

19

MATERIAL SUPPORTING THE AGENDA

Volume XVib

January 1969 - May 1969

This volume contains the Material Supporting the Agenda furnished to each member of the Board of Regents prior to the meetings held on January 31-February 1, March 14, and May 2, 1969.

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

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

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



THE BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM

Material Supporting  
Agenda

Meeting Date:..... January 31 - February 1, 1969

Meeting No.:..... 667

Name: *Office Copy*



*Handwritten notes:*  
1. ...  
2. ...  
3. ...

CALENDAR  
BOARD OF REGENTS  
OF  
THE UNIVERSITY OF TEXAS SYSTEM

Date: January 31-February 1, 1969

Place: The Shamrock Hilton, Third Floor  
Houston, Texas

Meeting Room: Castilian Room A, B and C

Office and Waiting Room: \*Normandy Room A

The calendar will be included in the Supplementary Agenda Material after all items for the Agenda have been submitted. However, the meeting is scheduled to begin at 9:00 a. m. on Friday morning and to conclude around 5:00 p. m. on the same day.

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\*The Normandy Room is reserved for use as an office and as a waiting room. Floor plans (first and third floors) are set out on the following pages.

The Grand Ball Room, Hilton's Hall of Exhibits, 103,000 square feet of exhibit area. Combined with the new Grand Ball Room there are 42,000 square feet of exhibit area. Additionally, the hotel offers the following facilities:

	Banquets Seating	Meetings Capabilities		Banquets Seating	Meetings Capabilities
Regency Room	1800	2500	Garden Room	75	100
Emerald Room	1250	1500	Azalea Room	225	325
Continental Room	500	750	Bluebonnet Room	225	325
Grecian Room	250	300	Camelia Room	225	325

### THIRD FLOOR

banquet, party  
and meeting rooms

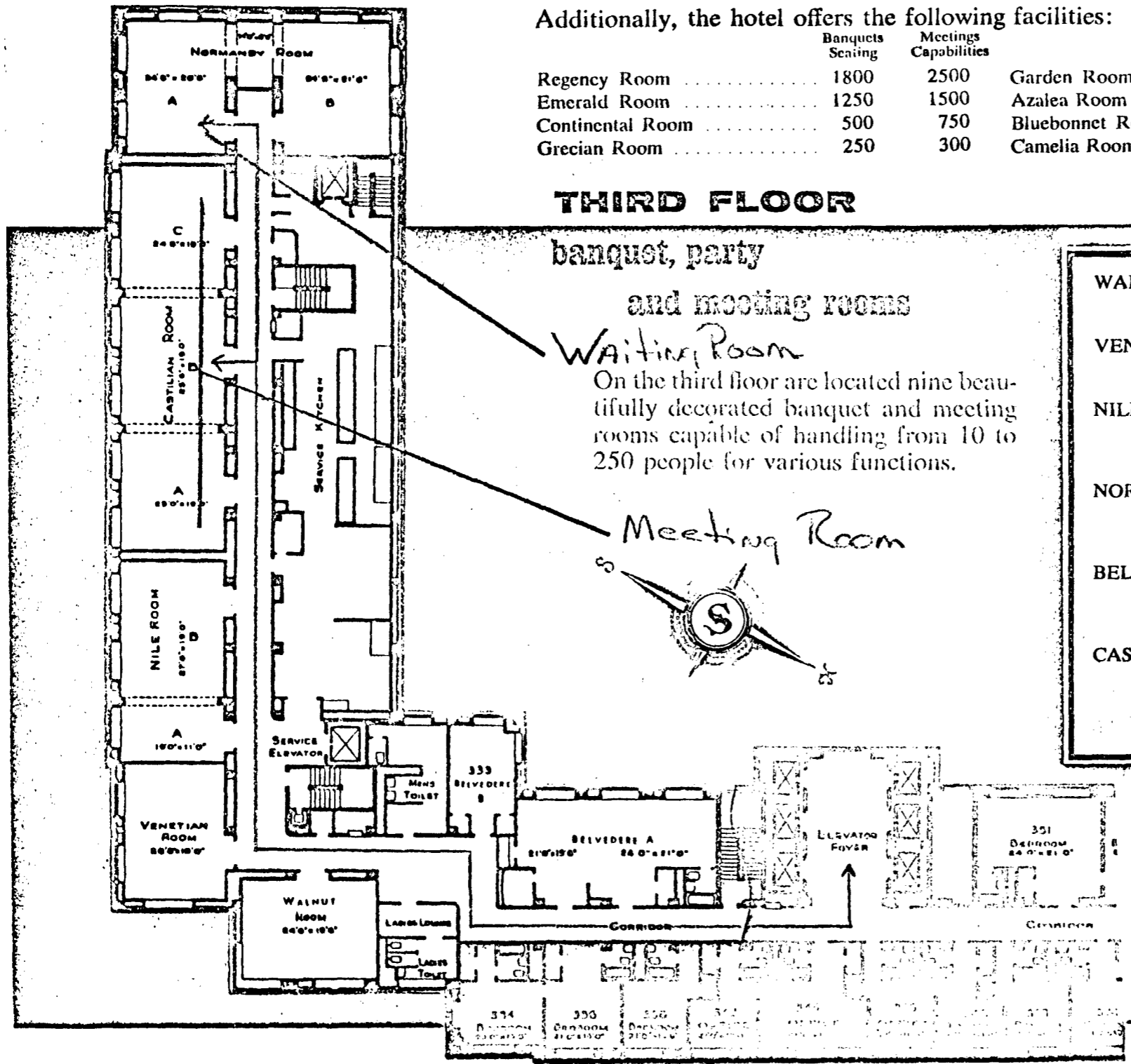
*Waiting Room*

On the third floor are located nine beautifully decorated banquet and meeting rooms capable of handling from 10 to 250 people for various functions.

*Meeting Room*



	number of people
<b>WALNUT ROOM</b>	
Banquets	35
Receptions	75
<b>VENETIAN ROOM</b>	
Banquets	35
Receptions	75
<b>NILE ROOM</b>	
Banquets	65
Auditorium	80
Receptions	100
<b>NORMANDY ROOM (2 sections)</b>	
Banquets	40
Auditorium (both sections)	75
Receptions (both sections)	150
<b>BELVEDERE ROOM</b>	
Banquets	50
Auditorium	65
Receptions	75
<b>CASTILIAN ROOM (3 sections)</b>	
Banquets	135
Auditorium	150
Receptions	200
Dances	100





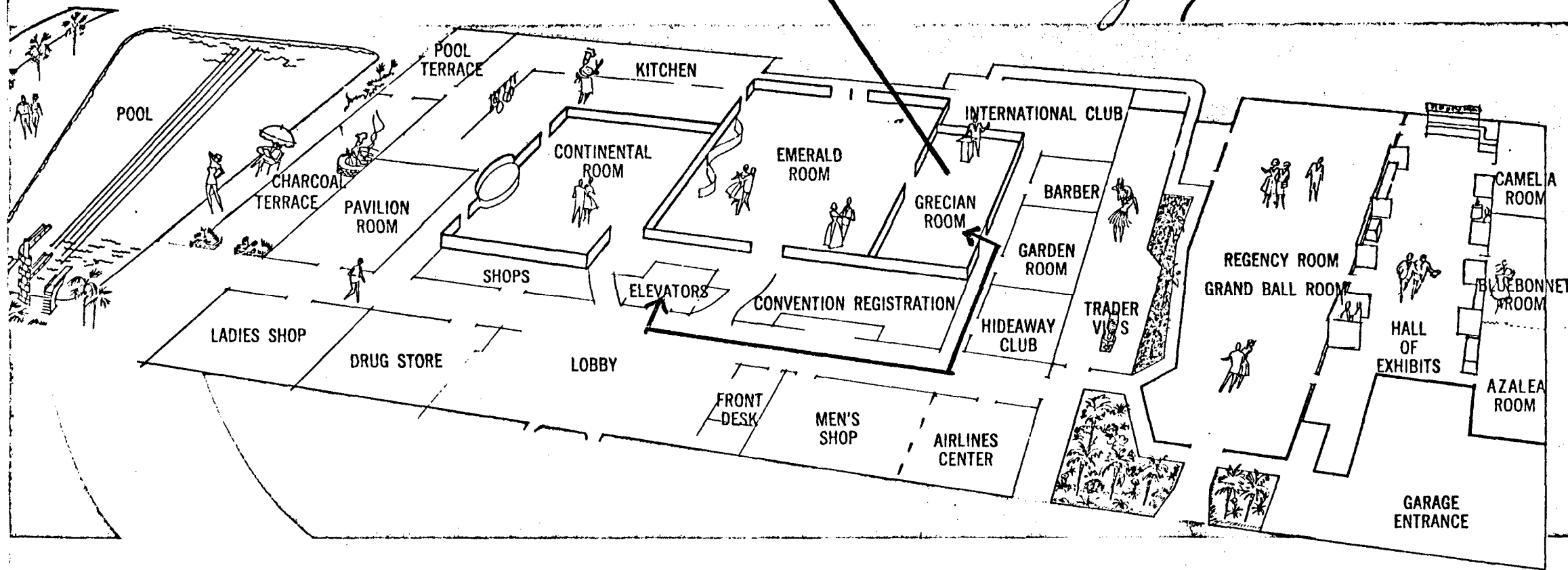
THE  
*Shamrock Hilton*

SERVES BIGGER AND  
BETTER BANQUETS...

*in Fabulous Facilities*

FIRST FLOOR

*Lunch on Friday, Jan. 31, 1969*



CALENDAR  
BOARD OF REGENTS  
OF  
THE UNIVERSITY OF TEXAS SYSTEM

January 31 - February 1, 1969

Place: The Shamrock Hilton  
Houston, Texas

Meeting Room: Castilian Rooms A, B and C  
Third Floor

Waiting Room: The Normandy Room will serve as  
a waiting room and as the office.

Friday, January 31, 1969. -- The Committees and the Board will meet as  
set out below:

9:00 a. m. Meeting of the Board  
To Consider  
Sale of Series 1969  
U. T. Austin Building  
Revenue Bonds  
(\$25,000,000)

Executive Committee

Academic and Developmental Affairs  
Committee

Buildings and Grounds Committee

Medical Affairs Committee

Land and Investment Committee

Committee of the Whole

Meeting of the Board

Lunch will be served at noon in the Grecian Room.

Telephone Numbers:

The Shamrock Hilton	668-9211
<b>Airlines</b>	
American	222-9873
Braniff International	621-3111
Continental	524-4711
Trans-Texas	644-3400

# **Executive Committee**

EXECUTIVE COMMITTEE

Date: January 31, 1969

Time:

Place: Castilian Room, Third Floor  
Shamrock Hilton, Houston, Texas

The report of the interim actions taken by mail ballot since December 13, 1968, will be in the Supplementary Agenda Material, together with any items that may be submitted for the consideration of the Executive Committee.

## EXECUTIVE COMMITTEE

### Supplementary Agenda

Date: January 31, 1969

Time: Following the meeting of the Board after Sale of Bonds

Place: Castilian Room, Third Floor  
Shamrock Hilton, Houston, Texas

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## REPORT OF INTERIM ACTIONS

Set out below are interim actions that have been approved by the Executive Committee:

1. U. T. Austin: Minutes of Meeting of Athletics Council (17-M-68). -- In compliance with the Regents' Rules and Regulations, the minutes of the meeting of the Athletics Council at The University of Texas at Austin held on November 1, 1968, were reviewed.
2. U. T. Austin: Minutes of the Meetings of the Board of Directors of the Texas Union (18-M-68 and 22-M-68). -- Minutes of the meeting of the Board of Directors of the Texas Union at The University of Texas at Austin held on November 21, 1968, were reviewed. The following modifications to the actions reflected in this set of minutes were approved:
  - a. Under "Law School Programs" on Page 2, the following items were disapproved:
    - (1) Guarajuato Exchange Program - an exchange program between The University of Texas Law School and the University of Guarajuato in Mexico to exchange ideas and programs. Cost of \$500.00 for office supplies, food, transportation, translator, etc.
    - (2) International Law Moot Court Competition - a program of international competition between representatives of law schools throughout the nation. Cost - \$400.00
    - (3) Penal Observation Project - a program designed to familiarize law students with the penal system, their operations, administration, and problems. Cost - \$200.00
  - b. The "Request for Use of Lobby" on Page 3 was approved with the understanding that this authorization extends only to the end of the 1968-69 fall semester and is restricted to the use of one card table only.
  - c. With respect to "Union Expansion," recommendations numbered 5 and 6 on Page 4 were disapproved and the remaining five recommendations were amended to read as follows:

- (1) In view of the fact that the School of Architecture is funding a special faculty assignment for Professor William Tamminga in connection with the work of the ad hoc student-faculty planning committee for the new union, and in view of the fact that the University will be investing considerable funds in this project via the functions of the Office of Facilities Planning and Construction, it is authorized:
  - (a) That only the sum of \$5,000 be appropriated from account 34-1000-2110 (Texas Union Building Fund) and transferred to a special operating account for the use of Professor William Tamminga in his work for the ad hoc student-faculty committee on the East Campus Union.
  - (b) That Professor Alan Taniguchi, chairman of the ad hoc student-faculty committee on the East Campus Union, be given signature authority for this newly established account.
- (2) It is authorized that the ad hoc student-faculty committee on the East Campus Union and its chairman, Professor Taniguchi, rather than the Union Board, give approvals of policies regarding the expenditure of funds from the proposed new operating account.
- (3) The President of the Students' Association and the Chairman of the Texas Union Board are already voting members of the ad hoc student-faculty planning committee on the East Campus Union. They can express the opinions of the Union Board and can vote on the ad hoc committee as they deem appropriate. Since the ad hoc committee is the regular building committee for this project, the Union Board is not given any authority over the actions of the ad hoc committee.
- (4) All voting members of the Union Board who are not voting members of the ad hoc committee are made non-voting advisers to the ad hoc committee. The voting membership of the ad hoc committee is not changed.
- (5) Any funds transferred from account 34-1000-2110 shall be handled as outlined above.

d. in connection with the approved recommendations, the following appropriations and transfer of funds were authorized:

(1) Law School Program - \$2,403.95

From: Account No. 36-0400-0070, Texas Union  
Repair and Maintenance Fund

To: Account No. 28-1201-0050, Texas Union -  
Law School Programs

(2) Expenses of Ad Hoc Committee on the East  
Campus Union - \$5,000

From: Account No. 34-1000-2110, Texas Union  
Building Fund

To: Account No. 28-1202-0050, Texas Union -  
Expenses of Ad Hoc Committee on the  
East Campus Union.

The minutes of the meetings of the Board of Directors of the Texas Union held on December 4 and 12, 1968, respectively, were reviewed. The minutes of the meeting held on December 4, 1968, were modified whereby the request of the Students for a Democratic Society to receive donations in the vending machine room of the Texas Union was not approved.

3. U. T. Austin: Minutes of the Meeting of the Board of Directors of Texas Student Publications, Inc. (19-M-68). -- The minutes of the meeting of the Board of Directors of Texas Student Publications, Inc., at The University of Texas at Austin held on November 19, 1968, were reviewed and the item titled "TSP Handbook Concerning Faculty Committee on Student Publications" was disapproved.



4. U. T. Austin: Sale of Seat Options for Memorial Stadium Expansion (20-M-68). -- With respect to the expansion of Memorial Stadium of The University of Texas at Austin and based on recommendations of the Athletics Council of U. T. Austin, approval was given to the following:

- a. The sale of seat options by the Athletics Council was authorized to raise its share of funds for this expansion.
- b. The offer by Mr. Frank Denius to assume the responsibility of contacting the U. S. Internal Revenue Service for purposes of securing an option as to the tax exemption aspects of such sales was accepted.
- c. The prices for the seat options were set as follows (the seating capacity is approximate):

\$400 - Sections 8U, 9U, and upper part of 8 and 9 -	2100 seats -	\$840,000
\$300 - Sections 7U, 10U and upper part of 7 and 10-	2100 seats -	630,000
\$200 - Sections 6U, 11U and upper part of 6 and 11-	2100 seats -	420,000
\$300 - first 17 rows of upper deck	2980 seats -	894,000
	<u>9280 seats -</u>	<u>\$2,784,000</u>

- d. It was ordered (1) that brochures of this sale be mailed first, to dues-paying ex-students, the Longhorn Club, the T men, and the faculty of The University of Texas at Austin; that thirty days following this mailing, the rest of the mailing list be circularized and the sales be opened to the general public;
- (2) that the sale of seat options be limited to four to each individual; if an individual wants more, that his order be held to determine if seat options are available at the end of the sale;
- (3) that the drawing for seats by areas be carried out after an initial period of one month for filing applications;
- (4) that the transfer of options during the life of an option be permitted on approval of the Athletics Council.
- e. The Athletics Council was authorized to proceed immediately to retain a public relations firm to prepare a brochure.
- f. The Athletics Council was instructed to develop, with appropriate officials of the University, a plan for setting aside 1,000 parking spaces for the use of the Longhorn Club during football games.

5. U. T. Austin: Change in Admission Requirements for Transfers (Catalogue Change 1969-70) (21-M-68). --Approval was given to amend the current catalogue of The University of Texas at Austin by including an appropriate statement to the effect that a satisfactory test score on an acceptable admission test for transfer students be required only if a transfer student has less than thirty semester hours of college work.
  
6. U. T. Austin: Ratification of Agreement for Cooperative Publishing Program and Establishment of Agency Fund, Texas State Historical Association Publication (23-M-68). --The following Agreement for Cooperative Publishing Program at The University of Texas at Austin was ratified and the business office of The University of Texas at Austin was authorized to establish an Agency Fund for the Texas State Historical Association Publication Fund in accordance with the conditions set out:

**Agreement for  
Cooperative Publishing Program**

This agreement, between the Texas State Historical Association (hereinafter the Association), a Texas non-profit corporation, and the University of Texas Press (hereinafter the Press), an unincorporated division of The University of Texas, establishes the terms under which the parties undertake a cooperative program of publication of paperback reprints of books concerning Texas history.

1. To initiate the program, the Association will put \$12,000 into a Current Restricted Fund at the Press, known as the Texas State Historical Association Publication Fund. This will be a revolving publications fund which will pay certain direct costs of publishing books in this program (to be noted in 2) and will receive the Association's share of the proceeds (to be noted in 4). The Press will hold the money in the Texas State Historical Association Fund in trust for the Association. The Association may, upon demand, withdraw money held in the fund in excess of \$12,000 at any time, and may withdraw all money in the fund upon termination of this agreement in accordance with point 9, below.
  
2. From the Texas State Historical Publication Fund, the Association will pay a) all direct outside manufacturing costs for the books and their covers (photographing and plate-making, paper, printing, binding, long distance telephone calls to printers and binders) but not in-house production costs (the work of the Press production and design departments); b) manufacturing costs (but not distribution costs) of circulars made to promote the books; c) freight from the printer and binder to the Press.

3. The Press will be responsible for all other costs, including the following: design of covers, production supervision, distribution of circulars, selling, shipping, warehousing, billing, collecting, accounting, and overhead.

4. Net proceeds will be divided as follows: 60% to the Association, by return to the Texas State Historical Association Publication Fund; 40% to the Press. "Net proceeds" are defined for the purposes of this agreement as follows: cash received from the sale of the books less royalty, if any, less commissions, if any, and less fee for acquisition of rights, if any. Although it is not anticipated that extensive space advertising will be needed for the books, such space ads as are mutually agreed on by the Association and the Press, if any, will be paid for from cash received before the division of remaining net proceeds.

5. Selection of titles and quantities to be printed will be by mutual agreement between the Press (represented by the Director or Associate Director) and the Association (represented by the Director or Assistant Director).

6. The books will be 5 1/2" x 8 1/2", with newly designed two-color covers. On a separate page at the front of the book will appear the statement, "Published in cooperation with the Texas State Historical Association." On the back cover will appear a list of books in the series, with the statement of cooperation repeated. The editions will be 5000 copies of each title for the first group, to be adjusted according to experience.

7. All sales of the books published under this program will be conducted by the Press.

8. Annually, within thirty days of the August 31 end of the fiscal year, the Press will render to the Association a statement of the status of the fund, including income and expenditures for the year and an inventory of the books published.

9. At the end of each fiscal year, beginning August 31, 1969, the Association and the Press will review this agreement. At any time thereafter, either party may terminate the agreement, giving six months' notice. Should the agreement be terminated at the end of the six months' notice, all Association funds held by the Press will be transferred in accordance with the Association's instructions. The Press will then retain whatever inventory remains of books published under this agreement and will continue to sell them and remit to the Association its share of the proceeds.

For the Association Joe B. Frantz  
Joe B. Frantz, Director

Witness Ruth C. Mathews

Date July 22, 1968

For the Press Frank H. Wardlaw  
Frank H. Wardlaw, Director

Witness David H. Gilbert

Date July 17, 1968

7. U. T. Austin, U. T. El Paso, Galveston Medical Branch, Dallas Medical School and Anderson Hospital: Amendments to the 1968-1969 Budgets (4-B-68 and 5-B-68\*). -- The following amendments to the 1968-69 budgets of The University of Texas at Austin, The University of Texas at El Paso, The University of Texas Medical Branch at Galveston, The University of Texas Southwestern Medical School at Dallas, and The University of Texas M. D. Anderson Hospital and Tumor Institute at Houston were approved. (Pages 9-12)

Source of Funds - Departmental Appropriations  
(Unless Otherwise Specified)

(All rates set out below are full time rates: salary rate indicates a 12 months' full time rate and academic rate indicates a 9 months' full time rate.)

The University of Texas at Austin

Item No.	Explanation	Present Status	Proposed Status	Effective Dates
64.	Division of Extension - Extension Teaching and Field Service Bureau	From: Unappropriated Balances via Estimated Income	To: Extension Classes and Consultant Services	
	Amount of Transfer	\$65,000	\$65,000	---

The University of Texas at El Paso

4. Auxiliary Enterprises - Intercollegiate Athletics

The contracts of the assistant head football coaches and the assistant football coaches are on a calendar year basis and the present contracts expired on December 31, 1968.

\*The mail ballots are due on Executive Committee Item 5-B-68 on Friday, January 24, 1968. If any one item is excepted in this committee item, the Secretary shall report such exception at the Executive Committee meeting; otherwise, if Item 5-B-68 is approved by mail ballot, the report of such item will remain as it is herein set out.

Item No.	Explanation	Present Status	Proposed Status	Effective Dates
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The following salary rate changes are recommended effective January 1, 1969:

	1968 Annual Rate	1969 Annual Rate	Required Additional Funds Through 8-31-69
<u>Intercollegiate Athletics - Football</u>			
Assistant Head Coach			
George W. Knapp	\$11,000.00	\$11,750.00	\$ 500.00
David A. Nusz	11,500.00	12,000.00	333.28
Assistant Coach			
Raymond E. Fulton	9,000.00	10,000.00	666.64
Robert C. Lee	10,500.00	11,000.00	333.28
Peter J. Manning	8,000.00	9,000.00	666.64
Billy J. Turnbow	11,000.00	11,500.00	<u>333.28</u>
Source of Funds - Intercollegiate Athletics Balance			<u>\$ 2,833.12</u>

The University of Texas Medical Branch at Galveston

16.	John P. Patten Neurology and Psychiatry	Visiting Assistant Professor	Visiting Assistant Professor	
	Salary Rate	\$15,000	\$18,000	12/1/68
17.	Sally A. Mount School of Allied Health Sciences - Medical Records	Instructor and Chair- man (½T)	Instructor and Chair- man (½T)	
	Medical Records Library	Chief Medical Records Librarian (½T)	Chief Medical Records Librarian (½T)	
	Salary Rate	\$10,440	\$12,000	12/1/68
	Source of Funds: Unallocated Salaries			
18.	Plant Funds Transfer of Funds	From: Reserve for Plant Funds Project Allocation (Unappro- priated Balance)	To: Remodeling Projects, as follows: Remodel Space for Bursar's Office \$24,500 Remodel Area for Office of Vice- President for Academic Affairs and Dean of Medicine	
	Amount of Transfer	\$49,000	<u>24,500</u> <u>\$49,000</u>	---

<u>Item No.</u>	<u>Explanation</u>	<u>Present Status</u>	<u>Proposed Status</u>	<u>Effective Dates</u>
19.	Paul Zaharopoulos Pathology	Instructor	Instructor	
	Salary Rate	\$16,000	\$17,500	1/1/69
	Source of Funds: HEW Contract			
20.	Charles W. Daeschner, Jr. Pediatrics	Professor and Chief	Professor and Chief	
	Salary Rate	\$33,000	\$ 35,000	1/1/69
	Source of Funds: HEW Contract			
21.	Harry H. Peel Surgery	Research Engineer	Research Engineer	
	Salary Rate	\$8,040	\$9,600	1/1/69
	Source of Funds: HEW Contract			

The University of Texas Southwestern Medical School at Dallas

9.	James E. Bertz Anatomy and Surgery	Assistant Professor of Oral Surgery	Assistant Professor of Oral Surgery	
	Salary Rate	\$16,500	\$18,500	12/1/68
	Source of Funds: Department of Surgery Salaries			
10.	Jere H. Mitchell Internal Medicine	Associate Professor	Associate Professor	
	Salary Rate	\$24,000	\$25,000	1/1/69
	Source of Funds: U.S.P.H.S. Career Development Award			
11.	Stuart D. Tauber Internal Medicine	Assistant Professor	Assistant Professor	
	Salary Rate	\$17,500	\$18,500	1/1/69
	Source of Funds: U.S.P.H.S. Career Development Award			

The University of Texas M. D. Anderson Hospital  
and Tumor Institute at Houston

<u>Item No.</u>	<u>Explanation</u>	<u>Present Status</u>	<u>Proposed Status</u>	<u>Effective Dates</u>
10.	Deckmon McMillon Inhalation Therapy	Assistant Chief Inhalation Therapist	Assistant Chief Inhalation Therapist	
	Salary Rate	\$6,780	\$8,160	1/1/69
	Source of Funds: Reserve for Salaries			

**Academic & Developmental Affairs  
Committee**



ACADEMIC AND DEVELOPMENTAL AFFAIRS COMMITTEE

Date: January 31, 1969  
Time: Following the meeting of the Executive Committee  
Place: Castilian Room, Third Floor  
Shamrock Hilton, Houston, Texas

	<u>Page A &amp; D</u>
1. U. T. System: <u>Chancellor's Docket No. 29</u>	2
2. U. T. Austin: Composition of the Committee of Counsel on Academic Freedom and Responsibility	2
3. U. T. Austin: Request for Suspension of the <u>Regents' Rules and Regulations with Respect</u> to the Appointment of C. Wendell Horton, Jr.	3
4. U. T. Austin: Proposed Change in the Law School Degree	5
5. U. T. Austin: Proposed Regulations Pertaining to the Budget Council System	6
6. U. T. El Paso: Authorization to Make a Special Charge for Late Registration	8

1. U. T. System: Chancellor's Docket No. 29. -- The Chancellor's Docket was mailed to each Regent on January 14, 1969. The Secretary will report the results of the ballots that are due in her office on January 28. If any item is excepted, the docket will be referred to the Committee of the Whole for consideration. *Amended*
2. U. T. Austin: Composition of the Committee of Counsel on Academic Freedom and Responsibility. -- Below is a xerox copy of the recommendation of Executive Vice-Chancellor Singletary, proposed by President Hackerman, with respect to composition of the Committee of Counsel on Academic Freedom and Responsibility:

President Hackerman has recommended that the following recommendation of the Faculty Council be approved:

The Faculty Council recommends the proposal to make full deans, department chairmen, and other administrative officials ineligible for election to the Committee of Counsel on Academic Freedom and Responsibility.

Executive Vice-Chancellor Singletary recommends approval of President Hackerman's recommendation.

3. U. T. Austin: Request for Suspension of the Regents' Rules and Regulations with respect to the Appointment of C. Wendell Horton, Jr. --  
Below is a xerox copy of the recommendation of Chancellor Ransom and Executive Vice-Chancellor Singletary:

Chancellor Ransom and Executive Vice-Chancellor Singletary concur in the recommendation of President Hackerman that the Board of Regents suspend Regents' Rules and Regulations, Chapter III, Section 5.32, Part One, as provided in Chapter III, Section 5.42, to permit the employment of C. Wendell Horton, Jr., as Associate Professor of Physics, effective September 1, 1969. President Hackerman's letter of justification follows:



THE UNIVERSITY OF TEXAS AT AUSTIN  
OFFICE OF THE PRESIDENT  
AUSTIN, TEXAS 78712

CHANCELLOR'S OFFICE U. of T.

Acknowledged..... File.....

REC'D JAN 3 1969

To..... For Info and Return

To..... Please Advise Me

To..... Please Handle

*President*

December 31, 1968

Dr. O. A. Singletary  
Executive Vice-Chancellor for  
Academic Affairs  
The University of Texas System  
Main Building 101  
UT Austin Campus

Dear Dr. Singletary:

The Management Committee of the National Science Foundation Science Development Program has approved the request of the Relativity-Astrophysics-Astronomy-Plasma Studies Coordinating Committee for the appointment of C. Wendell Horton, Jr., as Associate Professor of Physics, effective September 1, 1969, at an academic rate of \$12,500. Dr. Horton is the son of Professor C. W. Horton of the Department of Physics, who, as a member of the Budget Council of the department, would have an official voice in recommending salary increases and promotion for his son. This is in violation of Section 5.32, Chapter III of Part One of the Regents' Rules.

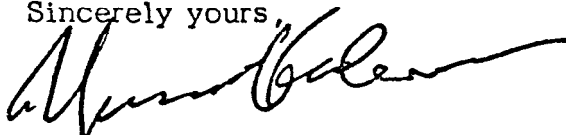
The Department of Physics is enthusiastic about adding the junior Dr. Horton to its staff and in support of his appointment has submitted the following:

In the next year we will be moving into a new and vital area of plasma physics, plasma confinement, and beginning research in the new underground research laboratory being constructed in conjunction with the new Physics-Astronomy-Mathematics Building. In moving into this new research field we have a vital need

for a young theoretician with an already established reputation who has specialized in the theory of plasma confinement and whose best work is still ahead of him. We have been seeking such a man for the last two years, and without a doubt Dr. Wendell Horton stands head and shoulders above any other conceivable choice. . . The future of the University will best be served by moving rapidly to make Dr. Horton such an offer.

In view of this statement, I recommend that the Regents be requested to suspend the regulation mentioned above as is permitted by Section 5.42 of the Rules, and that the offer be made to Dr. C. W. Horton, Jr.

Sincerely yours,



Norman Hackerman

Approved:  
O.A. Singularity

NH:vt

For the benefit of the new Regents, the Secretary quotes below the rules and regulations referred to in the above recommendation.

Regents' Rules and Regulations, Part One, Chapter III, Section 5.32

"No person shall be initially appointed, or promoted, when it is the duty of any relative employed by The University of Texas System to act in any official capacity upon such appointment or promotion, regardless of the source of funds for payment of salary; nor shall any appointment or promotion be made if either person would be under the administrative supervision of the other or if either would have any official voice in recommending salary increases or promotions in rank for the other."

Regents' Rules and Regulations, Part One, Chapter III, Section 5.42

"In extraordinary cases where the interest of The University of Texas System will be served thereby, the Board of Regents, upon special advance petition from an institutional head approved by the Chancellor, may suspend these regulations except as to the appointment of any relative of a Regent, the Chancellor of The University of Texas System, or the head of any component institution."

4. U. T. Austin: Proposed Change in the Law School Degree. --  
Below is a xerox copy of the recommendation of Executive Vice-Chancellor Singletary and Chancellor Ransom with respect to the change in the Law School degree:

The School of Law has requested, and the Faculty Council has approved, a proposal that the first degree offered in the School of Law be changed from the Bachelor of Laws degree to the Juris Doctor degree.

It is further recommended by the School of Law and the Faculty Council that the Juris Doctor degree be made available to all prior holders of the Bachelor of Laws degree from The University of Texas at Austin who request that their degree be changed. The reasons supporting the recommendation for the change in degree are:

Although the Bachelor of Laws has been the traditional law degree throughout the English-speaking world, in recent years there has been a decided trend toward the Juris Doctor degree. Of the 136 law schools in the United States, 106 are currently offering the J.D. degree, and of the thirty still offering the Bachelor's degree, thirteen are considering the change. The State Bar of Texas has recommended the adoption of the J.D. degree.

Historically, there were good reasons for calling the degree a Bachelor's degree, since it was the first and only degree many students received. At the present time, a four-year baccalaureate degree is required for admission to the School of Law, and three additional scholastic years are required for the Law degree. Certainly a Juris Doctor is a more appropriate title for such a degree than the Bachelor of Laws.

The reasons supporting the recommendation for the retroactive provision are:

Several alumni had written that in educational employment there was discrimination against the holder of the Bachelor of Laws degree. Also the student polls in the last four or five years have overwhelmingly favored the Juris Doctor degree. These polls involved approximately 2000 recent graduates, most of whom will be sorely disappointed if they are not allowed to change the name of their degree.

Executive Vice-Chancellor Singletary and Chancellor Ransom concur with President Hackerman in these recommendations and request approval of the Board of Regents to file with the Coordinating Board a request for the degree change.

If subsequent approval of the Coordinating Board is received, it is requested that the Administration of U.T. Austin be authorized to make the necessary changes in the catalogs.

5. U. T. Austin: Proposed Regulations Pertaining to the Budget Council System. --Below is a xerox copy of the recommendation of Executive Vice-Chancellor Singletary, proposed by President Hackerman, with respect to recommendations pertaining to the Budget Council system of The University of Texas at Austin:

President Hackerman recommends approval by the Board of Regents of the recommendations of the General Faculty with respect to the Budget Council system . It is recommended that they be adopted as a part of The University of Texas at Austin institutional supplement to the Regents' Rules and Regulations. Executive Vice-Chancellor Singletary concurs in the recommendation of President Hackerman, which is contained in the following letter:



THE UNIVERSITY OF TEXAS AT AUSTIN  
OFFICE OF THE PRESIDENT  
AUSTIN, TEXAS 78712

*President*

January 2, 1969

Dr. Otis A. Singletary  
Executive Vice-Chancellor for Academic Affairs  
The University of Texas System

Dear Dr. Singletary:

By letter of December 13, 1968, the Secretary of the General Faculty of The University of Texas at Austin has notified me that the General Faculty at its meeting on October 29, 1968, adopted the following proposed regulations pertaining to the budget council system:

1. A departmental faculty, budget council or chairman may develop a plan whereby the authority of the budget council is vested in an executive committee or committees of size, composition by academic rank, and mode of selection as specified by that plan.
2. A departmental faculty, budget council, the chairman, or the Dean may initiate a proposal to extend membership on the budget council to one or more members of the departmental faculty with the ranks of Associate Professor or Assistant Professor, or to one or more members of the faculty of another department or departments.
3. After proper notice to all voting members of the department and after due discussion, any modifications proposed under Paragraphs 1 and 2 above must be submitted to a mail ballot of the members of the departmental faculty, including members on leave, and shall take effect if approved by a majority vote of the department, and by the dean and the president.

4. A Dean may determine that operation of a department has deteriorated because of actions or lack of actions of the budget council or because of irreconcilable differences within the membership of the budget council, and that change in the budget council organization is essential to the effective administration of the department. Under such circumstances he may request the approval of the President to establish a temporary budget committee for the department. The President shall then refer the recommendation of the Dean to the Committee on Committees for its consideration and recommendation. With the approval of the President, the Dean may then establish a temporary budget committee for the department. This action by the Dean shall be effective for a period of not more than three years. During the period, reorganization proposals according to Sections 1, 2 and 3 may be effected.
5. During the third or terminal year of operation under any of the foregoing plans and each third year thereafter, the departmental faculty members with tenure shall vote to continue the existing organization, to return to the previous budget council operation, or to propose other alternatives, subject to the approval of the Dean and President.


I recommend approval of this regulation for inclusion in the institutional regulations to be written for The University of Texas at Austin.

The composition of the budget council is now governed by the 1943 Regents' Rules and Regulations Part II, Chapter IV, Section 6, as modified from time to time over the years:

All the full professors in a department conjointly, or all the associate professors conjointly in case there is no full professor, shall constitute the Budget Council of the department, each member being entitled to one vote, there being no seniority. No person on modified service because of age shall be a member of a budget council. . .

Although the 1943 Rules provides for the chairman of the department to constitute the budget council when there are no full or associate professors, the practice has been for professors from other but related departments to be appointed administratively to augment very small departmental budget councils. By action of the Regents on June 27, 1953, the chairman of the department also serves as chairman of the budget council. The General Faculty action of October 29 does not alter the basic budget council composition, but it does allow controlled variations from it which I think will be desirable.

Sincerely yours,



Norman Hackerman

NH: lsg

↓ concur...  
O.A. Sargent  
1-10-69

6. U. T. El Paso: Authorization to make a Special Charge for Late Registration. --Below is a xerox copy of the recommendation of Executive Vice-Chancellor Singletary with respect to a special charge for late registration at The University of Texas at El Paso:

Acting President Leech recommends that a special charge for late registration be assessed on the basis of \$5.00 for a first late day and \$2.50 for each additional late day to a maximum of \$15.00. This charge is to defray costs of extra services required to effect late registration.

Executive Vice-Chancellor Singletary concurs in the recommendation of Acting President Leech, since the rates recommended are now in effect at U.T. Arlington. If the Board of Regents approves this recommendation, authorization is also requested for making the necessary changes in the U.T. El Paso catalogs.

As a matter of information, there is at present a special charge of \$5.00 for late registration to U. T. El Paso. This charge was authorized by the Board of Regents in December 1966 as set out in the following minute order:

U. T. El Paso: Special Fee for Late Registration. --  
In December 1966 the Board authorized that the 1967-68 catalog include at the appropriate place the following:

"Special Charge for Late Registration. --Any student registering in an undergraduate division who, in the fall or spring semester, with proper permission, registers after the appointed days for registering in that semester, will be required to pay a special charge of five dollars (\$5.00) to defray the costs of the extra services required to effect his late registration."

This appears in the 1967-68 catalog on Pages 40, 209 and 215.



ACADEMIC AND DEVELOPMENTAL AFFAIRS COMMITTEE

Supplementary Agenda

Date: January 31, 1969  
Time: Following the meeting of the Exeuctive Committee  
Place: Castilian Room, Third Floor  
Shamrock Hilton, Houston, Texas

	<u>Page</u> <u>A &amp; D</u>
✓ 7. U. T. Austin: Dual Positions Pursuant to Section 33, Article XVI, Constitution of Texas	10
✓ 8. U. T. Austin: Minutes of the Meeting of the Board of Directors of Texas Student Publications, Inc.	11
9. U. T. El Paso: Proposed Increased Rates in Room and Board	15

9/1/69

7. U. T. Austin: Dual Positions Pursuant to Section 33, Article XVI, Constitution of Texas. -- Below is a Xerox copy of Chancellor Ransom's recommendation:

Chancellor Ransom recommends that an appropriate resolution be adopted with respect to the individual listed below in connection with his service on the state board or commission opposite his name:

THE UNIVERSITY OF TEXAS AT AUSTIN

<u>Name</u>	<u>Classification</u>	<u>Board or Commission</u>
Frank W. Elliott, Jr.	Professor of Law	Parliamentarian of the Senate

An appropriate resolution for the above action will read as follows:

WHEREAS, Frank W. Elliott, Jr., has an opportunity to serve as Parliamentarian of the Senate of the State of Texas 61st Legislature, 1969:

NOW, THEREFORE, BE IT RESOLVED by the Board of Regents of The University of Texas System, acting pursuant to delegated legislative authority:

1. That the said Frank W. Elliott, Jr., be and he is hereby authorized by the Board of Regents to serve as Parliamentarian of the Senate of the State of Texas 61st Legislature, 1969, until he no longer has an opportunity to do so or until this direction and requirement is amended or revoked by the Board of Regents;

2. That the said Frank W. Elliott, Jr., be and he is hereby authorized by the Board of Regents to serve as Parliamentarian of the Senate of the State of Texas 61st Legislature, 1969, in addition to all other duties that have been or may hereafter be assigned or required of him by the Board of Regents;

3. That the Board of Regents finds that Frank W. Elliott, Jr.'s, service as Parliamentarian of the Senate of the State of Texas 61st Legislature, 1969, is not in conflict with his employment by The University of Texas;

4. That the Board of Regents finds that Frank W. Elliott, Jr.'s, service as Parliamentarian of the Senate of the State of Texas 61st Legislature, 1969, is and will continue to be a benefit and advantage to The University of Texas System and the State of Texas.

8. U. T. Austin: Minutes of the Meeting of the Board of Directors of Texas Student Publications, Inc. --The minutes of the meeting of the Board of Directors of Texas Student Publications, Inc., at The University of Texas at Austin, held Wednesday, December 18, are submitted below. The Administration recommends approval with a specific recommendation by Doctors Hackerman, Singletary, and Ransom that the following changes in the TSP Handbook be made:

Discussion of Advertising of Alcoholic Beverages.

Approve the deletion of the following provision from the TSP Handbook, page 21: "TSP does not accept advertising for alcoholic beverages". This is a re-submission of the same request made on August 15, 1968, which was not granted by the administration or the Regents.

The minutes of the meeting are on Pages A & D - 11-15 and the relative portion of the minutes is marked on Page A & D - 12 .

Minutes

Meeting of the Board of Directors  
Texas Student Publications, Inc.  
Wednesday, December 18, 1968

VOTING MEMBERS PRESENT: Tom Kavoussi, Olin Hinkle, Charles T. Clark, Norris Davis, Donna Englander, Paul Ray, Ken Sparks, Susan Hasslocher.

VOTING MEMBERS ABSENT: Charles Bonjean.

NON-VOTING MEMBERS PRESENT: Loyd Edmonds, Margaret Peck, Bob Hilburn, Merry Clark, Karolyn Karr.

NON-VOTING MEMBERS ABSENT: John Stalmach, John Smith, Annette Bandy, Leslie Donovan.

VISITORS PRESENT: Charlotte Smith, Texan Reporter, and Mike Hoffman, former TSP Board member.

Chairman Kavoussi called the meeting to order at 3:05 p.m. in Journalism Building 305.

APPROVAL OF MINUTES OF NOVEMBER 19, 1968. The minutes of the TSP Board Meeting of November 19, 1968 were approved as circulated.

REPORT FROM EXECUTIVE COMMITTEE. Hinkle, Executive Committee Chairman, called the members attention to the mimeographed report, a copy of which follows:

December 18, 1968

EXECUTIVE COMMITTEE REPORT

Following are appointments and wages approved by the TSP Executive Committee since the last report was made to the TSP Board. These are to be added to the list of appointments dated October 15, 1968 and November 19, 1968.

THE DAILY TEXAN

<u>Position</u>	<u>Name</u>	<u>November Wages</u>
Editorial Page Assistant	Ben Sargeant	\$35

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THE TEXAS RANGER

Acting Art Editor	James Salterio	\$35
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TEXAS ENGINEERING & SCIENCE MAGAZINE

Copy Editor	Karen Houghton	\$30
Copy Editor	John Maddox	\$20
Editorial Assistant	Anne Hagy	\$ 5
Editorial Assistant	John Van Beekum	\$ 5

Hinkle then told the Board that Loyd Edmonds, General Manager of TSP, had requested the Executive Committee to allow him to be absent from his TSP responsibilities for one hour, three days a week during the spring semester so that he may teach Advertising 318 J. Norris Davis, Chairman of the Journalism Department, had asked Edmonds to teach. Edmonds had taught the course on two previous occasions and felt sure he could fulfill his TSP responsibilities in addition to the teaching load. Hinkle said the Executive Committee had unanimously approved his request.

REPORT FROM SPECIAL COMMITTEE TO STUDY PROBLEM OF GETTING TEXAN OUT ON TIME. In the absence of the committee chairman, Leslie Donovan, Merry Clark reported that she did not think the committee had met, since the Texan seems to be getting out on time rather consistently now. Edmonds said deadlines were being met better, and one extra man had been hired in the Composing Room on a temporary basis to see if this would cut down overtime and help get out earlier. He said the additional man may be kept during the spring, in which case budget amendments will be requested.

PROGRESS REPORT ON TSP BUILDING PLANS. Edmonds said that he and the TSP mechanical superintendent had met with the architects and engineers and discussed air-conditioning, exhaust duct work, electrical requirements, and plumbing facilities for the new TSP building. He said the U.T. architects did not yet know whether funds were available for the entire Communication School complex or not, but they were going ahead with working drawings on the TSP building. Edmonds said that Mr. Staley McBrayer, a prominent publisher with experience in both letter press and off set printing, would be in Austin on January 6 to counsel with TSP people about plans for the new press and composing room facilities.

DISCUSSION ON ADVERTISING OF ALCOHOLIC BEVERAGES. Kavoussi told the Board that in August, 1968 the TSP Board had requested that the Regents approve a TSP Handbook change to allow alcoholic beverage advertising in the student publications. He said the Regents had not approved the change, but that he had heard that the student newspaper at The University of Texas at El Paso does run beer advertising. He suggested that the TSP Board resubmit its proposal to the Regents. Edmonds reviewed the TSP Board's action in August, 1968, subsequent recommendations by the Administration, and the denial by the Regents of the TSP requested change. He read from the TSP minutes of August 13, 1968; the October 2, 1968 letter from Harry Ransom to the Regents Executive Committee; and an October 10, 1968 memorandum from Miss Betty Ann Thedford to Chancellor Ransom.

MOTION: Sparks moved, seconded by Englander that the August 13, 1968 request be resubmitted to the Regents. The request was that Article 1, Section R, No. 8, page 21 "TSP does not accept advertising for alcoholic beverages" be deleted from the TSP Handbook. After discussion this motion passed with 7 voting for and 1 (Davis) against.

DISCUSSION ON NEWS AND EDITORIAL CONTENT AND RATIO OF ADVERTISING TO READING MATERIAL IN THE TEXAN. Edmonds told the Board that several new syndicated columns had been purchased during the fall semester, and that Merry Clark wanted to continue to run about the same quantity of syndicated columns during the spring semester. He estimated the cost of such columns would be about \$1,700 for the year compared with \$600 spent last year. He said the columns could be cancelled on 30 days notice in case the Texan does not have room to run them during the spring. Although discussion followed, there was no direct objection to continuing the columns. Edmonds said he would present budget amendments to cover the additional cost in January or February.

Hinkle said several faculty members and students had complained that not enough local stories were being run in the Texan, apparently because the syndicated columns take so much room. He suggested possibly the Texan should spend more money for more reporters to get campus news instead of nationally syndicated columns. Hilburn said he had been aware of some complaints, but that the news department of the Texan did not feel that an appreciable amount of local news was being left out of the Texan currently. He said about a month ago the Texans were rather tight, but not lately. Kavoussi said the Texan reporters should look for more stories. He said the Graduate School had not been covered well, but Merry Clark said three stories had been run concerning the Graduate School just last week. Merry Clark said one big problem was that many groups around the campus do not let the Texan know about meetings and activities. She said she had told the news departments that any time they needed page 5 (the page opposite the Editorial Page which normally carries the syndicated columns) for local news they could use it. The news department had requested page 5 only three times during the fall, she said. Hinkle suggested that an answer to the problem might be bigger papers, and Edmonds reminded the Board that bigger papers would mean either more overtime with students staying up even later than 2 or 3 o'clock, as they do now, or more equipment and mechanical staff would have to be added.

MOTION: Davis moved and it was seconded that the Chairman of the TSP Board appoint a committee to study the possibility of maintaining a fairly constant news hole, and make recommendations if the Committee finds it desirable. After discussion this motion passed by unanimous approval.

Kavoussi appointed Merry Clark, Donna Englander and Bob Hilburn to serve on the special committee.

Edmonds said the present policy for determining the number of pages in a given issue of the Texan is for the Ad Manager to refer to a chart which tells him how many pages the Texan should have with a certain amount of advertising. The chart is based on 45% advertising, and 55% news or reading material. Davis said he thought a different procedure providing a constant amount of space for news might cause advertising to be spread throughout the week, rather than a big volume of advertising on certain days, and would assure the news staff of about the same amount of space each day.

PROBLEMS OF LATE PUBLICATION DATE FOR TEXAS ENGINEERING AND SCIENCE MAGAZINE: Englander said she had been told that the printers had failed to get TES out on time in December and suggested an investigation. Edmonds told the Board that the Printing Division had had serious problems in getting the 1968-69 Faculty-Staff Directory printed and that all other jobs had been postponed until the Directory came out. He said he had asked the Printing Division to go into overtime or whatever was necessary to get both the Ranger and TES out by the middle of the week before Christmas, and that both magazines did come out on Wednesday, December 18.

CONSIDERATION OF CHANGE IN TSP ADVERTISING ACCEPTABILITY STANDARDS: Ray presented a mimeographed proposal, a copy of which follows:

- "10. TSP recognizes that the Supreme Court of the United States has distinguished between "opinion" (or "editorial") advertising and "commercial" advertising. Regarding opinion advertising, TSP shall in no way and under no circumstances limit, restrict,

edit or censor an advertisement which expresses opinions, or which announces or publicizes persons who have expressed or wish to express opinions, or places or events at which opinions have been or are to be expressed, so long as such advertising does not advocate the unlawful and illegal overthrow of the government. The expression of opinion as used herein, shall include, but is not limited to communication of ideas and information, recitation of grievances, protest of claimed abuses, and solicitation of financial and other help and support. Full identification of the sponsors of an opinion advertisement shall be printed within the published advertisement."

MOTION: Ray moved, seconded by Sparks, that Paragraph 10, page 21 of the TSP Handbook be amended as stated above. After discussion, this motion was tabled by unanimous approval.

Edmonds said he could not see how the new wording improved the present wording of the Handbook. Ray said he was particularly concerned that the Handbook should distinguish between opinion and commercial advertising. Davis said that if the Board accepted the new wording, any sort of obscene, libelous or otherwise objectionable advertising would have to be accepted unless it advocated the unlawful overthrow of the government. He said some people have the mistaken impression that freedom of the press means freedom of persons to use the press. Hinkle said there would be problems in deciding what is "Commercial" and what is "opinion" advertising.

RECONSIDERATION OF OPEN HOUSING ADVERTISING POLICY FOR THE DAILY TEXAN: Ray referred the Board to his second mimeographed proposal, a copy of which follows:

That the following paragraph shall be added to the TSP Handbook at page 21, following paragraph 11 thereon, which shall be an additional standard governing the acceptability of advertising by Texas Student Publications, Inc.:

"12. TSP shall limit the commercial advertisement of housing units (including, but not limited to privately-owned dormitories, rooming houses, and apartments) to those which have received approval by the Students' Association, provided that the Students' Association maintains an adequate program for approving these housing units."

MOTION: Ray moved, seconded by Sparks, that Section 12 above be added to the TSP Handbook. After discussion this motion was tabled by majority vote.

Charles Clark said he did not think the Board should ask the Regents to let us quit censoring liquor advertising and then start censoring housing ads. Mike Hoffman, visitor, asked how the Texan can run advertising for segregated housing, when segregated housing is illegal. He was told that newspapers do not run advertising for "Whites only" or for "Negroes only", but that it is not up to the newspaper to police federal or state regulations concerning housing. Kavoussi said the Texan would not run an LSD ad because of physical damage to students, but in running segregated housing ads we are causing psychological damage to students, and the University is unable to attract Negro and some foreign students to the campus because of segregated housing.

Davis said he would be willing for the Texan to run complimentary advertising letting the students know that they could get a list of open housing at the Students' Association office. He said he did not think it was the duty of the Texan to be the executioner after the Students' Association had been the judge and the jury. Mike Hoffman said he felt The Daily Texan does have a responsibility to support open housing and should refuse advertising to any segregated housing unit. Englander said she was confused about what is right and what is wrong in the open housing advertising question. She said she hesitated to see TSP limit or censor advertising, and that she saw a difference in the editorial policy and the advertising policy of the newspaper. Merry Clark said that if TSP discriminates on housing ads, we would also have to check the policies of beauty shops, barber shops, and other stores that discriminate.

Dean Peck called attention to the fact that the wording of the proposal allowed a variable in the statement "provided that the Students' Association maintains an adequate program for approving these housing units". She questioned the TSP Board's acting until a definite program could be set up by the Students' Association.

It was generally agreed that the TSP Board would reconsider the proposal that housing advertising be limited to open houses after the Student Assembly presents more definite information on their program for approving housing units.

NEXT MEETING DATE: Edmonds told the Board that the deadline for Texan Managing Editor applications was Friday, December 20, and that the Board should meet during the first week of school in January to appoint the Managing Editor for the spring semester. It was then decided that the January meeting would be held on Friday, January 10 at 3:00 p.m. in Journalism Building 305.

The meeting adjourned at 5:15 p.m.

9. U. T. El Paso: Proposed Increased Rates in Room and Board. --

Executive Vice-Chancellors Walker and Singletary and Chancellor Ransom concur in the recommendation of Acting President Leech to increase the rates for dormitory occupants (room and board) as recommended below. Continued increasing costs and the desirability of upgrading these residence halls makes this request for an increase as of September 1, 1969, necessary. When the bond resolution covering the new dormitory complex is presented to the Board, a schedule of rates for all residence halls, including the new project, will be presented for adoption.

*9/1/69  
69-70  
Walker*

SCHEDULE OF CURRENT AND  
PROPOSED CHARGES

THE UNIVERSITY OF TEXAS AT EL PASO

DORMITORIES

<u>Fall and Spring</u> <u>(Per Semester)</u>	<u>Room and Board</u>	
	<u>Current</u>	<u>Proposed</u>
Bell and Hudspeth Halls	\$ 375.00	\$ 415.00
Benedict, Worrell and Burgess Halls	407.00	442.00
<u>Summer Session</u> <u>(Per 6-weeks term)</u>		
Bell Hall	125.00	138.00
Burgess Hall	136.00	147.00

# **Buildings & Grounds Committee**



BUILDINGS AND GROUNDS COMMITTEE

Date: January 31, 1969

Time: Following the meeting of the Academic and Developmental Affairs  
Committee

Place: Castilian Room, Third Floor  
Shamrock Hilton, Houston, Texas

Page  
B & G

U. T. AUSTIN

1. Authorization for Two Additional Parking Areas and  
Paving of an Existing Area 2

U. T. ARLINGTON

2. Approval of Plans and Specifications for Remodeling  
and Repair of Old Science Hall 2

U. T. EL PASO

3. Ratification of Award of Contract for Education and  
Engineering Building and Appropriation Therefor 3

GALVESTON MEDICAL BRANCH

4. Authorization to Construct Four Parking Lots and  
Appropriation Therefor 3

5. Approval of Plans and Specifications for Ambulance  
Emergency Entrance, Service Road, Surface Drainage System,  
and Landscaping 4

6. Report on Request to The Sealy and Smith Foundation  
for Donation of Property on the North Side of Campus 4

7. Approval of Plans and Specifications for Re-  
modeling of the First Floor of Ziegler Hospital for the  
Department of Internal Medicine 5

THE UNIVERSITY OF TEXAS SYSTEM  
OFFICE OF THE DIRECTOR OF  
FACILITIES PLANNING AND CONSTRUCTION  
AUSTIN, TEXAS 78712

RECOMMENDATIONS TO THE  
REGENTS' BUILDINGS AND GROUNDS COMMITTEE

January 14, 1969

1. U. T. AUSTIN - AUTHORIZATION FOR TWO ADDITIONAL PARKING AREAS AND PAVING OF AN EXISTING AREA.--When construction is started on the Humanities Research Center at The University of Texas at Austin, Parking Lot G, containing 136 spaces, will be lost; therefore, the need for additional parking is urgent. The following recommendations are made by Vice-President Colvin and concurred in by President Hackerman:

1. That two new areas be paved and designated for parking, as follows:
  - a. Area on the west side of Wichita Street and immediately North of the International Center, providing approximately 150 spaces.
  - b. Area at the corner of 19th Street and Trinity (Southwest corner of University Junior High Tract), providing approximately 250 spaces.
2. That authorization be given to pave Parking Lot 70, covering the full block bounded by Red River, Sabine, East 20th, and East 20½ Streets.
3. That approval be given for the U. T. Austin Physical Plant staff to prepare plans and specifications for these parking lots, with authorization to advertise for bids to be presented to the Board or the Executive Committee for consideration at a later date.

The estimated cost of these three projects is from \$65,000.00 to \$70,000.00, and funds in the Campus Extension Rentals Account will be sufficient to cover the cost. Recommendations for appropriations will be made at the time the bids are presented for consideration.

2. U. T. ARLINGTON - APPROVAL OF PLANS AND SPECIFICATIONS FOR REMODELING AND REPAIR OF OLD SCIENCE HALL.--At the Regents' meeting held September 20, 1968, authorization was given for the preparation of plans and specifications by Cowan, Love and Jackson, Inc., Engineers, for Remodeling and Repair of the Old Science Hall at The University of Texas at Arlington. These plans and specifications have now been completed, and it is recommended by Acting President Harrison, Mr. Lester E. Palmer, Executive Vice-Chancellors Singletary and Walker, and Chancellor Ransom that they be approved by the Board, with authorization to the Director of the Office of Facilities Planning and Construction to advertise for bids to be presented to the Board or the Executive Committee for consideration at a later date.

3. U. T. EL PASO - RATIFICATION OF AWARD OF CONTRACT FOR EDUCATION AND ENGINEERING BUILDING AND APPROPRIATION THEREFOR.--In accordance with authorization given at the Regents' Meeting held September 20, 1968, bids were called for and were received, opened, and tabulated on December 19, 1968, as shown below for the Education and Engineering Building at The University of Texas at El Paso:

Bidder	Base Bid	Add Alternates		
		No. 1	No. 2	No. 3
Robert E. McKee General Contractor, Inc., El Paso, Texas	\$3,119,500	\$10,400	\$2,160	\$4,200
C. H. Leavell and Company, El Paso, Texas	3,085,000	10,000	2,000	2,700

Both bidders submitted with their bids a bidder's bond in the amount of 5% of the greatest amount bid.

A contract in the amount of \$3,085,000.00 has been awarded to the low bidder, C. H. Leavell and Company, El Paso, Texas. It is recommended by Acting President Leech, Mr. Lester E. Palmer, Executive Vice-Chancellors Singletary and Walker, and Chancellor Ransom that the award of this contract be ratified by the Board and that appropriations be made to cover this contract award, Architect's Fees thereon, movable furniture and furnishings, and miscellaneous expenses as shown below:

HEFA Grant No. 4-7-00335-0	\$1,133,333.00
Building Use Fee Bond Proceeds	2,602,967.00

The following advances have been made from other funds which are to be repaid after issuance of the Building Use Fee Bonds referred to above:

Unappropriated Balance of U. T. El Paso	\$ 30,000.00
Auxiliary Enterprises Balance of U. T. El Paso	183,500.00
Permanent University Fund Bond Proceeds	93,750.00

4. GALVESTON MEDICAL BRANCH - AUTHORIZATION TO CONSTRUCT FOUR PARKING LOTS AND APPROPRIATION THEREFOR.--Plans and specifications for four additional parking lots at The University of Texas Medical Branch at Galveston have been prepared by the Physical Plant staff of Galveston Medical Branch, and the following recommendations are made by President Blocker, Mr. Lester E. Palmer, Executive Vice-Chancellors LeMaistre and Walker, and Chancellor Ransom:

1. That plans and specifications for four parking lots (Pay Lots Nos. 1 and 2, Lot "B" and Lot "J") at Galveston Medical Branch as prepared by the Galveston Medical Branch Physical Plant staff be approved by the Board, with authorization to the Director of the Office of Facilities Planning and Construction to advertise for bids.
2. That a Special Committee, consisting of Vice-President Thompson, Mr. Lester E. Palmer, Executive Vice-Chancellor Walker, and Chairman Erwin, be appointed to award a contract for this project after receipt of bids.
3. That an appropriation of \$100,000.00 be made from Project Allocation Account held by the Galveston Medical Branch for this purpose.

5. GALVESTON MEDICAL BRANCH - APPROVAL OF PLANS AND SPECIFICATIONS FOR AMBULANCE EMERGENCY ENTRANCE, SERVICE ROAD, SURFACE DRAINAGE SYSTEM, AND LANDSCAPING.--At the Regents' Meeting held September 20, 1968, an appropriation of \$175,000.00 was made to provide for an Ambulance Emergency Entrance, Service Road, Surface Drainage System, and Landscaping at The University of Texas Medical Branch at Galveston. Plans and specifications for this project have been prepared by the Physical Plant staff of Galveston Medical Branch, and it is recommended by President Blocker, Mr. Lester E. Palmer, Executive Vice-Chancellors LeMaistre and Walker, and Chancellor Ransom that they be approved by the Board, with authorization to the Director of the Office of Facilities Planning and Construction to advertise for bids. It is further recommended that a Special Committee, consisting of Vice-President Thompson, Mr. Lester E. Palmer, Executive Vice-Chancellor Walker, and Chairman Erwin, be appointed to award a contract after receipt of bids, since time is of the essence with the construction of the Medical Library soon to be started.

6. GALVESTON MEDICAL BRANCH - REPORT ON REQUEST TO THE SEALY AND SMITH FOUNDATION FOR DONATION OF PROPERTY ON THE NORTH SIDE OF CAMPUS.--In reply to the formal request to The Sealy and Smith Foundation for certain property owned by the Foundation on the North side of the campus, the following letter has been received and is included here for information. The request for this property is for the purpose of completing a service road, an ambulance entrance and parking lots on the North side of the campus. The property is more particularly described in the Permanent Minutes (Volume XVI, Page 733):

DIRECTORS  
 JOHN W. McCULLOUGH  
 JOHN W. HARRIS  
 DR. EDWARD RANDALL, JR.  
 BALLINGER MILLS  
 V. W. McLEOD  
 ALVIN N. KELSO  
 HOMER F. SANDERFORD

THE SEALY & SMITH FOUNDATION  
 FOR THE JOHN SEALY HOSPITAL  
 200 NORTH BOULEVARD-SUITE 1006  
 GALVESTON, TEXAS

January 9, 1969

OFFICERS  
 JOHN W. McCULLOUGH  
 PRESIDENT  
 JOHN W. HARRIS  
 VICE PRESIDENT  
 ALVIN N. KELSO  
 SECRETARY  
 CARL R. BYARD  
 TREASURER-SECRETARY  
 AND  
 EXECUTIVE DIRECTOR

Mr. Frank C. Erwin, Jr., Chairman  
 The University of Texas System  
 Board of Regents  
 900 Brown Building  
 Austin, Texas 78701

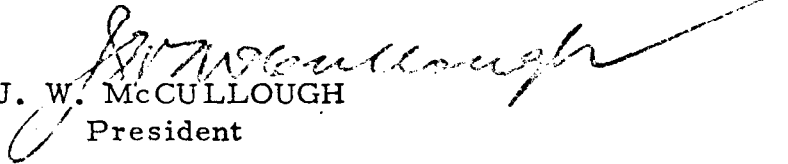
Dear Mr. Erwin:

I am pleased to advise you that our Board on yesterday agreed to donate to the University the certain parcels of land mentioned in your letter of the 20th ult. and its enclosure. In due course we will forward you executed deed, together with an appraisal figure which we will use, and suggest that you use, covering the value of the donation.

This program for the development of the North side of the Medical Branch Campus is most exciting, and we are glad to have a part in it.

With kindest personal regards, I am

Sincerely,

  
 J. W. McCULLOUGH  
 President

JWMcC/jer

7. GALVESTON MEDICAL BRANCH - APPROVAL OF PLANS AND SPECIFICATIONS FOR REMODELING OF THE FIRST FLOOR OF ZIEGLER HOSPITAL FOR THE DEPARTMENT OF INTERNAL MEDICINE.--At the Regents' Meeting held April 19, 1968, an appropriation of \$75,000.00 was made for the Remodeling of the First Floor of the Ziegler Hospital for the Department of Internal Medicine at The University of Texas Medical Branch at Galveston. Plans and specifications for this project have been prepared by the Physical Plant staff of the Galveston Medical Branch, and it is recommended by President Blocker, Mr. Lester E. Palmer, Executive Vice-Chancellors LeMaistre and Walker, and Chancellor Ransom that they be approved by the Board, with authorization to the Director of the Office of Facilities Planning and Construction to advertise for bids. It is further recommended that a Special Committee, consisting of Vice-President Thompson, Mr. Lester E. Palmer, Executive Vice-Chancellor Walker, and Chairman Erwin, be appointed to award a contract after receipt of bids.

SUPPLEMENTARY AGENDA  
BUILDINGS AND GROUNDS COMMITTEE

Date: January 31, 1969

Time: Following the meeting of the Academic and Developmental  
Affairs Committee

Place: Castilian Room, Third Floor  
Shamrock Hilton, Houston, Texas

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U. T. SYSTEM

8. System-Wide Boiler and Machinery Insurance 7

U. T. AUSTIN

9. Award of Contracts to Abel Contract Furniture and  
Equipment Company, Inc., Heywood-Wakefield Company, Rockford  
Furniture Associates, and Taylor Bedding Manufacturing Company  
for Furniture and Furnishings for Dormitory-Academic Complex 7

10. Award of Contract to Southwest Sound and Electronics,  
Inc., for Language Laboratory Equipment for the Dormitory-  
Academic Complex 8

11. Request from Capital National Bank to Purchase Property  
Adjacent to O'Henry Hall 8

DALLAS MEDICAL SCHOOL

12. Approval of Specific Projects and Appointment of  
Architects Therefor 9

SAN ANTONIO MEDICAL SCHOOL

13. Adoption of Resolution re Agreement with Veterans  
Administration 10



10 b. The Board: Board copy - name: B. E. P. ...  
 family ...  
 Dittus here notify

Base Bid "F" - Custom Movable Furniture for Counselors Rooms Rockford Furniture Associates, Austin, Texas	21,041.42
Base Bid "G" - Student Room/Dining Chairs Rockford Furniture Associates, Austin, Texas	<u>123,456.60</u>
Total Recommended Contract Awards	<u>\$468,155.22</u>

The funds needed to cover these recommended contract awards are available in the Allotment Account for the Dormitory-Academic Complex.

10. U. T. AUSTIN - AWARD OF CONTRACT TO SOUTHWEST SOUND AND ELECTRONICS, INC. FOR LANGUAGE LABORATORY EQUIPMENT FOR THE DORMITORY-ACADEMIC COMPLEX.--In accordance with authorization given by the Board at the meeting held December 13, 1968, bids were called for and were received, opened, and tabulated on January 15, 1969, for Language Laboratory Equipment for the Dormitory-Academic Complex at The University of Texas at Austin as set out below:

Rec'd show  
 B. E. P.  
 1/15/69

Bidder	Base Bid	Bidder's Bond	Completion Time
American Desk Manufacturing Company, Temple, Texas	\$45,620.00	5%	90 days
Educational Electronics of Texas, Inc., San Marcos, Texas	41,414.00	5%	150 days
Southwest Sound and Electronics, Inc., San Antonio, Texas	47,333.15	5%	60 days

to committee  
 assigned  
 highly technical

It is recommended by President Hackerman, Mr. Lester E. Palmer, Executive Vice-Chancellors Singletary and Walker, and Chancellor Ransom that a contract award be made in the amount of \$47,333.15 to the lowest bidder meeting specifications, Southwest Sound and Electronics, Inc., San Antonio, Texas.

The funds needed to cover this recommended contract award are available in the Allotment Account for the Dormitory-Academic Complex.

10a. Kilgore: A set of ... of brief memo ...

11. U. T. AUSTIN - REQUEST FROM CAPITAL NATIONAL BANK TO PURCHASE PROPERTY ADJACENT TO O'HENRY HALL.--The Capital National Bank has requested that the Board permit the bank to purchase at the fair market value any and all surplus land that The University of Texas owns on the east and the north of O'Henry Hall.

Deferred  
 March

It is recommended that if the Board should decide to sell any of the land in question, the sale be made subject to the following conditions:

- a. That the same distance of 18'9" be reserved to the North as now exists on the East of the building, resulting in the sale of approximately 37'10" to the North, which would consist of a tract of land approximately 37'10" by 80'. (No land East of the building would be sold.)
- b. That the sale be made only if the Capital National Bank can make arrangements for the entire proceeds of the sale to be retained by The University of Texas to be used to help defray the cost of remodeling O'Henry Hall.

to Board  
 1/15/69  
 B. E. P.

and  
 to get  
 part of it

Board: preserve integrity & low bidder  
 every effort to / low bidder  
 B. E. P.



*Over Session*

12. DALLAS MEDICAL SCHOOL - APPROVAL OF SPECIFIC PROJECTS AND APPOINTMENT OF ARCHITECTS THEREFOR.--At the Board of Regents' Meeting held on April 19, 1968, the following action was taken by the Board in regard to the Site Development Plan at The University of Texas Southwestern Medical School at Dallas:

"With respect to the proposed preliminary master plan for development of The University of Texas Southwestern Medical School at Dallas (which had been received by the Medical Affairs Committee and referred to the Committee of the Whole), the plan was unanimously accepted in principle with the understanding that the Dean would submit to the Board for approval each proposal therein as it arises.

"With respect to facilities, the following recommendation was adopted:

"Adopt in principle the site development plan as prepared by Harrell and Hamilton.

"The adoption of this site plan will allow the architects to proceed with the final plans for the Basic Sciences Building; will allow the project architects, Harrell and Hamilton to complete the final plans for the Fred Florence Biomedical Information Center; and planning can commence immediately for the central water chilling station and steam plant.

"This site plan contemplates the design of the Basic Sciences Building in such manner so as to permit the construction of central animal facilities underneath the building at a later date."

Based on detailed studies by the faculty and the staff of the Dallas Medical School and within the framework of the approval given at the April 19, 1968 meeting, the following specific building projects and estimated costs are recommended in the order of priority of construction as shown to complete Phase I of the building program at the Dallas Medical School:

<u>Proposed Project</u>	<u>Estimated Project Cost</u>
1. Florence Bioinformation Center	\$ 7,000,000
2. Teaching Unit & Four Lecture Rooms	13,100,000
3. Academic and Administration	1,900,000
4. Remodel Cary Building	1,700,000
5. Auditorium	1,300,000
6. Physical Plant Expansion	580,000
7. Cafeteria	1,400,000
 Estimated Total, First Phase	 <u>\$26,980,000</u>

It is further recommended by Dean Sprague, Mr. Lester E. Palmer, Executive Vice-Chancellors LeMaistre and Walker, and Chancellor Ransom that authorization be given to proceed with the preparation of plans and specifications through the working drawing stage on the projects recommended above and to file whatever applications are needed for matching funds. The cost of the preparation of these working drawings and specifications is to be paid from Permanent University Fund Bond proceeds previously allocated to the Dallas Medical School.

Dean Sprague will make a short presentation of the overall plan, including proposed financing and anticipated increased enrollment at the meeting.

It is further recommended that Project Architect for these projects be selected and the following recommendations are submitted in connection therewith.

<u>Proposed Project</u>	<u>Estimated Project Cost</u>	<u>Proposed Architects</u>
1. Florence Bioinformation Center	\$ 7,000,000	Harrell & Hamilton (Dallas)*
2. Teaching Unit & Four Lecture Rooms	\$13,100,000	Fisher & Spillman (Dallas)
3. Academic & Admin.	\$ 1,900,000	Enslie Oglesby (Dallas)
4. Auditorium	\$ 1,300,000	Harwood K. Smith (Dallas)
5. Cafeteria	\$ 1,400,000	Beran & Shelmire (Dallas)
6. Physical Plant Expan.	\$ 580,000	Preston M. Geren (Ft. Worth)
7. Remodel Cary Bldg.	\$ 1,700,000	Harper & Kemp (Dallas)

\* already appointed

Possible Alternates:

- |                                    |   |
|------------------------------------|---|
| 1. Wood & Associates (Dallas)      | 5. Patterson, Snowden, Dunlap & Epperly (Ft. Worth) |
| 2. Gordon Sibeck & Assoc. (Dallas) | 6. Golemon & Rolfe (Houston)                        |
| 3. Jarvis, Putty & Jarvis (Dallas) | 7. Wilson, Morris, Crain and Anderson (Houston)     |
| 4. Grayson Gill (Dallas)           |   |

13. SAN ANTONIO MEDICAL SCHOOL - ADOPTION OF RESOLUTION RE AGREEMENT WITH VETERANS ADMINISTRATION.--Veterans Administration wishes to enter into an agreement with the Central Energy Corporation in San Antonio to provide steam and chilled water for the new Veterans Administration Hospital which is to be located adjacent to the Bexar County Hospital. In order to enter into such an agreement, since the facilities are located on The University of Texas property and will at the end of the present agreement between The University of Texas System and Central Energy Corporation become the property of The University of Texas, the Veterans Administration has asked that the following resolution be adopted:

WHEREAS, the Board of Regents of The University of Texas System and Central Energy Corporation, a Texas corporation, entered into a customer agreement dated October 6, 1967, together with a lease agreement of the same date, relating to the construction, maintenance, and operation of a facility for the production of chilled water and steam to be supplied to The University of Texas Medical School at San Antonio; and

WHEREAS, the agreement provided that in the event of certain contingencies the Board of Regents would be authorized to repossess the plant and operate the same, and upon completion of the term of twenty-five (25) years all permanent improvements would be the property of the Board of Regents; and

WHEREAS, the Veterans Administration has under consideration the construction of a facility in the San Antonio Medical Center, and is desirous of being supplied chilled water and steam but with the assurance that if the Board of Regents should for any reason become the operator of the plant the Veterans Administration would be furnished chilled water and steam by the Board of Regents or a successor operator at cost; now, therefore,

BE IT RESOLVED by the Board of Regents of The University of Texas System that the Veterans Administration be furnished chilled water and steam at cost for its facility in the San Antonio Medical Center in the event the Board of Regents becomes the operator of the chilled water and steam facility by virtue of that certain agreement by and between the said Board and Central Energy Corporation, dated October 6, 1967.

FURNITURE AND FURNISHINGS FOR THE DORMITORY-ACADEMIC COMPLEX  
 THE UNIVERSITY OF TEXAS AT AUSTIN  
 Bids Received at the Office of the Director of Facilities Planning and Construction  
 The University of Texas System, Austin, Texas, at 2:00 P. M., January 15, 1969

Bidder	Base Bid "A"	Base Bid "B"	Base Bid "C"	Base Bid "D"	Base Bid "E"	Base Bid "F"	Alternate Bids One to be Selected	
							Base Bid "G"	Base Bid "H"
Abel Contract Furniture and Equipment Company, Inc., Austin, Texas	\$188,569.98	\$32,454.09	\$ No Bid	\$ No Bid	\$13,357.90	\$ No Bid	\$131,914.75	\$128,993.95
American Desk Manufacturing Company, Temple, Texas	No Bid	No Bid	21,278.90	No Bid	No Bid	No Bid	No Bid	No Bid
Cantwell Mattress Company, Corpus Christi, Texas	---	---	---	74,777.61	---	---	---	---
Continental Silver-Line Products, Houston, Texas	---	---	---	87,792.70	---	---	---	---
Dallas Office Supply Company, Dallas, Texas	190,937.63	32,620.06	No Bid	No Bid	No Bid	---	132,097.30	132,462.40
Dennison Mattress Factory, Denison, Texas	---	---	---	74,981.79	---	---	---	---
Heywood Wakefield Company, Dallas, Texas	No Bid	No Bid	20,884.25	No Bid	No Bid	No Bid	No Bid	No Bid
Interiors for Business, Inc., Houston, Texas	221,969.32	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid
Lenox Jenkins Interiors, Dallas, Texas	No Bid	33,517.35	No Bid	No Bid	No Bid	No Bid	125,890.60	126,194.85
Remington-Rand Division of Sperry Rand Corporation, Dallas, Texas	No Bid	No Bid	No Bid	No Bid	14,527.26	No Bid	No Bid	No Bid
Rockford Furniture Associates, Austin Texas	190,303.57	31,441.13	No Bid	No Bid	13,197.94	21,041.42	123,456.60	125,464.65
Sears-Roebuck and Company, Dallas, Texas	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	145,484.30
Sleep Products Unlimited, Inc., Corpus Christi, Texas	---	---	---	109,269.65	---	---	---	---
Stewart Office Supply Company, Dallas, Texas	200,241.17	32,069.28	No Bid	80,245.64	No Bid	21,508.25	129,906.70	130,271.80
Taylor Bedding Manufacturing Company, Taylor, Texas	---	---	---	69,563.90	---	---	---	---
Don Wittig Office Furniture, San Antonio, Texas	No Bid	38,739.60	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid

Each bidder submitted with his bid a bidder's bond in the amount of 5% of the greatest amount bid, except Taylor Bedding Manufacturing Company, in which case a cashier's check in the amount of \$3,478.20 was submitted.

EMERGENCY ITEMS  
BUILDINGS AND GROUNDS COMMITTEE

Date: January 31, 1969

Time: Following the meeting of the Academic and Developmental  
Affairs Committee

Place: Castilian Room, Third Floor  
Shamrock Hilton, Houston, Texas

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U. T. SYSTEM

14. Rejection of Bids on Remodeling and Addition to  
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U. T. AUSTIN

15. Award of Contracts to B. L. McGee Construction  
Company and W. K. Jennings Electric Company, Inc., for  
Extension of Power Plant Building and Extension of  
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U. T. ARLINGTON

16. Award of Contracts to Rockford Furniture Associ-  
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Company for Furniture and Furnishings for Business-Life  
Science Building 14

ANDERSON HOSPITAL

17. Award of Contract to Baxter Construction Company,  
Inc., for Clinical Radiotherapy Research Unit and Appropri-  
ation therefor 14

*Bauer: 26 bar graph;  
Low capital is in. time element  
Furnish chimney*

THE UNIVERSITY OF TEXAS SYSTEM  
OFFICE OF THE DIRECTOR OF  
FACILITIES PLANNING AND CONSTRUCTION  
AUSTIN, TEXAS 78712

EMERGENCY ITEMS  
RECOMMENDATIONS TO REGENTS' BUILDINGS AND GROUNDS COMMITTEE

January 28, 1969

✓ 14. U. T. SYSTEM - REJECTION OF BIDS ON REMODELING AND ADDITION TO BAUER HOUSE (CHANCELLOR'S RESIDENCE).--In accordance with authorization given by the Executive Committee of the Board of Regents, which was ratified by the Board at the meeting held December 13, 1968, bids were called for and were received, opened, and tabulated on January 3, 1969, for Remodeling and Addition to Bauer House (Chancellor's Residence), The University of Texas System, Austin, Texas, as shown below:

Bidder	Base Bid	Time of Completion
Air Conditioning, Inc. Austin, Texas	\$359,679.00	210 Days
Canyon Construction Company, Austin, Texas	284,240.00	August 1, 1969
Everhard Construction Company, Austin, Texas	288,504.00	July 30, 1969
Thomas Hinderer Company, Austin, Texas	330,000.00	December 1, 1969

Each bidder submitted with his bid a bidder's bond in the amount of 5% of the greatest amount bid.

It is recommended by Mr. Lester E. Palmer, Executive Vice-Chancellor Walker, and Chancellor Ransom that all bids be rejected because of the fact that the bids are far in excess of the amount estimated and deemed to be reasonable for the work involved.

15. U. T. AUSTIN - AWARD OF CONTRACTS TO B. L. MCGEE CONSTRUCTION COMPANY AND W. K. JENNINGS ELECTRIC COMPANY, INC., FOR EXTENSION OF POWER PLANT BUILDING AND EXTENSION OF ELECTRICAL DISTRIBUTION, PHASE II.--In accordance with authorization given by the Board at the meeting held December 13, 1968, bids were called for and were received, opened, and tabulated as shown on the attached tabulation sheet for Extension of Power Plant Building and Extension of Electrical Distribution, Phase II, at The University of Texas at Austin. It is recommended by President Hackerman, Mr. Lester E. Palmer, Executive Vice-Chancellor Walker, and Chancellor Ransom that contract awards be made to the low bidders, as follows:

*Bauer 3-1-69  
Palmer:  
✓ & JWR*

Extension of Power Plant Building:	
B. L. McGee Construction Company, Austin, Texas	
Base Bid	\$1,083,000.00
Add Alternate No. 1 (Crane)	<u>30,000.00</u>
Total Recommended Contract Award	<u>\$1,113,000.00</u>

Extension of Electrical Distribution, Phase II:	
W. K. Jennings Electric Company, Inc., Austin, Texas	
Base Bid	<u>\$2,161,946.00</u>

In order to cover these recommended contract awards, Engineer's Fees thereon, and miscellaneous expenses, it is further recommended that an appropriation of \$3,603,000.00 be made from the proceeds of U. T. Austin "Utility Plant Fee Bond System" revenue series.

*Ratified*

16. U. T. ARLINGTON - AWARD OF CONTRACTS TO ROCKFORD FURNITURE ASSOCIATES, HEYWOOD-WAKEFIELD COMPANY, ABEL CONTRACT FURNITURE AND EQUIPMENT COMPANY, INC., AND DALLAS OFFICE SUPPLY COMPANY FOR FURNITURE AND FURNISHINGS FOR BUSINESS-LIFE SCIENCE BUILDING.--In accordance with authorization given by the Board at the meeting held December 13, 1968, bids were called for, and were received, opened, and tabulated on January 23, 1969, for Furniture and Furnishings for the Business-Life Science Building at The University of Texas at Arlington, as shown on the attached tabulation sheet.

*Not Complete*

Base Bid "A" - General Office and Lounge Furniture: Rockford Furniture Associates, Austin, Texas	\$137,773.77
Base Bid "B" - Classroom Furniture: Heywood-Wakefield Company, Dallas, Texas	33,824.90
Base Bid "C" - Furniture for Office of Dean of School of Business Administration: Abel Contract Furniture and Equipment Company, Inc., Austin, Texas	8,113.00
Base Bid "D" - Special Enclosures for Projection Equipment: Dallas Office Supply Company, Dallas, Texas	<u>1,542.57</u>
Total Recommended Contract Awards	<u>\$181,254.24</u>

The funds needed to cover these recommended contract awards are available in the Allotment Account for this project.

17. ANDERSON HOSPITAL - AWARD OF CONTRACT TO BAXTER CONSTRUCTION COMPANY, INC., FOR CLINICAL RADIOTHERAPY RESEARCH UNIT AND APPROPRIATION THEREFOR.--In accordance with authorization given by the Board at the meeting held July 29, 1967, bids were called for and were received, opened, and tabulated on January 23, 1969, for a Clinical Radiotherapy Research Unit at The University of Texas M. D. Anderson Hospital and Tumor Institute at Houston, as shown below:

Bidder	Bidder's Bond	Base Bid	Add Alternate No. 1
Baxter Construction Company, Inc., Houston, Texas	5%	\$377,200.00	\$17,800.00
W. S. Bellows Construction Corporation, Houston, Texas	5%	427,000.00	18,000.00
Miner-Dederick Construction Corporation, Houston, Texas	5%	446,400.00	18,000.00
Rowe and Mayfield, Inc., Houston, Texas	5%	388,500.00	16,800.00
Tellepsen Construction Company, Houston, Texas	5%	398,800.00	17,000.00
Warrior Constructors, Inc., Houston, Texas	5%	409,900.00	17,100.00

It is recommended by President Clark, Mr. Lester E. Palmer, Executive Vice-Chancellors LeMaistre and Walker, and Chancellor Ransom that a contract award be made to the low bidder, Baxter Construction Company, Inc., Houston, Texas, as follows, subject to concurrence of the Federal granting agency:

Base Bid	\$377,200.00
Add Alternate No. 1 (Intercommunication System)	<u>17,800.00</u>
Total Recommended Contract Award	<u><u>\$395,000.00</u></u>

In order to cover this recommended contract award, Architect's Fees thereon, movable furniture and equipment, and miscellaneous expenses, it is further recommended that appropriations be made from the following sources:

Health Research Facilities Grant FR-3444-01A1	\$210,000.00
Anderson Hospital Gift Funds	<u>212,500.00</u>
	\$422,500.00
Previous Appropriation from William G. C. MacDonald Fund at Anderson Hospital for Architect's Fees	<u>18,000.00</u>
Total Appropriation for Project	<u><u>\$440,500.00</u></u>

FURNITURE AND FURNISHINGS FOR BUSINESS-LIFE SCIENCE BUILDING  
AT THE UNIVERSITY OF TEXAS AT ARLINGTON

Bids Received at the Office of the Director of Facilities Planning and Construction  
The University of Texas System, Austin, Texas, at 2:00 P. M., January 23, 1969

Bidder	Base Bid "A"	Base Bid "B"	Base Bid "C"	Base Bid "D"	Alternates to Base Bid "B"		Completion Time
					No. 1	No. 2	
Abel Contract Furniture and Equipment Company, Inc., Austin, Texas	\$140,998.00	\$ No Bid	\$8,113.00	\$2,601.00	\$ --	--	180 days
American Desk Manufacturing Company, Temple, Texas	No Bid	35,910.99	No Bid	No Bid	-1,276.60	Not Avail.	60 days
Dallas Office Supply Company, Dallas, Texas	139,647.96	No Bid	No Bid	1,542.57	No Bid	No Bid	180 days
Heywood-Wakefield Company, Dallas, Texas	No Bid	33,824.90	No Bid	No Bid	--	--	90 days
Interiors for Business, Inc., Houston, Texas	174,178.95	No Bid	8,815.30	No Bid	--	--	180 days
Rockford Furniture Associates, Austin, Texas	137,773.77	No Bid	8,257.60	1,635.00	No Bid	No Bid	180 days

Each bidder submitted with his bid a bidder's bond in the amount of 5% of the greatest amount bid.



POWER PLANT EXTENSION AND EXTENSION OF ELECTRICAL DISTRIBUTION, PHASE II  
THE UNIVERSITY OF TEXAS AT AUSTIN

Bids Received at the Office of the Director of Facilities Planning and Construction  
The University of Texas System, Austin, Texas, at 2:00 P. M., January 27, 1969

	PROJECT 1 Power Plant Extension		PROJECT 2 Extension of Electrical Distribution, Phase II										Combination Bid	
	Base Bid	Add Alt. No. 1A	Base Bid	Deduct Alternates										
				No. 2A	No. 2B	No. 2C	No. 2D	No. 2E	No. 2F	No. 2G	No. 2H	No. 2I		No. 2J
American Contracting, Inc., Houston, Texas	\$ --	\$ --	\$2,422,012	\$56,111	\$28,577	\$17,292	\$37,125	\$17,220	\$19,639	\$7,151	\$10,101	\$51,290	\$13,379	\$ No Bid
Delta Electric Construc- tion Company, Inc., San Antonio, Texas	No Bid	No Bid	3,245,945	64,758	46,308	24,154	43,669	18,869	22,873	7,934	11,517	58,994	15,850	No Bid
J. C. Evans Construction Company, Inc., Austin, Texas	1,168,411	31,000	No Bid	--	--	--	--	--	--	--	--	--	--	--
Everhard Construction Company, Austin, Texas	1,299,352	33,167	No Bid	--	--	--	--	--	--	--	--	--	--	--
Fisk Electric Company, Houston, Texas	No Bid	No Bid	2,679,000	65,400	45,400	25,000	48,500	23,000	27,000	9,985	13,500	63,300	30,550	No Bid
W. K. Jennings Electric Company, Inc., Austin, Texas	No Bid	No Bid	2,161,946	57,147	38,786	15,831	31,710	15,560	19,363	6,360	9,651	49,287	12,423	No Bid
B. L. McGee Construction Company, Austin, Texas	1,083,000	30,000	No Bid	--	--	--	--	--	--	--	--	--	--	No Bid
Stokes Construction Com- pany, San Marcos, Texas	1,161,611	30,505	--	--	--	--	--	--	--	--	--	--	--	--
H. B. Zachry Company, San Antonio, Texas	No Bid	29,250	No Bid	74,843	36,641	57,776	49,398	23,707	27,963	9,853	14,258	63,448	18,325	4,620,000

Each bidder submitted with his bid a bid bond in the amount of 5% of the greatest amount bid

Presented to  
exp W

THE UNIVERSITY OF TEXAS AT EL PASO - PERMISSION TO NEGOTIATE  
FOR THE ACQUISITION OF SEVEN (7) ACRES OF LAND IN EL PASO COUNTY  
ADJACENT TO THE CAMPUS

There is available approximately seven (7) acres of land adjacent to the Campus on the south which the Administration has been advised can be acquired for not more than \$ .80 per square foot or a total cost of about \$250,000.

This land would be very desirable for the Campus development. It is recommended by Acting President Leech, Executive Vice-Chancellors Singletary and Walker, and Chancellor Ransom that the Administration be authorized to negotiate for the purchase of this property. Funds for the acquisition would come from proceeds of the sale of Skille Acts Bonds.

THE UNIVERSITY OF TEXAS AT EL PASO - REPAIR AND RENOVATION OF  
THE SUN BOWL STADIUM

Pursuant to the terms of a lease agreement between the University and the County of El Paso, repairs and expansion of the Sun Bowl Stadium are provided for. Various organizations in El Paso have agreed to pay up to \$10,000 per year for adding 5,000 chair seats on the West Side, cover and/or replace remaining existing seats, and expand press box to provide enclosed seating for 300.

It is recommended that we proceed with this repair and renovation at a cost of approximately \$150,000 to be paid for in the following manner.

1. \$10,000 per year from local organization in El Paso.
2. \$15,000 per year from a \$ .25 per ticket increase for all non-student tickets.

It is recommended that the immediate financing be advanced from local funds at UT El Paso and repaid from the above listed sources.

This recommendation is concurred in by Acting President Leech, Executive Vice-Chancellors Walker and Singletary, and Chancellor Ransom.

# **Medical Affairs Committee**

MEDICAL AFFAIRS COMMITTEE

Date: January 31, 1969  
Time: Following the meeting of the Buildings and Grounds  
Committee  
Place: Castilian Room, Third Floor  
The Shamrock Hilton, Houston, Texas

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1. U. T. Houston: Proposed Amendments to Existing Affiliation Agreements Between the Board of Regents of The University of Texas System and (a) Hedgecroft Hospital, (b) Memorial Baptist Hospital System and (c) St. Joseph Hospital, All of Houston	2
2. U. T. Houston: Affiliation Agreements with (a) St. Anthony Center of Houston, (b) Goodwill Industries of Houston, Inc., and (c) San Jacinto Methodist Hospital of Baytown	6

1. U. T. Houston: Proposed Amendments to Existing Affiliation Agreements Between the Board of Regents of The University of Texas System and (a) Hedgcroft Hospital, (b) Memorial Baptist Hospital System and (c) St. Joseph Hospital, All of Houston. --  
Below is a Xerox copy of a recommendation of Executive Vice-Chancellor LeMaistre, concurred in by Chancellor Ransom:

On the recommendation of Executive Vice-Chancellor LeMaistre, Chancellor Ransom recommends that the Board of Regents approve the following amendments to existing affiliation agreements, all of which have been signed by Messrs. Waldrep, Walker, and LeMaistre. It is further recommended that the Board of Regents authorize the Chairman to execute the instruments on behalf of The University of Texas System.

The proposed amendments substitute a new paragraph 3, which presently reads as follows:

COMPENSATION ARRANGEMENTS FOR FULL-TIME FACULTY

Physicians employed full time by University and based at Hospital with academic appointments will be subject to The University of Texas System policy regarding salary plan. Fees earned in excess of the maximum allowed will be placed in a trust fund and used to develop medical education and research programs at Hospital. These funds should not be committed on a continuing basis for the salaries of additional full-time personnel.

The proposed amendments follow:

- (a) The proposed amendment to the agreement with Hedgcroft Hospital of Houston is on Page MED-3 .
- (b) The proposed amendment to the agreement with Memorial Baptist Hospital System of Houston is on Page MED-4 .
- (c) The proposed amendment to the agreement with St. Joseph Hospital of Houston is on Page MED - 5 .

AMENDMENT

THE STATE OF TEXAS    )  
                                  (  
COUNTY OF TRAVIS    )

This AGREEMENT made and entered into by and between the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, herein called "University," and HEDGECROFT HOSPITAL OF HOUSTON, herein called "Hospital," WITNESSETH:

That University and Hospital do hereby agree that paragraph 3 of that certain agreement dated October 15, 1968, by and between the parties shall be and the same is hereby amended by substituting in lieu thereof the following:

"3. COMPENSATION ARRANGEMENTS FOR FULL-TIME FACULTY

"Physicians employed full time by University and based at Hospital with academic appointments will be subject to The University of Texas System policy regarding salary plan. Fees earned in excess of the maximum allowed will be placed in a trust account under the direction and control of the Board of Regents of The University of Texas System and used to develop medical education and research facilities at Hospital. These funds should not be committed on a continuing basis for the salaries of additional full-time personnel."

Except as amended hereby, each and every provision of that certain agreement dated October 15, 1968, shall remain in full force and effect.

EXECUTED by the parties this \_\_\_\_\_ day of \_\_\_\_\_, 1968.

ATTEST:

BOARD OF REGENTS OF THE  
UNIVERSITY OF TEXAS SYSTEM

\_\_\_\_\_  
Secretary

By \_\_\_\_\_  
Chairman

Approved as to Form:

*Russell W. Adams*  
University Attorney

Approved as to Content:

*Charles L. Maister*  
Executive Vice-Chancellor for  
Health Affairs

*Carl J. Walker*  
Executive Vice-Chancellor for  
Business Affairs

ATTEST:

*W. Charles W. Bue Jr.*  
Secretary

HEDGECROFT HOSPITAL OF HOUSTON

By *Tom L. Moore*  
Chairman  
Board of Trustees

AMENDMENT

THE STATE OF TEXAS }  
                                  }  
COUNTY OF TRAVIS }

This AGREEMENT made and entered into by and between the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, herein called "University," and MEMORIAL BAPTIST HOSPITAL SYSTEM OF HOUSTON, herein called "Hospital," WITNESSETH:

That University and Hospital do hereby agree that paragraph 3 of that certain agreement dated December 15, 1967, by and between the parties shall be and the same is hereby amended by substituting in lieu thereof the following:

"3. COMPENSATION ARRANGEMENTS FOR FULL-TIME FACULTY

"Physicians employed full time by University and based at Hospital with academic appointments will be subject to The University of Texas System policy regarding salary plan. Fees earned in excess of the maximum allowed will be placed in a trust account under the direction and control of the Board of Regents of The University of Texas System and used to develop medical education and research facilities at Hospital. These funds should not be committed on a continuing basis for the salaries of additional full-time personnel."

Except as amended hereby, each and every provision of that certain agreement dated December 15, 1967, shall remain in full force and effect.

EXECUTED by the parties this \_\_\_\_\_ day of \_\_\_\_\_, 1968.

ATTEST:

\_\_\_\_\_  
Secretary

BOARD OF REGENTS OF THE  
UNIVERSITY OF TEXAS SYSTEM

By \_\_\_\_\_  
Chairman

Approved as to Form:

*Russell Waldrop*  
University Attorney

Approved as to Content:

*Charles L. Monte*  
Executive Vice-Chancellor for  
Health Affairs

*Edward Walker*  
Executive Vice-Chancellor for  
Business Affairs

ATTEST:

*St. Lindsay*  
Secretary

MEMORIAL BAPTIST HOSPITAL SYSTEM  
OF HOUSTON

By *Leonard B. Haver, Jr.*  
Chairman  
Board of Trustees

AMENDMENT

THE STATE OF TEXAS }  
                                  }  
COUNTY OF TRAVIS    }

This AGREEMENT made and entered into by and between the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, herein called "University," and ST. JOSEPH HOSPITAL OF HOUSTON, herein called "Hospital," WITNESSETH:

That University and Hospital do hereby agree that paragraph 3 of that certain agreement dated June 5, 1968, by and between the parties shall be and the same is hereby amended by substituting in lieu thereof the following:

"3. COMPENSATION ARRANGEMENTS FOR FULL-TIME FACULTY

"Physicians employed full time by University and based at Hospital with academic appointments will be subject to The University of Texas System policy regarding salary plan. Fees earned in excess of the maximum allowed will be placed in a trust account under the direction and control of the Board of Regents of The University of Texas System and used to develop medical education and research facilities at Hospital. These funds should not be committed on a continuing basis for the salaries of additional full-time personnel."

Except as amended hereby, each and every provision of that certain agreement dated June 5, 1968, shall remain in full force and effect.

EXECUTED by the parties this \_\_\_\_\_ day of \_\_\_\_\_, 1968.

ATTEST:

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM

\_\_\_\_\_  
Secretary

By \_\_\_\_\_  
Chairman

Approved as to Form:

*Robert E. Walker*  
University Attorney

Approved as to Content:

*Charlene Minter*  
Executive Vice-Chancellor for Health Affairs  
*E. W. Walker*  
Executive Vice-Chancellor for Business Affairs

ATTEST:

*Sister Mary Lucille*  
Secretary

ST. JOSEPH HOSPITAL OF HOUSTON

By *Sister Mary Lucille*  
Administrator

Approved as to Form:

*Jack P. Wood*  
General Counsel

Approved as to Content:

*Sister M. Christine*  
Director of Hospitals



2. U. T. Houston: Affiliation Agreements with (a) St. Anthony Center of Houston, (b) Goodwill Industries of Houston, Incorporated and (c) San Jacinto Methodist Hospital of Baytown. -- Executive Vice-Chancellor LeMaistre recommends, and Chancellor Ransom concurs, that the following affiliation agreements between the Board of Regents of The University of Texas System and

- (a) St. Anthony Center of Houston
- (b) Goodwill Industries of Houston, Incorporated
- (c) San Jacinto Methodist Hospital of Baytown

be approved and that the Chairman be authorized to execute these instruments after they have been approved as to form by Attorney Waldrep and as to content by Vice-Chancellors LeMaistre and Walker.

These affiliation agreements follow the same pattern normally used.

- (a) Agreement with St. Anthony Center of Houston is on Pages 7-11.
- (b) Agreement with Goodwill Industries of Houston, Incorporated, is on Pages 12-14 .
- (c) Agreement with San Jacinto Methodist Hospital of Baytown is on Pages 15-19 .

A G R E E M E N T

THE STATE OF TEXAS }  
                          {  
COUNTY OF HARRIS }  

This AGREEMENT made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 1968, by and between the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, hereinafter sometimes called "University," and the ST. ANTHONY CENTER of Houston, hereinafter sometimes called "Center," WITNESSETH:

WHEREAS, during the past half century advances in medicine have been more significant and rapid than in any other previous period of history, and over the past two decades the pace has increased dramatically and appears to be accelerating; and

WHEREAS, in recognition of contemporary trends and likely future requirements, University and Center agree on the desirability of establishing a closer working relationship between the two institutions, who share a common commitment to offer the people of Houston, Texas, and the Southwest a program of excellence in medical education and also share the desire to coordinate all medical care resources for the benefit of improved patient care and the further development of Houston as a medical center:

NOW, THEREFORE, with these objectives in mind and with an intent to develop both institutions to the maximum extent consistent with the interests of each, University and Center hereby agree as follows:

1. EXTENT OF AFFILIATION AT THE DEPARTMENTAL LEVEL

The purpose of this agreement is to establish a broad framework of policy to facilitate cooperation between University and Center. It is agreed that the initiative for establishing definitive relationships will be vested in the respective department heads of the departments within institutions of University and the corresponding Departments

or Divisions of Center. It is further understood that individual departments of University may or may not establish affiliations with Center, depending upon their needs and circumstances and subject to appropriate action by the respective governing bodies.

2. PROVISION FOR FACULTY APPOINTMENTS FOR CENTER STAFF MEMBERS

Both parties agree that academic status is a strong inducement for attracting well qualified individuals for teaching positions at Center, and that academic appointment made by University for individuals in full-time key positions at Center should include tenure or assurances of continuation of employment, if possible. This will be granted on an individual basis subject to the approval of both University and Center. In order to achieve satisfactory financial arrangements, the fiscal alternatives for obtaining appointments in this category are:

(1) Unqualified Tenure Appointment Contract:

Guarantee by Center for all future salary costs for any tenure appointments by University

There will be a contract negotiated between the individual physician and the Center with the approval of the University, whereby the Center will guarantee to pay to University the salary provided by said contract. These payments would continue as long as University is required to maintain these personnel under the terms of said contract.

(2) Qualified Tenure Appointment Contract:

Guarantee by Center of the future salary costs for a limited term tenure appointment of a period of time to be agreed upon following termination or discontinuation of a hospital position.

Under this agreement the faculty member would receive a tenure guarantee covering a period of time to be contracted for between the Center and physician. In the event his position shall be terminated by

the Center prior to the end of such period and, at the time of such termination, the physician occupies a full-time faculty position at the University, then he would be entitled to receive his salary from the Center for the remainder of the period originally agreed upon.

(3) Center Staff without Compensation:

Rules and procedures established by Center will be used in appointment of medical staff of Center without faculty designation, or compensation through University.

(4) Center Staff with University Faculty Appointment with or without Partial Compensation:

Mutual agreement between Center and University is required for appointment in either category in this section with definitions of faculty title, duties, amount of compensation (if any), and term of appointment (annual unless otherwise agreed upon).

3. COMPENSATION ARRANGEMENTS FOR FULL-TIME FACULTY

Physicians employed full time by University and based at Center with academic appointments will be subject to The University of Texas System policy regarding salary plan. Fees earned in excess of the maximum allowed will be placed in a trust account under the direction and control of the Board of Regents of The University of Texas System and used to develop medical education and research facilities at Center. These funds should not be committed on a continuing basis for the salaries of additional full-time personnel.

4. JOINT SPONSORSHIP OF RESEARCH ACTIVITIES

Center will provide research facilities for physicians who hold Faculty Appointments in accordance with this agreement and are geographically full time on its campus. Research projects at Center may be jointly sponsored by University. In such cases there will be prior agreement as to the extent of the

responsibility of each institution in the administration of research funds, provision of staff and facilities and ownership of equipment purchased with research funds.

5. PROVISION FOR REVIEW OF RELATIONSHIP

Both parties agree that a productive and harmonious relationship between the two institutions depends upon maintaining effective channels of communication. The parties anticipate that routine matters will be handled and decided mutually through continuous contacts at the departmental level. At least annually, and more frequently if necessary, a group representing each institution should review and discuss over-all relationships and policies and other matters of common concern.

It is agreed that the St. Anthony Center Governing Board, acting for its institution, shall retain all jurisdictional powers incident to separate ownership, including the power to determine the general and fiscal policy of the institution, selection of the directing head of the Center and the determination of the acceptability and desirability of members of the Center professional staff.

All admissions of patients to the Center shall be under the direction of the Center Board and full and complete direction of the administration, supervision of the Center, as well as appointment of the Medical Staff, shall at all times be retained by the Center Board.

Appointment to the Center Staff or Teaching Staff is not contingent upon a Faculty Appointment.

If any aspect of this agreement becomes unsatisfactory, a joint committee shall be responsible for discussing and resolving the questions involved. If a change in the agreement is necessary, the committee shall make recommendations to the authorities in each institution. If problems develop which are sufficiently serious, and cannot be resolved, either party shall have the right to terminate this agreement upon not less than

six (6) months written notice. The effective date of such dissolution should be mutually agreed upon with adequate time to allow each institution to make necessary arrangements in an orderly manner.

Subject to the foregoing, this agreement shall be for a term of ten (10) years from and after its effective date and may be terminated at any time upon mutual consent of the parties. It may also be amended in writing to include such provisions as the parties may agree upon.

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

Approved as to Form:

Approved as to Content:

*[Signature]*  
University Attorney

*Charles H. Martin*  
Executive Vice-Chancellor  
for Health Affairs

*[Signature]*  
Vice-Chancellor for Business  
Affairs

ATTEST:

ST. ANTHONY CENTER OF HOUSTON

\_\_\_\_\_  
Secretary

By *[Signature]*  
Administrator

Approved as to Form:

Approved as to Content:

*Jack C. Wood*  
General Counsel

*Sister M. Christine Ryan*  
Director of Hospitals

AGREEMENT

THE STATE OF TEXAS    )  
                          (  
COUNTY OF HARRIS    )

This AGREEMENT made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 1968, by and between the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, hereinafter sometimes called "University," and the GOODWILL INDUSTRIES OF HOUSTON, INC., hereinafter sometimes called "Rehabilitation Facility,"

WITNESSETH:

WHEREAS, during the past half century advances in medicine have been more significant and rapid than in any other previous period of history, and over the past two decades the pace has increased dramatically and appears to be accelerating; and

WHEREAS, the professional persons in the fields of medicine and rehabilitation are working more closely together to assist patients to reach the highest goal of health and vocational usefulness which is possible; and

WHEREAS, in recognition of contemporary trends and likely future requirements, University and Rehabilitation Facility agree on the desirability of establishing a closer working relationship between the two institutions, who share a related commitment to the people of Houston, Texas, and to the Southwest by offering a program of follow-up rehabilitation, medically and vocationally, and who also share the desire to coordinate all such activities for the benefit of improved patient care and the further development of Houston as a medical center:

NOW, THEREFORE, with these objectives in mind and with an intent to develop both institutions to the maximum extent with the interest of each, University and Rehabilitation Facility hereby agree as follows:

1. EXTENT OF AFFILIATION AT THE ADMINISTRATIVE LEVEL

The purpose of this agreement is to establish a broad framework of policy to facilitate cooperation between University

and Rehabilitation Facility. It is agreed that the initiative for establishing definitive relationships will be vested in the respective administrative heads of the institutions herein named.

2. PROVISION FOR FACULTY APPOINTMENTS FOR REHABILITATION FACILITY STAFF MEMBERS

Mutual agreement between Rehabilitation Facility and University is required for appointment with definition of faculty title, duties, amount of compensation (if any), and term of appointment (annual unless otherwise agreed upon).

3. JOINT SPONSORSHIP OF RESEARCH ACTIVITIES

In the event that joint research activities become feasible, there will be prior agreement as to the extent of the responsibility of each institution in the administration of research funds, provision of staff and facilities, and ownership of equipment purchased with research funds.

4. PROVISION FOR REVIEW OF RELATIONSHIP

Both parties agree that a productive and harmonious relationship between the two institutions depends on maintaining effective channels of communication. The parties anticipate that routine matters will be handled and decided mutually through continuous and regular contacts. At least annually, and more frequently if necessary, a group representing each institution shall review and discuss over-all relationships and policies as well as other matters of common concern.

If any aspect of this agreement becomes unsatisfactory, a joint committee shall be responsible for discussing and resolving the questions involved. If a change in the agreement is necessary, the committee shall make recommendations to the authorities of each institution. If problems develop which are sufficiently serious and cannot be resolved, dissolution of the agreement may be indicated.



This agreement shall be for a term of five (5) years from and after its effective date and may be terminated at any time upon mutual consent of the parties. It may also be amended in writing to include such provisions as the parties may agree upon.

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

ATTEST:

\_\_\_\_\_  
Secretary

Approved as to Form:

*Burr Wadley*  
University Attorney

BOARD OF REGENTS OF THE  
UNIVERSITY OF TEXAS SYSTEM

By \_\_\_\_\_  
Chairman

Approved as to Content:

*Charles M. Mastie*  
Executive Vice-Chancellor  
for Health Affairs

*Ed Walker*  
Executive Vice-Chancellor  
for Business Affairs

ATTEST:

\_\_\_\_\_

GOODWILL INDUSTRIES OF  
HOUSTON, INC.

By *R. W. Oeland*

R. W. Oeland, President

AGREEMENT

THE STATE OF TEXAS }  
                          {  
COUNTY OF HARRIS }  

This AGREEMENT made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 1968, by and between the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, hereinafter sometimes called "University," and the SAN JACINTO METHODIST HOSPITAL of Baytown, Texas, hereinafter sometimes called "Hospital," WITNESSETH:

WHEREAS, during the past half century advances in medicine have been more significant and rapid than in any other previous period of history, and over the past two decades the pace has increased dramatically and appears to be accelerating; and

WHEREAS, in recognition of contemporary trends and likely future requirements, University and Hospital agree on the desirability of establishing a closer working relationship between the two institutions, who share a common commitment to offer the people of Baytown, Texas, and the Southwest, with particular emphasis on the East Harris County area, a program of excellence in medical and related paramedical education, and also share the desire to coordinate all medical care resources for the benefit of improved patient care in this region and in the further development of Houston as the major research and referral medical center:

NOW, THEREFORE, with these objectives in mind and with an intent to develop both institutions to the maximum extent consistent with the interests of each, University and Hospital hereby agree as follows:

1. EXTENT OF AFFILIATION AT THE DEPARTMENTAL LEVEL

The purpose of this agreement is to establish a broad framework of policy to facilitate cooperation between University and Hospital. It is agreed that the initiative for establishing definitive relationships will be vested in the respective

department heads of the departments within institutions of University and the corresponding services, and committees of the medical staff of the Hospital and the hospital departments. It is further understood that individual departments of University may or may not establish affiliations with Hospital, depending upon their needs and circumstances and subject to appropriate action by the respective governing bodies.

## 2. PROVISION FOR FACULTY APPOINTMENTS FOR HOSPITAL STAFF MEMBERS

Both parties agree that academic status is a strong inducement for attracting well qualified individuals for teaching positions at Hospital, and that academic appointment made by University for individuals in key positions at the Hospital should include continuity of appointment. This will be granted on an individual basis subject to the approval of University. In order to achieve satisfactory financial arrangements, the fiscal alternatives for obtaining appointments in this category are:

### (1) Unqualified Tenure Appointment:

Guarantee by Hospital for all future salary costs for any tenure appointments by University

Under this arrangement Hospital will guarantee to pay to University the salary for full-time personnel requested by Hospital granted tenure by University. This guarantee shall continue as long as University is required to maintain personnel acquired under this arrangement.

### (2) Qualified Tenure Appointment:

Guarantee by Hospital of future salary costs for a specified term-tenure appointment following termination or discontinuation of the hospital position

Under this agreement the faculty member would receive a tenure guarantee covering up to specified years dating from the notification of termination, and so long as the physician occupies a full-time

faculty position at University. Thus, if his position were discontinued at Hospital, he would receive salary from Hospital for a maximum of specified years, but only if he continued as a full-time faculty member of University.

(3) Hospital Staff without Compensation:

Rules and procedures established by Hospital will be used in appointment of medical staff of Hospital without teaching assignment, faculty designation, or compensation through University.

(4) Hospital Staff with Partial Compensation and/or University Faculty Appointment:

Mutual agreement between Hospital and University is required for appointment in either category in this section with definition of faculty title, duties, amount of compensation (if any), and term of appointment (annual unless otherwise agreed upon).

3. COMPENSATION ARRANGEMENTS FOR FULL-TIME FACULTY

Physicians employed full time by University and based at Hospital with academic appointments will be subject to The University of Texas System policy regarding salary plan. Fees earned in excess of the maximum allowed will be placed in a trust fund under the direction and control of the Board of Regents of The University of Texas System and used to develop medical education and research programs at Hospital. These funds should not be committed on a continuing basis for the salaries of additional full-time personnel.

4. JOINT SPONSORSHIP OF RESEARCH ACTIVITIES

Hospital will provide research facilities for physicians who are geographically full time on its campus. Research projects at Hospital may be jointly sponsored by University. In such cases there will be prior agreement as to the extent

of the responsibility of each institution in the administration of research funds, provision of staff and facilities and ownership of equipment purchased with research funds.

5. PROVISION FOR REVIEW OF RELATIONSHIP

Both parties agree that a productive and harmonious relationship between the two institutions depends upon maintaining effective channels of communication. The parties anticipate that routine matters will be handled and decided mutually through continuous contacts at the department level with approval at the Chief of Staff and administration level for the Medical Staff and Hospital, respectively. At least annually, and more frequently if necessary, a group representing each institution shall review and discuss over-all relationships and policies and other matters of common concern.

If any aspect of this agreement becomes unsatisfactory, a joint committee, composed of individuals appointed by their respective bodies of the University, Medical Staff of Hospital and the Hospital, shall be responsible for discussing and resolving the questions involved. If a change in the agreement is necessary, the committee shall make recommendations to the authorities in each institution. If problems develop which are sufficiently serious and cannot be resolved, dissolution of the agreement may be indicated. Effective date of such dissolution shall be mutually agreed upon with adequate time to allow each institution to make necessary arrangements in an orderly manner.

This agreement shall be for a term of ten (10) years from and after its effective date and may be terminated at any time upon mutual consent of the parties. It may also be amended in writing to include such provisions as the parties may agree upon.

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

Approved as to Form:

*Russ Waidner*  
University Attorney

Approved as to Content:

*Charles Holm Maistre*  
Executive Vice-Chancellor  
for Health Affairs

*Elliott Baker*  
Executive Vice-Chancellor  
for Business Affairs

SAN JACINTO METHODIST HOSPITAL

By *James Harrop*

Approved by:

*John H. Bennett*  
Chief of Staff  
For Medical Staff

*Dr. Brown*  
Administrator, For the Hospital

MEDICAL AFFAIRS COMMITTEE

Supplementary Agenda

Date: January 31, 1969  
Time: Following the meeting of the Buildings and Grounds  
Committee  
Place: Castilian Room, Third Floor  
Shamrock Hilton, Houston, Texas

	<u>Page</u> <u>MED</u>
3. U. T. System: Proposed Basic Guidelines for Development of Medical Education in The University of Texas System	20a
4. U. T. System: Resolution of Appreciation to Doctor Clarence Paul Oliver, Ashbel Smith Professor of Zoology and Chairman of the Rosalie B. Hite Fellowship Committee, for Service to Students	21
5. Dallas Medical School: Proposed Agreement between the Board of Regents and the Children's Medical Center of Dallas	21
6. Dallas Medical School: Affiliation Agreement with St. Paul Hospital	28
7. Anderson Hospital: Authorization to Execute an Agreement with the Houston Speech and Hearing Center to Provide for Services to Hospital Patients	35

Subject: Proposed Statement of Policy for Development of Medical Education in The University of Texas System

Executive Vice-Chancellor LeMaistre and the Health Affairs Council recommend, with Chancellor Ransom's concurrence, the adoption of the following proposed statement of policy concerning development of medical education in The University of Texas System:

1. The University of Texas Medical Schools shall continue to give emphasis to increasing the output of physicians by:
  - (a) working with the undergraduate institutions to increase the number of qualified premedical and pre dental applicants;
  - (b) improving medical student counseling to reduce the attrition rate without sacrifice of academic standards; and
  - (c) shortening the span of education whenever feasible, especially for the gifted student.
2. The Medical Schools shall encourage, for both the preprofessional and the medical student, individualization of the education of the physician, to match students' varying rates of achievement, educational backgrounds, and career goals.
3. The Medical schools shall place continuing emphasis on updating curriculum content and educational methods used in the total spectrum of physicians' education so that professional competence will be most relevant to meet the changing health needs of the people in Texas. The medical schools should continue to develop basic health sciences graduate and clinical training programs.

Curriculum changes shall be developed by interdepartmental groups and ratified by the faculty as a whole rather than by individual departments.

4. The medical schools shall assume increasing responsibility for education and research in the organization and provision of health services with emphasis upon problems such as the cost of medical care; the quality, effectiveness, and availability of medical services; the continuing education of physicians, etc. In particular, the medical schools shall regularly evaluate the distribution of physicians and incorporate in their programs any appropriate changes which will encourage better distribution of physicians.



3. U. T. System: Proposed Basic Guidelines for Development of Medical Education in The University of Texas System. --Below is a Xerox copy of a recommendation of Executive Vice-Chancellor LeMaistre and the Health Affairs Council, concurred in by Chancellor Ransom:

Executive Vice-Chancellor LeMaistre and the Health Affairs Council recommend, with Chancellor Ransom's concurrence, the adoption of the following proposed basic guidelines for development of medical education in The University of Texas System:

1. The medical schools shall continue to emphasize revision of content and methods used in the total spectrum of physicians' education so that professional competence will be most relevant to meet the changing health needs of the people in Texas. The medical schools should continue to develop basic health sciences graduate and clinical training programs.

The medical schools should adopt a curriculum developed by interdepartmental groups and ratified by the faculty as a group rather than by individual departments.

2. The medical schools shall continue to place emphasis on the output of physicians by increasing the number of qualified students entering medical school, by appropriate efforts to reduce the attrition rate without sacrificing academic standards and by shortening the span of education whenever feasible, especially for the gifted student.
3. The medical schools should encourage, for both the pre-professional and the medical student, individualization of the education of the physician to fit the students' varying rates of achievement, educational backgrounds and career goals.
4. The medical schools should assume increasing responsibility for education and research in the organization and delivery of health services with emphasis upon problems such as the cost of medical care; the quality, effectiveness, and availability of medical services; the continuing education of physicians, etc. In particular, the medical schools should evaluate the distribution of physicians and incorporate in their programs any appropriate changes that will result in a better distribution of physicians.

4. U. T. System: Resolution of Appreciation to Doctor Clarence Paul Oliver, Ashbel Smith Professor of Zoology and Chairman of the Rosalie B. Hite Fellowship Committee, for Service to Students. -- Executive Vice-Chancellor LeMaistre recommends, and Chancellor Harry Ransom concurs, that the following resolution citing the contributions made by Doctor Oliver to the education of students be approved:

WHEREAS, Dr. Clarence Paul Oliver has generously given wise and devoted service to his profession, to The University of Texas System, to generations of individual students, and to the profit of mankind; and

WHEREAS, Dr. Oliver as Chairman of the Rosalie B. Hite Fellowship Committee from 1962-68, has served students selflessly; and

WHEREAS, his contributions to the education, counseling and idealism of these students serve as a source of inspiration to all engaged in the fulfillment of The University's obligation to the welfare of the people of the State of Texas;

NOW, THEREFORE, BE IT RESOLVED by the Board of Regents of The University of Texas System that appreciation of Dr. Oliver's untiring efforts be expressed and that the Board Minutes reflect admiration of and gratitude for the example set by Dr. Oliver as a standard by which honor, integrity, and dedication to service are measured.

5. Dallas Medical School: Proposed Agreement between the Board of Regents and the Children's Medical Center of Dallas. -- Below is a Xerox copy of Chancellor Ransom's recommendation:

Executive Vice-Chancellor LeMaistre recommends, and Chancellor Ransom concurs, that the Board of Regents approve the following agreement with the Children's Medical Center of Dallas for a comprehensive care program for children, which has been approved by Messrs. Waldrep, Walker, LeMaistre, and Sprague. It is further recommended that the Chairman be authorized to execute the instrument, which follows on Pages MED22-27.

A G R E E M E N T

THE STATE OF TEXAS    )  
                                  (  
COUNTY OF DALLAS    )

This AGREEMENT, executed the sixth day of December, 1968, between the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, hereinafter called the "University," and CHILDREN'S MEDICAL CENTER OF DALLAS, a nonprofit Texas corporation, hereinafter called the "Medical Center," WITNESSETH:

WHEREAS, The University of Texas Southwestern Medical School at Dallas, a division of The University of Texas System, has become the recipient of a grant of funds from the Department of Health, Education, and Welfare, Social and Rehabilitation Services, Children's Bureau of the United States, for a Comprehensive Care Program for children, and

WHEREAS, it is desired both by the University and the Medical Center that the Medical Center and its plant, facilities and services be available for the implementation of a major portion of the Comprehensive Care Program as approved by the Children's Bureau, Department of Health, Education, and Welfare, and

WHEREAS, the University and the Medical Center wish to set forth the terms of their agreement expressing the relationship with each other and the duties and obligations of each in carrying out and implementing the terms of the Comprehensive Care Program, and

WHEREAS, the Medical Center has been advised by representatives of the Medical School that the respective Chairman of each major department and division of the faculty of

the Medical School approved the Comprehensive Care Program and desire the Medical Center to participate therein:

NOW, THEREFORE, the University and the Medical Center agree as follows:

1. The Board of Directors of Children's Medical Center shall maintain unimpaired its legal and historical role as the organization charged with the management of the affairs of the Medical Center and none of the management, powers, authority, or responsibility of said Board of Directors is, or shall be deemed to be, delegated to the University or to the Project Director of the Comprehensive Care Program, provided that the existing written agreement between the parties hereto, heretofore executed relating among other things to the role of the Medical Center as a teaching hospital affiliated with the University, shall not be impaired.

2. Each person serving in or about the Medical Center premises or facilities whose appointment and employment has been, or will be, made with the approval of the Project Director as hereinafter provided shall be and continue to be employees of the Medical Center, and the Medical Center, through its Board of Directors and the Administrator of the Medical Center appointed by the Board of Directors, shall subject to the requirement of joint termination as hereinafter provided, maintain all rights of an employer, and such employees will serve in accordance with current personnel policies and practices, without regard to the fact that funds for compensation of such persons may be supplied to the Medical Center in whole or in part from the Comprehensive Care Grant made to the Medical School; and the Medical Center shall maintain control and jurisdiction over

its premises and facilities and the use to be made thereof. Appointment or termination of personnel serving in the Comprehensive Care Program as Medical Center employees will be by joint approval from the Project Director and Children's Medical Center.

3. The Medical Center shall not be obligated to employ any person, create any job or job classification or perform or permit to be performed any services or activity on its premises or by use of its facilities except in accordance with a Budget and plan of operation approved by the Board of Directors of the Medical Center or approved by the Budget Committee or other committee appointed by the Board of Directors of the Medical Center, and except consistent with the existing agreement between the parties.

4. Subject to the control and management retained by the Medical Center as set forth in the preceding paragraphs and elsewhere in this agreement, the Children's Medical Center and its premises and facilities will be available for use as the outpatient clinic and as an inpatient hospital, wherein the Comprehensive Care Program described in the grant application of the University may be carried out.

5. The Project Director of the Comprehensive Care Program appointed to such office by the University shall be duly licensed and qualified medical doctor and have the responsibility for and the supervision of all professional services to patients receiving the benefits of the Comprehensive Care Program in or about the facilities of the Medical Center, provided that said Project Director shall at the same time continue to have the professional responsibility and obligations accompanying the position of Chief of

Staff of the Children's Medical Center; and provided further that nothing in this paragraph shall be construed to limit the authority normally exercised by the Administrator of the Medical Center. The appointment of any Project Director who is not at the time the Chief of Staff of the Medical Center shall be subject to approval by the Medical Center.

6. The obligations of the Children's Medical Center to participate in the Comprehensive Care Program and to make available its premises and facilities shall be defined in advance by the Project Director and shall be subject to approval by the Board of Directors of the Children's Medical Center.

7. The University shall pay and reimburse the Medical Center for all expenses and costs incurred and all obligations contracted for and undertaken by the Medical Center as a participating agency in the aforementioned Comprehensive Care Program, provided only that such costs, expenses and obligations have been theretofore authorized by the Project Director and included in advance in a Budget or other program of expenditures jointly agreed to by the University, acting through the Dean and by the Medical Center, acting through its Administrator. Such payment and reimbursement shall be made, in the case of salaries and compensation to employees, not later than the day that such salaries and compensation are due from the Medical Center to such employees and in all other cases such payment and reimbursement shall be made by the University not later than 30 days from the date that statements or vouchers are submitted by the Medical Center - to the end that the Children's

Medical Center shall not be obligated to use its own funds for such purposes. The University shall not, however, be obligated to make any such payment or reimbursement except upon the presentation to it within a reasonable time prior to the anticipated payment date of written statements, schedules, vouchers or other memoranda describing in reasonable detail the expenses and costs incurred, certified to be true, accurate and lawfully due by the Administrator of the Medical Center or his duly designated nominee.

8. The books of account, files and other records of the Medical Center shall at all times be available for inspection, review and audit by the University and its representatives to determine the proper application and use by the Medical Center of all funds paid to or for the account or benefit of the Medical Center from the funds granted to the University for the Comprehensive Care Program; in addition, the Medical Center shall provide special reports as requested to the University accounting for the use of all such funds, the cost of such reports and accounting, however, to be borne by the University as a direct cost from the grant funds.

9. This agreement and the participation in the Comprehensive Care Program by the Medical Center shall be subject to the approval of the United Fund of Dallas.

10. At any time from the date hereof, either party hereto may give notice in writing to the other of its election to terminate this agreement, such termination to be effective upon the 90th day following the mailing of such notice. If such notice is given by the Medical Center then

its premises and facilities shall not be available for use in connection with the Comprehensive Care Program after the effective termination date.

IN WITNESS WHEREOF, the parties have executed this agreement as of the day and year first above written.

ATTEST:


BOARD OF REGENTS OF THE  
UNIVERSITY OF TEXAS SYSTEM

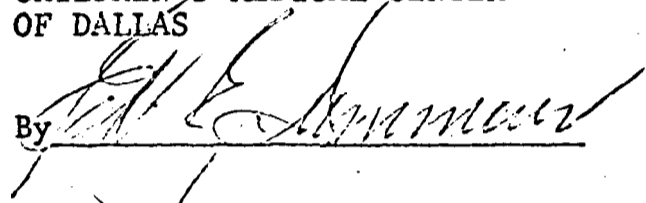
\_\_\_\_\_  
Secretary

By \_\_\_\_\_  
Chairman

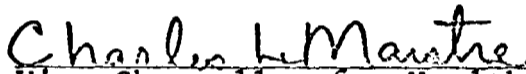
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CHILDREN'S MEDICAL CENTER  
OF DALLAS

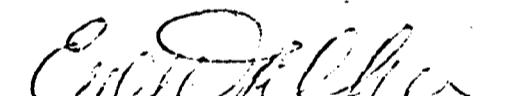
  
Assistant Secretary

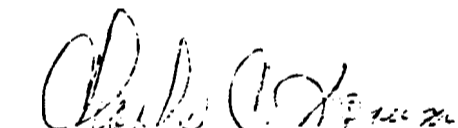
By 

Approved:

  
Vice-Chancellor for Health  
Affairs

  
University Attorney

  
Vice-Chancellor for Business  
Affairs

  
Dean, The University of Texas  
Southwestern Medical School  
at Dallas



6. Dallas Medical School: Affiliation Agreement with St. Paul Hospital. --Below is a Xerox copy of Chancellor Ransom's recommendation:

Dean Sprague recommends, and Executive Vice-Chancellor LeMaistre and Chancellor Ransom concur, that the Board of Regents authorize the execution of the following agreement with St. Paul Hospital and authorize the Chairman to sign the agreement for The University of Texas System after securing the necessary approvals.

The basic points of the agreement have been concurred in by St. Paul Hospital; however, the format of the agreement submitted by them has been redone by the University Attorneys to incorporate our usual terms and conditions in our previously approved format. We hope to have the necessary approvals and signatures of St. Paul Hospital by the time of our Board meeting.

AFFILIATION AGREEMENT

THE STATE OF TEXAS     }   
                                    }   
 COUNTY OF DALLAS        }

This AGREEMENT is executed on \_\_\_\_\_, 19\_\_\_\_, between the BOARD OF DIRECTORS OF ST. PAUL HOSPITAL on behalf of St. Paul Hospital, sometimes referred to as "Hospital" in this agreement, and the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM on behalf of The University of Texas Southwestern Medical School at Dallas, Texas, sometimes referred to as "Medical School" in this agreement, WITNESSETH:

WHEREAS, the Hospital and the Medical School have the following objectives in common: (1) a common commitment to offer the people of Dallas, Texas, and the Southwest, a program of excellence in medical education; (2) the desire to coordinate all medical care resources for the benefit of improved patient care and the development of Dallas as a medical center; and (3) a desire and intent to develop an agreement that will encourage and use, in future years, the

strength of both institutions to the maximum extent consistent with the interests of each:

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. BRIEF DESCRIPTION OF THE UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL SCHOOL

The Medical School is an accredited four-year school of medicine governed by the policies of the Board of Regents of The University of Texas System. A full-time faculty of 274 and over 800 part-time faculty conduct and supervise the instruction. The Medical Library now contains 83,292 volumes and receives currently over 1850 domestic and foreign serial publications. The Medical School is advantageously situated in that it has the generous cooperation of many hospital facilities of the city and vicinity. In addition to St. Paul Hospital, the following facilities are utilized in the teaching programs of the school: Parkland Memorial and Woodlawn Hospitals, Baylor University Medical Center, Methodist Hospital of Dallas, Presbyterian Hospital of Dallas, the Children's Medical Center, Texas Scottish Rite Hospital for Crippled Children, the Dallas Veterans Administration Hospital, Timberlawn Sanitarium, the U. S. Public Health Service Hospital and the John Peter Smith Hospital in Fort Worth and the Terrell State Hospital in Terrell. The Medical School is dedicated to the promotion of medical education in Dallas and the entire Southwest.

2. BRIEF DESCRIPTION OF ST. PAUL HOSPITAL

St. Paul Hospital is a General Hospital composed of a hospital unit of 489 beds and 50 bassinets operated by the Daughters of Charity of St. Vincent de Paul. As a private,

nonprofit institution, it is charged to provide the highest class of medical care to the sick and injured without reference to color or creed, and to provide necessary surcease to the lot of the poor and destitute, and to foster within its power to do so, education and research as they are related to the improvement of medical care.

The Hospital is governed by a board of directors consisting of four members who are selected from the members of the corporation with reference to experience and academic background. In addition, there are two members who are laymen representing the civic community at large. The board of directors selects and employs a competent experienced administrator who is its direct executive representative in the management of the hospital. This administrator is given the necessary authority and held responsible for the administration of the hospital in all its activities and departments, subject only to such policies as may be adopted and such orders as may be issued by the board of directors or by any of its committees to which it has delegated power for such action. The administrator acts as the "duly authorized representative" of the governing board in all matters in which the governing board has not formally designated some other person for that specific purpose.

The Hospital provides general care for acute and chronic disorders and is equipped to provide specialized care in a number of areas. There are approximately 25,000 patients admitted each year in all categories.

The services thus provided are implemented by a physical plant consisting of a main hospital of 489 beds plus 50 bassinets which provides services such as physical medicine,

x-ray (including cobalt and isotope therapy), blood bank, recovery room, I.C.U., C.C.U., Out-Patient Clinic, emergency room facilities, cardiopulmonary laboratory, school of nursing, school of laboratory technology, and home care plan.

The Hospital's medical staff is comprised of 527 members, of whom 328 (63%) are certified, or certificate eligible in a special field, while approximately 50% hold clinical appointments on the faculty of the Medical School.

Medical education is the responsibility of a full-time director, who organizes the teaching cadre from the Hospital Staff Society and arranges the necessary conferences, rounds, etc. At present the Hospital offers approved rotating and straight pathology internships, approved residence programs in Internal Medicine, Obstetrics and Gynecology, Pathology, General Surgery, Radiology, and Neurosurgery. There are available to the medical students, clinical clerkships, and medical and surgical clerkships as part of their junior and senior year programs at Southwestern Medical School, and externships. A Cardiology Fellowship is also available.

### 3. EXTENT OF AFFILIATION AT THE DEPARTMENTAL LEVEL

The purpose of this agreement is to establish a broad framework of policy to facilitate cooperation between the Medical School and the Hospital. It is agreed that the initiative for establishing definitive relationships will be vested in the respective department heads of the departments within institutions of the Medical School and the corresponding departments or division of the Hospital. It is further understood that individual departments of the Medical School may or may not establish affiliations with the Hospital, depending upon their needs and circumstances and subject to appropriate action by the respective governing bodies.

4. PROVISION FOR FACULTY APPOINTMENTS FOR HOSPITAL STAFF MEMBERS

Both parties agree that academic status is a strong inducement for attracting well qualified individuals for teaching positions at the Hospital, and that academic appointment made by the Medical School for individuals in full-time key positions at the Hospital should include tenure or assurances of continuation of employment, if possible. This will be granted on an individual basis, subject to the approval of the Medical School. In order to achieve satisfactory financial arrangements, the fiscal alternatives for obtaining appointments in this category are:

(1) Unqualified Tenure Appointment:

Guarantee by the Hospital for all future salary costs for any tenure appointments by the Medical School

Under this arrangement, the Hospital will guarantee to pay to the Medical School the salary for full-time personnel requested by the Hospital granted tenure by the Medical School. This guarantee shall continue as long as the Medical School is required to maintain personnel acquired under this arrangement.

(2) Qualified Tenure Appointment:

Guarantee by the Hospital of the future salary costs for a limited term tenure appointment of seven years following termination or discontinuation of a hospital position

Under this agreement the faculty member would receive a tenure guarantee covering up to seven years dating from the notification of termination, and as long as the physician occupies a full-time faculty position at the Medical School. Thus, if his position were discontinued at the Hospital, he would receive salary from the Hospital for a maximum of seven years, but only if he continued as a full-time faculty member of the Medical School.

(3) Hospital Staff without Compensation:

Rules and procedures established by the Hospital will be used in appointment of medical staff of the Hospital without teaching assignment, faculty designation, or compensation through the Medical School.

(4) Hospital Staff with Partial Compensation and/or Medical School Faculty Appointment:

Mutual agreement between the Hospital and the Medical School is required for appointment in either category in this section with definition of faculty title, duties, amount of compensation (if any), and term of appointment (annual unless otherwise agreed upon).

5. COMPENSATION ARRANGEMENTS FOR FULL-TIME FACULTY

Physicians employed full time by the Medical School and based at the Hospital with academic appointments will be subject to The University of Texas System policy regarding salary plan. Fees earned in excess of the maximum allowed will be placed in a trust fund and used to develop medical education and research programs at the Hospital. These funds should not be committed on a continuing basis for the salaries of additional full-time personnel.

6. JOINT SPONSORSHIP OF RESEARCH ACTIVITIES

The Hospital will provide research facilities for physicians who are geographically full time on its campus. Research projects at the Hospital may be jointly sponsored by the Medical School. In such cases there will be prior agreement as to the extent of the responsibility of each institution in the administration of research funds, provisions of staff and facilities and ownership of equipment purchased with research funds.

7. PROVISION FOR REVIEW OF RELATIONSHIP

Both parties agree that a productive and harmonious relationship between the two institutions depends upon maintaining effective channels of communication. The parties anticipate

that routine matters will be handled and decided mutually through continuous contacts at the departmental level. At least annually, and more frequently if necessary, a group representing each institution shall review and discuss over-all relationships and policies and other matters of common concern.

If any aspect of this agreement becomes unsatisfactory, a joint committee shall be responsible for discussing and resolving the questions involved. If a change in the agreement is necessary, the committee shall make recommendations to the authorities in each institution. If problems develop which are sufficiently serious and cannot be resolved, dissolution of the agreement may be indicated. Effective date of such dissolution shall be mutually agreed upon with adequate time to allow each institution to make necessary arrangements in an orderly manner.

8. PERIOD OF AGREEMENT

This agreement is for a period of one year from its effective date, and thereafter from year to year unless terminated at any time upon mutual consent of the parties. It may also be amended in writing to include such provisions as the parties may agree upon.

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

ATTEST:

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Secretary

Approved as to Form:

\_\_\_\_\_  
University Attorney

BOARD OF REGENTS OF  
THE UNIVERSITY OF TEXAS SYSTEM

By \_\_\_\_\_  
Chairman

ST. PAUL HOSPITAL

By \_\_\_\_\_  
Chairman Board of Directors

Approved as to Content:

\_\_\_\_\_  
Vice-Chancellor for Health  
Affairs

\_\_\_\_\_  
Vice-Chancellor for Business  
Affairs

7. Anderson Hospital: Authorization to Execute an Agreement with the Houston Speech and Hearing Center to Provide for Services to Hospital Patients. -- Below is a Xerox copy of Chancellor Ransom's recommendation:

Dr. Moreton and President Clark recommend, and Executive Vice-Chancellor LeMaistre and Chancellor Ransom concur, that the following agreement be entered into between Anderson Hospital and the Houston Speech and Hearing Center.

It is recommended that the Board authorize President Clark to execute the agreement for The University of Texas System.

THE STATE OF TEXAS }  
                          }  (  
COUNTY OF HARRIS }  )

This agreement by and between THE UNIVERSITY OF TEXAS M. D. ANDERSON HOSPITAL AND TUMOR INSTITUTE and HOUSTON SPEECH AND HEARING CENTER, a Texas nonprofit corporation, WITNESSETH:

WHEREAS, the parties are both desirous of establishing speech pathology services under the federal program of health insurance for the aged; and

WHEREAS, each of the parties will render different types of care to patients under the federal program of health insurance for the aged; and

WHEREAS, the services of Houston Speech and Hearing Center will be rendered to patients referred to it by M. D. Anderson Hospital and Tumor Institute only when requested by M. D. Anderson upon and pursuant to the provisions hereof;

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS:

That M. D. Anderson Hospital and Tumor Institute and the Houston Speech and Hearing Center, for and in consideration of the mutual covenants and agreements herein set forth, do hereby agree as follows:



*Charges*

I. DUTIES AND FEES OF THE HOUSTON SPEECH AND HEARING CENTER

Houston Speech and Hearing Center shall, to the extent possible, having due regard for other demands upon the time and attention of its personnel, render speech pathology services to those persons qualified by law to receive the same under the federal program of health insurance for the aged, whenever requested from time to time to do so by M. D. Anderson Hospital and Tumor Institute. Such services must be authorized by properly designated personnel of The University of Texas M. D. Anderson Hospital and Tumor Institute. The services to be rendered and the *Charges* fees to be charged by and paid to Houston Speech and Hearing Center, therefore, are as follows, subject to the approval of the fee schedule by Blue Cross-Blue Shield of Texas.

Therapy at the Center

Group Therapy	
Daily, 5 days a week, 2 hours	\$60.00 a month
Individual therapy	10.00 a lesson

Therapy away from the Center

Group therapy	75.00 a month
Individual therapy	15.00 a lesson

Diagnostic procedures at the Center

Speech assessment	15.00
Language assessment	30.00
Audiological assessment	20.00
Diagnostic audiometry	45.00
Hearing Aid consultations	35.00

Diagnostic procedures away from the Center

Speech assessment	20.00
Language assessment	40.00
Audiological assessment	25.00

All services rendered by Houston Speech and Hearing Center shall be rendered by personnel who are qualified speech

or hearing therapists and who have been certified as such by the American Speech and Hearing Association, or personnel who have completed the academic requirements and are in the process of accumulating the necessary supervised work experience required for certification.

2. DURATION OF CONTRACT

This contract is to be in effect for one (1) year from date of execution, and shall be automatically renewed from year to year thereafter subject, however, to the right of either party to terminate the same upon ninety days prior written notice to the other party.

3. DUTIES OF M. D. ANDERSON HOSPITAL AND TUMOR INSTITUTE

M. D. Anderson Hospital and Tumor Institute will regularly consult and visit with the patients receiving speech pathology services from the Houston Speech and Hearing Center at the request of M. D. Anderson Hospital and Tumor Institute and will interview the patient and the Houston Speech and Hearing Center representative, keeping in mind the request expressed in the referral and M. D. Anderson Hospital and Tumor Institute's interest in the patient.

4. BILLING PROCEDURES

The Houston Speech and Hearing Center shall submit its bills for services rendered to M. D. Anderson Hospital and Tumor Institute and they shall make payment thereof to the Houston Speech and Hearing Center only to the extent of collection, of the billing from the patient or some third party responsible for the account, less 10 per cent of the amount collected for administrative handling.

No person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subject to discrimination under any program or activity of either party under the terms of this agreement.

EXECUTED this \_\_\_\_\_ day of \_\_\_\_\_, 1969.

ATTEST:

THE UNIVERSITY OF TEXAS  
M. D. ANDERSON HOSPITAL  
AND TUMOR INSTITUTE

\_\_\_\_\_  
Secretary

By \_\_\_\_\_

ATTEST:

HOUSTON SPEECH AND HEARING  
CENTER

\_\_\_\_\_  
Secretary

By \_\_\_\_\_

Approved as to Form:

Approved as to Content:

\_\_\_\_\_  
University Attorney

\_\_\_\_\_

*8. Report of Com. to look into  
Sp. + Hearing, ...*

# **Committee of the Whole**

COMMITTEE OF THE WHOLE  
Chairman Erwin, Presiding  
Executive Session

Date: January 31, 1969

Time: Following the meeting of the Land and Investment Committee

Place: Castilian Room, Third Floor  
The Shamrock Hilton, Houston, Texas

The Agenda for the Committee of the Whole will be in the  
Supplementary Agenda Material.

COMMITTEE OF THE WHOLE  
Chairman Erwin, Presiding  
Executive Session

Date: January 31, 1969  
Time: Following the meeting of the Land and Investment Committee  
Place: Castilian Room, Third Floor  
The Shamrock Hilton, Houston, Texas

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## DOCUMENTATION

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- A. Chairman Frank C. Erwin, Jr..
- B. Vice-Chairman Jack S. Josey
- C. Regent W. H. Bauer
- D. Regent Jenkins Garrett
- E. Regent Frank N. Ikard
- F. Regent Joe M. Kilgore
- G. Regent John Peace
- H. Regent Dan C. Williams
- I. Regent E. T. Ximenes

### II. REPORTS AND SPECIAL ITEMS BY CHANCELLOR

### III. REPORTS AND SPECIAL ITEMS BY VICE-CHANCELLORS

- A. Executive Vice-Chancellor Charles LeMaistre
- B. Executive Vice-Chancellor Otis Singletary
- C. Executive Vice-Chancellor E. D. Walker
- D. Vice-Chancellor Graves W. Landrum



IV. SPECIAL ITEMS

A. The University of Texas System

1. Board of Regents: Appointment of Chairmen of Buildings and Grounds and Academic and Developmental Affairs Committees. --Chairman Erwin has appointed, subject to confirmation by the Board at the January 31 meeting, Mr. John Peace Chairman of the Buildings and Grounds Committee and Mr. Joe M. Kilgore Chairman of the Academic and Developmental Affairs Committee to succeed Mrs. J. Lee Johnson III and Rabbi Levi A. Olan respectively whose terms expired on January 10, 1969.

Section 7, Chapter I of Part One of Regents' Rules and Regulations provides that the Chairmen of the standing committees shall be appointed by the Chairman of the Board by and with the consent of the Board and that vacancies in such chairmanships shall be filled in like manner.

2. Regents' Rules and Regulations, Part One: Amendment to Chapter VI, Section 9.2 (Monetary Obligations of Students). --

Executive Vice-Chancellor Singletary and Chancellor Ransom concur in the recommendation of President Hackerman that Chapter VI of Part One of the Regents' Rules and Regulations be amended by deleting Section 9.2 and renumbering the remaining subsection, as follows:

- 9.1 Neither The University of Texas System nor any component institution is responsible for debts contracted by individual students or by student organizations. On the other hand, all students and student organizations are expected to conduct themselves honorably in all commercial transactions. Neither The University of Texas System nor any component institution will assume the role of a collection agency except for monies owed to The University of Texas System or one of its component institutions, nor will The University of Texas System nor any of its component institutions adjudicate disputes between students and creditors over the existence or the amounts of debts.

9.2 A STUDENT, HOWEVER, IS EXPECTED TO PERFORM HIS CONTRACTUAL OBLIGATIONS, AND IN THE EVENT OF CONDUCT ON THE PART OF THE STUDENT CLEARLY DEMONSTRATING A FLAGRANT DISREGARD OF HIS COMMERCIAL OBLIGATIONS, DISCIPLINARY ACTION MAY BE TAKEN AGAINST THE STUDENT THAT IS APPROPRIATE TO THE CIRCUMSTANCES.

- 9.3 9.2 In the event of nonpayment to The University of Texas System or one of its component institutions, one or more of the following actions may be taken: (a) a bar against readmission for the student, (b) withholding of the student's grades and official transcript, (c) withholding of a degree to which the student otherwise would be entitled.

3. Regents' Rules and Regulations, Part Two: Amendment to Chapter III (exception to per diem allowance for out-of-state travel). -- Mr. Conrad Kroll and Mr. Joe Williams, Architects in the Office of Facilities Planning and Construction, have been designated to supervise the construction and planning of the health units and the academic units respectively of the U. T. System. In carrying out these responsibilities, it will be necessary for Mr. Kroll and Mr. Williams to make a large number of trips out of state.

Chancellor Ransom and Executive Vice-Chancellor Walker recommend that Mr. Kroll and Mr. Williams be included in the list of System administrative officers authorized to travel on actual expenses not to exceed Thirty-five Dollars (\$35.00) a day when representing The University of Texas System outside the boundaries of the State of Texas. This involves an amendment to the Regents' Rules and Regulations, Part Two, Chapter III, Section 13.39; thus, it is recommended that these two individuals be added to the list contained in the aforementioned section.

"13.39 Exceptions to per Diem Allowance. --Executive heads of component institutions shall be reimbursed for their actual meals, lodging and incidental expenses (exclusive of expenses related to automobiles for which transportation is paid) when traveling on official business either in or out of the state. Employees of State Agencies designated by the Governor to represent him officially at governmental meetings or conferences when held out of the State shall receive actual meals, lodging, and incidental expenses, and such employees may be reimbursed out of appropriations made to the agencies by which they are employed. The following administrative officers of the System are authorized and directed by the Board of Regents and the Chancellor to represent The University of Texas System and its component institutions outside the boundaries of the State of Texas, and in such representation they shall receive reimbursement for the actual cost of meals, lodging and incidental expenses, not to exceed \$35.00 per day in lieu of any fixed per diem allowance:

All Executive Vice-Chancellors  
All Vice-Chancellors  
Budget Officer  
Comptroller  
Director, Facilities Planning and  
Construction

U. T. SYSTEM: PERSONNEL PAY PLAN FOR 1969-70 (AMENDMENTS TO  
1968-69 PLAN)

Chancellor Ransom concurs in the recommendations of the respective institutional heads, Mr. J. C. Kennedy, System Personnel Director, and Executive Vice-Chancellor Walker that the recommended changes in the 1968-69 Personnel Pay Plans to become effective September 1, 1969, be approved as presented:

U. T. System and U. T. Austin  
U. T. Arlington  
U. T. El Paso  
Galveston Medical Branch  
Dallas Medical School  
San Antonio Medical School  
System Nursing School (same as U. T. Austin)  
Houston Dental Branch (same as Anderson Hospital)  
Anderson Hospital  
G.S.B.S. (same as Anderson Hospital)  
Public Health School (same as Anderson Hospital)

The recommended adjustments are submitted for approval in order that they may be used in preparation of the 1969-70 budget drafts. Extensive studies have been conducted by the respective personnel offices; and in arriving at the recommendations, we have taken into account the State Classification Plan, numerous surveys which we have conducted or in which we have participated, as well as pay schedules of other institutions and prevailing rates in the applicable area of competition.


In the proposed recommended changes we show a comparable state range where applicable. We feel that the recommended changes in the Personnel Pay Plans are necessary for us to maintain a competitive position for qualified applicants in the current market. We have not adjusted all of our classes in any institutional plan, because we have considered each classification on its own merits and have included recommendations for changes according to the individual requirements of each classification.

Also incorporated in these recommendations is the principle of permitting adjustments in an individual employee's salary to maintain the relative position in the amended pay range for the respective classification.

Executive Director, Investments,  
Trusts and Lands  
University Attorneys  
Executive Director, Development Board  
Assistant to the Executive Vice-Chancellor  
for Health Affairs  
Executive Associate for Economic Affairs  
System Personnel Director\*  
Director, University Information Service  
Architect (supervisor of construction and  
planning of health units)  
Architect (supervisor of construction and  
planning of academic units)

In like manner, two administrative officers from each of the component institutions are authorized and directed by the Board of Regents and the Chancellor to represent The University of Texas System and its component institutions outside the boundaries of the State of Texas, and in such representation they shall receive reimbursement for the actual cost of meals, lodging and incidental expenses, not to exceed \$35.00 per day in lieu of any fixed per diem allowance. The administrative officers entitled to such reimbursement shall be designated in writing by the Chancellor upon recommendation of the institutional heads."

\*Note: System Personnel Adviser has been changed to System Personnel Director to conform to the 1968-69 Budget.

- 
4. Personnel Pay Plan for 1969-70 (Amendments to 1968-69 Plan). -- You have previously received the Administration's recommendations for the 1969-70 Personnel Pay Plan for The University of Texas System. Copies of this plan for your use will be available at the meeting.

5. 1969-70 Budget Policies and Limitations for General Operating Budgets, Auxiliary Enterprises, Contract Areas, Current Restricted Funds, and Service and Revolving Fund Activities. -- Below is a Xerox copy of the Administration's recommendations of 1969-70 Budget Policies and Limitations for General Operating budgets, Auxiliary Enterprises, Contract areas, Current Restricted funds, and Service and Revolving fund activities:

Institutional Heads are to write the "first" draft of their operating budgets conservatively within the total of funds included in the Legislative Budget Request for the Year 1969-70.

Inasmuch as the amount of General Revenue Funds to be appropriated for writing the 1969-70 operating budgets is unknown at this time, Institutional Heads are to draft their budgets in accordance with the policy limitations listed below and must be prepared to reduce their recommended expenditures in the event that actual appropriations do not meet the level set forth in the preliminary draft.

1. Over-all budget totals, including reasonable reserves, must be limited to the funds available for the year.
2. Selective merit salary advances should be provided for the faculty and professional staff. In the case of faculty, merit advances should be on the basis of teaching or teaching and research.
3. Merit salary advances for classified personnel in accordance with the Personnel Pay Plan policies approved by the Board may be given only to individuals who will have been employed by the institution for at least 6 months as of August 31, 1969. The number of individuals recommended for merit increases may not exceed one-half of the total institutional classified personnel staff as of March 1, 1969.
4. New positions should be provided only where increased work-load justifies.
5. Maintenance, Operation, and Equipment items should be based only on such amounts as are needed, but increases are not to exceed 15% in total over amounts budgeted in 1968-69.

Justify all increases in Maintenance and Operation and Travel with performance type data. Prior year expenditures are not to be considered as adequate justification.

6. Travel funds are to be shown as separate line items.
7. All requests for Special Equipment must be supported with detailed description and justification.

6. Designation of Revolving Funds for Certain Component Institutions in Accordance with Provisions of the Current Appropriations Bill. -- Below is a Xerox copy of the Administration's recommendation for designation of revolving funds:

The current Appropriations Bill provides that the Board of Regents may establish "revolving funds" of a service department nature for the benefit of one or more components of The University of Texas System for the purpose of providing utility and other services for one or more parts of the component institutions. The Appropriations Bill further provides that funds appropriated by the Legislature, except funds expressly appropriated for salaries, may be used to reimburse any such revolving funds established for the purposes mentioned above.

It is apparent that it may be to the advantage of certain of our institutions for the Board to designate certain accounts or departments as such revolving funds. Those listed below have been recommended for such designation by the chief business officers of the institutions concerned. Comptroller Anderson, Budget Officer Graydon, Executive Vice-Chancellor Walker and Chancellor Ransom concur in the following specific recommendation:

As authorized by Sections 34 and/or 38, Article IV, House Bill No. 5, Acts of the 60th Legislature, First Called Session, the following departments are established as Revolving Funds for the benefit of the named institutions:

The University of Texas at Austin  
Utility Plant

The University of Texas at Arlington  
Data Processing Service Department  
Reproduction Department

The University of Texas Southwestern Medical School at Dallas  
Animal Hospital  
Duplicating Service  
General Stores  
Instrument Repair and Development  
Physical Plant Warehouse

The University of Texas Medical School at San Antonio  
Bio-engineering Services  
Animal Care Services  
Medical Communications Services

B. The University of Texas at Austin

7. Land Acquisition Program (Authorization, 60th Legislature, H. B. 287) - Authority to Acquire Lots 28, 29, and 30, Block 11, Raymond and Whitis Addition of Outlots 15, 16, and 17, Division "D", City of Austin. -- With respect to the acquisition of the above-described lots, it is recommended that the following resolution be adopted:

RESOLUTION

WHEREAS, the Legislature of the State of Texas enacted Chapter 73, Acts 60th Legislature, 1967, Regular Session, page 140, and thereby authorized the expansion of the campus of The University of Texas at Austin by acquiring certain adjacent lands; and

WHEREAS, the Board of Regents of The University of Texas System desires to carry out the duties thus authorized by the Texas Legislature:

NOW, THEREFORE, BE IT RESOLVED by the Board of Regents of The University of Texas System:

1. That Lots 28, 29, and 30, Block 11, Raymond and Whitis Addition of Outlots 15, 16, and 17, Division "D", in the City of Austin, according to map or plat thereof of record in Volume 1, page 11, of Plat Records of Travis County, Texas, are among those now needed under the aforesaid laws for The University of Texas at Austin;
2. That the Board of Regents, acting through its representatives and officials, has negotiated with the landowner and has failed to agree with such owner on the value of and damages to the land described above;
3. That authorization is hereby granted and it is directed that suit be filed in eminent domain and the same prosecuted to a final judgment to obtain a fee simple title against Mrs. Ella Bachman Jones, as owner of the above-described property, together with any and all outstanding interests therein;
4. That possession of this property be obtained at the earliest possible time.

8. Acceptance of Bequest of Colonel Elbert M. Barron, Deceased. -- Below is a Xerox copy of Chancellor Ransom's recommendation with respect to the acceptance of the bequest of Colonel Elbert M. Barron:

Colonel Elbert M. Barron died on January 5, 1969, leaving a will dated February 6, 1967, wherein his estate was bequeathed to the Board of Regents of The University of Texas requesting that the members of the Board of Regents of The University of Texas act as co-independent executors without bond and without compensation.

Chancellor Ransom recommends that the bequest be accepted and that authority be granted to file application to probate the said will and qualify the members of the Board of Regents as co-independent executors under the will without bond, and do each and every act necessary in the administration of the estate.



9. Proposed Enrollment Restrictions in the School of Architecture. --Below is a Xerox copy of Chancellor Ransom's recommendation:

Chancellor Ransom concurs in the recommendation of Executive Vice-Chancellor Singletary that the enrollment restrictions in the School of Architecture as proposed by President Hackerman, the School of Architecture, and the Faculty Council of U.T. Austin, be approved as follows:

1. Effective September 1, 1969, that a minimum score of 1000 on the SAT be used for admission to the School of Architecture.
2. In case of transfer students, a grade point average of 2.5 on a 4-point system will be required.
3. If the maximum number of 475 students is not reached by mid-July of any given year, all applications will be reviewed and additional applicants will be admitted.
4. The limitation of non-resident enrollment will be governed by Regents' Rules and Regulations, Part Two, Chapter I, Section 7.

Justification of this recommendation is supported by President Hackerman's letter to Dr. Singletary, which follows:



THE UNIVERSITY OF TEXAS AT AUSTIN  
OFFICE OF THE PRESIDENT  
AUSTIN, TEXAS 78712

*President*

January 13, 1969

Dr. Otis A. Singletary  
Executive Vice-Chancellor for Academic Affairs  
The University of Texas System

Dear Dr. Singletary:

Attached is an action of the Faculty Council by the no-protest procedure which sets up enrollment restrictions in the School of Architecture.

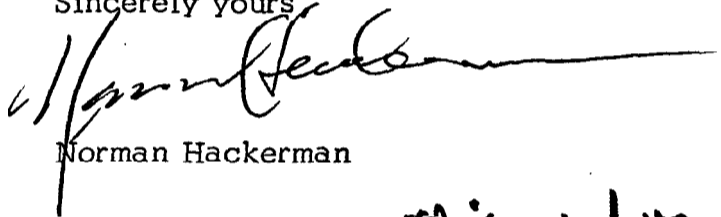
Currently there are 535 students enrolled in the School. The building was designed originally to take care of 250 students, the basis being the assignment of a drafting table for the year to each student. There have been changes in the curriculum and rearrangements of the facilities to make it possible to accept a larger number, but it is the opinion of the Dean and the faculty of the School that 475 is the maximum number of students able to use the available facilities effectively. The main problem is the inability of the student to handle the bulky materials used in drafting and modeling in his own quarters or in any other space available to him on the campus.

Dr. Otis Singletary  
January 13, 1969  
Page 2

The procedure for limiting enrollment will be to use minimum score of 1000 on the S.A.T. for all instead of the 800 possible now for some. It will require a grade point average of transfer students of 2.5 on the 4-point system. If the quota is not reached by mid-July of any given year, all applications will be reviewed and additional applicants will be admitted. It is further understood that the limitation of non-resident enrollment as set forth currently by legislative act and by the current Section 7, Chapter I, or Part Two of the Regents' Rules and Regulations, is applicable.

This action is consistent with the position I have taken that each program on the campus as it expands to the limit of the capacity of its facilities should be examined for the desirability of further expansion at the time or for enrollment limitation. At this time it is better to limit the enrollment in the School of Architecture than it is to try to expand the facilities either within the current building or by some temporary expedient. Thus I approve the recommendation of the School of Architecture and am passing this action on to you for such further action as it might need or for information if it needs no further action. It should become effective September 1, 1969.

Sincerely yours



Norman Hackerman

NH: lsg

cc: Mr. Eugene Nelson  
Dean Alan Taniguchi

Approved:  
O.A. Singletary  
1-15-69

C. The University of Texas at Arlington

10. Establishment of Amon G. Carter Chair of Art History. --It is recommended that there be established the Amon G. Carter Chair of Art History at The University of Texas at Arlington, to be funded by a total gift of \$500,000 from the Amon G. Carter Foundation. The U. T. Arlington portion of Chancellor's Docket No. 29 reports a gift of \$250,000 from the Amon G. Carter Foundation as the first payment for this purpose.

D. The University of Texas System

11. Regents' Rules and Regulations, Part One: Amendment to Chapter II. --Below is a Xerox copy of a recommendation of Executive Vice-Chancellor Singletary:

Executive Vice-Chancellor Singletary, with the concurrence of Executive Vice-Chancellors LeMaistre and Walker and Vice-Chancellor Landrum, recommends approval of the following:

Amend Subsection 3.1, Section 3, Chapter II, Part One, Regents' Rules and Regulations, to read as follows:

- "3.1 The Board of Regents, upon recommendation of the Chancellor, shall appoint the Chief Administrative officer of each of the component institutions. The Chief Administrative officer of each of the component institutions [OUTSIDE AUSTIN] serves under the direction of the Chancellor, reports to the Chancellor, is responsible to the Chancellor, and has access to the Board of Regents through the Chancellor."

Amend Chapter II, Part One, Regents' Rules and Regulations, by adding a Section 4 to read as follows:

"Sec. 4. Appointment of Other Administrative Officers

- "4.1 The Board of Regents shall delegate to the Chancellor the responsibility for the appointment of all other administrative officers of the component institutions, including vice-presidents, deans, and directors, who are nominated by the Chief Administrative officers of the component institutions.
- "4.2 The Chief Administrative officer of each component institution is responsible for the appointment of the department chairmen or department heads.
- "4.3 The Board of Regents endorses the principle of faculty and student participation in the selection of administrative officers of the component institutions, and expects the Chancellor or Chief Administrative officer, as he deems appropriate, to consult in the selection process with representatives of the faculty and student body."

E. Discussion Items

12. U. T. Austin, U. T. Arlington, and U. T. El Paso: Special Admission Program. -- At the last meeting Chairman Erwin requested a special report on the present activities, if any, at the component institutions involving the active recruiting and solicitation of academically unqualified students. The following minute order from the March 8, 1968, meeting of the Board is set out below for information:

U. T. AUSTIN, U. T. ARLINGTON, AND  
U. T. EL PASO: SPECIAL ADMISSION PRO-  
GRAM. --Chancellor Ransom's recommendation  
that the following maximum number of in-  
eligible students be admitted in 1968-69 to the  
institutions as listed below, with the understanding  
that they will be given counseling appropriate  
to their needs and with the further understanding  
that the admission of athletes (holders of  
athletic scholarships) shall be limited to not  
more than 10%:

The University of Texas at Austin	180
The University of Texas at Arlington	100
The University of Texas at El Paso	80

13. U. T. Austin: Non-Profit Dormitory. --Review and discussion of the proposal from the Educational Foundation of the Southwest to construct a student dormitory in Austin for the use and benefit of the students at The University of Texas at Austin.
14. U. T. Arlington: Proposed Gift of Shopping Center. -- Discussion of the proposed gift from Clyde R. Ashworth and Ted C. Arendale of a shopping center located adjacent to The University of Texas at Arlington campus.
15. U. T. Houston: Construction of Laundry Facilities by Hermann Hospital. --Discussion of possibility of entering into negotiations with the administration of Hermann Hospital for the design and construction of Laundry facilities by the Hospital of sufficient capacity to handle the Laundry needs of Anderson Hospital, Houston Dental Branch, Houston Public Health School, and any other facilities which might be constructed in Houston by The University of Texas System.

V. CALENDAR. --No other scheduled events have been reported to the Secretary's office:

1969

March 14

Board of Regents' Meeting

May 31

U. T. Austin Commencement

U. T. Arlington Commencement

U. T. El Paso Commencement

System Nursing School Commencement

June 2

Dallas Medical School Commencement

Houston Dental Branch Commencement

June 11

Galveston Medical Branch Commencement

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EMERGENCY ITEM  
COMMITTEE OF THE WHOLE

U. T. ARLINGTON--REQUEST FOR PERMISSION TO BEGIN NEGOTIATIONS TO ACQUIRE NIKE-HERCULES SITE NEAR ALVARADO, TEXAS.--

On the recommendation of Acting President Harrison with the concurrence of Executive Vice-Chancellors Singletary and Walker, it is recommended that the Board of Regents adopt the following resolution which gives authority to ask the appropriate agency of the federal government for title to a Nike-Hercules Launching and Control Site located near Alvarado, Texas, which it is understood the Army will declare surplus early in February.

RESOLUTION

WHEREAS, certain real property owned by the United States of America consisting of the Nike-Hercules Launching and Control Sites located approximately three (3) miles southeast of Alvarado, Texas on Farm Road 1807, consisting of 29.01 acres of land, 45.02 acres of easements (roadway, line of sight, restrictive) together with seven (7) concrete tile buildings having 22,000 square feet of floor area at the control site and the launching site containing three (3) concrete slab launching pads, with air-conditioned underground control rooms, sewage system, sewage disposal plant, water system, UG electrical distribution system, storm sewars, sidewalks, and roads, with the site's area of improvements being double fenced with security chain-link fencing, located in the County of Johnson, State of Texas, has been declared surplus and is subject to disposal by the Secretary of Health, Education, and Welfare; and

WHEREAS, The University of Texas at Arlington is in need of said property and can utilize the same for educational and research purposes; and

WHEREAS, it is the desire of the Board of Regents of The University of Texas System, the governing authority of The University of Texas at Arlington, to submit an application to the United States Government for acquisition of the property under the provisions of Section 203(k)(1) of the Federal Property and Administrative Services Act of 1949 (63 Stat. 377) as Amended, the regulations and procedures promulgated thereunder;

NOW, THEREFORE, BE IT RESOLVED by the Board of Regents that Frank C. Erwin, Jr., Chairman of the Board of Regents of The University of Texas System, or his successor in function, be and he is hereby designated as the proper official of said University of Texas at Arlington by whom negotiations for such acquisitions are to be prosecuted; and he is hereby duly authorized to do any and all things necessary and proper to procure acquisition of, and to accept, the property approved for transfer by the Department of Health, Education, and Welfare for The University of Texas.

BE IT FURTHER RESOLVED that The University of Texas at Arlington is ready, willing and able, and is hereby authorized to pay all external administrative expenses incident to the transfer of said property; and to assume immediate care and maintenance thereof.

BE IT FURTHER RESOLVED that three certified copies of this Resolution be furnished to the Regional Representative, Division of Surplus Property Utilization, Department of Health, Education, and Welfare as evidence of the official action of the Board of Regents of The University of Texas System in authorizing the application for, and acquisition of said property.

IN TESTIMONY WHEREOF we hereunto sign our names and attach the seal of said institution for it and in its behalf this \_\_\_\_\_ day of \_\_\_\_\_, 196\_\_\_\_\_.

ATTEST:

BOARD OF REGENTS OF  
THE UNIVERSITY OF TEXAS SYSTEM

\_\_\_\_\_

Secretary

By \_\_\_\_\_

Chairman

MR. ERWIN,

The correct name of The SENATOR'S  
FIRM IS

SMALL, HERRING, CRAIG, WERKENTHIN & SHANNON  
PERRY BROOKS BUILDING

AUSTIN, TEXAS



THE UNIVERSITY OF TEXAS AT EL PASO - PERMISSION TO NEGOTIATE  
FOR THE ACQUISITION OF SEVEN (7) ACRES OF LAND IN EL PASO COUNTY  
ADJACENT TO THE CAMPUS

There is available approximately seven (7) acres of land adjacent to the Campus on the south which the Administration has been advised can be acquired for not more than \$ .80 per square foot or a total cost of about \$250,000.

This land would be very desirable for the Campus development. It is recommended by Acting President Leech, Executive Vice-Chancellors Singletary and Walker, and Chancellor Ransom that the Administration be authorized to negotiate for the purchase of this property. Funds for the acquisition would come from proceeds of the sale of Skile Acts Bonds.

THE UNIVERSITY OF TEXAS AT EL PASO - REPAIR AND RENOVATION OF  
THE SUN BOWL STADIUM

Pursuant to the terms of a lease agreement between the University and the County of El Paso, repairs and expansion of the Sun Bowl Stadium are provided for. Various organizations in El Paso have agreed to pay up to \$10,000 per year for adding 5,000 chair seats on the West Side, cover and/or replace remaining existing seats, and expand press box to provide enclosed seating for 300.

It is recommended that we proceed with this repair and renovation at a cost of approximately \$150,000 to be paid for in the following manner.

1. \$10,000 per year from local organization in El Paso.
2. \$15,000 per year from a \$ .25 per ticket increase for all non-student tickets.

It is recommended that the immediate financing be advanced from local funds at UT El Paso and repaid from the above listed sources.

This recommendation is concurred in by Acting President Leech, Executive Vice-Chancellors Walker and Singletary, and Chancellor Ransom.

# **Land & Investment Committee**

LAND AND INVESTMENT COMMITTEE

Date: January 31, 1969  
Time: Following the meeting of the Medical Affairs Committee  
Place: Shamrock Hilton at Houston

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PERMANENT UNIVERSITY FUND -- INVESTMENT MATTERS.--

REPORT OF SECURITIES TRANSACTIONS.--The following securities transactions have been made for the Permanent University Fund from November 1 through December 31, 1968. The Executive Director of Investments, Trusts and Lands recommends approval by the Board of Regents of these transactions:

PURCHASES OF SECURITIES

U. S. GOVERNMENT SECURITIES:

<u>FHA MORTGAGES</u>	<u>No. of Loans Purchased</u>	<u>Purchase Principal Balance</u>	<u>Net Principal Cost</u>	<u>Net Purchase Yield#</u>
Various Purchased for November Payment	18	\$317,826.69	\$ 303,057.89	6.88%
Various Purchased for December Payment	<u>16</u>	<u>311,048.85</u>	<u>292,022.39</u>	<u>6.93</u>
T O T A L S	<u>34</u>	<u>\$628,875.54</u>	<u>\$ 595,080.28</u>	<u>6.91%</u>

#After servicing costs and based on average life of 12 years.

CORPORATE SECURITIES:

<u>COMMERCIAL PAPER</u>	<u>Par Value Purchased</u>	<u>Interest Rate</u>	<u>Principal Cost</u>	<u>Effective Yield*</u>
General Motors Acceptance Cor- poration Short Term Notes, dated 12/20/68, due 1/13/69 (24 days to maturity)	<u>\$2,200,000</u>	<u>6.14%</u>	<u>\$2,200,000.00</u>	<u>6.27615%</u>

\*Interest due at maturity in the amount of \$9,205.02.

PURCHASES OF SECURITIES  
(Continued)

CORPORATE SECURITIES: (Continued)

<u>COMMON STOCKS</u>	<u>No. of Shares Purchased</u>	<u>Average Principal Cost</u>	<u>Total Principal Cost*</u>	<u>Indicated Current Yield on Cost**</u>
American Airlines, Inc.	3,700	35.8	\$ 132,609.27	2.23%
The Coca-Cola Company	2,800	71.4	200,040.80	1.68
Columbia Broadcasting System, Inc.	4,000	54.2	216,937.72	2.58
Consolidated Foods Corporation	4,600	45.7	210,089.95	2.19
Ford Motor Company	3,500	55.7	195,096.03	4.31
Georgia-Pacific Corporation	900	92.2	83,046.13	1.08
Northwest Airlines, Inc.	1,400	90.0	125,971.30	0.89
PepsiCo, Inc.	4,000	50.3	201,081.71	1.79
Revlon, Inc.	2,500	83.3	208,244.65	1.68
Westinghouse Electric Corporation	<u>2,600</u>	75.3	<u>195,858.72</u>	<u>2.39</u>
T O T A L S	<u>30,000</u>		<u>\$1,768,976.28</u>	<u>2.19%</u>

\*Includes brokerage commissions paid.

\*\*Yield at present indicated dividend rates.

SALES OF CORPORATE SECURITIES

BLOCK OF STOCK SOLD

<u>SECURITY SOLD</u>	<u>No. of Shares Sold</u>	<u>Net Sales Proceeds</u>	<u>Book Value of Holding</u>	<u>Gain on Sale</u>
American Cyanamid Company Common Stock	<u>25,700</u>	<u>\$841,626.53</u>	<u>\$726,600.56</u>	<u>\$115,025.97</u>

FRACTIONAL SHARE SOLD

<u>Security</u>	<u>Net Sales Proceeds#</u>
1/5th Share Bank of America National Trust and Savings Association (San Francisco) Common Capital Stock received in 20% stock dividend (After writedown, Fund holds 31,891 shares with a book value of \$1,435,110.46)	\$14.83

#Cash received deposited to principal endowment and holding of stock involved written down by same amount.

PERMANENT UNIVERSITY FUND - INVESTMENT MATTERS.--

RECOMMENDATION REGARDING CHANGES OF INVESTMENT STRATEGY AND POLICIES MADE POSSIBLE BY THE ADOPTION OF THE AMENDMENT TO SECTION 11a, ARTICLE VII OF THE CONSTITUTION.--At its special meeting held Saturday, December 14, 1968, the Land and Investment Committee approved authorizing the Executive Director, Investments, Trusts and Lands to take the actions set forth below. The authorization was based on a recommendation by the Executive Director, Investments, Trusts and Lands in which he was joined by the Staff Investment Committee, Lionel D. Edie & Company, Inc., the Investment Advisory Committee, Vice Chancellor for Business Affairs Walker and Comptroller Anderson.

1. Subject to the conditions hereafter set out, exchange any bonds presently owned, or hereafter acquired, on a par for par basis (with such cash adjustments as may be required) for other authorized fixed income bonds or notes.
2. Limit any securities acquired on such exchange to bonds rated A or better or FHA Insured First Mortgage Notes.
3. Carry the cost of the bonds exchanged out forward (plus or minus the cash adjustment involved) as the cost of the securities received in the exchange.
4. Follow the procedure as to cost outlined in paragraph 3, even though the bonds exchanged out and the acquisition of the securities received be effected through different brokers.
5. To sell any fixed income investments owned from time to time for the purpose of reinvesting the proceeds in approved common stocks; provided that the book losses incurred through any such sales in any fiscal year shall not exceed the net book gains realized during such year plus \$5,000,000; and provided further that reports of all such transactions shall be made to the Regents from time to time in the usual manner.

The Executive Director Investments, Trusts and Lands recommends that the action taken by the Land and Investment Committee be ratified.

PERMANENT UNIVERSITY FUND - LAND MATTERS. --

LEASES AND EASEMENTS.--It is recommended by the Executive Director of Investments, Trusts and Lands that the following applications for various leases, easements, and material source permits on University Lands be approved. All are at the standard rates, unless otherwise stated, are on the University's standard forms with grazing leases carrying provisions for renewal for an additional five years at negotiated terms. Payments for easements and material source permits have been received in advance unless otherwise stated. All have been approved as to form by a University Attorney and as to content by the appropriate official and will be executed by the Executive Director of Investments, Trusts and Lands.

EASEMENTS AND SURFACE LEASES

No.	Company	Type of Permit	County	Location	Distance or Area	Period	Consideration
2801	Pool Company	Surface Lease (Business Site)	Reagan	Block 11	200' x 400'	1/1/69- 12/31/69	\$ 900.00*
2802	Gulf Refining Company (Renewal of 1257)	Pipe Line	Crane & Ector	Block 35	969.5 rods Various sized line	1/1/69- 12/31/78	1,051.95
2803	Texas-New Mexico Pipe Line Company (Renewal of 1152)	Pipe Line	Crockett  Crane	Blocks 29, 30 & 31  Blocks 30 & 31	8,074.5 rods 12-3/4"	1/1/69- 12/31/78	13,968.88
2804	Texas-New Mexico Pipe Line Company (Renewal of 1131)	Pipe Line	Andrews	Blocks 13 & 14	2,487 rods Various sized line	1/1/69- 12/31/78	2,222.22
2805	Lo-Vaca Gathering Company	Pipe Line	Pecos	Blocks 22 & 23	2,081.63 rods 30"	11/1/68- 10/31/78	5,204.07
2806	Texas Electric Service Company (Renewal of 1128)	Power Line	Crane Ward	Block 30 Block 16	9,296.54 rods	1/1/69- 12/31/78	6,119.11
2807	El Paso Natural Gas Company (Renewal of 1349)	Pipe Line	Andrews	Blocks 1 & 9	32.546 rods 4-1/2"	5/1/69- 4/30/79	50.00 (Min.)

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Easements and Surface Leases Continued. --

No.	Company	Type of Permit	County	Location	Distance or Area	Period	Consideration
2808	Sohio Petroleum Company	Pipe Line	Andrews	Blocks 4 & 5	119.7 rods 3-1/2"	12/1/68-\$ 11/30/78	69.43
2809	Community Public Service Company	Power Line	Pecos	Block 27	150.4 rods	11/1/68- 10/31/78	87.23
2810	E. G. Hall Oil Company	Pipe Line	Crockett	Block 50	103 rods 3"	12/1/68- 11/30/78	59.74
2811	Pan American Petroleum Corporation (Renewal of 1274)	Pipe Line	Andrews	Block 13	463.09 rods Various sized line	1/1/69- 12/31/78	268.60
2812	Northern Natural Gas Company	Pipe Line	Pecos	Blocks 22 & 23	2,786.67 rods 16"	2/1/69- 1/31/79	4,820.94
2813	Phillips Petroleum Company	Pipe Line	Andrews	Blocks 3, 4 & 13	430.8 rods 4-1/2"	11/1/68- 10/31/78	249.86
2814	Forest Oil Corporation	Pipe Line	Crane	Block 30	188.5 rods 3"	12/1/68- 11/30/78	109.33
2815	Atlantic Pipe Line Company (Renewal of 1256)	Pipe Line	Crane	Block 31	735 rods 4-1/2"	12/1/68- 11/30/78	426.30
2816	Atlantic Pipe Line Company (Renewal of 1278)	Pipe Line	Crane Upton Reagan Crockett	Block 31 Block 3 Blocks 2, 8, 9, & 11 Blocks 12, 46, 50, & 51	14,389.67 rods 10-3/4"	2/1/69- 1/31/79	16,548.12
2817	El Paso Natural Gas Company (Renewal of 1342)	Surface Lease (Tank battery site)	Ward	Block 17	200' x 200'	3/1/69- 2/28/79	50.00**

Easements and Surface Leases Continued. --

No.	Company	Type of Permit	County	Location	Distance or Area	Period	Consideration
2818	Texas Electric Service Company	Power Line	Crane & Ector	Block 35	303.09 rods	1/1/69- 12/31/78	\$ 260.66
2819	Scurlock Oil Company	Pipe Line	Winkler	Block 21	1,106.5 rds. 6" 1,106.5 rds. 6-5/8"	1/1/69- 12/31/78	1,914.25
2820	El Paso Natural Gas Company	Surface Lease (meter station site)	Ward	Block 17	0.045 acres	12/1/68- 11/30/78	50.00 (Min.)
2821	Atlantic Richfield Company (renewal of part of 1165)	Power Line	Crane	Block 31	4,823 rods	11/1/68- 10/31/78	2,797.34
2822	Atlantic Richfield Company (renewal of 1191)	Pipe Line	Crane	Block 31	536.206 rods 8-5/8"	12/1/68- 11/30/78	616.64
2823	Cabot Corporation (renewal of 1120)	Pipe Line	Ward	Block 16	58.8 rods 6-5/8"	12/1/68- 11/30/78	67.62
2824	Texas Electric Service Company (renewal of 1334)	Power Line	Andrews	Blks. 5, 9, 11	1,411.20 rods	3/1/69- 2/28/79	818.50
2825	Texas Electric Service Company	Surface Lease (substation site)	Crane	Block 35	1 acre	1/1/69- 12/31/78	500.00***
2826	BTA Oil Producers	Pipe Line	Reagan & Upton	Blocks 3 & 58	760 rods 2"	12/1/68- 11/30/78	440.80
2827	S D Company, a partnership (renewal of 1130)	Pipe Line	Reagan	Block 11	36.36 rods 2"	1/1/69- 12/31/78	50.00 (min.)

Easements and Surface Leases Continued. --

No.	Company	Type of Permit	County	Location	Distance or Area	Period	Consideration
2828	Atlantic Richfield Company (Renewal of part of 1165)	Pipe Line	Crane	Block 31	26,246 rods	11/1/68-	\$ 18,325.19
					Various sized line	10/31/78	

\*Renewable from year to year, not to exceed a total of ten years.

\*\*Payment is for the first year's consideration only.

\*\*\*Payment is for the full consideration.

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MATERIAL SOURCE PERMITS

No.	Grantee	County	Location	Quantity	Consideration
350	Ace Construction Company	Crane	Block 30	715 cu. yds. caliche	\$ 207.35
351	Allstate Construction, Inc.	Andrews	Block 9	2,050 cu. yds. caliche	594.50

REPORT ON CLEARANCE OF MONIES TO PERMANENT UNIVERSITY FUND AND AVAILABLE FUND.--The Auditor, Oil and Gas Production, reports the following with respect to monies cleared by the General Land Office to the Permanent University Fund and Availalbe University Fund for the current fiscal year through December, 1968, as follows:

<u>Permanent University Fund</u>	<u>November and December, 1968</u>	<u>Cumulative This Fiscal Year</u>	<u>Cumulative Preceding Fiscal Year (Averaged)</u>
Royalty - Oil	\$ 2,133,113.93	\$ 3,637,115.95	\$ 5,148,422.64
Gas - Regular	139,649.12	281,595.02	356,092.28
- F. P. C.	145,334.37	145,335.21	-0-
Water	24,362.59	42,509.34	36,685.88
Salt Brine	2,207.32	4,978.04	4,416.80
Rental on Mineral Leases	94,178.58	140,074.57	77,497.60
Rental on Water Contracts	100.00	2,163.50	349.32
Rental on Brine Contracts	100.00	100.00	-0-
Amendments and Extensions of Mineral Leases	-0-	390,610.00	55,574.28
	<u>\$ 2,539,045.91</u>	<u>\$ 4,644,481.63</u>	<u>\$ 5,679,038.80</u>
 Bonuses, Mineral Lease Sales (actual)	 -0-	 -0-	 2,426,400.00
 Total - Permanent University Fund	 <u>\$ 2,539,045.91</u>	 <u>\$ 4,644,481.63</u>	 <u>\$ 8,105,438.80</u>
 <u>Available University Fund</u>			
Rental on Easements	\$ 74,017.60	\$ 90,920.66	\$ 101,002.24
Interest on Easements and Royalty	20.09	24.26	130.20
Correction Fees-Easements	-0-	-0-	-0-
Transfer and Relinquishment Fees	567.36	841.41	933.84
	<u>\$ 74,605.05</u>	<u>\$ 91,786.33</u>	<u>\$ 102,126.28</u>
 TOTAL - Permanent and Available University Funds	 <u>\$ 2,613,650.96</u>	 <u>\$ 4,736,267.96</u>	 <u>\$ 8,207,565.08</u>
 Oil and Gas Development - December 31, 1968			
Acreage under Lease	620,591		
Number of Producing Acres	314,803		
Number of Producing Leases	1,388		

TRUST AND SPECIAL FUNDS -- INVESTMENT MATTERS.--

REPORT OF SECURITIES TRANSACTIONS.--The following securities transactions have been made for the Trusts and Special Funds from November 1 through December 31, 1968. The Executive Director of Investments, Trusts and Lands recommends approval by the Board of Regents of these transactions:

<u>PURCHASES OF SECURITIES</u>		
<u>Date of Purchase</u>	<u>Security and Fund</u>	<u>Principal Cost</u>
11/11/68	16,100ths Fractional share of The Southland Corporation Common Stock to round out extra share received in 3% Stock dividend (Joe C. Thompson Memorial Fund - Southland Corporation Employees)	\$ 6.08
11/14/68	300 Shares Eastman Kodak Co. Common Stock at 78-1/4	23,615.49
	300 Shares American Home Products Corp. Common Stock at 57-7/8	17,496.87
	200 Shares Merck & Co., Inc. Common Stock at 85-1/2	17,195.10
	800 Shares Squibb Beech-Nut, Inc. Common Stock at 46-5/8	37,638.48
	600 Shares Ford Motor Co. Common Stock at 57-5/8	34,843.56
	500 Shares Corn Products Co. Common Stock, 300 at 42-1/8 and 200 at 42	21,237.68
	300 Shares General Foods Corp. Common Stock, 200 at 86-7/8 and 100 at 86-3/4	26,193.06
	700 Shares The Southern Co. Common Stock at 29-1/2	20,886.25
	200 Shares Texas Utilities Co. Common Stock at 58	11,689.60
	400 Shares American Telephone & Telegraph Co. Capital Stock at 54-3/8	21,927.76
	800 Shares General Telephone & Electronics Corp. Common Stock, 500 at 43-3/4 and 300 at 43-5/8	35,289.33
	500 Shares National Dairy Products Corp. Common Stock, 400 at 43-1/2 and 100 at 43-3/8	21,941.19
	200 Shares Procter & Gamble Co. Common Stock at 89-1/4	17,945.86
	800 Shares Federated Department Stores, Inc. Common Stock at 35-3/8	28,593.52
	600 Shares American Electric Power Co., Inc. Common Stock at 40	24,234.00
	300 Shares Commonwealth Edison Co. Common Stock at 49-7/8	15,094.32
	300 Shares Consumers Power Co. Common Stock, 200 at 42-7/8 and 100 at 42-3/4	12,971.26
	500 Shares Gulf States Utilities Co. Common Stock, 200 at 27-5/8 and 300 at 27-1/2	13,938.87
	400 Shares Oklahoma Gas & Electric Co. Common Stock at 25-3/4	10,427.52
	500 Shares Sears, Roebuck & Co. Common Stock at 68-1/4 (Hogg Foundation: W. C. Hogg Estate Fund)	34,354.15

PURCHASES OF SECURITIES  
(Continued)

Date of Purchase	Security and Fund	Principal Cost
11/14/68	200 Shares Eastman Kodak Co. Common Stock at 78-1/4	\$ 15,743.66
	200 Shares Bristol-Myers Co. Common Stock at 68-7/8	13,866.78
	500 Shares Squibb Beech-Nut, Inc. Common Stock at 46-5/8	23,524.05
	100 Shares IBM Corp. Capital Stock at 325-1/4	32,596.53
	400 Shares Ford Motor Co. Common Stock at 57-5/8	23,229.04
	200 Shares Mobil Oil Corp. Capital Stock, 100 at 58-3/8 and 100 at 58-1/4	11,752.17
	400 Shares Federated Department Stores, Inc. Common Stock at 35-3/8	14,296.76
	300 Shares American Electric Power Co., Inc. Common Stock at 40	12,117.00
	100 Shares Florida Power & Light Co. Common Stock at 70-7/8	7,133.59
	300 Shares Gulf States Utilities Co. Common Stock at 27-1/2	8,348.25
	300 Shares Oklahoma Gas and Electric Co. Common Stock at 25-3/4	7,820.64
	200 Shares Sears, Roebuck & Co. Common Stock at 68-1/4 (Hogg Foundation: Varner Properties)	13,741.66
11/15/68	\$100,000 Maturity value U. S. Treasury Bills, dated 11/14/68, due 5/15/69, on 5.60% yield basis at a dollar price of 97.26522 (Includes \$3.00 wire transfer fee) (Equivalent bond yield 5.84%) (Hogg Foundation: W. C. Hogg Estate Fund)	97,265.22
	\$100,000 Maturity value U. S. Treasury Bills, dated 8/15/68, due 2/13/69, on 5.39% yield basis at a dollar price of 98.72886 (Includes \$1.50 wire transfer fee) (Equivalent bond yield 5.54%) (Hogg Foundation: W. C. Hogg Estate Fund)	98,728.86
	\$45,000 Maturity value Ditto (Hogg Foundation: Varner Properties)	44,428.81
	\$100,000 Par value Standard Oil Co. (Indiana) 6% S. F. Debentures, dated 1/15/68, due 1/15/98, at 97.25 Net plus accrued interest to 11/20/68, to yield 6.20% (Hogg Foundation: W. C. Hogg Estate Fund)	97,250.00
	\$100,000 Par Value Ditto (Archer M. Huntington Museum Fund)	97,250.00
11/21/68	100 Shares Ford Motor Co. Common Stock at 53-3/4	5,419.38
	100 Shares Oklahoma Gas & Electric Co. Common Stock at 25-1/2 (Winedale Stage Coach Inn - Varner Acreage)	2,581.75
12/ 5/68	60 Shares IBM Corp. Capital Stock at 330-3/4	19,901.85
	100 Shares American Telephone & Telegraph Co. Capital Stock at 55-1/8 (The James W. McLaughlin Fellowship Endowment Fund - Galveston Medical Branch)	5,557.01
	200 Shares Ford Motor Co. Common Stock at 55	11,089.00
	100 Shares IBM Corp. Capital Stock at 330-1/2	33,122.05
	100 Shares Standard Oil Co. (New Jersey) Capital Stock at 81-7/8	8,234.69
	100 Shares Chas. Pfizer & Co., Inc. Common Stock at 74-1/2	7,496.45
	400 Shares Gulf States Utilities Co. Common Stock at 26-1/8	10,578.24

## PURCHASES OF SECURITIES

(Continued)

Date of Purchase	Security and Fund	Principal Cost
12/ 5/68	400 Shares The Southern Co. Common Stock at 28-1/4 400 Shares Southern California Edison Co. Common Stock at 36-3/8 (The James W. McLaughlin Fellowship Fund - Reserve for Depletion - Galveston Medical Branch)	\$ 11,407.60 14,698.76
	50 Shares IBM Corp. Capital Stock at 330-1/2 200 Shares Squibb Beech-Nut, Inc., Common Stock at 48-7/8 200 Shares Oklahoma Gas & Electric Co. Common Stock at 24-5/8 200 Shares American Telephone & Telegraph Co. Capital Stock at 55-1/8 100 Shares Texaco Inc. Capital Stock at 90 100 Shares Commonwealth Edison Co. Common Stock at 50-1/4 300 Shares The Southern Co. Common Stock at 28-1/4 (The William Heuermann Fund for Cancer Research - Anderson Hospital)	16,561.02 9,861.88 4,987.62 11,114.02 9,048.00 5,069.03 8,555.70
	100 Shares IBM Corp. Capital Stock at 330-1/2 100 Shares National Biscuit Co. Common Stock at 49-7/8 400 Shares Gulf States Utilities Co. Common Stock at 26-1/8 200 Shares Texas Utilities Co. Common Stock at 55-7/8 (University Cancer Foundation - Anderson Hospital)	33,122.05 5,031.44 10,578.24 11,264.18
	50 Shares IBM Corp. Capital Stock at 330-1/2 200 Shares Bristol-Myers Co. Common Stock at 70-5/8 200 Shares Sears, Roebuck & Co. Common Stock at 67-1/8 1,000 Shares Southern Co. Common Stock at 28-1/4 300 Shares General Telephone & Electronics Corp. Common Stock at 43 (Frank B. Cotton Trust - Endowment Account - U. T. El Paso)	16,561.03 14,217.12 13,516.42 28,519.00 13,021.50
	200 Shares Ford Motor Co. Common Stock at 55 100 Shares IBM Corp. Capital Stock at 330-1/2 200 Shares National Biscuit Co. Common Stock at 49-7/8 100 Shares Standard Oil Co. (New Jersey) Capital Stock at 81-7/8 200 Shares American Telephone & Telegraph Co. Capital Stock at 55-1/8 100 Shares General Motors Corp. Common Stock at 82-1/2 400 Shares American Electric Power Co., Inc. Common Stock at 38-1/2 (Rosalie B. Hite Endowment for Cancer Research)	11,089.00 33,122.05 10,062.88 8,234.69 11,114.02 8,297.25 15,553.00
	100 Shares IBM Corp. Capital Stock at 330-1/2 400 Shares Squibb Beech-Nut, Inc. Common Stock at 48-7/8 800 Shares Oklahoma Gas & Electric Co. Common Stock, 400 at 24-5/8 and 400 at 24-1/2 500 Shares Gulf Oil Corp. Capital Stock at 47-1/2 500 Shares Carolina Power & Light Co. Common Stock at 39-5/8	33,122.05 19,723.76 19,900.24 23,963.75 20,006.55
12/12/68	180 Shares First National City Corp. Common Stock, 100 at 80-7/8 and 80 at 81-1/8 (The Robert A. Welch Chair in Chemistry)	14,668.08
12/30/68	\$250,000 Par value General Motors Acceptance Corp. 6-1/4% Short Term Note, dated 12/31/68, due 3/3/69, to yield 6.318% (62 days to maturity - interest in the amount of \$2,720.25 payable at maturity) (Amon G. Carter Chair of Art History - U. T. Arlington)	250,000.00

SPECIAL PURCHASE OF SECURITIES

<u>Date of Purchase</u>	<u>Security and Fund</u>	<u>Principal Cost</u>
12/ 6/68	\$130,000 Maturity value U. S. Treasury Bills, dated 9/5/68, due 3/3/69, on 5.62% yield basis at a dollar price of 98.6753615 (Includes \$3.00 wire transfer fee)(Equivalent bond yield 5.77%) (Board for Lease of University Lands - Special Fund - Temporary)	\$128,277.97

SALES OF SECURITIES

<u>Date Sold</u>	<u>Security and Fund</u>	<u>Net Sales Proceeds</u>
11/ 7/68	700 Shares Armco Steel Corp. Common Stock at 52-1/8 (Loss on sale over book value \$3,816.16)	\$ 36,142.30
	700 Shares Bethlehem Steel Corp. Common Stock at 30-5/8 (Loss on sale over book value \$7,310.59)	21,161.90
	700 Shares Inland Steel Co. Capital Stock at 35-1/4 (Loss on sale over book value \$2,608.53)	24,383.09
	612 Shares International Paper Co. Common Stock, 600 at 35-1/8 and 12 at 35 (Gain on sale over book value \$3,433.38)	21,235.40
	539 Shares PPG Industries Inc. Capital Stock, 500 at 86-1/4 and 39 at 86 (Gain on sale over book value \$20,582.41)	46,179.19
	900 Shares Cleveland Electric Illuminating Co. Common Stock, 200 at 39-1/2 and 700 at 39-3/8 (Gain on sale over book value \$7,891.46)	35,068.45
	1,000 Shares Consolidated Edison Co. of N. Y., Inc., Common Stock at 33-1/8 (Gain on sale over book value \$12,539.69)	32,718.73
	480 Shares Anaconda Co. Capital Stock, 100 at 50-3/8, 80 at 50-1/4 and 300 at 50-1/8 (Gain on sale over book value \$12,008.03)	23,857.32
	1,110 Shares P. Lorillard Co. Common Stock, 1,100 at 69 and 10 at 68-3/4 (Gain on sale over book value \$63,065.52)	76,013.68
	200 Shares Norfolk & Western Railway Co. Common Stock at 109 (Gain on sale over book value \$8,882.03)	21,689.76
	800 Shares Union Pacific Railroad Co. Common Capital Stock at 52-3/4 (Gain on sale over book value \$11,404.90) (Hogg Foundation: W. C. Hogg Estate Fund)	41,804.91
	300 Shares Bethlehem Steel Corp. Common Stock at 30-5/8 (Loss on sale over book value \$3,631.62)	9,069.38
	200 Shares Ingersoll-Rand Co. Common Stock at 50-1/2 (Gain on sale over book value \$2,158.89)	10,001.69
	242 Shares Morgan Guaranty Trust Co. of N. Y. Capital Stock at 125-5/8 Net (Gain on sale over book value \$4,201.25)	30,401.25
	200 Shares Norfolk & Western Railway Co. Common Stock at 109 (Gain on sale over book value \$8,731.88)	21,689.76
	500 Shares Union Pacific Railroad Co. Common Capital Stock at 52-3/4 (Gain on sale over book value \$7,746.76) (Hogg Foundation: Varner Properties)	26,128.07



SALES OF SECURITIES  
(Continued)

Date Sold	Security and Fund	Net Sales Proceeds
11/7/68	1,016 Shares Kimberly-Clark Corp. Common Stock, 1,000 at 77-1/2 and 16 at 77-1/4 -- Proceeds Distributed: Hogg Foundation: W. C. Hogg Estate Fund - 600 Shares (Gain on sale over book value \$13,438.88) Hogg Foundation: Varner Properties - 416 Shares (Gain on sale over book value \$7,214.50)	\$ 46,180.37 32,018.39
	700 Shares Libbey-Owens-Ford Glass Co. Common Stock, 400 at 65-1/4 and 300 at 65 -- Proceeds Distributed: Hogg Foundation: W. C. Hogg Estate Fund - 500 Shares (Gain on sale over book value \$5,659.24) Hogg Foundation: Varner Properties - 200 Shares (Gain on sale over book value \$4,583.97)	32,318.19 12,927.27
	500 Shares U. S. Steel Corp. Common Capital Stock, 100 at 40-7/8 and 400 at 40-3/4 -- Proceeds Distributed: Hogg Foundation: W. C. Hogg Estate Fund - 300 Shares (Loss on sale over book value \$13,981.37) Hogg Foundation: Varner Properties - 200 Shares (Loss on sale over book value \$8,361.79)	12,099.07 8,066.05
	1,600 Shares Philadelphia Electric Co. Common Stock at 30-1/8 -- Proceeds Distributed: Hogg Foundation: W. C. Hogg Estate Fund - 1,000 Shares (Gain on sale over book value \$4,105.01) Hogg Foundation: Varner Properties - 600 Shares (Gain on sale over book value \$1,907.43)	29,733.77 17,840.26
	2,836 Shares Potomac Electric Power Co. Common Stock, 400 at 19-3/8 and 2,436 at 19-1/4 -- Proceeds Distributed: Hogg Foundation: W. C. Hogg Estate Fund - 1,836 Shares (Gain on sale over book value \$2,837.47) Hogg Foundation: Varner Properties - 1,000 Shares (Loss on sale over book value \$3,255.91)	34,821.91 18,966.18
	1,584 Shares Wisconsin Electric Power Co. Common Stock, 100 at 24-1/4, 84 at 24-1/8, and 1,400 at 24 -- Proceeds Distributed: Hogg Foundation: W. C. Hogg Estate Fund - 1,100 Shares (Loss on sale over book value \$3,148.35) Hogg Foundation: Varner Properties - 484 Shares (Gain on sale over book value \$2,934.73)	26,028.56 11,452.56
11/11/68	34/100ths Fractional share The Southland Corp. Common Stock, received in 3% stock dividend (Joe C. Thompson Memorial Fund - Various Donors)	12.92#
11/21/68	200 Shares Libbey-Owens-Ford Glass Co. Common Stock at 61-1/4 (Gain on sale over book value \$1,043.84) (The James W. McLaughlin Fellowship Endowment Fund - Galveston Medical Branch)	12,149.49

SALES OF SECURITIES  
(Continued)

Date Sold	Security and Fund	Net Sales Proceeds
11/21/68	500 Shares Potomac Electric Power Co. Common Stock at 21-1/2 (Loss on sale over book value \$822.52)	\$ 10,582.29
	200 Shares Bethlehem Steel Corp. Common Stock at 30-1/8 (Loss on sale over book value \$3,379.48)	5,946.76
	300 Shares Libbey-Owens-Ford Glass Co. Common Stock at 61-1/4 (Gain on sale over book value \$1,840.98) (The James W. McLaughlin Fellowship Fund - Reserve for Depletion - Galveston Medical Branch)	18,224.24
	200 Shares Consolidated Edison Co. of New York, Inc., Common Stock at 34-5/8 (Gain on sale over book value \$2,103.44)	6,842.24
	100 Shares Potomac Electric Power Co. Common Stock at 21-1/2 (Gain on sale over book value \$371.37)	2,116.45
	200 Shares Bethlehem Steel Corp. Common Stock at 30-1/8 (Loss on sale over book value \$1,947.36)	5,946.76
	200 Shares International Paper Co. Common Stock at 38-1/2 (Gain on sale over book value \$1,545.34)	7,613.34
	100 Shares Union Camp Corp. Common Stock at 53-3/4 (Gain on sale over book value \$2,169.88)	5,325.51
	400 Shares Wisconsin Electric Power Co. Common Stock, 200 at 25-3/4 and 200 at 25-5/8 (Gain on sale over book value \$3,458.11) (The William Heuermann Fund for Cancer Research - Anderson Hospital)	10,127.40
	200 Shares Armco Steel Co. Common Stock at 53-5/8 (Loss on sale over book value \$3,365.84)	10,626.06
	90 Shares Bethlehem Steel Corp. Common Stock at 30 (Loss on sale over book value \$1,478.84) (University Cancer Foundation - Anderson Hospital)	2,664.94
	1,000 Shares International Paper Co. Common Stock at 38-1/2 (Gain on sale over book value \$9,510.57) (Frank B. Cotton Trust - Endowment Account - U. T. El Paso)	38,066.73
	400 Shares Bethlehem Steel Corp. Common Stock at 30-1/8 (Loss on sale over book value \$8,256.77)	11,893.51
	300 Shares U. S. Steel Corp. Common Stock at 40-1/2 (Loss on sale over book value \$16,303.18) (Rosalie B. Hite Endowment for Cancer Research)	12,017.00
	1,815 Shares Pacific Gas & Electric Co. Common Stock, 1,800 at 37-7/8 and 15 at 37-3/4 -- Proceeds Distributed:	
	The James W. McLaughlin Fellowship Endowment - 300 Shares (Gain on sale over book value \$5,667.92)	11,233.45
	The James W. McLaughlin Fellowship Fund - Reserve for Depletion - 615 Shares (Gain on sale over book value \$12,011.71)	23,021.72
	Rosalie B. Hite Endowment for Cancer Research - 900 Shares (Gain on sale over book value \$15,139.45)	33,700.36

SALES OF SECURITIES  
(Continued)

Date Sold	Security and Fund	Net Sales Proceeds
11/21/68	1,100 Shares Philadelphia Electric Co. Common Stock, 200 at 31-1/8 and 900 at 31 -- Proceeds Distributed: University Cancer Foundation - Anderson Hospital - 300 Shs. (Gain on sale over book value \$1,746.91) The Robert A. Welch Chair in Chemistry - 800 Shares (Gain on sale over book value \$244.85)	\$ 9,206.19 24,483.50
	1,750 Shares Union Pacific Railroad Co. Common Capital Stock, 100 at 54-7/8, 50 at 54-3/4, and 1,600 at 54-5/8 -- Proceeds Distributed: The James W. McLaughlin Fellowship Fund - Reserve for Depletion - 200 Shares (Gain on sale over book value \$5,117.45) The William Heuermann Fund for Cancer Research - Anderson Hospital - 450 Shares (Gain on sale over book value \$10,063.53) University Cancer Foundation - Anderson Hospital - 500 Shs. (Gain on sale over book value \$10,462.53) Rosalie B. Hite Endowment for Cancer Research - 600 Shares (Gain on sale over book value \$10,655.58)	10,850.83 24,355.97 27,064.65 32,477.59
11/22/68	950 Shares Philadelphia Electric Co. Common Stock, 200 at 31-1/4, 550 at 31-1/8, and 200 at 31 -- Proceeds Distributed: The James W. McLaughlin Fellowship Fund - Reserve for Depletion - Galveston Medical Branch - 400 Shares (Gain on sale over book value \$1,719.65) University Cancer Foundation - Anderson Hospital - 300 Shs. (Gain on sale over book value \$1,759.35) Rosalie B. Hite Endowment for Cancer Research - 250 Shares (Gain on sale over book value \$683.89)	12,291.48 9,218.63 7,678.90
11/21/68	700 Shares Utah Power & Light Co. Common Stock at 38-1/2 (Loss on sale over book value \$922.79) 500 Shares PPG Industries, Inc. Common Stock at 91-3/8 (Gain on sale over book value \$19,224.90) 300 Shares Norfolk & Western Railway Co. Common Stock at 113-3/4 (Gain on sale over book value \$2,084.43) (The Robert A. Welch Chair in Chemistry)	26,646.71 45,420.88 33,958.17

#Cash received deposited to principal endowment and holding of stock involved written down by same amount.

THE UNIVERSITY OF TEXAS SYSTEM COMMON TRUST FUND - RECOMMENDATION RE ADDITIONS.--The Executive Director of Investments, Trusts and Lands recommends that the following supplemental additions made to the Common Trust Fund endowment account on December 1, 1968, be approved:

Fund	Recommended Addition
The American Theatre Scholarship - Drama (\\$816.43 already in Common Trust Fund)	\$ 7.29
E. Bagby Atwood Memorial Graduate Scholarship in English (\\$7,155.28 already in Common Trust Fund)	71.70
The Accounting Education Fund (College of Business Administration Foundation) (\\$49,249.10 already in Common Trust Fund)	343.00
J. Anderson Fitzgerald Special Scholarship Fund (College of Business Administration Foundation) (\\$8,133.84 already in Common Trust Fund)	45.00
John Arch White Professorship in Business Administration (College of Business Administration Foundation) (\\$69,932.70 already in Common Trust Fund)	500.00
Morgan and Hamah Smith Callaway Fund (\\$19,620.77 already in Common Trust Fund)	222.50
Chimes Scholarship Fund (\\$1,422.32 already in Common Trust Fund)	7.00
Emma Frances Clark Fellowship in Psychology (\\$27,786.42 already in Common Trust Fund)	313.15
Roy Crane Awards in the Arts (\\$10,310.95 already in Common Trust Fund)	23.28
Edward Louis Dodd and Alice Laidman Dodd Fellowship Fund (\\$51,409.45 already in Common Trust Fund)	52.27
J. C. Dolley Finance Education Fund (\\$138.02 already in Common Trust Fund)	1.70
1966 M. E. Class Fund (College of Engineering Foundation) (\\$173.47 already in Common Trust Fund)	1.43
T. U. Taylor Scholarship Fund (College of Engineering Foundation) (\\$5,280.12 already in Common Trust Fund)	52.18
E. William Doty Scholarship Fund (College of Fine Arts Foundation) (\\$3,027.35 already in Common Trust Fund)	32.22
Mavis Alexander Fitzgerald Awards (\\$199.44 already in Common Trust Fund)	2.52
Hal P. Bybee Memorial Fund (Geology Foundation) (\\$159,329.80 already in Common Trust Fund)	175.00
Robert H. Cuyler Memorial Scholarship in Geology (Geology Foundation) (\\$13,962.57 already in Common Trust Fund)	215.00

COMMON TRUST FUND - RECOMMENDATION RE ADDITIONS  
(Continued)

Fund	Recommended Addition
F. L. Whitney Memorial Book Fund - Various Donors (Geology Foundation) (\$2,227.80 already in Common Trust Fund)	\$ 5.00
The Gilbreth Award Fund (\$419.99 already in Common Trust Fund)	4.75
Hinds-Webb Scholarship Fund (\$117.73 already in Common Trust Fund)	1.25
Thos. E. Hogg - Residuary Legacy (\$4,118.96 already in Common Trust Fund)	36.75
Journalism Department - Various Donors (\$19,846.67 already in Common Trust Fund)	669.00
The Will H. Mayes Scholarship in Journalism (\$9,651.09 already in Common Trust Fund)	93.97
The Perry and Tommie Patterson Fellowships in Political Science (\$563.54 already in Common Trust Fund)	5.59
Lora Lee Pederson Scholarship Fund, Graduate School of Social Work (\$5,009.12 already in Common Trust Fund)	133.43
Raoul Daniel Rene "Daddy" Cline Memorial Endowment Fund (Pharmaceutical Foundation) (\$938.47 already in Common Trust Fund)	11.66
W. F. Gidley Appreciation Endowment Fund (Pharmaceutical Foundation) (\$2,856.24 already in Common Trust Fund)	31.06
The Senior Class Endowment Fund (Pharmaceutical Foundation) (\$10,853.87 already in Common Trust Fund)	130.71
Pharmaceutical Research Fund (\$1,081.09 already in Common Trust Fund)	17.49
Alma Jacobs House Piner Fund (\$7,665.08 already in Common Trust Fund)	88.85
DeWitt Reddick Journalism Scholarship Fund (\$3,649.33 already in Common Trust Fund)	39.13
The Amanda Stoltzfus Memorial Trust Fund (\$3,015.39 already in Common Trust Fund)	43.80
Mollie Fitzhugh Thornton Music Scholarship Fund (\$433.65 already in Common Trust Fund)	4.36
The Robert Cantrell Feamster Foundation (Galveston Medical Branch) (\$2,943.42 already in Common Trust Fund)	34.05
The Gaynelle Robertson and Edgar J. Poth Forum Fund for Ophthalmology and General Surgery (Galveston Medical Branch) (\$40,180.84 already in Common Trust Fund)	4,040.09

COMMON TRUST FUND - RECOMMENDATION RE ADDITIONS  
(Continued)

Fund	Recommended Addition
Margie B. Stewart Fund (Galveston Medical Branch) (\$15,868.66 already in Common Trust Fund)	\$13,000.00
William N. and Ida Zinn Alpha Omega Alpha Scholarship Fund (Galveston Medical Branch) (\$2,793.19 already in Common Trust Fund)	16.99
Fitzhugh Carter Pannill Scholarship and Loan Fund (San Antonio Medical School) (\$1,665.00 already in Common Trust Fund)	35.00
Gillette Professorship of Obstetrics and Gynecology (Dallas Medical School) (\$11,097.60 already in Common Trust Fund)	4.94
Fessinger Memorial Lecture Fund (U. T. El Paso) (\$3,991.93 already in Common Trust Fund)	39.62
Lloyd A. Nelson Professorship in Geology ( U. T. El Paso) (\$85,162.91 already in Common Trust Fund)	628.13
Total supplemental additions made to Common Trust Fund endowment account on December 1, 1968	<u>\$21,180.86*</u>

\*The total of \$21,180.86 submitted for approval, supplements previously approved additions in the amount of \$112,644.22, for a total of \$133,825.08 added to the Common Trust Fund endowment account on December 1, 1968, for a new book value of \$7,132,714.27.

TRUST AND SPECIAL FUNDS - GIFT, BEQUEST AND ESTATE MATTERS.--

U. T. AUSTIN - REPORT OF RECEIPT OF BEQUEST UNDER THE WILL OF ANNE M. NETZER.--At the January 26, 1968 meeting of the Board of Regents, the bequest under the will of Anne M. Netzer was accepted. Miss Netzer, a graduate of The University of Texas at Austin in 1921, left 100 shares of stock of the Boeing Company to establish a scholarship in memory of her parents, Joseph and Annie Wright Netzer.

The stock has now been received as well as dividends on the stock payable since September 10, 1967. The Executive Director, Investments, Trusts and Lands, recommends the establishment of the Joseph and Annie Wright Netzer Memorial Scholarship at U. T. Austin under the terms and conditions as approved by administrative officials of U. T. Austin. The value of the stock as of the date of receipt was \$5,737.50. It is further recommended by the Executive Director, Investments, Trusts and Lands, that the stock be sold at a time to be determined by market conditions and the funds added to the Common Trust Fund, with income available for the scholarship.

DALLAS MEDICAL SCHOOL - RECOMMENDATION FOR ACCEPTANCE OF BEQUEST UNDER THE WILL OF ANNIE M. WILLIAMS FOR THE DR. OTIS LAWRENCE WILLIAMS MEMORIAL FUND FOR CANCER RESEARCH.--Miss Annie M. Williams died in Dallas in March, 1965, leaving a will, which was duly probated, providing the following bequest:

"I direct that my diamond rings be sold for market value and the rest and residue of my estate be disposed of according to the discretion of my independent executors and the procedure after the execution of the foregoing bequest shall, upon the payment of all expenses of the administration of my estate, be accumulated in a fund and said fund delivered to the South West Medical School at Dallas, Texas, or to such trusts or entities for it or associated with it to accomplish a bequest in the memory of my father, Dr. Otis Lawrence Williams, for the use of the South West Medical School at Dallas, Texas, and its facilities in the furtherance for research and treatment of cancer. It is my intention that all the rest and residue of my estate not specifically willed or herein before disposed of be dedicated to cancer research through the facilities established by or in connection with the South West Medical School in Dallas, Texas, and my executors are directed to deliver this bequest and discharge by paying same to the appropriate trust, entity, or officer to accomplish this bequest and dedication, and make delivery thereof to the appropriate authority to utilize this money for research and treatment of cancer, and to make known and identify this bequest as being from me in memory of my deceased father, Dr. Otis Lawrence Williams."

The residuary estate consisted principally of stocks now delivered by the executors to the University, with a value of approximately \$72,000 at date of death and now worth approximately \$62,000. Final accounting has not yet been furnished by the executors but a small amount of cash should be received by the University in the next few months.

Dean Sprague joins the Executive Director, Investments, Trusts and Lands, in recommending acceptance of this bequest; and Dean Sprague recommends that the Board of Regents authorize expenditure of principal as well as income under University rules and procedures applying to such funds.

TRUST AND SPECIAL FUNDS - REAL ESTATE MATTERS.--

U. T. AUSTIN - MURRAY CASE SELLS ESTATE - RATIFICATION OF ACTION OF EXECUTIVE DIRECTOR OF INVESTMENTS, TRUSTS AND LANDS IN EXECUTION OF INSTRUMENTS EFFECTING REDUCTION OF OVERRIDING ROYALTY INTERESTS AS TO CERTAIN LEASES OWNED BY SELLS PETROLEUM, INCORPORATED.--The University, as one of the ten educational institutions participating as legatees under the will of Murray Case Sells, is the owner of a 5% interest in Sells Petroleum, Incorporated, and in a 50% overriding royalty interest carried in the name of Mr. Eugene McElvaney, Mr. A. D. Harder and Dr. Law Sone, Trustees, on various producing oil and gas leases owned and operated by Sells Petroleum, Incorporated. Many of these leases have reached, or are approaching, that point of depletion at which it becomes uneconomical for the operator to continue to operate the properties unless the burden of the overriding royalty is reduced. That point has been reached with respect to the leases hereinafter set out. The University was asked to join the other owners of the Company and the overrides in reducing the following overrides, effective January 1, 1969, in the amounts indicated. The following schedule shows the leases involved, the net operating losses realized by Sells Petroleum, Incorporated for the first ten months of 1968, and the amount of the reduction in the overriding royalties:

<u>Lease</u>	<u>Sells 1968 Net Oper. Loss Jan. thru Oct.</u>	<u>Reduction of ORRI</u>	
		<u>From</u>	<u>To</u>
Emma Sibley Lease No. 27, Gregg County, Texas	(\$3,080.19)	.70000%	.07000%
Giles Lease No. 38 Rusk County, Texas	( 2,903.12)	.70000%	.07000%
Mink Island Water Flood Unit Posey County, Indiana	(10,909.21)		
E. E. Elliott A No. 127		.43750000	.043750000
E. E. Elliott No. 127-a		.218750000	.021875000
E. E. Elliott No. 1913b		.10937500	.010937500
E. E. Elliott No. 2162		.41015625	.041015625
E. E. Elliott No. 1913a Posey County, Indiana	Non productive Not in Unit	.21875000	.000000000

The Executive Director, Investments, Trusts and Lands requests that his action in joining in the execution of the instruments effecting the reductions in the overriding royalties as outlined be ratified.





THE UNIVERSITY OF TEXAS SYSTEM  
BOARD OF REGENTS  
OFFICE OF INVESTMENTS, TRUSTS AND LANDS  
P. O. BOX 7969 • AUSTIN, TEXAS 78712

*Call attention to  
this in  
transmitted letter.  
BA2*

FLOYD G. SHELTON  
EXECUTIVE DIRECTOR

January 16, 1969

Mr. Frank N. Ikard, President  
American Petroleum Institute  
1101 17th Street, N.W.  
Washington, D. C. 20036

Re: M. D. ANDERSON HOSPITAL - GIMBEL BUILDING FUND - RECOM-  
MENDATION FOR SALE OF MINERALS IN AMBROSE MAYS SURVEY,  
HARRIS COUNTY

Dear Mr. Ikard:

We are enclosing copies of the following:

1. Recommendation being included in the Trust and Special Funds, Real Estate Matters, for the Land and Investment Committee for the January 31 meeting of the Board of Regents
2. Letter of January 10 from Mr. W. R. Stearns and Dr. G. H. Eifler, Jr., of our Bureau of Economic Geology
3. Zingery map section showing subject tract, suggested drill site areas, and part of the surrounding area in Harris and Montgomery Counties. *File in folder*

So far as any of us can recall, this will be, if the proposal is accepted, the first time the Board of Regents has sold minerals, except in the case of letting part of the minerals go with a sale of acreage. Even though we would be retaining a very substantial non-participating royalty (1/6), I thought it in order to review the matter a little further by letter so that the Board might be in a better position for a decision and also to allow an opportunity for any questions or requests for additional information prior to the meeting.

The offer from the Marcus brothers states that it is firm until February 3. We are glad that they are being represented in the matter by Mr. Thomas D. Anderson of the firm of Anderson, Brown, Orn & Pressler of Houston, and Mr. Anderson has explained that they are working as diligently as possible with Texaco, owner of the oil and gas lease on the property, as to drilling sites and on other features of the transaction so as to know, prior to the Board meeting, whether or not it is going to be "impossible" for the Marcus brothers to work out all of this. If we are not

Mr. Frank N. Ikard

-2-

January 16, 1969

notified prior to the Board meeting that it is impossible, we are assured that it will be absolutely firm, and, if the recommendation is approved by the Board, the Escrow Agreement will be signed with deposit of \$6,816. Under the circumstances, we believe this is a fair arrangement.

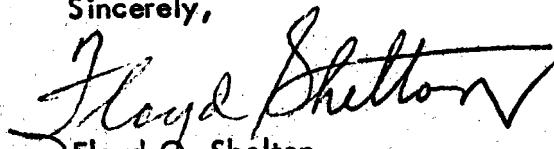
We appreciate very much the help Dr. Eifler and Mr. Stearns have given us. Mr. Stearns made a special trip to Houston to check out the matter, and he is responsible for getting the offer up to \$300 per mineral acre from about \$50 where the Marcus brothers started the negotiations several weeks ago.

We have not had an opportunity to discuss this with Mr. Josey and of course would appreciate any attention he can give it prior to the Board meeting.

We believe that possibilities for a new lease bringing any bonuses and rentals to the University are rather remote due to the projected immediate residential development. Texaco has a sizeable block under lease, including the Gimbel tract, and perhaps it is reasonable to assume that they are going to give every consideration to further tests for deep gas in the area before dropping the lease.

President Clark and I recommend that the proposal be accepted.

Sincerely,

  
Floyd O. Shelton  
Executive Director

sz

enclosures

cc: Members of the Board of Regents  
Chancellor Harry Ransom  
President R. Lee Clark  
Miss Betty Anne Thedford  
Mr. W. R. Long  
Mr. W. R. Stearns and Dr. G. H. Eifler, Jr.

TRUST AND SPECIAL FUNDS - REAL ESTATE MATTERS.--

ANDERSON HOSPITAL - MOSE GIMBEL ESTATE - RECOMMENDATION FOR SALE OF MINERALS, WITH ROYALTY RESERVATION.--The only asset not liquidated by the executors of the Estate of Mose Gimbel and conveyed to the Board of Regents for the Gimbel Wing of M. D. Anderson Hospital was an undivided 1/2 interest in the minerals under approximately 454.4 acres, Ambrose Mays Survey, Harris County. Mr. Gimbel had provided in his will that the "royalty" under this tract not be sold.

The surface is owned by Messrs. Ben and Max Marcus, and the tract is now in the path of continued development in north Harris County. The Marcus brothers are negotiating for sale of the tract to a developer who needs to have the development approved for FHA loans and needs to acquire the University's 1/2 of the minerals.

After extended negotiations, in which our Bureau of Economic Geology has assisted, the Marcus brothers now propose to buy the University's 1/2 of the minerals at \$300 per mineral acre cash, with the University retaining 1/6 non-participating royalty, being the same royalty as granted in the current lease held by Texaco. Two 5-acre drilling sites will be reserved. Texaco's lease from the Board of Regents is dated June 16, 1967, for primary term of 5 years and was for bonus of \$51 per mineral acre, \$10 per acre annual delay rental, and 1/6 royalty. Rental was paid last June. In discussing the matter with Texaco, they can give the University no indication at this time as to whether the lease will be dropped or if it will be drilled.

The proposal from the Marcus brothers is to deposit \$6,816 earnest money (10% of \$300 per acre for 227.2 mineral acres) under an Escrow Agreement carrying the right to close the purchase of the minerals by March 31, 1969, the deposit to apply on the purchase if so closed, but without the requirement of specific performance by the Marcus brothers. If not closed by March 31, 1969, the Marcus brothers will have the right to extend the agreement for another 90 days upon payment of \$1,000 to the University, and this payment will not apply on purchase price. The earnest money will be forfeited to the University if the purchasers do not close the deal, except in the event of title difficulties that cannot be cured.

President Clark joins the Executive Director, Investments, Trusts and Lands, in recommending that the Board of Regents accept the proposal and authorize the execution of the appropriate papers, including the Deed if the sale is made under the term of the Escrow Agreement. Since this is a somewhat unusual situation, the Executive Director, Investments, Trusts and Lands, expects to mail to the members of the Board of Regents prior to the meeting a copy of this recommendation, together with a map and additional details regarding the matter.

LAND AND INVESTMENT COMMITTEE

Date: January 31, 1969

Time: Following the meeting of the Medical Affairs Committee

Place: Castilian Room, Third Floor  
Shamrock Hilton, Houston, Texas

Page  
L & I

Permanent University Fund - Investment Matters

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|--|----|
| 1. Recommendation Regarding Addition to List A and Purchase of Convertible Securities Issued by Companies on List A              | 25 |
| 2. Recommendation for Addition to Approved List of Brokers   | 25 |
| 3. Recommendation for Approval with Respect to the Handling of Purchases and Sales of Bonds and FHA Insured First Mortgage Notes | 25 |

PERMANENT UNIVERSITY FUND - INVESTMENT MATTERS.--

RECOMMENDATION REGARDING ADDITION TO LIST A AND PURCHASE OF CONVERTIBLE SECURITIES ISSUED BY COMPANIES ON LIST A.--International Telephone & Telegraph Company is proposing to acquire Hartford Fire Insurance Company on a basis of exchanging its convertible preferred stock for common stock of Hartford Fire. It would appear to our best interest to be in position to accept the International Telephone & Telegraph Company convertible preferred stock for our stock in Hartford Fire Insurance Company if the proposed acquisition is consummated. Accordingly, it is recommended by the Executive Director, Investments, Trusts and Lands, joined by the Staff Investment Committee and Lionel D. Edie & Company, that:

1. International Telephone & Telegraph Company be added to List A, being the list of the companies whose stocks are approved for purchase for the Permanent University Fund; and
2. That convertible securities, either Debentures or Preferred Stocks, issued by any company on List A be approved for purchase for the Permanent University Fund.

RECOMMENDATION FOR ADDITION TO APPROVED LIST OF BROKERS.--

It is recommended by the Executive Director, Investments, Trusts and Lands that the firm of R. W. Pressprich & Company, Incorporated of New York be added to the approved list of brokers. The firm has a branch office in Dallas, Texas.

RECOMMENDATION FOR APPROVAL WITH RESPECT TO THE HANDLING OF PURCHASES AND SALES OF BONDS AND FHA INSURED FIRST MORTGAGE NOTES.--In order to implement the program of exchanging bonds for other bonds, or FHA Insured First Mortgage Notes, authorized by the Land & Investment Committee at its special meeting held December 14, 1968, it is recommended by the Executive Director, Investments, Trusts & Lands that authority be granted to:

1. Buy bonds from, or sell bonds to any licensed dealer.
2. Buy FHA Insured First Mortgage Notes from any source, provided the notes purchased conform to existing standards and regulations relating thereto, and are serviced by a Seller-Servicer with whom an authorized Seller-Servicer Agreement is in effect.

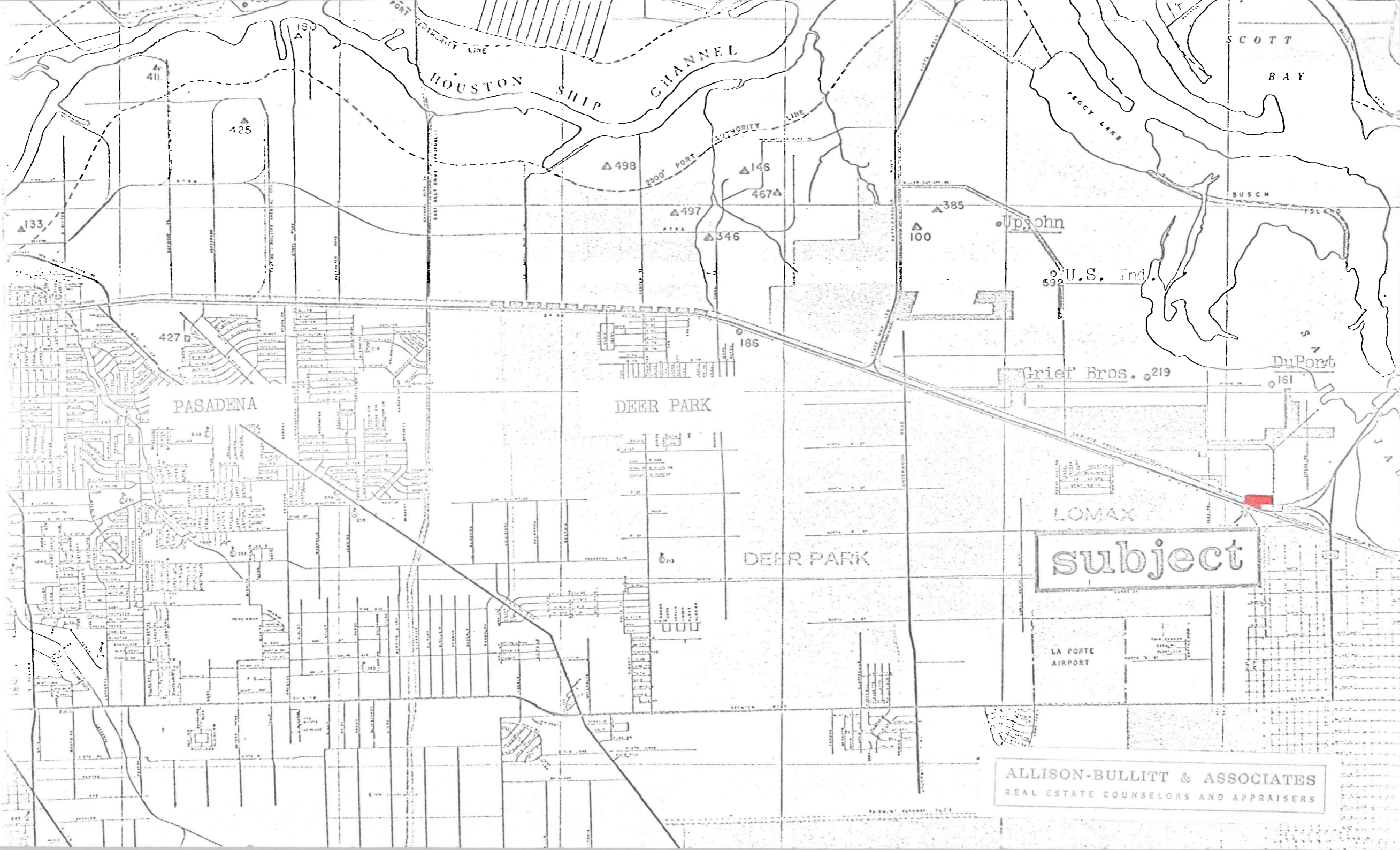
This authority is with the understanding that any bonds sold pursuant to this authority would be delivered only upon payment therefor, and any bonds or notes purchased would be paid for only upon delivery of such bonds or notes.

## TRUST AND SPECIAL FUNDS - REAL ESTATE MATTERS

DALLAS MEDICAL SCHOOL - GILLETTE PROFESSORSHIP OF OBSTETRICS AND GYNECOLOGY - RECOMMENDATION FOR SALE OF ACREAGE IN HARRIS COUNTY.--The Gillette Professorship was established by gifts from Mr. and Mrs. W. Everett DuPuy of Houston and the Gillette Foundation and accepted by the Board of Regents in January, 1966. Cash and a mortgage note in the total amount of approximately \$23,000 were given, but the principal gift was approximately 10.45 acres of unimproved land on State Highway 225 between Pasadena and LaPorte. At the time of the gift, this property was appraised at approximately \$6,500 an acre but was accepted, based on prospects for increase in value, to meet the minimum endowment of \$100,000 for a professorship. Mr. DuPuy had sold 5 acres to Ohmstede Machine Works, Inc. of Beaumont prior to the gift, and the Ohmstedes have been negotiating over a period of time for purchase of the acreage owned by the University. Their last contact was within the last few days with an offer of \$75,000, after receipt of this offer, another appraisal was obtained showing a present market value of approximately \$7,500 per acre. After further negotiations, the Ohmstedes have offered \$8,750 per acre cash, which will mean approximately \$91,000 after expenses of sale. The Board of Regents will retain all minerals but with drilling limited to directional drilling off the tract or pooling. The sale would more than complete the Donor's plans for funding the professorship.

Dean Sprague and the Executive Vice Chancellor for Medical Affairs join the Executive Director, Investments, Trusts and Lands, in a strong recommendation that the Board of Regents authorize the proposed sale.





subject

ALLISON-BULLITT & ASSOCIATES  
REAL ESTATE COUNSELORS AND APPRAISERS

# **Meeting of the Board**



AGENDA  
MEETING OF THE BOARD OF REGENTS  
OF  
THE UNIVERSITY OF TEXAS SYSTEM

Chairman Erwin, Presiding

Date: January 31, 1969

Time:

Place: Castilian Room, Third Floor  
The Shamrock Hilton, Houston, Texas

The Agenda for the Board meeting will be in the  
Supplementary Agenda Material.

AGENDA  
MEETING OF THE BOARD OF REGENTS  
OF  
THE UNIVERSITY OF TEXAS SYSTEM

Chairman Erwin Presiding

Date: January 31, 1969

Place: Castilian Room, Third Floor  
Shamrock Hilton, Houston, Texas

Time: 9 a. m.

A. INVOCATION

B. CONSIDERATION OF MINUTES OF MEETING HELD ON  
DECEMBER 13, 1968

U. T. AUSTIN: RESOLUTION AUTHORIZING ISSUANCE AND AWARDED SALE OF BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, AND THE UNIVERSITY OF TEXAS AT AUSTIN, BUILDING REVENUE BONDS, SERIES 1969, \$25,000,000. --Pursuant to authorization at the meeting of December 13, 1968, bids for Board of Regents of The University of Texas System, The University of Texas at Austin, Building Revenue Bonds, Series 1969, in the amount of \$25,000,000, bids will be received in the Office of Investments, Trusts and Lands at 11:00 a. m. on Thursday, January 30, 1969.

At the Regents' meeting on Friday, January 31, 1969, at 9:00 a. m. a recommendation will be submitted by the Executive Director of Investments, Trusts and Lands for sale of the bonds to the successful bidder.

It is recommended that the resolution as prepared by the bond counsel and as set out on Pages B of R - 3-18 authorizing issuance of and awarding sale of subject bonds be adopted.

Action Required

1. Adoption of the resolution as prepared by the bond counsel and as set out on Pages B of R - 3-18 authorizing issuance of and awarding sale of subject bonds.
2. Designation of paying agent. --A recommendation will be made at the meeting.
3. Award of contract for printing bonds. --A recommendation will be made at the meeting.

CERTIFICATE FOR RESOLUTION AUTHORIZING THE ISSUANCE OF BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, THE UNIVERSITY OF TEXAS AT AUSTIN, BUILDING REVENUE BONDS, SERIES 1969, \$25,000,000

THE STATE OF TEXAS :  
COUNTY OF TRAVIS :  
THE UNIVERSITY OF TEXAS SYSTEM:

We, the undersigned officers of the Board of Regents of The University of Texas System, hereby certify as follows:

1. The Board of Regents of The University of Texas System convened in REGULAR MEETING ON THE 31ST DAY OF JANUARY, 1969, in Houston, Texas, and the roll was called of the duly constituted officers and members of said Board, to-wit:

Mr. Frank C. Erwin, Jr., Chairman	Mr. Joe M. Kilgore
Mr. Jack S. Josey, Vice Chairman	Mr. John Peace
Mr. W. H. Bauer	Mr. Dan C. Williams
Mr. Jenkins Garrett	Dr. E. T. Ximenes
Mr. Frank Ikard	Betty Anne Thedford, Secretary

and all of said persons were present, except the following absentees:

\_\_\_\_\_ ,  
thus constituting a quorum. Whereupon, among other business, the following was transacted at said Meeting: a written RESOLUTION AUTHORIZING THE ISSUANCE OF BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, THE UNIVERSITY OF TEXAS AT AUSTIN, BUILDING REVENUE BONDS, SERIES 1969, \$25,000,000 was duly introduced for the consideration of said Board and read in full. It was then duly moved and seconded 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 above voted "Aye."

NOES: None.

2. That a true, full and correct copy of the aforesaid Resolution adopted at the Meeting described in the above and foregoing paragraph is attached to and follows this Certificate; that said Resolution has been duly recorded in said Board's minutes of said Meeting; that the above and foregoing paragraph is a true, full and correct excerpt from said Board's minutes of said Meeting pertaining to the adoption of said Resolution; that the persons named in the above and foregoing paragraph are the duly chosen, qualified, and acting officers and members of said Board as indicated therein; that each of the officers and members of said Board was duly and sufficiently notified officially and personally, in advance, of the time, place, and purpose of the aforesaid Meeting, and that said Resolution would be introduced and considered for adoption at said Meeting, and each of said officers and members consented, in advance, to the holding of said Meeting for such purpose; and that said Meeting was open to the public as required by law.

SIGNED AND SEALED the 31st day of January, 1969.

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Chairman

(SEAL)

RESOLUTION AUTHORIZING THE ISSUANCE OF BOARD OF  
REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, THE  
UNIVERSITY OF TEXAS AT AUSTIN, BUILDING REVENUE  
BONDS, SERIES 1969, \$25,000,000

WHEREAS, the Board of Regents of The University of Texas System (sometimes hereinafter called the "Board") is authorized to construct, acquire, improve, and equip buildings and other structures, and additions to existing buildings and other structures, and acquire land therefor, at The University of Texas at Austin (sometimes hereinafter referred to as the "University"); and

WHEREAS, the Board has determined to issue and deliver its negotiable revenue bonds in the aggregate amount of \$25,000,000 for such purpose; and

WHEREAS, said bonds, hereinafter authorized, are to be issued pursuant to Vernon's Article 2909c, as amended.

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, THE UNIVERSITY OF TEXAS AT AUSTIN, BUILDING REVENUE BONDS, SERIES 1969," (hereinafter sometimes called the Bonds) are hereby authorized to be issued and delivered in the principal amount of \$25,000,000 for the purpose of PAYING THE COST OF CONSTRUCTING, ACQUIRING, IMPROVING, AND EQUIPPING BUILDINGS AND OTHER STRUCTURES, AND ADDITIONS TO BUILDINGS AND OTHER STRUCTURES, AND ACQUIRING LAND THEREFOR, AT THE UNIVERSITY OF TEXAS AT AUSTIN.

Section 2. That the Bonds shall be dated MARCH 1, 1969, shall be numbered consecutively from 1 THROUGH 5,000, shall be in the denomination of \$5,000 EACH, and shall mature and become due and payable serially on MAY 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>
1972	\$275,000	1989	\$ 670,000
1973	295,000	1990	700,000
1974	310,000	1991	740,000
1975	325,000	1992	780,000
1976	340,000	1993	820,000
1977	360,000	1994	865,000
1978	380,000	1995	910,000
1979	400,000	1996	955,000
1980	420,000	1997	1,000,000
1981	445,000	1998	1,060,000
1982	465,000	1999	1,115,000
1983	490,000	2000	1,170,000
1984	515,000	2001	1,235,000
1985	545,000	2002	1,300,000
1986	570,000	2003	1,370,000
1987	600,000	2004	1,440,000
1988	635,000	2005	1,500,000

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 the Bonds shall bear interest from their date, until maturity or redemption, at the following rates per annum:

maturities 1972 through _____,	_____%
maturities _____ through _____,	_____%
maturities _____ through _____,	_____%
maturities _____ through _____,	_____%
maturities _____ through _____,	_____%
maturities _____ through _____,	_____%

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

Section 4. That the 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,  
THE UNIVERSITY OF TEXAS AT AUSTIN,  
BUILDING REVENUE BOND  
SERIES 1969

ON MAY 1, \_\_\_\_\_, the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, for and on behalf of THE UNIVERSITY OF TEXAS AT AUSTIN, 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 NOVEMBER 1, 1969, and semi-annually thereafter on each MAY 1 and NOVEMBER 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 \_\_\_\_\_, TEXAS, or, at the option of the bearer, at \_\_\_\_\_, NEW YORK, NEW YORK, which places shall be the paying agents for this Series of bonds.

THIS BOND is one of a Series of negotiable, serial, coupon bonds, dated MARCH 1, 1969, issued in the principal amount of \$25,000,000 in accordance with Article 2909c, Vernon's Annotated Texas Statutes, as amended, and authorized pursuant to a Resolution duly adopted by said Board, for the purpose of PAYING THE COST OF CONSTRUCTING, ACQUIRING, IMPROVING, AND EQUIPPING BUILDINGS AND OTHER STRUCTURES, AND ADDITIONS TO BUILDINGS AND OTHER STRUCTURES, AND ACQUIRING LAND THEREFOR, AT THE UNIVERSITY OF TEXAS AT AUSTIN.

ON MAY 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 to be so redeemed, as follows: 2% if redeemed on or before November 1, 1988, 1½% if redeemed after November 1, 1988, but on or before November 1, 1994, 1% if redeemed after November 1, 1994, but on or before November 1, 2000, and ½ of 1% if redeemed after November 1, 2000.

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 agents 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 agents 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 are secured by and payable from an irrevocable first lien on and pledge of the Net Revenues of the Utility Plant and Gross Student Fees at The University of Texas at Austin, as defined and provided 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 Net Revenues of the Utility Plant and Gross Student Fees.

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 the 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.

XXXXXXXXXX  
\_\_\_\_\_  
Secretary, Board of Regents  
The University of Texas System

XXXXXXXXXX  
\_\_\_\_\_  
Chairman, Board of Regents,  
The University of Texas System.

FORM OF REGISTRATION CERTIFICATE:

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, for and on behalf of THE UNIVERSITY OF TEXAS AT AUSTIN, 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 \_\_\_\_\_, TEXAS, or, at the option of the bearer, at the \_\_\_\_\_, 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, THE UNIVERSITY OF TEXAS AT AUSTIN, BUILDING REVENUE BONDS, SERIES 1969, DATED MARCH 1, 1969. 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. Bond No. \_\_\_\_\_.

XXXXXXXXX  
Secretary, Board of Regents

XXXXXXXXX  
Chairman, Board of Regents

Section 6. That throughout this Resolution the following terms as used herein 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 "University" shall mean The University of Texas at Austin.

The term "Gymnasium Facilities" shall mean the existing buildings and facilities therein known as the Gregory Gymnasium, and the Women's Gymnasium, located on the campus of the University, which provide physical training, sports, athletic, and other gymnasium facilities for students at the University, together with all improvements and additions thereto, and any replacements thereof. It is hereby determined and declared that the Gymnasium Facilities are revenue producing facilities at the University.

The term "Library Facilities" shall mean the following libraries, the buildings in which they are housed, and all facilities used in or pertaining thereto: Main Library, Undergraduate Library, East Campus Library, Barker Texas History Center, and all other libraries and library facilities on the campus of the University which provide library services and facilities for students at the University, together with all improvements and additions thereto, and any replacements thereof. It is hereby determined that the Library Facilities are revenue producing facilities at the University.

The term "Utility Plant" shall mean the Hal C. Weaver Heating and Power Station, and the Central Cooling Stations, on the campus of the University, and all other facilities now or hereafter owned and operated by the Board and used for the purpose of furnishing chilled water, steam, or electricity to buildings and facilities of the University and other users, including all buildings and structures constituting said Utility Plant, together with all equipment, distribution lines, tunnels, and other facilities appurtenant thereto, and all improvements and additions thereto and all extensions and replacements thereof. It is hereby determined that the Utility Plant is a revenue producing facility at the University.

The term "Student Fees" or "Use Fees" shall mean the gross collections of the fees to be fixed, charged, and collected from all students regularly enrolled at the University, for the use and availability of the Gymnasium Facilities, the Library Facilities, and/or the Utility Plant, in the manner and to the extent provided in this Resolution.



The term "Gross Revenues of the Utility Plant" or "Gross Revenues" shall mean all of the revenues, income, and receipts of every nature derived from the operation and ownership of the Utility Plant, including, but not limited to, the receipts from furnishing chilled water, steam, and electricity to any and all facilities and buildings of the University or to other users.

The term "Current Expenses of the Utility Plant" or "Current Expenses" shall mean all necessary operating and maintenance expenses of the Utility Plant, including all expenses of reasonable upkeep and repairs, properly allocated share of charges for insurance, and all other expenses incident to the operation and maintenance thereof, but shall exclude depreciation and all general administrative expenses of the University.

The term "Net Revenues of the Utility Plant" or "Net Revenues" shall mean the Gross Revenues after deduction of Current Expenses.

The term "Net Revenues of the Utility Plant and Gross Student Fees" or "Net Revenues and Gross Fees" shall mean the Net Revenues of the Utility Plant plus the gross collections of the Student Fees.

The term "Bonds" shall mean the Bonds authorized by this Resolution.

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

Section 7. That the Bonds and Additional Bonds are and shall be secured by and payable from an irrevocable first lien on and pledge of the Net Revenues of the Utility Plant and Gross Student Fees, and said Net Revenues and Gross Fees are further pledged irrevocably to the establishment and maintenance of the Interest and Redemption Fund and Reserve Fund, hereinafter created.

Section 8. That the Bonds and Additional Bonds, and interest coupons appertaining thereto, shall constitute special obligations of the Board, payable solely from the pledged Net Revenues and Gross Fees, and such obligations shall not constitute a prohibited indebtedness of the University, the Board, nor the State of Texas, and the holders of the Bonds and Additional Bonds, and the coupons attached thereto shall never have the right to demand payment out of funds raised or to be raised by taxation.

Section 9. (a) That there is hereby created and ordered to be established on the books of the University a separate account to be entitled the "Utility Plant Revenue Fund" (hereinafter sometimes called the "Revenue Fund").

(b) Commencing immediately after the delivery of the Bonds, all Gross Revenues of the Utility Plant shall be credited to the Revenue Fund. The Current Expenses of the Utility Plant shall be paid when due from the Gross Revenues in the Revenue Fund, as a first charge against said Gross Revenues.

Section 10. That there is hereby created and shall be established on the books of the University a separate account to be entitled the "Student Fees Fund". Commencing after the delivery of the Bonds all gross collections of the Student Fees shall be credited to the Student Fees Fund.

Section 11. That to pay the principal of and interest on all outstanding Bonds and Additional Bonds as the same come due, there is hereby created and shall be established on the books of the University a separate account to be entitled the "Utility Plant-Student Fee Revenue Bonds Interest and Redemption Fund" (hereinafter sometimes called the "Interest and Redemption Fund").

Section 12. That there is hereby created and ordered to 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 known as the "Utility Plant-Student Fee Revenue Bonds Reserve Fund" (hereinafter sometimes called the "Reserve Fund"). The Reserve Fund shall be used finally in retiring the last of the outstanding Bonds and Additional Bonds, if any, 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 Redemption Fund is otherwise insufficient for such purpose.

Section 13. INVESTMENTS. Money in every Fund created by this Resolution may, at the option of the Board, be placed in time deposits or be invested in direct obligations of the United States of America; obligations which, in the opinion of the Attorney General of the United States, are general obligations of the United States and backed by its full faith and credit; all obligations guaranteed by the United States of America; 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. Any obligations in which money is so invested shall be kept and held in trust for the benefit of the holders of the Bonds and any Additional Bonds, and shall be promptly sold and the proceeds of sale applied to the making of all payments required to be made from the Fund from which the investment was made. All such investments shall be valued in terms of current market value as of June 30 and December 31 of each year.

Section 14. (a) That immediately after the delivery of the Bonds all accrued interest and any premium received from the sale of the Bonds shall be deposited to the credit of the Interest and Redemption Fund.

(b) That on or before the 20th day of October, 1969, and semi-annually thereafter on or before the 20th day of each April and October, the Board shall transfer from the Net Revenues in the Revenue Fund and/or from the Use Fees in the Student Fees Fund and deposit to the credit of the Interest and Redemption Fund the amount of interest scheduled to come due on the Bonds on the next succeeding interest payment date.

(c) That on or before the 20th day of October, 1971, and semi-annually thereafter on or before the 20th day of each April and October, the Board shall transfer from the Net Revenues in the Revenue Fund and/or the Use Fees in the Student Fees Fund and deposit to the credit of the Interest and Redemption Fund an amount equal to one half of all principal scheduled to mature and come due on the Bonds on the next succeeding May 1.

Section 15. That immediately after the delivery of the Bonds the sum of \$1,500,000 from the proceeds from the sale of the Bonds shall be transferred and deposited to the credit of the Reserve Fund. No deposits shall be required to be made into the Reserve Fund as long as the money and investments in the Reserve Fund are at least equal to the aggregate amount of \$1,500,000 in market value; but if and whenever the Reserve Fund is reduced below said aggregate amount, deposits shall be made into the Reserve Fund from the first available Net Revenues in the Revenue Fund and/or Use Fees in the Student Fees Fund, and continued until such time as the Reserve Fund has been restored to said aggregate amount.

Section 16. (a) That if on any occasion there shall not be sufficient pledged Net Revenues or Use Fees available to make the required deposits into the Interest and Redemption Fund or the Reserve Fund, then such deficiency shall be made up as soon as possible from the next available pledged Net Revenues and Use Fees, or from any other sources lawfully available for such purpose.

(b) Subject to making all deposits to the credit of the Interest and Redemption Fund and the Reserve Fund, as required by this Resolution, or any resolution authorizing the issuance of Additional Bonds, any surplus Net Revenues in the Revenue Fund and Use Fees in the Student Fees Fund shall be used by the Board to pay premiums on insurance required to be carried by this Resolution, to the extent such premiums are not actually paid from some other source, and any other surplus Net Revenues and Use Fees may be used by the Board for any lawful purpose.

Section 17. The Board covenants and agrees at all times to fix, levy, charge, and collect a uniform Student Fee

from each student regularly enrolled in the University at each regular fall and spring semester and at each term of each summer session, for the use and availability of any one, or all, of the following: (1) the Gymnasium Facilities, (2) the Library Facilities, and (3) the Utility Plant, in such amounts, without any limitation whatsoever, as will be at least sufficient at all times, together with the Net Revenues of the Utility Plant, to provide money for making all deposits required to be made to the credit of the Interest and Redemption Fund and the Reserve Fund in connection with the Bonds and any Additional Bonds, and for paying the premiums on the insurance required to be carried by this Resolution, to the extent such premiums are not actually paid from some other source. It is hereby officially found, determined, and declared by the Board that said Student Fees in such amounts are reasonable in all respects, taking into consideration all factors involved.

Commencing with the first term of the summer session of the University beginning in June, 1969, the Board hereby fixes and covenants and agrees to levy, charge, and collect from each student regularly enrolled in the University, a uniform Student Fee for the use and availability of any one, or all, of the Gymnasium Facilities, the Library Facilities, and the Utility Plant, in the amounts as follows:

(1) \$13.00 per term from each student regularly enrolled in the University at each term of each summer session; and

(2) \$26.00 per semester from each student regularly enrolled in the University at each of the regular fall and spring semesters;

and such Use Fees shall be and remain in effect in at least said amounts through the 1969-70 fiscal year of the University, but shall be increased if required by this Section.

Section 18. (a) 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. 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 a first lien on and pledge of the Net Revenues of the Utility Plant and Gross Student Fees.

(b) Each resolution under which Additional Bonds are issued shall provide that, in addition to the amounts required by this Resolution and any resolution or resolutions authorizing Additional Bonds to be deposited to the credit of the Interest and Redemption Fund and the Reserve Fund, the Board shall deposit to the credit of the Interest and Redemption 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 come due, and shall deposit to the credit of the Reserve Fund at least such amounts, in not less than 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 five years from the date of the 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 such proposed Additional Bonds and the then outstanding Bonds, and any then outstanding Additional Bonds, and that thereafter such deposits shall be made to the credit of the Reserve Fund as will cause the Reserve Fund at all times to contain a total amount of money and investments at least equal in market value to the average annual principal and interest requirements of such proposed Additional Bonds, the then outstanding Bonds, and any then outstanding Additional Bonds.

(c) The principal of all Additional Bonds must be scheduled to be paid or mature on May 1 of the years in which such principal is scheduled to be paid or mature; and all interest thereon must be payable on May 1 and November 1; and any redemption of the principal thereof prior to maturity shall be permitted only as of May 1 or November 1.

Section 19. Additional Bonds shall be issued only in accordance with this Resolution, and no installment, Series, or issue of Additional Bonds shall be issued or delivered unless:

(a) The senior financial officer of the University 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 Redemption 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 University's fiscal year, or the twelve calendar month period, next preceding the date of execution of such certificate, the Net Revenues of the Utility Plant and Gross Student Fees, together with any other amounts pledged to the payment of Bonds and Additional Bonds, were at least equal to 1.25 times the average annual principal and interest requirements of all then outstanding Bonds and Additional Bonds.

(c) The senior financial officer of the University signs a written certificate to the effect that during each University fiscal year while any Bonds or Additional Bonds, including the proposed Additional Bonds, are scheduled to be

outstanding, the estimated Net Revenues of the Utility Plant and Gross Student Fees, together with any other amounts pledged to the payment of Bonds and Additional Bonds, will be at least equal to 1.25 times the average annual principal and interest requirements of all then outstanding Bonds and Additional Bonds, and the then proposed Additional Bonds.

Section 20. On or before the 25th day of October, 1969, and on or before the 25th day of each April and of each October thereafter while any of the Bonds and Additional Bonds, if any, are outstanding and unpaid, there shall be made available to the paying agents therefor, out of the Interest and Redemption Fund, money sufficient to pay such interest on and such principal of the Bonds and Additional Bonds, if any, as will accrue or mature on the November 1 or May 1 immediately following. The paying agents shall totally destroy all paid bonds and coupons and furnish the Board with an appropriate certificate of destruction covering the bonds and coupons thus destroyed.

Section 21. (a) That all 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 University of Texas System, in principal amounts at all times not less than the amounts of money credited to such Funds, respectively.

(b) That whenever the total amount in the Interest and Redemption Fund and the Reserve Fund shall be equivalent to (1) the aggregate principal amount of Bonds and Additional Bonds, if any, outstanding, plus (2) the aggregate amount of all unpaid coupons thereto appertaining unmatured and matured, no further payments need be made into the Interest and Redemption Fund or the Reserve Fund. In determining the amount of Bonds or Additional Bonds outstanding, there shall be subtracted the amount of any Bonds or Additional Bonds which shall have been duly called for redemption and for which funds shall have been deposited with the paying agents sufficient for such redemption.

Section 22. The Board covenants and agrees that:

(a) It will faithfully perform at all times any and all covenants, undertakings, stipulations, and provisions contained in this Resolution and in each and every Bond and Additional Bond; that it will promptly pay or cause to be paid the principal of and interest on every Bond and Additional Bond, on the dates and at the places and manner prescribed in such Bond or Additional Bond; and that it will, at the times and in the manner prescribed herein, deposit or cause to be deposited the amounts of money specified herein.

(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 upon which the Gymnasium Facilities, the Library Facilities, and the Utility Plant are and will be located, and has a good and indefeasible estate in such lands in fee simple, that it warrants that it has, and will defend, the title to all the aforesaid lands and facilities, and every part thereof and improvements thereon, 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 Net Revenues and Gross Fees pledged hereunder 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 Gymnasium Facilities, the Library Facilities, and the Utility Plant, 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 upon any of the aforesaid facilities, 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, materialman'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) It will not do or suffer any act or thing whereby the Gymnasium Facilities, the Library Facilities, or the Utility Plant might or could be impaired, and that it will at all times maintain, preserve, and keep the real and tangible property of all of the aforesaid facilities and every part thereof in good condition, repair, and working order, and operate, maintain, preserve, and keep all buildings, structures, and equipment pertaining thereto and every part and parcel thereof in good condition, repair, and working order. The Board covenants and agrees that all Current Expenses of the Utility Plant shall be paid from the Gross Revenues in the Revenue Fund to the extent such Gross Revenues are available. To the extent such Gross Revenues are not available or sufficient, the Current Expenses of the Utility Plant, together with all of the expenses of operating and maintaining the Gymnasium Facilities and Library Facilities, shall be paid from the general funds of the University in the same manner as the expenses of operation and maintenance of educational or general facilities at the University, or paid from

any other sources or funds lawfully available to the University or the Board for such purposes. The Board further covenants and agrees that, commencing not later than September 1, 1969, adequate rates and charges for services and facilities shall be made and collected in connection with the operation of the Utility Plant.

(f) That while the Bonds or Additional Bonds, if any, are outstanding and unpaid, the Board shall not additionally encumber the pledged Net Revenues and Gross Fees 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) That while the Bonds or any Additional Bonds are outstanding the Board will not encumber, sell, lease, abandon, or otherwise dispose of any real or personal property of the Gymnasium Facilities, the Library Facilities, or the Utility Plant, unless the Board provides for the replacement thereof with substantially equal or superior facilities, or unless the Board determines that such real or personal property is no longer needed or is no longer useful, and that the disposition thereof will not adversely affect the University or the operation and maintenance of Gymnasium Facilities, Library Facilities, or the Utility Plant.

(h) That at all times hereafter the Board shall procure boiler explosion insurance on all steam boilers servicing the Gymnasium Facilities, Library Facilities, and the Utility Plant, in an amount not less than \$50,000 against loss suffered by reason of a boiler explosion. Further, at all times hereafter the Board shall procure fire and extended coverage insurance on the Gymnasium Facilities, the Library Facilities, and the Utility Plant. The foregoing boiler explosion and fire and extended coverage insurance shall be maintained so long as Bonds or Additional Bonds are outstanding, and such fire and extended coverage insurance shall be in amounts at least sufficient to provide for full recovery to the extent that the damage does not exceed 80% of full insurable value. Such insurance shall be carried with a reliable insurance company or companies. In lieu of providing fire and extended coverage insurance as required above, the Board may, at its option, provide the equivalent of such insurance under its System-Wide Fire and Extended Coverage Insurance policy, subject to a deductible provision which is reasonable in amount, provided the Board establishes and maintains a special account containing funds which are at least sufficient to offset said deductible amount and which are immediately available for such purpose. Upon the happening of any loss or damage covered by such insurance from one or more of said causes, the Board shall make due proof of loss and shall do all things necessary or desirable to cause the insuring companies to make payment in full directly to the Board. The proceeds of insurance covering such property, together with any other funds necessary and available for such purpose, shall be used forthwith by the Board for repairing the property damaged or replacing the property destroyed; provided, however, that if said insurance proceeds and other funds are insufficient for such purpose, then said insurance proceeds shall be used promptly as follows:



(1) for the redemption prior to maturity of the Bonds and Additional Bonds, if any, ratably in the proportion that the outstanding principal of each Series or issue of Bonds or Additional Bonds bears to the total outstanding principal of all Bonds and Additional Bonds; provided that if on any such occasion the principal of any such Series or issue is not subject to redemption, it shall not be regarded as outstanding in making the foregoing computation; or

(2) if none of the outstanding Bonds or Additional Bonds is subject to redemption, then for the purchase on the open market and retirement of said Bonds and Additional Bonds, in the same proportion as prescribed in the foregoing clause (1), to the extent practicable; provided that the purchase price for any such Bond or Additional Bond shall not exceed the redemption price of such Bond or Additional Bond on the first date upon which it becomes subject to redemption; or

(3) to the extent that the foregoing clauses (1) and (2) cannot be complied with at the time, the insurance proceeds, or the remainder thereof, shall be deposited in a special and separate trust fund, at an official depository of the Board, to be designated the Insurance Account. The Insurance Account shall be held until such time as the foregoing clauses (1) and (2) can be complied with, or until other funds become available which, together with the Insurance Account, will be sufficient to make the repairs or replacements originally required, whichever of said events occurs first.

(i) At all times when the Reserve Fund does not contain the maximum aggregate amount then required to be therein, the Board shall procure and maintain business interruption insurance on all the facilities, buildings, and structures of the Utility Plant, to the extent obtainable, in an amount sufficient to enable the Board to deposit in the Interest and Redemption Fund and the Reserve Fund, out of the proceeds of such insurance, an amount equal to the sums that are required to be deposited in said Funds during the time the Utility Plant is wholly or partially unusable, as a result of loss of use or occupancy caused by the perils covered by fire and extended coverage insurance.

(j) It will, as soon as practicable after the delivery of the Bonds, and on or before February 1 of each year thereafter, file with the original purchasers of the Bonds a certificate signed by the senior financial officer of the University stating that the Board has complied with the requirements of this Section with respect to the maintenance of insurance, and listing all policies carried, and that all insurance premiums upon the insurance policies to which reference is hereinbefore made have been paid.

(k) 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 Net Revenues and Gross Fees, and all books, documents, and vouchers relating thereto shall at all reasonable times be made available for inspection upon request by the holders of not less than 25% of the outstanding Bonds and Additional Bonds.

(1) That each year while the Bonds or Additional Bonds, if any, are outstanding, an audit will be made of its books and accounts relating to the pledged Net Revenues and Gross Fees by the State Auditor of the State of Texas, or a certified public accountant, such audit to be based on the fiscal year of the University beginning on September 1 of each year and ending on August 31 of each year. 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 the original purchasers of the Bonds, and to all bondholders who shall so request. Such annual audit reports shall be open to the inspection of the bondholders and their agents and representatives at all reasonable times.

Section 23. That the Chairman of the Board of Regents is hereby authorized to have control of said Bonds and all necessary records and proceedings pertaining to said 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 said 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 said Bonds, and the seal of said Comptroller shall be impressed, or placed in facsimile, on each of said Bonds.

Section 24. That the Bonds are hereby sold and shall be delivered to \_\_\_\_\_ for the price of par and accrued interest to the date of delivery, plus a premium of \$\_\_\_\_\_.

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Agenda of the Meeting of the Board of Regents (Continued)

Time: Following the meeting of the Committee of the Whole

- D. SPECIAL ITEMS
1. Chancellor Harry Ransom
  2. Chief Administrative Officers of the Component Institutions
    - a. U. T. Austin (Doctor Hackerman)
    - b. U. T. Arlington (Doctor Harrison)
    - c. U. T. El Paso (Doctor Leech)
    - d. Galveston Medical Branch  
(Doctor Blocker)
    - e. Dallas Medical School  
(Doctor Sprague)
    - f. San Antonio Medical School  
(Doctor Pannill)
    - g. System Nursing School  
(Doctor Willman)
    - h. Houston Dental Branch  
(Doctor Olson)
    - i. Anderson Hospital (Doctor Clark)
    - j. G.S.B.S. (Doctor Arnim)
    - k. Division of Continuing Education  
(Doctor Taylor)
    - l. Public Health School (Doctor Stallones)
  3. Members of the Board of Regents
    - a. Chairman Frank C. Erwin, Jr.
    - b. Vice-Chairman Jack S. Josey
    - c. Regent W. H. Bauer
    - d. Regent Jenkins Garrett

- e. Regent Frank N. Ikard
- f. Regent Joe M. Kilgore
- g. Regent John Peace
- h. Regent Dan C. Williams
- i. Regent E. T. Ximenes

E. REPORTS OF STANDING COMMITTEES

- 1. Executive Committee
- 2. Academic and Developmental Affairs Committee
- 3. Buildings and Grounds Committee
- 4. Land and Investment Committee
- 5. Medical Affairs Committee
- 6. Board for Lease of University Lands

F. REPORTS OF SPECIAL COMMITTEES, IF ANY

G. REPORT OF COMMITTEE OF THE WHOLE

H. ADJOURNMENT

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM  
THE UNIVERSITY OF TEXAS AT AUSTIN, BUILDING REVENUE BONDS, SERIES 1969  
IN THE AMOUNT OF \$25,000,000

SALE OF THE BONDS.--As authorized, bids were called for and received until 11:00 a.m., CST, on January 30, 1969, and then publicly opened and tabulated. A copy of the tabulation is attached.

It is recommended by the Executive Director, Investments, Trusts and Lands, that the Board of Regents adopt the resolution authorizing the issuance of the bonds and the sale to a syndicate composed of White, Weld & Co. and Associates at the price of par and accrued interest to date of delivery, plus a premium of \$1,750, at rates of interest shown on the tabulation.

DESIGNATION OF PAYING AGENCY.--Attached is a tabulation of the bids received and publicly opened and tabulated at 2:00 p.m., January 29, 1969, CST, in accordance with specifications previously furnished the qualified bidders (Texas banks with assets in excess of \$100,000,000).

It is recommended by the Executive Director, Investments, Trusts and Lands, that the bid of the First National Bank in Dallas to serve as paying agent for this issue be accepted. The bank will charge five cents (5¢) per coupon and twenty-five cents (25¢) per bond paid. The co-paying agent is Manufacturers Hanover Trust Company of New York.

AWARD OF CONTRACT FOR PRINTING THE BONDS.--Attached is a tabulation of the bids received and publicly opened and tabulated at 2:00 p.m., January 29, 1969, CST, in accordance with specifications previously furnished companies bidding on University issues in recent years.

It is recommended by the Executive Director, Investments, Trusts and Lands that the bid of Steck-Warlick Company, The Steck Division, Austin, be accepted for printing bonds with lithographed borders, as set out in the specifications, for the sum of \$1,625.00, there being four interest rates.

TABULATION OF BIDS

\$25,000,000

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM  
THE UNIVERSITY OF TEXAS AT AUSTIN - BUILDING REVENUE BONDS, SERIES 1969

Bids opened 1-30-69 @ 11:00 A.M., C.S.T.

ACCOUNT	COUPONS	INTEREST COST	EFFECTIVE RATE
First National Bank in Dallas and Associates	1972 to 1985 6.00%	Gross: \$32,907,814.00 Less Prem: 777.00 Net: \$32,907,037.00	5.4021%
	1986 to 1993 5.30%		
	1994 to 1997 5.40%		
	1998 to 1999 5.45%		
	2000 to 2003 5.50%		
	2004 to 2005 5.00%		
White, Weld & Co. and Associates	1972 to 1983 6.00%	Gross: \$32,587,382.13 Less Prem: 1,750.00 Net: \$32,585,632.13	5.3493%
	1984 to 1985 5.80%		
	1986 to 2004 5.40%		
	2005 to ---- 4.25%		
	to		
	to		
Halsey Stuart Co., Inc; Phelps Fenn & Co.; Lehman Bros.; Bear Stearns & Co.; Eastman Dillon, Union Securities & Co; and Associates	1972 to 1989 6.00%	Gross: \$33,213,266.67 Less Prem: 1,890.15 Net: \$33,211,376.52	5.4521%
	1990 to 2004 5.50%		
	2005 to ---- 4.00%		
	to		
	to		
	to		
	19__ to _____	Gross: \$ _____ Less Prem: _____ Net: \$ _____	
	to _____		
	to _____		
	to _____		
	to _____		
	to _____		
	19__ to _____	Gross: \$ _____ Less Prem: _____ Net: \$ _____	
	to _____		
	to _____		
	to _____		
	to _____		
	to _____		

BIDS FOR PAYING AGENCY

\$25,000,000

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM  
THE UNIVERSITY OF TEXAS AT AUSTIN  
BUILDING REVENUE BONDS, SERIES 1969

(Dated March 1, 1969)

Tabulation of Bids Received  
January 29, 1969 - 2:00 p.m., C.S.T.

Bidder	Co-Paying Agent	Per Coupon Paid	Per Bond Paid
Bank of the Southwest National Association, Houston Corporate Trust Department P. O. Box 2629 Houston, Texas 77001	Bankers Trust Company Corporate Trust Division 16 Wall Street New York, New York 10015	9¢	\$0.90
First National Bank in Dallas P. O. Box 6031 Dallas, Texas 75222	Manufacturers Hanover Trust Company of New York	5¢	\$0.25
The First National Bank of Fort Worth Corporate Trust Department P. O. Box 2260 Fort Worth, Texas 76101	Manufacturers Hanover Trust Company, New York, New York	9¢	\$0.50
Frost National Bank of San Antonio P. O. Drawer 1600 San Antonio, Texas 78206	Chase Manhattan Bank New York, New York	10¢	\$1.50
Mercantile National Bank at Dallas P. O. Box 5415 Dallas, Texas 75222	Chase Manhattan Bank	10¢	\$0.99
Republic National Bank of Dallas P. O. Box 2964 Dallas, Texas 75221	First National City Bank of New York 111 Wall Street New York, New York	7¢	\$0.65
Texas National Bank of Commerce of Houston P. O. Box 2558 Houston, Texas 77001	Bankers Trust Company 16 Wall Street New York, New York	10¢	\$1.00





*Board of Regents - U. T. E*

TRUST AND SPECIAL FUNDS - BOND MATTERS.--

*Reselect*  
U. T. EL PASO' - ~~RECOMMENDATION FOR AUTHORIZATION OF CALL~~ *ing*  
OF OUTSTANDING BONDS OF COLLEGE OF MINES AND METALLURGY, DORMITORY  
REVENUE BONDS, SERIES 1946, IN THE AMOUNT OF \$261,000, ~~AND ADOPTION~~  
~~OF RESOLUTION THEREFOR.~~--In connection with the proposed new dormitory at U. T.  
El Paso, it has been determined that the calling and redemption of the outstanding  
Dormitory Revenue Bonds, Series 1946, in the amount of \$261,000 and the incorporation  
of that facility into a Dormitory System for U. T. El Paso, is necessary.

*This needs*  
~~It is, therefore, recommended by the Executive Director, Investments, Trusts and Lands,~~  
~~joined by Executive Vice Chancellor Walker and Acting President Leech, that the~~  
~~Board~~ authorizes the call of the outstanding bonds of the Series 1946 issue on April 1,  
1969 and adopt the resolution therefor, which is attached. [The terms of the bond  
resolution require publication of the call in a financial publication in the City of New  
York, New York, not less than 30 days prior to the date of call with notice in writing  
to the paying agent banks at the same time. Funds for the redemption of the bonds  
will come from those appropriated at the December, 1968 meeting and funds in the  
Interest and Sinking Fund and Reserve Fund for the 1946 issue.

CERTIFICATE FOR

RESOLUTION

BY THE BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM AUTHORIZING CALL FOR REDEMPTION AND REDEMPTION OF OUTSTANDING BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS, COLLEGE OF MINES AND METALLURGY, DORMITORY REVENUE BONDS, SERIES 1946, IN THE AMOUNT OF \$261,000

THE STATE OF TEXAS §  
COUNTY OF HARRIS §  
THE UNIVERSITY OF TEXAS SYSTEM §

We, the undersigned officers of the Board of Regents of the University of Texas System, hereby certify as follows:

1. The Board of Regents of the University of Texas System convened in regular meeting, open to the public, on the 31st day of January, 1969, in the City of Houston, Harris County, Texas, and the roll was called of the duly constituted officers and members of said Board, to-wit:

Mr. Frank C. Erwin, Jr., Chairman	Mr. Joe M. Kilgore
Mr. Jack S. Josey, Vice Chairman	Mr. John Peace
Mr. W. H. Bauer	Mr. Dan C. Williams
Mr. Jenkins Garrett	Dr. E. T. Ximenes
Mr. Frank N. Ikard	Betty Anne Thedford, Secretary

and all of said persons were present, except the following absentees: \_\_\_\_\_,

thus constituting a quorum. Whereupon, among other business,

the following was transacted at said meeting: a written

RESOLUTION

BY THE BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM AUTHORIZING CALL FOR REDEMPTION AND REDEMPTION OF OUTSTANDING BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS, COLLEGE OF MINES AND METALLURGY, DORMITORY REVENUE BONDS, SERIES 1946, IN THE AMOUNT OF \$261,000

was duly introduced for the consideration of said Board and read in full. It was then moved and seconded that said Resolu-

tion 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  
~~above~~ voted "Aye."

NOES: None.

2. That a true, full and correct copy of the aforesaid Resolution adopted at the meeting described in the above and foregoing paragraph is attached to and follows this Certificate; that said Resolution has been duly recorded in said Board's minutes of said meeting; that the above and foregoing paragraph is a true, full and correct excerpt from said Board's minutes of said meeting pertaining to the adoption of said Resolution; that the persons named in the above and foregoing paragraph are the fully chosen, qualified, and acting officers and members of said Board as indicated therein; and that each of the officers and members of said Board was duly and sufficiently notified officially and personally, in advance, of the time, place and purpose of the aforesaid meeting.

SIGNED AND SEALED the 31st day of January, 1969.

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Secretary

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Chairman

(SEAL)

RESOLUTION

BY THE BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM AUTHORIZING CALL FOR REDEMPTION AND REDEMPTION OF OUTSTANDING BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS, COLLEGE OF MINES AND METALLURGY, DORMITORY REVENUE BONDS, SERIES 1946, IN THE AMOUNT OF \$261,000

WHEREAS, the Board of Regents of the University of Texas System (hereinafter sometimes called the "Board") has heretofore authorized, issued, and delivered that issue of Board of Regents of the University of Texas, College of Mines and Metallurgy, Dormitory Revenue Bonds, Series 1946, dated October 1, 1946; and

WHEREAS, the hereinafter described outstanding bonds of the said issue are redeemable by the Board, at its option, on April 1, 1969; and

WHEREAS, the Board deems it desirable that said bonds be called for redemption, and redeemed;

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

1. That the Board hereby elects to exercise its option to redeem, prior to their scheduled maturities, the bonds described in the following NOTICE OF BONDS CALLED FOR REDEMPTION, such redemption to be accomplished in the manner provided in the resolution authorizing the issuance of said bonds and in the said NOTICE, which is to be in substantially the following form:

NOTICE OF REDEMPTION OF BONDS PRIOR TO MATURITY

NOTICE IS HEREBY GIVEN that the Board of Regents of the University of Texas System has elected to exercise its reserved option to redeem its following described bonds:

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS, COLLEGE OF MINES AND METALLURGY, DORMITORY REVENUE BONDS, SERIES 1946, dated October 1, 1946, numbered from 350 to 391, both inclusive, and from 397 to 615, both inclusive, aggregating \$261,000, bearing interest at the rate of three and one-fourth per cent (3-1/4%) per annum, maturing in each of the years 1969 to 1978, both inclusive, and being all of said bonds now outstanding.

All of said bonds are called for redemption on April 1, 1969, at The State National Bank of El Paso, El Paso, Texas (the successor to the State National Bank, El Paso, Texas), or at the Irving Trust Company, in the Borough of Manhattan, City and State of New York, which are the paying agents for said bonds, where funds will be available for the payment of the principal of all said bonds, plus matured interest thereon to April 1, 1969, plus a premium of one per cent (1%) of said principal. Said bonds shall cease to bear interest from and after April 1, 1969.

BY RESOLUTION OF THE BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM.

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Secretary

2. That the NOTICE provided for in Section 1 of this Resolution shall be published in a financial publication in the City of New York, New York, at least once, not less than thirty (30) days before April 1, 1969, and said NOTICE shall be given in writing to the said banks of payment at least thirty (30) days prior to said date.

3. That the Chairman of the Board or some officer of the Board acting under his authority is hereby authorized and directed to do any and all things necessary or convenient to carry out the provisions of this Resolution.