

1. Board of Regents: Proposed Amendment to Regents' Rules and Regulations, Part Two, Chapter IX, Subsection 1.1 (Authorization Regarding PUF Securities)(1-CW-79). --It is recommended that Subsection 1.1 of Section 1, Chapter IX, Part Two of the Regents' Rules and Regulations be amended to read as follows:

Authority to Purchase, Exchange, and Sell Securities for and on Behalf of the Permanent University Fund of The University of Texas (hereinafter sometimes referred to as "PUF") and the Board. --The Chancellor or his delegate, the Vice Chancellor for Business Affairs, and the Executive Director for Investments and Trusts are authorized to purchase, exchange and sell any and all securities for and on behalf of the PUF or the Board, and to execute any and all documents necessary to the consummation of any purchases or exchanges.

This amendment, upon motion of Regent Law, was withheld in order that it could be considered in the Committee of the Whole with other proposed amendments to the Regents' Rules and Regulations. (Page 134a.)

COMMITTEE OF THE WHOLE  
(Pages 94 - 106 )

Chairman Shivers stated that all the actions of the Committee of the Whole were taken in open session and he filed the following report:

BOARD OF REGENTS - REGENTS' RULES AND REGULATIONS: (1) PART ONE: ADOPTION OF CHAPTER I, CHAPTER II AS AMENDED IN SECTION 5.1, AND SECTION 31 OF CHAPTER III; (2) PART TWO ADOPTION; AND (3) REMAINDER OF PROPOSED REVISION TO BE CONSIDERED AT FEBRUARY 1979 MEETING. --Chairman Shivers presented as the first order of business of the Committee of the Whole the proposed revision of the Regents' Rules and Regulations, Parts One and Two as submitted by System Administration. In accordance with instructions at the October 1978 meeting, Chancellor Walker mailed to the Regents on November 22 a proposed revision of the Regents' Rules and Regulations, Parts One and Two to conform to the administrative re-organization, together with a memorandum explaining the changes of conformity and other additional amendments.

Because he had not had an opportunity in the short time available to review the proposed revision, Regent Law said that he was not prepared to vote and proposed to lay the rules on the table until the next regular meeting of the Board. However, General Counsel Fitzpatrick explained the need to adopt certain portions of the rules at the December meeting, namely: Chapters I and II and the retirement section (Section 31) of Chapter III of Part One and all of Part Two.

After a discussion as to the urgency for the adoption of this revision, Regent Law moved:

1. That the following in Part One be adopted:
  - a. Chapter I
  - b. Chapter II, with the deletion of that portion of the second sentence of Section 5.1 which reads: "and for each such dismissal whether from a permanent or acting appointment."
  - c. Chapter III, Section 31 which is set out on Page 95
2. That the remainder of Part One of the Regents' Rules and Regulations be laid on the table with the understanding that any member of the Board may propose further and additional amendments to any or all of the proposed revision of the rules upon further consideration
3. That all of Part Two be adopted

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Vice-Chairman Williams seconded the motion which prevailed by unanimous vote.

(Copies of Chapter I, Chapter II as amended and Section 31 of Chapter III, Part One and all of Part Two will not be distributed until after the revision of both Parts One and Two of the Regents' Rules and Regulations have been adopted in their entirety. Prior to the meeting, the proposed revision by System Administration was distributed to the Officers of System Administration and the Chief Administrative Officers. Those copies plus this minute order should meet the need of those concerned until the revision has been adopted in its entirety. At that time the revised Rules and Regulations will be reported and bound in a separate volume for distribution.)

Section 31, Chapter III of Part One. --

**Sec. 31 Retirement and Modified Service**

- 31.1** No officer, administrator, faculty member, or employee of The University of Texas System or of any component institution or agency thereof shall be continued in a full-time service capacity or at a full-time compensation rate beyond the end of the fiscal year that includes his or her seventieth birthday.
- 31.2** The Board of Regents, upon the recommendation of the Chancellor and, when appropriate, the chief administrative officer of the affected component institution, may appoint an officer, administrator, faculty member, or employee to modified service after the end of the fiscal year that includes the person's seventieth birthday.
- 31.3** Recommendation for, and appointment to, modified service shall be made only after a review of the individual's past and current performance and a finding that the individual is not only competent to continue his or her duties, but that the continued service of the individual will result in a significant benefit to the System or a particular component institution.
- 31.4** Appointment to modified service shall be for one academic year and may be renewed for successive terms of one academic year after an annual review, recommendation, and finding as set forth in subsection 31.3. The notice provisions of Section 6.8 of this Chapter shall not apply to non-renewal of such appointments.
- 31.5** The workload of an individual on modified service shall be no more than one-half of his or her workload immediately preceding appointment to modified service. Salary rate shall be in the same proportion of his or her salary rate for the fiscal year immediately preceding appointment to modified service as his or her workload is to a full time workload and shall be subject to adjustment in accordance with policies and procedures applicable to other employees.
- 31.6** Upon recommendation of the Chancellor and, when appropriate, the chief administrative officer of the affected component institution, the Board of Regents may, by unanimous vote of the members present, make exceptions to this Section in special cases when the Board finds that the services of a particular individual will be of unique benefit to the System or a component institution.