICAL RESEARCH CENTER, FORT WORTH, TEXAS. --Secretary Thedford reported that she had been informed by System Administration that "in October, 1971, the National Institute of Mental Health Clinical Research Center in Fort Worth was closed and the facility converted to the Federal Correctional Institution at Fort Worth. Control of the institution passed from the Public Health Service to the Federal Bureau of Prisons." Thus, the affiliation agreement is no longer in existence.

SAN ANTONIO HEALTH SCIENCE CENTER (SAN ANTONIO DENTAL SCHOOL) AND SYSTEM NURSING SCHOOL (SAN ANTONIO NURSING SCHOOL): GROUNDBREAKING CEREMONIES ON JANUARY 3, 1973. -- Dr. James D. Hollers representing the San Antonio Medical Foundation requested the Board of Regents to have groundbreaking ceremonies for the San Antonio Dental School of The University of Texas Health Science Center at San Antonio and the San Antonio Nursing School of The University of Texas System School of Nursing on January 3, 1973. Since both of these schools were created during the tenure of Governor Preston Smith, this date has been chosen in order that he may participate in this activity before he leaves office. Approval was given to Dr. Hollers' request, and the Chairman of the Board of Regents was authorized to work with the Chancellor's Office and with the San Antonio Medical Foundation in arranging this occasion.

RATIFICATION (AFFILIATION AGREEMENTS). --The following affiliation agreements were ratified:

System Nursing School: Affiliation Agreements with Baptist Memorial Hospital System, Lutheran General Hospital and San Antonio State Chest Hospital for Clinical Training for Nursing Students. --Based on the model agreement for clinical training of nursing students approved by the Board of Regents on September 12, 1970, affiliation agreements between the Board of Regents of The University of Texas System on behalf of The University of Texas System School of Nursing and the following facilities were ratified. The Chairman of the Board of Regents was authorized to execute these agreements which had been approved as to form by a University attorney and as to content by the Vice-Chancellor for Health Affairs and the Deputy Chancellor for Administration:

Baptist Memorial Hospital System, San Antonio, Texas
Lutheran General Hospital, San Antonio, Texas
San Antonio State Chest Hospital, San Antonio, Texas

12-08-72

ITEMS FOR THE RECORD. --The following items were ratified and reported for the record:

1. U. T. Austin: Membership of Advisory Council of Architecture Foundation.--The Committee of the Whole in Executive Session on July 21, 1972, approved nominations to the Advisory Council of the Architecture Foundation of The University of Texas at Austin for terms beginning September 1, 1972, and ending August 31, 1975. The appointments that were accepted are included in the full membership (10) of the Architecture Foundation Advisory Council for 1972-73 listed below. The appointment approved on July 21, 1972, is indicated by an asterisk (*) and the reappointment by double asterisks (**):

Term Expires

Mr. Max Brooks, Austin	1974
Mr. Charles William Brubaker, Chicago, Illinois	1974
Mr. Edwin W. Carroll, El Paso	1973
Mr. Samuel E. Dunnam IV, Austin	1974
Mr. O'Neil Ford, San Antonio	1973
The Honorable Hubert R. Hudson, Brownsville	1974
Mr. Wolf E. Jessen, Austin	1973
*Mr. Charles E. Lawrence, Houston	1975
**Mr. James R. Pratt, Dallas	1975
Mr. John M. Rowlett, Houston	1973

2. U. T. Austin: Membership of Advisory Council of Arts and Sciences Foundation.--The Committee of the Whole in Executive Session on July 21, 1972, approved nominations to the Advisory Council of the Arts and Sciences Foundation of The University of Texas at Austin for terms beginning September 1, 1972, and ending as indicated below. The appointments that were accepted are included in the full membership (26) of the Arts and Sciences Foundation Advisory Council for 1972-73 listed below. The appointments approved on July 21, 1972, are indicated by an asterisk (*) and the reappointments by double asterisks (**):

Term Expires

*Mr. H. K. Allen, Temple	1975
Mr. Thomas D. Anderson, Houston	1973
Mr. R. Gordon Appleman, Fort Worth	1973
*Mrs. Ford Boulware, San Angelo	1975
Mr. Carter Christie, Houston	1974
Mrs. Trammell Crow, Dallas	1973
Dr. Herschel H. Cudd, Chicago, Illinois (Ph.D.)	1973
**Mr. James D. Dannenbaum, Houston	1974
Mr. Edwin M. Gale, Beaumont	1973
*Mr. H. B. Harris, Jr., Houston	1975
*Mr. Harry Lee Hudspeth, El Paso	1975
**Mrs. Radcliffe Killam, Laredo	1973
Mrs. Nancy E. Lake, Tyler	1974
Mr. Louis M. Pearce, Jr., Houston	1973
**The Honorable James J. Pickle, Washington, D. C.	1974

**Mrs. Alice K. Reynolds, San Antonio	1974
Mr. Sterling W. Steves, Fort Worth	1974
**Mrs. Theodore Strauss, Dallas	1974
*Dr. Gordon Teal, Dallas (Ph.D.)	1975
**Mr. Sam P. Woodson, jr., Fort Worth	1974
Mr. Angus G. Wynne, Jr., Dallas	1973
*Mr. James H. Young, Corpus Christi	1975

3. U. T. Austin: Membership of Advisory Council of College of Fine Arts Foundation.--The Committee of the Whole in Executive Session on July 21, 1972, approved nominations to the Advisory Council of the College of Fine Arts Foundation of The University of Texas at Austin for terms beginning September 1, 1972, and ending August 31, 1975. The appointments that were accepted are included in the full membership (26) of the College of Fine Arts Foundation Advisory Council for 1972-73 listed below. Those appointments approved on July 21, 1972, are indicated by an asterisk (*) and the reappointments by double asterisks (**):

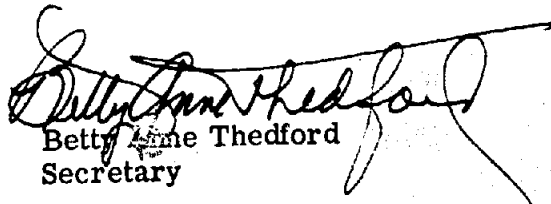
	<u>Term Expires</u>
Mrs. Thomas D. Anderson, Houston	1973
Mrs. Phil Bolin, Wichita Falls	1973
Mrs. R. Max Brooks, Austin	1974
*Mr. Charles Clark, McAllen	1975
Mr. B. W. Crain, Jr., Longview	1974
Mrs. Trammell Crow, Dallas	1974
Miss Nina Cullinan, Houston	1974
Mrs. Ben J. Fortson, Jr., Fort Worth	1974
**Mrs. Walter Foxworth, Dallas	1975
**Mrs. W. St. John Garwood, Austin	1975
**Mrs. Elizabeth B. Guiberson, Dallas	1975
**Dr. George S. Heyer, Jr., Austin (Ph.D.)	1975
Miss Ima Hogg, Houston	1973
**Miss Ann H. Holmes, Houston	1975
Mrs. Wolf E. Jessen, Austin	1973
**Mrs. Albert P. Jones, Austin	1975
Mrs. Amy Freeman Lee, San Antonio	1974
Mrs. Eugene McDermott, Dallas	1974
**Mrs. George S. Nalle, Austin	1975
**Mrs. Alexander J. Oppenheimer, San Antonio	1975
**Mr. Francis Prinz, Fort Worth	1975
Mrs. D. J. Sibley, Jr., Austin	1973
Mr. Robert D. Straus, Houston	1973
Mr. Sam H. Weatherford III, Fort Worth	1973
Mr. Marshall Wells, Houston	1973
*Mrs. Wallace S. Wilson, Houston	1975

12-08-72

4. U. T. Austin: Membership of Advisory Council of Pharmaceutical Foundation.--The Committee of the Whole in Executive Session on July 21, 1972, approved nominations to the Advisory Council of the Pharmaceutical Foundation of The University of Texas at Austin for terms beginning September 1, 1972, and ending August 31, 1975. The appointments that were accepted are included in the full membership (19) of the Pharmaceutical Foundation Advisory Council for 1972-73 listed below. Those appointments approved on July 21, 1972, are indicated by an asterisk (*) and the reappointments by double asterisks (**):

	<u>Term Expires</u>
Mr. Curtis M. Armstrong, San Antonio	1974
Mr. Henry Ashworth, Houston	1973
Mr. Harry H. Brusenhan, San Antonio	1974
Mr. Robert J. Epperson, Dallas	1973
**Mr. Ralph L. Good, Jr., Tyler	1975
**Mr. Wayne A. Gound, Dallas	1975
Mr. Thomas W. Hawkins, Austin	1974
Mr. Charles R. Henry, Dallas	1974
Dr. William R. Lloyd, San Antonio (Ph.D.)	1974
Mr. Noel Martinez, McAllen	1974
**Mr. Leslie H. Muenzler, Victoria	1975
*Mrs. Hazel M. Pipkin, Bryan	1975
Mr. Joy Riddle, Lubbock	1973
**Mr. Russell L. Seitz, San Angelo	1975
Mr. Glenn Smith, Waco	1973
Mr. Paul F. Trantham, Sr., Fort Worth	1974
*Mr. Eugene C. Volcik, Austin	1975
Mr. Eugene L. Vykukal, Dallas	1973
Mr. Lonnie J. Yarbrough, Denton	1973

ADJOURNMENT. --There being no further business, the meeting of the Board of Regents was duly adjourned at 4:05 p. m.


Betty Lane Thedford
Secretary

December 12, 1972