

This volume consists of Material Supporting the Agenda for the following meetings:

April 22 - 23, 1966	No. 642
May 27 - 28, 1966	No. 643
July 8 - 9, 1966	No. 644
August 26 - 27, 1966	No. 645

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MATERIAL SUPPORTING THE AGENDA

Volume XIIIc

April 1966 - August 1966

This volume contains the Material Supporting the Agenda furnished to each member of the Board of Regents prior to the meetings held on April 22-23, May 27-28, July 8-9, and August 26-27, 1966.

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

Material Supporting
Agenda

Meeting Date: July 8 - 9, 1966

Meeting No.: 644

Name: Office Copy

CALENDAR
BOARD OF REGENTS
OF
THE UNIVERSITY OF TEXAS
July 8 - 9, 1966
Austin, Texas

Place: Main Building, Rooms 209
210, and 212

Telephone No.: GR 1 1265

Friday, July 8, 1966

Part of the day

9:00 a. m. Meeting of the Board -- To consider bond issues --- Room 212

9:15 a. m. Meeting of Trustees of the Winedale Stagecoach Inn Fund (Secretary, W. W. Stewart) --- Room 209

9:30 a. m. Committee of the Whole--Executive Session to consider personnel and developmental matters --- Room 209

11:00 am
12:00 noon *Dr. Baum*
Lunch --- Room 101

1:00 p. m. Executive Committee --- Room 209

1:15 p. m. Meeting of the Standing Committees

Land and Investment Committee --- Room 210

Academic and Developmental Affairs Committee --- Room 209

2:15 p. m. Joint Meeting of the Buildings and Grounds Committee and the Medical Affairs Committee* (Followed by separate committee meetings) --- Room 210

Buildings and Grounds Committee --- Room 210

Medical Affairs Committee --- Room 209

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

3:15 p. m.

Committee of the Whole--Executive
Session (Continued from morning
session and will include items on
Agenda or Emergency Items that
have been cleared with the Chancellor
relating to institutions out of Austin)
--- Room 209

Saturday, July 9, 1966

9:00 a. m.

Committee of the Whole--Executive
Session (To consider any unfinished
personnel or developmental matters)
--- Room 209

11:00 a. m.

Meeting of the Board --- Room 212

NOTE: Though the time may vary, the meetings will follow in
this order.

Executive Committee

EXECUTIVE COMMITTEE

Date: July 8, 1966

Time: 1:00 p.m.

Place: Room 209

Members:

Regent Brennan, Chairman
Vice-Chairman Erwin
Regent Connally
Regent Johnson
Regent Olan
Chairman Heath, Ex Officio Member

No items have been submitted for consideration by the Executive Committee. The report of the interim action taken by the Committee will be included in the Supplementary Agenda material.

EXECUTIVE COMMITTEE

Supplementary Agenda

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 - 6T-5
 - b. Medical Branch Land Acquisition Program (43-M-65) 5
 - c. Texas Student Publications, Inc.: Minutes of Board of Directors and Specific Actions Contained Therein (42-M-65) 5
 - d. Amendments to the 1965-66 Budgets: 8
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 - Main University, Items 85-94
 - Texas Western College, Items 29-31
 - Arlington State College, Items 7-10
 - Southwestern Medical School,
Items 24-28
 - M. D. Anderson Hospital and
Tumor Institute, Items 15-18

Below is a report of the items that have been submitted to and unanimously approved by the Executive Committee. If these are found in order and are adopted by the Board, the following will appear in the minutes of the July 8 - 9, 1966 meeting:

REPORT OF INTERIM ACTIONS OF THE EXECUTIVE COMMITTEE.--
Below is a report of the actions that have been unanimously approved by the Executive Committee since the last meeting of the Board of Regents on May 28, 1966.

a. Permission to Travel: Main University and M. D. Anderson Hospital and Tumor Institute:

- (1) Main University: Permission to Doctor E. Ward Cheney for Travel (2T-11). -- Permission was granted to Doctor E. Ward Cheney, Associate Professor of Mathematics, Senior Research Mathematician, Computation Center, to go to Teddington, England; Lund, Sweden; and Moscow, Russia from June 1, 1966 to June 1, 1967. Doctor Cheney is to do research as a guest mathematician from June 1 through August 21, 1966, at the National Physical Laboratory in Teddington, England; to do research on a one-third time basis while serving as Visiting Professor at Lund University, Lund, Sweden; and to attend the International Congress of Mathematicians to be held in Moscow, Russia; and to attend other professional meetings. Doctor Cheney's expenses are to be paid from contract funds and from funds other than from The University of Texas.
- (2) Main University: Permission to Doctor Kenneth Gentle for Travel (2T-12). -- Permission was granted to Doctor Kenneth Gentle, Research Scientist, Department of Physics, and Assistant Professor of Physics, effective September 1, 1966, to go to Trieste, Italy from June 1 through September 15, 1966 to carry out research in plasma physics working group at International Centre for Theoretical Physics. Doctor Gentle's expenses to be reimbursed are \$900 for transportation and \$1,344 per diem (84 days) with the source of funds to come from grant funds.
- (3) Main University: Permission to Doctor Wilson S. Stone for Travel (2T-13). -- Permission was granted to Doctor Wilson S. Stone, Professor of Zoology, to go to the Hawaiian Islands, Fiji and other Pacific Islands from July 5 through August 17, 1966 to study population genetic and species relations in the endemic species. Doctor Stone's expenses to be reimbursed are \$1,500 for transportation and \$704 per diem (44 days) with the source of funds to come from contract funds.
- (4) Main University: Permission to Doctor Hugo Steinfink for Travel (2T-14). -- Permission was granted to Doctor Hugo Steinfink, Professor of Chemical Engineering, to go to Moscow, USSR, for a meeting; to Paris, Zurich, and London to visit laboratories from June 21 through

August 3, 1966 to present a paper at the Seventh International Union of Crystallography and visit laboratories engaged in similar types of research at Paris, Zurich, and London. Doctor Steinfink's expenses to be reimbursed are \$1,040 for transportation and \$850 per diem (43 days) with the source of funds to come from grant and contract funds.

- (5) Main University: Permission to Doctor F. W. Roberts for Travel (2T-15). -- Permission was granted to Doctor F. W. Roberts, Director of Humanities Research Center, to go to New York and England from June 30 through September 2, 1966. Doctor Roberts will confer briefly about proposed activities in England while in New York and make contacts in the interest of the library development program at the University while in England. Doctor Roberts will be reimbursed \$183.60 from General Budget funds for his transportation within the United States. The transportation and expenses for his stay in England will be without expense to the University.
- (6) Main University: Permission to Doctor R. Malcolm Brown, Jr. for Travel (2T-16). -- Permission was granted to Doctor R. Malcolm Brown, Jr., Assistant Professor of Botany, to go to the Hawaiian Islands from July 1 through August 1, 1966 to conduct field studies on special project the University has with the University of Hawaii on drosophilidae. Doctor Brown's expenses to be reimbursed are \$400 for transportation and \$256 per diem (32 days) with the source of funds to come from grant funds.
- (7) M. D. Anderson Hospital and Tumor Institute: Permission to Doctor Robert J. Shalek for Travel (6T-5). -- Permission was granted to Doctor Robert J. Shalek, Physicist and Professor of Biophysics, to go (a) June 8-9 to the University of Cincinnati, Cincinnati, Ohio to consult with Doctor Theodore D. Sterling, Medical Computing Center, Kettering Laboratories and June 9 through June 12 to the Scientific Meeting of the American Association of Physics in Medicine, and Executive Board of the AAPM, to be held in Madison, Wisconsin with the expenses of both to be paid from state funds; (b) June 13 through 17 to the International Conference on the Use of Computers in Therapeutic Radiology, to be held at Cambridge University, Cambridge, England with expenses to be paid from Grant CA-06294; (c) June 18 through 24 to attend a panel meeting at the International Atomic Energy Agency, to be held in Vienna, Austria with expenses to be paid by the International Atomic Energy Agency; (d) June 25 to July 2 to attend the Third International Congress of Radiation Research, to be held in Cortina, Italy with expenses to be paid from Atomic Energy Commission Grant AT-(40-1)-2832. At these meetings Doctor Shalek will present papers. Before returning to Houston, Doctor Shalek will go to Manchester, England from July 3 through July 9 where he will do experimental work on pulse radiolysis with enzyme systems together with Doctors Michael Ebert and Vernon Davies at the Paterson Laboratories with expenses to be paid by Grant CA-06294.

- b. Medical Branch: Acquisition of Lot 1, Block 488 (43-M-65). -- In compliance with the policies and procedures for the acquisition of properties previously approved by the Board of Regents the following contract of sale was approved as set out below for the full Board's consideration with authority (1) for voucher and check to be issued and said check delivered in exchange for warranty deed and evidence of good title to the property, (2) for funds to pay for this property from funds previously received from The Sealy and Smith Foundation and/or the appropriations previously made by the Board of Regents for the acquisition of this property, and (3) for Mr. Warren G. Harding to sign the contract on behalf of the Board of Regents:

<u>Block</u>	<u>Lot</u>	<u>Seller</u>	<u>Purchase Price</u>
488	1	Minnie Anna Buckley and Sam Buckley	\$ 10,605.00

This contract of sale is subject to lease to present owner from the date of closing until August 31, 1966 for \$25.00, and at seller's option to lease until August 31, 1967 for \$100.00 with sale to be consummated on or before June 1, 1966.

- c. Texas Student Publications, Inc. :Minutes of Meeting of Board of Directors and Specific Actions Thereby (42-M-65). -- The minutes of the meeting of the Board of Directors of Texas Student Publications, Inc., held on Thursday, April 28, 1966 were approved, and thereby the following actions of the Texas Student Publications, Inc. Board were approved: *Amended*

- (1) Appointment of Lafe Dyson Hill as Associate Editor of the 1967 Cactus, effective September, 1966.
- (2) Approval of Contracts as follows:
 - (a) Taylor Publishing Company, Dallas, Texas, to print the 1967 Cactus at the same prices charged for the 1964 Cactus less 1%.
 - (b) Koen Studio, Austin, Texas, to make all studio photographs for the 1967 Cactus, with an option for 1968, 1969 and 1970 at the rates of 65¢ for the first print and 35¢ for additional prints for the same negative. This is the best bid received.
 - (c) Steck Company, Austin, Texas, to print the 1966-67 Student Directory at the rate of \$9,709 for 12,000 copies with 25,600 names.
 - (d) The University Printing Division, Austin, Texas, to print the Ranger, Riata, and Texas Engineering and Science Magazine during 1966-67, at the rates of "Port", standard rate book, prices less 25%, or actual cost whichever is lower, plus the cost of the engravings.

(3) Approval of Awards as follows:

(a) Plaques and certificates for student workers:

The Daily Texan

Kaye Northcott, Editor	Copper Plaque
Bill Towery, Managing Editor, Fall 1965	Copper Plaque
Sam Keach, Managing Editor, Spring 1966	Copper Plaque
Larry Ikels, Assistant Managing Editor, 1965-66	Laminated Certificate on Wood Plaque
Judy Burton, Outstanding Texan Worker	Laminated Certificate on Wood Plaque

Gold Seal Certificates

Gloria Brown	Carolyn Nichols	David Wiessler
John Economidy	Will O'Hara	Hank Ezell
Bill Halstead	Susan Powell	Linda Leonard
Alicia Helton	Morris Shelton	Renee Fendrich
Nancy Kowert	Sara Speights	

Certificate Awards

Lela Abernathy	Ann Hardy	Dan Rice
John Anders	Jane Haun	Dean Rindy
Carolyn Barkley	Don Hunt	Sharon Shelton
Janet Barkley	Larry Jackson	Suzanne Shelton
Richard Bond	Lynnell Jackson	Lesley Sims
Annie Brown	Sue Jankovsky	Linda Slavik
Paula Bullard	Virgil Johnson	Deane Spiller
Paul Burka	Eva Matula	John Stalmach
Don Cox	Ray Montemayor	J. L. Webb
Judith Croom	Lanny Naegelin	Elliott West
David DeVoss	Jim Overton	Dave Wilson
Ronnie Ellis	Robert Hinkle	Ann Watson
John Erickson	Robert Parks	Art Yarborough
Richard Filip	Don Pannen	Bill Cryer
George Goss	Linda Pendley	Edward Fowler

The Texas Ranger

Clint Dare, Editor, Fall 1965	Framed Certificate
Byron Black, Editor, Spring 1966	Copper Plaque

Gold Seal Certificates

Danny Stanwood	Virginia Gilcrease	Jerry Greenberg
Ronnie Ellis	Gary Bullock	Carl Clover

Certificate Awards

Charles Dent	Richard Ulrich	Dave Wilson
Robert Burns	Don Passman	Jerry Narahara

Riata

Richard Bond, Editor, Fall 1965
David Phillips, Editor, Spring 1966

Certificate
Certificate

Gold Seal Certificates

Terry Anderson

Barbara Whitehead

Certificate Awards

Jack Steele

Roxy Gordon

Texas Engineering and Science Magazine

Joe Sullivan, Editor

Copper Plaque

Gold Seal Certificates

Dave Wilson
Dwight Monteith

John R. LaMontagne
Page Piland

Gil Johnston
John Goodman

Certificate Awards

Jeanne Amacker
Don Hartman
Richard Schroeder

Jim Rash
Skip Jones

Karen Kummer
Pat Martin

Cactus

Lyn Reeder, Editor
Carol Cooke, Associate Editor

Copper Plaque
Laminated Certificate
on Wood Plaque

Gold Seal Certificates (Plus Copy of 1966 Cactus as previously budgeted)

Kay Hartong -- Outstanding Section Editor

Framed Certificate

Diana Boland
Pat Bowers
Sara Broyles
Judith Croom

Joyce Darling
Jarrie Davis
Linda Haston
Janis Hughen

Gwen Richardson
David Shull
Dick Smith
Sharon Valenti

Certificate Awards (Plus Copy of 1966 Cactus as previously budgeted)

Lafe Hill -- Outstanding First Year Worker

Framed Certificate

Paul Angenend
Toni Bracher
Nadine Cochran
Pat Connolly
Barbara Coward
Dianne Davis
Mike Dickey

Pam Gates
Judy Gibson
Kathy Horn
Karolyn Karr
Gaye McNutt
Lynn Morris
Ellen Noble

Lucy Parker
Yvon Reeder
Pam Roberson
Lynda Rogers
Diane Rubenstein
Christine Walker
Joan Willis

(b) Texas Engineering and Science Magazine awards:

Joe Sullivan, Editor, \$100 from the Wages account of Texas Engineering and Science Magazine Budget.

Dave Wilson, Managing Editor, \$300 from Wages account.

Page Piland, Art Director, \$100 from Wages account.

(c) Approval of one additional student, Jarrie Davis, to receive a \$50 scholarship award for her work as section editor of the 1966 Cactus.

(4) Appointment of the following students to positions on the Daily Texan staff:

Wage Positions

Linda M. Slavik	Copy Editor	\$4.00 per issue
Lynnell Jackson	Copy Editor	\$4.00 per issue

d. Amendments, 1965-66 Budgets (Central Administration, Main University, Texas Western College, Arlington State College, Southwestern Medical School, and M. D. Anderson Hospital and Tumor Institute). -- The following amendments to the 1965-66 Budgets were approved for ratification as set out below:

CENTRAL ADMINISTRATION

Item No.	Explanation	Present Status	Proposed Status	Effective Dates
11.	System Personnel Office - Workmen's Compensation Insurance			
	Transfer of Funds	From: Workmen's Compensation Insurance - Unappropriated Balance	To: Workmen's Compensation Insurance - Compensation Benefits for Injury	
	Amount of Transfer	\$25,000	\$25,000	----

MAIN UNIVERSITY

<u>Item No.</u>	<u>Explanation</u>	<u>Present Status</u>	<u>Proposed Status</u>	<u>Effective Dates</u>
85.	Royce Z. Lockhart, Jr. Microbiology	Associate Professor	Associate Professor	
	Salary Rate (12 mos.)	\$16,000	\$17,000	6/1-7/31
	Source of Funds: Current Restricted Funds - The Upjohn Company Grant ($\frac{1}{2}$); Government Contract Funds - NIH Grant ($\frac{1}{2}$).			
86.	International Office			
	Transfer of Funds	From: Unappropriated Balance	To: International Office Wages (\$1,400) Maintenance and Equipment (\$1,405)	
	Amount of Transfer	\$2,805	\$2,805	---
87.	Physical Plant - Surplus Property Acquisitions			
	Transfer of Funds	From: Unappropriated Balance	To: Purchasing, Packing, Shipping, and Storage Costs	
	Amount of Transfer	\$3,000	\$3,000	---
88.	Fine Arts Foundation - Music			
	Transfer into Travel (Current Restricted Funds)	From: Fine Arts Foundation - Unallotted Account	To: Fine Arts Foundation - Music - Touring and Travel Account	
	Amount of Transfer	\$1,000	\$1,000	---
89.	Engineering Foundation			
	Transfer into Travel (Current Restricted Funds)	From: Engineering Foundation Unallotted Account	To: Engineering Foundation- Administrative Travel Account	
	Amount of Transfer	\$1,500	\$1,500	---
90.	Mechanical Engineering			
	Transfer into Travel (Current Restricted Funds)	From: Resistance Welders Manufacturers Association- Scholarships and Fellowships	To: Resistance Welders Manufacturers Association- Tuition Expenses, Travel	
	Amount of Transfer	\$150	\$150	---

MAIN UNIVERSITY

<u>Item No.</u>	<u>Explanation</u>	<u>Present Status</u>	<u>Proposed Status</u>	<u>Effective Dates</u>
91.	Rosalie B. Hite Fund for Cancer Research - Current Restricted Funds			
	Transfer of Funds	From: Hite Fund- Unappropriated Income	To: Hite Fund- Fellow- ships (\$9,067) Hite Fund - Fellow- ships, Maintenance and Equipment(\$1,200)	
	Amount of Transfer	\$10,267	\$10,267	---
92.	Auxiliary Enterprises - Division of Housing and Food Service			
	Transfer of Funds	From: Division of Housing and Food Service - Reserve for Major Repairs, Remodeling and Replacement, and Operating Reserve	To: Remodeling Projects- Brackenridge Hall	
	Amount of Transfer	\$30,000	\$30,000	---
93.	Auxiliary Enterprises- Campus Parking			
	Transfer of Funds	From: Reserve for Construction of Parking Areas and Lots	To: Campus Parking	
	Amount of Transfer	\$8,000	\$8,000	---
94.	Office of the Chancellor			
	Transfer of Funds	From: Available University Fund Unappropriated Balance	To: Official Entertainment and Development Expenses	
	Amount of Transfer	\$3,000	\$3,000	---

TEXAS WESTERN COLLEGE

<u>Item No.</u>	<u>Explanation</u>	<u>Present Status</u>	<u>Proposed Status</u>	<u>Effective Dates</u>
29.	Extension Service			
	Transfer of Funds	From: Unappropriated Balance (via Re-estimated Income)	To: Maintenance and Operation	
	Amount of Transfer	\$10,000	\$10,000	---
30.	Auxiliary Enterprises- Intercollegiate Athletics			
	Transfer of Funds	From: Unappropriated Balance - Inter- collegiate Athletics	To: Salaries Account- Intercollegiate Athletics Stipends for: Basketball Coach Don L. Hoskins- \$920 Assistant Basketball Coach Henry W. Iba, Jr.- \$680	
	Amount of Transfer	\$1,600	\$1,600	---
31.	Major Repairs and Rehabilitation of Buildings			
	Transfer of Funds	From: Unappropriated Balance	To: Major Repairs and Rehabilitation of Buildings - Reclamation of Land	
	Amount of Transfer	\$15,067	\$15,067	---

ARLINGTON STATE COLLEGE

<u>Item No.</u>	<u>Explanation</u>	<u>Present Status</u>	<u>Proposed Status</u>	<u>Effective Dates</u>
7.	Office of Dean of Business Administration			
	Transfer into Travel	From: Unallocated Salaries	To: Dean's Office - Travel Account	
	Amount of Transfer	\$1,250	\$1,250	---
8.	Service Departments - Data Processing			
	Transfer of Funds	From: Unappropriated Balance via Estimated Income	To: Data Processing - Other Expenses	
	Amount of Transfer	\$1,464	\$1,464	---
9.	Service Departments - Computer Special Account			
	Transfer of Funds	From: Unappropriated Balance via Estimated Income	To: Computer Special Account - Other Expenses	
	Amount of Transfer	\$2,000	\$2,000	---
10.	Auxiliary Enterprises - Student Activities			
	Transfer of Funds	From: Unappropriated Balance via Estimated Income	To: Student Activities - Other Expenses	
	Amount of Transfer	\$6,735	\$6,735	---

SOUTHWESTERN MEDICAL SCHOOL

<u>Item No.</u>	<u>Explanation</u>	<u>Present Status</u>	<u>Proposed Status</u>	<u>Effective Dates</u>
24.	Daniel W. Foster Internal Medicine	Assistant Professor	Assistant Professor	
	Salary Rate	\$15,000	\$17,500	6/1/66
	Source of Funds: U.S.P.H.S. Career Development Award			
25.	Vernie A. Stembridge Pathology	Professor	Professor	
	Salary Rate	\$25,000	\$30,000	6/1/66
	Source of Funds: National Fund for Medical Education			
26.	Rhoda S. Frenkel Psychiatry	Fellow	Fellow	
	Salary Rate	\$5,000	\$7,000	6/1/66
	Source of Funds: U.S.P.H.S. Grant			
27.	Burton Combes Internal Medicine	Associate Professor	Associate Professor	
	Salary Rate	\$21,500	\$22,500	7/1/66
	Source of Funds: U.S.P.H.S. Career Development Award			
28.	Jean D. Wilson Internal Medicine	Assistant Professor	Assistant Professor	
	Salary Rate	\$16,600	\$18,000	7/1/66
	Source of Funds: U.S.P.H.S. Career Development Award			

M. D. ANDERSON HOSPITAL AND TUMOR INSTITUTE

<u>Item No.</u>	<u>Explanation</u>	<u>Present Status</u>	<u>Proposed Status</u>	<u>Effective Dates</u>
15.	Joseph G. Sinkovics Medical Staff- Medicine	Associate Internist, Associate Professor	Associate Internist, Associate Professor	
	Salary Rate	\$21,000	\$22,000	6/1/66
	Source of Funds: NCI Research Career Development Award			
16.	Wataru W. Sutow Medical Staff-Medicine	Associate Pediatrician, Associate Professor	Associate Pediatrician, Associate Professor	
	Research - Develop- mental Therapeutics	Associate Pediatrician, Associate Professor	Associate Pediatrician, Associate Professor	
	Salary Rate	\$23,000	\$24,000	6/1/66
	Source of Funds: NCI Research Career Development Award			
17.	Herman D. Suit Medical Staff - Radiology	Associate Radiotherapist, Associate Professor	Associate Radiotherapist, Associate Professor	
	Salary Rate	\$23,500	\$25,000	6/1/66
	Source of Funds: NCI Research Career Development Award			
18.	Travis E. Stubblefield Research - Experimental Cytology	Assistant Biologist, Assistant Professor	Assistant Biologist, Assistant Professor	
	Salary Rate	\$11,000	\$12,000	6/1/66
	Source of Funds: Reserve for Salaries			

It is recommended that the foregoing report of the Executive Committee be adopted.

**Academic and Developmental Affairs
Committee**

ACADEMIC AND DEVELOPMENTAL AFFAIRS COMMITTEE

Date: Friday, July 8, 1966

Time: 1:15 p. m.

Place: Room 209

Members:

Regent Olan, Chairman
Regent Connally
Regent (Mrs.) Johnson
Regent Josey
Chairman Heath, Ex Officio Member

Page A & D

1. Main University: Establishment of a
Major in Italian under the Degree
of Bachelor of Arts, Plan I 2
2. Graduate School: Credit for Work Taken
Prior to Admission 2
3. Main University: Appointment of Faculty
Members to Athletic Council 3

1. MAIN UNIVERSITY: ESTABLISHMENT OF A MAJOR IN ITALIAN UNDER THE DEGREE OF BACHELOR OF ARTS, PLAN I.--

The General Faculty has approved the recommendation of the Department of Romance Languages that a major in Italian be established under the degree of Bachelor of Arts, Plan I.

Chancellor Ransom concurs in the recommendation of Vice-Chancellor Hackerman that the Board of Regents authorize the administration to request the approval of the Coordinating Board.

It is further recommended that the necessary additions to University catalogs set forth the requirements for the major in Italian.

2. GRADUATE SCHOOL: CREDIT FOR WORK TAKEN PRIOR TO ADMISSION.--

The Graduate Faculty of The University of Texas has approved the action of the Graduate Assembly quoted below:

After September 1, 1966, students who have completed a baccalaureate degree and have subsequently registered as special students in undergraduate colleges will not be permitted to list any of the work taken prior to admission to the Graduate School in degree programs at either the master's or doctoral level, without specific approval of the Graduate Studies Committee and the Graduate Dean.

Chancellor Ransom concurs in the recommendation of Vice-Chancellor Hackerman that the Board of Regents approve the action of the Graduate Faculty and Graduate Assembly.

3. MAIN UNIVERSITY: APPOINTMENT OF FACULTY MEMBERS
TO ATHLETIC COUNCIL.--

Chancellor Ransom concurs in the recommendation of Vice-Chancellor Hackerman that Charles A. Wright, Charles T. McCormick Professor of Law, be approved as a faculty member of the Athletic Council, replacing Joe B. Frantz.

The faculty members of the Athletic Council for the period September 1, 1966 to August 31, 1967 and the terms of their appointment will be:

<u>Name</u>	<u>No. of years to serve</u>
J. Neils Thompson, Chairman	At the pleasure of the Board
W. T. Guy	1
Orville Wyss	2
F. R. Hodge	3
Charles A. Wright	4

ACADEMIC AND DEVELOPMENTAL AFFAIRS COMMITTEE

Supplementary Agenda

Page A & D

4. Dual Positions Pursuant to
Section 33, Article XVI,
Constitution of Texas

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4. DUAL POSITIONS PURSUANT TO SECTION 33, ARTICLE XVI, CONSTITUTION OF TEXAS.--It is recommended that the following resolution be adopted with respect to each below listed member of the faculty or administration of The University of Texas in connection with his service on each of the state or federal boards or commissions opposite his name:

RESOLUTION

"WHEREAS, (the name of the individual) has an opportunity to serve as (the capacity in which he is serving on a state or federal board or commission):

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

"1. That the said (the name of the individual) be, and he is hereby, directed and required by the Board of Regents to serve as (the capacity in which he is serving on a state or federal board or commission) 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 (the name of the individual) be, and he is hereby, directed and required by the Board of Regents to serve as (the capacity in which he is serving on a state or federal board or commission) as a duty of his employment by The University of Texas, and such duty shall be 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 (the name of the individual)'s service as (the capacity in which he is serving on a state or federal board or commission) is, and will continue to be, fully and entirely compatible with his employment by The University of Texas;

"4. That the Board of Regents finds that (the name of the individual)'s service as (the capacity in which he is serving on a state or federal board or commission) is, and will continue to be, a benefit and advantage to The University of Texas and the State of Texas; and

"5. That the Board of Regents finds that neither the (board or commission on which he is serving) nor (the name of the individual) as (capacity in which he is serving) will exercise any sovereign function or power of government."

CENTRAL ADMINISTRATION

<u>Name</u>	<u>Classification</u>	<u>Board or Commission</u>
Harry Ransom	Chancellor, The University of Texas	Member - National Advisory Council on Education for Health Professions, Public Health Service
Raymond Vowell	Vice-Chancellor for Public Affairs, The University of Texas	Member - President's Committee on Mental Retardation

THE UNIVERSITY OF TEXAS MEDICAL BRANCH

T. G. Blocker, Jr.
M.D.

Executive Director and
Dean

Representative of and
Advisor to the Division of
Hospital and Medical
Facilities, Bureau of
State Services, U. S. Public
Health Service, HEW

Member - Health
Resources Advisory
Committee (Office
of Emergency Planning -
The Executive Office of
The President of The
United States)

Buildings & Grounds Committee

BUILDINGS AND GROUNDS COMMITTEE AND
MEDICAL AFFAIRS COMMITTEE

Date: July 8, 1966

Time: 2:15 p.m.

Place: Room 210 (Secretary's Office)

Members: Buildings and Grounds Committee:

Mrs. J. Lee Johnson III, Chairman

W. H. Bauer

Walter P. Brennan

Frank C. Erwin, Jr.

Medical Affairs Committee:

H. Frank Connally, Jr., M. D., Chairman

Frank Ikard

Jack Josey

Rabbi Olan

Ex Officio Member: Chairman Heath

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& MED

M. D. ANDERSON HOSPITAL AND TUMOR INSTITUTE

1. Approval of Increase in Purchase Order for
Operating Lights

2

SOUTHWESTERN MEDICAL SCHOOL

2. Approval of Preliminary Plans for Permanent Addition
to the Physical Plant Building

2

MEDICAL BRANCH

3. Approval of Plans and Specifications for Relocation
of Emergency Drive and Cooling Towers

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

RECOMMENDATIONS TO THE
REGENTS' BUILDINGS AND GROUNDS COMMITTEE AND
MEDICAL AFFAIRS COMMITTEE

June 21, 1966

1. M. D. ANDERSON HOSPITAL AND TUMOR INSTITUTE - APPROVAL OF INCREASE IN PURCHASE ORDER FOR OPERATING LIGHTS. -- At the Regents' Meeting held May 28, 1966, approval was given for issuance of a purchase order covering Operating Lights and Lampheads in the amount of \$8,054.00 to Wilmot-Castle Company, Inc., the low bidder on these items. Dr. Clark has requested that two more Castle L-800 Twin Track Major Operating Lights be added to this order, and since the company was willing to add these at the price originally bid, which was the low bid, it is requested that approval to issue a supplement to the purchase order for two additional lights be authorized at a unit price of \$1,615.00, which increases the purchase order by \$3,230.00.

2. SOUTHWESTERN MEDICAL SCHOOL - APPROVAL OF PRELIMINARY PLANS FOR PERMANENT ADDITION TO THE PHYSICAL PLANT BUILDING. -- At the Regents' Meeting held May 28, 1966, authorization was given for the Consulting Architects to prepare preliminary plans and outline specifications for a permanent addition to the Physical Plant Building at Southwestern Medical School at an estimated cost of \$75,000 to serve as an Administration Building until such time as the Business Offices can move into quarters to be vacated by the Library at a later date. These preliminary plans have now been prepared by Brooks, Barr, Graeber, and White and have been approved by Dean Gill, E. D. Walker, and Chancellor Ransom, and it is recommended that they be approved by the Board.

It is further recommended that upon receipt of approval by the Governor of the appointment of Brooks, Barr, Graeber, and White as Associate Architects for this project, they be authorized to proceed with the preparation of working drawings and specifications for the project, these final plans and specifications to be presented to the Board for approval at a later date.

3. MEDICAL BRANCH - APPROVAL OF PLANS AND SPECIFICATIONS FOR RELOCATION OF EMERGENCY DRIVE AND COOLING TOWERS. -- At the Regents' Meeting held May 28, 1966, approval was given for the firm of Bovay Engineers, Inc., to prepare working drawings and specifications for the relocation of the emergency drive and the cooling towers at the Medical Branch. These plans and specifications are now complete and have been approved by Dr. Blocker, E. D. Walker, and Chancellor Ransom. It is recommended that they be approved by the Board and that E. D. Walker be given authority to advertise for bids to be presented to the Board for consideration at a later meeting.

BUILDINGS AND GROUNDS COMMITTEE

Date: July 8, 1966

Time: Following a Joint Meeting with the Medical Affairs Committee at
2:15 p.m.

Place: Room 210 (Secretary's Office)

Members: Mrs. J. Lee Johnson III, Chairman
W. H. Bauer
Walter P. Brennan
Frank C. Erwin, Jr.
Chairman W. W. Heath, Ex Officio

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CENTRAL ADMINISTRATION

1. Renovation of Regents' Room 2

MAIN UNIVERSITY

2. Ratification of Award of Contract for Men's Intramural
Athletic Facilities 2

3. Ratification of Award of Contract for Roof Repairs
for Andrews, Carothers, and Littlefield Dormitories and
Brackenridge, Roberts, and Prather Halls 3

4. Approval of Revised Preliminary Plans for Thompson
Conference Center 3

5. Acceptance of National Science Foundation Grant
No. GB-4928 3

ARLINGTON STATE COLLEGE

6. Approval of Final Plans and Specifications for
Addition to Gymnasium 3

7. Authorization for Additional Parking Lot 4

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

RECOMMENDATIONS TO THE
REGENTS' BUILDINGS AND GROUNDS COMMITTEE

June 21, 1966

1. CENTRAL ADMINISTRATION - RENOVATION OF REGENTS' ROOM. -- At the Regents' meeting held May 25, 1963, a Committee was appointed to study the possibilities of improving the acoustics of the Regents' Room and to investigate the costs of renovating the room in order to replace worn furniture and fabrics, etc. After study by this Committee and members of the Administration, estimates have been secured for various phases of the work. At this time, it is believed desirable to replace the worn wall fabric, giving acoustical treatment to the wall behind this new fabric, to replace the worn draperies, and repaint the plaster ceiling area. Estimates of the cost of this work are given below:

Accoustical treatment to wall behind fabric	\$2,600.00
Wall fabric in place	1,800.00
Draperies	3,000.00
Painting	<u>1,200.00</u>
Total Estimated Cost	<u>\$8,600.00</u>

It is recommended that an appropriation of \$9,000.00, which includes a small Contingency of \$400.00 to cover unforeseen expenses, be made from the Available University Fund to cover that part of renovating the Regents' Room as described above.

2. MAIN UNIVERSITY - RATIFICATION OF AWARD OF CONTRACT FOR MEN'S INTRAMURAL ATHLETIC FACILITIES. -- In accordance with authorization given at the Regents' Meeting held April 2, 1966, bids were called for and were opened and tabulated on May 24, 1966, for construction of the Men's Intramural Athletic Facilities at the Main University (Terracing, Sodding, Watering System, etc.), as shown below:

Bidder	Bid Bond	Base Bid
J. C. Evans Construction Company, Inc., Austin, Texas	5%	\$28,014.00
Udo Haufler Excavation Company, Austin, Texas	5%	29,100.00
Pat Canion Excavating Company, Austin, Texas	5%	29,750.00
Ricks Construction Company, Austin, Texas	*	44,450.00
Austin Paving Company, Austin, Texas	5%	34,626.00

* This company did not include a bidder's bond with the bid; hence, this could not be considered as a valid bid.

Further, in accordance with Regents' authorization given at the April 2, 1966, meeting, the Special Committee, consisting of Main University Business Manager Colvin, E. D. Walker, and Vice-Chancellor Hackerman awarded a contract

for this project in the amount of \$28,014.00 to the low bidder, J. C. Evans Construction Company, Inc., Austin, Texas. It is recommended that this action be ratified by the Board.

3. MAIN UNIVERSITY - RATIFICATION OF AWARD OF CONTRACT FOR ROOF REPAIRS FOR ANDREWS, CAROTHERS, AND LITTLEFIELD DORMITORIES AND BRACKENRIDGE, ROBERTS, AND PRATHER HALLS. -- In accordance with authorization given by the Board at the meeting held April 2, 1966, bids were called for and were opened and tabulated on June 7, 1966, for Roof Repairs for Andrews, Carothers, and Littlefield Dormitories and Brackenridge, Roberts, and Prather Halls at the Main University, as shown below:

Bidder	Base Bid No. 1	Base Bid No. 2	Combination Bid	Alternate No. 1 Add	Number Working Days
Acme Roofing Company, Austin, Texas	\$33,749.00	\$40,170.00	\$73,919.00	\$1,849.00	220
H. E. Little and Company, Austin, Texas	35,283.00	45,151.00	80,434.00	1,962.00	242

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

Further, in accordance with authorization given at the April 2, 1966, meeting, the Special Committee, consisting of Main University Business Manager Colvin, E. D. Walker, and Vice-Chairman Erwin, acting in place of Chairman Heath, awarded a contract in the amount of \$73,919.00 to the low bidder, Acme Roofing Company, Austin, Texas. It is recommended that this action be ratified by the Board.

4. MAIN UNIVERSITY - APPROVAL OF REVISED PRELIMINARY PLANS FOR THOMPSON CONFERENCE CENTER. -- At the Regents' meeting held February 26, 1966, authorization was given for Mrs. Johnson to work with the Associate Architects for the Thompson Conference Center at the Main University, J. Herschel Fisher and Pat Y. Spillman, on a modification of the design of the building as shown in the preliminary plans, this modification to be brought back to the Board for approval before the working drawings and specifications were completed. This modification of the preliminary plans is being presented at this meeting and has been approved by E. D. Walker, Chancellor Ransom, and Regent Johnson, and it is recommended that the Board approve these revised preliminary plans, with authorization to the Associate Architects to prepare working drawings and specifications based on the revised plans, the final plans and specifications to be presented to the Board for approval at a later meeting.

5. MAIN UNIVERSITY - ACCEPTANCE OF NATIONAL SCIENCE FOUNDATION GRANT NO. GB-4928. -- The University has received a grant from National Science Foundation in the amount of \$43,900.00 for support of a project entitled "Construction of Experimental Ponds for Marine Studies" at Institute of Marine Science, Port Aransas, Texas. It is recommended by E. D. Walker, Vice-Chancellor Hackerman, and Chancellor Ransom that this grant, National Science Foundation Grant No. GB-4928, be accepted and that an account for this project in the amount of \$43,900.00 be set up on the University's books. It is further recommended that the Board appoint William B. Ogletree, Professional Engineer of Corpus Christi, Texas, to prepare the plans and specifications for the construction of these ponds at a fee of 6%, which is included in the total grant of \$43,900. These plans and specifications will be submitted to the Board for approval at a later meeting.

6. ARLINGTON STATE COLLEGE - APPROVAL OF FINAL PLANS AND SPECIFICATIONS FOR ADDITION TO GYMNASIUM. -- In accordance with authorizations given at the Regents' Meetings held October 7, 1965, and May 28, 1966, working drawings and specifications have been prepared for an Addition to the Gymnasium at Arlington State College by Preston M. Geren, Associate Architect on the project.

These final plans and specifications have been approved by Brooks, Barr, Graeber, and White, President Woolf, E. D. Walker, and Chancellor Ransom, and it is recommended that they be approved by the Board, with authorization to E. D. Walker to advertise for bids to be presented to the Board for consideration at a later meeting.

7. ARLINGTON STATE COLLEGE - AUTHORIZATION FOR ADDITIONAL PARKING LOT. --
A letter, which reads as follows, has been received from President Woolf:

"An additional parking lot is needed at Arlington to serve the West Campus area. Students go to the particular area for intramural sports and for outdoor physical training classes. It is located along South Davis Drive.

"The estimated cost of the work is \$8,000. It is recommended that the Superintendent of the Physical Plant at Arlington be authorized to prepare the plans and specifications and that the Office of Facilities Planning and Construction be authorized to approve these plans, to advertise for bids, and to submit the bids to the Board of Regents for action. It is further recommended that the sum of \$8,000 be appropriated for the work from Account No. 40-344, Parking Facilities at Arlington."

It is recommended by E. D. Walker and Chancellor Ransom that the recommendation of President Woolf be approved by the Board.

SUPPLEMENTARY AGENDA
BUILDINGS AND GROUNDS COMMITTEE AND
MEDICAL AFFAIRS COMMITTEE

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MEDICAL BRANCH

4. Demolition of the Preventive Medicine and Public
Health Building

4

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

SUPPLEMENT TO RECOMMENDATIONS TO
REGENTS' BUILDINGS AND GROUNDS COMMITTEE
AND MEDICAL AFFAIRS COMMITTEE

June 28, 1966

4. MEDICAL BRANCH - DEMOLITION OF THE PREVENTIVE MEDICINE AND PUBLIC HEALTH BUILDING.--The Preventive Medicine and Public Health Building at the Medical Branch is a two-story, wood frame building which was constructed in 1922 and is carried on the University's books at \$11,497.10. For the past few years, this building has been occupied by Preventive Medicine and Public Health, who moved out of the building last Fall when their new laboratories in the basement of the Keiller Building were completed. This building will need to be demolished in order to make room for the Laundry Expansion, and it is recommended that authorization be given for the Medical Branch Physical Plant staff to tear the building down, salvaging whatever materials can be used in the maintenance of some of the other frame buildings at the Medical Branch.

**SUPPLEMENTARY AGENDA
BUILDINGS AND GROUNDS COMMITTEE**

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MAIN UNIVERSITY

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| 8. Contract for Modernization and Remodeling of R.O.T.C. Building, R.O.T.C. Rifle Range Building, Speech Building, Service Building, Main Building Tower and Petroleum Engineering Building. | 6 |
| 9. Approval of Final Plans and Specifications for Women's Cooperative Housing. | 7 |
| 10. Approval of Increase in Appropriation for Warehouse on Brackenridge Tract for Housing and Food Service. | 7 |
| 11. Approval of Final Plans and Specifications for Dome and Building to House a Telescope at W. J. McDonald Observatory. | 7 |
| 12. Authorization for Construction of Branch Business Office at Memorial Stadium | 8 |

ARLINGTON STATE COLLEGE

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| 13. Award of Contract for Repair and Remodeling of Administration Building. | 8 |
| 14. Approval of Preliminary Plans for Business-Life Science Building. | 9 |

SYSTEM-WIDE

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| 15. Selection of Associate Architects on Various Projects | 9 |
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THE UNIVERSITY OF TEXAS
OFFICE OF THE DIRECTOR OF
FACILITIES PLANNING AND CONSTRUCTION
AUSTIN, TEXAS 78712

SUPPLEMENT TO RECOMMENDATIONS TO
REGENTS' BUILDINGS AND GROUNDS COMMITTEE

June 28, 1966

8. MAIN UNIVERSITY -- CONTRACT FOR MODERNIZATION AND REMODELING OF R.O.T.C. BUILDING, R.O.T.C. RIFLE RANGE BUILDING, SPEECH BUILDING, SERVICE BUILDING, MAIN BUILDING TOWER AND PETROLEUM ENGINEERING BUILDING.-- Bids were received on the above project on April 16, 1965 and a recommendation was submitted to the Executive Committee that a contract be awarded to the McCarty-Conley Company in the amount of \$448,800.00, the low bidder on this project, which recommendation was approved by the Executive Committee on May 11, 1965. On May 14, 1965, McCarty-Conley Company was notified by letter that the University had accepted their bid for the modernization and remodeling of these buildings and that the contract documents were being prepared for execution.

The specifications on this project, and upon which the contractor based his proposal, called for the heating system to be substantially complete and in operating condition not later than October 15, 1965 in all buildings, and the entire project to be completed not later than February 1, 1966. Each of these completion dates called for liquidated damages in the amount of \$100.00 per day (working days) that each stage of the project remained incomplete.

Heat was supplied to all buildings except the Main Building Tower by November 1, 1965. Heat was supplied to the Main Building Tower on November 10, 1965, but the heating system in the Tower was not in a satisfactory working condition until January 31, 1966. This was 73 working days after the specified completion date of October 15, 1965 for supplying heat to all buildings.

(Heat was actually supplied to the Tower on November 10, 1965, but in such manner that there was a variation in temperature from approximately 98° on the top two floors down to a low of 40° to 50° on the lower ten floors during the period from November 10, 1965 to January 31, 1966).

The entire project was not completed in a substantial manner until April 20, 1966 which was 56 days after the February 1, 1966 deadline called for in the specifications. This would make a total of 129 working days in which the contract extended over the specified time for the completion of the phases of the work involved.

(This substantial completion date is based on the fact that all equipment had been installed and placed in operation; however, numerous small correction items still remained to be completed, and the Tower air conditioning was not operating satisfactorily due primarily to improper balancing of the air supply).

According to our records the contractor requested time extension of 16 days, and it is the opinion of this office that he is entitled to this extension time of 16 days, leaving a total of 113 days in which the contractor is in violation of his completion time.

It is the recommendation of this office that liquidated damages in the amount of \$100.00 per day for 113 working days be assessed against the contractor making a total of \$11,300.00 liquidated damages.

I would like to further point out that the performance of this contractor on the project has been completely unsatisfactory since the very beginning of the work. He has been repeatedly warned that he was not properly staffing the work, and that he was not supplying a superintendent on the job at all times as was called for by the specifications. In view

of these circumstances it is recommended that the Board instruct the Director of the Office of Facilities Planning and Construction to notify McCarty-Conley Company that future bids submitted by them will not be accepted nor will they be acceptable as subcontractors under a general contractor on any future University work.

The engineers on the above project, Bovay Engineers, Inc. of Houston, Texas, and representatives of the staff concur in all of the above recommendations.

9. MAIN UNIVERSITY - APPROVAL OF FINAL PLANS AND SPECIFICATIONS FOR WOMEN'S COOPERATIVE HOUSING.--In accordance with authorization given at the Regents' Meetings held August 28, 1965 and November 24, 1965, final plans and specifications have been prepared by the Associate Architects, Fehr and Granger, for the Women's Cooperative Housing at the Main University, and have been approved by the Consulting Architects, the Project Committee, the Main University Building and Space Allocation Committee, E. D. Walker, Vice-Chancellor Hackerman, and Chancellor Ransom, and it is recommended that they be approved by the Board. Approval by the Faculty Building and Space Allocation Committee was made with the proviso that re-consideration be given to the elimination of all brick corble overhangs and bringing the corner walk straight to the ground, which recommendation is concurred in by the Office of Facilities Planning and Construction. This change will not increase the overall cost of the project.

It is further recommended that E. D. Walker be given authorization to advertise for bids on this project when the method of financing has been determined. An application is now pending with the Department of Housing and Urban Development, and no further action will be taken until word has been received on the status of this application.

10. MAIN UNIVERSITY - APPROVAL OF INCREASE IN APPROPRIATION FOR WAREHOUSE ON BRACKENRIDGE TRACT FOR HOUSING AND FOOD SERVICE.--At the Regents' Meetings held May 22, 1965 and October 7, 1965, authorization was given for the preparation of working drawings and specifications by the Main University Physical Plant staff for a Warehouse on the Brackenridge Tract for Housing and Food Service at an estimated cost of \$60,000.00. In working on the development of these plans and taking into consideration the increased storage and service facilities needed for Housing and Food Service with the construction of the new coeducational dormitory which has recently been increased from 2,400 students to 3,000 students, it is believed that more square footage should be included in this building. The original estimate was for a storage-service area of 15,000 square feet, and it is found that by raising the walls of this building some four feet, another 6,000 square feet of mezzanine floor area can be provided. The total estimated cost is \$95,000.00, or less than \$5.00 a square foot.

It is, therefore, recommended by F. C. McConnell, Director of Housing and Food Service, and Main University Business Manager Colvin, which recommendation is concurred in by E. D. Walker, Vice-Chancellor Hackerman, and Chancellor Ransom, that an appropriation of \$95,000.00 be made from Account No. 28-8328-F - Reserve - Division of Housing and Food Service - Major Repairs, Remodeling and Replacements, and Operating Reserve for this project, with authorization for the Main University Physical Plant staff to prepare working drawings and specifications based on this increased size of the building. These final plans and specifications will be presented to the Board for consideration at a later meeting.

11. MAIN UNIVERSITY - APPROVAL OF FINAL PLANS AND SPECIFICATIONS FOR DOME AND BUILDING TO HOUSE A TELESCOPE AT W. J. MCDONALD OBSERVATORY.--In accordance with authorization given by the Board at the meeting held November 23, 1965, the Special Committee appointed negotiated a contract with the firm of Charles W. Jones Engineering for the preparation of working drawings and specifications for the Dome and Building to House a Telescope at

W. J. McDonald Observatory. These final plans and specifications have now been completed by the engineering firm and have been approved by the Consulting Architects, Dr. Harlan J. Smith, the Main University Building and Space Allocation Committee, E. D. Walker, Vice-Chancellor Hackerman, and Chancellor Ransom. It is recommended that they be approved by the Board and that E. D. Walker be authorized to advertise for bids on the project, these bids to be presented to the Board for consideration at a later meeting.

12. MAIN UNIVERSITY - AUTHORIZATION FOR CONSTRUCTION OF BRANCH OFFICE AT MEMORIAL STADIUM. --For some time there has been an apparent need for a branch business office at Memorial Stadium for use at times when athletic events are held there. This office would be the headquarters where the many employees at such events would check in and out to receive their instructions. It would also be a place where persons receiving emergency telephone calls and persons having other emergency needs could report. Most importantly, with proper vault facilities, it would furnish a badly needed place for the handling and safekeeping of the substantial sums of cash that are collected at the Stadium. Preliminary plans for such a large business office have been prepared and will be presented at the meeting. The estimated cost of construction is approximately \$12,000. However, the Athletic Council has not yet had an opportunity to approve the preliminary plans and the plans may be scaled down to a lesser cost. However, if this project is not approved at the July meeting of the Board, it cannot possibly be completed in time for the 1966 Football Season. Therefore, it is recommended that the Board approve the preliminary plans subject to their approval by the Athletic Council, that the Board authorize the expenditure of not more than \$12,000 from Athletic Council funds for this project and that a committee composed of Mr. Landrum, Mr. Walker and Mr. Colvin be authorized to approve changes and modifications in the plan so long as the changes and modifications do not increase the cost beyond \$12,000, to prepare bid specifications on any part of the work that is to be done by persons other than the University Physical Plant staff; and to award contracts for such work as may be awarded under bids.

13. ARLINGTON STATE COLLEGE - AWARD OF CONTRACT FOR REPAIR AND REMODELING OF ADMINISTRATION BUILDING.--In accordance with authorization given by the Executive Committee of the Board on May 6, 1966, bids were called for and were opened and tabulated as shown below for the Repair and Remodeling of the Administration Building at Arlington State College.

Bidder	Bidder's Bond	Base Bid
Almar-York, Inc., Fort Worth Texas	5%	\$ 86,973.00
Blanke Mechanical Contractors, Inc., Fort Worth, Texas	5%	89,998.00
Burden Brothers, Dallas, Texas	5%	82,000.00
Dallas Air Conditioning Company, Inc., Dallas, Texas	5%	86,730.00
George Linskie Company, Inc., Dallas, Texas	5%	116,325.00
Natkin and Company, Dallas, Texas	5%	95,919.00
United Air Conditioning Company, Dallas, Texas	5%	83,100.00

The amount of money available for this project is \$75,092.00 as appropriated by the Legislature in the 1965-67 Appropriation Bill. The plans and specifications as prepared by the Engineer on the project, Herman Blum Consulting Engineers, have been reviewed in detail by the Office of Facilities Planning and Construction, and it is believed that the simplest and most economical method of construction has been used. The request for this money was made approximately two and one-half years ago, and the increase in the cost of construction during that time would account for the difference between the appropriation and the bids received.

In order that this work can be performed, it is recommended that a contract award in the amount of \$82,000.00 be made to the low bidder, Burden Brothers, Dallas, Texas, and that an additional appropriation of \$12,000.00 be made from Arlington State College Account No. 0175 - Unappropriated Income to the project to cover the contract award, Engineer's Fees thereon, and miscellaneous expenses.

14. ARLINGTON STATE COLLEGE - APPROVAL OF PRELIMINARY PLANS FOR BUSINESS-LIFE SCIENCE BUILDING.--At the Regents' Meeting held October 8, 1965, authorization was given for the preparation of preliminary plans and outline specifications for a new Classroom Building at Arlington State College at an estimated cost of \$4,000,000 to \$4,500,000. These preliminary plans have now been prepared by the Consulting Architects, Brooks, Barr, Graeber, and White, on the basis of a building to cost \$4,500,000.00 to be designated as the Business-Life Science Building. These preliminary plans and outline specifications have been approved by President Woolf, E. D. Walker, and Chancellor Ransom, and it is recommended that they be approved by the Board. A recommendation for the appointment of an Associate Architect is being made at this meeting.

It is further recommended that the Associate Architect be given authority to proceed with the preparation of working drawings and specifications as soon as the sources of financing have been determined.

15. SYSTEM-WIDE - SELECTION OF ASSOCIATE ARCHITECTS ON VARIOUS PROJECTS.-- A joint recommendation of E. D. Walker and Consulting Architects Brooks, Barr, Graeber, and White is submitted to the Board for consideration in the selection of Associate Architects on the following projects:

Arlington State College - Faculty Office Building
Estimated Cost of Project - \$900,000

1. Hueppelsheuser and White, Fort Worth, Texas
2. John P. Wiltshire, Dallas, Texas
3. Enslie Oglesby, Dallas, Texas
4. Dales Y. Foster, Dallas, Texas

Arlington State College - Administration Building
Estimated Cost of Project - \$2,100,000

1. Jarvis, Putty, and Jarvis, Dallas, Texas
2. Preston M. Geren, Fort Worth, Texas
3. Thomas and Jameson, Dallas, Texas
4. Howard R. Meyer, Dallas, Texas
5. Albert S. Komatsu and Associates, Fort Worth, Texas

Arlington State College - Business - Life Science Building
Estimated Cost of Project - \$4,500,000

1. Wilson, Patterson, Sowden, Dunlap, and Epperly, Fort Worth, Texas
2. Harwood K. Smith and Partners, Dallas, Texas
3. Preston M. Geren, Fort Worth, Texas
4. Roscoe DeWitt, Dallas, Texas
5. Harrell and Hamilton, Dallas, Texas

**Southwestern Medical School - Basic Science Research Building
Estimated Cost of Project - \$4,000,000**

1. Jack Corgan and Associates, Dallas, Texas
2. Harper and Kemp, Dallas, Texas
3. Broad and Nelson, Dallas, Texas
4. J. Herschel Fisher and Pat Y. Spillman, Dallas, Texas
5. George L. Dahl, Inc., Dallas, Texas

It is understood that the appointment of an Associate Architect on any of the above projects is subject to the written approval of the Governor of the State of Texas, after obtaining the advice of the Legislative Budget Board.

Medical Affairs Committee

MEDICAL AFFAIRS COMMITTEE

Date: July 8, 1966

Time: Following the Joint Meeting of the Buildings and Grounds Committee
and the Medical Affairs Committee at 2:15 p. m.

Place: Room 209

Members:

Regent Connally, Chairman
Regent Ikard
Regent Josey
Regent Olan
Chairman Heath, Ex Officio Member

No items have been submitted by the Administration for the meeting of
the Medical Affairs Committee.

MEDICAL AFFAIRS COMMITTEE

Supplementary Agenda

Page MED

1. Medical Branch: Premiums for Hospitalization Insurance for Interns, Residents, and Their Dependents 3
2. Southwestern Medical School: Clarification of Rules and Regulations Applicable to Members of the Faculty Treating Private Patients at Presbyterian Hospital in Dallas 6
3. Prospects of Student Health Center, Main University, by Doctor Paul White 7

1. MEDICAL BRANCH: PREMIUMS FOR HOSPITALIZATION INSURANCE FOR INTERNS, RESIDENTS, AND THEIR DEPENDENTS.--

Chancellor Ransom concurs in the recommendation of Dr. Blocker with respect to hospitalization benefits for interns, residents, and their dependents, the premium rates to be charged and the financial arrangements for payment of hospitalization premiums, etc. The details are set out in the following letter from Dr. Blocker to Dr. Ransom under date of June 22, 1966:

THE UNIVERSITY OF TEXAS — MEDICAL BRANCH
GALVESTON

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

June 22, 1966

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

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

J.M.R. will you and t.d.w. review in the absence of Dr. LeMaire? H.H.

Dear Dr. Ransom:

At the meeting of the Board of Regents on September 18-19, 1964, approval was given to the provision of certain hospitalization benefits for the interns, residents and their dependents (copy attached).

During the approximate two year period that this policy has been in operation, the various departments have been called on to pay approximately \$17,000 in excess of income from Blue Shield to cover supplemental insurance premiums and to pay the differential for hospitalized dependents between the actual charge and the amount paid by Blue Cross. Provision of these benefits for interns and residents is vitally important to our recruiting an adequate number of good interns and residents. While the departments are willing to contribute to the support of this program, we feel that the hospital should also assume a share of the costs. This can be accomplished by accepting Blue Cross payment as full payment for inservice care for dependents as well as for interns and residents. Since the rates for the Blue Cross - Blue Shield 200 Service will be markedly increased effective July 1, 1966, it is recommended that the policy as modified and set out below be approved.

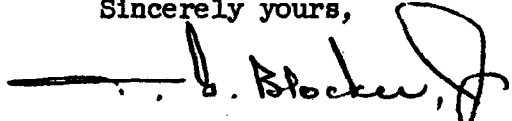
- 1.) That the Medical Branch continue the Blue Cross - Blue Shield 200 Service for Interns and Residents.
- 2.) That the Medical Staff, full-time and part-time, will bill Blue Shield for all covered services and the collections shall be deposited in a special Current Restricted Account to be used solely for the health care of interns, residents and their dependents.
3. a.) That the monthly cost as shown in Column 1 for a single individual be paid for each intern and resident from the special Current Restricted account to which deposits from Blue Shield are made as indicated under Item 2 above.
b.) That each resident and intern be required to contribute whatever portion of the total premium is necessary to cover family members (as shown in Column 2) and payroll deductions be made accordingly.

The new rates are:

	<u>Total Monthly Premium Blue Cross-Blue Shield 200 Service</u>	<u>Amount to be paid from Current Re- stricted Funds</u>	<u>Amount to be paid from Residents and Interns</u>
Single	\$ 5.59	\$ 5.59	\$ -0-
Married	14.71	5.59	9.12
Family	16.43	5.59	10.84

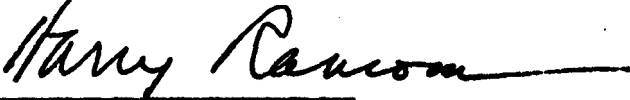
4. a.) That the hospital will accept the hospital portion of the insurance as full reimbursement of in-patient hospital charges for interns and residents and their dependents.
- b.) All out-patient charges (non-professional) not covered by the Blue Cross-Blue Shield 200 Service will be billed directly to the special Current Restricted account.
- 5.) That any additional cost over and above that covered by income to the special Current Restricted account will be paid by the departments to which the interns and residents are assigned on a pro rata basis from the department Current Restricted funds accumulated by donations of professional fees by the departmental staff members.

Sincerely yours,



T. G. Blocker, Jr., M.D.
Executive Director and Dean

APPROVED:



Chancellor
The University of Texas

TGBJr:WGH:br

Return approved copies to:

Mr. C. H. Sparenberg
Miss Betty Anne Thedford
Dr. T. G. Blocker, Jr.
Mr. Warren G. Harding (2)

Policy re Hospital Benefits, Interns, Residents, Medical Branch: The present policy relating to hospital benefits for interns, residents and their dependents as adopted September 1964 provides:

- 1.) That the Medical Branch implement the Blue Cross-Blue Shield 200 Service for the approximately 200 interns and residents.

- 2.) That each intern and resident be required to contribute a portion of the premium at the level of basic Blue Cross hospital insurance. The rates are:

	<u>Regular Blue Cross per month to be paid by individual</u>	<u>200 Blue Cross Service per month</u>	<u>Additional Annual Cost for 200 Service</u>
Single	\$3.18	\$ 4.43	\$15.00
Married	6.93	11.58	55.80
Family	8.75	13.08	51.96

- 3.) That the additional annual cost shown in Column 3 above be paid by the department to which the intern or resident is assigned from departmental Current Restricted Funds accumulated by donations of professional fees by departmental staff members.
4. a.) That the hospital would accept the hospital portion of the insurance as full reimbursement of inpatient hospital charges for interns and residents.
- b.) That for dependents of interns and residents, any portion of hospital charges as customarily billed not covered by the insurance policy would be paid either from the Current Restricted Funds source provided in Item 3 or from the source subsequently provided in Item 5.
- 5.) That the medical staff, full and part-time, would bill Blue Shield for all covered services and collections would be deposited in a Current Restricted account to be used solely for the health care of interns, residents and their dependents.

2. SOUTHWESTERN MEDICAL SCHOOL: CLARIFICATION OF RULES AND REGULATIONS APPLICABLE TO MEMBERS OF THE FACULTY TREATING PRIVATE PATIENTS AT PRESBYTERIAN HOSPITAL IN DALLAS. -- The Board of Trustees of Presbyterian Hospital of Dallas has requested clarification of the rules as they apply to members of the faculty treating patients in Presbyterian Hospital. Chancellor Ransom concurs with the recommendation of Dean Gill and Doctor LeMaistre that the faculty practice privileges and limitations currently in effect for the Dallas Hospital District (Parkland and Woodlawn Hospitals) and the Children's Medical Center be extended to the Presbyterian Hospital and the other Dallas hospitals with whom Southwestern Medical School has or may hereafter have an affiliation agreement.

The existing consultation policy in effect for the Dallas Hospital District and the Children's Medical Center was adopted by the Board of Regents in July 1952 as follows:

Consultation Privileges. -- Approval of the following action of the Dean's Advisory Council is requested:

"It is understood by all members of the faculty of Southwestern Medical School of the University of Texas that their primary task consists of teaching and research. No other activities shall be permitted to interfere with the satisfactory performance of these functions. On the other hand, it is also generally recognized that physicians within and outside Dallas may wish to have available to them and to their patients the services of full-time faculty members as consultants. It is also generally recognized that salaries paid to full-time medical school faculty are often insufficient to attract and hold men of the highest caliber. Therefore, consultation privileges will be afforded full-time faculty members under the following framework:

"(1) All patients must be referred by a practicing physician except for employees of the Medical School and Parkland Hospital and the Children's Medical Center and their immediate families and medical students and their immediate families. Relationships between the referring physician and the consultant and the consultant and the patient will be in keeping with the highest ethical standards. The wishes of the referring physician will be followed in so far as diagnostic work, the institution and completion of therapy, hospitalization, and the calling in of additional consultants are concerned.

"(2) No full-time faculty member shall have patients admitted under his name in any hospital other than Parkland and Memorial Hospital or the Children's Medical Center. Full-time faculty members shall have the privilege of admitting

properly referred patients to Parkland or Memorial Hospital or the Children's Medical Center, and shall be responsible for such patients until circumstances permit the return of the patients to the referring physician.

"(3) It is understood that the private patients of full-time faculty members shall pay the hospital for all services given by the hospital in the same manner in which any other private patient shall pay.

"(4) Full-time faculty members shall charge fees which are equal to or greater than those of men of comparable training in the community, taking due account of the services rendered and the patient's economic status.

"(5) It seems desirable to set a limitation upon the income which full-time faculty members may receive from consultation. This maximum includes consultation fees received from referred private consultations, Veterans' Administration hospitals and clinics, military and national health services, and the like. These limitations are subject to revision by the Dean's Advisory Council, with the approval of the Dean, as economic circumstances may justify. The suggested upper limitations are:

Professor	\$10,000
Associate Professor	7,500
Assistant Professor	5,000

Any consultation income over and above the limitations prescribed above shall accrue to a departmental research fund in the medical school."

3. PROSPECTS OF STUDENT HEALTH CENTER, MAIN UNIVERSITY, BY DOCTOR PAUL WHITE. -- Doctor Paul White will report to the Medical Affairs Committee on the Student Health Center and its prospects.

Committee of the Whole

COMMITTEE OF THE WHOLE
Chairman Heath, Presiding

Date and Time: July 8, 1966, 9:15 a. m. and 3:15 p. m.
July 9, 1966, 9:00 a. m.

Place: Room 209

A. REPORTS AND SPECIAL ITEMS BY CHANCELLOR RANSOM
(Orange Book -- Items not Listed on Agenda -- Executive Session)

B. REPORTS AND SPECIAL ITEMS BY REGENTS (Not Listed on
Agenda -- Executive Session)

C. REPORTS AND SPECIAL ITEMS BY INSTITUTIONAL HEADS,
IF ANY (Items on Agenda and Emergency Items, both of which
have been previously cleared with the Chancellor for presentation.)

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1. Texas Western College (Doctor Ray)
2. Medical Branch (Doctor Blocker)
3. Dental Branch (Doctor Olson)
- ✓ 4. Request for Permission to Rent Off-Campus
Space
4. M. D. Anderson Hospital and Tumor
Institute (Doctor Clark)
5. Southwestern Medical School (Doctor Gill)
6. Graduate School of Biomedical Sciences
at Houston (Doctor Arnim)
7. South Texas Medical School (Doctor Pannill)
8. Division of Continuing Education
(Doctor Taylor)
9. Arlington State College (Doctor Woolf)

4

D. SPECIAL ITEMS BY CHANCELLOR RANSOM

- ✓ 1. System-Wide: Agreement with Coordinating
Board, Texas College and University
System for Participation in Texas Opportunity
Plan

6

2.	Regents' <u>Rules and Regulations:</u> Amendment to Part One, Chapter III	8
3.	System-Wide: Renewal of Bank Depository Agreements for the Period Beginning September 1, 1966	9
4.	System-Wide: Approval of Changes in Money and Securities Insurance Policy	12
5.	Main University: Purchase of J. Frank Dobie's Ranch "Paisano"	14
6.	Allocation from the Archer M. Huntington Securities Income Account to the Archer M. Huntington Museum Fund	15
7.	Main University: Agreement with Ex-Students' Association for Use of the Alumni Center	15
8.	Main University, Board of Directors of Texas Student Publications, Inc.: Resolution Concerning Authority of Appointments Committee	16

COMMITTEE OF THE WHOLE
Chairman Heath, Presiding

- A. REPORTS AND SPECIAL ITEMS BY CHANCELLOR RANSOM
(Orange Book -- Items not Listed on Agenda -- Executive Session)
- B. REPORTS AND SPECIAL ITEMS BY REGENTS (Not Listed on
Agenda -- Executive Session)
1. Chairman W. W. Heath
 2. Vice-Chairman Frank C. Erwin, Jr.
 3. Regent W. H. Bauer
 4. Regent Walter P. Brennan
 5. Regent H. F. Connally, Jr., M. D.
 6. Regent Frank N. Ikard
 7. Regent (Mrs.) J. Lee Johnson III
 8. Regent Jack S. Josey
 9. Regent Levi A. Olan

C. REPORTS AND SPECIAL ITEMS BY INSTITUTIONAL HEADS,
IF ANY (Items on Agenda and Emergency Items, both of which
have been previously cleared with the Chancellor for presentation.)

1. Texas Western College (Doctor Ray)
2. Medical Branch (Doctor Blocker)
3. Dental Branch (Doctor Olson)

Request for Permission to Rent Off-Campus Space.--

Chancellor Ransom concurs in the recommendation of Dr. Olson for
authority to rent space as outlined in Dr. Olson's letter.

Dear Doctor Ransom:

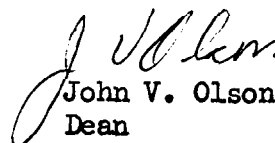
Approval of the following is requested of The Board of Regents:

Permission to rent space, and to charge as a direct cost
to the United States Public Health Service Research Cost
Reimbursement Contract No. PH43-65-628, an amount not to
exceed \$200.00 per month through the termination date of
the contract, for rental of a house of approximately
3,000 square feet for the purpose of maintaining a
quarantine area for new arrivals for the marmoset colony.

Under Contract No. PH43-65-628, the Research Contracts Section
Supply Management Branch of the National Institute of Health in
a letter dated June 14, 1966, authorization was granted for the
action that is above recommended for approval.

Request for final approval to go to the Executive Committee for
action.

Sincerely yours,


John V. Olson
Dean

JVO:gjg

4. M. D. Anderson Hospital and Tumor Institute
(Doctor Clark)
5. Southwestern Medical School (Doctor Gill)
6. Graduate School of Biomedical Sciences at
Houston (Doctor Arnim)
7. South Texas Medical School (Doctor Pannill)
8. Division of Continuing Education (Doctor Taylor)
9. Arlington State College (Doctor Woolf)

D. SPECIAL ITEMS BY CHANCELLOR RANSOM

1. SYSTEM-WIDE: AGREEMENT WITH COORDINATING BOARD,
TEXAS COLLEGE AND UNIVERSITY SYSTEM FOR PARTICI-
PATION IN TEXAS OPPORTUNITY PLAN.--

In order to participate in the Texas Opportunity Plan, a student loan program, the Coordinating Board has requested a signed agreement executed by the Chairman of the Board of Regents for each institution in the University System participating in the Texas Opportunity Plan.

The sample agreement that follows is prepared for the Main University. Each agreement executed would be the same except for the name of the institution.

Chancellor Ransom recommends that each institution in The University of Texas System be authorized to participate in the Texas Opportunity Plan and that the Chancellor be authorized to approve, upon the recommendation of the executive head, the Texas Opportunity Plan loan fund officer at each institution.

Chancellor Ransom further recommends that the Chairman of the Board of Regents be authorized to execute the required agreements with the Coordinating Board.

SAMPLE
AGREEMENT

between

COORDINATING BOARD, TEXAS COLLEGE AND UNIVERSITY SYSTEM

and

THE UNIVERSITY OF TEXAS
MAIN UNIVERSITY
AUSTIN, TEXAS

As an accredited institution of higher education in Texas, it is hereby agreed that in order to participate in the Texas Opportunity Plan the institution will:

- (1) Abide by the Rules and Regulations of the Texas Opportunity Plan Fund as adopted by the Coordinating Board, Texas College and University System on April 18, 1966 and any subsequent revisions thereto.
- (2) Appoint a Texas Opportunity Plan Loan Fund Officer who will exercise reasonable and diligent care and employ accepted business-type procedures in the administration of this program.
- (3) Submit such report, other than those required by the Rules and Regulations, as may be required by the Commissioner.

The Coordinating Board, Texas College and University System agrees that it will:

- (1) Provide adequate copies of Rules and Regulations of the Texas Opportunity Plan Fund as adopted by the Coordinating Board, Texas College and University System and subsequent revisions thereto within a reasonable length of time after their adoption.
- (2) Provide an adequate number of printed copies of all forms required by the Commissioner in the Rules and Regulations.

Both parties agree to comply with Title VI of the Civil Rights Act of 1964 which states: "No person in the United States shall on the grounds of race, color, national origin, be excluded from participating in, be denied the benefits of, or be subject to discrimination under any program or activity receiving federal assistance."

Coordinating Board, Texas
College and University System

The University of Texas
Main University

(Commissioner)

(Chairman, Board of Regents)

(Date)

(Date)

2. REGENTS' RULES AND REGULATIONS: AMENDMENT TO PART ONE, CHAPTER III.--

Chancellor Ransom concurs in Vice-Chancellor Hackerman's recommendation that Section 30.(15) of Chapter III, Part One, of the Regents' Rules and Regulations be revised so that any retired staff member, upon proper administrative recommendation and approval, may be employed up to one-third time while receiving service retirement under the Teacher Retirement System. It is recommended that the Board of Regents approve the following change:

From

Any person receiving service retirement under the Teacher Retirement System of Texas and who is over sixty-five (65) years of age may be employed as a teacher by a State-supported college or university in this state on as much as a one-third time basis, which shall in no event exceed six (6) semester hours.

To

Any person receiving service retirement under the Teacher Retirement System of Texas and who is over sixty-five (65) years of age may be employed by a State-supported college or university in this state on as much as a one-third time basis (which for teachers shall in no event exceed teaching of six (6) semester hours).

This change is in conformity with a ruling by the Teacher Retirement System of Texas.

3. SYSTEM-WIDE: RENEWAL OF BANK DEPOSITORY AGREEMENTS FOR THE PERIOD BEGINNING SEPTEMBER 1, 1966.--

Comptroller Sparenberg recommends authorization of the Board of Regents to negotiate renewal of bank depository agreements for the period beginning September 1, 1966 in accordance with the conditions and recommendations contained in the following memorandum:

June 16, 1966

To: BOARD OF REGENTS, for Meeting of July 8 and 9, 1966.

Via: Office of the Chancellor and Committee of the Whole.

This recommendation is being made after discussions with Vice-Chairman Erwin and Vice-Chancellor Dolley, and following my letter of June 2, 1966 to all members of the Board of Regents and my letter of June 14, 1966 to Mr. W. W. Heath, Chairman of the Board of Regents, with copies to all the other Regents. All of the University's present bank depository agreements expire by their terms August 31, 1966. In accordance with the usual practice, it is recommended that Comptroller Sparenberg, with the assistance of the Executive Heads and Business Managers of the branches outside of Austin, be authorized to negotiate renewal agreements with all of the present banks (listed below) for the period beginning September 1, 1966. It is understood that after these negotiations, the agreements will be approved by the Executive Committee of the Board, before final execution by the Chairman and the Secretary.

It is further recommended that the new bank depository agreements be prepared in the same form that they are in now, except as follows:

It is recommended that the provisions which read: "it is contemplated by the DEPOSITOR that, under ordinary conditions, the amount of deposits kept in the form of "Time Deposits, Open Account" and/or "Time Certificates of Deposit" will be between 50% and 60% of the total balances of active accounts and between 75% and 90% of the total balances of inactive or dormant accounts" be made applicable to all of our bank depository agreements. (The purpose of this recommendation is to make these provisions applicable to the bank depository agreements for Southwestern Medical School and Arlington State College; these provisions are now in all the other bank depository agreements.)

It is also recommended that all of these bank depository agreements include, in lieu of specific required minimum interest rates and related provisions, a requirement that our depository banks pay, on our Time Deposits and Certificates of Deposit, the maximum rates allowed under Regulation Q (and the various amendments and supplements thereto) of the Board of Governors of the Federal Reserve System. (As previously indicated in my letter of June 2, 1966, we formerly had this requirement in our bank depository agreements, and Texas A&M University still has a similar requirement in its bank depository agreements.)

It is further recommended that all these bank depository agreements be put on an "open-end basis", effective September 1, 1966, with the provision that either the Depositor or the Depository could cancel the agreement on 120 days written notice to the other.

In connection with the previous recommendations, it is further recommended that the Board approve the expanding of our list of securities acceptable for collateral purposes under these depository agreements to include: tax bonds of Texas cities, tax bonds of Texas counties, tax bonds of Texas independent school districts, and revenue bonds of utility systems issued by Texas cities, which are rated A or better by Moody's and Standard and Poor's, or by either, if not rated by both. Our present depository agreements provide that the funds on deposit shall be secured with bonds or other evidences of direct indebtedness of the United States, or bonds of The University of Texas, or Permanent University Fund bonds of Texas A&M University.

It is further recommended that a few minor changes be made in the language of the bank depository agreements, not to change, but to clarify, the duties of the Trustee Banks.

Not to change the form of the depository agreements, but to facilitate day-to-day operations, it is also recommended that when the Board of Regents adopts certain percentages for allocation of money between the banks in a certain city or for a certain branch, that the allocations be made on the basis of the total balances in each bank, and not on a basis which would include special provisions or exceptions for specific funds or types of funds.

The list of our 34 bank depository agreements (with 26 banks), now in effect, is repeated below:

Austin - Central Administration and Main University
American National Bank of Austin
Austin National Bank, Austin
Capital National Bank in Austin
City National Bank of Austin
Texas State Bank, Austin
Citizens National Bank of Austin

Galveston - Medical Branch
First Hutchings-Sealy National Bank of Galveston
Moody National Bank of Galveston
United States National Bank of Galveston

Houston - Dental Branch
Bank of the Southwest National Association, Houston
First City National Bank of Houston
Texas National Bank of Commerce of Houston
Central National Bank of Houston
Fannin Bank, Houston

Houston - M. D. Anderson Hospital and Tumor Institute
Bank of the Southwest National Association, Houston
First City National Bank of Houston
Texas National Bank of Commerce of Houston
Central National Bank of Houston
Fannin Bank, Houston

Houston - Graduate School of Biomedical Sciences
First City National Bank of Houston

El Paso - Texas Western College
State National Bank of El Paso
El Paso National Bank, El Paso
Southwest National Bank of El Paso
Chelmont State Bank, El Paso

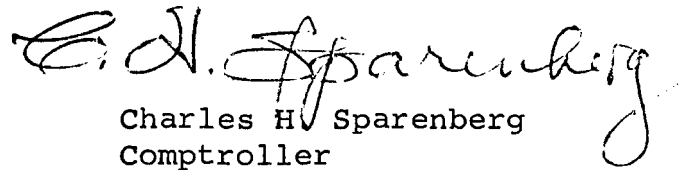
Dallas - Southwestern Medical School
First National Bank in Dallas
Mercantile National Bank of Dallas
Republic National Bank of Dallas
National Bank of Commerce, Dallas

Dallas - Arlington State College
First National Bank in Dallas
Republic National Bank of Dallas

Fort Worth - Arlington State College
Fort Worth National Bank, Fort Worth
First National Bank of Fort Worth

Arlington - Arlington State College
Arlington State Bank in Arlington
First National Bank in Arlington

Very truly yours,


Charles H. Sparenberg
Comptroller

CHS:dlh

4. SYSTEM-WIDE: APPROVAL OF CHANGES IN MONEY AND SECURITIES INSURANCE POLICY.--

Comptroller Sparenberg and Vice-Chancellor Dolley recommend changes in money and securities insurance policy as set forth in Mr. Sparenberg's memorandum of June 17, 1966, as follows:

June 17, 1966

To: THE BOARD OF REGENTS, for Meeting of July 8 and 9, 1966

Via: Office of the Chancellor and Committee of the Whole

On March 18, 1966 the Comptroller's Office received a letter from Mr. John P. Nieman, of Nieman, Hanks, and Puryear, Austin, Texas, agents for the Hartford Accident and Indemnity Company, who had been carrying for some time our insurance coverage on money and securities, technically known as "Loss Inside the Premises Coverage" and "Loss Outside the Premises Coverage". This letter indicated that because of the loss experience sustained in recent years, the Hartford Accident and Indemnity Company desired to be relieved of this risk by April 30, 1966. This letter included a list of claims made under this policy for losses throughout the University system, which covered the period from March 8, 1958 to January, 1966, inclusive, covering twelve claims during this period totalling \$3,437, six of which were under \$100 each (ranging from \$25 to \$83), with the other six being in the amounts of \$100, \$235, \$300, \$400, \$761, and \$1,336. By branches, these losses were divided as follows: Main University - 8, Southwestern Medical School at Dallas - 2, Medical Branch at Galveston - 1, and Texas Western College at El Paso - 1.

With the concurrence of Vice-Chancellor Dolley, the Comptroller's Office urged Mr. Nieman to try to persuade Hartford not to take their contemplated action, but to let the policy run on until December 15, 1966, when the current three-year premium would run out. Thanks mainly to the efforts of Mr. Nieman, the Hartford Accident and Indemnity Company on March 30, 1966 agreed to continue this coverage "until December 15, 1966, or until the next loss sustained under the policy, whichever comes first." The Comptroller's Office strongly urged a number of key people at the Main University and several of our Branch Business Managers outside of Austin to redouble their efforts in urging their own people to exercise care and caution in these matters, but unfortunately, another loss occurred at the University Tea House in Austin on the night of April 14, 1966. This burglary involved an estimated total net loss of \$1,006.16, consisting of cash - \$578.16, estimated value of stolen adding machine - \$228.00, and estimated value of stolen safe - \$200.00. According to Mr. McConnell's report, it was determined that entry was gained by breaking a window on the east side of the cafeteria, and that the safe and adding machine were removed through an east window of the small dining room. Obviously, an occurrence like this cannot be blamed on the carelessness of employees. The cash loss included only one day's receipts, plus the regular petty cash and change fund.

After a great deal of discussion and negotiation, involving the Comptroller's Office, Nieman, Hanks, and Puryear, and the Company, Hartford finally cancelled our money and securities policy as at June 1, 1966.

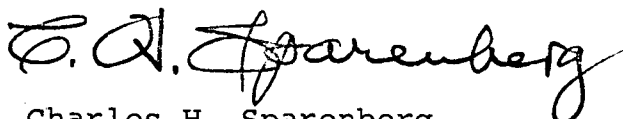
With the concurrence of Vice-Chancellor Dolley, the Comptroller's Office has made arrangements with the Travelers Indemnity Company of Hartford, Connecticut, through the Consolidated Insurance Agency

of Austin, Texas, to cover this risk for the period from June 1, 1966 to December 15, 1966, inclusive, on the same terms and conditions as the Hartford policy, except that, on the recommendation of the Comptroller's Office, Travelers added a new endorsement calling for a \$100 deductible on each loss occurrence. The coverage provided includes a minimum of \$50,000 each for "Loss Inside the Premises" and "Loss Outside the Premises", plus excess coverages covering special periods such as registration periods, etc., ranging from \$12,000 to \$500,000, at Main University, Texas Western College, Dental Branch, Medical Branch, Southwestern Medical School, and Arlington State College.

The Travelers Indemnity Company has agreed to provide this coverage for this special, limited period for a premium of \$877, which the Comptroller's Office and Vice-Chancellor Dolley think is quite reasonable under the circumstances. We should, of course, get a prorata refund for this period from Hartford.

It is recommended by Comptroller Sparenberg, with the concurrence of Vice-Chancellor Dolley, that these arrangements to take care of a temporary emergency be ratified and approved by the Board of Regents, and that, at a reasonable time prior to the expiration of the three-year premium terms on December 15, 1966, the Comptroller be authorized to call for bids (on an invitational basis), which bids would be on the basis of putting the money and securities coverage and the system-wide Blanket Position (Fidelity) Bond under one policy or contract. We have considered the possibility of doing this many times, and the Comptroller's Office and the Chancellor's Office are agreed that combining the two coverages in one contract is the wise thing to do, from both the coverage standpoint and the premium standpoint.

Respectfully submitted,



Charles H. Sparenberg
Comptroller

CHS:blw

5. Main University: Purchase of J. Frank Dobie's ranch Paisano.--Ralph Johnston of Houston, Harris County, Texas, has purchased the J. Frank Dobie ranch Paisano and has agreed to sell the same to The University of Texas.

The total price to be paid for the ranch will be \$76,216.75 and Mr. Johnston has made a donation amounting to 10% of this amount. The purchase price has been donated by various donors throughout the State and is available for payment on the date of closing. No state funds will be used for the purchase price.

Paisano will be operated by the University as a permanent memorial to J. Frank Dobie, and the primary use will be to encourage creative artistic effort in all fields, particularly in writing, but in the discretion of the University it may also be used for such purposes as field trips for botanists, zoologists, geologists, etc. It will be kept in its present more or less natural state and the ranch house will be kept in simple style, very much as it was when Frank Dobie occupied it.

Gifts have been made to The University of Texas for the purchase of the ranch from Ralph Johnston and the donors were assured that the ranch will always be used primarily for the encouragement of creative endeavor, particularly writing, and that care will be taken to see to it that the people who use it are the kind whose creativity is likely to be enhanced by work in such surroundings. Moreover, it was understood that it will be a nature sanctuary and that hunting will be perpetually prohibited.

Nothing in this transaction is to create any financial obligation, as the Raymond Dickson Foundation has agreed to contribute \$1,000 a year toward the cost of maintaining the ranch, and the Council of Texas Institute of Letters will provide a \$2,000 Frank Dobie Fellowship annually, plus the sum of \$1,800 which has already been raised as a Dobie memorial fund. Others have agreed to contribute sums through the Texas Institute of Letters toward a fellowship fund.

It is recommended that the Board of Regents authorize and approve the purchase of J. Frank Dobie's ranch Paisano.

6. ALLOCATION FROM THE ARCHER M. HUNTINGTON SECURITIES
INCOME ACCOUNT TO THE ARCHER M. HUNTINGTON MUSEUM
FUND.--

The Board of Regents approved the policy of allocating funds from the Securities Income Account to the Museum Fund. In 1964-65, \$20,000 was allocated, and this was the beginning year for the operation of the Art Teaching Gallery. It was expected that allocation to the Museum Fund would increase each year with expanded operation until the full amount of the securities income would be allocated to the operation of the Museum Fund. It is anticipated that the 1965-66 income will be in excess of \$37,000. The original allocation for 1965-66 was for \$25,000. There is currently a balance in excess of \$48,800 in the Securities Income Account.

It is recommended that an additional allocation of \$12,000 be made from the Securities Income Account to continue the summer program of the Art Teaching Gallery. The scale of the Teaching Gallery offerings has been increasing sharply during the present year. Local costs have been as anticipated, but transportation, packing and crating, warehouse, and insurance costs have been in excess of our original budget. This additional allocation of \$12,000, together with the original allocation of \$25,000, will not exceed the 1965-66 income.

7. MAIN UNIVERSITY: AGREEMENT WITH EX-STUDENTS'
ASSOCIATION FOR USE OF THE ALUMNI CENTER.--

Chancellor Ransom concurs in the recommendation of Vice-Chancellor Hackerman that the Board of Regents enter into an agreement with the Ex-Students' Association whereby the Ex-Students' Association agrees to make available the Alumni Center for use of faculty and student groups for such use of the facilities. The University of Texas agrees to furnish electricity, gas, and chilled water to the Ex-Students' Association in payment for the use of the Etter Alumni Center by University-attached people and groups.

Since Vice-Chancellor Hackerman and Business Manager Colvin have investigated this matter, it is recommended that they be authorized to negotiate the terms of the agreement with the Ex-Students' Association. We request approval to submit the proposed agreement to the Executive Committee of the Board for approval with authority for the Chairman of the Board of Regents to sign the agreement for the University.

The letter of recommendation indicates that at the present time the cost of utilities amounts to \$9,360 per year: \$6,000 for electricity, \$1,800 for gas, and \$1,560 for air conditioning.

8. MAIN UNIVERSITY, BOARD OF DIRECTORS OF TEXAS STUDENT PUBLICATIONS, INC.: RESOLUTION CONCERNING AUTHORITY OF APPOINTMENTS COMMITTEE.-- A resolution concerning authority of Appointments Committee was adopted by the Board of Directors of the Texas Student Publications, Inc. at its meeting on Thursday, April 28, 1966. This resolution (Appendix A of the minutes) was presented to the Executive Committee of the Board of Regents as a part of Item 42-M-65 and was not approved unanimously by the committee. On June 10, 1966, the Board of Directors of Texas Student Publications, Inc., adopted the following resolution which has been approved by the Administration and is submitted to the Board of Regents for approval:

RESOLUTION

WHEREAS: Since the Regents ruling of March 13, 1965, the practice followed by Texas Student Publications, Inc. has been to wait to pay all student staff members listed in the salary rosters of the budgets until approval is received from the Regents, and

WHEREAS: Student staff members of the various student publications change frequently from month to month, and

WHEREAS: It is not the intent of the Board of Directors of Texas Student Publications, Inc. nor of the Regents of the University to delay the payment of any employee past his regular pay day.

BE IT THEREFORE RESOLVED, that the Executive Committee of the Board of Directors of Texas Student Publications, Inc., consisting of five voting members of the Board, three faculty members and two student members, shall appoint and make awards to all members of the editorial staffs of the publications except the Editor and Managing Editor of The Daily Texan, the Editor of the Cactus, the Editor of the Ranger, the Editor of the Riata, and the Editor of Texas Engineering and Science Magazine.

Recommendations of students to fill the staff positions shall be made by the Editorial Appointment or Advisory Committees of the respective publications. All appointments and awards shall be made only as authorized under budgets previously approved by the Board of Regents. All appointments and awards shall be reported by the Executive Committee to the Board of Directors of Texas Student Publications, Inc. for its information.

AND BE IT FINALLY RESOLVED, that the policies as outlined in this Resolution be incorporated into the Handbook of Texas Student Publications, Inc.

COMMITTEE OF THE WHOLE

Supplementary Agenda

D. SPECIAL ITEMS BY CHANCELLOR RANSOM (Continued from Material Supporting the Agenda)

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E. SPECIAL ITEMS RELATING TO INSTITUTIONS OUT OF AUSTIN

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✓	Southwestern Medical School: Appro- priation for Pro Rata Cost of Road; Easement to City of Dallas; Consent to Children's Medical Center for Dedication of Street	53

9. BIENNIAL LEGISLATIVE BUDGET REQUESTS FOR 1967-69.--
The proposed biennial legislative budget requests for 1967-69 were mailed to the Board under separate cover on June 29. These include:

1. Budget Summaries
2. System Offices--Central Administration
3. Main University
4. Texas Western College
5. Arlington State College
6. Medical Branch
7. Southwestern Medical School
8. South Texas Medical School
9. Dental Branch including The Institute for Dental Science
10. M. D. Anderson Hospital and Tumor Institute
11. Graduate School of Biomedical Sciences at Houston

The Board will be asked to approve the requests after making such changes, if any, as are desired.

10. MAIN UNIVERSITY: APPOINTMENT, EDITORIAL MANAGER OF THE DAILY TEXAN.--

Dean Holland and Vice-Chancellor Hackerman concur in the recommendations of the Executive Committee of Texas Student Publications, Inc., that Mr. Robert Hilburn be appointed Editorial Manager of The Daily Texan effective September 1, 1966 at an annual salary rate of \$13,500.

The report of the Executive Committee of Texas Student Publications, Inc., follows:



JOURNALISM BUILDING ROOM 107
GREENWOOD 1-5244
THE UNIVERSITY OF TEXAS
DRAWER D UNIVERSITY STATION
AUSTIN, TEXAS 78712

TEXAS STUDENT PUBLICATIONS, INC.

June 9, 1966

Dean Jack Holland
Dean of Students
Main Building 106-M

Dear Dean Holland:

Attached are 15 copies of the June 3, 1966 Report of the Executive Committee of Texas Student Publications, Inc. which was circularized by mail and accepted by the Texas Student Publications, Inc. Board of Directors.

The action taken was the appointment of Robert Hilburn as Editorial Manager of The Daily Texan effective September 1, 1966 at an annual salary of \$13,500.

We will appreciate your expediting the approval of this report since Mr. Hilburn's present employer would like to know as soon as possible whether or not the appointment is official.

Sincerely yours,

TEXAS STUDENT PUBLICATIONS, INC.

Original Signed by

L. L. Edmonds, Jr.

L. L. Edmonds, Jr.
General Manager

LLE:lh

Encls. (15)

June 3, 1966

Report of the Executive Committee of
Texas Student Publications, Inc.

The Executive Committee of Texas Student Publications, Inc. started a search for an Editorial Manager of The Daily Texan with the qualifications as recommended by the Special Committee of Texas Editors. Several interested persons were not considered because their recommendations were not sufficiently strong. Two persons were brought to Austin for interviews, but one was not seriously considered.

The other was Mr. Robert Hilburn, Washington Bureau Chief of the Fort Worth Star-Telegram and The Houston Chronicle, who came to Austin for an interview on May 19. Mr. Hilburn is 42 years old, a native of Wichita Falls, Texas. He holds a Bachelor of Journalism degree from the University of Missouri, and went to work as a reporter for the Fort Worth Star-Telegram in 1948. For a year he was city editor of the Sunday Star-Telegram, and during a year's leave of absence from the Star-Telegram he served as press chief in John Connally's campaign for governor. Since 1963 Mr. Hilburn has been in Washington as Bureau Chief for the Star-Telegram and the Chronicle.

Members of the Board of Directors of Texas Student Publications met with Mr. Hilburn for a dinner meeting on May 19, and thoroughly described the job of Editorial Manager to him. The next morning members of the TSP Executive Committee met with him again, and were well satisfied with his qualifications. Several references were checked, and the Executive Committee met again on May 25. By unanimous approval it was decided to offer him the job. The following letter was sent on May 26, 1966.

May 26, 1966

Mr. Robert Hilburn
1253 National Press Building
Washington, D. C. 20004

Dear Bob:

As I told you on the phone yesterday, the Executive Committee of the Board of Directors of Texas Student Publications, is making you a definite offer of \$13,500 per year for the position of Editorial Manager of The Daily Texan.

Members of the committee are enthusiastic about your qualifications for this job and are very hopeful that you will be able to accept the offer.

Members of the Committee, also, were agreed that the TSP Board has clearly indicated that you as Editorial Manager will have the right to turn down any material for the Texan and to hold it until the next day with no appeal to an intermediate appellate committee that night. We are also agreed that it can be worked out so that the editorials are to be submitted earlier than they have been in the past.

Some members of the Committee felt that it might be unwise to make any other big changes in the procedure right now. Instead, they favor waiting until you have been in the job for a while, then considering other possible changes in procedure. Personally, I still intend to push for the naming of an editorial council which would make decisions concerning editorial policy instead of having that power all in the hands of the elected editor.

Please do let me know just as soon as you possibly can concerning your decision on the offer. We are certainly hoping you can be with us beginning September 1, 1966.

Sincerely,

/s/ Norris G. Davis, Chairman
Department of Journalism

On May 31, 1966 Norris Davis received a letter from Mr. Hilburn in which he accepted the job as Editorial Manager of The Daily Texan effective September 1, 1966.

Norris Davis, Chairman
Olin Hinkle
Clif Drummond
Jim Lederer
Ed Bowden

Mr. Erwin has asked the Secretary to report that he will propose that Section 8.5 of Chapter X of Part Two of the Regents' Rules and Regulations, which presently reads as follows:

"8.5 All persons employed on salary by Texas Student Publications, Inc. shall be subject to approval by the Board of Regents of The University of Texas, both as to salary and as to qualification."

be amended by adding the following to that section:

"Provided, however, that the Executive Committee of the Board of Directors of Texas Student Publications, Inc. shall appoint and make awards to all members of the editorial staffs of the publications except the Editor and Managing Editor of The Daily Texan, the Editor of the Cactus, the Editor of the Ranger, the Editor of the Riata, and the Editor of Texas Engineering and Science Magazine, so long as such appointments and awards are made consistent with budgets previously approved by the Board of Regents and provided further that no action taken by the Board of Directors of Texas

Student Publications, Inc. with respect to the employment, dismissal, salary, or duties and responsibilities of either the TSP General Manager or the Editorial Manager of The Daily Texan shall have any force or effect until it has been approved by the Board of Regents."

Mr. Erwin points out that the first part of his proposed amendment will be required if the Board acts favorably on the item set out on Page C of W - 16 in the ten-day Material Supporting the Agenda for the July meeting and that the second part of his proposed amendment gives effect to the following recommendation made by the Special Committee of Editors:

"To attract the caliber of person needed to fill this job, we recommend that he be given security in his employment, either by conferring academic tenure or by contract."

Mr. Erwin further states that he has discussed his proposed amendment with Mr. Hilburn and that Mr. Hilburn has expressed the hope it will be adopted by the Board.

11. MCDONALD OBSERVATORY: LEASING OF LAND FOR RADIO ASTRONOMY PROGRAM.-- Pursuant to the action of the Board of Regents at its May 1966 meeting in El Paso, the following proposed agreement has been approved in principle by Regent Josey and by the attorney for the Mitchell Estate, but certain technical revisions will have to be made. The contract is presented to the Board for approval after the technical revisions have been presented at the meeting of the Board.

A G R E E M E N T

THE STATE OF TEXAS X

COUNTY OF PRESIDIO X

 This AGREEMENT made and entered into this _____ day of _____, 1966, by and between _____

_____ of Marfa, Texas, herein called "Lessor," and THE UNIVERSITY OF TEXAS, Austin, Texas, herein called "Lessee," WITNESSETH:

 For and in consideration of the rentals to be paid by Lessee to Lessor and the covenants herein contained on the part of Lessee to be kept and performed, Lessor does hereby lease unto Lessee for the period beginning on the first day of August, 1966, and terminating on the last day of July, 1971, with the option to extend and renew said lease for additional five-year periods upon Lessee giving Lessor six months' written notice prior to such termination date of its intention to extend such lease for an additional five-year period subject to a renegotiation of the rental as provided in section 9 hereof, unless sooner terminated as hereinafter provided, by paying to Lessor as rental the sum of Thirty Thousand Dollars (\$30,000.00) per year in advance on or before the first day of August of each year during the term hereof, the following described tract of land in Presidio County, Texas:

 Being a tract or parcel of land consisting of 52 sections and comprising approximately 33,280 acres in Presidio County, Texas, and being more specifically shown in a plat attached hereto, marked Exhibit A, and made a part of this agreement.

 The following terms and conditions as to the use of the leased premises hereby granted are expressly agreed to by Lessee, and a violation thereof is expressly understood to be sufficient cause for cancellation of this lease by Lessor, should Lessor so elect:

1. Lessee is hereby given the right and privilege of using and enjoying the surface of the above-described premises including the right and privilege of erecting and maintaining thereon all necessary and desirable appurtenances incidental to a Radio Telescope Project, the right to erect, maintain and use buildings and other structures, fixtures, equipment or other improvements necessary or convenient for such purpose, together with the right to build roads, power and telephone lines, sewage disposal systems, and the right to use the existing airfield and the structures thereon. Lessee shall also have the right to drill and operate water wells thereon and to erect and maintain tanks for the proper storage of any such water so produced for the use thereof on the premises. The Lessee shall have the right to fence such portions of the leased premises as Lessee deems necessary.

2. Lessee shall furnish a designation and sketch of said land showing improvements located thereon and any other information concerning said land or lease whenever requested so to do by Lessor.

3. Lessee shall not commit or suffer to be committed waste upon said premises, and shall keep said premises and the improvements and equipment thereon in good order and repair and in clean, safe and healthful condition, and shall comply with all state, federal and local laws, rules and regulations with regard to the use and conditions of the demised premises and improvements and equipment thereon.

4. Lessee shall have the right at any time during the term of this lease to remove all improvements and equipment owned or placed by it on said premises as Lessee deems advisable so to do. Lessee shall not be responsible for the maintenance or upkeep of the improvements of Lessor, but at the termination of this lease Lessee shall promptly surrender the premises in substantially as good condition as when received, ordinary wear

and tear and damage by fire or the elements and such improvements as may be left on the premises alone excepted, and will fill all excavations, level and restore the terrain to as nearly its present condition as is possible.

5. It is understood and agreed that this lease is made subject to any and all outstanding easements or mineral leases covering the premises. All oil, gas, and other mineral rights are hereby reserved to Lessor.

6. It is understood and agreed that Lessor shall have the right to declare this agreement forfeited, cancelled and terminated upon the breach by Lessee of any of the covenants, conditions and agreements contained herein; it being provided, however, that Lessor shall give Lessee written notice, as provided herein, of such intention to forfeit, cancel and terminate this agreement and the reasons therefor, and Lessee shall have thirty (30) days after receipt of such notice within which to rectify the breach or violation complained of.

7. Lessor hereby grants to Lessee the right to sublet the above-described acreage for grazing purposes exclusive of sheep, and Lessee may also assign or sublet its leasehold interest in said demised premises for other purposes pertinent to this lease, provided that all covenants and agreements herein contained to be kept and performed by it shall have been fully complied with; and provided further, that in the event of any such assignment or subletting that a copy thereof shall be furnished Lessor.

8. It is contemplated that radio astronomy groups from other institutions may use the leased premises, and Lessor does hereby agree to such use by other groups.

9. Lessee shall have the right to terminate this agreement at any time upon giving Lessor one year's written notice of such termination. Lessor hereby reserves the right to renegotiate the consideration to be paid for the leased premises at the end of each five-year period. It is understood and agreed that the

rental rate for such additional five-year periods as determined by the parties or by arbitration as hereinafter provided shall not exceed the same percentage of assessed value of the land exclusive of improvements as is being paid in the initial five-year term of this agreement. Should the parties hereto not be able to agree upon the rental rate to be charged during any such five-year additional period then such rental rate shall be determined by arbitration in the following manner:

The Lessor shall by instrument and writing appoint a representative, a copy of which appointment shall be mailed or delivered to the Lessee and the Lessee shall within five days thereafter in writing appoint another representative, a copy of which appointment shall be mailed or delivered to the Lessor, and such two representatives within five days thereafter appoint a third representative in writing a copy of which appointment shall be mailed or delivered both to the Lessor and Lessee, and said three representatives or any two of them shall, within thirty days thereafter, make a determination of the rental rate to be charged during such succeeding five-year period and deliver a written copy of such determination to both the Lessor and the Lessee and such determination so made shall be binding and conclusive upon the parties hereto as to the rental rate to be charged for such succeeding five-year period.

10. Lessee shall have the right to restrict any type seismic operations within one-quarter mile of the radio telescope site and shall have the right to restrict construction of any type, including any power or pipe line, within one-quarter mile of said radio telescope site, and shall also have the right to restrict drilling operations within one-quarter mile of said site.

11. Lessee or its sublessee shall receive all damages paid for construction on the leased premises and for all damages paid

for drilling operations on the leased area. Further, Lessee shall receive one-half of any damages paid for seismic operations on the leased premises.

EXECUTED by the parties on the respective dates shown below.

Lessor

Date _____

THE UNIVERSITY OF TEXAS

By _____

Lessee

Date _____

Approved as to Form:

Approved as to Content:

University Attorney

Vice Chancellor for
Academic Affairs

Date _____

Date _____

12. MAIN UNIVERSITY, COOPERATIVE AGREEMENT FOR WATER RESOURCES RESEARCH: ADDITION OF UNIVERSITY OF HOUSTON TO THIS AGREEMENT. --A cooperative agreement for water resources research among Texas Tech, Texas A. & M. , and The University of Texas was approved by the Board of Regents on February 25 - 26, 1966.

The University of Houston Board of Regents has passed a resolution adhering to the terms of the agreement and requests appropriate revision in the text to add the University of Houston as a participant in the cooperative agreement.

Chancellor Ransom concurs in the recommendation of Vice-Chancellor Hackerman that the University of Houston be included in the cooperative agreement for water resources research along with Texas A. & M. , Texas Tech, and The University of Texas.

-
13. SYSTEM -WIDE: REVISION OF THE RULES AND REGULATIONS OF THE BOARD OF REGENTS, PART TWO. --In compliance with Section 28 of the Special Provisions under Article IV of House Bill No. 12, 59th Leg. , R. S. , the administration recommends that the following changes (Pages 29 - 44) be made in the Rules and Regulations of the Board of Regents for the Government of The University of Texas, Part Two:

THE RULES AND REGULATIONS OF THE BOARD OF REGENTS
FOR THE GOVERNMENT OF THE UNIVERSITY OF TEXAS

THE UNIVERSITY SYSTEM - PART TWO

IN EFFECT

Chapter II, Sec. 2. Accounting.

2.1 The financial accounts of the University shall be kept in accordance with the recommendations of the National Committee on the Preparation of a Manual on College and University Business Administration, as set forth in Volume I of "College and University Business Administration" (1952) published by the American Council on Education. Where those recommendations conflict with statutes applicable to the University or to official orders of the Texas Commission on Higher Education, the latter shall be controlling.

Chapter II, Sec. 4. Reporting.

4.1 All financial reports shall be prepared in accordance with the provisions of the statutes, official orders of Texas Commission on Higher Education, and the directives of the Board of Regents and in conformity with the manual, "College and University Business Administration," referred to above. The forms shall be prepared by the institutional business officer and approved by the University Comptroller.

4.21 Annual Financial Report.--On or before December 29, printed financial reports, set up in accordance with the forms recommended in Volume I, "College and University Business Administration" (1952) shall be filed with the Texas Commission on Higher Education. The certificate of audit of the State Auditor is to be included if his report has been completed.

RECOMMENDED CHANGES

2.1 The financial accounts of the University shall be kept in accordance with the recommendations of the National Committee on the Preparation of a Manual on College and University Business Administration, as set forth in Volume I of "College and University Business Administration" (1952) published by the American Council on Education. Where those recommendations conflict with statutes applicable to the University or to official orders of the Coordinating Board, Texas College and University System, the latter shall be controlling.

4.1 All financial reports shall be prepared in accordance with the provisions of the statutes, official orders of Coordinating Board, Texas College and University System, and the directives of the Board of Regents and in conformity with the manual, "College and University Business Administration," referred to above. The forms shall be prepared by the institutional business officer and approved by the University Comptroller.

4.21 Annual Financial Report.--On or before December 29, printed financial reports, set up in accordance with the forms recommended in Volume I, "College and University Business Administration" (1952) shall be filed with the Coordinating Board, Texas College and University System. The certificate of audit of the State Auditor is to be included if his report has been completed.

IN EFFECTRECOMMENDED CHANGESChapter II, Sec. 4. Reporting.
(continued)

- 4.22 Salary Payment Report.--On or before December 31 each year, an itemized schedule shall be prepared of salaries and wages paid all employees for services during the preceding fiscal year out of any funds from any source or character under the control and/or custody of the Board of Regents, showing for each employee the total amount paid from each source during the twelve months of the fiscal year, the title of the position held or kind of service rendered, and a summary of all expenditures by departments. Two copies of this report shall be prepared, one copy for the Office of the Secretary of the Board of Regents and one copy for the Office of the Comptroller.
- 4.4 Quarterly financial reports reflecting income receipts, approved budget changes, and expenditures for each component institution shall be prepared by Central Administration.

- 4.22 Salary Payment Report.--On or before December 31 each year, an itemized schedule shall be prepared of salaries and wages paid all employees for services during the preceding fiscal year out of any funds from any source or character under the control and/or custody of the Board of Regents, showing for each employee the total amount paid from each source during the twelve months of the fiscal year, the title of the position held or kind of service rendered, and a summary of all expenditures by departments. Three copies of this report shall be prepared, one copy for the Office of the Secretary of the Board of Regents, one copy for the Vice-Chancellor (Fiscal Affairs), and one copy for the Office of the Comptroller.
- 4.4 Periodic financial reports reflecting income receipts, approved budget changes, and expenditures for each component institution shall be prepared by Central Administration.

Chapter II, Sec. 6. Biennial Budget Requests.

- 6.1 The University shall submit biennial budget requests as may be required to the Texas Commission on Higher Education, to the Legislative Budget Board, and to the Executive Budget Office in the form and at the time prescribed.

- 6.1 The University shall submit biennial budget requests as may be required to the Coordinating Board, Texas College and University System, to the Legislative Budget Board, and to the Executive Budget Office in the form and at the time prescribed.

Chapter III, Sec. 3. Deposits with the State Treasurer.

- 3.1 The Appropriation Bill requires that all cash receipts at the Main University and at Texas Western College be deposited in the State Treasury with the exception of those from auxiliary enterprises, noninstructional services, student service fees, student activity fees, parking fees, agency and restricted funds, endowment funds, student loan funds, and Constitutional College Building Amendment Funds.
- 3.12 Not less than every five days, the institutional business officer shall make remittances to the State Treasury in the form of checks drawn on the clearing account except that a balance of not more than \$500 may be maintained.

- 3.1 The Appropriation Bill requires that all cash receipts at the Main University, at Texas Western College, and at Arlington State College be deposited in the State Treasury with the exception of those from auxiliary enterprises, noninstructional services, student service fees, student activity fees, parking fees, agency and restricted funds, endowment funds, student loan funds, and Constitutional College Building Amendment Funds.
- 3.12 Not less than every seven days, the institutional business officer shall make remittances to the State Treasury in the form of checks drawn on the clearing account except that a balance of not more than \$500 may be maintained.

IN EFFECT

RECOMMENDED CHANGES

Chapter III, Sec. 4. Local Institutional Funds.

4.2 Depository banks selected shall furnish adequate surety bonds or securities to assure safety of these funds. Local funds shall be deposited in the depository banks within five days from the date of collection. Such funds are usually carried as demand deposits; however, they may be carried as time deposits at a negotiated interest rate.

4.2 Depository banks selected shall furnish adequate surety bonds or securities to assure safety of these funds. Local funds shall be deposited in the depository banks as soon as possible, but in no event later than seven days from the date of collection. Such funds are usually carried as demand deposits; however, they may be carried as time deposits at a negotiated interest rate.

Chapter III, Sec. 7. Vouchers for Expenditures.

7.1 Main University Vouchers for disbursement of funds shall be prepared in the departmental offices at the Main University. They shall be signed by the head of the department, or someone recommended by him in writing and appointed by the President of the Main University, and such vouchers shall be approved by an authorized person in the Auditor's Office.

7.1 Main University Vouchers for disbursement of funds shall be prepared in the departmental offices at the Main University. They shall be signed by the head of the department, or someone recommended by him in writing and appointed by the Chancellor of the Main University, and such vouchers shall be approved by an authorized person in the Auditor's Office.

7.3 Vouchers shall be prepared on State of Texas Purchase Voucher Form, P-1, consisting of five copies as follows:
No. 1 - For State Comptroller (if paid from State funds)
No. 2 - For Board of Control (if purchase through Board of Control)
No. 3 - For Institutional Business Office
No. 4 - For Institutional Department (file copy)
No. 5 - For return with check to vendor (sent by business office with payment)

7.3 Vouchers shall be prepared on State of Texas Purchase Voucher Form, consisting of five copies as follows:
No. 1 - For State Comptroller (if paid from State funds)
No. 2 - For Board of Control (if purchase through Board of Control)
No. 3 - For Institutional Business Office
No. 4 - For Institutional Department (file copy)
No. 5 - For return with check to vendor (sent by business office with payment)

Chapter III, Sec. 8. Vouchers Payable from State Funds.
(All funds on deposit in State Treasury).

8.2 If the amount is \$50 or less, either a notarization or a signed certification is required. The certification, if used, must read as follows:

I certify under the penalty of perjury that this claim has been examined by me and to the best of my knowledge and belief is true and correct.

8.2 If the amount is \$50 or less, either a notarization or a signed certification is required. The certification, if used, must read as follows:

I certify under the penalty of perjury that this claim has been examined by me and to the best of my knowledge and belief is true and correct.

IN EFFECTRECOMMENDED CHANGESChapter III, Sec. 10. Outstanding Checks.

10.1 Outstanding checks shall be carried on the official accounting records for the two fiscal years following the year in which they are issued. (Example: if issued in 1953-54, they would be carried through August 31, 1956.) Those still outstanding at the end of the second fiscal year after issue shall be cancelled and written off the official accounting records.

10.1 Outstanding checks shall be carried on the official accounting records for the two fiscal years following the year in which they are issued. (Example: if issued in 1963-64, they would be carried through August 31, 1966.) Those still outstanding at the end of the second fiscal year after issue shall be cancelled and written off the official accounting records.

Chapter III, Sec. 12. Payrolls.

12.5 Deductions for income tax, teacher and employee retirement, and social security are made where applicable on all payrolls. At some institutions, hospitalization insurance is also deducted if approved by the Board of Regents.

12.5 Deductions for income tax, teacher and employee retirement, and social security, as well as group life insurance, hospitalization insurance and income disability insurance, are made where applicable on all payrolls.

Chapter III, Sec. 13. Absence from Usual and Regular Duties, Authorization for Absence, Including Travel, and Travel Expense Reimbursement.

13.31 Travel expenses shall be reimbursed only from funds appropriated or authorized for travel. Heads of component institutions shall plan the travel of all employees under their authority to achieve maximum economy and efficiency.

13.31 Travel expenses shall be reimbursed only from funds appropriated or authorized for travel. Heads of component institutions shall plan the travel of all employees under their authority to achieve maximum economy and efficiency. Each travel voucher submitted for reimbursement shall include such a description as to identify persons or places contacted and/or the nature of the official business of the State performed within the legal responsibilities of the institution.

13.321 Central Administration - Reimbursement for all travel shall be approved either by the Chancellor of The University of Texas or by the Auditor or Assistant Auditor of the Main University.

13.321 Central Administration - Reimbursement for all travel shall be approved either by the Chancellor of The University of Texas or by the Auditor of the Main University.

13.322 Component Institutions - Reimbursement for all travel by employees of the component institutions shall be approved either by the Chancellor of The University of Texas or by the administrative officers designated below:

13.322 Component Institutions - Reimbursement for all travel by employees of the component institutions shall be approved either by the Chancellor of The University of Texas or by the administrative officers designated below:

Main University - the President, the Vice-President and Provost, the Auditor, or Assistant Auditor.

Main University - the Vice-Chancellor for Academic Affairs, the Business Manager, or the Auditor.

Texas Western College - The President of Texas Western College or the Business Manager.

Texas Western College - the President of Texas Western College or the Business Manager.

IN EFFECT

RECOMMENDED CHANGES

Chapter III, Sec. 13. Absence from Usual and Regular Duties, Authorization for Absence, Including Travel, and Travel Expense Reimbursement. (continued)

13.322 (cont'd.) Medical Branch, Galveston - Executive Dean and Director or the Business Manager and Comptroller of Hospitals.
Southwestern Medical School - the Dean or the Business Manager.
Dental Branch - the Dean or the Business Manager.
M. D. Anderson Hospital and Tumor Institute - the Director, the Administrator, or the Business Manager.
Postgraduate School of Medicine - the Dean or the Business Manager.

13.322 (cont'd.) Medical Branch, Galveston - the Executive Dean and Director, the Associate Director, or the Business Manager.
Southwestern Medical School - the Dean or the Business Manager.
Dental Branch - the Dean or the Business Manager.
M. D. Anderson Hospital and Tumor Institute - the Director, the Administrator, or the Business Manager.
Graduate School of Biomedical Sciences at Houston - the Dean or the Business Manager.
South Texas Medical School - the Dean or the Business Manager.
Arlington State College - the President or the Director of Business and Finance.

13.33 Per Diem Allowances.--Travel Status for Continuous Period of Twenty-Four (24) Hours or More - An employee who is traveling on official University business and is in continuous travel for a period of twenty-four (24) hours or more will be reimbursed at per diem rates, in lieu of actual expenses for meals and lodging, in accordance with the following:

13.33 Per Diem Allowances.--Travel Status for Continuous Period of Twenty-Four (24) Hours or More - An employee who is traveling on official University business and is in continuous travel for a period of twenty-four (24) hours or more will be reimbursed at per diem rates, in lieu of actual expenses for meals and lodging, in accordance with the following schedules:

C of W - 33

	Rates	
	In State	Out of State
Per diem per calendar day	\$9.00	\$15.00
one fourth (1/4) the rate for a calendar day for each period of six (6) hours or fraction thereof (at least 2 hours)	2.25	3.75

13.331 None

13.331 If there is attached to the employee's expense account when submitted a "Paid" bill or receipt from a commercial hotel, motel, or other commercial lodging establishment for the employee's lodging for the period for which per diem reimbursement is claimed:

	Rates	
	In State	Out of State
Per diem per calendar day	\$12.00	\$15.00
One-fourth (1/4) the rate for a calendar day for each period of six (6) hours or fraction thereof (at least 2 hours)	\$ 3.00	\$ 3.75

IN EFFECT

RECOMMENDED CHANGES

Chapter III, Sec. 13. Absence from Usual and Regular Duties, Authorization for Absence, Including Travel, and Travel Expense Reimbursement. (continued)

13.332 None

13.332 If the employee's expense account voucher does not include a supporting "Paid" bill or receipt as described in Subsection 13.331 above:

	<u>Rates</u>	
	<u>In State</u>	<u>Out of State</u>
Per diem per calendar day	\$ 7.00	\$10.00
One-fourth (1/4) the rate for a calendar day for each period of six (6) hours or fraction thereof (at least 2 hours)	\$ 1.75	\$ 2.50

13.342 An employee who is traveling on official University business for a continuous period of a minimum of six (6) hours but less than twenty-four (24) hours which does involve overnight stay will be reimbursed for meals and lodging in an amount not in excess of \$9.00 at the rate of \$2.25 for each six (6) hour period involved or fraction thereof (at least 2 hours).

13.342 An employee who is traveling on official University business for a continuous period of a minimum of six (6) hours but less than twenty-four (24) hours which does involve overnight stay will be reimbursed for meals and lodging in an amount not in excess of:

13.3421 None

13.3421 \$12.00 at the rate of \$3.00 for each six (6) hour period involved or fraction thereof (at least 2 hours) provided a "Paid" bill or receipt as described in Subsection 13.331 above is submitted.

13.3422 None

13.3422 \$7.00 at the rate of \$1.75 for each six (6) hour period involved or a fraction thereof (at least 2 hours), if a "Paid" bill or receipt as described in Subsection 13.331 above is not submitted.

13.371 Rented or Public Conveyance Including Taxis.--An employee traveling by rented or public conveyance is entitled to a transportation allowance equal to the actual cost of transportation, excluding Federal tax. Receipts for such rented or public transportation, excluding receipts for city bus, taxi, or limousine fares in amounts of \$2.50 or less, shall be obtained and attached to the employee's expense account when submitted. A detailed list of all claims for rented or public transportation including city bus, taxi, and limousine fares in amounts of \$2.50 or less shall be shown on Travel Expense Account under "Record of Transportation Claimed for Each Trip."

13.371 Rented or Public Conveyance Including Taxis.--An employee traveling by rented or public conveyance, or the commercial transportation company furnishing same, is entitled to a transportation allowance equal to the actual cost of necessary transportation for performing official business, excluding Federal tax. Payment of said transportation allowance may be made by either of the following methods, upon selection by the Chancellor or the head of the component institution, in advance of authorized official travel.

IN EFFECT

RECOMMENDED CHANGES

Chapter III, Sec. 13. Absence from Usual and Regular Duties, Authorization for Absence, Including Travel, and Travel Expense Reimbursement. (continued)

13.3711 None

13.3711 Where the employee pays for public transportation, including taxis, from his personal funds, receipts for such necessary transportation, excluding receipts for city bus, taxi or limousine fares in amounts of \$2.50 or less, shall be obtained and attached to the employee's expense account when submitted. A detailed list of all claims for rented or public transportation including city bus, taxi, and limousine fares in amounts of \$2.50 or less shall be shown on the Travel Expense Account under "Record of Transportation Claimed for Each Trip."

13.3712 None

13.3712 The Chancellor or heads of component institutions may request commercial transportation companies to furnish required transportation for official business to designated employees of Central Administration or such institutions, upon the presentation to cooperating transportation companies of transportation requests approved by the Chancellor or the head of the institution requesting such transportation. The transportation request shall specify the class of transportation authorized. The monthly billings for such transportation services from the transportation company will be vouchered on a regular purchase voucher, showing the detail of such furnished transportation for each trip, with a complete statement attached setting out in detail why each trip listed was necessary in the operation and maintenance of the institution.

13.372 Private Conveyance.--An employee traveling by private conveyance shall be reimbursed at the rate of eight cents (8¢) per mile on the basis of the shortest practical route between points.

13.372 Private Automobile.--An employee traveling in his personally-owned automobile shall be reimbursed at the rate of eight cents (8¢) per mile on the basis of the shortest practical route between points. No additional expense incidental to the operation of such automobile shall be allowed.

13.3721 Reimbursement for mileage in the State of Texas shall include the use of Farm-to-Market roads. The latest official highway map published by the State Highway Department shall be the official map for use during the current biennium.

13.3721 Reimbursement for mileage in the State of Texas shall include the use of Farm-to-Market roads. The latest official highway map published by the State Highway Department shall be the official map for use during the current biennium. For out-of-state travel, mileage will be computed from standard highway maps.

IN EFFECT

RECOMMENDED CHANGES

Chapter III, Sec. 13. Absence from Usual and Regular Duties, Authorization for Absence, Including Travel, and Travel Expense Reimbursement. (continued)

13.3722 When two or more employees travel in a single private conveyance, only one shall receive a transportation allowance, but this provision shall not preclude each traveler from receiving a per diem allowance.

13.3724 None

13.373 None

13.3722 When two or more employees travel in a single private automobile, only one shall receive a transportation allowance, but this provision shall not preclude each traveler from receiving a per diem allowance.

13.3724 Reimbursement for out-of-state transportation for the use of personally-owned automobiles together with per diem shall never exceed the cost of commercial first class transportation from the nearest airport and the per diem required had the employee travelled by such conveyance. The determination of the allowances due owners of personally-owned automobiles in compliance with this paragraph shall be as follows: (1) Per diem shall be determined by the use of an airline schedule which would have sufficed for the performance of the official business. (2) Expenses of transportation to airfields from points where airports are not available shall be allowed in addition to the cost of first class commercial air transportation. (3) When additional passengers are conveyed on out-of-state trips in personally-owned automobiles they shall receive as their expenses per diem based on automobile travel time. (4) Persons traveling to points not served by airlines shall receive mileage and per diem based on actual miles traveled and other expenses as authorized elsewhere in these regulations.

13.373 Private Airplane.--The current appropriation bill provides that the rate of reimbursement to executive heads and key officials for travel in their personally-owned airplanes within the boundaries of Texas and between points of necessary official business shall be sixteen cents (16¢) per highway mile.

IN EFFECT

RECOMMENDED CHANGES

Chapter IV, Sec. 7. Rental of Machines and Equipment.

7. Rental of Machines and Equipment.--Requisitions for rental of office machines or any equipment of any kind are required, by law, to have the prior written approval of the Governor, and such approval shall be required before the requisition is submitted to the State Board of Control. Approval by the State Board of Control is required prior to the beginning of the rental period, and payment of the rentals shall be made only after such approval. The requisitions shall be submitted through the purchasing agents, checked by the business managers, and forwarded by the executive heads to the Chancellor's Office for transmittal to the Governor. Also see Section 11 of this Chapter.

7. Rental of Machines and Equipment.--Requisitions for rental of office machines or any equipment of any kind which exceed a rental cost of \$500.00 per annum are required, by law, to have the prior written approval of the Governor, and such approval shall be required before the requisition is submitted to the State Board of Control. Approval by the State Board of Control is required prior to the beginning of the rental period, and payment of the rentals shall be made only after such approval. The requisitions shall be submitted through the purchasing agents, checked by the business managers, and forwarded by the executive heads to the Chancellor's Office for transmittal to the Governor. Also see Section 11 of this Chapter.

Chapter IV, Sec. 9. Purchase of Stationery, Office Supplies, Stenographic Services, Mimeograph and Multilith Work, Printing, Books, Periodicals, and Magazine Subscriptions.

9.4 None

9.4 The current appropriation bill provides that appropriated funds may not be expended for purchase of law books without the approval of the Attorney General. Purchases for the School of Law are exceptions to this provision.

Chapter IV, Sec. 13. Unlisted Telephone Numbers.

13. None

13. Unlisted Telephone Numbers.--The current appropriation bill prohibits the expenditure of funds appropriated thereby for payment of rental or toll charges on telephones for which numbers are not listed or available from "Information Operators" at telephone exchanges.

IN EFFECT

RECOMMENDED CHANGES

Chapter V, PERSONNEL

Sec. 3. Other Regulations Concerning Personnel are Reported in the Rules and Regulations of the Board of Regents, Part One, as follows:

(It is recommended [see below, right] that this entire section, including the detail following the above caption, be renumbered and included as Section 4.)

Sec. 4. None

Sec. 3. Certain Provisions in Current Appropriation Bill.--The rules and regulations of the Board of Regents are subject to and shall comply with the provisions appearing in the current Appropriation Bill, including the following pertaining to personnel:

3.1 Use of Alcoholic Beverages.--"None of the moneys appropriated under this Act shall be used for the payment of salaries to any employee who uses alcoholic beverages while on active duty. None of the funds appropriated under this Act for travel expenses may be expended for alcoholic beverages."

3.2 Separation from State Employment.--"No employee of the State shall be granted terminal annual or vacation leave subsequent to the effective day of the employee's resignation, dismissal, or separation from State employment."

Sec. 4. Other Regulations Concerning Personnel are Reported in the Rules and Regulations of the Board of Regents, Part One, as follows:

(Was Section 3 [above, left]. It is recommended that the page references included in the detail of this section be checked and corrected where necessary.)

IN EFFECTRECOMMENDED CHANGESChapter VI, Sec. 8. Group Long Term Disability Income Insurance.

8. None
8. Group Long Term Disability Income Insurance.
- 8.1 The University carries a master group long term disability income insurance policy, covering all institutions, with the Aetna Life Insurance Company. Premiums are payable monthly in advance, by payroll deduction, and the rate applies to the monthly rate of basic earnings of each covered employee regardless of age. The program is optional but is available only to faculty members with the rank of Instructor or higher, or full-time monthly salaried employees. New employees are notified of their eligibility by the Personnel Office at the time of employment. The plan became effective initially on October 1, 1965.
- 8.2 Monthly rate of basic earnings is the rate in effect on the October 1 before the start of an individual's disability. Furthermore, monthly rate of basic earnings is defined as 1/9 of the base rate for academic personnel paid on a nine-month basis and 1/12 of the base annual rate for non-teaching employees or any other person paid on a twelve-month basis. In no case shall monthly rate of basic earnings exceed \$2,500.00 per month. All premiums and benefits are payable 12 months per year.
- 8.3 The plan guarantees benefits of 65% of the monthly rate of pay up to maximum monthly benefits of \$1625.00 per month, and any extra compensation is excluded. The plan will pay all of this 65% guarantee if the insured is not eligible for "other income benefits". If he is eligible for "other income benefits", the plan will add to the total of "other income benefits" to make up this 65% guarantee. In general, the plan counts as "other income benefits" any wages, salary, or other remuneration a person might receive from their component institution, or from any other employer, while they are eligible for income benefits from the plan. Also counted are any disability benefits payable under any law or under any plan sponsored by The University of Texas.

IN EFFECTRECOMMENDED CHANGESChapter VI, Sec. 8. Group Long Term Disability Income Insurance.
(continued)

8. None (continued)

- 8.4 Covered employees will be eligible for the first income payment from the plan after having been "totally disabled" throughout a qualifying period of 90 days. Payments will be made as of the end of each calendar month. Benefits continue to be paid as long as a person is "totally disabled"; however, all income payments will stop when a person recovers, dies, or reaches age 65--whichever happens first.
- 8.5 No medical examination is required if application is made for insurance within 60 days from date of employment. After the 60 day period, an "Evidence of Insurability" form, prepared by the company and available through the Personnel Office is required. No medical examination is required if this form is accepted by the company after review, but, if it is not so accepted, the applicant must have a medical examination at his expense.
- 8.6 Each policyholder receives a certificate issued by the company which is prepared and transmitted through the Business Office or Personnel Office.
- 8.7 The insurance of any employee under this policy shall terminate at the earliest time specified below:
- 8.71 Upon discontinuance of the policy.
- 8.72 At the end of a policy month during which the employee's employment with the University in the classes eligible for the insurance terminates.
- 8.73 On the date the employee attains the age of sixty-five years.
- 8.8 A person may continue to keep the coverage during periods of Official Leave of Absence upon the direct payment of premiums through the Business Office of the appropriate component institution.

IN EFFECT

RECOMMENDED CHANGES

Chapter VII, Sec. 4. Motor Vehicles.

4.6 None

4.6 The current appropriation bill provides that no funds appropriated thereby may be expended for the purchase or maintenance of motor vehicles by a state institution unless the institution submits to the Legislative Budget Board and the Governor's Budget Office within thirty (30) days after the beginning of each fiscal year a complete list of all rules, regulations, and policies prohibiting and penalizing the personal use of State-owned passenger vehicles by employees.

Chapter VII, Sec. 12. Certain Special Provisions in Current Appropriation Bill.

12.2 TV Stations Prohibited.--"None of the moneys appropriated in this Article may be expended for the acquisition, construction, or operation of television transmitter station; provided, however, this prohibition shall not be construed so as to prevent the medical schools, dental school, general academic teaching institutions or other agencies of Higher Education named in this Article from using closed-circuit television for purely instructional purposes, or to prevent general academic teaching institutions with existing transmitter stations to use same for educational purposes."

12.2 TV Stations Prohibited.--"None of the moneys appropriated in this Article may be expended for the acquisition, construction or operation of television transmitter station; provided, however, this prohibition shall not be construed so as to prevent the medical schools, dental school, general academic institutions or other agencies of Higher Education named in this Article from using closed-circuit television for purely instructional purposes, or to prevent general academic teaching institutions with existing transmitter stations to use same for educational purposes, or to prevent the continuance of operating arrangement with existing transmitter stations for purely educational purposes."

IN EFFECTRECOMMENDED CHANGESChapter VII, Sec. 12. Certain Special Provisions in Current Appropriation Bill.
(continued)

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|-------|--|------|--|
| 12.5 | Use of Alcoholic Beverages.--"...(detail)..." (See Chapter V, Sub-section 3.1 for recommended inclusion of this provision.) | 12.5 | Use of Educational and General Funds for Alumni Activities Prohibited.--
"None of the educational and general funds or of the Constitutional funds appropriated by this Article may be expended by State agencies of higher education for the support and maintenance of alumni organizations or activities." |
| 12.6 | Separation from State Employment.--"...(detail)..." (See Chapter V, Subsection 3.2 for recommended inclusion of this provision.) | 12.6 | Vending Machines Authorized.--"Vending machines may be placed on State-owned Property or in State-owned Buildings only with the approval of the governing Board and such approval shall be recorded in the minutes of the body. A copy of the contract shall be filed with the State Board of Control showing the location within the agency and the terms of the contract. Proceeds, net revenue, rentals or commissions received shall be accounted for as State revenue and the amount so collected is hereby appropriated to the Institution for use as directed by the Board authorizing the installation." |
| 12.7 | Use of Educational Funds for Alumni Activities Prohibited.--"...(detail) ..." (Recommended renumbering as 12.5 - see right, with minor changes to conform to wording of Appropriation Bill.) | 12.7 | Pay Station Telephones Authorized.--"Pay telephones may be located in State-owned Buildings or on State-owned Land only with the approval of the governing Board and the net proceeds shall be collected and accounted for as State revenue and the amount so collected is hereby appropriated for use by the agency as determined by the governing board." |
| 12.8 | Vending Machines Authorized.--"...(detail)..." (Recommended renumbering as 12.6 - see right, with minor changes to conform to wording of the Appropriation Bill.) | 12.8 | Full Disclosure of Expenditures.--"The expenditures of appropriations made by this Article to the General academic teaching institutions shall be contingent upon the full reporting each fiscal year to the State Auditor, in the manner and at the times prescribed by him, of expenditures made by each program or activity of such institutions, including auxiliary enterprises, of the fund sources of such expenditures, and of the expenditure allocations by programs and purposes out of Federal, private, and other grants and gifts." |
| 12.9 | Pay Station Telephones Authorized.--"...(detail)..." (Recommend renumbering as 12.7 - see right, with minor changes to conform to wording of the Appropriation Bill.) | | |
| 12.10 | Full Disclosure of Expenditures.--"...(detail)..." (Recommend renumbering as 12.8 - see right, with minor change to conform to wording of the Appropriation Bill.) | | |

IN EFFECT

RECOMMENDED CHANGES

Chapter VIII, PLANT IMPROVEMENTS

It is recommended that wherever the title "Comptroller" or "University Comptroller" appears in this Chapter, the title "Director of Facilities Planning and Construction" be substituted therefor. A marked copy of Chapter VIII, indicating all titles to be so changed, is attached.

IN EFFECT

RECOMMENDED CHANGES

Chapter XI, RESEARCH AND TRAINING CONTRACTS, ETC.

Sec. 4. If the work is to be financed by government agencies, the negotiations shall be handled with the advice and assistance of the Office of Government Sponsored Research at the Main University and by the equivalent office at the other component institutions.

Sec. 5. Information as to overhead rates applicable to the type of contract to be entered into should be secured from the Office of the Comptroller or the Office of Government Sponsored Research if with government agencies and otherwise from the business officers.

Sec. 4. If the work is to be financed by government agencies, the negotiations shall be handled with the advice and assistance of the Office of Sponsored Projects at the Main University and by the equivalent office at the other component institutions.

Sec. 5. Information as to overhead rates applicable to the type of contract to be entered into should be secured from the Office of the Comptroller or the Office of Sponsored Projects if with government agencies and otherwise from the business officers.

14. CHANCELLOR'S DOCKET NO. 8. -- The Secretary will report the results of the ballot of Chancellor's Docket No. 8 that was mailed to each Regent on June 21, 1966.

15. SCHEDULED MEETINGS OF THE BOARD. -- The only meeting thus far scheduled is August 27, 1966.

1966 Football Schedule

September	17	U. S. C. at Austin *
	24	Texas Tech at Lubbock *
October	1	Indiana at Austin *
	8	Oklahoma at Dallas
	15	Arkansas at Austin *
	22	Rice at Houston *
	29	S. M. U. at Austin
November	5	Baylor at Waco
	12	T. C. U. at Fort Worth
	24	Texas A & M at Austin

* Night Games

1966																																																																																																			
Holidays, Holy Days and Commemorative Days	<table border="1"> <tr> <th colspan="7">JANUARY</th> <th colspan="7">JULY</th> </tr> <tr> <td>S</td><td>M</td><td>T</td><td>W</td><td>T</td><td>F</td><td>S</td> <td>S</td><td>M</td><td>T</td><td>W</td><td>T</td><td>F</td><td>S</td> </tr> <tr> <td>2</td><td>3</td><td>4</td><td>5</td><td>6</td><td>7</td><td>8</td> <td>3</td><td>4</td><td>5</td><td>6</td><td>7</td><td>8</td><td>9</td> </tr> <tr> <td>9</td><td>10</td><td>11</td><td>12</td><td>13</td><td>14</td><td>15</td> <td>10</td><td>11</td><td>12</td><td>13</td><td>14</td><td>15</td><td>16</td> </tr> <tr> <td>16</td><td>17</td><td>18</td><td>19</td><td>20</td><td>21</td><td>22</td> <td>17</td><td>18</td><td>19</td><td>20</td><td>21</td><td>22</td><td>23</td> </tr> <tr> <td>23</td><td>24</td><td>25</td><td>26</td><td>27</td><td>28</td><td>29</td> <td>24</td><td>25</td><td>26</td><td>27</td><td>28</td><td>29</td><td>30</td> </tr> <tr> <td>30</td><td>31</td><td>...</td><td>...</td><td>...</td><td>...</td><td>...</td> <td>31</td><td>...</td><td>...</td><td>...</td><td>...</td><td>...</td><td>...</td> </tr> </table>	JANUARY							JULY							S	M	T	W	T	F	S	S	M	T	W	T	F	S	2	3	4	5	6	7	8	3	4	5	6	7	8	9	9	10	11	12	13	14	15	10	11	12	13	14	15	16	16	17	18	19	20	21	22	17	18	19	20	21	22	23	23	24	25	26	27	28	29	24	25	26	27	28	29	30	30	31	31
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October 26 and 27, 1966 is the meeting of the Urban Affairs Council at Arlington State College.

List of Commitments

16. ITEM FOR THE RECORD: APPOINTMENT OF REGENTS' REPRESENTATIVES ON SOUTHWEST TEXAS AREA EDUCATIONAL TV COUNCIL.-- The following item was approved by the Committee of the Whole at its meeting on April 2, and is included here for ratification by the Board:

Appointment of Regents' Representatives on Southwest Texas Area Educational TV Council.-- Mrs. Dick Reynolds and Mayor Lester Palmer were appointed on the Southwest Texas Area Educational TV Council for terms expiring 1969, to succeed Mr. Ernest W. Jackson of Austin and Doctor James McCrocklin, President of Southwest Texas State College, San Marcos. The Regents' representatives as of this date are:

<u>Names</u>	<u>Terms Expiring</u>
L. D. Haskew, Vice-Chancellor for Special Projects, The University of Texas	January 1967
Lester Harrell, Assistant Commissioner, Coordinating Board, Texas College and University System	January 1967
Richard F. Brown, Austin American Statesman	January 1967
Irby Carruth, Superintendent of Austin Independent School District	January 1968
Norman Hackerman, Vice-Chancellor for Academic Affairs, The University of Texas	January 1968
Walter P. Brennan, Member of the Board of Regents of The University of Texas	January 1968

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17. EMERGENCY ADMINISTRATIVE RECOMMENDATIONS, IF ANY.--

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18. DOCTOR BAUM'S PRESENTATION RE OSTEOPATHY.-- At the meeting of the Medical Affairs Committee on April 2, the request that osteopathic physicians be permitted to participate in continuing education activities at the medical institutions was considered. This matter was referred to the Committee of the Whole for consideration. Doctor Elmer Baum will be invited to present the views of the osteopathic physicians and Doctor Phil Overton, attorney for the Texas Medical Association, will be invited to present the views of that association. The heads of the medical institutions will be present to give the Board the benefit of their views and recommendations.

On the following two pages is a statement that was filed with the Medical Affairs Committee by Doctor Baum on behalf of the Texas Association of Osteopathic Physicians and Surgeons.

The Texas Association of Osteopathic Physicians and Surgeons

PUBLIC HEALTH COMMITTEE

OFFICE OF

ELMER C. BAUM, D. O., CHAIRMAN
909 NUECES STREET
AUSTIN, TEXAS 78701

Members of the Public Health Committee and officers of the Texas Association of Osteopathic Physicians and Surgeons, appreciate this opportunity to appear before you in the interest of better medical services for the people of Texas. There is a situation now existing which we feel is long past due and should be remedied. It concerns participation in post-graduate training programs, of physicians of the osteopathic school of medicine.

*Special Request made to Chancellor
for curricular efforts*

We are physicians licensed by the Texas State Board of Medical Examiners since 1907, complying with the same educational standards and taking identical examinations, as the physicians presently participating in post-graduate medical training provided by the University of Texas. We are by statute, court decisions, and common practice, fully recognized as physicians.

We have three men that serve on the Texas State Board of Medical Examiners, one on the State Board of Health, the Medical Disaster Committee, and the Hospital Licensure Advisory Council, and other areas relating to health and medical care. Moreover, there are eleven osteopathic physicians who serve as county health officers, and many who serve as city health officers. In several counties in Texas, the only available medical care facilities are osteopathic hospitals.

Many states and many medical schools are presently permitting D. O.'s to participate in post-graduate teaching programs. In fact Texas is the only major state in which post-graduate training is not available. Continual post-graduate medical training programs are essential for physicians to remain informed on all the new developments in medical care.

In the interest of the public, we feel that we should be allowed to participate on the same basis as other physicians. I believe that you will agree that presently a preference is being shown between schools of medicine licensed by the Texas State Board of Medical Examiners.

Tax money spent for post-graduate medical training is in the primary interest of better public health for ALL of the people of Texas. Furthermore, it is contrary to the State Constitution. Article 16, Section 30 of the Constitution of Texas provides as follows: "The Legislature may pass laws prescribing the qualifications of practitioners of medicine in this State, and to punish persons for malpractice, but no preference shall ever be given by law to any school of medicine."

We want to make it clear at this point that our reference here is to post-graduate medical training after a physician is licensed to practice medicine by the Texas State Board of Medical Examiners.

We are confident that you will agree with the statements as presented, and in the public interest, arrange fair consideration for all physicians licensed to practice medicine, so that all of the people of Texas will receive the latest advances in medical care.

You can be assured that we will fully cooperate to an orderly implementation of this program.

Medical Schools Permitting D. O. Participation

California:	Loma Linda University (College of Medical Evangelists) University of California, Los Angeles University of California, San Francisco Medical Center University of Southern California
Colorado:	University of Colorado
Iowa:	Iowa State Medical School
Indiana:	Indiana University Medical School
Kansas:	University of Kansas
Kentucky:	University of Kentucky
Massachusetts:	Boston University Harvard Medical School Tufts Medical College
Michigan:	University of Michigan Medical School Wayne State Medical School
Minnesota:	University of Minnesota Medical School
Missouri:	University of Missouri Medical School
New Jersey:	Seton Hall Medical School
New York:	Upstate Medical Center, Syracuse
Ohio:	Ohio State University
Oregon:	University of Oregon Medical School
Pennsylvania:	Hahnemann Medical College Jefferson Medical College Temple University School of Medicine University of Pittsburgh School of Medicine Women's Medical College, Philadelphia
Tennessee:	Vanderbilt University School of Medicine
Washington:	University of Washington Medical School
West Virginia:	West Virginia University School of Medicine
Wisconsin:	Marquette Medical School University of Wisconsin Medical School

1. ARLINGTON STATE COLLEGE - MASTER PLAN.--It is recommended that the Board approve in principle the Arlington Campus Master Plan as presented by the consulting architects as a site plan concept for the development of the campus. There is submitted with this material a separate volume entitled "A Plan for Physical Development for Arlington State College" as prepared by the consulting and associate architects. It is also recommended that the Board of Regents adopt the following two paragraphs as a policy to be followed in the development of the master plan:

"1. The need for classrooms, offices, and research space at Arlington is so great that it is the express intent of the Board of Regents that in the development of this site plan top priority shall be given to obtaining the maximum space with the funds available.

"2. No construction of any air rights building shown in the site plan shall be developed until prior approval of the Board of Regents has been expressly obtained for such construction."

The schedule outlined below summarizes the overall campus plan, establishes priorities, and indicates probable sources of financing:

	Total Estimated Cost	Anticipated Sources of Funds			Revenue Bonds and Other Income Sources
		Federal Matching	Ad Valorem Tax	Building Use Fee	
<u>First Priority Group</u>					
*Business-Life Science	\$ 4,500,000	\$1,500,000	\$3,000,000		
*Faculty Office Building	900,000	300,000	600,000		
*Administration Building	2,415,000	805,000	1,610,000		
Classroom-Office Building	3,000,000	1,000,000	2,000,000		
Central Heating, Air Conditioning, Land- scaping, and Warehouse Facilities	1,185,000	250,000	935,000		
Land Acquisition	500,000	---	500,000		
Total First Priority	<u>\$12,500,000</u>	<u>\$3,855,000</u>	<u>\$8,645,000</u>	<u>--</u>	<u>--</u>
<u>Second Priority Group</u>					
Art and Architecture	\$ 2,000,000	\$ 667,000	\$1,333,000		
Speech and Drama	750,000	250,000	500,000		
Engineering Research	1,750,000	583,000	1,167,000		
Classroom and Office	5,000,000	1,667,000	3,333,000		
Music	1,000,000	333,000	667,000		
Utility Expansion	1,000,000	200,000	800,000		
Total Second Priority	<u>\$11,500,000</u>	<u>\$3,700,000</u>	<u>\$7,800,000</u>	<u>--</u>	<u>--</u>
<u>Revenue Financed Projects</u>					
Parking	\$ 1,000,000	\$	\$		\$1,000,000
Housing and Dining Facilities	2,500,000				2,500,000
Student Center	3,500,000				3,500,000
Physical Training, Recreation, and Gymnasium	2,500,000	500,000		2,000,000	
Library Addition	4,000,000	1,333,000		2,667,000	
Total Revenue Financed Projects	<u>\$13,500,000</u>	<u>\$1,833,000</u>	<u>--</u>	<u>\$4,667,000</u>	<u>\$7,000,000</u>

* The Board has already authorized the Business-Life Sciences, Faculty Office and Administration Buildings which are included under First Priority.

The specific recommendations are as follows and relate only to the items shown in the First Priority Group:

1. Increase the authorization for the Administration Building from \$2,100,000 to \$2,415,000. This would permit an increase in the floor space to 115,000 square feet from the previously authorized 100,000 square feet. The recommendation is based upon completing the unfinished portion of the basement of the existing auditorium.

2. Authorize the consulting architects to work with the Administration and Faculty Building Committee in the preparation of a program of requirements for the Classroom and Office Building and recommend the site location in accordance with the Campus Development Plan and appropriate \$30,000 from unappropriated income for this study.

3. The development of the master plan at Arlington State College contemplates an expenditure of approximately \$1,185,000 for expansion of the Central Heating and Cooling Plant, and expansion of utility distribution systems, etc. In order that this work will keep pace with the building program, it is recommended that the firm of Yandell, Cowan, Love and Jackson be appointed as Engineers to make a survey of the above needs and that an appropriation of \$10,000 be made from unappropriated income of Arlington State College to cover the cost of this survey, and that the terms of the contract for this Engineering survey be worked out by the Office of Facilities Planning and Construction, with authority to Chairman Heath to sign the contract, when approved as to context by Mr. Walker and as to form by Mr. Waldrup.

SOUTHWESTERN MEDICAL SCHOOL - MASTER PLAN DEVELOPMENT. --

In order to implement the action taken by the Regents at the May 28, 1966 meeting concerning the master plan for Southwestern Medical School and to make it possible to solicit private funds to carry out the plan, it is recommended that the project schedule as shown below be approved in principle by the Board of Regents, with the understanding that it is subject to being amended from time to time as necessary. This approval does not commit anything more than the \$2,000,000.00 of Permanent University Fund Bond proceeds which has been previously committed.

	<u>Estimated Costs</u>	<u>U. T.</u>	<u>Private</u>	<u>U. S.</u>	<u>Revenue Bonds</u>	<u>Dept. of Mental Health</u>
1. Fred Florence Library	\$ 3,000,000	\$ 30,000 (Committed)	\$ 970,000 (Committed)	\$2,000,000	\$	\$
2. Basic Sciences Research	5,000,000	1,970,000 (Committed)	500,000	2,530,000		
3. Administration Building	500,000		500,000			
4. Classroom and Laboratory Teaching Building	3,000,000		1,000,000	2,000,000		
5. Graduate Teach- ing Center (Includes Auditorium)	1,750,000		875,000	875,000		
6. Animal Hospital	700,000	350,000		350,000		
7. Remodel Cary Building	1,000,000	500,000		500,000		
8. Central Power Plant	250,000	250,000				
9. Site Development	250,000	250,000				
10. Student Housing	1,000,000				1,000,000	
11. Psychiatric Institute	7,000,000					7,000,000
	<u>\$23,450,000</u>	<u>\$3,350,000</u>	<u>\$3,845,000</u>	<u>\$8,255,000</u>	<u>\$1,000,000</u>	<u>\$7,000,000</u>

TEXAS WESTERN COLLEGE: CONTRACT WITH ASSOCIATED
FOOD SERVICES, INC. (ITEM 3, PAGE W - 1, JUNE DOCKET).--

Item 3, page W-1 of the Texas Western College Docket reads:

3. Contract with Associated Food Services, Inc., P.O. Box 18235, Dallas 18, Texas, to operate the Main Dining Hall and Miners Hall Dining Room for the 1966-67 fiscal year beginning September 1, 1966. The contract will be on the basis of cost plus a fixed fee of \$500.00 per month for the Main Dining Hall and \$150.00 per month for Miners Hall Dining Room.

Chancellor Ransom concurs in the recommendation of Mr. Landrum and Mr. Walker that Associated Food Services, Inc., Dallas, Texas, operate the Main Dining Hall and Miners Hall Dining Room at Texas Western College under a contract to be negotiated effective September 1, 1966, which will provide for either a "rate per day per student paid to the caterer" type of contract or a "rate per day per student paid to the caterer and a per cent of the gross income returned to the institution" type of contract.

It is further recommended that the cost plus a fixed fee contract not be renewed and that the terms of the new type of contract be presented to the Executive Committee for approval.

TEXAS WESTERN COLLEGE: REPORT RE STUDENT DORMITORIES
AND HOUSING.--

The Administration has received reports from the administrative officials at Texas Western College with respect to dormitories and student housing. These reports are currently under review, and the determination has been made that further study of the student housing problem at Texas Western College requires on-site determinations. Therefore, we respectfully request that final recommendations for consideration of the Board of Regents be deferred until the August 27 meeting of the Board of Regents.

MEDICAL BRANCH: REPORT RE STUDENT DORMITORIES
AND HOUSING.--

The Administration has received reports from the administrative officials of the Medical Branch in Galveston with respect to dormitories and student housing. These reports are currently under review, and further study will be necessary by the Central Administration staff, including site visits to Galveston, before final recommendations for consideration of the Board of Regents are submitted. We respectfully request that this item be deferred until the August 27 meeting of the Board of Regents.

SOUTHWESTERN MEDICAL SCHOOL: APPROPRIATION FOR PRO RATA COSTS OF ROAD; GRANTING OF EASEMENT TO CITY OF DALLAS; CONSENT TO CHILDREN'S MEDICAL CENTER FOR DEDICATION OF STREET.--

Representatives of The Southwestern Medical Foundation have been negotiating with the Rock Island Railroad officials to secure a right-of-way for an essential street from Inwood Road to Amelia Street. The proposed road would pass by properties owned by the Children's Medical Center, Parkland Memorial Hospital, Southwestern Medical School, Texas Woman's University Nursing School, The Callier Hearing Center, and some private property owners. All agencies have now agreed except The University of Texas to the allocation of costs, the necessary right-of-ways, etc.

Chancellor Ransom concurs in the recommendation of Dean Gill that The University of Texas Board of Regents approve:

1. An appropriation of \$75,000 from General Funds Unappropriated Balance as a transfer to Unexpended Plant Funds as The University of Texas' pro rata share of our costs of the road, drainage, curb, gutters, etc.
2. That subject to the approval as to form by University Attorney Waldrep and as to content by Mr. E. D. Walker an easement be prepared for approximately fifteen feet on our property for the construction of approximately four feet of road and an underground water distribution system to be installed by the City of Dallas. It is further requested that the Chairman of the Board of Regents be authorized to sign this easement after it has been approved as to content and as to form.
3. Out of a part of the tract of land conveyed by the Board of Regents to the Children's Medical Center by deed dated October 29, 1964, a public dedication of a street is proposed to facilitate the operation of the new Children's Hospital in Dallas. Because of the restrictions on the use of the land which were contained in said deed, the Medical Center has requested the consent of the Board for the dedication of a public street. The proposed street will connect Amelia Street and Inwood Road and will lie along the south line of the Children's Medical Center tract. The proposed street is 42 feet in width, 40 feet of which was acquired in an exchange of land from the Chicago, Rock Island and Pacific Railroad Company, leaving 2 feet and an enlargement for a bus stop on property which the Children's Medical Center acquired from the Board of Regents.

It is recommended that the Board of Regents consent to the dedication of a street between Amelia Street and Inwood Road to be used as access for the new Children's Hospital; but it is expressly understood that such consent does not in any manner affect, modify, or amend the provisions and restrictions and the right of re-entry set forth in the deed from the Board of Regents to the Children's Medical Center, dated October 29, 1964, recorded in Volume 432, page 1199, of the Deed Records of Dallas County, Texas, as to the remaining property.

As further clarification and justification for these recommendations, Dean Gill's letters of June 24, 1966, follow:

Dr. Harry Ransom, Chancellor
The University of Texas
Austin, Texas 78712

CHANCELLOR'S OFFICE U. OF T.
Acknowledged..... File.....
REC'D JUN 25 1966
TO..... FOR INFO AND RETURN
TO..... PLEASE ADVISE ME
G.W.L., B.N. PLEASE HANDLE

Dear Dr. Ransom:

As you may recall, representatives of The Southwestern Medical Foundation have been negotiating with the Rock Island Railroad officials to secure a right-of-way so that we might construct an essential street from Inwood Road to Amelia Street. This proposed road would pass by properties owned by Children's Medical Center, Parkland Memorial Hospital, Southwestern Medical School, Texas Woman's University Nursing School, The Callier Hearing Center, and some private property owners.

In order for this to be accomplished, it will be necessary for Children's Medical Center and Parkland Memorial Hospital to deed a strip of their properties to Rock Island Railroad so that the right-of-way would be a straight boundary for their easement as well as providing an area that would enable us to construct a street without angles and curves. At a meeting on June 23, 1966, both Children's Medical Center and Parkland Memorial Hospital officials agreed that they would deed the necessary property to the railroad, if we in turn could secure adequate right-of-way from the railroad.

This entire proceeding would not infringe upon any properties owned by The University of Texas, except that we would be required to issue an easement of 15 feet on our property for the construction of approximately 4 feet of road and an underground water distribution system to be installed by the City of Dallas. These utilities would also benefit our operations and would reduce our costs if we do not have to loop waterlines from another city main. This 15 foot easement would not hamper the use of the property along this street since all of our present buildings lie at a minimum of 90 feet from the property line.

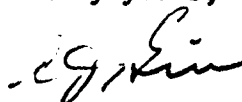
The cost of the desired street, including building costs, drainages, and right-of-way allocations, is estimated to be \$225,698.50 of which a pro-rata share of the cost would be paid by each agency with the City of Dallas paying approximately one-half of the actual construction cost or \$61,870.10.

Attached is a schedule showing the estimated base cost for curb and gutter, drainage and right-of-way with a decrease in rights-of-way received by the railroad company. The share of cost for this project to Southwestern Medical School is estimated to be \$72,107.13. We have sufficient funds to cover our pro-rata share of these costs. I am sure you are aware of the necessity for having an access road on the northwest boundary of our property. Our traffic problems are becoming more acute each day and the availability of this road will solve many difficulties. This road is included in our recent site development study as part of the essential communication system.

I am enclosing a rough plot plan of the proposed street indicating that portion of land to be deeded to the railroad by Parkland Memorial Hospital and Children's Medical Center, and the approximate location of the road. If approval is given for this construction and easement, we will then send you detailed plans and legal descriptions for the preparation of the easement instrument.

I wish to recommend that an emergency item be submitted to The Board of Regents for their meeting on July 8-9, 1966. If this is approved, it would permit us to transfer \$75,000 from the Unappropriated Balances to Unexpended Plant Funds as our pro-rata share of the costs of this road. Prompt action is necessary inasmuch as all of the other agencies and owners have agreed to participate, and are waiting for the agreement so they may conclude the transaction with the railroad in the City of Dallas.

Sincerely yours,



MEDICAL CENTER STREET COST ALLOCATION

	<u>Childrens Hospital 853 Ft.</u>	<u>Parkland Hospital 617 Ft.</u>	<u>University of Texas 1,545 Ft.</u>	<u>T.W.U. School 752 Ft.</u>	<u>Callier Center 183 Ft.</u>	<u>City of Dallas 3,470 Ft.</u>	<u>Private Owners 488 Ft.</u>	<u>Total</u>
Pavement Base and Curb	\$15,208.97	\$11,001.11	\$27,547.35	\$13,408.16	\$3,262.89	\$61,870.10	\$ 8,701.04	\$140,999.62
Drainage	-	12,858.28	32,199.78	15,671.68	3,813.72	-	10,169.92	74,713.38
Right-Of-Way Allocation	<u>6,824.00</u>	<u>4,936.00</u>	<u>12,360.00</u>	<u>6,016.00</u>	<u>1,464.00</u>	<u>-</u>	<u>-</u>	<u>31,600.00</u>
GRAND TOTAL	\$22,032.97	\$28,795.39	\$72,107.13	\$35,095.84	\$8,540.61	\$61,870.10	\$18,870.96	\$247,313.00
Right-Of-Way Credit	<u>5,765.90</u>	<u>8,856.60</u>	<u>-</u>	<u>5,072.00</u>	<u>1,920.00</u>	<u>-</u>	<u>-</u>	<u>- 21,614.50</u>
ASSESSMENT	\$16,267.07	\$19,938.79	\$72,107.13	\$30,023.84	\$6,620.61	\$61,870.10	\$18,870.96	\$225,698.50*

* Total Estimated Cost

THE UNIVERSITY OF TEXAS
SOUTHWESTERN MEDICAL SCHOOL
5323 HARRY HINES BLVD.
DALLAS, TEXAS-75235

OFFICE OF THE DEAN

7/18/66
June 24, 1966

BR
Dr. Harry Ransom, Chancellor
The University of Texas
Austin, Texas 78712

CHANCELLOR'S OFFICE U. OF T.	
Acknowledged.....	File.....
REC'D	JUN 25 1966
.....	FOR INFO AND RETURN
.....	PLEASE ADVISE ME
.....	PLEASE HANDLE

GWL

Dear Dr. Ransom:

In a separate letter you have received our information relative to the development of a road across the back of the Medical Center site. When the Board approves our participation in the construction cost and authorization for the required easement, it will be necessary to go through one additional technical nameuver. It will be necessary for the Board of Regents to consent to the dedication for a public street of that portion of the proposed street which will be situated in that part of the William B. Coats Survey which was conveyed to Children's Medical Center by the Board of Regents. The reason this consent is required is because the Board retained a contingent reversionary interest in the deed.

Accordingly, I respectfully request that this matter be submitted to the Board as an emergency item for their meeting July 8-9, 1966. We wish to request them to consent to the easement across ; that portion of the Children's Medical Center site, which must be made available for construction of the necessary street. Please let me formally request that a certified copy of the Board minutes, giving such consent, be forwarded to Mr. H. F. Thompson, Attorney for Children's Medical Center.

I am enclosing a copy of the letter dated June 23, 1966, which is Mr. Thompson's formal request.

Sincerely yours,

A. J. Gill
A. J. Gill, M.D.
Dean

AJG/mc
cc: Mr. Don Walker
encl.

EMERGENCY ITEM - COMMITTEE OF THE WHOLE

July 7, 1966

ARLINGTON STATE COLLEGE - AWARD OF CONTRACT FOR MATHEMATICS-LANGUAGE BUILDING.--In accordance with authorization given at the Regents' Meeting held April 23, 1966, bids were called for and were opened and tabulated on June 30, 1966, as shown below:

Bidder	Base Bid	Alt. No.1 Deduct	Alt. No.2 Deduct	Alt. No.3 Deduct	Alt. No.4 Deduct
Butcher & Sweeney Construction Co., Ft. Worth, Texas	\$1,510,670	\$2,000	\$19,190	\$ 400	\$ 8,100
Thos. S. Byrne, Inc., Ft. Worth, Texas	1,439,700	2,000	37,000	5,500	7,500
Cain & Cain, Inc., Ft. Worth, Texas	1,534,975	1,980	16,525	16,000	2,600
McCann Construction Company, Inc., Ft. Worth, Texas	1,525,000	2,200	28,300	9,000	7,900
Walker Construction Company, Ft. Worth, Texas	1,439,480	2,000	29,000	3,000	8,000
Wohlfeld Construction Company, Dallas, Texas	1,475,000	1,973	42,790	8,306	10,000

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

In spite of the fact that the bids on this project have run well above the estimated cost, it is recommended by President Woolf, which recommendation is concurred in by E. D. Walker and Chancellor Ransom, that a contract award be made as follows:

Thomas S. Byrne, Inc., Fort Worth, Texas					
Base Bid					\$1,439,700
Less Alt. No. 1 (Substitute vinyl-asbestos floor tile on corridor floors in lieu of terrazzo)			\$ 2,000		
Less Alt. No. 2 (Substitute concrete block partitions in lieu of clay tile and plaster and gypsum wallboard; delete all vinyl wall coverings; and substitute glazed lightweight concrete masonry units in lieu of structural glazed tile)			37,000		
Less Alt. No. 3 (Substitute pebble finish concrete in lieu of paving brick)				5,500	
Less Alt. No. 4 (Substitute aluminum items in lieu of brass and bronze items; substitute standard finish on aluminum items in lieu of bronze anodized finish; and substitute clear polished plate glass in lieu of bronze plate glass)				7,500	
					<u>52,000</u>
Total Recommended Contract Award					<u>\$1,387,700</u>

Attention is called to the fact that the acceptance of all the deductive alternates as recommended brings the second lowest base bidder approximately \$10,000.00 below the low base bidder, and it is for this reason that the recommendation is being made as shown above.

In order to cover the contract award recommended, a contingency, Architects' Fees thereon, miscellaneous expenses, and bond expenses, the total amount needed will be approximately \$1,621,000.00.

Another alternative, of course, would be to reject all bids and have the building redesigned in order to bring it within the approved total estimated cost of \$1,425,000.00. The following quotation from a letter from President Woolf explains why he is recommending an award at this time rather than a rejection of all bids and a redesign of the building:

"It is hoped that the Regents will consider awarding the contract to the low bidder and proceeding with the work, although this means extending the financing for this project. I reluctantly make this recommendation but do so because of two very critical factors. The first is the great shortage of building space at Arlington State College. No classroom and faculty office space have been added to the campus facility since 1963 when the Science Building was completed. The Mathematics-Language Building is scheduled to be completed in September of 1967. There is such a critical shortage of classroom space and faculty office space that I feel that this should be given great consideration in deciding whether to award the contract on the present design and bids. Any delay in construction of this building through redesign and rebidding would put off the occupancy of the building by at least a year. Already we are making temporary and extremely unsatisfactory arrangements for the housing of faculty members for the year beginning in September of 1966. These arrangements include simply taking an ordinary classroom and putting four to six faculty members in this classroom without any partitions. It is obvious that this kind of arrangement will be acceptable to our faculty only if there are evidences that additional faculty office space is being constructed and will be available in a short time.

"The second difficulty which we would face in redesign is that we now have a federal grant of some \$458,000 for this project. This federal grant is based upon the building's having a specified amount of usable floor space. A reduction of the cost of the building by reducing the floor space will result in a proportionate reduction in the amount of the federal grant.

"Still another factor working against us in reducing the cost of the building is the potential increase in building costs which, of course, is not a certainty and is unpredictable."

It is further recommended that approval be given to appropriations to this project from sources as shown below in order that the recommended contract award can be made:

Appropriation already made for Architects' Fees for this project	\$ 50,000.00
Federal Grant No. TEX 4-1118	458,291.00
Skiles Act Bonds to be issued at this meeting	1,100,000.00
Portion of unencumbered balance in Account No. 85-9752-0199 - Arlington State College - Central Heating Plant - Allotment Account - Phase II	<u>13,000.00</u>
Total	<u>\$1,621,291.00</u>

It is also recommended that a Contingency Allowance of \$26,000.00 be set up, with authority to the Office of Facilities Planning and Construction to write change orders to the construction contract within this amount.

MAIN UNIVERSITY - EXPANSION OF CAPACITY OF WASTE HEAT BOILER.--The engineering survey prepared by Stone and Webster which was received June 23, 1966, indicates the necessity of increasing the University's steam generating facilities immediately to meet the needs of the currently approved building program. A substantial increase in steam capacity can be achieved by making modifications and additions to the Power Plant now under construction.

Information received from the company supplying the boiler in the new power plant addition indicates that certain modifications and additions could be made to this boiler which would increase the capacity by approximately 80,000 pounds of steam per hour for an expenditure of approximately \$160,000.00. This effectively would provide 80,000 pounds of steam per hour at a cost of \$2.00 per pound per hour. In comparison the installation of a new boiler will cost approximately \$5.00 per pound per hour.

~~Due to the urgent need of providing additional steam capacity as quickly as possible, it is recommended that~~ an appropriation from Permanent University Fund Bond proceeds in the amount of \$160,000.00 be made from the allocation for Power Generation II which has a current balance of \$1,984,000 as shown in the schedule of authorized projects for Main University, with authority to the Director of Facilities Planning and Construction to negotiate with the contractors for these modifications.

The Stone and Webster report was not received until June 23 and this has not allowed the Administration and Staff sufficient time to make a detailed analysis of the report. A complete analysis will be made and firm recommendations available for the Board meeting on August 27.

This recommendation is concurred in by C. J. Eckhardt, J. H. Colvin, E. D. Walker and Chancellor Ransom.

Land & Investment Committee

LAND AND INVESTMENT COMMITTEE

Date: July 8, 1966

Time: 1:15 p.m.

Place: Room 210 (Secretary's Office)

Members:

Regent Erwin, Chairman

Regent Bauer

Regent Brenan

Regent Ikard

Chairman Heath, Ex Officio Member

LAND AND INVESTMENT COMMITTEE

July 8, 1966

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PERMANENT UNIVERSITY FUND -- INVESTMENT MATTERS.--

REPORT OF PURCHASES AND SALE OF SECURITIES.--The following purchases of securities from May 2 through June 14, 1966, and a sale on May 24, 1966, have been made for the Permanent University Fund. We ask that the Board ratify and approve these transactions:

PURCHASES OF SECURITIES

CORPORATE BONDS

Date of Purchase	Security	Par Value Bonds Purchased	Market Price at Which Purchased	Total Principal Cost*	Indicated Current Yield on Cost**
5/11/66	Chesapeake and Potomac Telephone Co. of Virginia 5-1/4% Debentures, dated 5/1/66, due 5/1/2005	\$ 500,000	100.625 Net	\$ 503,125.00	5.22%
5/12/66	Southern California Edison Co. First & Refunding Mortgage Bonds, Series T, 5-1/4%, dated 5/15/66, due 5/15/91	500,000	100.00 Net	500,000.00	5.25
Total Corporate Bonds Purchased		<u>\$1,000,000</u>		<u>1,003,125.00</u>	<u>5.23</u>

COMMON STOCKS

Date of Purchase	Security	No. of Shares Purchased	Market Price	Total Principal Cost*	Indicated Current Yield on Cost**
5/2/66	Houston Lighting & Power Co. Common Stock	500	52-1/4	\$ 26,346.15	1.90%
5/2/66	Ingersoll-Rand Co. Common Stock	600	45-3/8(300) 45-1/4(300)	27,437.46	4.37
5/2/66	Union Carbide Corp. Capital Stock	400	62-5/8	25,231.04	3.17
5/3/66	Borden Co. Capital Stock	700	38-3/8(300) 38-1/8(200) 37-7/8(200)	26,979.07	3.11
5/3 & 5/66	Wisconsin Electric Power Co. Common Stock	800	28-1/8(300) 28-1/4(500)	22,827.33	4.07
5/4/66	C. I. T. Financial Corp. Common Stock	800	27-1/4	22,061.04	5.80

*Includes brokerage commissions paid.

**Yield to maturity on each bond issue; yield at present indicated dividend rates on stocks.

COMMON STOCKS (Continued)

<u>Date of Purchase</u>	<u>Security</u>	<u>No. of Shares Purchased</u>	<u>Market Price at Which Purchased</u>	<u>Total Principal Cost*</u>	<u>Indicated Current Yield on Cost**</u>
5/4/66	Smith Kline and French Laboratories, Inc. Common Stock	300	73-3/8	\$ 22,151.52	2.71%
5/5/66	Commonwealth Edison Co. Common Stock	500	50-3/4	25,595.40	3.91
5/5 & 6/66	Federated Department Stores, Inc. Common Stock	400	62-7/8(100) 62-5/8(200) 62-3/4(100)	25,268.59	2.69
5/5 & 6/66	Phillips Petroleum Co. Common Stock	500	51-5/8(100) 51-1/4(200) 50-7/8(100) 50-5/8(100)	25,783.07	4.27
5/5 & 6/66	Union Pacific Railroad Co. Common Capital Stock	600	41-1/4(200) 41 (300) 40-3/4(100)	24,862.14	4.34
5/9/66	Bankers Trust Co. (New York) Capital Stock	200	52-1/4 Net	10,450.00	4.69
5/9/66	National Bank of Detroit Common Capital Stock	100	56-3/4 Net	5,675.00	3.52
5/9/66	Corning Glass Works Common Stock	100	278	27,866.80	0.90
5/9/66	Gulf States Utilities Co. Common Stock	900	26-3/8	24,027.21	3.00
5/9/66	Honeywell Inc. Common Stock	300	83	25,041.90	1.32
5/10/66	Caterpillar Tractor Co. Common Stock	600	39-3/4	24,083.28	2.99
5/10/66	Ohio Edison Co. Common Stock	900	26-7/8	24,479.46	4.41
5/11/66	Kimberly-Clark Corp. Common Stock	400	52-7/8	21,327.16	3.75
5/11/66	Pittsburgh Plate Glass Co. Capital Stock	300	69-1/4(100) 69 (100) 68-3/4(100)	20,837.71	3.74
5/11/66	Procter & Gamble Co. Common Stock	400	63-3/4	25,681.52	3.12
5/12/66	Addressograph-Multigraph Corp. Common Stock	400	66-3/4	26,882.72	2.08
5/12/66	General Motors Corp. Common Stock	300	86-3/8	26,055.42	6.04
5/12/66	Standard Oil Co. (New Jersey) Capital Stock	300	74-3/8	22,451.82	4.41
5/16/66	Bank of America National Trust & Savings Association (San Francisco) Common Capital Stock	200	49-1/4 Net	9,850.00	4.06

*Includes brokerage commissions paid.

**Yield at present indicated dividend rates.

COMMON STOCKS (Continued)

<u>Date of Purchase</u>	<u>Security</u>	<u>No. of Shares Purchased</u>	<u>Market Price at Which Purchased</u>	<u>Total Principal Cost*</u>	<u>Indicated Current Yield on Cost**</u>
5/16/66	Federal Insurance Co. Capital Stock	200	54-1/2 Net	\$ 10,900.00	2.57%
5/16/66	National Life and Accident Insurance Co. Capital Stock	200	49-5/8 Net	9,925.00	0.52
5/16/66	Gulf Oil Corp. Capital Stock	500	51-1/8(200) 51 (200) 50-3/4(100)	25,720.50	3.89
5/16/66	Pacific Gas and Electric Co. Common Stock	800	31-7/8(400) 31-3/8(400)	25,578.52	4.07
5/16/66	Westinghouse Electric Corp. Common Stock	400	53 (200) 51-1/8(100) 51 (100)	20,989.31	2.67
5/17/66	American Cyanamid Co. Common Stock	600	38-1/4(500) 38-1/8(100)	23,166.21	3.24
5/17/66	Armstrong Cork Co. Common Stock	500	54-1/4(200) 54 (300)	27,272.06	2.52
5/17/66	Merck & Co., Inc. Common Stock	400	71-7/8	28,934.76	1.73
5/18/66	Detroit Edison Co. Common Stock	800	32-1/8	25,980.48	4.31
5/18/66	Ford Motor Co. Common Stock	500	46-1/2(300) 46-1/4(200)	23,411.01	5.13
5/18/66	J. C. Penney Co., Inc. Common Stock	400	61 (200) 60-7/8(100) 60-1/2(100)	24,517.84	2.81
5/19/66	Carolina Power & Light Co. Common Stock	600	46-1/2(400) 46 (200)	28,053.00	2.74
5/19 & 20/66	Minnesota Mining & Manufacturing Co. Common Stock	400	68-1/2(200) 69-3/8(200)	27,758.58	1.73
5/19/66	National Biscuit Co. Common Stock	500	49-7/8	25,157.20	3.78
5/23/66	Chemical Bank New York Trust Co. Capital Stock	200	45 Net	9,000.00	4.67
5/23/66	Continental Illinois National Bank & Trust Co. of Chicago Common Capital Stock	400	31.97 Net	12,788.00	4.38
5/23/66	American Home Products Corp. Common Stock	300	72-1/4	21,813.69	2.89
5/23/66	Ex-Cell-O Corp. Common Stock	500	50-3/8	25,407.70	3.94
5/23/66	Standard Oil Co. of California Common Stock	400	67-1/2	27,183.00	3.68
5/24/66	Southern Co. Common Stock	800	31-1/2	25,478.00	3.01

*Includes brokerage commissions paid.

**Yield at present indicated dividend rates.

COMMON STOCKS (Continued)

<u>Date of Purchase</u>	<u>Security</u>	<u>No. of Shares Purchased</u>	<u>Market Price at Which Purchased</u>	<u>Total Principal Cost*</u>	<u>Indicated Current Yield on Cost**</u>
5/24/66	American Electric Power Co., Inc. Common Stock	600	37-1/8	\$ 22,500.36	3.52%
5/25/66	General Electric Co. Common Stock	200	107	21,499.40	2.42
5/25/66	General Foods Corp. Common Stock	300	72-1/2	21,888.75	3.02
5/25/66	R. J. Reynolds Tobacco Co. Common Stock	700	37-7/8(300) 37-3/4(400)	26,727.84	5.24
5/26/66	E. I. du Pont de Nemours & Co. Common Stock	100	198-1/2	19,908.85	3.01
5/26/66	Johns-Manville Corp. Common Stock	400	53-5/8	21,627.44	4.07
5/26/66	Public Service Electric & Gas Co. Common Stock	700	34-3/4	24,579.66	4.16
5/31/66	Bank of America National Trust & Savings Association (San Francisco) Common Capital Stock	200	50 Net	10,000.00	4.00
5/31/66	Mellon National Bank & Trust Co. (Pittsburgh, Pa.) Capital Stock	200	79.84 Net	15,968.00	3.51
5/31/66	Continental Casualty Co. Common Stock	200	45.98 Net	9,196.00	3.26
5/31/66	Travelers Corp. Capital Stock	300	32-1/8 Net	9,637.50	1.74
6/1/66	Caterpillar Tractor Co. Common Stock	600	42-5/8	25,816.86	2.79
6/1/66	National Lead Co. Common Stock	400	61-3/4	24,880.72	5.22
6/1/66	Owens-Illinois, Inc. Common Stock	400	62-3/4	25,281.12	2.14
6/2/66	Central and South West Corp. Common Stock	500	44-3/4(300) 44-1/4(100) 44-1/8(100)	22,468.83	3.34
6/2/66	Consumers Power Co. Common Stock	500	50-3/8(100) 50 (100) 49-1/2(300)	25,106.79	3.78
6/2/66	General Motors Corp. Common Stock	300	83-1/4(100) 82-5/8(200)	24,991.85	6.30
6/3/66	Coca-Cola Co. Common Stock	300	78-3/4	23,765.64	2.40
6/3/66	General Telephone & Electronics Corp. Common Stock	500	43-1/8	21,765.30	2.57
6/3/66	Goodyear Tire & Rubber Co. Common Stock	500	49	24,717.50	2.53

*Includes brokerage commissions paid.

**Yield at present indicated dividend rates.

COMMON STOCKS (Continued)

Date of Purchase	Security	No. of Shares Purchased	Market Price at Which Purchased	Total Principal Cost*	Indicated Current Yield on Cost**
6/6/66	Atchison, Topeka & Santa Fe Railway Co. Common Capital Stock	700	34-1/8	\$ 24,139.92	4.64%
6/6/66	Household Finance Corp. Common Stock	800	28-1/4	22,865.04	3.50
6/7/66	Potomac Electric Power Co. Common Stock	1,300	19-5/8	25,858.69	4.42
6/7/66	Scott Paper Co. Common Stock	800	32-1/8	25,980.48	3.08
6/8/66	Aluminum Co. of America Common Stock	300	84	25,342.20	1.89
6/8/66	Oklahoma Gas & Electric Co. Common Stock	800	29-5/8	23,970.48	3.07
6/8/66	Chas. Pfizer & Co., Inc. Common Stock	400	59	23,779.60	2.44
6/10/66	Monsanto Co. Common Stock	300	71-3/8	21,550.92	2.23
6/10/66	Otis Elevator Co. Common Stock	600	48-3/4	29,510.28	4.07
6/10/66	Utah Power & Light Co. Common Stock	700	33-1/4	23,524.41	4.52
6/10/66	Honeywell Inc. Common Stock	300	80-3/8	24,253.62	1.36
6/10/66	Kroger Co. Common Stock	1,000	25-3/8	25,691.90	5.06
6/10 & 13/66	Shell Oil Co. Common Stock	400	58-1/2	23,579.40	3.22
6/14/66	First National Bank in Dallas Common Capital Stock	300	33 Net	9,900.00	3.79
6/14/66	Chase Manhattan Bank (New York) Capital Stock	200	56-7/8 Net	11,375.00	3.52
6/14/66	First National City Bank (New York) Capital Stock	300	47.23 Net	14,169.00	3.81
	Total Common Stocks Purchased	<u>38,000</u>		<u>1,796,107.02</u>	<u>3.41</u>
	TOTAL CORPORATE SECURITIES PURCHASED			<u>\$2,799,232.02</u>	<u>4.06%</u>

*Includes brokerage commissions paid.

**Yield at present indicated dividend rates.

SALE OF CORPORATE SECURITIES

Date Sold	Security	Net Sales Proceeds#
5/24/66	80,872 rights to subscribe for Potomac Electric Power Company Serial Preferred Stock, \$2.44 Convertible Series of 1966, sold 80,800 rights at 2/64ths and 72 at 1/64	\$2,121.70

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

PERMANENT UNIVERSITY FUND INVESTMENT PROGRAM - PROPOSED SUCCESSOR TO INVESTMENT ADVISORY COMMITTEE MEMBER WHOSE TERM EXPIRES AUGUST 31, 1966.-- Pursuant to action of the Board of Regents in September, 1958, the four members of the Investment Advisory Committee for the investment program of the Permanent University Fund were placed on a rotation system with the term of one member to expire each August 31. To take the place of P. B. (Jack) Garrett, Vice Chairman of the Board of the Texas Bank & Trust Company of Dallas, whose term will expire on August 31, 1966, it is recommended by the Staff Investment Committee and concurred in by the Land and Investment Committee that John H. McGinnis, Vice President and Trust Officer of the Republic National Bank of Dallas, be appointed to the Investment Advisory Committee for a four-year term beginning September 1, 1966, and ending August 31, 1970. Mr. McGinnis is in charge of the investments for the Trust Department.

As a matter of record, the membership of the Investment Advisory Committee as of September 1, 1966, after the above-recommended appointment, would be as follows:

	<u>Expiration of Term</u>
Robert Stewart, Jr., Senior Vice President Bank of the Southwest Houston, Texas	August 31, 1967
Murray Kyger, Chairman of the Board The First National Bank of Fort Worth Fort Worth, Texas	August 31, 1968
Raymond R. Todd, Vice President and Trust Officer The Capital National Bank in Austin Austin, Texas	August 31, 1969
John H. McGinnis, Vice President and Trust Officer Republic National Bank of Dallas Dallas, Texas	August 31, 1970

PERMANENT UNIVERSITY FUND - LAND MATTERS.--

LEASES AND EASEMENTS.--The Land and Investment Committee has given consideration to the following applications for various leases and easements on University Lands. 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 the University Attorney and as to content by the Endowment Officer. Approval of the applications and execution of the instruments involved by the Chairman of the Board is recommended.

EASEMENTS AND SURFACE LEASES

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NO.	GRANTEE	TYPE OF PERMIT	COUNTY	LOCATION	DISTANCE OR AREA	PERIOD	CONSIDERATION
2239	Admiral Crude Oil Corp.	Surface Lease (unloading site)	Crane	Block 30	150' x 300'	1/1/66 - 12/31/66	\$ 50.00*
2240	Phillips Petroleum Co. (renewal of 849)	Pipe Line	Crane & Upton	Block 30	224.0 rds 3½" 524.3 rds 12-3/4"	8/1/66 - 7/31/76	898.45
2241	A-1 Engineering and Construction Co., Inc.	Surface Lease (business site)	Reagan	Block 11	200' x 340'	8/1/66 - 7/31/67	300.00*
2242	El Paso Natural Gas Co.	Pipe Line	Upton	Block 3	977.46 rds 4½"	6/1/66 - 5/31/76	488.73
2243	Magnolia Pipe Line Co.	Pipe Line	Andrews	Block 5	572.1 rds 4½"	5/1/66 - 4/30/76	286.05
2244	El Paso Natural Gas Co.	Pipe Line	Crockett	Block 46	259.03 rds 6-5/8"	5/1/66 - 4/30/76	259.03
2245	Atlantic Pipe Line Co.	Pipe Line	Crane	Block 31	69.0 rds 4"	5/1/66 - 4/30/76	50.00 (Min)

EASEMENTS AND SURFACE LEASES - Continued

NO.	GRANTEE	TYPE OF PERMIT	COUNTY	LOCATION	DISTANCE OR AREA	PERIOD	CONSIDERATION
2246	Texas-New Mexico Pipe Line Co. (renewal of 844)	Pipe Line	Andrews	Blocks 12 & 14	206.21 rds 4½" 467.33 rds 6-5/8"	8/1/66 - 7/31/76	\$ 570.44
2247	Service Pipe Line Co.	Pipe Line	Andrews	Block 13	3,457.13 rds various sized	1/1/66 - 12/31/75	2,064.71
2248	Rio Grande Electric Cooperative, Inc.	Power Line	Hudspeth	Block G	376.4 rds	6/1/66 - 5/31/76	188.20
2249	Reeves County Gas Co.	Pipe Line	Ward	Block 18	532.12 rds 3½"	6/1/66 - 5/31/76	266.06
2250	Reliable Funds, Inc.	Surface Lease (business site)	Reagan	Block 11	approx. 3 acres	6/1/66 - 5/31/67	350.00*
2251	Skelly Oil Co.	Pipe Line	Andrews	Block 9	240.0 rds 2-3/8"	6/1/66 - 5/31/76	120.00
2252	Phillips Pipe Line Co. (renewal of 789)	Pipe Line	Andrews	Blks 10 & 11	2,375.2 rds various sized	6/1/66 - 5/31/76	1,677.90

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*Renewable from year to year, not to exceed a total of 10 years. Consideration shown is for the first year's rental.

MATERIAL SOURCE PERMITS

<u>NO.</u>	<u>GRANTEE</u>	<u>COUNTY</u>	<u>LOCATION</u>	<u>QUANTITY</u>	<u>CONSIDERATION</u>
299	W. A. (Bill) Farmer Construction Company	Andrews	Block 9	546 cubic yards	\$ 136.50
300	Britt Construction Company	Andrews	Block 9	220 cubic yards	55.00
301	Border Road Construction Company	Crockett	Block 14	22,713 cubic yards	908.52
302	Clyde Construction Company	Andrews	Block 9	360 cubic yards	90.00

WATER CONTRACTS

<u>NO.</u>	<u>GRANTEE</u>	<u>COUNTY</u>	<u>LOCATION</u>	<u>ACREAGE</u>	<u>CONSIDERATION</u>	<u>PERIOD</u>
118	Atlantic Richfield Company et al	Crane	Block 31	320 acres	\$100 rental per year plus royalty of 10¢ per 1 M gallons of potable water. Minimum royalty \$200 per year	7/1/66 - 6/30/76

PERMANENT UNIVERSITY FUND - LAND MATTERS (Continued).--

ASSIGNMENT OF GRAZING LEASES NOS. 850 AND 969, PECOS COUNTY, FROM MRS. ELSIE N. HAWKINS TO W. OTIS GRUBB AND J. SHANNON GRUBB, A PARTNERSHIP - RECOMMENDATION FOR APPROVAL.--Application has been received for the assignment of Grazing Leases Nos. 850 and 969, Pecos County, to W. Otis Grubb and J. Shannon Grubb, a partnership.

Grazing Lease No. 850 was granted to E. L. Hawkins, now deceased, for the period July 1, 1962 through June 30, 1967. It covers 4,512.2 acres in Blocks 27 and 28, Pecos County. Annual rental is \$.30 per acre payable semi-annually in the amount of \$676.83. Mrs. Elsie N. Hawkins is executrix of her husband's estate.

Grazing Lease No. 969 was granted to Mrs. Elsie N. Hawkins for the period January 1, 1966 through December 31, 1970. It covers 5,869.0 acres in Blocks 27 and 28 and James Campbell Survey Block 165, Pecos County. Annual rental is \$.30 per acre payable semi-annually in the amount of \$884.40.

Since Mr. Hawkins' death, Mrs. Hawkins has been interested in disposing of her interest in the leases. The University has received \$501.71, one-half of the bonus received by Mrs. Hawkins in the assignment of the two leases to W. Otis Grubb and J. Shannon Grubb, a partnership. It is recommended the assignments be approved.

WATER EXPLORATION PERMIT NO. 89, HORIZON PROPERTIES CORPORATION, BLOCK L, UNIVERSITY LANDS, EL PASO COUNTY - RECOMMENDATION FOR EXTENSION. --Horizon Land Corporation, or its affiliates, has held a water exploration permit on Block L, El Paso County, comprising approximately 12,532.7 acres, since October 1, 1960, the last extension of which provides for annual payments to the University of \$1,000 and expires on September 30, 1966. Horizon Properties Corporation now proposes another agreement, in the nature of an extension, to run for 5 years from October 1, 1966, and will pay the University 10¢ per acre, or a total of \$1,253.27 annually. The agreement gives Horizon the right to explore for water and the prior right to negotiate for a water lease so long as the exploration permit is in effect, any such lease to provide for royalty to the University of $3\frac{1}{2}$ ¢ per thousand gallons or $\frac{1}{8}$ of Horizon's wholesale water price, whichever is the greater, and not less than \$500 monthly. If during the term of the agreement the University receives a bona fide offer to explore for and produce water from any part of the land, Horizon will be notified and will have 30 days in which to exercise its preference right to negotiate a water lease. It is recommended that the Board of Regents accept the proposal from Horizon Properties Corporation and authorize the Chairman to execute the agreement when approved as to form by the University Attorney and as to content by the Endowment Officer.

PERMANENT UNIVERSITY FUND - BOND MATTERS.--

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS PERMANENT UNIVERSITY FUND BONDS, SERIES 1966 - RECOMMENDATION FOR ADOPTION OF RESOLUTION ISSUING BONDS, SALE OF THE BONDS, PAYING AGENCY, AND PRINTING.--At the May, 1966 meeting of the Board of Regents, authorization was given to request bids for the subject bond issue in the amount of \$11,000,000 and for advertising for bids for the sale, printing, and paying agency fees for the issue. Each member of the Board has received a copy of the Official Notice of Sale and Prospectus, dated June 17, 1966. Following are the minute order and resolution prepared by bond counsel for issuance of the bonds. At the July 8, 1966 meeting of the Board, recommendations will be submitted for the adoption of the resolution, sale, printing and paying agency for the bonds after bids are publicly opened and tabulated on July 6, 1966.

THE STATE OF TEXAS §
COUNTY OF TRAVIS §

The Board of Regents of The University of Texas convened in regular meeting on the 8th day of July, 1966, on the campus of said University in the City of Austin, Texas, with the following members and officers of said Board present, to-wit:

- | | |
|--------------------------|---------------|
| Mr. W. W. Heath | Chairman |
| Mr. Frank C. Erwin, Jr. | Vice Chairman |
| Mr. W. H. Bauer | Regent |
| Mr. Walter P. Brennan | Regent |
| Dr. H. F. Connally, Jr. | Regent |
| Mr. Frank N. Ikard | Regent |
| Mrs. J. Lee Johnson III | Regent |
| Mr. Jack S. Josey | Regent |
| Rabbi Levi Olan | Regent |
| Miss Betty Anne Thedford | Secretary |

and the following member(s) absent, to-wit: _____

_____, constituting a quorum of said

Board of Regents, at which meeting, among other business, the following was transacted, to-wit:

The Chairman introduced a resolution which was read in full by the Secretary. Regent _____ made a motion that the resolution be adopted as read. Regent _____ seconded the motion for adoption of the resolution. The motion, carrying with it the adoption of the resolution, prevailed by the following vote:

AYES: Regents Heath, Erwin, Bauer, Brennan, Connally, Ikard, Johnson, Josey and Olan.

NOES: None.

The Chairman thereupon announced that the motion had duly and lawfully carried and that the resolution had been duly and lawfully adopted. The resolution thus adopted follows:

RESOLUTION

OF THE BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS AUTHORIZING THE ISSUANCE OF \$11,000,000 BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS PERMANENT UNIVERSITY FUND BONDS, SERIES 1966; PRESCRIBING TERMS, CONDITIONS AND DETAILS RELATING THERETO; PROVIDING FOR THE PAYMENT OF THE PRINCIPAL THEREOF AND THE INTEREST THEREON; AWARDING THE SALE THEREOF; AND CONTAINING OTHER PROVISIONS RELATING TO THE SUBJECT

WHEREAS, the Board of Regents of The University of Texas has heretofore authorized and issued the following described Permanent University Fund Bonds, to-wit:

\$5,076,000 BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS PERMANENT UNIVERSITY FUND REFUNDING BONDS, SERIES 1958, dated July 1, 1958;

\$4,000,000 BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS PERMANENT UNIVERSITY FUND BONDS, SERIES 1959, dated July 1, 1959;

\$5,000,000 BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS PERMANENT UNIVERSITY FUND BONDS, SERIES 1960, dated July 1, 1960;

\$6,000,000 BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS PERMANENT UNIVERSITY FUND BONDS, SERIES 1961, dated July 1, 1961;

\$5,000,000 BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS PERMANENT UNIVERSITY FUND BONDS, SERIES 1962, dated July 1, 1962;

\$4,000,000 BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS PERMANENT UNIVERSITY FUND BONDS, SERIES 1963, dated July 1, 1963;

\$4,000,000 BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS PERMANENT UNIVERSITY FUND BONDS, SERIES 1964, dated July 1, 1964;

\$6,000,000 BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS PERMANENT UNIVERSITY FUND BONDS, SERIES 1965, dated July 1, 1965;

and

WHEREAS, the outstanding bonds of the bond issues described above are payable from and secured by a first lien on and pledge of the Interest of The University of Texas in the income from the Permanent University Fund, in the manner and to the extent provided and set forth in the resolutions authorizing said outstanding bonds, respectively; and

WHEREAS, said outstanding bonds constitute the only indebtedness payable from said Interest of The University of Texas in the income from the Permanent University Fund; and

WHEREAS, it is expressly provided in said outstanding bonds and in the resolutions authorizing the issuance thereof that the Board of Regents reserves the right and power to issue, under certain conditions, Additional Parity Bonds and Notes for the purposes and to the extent provided in Section 18 of Article VII of the Constitution of Texas, as amended by vote of the people at the election held in and throughout the State of Texas on the 6th day of November, 1956, said Additional Parity Bonds and Notes to be on a parity with the said outstanding bonds, and equally and ratably secured by and payable from a first lien on and pledge of the Interest of The University of Texas in the income from the Permanent University Fund, in the same manner and to the same extent as said outstanding bonds; and

WHEREAS, said Section 18 of Article VII of the Constitution of Texas, as amended, provides that the Board of Regents is authorized to issue negotiable bonds and notes for the purpose of constructing, equipping or acquiring buildings or other permanent improvements for The University of Texas System, in a total amount

not to exceed two-thirds (2/3) of twenty per cent (20%) of the value of the Permanent University Fund exclusive of real estate at the time of any issuance thereof; and

WHEREAS, the Board of Regents has determined to authorize, issue, sell and deliver an installment or issue of \$11,000,000 Series 1966 negotiable bonds for such constitutional purposes, the same to constitute Additional Parity Bonds as described above; and

WHEREAS, all conditions and requirements pertaining to, and in connection with, the issuance of such installment or issue of Additional Parity Bonds have been met, or will be met prior to the delivery thereof; Therefore

BE IT RESOLVED BY THE BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS:

SECTION 1:

AMOUNT, NAME, PURPOSE AND AUTHORIZATION OF BONDS: That the negotiable bonds of the Board of Regents of The University of Texas be issued in the principal amount of \$11,000,000, to be known and designated as "BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS PERMANENT UNIVERSITY FUND BONDS, SERIES 1966", for the purpose of constructing, equipping or acquiring buildings or other permanent improvements for The University of Texas System, to the extent and in the manner provided by law, under and in strict conformity with the Constitution and laws of the State of Texas, particularly Section 18 of Article VII of the Constitution of Texas, as amended by vote of the people at the election held in and throughout the State of Texas on the 6th day of November, 1956.

SECTION 2:

2.01 - DATE, NUMBERS, DENOMINATION AND MATURITIES: That said bonds shall be dated July 1, 1966, shall be numbered consecutively from 1 to 2200, both inclusive, shall be in the denomination of \$5,000 each, aggregating \$11,000,000, and shall become due and payable serially in their numerical order on July 1st in each of the years 1967 to 1986, both inclusive, in the respective amounts shown in the following schedule, to-wit:

<u>Bond Numbers</u> <u>(both incl.)</u>	<u>Year of</u> <u>Maturity</u>	<u>Amount</u> <u>Maturing</u>
1 - 88	1967	\$440,000
89 - 176	1968	440,000
177 - 264	1969	440,000
265 - 352	1970	440,000
353 - 451	1971	495,000
452 - 550	1972	495,000
551 - 649	1973	495,000
650 - 748	1974	495,000
749 - 858	1975	550,000
859 - 968	1976	550,000
969 - 1078	1977	550,000
1079 - 1188	1978	550,000
1189 - 1309	1979	605,000
1310 - 1430	1980	605,000
1431 - 1551	1981	605,000
1552 - 1672	1982	605,000
1673 - 1804	1983	660,000
1805 - 1936	1984	660,000
1937 - 2068	1985	660,000
2069 - 2200	1986	660,000

2.02 - OPTION OF PRIOR REDEMPTION: That each of the bonds of this issue maturing on and after July 1, 1977, shall be subject to redemption prior to maturity on July 1, 1976, and on any interest payment date thereafter, at the price effective on such date determined as follows: par and unpaid accrued interest thereon to the date so fixed for redemption plus a premium of 2% of the par value if redeemed on or prior to January 1, 1981, such premium to be reduced on and after July 1, 1981 to 1%. Notice of the intention

to redeem bonds shall be given in writing to the banks at which said bonds are payable, and said notice shall be published at least one (1) time in a financial journal or publication of general circulation in the United States of America, which notice shall be mailed to said banks and published in said journal or publication at least thirty (30) days prior to the date fixed for redemption. If, by the date fixed for redemption, funds shall have been made available sufficient to pay the principal of any bond so called for redemption and unpaid accrued interest thereon to the date fixed for redemption plus the premium specified, it shall not thereafter bear interest. In the event less than all the bonds outstanding then eligible for redemption shall be thus called, the bonds then proposed to be redeemed shall be called in inverse numerical order.

SECTION 3:

3.01 - INTEREST RATES AND INTEREST PAYMENT DATES: That said bonds shall bear interest from date at the following rates per annum, respectively, to-wit:

Bonds Nos. 1 to _____, both inclusive, _____%,

Bonds Nos. _____ to _____, both inclusive, _____%,

Bonds Nos. _____ to _____, both inclusive, _____%,

Bonds Nos. _____ to _____, both inclusive, _____%,

interest payable January 1, 1967, and semi-annually thereafter on July 1st and January 1st of each year until the principal sum thereof is fully paid.

3.02 - BANKS OF PAYMENT: That both principal of and interest on said bonds shall be payable in lawful money of the United States of America, without exchange or collection charges to the owners or holders of the bonds and/or interest coupons, at _____, _____, Texas,

or, at the option of the holder, at _____
_____, New York, New York, or at
_____,'

Chicago, Illinois. The principal of said bonds shall be payable only upon presentation and surrender of said bonds as they respectively become due, and interest falling due on and prior to the respective maturity dates of the bonds shall be payable only upon presentation and surrender of the interest coupons attached to said bonds as such coupons severally become due.

SECTION 4:

EXECUTION OF BONDS AND INTEREST COUPONS: That the official seal of The University of Texas shall be impressed, printed or lithographed on each of said bonds, and each of said bonds and the interest coupons thereto attached shall be executed by the imprinted or lithographed signatures of the Chairman and the Secretary of the Board of Regents of said University.

SECTION 5:

REGISTRABILITY OF BONDS: That said bonds, at the option of the holder, shall be registrable as to principal only on the books of the Registrar, and for such purpose the Comptroller of The University of Texas is hereby designated "Registrar". Such registration shall be noted also on the bonds thus registered, and after such registration no transfer of such bonds shall be valid unless made on the books of the Registrar at the instance of the registered holder or his lawful attorney, thereunto duly authorized, and similarly noted on the bonds. Bonds thus registered may be discharged from registration by being transferred to bearer, after which they shall be transferable by delivery, but may again be registered as to principal as before. Bonds not so registered or which

have been so transferred to bearer shall in all respects be negotiable. The registration of bonds as to principal shall not restrain the negotiability by delivery of the interest coupons appertaining thereto.

Subject to the provisions for registration as to principal alone hereinabove provided, nothing contained in the bonds or in this resolution shall affect or impair the negotiability of the bonds, and said bonds shall constitute negotiable instruments within the meaning of the Uniform Negotiable Instruments Act of the State of Texas.

SECTION 6:

6.01 - FORM OF BONDS: That said bonds shall be in substantially the following form:

No. _____ \$5,000

UNITED STATES OF AMERICA
STATE OF TEXAS

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS
PERMANENT UNIVERSITY FUND BOND

SERIES 1966

FOR VALUE RECEIVED, THE BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS hereby acknowledges itself indebted to and PROMISES TO PAY, out of the Fund specified herein, to the bearer hereof, or, if this bond be registered as to principal, to the registered holder hereof, ON THE FIRST DAY OF JULY, 19____, the sum of

FIVE THOUSAND DOLLARS

(\$5,000), with interest thereon, also payable out of the Fund specified herein, at the rate of _____% (NOTE TO PRINTER: For interest rates, see Section 3.01 of bond resolution) per annum, until the principal sum hereof shall have been paid, interest payable January 1, 1967, and semi-annually thereafter on July 1st and January 1st

of each year. Both principal of and interest on this bond are payable in lawful money of the United States of America, without exchange or collection charges to the owner or holder, at _____, _____, Texas, or, at the option of the holder, at _____, _____, New York, New York, or at _____, Chicago, Illinois. The principal hereof shall be payable only upon presentation and surrender of this bond, and interest hereon falling due on and prior to the maturity of this bond shall be payable only upon presentation and surrender of the interest coupons hereto attached as such coupons severally become due.

THIS BOND IS ONE OF A SERIES OF 2200 SERIAL BONDS of like tenor and effect, except as to serial number, interest rate, maturity and reserved option of redemption, being numbered consecutively from 1 to 2200, both inclusive, in the denomination of \$5,000 each, AGGREGATING \$11,000,000, and, together with the other bonds of said series, is issued for the purpose of constructing, equipping or acquiring buildings or other permanent improvements for The University of Texas System, to the extent and in the manner provided by law, under and in strict conformity with the Constitution and laws of the State of Texas, particularly Section 18 of Article VII of the Constitution of Texas, as amended by vote of the people at the election held in and throughout the State of Texas on the 6th day of November, 1956, and pursuant to a resolution duly adopted by the Board of Regents of The University of Texas and duly recorded in the official minutes of said Board of Regents, hereinafter referred to as the "Resolution".

THE DATE OF THIS BOND, in conformity with the Resolution,
IS JULY 1, 1966.

EACH OF THE BONDS OF THIS ISSUE MATURING ON AND AFTER
JULY 1, 1977, to-wit: Bonds Nos. 969 to 2200, both inclusive,
SHALL BE SUBJECT TO REDEMPTION PRIOR TO MATURITY ON JULY 1, 1976,
and on any interest payment date thereafter at the price effective
on such date determined as follows: par and unpaid accrued interest
thereon to the date so fixed for redemption plus a premium of 2%
of the par value if redeemed on or prior to January 1, 1981, such
premium to be reduced on and after July 1, 1981, to 1%. Notice of
the intention to redeem bonds shall be given in writing to the banks
at which said bonds are payable, and said notice shall be published
at least one (1) time in a financial journal or publication of
general circulation in the United States of America, which notice
shall be mailed to said banks and published in said journal or
publication at least thirty (30) days prior to the date fixed for
redemption. If, by the date fixed for redemption, funds shall have
been made available sufficient to pay the principal of any bond so
called for redemption and unpaid accrued interest thereon to the
date fixed for redemption plus the premium specified, it shall not
thereafter bear interest. In the event less than all bonds out-
standing then eligible for redemption shall thus be called, the
bonds then proposed to be redeemed shall be called in inverse numer-
ical order.

THIS BOND AND THE OTHER BONDS OF THE SERIES OF WHICH IT IS
A PART are in all respects of equal dignity and on a parity with
other outstanding Permanent University Fund Bonds and this bond and

the other bonds of the series of which it is a part constitute "Additional Parity Bonds" as permitted by the resolutions authorizing other outstanding Permanent University Fund Bonds, and this bond and the other bonds of the series of which this bond is a part are equally and ratably secured by and payable from a first lien on and pledge of the Interest (as such term is defined in the Resolution) of The University of Texas in the income from the Permanent University Fund, as such Interest is apportioned by Chapter 42, Acts of the 42nd Legislature of Texas, Regular Session, 1931.

THE BOARD OF REGENTS RESERVES THE RIGHT TO ISSUE OTHER ADDITIONAL PARITY BONDS AND NOTES which shall be equally and ratably payable from the same source and secured in the same manner as the bonds of this issue and other outstanding Permanent University Fund Bonds, but such Additional Parity Bonds and Notes may be issued only pursuant to and subject to the terms and conditions provided and contained in the Resolution.

THIS BOND IS REGISTRABLE AS TO PRINCIPAL only on the books of the Registrar. For such purpose the Comptroller of The University of Texas has been designated "Registrar". If registered, the fact of registration is to be noted on the back hereof and thereafter no transfer of this bond shall be valid unless made on the books of the Registrar and similarly noted hereon. Registration as to principal may be discharged by transfer to bearer, after which this bond may again be registered as before. The registration of this bond as to principal shall not restrain the negotiability of the interest coupons appertaining hereto, which coupons

shall continue to be negotiable by delivery merely. Subject to the provision for registration as to principal alone endorsed hereon and as contained in the Resolution, nothing contained in this bond nor in the Resolution shall affect or impair the negotiability of this bond, and this bond shall constitute a negotiable instrument within the meaning of the Uniform Negotiable Instruments Act of the State of Texas.

IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions and things required to exist and to be done precedent to and in the issuance of this bond and the other bonds of the series of which this bond is a part have been properly done, have happened and have been performed in regular and due time, form and manner, as required by the Constitution and laws of the State of Texas and the Resolution; that due provision has been made for the payment of the principal of and interest on this bond and the other bonds of the series of which this bond is a part by an irrevocable pledge of the funds specified herein; and that the entire issue of bonds of which this one is a part does not exceed any Constitutional or statutory limitation.

IN WITNESS WHEREOF, the Board of Regents of The University of Texas has caused the official seal of said University to be impressed or placed in facsimile hereon and this bond and the interest coupons hereto annexed to be executed with the facsimile signatures of the Chairman and the Secretary of said Board of Regents, all as of the 1st day of July, 1966.

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS

Secretary

Chairman

6.02 - FORM OF INTEREST COUPONS: That the interest coupons to be attached to said bonds shall be in substantially the following form:

No. _____ \$ _____

ON THE 1ST DAY OF _____, 19____,* THE BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS PROMISES TO PAY TO BEARER, solely out of the fund specified in the bond to which this coupon appertains, without exchange or collection charges, at _____, _____, Texas, or, at the option of the holder, at _____

_____, New York, New York, or at _____, Chicago, Illinois, THE SUM OF \$_____, in lawful money of the United States of America, being interest due that date on Board of Regents of The University of Texas Permanent University Fund Bond, Series 1966, bearing the number hereinafter specified, dated July 1, 1966. Bond No. _____.

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS

Secretary

Chairman

*(Coupons maturing after July 1, 1976, shall contain the following additional clause:

unless the bond to which this coupon appertains has been called for redemption and due provision made to redeem same,)

6.03 - FORM OF REGISTRATION ENDORSEMENT: That the ownership registration endorsement to be printed on the back of each of the bonds shall be in substantially the following form:

(NO WRITING TO BE PLACED HEREON
EXCEPT BY BOND REGISTRAR)

It is hereby certified that, at the request of the holder of the within bond, I have this day registered said bond as to principal in the name of such holder as indicated in the registration blank below, on books kept by me for such purpose. The principal of this bond shall be payable only to the registered holder hereof named in the below registration blank or his legal representative, and this bond shall be transferable only on the books of the Registrar and by an appropriate notation in such registration blank. If the last transfer on the books of the Registrar and in the below registration blank shall be to bearer, the principal of this bond shall be payable to bearer and it shall be in all respects negotiable. In no case shall negotiability of the interest coupons appurtenant to this bond be affected by any registration of this bond as to principal.

Date of Registration	Name of Registered Holder	Signature of Bond Registrar
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

6.04 - REGISTRATION OF BONDS BY STATE COMPTROLLER AND FORM OF REGISTRATION CERTIFICATE: That each of said bonds shall be registered by the Comptroller of Public Accounts of the State of Texas, as provided by law, and the registration certificate of said Comptroller of Public Accounts shall be printed on the back of each of

said bonds, shall be manually executed, and shall be in substantially the following form:

OFFICE OF THE COMPTROLLER

REGISTER NO. _____

THE STATE OF TEXAS

I HEREBY CERTIFY that there is on file and of record in my office a certificate of the Attorney General of the State of Texas to the effect that this bond has been examined by him as required by law, and that he finds that it has been issued in conformity with the Constitution and laws of the State of Texas, and that it is a valid and binding special obligation of the Board of Regents of The University of Texas payable from the funds pledged to its payment by and in the Resolution authorizing same; and said bond has this day been registered by me.

WITNESS MY HAND AND SEAL OF OFFICE at Austin, Texas,

_____.

Comptroller of Public Accounts
of the State of Texas

SECTION 7:

DEFINITIONS: That, as used in this resolution, the following words, terms and expressions shall mean and include, and are defined, as follows:

(a) Permanent University Fund, or Fund: the Permanent University Fund as created by Section 11 of Article VII, Constitution of Texas, further implemented by the provisions of Title 49, Chapter 1, Revised Civil Statutes of Texas, 1925, as amended and supplemented.

(b) University: The University of Texas.

(c) Board of Regents, or Board: the Board of Regents of The University of Texas.

(d) Interest of the University in the income from the Permanent University Fund: all of the income to the Permanent University Fund from grazing leases on University lands, and all of the other income from such Fund, after making provision for the payment of the University's proportion of the expense of administering such Fund, excepting one-third of the income arising and accruing to The Texas A & M University from the 1,000,000 acres of land appropriated by the Constitution of 1876 and the land appropriated by the Act of 1883, as more particularly defined in Chapter 42, Acts of the 42nd Legislature of Texas, Regular Session, 1931 (Article 2592, Vernon's Annotated Civil Statutes).

(e) Bonds: the \$11,000,000 Board of Regents of The University of Texas Permanent University Fund Bonds, Series 1966, dated July 1, 1966, authorized by this resolution.

(f) Resolution: this resolution authorizing the issuance of the Bonds.

(g) 1958 Bond Resolution: the resolution adopted by the Board of Regents on the 23rd day of July, 1958, authorizing the issuance of the \$5,076,000 Board of Regents of The University of Texas Permanent University Fund Refunding Bonds, Series 1958, dated July 1, 1958.

(h) Outstanding Bonds: the outstanding Permanent University Fund Bonds of the Board of Regents of The University of Texas: Refunding Bonds, Series 1958, dated July 1, 1958; Series 1959, dated July 1, 1959; Series 1960, dated July 1, 1960; Series 1961,

dated July 1, 1961; Series 1962, dated July 1, 1962; Series 1963, dated July 1, 1963; Series 1964, dated July 1, 1964; and Series 1965, dated July 1, 1965.

(i) Additional Parity Bonds and Notes: the additional parity bonds and the additional parity notes permitted to be issued pursuant to Section 17 of the 1958 Bond Resolution, the resolutions authorizing the other Outstanding Bonds, and this Resolution.

(j) Interest and Sinking Fund: the Board of Regents of The University of Texas Permanent University Fund Interest and Sinking Fund established by the Comptroller of Public Accounts of the State of Texas in the State Treasury under the provisions of the 1958 Bond Resolution.

SECTION 8:

8.01 - BONDS AND OUTSTANDING BONDS ON A PARITY: That it is herewith certified and recited that the Bonds authorized by this Resolution are Additional Parity Bonds permitted and authorized to be issued by Section 17 of the 1958 Bond Resolution, and that all conditions and requirements of said Section 17 have been or will be met prior to the delivery of the Bonds herein authorized. The Outstanding Bonds and the Bonds herein authorized, and the interest on all of same, are and shall be on a parity and in all respects of equal dignity.

8.02 - BONDS SECURED BY FIRST LIEN: That, pursuant to the authority conferred upon the Board of Regents by the provisions of Section 18 of Article VII, Constitution of Texas, and Chapter 255, Acts of the 55th Legislature of Texas, Regular Session, 1957, the

Outstanding Bonds, together with the Bonds authorized by this Resolution and all other Additional Parity Bonds and Notes, when issued pursuant to the provisions of Section 17 of the 1958 Bond Resolution, and the interest on all of same, shall be and are hereby equally and ratably secured by and payable from a first lien on and pledge of the Interest of the University in the income from the Permanent University Fund as such Interest is defined in Section 7(d) of this Resolution.

SECTION 9:

9.01 - ADDITIONAL PAYMENTS INTO INTEREST AND SINKING FUND: That, in addition to the moneys required to be transferred to the credit of the Interest and Sinking Fund under the provisions authorizing the Outstanding Bonds, the Comptroller of Public Accounts of the State of Texas shall, for the benefit of the Bonds herein authorized, transfer to the Interest and Sinking Fund out of The University of Texas Available University Fund (the fund in the State Treasury to which is deposited the Interest of the University), on or before November 1, 1966, and semi-annually thereafter on or before May 1st and November 1st of each year while the Bonds or interest thereon are outstanding and unpaid, a sum of money equal to the amount of interest or principal and interest (when both are scheduled to accrue and mature) which will become due on the Bonds on the January 1st or July 1st next following.

9.02 - AVAILABILITY OF MONEYS AT PLACES OF PAYMENT:

(a) That, to the end that moneys will be available at the places of payment in ample time to pay the principal of and interest on the Bonds as such principal and interest respectively

mature, on or before November 5, 1966, and semi-annually thereafter on or before May 5th and November 5th of each year while any of the Bonds or interest thereon are outstanding and unpaid, the Comptroller of the University, or such officer as may hereafter be designated by the Board of Regents to perform the duties now vested in such officer shall perform the following duties:

(1) prepare and file with the Comptroller of Public Accounts of the State of Texas a voucher based on which said Comptroller of Public Accounts of the State of Texas shall draw a warrant against the Interest and Sinking Fund in the amount of the interest or principal and interest (when both are scheduled to accrue and mature) which will become due on the January 1st or July 1st next following; and (2) in the event Bonds shall have been called for redemption on the January 1st or July 1st next following of any year, prepare and file with said Comptroller of Public Accounts of the State of Texas a voucher based on which said Comptroller of Public Accounts of the State of Texas shall draw a warrant against funds of the University legally available for such purpose in an amount sufficient to redeem the Bonds thus called.

(b) That, whenever a voucher is so filed with the Comptroller of Public Accounts of the State of Texas, he shall make the warrant based thereon payable to the order of that place of payment situated in the State of Texas, specified in Section 3.02 of this Resolution, and shall deliver such warrant to said place of payment on or before the November 15th or May 15th next following.

(c) That the place of payment situated in the State of Texas, designated in Section 3.02 of this Resolution, shall, out of moneys remitted to it under the provisions of this Section 9.02, and not otherwise, make available at the other places of payment specified in said Section 3.02, funds sufficient to pay such Bonds (whether payable to bearer or payable to the registered holder thereof) and such of the interest coupons as are presented for payment at such places of payment, and said place of payment situated in the State of Texas by accepting designation as such place of payment agrees and is obligated to perform such service.

9.03 - CREMATION OF BONDS AND COUPONS UPON PAYMENT: That the paying agents shall cremate paid bonds and coupons and furnish the Board with an appropriate certificate of destruction covering the bonds and coupons thus destroyed.

9.04 - PAYMENT OF CHARGES OF PAYING AGENTS: That the Board of Regents shall make provision with the places of payment designated as paying agents for the rendition of a statement to the University for any sums due such paying agents for services rendered in connection with the payment of the Bonds and interest coupons by said paying agents, and the amount of such charges shall be paid by the University from funds available for such purpose.

SECTION 10:

ADOPTION OF PROVISIONS OF SERIES 1958 BOND RESOLUTION: That all of the language, terms, provisions, covenants and agreements of Sections 15 to 19, both inclusive, of the 1958 Bond Resolution be and are hereby referred to and adopted and made applicable to the Bonds authorized by this Resolution for all purposes; and, without

in any way limiting the foregoing, it is expressly provided that the Board of Regents reserves the right and power to issue and deliver Additional Parity Bonds and/or Additional Parity Notes pursuant to the provisions of Section 17 of said Series 1958 Bond Resolution, to which Section 17 reference is hereby made for full particulars.

SECTION 11:

APPROVAL AND REGISTRATION OF BONDS: That 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 it shall be the duty of said Chairman or some officer of the Board acting under authority from him to submit the record of the Bonds, and, after the Bonds shall have been executed, to submit the Bonds to the Attorney General of the State of Texas for examination and approval. After said Bonds shall have been approved by said Attorney General, they shall be delivered to the Comptroller of Public Accounts of the State of Texas for registration. Upon such registration of said Bonds, said Comptroller of Public Accounts (or a deputy lawfully designated in writing to act for him) shall manually sign the Comptroller's certificate of registration, which certificate, in accordance with Section 6.04 of this Resolution, is to be printed on the back of each Bond, and the seal of office of said Comptroller of Public Accounts shall be affixed to each of said Bonds.

SECTION 12:

SALE AND DELIVERY OF BONDS: That the Board officially finds, determines and declares that said bonds have been duly advertised for

sale; that sealed bids have been received at a public sale of said bonds; that all of said bonds are hereby sold and shall be delivered as soon as practicable, in accordance with the terms of sale, to _____

_____,'
which has submitted the highest and best bid for said bonds at said public sale, being the amount of par and accrued interest to the date of delivery, plus a premium of \$_____.

ADOPTED AND APPROVED this 8th day of July, 1966.

/s/ W. W. Heath

Chairman, Board of Regents,
The University of Texas

ATTEST:

/s/ Betty Anne Thedford

Secretary, Board of Regents,
The University of Texas

(SEAL)

THE STATE OF TEXAS §

COUNTY OF TRAVIS §

I, the undersigned, Secretary of the Board of Regents of The University of Texas, do hereby certify that the attached and foregoing is a true and correct copy of a resolution adopted by said Board of Regents at a meeting thereof held on the 8th day of July, 1966, which resolution pertains to the issuance of \$11,000,000 Board of Regents of The University of Texas Permanent University Fund Bonds, Series 1966, dated July 1, 1966, together with an excerpt from the minutes of said meeting showing the adoption of said resolution, as same appears of record in the official minutes of said Board of Regents on file in my office.

WITNESS MY HAND AND THE OFFICIAL SEAL OF SAID BOARD OF REGENTS, this 8th day of July, 1966.

Secretary, Board of Regents,
The University of Texas

(SEAL)

TRUST AND SPECIAL FUNDS -- INVESTMENT MATTERS.--

REPORT OF PURCHASES, SALES AND A RETIREMENT OF SECURITIES.--The following purchases of securities from May 11, through June 13, 1966, sales of securities from May 18 through June 8, 1966, and a retirement received on May 30, 1966, have been made for the Trust and Special Funds. We ask that the Board ratify and approve these transactions:

PURCHASES OF SECURITIES

<u>Date of Purchase</u>	<u>Security</u>	<u>Principal Cost</u>
5/11/66	\$6,000.00 par value Austin National Bank 4-1/2% Time Certificate of Deposit, dated 5/11/66, due 11/11/66, at par (Fine Arts Foundation - Various Donors - Unallotted - Temporary)	\$ 6,000.00
	\$12,633.50 par value Ditto (The Fine Arts Foundation - Various Donors - Scholarships in Fine Arts - Temporary)	12,633.50
5/12/66	\$12,000 maturity value U. S. Treasury Bills, dated 5/12/66, due 11/10/66 at 97.6793333 Net plus \$3.00 wire transfer fee, to yield 4.72% to maturity (Winedale Stagecoach Inn Fund - Varner Acreage - Temporary)	11,724.52
6/6/66	\$5,000.00 par value Austin National Bank 4-1/2% Time Certificate of Deposit, dated 6/6/66, due 1/6/67, at par (College of Engineering Foundation - Various Donors - Various Purposes - Temporary)	5,000.00
6/8/66	1/2 share International Business Machines Corporation Capital Stock to round out extra share received in 50% stock split (Funds Grouped for Investment)	278.63
6/13/66	4 shares International Business Machines Corporation Capital Stock at \$285 plus 40 rights per share (Funds Grouped for Investment)	1,140.00
	14 shares Ditto (Hogg Foundation: W. C. Hogg Estate Fund)	3,990.00
	2 shares Ditto (Hogg Foundation: Varner Properties)	570.00

SALES OF SECURITIES

Date Sold	Security	Principal Proceeds
5/18/66	22 shares Continental Casualty Co. Common Stock, sold at 46-3/4 (Chancellor's Council - Unrestricted Account)	\$ 1,013.14
5/19/66	\$50,000 par value U. S. 2-1/2% Treasury Bonds due 6/15/72-67, sold at 89-8/32nds Net plus accrued interest to May 25, 1966, less \$3.00 wire transfer fee (Loss on sale over book value \$1,125.00) (Frank B. Cotton Trust - Temporary Investment - Current Restricted Income - Texas Western College)	44,625.00
5/24/66	1316 rights to subscribe for Potomac Electric Power Co. Serial Preferred Stock, \$2.44 Convertible Series of 1966 (Funds Grouped for Investment)	34.36#
	1836 rights Ditto (Hogg Foundation: W. C. Hogg Estate Fund)	47.93#
	1000 rights Ditto (Hogg Foundation: Varner Properties)	26.11#
	200 rights Ditto (Alexander Caswell Ellis Fellowship in Education)	5.22#
	1100 rights Ditto (Archer M. Huntington Museum Fund)	28.72#
	204 rights Ditto (Wilbur S. Davidson Educational Fund)	5.32#
	500 rights Ditto (The James W. McLaughlin Fellowship Fund - Reserve for Depletion - Medical Branch)	13.05#
5/25/66	10 shares Houston Natural Gas Corp. Common Stock, sold at 56-3/4 (Proceeds distributed-- 35/60ths - Research in Classics - Archeological Explorations in Greece - Various Donors--\$324.70; and 25/60ths - Fine Arts Foundation - Various Donors - Unallotted--\$231.92)	556.62
6/8/66	1/2 share International Business Machines Corp. Capital Stock received in 50% stock split (Hogg Foundation: W. C. Hogg Estate Fund)	278.63#

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

RETIREMENT OF SECURITIES

Date Retired	Security	Principal Proceeds
7/15/65 Received 5/30/66	30% of \$5,000 par value of 200 shares Southern Farm Supply Association, Amarillo, Texas, First Preferred Stock (\$1,750.00 par value of \$3,250.00 holding not retired) (William Heuermann Fund for Cancer Research - M. D. Anderson Hospital and Tumor Institute)	\$1,500.00

FUNDS GROUPED FOR INVESTMENT - RECOMMENDATION RE ADDITIONS.--Pursuant to a policy adopted by the Board of Regents on February 27, 1948, as amended July 9, 1948, the Staff Investment Committee submits for approval of the Land and Investment Committee supplemental additions made to the Funds Grouped for Investment endowment account on June 1, 1966. These additions of cash, funds transferred and new funds are as follows:

Fund	Recommended Addition
E. Bagby Atwood Memorial Graduate Scholarship in English (\$6,481.53 already in Grouped)	\$ 57.08
The Accounting Education Fund (College of Business Administration Foundation) (\$38,383.85 already in Grouped)	35.00
Marie M. Whittle Award - Office Administration (College of Business Administration Foundation) (NEW FUND)	600.00
Morgan and Hamah Smith Callaway Fund (\$17,513.99 already in Grouped)	177.07
Emma Frances Clark Fellowship in Psychology (\$24,777.94 already in Grouped)	249.20
Roy Crane Award in the Arts (\$10,083.37 already in Grouped)	19.94
John Wallace Dallenbach Fellowship in Psychology (\$47,721.54 already in Grouped)	575.78
J. C. Dolley Finance Education Fund (\$122.27 already in Grouped)	1.31
Donna Dellinger Memorial Scholarship Fund (College of Fine Arts Foundation) (\$4,437.78 already in Grouped)	200.00
E. William Doty Scholarship Fund (College of Fine Arts Foundation) (\$2,345.47 already in Grouped)	22.35
Department of Drama Ex-Students Scholarship Fund (College of Fine Arts Foundation) (\$9,302.50 already in Grouped)	20.00
Mavis Alexander Fitzgerald Awards (\$175.56 already in Grouped)	2.03
Mary E. Gearing Bequest for Child Welfare and Parent Education Foundation (\$28,738.56 already in Grouped)	266.70
Hal P. Bybee Memorial Fund (Geology Foundation) (\$112,548.25 already in Grouped)	2,025.00
L. W. Callender Memorial Fund (Geology Foundation) (NEW FUND)	50,000.00
Robert H. Cuyler Memorial Scholarship in Geology (Geology Foundation) (\$11,893.42 already in Grouped)	279.15
Guy E. Green Scholarship Fund (Geology Foundation) (\$5,345.45 already in Grouped)	60.00
Carolyn G. and George M. Knebel Fund (Geology Foundation) (\$14,775.53 already in Grouped)	100.00

FUNDS GROUPED FOR INVESTMENT - RECOMMENDATION RE ADDITIONS
(Continued)

Fund	Recommended Addition
Dr. F. L. Whitney Memorial Scholarship Fund (Geology Foundation) (\$16,473.75 already in Grouped)	\$ 500.00
German Play Scholarship Fund - Various Donors (\$1,715.29 already in Grouped)	106.00
The Gilbreth Award Fund (\$327.57 already in Grouped)	3.37
Hinds-Webb Scholarship Fund (\$106.43 already in Grouped)	0.92
Thos. E. Hogg - Residuary Legacy (\$2,750.36 already in Grouped)	50.38
Kappa Epsilon Scholarship Fund (\$1,141.79 already in Grouped)	25.00
Bobby Layne Scholarship Fund (\$6,224.07 already in Grouped)	55.14
Lora Lee Pederson Scholarship Fund, Graduate School of Social Work (\$2,772.67 already in Grouped)	23.50
W. F. Gidley Appreciation Endowment Fund (Pharmaceutical Foundation) (\$2,210.56 already in Grouped)	10.00
Alma Jacobs House Piner Fund (\$6,830.08 already in Grouped)	70.72
DeWitt Reddick Journalism Scholarship Fund (\$3,281.52 already in Grouped)	31.15
The Amanda Stoltzfus Memorial Trust Fund (\$2,603.66 already in Grouped)	34.87
The Robert Cantrell Feamster Foundation (Medical Branch) (\$2,623.48 already in Grouped)	27.10
Dr. Walter Junius Hildebrand Scholarship (Medical Branch) (\$70,326.19 already in Grouped)	152.91
Lloyd A. Nelson Professorship in Geology (Texas Western College) (\$10,467.47 already in Grouped)	50.76
Additions made to Funds Grouped on June 1, 1966	<u>\$55,832.43#</u>

#The above total of \$55,832.43, submitted for approval of the Land and Investment Committee, supplements cash additions of \$89,629.47 (after a correction of \$39.00 on the \$89,668.47 previously approved), made to Funds Grouped for Investment on June 1, 1966, making a total of \$145,461.90 in cash added or transferred to Funds Grouped for Investment on June 1, 1966, for a new book value for the endowment account of \$3,703,078.99.

TRUST AND SPECIAL FUNDS--REVIEWS OF INVESTMENT PORTFOLIOS OF VARIOUS TRUST FUNDS.--In accordance with the policies governing investments for the various trust and special funds under the control of the Board of Regents, the investment portfolios of the following funds have been reviewed and are being mailed separately to the Regents for information:

1. Funds Grouped for Investment -- Quarterly Review as of 5/31/66.

MAIN UNIVERSITY FUNDS--

2. Wilbur S. Davidson Educational Fund -- Review as of 2/28/66.
3. Alexander Caswell Ellis Fellowship in Education Fund -- Review as of 2/28/66.
4. College of Engineering Foundation - Various Donors - Various Purposes -- Review as of 2/28/66.
5. E. D. Farmer International Scholarship Fund -- Review as of 2/28/66.
6. Bess Heflin Fellowship Fund -- Review as of 2/28/66.
7. Rosalie B. Hite Endowment for Cancer Research -- Review as of 2/28/66.
8. Will C. Hogg Memorial Scholarships Fund -- Review as of 2/28/66.
9. Archer M. Huntington Museum Fund -- Review as of 1/31/66.
10. Littlefield Fund for Southern History - First Fund -- Review as of 2/28/66.
11. W. J. McDonald Observatory Fund -- Review as of 2/28/66.
12. Student Property Deposit Scholarship Fund -- Review as of 2/28/66.
13. The Robert A. Welch Chair in Chemistry -- Review as of 2/28/66.

M. D. ANDERSON HOSPITAL AND TUMOR INSTITUTE ENDOWMENT FUNDS--

14. Wm. Heuermann Fund for Cancer Research -- Review as of 4/30/66.
15. University Cancer Foundation - Review as of 3/31/66.

MEDICAL BRANCH (GALVESTON) ENDOWMENT FUNDS--

16. The William Orville Bullington Fund -- Review as of 3/31/66.
17. The James W. McLaughlin Fellowship Endowment Fund -- Review as of 3/31/66.
18. The James W. McLaughlin Fellowship Fund - Reserve for Depletion -- Review as of 3/31/66.

TEXAS WESTERN COLLEGE ENDOWMENT FUND--

19. Frank B. Cotton Trust - Endowment Account -- Review as of 3/31/66.

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

TEXAS WESTERN COLLEGE - BEQUEST UNDER THE WILL OF ROBERT L. GOFF - RECOMMENDATION FOR USE OF BEQUEST.--At the September 19, 1964 meeting of the Board of Regents, the bequest to Texas Western College under the Will of Robert L. Goff of El Paso was accepted. There was a specific cash bequest of \$5,000, as well as provision to participate proportionately in the residue of the estate. When the bequest was accepted, it was stated that additional information would be furnished later and recommendation would be made through appropriate channels for the use of the funds.

The specific cash bequest of \$5,000 was received in February, 1965, and \$5,000 was received in August, 1965 as partial distribution of the 1/24 share of the residue of the estate. Also in August, 1965, stocks valued at \$8,489.88 were received by Texas Western College which have now been forwarded to the Endowment Office for sale. It is anticipated that another partial cash distribution of \$5,000 will be received in July, 1966, and approximately \$7,000 as final distribution at some future date, making a total amount expected to be received of approximately \$30,000.

It is recommended by Dr. Ray, concurred in by Central Administration, that all the funds be placed in the Excellence Fund of Texas Western College. The only stipulation in the Will is that "The bequests made to each of the above named organizations in El Paso, Texas, are to be used by such organizations only in El Paso County, Texas."

MAIN UNIVERSITY: HOGG FOUNDATION FOR MENTAL HEALTH - BEQUEST UNDER THE WILL OF MRS. ELOISE HELBIG CHALMERS - RECOMMENDATION FOR ACCEPTANCE.--We have been advised by the attorney for the Estate of Mrs. Eloise Helbig Chalmers of the bequest under her Will to the University as follows:

"I bequeath to the board of Regents of the University of Texas, Trustees of the Hogg Foundation for Mental Health, my home - house and lot, at 1907 West Clay, Houston, Texas. The deed is in my safe deposit box - to which my cousin, Mrs. Werner, has access. It is to become the property of the Foundation, to be sold or utilized in any way the trustees see fit, and I leave it in honor of my dear friend Miss Ima Hogg, and her family."

The Independent Executrix qualified on May 10, 1966 and the Will was probated on that date. The appraised value of the property is \$9,500.

It is recommended that the bequest be accepted. A recommendation as to selling or holding the property will be submitted at a later meeting of the Board.

TRUST AND SPECIAL FUNDS - GIFT, BEQUEST AND ESTATE MATTERS (Continued).--

MAIN UNIVERSITY - GIFT FROM E. W. AND HELEN FRANKE OF MINERAL INTERESTS IN WHARTON COUNTY - RECOMMENDATION FOR ACCEPTANCE.-- Mr. E. W. Franke of Corpus Christi and Miss Helen Franke, his sister, of San Antonio have executed a quitclaim deed in favor of The University of Texas of one-half of the mineral rights lying under all of Section 12, H. & T. C. RR. Survey, Abstract 662 consisting of 640 acres in Wharton County. An evaluation has been made of the minerals by a Houston geologist. He gives the interest deeded to the University a fair market value of \$19,200, \$60 per net mineral acre, as of May 24, 1966.

Any proceeds from the properties are to be divided equally between the Main University and the Engineering Foundation.

It is recommended that the gift be accepted by the Board of Regents.

TEXAS WESTERN COLLEGE - ESTATE OF ANTOINETTE CARDONA - REPORT ON BEQUEST AND RECOMMENDATION FOR ACCEPTANCE.--Texas Western College has been notified by Mr. Julian Bernat, Independent Co-Executor of the Estate of Mrs. Antoinette Cardona of El Paso who died on May 23, of Mrs. Cardona's bequest of her residue estate to the College.

Roman Numeral 6 of Mrs. Cardona's will is as follows:

"I give, devise and bequeath all of the rest and residue of the property of which I may die seized or possessed, or to which I may be in anywise entitled, whether real, personal, or mixed, and wherever situated, including the proceeds of any life insurance policy or policies payable to my estate, to TEXAS WESTERN COLLEGE, to be used for educational purposes by establishing scholarships by gifts or non-interest loans to needy and worthy students not financially able to attend college or schools of higher education. The recipient to receive or continue receiving educational benefits must apply himself or herself diligently to the scholastic work. Necessarily TEXAS WESTERN COLLEGE must assume the obligation to determine the ones entitled to these benefits and the amounts thereof. However, as a guide, I suggest that to qualify for these benefits the person must have made and continue making better than average grades in all courses taken and to be taken commencing in high school, or have exceptional ability or evidence future exceptional ability in one line of study or profession. The scholarships may also be granted for post graduate work in the discretion of the College."

It is estimated that the bequest may amount to between \$20,000 and \$30,000. Acceptance of the bequest is recommended.

TRUST AND SPECIAL FUNDS - GIFT, ESTATE, AND BEQUEST MATTERS (Continued).--

MEDICAL BRANCH - RECOMMENDATION FOR ACCEPTANCE OF BEQUEST UNDER THE WILL OF JOSEPH POLLOCK.--Mr. Joseph Pollock, for many years a member of the custodial staff at the Medical Branch, died recently leaving a Will now probated in Galveston County under which his entire estate comes to the University to be used for the Joseph Pollock Student Loan Fund. Mr. H. H. Hall, Business Manager of the Medical Branch, has been named Administrator with Will Annexed, and it is estimated that the net estate will amount to approximately \$5,000. It is recommended that the Board of Regents accept the bequest.

TRUST AND SPECIAL FUNDS - REAL ESTATE MATTERS.--

WINEDALE STAGECOACH INN FUND - AUTHORIZATION FOR EXECUTION OF DEED TO T. L. SMITH, JR., ON FIVE ACRES OUT OF THE VARNER PLANTATION. --A recommendation is being submitted to the members of the Board of Regents as Trustees of the Winedale Stagecoach Inn Fund for sale of Lot 8 of the Hogg Sub-Division out of the J. H. Bell League, Brazoria County, comprised of 5 acres to T. L. Smith, Jr., for \$1,500.

It is recommended that the Board of Regents authorize execution of the deed by the Chairman of the Board of Regents, as provided in the conveyance from Miss Ima Hogg, upon acceptance of the proposal by the Trustees of the Winedale Stagecoach Inn Fund.

M. D. ANDERSON HOSPITAL AND TUMOR INSTITUTE - WILLIAM HEUERMANN FUND FOR CANCER RESEARCH - RECOMMENDATION FOR QUIT-CLAIM ON EXPIRED MINERAL INTEREST, SAN PATRICIO COUNTY.--By deed dated March 2, 1936, Mr. Wm. Heuermann conveyed to A. H. Miller 222.6 acres, being Tract "C" of the Heuermann Subdivision of the Cubage & Miller Subdivision of the O'Connor Ranch, San Patricio, County, reserving an undivided 1/4 of the minerals for a term of 20 years from date of the deed. There was no production at the end of the 20 years, and the reserved interest expired. However, this interest was included in error in deed dated May 12, 1965, from Guaranty National Bank and Trust of Corpus Christi, Independent Executor of Mr. Heuermann's Estate, conveying the remaining property on hand to the Board of Regents for the Wm. Heuermann Fund for Cancer Research. Mrs. Lola Heuermann quit-claimed her community interest in the reserved mineral interest in 1962, and the present record owners of the land, E. H. Lane and S. L. Lane, have requested a quit-claim from the Board of Regents, accompanied by a favorable recommendation from Guaranty National Bank and Trust. It is recommended that the Board of Regents authorize execution of the instrument when approved as to form by the University Attorney and as to content by the Endowment Officer.

TRUST AND SPECIAL FUNDS - REVENUE BOND MATTERS.--

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS - ARLINGTON STATE COLLEGE STUDENT FEE REVENUE BONDS, SERIES 1966 (SKILES ACT) \$1,100,000 - RECOMMENDATION FOR ADOPTION OF RESOLUTION FOR BUILDING USE FEE AND RESOLUTION FOR ISSUING BONDS, SALE OF BONDS AND DESIGNATION OF PAYING AGENCY.--

At the April 23, 1966, meeting of the Board of Regents the proposal submitted by Russ & Company and Emerson & Company for direct placement of the subject bonds at a coupon rate of 4% for the entire issue, plus a premium of \$100 payable to the Board, was approved. The agreement has been signed by the Chairman of the Board and bids for the Mathematics-Foreign Language Building to be constructed from the proceeds of the issue have been called for by the Office of Facilities Planning and Construction. The bids will be received, opened and tabulated at 2:30 p.m. on June 30, and a recommendation made to the Board at the July meeting.

It is recommended that the resolution on the following pages re-establishing the Building Use Fee at Arlington State College, from which fee the bonds will be repaid, be adopted by the Board.

It is further recommended that the resolution, also on the following pages, authorizing the issuance of the bonds and the sale of the bonds to Chemical Bank New York Trust Company, New York, New York, for the principal amount and accrued interest to the date of delivery, plus a premium of \$100, be approved.

It is also recommended that the Fort Worth National Bank, the paying agent for the Arlington State College Student Fee Revenue Bonds, Series 1965, also issued under the Skiles Act, be designated as paying agent for the Series 1966 Bonds with Chemical Bank New York Trust Company, New York, New York, as co-paying agent.

CERTIFICATE FOR RESOLUTION RE-ESTABLISHING BUILDING USE FEE

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

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

1. The Board of Regents of said University convened in REGULAR MEETING ON THE 8TH DAY OF JULY, 1966, on the Campus of said University, in the City of Austin, Travis County, Texas, and the roll was called of the duly constituted officers and members of said Board, to-wit:

Mr. W. W. Heath, Chairman	Mr. Frank N. Ikard
Mr. Frank C. Erwin, Jr., Vice Chairman	Mrs. J. Lee Johnson III
Mr. W. H. Bauer	Mr. Jack S. Josey
Mr. Walter P. Brennan	Rabbi Levi Olan
Dr. H. F. Connally, Jr.	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 RE-ESTABLISHING BUILDING USE FEE

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.

SIGNED AND SEALED the 8th day of July, 1966.

Secretary
(SEAL)

Chairman

RESOLUTION BY THE BOARD OF REGENTS
OF THE UNIVERSITY OF TEXAS RE-
ESTABLISHING AND CONTINUING A BUILDING
USE FEE AT ARLINGTON STATE COLLEGE

THE STATE OF TEXAS :

COUNTY OF TRAVIS :

WHEREAS, the Board of Regents heretofore issued its Board of Regents of The University of Texas - Arlington State College Student Fee Revenue Bonds, Series 1965, in the aggregate principal amount of \$325,000; and

WHEREAS, concurrently with the adoption of this resolution, the Board of Regents of The University of Texas (hereinafter called the "Board") has adopted a resolution authorizing the issuance of its Board of Regents of The University of Texas - Arlington State College Student Fee Revenue Bonds, Series 1966 (Skiles Act) (hereinafter called the "Bonds") for the purpose of providing part of the funds to construct a mathematics and language building and other capital improvements on the campus of Arlington State College in Arlington, Texas; and

WHEREAS, said Bonds are on a parity with the said Series 1965 Bonds, and both said series of bonds are payable from and secured by a pledge of the Building Use Fee established by resolution of the Board of Regents of The University of Texas adopted on the 16th day of July, 1965.

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

1. That the Board in accordance with authority granted by Article 2654c-1 of Vernon's Edition of the 1925 Revised Civil Statutes of Texas, as amended, does re-establish and continue and order to be collected from all students

enrolled in Arlington State College, the Building Use Fee established by resolution of the Board adopted on the 16th day of July, 1965.

2. That said Building Use Fee hereby re-established and continued shall continue to be as follows:

\$5.00 per regular semester and summer session for each student enrolled for twelve or more semester hours;

\$0.42 per semester hour per regular semester and summer session for each student enrolled for less than twelve semester hours.

3. That said Building Use Fee shall continue to be collected so long as any of the Board of Regents of The University of Texas - Arlington State College Student Fee Revenue Bonds, Series 1965, or any of the Board of Regents of The University of Texas - Arlington State College Student Fee Revenue Bonds, Series 1966 (Skiles Act) is outstanding and unpaid.

4. That the officers of the Board and of Arlington State College shall do and perform all acts necessary to make this resolution effective in accordance with its terms.

CERTIFICATE FOR RESOLUTION AUTHORIZING THE
ISSUANCE OF BONDS

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

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

1. The Board of Regents of said University convened in REGULAR MEETING ON THE 8TH DAY OF JULY, 1966, on the Campus of said University, in the City of Austin, Travis County, Texas, and the roll was called of the duly constituted officers and members of said Board, to-wit:

Mr. W. W. Heath, Chairman	Mr. Frank N. Ikard
Mr. Frank C. Erwin, Jr., Vice Chairman	Mrs. J. Lee Johnson, III
Mr. W. H. Bauer	Mr. Jack S. Josey
Mr. Walter P. Brennan	Rabbi Levi Olan
Dr. H. F. Connally, Jr.	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 BONDS

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.

SIGNED AND SEALED the 8th day of July, 1966.

(SEAL) Secretary

Chairman

A RESOLUTION

BY THE BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS AUTHORIZING THE ISSUANCE OF BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS - ARLINGTON STATE COLLEGE STUDENT FEE REVENUE BONDS, SERIES 1966 (SKILES ACT), IN THE AGGREGATE PRINCIPAL AMOUNT OF \$1,100,000, BEARING INTEREST AT THE RATE OF 4% PER ANNUM, TO PROVIDE PART OF THE FUNDS TO CONSTRUCT A MATHEMATICS AND LANGUAGE BUILDING ON THE CAMPUS OF ARLINGTON STATE COLLEGE; PROVIDING THAT THE BONDS SHALL BE ON A PARITY WITH BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS - ARLINGTON STATE COLLEGE STUDENT FEE REVENUE BONDS, SERIES 1965, AND THAT THE BONDS HEREIN AUTHORIZED TOGETHER WITH SAID OUTSTANDING BONDS WILL BE SECURED BY A FIRST LIEN ON AND PLEDGE OF A BUILDING USE FEE CHARGED ALL STUDENTS ATTENDING ARLINGTON STATE COLLEGE, PRESCRIBING THE FORM OF THE BONDS, PROVIDING FOR THE EXECUTION AND DELIVERY OF SAID BONDS, AWARDED SAID BONDS TO THE PURCHASER, PRESCRIBING THE DUTIES OF THE OFFICERS OF SAID BOARD AND OF THE COLLEGE IN REFERENCE TO SAID BONDS, AND STIPULATING THAT THE BONDS SHALL BE SPECIAL OBLIGATIONS OF THE BOARD PAYABLE ONLY FROM THE PLEDGED REVENUES AND SHALL NOT BE INDEBTEDNESS OF, NOR OBLIGATIONS OF, THE STATE OF TEXAS, AND PRESCRIBING OTHER MATTERS RELATING THERETO.

THE STATE OF TEXAS :

COUNTY OF TRAVIS :

WHEREAS, pursuant to applicable laws including Article 2654c-1 of Vernon's Edition of the 1925 Revised Civil Statutes of Texas, as amended, the Board of Regents of The University of Texas (hereinafter called the "Board" or "Board of Regents") is authorized to construct and equip buildings and other capital improvements, as may be needed from time to time, and in payment of the cost thereof, to borrow money, and to evidence such loan by the issuance of negotiable revenue bonds of the Board; and

WHEREAS, the Board of Regents heretofore issued its Board of Regents of The University of Texas - Arlington State College Student Fee Revenue Bonds, Series 1965, in the aggregate principal amount of \$325,000; and

WHEREAS, the resolution adopted by the Board of Regents

on July 16, 1965 authorizing said bonds permitted the issuance of the bonds herein authorized as additional bonds on a parity with said Series 1965 Bonds; and

WHEREAS, it is deemed by the Board to be desirable, appropriate, necessary and for the good of Arlington State College to construct a mathematics and language building and other capital improvements on the campus of Arlington State College (hereinafter called the "Project") and to provide part of the funds therefor by the issuance of its negotiable revenue bonds;

NOW, THEREFORE, IT IS HEREBY RESOLVED BY THE BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS:

1. That for the purpose of providing part of the funds to construct a mathematics and language building and other capital improvements on the campus of Arlington State College, in Arlington, Texas, there shall be issued the negotiable bonds of the Board of Regents of The University of Texas in the principal amount of One Million One Hundred Thousand (\$1,100,000) Dollars, which shall be entitled "Board of Regents of The University of Texas - Arlington State College Student Fee Revenue Bonds, Series 1966 (Skiles Act)," and said bonds shall be and are hereby issued for the same purpose, secured and payable in the same manner, and are of like tenor and effect except as to serial number, maturity and right of prior redemption.

2. That said bonds shall be dated July 1, 1966, shall be numbered consecutively from 1 through 220, in the denomination of Five Thousand (\$5,000) Dollars each, and shall mature serially on July 1 of each of the years and in the amounts, respectively, as follows:

<u>YEARS</u>	<u>AMOUNTS</u>	<u>YEARS</u>	<u>AMOUNTS</u>
1967	\$15,000	1981	\$50,000
1968	15,000	1982	50,000
1969	15,000	1983	50,000
1970	15,000	1984	55,000
1971	15,000	1985	55,000
1972	15,000	1986	55,000
1973	15,000	1987	60,000
1974	15,000	1988	60,000
1975	15,000	1989	65,000
1976	15,000	1990	65,000
1977	20,000	1991	70,000
1978	20,000	1992	75,000
1979	20,000	1993	75,000
1980	25,000	1994	80,000

3. That as to said bonds scheduled to mature on or after July 1, 1982, the Board of Regents reserves the right and option to redeem such bonds prior to their scheduled maturities, in whole or in part, on July 1, 1981, or on any interest payment date thereafter at 101% plus accrued interest to date fixed for redemption. Notice of redemption is to be published in a financial publication published in the English language in the City of New York, New York, or in the City of Austin, Texas, at least once, not less than thirty (30) days before the date fixed for such payment, and thirty (30) days' notice in writing is to be given to the Banks of Payment before the date so fixed for such redemption. Prior to the date fixed for redemption, funds shall be placed in the Banks of Payment sufficient to pay the bonds called and accrued interest thereon. Upon the happening of the above conditions said bonds thus called shall not thereafter bear interest.

4. That said bonds shall bear interest from date at the rate of 4% per annum, payable January 1, 1967 and semi-annually thereafter on each July 1, and January 1.

5. That the principal of and interest on said bonds shall be payable, in lawful money of the United States of America,

without exchange or collection charges to the bearer, upon presentation and surrender of proper bond or coupon at The Fort Worth National Bank, Fort Worth, Texas, or, at the option of the holder at Chemical Bank New York Trust Company, New York, New York, which places shall be the "Banks of Payment" for said bonds.

6. That each of said bonds and interest coupons shall be signed by the imprinted or lithographed facsimile signature of the Chairman of the Board of Regents and countersigned by the imprinted or lithographed facsimile signature of the Secretary of the Board of Regents, and the official seal of said Board shall be impressed, or printed, or lithographed on each of said bonds.

7. 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 bond, and the form of interest coupons to be attached to said bonds, shall be, respectively, substantially as follows:

NO. _____ \$5,000.00

UNITED STATES OF AMERICA
STATE OF TEXAS
BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS -
ARLINGTON STATE COLLEGE STUDENT FEE REVENUE BOND
SERIES 1966 (SKILES ACT)

FOR VALUE RECEIVED, the Board of Regents of The University of Texas (hereinafter sometimes called the "Board"), for and in behalf of Arlington State College at Arlington, Texas, hereby acknowledges itself indebted to and promises to pay to the bearer, on the 1st day of July, 19__, the sum of

FIVE THOUSAND DOLLARS

and to pay interest thereon from the date hereof at the rate of 4% per annum, payable January 1, 1967, and semi-annually thereafter on July 1 and January 1 of each year until said principal sum is paid, but until the maturity hereof only upon presentation and

surrender of the interest coupons hereto appertaining as they severally become due. Both the principal of and the interest on this bond shall be payable in any coin or currency which on the respective dates of payment of such principal and interest is legal tender for the payment of debts due the United States of America, at The Fort Worth National Bank, Fort Worth, Texas, or, at the option of the holder at Chemical Bank New York Trust Company, New York, New York, without exchange or collection charges to the owner or holder thereof.

This bond is one of a duly authorized series of bonds of like tenor and effect except as to serial number, maturity and right of prior redemption, numbered One (1) to Two Hundred Twenty (220), both inclusive, of the denomination of Five Thousand (\$5,000) Dollars each, aggregating One Million One Hundred Thousand (\$1,100,000) Dollars, issued pursuant to a resolution adopted by the Board of Regents for the purpose of providing part of the funds to construct a mathematics and language building and other capital improvements on the campus of Arlington State College, in Arlington, Texas, pursuant to the Constitution and laws of the State of Texas, and particularly Article 2654c-1, Revised Civil Statutes of Texas, 1925, as amended, and together with Board of Regents of The University of Texas - Arlington State College Student Fee Revenue Bonds, Series 1965, are equally and ratably secured by and are payable from a first lien on and pledge of a building use fee charged all students attending Arlington State College.

This bond and the issue of which it is a part, and the interest thereon constitute special obligations of the Board and are payable solely from such revenues and do not constitute an indebtedness of the State of Texas, the Board or Arlington State

College. The holder hereof and of the coupons attached hereto shall never have the right to demand payment of this bond or of such coupons out of any funds raised or to be raised by taxation.

The Board shall have the option of calling bonds maturing serially on or after July 1, 1982, for redemption prior to maturity, in whole or in part, on July 1, 1981, or any interest payment date thereafter, at 101% plus accrued interest to date of redemption. Notice of redemption is to be published in a financial publication published in the English language in the City of New York, New York, or in the City of Austin, Texas, at least once not less than thirty (30) days before the date fixed for such payment, and thirty (30) days notice in writing is to be given to the Banks of Payment before the date so fixed for redemption. Prior to the date fixed for redemption, funds shall be placed in the Banks of Payment sufficient to pay the bonds called and accrued interest thereon. Upon the happening of the above conditions, the bonds thus called shall not thereafter bear interest.

This bond and the interest coupons attached hereto are and shall be negotiable instruments in accordance with the laws of the State of Texas, and shall be transferable by delivery.

It is hereby declared and represented in issuing this bond and the series of which it is a part that while any part of the principal or interest of said issue of bonds is outstanding and unpaid the Board of Regents of The University of Texas has covenanted and agreed to operate and maintain continuously the said Arlington State College and its facilities and services

afforded by same; to continuously maintain the Building Use Fee within the limit prescribed by law, sufficient to pay the principal of and interest on the bonds as prescribed herein.

The Board reserves the right to issue additional parity bonds under the terms and conditions stated in said resolution and said bonds may be made payable from the same source, secured in the same manner and placed on a parity with this bond.

It is hereby certified and recited that all acts, conditions and things required to be done precedent to and in the issuance of this bond and the series of which it is a part have been properly done, have happened and have been performed in regular and due time, form and manner as required by the Constitution and the laws of the State of Texas and the proceedings herein mentioned, that this series of revenue bonds does not exceed any constitutional or statutory limitation, and that provision has been made for the payment of principal of and interest on this bond and the series of which it is a part by an irrevocable pledge of the revenues specified herein.

IN WITNESS WHEREOF, the Board of Regents of The University of Texas has caused the official seal of said Board to be impressed, or printed, or lithographed hereon and has caused this bond and the interest coupons attached hereto to be executed by the imprinted or lithographed facsimile signatures of the Chairman of the Board and the Secretary of the Board, and this bond to be dated July 1, 1966.

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS

By _____
Chairman

ATTEST:

Secretary, Board of Regents
of The University of Texas

NO. _____

\$ _____

ON THE ____ DAY OF
_____, 19__

The Board of Regents of The University of Texas for and in behalf of Arlington State College, unless the bond to which this coupon is attached shall have been previously called for redemption and payment duly provided therefor, hereby promises to pay to the bearer out of the fund specified in the bond to which this coupon is attached the sum of _____ (\$ _____) Dollars, at The Fort Worth National Bank, Fort Worth, Texas, or, at the option of the holder at Chemical Bank New York Trust Company, New York, New York, in lawful money of the United States of America, being six months' interest due that day on "Board of Regents of The University of Texas - Arlington State College Student Fee Revenue Bonds, Series 1966 (Skiles Act)," bearing the number herein specified, dated July 1, 1966. The holder hereof shall never have the right to demand payment of this obligation out of funds raised or to be raised by taxation.

Bond No. _____.

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS

Secretary

By _____
Chairman

OFFICE OF COMPTROLLER :

STATE OF TEXAS :

I HEREBY CERTIFY that there is on file and of record in my office a certificate of the Attorney General of the State of Texas to the effect that this bond has been examined by him as

required by law, and that he finds that it has been issued in conformity with the Constitution and laws of the State of Texas, and that it is a valid and binding special obligation of said Board of Regents of The University of Texas, payable from the revenues pledged to its payment by and in the resolution authorizing same, and said bond has this day been registered by me.

WITNESS MY HAND and seal of office at Austin, Texas.

Comptroller of Public Accounts of the
State of Texas

(SEAL)

8. That the term "Outstanding Bonds" as used herein, shall mean the outstanding bonds of that issue of Board of Regents of The University of Texas - Arlington State College Student Fee Revenue Bonds, Series 1965, authorized by resolution dated July 16, 1965. The Board of Regents of The University of Texas - Arlington State College Student Fee Revenue Bonds, Series 1966 (Skiles Act), (the "Series 1966 Bonds (Skiles Act)") authorized hereby are parity "Additional Bonds" as the term is defined and as permitted to be issued in the aforesaid resolution dated July 16, 1965, and Sections 9 through 16 of said resolution are hereby adopted by reference and shall be applicable to the Series 1966 Bonds (Skiles Act) for all purposes, except to the extent hereinafter specifically modified and supplemented. Both the Outstanding Bonds and the Series 1966 Bonds (Skiles Act) shall be on a parity and of equal dignity in all respects.

9. That there was established concurrently with the issuance of the Outstanding Bonds the Building Use Fee which is

charged all students attending the College and that in addition to the covenants regarding the maintenance of the Building Use Fee set forth in the resolution dated July 16, 1965, the Board covenants that it will continuously maintain the Building Use Fee in an amount within the limit prescribed by law which will be sufficient to pay the principal of and interest on the Outstanding Bonds and the Series 1966 Bonds (Skiles Act) as such principal and interest mature, and the fee shall be revised from time to time, within the limit prescribed by law, and the proceeds thereof will be sufficient to furnish funds for such purposes. That the Series 1966 Bonds (Skiles Act) and the Outstanding Bonds are and shall be secured by and payable from the said Building Use Fee, as established concurrently with the issuance of the Outstanding Bonds and as such term is defined in the resolution authorizing the Outstanding Bonds, and the Building Use Fee is hereby irrevocably pledged to the payment of the Outstanding Bonds, the Series 1966 Bonds (Skiles Act) and any additional bonds hereinafter issued in accordance with the terms of said resolution dated July 16, 1965, until all of the Outstanding Bonds, the Series 1966 Bonds (Skiles Act) and said additional bonds are retired. That the accrued interest to be received upon delivery of the Series 1966 Bonds (Skiles Act) to the purchasers thereof shall be deposited in The Building Use Fee Fund created by the resolution dated July 16, 1965, authorizing the Series 1965 Bonds. That in addition to all other amounts required by the resolution authorizing the Outstanding Bonds to be made available from The Building Use Fee Fund ("The Fund") to the Bank of Payment for said Outstanding Bonds, the Proper Officers of the Board shall make available to the Banks of Payment from

The Fund on or before the 10th day of December, 1966 and on or before the 10th day of each June or December thereafter while any of the Series 1966 Bonds (Skiles Act) remains outstanding, amounts sufficient to pay such interest on and such principal of the Series 1966 Bonds (Skiles Act), as will accrue or mature on the January 1 or July 1 immediately following. All monies in excess of the requirements for paying the interest on and principal of the Outstanding Bonds and the Series 1966 Bonds (Skiles Act) shall constitute a reserve and shall be used as needed from time to time to pay the principal of and interest on the Outstanding Bonds and the Series 1966 Bonds (Skiles Act). The funds and/or investments thus accumulated in The Fund shall be used finally in making the final principal and interest payments on the Outstanding Bonds and the Series 1966 Bonds (Skiles Act).

10. That the Chairman of the Board of Regents shall be authorized to take and have charge of all necessary records pertaining to the bonds pending investigation by the Attorney General of the State of Texas and 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 certificate of registration prescribed herein to be printed on the back of each bond, and the seal of the Comptroller shall be impressed, or printed, or lithographed on each of said bonds.

11. That the Series 1966 Bonds (Skiles Act) are hereby sold in accordance with law and shall be delivered to Chemical Bank New York Trust Company, New York, New York, for the principal amount thereof and accrued interest to the date of delivery, plus a premium of \$100.00.

12. That all resolutions and orders and parts thereof in conflict herewith are hereby expressly repealed to the extent of such conflict.

Meeting of the Board

AGENDA
MEETING OF THE BOARD OF REGENTS
OF
THE UNIVERSITY OF TEXAS
Main Building, Room 212

Friday, July 8, 9:00 a.m.

A. INVOCATION

B. PERMANENT UNIVERSITY FUND BONDS, SERIES 1966,
\$11,000,000. -- The proposed resolution is on Pages L & I - 14-36.
The bids will not be opened until July 8 and results thereof will
be distributed at the meeting.

1. Resolution Authorizing Issuance and Sale
2. Designation of Paying Agency
3. Award of Contract for Printing

C. ARLINGTON STATE COLLEGE STUDENT FEE REVENUE
BONDS, SERIES 1966 (SKILES ACT), \$1,100,000. -- The resolu-
tion and the recommendations are on Pages L & I- 47-62 .

1. Resolution Establishing and Continuing Building Use Fee
2. Resolution Authorizing Issuance and Sale of Bonds
3. Designation of Paying Agency

10:00 am - Mrs. Willard - Master Plan, Arlington State College.
Saturday, July 9, 11:00 a.m.

D. REPORTS AND SPECIAL ITEMS BY CHANCELLOR RANSOM

E. CONSIDERATION OF MINUTES, May 27 - 28, 1966

F. SPECIAL ITEMS (If there are any special Items in the Supplementary
Agenda, they will be taken up at this time.)

G. REPORTS OF STANDING COMMITTEES

1. Executive Committee by Committee Chairman Brenan
2. Academic and Developmental Affairs Committee by
Committee Chairman Olan
3. Buildings and Grounds Committee by Committee Chairman
Johnson
4. Land and Investment Committee by Committee Chairman
Erwin
5. Medical Affairs Committee by Committee Chairman Connally

H. REPORT OF BOARD FOR LEASE OF UNIVERSITY LANDS BY
REGENT BRENNAN

I. REPORT OF SPECIAL COMMITTEES, IF ANY

J. REPORT OF COMMITTEE OF THE WHOLE BY CHAIRMAN HEATH

K. ADJOURNMENT

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS, PERMANENT UNIVERSITY FUND
BONDS, SERIES 1966, IN THE AMOUNT OF \$11,000,000.

SALE OF THE BONDS.--As authorized, bids were called for and received until 10:00 a.m., CST on July 6, 1966, and then publicly opened and tabulated. A copy of the tabulation is attached.

It is recommended that the Board of Regents adopt the resolution authorizing the issuance of the bonds and the sale to a syndicate with Halsey, Stuart & Company, Inc., and The First Boston Corporation as Managers, and Associates, at the price of par and accrued interest to date of delivery, plus a premium of \$4,048.00 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 p.m., July 6, 1966, in accordance with specifications previously furnished the qualified bidders (Texas banks with assets in excess of \$100,000,000).

It is recommended that the bid of the Texas National Bank of Commerce of Houston, Houston, Texas, be accepted since the bank proposes to pay to the University the sum of \$4,500 for the privilege of serving as paying agent for this issue and will make no charge for payment of bonds and coupons. The co-paying agents are Bankers Trust Company of New York and Northern Trust Company of Chicago.

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., July 6, 1966, in accordance with specifications previously furnished companies bidding on University issues in recent years.

It is recommended that the bid of Northern Bank Note Company, Chicago, Illinois, for bonds with steel engraved borders, for the sum of \$771, there being four interest rates, be accepted. Steel engraved borders offer greater security to the bond holder since they are more difficult to counterfeit and are better for an issue of this size.

\$11,000,000
 BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS
 PERMANENT UNIVERSITY FUND BONDS
 SERIES 1966

(Dated July 1, 1966)

Tabulation of Bids Received
 July 6, 1966 - 10:00 a.m.

	Phelps, Fenn & Co.;Glore	Drexel Harriman Ripley
	First National City Bank of New York and Associates	White,Weld & Co. Merrill Lynch,Pierce, Fenner & Smith,Inc., Jnt. Mgrs. & Associates
Coupon Rate for Bonds Maturing	1967 thru <u>73</u> <u>4.50</u> %	1967 thru <u>74</u> <u>4.50</u> %
" " " " "	1974 thru - <u>4.40</u> %	1975 thru <u>76</u> <u>3.70</u> %
" " " " "	1975 thru <u>86</u> <u>3.75</u> %	1977 thru <u>86</u> <u>3.75</u> %
" " " " "	_____ thru _____ %	_____ thru _____ %
Premium	<u>\$209.00</u>	<u>\$247.50</u>
Net Interest Cost	<u>\$4,786,606.00</u>	<u>\$4,785,302.50</u>
Weighted Average Annual Interest Rate	<u>3.8508</u> %	<u>3.8498</u> %
Attached Check	First National Bank <u>City of New York</u> Amt. <u>\$220,000.00</u>	Bank <u>American National</u> Amt. <u>\$220,000.00</u>
		Bank <u>American National</u> Amt. <u>\$220,000.00</u>
		Bank <u>American National</u> Amt. <u>\$220,000.00</u>
		Bank <u>Capital National</u> Amt. <u>\$220,000.00</u>

\$11,000,000
 BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS
 PERMANENT UNIVERSITY FUND BONDS
 SERIES 1966

(Dated July 1, 1966)

Tabulation of Bids Received
 July 6, 1966 - 10:00 a.m.

	Bear, Stearns & Co. Eastman Dillon, Union Securities & Co., Jnt. Mgrs.				
Coupon Rate for Bonds Maturing	1967 thru 74 4.50 %	1967 thru ___ %	1967 thru ___ %	1967 thru ___ %	1967 thru ___ %
" " " " "	1975 thru - 3.90 %	___ thru ___ %	___ thru ___ %	___ thru ___ %	___ thru ___ %
" " " " "	1976 thru 81 3.80 %	___ thru ___ %	___ thru ___ %	___ thru ___ %	___ thru ___ %
" " " " "	1982 thru 86 3.75 %	___ thru ___ %	___ thru ___ %	___ thru ___ %	___ thru ___ %
Premium	\$ -0-	\$ _____	\$ _____	\$ _____	\$ _____
Net Interest Cost	\$ 4,819,980.00	\$ _____	\$ _____	\$ _____	\$ _____
Weighted Average Annual Interest Rate	3.87769 %	_____ %	_____ %	_____ %	_____ %
Attached Check	Bank American National	Bank _____	Bank _____	Bank _____	Bank _____
	Amt. \$220,000.00	Amt. _____	Amt. _____	Amt. _____	Amt. _____

B of R -4-

Note: Award for paying agency will be made at meeting of the Board of Regents in Austin, Texas, on July 8, 1966.

BIDS FOR PAYING AGENCY

\$11,000,000
 BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS
 PERMANENT UNIVERSITY FUND BONDS
 SERIES 1966

(Dated July 1, 1966)

Tabulation of Bids Received
 July 6, 1966 2:00 p.m.

Bidder	Co-Paying Agents	Per Coupon Paid	Per Bond Paid
Austin National Bank Austin, Texas	<u>N.Y.</u> : Bankers Trust Co. <u>Chi</u> : The First National Bank of Chicago	Will pay \$11 and make no charge for payment of bonds and coupons.	
American National Bank Austin, Texas	<u>N.Y.</u> : Manufacturers Hanover Trust Company <u>Chi</u> : Harris Trust & Savings Bank	Will pay \$2,200 (\$110 per year for 20 years) and make no charge for payment of bonds and coupons.	
Republic National Bank of Dallas Dallas, Texas	<u>N.Y.</u> : First National City Bank of New York <u>Chi</u> : Continental Illinois National Bank & Trust Company of Chicago	7¢	65¢
Mercantile National Bank of Dallas Dallas, Texas	<u>N.Y.</u> : Chase Manhattan Bank <u>Chi</u> : First National Bank of Chicago	9¢	75¢
The First National Bank of Fort Worth Fort Worth, Texas	<u>N.Y.</u> : Manufacturers Hanover Trust Company of New York <u>Chi</u> : Continental Illinois National Bank & Trust Company	6¢	50¢
The Fort Worth National Bank Fort Worth, Texas	<u>N.Y.</u> : Bankers Trust Company <u>Chi</u> : Continental Illinois National Bank & Trust Company	8¢	60¢
Texas National Bank of Commerce of Houston Houston, Texas	<u>N.Y.</u> : Bankers Trust Company <u>Chi</u> : The Northern Trust Company	Will pay \$4,500 and make no charge for payment of bonds and coupons.	
Houston National Bank Houston, Texas	<u>N.Y.</u> : First National City Bank of New York <u>Chi</u> : First National Bank of Chicago	5¢	30¢
Bank of the Southwest National Association Houston, Texas	<u>N.Y.</u> : Bankers Trust Company <u>Chi</u> : Continental Illinois National Bank & Trust Co.	10¢	\$1.20
First City National Bank of Houston Houston, Texas	<u>N.Y.</u> : Manufacturers Hanover Trust Company <u>Chi</u> : The First National Bank of Chicago	5¢	40¢

\$11,000,000
 BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS
 PERMANENT UNIVERSITY FUND BONDS
 SERIES 1966

(Date July 1, 1966)

Tabulation of Bids
 Received July 6, 1966 - 2:00 p.m.

Bidder	Steel Engrav- ed or Litho- graphed Borders	One Coupon Rate	Two Coupon Rates	Three Coupon Rates	Four Coupon Rates	No. of Working Days
Northern Bank Note Company 855 North Cicero Avenue Chicago, Illinois 60651	Steel Engraved Borders	\$ 726.00	\$ 741.00	\$ 756.00	\$ 771.00	18
The Steck Company P. O. Box 968 Austin, Texas 78767	Lithographed Borders	\$ 588.00	\$ 600.00	\$ 612.00	\$ 624.00	20
Helms Printing Company, Inc. 2710 Swiss Avenue Dallas, Texas 75204	Lithographed Borders	\$ 725.00	\$ 737.50	\$ 750.00	\$ 762.50	10

Note: Award for printing will be made at meeting of the Board of Regents in Austin, Texas, on July 8, 1966.

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS - ARLINGTON STATE COLLEGE STUDENT
FEE REVENUE BONDS, SERIES 1966 (SKILES ACT), IN THE AMOUNT OF \$1,100,000

RE-ESTABLISHING BUILDING USE FEE.--It is recommended that the resolution re-establishing the building use fee at Arlington State College be adopted by the Board of Regents.

SALE OF THE BONDS.--It is recommended that the resolution authorizing the issuance of the subject bonds, and the sale of the bonds to Chemical Bank New York Trust Company, New York, for the principal amount and accrued interest to the date of delivery, plus a premium of \$100, be adopted by the Board of Regents.

DESIGNATION OF PAYING AGENCY.--It is recommended that the Fort Worth National Bank, Fort Worth, be designated as paying agent for the subject bonds with Chemical Bank New York Trust Company, New York, as co-paying agent.