

Galveston, Texas
November 21, 1957
Meeting No. 565

A regular meeting of the Board of Regents of The University of Texas was held in the lounge of the Faculty Housing Building, The University of Texas Medical Branch, Galveston, Texas, Thursday, November 21, 1957, at 10:00 a.m., with the Chairman presiding and the following in attendance:

Present

Chairman Jeffers
Vice-Chairman Sorrell
Regent Bryan
Regent (Mrs.) Devall
Regent Hardie
Regent Johnson
Regent Lockwood
Regent Minter
Regent Thompson
President Wilson
Secretary Thedford

Absent

(See Page 57 .)
(Page 346)

Also present were Vice-President Casberg, Vice-President Dolley, Comptroller Sparenberg, Assistant to the President Cox, Consulting Architect Page, Dean Gill, and Doctor Truslow.

Items considered at this meeting that normally are considered by standing committees of the Board were considered by the Committee of the Whole since no committee meetings were scheduled for the November meeting of the Board.

LAND AND INVESTMENT MATTERS

At the request of Chairman Jeffers, Vice-President Dolley presented the following recommendations as prepared by the Endowment Office:

HOGG FOUNDATION: THOMAS E. HOGG ESTATE - JOINDER IN RELINQUISHMENT AND SURRENDER TO INGLESIDE LAND COMPANY OF RIGHTS TO USE OF SURFACE OF CERTAIN TRACTS IN SAN PATRICIO COUNTY. --Mr. Wm. B. Ferguson, attorney for Mrs. Alice N. Hanszen and Mrs. Margaret Wells Hogg, has submitted to the University an instrument of relinquishment and surrender to Ingleside Land Company of certain rights to the use of the surface of lands in San Patricio County described therein. Total consideration to be paid by Ingleside Land Company to the various mineral owners who are executing the instrument is \$28,000.00. The Estate of Thomas E. Hogg receives one-sixth, or \$4,666.67, payable to Mrs. Margaret Wells Hogg, life tenant, as has been the practice on similar transactions. The Board of Regents as Trustee of the Hogg Foundation: W. C. Hogg Memorial Fund has been asked to join in the instrument as remainderman under the Will of Thomas E. Hogg.

The instrument is involved in a pending sale of the subject acreage by Ingleside Land Company and payment of the consideration mentioned above to the mineral owners is contingent upon their executing the instrument of relinquishment and surrender by December 6, 1957. A similar transaction was approved by the Board of Regents on January 12, 1957, but the related sale by Ingleside Land Company was not consummated. Therefore, the earlier instrument in which the Board of Regents joined is in the files of Mr. Wm. B. Ferguson marked "cancelled."

The instrument has been approved as to content by the Endowment Officer and as to form by the Land and Trust Attorney, and it is recommended that the Board of Regents authorize its Chairman to execute the instrument on behalf of the Board of Regents as Trustee of the Hogg Foundation: W. C. Hogg Memorial Fund.

Vice-Chairman Sorrell moved that the foregoing recommendation be adopted. Mr. Johnson seconded the motion which carried.

TEXAS WESTERN COLLEGE - COTTON ESTATE - PROPOSED SALE OF SMALL TRACT AT INTERSECTION OF WYOMING STREET AND EL PASO AND SOUTHWESTERN RAILWAY RIGHT OF WAY, EL PASO, TEXAS. --Jack Berg and Henry Horwitz in the outdoor advertising business propose to buy a small triangular tract containing approximately 1200 square feet out of fractional Lots 15 and 16, Block 11, Cotton Addition to the City of El Paso, at the intersection of Wyoming Street and E. P. & S. W. Railway right of way for \$400.00 cash. There is an overpass at this intersection, and the subject tract appears suited for nothing other than sign space. The Cotton Estate now owns none of the adjoining property. The price of \$400.00 is the result of negotiation over a period of time, and sale is recommended by President Holcomb and Business Manager Smith. Commission of 5% will be payable by the University to Coles Brothers who are handling the sale, but all other costs will be paid by the purchasers.

It is recommended that the Board of Regents approve this sale and authorize the Chairman to execute a contract of sale and a deed after these instruments have been approved by the Endowment Officer as to content and the Land and Trust Attorney as to form.

The foregoing recommendation was approved upon motion of Vice-Chairman Sorrell, seconded by Mr. Johnson.

Vice-President Dolley pointed out that after the bids for the addition and alterations to the Student Union Building at Texas Western College have been considered, the proposed sale of Board of Regents of The University of Texas, Texas Western College Student Union Building Revenue Bonds, Series 1957, would be presented. (See Page 17). See Page 306.

BUILDINGS AND GROUNDS MATTERS

Chairman Jeffers called on Mr. Lockwood for a report on Buildings and Grounds matters. In turn, Mr. Lockwood asked Comptroller Sparenberg to present to the Board as a Committee of the Whole the

following recommendations that had been prepared by the Comptroller regarding Buildings and Grounds matters:

APPROVAL OF PLANS AND SPECIFICATIONS FOR MOVABLE FURNITURE AND EQUIPMENT FOR KINSOLVING DORMITORY, MAIN UNIVERSITY. -- Plans and specifications are now being prepared for Movable Furniture and Equipment for the Kinsolving Dormitory, and it is estimated they will be finished sometime within the next few weeks. According to the construction schedule originally set up, this building should be finished in April of next year, and in order that the installation of movable furniture and equipment can be begun at that time, it is necessary that bids be taken for consideration at the next meeting of the Board. Since the plans and specifications are not ready for presentation at this time, it is recommended that a Committee be appointed, consisting of Comptroller Sparenberg, Main University Business Manager Landrum, Vice-President Ransom, and President Wilson, to approve the plans and specifications, with authorization to Comptroller Sparenberg, after this approval, to advertise for bids to be presented to the Board for consideration at the next meeting. See Page 440.

RATIFICATION AND APPROVAL OF APPLICATION TO UNITED STATES PUBLIC HEALTH SERVICE FOR REMODELING IN KEILLER BUILDING, MEDICAL BRANCH. -- An application was prepared at the Medical Branch to the United States Public Health Service for funds to assist in certain remodeling in the Keiller Building to be used in connection with research on "Physiopathological Responses in Heart Tissue Culture." This application and the plans attached thereto were checked in the Comptroller's Office; following is a revised estimate of costs and summary statement of sources of funds:

Total Estimated Costs of Remodeling	\$28,163.00
Estimated Amount to be Paid From Medical Branch Funds	<u>12,000.00</u>
Amount to be Paid by USPHS	\$16,163.00
Add: Overhead of 15% on Application	<u>2,423.00</u>
Total of Application to USPHS	<u>\$18,586.00</u>

Since prompt submission to the United States Public Health Service was desired, it was felt that it would be inadvisable to hold up this application until after the Regents' meeting. The application was approved by Vice-President Casberg, Comptroller Sparenberg, and President Wilson before being forwarded to the USPHS. Since the remodeling work involved is over \$20,000.00, approval of the Board is to be secured before such work is started, according to action taken by the Board at the meeting held June 27, 1953. It is, therefore, recommended that the Board ratify and approve the filing of this application as outlined above, and authorize the Comptroller to proceed with whatever is necessary to accomplish this remodeling, in accordance with the Regents' rules, when the grant applied for has been awarded by the United States Public Health Service, and after the other funds referred to have been provided and/or appropriated.

Adoption of Report. -- Each of the foregoing items was approved individually upon motion of Mr. Lockwood, seconded by Mr. Johnson.

AWARD OF CONTRACT FOR ADDITION AND ALTERATIONS TO
STUDENT UNION BUILDING, TEXAS WESTERN COLLEGE. --

See Page 621.

Comptroller Sparenberg presented the following report and recommendation which was adopted upon motion of Mr. Hardie, seconded by Doctor Minter:

In accordance with authorization given by the Board of Regents at the meeting held October 11, 1957, bids for the Addition and Alterations to the Student Union Building at Texas Western College were called for and were opened and tabulated on November 19, 1957, as shown on Page 60. These bids have been considered by Mr. Ralph V. Davis of Davis, Foster, Thorpe, and Associates, Architect on the project, Mr. R. W. Anderson of Housing and Home Finance Agency, Doctor Holcomb and Mr. Smith of Texas Western College, Comptroller Sparenberg, Vice-President Dolley, and President Wilson, and it is the recommendation of all concerned that a contract award be made to the low bidder, C. H. Leavell and Company of El Paso, Texas, as listed below:

See Page 349.

Base Bid		
Lot No. 1		\$557,009.00
Lot No. 2		
"Owner Furnished"	\$ 5,181.00	
"Contractor Furnished"	<u>18,039.00</u>	
Total Lot No. 2		23,220.00
Lot No. 5		<u>17,624.00</u>
 Total Recommended Contract Award		 <u>\$597,853.00</u>

An inspection of the tabulation sheet will show that this recommendation involves the deletion of Base Bid Lots Nos. 3 and 4 and many desirable alternates to Base Bid Lot No. 1.

According to present estimates and the budget from Housing and Home Finance Agency, the total amount available under the loan agreement with HHFA for this contract is \$527,775.09. In order to award the contract as recommended above, therefore, an additional amount of \$70,077.91 will be necessary for the contract and \$3,553.89 for Architect's Fees, making a total estimated additional amount needed of \$73,631.80. In order to cover these additional amounts needed, and in order to provide a sufficient contingency allowance for situations that may arise during the term of construction, it is recommended by President Holcomb and Comptroller Sparenberg, which recommendation is concurred in by Vice-President Dolley and President Wilson, that the amount of \$80,000.00 be appropriated to this project from the Unappropriated Surplus of Current Funds-General of Texas Western College (from Local Funds - Cash in Bank). The September 30, 1957 Monthly Financial Report from Texas Western College shows a balance of over \$235,000.00 in the Unappropriated Surplus of Current Funds-General, of which over \$177,000.00 was Cash in Bank.

This recommendation for the appropriation of this \$80,000.00 to this project is with the proviso that, when the movable furniture and equipment for this building has been paid for, and after the legal and contractual requirements (including those of HHFA) have been met, any

unneeded balance in the Union Fee funds for this project will be transferred back to the Unappropriated Surplus Account of Current Funds-General.

RESOLUTIONS FOR HOUSING AND HOME FINANCE AGENCY PROJECT (ADDITION AND ALTERATIONS TO STUDENT UNION BUILDING, TEXAS WESTERN COLLEGE). -- Upon motion of Vice-Chairman Sorrell, seconded by Mr. Johnson, the following report prepared by Comptroller Sparenberg was adopted:

The Housing and Home Finance Agency requires that the Board of Regents adopt certain resolutions relating to the Addition and Alterations to the Student Union Building at Texas Western College to be constructed under loan agreement between The University of Texas and the Agency. It is, therefore, recommended that the following resolutions be adopted by the Board:

RESOLUTION LISTING BIDS RECEIVED, DETERMINING LOWEST AND BEST BID, AND AWARDING CONTRACT. --

WHEREAS, the Board of Regents of The University of Texas has advertised for bids for the construction of the Addition and Alterations to the Student Union Building at Texas Western College of The University of Texas, El Paso, Texas; and

WHEREAS, bids have been received as shown on the attached tabulation sheet; and (See Page 60 .)
(Page 349)

WHEREAS, the Board of Regents of The University of Texas is of the opinion that the bid of C. H. Leavell and Company, El Paso, Texas, as listed below, is the lowest and best bid:

Base Bid		
Lot No. 1		\$557,009.00
Lot No. 2		
"Owner Furnished"	\$ 5,181.00	
"Contractor Furnished"	<u>18,039.00</u>	
Total Lot No. 2		23,220.00
Lot No. 5		<u>17,624.00</u>
Total		<u><u>\$597,853.00</u></u>

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

SECTION 1. That C. H. Leavell and Company have submitted the lowest and best bid for the construction of the said project.

SECTION 2. That the bid of the said C. H. Leavell and Company in the amount of \$597,853.00 for Base Bid on Lots Nos. 1, 2, and 5 is hereby accepted.

SECTION 3. That the Board of Regents of The University of Texas will from its own funds provide such funds in addition to the loan of \$580,000.00 as are necessary to provide a sum of money which, together with the loan,

will pay the entire cost of the project, and there is hereby ordered to be deposited in the Construction Fund for the Project the amount of \$80,000.00 or such amount in addition thereto as may be necessary to provide the cost of the entire Project.

SECTION 4. That the officials of The University of Texas upon whom such duty properly devolves shall, and they are hereby directed, to prepare and execute on behalf of said The University of Texas all necessary contracts and documents relating thereto.

RESOLUTION AUTHORIZING COMPTROLLER C. H. SPARENBERG AND MR. WALTER C. MOORE, AS ALTERNATE, TO EXECUTE CERTAIN DOCUMENTS. --

WHEREAS, as of March 1, 1957, the Board of Regents of The University of Texas, acting for and on behalf of The University of Texas (therein and herein called the "Borrower"), and the United States of America (therein and herein called the "Government") entered into a Loan Agreement (Project No. Tex 41-CH-56(S)) by the terms of which, the Government agreed to purchase from the Borrower, Board of Regents of The University of Texas, Texas Western College Student Union Revenue Bonds, Series 1957, in the principal amount of \$580,000.00 for the purpose of constructing Addition and Alterations to the Student Union Building at Texas Western College; and

WHEREAS, the Board of Regents of The University of Texas has awarded a construction contract for the aforementioned project; and

WHEREAS, it is necessary that certificates of purposes be executed, that estimates of payments due contractors and architects be approved from time to time, and that it will be advantageous to designate one person and an alternate to attend to such matters for and on behalf of the Board of Regents of The University of Texas:

NOW, THEREFORE, BE IT RESOLVED by the Board of Regents of The University of Texas, acting for and on behalf of The University of Texas:

1. That C. H. Sparenberg, Comptroller of The University of Texas, be and he is hereby authorized to execute and approve for and on behalf of the Board of Regents of The University of Texas and The University of Texas such certificates of purposes, estimates of payments due contractors and architects and other persons, and such other documents as are required in order to carry out the construction of the project in an orderly and efficient manner.
2. That in case of the absence, disability, or resignation of the said C. H. Sparenberg, Walter C. Moore, Architect and Assistant to the Comptroller, shall perform the duties herein-above imposed upon the said C. H. Sparenberg.

TEXAS WESTERN COLLEGE

STADIUM EXPANSION, TEXAS WESTERN COLLEGE. --At the request See Page 578 of President Wilson, Vice-President Dolley presented the following proposal of Doctor Holcomb to sell stadium seat options to raise funds for a further expansion of the stadium at Texas Western College:

Permission was granted at the October 11, 1957, meeting of the Board of Regents to investigate the possibility of enlarging the stadium at Texas Western College. Preliminary estimates indicate that approximately 6,000 seats could be added to the stadium by lowering the field at a cost of from \$200,000 to \$225,000. Funds for this expansion would be raised by selling options for the purchase of season tickets with seats between the 45 yard lines on the north side of the field being sold for \$150 each and those between the 35 and 40 yard lines for \$100 each. If all of the seats in these sections could be sold, approximately \$320,000 could be raised. The fund-raising campaign would be headed by Mr. Mike Brum-below, Assistant to the President in Charge of Development for the College, assisted by a group of 25 to 30 citizens who have expressed keen interest in working with the College on the project.

The option would entitle the holder to first choice of reserved seats in the appropriate sections of the stadium and would be good for a period of twenty years. It would be necessary that the option holder exercise his option prior to a fixed date each, for example, August 15, prior to the time season tickets go on sale to the general public. Option holders could give their options to members of their families, friends, or their business firms; however, any option which was to be sold at a later date would have to be cleared through the College. The College would maintain a list of options for sale as well as a list of people desiring to buy options with the priority for such a list being on a first come, first served basis.

If the additional seats are to be added in time for the 1958 season, it will be necessary that construction get under way no later than March 1, thus the deadline for completing the sale of options would be set at about February 15. However, in order to insure adequate time for fund raising, it is recommended that permission be granted to extend the fund-raising campaign until February 15, 1959. As a means of handling funds for this project, it is proposed that a special account be set up in the Business Office under the heading of Texas Western College Stadium Expansion Fund and that all monies collected for the project be deposited in this account with the funds being held in escrow until the deadline date for completion of the fund-raising campaign. If for any reason the campaign is not a success the monies would be returned to the individual purchasers at no interest. A standard escrow agreement would be drawn up for each purchaser covering these points.

There will be a number of younger individuals desiring to purchase options who are not in as good a position financially as the well established businessman. In order to fill the needs of these individuals it has been suggested that a plan be set up whereby they could purchase the option over a two or three year period. For example, two \$150 options could be purchased for one year with the payment of \$100. The options could be repurchased for the second year for \$100 or for the second year and the next

eighteen years for \$200. It could be repurchased for the third year and the next seventeen years for \$100. If for any reason the option was not purchased for three successive years, none of the funds paid the College would be refunded the purchaser since they would be in payment for the purchase of an option on a year to year basis not to exceed three years.

Mr. Ralph B. Davis of the firm of Davis, Foster, and Thorpe has agreed to do the necessary architectural and engineering work for the project without cost. His generous offer has the advantage of permitting us to proceed with the architectural and engineering work so that bids might be received and opened in order to start construction around March 1. If for any reason the project does not prove successful, the College would not then be obligated for any architectural fees, funds for which would not be available from the athletic budget.

Southwestern Athletics, Inc. financed the remodeling of the south side of the stadium last year by borrowing the necessary funds. The College is under no legal or financial obligation to this organization which within the next few months should have their note reduced to approximately \$25,000 from an original amount of about \$80,000. Since many of the individuals who formed this organization will be among those helping us with the proposed project, it is recommended that if sufficient funds are raised the note owed by the organization be paid off. Such information would be included in the brochure advertising the proposed project. Surplus funds remaining after all obligations have been met would be used to improve further the physical facilities for varsity as well as intramural athletics such as a baseball diamond, softball fields, etc. This information would also be included as a part of the brochure.

If the plan as outlined above meets with the approval of the Board of Regents, the fund-raising campaign will get under way immediately and an indication of the progress which has been made can be given at the January meeting of the Board.

Upon the recommendation of Comptroller Sparenberg, concurred in by Vice-President Dolley and President Wilson, the proposal was adopted upon motion of Mr. Johnson, seconded by Mr. Hardie, with the understanding that the money would be put into escrow and if not enough money were raised it would be returned to the individual subscribers as set out in Paragraph 2 of the proposal.

RECESS. --The Board recessed at 11:15 a. m.

ATTENDANCE. --The Board reconvened at 11:30 a. m. as a Committee of the Whole with all Regents, President Wilson, Vice-President Dolley, Assistant to the President Cox, and Secretary Thedford in attendance.

CENTRAL ADMINISTRATION

RECOMMENDATIONS TO TEXAS COMMISSION ON HIGHER EDUCATION RE SELECTED PROGRAMS. --The Texas Commission on Higher Education requested in July that the Board of Regents and other governing boards of the eighteen State-supported institutions study certain local questions. The Commission specifically asked the University to consider the advisability of See Page 486

(1) confining its program in Home Economics to the bachelor's level, (2) phasing out the program in Library Science, or if justification is found to study the advisability of reorganizing the offerings as part of the general education program or as service courses, and (3) making the University library the research center for the whole state as well as the library of the University and the facility for the "region."

Relative to this request, President Wilson called to the attention of the Board the summary faculty committee recommendations in the Material Supporting the Agenda as submitted by Vice-President and Provost Ransom.

After due consideration and upon motion of Mr. Johnson, duly seconded, the Board adopted the recommendations as submitted and as listed below with the exception of the recommendation regarding the home economics program. This recommendation will be later determined by mail ballot in time to be submitted to the Commission by December 16. The Board expressly stated that the recommendation concerning the library serving the whole state was considered as a goal to move toward but that it did not include any dollar commitment or proposed budget.

1. Library Science. --In effect, the Commission recommends that the program at the University be "phased out."

The faculty committee makes an earnest and emphatic appeal against this decision. I concur with their major conclusions. (1) Only at a great university, with a great library, can a graduate school of Library Science be conducted. (2) Texas professions, industries, institutions, and communities need more than "school librarians." They need library specialists--administrators, bibliographers, scientific librarians, industrial librarians--all trained on the graduate level at a first-rate University. The Commission's recommendation that the major library center be at Austin is a major reason for centering the graduate program here: it would be supported by cognate University departments. Admittedly the Library School originally pitched its work on a very high level. This program should be balanced now by a joint undergraduate major with English, and a closer relationship between the Library School and related divisions of the Main University: the humanities, the social sciences, the Rare Books Collection, and the proposed Texas research center.

2. A University Library Serving the Whole State. --In effect, the Commission recommends that the University Library be made the research center for the whole state (as well as the library of the University and the facility for the "region").

The University should undertake this challenge immediately and aggressively. It is easily demonstrable that for some state-wide purposes (e.g., the individual research of scholars at other Texas institutions) the University Library is already useful. But the scope and effectiveness of this service is seriously limited. The state conceives a great future, but there is now no first-rate research library in the state. The nearest library centers with great facilities are on the Pacific Coast, in the Midwest, and on the Eastern Coast. To serve Texas as Texas deserves the Library will need a radically expanded budget. It must be able to employ reference workers and bibliographers. It must be able to make books available for use promptly. It must be able to buy collections. It can now do none of these things on a state-wide scale. A budget which would still leave us

far behind the University of Illinois and the University of California (which are surrounded by other great libraries) would at least start us toward this goal. The Commission's recommendation is the biggest opportunity presented to the University in many years.

Recommendation: I strongly recommend that the Regents consider moving immediately in the direction recommended by the Commission:

- (a) Plan an undergraduate library to relieve the Main Library,
- (b) Arrange the purchase of collections,
- (c) Establish an adequate budget for such a library operation.

RECESS. --The Board recessed for lunch and reconvened as the Committee of the Whole at 1:00 p. m. with the same attendance as the morning session of the Committee of the Whole.

ATTENDANCE. --Vice-President Casberg came into the meeting.

UNIVERSITY DEVELOPMENT BOARD: RESIGNATION OF COLONEL See Page 486.
W. B. BATES; APPOINTMENT OF A. G. McNEESE. --Chairman Jeffers reported the resignation of Colonel W. B. Bates as a member of the University Development Board. After the Board had given consideration to filling this vacancy, the following resolutions were adopted upon motion of Mr. Hardie, seconded by Mr. Johnson:

Colonel W. B. Bates. --

WHEREAS, The University Development Board performs important services vital to the existence and progress of The University of Texas as one of the leading state universities in this country; and

WHEREAS, The Board of Regents of The University of Texas seeks for membership on the Development Board outstanding and influential Texas citizens who have demonstrated their interest in and loyalty to The University of Texas; and

WHEREAS, Colonel W. B. Bates has served as a member of the Development Board, giving of his time to promote the accomplishment of the purposes and endeavors of the Development Board and has faithfully and ably performed his duties as a member of the Board; now therefore be it

RESOLVED, That the Board of Regents of The University of Texas hereby reluctantly accepts his resignation; and therefore be it

FURTHER RESOLVED, That the Board of Regents of The University of Texas adopts this resolution of appreciation to Colonel W. B. Bates for his distinguished service to The University of Texas as a member of the Development Board.

Mr. A. G. McNeese. --

WHEREAS, The University Development Board performs important services vital to the existence and progress of The University of Texas as one of the leading state universities in this country; and

WHEREAS, The Board of Regents of The University of Texas seeks for membership on the Development Board outstanding and influential Texas citizens who have demonstrated their interest in and loyalty to The University of Texas; and

WHEREAS, Mr. A. G. McNeese has gained recognition in his own community and throughout the State as a person of integrity and ability and has on many occasions expressed keen interest in and support of The University of Texas; now therefore be it

RESOLVED, That the Board of Regents of The University of Texas has this day selected and elected Mr. A. G. McNeese as a member of this Development Board to serve out the unexpired term of Colonel W. B. Bates, resigned, beginning November 25, 1957, and ending August 31, 1960.

COMMITTEE OF SEVENTY-FIVE, 75TH ANNIVERSARY: MEMBERSHIP. --

President Wilson reported the resignation of Mr. Ralph Wood from the Committee of Seventy-five, 75th Anniversary. The administration and the Board were in agreement that this vacancy or any subsequent vacancies on the Committee of Seventy-five, 75th Anniversary, not be filled. The work of the committee is so far advanced that it would be difficult for a new appointee to bring himself up to date on the material. See Page 438.

MURRAY CASE SELLS ESTATE: AUTHORIZATION TO MR. JOHNSON See Page 894.

AS DIRECTOR OF SELLS PETROLEUM, INCORPORATED. --Chairman Jeffers read a letter from Mr. Johnson, reporting on recent developments and income from Sells Petroleum, Inc. Upon motion of Mr. Thompson, seconded by Doctor Minter, the Board authorized Mr. Johnson as a director of Sells Petroleum, Inc., to take the position that some of the money received in December, 1957, be applied toward prepayment of the debt to the Southwestern Life Insurance Company and further to urge the other directors to take the same position rather than a further distribution of income to the beneficiary educational institutions.

REPORT OF INTERIM ACTIONS, EXECUTIVE COMMITTEE: APPROPRIATION FOR FM RADIO TRANSMITTER, MAIN UNIVERSITY. --The following report of the Executive Committee, a copy of which was in the Material Supporting the Agenda, was adopted upon motion duly made and seconded. See Page 439.

During the period October 1 - November 6, 1957, the Executive Committee of the Board of Regents by individual vote, upon the

Recommendation of President Wilson, approved unanimously the following:

1. Three Budgetary Items (Approved by mail and reported in the November docket)
2. Appropriation for FM Radio Transmitter, Main University (Approved by telephone). --The Executive Committee authorized that \$3,750.00 be appropriated from Account No. 81795, the Ex-Students' Association of The University of Texas, for the purchase of a complete FM radio transmitter.

This report is submitted to the full Board for ratification.

CENTRAL ADMINISTRATION

APPROVAL OF MINUTES, OCTOBER 10-11, 1957. --The minutes of the meeting of the Board of Regents for October 10-11, 1957, upon motion of Mrs. Devall, duly seconded, were approved in the form as submitted by the Secretary to each member.

AMENDMENT TO THE RULES AND REGULATIONS OF THE BOARD OF REGENTS: (FINAL APPROVAL). --In accordance with the Rules and Regulations of the Board of Regents for the Government of The University of Texas, Part I, Chapter V, Section 2, Page 13, the following amendments approved at the October meeting of the Board (Permanent Minutes, Vol. V, Pages 67 and 74) were considered for final adoption:

Administrative Reorganization, (Vice-President and Provost, Main University). --In the Main University the title "Vice-President of the Main University" was changed to "Vice-President and Provost", effective September 1 and the Rules and Regulations of the Board were conformed thereto upon motion of Mr. Lockwood, seconded by Mrs. Devall.

See Page 304.

Travel Reimbursements for 1957-59 Biennium. --Upon motion of Mr. Lockwood, seconded by Mrs. Devall, the following was adopted:

Pursuant to the provisions of Section 33, Article VI, H. B. 133, 55th Legislature, Regular Session, the Board of Regents hereby delegates to the executive heads named below the authority to approve official travel reimbursements for all in-state travel during the period September 1, 1957 to August 31, 1959.

1. Doctor Logan Wilson, President, Central Administration
2. Doctor Harry H. Ransom, Vice-President, Main University
3. Doctor John B. Truslow, Director, Medical Branch at Galveston

4. Doctor Dysart E. Holcomb, President,
Texas Western College
5. Doctor R. Lee Clark, Jr., Director,
M. D. Anderson Hospital and Tumor
Institute
6. Doctor John V. Olson, Dean, Dental
Branch
7. Doctor A. J. Gill, Dean, Southwestern
Medical School

The delegation of authority herein approved shall be limited to travel for official state purposes, including those functions necessary to carry out the operations of a University of the first class, but necessarily limited by the provisions of House Bill No. 133, 55th Legislature, Regular Session.

This authorization will amend the rules and regulations of the Board of Regents of The University of Texas pertaining to authorized travel as revised January 29, 1955.

APPROVAL OF DOCKET. -- The Central Administration docket, dated November 13, 1957, as recommended by President Wilson, and to which he had attached and incorporated as a part of this docket the dockets of the component institutions of The University of Texas as listed below was approved upon motion of Mr. Thompson, seconded by Mrs. Devall.

Main University and Extramural Divisions -	
submitted by Vice-President and Provost Harry H. Ransom	Page 357
Texas Western College -	
submitted by President Dysart E. Holcomb	Page 402
Medical Branch -	
submitted by Director John B. Truslow	Page 406
Dental Branch -	
submitted by Dean John V. Olson	Page 417
M. D. Anderson Hospital and Tumor Institute -	
submitted by Director R. Lee Clark, Jr.	Page 419
Southwestern Medical School -	
submitted by Dean A. J. Gill	Page 425
Postgraduate School of Medicine -	
submitted by Dean Grant Taylor	Page 435

(This docket is attached to and made a part of these minutes, Page 350 .)

DISCONTINUANCE OF MAIL DOCKETS. -- President Wilson reported to the Board that under the current appropriation bill, out-of-state travel expense accounts cannot be paid to members of the staff and faculty until the Board of Regents has given its final approval.

The Board and the administration were in agreement that the mail docket be discontinued and that out-of-state travel be submitted to the Board in the regular docket.

MAIN UNIVERSITY

TRAVEL SUPPLEMENT, MAIN UNIVERSITY. -- Upon a motion duly made and seconded, the Board approved Travel Supplement, dated November 19, 1957, for the Main University, as submitted by Vice-President and Provost Ransom and recommended by President Wilson. A copy of this supplement was furnished to each Regent at the meeting, and a copy is attached to and made a part of these minutes, Page 400.

SMALL CLASS REPORTS, FALL SEMESTER, 1957-58 (HOUSE BILL NO. 133, 55th LEGISLATURE, R. S., ARTICLE V, SECTION 6), MAIN UNIVERSITY. -- The small class report as of the twelfth class day for the fall semester, 1957-58, at the Main University of The University of Texas was furnished to each Regent in the Material Supporting the Agenda.

This report had been prepared in accordance with House Bill No. 133, 55th Legislature, R. S., Article V, Section 6, of the Special Provisions and listed the classes in the following categories:

- I. Undergraduate Classes Having Fewer Than Ten Students as of the Twelfth Class Day
 - A. Highly specialized courses required for professional degrees.
 - B. Courses in small departments which offer the minimum number of courses consistent with having at least an acceptable, balanced program.
 - C. Courses which a large department regards as necessary for a rounded program.
 - D. Courses for which students pay a supplementary fee for individualized Fine Arts Instruction.

- II. Graduate Classes Having Fewer Than Five Students as of the Twelfth Class Day

This report was adopted by the Board upon motion of Vice-Chairman Sorrell, duly seconded. A copy is in the Secretary's Files, Volume V, Page 95.

TEXAS WESTERN COLLEGE

SMALL CLASS REPORTS, FALL SEMESTER, 1957-58, (HOUSE BILL NO. 133, 55TH LEGISLATURE, R.S., ARTICLE V, SECTION 6), TEXAS WESTERN COLLEGE. --The small class report as of the twelfth class day for the fall semester, 1957-58, at Texas Western College was furnished to each Regent in the Material Supporting the Agenda.

This report had been prepared in accordance with House Bill No. 133, 55th Legislature, R. S., Article V, Section 6, of the Special Provisions and listed the classes in the following categories:

- I. Highly specialized courses required for professional degree.
- II. Courses in small departments which offer the minimum number of courses consistent with having at least an acceptable balanced program.
- III. Courses which a large department regards as necessary for a rounded program.

This report was approved by the Board upon motion of Vice-Chairman Sorrell, duly seconded. A copy is in the Secretary's Files, Volume V, Page 93.

ATTENDANCE. --Vice-President Haskew came into the meeting.

MEDICAL BRANCH

TITLE OF CHIEF ADMINISTRATIVE OFFICER, MEDICAL BRANCH. -- It was called to the attention of the Board that for a number of years at the Medical Branch there had been some ambiguity concerning the title of the chief administrative officer. With a view to eliminating any further confusion regarding the matter, the Board of Regents indicated that hereafter the official title would be "Executive Director."

CENTRAL ADMINISTRATION

SUMMARY FINANCIAL STATEMENTS; PERMANENT UNIVERSITY See Page 458.
FUND INVESTMENT PROGRAM. --Vice-President Dolley distributed to the members of the Board Summary Financial Statements for the Twelve Months ending August 31, 1957. A copy of this report is in the Secretary's Files, Volume V, Page 97. Because of the lack of time, Vice-President Dolley briefly commented on the Permanent University Investment Program and the progress of the Mortgage Loan Program. A more detailed report will be given at the January meeting.

RECESS. --The Board recessed as a Committee of the Whole for a brief period and reconvened in regular session.

ATTENDANCE. --Comptroller Sparenberg, Architect Page, Doctor Gill, Doctor Truslow, Mr. Walker and other university representatives came into the meeting.

MEDICAL BRANCH

PROPOSED NEW PSYCHIATRIC HOSPITAL (THE SEALY AND SMITH FOUNDATION REQUEST FOR FUNDS). --At the request of the Board and during its meeting October 11, 1957, Chairman Jeffers and Doctor Truslow talked by telephone to Mr. James A. Hamilton of Hamilton and Associates, Inc. The firm, Hamilton and Associates, Inc., Hospital Consultants, is employed for consultation services in connection with the repair and rehabilitation projects and for the development of a master plan for The University of Texas Medical Branch. The purpose of the call was to request Mr. Hamilton if at all possible to attend the November meeting of the Board and present recommendations concerning the proposed new psychiatric hospital. (Original Proposal, Permanent Minutes, Volume IVB, Page 893.) See Page 306.

In response to this call, Mr. Hamilton appeared before the Board and discussed in a detailed manner the proposed new psychiatric hospital building from various angles. Mr. Hamilton reviewed the request of The Sealy and Smith Foundation as he understood it. The Sealy and Smith Foundation had requested the Board of Regents of The University of Texas to support its application to the Texas State Board of Health for a grant of matching funds (Hill-Burton money) not in excess of \$1,000,000 for the construction and equipping of a new psychiatric hospital building to accommodate 150 nervous and mental in-patients. The proposed new facility is to be in accordance with the provisions of Senate Bill No. 473, 55th Legislature, R. S. The urgency for deciding the issue at this meeting is that the closing date for filing application for the allocation of funds available for the current period is December 8, 1957.

Mr. Hamilton stated the survey had not progressed to the extent that he was able to be specific about the exact number of psychiatric beds required and as to the location and character of the physical facilities to house these patients. However, he resolved the issue on various assumptions as the location of the Medical Branch, the size of the entering class, the high-grade educational achievement desired, the need of support of both public and private funds, the importance of undergraduate teaching, research, up-grading of physicians, and service, the present psychiatric care service, the role of clinical research, present teaching material, the question of remodeling present facilities, and other pertinent question. (Continued on Page 17.)

(Page 306)

RECESS. --The Board recessed at 5:00 p.m.

ATTENDANCE. --The Board reconvened in regular session at 9:00 a.m., Friday, November 22, 1957, with the same membership as in the previous session.

PROPOSED NEW PSYCHIATRIC HOSPITAL (THE SEALY AND SMITH FOUNDATION REQUEST FOR FUNDS) (Continued from Page 16). --

Mr. Hamilton, the administration, and the Regents continued deliberation on the proposed new psychiatric hospital building for the Medical Branch. After the administration and each Regent had had an opportunity to express their ideas on the matter, the Board summarized its thinking in a resolution to be presented at the joint meeting with The Sealy and Smith Foundation. A copy of this resolution is on Page 57. See Page 346

(Page 346)

RECESS. --After a brief recess, the Board reconvened in regular session.

LAND AND INVESTMENT MATTERS

PROPOSED SALE OF \$580,000 BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS, TEXAS WESTERN COLLEGE STUDENT UNION REVENUE BONDS, SERIES 1957 (HOUSING AND HOME FINANCE AGENCY PROJECT NO. TEX. 41-CH-56(S)); RESOLUTION AUTHORIZING THE ISSUANCE OF THE BONDS, RESOLUTION AWARDDING THE SALE OF BONDS TO THE U. S. GOVERNMENT, RESOLUTION FIXING THE STUDENT UNION USE FEES, RESOLUTION FIXING THE RATES AND CHARGES FOR SERVICES AND FACILITIES OF THE STUDENT UNION BUILDING, TEXAS WESTERN COLLEGE. --Mr. Sorrell introduced a resolution which was read by the Secretary. Mr. Sorrell moved that the resolution be adopted. Mrs. Devall seconded the motion.

The motion carrying with it the adoption of the resolution prevailed by the following vote:

AYES: Messrs. Jeffers, Bryan, Thompson, Johnson, Lockwood, Minter, Hardie and Sorrell, and Mrs. Devall.

NOES: None.

The resolution as adopted is as follows:

RESOLUTION

BY THE BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS AUTHORIZING THE ISSUANCE OF BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS, TEXAS WESTERN COLLEGE STUDENT UNION REVENUE BONDS, SERIES 1957, IN THE AMOUNT OF \$580,000.00, FOR THE PURPOSE OF PAYING THE COST OF IMPROVING THE EXISTING STUDENT UNION BUILDING, ON THE CAMPUS OF TEXAS WESTERN COLLEGE OF THE UNIVERSITY OF TEXAS, BY REMODELING SAME AND CONSTRUCTING AN ADDITION THERETO, INCLUDING NECESSARY APPURTENANCES; MAKING PLEDGES OF REVENUES AND FEES AND MAKING COVENANTS TO INSURE THE AVAILABILITY AND USE OF SAID REVENUES AND FEES TO PAY THE PRINCIPAL AND INTEREST ON SAID BONDS AND FOR OPERATION AND MAINTENANCE PURPOSES; AND PRESCRIBING OTHER MATTERS RELATING THERETO.

WHEREAS, the Board of Regents of The University of Texas (sometimes hereinafter called the "Board") is authorized to improve and construct additions to such buildings and other structures as may be deemed appropriate by the Board, at the Texas Western College of The University of

Texas, which is a branch of The University of Texas, located at El Paso, El Paso County, Texas (sometimes hereinafter referred to as the "College"), by virtue of Article 2909c, Revised Civil Statutes of Texas, 1925, as amended; and

WHEREAS, it is deemed by the Board appropriate and for the good of the College that the existing Student Union Building on the campus of the College be improved by remodeling same and constructing an addition thereto, including necessary appurtenances; and

WHEREAS, the Board has approved the total cost, capacity, type and plans and specifications of said improvements and addition; and

WHEREAS, the Board has determined to authorize, issue, sell and deliver its negotiable revenue bonds in the total aggregate amount of \$580,000.00, for the purpose of paying the cost of said improvements and addition;

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

Section 1. That the total cost, capacity, type and plans and specifications of said improvements and addition have been and are hereby approved by the Board.

Section 2. That for the purpose of paying the cost of improving the existing Student Union Building, on the campus of Texas Western College of The University of Texas, by remodeling same and constructing an addition thereto, including necessary appurtenances, there are hereby authorized to be issued the negotiable revenue bonds of the Board of Regents of The University of Texas in the total aggregate principal amount of \$580,000.00 (hereinafter sometimes called the "Bonds").

Section 3. That said Bonds shall be known as "Board of Regents of The University of Texas, Texas Western College Student Union Revenue Bonds, Series 1957," and said Bonds shall be issued for the same purpose, secured and payable in the same manner and of like tenor and effect except as to serial number, maturity and right of prior redemption.

Section 4. That the Bonds shall be numbered consecutively from One (1) to Five Hundred Eighty (580), both inclusive, of the denomination of One Thousand Dollars (\$1,000.00) each, aggregating Five Hundred Eighty Thousand Dollars (\$580,000.00).

Section 5. That said Bonds shall be dated October 1, 1957, and the principal thereof and interest thereon shall be payable at the El Paso National Bank, El Paso, Texas, or, at the option of the holder, at The Chase Manhattan Bank, New York, New York (hereinafter sometimes collectively called the "Places of Payment"), 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; provided that said principal and interest shall be payable only upon presentation and surrender of proper Bond or interest coupon.

Section 6. That the Bonds shall mature and become due and payable on October 1 of each of the years, and in the amounts, respectively, as follows:

<u>BOND NUMBERS</u>	<u>MATURITY DATES</u>	<u>AMOUNTS</u>
1 to 14, both inclusive,	October 1, 1960	\$ 14,000.00
15 to 28, " "	October 1, 1961	14,000.00
29 to 43, " "	October 1, 1962	15,000.00
44 to 58, " "	October 1, 1963	15,000.00
59 to 73, " "	October 1, 1964	15,000.00
74 to 89, " "	October 1, 1965	16,000.00
90 to 105, " "	October 1, 1966	16,000.00
106 to 122, " "	October 1, 1967	17,000.00
123 to 139, " "	October 1, 1968	17,000.00
140 to 157, " "	October 1, 1969	18,000.00
158 to 175, " "	October 1, 1970	18,000.00
176 to 194, " "	October 1, 1971	19,000.00
195 to 213, " "	October 1, 1972	19,000.00
214 to 233, " "	October 1, 1973	20,000.00
234 to 253, " "	October 1, 1974	20,000.00
254 to 274, " "	October 1, 1975	21,000.00
275 to 296, " "	October 1, 1976	22,000.00
297 to 318, " "	October 1, 1977	22,000.00
319 to 341, " "	October 1, 1978	23,000.00
342 to 365, " "	October 1, 1979	24,000.00
366 to 389, " "	October 1, 1980	24,000.00
390 to 414, " "	October 1, 1981	25,000.00
415 to 440, " "	October 1, 1982	26,000.00
441 to 467, " "	October 1, 1983	27,000.00
468 to 494, " "	October 1, 1984	27,000.00
495 to 522, " "	October 1, 1985	28,000.00
523 to 551, " "	October 1, 1986	29,000.00
552 to 580, " "	October 1, 1987	29,000.00

Section 7. That the Bonds shall bear interest from their date until paid at the rate of Two and seven-eighths per cent (2-7/8%) per annum, payable April 1, 1958, and semi-annually thereafter on October 1 and April 1 of each year.

Section 8. Bonds Numbers 1 through 122, both inclusive, maturing serially on October 1 of the years 1960 through 1967, both inclusive, shall be non-callable. The Board reserves the option of calling Bonds Numbers 441 through 580, both inclusive, maturing serially on October 1 of the years 1983 through 1987, both inclusive, for redemption prior to maturity, in whole or in part, in inverse numerical order, on any interest payment date, at par and accrued interest to date of redemption.

After, but not until, the Board has exercised its option to call all of said Bonds Numbers 441 through 580, both inclusive, or after all of said Bonds Numbers 441 through 580 shall have been retired in any manner, then the Board shall have the option of calling Bonds Numbers 123 through 440, both inclusive, maturing serially on October 1 of the years 1968 through 1982, both inclusive, for redemption prior to maturity, in whole or in part, in inverse numerical order, on April 1, 1968, or on any interest payment date thereafter, at par and accrued interest to date of redemption, plus a premium

on the principal of each such Bond so redeemed as follows:

2 % on all such Bonds redeemed during the period from
April 1, 1968 through October 1, 1972, both inclusive;

1-1/2% on all such Bonds redeemed during the period from
April 1, 1973 through October 1, 1977, both inclusive;

1 % on all such Bonds redeemed after October 1, 1977.

Notice of redemption is to be published in a financial publication printed in the English language in the City of New York, New York, at least once, not more than sixty (60) days nor 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 Places of Payment before the date so fixed for such redemption; provided, that said published notice of redemption need not be given in the event that all of the Bonds to be so redeemed are held by a single owner, and notice in writing by registered mail, postage prepaid, is given to such owner not more than sixty (60) days nor less than thirty (30) days before the date so fixed for redemption. Prior to the date fixed for redemption, funds shall be placed in the Places of Payment sufficient to pay the Bonds called and accrued interest thereon, plus any premiums required. Upon the happening of the above conditions, said Bonds thus called shall not thereafter bear interest. If any of the Bonds to be redeemed at the time of any redemption of Bonds is registered as to principal, notice of any such redemption shall be mailed to the registered owner of each such Bond by registered mail, postage prepaid, addressed to him at his registered address, not earlier than sixty (60) days nor later than thirty (30) days prior to the date fixed for redemption. If no Bonds payable to bearer are to be redeemed, published notice of such redemption need not be given.

Section 9. The Board shall keep books at the office of the Comptroller of The University of Texas at Austin, Texas, as Registrar, for the registration (as to principal only) and transfer of Bonds. Such books shall, in addition to the name of each owner of coupon Bonds registered as to principal show the address of each such owner.

The holder of any of the said Bonds may have such Bond registered in his name on said books, and such registration shall be noted on each such Bond by the Registrar. The registered owner of any such Bond registered as to principal shall have the right to have the same discharged from registration and made payable to bearer, in which case transferability by delivery shall be restored and thereafter the principal of said Bonds, when due, shall be payable to the person presenting the Bond. Any such Bonds made payable to bearer may be registered again in the name of the holder with the same effect as upon the first registration thereof. Successive registrations and discharges from registration as aforesaid may be made from time to time as desired. Registration as to principal of the said Bond shall not affect the negotiability of the coupons appertaining thereto, but title to each such coupon shall continue to pass by delivery and it shall remain payable to bearer.

Such registration and discharges from registration shall be made under such reasonable regulations as the Board may prescribe and for which the Board may make a charge sufficient to reimburse it for any tax or governmental charge required with respect thereto, all such charges to be paid by the party

requesting such registration or discharge from registration as a condition precedent to the exercise of such privilege.

No transfer of any of the said Bonds registered as to principal shall be valid unless made on said books at the request of the registered owner or by his duly authorized attorney and such registration noted upon the said Bonds. Upon presentation to the registrar of any of said Bonds registered as to principal, accompanied by written instrument of transfer in a form approved by the Registrar, executed by the registered owner thereof or by his duly authorized attorney, such Bond shall be transferred upon such books.

The Board and the Places of Payment may treat the bearer of any of said Bonds issued hereunder which shall not at the time be registered as to principal, and the bearer of any coupons appertaining to any of said Bonds, whether or not such Bond shall be so registered, as the absolute owner of such Bond or coupon, as the case may be, for the purpose of receiving payment of, or on account of, said Bond or coupon and for all other purposes, and neither the Board nor the Places of Payment shall be affected by any notice to the contrary.

The Board and the Registrar shall treat the person in whose name any Bond shall be registered as the absolute owner thereof for the purpose of receiving payment of, or on account of, the principal of such Bond and for all other purposes except to receive payment of interest represented by outstanding coupons, and neither the Board nor the Place of Payment shall be affected by any notice to the contrary.

Section 10. That no one of the Bonds shall be entitled to priority over any other Bond in the application of the revenues hereinafter pledged to the payment of the principal of and interest on the Bonds, except as to maturity date and right of prior redemption as provided in this resolution.

Section 11. That each of said Bonds and the coupons attached thereto shall be executed by the imprinted facsimile signatures of the Chairman of the Board and the Secretary of the Board, and such facsimile signatures shall have the same effect as manual signatures, and the corporate seal of the Board shall be impressed upon each of the Bonds.

Section 12. That the Bonds, the coupons to be attached thereto, the Certificate of Registration by the Registrar and the Certificate of the Comptroller of Public Accounts of the State of Texas, shall be substantially in the following forms, respectively, to-wit:

NO. _____	(FORM OF COUPON BOND)	\$ 1,000.00
UNITED STATES OF AMERICA STATE OF TEXAS BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS TEXAS WESTERN COLLEGE STUDENT UNION REVENUE BOND SERIES 1957		

The Board of Regents of The University of Texas (herein called the "Board"), for value received, hereby promises to pay to bearer, or if this Bond be registered as to principal, then to the registered owner

hereof, on the first day of October 19___, but solely from the revenues and fees hereinafter specified, the principal sum of One Thousand Dollars (\$1,000.00), and to pay interest thereon from the date hereof at the rate of Two and seven-eighths per cent (2-7/8%) per annum, payable April 1, 1958, and thereafter semi-annually on the first day of October and the first day of April in each year until such principal sum shall be so paid or duly provided for, but until the maturity hereof only upon the 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 El Paso National Bank, El Paso, Texas, or, at the option of the holder, at The Chase Manhattan Bank, New York, New York, (herein collectively called the "Places of Payment").

This Bond is one of a series of Bonds of like tenor and effect except as to serial number, maturity and right of prior redemption, numbered One (1) to Five Hundred Eighty (580), both inclusive, of the denomination of One Thousand Dollars (\$1,000.00) each, aggregating Five Hundred Eighty Thousand Dollars (\$580,000.00), issued pursuant to a Resolution duly adopted by the Board, being the governing body of Texas Western College of The University of Texas, which is a branch of The University of Texas, located at El Paso, El Paso County, Texas, for the purpose of paying the cost of improving the existing Student Union Building, on the campus of Texas Western College of The University of Texas, by remodeling same and constructing an addition thereto, including necessary appurtenances. Said Bonds are issued under the Constitution and laws of the State of Texas, and particularly Article 2909c, Revised Civil Statutes of Texas, 1925, as amended, and all equally and ratably secured by and payable from (1) a first lien on and pledge of the net revenues derived from the operation of the Student Union Building and (2) a first lien on and pledge of the Student Union Building Use Fees to be levied, charged and collected from all students attending Texas Western College, at both the regular semesters and the summer sessions, for the use of said Student Union Building. 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 the revenues and fees specified in the Resolution authorizing such Bonds, and do not constitute an indebtedness of the State of Texas, the Board or the 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.

Bonds Numbers 1 through 122, both inclusive, maturing serially on October 1 of the years 1960 through 1967, both inclusive, shall be noncallable. The Board reserves the option of calling Bonds Numbers 441 through 580, both inclusive, maturing serially on October 1 of the years 1983 through 1987, both inclusive, for redemption prior to maturity, in whole or in part, in inverse numerical order, on any interest payment date, at par and accrued interest to date of redemption. After, but not until, the Board has exercised its option to call all of said Bonds Numbers 441 through 580, both inclusive, or after all of said Bonds Numbers 441 through 580 shall have been retired in any manner, then the Board shall have the option of calling Bonds Numbers 123 through 440, both inclusive, maturing serially on October 1 of the years 1968 through 1982, both inclusive, for

redemption prior to maturity, in whole or in part, in inverse numerical order, on April 1, 1968, or on any interest payment date thereafter, at par and accrued interest to date of redemption, plus a premium on the principal of each such Bond so redeemed as follows:

2 % on all such Bonds redeemed during the period from
April 1, 1968 through October 1, 1972, both inclusive;

1-1/2% on all such Bonds redeemed during the period
from April 1, 1973 through October 1, 1977,
both inclusive;

1 % on all such Bonds redeemed after October 1, 1977.

Notice of redemption is to be published in a financial publication printed in the English language in the City of New York, New York, at least once, not more than sixty (60) days nor 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 Places of Payment before the date so fixed for such redemption; provided that said published notice of redemption need not be given in the event that all of the Bonds to be so redeemed are held by a single owner, and notice in writing by registered mail, postage prepaid, is given to such owner not more than sixty (60) days nor less than thirty (30) days before the date so fixed for redemption. Prior to the date fixed for redemption, funds shall be placed in the Places of Payment sufficient to pay the Bonds called and accrued interest thereon, plus any premium required. Upon the happening of the above conditions said Bonds thus called shall not thereafter bear interest. If any of the Bonds to be redeemed at the time of any redemption of Bonds is registered as to principal, notice of any such redemption shall be mailed to the registered owner of each such Bond by registered mail, postage prepaid, addressed to him at his registered address, not earlier than sixty (60) days nor later than thirty (30) days prior to the date fixed for redemption. If no Bonds payable to bearer are to be redeemed, published notice of such redemption need not be given.

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, unless registered as to principal in the owner's name upon books of the Board to be kept for that purpose at the office of the Comptroller of The University of Texas at Austin, Texas, as Registrar, such registration being noted hereon. After such registration, no transfer of this Bond shall be valid unless made on said books at the request of the registered owner hereof in person, or his duly authorized attorney, and similarly noted hereon; but this Bond may be discharged from registry by being in like manner transferred to bearer, whereupon transferability by delivery shall be restored; and this Bond may again and from time to time be registered or made payable to bearer as before. Such registration, however, shall not affect the negotiability of the annexed coupons, which shall always be transferable by delivery and be payable to bearer, and payment to the bearer thereof shall fully discharge the Board in respect of the interest therein mentioned whether or not any such coupons be overdue.

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 has covenanted and

agreed to operate and maintain continuously the Student Union Building, on the campus of Texas Western College, and the facilities and services afforded by same; to establish and continuously fix, levy, charge and collect the pledged Student Union Building Use Fees as provided in the Resolution authorizing the Bonds; to establish and continuously maintain rates and charges for services, facilities and supplies, in connection with the operation of the Student Union Building, sufficient to pay the reasonable operation and maintenance expenses thereof, and to pay, together with the aforesaid Use Fees, the principal of and interest on the Bonds as each Bond matures and as such interest falls due, and to establish and maintain adequate reserves as is more fully provided in the Resolution authorizing the Bonds.

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 laws of the State of Texas and the proceedings herein mentioned, that this series of 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 and fees specified herein.

IN WITNESS WHEREOF, THE BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS has caused the corporate seal of said Board to be impressed hereon and has caused this Bond and the interest coupons attached hereto to be executed by the imprinted facsimile signatures of the Chairman of the Board and the Secretary of the Board, and this Bond to be dated October 1, 1957.

BOARD OF REGENTS OF THE UNIVERSITY
OF TEXAS

Secretary

Chairman

(FORM OF INTEREST COUPON)

\$ _____ NO. _____

On the first day of _____, 19____, upon surrender of this coupon, unless the Bond to which this coupon is attached shall have been previously called for redemption and payment duly provided therefor, the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS will pay to bearer at the El Paso National Bank, El Paso, Texas, or, at the option of the holder, at The Chase Manhattan Bank, New York, New York, but solely from the revenues and fees specified in the Bond to which this coupon is attached _____ Dollars (\$ _____), payable in any coin or currency which on such date is legal tender for the payment of debts due the United States of America, being six months' interest then due on Board of Regents of The University of Texas, Texas Western College Student Union Revenue Bond, Series 1957, dated October 1, 1957. 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

Chairman

(FORM OF COMPTROLLER'S CERTIFICATE)

STATE OF TEXAS : REGISTER NUMBER
OFFICE OF COMPTROLLER :

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, 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)

CERTIFICATE OF REGISTRATION

It is hereby certified that, at the request of the holder of the within Bond, I have this day registered it as to principal in the name of such holder as indicated in the registration blank below, on the 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. If the last transfer recorded 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 coupons attached hereto be affected by any registration as to principal.

Table with 2 columns: NAME OF REGISTERED HOLDER, DATE OF REGISTRATION. Includes multiple blank rows for entries.

SIGNATURE OF REGISTRAR

Blank lines for the signature of the Registrar.

Section 13. Definitions. That throughout this Resolution the following terms as used herein shall have the meanings set forth below, unless the text hereof specifically indicates otherwise:

The term "Student Union Building" shall mean the existing student union or student activity building located on the campus of Texas Western College of The University of Texas, at El Paso, El Paso County, Texas, together with the improvements thereto to be made, by remodeling same and constructing an addition thereto, including necessary appurtenances, with the proceeds from the sale of the Bonds, and together with all other improvements, extensions and additions thereto, and replacements thereof hereafter constructed or acquired.

The term "Student Union Building Use Fees" or "Use Fees" shall mean the fees to be levied, charged and collected by the Board from each student attending the College, at both the regular semesters and the summer sessions, for use of the Student Union Building.

The term "Project" shall mean the work to be accomplished in improving the Student Union Building by remodeling same and constructing an addition thereto, including necessary appurtenances, with the proceeds from the sale of the Bonds.

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

The term "College" shall mean Texas Western College of The University of Texas.

The term "Current Expenses" shall mean all necessary operating expenses, current maintenance charges, expenses of reasonable upkeep and repairs, properly allocated share of charges for insurance and all other expenses incident to the operation of the Student Union Building, but shall exclude depreciation, all general administrative expenses of the College and payments into the Maintenance Account, hereinafter provided for.

The term "Net Revenues" shall mean all gross revenues derived from the operation of the Student Union Building and all the services afforded by same (but excluding all Use Fees), after deduction therefrom only the Current Expenses thereof.

The term "Bonds" shall mean the Student Union Revenue Bonds, Series 1957, issued hereunder.

The term "Places of Payment" shall mean collectively the El Paso National Bank, El Paso, Texas, and The Chase Manhattan Bank, New York, New York.

Section 14. That the principal of and interest on the Bonds shall be paid from and secured by the following:

1. A first lien on and pledge of the Net Revenues derived from the operation of the Student Union Building and all the services afforded by same, and said first lien and pledge are hereby irrevocably created.
2. A first lien on and pledge of the Student Union Building Use Fees to be levied, charged and collected from all students attending the College, at both the regular semesters and the summer sessions, for the use of the Student Union Building, and said first lien and pledge are hereby irrevocably created.

Section 15. (a) That the Bonds and interest thereon shall constitute special obligations of the Board, payable solely from the revenues and Use Fees herein pledged, and such obligations shall not constitute an indebtedness of the College, the Board nor the State of Texas, and the holders of the Bonds and the coupons attached thereto shall never have the right to demand payment out of funds raised or to be raised by taxation.

(b) That in no event while any of the Bonds or interest thereon remain outstanding and unpaid, shall the Board sell, mortgage, lease or otherwise dispose of the Student Union Building, or any substantial part thereof, nor shall the Net Revenues thereof or the Use Fees be further encumbered unless such encumbrance is made junior and subordinate in all respects to the liens and pledges herein created for the benefit of the Bonds.

Section 16. That there is hereby created and ordered to be established and maintained so long as any of the Bonds are outstanding at an official depository (which must be a member of the Federal Deposit Insurance Corporation) of the Board, a separate account to be entitled the "Texas Western College Project Revenue Fund Account" (hereinafter sometimes called the "Revenue Fund"). Commencing on the date upon which the Project or any portion thereof become revenue-producing, all gross revenues derived from the operation or ownership of the Student Union Building, and all the services afforded by same, together with all collections of the Student Union Building Use Fees, shall be deposited upon receipt to the credit of the Revenue Fund.

All Current Expenses of the Project and all the services afforded by same shall be paid from the Revenue Fund, provided that in no event shall any payment of such Current Expenses be made in any fiscal year in excess of the amount of the gross revenues from the operation of the Student Union Building deposited into the Revenue Fund during such fiscal year.

Section 17. That to pay the interest on and principal of the Bonds, there is hereby created and ordered to be established and maintained so long as any of the Bonds are outstanding at an official depository (which must be a member of the Federal Deposit Insurance Corporation) of the Board, a separate "Bond and Interest Sinking Fund Account" (hereinafter sometimes called the "Bond Fund"). There is further created and ordered to be established within the Bond Fund an account entitled the "Reserve

Account." All money in the Bond Fund in excess of the amount required to pay the principal of and interest on the Bonds for the remainder of the then current calendar year shall be considered as being in the Reserve Account. The funds held in the Bond Fund, including the Reserve Account, shall be held for the benefit of the holders of the Bonds and coupons attached thereto.

Section 18. That there is hereby appropriated from the proceeds of the Bonds, and accrued interest thereon, and, concurrently with the delivery of the Bonds to the purchaser, there is hereby ordered to be deposited in the Bond Fund a sum of money equal to the amount of interest on the Bonds which will accrue on April 1, 1958 and October 1, 1958. It is hereby found, determined and declared that such amount is the amount of interest on the Bonds which will accrue during the construction of the Project.

Section 19. That on the 15th day of March, 1959, and semi-annually on or before the 15th day of each September and March thereafter, the Board shall transfer and deposit all the Net Revenues and all the Student Union Building Use Fees in the Revenue Fund to the credit of the Bond Fund, until such time as the total amount of funds and/or investments in the Bond Fund is at least equal to the sum of (1) the amount required to pay the principal of and interest on the outstanding Bonds for the remainder of the then current calendar year, plus (2) a debt service reserve of \$61,000.00. Thereafter the Board shall transfer and deposit the Net Revenues and Student Union Building Use Fees in the Revenue Fund to the credit of the Bond Fund at such times and in such amounts as will cause the Bond Fund at all times to contain a total amount of funds and/or investments at least equal to the sum of (1) the amount required to pay the principal of and interest on the outstanding Bonds for the remainder of the then current calendar year, plus (2) a debt service reserve of \$61,000.00. Money in the Reserve Account shall be used finally in retiring the last of the Bonds or for paying principal and/or interest on the Bonds when and to the extent the amount in the Bond Fund is otherwise insufficient for such purpose.

Section 20. That there is hereby created and ordered to be established and maintained so long as any of the Bonds are outstanding an official depository (which must be a member of the Federal Deposit Insurance Corporation) of the Board, a separate "Maintenance and Equipment Reserve Account", (hereinafter sometimes called the "Maintenance Account"). On or before the close of each fiscal year following the date upon which the Bond Fund shall contain a total amount of funds and/or investments at least equal to the sum of (1) the amount required to pay the principal of and interest on the outstanding Bonds for the remainder of the then current calendar year, plus (2) the debt service reserve of \$61,000.00, and annually thereafter on or before the close of each fiscal year, the Board shall transfer from any Net Revenues and Student Union Building Use Fees in the Revenue Fund in excess of the amounts required to be deposited into the Bond Fund on or before the next succeeding September 15 and deposit same to the credit of the Maintenance Account; provided, however, that no more than \$5,000.00 shall be so deposited into the Maintenance Account during any one fiscal year, and no deposit shall be made into the Maintenance Account which would cause such Account to then contain funds

and/or investments of more than \$50,000.00. The money in the Maintenance Account may be drawn on and used by the Board for paying the cost of unusual or extraordinary maintenance or repairs and renewals and replacements in connection with the Student Union Building, or to pay for renovating or replacing of furniture and equipment not paid from the Revenue Fund as a part of the expense of ordinary maintenance or repair in connection with the Student Union Building.

Deposits into the Maintenance Account shall be subordinate to those to be made into the Bond Fund, and no deposit shall ever be made into the Maintenance Account unless the Bond Fund then contains a total amount of funds and/or investments at least equal to the sum of (1) the amount required to pay the principal of and interest on the outstanding Bonds for the remainder of the then current calendar year, plus (2) a debt service reserve of \$61,000.00. If, at any time, the Bond Fund should be reduced to a total amount of funds and/or investments less than the sum of (1) the amount required to pay the principal of and interest on the outstanding Bonds for the remainder of the then current calendar year, plus (2) a debt service reserve of \$61,000.00, then, to the extent that Net Revenues and Use Fees in the Revenue Fund are not available for such purpose, all or any required part of the Maintenance Account shall be transferred and deposited immediately by the Board to the credit of the Bond Fund so as to make up for such deficiency.

Section 21. At any time or times when the Bond Fund contains a total amount of funds and/or investments at least equal to the sum of (1) the amount required to pay the principal of and interest on the outstanding Bonds for the remainder of the then calendar year, plus (2) a debt service reserve of \$61,000.00, then any money in the Revenue Fund in excess of that required for the payment of Current Expenses payable from the Revenue Fund and making the required deposits to the credit of the Bond Fund (including the Reserve Account) and the Maintenance Account, may be used for the redemption of outstanding Bonds prior to their scheduled maturity, in amounts of not less than \$5,000.00 in principal amount at any one time, or for any expenditures, including the payment of debt service, in providing, improving or restoring any housing and dining facilities at the College, or for any other lawful purpose.

Section 22. On or before the last day of March, 1958, and on or before the last day of each September and of each March thereafter while any of the Bonds are outstanding and unpaid, there shall be made available to the Places of Payment, out of the Bond Fund, money sufficient to pay such interest on and such principal of the Bonds as will accrue or mature on the April 1 or October 1 immediately following.

Section 23. (a) That money in all Funds and Accounts created by this Resolution shall be secured by the pledge of direct obligations of, or obligations unconditionally guaranteed by the United States Government in a principal amount at all times not less than the amount of money credited to such Funds and Accounts, respectively.

(b) That whenever the total amount in the Bond Fund shall be equivalent to (1) the aggregate principal amount of Bonds outstanding, plus

(2) the aggregate amount of all unpaid coupons thereto appertaining unmatured and matured, no further payments need be made into the Bond Fund. In determining the amount of Bonds outstanding, there shall be subtracted the amount of any Bonds which shall have been duly called for redemption and for which funds shall have been deposited in the Places of Payment sufficient for such redemption.

Section 24. The Board covenants and agrees that:

- (a) It will faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in this Resolution and in each and every Bond executed and delivered hereunder; that it will promptly pay or cause to be paid from the Net Revenues and Use Fees herein pledged the principal of and interest on every Bond issued hereunder, on the dates and in the places and manner prescribed in such Bond, and that it will, at the times and in the manner prescribed herein, deposit or cause to be deposited, from the Net Revenues and Use Fees pledged, the amounts of money specified herein. All Bonds and coupons, when paid, shall be cancelled by the Places of Payment and shall be delivered to or upon the order of the Board.
- (b) It is duly authorized under the laws of the State of Texas to create and issue the Bonds; that all action on its part for the creation and issuance of the Bonds has been duly and effectively taken, and that the Bonds in the hands of the holders and owners thereof are and will be valid and enforceable special obligations of the Board in accordance with their terms.
- (c) It lawfully owns and is lawfully possessed of the lands upon which the Student Union Building is located, and has a good and indefeasible estate in such lands in fee simple, that the Project will be constructed and completed in accordance with the plans heretofore approved and adopted, that it warrants that it has, and will defend, the title to the Student Union Building and all the aforesaid lands and facilities, and every part thereof and improvements thereon, for the benefit of the holders and owners of the Bonds against the claims and demands of all persons whomsoever; it is lawfully qualified to pledge the Net Revenues of the Student Union Building and the Use Fees to the payment of the Bonds in the manner prescribed herein, and has lawfully exercised such rights.
- (d) It will from time to time and before the same become delinquent pay and discharge all taxes, assessments and governmental charges, if any, which shall be lawfully imposed upon it, or upon the Student Union Building, that it will pay all lawful claims for rents, royalties, labor, materials, and supplies which if unpaid might by law become a lien or charge upon the Student Union Building, the lien of which would be prior to or interfere with the liens hereof, so that the priority of the liens granted hereunder shall be fully preserved in the manner provided herein, and that it will not create or suffer to be created any mechanic's, laborer's, materialman's or other lien or charge which might or could be prior to the liens hereof, or do or suffer any matter or thing whereby the liens hereof might or could be impaired; provided, however, that no such tax, assessment or charge, and that no such

claims which might be used as the basis of a mechanic's, laborer's, materialman's or other lien or charge, shall be required to be paid so long as the validity of the same shall be contested in good faith by the Board.

(e) It will not do or suffer any act or thing whereby the Student Union Building or any part thereof might or could be impaired, and that it will at all times maintain, preserve and keep the real and tangible property thereof in good condition, repair and working order and maintain, preserve and keep all structures and equipment pertaining thereto and every part and parcel thereof in good condition, repair and working order.

(f) Reference is hereby made to a resolution adopted by the Board, concurrently with the adoption of this Resolution, fixing, levying and charging Student Union Building Use Fees for the benefit of the Bonds and interest thereon. It is hereby certified and recited that it is anticipated that the Project will be completed on or about September 1, 1958. It is covenanted and agreed that the Board will fix, levy, charge and collect a Student Union Building Use Fee from each student attending the College, commencing with the regular fall semester of the College beginning in September, 1958, in the amount of \$4.00 per student for each regular semester attended and \$2.00 per student for each term of each summer session attended. It is hereby found, determined and declared that said Student Union Building Use Fees are reasonable in all respects, and taking into consideration the cost of providing the Project, the use to be made of it and the advantage to be derived therefrom by the users thereof and by the College. Such Student Union Building Use Fees shall be and remain in effect until such time as the Bond Fund shall contain a total amount of funds and/or investments at least equal to the sum of (1) the amount required to pay the principal of and interest on the outstanding Bonds for the remainder of the then current calendar year, plus (2) a debt service reserve of \$61,000.00. Thereafter, the Board shall fix, levy, charge and collect Student Union Building Use Fees in such amounts as will, together with the Net Revenues derived from the operation of the Student Union Building, be at least sufficient at all times to provide for all debt service and other charges, payments and deposits required in connection with the Bonds. The Board further covenants and agrees that it will establish and maintain, so long as any of the Bonds or interest thereon are outstanding, such rates and charges for services, facilities and supplies in connection with the operation of the Student Union Building as will be at least sufficient to pay the Current Expenses thereof and to provide, together with the Student Union Building Use Fees, sufficient money for debt service and all other payments, charges and deposits required by this Resolution. Reference is also made to a resolution adopted by the Board concurrently with the adoption of this Resolution, establishing initially the rates and charges effective as to the operation of the Student Union Building. The Board will do all things necessary or convenient to enforce the provisions of the aforesaid resolutions pertaining to the Use Fees and operational rates and charges, assuming the obligation to amend such resolutions from time to time to render them fully efficient and effective in accordance with the terms of this Resolution.

- (g) (1) Upon acceptance from the contractor, or upon occupancy whichever shall first occur, of the Project, the Board shall procure Boiler Insurance covering any steam boilers servicing the Student Union Building, in a minimum amount of \$50,000.00, and the Board shall also procure fire and extended coverage insurance on the entire Student Union Building and the contents thereof. The foregoing boiler and fire and extended coverage insurance shall be maintained so long as any of the Bonds or interest thereon are outstanding and such fire and extended coverage insurance shall be in amounts at least sufficient to provide for full recovery on said building and the contents thereof whenever a loss from perils insured against does not exceed eighty per cent (80%) of the full insurable value thereof. Such insurance shall be carried with a reliable insurance company or companies, and the premiums on such insurance shall be paid from the Revenue Fund, as an item of Current Expense.
- (2) Upon the happening of any loss or damage covered by any such policies from one or more of the causes to which reference is made in this Section, the Board shall make due proof of loss and shall do all things necessary or desirable to cause the insuring companies to make payment in full directly to the Board.
- (3) The proceeds of insurance, covering such property, shall be used forthwith by the Board for the purpose of repairing the property damaged or replacing the property destroyed, and any insurance proceeds remaining upon the completion of such repair or replacement shall be deposited in the Bond Fund.
- (h) Immediately upon occupancy of the Project and at all times thereafter when the amount of funds and/or investments in the Bond Fund are not at least equal to the sum of (1) the amount required to pay the principal of and interest on the Bonds for the remainder of the then current calendar year, plus (2) a debt service reserve of \$61,000.00, the Board shall procure and maintain use and occupancy insurance on the Student Union Building in an amount sufficient to enable the Board to deposit in the Bond Fund, out of the proceeds of such insurance, an amount equal to the sum that normally would have been available for deposit in the Bond Fund from the Net Revenues of the Student Union Building during the time it is wholly or partially non-revenue-producing, as a result of loss of use or occupancy caused by the perils covered by fire and extended coverage insurance. Premiums on such insurance shall be paid from the Revenue Fund, as an item of Current Expense.
- (i) It will, on or before February 1, 1959, and on or before February 1 of each year thereafter, file with the original purchaser or purchasers of the Bonds a certificate signed and verified by an official of the College stating that the Board has complied with the requirements of Section 24 with respect to the maintenance of insurance, and listing all policies carried, and that all insurance premiums upon the insurance policies to which reference is hereinbefore made have been paid.
- (j) Proper books of record and account will be kept in which full, true and correct entries will be made of all dealings or transactions in relation to the Student Union Building, and all books, documents and

vouchers relating to the properties, business and affairs of the Student Union Building shall at all reasonable times be made available for the inspection upon request by the holders of not less than twenty-five per cent (25%) of the outstanding Bonds.

(k) That each year while any of the Bonds or interest thereon are outstanding, an audit will be made of its books and accounts relating to the Student Union Building by the State Auditor of the State of Texas, such audit to be based on the fiscal year of the College beginning on September 1 of each year and ending on August 31 of each year. On or before February 1, 1959, and on or before February 1 of each year thereafter a copy of each such audit for the preceding fiscal year shall be mailed to the original purchaser or purchasers of the Bonds and to all other bondholders who shall so request. Such annual audit reports shall be open to the inspection of the bondholders and their agents and representatives at all reasonable times.

Section 25. Moneys in the Bond Fund (including the Reserve Account) and moneys in the Maintenance Account may, upon order of the Board be invested in direct obligations of the United States Government, or obligations unconditionally guaranteed by the United States Government. Such obligations shall be held subject to the same lien as the moneys with which they were purchased. All interest accruing on any such obligations shall be placed immediately into the Fund or Account with which they were purchased. Such obligations shall be sold when necessary or when so ordered by the Board, and the Board shall in all events order such sale of obligations when necessary to prevent any default in connection with the Bonds or interest thereon. All moneys collected on such sales or at maturity shall be deposited in the Fund or Account with which such obligations were purchased. If a loss be incurred on any sale, the Board covenants to deposit immediately into the appropriate Fund or Account moneys available therefor sufficient to offset such loss.

Section 26. There is hereby created, and the Board shall establish with an official depository (which must be a member of the Federal Deposit Insurance Corporation) of the Board a separate account (herein called the "Project Account") into which shall be deposited all of the proceeds from the sale of the Bonds (except accrued interest and the amounts required to be deposited into the Bond Fund by Section 18 hereof). Moneys in the Project Account shall be expended by the Board only for paying the cost of the Project, and only for such purposes as shall have been previously specified in a signed certificate of purposes executed by the Board and filed with and approved by the original purchaser of the Bonds or a duly authorized representative thereof. Where the moneys on deposit in the Project Account exceed the estimated disbursement on account of the Project for the next ninety (90) days (3 months), the Board may invest such excess

funds in direct obligations of, or obligations the principal of and interest on which are guaranteed by, the United States Government which shall mature, or which shall be subject to redemption by the holder thereof at the option of such holder, not later than three (3) years after the date of such investment. All amounts remaining in the Project Account after final completion of the Project shall be used promptly to redeem Bonds; provided that any of such amounts less than \$1,000.00 shall be deposited in the Bond Fund.

Section 27. It is hereby certified, recited and agreed by the Board that the Project will not contain any classrooms and that the Project is not being constructed for exclusive use by fraternities or sororities or private social clubs.

Section 28. That after said Bonds shall have been executed, it shall be the duty of the Chairman of the Board or some officer of the Board acting under authority from him to deliver said Bonds to the Attorney General of Texas, for examination and approval by the Attorney General. After said Bonds shall have been approved by the Attorney General, they shall be delivered to the Comptroller of Public Accounts of the State of Texas for registration. Upon registration of said Bonds, the Comptroller of Public Accounts (or a deputy designated in writing to act for the 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 said Comptroller shall be affixed to each of said Bonds.

PASSED AND APPROVED this the _____ day of November, 1957.

Chairman, Board of Regents,
The University of Texas

ATTEST:

Secretary, Board of Regents,
The University of Texas

Mr. Sorrell introduced a resolution which was read by the Secretary. Mr. Sorrell moved that the resolution be adopted. Mr. Johnson seconded the motion.

The motion carrying with it the adoption of the resolution prevailed by the following vote:

AYES: Messrs. Jeffers, Bryan, Thompson, Johnson, Lockwood, Minter, Hardie and Sorrell, and Mrs. Devall.

NOES: None.

The resolution as adopted is as follows:

RESOLUTION

AWARDING TO THE PURCHASER \$580,000.00 OF BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS, TEXAS WESTERN COLLEGE STUDENT UNION REVENUE BONDS, SERIES 1957.

WHEREAS, the Board of Regents of The University of Texas has under consideration the sale of its \$580,000.00 of Texas Western College Student Union Revenue Bonds, Series 1957, dated October 1, 1957, bearing interest at the rate of not exceeding 2-7/8% per annum, payable April 1, 1958, and semi-annually thereafter on October 1 and April 1 of each year, maturing serially throughout the years 1960 through 1987, both inclusive; and

WHEREAS, the following offer was received:

<u>NAME OF OFFERER</u>	<u>PRICE</u>	<u>INTEREST RATE</u>
The United States of America	Par and accrued interest	2-7/8%

WHEREAS, after having received and considered the aforesaid offer of The United States of America for said \$580,000.00 of bonds, which offer is the best and only bid received for said bonds, it is considered to be to the best interest of the College that said offer be accepted;

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

1. That the offer of The United States of America for said \$580,000.00 of bonds, being par and accrued interest to date of delivery for bonds bearing the interest rate described above, be and the same is hereby accepted.
2. That the Chairman and Secretary of the Board of Regents be and they are hereby ordered and directed to do any and all things necessary to complete the delivery of said bonds to the purchaser, in accordance with its offer.

ADOPTED AND APPROVED this the 22nd day of November, 1957.

/s/ Leroy Jeffers
Chairman, Board of Regents,
The University of Texas

ATTEST:

/s/ Betty Anne Thedford
Secretary, Board of Regents,
The University of Texas

Mr. Sorrell introduced a resolution which was read by the Secretary. Mr. Sorrell moved that the resolution be adopted. Mrs. Devall seconded the motion.

The motion carrying with it the adoption of the resolution prevailed by the following vote:

AYES: Messrs. Jeffers, Bryan, Thompson, Johnson, Lockwood, Minter, Hardie and Sorrell, and Mrs. Devall.

NOES: None.

The resolution as adopted is as follows:

RESOLUTION

FIXING STUDENT UNION BUILDING USE FEES AT TEXAS WESTERN COLLEGE.

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 Board of Regents of The University of Texas, Texas Western College Student Union Revenue Bonds, Series 1957 (hereinafter called the "Bonds"); and

WHEREAS, in consideration of the purchase of said Bonds by the purchaser thereof, it is necessary that Student Union Building Use Fees at Texas Western College must be fixed, levied, charged and collected in accordance with law and the resolution authorizing said Bonds;

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

1. That the Board does hereby fix, levy, charge and order to be collected a Student Union Building Use Fee from each student attending Texas Western College of The University of Texas, commencing with the regular fall semester of the College beginning in September, 1958, in the amount of \$4.00 per student for each regular semester attended and \$2.00 per student for each term of each summer session attended. It is hereby found, determined and declared that said Student Union Building Use Fees are reasonable in all respects, and taking into consideration the cost of providing the Project, the use to be made of it and the advantage to be derived therefrom by the users thereof and by the College. Such Student Union Building Use Fees shall be and remain in effect until such time as the Bond Fund shall contain a total amount of funds and/or investments at least equal to the sum of (a) the amount required to pay the principal of and interest on the Bonds for the remainder of the then current calendar year, plus (b) a debt service reserve of \$61,000.00. Thereafter, the Board shall fix, levy, charge and collect Student Union Building Use Fees in such amounts as will, together with the Net Revenues derived from the operation of the Student Union Building, be at least sufficient at all times to provide for all debt service and other charges, payments and deposits required in connection with the Bonds.

2. That the Board and the officers of Texas Western College shall do and perform all acts necessary to make this resolution effective according to its terms.

ADOPTED AND APPROVED this the 22nd day of November, 1957.

/s/ Leroy Jeffers
Chairman, Board of Regents,
The University of Texas

ATTEST:

/s/ Betty Anne Thedford
Secretary, Board of Regents,
The University of Texas

Mr. Sorrell introduced a resolution which was read by the Secretary.
Mr. Sorrell moved that the resolution be adopted. Mr. Lockwood seconded the motion.

The motion carrying with it the adoption of the resolution prevailed by the following vote:

AYES: Messrs. Jeffers, Bryan, Thompson, Johnson, Lockwood, Minter, Hardie and Sorrell, and Mrs. Devall.

NOES: None.

The resolution as adopted is as follows:

RESOLUTION

FIXING THE RATES FOR SERVICES AND FACILITIES OF THE STUDENT UNION BUILDING AT TEXAS WESTERN COLLEGE, THE NET REVENUES OF WHICH ARE PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS, TEXAS WESTERN COLLEGE STUDENT UNION REVENUE BONDS, SERIES 1957.

WHEREAS, concurrently with the adoption of this resolution, the Board of Regents of The University of Texas (hereinafter sometimes called the "Board") has authorized the issuance of \$580,000.00 of Board of Regents of The University of Texas, Texas Western College Student Union Revenue Bonds, Series 1957 (hereinafter sometimes called the "Bonds"), and has pledged the Net Revenues derived from the operation of the Student Union Building and the services and facilities provided thereby, to the payment of principal of and interest on the Bonds; and

WHEREAS, it is proper that before the actual issuance and delivery of said Bonds, the rates and charges should be fixed in connection with the operation of the Student Union Building;

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

1. That reasonable and adequate rates and charges for services, facilities and supplies shall be made in connection with the operation of the Student Union Building to the end that the Student Union Building shall produce gross revenues which will be sufficient to pay all Current Expenses thereof and produce Net Revenues sufficient, together with the Student Union Building Use Fees, to pay all debt service and other charges, payments and deposits required in connection with the Bonds.
2. That the administrative officers of Texas Western College be and they are hereby authorized, ordered and directed to do any and all things necessary and/or convenient to carry out and accomplish the purpose of this resolution.

ADOPTED AND APPROVED this the 22nd day of November, 1957.

/s/ Leroy Jeffers
Chairman, Board of Regents,
The University of Texas

ATTEST:

/s/ Betty Anne Thedford
Secretary, Board of Regents,
The University of Texas

M. D. ANDERSON HOSPITAL AND TUMOR INSTITUTE

INSTITUTIONAL PLAN, DIRECTOR'S REGULATIONS, THE UNIVERSITY CANCER FOUNDATION TRUST INSTRUMENT (REVISED AND AMENDED), ASSOCIATION OF PHYSICIANS DISCONTINUED, TRANSFER OF CERTAIN FUNDS TO DIVISION OF GIFTS AND TRUSTS, M. D. ANDERSON HOSPITAL AND TUMOR INSTITUTE. --Doctor Merton M. Minter, Chairman of the Medical Affairs Committee, stated that a general review of the affairs of The University of Texas M. D. Anderson Hospital and Tumor Institute indicated the desirability of the coordination and integration of all activities and agencies engaged in the operation of such institution and the clarification of lines of authority, duties and responsibilities; he pointed out the tremendous growth of the institution since its statutory authorization in 1941, the expansion of its activities and the scope of its present and prospective objectives. He stated that Doctor R. Lee Clark, Jr., Director, and the Medical Affairs Committee had worked out a plan designated in their joint opinion to accomplish the indicated integration and clarification, and that Doctor Clark recommended the adoption of the plan and that the plan had received the approval of the President. After a general discussion and upon motion duly made by Doctor Minter and seconded by Mr. Bryan, the following resolutions were, upon being put to a vote, unanimously adopted:

RESOLVED, By the Board of Regents of The University of Texas that there is hereby adopted an Institutional Plan for The University of Texas M. D. Anderson Hospital and Tumor Institute, which plan is attached hereto as Exhibit A and made a part of these minutes; (Secretary's Files, Volume V, Page 116 .)

RESOLVED FURTHER, That the "Director's Regulations, The University of Texas M. D. Anderson Hospital and Tumor Institute," attached hereto as Exhibit B and made a part hereof, be and they are hereby approved, adopted, and promulgated; (Secretary's Files, Volume V, Page 121 .)

RESOLVED FURTHER, That the University Cancer Foundation, and the Trust Instrument evidencing such trust (dated September 21, 1956 and signed and acknowledged by Tom Sealy, Chairman of the Board of Regents) be and they are hereby revised and amended to be and read as set out in "The University Cancer Foundation Trust Instrument," attached hereto as Exhibit C and made a part hereof. (Secretary's Files, Volume V, Page 135 .)

RESOLVED FURTHER, That the M. D. Anderson Association of Physicians is hereby discontinued and any funds held in that name are hereby transferred to the Department of Physicians Referral Services Current Restricted Fund Account established on the books of the Division of Gifts and Trusts of The University of Texas M. D. Anderson Hospital and Tumor Institute; such funds shall be used and expended as provided in the Director's Regulations, The University of Texas M. D. Anderson Hospital and Tumor Institute and accounted for as a Current Restricted Fund.

RESOLVED FURTHER, That all funds, properties, gifts and donations owned and held, and to be owned and held, by the Board of Regents as trustee of the University Cancer Foundation are hereby transferred and committed to the Division of Gifts and Trusts, The University of Texas M. D. Anderson Hospital and Tumor Institute to be supervised, used and disposed of in keeping with the Institutional Plan for The University of Texas M. D. Anderson Hospital and Tumor Institute heretofore adopted by the Board of Regents and the Director's Regulations, The University of Texas M. D. Anderson Hospital and Tumor Institute, heretofore approved and promulgated by the Board of Regents. All such funds, properties and gifts as are expendable and all income from investments shall be entered on the books of the Division of Gifts and Trusts in separate accounts as required under the general name of University Cancer Foundation and accounted for as Current Restricted Funds; any funds for investment and any properties received as endowment funds by the University Cancer Foundation shall be recorded as endowment funds and shall be handled by the Central Administration of The University of Texas under the current policies of the Board of Regents. The Division of Gifts and Trusts shall establish appropriate safeguards to ensure that such properties and funds and, where necessary under the particular gift or donation, the income thereof, are used in keeping with the directions and restrictions of the particular donor or grantor.

Restricted gifts and donations transferred are:
 Harmon Whittington (1,200 shares of Anderson Clayton stock), W. Leland Anderson (65 shares of Anderson Clayton stock), J. R. Parten (\$5,000), R. L. Clark (\$1,000), James E. Anderson (\$1,000), Ray L. Dudley (\$100), the M. D. Anderson Foundation (\$100,000), Benjamin Clayton Trust (100 shares of Phillips Petroleum Co. stock), Gulf Publishing Co. (\$100), Mr. and Mrs. W. H. Francis, Jr., (\$50),

Mrs. Harry C. Wiess (\$1,000), Mr. C. J. Thibodeaux (\$1,000), Mrs. Benton T. Love, Jr. (\$1,000), and Mrs. Margaret Batts Tobin (\$1,000).

RESOLVED FURTHER, That The Special Fee Fund for Pathology and The Special Fee Fund for Radiology, of the Anderson Hospital are hereby transferred to the Division of Gifts and Trusts of Anderson Hospital to be used as provided in the aforesaid Director's Regulations with respect to receipts of the Department of Physicians Referral Services. Such separate fee funds shall be accounted for by such division as Current Restricted Funds.

RESOLVED FURTHER, That the current restricted funds of the following trusts and funds, for the use and benefit of the M. D. Anderson Hospital, are hereby transferred to the Division of Gifts and Trusts, The University of Texas M. D. Anderson Hospital and Tumor Institute, and such division is hereby made responsible for the use and disposition thereof in keeping with the terms of the trusts and gifts, the aforesaid Institutional Plan and the Director's Regulations and as determined by the Board of Regents upon recommendation of the Director:

Annie and Fannie Lucas Memorial Fund for Cancer Research;
The Blanche Bender Trust;
The William Heuermann Fund;
The Rosalie B. Hite Fund for Cancer Research;
The Frances King Black Memorial Fund; and
The Sophie Caroline Steves Endowment Fund for Cancer Research.

Such current restricted funds shall be set up on the books of the Division of Gifts and Trusts in separate accounts, named as above indicated. Endowment funds shall be in the custody of, and invested by, the Central Administration of The University of Texas under the current policies of the Board of Regents. Record accounts of such endowment funds may be maintained by the Division of Gifts and Trusts. Income from these trusts and funds for the benefit of M. D. Anderson Hospital shall be deposited in the current restricted funds under the Division of Gifts and Trusts.

RESOLVED FURTHER, That none of the trusts, funds, and properties (and income therefrom) transferred and committed in these resolutions to the Division of Gifts and Trusts, The University of Texas M. D. Anderson Hospital and Tumor Institute shall ever become a part of the Permanent University Fund or be subject to legislative appropriation.

RESOLVED FURTHER, That all prior resolutions of the Board of Regents in conflict with the foregoing resolutions relating to The University of Texas M. D. Anderson Hospital and Tumor Institute and the University Cancer Foundation are hereby rescinded and revoked, provided that the existing appointments of members of the Board of Visitors are hereby confirmed.

APPLICATION FOR TAX EXEMPTION, ASSOCIATION OF PHYSICIANS, M. D. ANDERSON HOSPITAL AND TUMOR INSTITUTE. --Doctor Minter moved that Mr. B. L. Bird be authorized to file an application for tax exemption for the Association of Physicians, M. D. Anderson Hospital and Tumor Institute. Mr. Johnson seconded this motion which carried by a vote of seven to one. Vice-Chairman Sorrell voted "No". See Page 478.

MEDICAL BRANCH

BY-LAWS OF THE MEDICAL STAFF OF THE UNIVERSITY OF TEXAS MEDICAL BRANCH HOSPITALS. --Upon recommendation of President Wilson, and on motion of Doctor Minter, duly seconded, the Board adopted the By-Laws of the Medical Staff of The University of Texas Medical Branch Hospitals in the form set out below. These by-laws were recommended by the medical staff and Doctor Truslow.

BY-LAWS OF THE MEDICAL STAFF OF THE UNIVERSITY OF TEXAS MEDICAL BRANCH HOSPITALS

PREAMBLE

Recognizing that the rendering of professional service to patients in accordance with the precepts of modern scientific medicine, the maintenance of the efficiency of the individual physician, and participation in the education of physicians, residents, interns and other students may best be served by coordinated action, the physicians authorized to practice in The University of Texas Medical Branch Hospitals hereby organize themselves into a Medical Staff, and agree to abide by and conform to its By-Laws, and Rules and Regulations as approved by the Board of Regents of The University of Texas. This revision supersedes all previous By-Laws, Rules and Regulations.

Article I

NAME

The name of this organization shall be "The Medical Staff of The University of Texas Medical Branch Hospitals."

Article II

PURPOSE

The purpose of the organization shall be:

1. To insure that all patients admitted to the hospital or treated in the Out-patient Department receive the best possible care. It is the general policy of the Medical Branch Hospitals that the privilege of serving as teaching patients in the undergraduate and graduate teaching programs be extended to all patients.
2. To provide a means whereby problems of a medico-administrative nature may be discussed by the medical staff with the administration.

3. To initiate and maintain self-government.
4. To provide education and to maintain high educational standards.
5. To initiate and maintain high standards of professional conduct among its members.
6. To contribute to the educational, research and service program of The University of Texas School of Medicine, the School of Nursing, and the Technology and other technical services, by active participation, beyond the specific duty assigned or requested by the respective schools, particularly in the maintenance of educational standards of undergraduate and graduate medical training, in accordance with the general policies and rules and regulations as established by the Board of Regents of The University of Texas.

Article III

MEMBERSHIP

Section 1. Qualifications. The applicant for membership on the active medical staff shall be a graduate of an approved medical school that confers a Doctor of Medicine degree, legally licensed to practice in the State of Texas, qualified for membership in his local, county medical society, and practicing within reasonable distance of The University of Texas Medical Branch Hospitals. Each applicant for membership on the medical staff, other than the resident and intern staff, must first have been accepted as a member of the Faculty of The University of Texas Medical Branch through its usual channels.

Section 2. Ethics and ethical relationships. The code of ethics as adopted by the American Medical Association and the "Principles of Financial Relations in the Professional Care of the Patient" of the American College of Surgeons shall govern the professional conduct of the members of the medical staff. Specifically, all members of the medical staff shall pledge themselves that they will not individually receive from or pay to another physician, either directly or indirectly, any part of a fee received for professional services. On the contrary, it shall be agreed that all fees shall be retained by the physicians in accordance with the value of services rendered and shall be collected by approved methods, subject to the Rules and Regulations of the Board of Regents on salary augmentation.

Section 3. Application for membership. Each applicant must submit an application in writing, on the prescribed forms to the Departmental Chairman recommending his faculty and staff appointment, which states the qualifications and references of the applicant, and signifies his agreement to abide by the By-Laws, Rules and Regulations of the Medical Staff as approved by the Board of Regents. Each application must be endorsed by the Chairman of the department and approved by the Executive Committee. The Executive Committee may accept the applicant contingent upon his faculty appointment.

Section 4. Terms of appointment.

- a. Continuing membership on the medical staff shall require current formal appointment by the Board of Regents as a

member of The University of Texas Medical Branch Faculty. If the medical staff does not wish to renew a specific appointment, it shall so recommend to the Executive Director, the President, and the Board of Regents.

b. Should the Executive Director, the President, or the Board of Regents wish to take the initiative in refusing to make reappointment of any member, it shall so advise the medical staff, stating reasons and asking for recommendations as to further action.

c. In no case shall the Executive Director, the President, or Board of Regents approve an application, refuse to renew an appointment, or cancel an appointment, previously made, without conference with the medical staff, but regardless of the recommendations of the medical staff, final responsibility for appointment or cancellation of an appointment must rest with the Executive Director, to be approved by the President and the Board of Regents.

d. Appointment to the medical staff shall confer on the appointee only such privileges as may be hereinafter provided.

e. Consultation is encouraged between members of the various specialties, and this must be given promptly, and at the time of each consultation a signed record placed on the chart.

Section 5. Procedure for appointment.

a. The application for membership on the medical staff shall be presented to the Director of Hospitals by the chairman of the appropriate department, and by him referred to the Chief of Staff before the next meeting of the Executive Committee.

b. At the first meeting of the Executive Committee thereafter, the Chief of Staff shall present the application. The Executive Committee may approve this application by three-fourths vote. Otherwise, the application must be presented to the medical staff at its next regular meeting.

c. Each departmental chairman is charged with the responsibility of investigating the credentials, character, qualifications and standing of the applicant, whom he proposes and shall submit a report of his findings to the Executive Committee, and shall recommend that the application be accepted, deferred, or rejected. This report must accompany all applications. The department shall recommend the type of appointment and the extent of privileges of the applicant.

d. The recommendations of the Executive Committee or the medical staff shall be transmitted to the Executive Director, who shall attach his recommendations and forward them to the President for presentation to the Board of Regents with his recommendation.

e. The Board of Regents shall either accept the recommendation of the medical staff or shall refer it back for further consideration. In the latter case, it is requested that the Board of Regents instruct its secretary to state to the medical staff the reasons for such action.

f. When final action has been taken by the Board of Regents, the departmental chairman shall be authorized to transmit this decision to the candidate for membership, and if he is accepted, to secure his signature to these by-laws, rules and regulations. Such signature shall constitute his agreement to be governed by the said by-laws, rules and regulations, and this shall be kept on file by the Director of Hospitals.

Article IV

DIVISIONS OF THE MEDICAL STAFF

Section 1. The medical staff. The medical staff shall be divided into honorary, active, associate, courtesy and house staff.

Section 2. The honorary medical staff. The honorary medical staff shall consist of physicians or dentists who are not active in the hospital, and who are honored by emeritus positions on the faculty of The University of Texas Medical Branch. Members of the honorary staff shall meet the qualifications for membership in the active or associate staff, but shall be ineligible to vote, hold office, or serve on standing committees. They may be appointed to special committees. The honorary medical staff shall be appointed by the Board of Regents upon the recommendation of the active medical staff, the Executive Director, and the President and shall have no assigned duties or responsibilities. Their privileges shall be determined by the Executive Committee upon recommendation of the departmental chairman involved.

Section 3. The active staff.

a. The active staff shall consist of those physicians who have been appointed to attend patients and have regularly assigned duties in The University of Texas Medical Branch Hospitals and/or Clinics. They must be appointed members of the Faculty of Medicine of The University of Texas Medical Branch and they must be licensed to practice medicine in the State of Texas.

b. Appointments shall be made annually as described in Article III, Section 4.

c. The duties of the active medical staff shall be to attend all patients assigned to their respective service, and they shall attend only those patients who are admitted to their service. The active medical staff shall supervise and be responsible for all steps in diagnosis and therapy performed on their assigned patients. They are responsible for the supervision and training of residents, interns and medical students assigned to their services.

d. All business of the medical staff shall be transacted by the active medical staff, and only members of the active medical staff shall be eligible to vote and hold office.

e. Each active staff member has the responsibility of care of each patient on his hospital and clinical service, and shall have unrestricted privilege in the treatment of such patients falling under the limits of the specialty to which he is appointed. In the event of any question as to the limits of privileges, the matter shall be referred to the Medical Staff through the Executive Committee. Consultation is encouraged between members of the various specialties, and these must be given promptly and recorded in writing as a signed note on the chart.

Section 4. The associate staff. The associate staff shall consist of members of the faculty of The University of Texas Medical Branch who hold the rank of Instructor and above, and who, due to the nature of their appointment or lack of licensure to practice medicine are not eligible for membership on the active staff. This shall include those administrative officers of The University of Texas Medical Branch Hospitals who hold faculty appointments. It shall also include dentists who are licensed to practice dentistry in the State of Texas, and who hold faculty appointments. Members of the Associate Staff shall not be privileged to admit patients to The University of Texas Medical Branch Hospitals or to assume complete control of any hospitalized patient. They may be called as consultants by members of the active staff in relation to patients on whom their special skills may be useful. Dentists in this category may see out-patients in accordance with the accepted practice and code of ethics of dentistry. Members of the associate staff shall be ineligible to vote, hold office, or serve on standing committees. They may be appointed to membership on special committees.

Section 5. The courtesy staff. The courtesy medical staff shall consist of those members of the medical profession, eligible as herein provided for active staff membership, who wish to attend patients in the hospital or clinic, but who do not wish to become members of the active staff or who, by reason of limited time for participation in the teaching program, are not considered eligible for appointment as active staff members. They shall be appointed in the same manner as other members of the medical staff, and they shall have such privileges as may be determined by the chairman of the department with which they are associated. They shall not be eligible to vote, hold office, or be a member of standing committees. They may be appointed to special committees.

Section 6. Regents' Policy. Staff members shall at all times act according to the rules and regulations of the Board of Regents in the matter of acceptance and treatment of private patients.

Article V

CLINICAL DEPARTMENTS

Section 1. Services. The organization of services or divisions in the Medical Branch Hospitals shall be determined by the pattern of departmental organization in the School of Medicine as set forth in the current catalogue of The University of Texas Medical Branch, and changes in departments or services shall be organized to conform with changes in the organization of the School of Medicine.

Section 2. Specialization. Members of the medical staff shall restrict all of their hospital and clinical activities to that service to which they are appointed.

Section 3. Assignment of Services. Assignment of a member of the medical staff to a service in the Hospitals shall be determined by his position on the faculty of the School of Medicine.

Section 4. Organization of Services.

a. Each service shall be organized as a division of the medical staff and the School of Medicine, and shall have as its head a Chairman of Service, who shall be appointed in accordance with the rules and regulations of the Board of Regents of The University of Texas. The Chairman shall be responsible for the functioning of the clinical and teaching organization of his service, and shall keep, or cause to be kept, a careful supervision over the clinical work in all divisions of his service. He may also be elected or appointed to other offices in the organization of the medical staff.

b. Each service shall have regular departmental meetings at least once a month to meet the needs of that service. Each active staff member shall be present at not less than 50% of such meetings and attendance shall not release members of the staff from their obligations to attend general meetings of the staff. The minutes of discussions at departmental meetings shall be concisely recorded and reveal a thorough review and analysis of the clinical work done in the hospital. The minutes should include a brief clinical abstract of cases presented and pertinent discussions on selected deaths, unimproved cases, infections, complications, errors in diagnosis, and results of treatment. A copy of the minutes of each meeting is to be placed in the confidential file of the Director of Hospitals. At the general staff meeting (quarterly), a representative of each department must give a brief summary report of the last three departmental meetings to the staff as a whole.

c. A member of the medical staff shall treat any patient assigned to his service and in such treatment shall have unrestricted privileges within accepted standards of medical practice. He may not treat or perform tests on any patient other than his own unless he obtains permission

from the attending physician. He shall retain management of the patient to a conclusion, unless this patient is officially transferred to the care of another member of the medical staff, in which case the referring member must remain available for consultation. Consultation shall be encouraged whenever it may be of benefit to the patient or for academic teaching.

Article VI

OFFICERS AND COMMITTEES

Section 1. Officers. The officers of the medical staff shall be the Chief-of-Staff, the Assistant Chief-of-Staff, and the Secretary-Treasurer. These officers shall be elected at the annual meeting of the medical staff and shall hold office until the next annual meeting or until their successors are elected. The Chief-of-Staff shall call and preside at all meetings and he shall be a member, ex officio, of all standing committees, except the Executive Committee. He shall be Chairman of the Executive Committee. Should the position of Chief-of-Staff become vacant, a successor shall be elected at the next regular meeting or at a meeting called solely for that purpose.

The Assistant Chief-of-Staff, in the absence of the Chief-of-Staff, shall assume all of the duties and have all of his authority. He shall be expected to perform such duties or supervision as may be assigned to him by the Chief-of-Staff. He shall be Chairman of the Program Committee. The Secretary-Treasurer shall keep accurate and complete minutes of all meetings, call meetings on order of the Chief-of-Staff, attend to all correspondence, collect dues, render disbursements, and maintain a current record of finances. He shall perform such other duties as assigned to him by the Chief-of-Staff.

Section 2. Committees. Committees shall be standing and special. All committees, other than the Executive Committee and the Joint Advisory Committee, shall be appointed by the Chief-of-Staff.

The Executive Committee shall consist of the Chief-of-Staff as Chairman; the Chairmen of the Departments of Medicine, Surgery, Pediatrics, Obstetrics and Gynecology, Neurology and Psychiatry, Radiology, Anesthesiology and Pathology; and four members elected at large from the active staff at the annual meeting. The ex officio members shall include the Executive Director, Dean of the School of Medicine, Director of Hospitals, and chairmen of all standing committees.

The Executive Committee shall coordinate the activities and general policies of the various divisions, act for the staff as a whole under such limitations as may be imposed by the staff, and receive and act upon the reports of the Medical Records, Tissue, and Medical Audit Committees, and such other committees as the medical staff may designate. The Executive Committee shall meet at least once a month and maintain a permanent record of its proceedings and actions. The minutes of each meeting shall be circularized to all members of the active staff, and shall be summarized for discussion by the Chairman at each staff meeting.

The Executive Committee shall act as the Credentials Committee of the medical staff. In this respect, its duties shall be to review the credentials submitted on each applicant by the departmental chairman, make further investigations if deemed necessary, and make recommendations, in conformity with Article III, Section 5 and d, of these By-Laws; to investigate any breach of ethics that may be reported; to review any records that may be referred by the Director of Hospitals; and to arrive at a decision regarding the performance and conduct of any staff member, or to refer the case to the full active medical staff if this is considered desirable.

The Joint Advisory Committee shall consist of the Director of Hospitals as chairman; the Executive Director, and/or Dean of Medicine and all regular members of the Executive Committee. This shall be a liaison committee between the hospital staff and the hospital administration. It shall meet at least once a month, minutes shall be recorded and reported to the Medical Staff by the Chief-of-Staff at each meeting.

The Medical Records Committee shall consist of five members of the medical staff with the Medical Record Librarian, Director of the School of Medical Record Librarians, and Director of Hospitals or his representative as ex officio member, and shall meet at least once a month for the purpose of reviewing, supervising, and appraising medical records, and of insuring their maintenance at the required standard. This committee shall act as advisor to the Chief Medical Record Librarian and Director of Hospitals in the matter of forms, coding, indexing, and statistical evaluation of medical records. The Chief Medical Record Librarian must report irregularities regarding medical records to this committee. The committee shall report to the Executive Committee any persistent or habitual delinquency in the completion of records, and fix individual responsibility. This committee shall be responsible for notifying the Program Committee of any cases which should be presented before the medical staff.

The Tissue Audit Committee shall consist of five members of the active medical staff appointed by the Chief-of-Staff, and to include a pathologist, a surgeon, a gynecologist, and internist and one other person from the active staff. The Tissue Audit Committee shall study and report to the Executive Committee of the staff on the agreement or disagreement of the preoperative, postoperative and pathological diagnoses, and on whether the surgical procedures undertaken in the hospital were justified or not. This study will also include those procedures in which no tissue was removed. The committee shall report to the Executive Committee in writing, on at least a monthly basis, and their reports should be kept in a confidential administrative file.

The Medical Audit Committee shall consist of five members of the active medical staff appointed by the Chief-of-Staff from separate divisions. Its duties shall be to check diagnoses, procedures, treatment, pathological and roentgenological findings, and the results on discharge in order to determine whether the results were justifiable, inevitable, or not justifiable. The report from the committee shall be made in writing to the Executive Committee, on at least a monthly basis, and should be kept in a confidential administrative file.

The Pharmacy and Therapeutics Committee shall consist of six members of the active medical staff, and the chief pharmacist shall be an ex officio member. It shall compile and periodically revise a hospital formulary to meet the approval of the Executive Committee, and shall review all requests for addition of new preparations. It shall recommend forms and methods to improve the operation of the pharmacy. All reports from this committee shall be rendered to the Executive Committee.

The Program Committee shall consist of the Assistant Chief-of-Staff as chairman, and three other members of the active staff. It shall be responsible for the preparation and presentation of the programs of all meetings.

The Intern Committee shall consist of three members of the active staff, with the Director of Hospitals and Dean of Medicine as ex officio members. Close liaison should exist between this committee and the Intern Placement Committee of The University of Texas Medical Branch. It shall be the duty of the Intern Committee to recommend to the Executive Committee a slate of interns for final approval, to outline courses of instruction for the interns, and to see that they are carried out, and to assist the administration in the matters of education, government, and discipline of the intern medical staff. On the completion of internship, the Intern Committee shall report their recommendations for issuance of certificates to the Executive Committee.

Special committees shall be appointed from time to time, as may be required to carry out properly the duties of the medical staff. Such committees shall confine their work to the purpose for which they were appointed and shall report to the full medical staff. They shall not have power of action unless such is specifically granted by the motion which created the committee.

Article VII

MEETINGS

Section 1. The annual meeting. The annual meeting shall be the first quarterly meeting of the calendar year. At this meeting, the Chief-of-Staff shall give a summary report of the activities of the Executive Committee and Joint Advisory Committee during the year and of committees of the medical staff. Officers for the following year shall be elected at this meeting.

Section 2. Regular meetings. Regular meetings of the medical staff shall be held on the last Tuesday of the months of January, April, July and October. The place of the meeting shall be at some location in The University of Texas Medical Branch to be designated by the Chief-of-Staff. Questions of procedure shall be decided in accordance with Robert's Rules of Order.

Section 3. Special meetings. Special meetings of the medical staff may be called at any time by the Chief-of-Staff, who shall also be obligated to call a special meeting at any time at the request of any five members of the active staff. In calling a special meeting, the Chief-of-Staff shall state the purpose for which the meeting is called and the business of such a meeting shall be limited to that stated in the call. Notice of any such meeting shall be mailed at least forty-eight hours before the time set for the meeting.

Section 4. Attendance at meetings.

- a. Members of the active staff shall be expected to attend all meetings of the medical staff. Members of the active staff who have good cause to be absent from a meeting should make this known to the Secretary-Treasurer of the medical staff in advance of the meeting so that they can be properly excused. Absence from three consecutive meetings, or from over one-half of the regular meetings for the year, without acceptable excuse, shall be considered as resignation from the active medical staff, and shall automatically place the absentee on the associate or courtesy medical staff of the hospital as determined by the Executive Committee.
- b. All members of the associate medical staff shall be expected to attend meetings with the same regularity as members of the active medical staff. They are subject to the same attendance requirements as the active staff, and failure to comply with such requirements is to be considered automatic resignation from the staff.
- c. Reinstatement of members of the active and associate medical staffs to positions rendered vacant because of absence from meetings may be made on application, the procedure being the same as in the case of original appointment.
- d. Members of the honorary and courtesy divisions of the medical staff shall not be required to attend meetings, but it is expected that they will attend and participate in these meetings unless they are unavoidably prevented from doing so.
- e. Members of the house staff shall attend all regular meetings of the staff as part of their regular duties and training. Failure to do so shall be reported to the Executive Committee by the secretary of the medical staff, for disciplinary action.

Section 5. Quorum. Fifty per cent of the membership of the active medical staff shall constitute a quorum for transaction of business. Unless contested from the floor, it shall be considered that a quorum is present.

Section 6. Agenda. The agenda at any regular meeting shall be:

- a. Business
 1. Call to order.
 2. Reading of the minutes of the last regular and all special meetings.
 3. Unfinished business.
 4. Communications.
 5. Reports of standing and special committees.
 6. New business.

- b. Medical
 1. Analysis of clinical reports from the various departments with review of selected patients.
 2. Reports of standing and special committees.
 3. Discussion and recommendations for improvement of professional work of the hospital.

- c. Adjournment

The agenda at special meetings shall be:

- a. Reading of the notice calling the meeting.
- b. Discussion of the business for which the meeting was called.
- c. Adjournment.

Article VIII

RULES AND REGULATIONS

The medical staff shall adopt such rules and regulations as may be necessary for the proper conduct of its work. Such rules and regulations shall become effective when adopted at a regular meeting of the medical staff.

Article IX

AMENDMENTS

The By-Laws of the Medical Staff of The University of Texas Medical Branch Hospitals may be amended after submitting the amendment in writing to the Chief-of-Staff. Such amendments must be proposed and read at the next meeting of the Medical Staff and are to be voted upon at the following meeting and shall become effective immediately if approved by a two-thirds vote of those voting, a quorum being present, and subject to approval of the Board of Regents.

Article X

ADOPTION

These By-Laws together with the appended rules and regulations shall be adopted at any regular meeting of the active medical staff, shall replace any previous By-Laws, Rules and Regulations and shall become effective when approved by the Board of Regents of The University of Texas. They shall, when adopted and approved, be equally binding on the Board of Regents and the medical staff.

Adopted by the Active Medical Staff of The University of Texas Medical Branch Hospitals.

Chief-of-Staff, Medical Staff

Date _____

Secretary-Treasurer, Medical Staff

Date _____

Executive Director, University of
Texas Medical Branch

Date _____

President, University of Texas

Date _____

Chairman, The Board of Regents
of The University of Texas

Rules and Regulations of the Medical Staff:

1. The monthly meeting of the Executive Committee shall be held at the Medical Branch on the second Thursday of each month. The monthly meeting of the Joint Advisory Committee shall be held on the fourth Thursday of each month.
2. Except in emergency no patient shall be admitted to The University of Texas Medical Branch Hospitals until after a provisional diagnosis has been stated and recorded on the admission record and the consent of the proper service obtained. In case of emergency, the provisional diagnosis shall be stated by the attending physician as soon after admission as possible.
3. For every patient admitted, the responsible physician on the active, courtesy or honorary staff shall be listed.
4. Physicians admitting patients to the hospital shall be held responsible for giving such information as may be necessary to insure protection of other patients from those who are a source of danger from any cause whatever. All patients shall be attended by members of the active, courtesy, or honorary medical staff and shall be assigned to the service concerned with treatment of the disease which necessitated admission.
5. All orders for treatment of patients shall be in writing and signed by the physician. Only standard abbreviations as approved by the Hospital Director are to be used.
6. Ordinarily, any of those medications included in the Formulary of The University of Texas Medical Branch, or approved by the hospital formulary committee, will be considered as acceptable. (A staff member may request the Pharmacy and Therapeutics Committee to consider the addition or deletion of medications to the hospital formulary.) Members of the Staff shall abide by the rules and regulations set forth in the Formulary.

7. The physician in charge of a service shall be responsible for the preparation of a complete medical record for each patient. This record shall include identification data, chief complaint, present illness, review of systems, past history, family history, physical examination, an admission note by the attending physician, special reports, such as consultations, clinical laboratory reports, x-ray and others; provisional diagnosis; medical or surgical treatment, tissue reports, progress notes at least every other day by the attending physician or designated person, final diagnosis, condition on discharge, follow-up and autopsy reports when available. At time of completion, each medical record shall be signed by the attending physician. No medical record shall be filed unless it is complete except on the order of the medical records committee. All medical records with patient's charts should be originals and should be signed. This includes reports from the various laboratory services. In any case in which a referral is required the referral card designating the referring physician shall be filed in the Hospital Administrative Office.
8. A complete history and physical examination shall, in all cases, be written on the chart within 24 hours after admission of the patient. The Medical Audit Committee shall report deviations from this rule to the Executive Committee.
9. When such histories and physical examinations and preoperative diagnoses are not recorded before the time of operation, the operation shall be cancelled, unless the attending surgeon states in writing that the case is one of emergency and that delay will be detrimental to the patient. In such a case, it is understood that the attending surgeon shall complete the record as soon as possible.
10. All records are the property of The Medical Branch Hospitals and shall not be removed from the premises of the Medical Branch without the permission of the Medical Record Librarian or a duly authorized person. Information in charts is confidential and may not be divulged to any person without proper authority. In case of re-admission of a patient, all previous records shall be available for the use of the attending physician. This rule shall apply whether the patient be staff or private and whether he is or is not attended by the same physician.
11. No surgery is to be done without legal consent, except in an emergency, where the consent cannot be obtained. In such cases consultation should be sought. Except in cases of emergency, or by special arrangement, a patient for operation shall be admitted not later than 3 o'clock the day previous to operation.
12. All operations performed shall be fully described in writing and signed by the attending surgeon and made a permanent part of the medical record. It is the responsibility of the physician in charge of the patient to see that all tissues removed at operation shall be properly sent to the hospital pathologist, who shall make such examination as he may consider necessary to arrive at a diagnosis. All tissue shall be accompanied by properly executed request slips.
13. In all cases where the patient is admitted in a condition of abortion, she or her representative shall sign a statement certifying that neither any employee of the hospitals nor the attending physician was directly or indirectly responsible for its production.

14. Except in emergency, consultation with at least one member of the active medical staff shall be required in all first Caesarean sections, curettages, or other operations which may interrupt a known or suspected pregnancy. The same requirement shall apply to operations performed for the sole purpose of sterilization on both male and female patients. The consultant shall make and sign a record of the findings and recommendations in every such case and this report shall become a part of the medical record. In all cases where the rule of the hospital requires a consultation, the consultant shall give his services without charge, except in the instance of the hospital pathologist. No charge shall be made when examination of tissues is done merely to fulfill hospital requirements.
15. Each member of the medical staff, when absent from the city or unavailable, shall name a member of the medical staff who may be called to attend his patients in emergency. In case of failure to name such an associate, the Chief-of-Staff shall have authority to call a member of the staff, should he consider it necessary.
16. No patient shall be discharged from the hospital except on order by the attending physician or associate, or a member of the house staff designated to act for him. At the time of discharge, a discharge note shall be written to include date of admission, pertinent history, diagnosis, treatment, course in hospital, complications, prognosis and further treatment.
17. At the quarterly meeting of the medical staff, the Director of Hospitals shall submit a report of the professional work of the hospitals for the previous quarter. This report shall show the number of patients discharged by service, the number of deaths, hospital infections, autopsies and consultations. Total discharges shall also be listed according to results of treatment and average length of stay. An analysis report of the adjunct departments will complete the report. This report will ordinarily be printed for distribution at the quarterly staff meeting.
18. Every member of the medical staff shall make every effort to secure autopsies whenever possible. Autopsies shall be performed only when properly authorized and approved by the hospital administration. All autopsies shall be performed by a pathologist on the medical staff or by a physician to whom he may delegate the duty.
19. A request for consultation which is not answered, within a reasonable length of time, by the staff member to whom it is requested, shall be called to the attention of the Chief-of-Staff.
20. The house staff shall consist of interns, residents and Fellows regularly appointed in the Medical Branch Hospitals. Its members shall be under the supervision of the Staff members to whom they are assigned and shall have privileges to treat patients under supervision of the active courtesy and honorary staff. The members of the house staff shall abide by and carry out all rules and regulations set forth by the Director of Hospitals and shall be governed by the same rules and regulations of the Medical Staff which apply to their assigned duties. Failure of a member of the house staff to perform his assigned duties or to abide by the rules and regulations of the hospital staff shall be reported to the Executive Committee or their designated representative. The Executive Committee or this designated representative shall recommend appropriate disciplinary action to the Director of Hospitals.

21. Rules and regulations may be amended, deleted or added at any regular meeting of the Medical Staff or a special meeting called for that purpose and shall become effective if approved by two-thirds vote of those voting, a quorum being present, and subject to approval of the Board of Regents.

Adopted by the active medical staff of The University of Texas Medical Branch Hospitals.

Chief-of-Staff, Medical Staff

Date _____

Secretary-Treasurer, Medical Staff

Approved by:

Date _____

Executive Director, University of Texas Medical Branch

Date _____

President, University of Texas

Date _____

Chairman, The Board of Regents of The University of Texas

CENTRAL ADMINISTRATION

ADMISSION OF NONRESIDENTS TO MEDICAL AND DENTAL UNITS. --
Upon recommendation of the administration and upon motion of Vice- See Page 481.
Chairman Sorrell, seconded by Mr. Johnson, the Board adopted the
following policy for admission of nonresidents to the medical and dental
units:

The medical and dental branches of The University of Texas are authorized to accept as members of their freshman classes nonresident students not to exceed 10% of the total freshman class; provided, however, that no nonresident student shall be admitted until all residents of Texas meeting the entrance requirements now in effect have been tendered a place in the first-year class, and have had reasonable opportunity to accept.

MEDICAL BRANCH

FINANCIAL STATUS, UNIT B, UNDER HHFA PROJECT TEX. 41-CH-11. --
Vice-President Dolley made a brief presentation of the financial status See Page 478
of the three additional dormitories and combination cafeteria, lounge and

housing building (known as Unit B) under HHFA Project Tex. 41-CH-11 for 1956-57:

Income	\$ 233,000.00
Expenses	<u>215,000.00</u>
Net Income Available	18,500.00
Debt Service Requirement	<u>140,000.00</u>
Amount Needed to Meet Debt Service Requirement	<u>\$121,500.00</u>

Unless income is increased, and this is not apparent, Vice-President Dolley stated he knew of no solution other than to invoke the parietal rules.

RECESS.--The Board recessed for lunch at 12:30 p. m.

ATTENDANCE.--The Board reconvened at 2:00 p. m. Mr. Lockwood was excused from the meeting because of important business. Messrs. John W. McCullough, John W. Harris, Ballinger Mills, William M. Morgan, V. W. McLeod, and Doctor Edward Randall, Jr., Directors of The Sealy and Smith Foundation of the John Sealy Hospital, came into the meeting.

JOINT MEETING WITH THE SEALY AND SMITH FOUNDATION; RESOLUTION RE PROPOSED NEW PSYCHIATRIC HOSPITAL.-- Chairman Jeffers expressed the pleasure of the Board of Regents for the opportunity of meeting jointly with the Directors of The Sealy and Smith Foundation. As spokesman for the Board, he reviewed the deliberations of the Board on Thursday regarding the proposed new psychiatric hospital at the Medical Branch and contingent upon the completion of the master plan. After these comments by Chairman Jeffers, the members of the two boards entered into a full and informal discussion of Medical Branch matters with particular attention to the proposal of The Sealy and Smith Foundation for a new psychiatric hospital. It was the consensus of both boards that in the final analysis the new hospital should depend upon the master plan. After due deliberation on both the financial and academic problems at the Medical Branch, the Board of Regents of The University of Texas and the Directors of The Sealy and Smith Foundation for the John Sealy Hospital were in agreement on the following resolution that had been drawn up by the Board of Regents:

See Page 478.

WHEREAS, a thorough study of the Medical Branch of The University of Texas is now in process under the direction of The Board of Regents and with the consulting services of James A. Hamilton Associates; and

WHEREAS, a major aim of this study is a Master Plan to be prepared by the University Consulting Architect, Page, Southerland and Page, to which expenditures, buildings, and programming in the future is to be related in consideration of final approval; and

WHEREAS, although there are manifestly urgent needs for replacement of antiquated and outmoded beds for psychiatric patients in numbers which may have importance

to the teaching programs, the design of replacement-beds involves planning and essential data unavailable at this stage of the over-all study; and

WHEREAS, regardless of the final decision as to numbers, design and location of these beds and related services and as to their integration into an over-all plan, the opportunity for their financial support this year will lapse in a few weeks;

The Board of Regents agrees to support the request of The Sealy and Smith Foundation to the State Board of Health for \$1,000,000 in matching funds for a teaching research and psychiatric service unit of 150 beds or less, under the following conditions:

1. That the project be physically designed and located so as to be completely integrated in the over-all Master Plan as developed by the University consulting architect and by Hamilton Associates and as approved by the Board of Regents.
 2. That an architect and a hospital consultant approved by the University shall be engaged by the Foundation and that the hospital consultant and the architect shall consult with the Director of the Medical Branch, and the University Comptroller and the University Consulting Architect in the development of the plans and specifications which shall be approved by the Foundation and by the Board of Regents.
 3. That the total cost of construction shall include the cost of additional or expanded supportive facilities needed to serve the new psychiatric hospital.
 4. That the new facilities be designed so that they could be reasonably altered for use in other medical in-patient services, if such appears to be desirable.
 5. That the hospital be operated by the University for pay patients at no cost to it and be integrated into the over-all hospital and educational activities of the Medical Branch, with any deficit to be assumed by the Foundation.
- That both the gross and net income from the operation of this building, as determined by the cost records of the Medical Branch, shall be income of the Foundation; provided, however, that such net income shall be given by the Foundation to the Medical Branch, after deduction of not more than a 5% return on the capital funds invested by the Foundation in this project.
6. That the foundation be informed that the agreement to support the Foundation in the filing of Part One of the application for Hill-Burton funds is not tantamount to a commitment to build.

It was pointed out that this resolution was written in an effort to arrive at some statement on which all members of the Board could agree. Mr. Hardie, joined by the other members of the Board, expressed to the Directors full appreciation for their cooperation and help. To this statement President Wilson added, "You are our most valuable asset."

ADJOURNMENT. --The Board adjourned at 5:00 p. m.

Betty Anne Thedford
Betty Anne Thedford
Secretary

TABULATION OF BIDS

ADDITION AND ALTERATIONS TO THE STUDENT UNION BUILDING
TEXAS WESTERN COLLEGE10:30 A. M., Central Standard Time
Tuesday, November 19, 1957

	<u>C. H. Leavell & Company</u>	<u>R. E. McKee</u>	<u>J. E. Morgan & Sons</u>	<u>Ponsford Brothers</u>
Base Bid	Bond 5%	Bond \$35,000 Bond \$35,000 Bond \$35,000	Bond 5%	Bond 5%
Lot-1	\$557,009	\$557,900	\$560,455	\$580,000
Lot-2 Owner				
Furn.	5,181	5,490	5,325	5,300
Cont. Furn.	18,039	18,610	17,840	18,300
Owner & Cont.				
Furn.	23,220	24,100	23,165	23,600
Lot-3	10,732	10,680	10,484	10,740
Lot-4	4,935	4,970	4,882	5,000
Lot-5	17,624	17,990	18,059	17,340
Alt. -1 Add	583	435	558	820
Alt. -2 Add	3,392	3,400	3,380	3,740
Alt. -3 Add	1,617	1,770	1,694	1,620
Alt. -4 Add	2,365	2,410	2,530	2,430
Alt. -5 Add	3,327	3,390	3,516	3,340
Alt. -6 Add	3,575	3,700	3,780	3,700
Alt. -7 Add	4,312	4,810	4,745	5,000
Alt. -8 Add	1,156	1,120	1,211	1,160
Alt. -9 Add	641	1,070	1,385	1,470
Alt. -10 Add	1,721	2,050	1,803	1,720
Alt. -11 Add	1,496	1,750	1,568	1,500
Alt. -12 Add	5,454	4,170	4,506	5,900
Alt. -13 Add	3,675	3,610	3,705	3,540
Alt. -A	- 385	/ 2,530	/ 4,500	- 400