

OMISSION

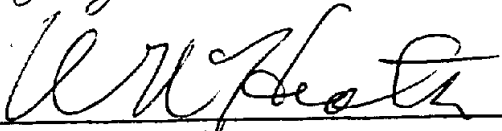
Pages 1459-1619, 1716-1910

A. Ruth Baker

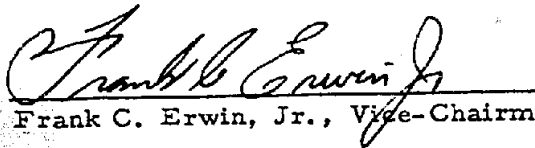
SIGNATURE OF OPERATOR

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

Signed this the 9 day of July, 1966, A.D.



W. W. Heath, Chairman



Frank C. Erwin, Jr., Vice-Chairman

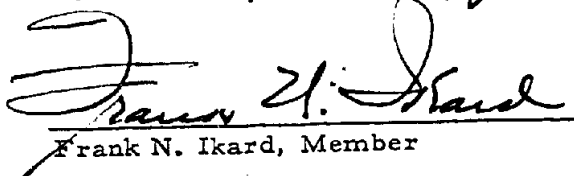
W. H. Bauer, Member



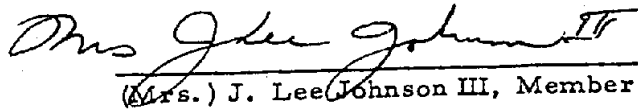
Walter P. Brennan, Member



H. F. Connally, Jr., M. D., Member



Frank N. Ikard, Member



(Mrs.) J. Lee Johnson III, Member



Jack S. Josey, Member



Levi A. Olan, Member

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MEETING NO. 644

FRIDAY, JULY 8, 1966.-- The Board of Regents convened at 9:00 a. m. in regular session in Room 212, Main Building.

ATTENDANCE:

<u>Present</u>	<u>Absent</u>
Chairman Heath, Presiding	Regent Bauer *
Vice-Chairman Erwin	
Regent Brenan	
Regent Connally	
Regent Ikard	
Regent (Mrs.) Johnson	
Regent Josey (See Page <u>42</u> .)	
Regent Olan	
 Chancellor Ransom	
Secretary Thedford	

Also present among the University personnel were the following:

** Vice-Chancellors Dolley, Hackerman and Vowell
 Vice-Chancellors Elect Landrum, LeMaistre, and Walker
 Budget Officer Graydon, Endowment Officer Stewart, Comptroller Sparenberg, University Attorney Waldrep
 Institutional Heads: Doctors Arnim, Blocker, Clark, Gill, Olson, Pannill, Ray, Taylor, and Woolf

INVOCATION.-- Regent Olan offered the invocation.

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS, PERMANENT UNIVERSITY FUND BONDS, SERIES 1966, \$11,000,000: RESOLUTION AUTHORIZING ISSUANCE AND SALE.-- The following resolution as prepared by the Bond Counsel authorizing the issuance and sale of the Board of Regents of The University of Texas Permanent University Fund Bonds, Series 1966, in the amount of \$11,000,000, to a syndicate with Halsey, Stuart & Company, Inc., and The First Boston Corporation as Managers, and Associates, at the price of par and accrued interest to date of delivery plus a premium of \$4,048 at the rates of interest set out in the resolution on Page 6 was duly introduced for the consideration of said Board and read in full. Regent Ikard made a motion that the resolution be adopted as read. Regent Brenan seconded the motion for adoption of the resolution. The motion carrying with it said adoption of the resolution prevailed by the following vote:

AYES: Chairman Heath, Vice-Chairman Erwin, and Regents Brenan, Connally, Ikard, Johnson, Josey, and Olan.

NOES: None

* Regent Bauer was excused from the meeting because of important business.

** Vice-Chancellor Haskew was absent because of illness.

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

RESOLUTION

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

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

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

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

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

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

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

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

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

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

and

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

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

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

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

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

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

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

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

SECTION 1:

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

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SECTION 2:

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

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

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

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

SECTION 3:

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

- Bonds Nos. 1 to 649, both inclusive, 4.50%,
- Bonds Nos. 650 to 748, both inclusive, 3.90%,
- Bonds Nos. 749 to 1551, both inclusive, 3.70%,
- Bonds Nos. 1552 to 2200, both inclusive, 3.75%,

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

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

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

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

SECTION 6:

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

No. _____ \$5,000

UNITED STATES OF AMERICA
STATE OF TEXAS

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

SERIES 1966

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

FIVE THOUSAND DOLLARS

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

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

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

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

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

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

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

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

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

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

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

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

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS

Secretary

Chairman

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

No. _____ \$ _____

ON THE 1ST DAY OF _____, 19____,* THE BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS PROMISES TO PAY TO BEARER, solely out of the fund specified in the bond to which this coupon appertains, without exchange or collection charges, at _____, _____, Texas, or, at the option of the holder, at _____, New York, New York, or at _____, Chicago, Illinois, THE SUM OF \$ _____, in lawful money of the United States of America, being interest due that date on Board of Regents of The University of Texas Permanent University Fund Bond, Series 1966, bearing the number hereinafter specified, dated July 1, 1966. Bond No. _____.

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS

 Secretary Chairman

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

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

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

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

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

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

6.04 - REGISTRATION OF BONDS BY STATE COMPTROLLER AND FORM OF

REGISTRATION CERTIFICATE: That each of said bonds shall be registered by the Comptroller of Public Accounts of the State of Texas, as provided by law, and the registration certificate of said Comptroller of Public Accounts shall be printed on the back of each of

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

OFFICE OF THE COMPTROLLER

REGISTER NO. _____

THE STATE OF TEXAS

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

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

Comptroller of Public Accounts
of the State of Texas

SECTION 7:

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

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

(b) University: The University of Texas.

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

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

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

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

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

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

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

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

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

SECTION 8:

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

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

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

SECTION 9:

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

9.02 - AVAILABILITY OF MONEYS AT PLACES OF PAYMENT:

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

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

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

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

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

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

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

SECTION 10:

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

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

SECTION 11:

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

SECTION 12:

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

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sale; that sealed bids have been received at a public sale of said bonds; that all of said bonds are hereby sold and shall be delivered as soon as practicable, in accordance with the terms of sale, to Halsey, Stuart & Company, Inc. and The First Boston Corporation
and Associates,

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

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

/s/ W. W. Heath

Chairman, Board of Regents,
The University of Texas

ATTEST:

/s/ Betty Anne Thedford

Secretary, Board of Regents,
The University of Texas

(SEAL)

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PERMANENT UNIVERSITY FUND BONDS, SERIES 1966, DESIGNATION OF PAYING AGENCY, TEXAS NATIONAL BANK OF COMMERCE OF HOUSTON -- It was moved by Regent Josey that the Texas National Bank of Commerce of Houston, Houston, Texas, be designated as the paying agent for the Board of Regents of The University of Texas Permanent University Fund Bonds, Series 1966, in the amount of \$11,000,000, with Bankers Trust Company of New York and Northern Trust Company of Chicago as co-paying agents. The Texas National Bank of Commerce of Houston, Houston, Texas, proposes to pay to the University the sum of \$4,500 for the privilege of serving as agent for this issue and will make no charge for payment of bonds and coupons. Regent Brenan seconded the motion which was unanimously adopted.

PERMANENT UNIVERSITY FUND BONDS, SERIES 1966, AWARD OF CONTRACT FOR PRINTING TO NORTHERN BANK NOTE COMPANY, CHICAGO, ILLINOIS. -- Upon motion of Regent Brenan, seconded by Regent Josey, the contract for printing the Board of Regents of The University of Texas Permanent University Fund Bonds, Series 1966, was awarded by unanimous vote to Northern Bank Note Company, Chicago, Illinois, for the sum of \$771, there being four interest rates. The bonds will have steel engraved borders.

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS - ARLINGTON STATE COLLEGE STUDENT FEE REVENUE BONDS, SERIES 1966 (SKILES ACT), IN THE AMOUNT OF \$1,100,000: RESOLUTION RE-ESTABLISHING BUILDING USE FEE. -- The following resolution (Pages 24 and 25) as prepared by the Bond Counsel re-establishing Building Use Fee at the Arlington State College was duly introduced for the consideration of said Board and read in full. It was then duly moved by Regent Brenan and seconded by Regent Josey that said resolution be adopted and, after due discussion, said motion, carrying with it the adoption of said resolution, prevailed and carried by the following vote

AYES: Chairman W. W. Heath
Vice-Chairman Frank C. Erwin, Jr.
Regent Walter P. Brenan
Regent H. F. Connally, Jr., M. D.
Regent Frank N. Ikard
Regent (Mrs.) J. Lee Johnson III
Regent Jack S. Josey
Regent Levi A. Olan

NOES: None

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

THE STATE OF TEXAS :

COUNTY OF TRAVIS :

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

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

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

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

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

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

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

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

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

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

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

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS - ARLINGTON STATE COLLEGE STUDENT FEE REVENUE BONDS, SERIES 1966 (SKILES ACT), \$1,100,000: RESOLUTION AUTHORIZING ISSUANCE AND SALE. -- The following resolution (Pages 26 - 37) as prepared by the Bond Counsel authorizing the issue of Arlington State College Student Fee Revenue Bonds, Series 1966 (Skiles Act), in the aggregate principal amount of \$1,100,000 and authorizing the sale of the bonds to Chemical Bank New York Trust Company, New York for the principal amount with accrued interest to the date of delivery plus a premium of \$100, was duly introduced for the consideration of said Board and read in full. It was then duly moved by Regent Brennan and seconded by Regent Ikard that said resolution be adopted; and, after due consideration, said motion, carrying with it the adoption of said resolution, prevailed and carried by the following vote:

AYES: Chairman Heath, Vice-Chairman Erwin, and Regents Brennan, Connally, Ikard, Johnson, Josey, and Olan.

NOES: None

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A RESOLUTION

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

THE STATE OF TEXAS :

COUNTY OF TRAVIS :

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

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

WHEREAS, the resolution adopted by the Board of Regents

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

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

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

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

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

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

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

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

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

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

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

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

NO. _____ \$5,000.00

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

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

FIVE THOUSAND DOLLARS

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

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

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

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

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

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

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

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

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

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

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

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

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS

By _____
Chairman

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ATTEST:

Secretary, Board of Regents
of The University of Texas

NO. _____

\$ _____

ON THE ____ DAY OF
_____, 19__

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

Bond No. _____.

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS

Secretary By _____ Chairman

OFFICE OF COMPTROLLER :

STATE OF TEXAS :

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

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

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

Comptroller of Public Accounts of the
State of Texas

(SEAL)

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

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

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

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

10. That the Chairman of the Board of Regents shall be authorized to take and have charge of all necessary records pertaining to the bonds pending investigation by the Attorney General of the State of Texas and registration by the Comptroller of Public Accounts of the State of Texas. Upon registration of said bonds, said Comptroller of Public Accounts (or a deputy designated in writing to act for said Comptroller) shall manually sign the Comptroller's certificate of registration prescribed herein to be printed on the back of each bond, and the seal of the Comptroller shall be impressed, or printed, or lithographed on each of said bonds.

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

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

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS - ARLINGTON STATE COLLEGE STUDENT FEE REVENUE BONDS, SERIES 1966 (SKILES ACT), DESIGNATION OF PAYING AGENCY, FORT WORTH NATIONAL BANK, FORT WORTH WITH CHEMICAL BANK NEW YORK TRUST COMPANY, NEW YORK AS CO-PAYING AGENT. -- Upon motion of Regent Brennan, seconded by Regent Ikard, it was unanimously adopted that the Fort Worth National Bank, Fort Worth, Texas, be designated as paying agent with the Chemical Bank New York Trust Company, New York, as co-paying agent for the Board of Regents of The University of Texas - Arlington State College Student Fee Revenue Bonds, Series 1966 (Skiles Act).

ARLINGTON STATE COLLEGE: POLICIES REAFFIRMED, SITE PLAN CONCEPT, OUTLINE OF DEVELOPMENT OF PLAN, INCREASE IN SIZE OF AND APPROPRIATION FOR ADMINISTRATION BUILDING, A STUDY OF CLASSROOM AND OFFICE BUILDING BY AND APPROPRIATION FOR CONSULTING ARCHITECTS, AND APPOINTMENT OF ENGINEERS YANDELL, COWAN, LOVE AND JACKSON FOR SURVEY OF CENTRAL HEATING AND COOLING PLANT. -- Due consideration was given to the "Plan for Physical Development of Arlington State College, Arlington, Texas," as prepared by Brooks, Barr, Graeber, and White, Consulting Architects, and Albert S. Komatsu and Associates, Associate Architects.

The following two policies relating to construction were reaffirmed without objection:

1. The need for classrooms, offices, and research space at Arlington is so great that it is the express intent of the Board of Regents that in the development of this site plan top priority shall be given to obtaining the maximum space with the funds available.
2. No construction plans of any air rights building shown in the site plan shall be developed until prior approval of the Board of Regents has been expressly obtained for such construction plans.

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Thereafter the plan as set out on Pages 39a & 40 was unanimously adopted upon motion of Vice-Chairman Erwin, seconded by Regent Brennan, as a site plan concept for the Arlington State College and the schedule below (Schedule A) was also adopted as an outline of the development of this plan with the understanding that this action does not appropriate any funds not heretofore appropriated by the Board.

SCHEDULE A

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

*The Board has already authorized the Business-Life Sciences, Faculty Office and Administration Buildings which are included under First Priority and the total estimated cost of Administration Building was amended at the meeting (Page 39, Item 1).

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Upon motion of Vice-Chairman Erwin, seconded by Regent Ikard, the following recommendations of the Administration as amended were unanimously approved:

1. Increase the authorization for the Administration Building from \$2,100,000 to \$2,415,000. This would permit an increase in the floor space to 115,000 square feet from the previously authorized 100,000 square feet. The recommendation is based upon completing the unfinished portion of the basement of the existing auditorium.
2. Authorize the consulting architects to work with the Administration and Faculty Building Committee in the preparation of a program of requirements for the Classroom and Office Building and recommend the site location in accordance with the Campus Development Plan and appropriate \$15,000 from unappropriated income for this study.
3. Appoint the firm of Yandell, Cowan, Love, and Jackson as engineers to make a survey of the needs for expansion of the Central Heating and Cooling Plant of Utilities Distribution Systems, etc., at Arlington State College. It is contemplated in the development of the Master Plan at Arlington State College that for this expansion there will be an expenditure of approximately \$1,185,000.

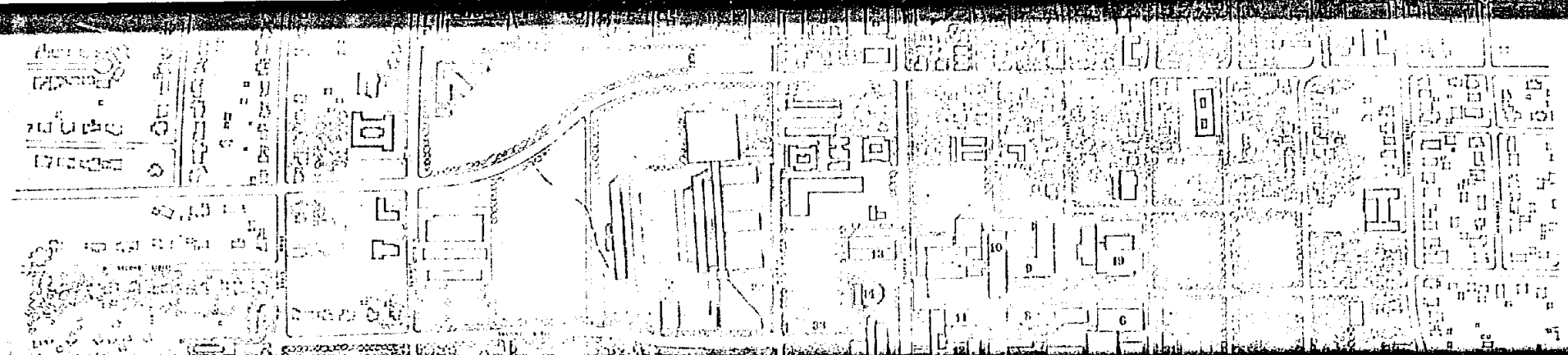
Appropriate \$10,000 from unappropriated income of Arlington State College to cover the cost of this engineering survey and authorize the Office of Facilities Planning and Construction to work out the terms of the contract for this survey with authority to Chairman Heath to sign the contract when approved as to context by Mr. Walker and as to form by Mr. Waldrep.

PROPOSED CAMPUS

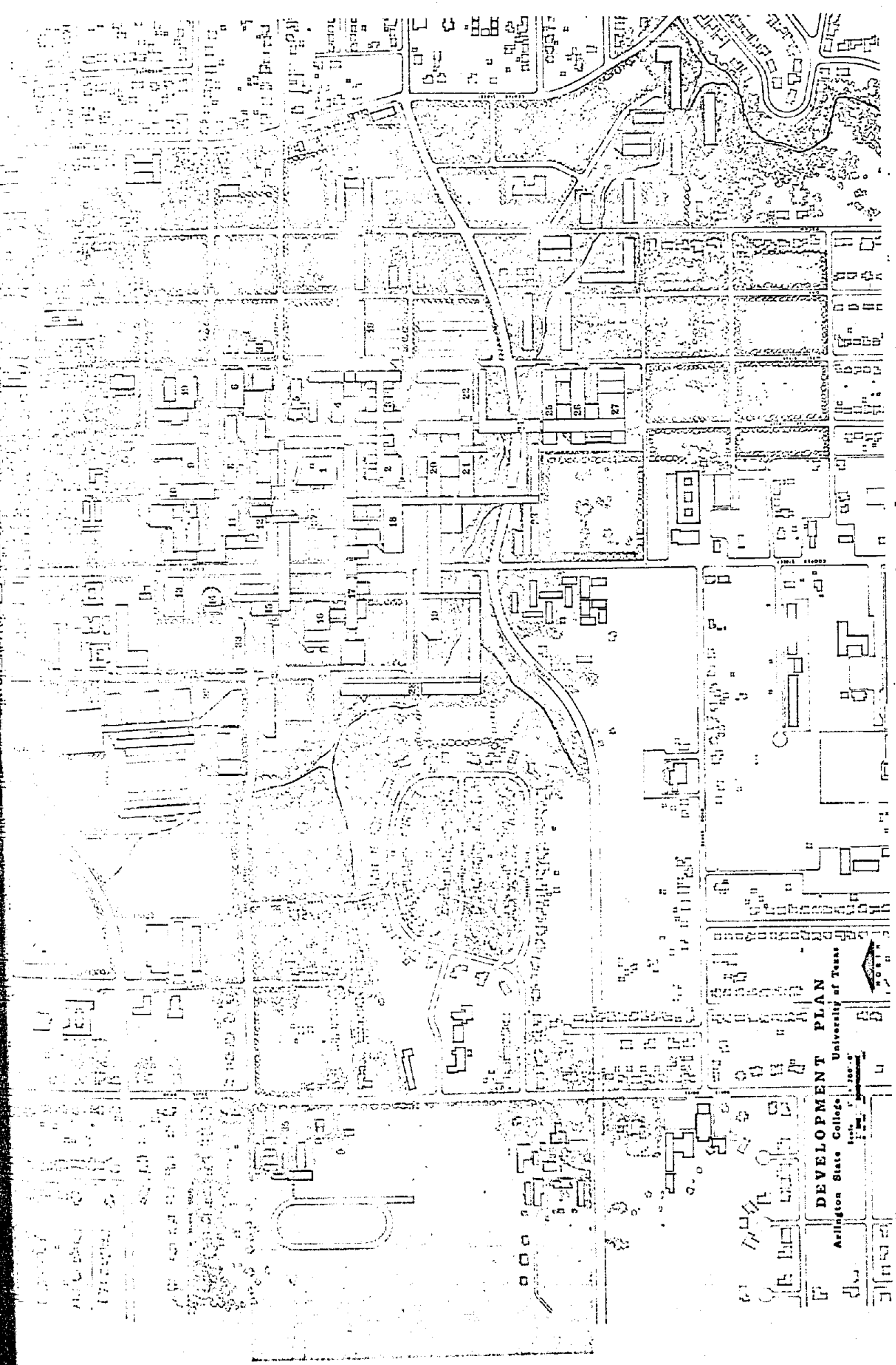
LEGEND

- | | |
|-------------------------------------|-----------------------------|
| 1. Library | 29. Research |
| 2. Biology | 30. Married Student Housing |
| 3. Business Administration | 31. Health Center |
| 4. Foreign Language | 32. Physical Education |
| 5. Mathematics | 33. Military Science |
| 6. Power Plant | 34. Technical Institute |
| 7. Faculty Offices | 35. Athletic Complex |
| 8. English | 36. Building & Grounds |
| 9. Engineering | 37. Quadrangle |
| 10. Engineering Research | 38. President's Home |
| 11. Chemistry | 39. Printing |
| 12. Geology | |
| 13. Drama-Speech | |
| 14. Theater | |
| 15. Physics | |
| 16. Auditorium | |
| 17. Administration | |
| 18. Lecture & Communications Center | |
| 19. Student Center | |
| 20. Philosophy & Religion | |
| 21. Psychology | |
| 22. Government and History | |
| 23. Sociology | |
| 24. Exhibition | |
| 25. Music | |
| 26. Painting | |
| 27. Planning and Architecture | |
| 28. Student housing | |

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- 26. Painting
- 27. Planning and Architecture
- 28. Student housing



DEVELOPMENT PLAN
 Angleton State College
 University of Texas
 1966

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SOUTHWESTERN MEDICAL SCHOOL: DEVELOPMENT OF SITE PLAN
 CONCEPT AND ADDITIONAL APPROPRIATIONS FROM PERMANENT
 UNIVERSITY FUND BOND PROCEEDS.--In order to implement the
 action taken in the adoption of the site plan concept for the development
 of the Southwestern Medical School campus and to make it possible to
 solicit private funds to carry out the plan, Vice-Chairman Erwin moved
 that the following schedule be approved in principle with the understanding
 (1) that it is subject to being amended from time to time as necessary
 and (2) that this approval does not commit anything more than the
 \$2,000,000 from Permanent University Fund Bond proceeds previously
 committed.

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

Regent Connally seconded the motion.

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After further discussion, an amendment was offered to appropriate \$500,000 in 1969-70 and \$850,000 in 1970-71 from Permanent University Fund Bonds proceeds: \$350,000 for the Animal Hospital, \$500,000 for remodeling Cary Building, \$250,000 for the Central Power Plant, and \$250,000 for site development (Items 6, 7, 8, 9, respectively, in Column 2 in the schedule above).

This amendment was accepted by Vice-Chairman Erwin and Regent Connally, and the motion as amended was unanimously adopted.

RECESSED.-- The Board of Regents recessed for the meetings of the standing committees to reconvene at 11:00 a. m. on Saturday, July 9, 1966.

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Saturday
July 9, 1966
11:00 a. m.

ATTENDANCE.-- The Board reassembled in regular session in Main Building, Room 212, with Chairman Heath presiding and the following in attendance: Vice-Chairman Erwin, Regent Brennan, Regent Connally, Regent Ikard, Regent (Mrs.) Johnson, and Regent Olan.

Regents Bauer and Josey were excused from the meeting because of important business. However, Regent Josey was in attendance at all meetings of the standing committees of which he is a member and of the Committee of the Whole.

Also present were Chancellor Ransom, Secretary Thedford, and Vice-Chancellors Dolley, Hackerman, and Vowell; Vice-Chancellors Elect Landrum, LeMaistre, and Walker; Budget Officer Graydon, Endowment Officer Stewart, Comptroller Sparenberg, and University Attorney Waldrep. The Institutional Heads were not present since all business relating to institutions out of Austin was completed on Friday.

APPROVAL OF MINUTES, MAY 27 - 28, 1966.-- The minutes for the meeting of the Board of Regents of The University of Texas held on May 27 - 28, 1966 were unanimously approved in the form as distributed by the Secretary upon motion of Vice-Chairman Erwin, seconded by Regent Brennan. These minutes appear in the Official Record, Volume XIII.

REPORTS OF STANDING COMMITTEES

REPORT OF INTERIM ACTIONS OF THE EXECUTIVE COMMITTEE
(See Page 54 for adoption.) -- Committee Chairman Brennan presented the following report of the items that had been submitted to and unanimously approved by the Executive Committee since the last meeting of the Board of Regents on May 28:

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

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

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

- (5) Main University: Permission to Doctor F. W. Roberts for Travel (2T-15). -- Permission was granted to Doctor F. W. Roberts, Director of Humanities Research Center, to go to New York and England from June 30 through September 2, 1966. Doctor Roberts will confer briefly about proposed activities in England while in New York and make contacts in the interest of the library development program at the University while in England. Doctor Roberts will be reimbursed \$183.60 from General Budget funds for his transportation within the United States. The transportation and expenses for his stay in England will be without expense to the University.
- (6) Main University: Permission to Doctor R. Malcolm Brown, Jr. for Travel (2T-16). -- Permission was granted to Doctor R. Malcolm Brown, Jr., Assistant Professor of Botany, to go to the Hawaiian Islands from July 1 through August 1, 1966 to conduct field studies on special project the University has with the University of Hawaii on drosophilidae. Doctor Brown's expenses to be reimbursed are \$400 for transportation and \$256 per diem (32 days) with the source of funds to come from grant funds.
- (7) Main University: Permission to Doctor Harold Palmer Hanson for Travel (2T-19). -- Permission was granted to Doctor Harold Palmer Hanson, Professor of Physics, to go to Oslo, Sweden; Glasgow, Scotland; Copenhagen, Denmark; Moscow, USSR; New York City, and Washington, D. C. from June 28 through August 6, 1966 to recruit faculty, to work with colleagues at the University of Oslo, and to give an invited paper at a special symposium arranged in connection with the meeting of the International Union of Crystallography in Moscow. Doctor Hanson will be reimbursed \$1,375 for transportation and \$600 per diem (40 days) with the United States' portion of his trip to come from state funds and the foreign, grant funds. *
- (8) M. D. Anderson Hospital and Tumor Institute: Permission to Doctor Robert J. Shalek for Travel (6T-5). -- Permission was granted to Doctor Robert J. Shalek, Physicist and Professor of Biophysics, to go (a) June 8-9 to the University of Cincinnati, Cincinnati, Ohio to consult with Doctor Theodore D. Sterling, Medical Computing Center, Kettering Laboratories and June 9 through June 12 to the Scientific Meeting of the American Association of Physics in Medicine, and Executive Board of the AAPM, to be held in Madison, Wisconsin with the expenses of both to be paid from state funds; (b) June 13 through 17 to the International Conference on the Use of Computers in Therapeutic Radiology, to be held at Cambridge University, Cambridge, England with expenses to be paid from Grant CA-06294; (c) June 18 through 24 to attend a panel meeting at the International Atomic Energy Agency, to be held in Vienna, Austria with expenses to be paid by the International Atomic Energy Agency; (d) June 25 to July 2 to attend the Third International Congress of Radiation Research, to be held in Cortina,

Approved as an emergency item in the Committee of the Whole Saturday morning, July 9, 1966.

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Italy with expenses to be paid from Atomic Energy Commission Grant AT-(40-1)-2832. At these meetings Doctor Shalek will present papers. Before returning to Houston, Doctor Shalek will go to Manchester, England from July 3 through July 9 where he will do experimental work on pulse radiolysis with enzyme systems together with Doctors Michael Ebert and Vernon Davies at the Paterson Laboratories with expenses to be paid by Grant CA-06294.

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

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

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

- c. Texas Student Publications, Inc. : Minutes of Meeting of Board of Directors and Specific Actions Thereby (42-M-65). -- The minutes of the meeting of the Board of Directors of Texas Student Publications, Inc., held on Thursday, April 28, 1966 were approved with the exception of the resolution concerning the authority of Appointment Committees for which a revised resolution was submitted to and approved by the Committee of the Whole (See Page 89 .), and thereby the following actions of the Texas Student Publications, Inc. Board were approved:

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

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(3) Approval of Awards as follows:

(a) Plaques and certificates for student workers:

The Daily Texan

Kaye Northcott, Editor
Bill Towery, Managing Editor, Fall 1965
Sam Keach, Managing Editor, Spring 1966
Larry Ikels, Assistant Managing Editor, 1965-66

Copper Plaque
Copper Plaque
Copper Plaque
Laminated Certificate
on Wood Plaque
Laminated Certificate
on Wood Plaque

Judy Burton, Outstanding Texan Worker

Gold Seal Certificates

Gloria Brown
John Economidy
Bill Halstead
Alicia Helton
Nancy Kowert

Carolyn Nichols
Will O'Hara
Susan Powell
Morris Shelton
Sara Speights

David Wiessler
Hank Ezell
Linda Leonard
Renee Fendrich

Certificate Awards

Lela Abernathy
John Anders
Carolyn Barkley
Janet Barkley
Richard Bond
Annie Brown
Paula Bullard
Paul Burka
Don Cox
Judith Croom
David DeVoss
Ronnie Ellis
John Erickson
Richard Filip
George Goss

Ann Hardy
Jane Haun
Don Hunt
Larry Jackson
Lynnell Jackson
Sue Jankovsky
Virgil Johnson
Eva Matula
Ray Montemayor
Lanny Naegelin
Jim Overton
Robert Hinkle
Robert Parks
Don Pannen
Linda Pendley

Dan Rice
Dean Rindy
Sharon Shelton
Suzanne Shelton
Lesley Sims
Linda Slavik
Deane Spiller
John Stalmach
J. L. Webb
Elliott West
Dave Wilson
Ann Watson
Art Yarborough
Bill Cryer
Edward Fowler

The Texas Ranger

Clint Dare, Editor, Fall 1965
Byron Black, Editor, Spring 1966

Framed Certificate
Copper Plaque

Gold Seal Certificates

Danny Stanwood
Ronnie Ellis

Virginia Gilcrease
Gary Bullock

Jerry Greenberg
Carl Clover

Certificate Awards

Charles Dent
Robert Burns

Richard Ulrich
Don Passman

Dave Wilson
Jerry Narahara

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Riata

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

Certificate
Certificate

Gold Seal Certificates

Terry Anderson

Barbara Whitehead

Certificate Awards

Jack Steele

Roxy Gordon

Texas Engineering and Science Magazine

Joe Sullivan, Editor

Copper Plaque

Gold Seal Certificates

Dave Wilson
Dwight Monteith

John R. LaMontagne
Page Piland

Gil Johnston
John Goodman

Certificate Awards

Jeanne Amacker
Don Hartman
Richard Schroeder

Jim Rash
Skip Jones

Karen Kummer
Pat Martin

Cactus

Lyn Reeder, Editor
Carol Cooke, Associate Editor

Copper Plaque
Laminated Certificate
on Wood Plaque

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

Kay Hartong -- Outstanding Section Editor

Framed Certificate

Diana Boland
Pat Bowers
Sara Broyles
Judith Groom

Joyce Darling
Jarrie Davis
Linda Haston
Janis Hughen

Gwen Richardson
David Shull
Dick Smith
Sharon Valenti

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

Lafe Hill -- Outstanding First Year Worker

Framed Certificate

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

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

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

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(b) Texas Engineering and Science Magazine awards:

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

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

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

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

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

Wage Positions

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

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

CENTRAL ADMINISTRATION

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

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MAIN UNIVERSITY

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

MAIN UNIVERSITY

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

TEXAS WESTERN COLLEGE

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

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ARLINGTON STATE COLLEGE

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

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SOUTHWESTERN MEDICAL SCHOOL

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

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M. D. ANDERSON HOSPITAL AND TUMOR INSTITUTE

Item No.	Explanation	Present Status	Proposed Status	Effective Dates
15.	Joseph G. Sinkovics Medical Staff-Medicine	Associate Internist, Associate Professor	Associate Internist, Associate Professor	
	Salary Rate	\$21,000	\$22,000	6/1/66
	Source of Funds: NCI Research Career Development Award			
16.	Wataru W. Sutow Medical Staff-Medicine	Associate Pediatrician, Associate Professor	Associate Pediatrician, Associate Professor	
	Research-Develop- mental Therapeutics	Associate Pediatrician, Associate Professor	Associate Pediatrician, Associate Professor	
	Salary Rate	\$23,000	\$24,000	6/1/66
	Source of Funds: NCI Research Career Development Award			
17.	Herman D. Suit Medical Staff- Radiology	Associate Radio- therapist, Associate Professor	Associate Radio- therapist, Associate Professor	
	Salary Rate	\$23,500	\$25,000	6/1/66
	Source of Funds: NCI Research Career Development Award			
18.	Travis E. Stubblefield Research-Experimental Cytology	Assistant Biologist, Assistant Professor	Assistant Biologist, Assistant Professor	
	Salary Rate	\$11,000	\$12,000	6/1/66
	Source of Funds: Reserve for Salaries			
e.	<u>Transfers from Available University Fund to the Office of Secretary of Board of Regents for Travel Account and Clerical Assistants Account.</u> -- The Executive Committee also recommends that there be transferred from the Available University Fund to the Office of the Secretary of the Board of Regents \$2000 for the Travel Expense account and \$900 for the Clerical Assistants Account.			

Adoption of Report. -- Regent Brenan moved that the action of the Executive Committee as set out in the foregoing report of that committee be in all things approved, confirmed, and ratified. Regent Ikard seconded the motion which unanimously prevailed.

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REPORT OF ACADEMIC AND DEVELOPMENTAL AFFAIRS COMMITTEE
(See Page 57 for adoption.) -- The following report of the Academic and
Developmental Affairs Committee was presented by Committee Chairman
Olan:

On Friday, July 8, the Academic and Developmental Affairs Committee
approved the following recommendations of the Administration and sub-
mits them to the Board for its consideration:

1. Main University: Request to Coordinating Board, Texas College and
University System for Major in Italian Under the Bachelor of Arts
Degree, Plan I, and Authorization for Catalog to so Conform. -- It is
recommended that the Administration be authorized to request
approval of the Coordinating Board, Texas College and University
System for the establishment of a major in Italian under the degree
of Bachelor of Arts, Plan I, and that the College of Arts and Sciences
Catalog include the requirements for the major in Italian as approved
by the General Faculty.
2. Graduate School: Credit for Work Taken Prior to Admission. -- It is
recommended that after September 1, 1966, students who have com-
pleted a baccalaureate degree and have subsequently registered as
special students in undergraduate colleges not be permitted to list
any of the work taken prior to admission to the Graduate School in
degree programs at either the master's or doctoral level, without
specific approval of the Graduate Studies Committee and the Gradu-
ate Dean.
3. Main University: Appointment of Faculty Members to Athletic Coun-
cil. -- It is recommended that Charles A. Wright, who is the Charles
T. McCormick Professor of Law, be approved as a faculty member
of the Athletic Council to fill the vacancy created by the expiration
of the term of Joe B. Frantz.

In order to establish the membership of the Athletic Council accord-
ing to the revision approved in July, 1965, the faculty members of
the Athletic Council, effective September 1, 1966, will be:

<u>Member</u>	<u>Length of Term</u>
J. Neils Thompson, Chairman	At the Pleasure of the Board
W. T. Guy	One Year
Orville Wyss	Two Years
F. R. Hodge	Three Years
Charles A. Wright	Four Years

4. Central Administration and Medical Branch: Dual Positions by
Administration Authorized. -- Pursuant to Section 33, Article XVI
of the Constitution of the State of Texas, it is recommended that
the following Resolution be adopted with respect to each of the

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below listed members of the Administration of The University of Texas in connection with his service on each of the State or Federal boards or commissions opposite his name:

Resolution

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

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

"1. That the said (the name of the individual) be, and he is hereby, directed and required by the Board of Regents to serve as (the capacity in which he is serving on a state or federal board or commission) until he no longer has an opportunity to do so or until this direction and requirement is amended or revoked by the Board of Regents;

"2. That the said (the name of the individual) be, and he is hereby, directed and required by the Board of Regents to serve as (the capacity in which he is serving on a state or federal board or commission) as a duty of his employment by The University of Texas, and such duty shall be in addition to all other duties that have been or may hereafter be assigned or required of him by the Board of Regents;

"3. That the Board of Regents finds that (the name of the individual)'s service as (the capacity in which he is serving on a state or federal board or commission) is, and will continue to be, fully and entirely compatible with his employment by The University of Texas;

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

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

Central Administration

<u>Name</u>	<u>Classification</u>	<u>Board or Commission</u>
Harry Ransom	Chancellor, The University of Texas	Member - National Advisory Council on Education for Health Professions, Public Health Service

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Raymond Vowell Vice-Chancellor for
Public Affairs, The
University of Texas

Member-President's
Committee on Mental
Retardation

The University of Texas Medical Branch

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

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

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

Following the completion of the items on the Agenda, the Committee considered the subject of the community of scholars and teachers as they exist on the campus, and how they communicate with one another. The Committee recognizes that academic interaction has become very difficult and means should be provided whereby they can talk to one another. Faculty clubs, faculty lounges and like things should be explored in order to create an atmosphere in which there is scholarly communication.

Adoption of Report. --Regent Olan moved adoption of the foregoing report of the Academic and Developmental Affairs Committee. The motion was seconded by Regent Johnson and unanimously adopted.

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REPORT OF (1) JOINT MEETING OF BUILDINGS AND GROUNDS COMMITTEE AND MEDICAL AFFAIRS COMMITTEE AND (2) BUILDINGS AND GROUNDS COMMITTEE (See Page 62 for adoption.) -- Committee Chairman Johnson presented the (1) joint report of the Buildings and Grounds Committee and the Medical Affairs Committee and (2) report of the Buildings and Grounds Committee, as set out below

The Buildings and Grounds Committee and the Medical Affairs Committee approved the following recommendations:

1. M. D. Anderson Hospital and Tumor Institute: Approval of Increase in Purchase Order for Operating Lights. -- It is recommended that the Board approve adding two additional Castle L-800 Twin Track Major Operating Lights at \$1,615.00 each, or a total of \$3,230.00, to the purchase order to Wilmot-Castle Company approved by the Board at the last meeting (May 28-29, 1966).
2. Southwestern Medical School: Approval of Preliminary Plans for Permanent Addition to the Physical Plant Building. -- It is recommended that the Board approve the preliminary plans and outline specifications for the Permanent Addition to the Physical Plant Building at Southwestern Medical School to serve temporarily as an Administration Building, as prepared by Brooks, Barr, Graeber, and White, and that upon receipt of approval by the Governor of the appointment of Brooks, Barr, Graeber, and White as Associate Architects for the project, they be authorized to proceed with the preparation of working drawings and specifications, these final plans and specifications to be presented to the Board for approval at a later meeting.
3. Medical Branch: Approval of Plans and Specifications for Relocation of Emergency Drive on Campus and Cooling Tower for John Sealy Hospital. -- It is recommended that the Board approve the plans and specifications for the relocation of the Emergency Drive on Campus and the Cooling Tower for the John Sealy Hospital at the Medical Branch as prepared by Bovay Engineers, Inc., with authority to E. D. Walker to advertise for bids to be presented to the Board for consideration at a later meeting.
4. Medical Branch: Demolition of the Preventive Medicine and Public Health Building. -- It is recommended that the Preventive Medicine and Public Health Building at the Medical Branch, which is unoccupied at the present, and will need to be demolished in order to make room for the Laundry Expansion, be torn down by the Medical Branch Physical Plant staff, and that whatever materials can be used in the maintenance of some of the other frame buildings at the Medical Branch be salvaged for such use.

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The Buildings and Grounds Committee approved the following recommendations and presents them to the Board for consideration:

Central Administration: Renovation of Regents' Room. --It is recommended that an appropriation of \$9,000.00 be made from the Available University Fund to cover certain portions of work involved in renovating and refurbishing the Regents' Room as follows:

Acoustical treatment to wall behind fabric	\$2,600.00
New wall fabric in place	1,800.00
New draperies	3,000.00
Painting	1,200.00
Contingency	400.00
	<hr/>
Total Estimated Cost	9,000.00
	<hr/> <hr/>

Main University. Ratification of Award of Contract for Men's Intramural Athletic Facilities. --It is recommended that the Board ratify the contract award for construction of Men's Intramural Athletic Facilities at the Main University made by the Special Committee to the low bidder, J. C. Evans Construction Company, Inc., Austin, Texas, in the amount of \$28,014.00.

Main University. Ratification of Award of Contract for Roof Repairs for Andrews, Carothers, and Littlefield Dormitories and Brackenridge, Roberts, and Prather Halls. --It is recommended that the Board ratify the contract award for Roof Repairs for Andrews, Carothers, and Littlefield Dormitories and Brackenridge, Roberts, and Prather Halls at the Main University made by the Special Committee to the low bidder, Acme Roofing Company, Austin, Texas, in the amount of \$73,919.00.

Main University. Approval of Revised Preliminary Plans for Thompson Conference Center. --It is recommended that the revised preliminary plans for the Thompson Conference Center at the Main University as prepared by the Associate Architects, J. Herschel Fisher and Pat Y. Spillman, be approved by the Board, with authorization to the Associate Architects to prepare working drawings and specifications based on these revised preliminary plans, the final plans and specifications to be presented to the Board for approval at a later meeting.

Main University: Acceptance of National Science Foundation Grant, No. GB-4928 and the Appointment of William B. Ogletree as Professional Engineer for Experimental Ponds for Marine Studies at Marine Science Institute. --It is recommended that National Science

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Foundation Grant No. GB-4928 in the amount of \$43,900.00 for Construction of Experimental Ponds for Marine Studies at the Institute of Marine Science, Port Aransas, Texas, be accepted; that an account for \$43,900.00 for this project be set up on the University's books; and that William B. Ogletree, Professional Engineer of Corpus Christi, Texas, be appointed to prepare the plans and specifications for the construction of these ponds at a fee of 6% to come from the grant of \$43,900.00, these plans and specifications to be submitted to the Board for approval at a later meeting.

6. Arlington State College: Approval of Final Plans and Specifications for Addition to Gymnasium. -- It is recommended that the final plans and specifications for the Addition to the Gymnasium at Arlington State College as prepared by the Associate Architect, Preston M. Geren, be approved and that E. D. Walker be given authority to advertise for bids to be presented to the Board for consideration at a later meeting.
7. Arlington State College: Appropriation and Authorization for Plans and Specifications for Additional Parking Lot Along South Davis Drive -- It is recommended that an appropriation of \$8,000.00 be made from Arlington State College Account No. 40-344, Parking Facilities, for an additional parking lot along South Davis Drive at Arlington State College to serve the West Campus area. It is further recommended that the Superintendent of the Physical Plant at Arlington be authorized to prepare the plans and specifications and that the Office of Facilities Planning and Construction be authorized to approve the plans and specifications and advertise for bids, these bids to be presented to the Board for consideration at a later meeting.
8. Main University: Liquidated Damages Against McCarty-Conley Company on Contract for Modernization and Remodeling of R.O.T.C. Building, R.O.T.C. Rifle Range Building, Speech Building, Service Building, Main Building Tower and Petroleum Engineering Building; Future Bids from McCarty-Conley Not Acceptable. -- It is recommended that liquidated damages in the amount of \$11,300.00 be assessed against McCarty-Conley Company, the contractor for the Modernization and Remodeling of the R.O.T.C. Building, R.O.T.C. Rifle Range Building, Speech Building, Service Building, Main Building Tower, and Petroleum Engineering Building at the Main University. It is further recommended that the Board instruct the Director of the Office of Facilities Planning and Construction to notify McCarty-Conley Company that future bids submitted by the company will not be accepted nor will the company be acceptable as a sub-contractor under a general contractor on any future University work.
9. Main University: Approval of Final Plans and Specifications for Women's Cooperative Housing. -- No action was taken with reference to the final plans and specifications for the Women's Cooperative Housing.

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10. Main University: Approval of Increase in Appropriation for and Size of Warehouse on Brackenridge Tract for Housing and Food Service and Authorization for Working Drawings and Specifications Thereof. --It is recommended that approval be given to increasing the size of the proposed warehouse on the Brackenridge Tract for Housing and Food Service from 15,000 square feet to 21,000 square feet, which would increase the estimated cost from \$60,000.00 to \$95,000.00. It is further recommended that an appropriation of \$95,000.00 be made for this project from Account No. 28-8328-F - Reserve - Division of Housing and Food Service - Major Repairs, Remodeling and Replacements, and Operating Reserve, with authorization for the Main University Physical Plant staff to prepare working drawings and specifications based on the increased size of the building, these final plans and specifications to be presented to the Board for consideration at a later meeting.
11. Main University: Approval of Final Plans and Specifications for Dome and Building to House 105-Inch Telescope at W. J. McDonald Observatory. --It is recommended that the final plans and specifications for the Dome and Building to House the 105-Inch Telescope at W. J. McDonald Observatory as prepared by the Engineers on the project, Charles W. Jones Engineering, be approved by the Board and that E. D. Walker be authorized to advertise for bids on the project. These bids will be presented to the Board for consideration at a later meeting.
12. Main University, Branch Business Office at Memorial Stadium: Provisional Authorization, Appropriation, and Special Committee. --It is recommended (a) that the Board approve preliminary plans which have been prepared for a Branch Business Office at Memorial Stadium at the Main University, subject to their approval by the Athletic Council; (b) that the Board authorize the expenditure of not more than \$12,000.00 from Athletic Council funds for this project; and (c) that a Committee composed of G. W. Landrum, E. D. Walker, and J. H. Colvin be authorized to approve changes and modifications in the plan so long as the changes and modifications do not increase the cost beyond \$12,000.00, to prepare bid specifications on any part of the work that is to be done by persons other than the Main University Physical Plant staff, and to award contracts for such work as may be awarded under bids.
13. Arlington State College: Award of Contract for Repair and Remodeling of Administration Building to Burden Brothers, Dallas, Texas, and Additional Appropriation for Engineer's Fees, Etc. --It is recommended that a contract award on Repair and Remodeling of the Administration Building at Arlington State College be made to the low bidder, as follows:

Burden Brothers	\$82,000.00
Dallas, Texas	

It is further recommended that an appropriation of \$12,000.00 be

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made from Arlington State College Account No. 0175 - Unappropriated Income to be added to the Legislative Appropriation of \$75,092.00 for this project to cover this contract award, Engineer's Fees thereon, and miscellaneous expenses.

14. Arlington State College: Approval of Preliminary Plans for Business-Life Science Building (Originally Referred to as New Classroom Building). --Action was deferred until a later meeting on preliminary plans for Business-Life Science Building at Arlington State College, originally referred to as the New Classroom Building.

15. System-Wide: Selection of Associate Architects on (1) Faculty Office Building at Arlington State College (2) Administration Building at Arlington State College (3) Business-Life Science Building at Arlington State College and (4) Basic Sciences Research Building at Southwestern Medical School. --It is recommended that Associate Architects be appointed as follows:

Faculty Office Building at Arlington State College -
Hueppelsheuser and White, Fort Worth, Texas

Administration Building at Arlington State College -
J. Herschel Fisher and Pat Y. Spillman, Dallas, Texas

Business-Life Science Building at Arlington State College -
Harwood K. Smith and Partners, Dallas, Texas

Basic Sciences Research Building at Southwestern Medical School - George L. Dahl, Inc., Dallas, Texas

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

Adoption of Report. --On motion of Regent Johnson, seconded by Regent Connally, the foregoing report of the joint meeting of the Buildings and Grounds Committee and the Medical Affairs Committee and the report of the Buildings and Grounds Committee were unanimously adopted.

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REPORT OF LAND AND INVESTMENT COMMITTEE (See Page 79 for adoption.) -- Committee Chairman Erwin presented the following report of the Land and Investment Committee and recommended that the Committee actions be ratified and that the Chairman be authorized to execute the appropriate instruments when approved as to form by the University Attorney and as to content by the Endowment Officer.

I. Permanent University Fund

A. Investment Matters

1. Report of Purchases and Sale of Securities: The report of purchases of securities from May 2 through June 14, 1966, and of a sale on May 24, 1966, was approved as follows:

PURCHASES OF SECURITIES

CORPORATE BONDS

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

COMMON STOCKS

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

*Includes brokerage commissions paid.

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

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COMMON STOCKS (Continued)

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

*Includes brokerage commissions paid.

**Yield at present indicated dividend rates.

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COMMON STOCKS (Continued)

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

*Includes brokerage commissions paid.
**Yield at present indicated dividend rates.

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COMMON STOCKS (Continued)

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

*Includes brokerage commissions paid.

**Yield at present indicated dividend rates.

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COMMON STOCKS (Continued)

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

*Includes brokerage commissions paid.

**Yield at present indicated dividend rates.

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SALE OF CORPORATE SECURITIES

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

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

2. Successor to Investment Advisory Committee Member Whose Term Expires August 31, 1966. -- Approval was given for the appointment of Mr. Jack G. Taylor, of Houston, Texas, former University Endowment Officer, as a member of the Investment Advisory Committee for a four year term beginning September 1, 1966 and ending August 31, 1970. Mr. Taylor will succeed Mr. P. B. (Jack) Garrett, Vice-Chairman of the Board of the Texas Bank and Trust Company of Dallas whose term expires August 31, 1966.

Other members of the Investment Advisory Committee are:

Name	Expiration of Term
Robert B. Stewart Senior Vice-President Bank of the Southwest Houston, Texas	August 31, 1967
Murray Kyger Chairman of the Board The First National Bank of Fort Worth Fort Worth, Texas	August 31, 1968
Raymond R. Todd Vice-President and Trust Officer The Capital National Bank in Austin Austin, Texas	August 31, 1969

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B. Land Matters

1. Surface Leases and Easements (Nos. 2239 - 2252), Material Source Permits (Nos. 299 - 302), and Water Contract No. 118. -- Surface Leases and Easements, Material Source Permits, and Water Contract No. 118 were approved as follows: (All are at the standard rates, unless otherwise stated; all are on the University's standard forms; all payments for easements and leases have been received in advance, unless otherwise stated; and all have been approved as to form by the University Attorney and as to content by the Endowment Officer.)

EASEMENTS AND SURFACE LEASES

NO.	GRANTEE	TYPE OF PERMIT	COUNTY	LOCATION	DISTANCE OR AREA	PERIOD	CONSIDERATION
2239	Admiral Crude Oil Corp.	Surface Lease (unloading site)	Crane	Block 30	150' x 300'	1/1/66 - 12/31/66	\$ 50.00*
2240	Phillips Petroleum Co. (renewal of 849)	Pipe Line	Crane & Upton	Block 30	224.0 rds 3 1/2" 524.3 rds 12-3/4"	8/1/66 - 7/31/76	898.45
2241	A-1 Engineering and Construction Co., Inc.	Surface Lease (business site)	Reagan	Block 11	200' x 340'	8/1/66 - 7/31/67	300.00*
2242	El Paso Natural Gas Co.	Pipe Line	Upton	Block 3	977.46 rds 4 1/2"	6/1/66 - 5/31/76	488.73
2243	Magnolia Pipe Line Co.	Pipe Line	Andrews	Block 5	572.1 rds 4 1/2"	5/1/66 - 4/30/76	286.05
2244	El Paso Natural Gas Co.	Pipe Line	Crockett	Block 46	259.03 rds 6-5/8"	5/1/66 - 4/30/76	259.03
2245	Atlantic Pipe Line Co.	Pipe Line	Crane	Block 31	69.0 rds 4"	5/1/66 - 4/30/76	50.00 (Min)

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EASEMENTS AND SURFACE LEASES - Continued

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

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

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MATERIAL SOURCE PERMITS

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

WATER CONTRACTS

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

3. Assignment of Grazing Leases Nos. 850 and 969, Pecos County, from Mrs. Elsie N. Hawkins to W. Otis Grubb and J. Shannon Grubb, a Partnership. -- Approval was given for the assignment of the following grazing leases from Mrs. Elsie N. Hawkins to W. Otis Grubb and J. Shannon Grubb, a Partnership:

Grazing Lease No. 850, granted to E. L. Hawkins, now deceased, for the period July 1, 1962 through June 30, 1967, covering 4,512.2 acres in Blocks 27 and 28, Pecos County. Annual rental is \$.30 per acre, payable semi-annually in the amount of \$676.83.

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

The University has received \$501.71, one-half of the bonus received by Mrs. Hawkins in the assignments.

4. Water Exploration Permit No. 89, Horizon Properties Corporation, Block L, University Lands, El Paso County. -- Approval was given to the agreement, in the nature of an extension of Water Exploration Permit No. 89, which covers approximately 12,532.7 acres in Block L, El Paso County. The extension will run from October 1, 1966 for 5 years and Horizon will pay the University \$.10 per acre annually, a total of \$1,253.27. The agreement gives the Corporation the right to explore for water and the prior right to negotiate a water lease so long as the exploration permit is in effect. Any such lease will provide for royalty to the University of 3-1/2¢ per thousand gallons or 1/8 of Horizon's wholesale water price, whichever is greater but not less than \$500 per month. Should the University receive a bona fide offer to explore for and produce water from any part of the land covered by the permit during the term of the agreement, Horizon will be notified and given 30 days in which to exercise its preference right to negotiate a water lease.

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II. Trust and Special Funds

A. Investment Matters

1. Report of Purchases, Sales and a Retirement of Securities.-- The report of purchases of securities from May 11 through June 13, 1966, sales of securities from May 18 through June 8, 1966, and a retirement received on May 30, 1966, for Trust and Special Funds was approved as follows:

PURCHASES OF SECURITIES

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

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SALES OF SECURITIES

Date Sold	Security	Principal Proceeds
5/13/66	22 shares Continental Casualty Co. Common Stock, sold at 46-3/4 (Chancellor's Council - Unrestricted Account)	\$ 1,013.14
5/19/66	\$50,000 par value U. S. 2-1/2% Treasury Bonds due 6/15/72-67, sold at 89-8/32nds Net plus accrued interest to May 25, 1966, less \$3.00 wire transfer fee (Loss on sale over book value \$1,125.00) (Frank B. Cotton Trust - Temporary Investment - Current Restricted Income - Texas Western College)	44,625.00
5/24/66	1316 rights to subscribe for Potomac Electric Power Co. Serial Preferred Stock, \$2.44 Convertible Series of 1966 (Funds Grouped for Investment)	34.36#
	1836 rights Ditto (Hogg Foundation: W. C. Hogg Estate Fund)	47.93#
	1000 rights Ditto (Hogg Foundation: Varner Properties)	26.11#
	200 rights Ditto (Alexander Caswell Ellis Fellowship in Education)	5.22#
	1100 rights Ditto (Archer M. Huntington Museum Fund)	28.72#
	204 rights Ditto (Wilbur S. Davidson Educational Fund)	5.32#
	500 rights Ditto (The James W. McLaughlin Fellowship Fund - Reserve for Depletion - Medical Branch)	13.05#
4/25/66	10 shares Houston Natural Gas Corp. Common Stock, sold at 56-3/4 (Proceeds distributed-- 35/60ths - Research in Classics - Archeological Explorations in Greece - Various Donors--\$324.70; and 25/60ths - Fine Arts Foundation - Various Donors - Unallotted--\$231.92)	556.62
6/8/66	1/2 share International Business Machines Corp. Capital Stock received in 50% stock split (Hogg Foundation: W. C. Hogg Estate Fund)	278.63#

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

RETIREMENT OF SECURITIES

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

2. Funds Grouped for Investment. -- The report of additions of cash and new funds being added as of June 1, 1966, was approved as follows: 7-09-66

Fund	Recommended Addition
	\$
E. Bagby Atwood Memorial Graduate Scholarship in English (\$8,481.53 already in Grouped)	57.08
The Accounting Education Fund (College of Business Administration Foundation) (\$38,383.85 already in Grouped)	35.00
Marie M. Whittle Award - Office Administration (College of Business Administration Foundation) (NEW FUND)	600.00
Morgan and Hamah Smith Callaway Fund (\$17,513.99 already in Grouped)	177.07
Emma Frances Clark Fellowship in Psychology (\$24,777.94 already in Grouped)	243.20
Roy Crane Award in the Arts (\$10,083.37 already in Grouped)	19.94
John Wallace Dallenbach Fellowship in Psychology (\$47,721.54 already in Grouped)	575.78
J. C. Dolley Finance Education Fund (\$122.27 already in Grouped)	1.31
Donna Dellinger Memorial Scholarship Fund (College of Fine Arts Foundation) (\$4,437.78 already in Grouped)	200.00
E. William Doty Scholarship Fund (College of Fine Arts Foundation) (\$2,345.47 already in Grouped)	22.35
Department of Drama Ex-Students Scholarship Fund (College of Fine Arts Foundation) (\$9,302.50 already in Grouped)	20.00
Mavis Alexander Fitzgerald Awards (\$175.56 already in Grouped)	2.03
Mary E. Gearing Bequest for Child Welfare and Parent Education Foundation (\$28,738.56 already in Grouped)	266.70
Hal P. Bybee Memorial Fund (Geology Foundation) (\$112,548.25 already in Grouped)	2,025.00
L. W. Callender Memorial Fund (Geology Foundation) (NEW FUND)	50,000.00
Robert H. Cuyler Memorial Scholarship in Geology (Geology Foundation) (\$11,893.42 already in Grouped)	279.15
Guy E. Green Scholarship Fund (Geology Foundation) (\$5,345.45 already in Grouped)	60.00
Carolyn G. and George M. Knebel Fund (Geology Foundation) (\$14,775.53 already in Grouped)	100.00

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FUNDS GROUPED FOR INVESTMENT - RECOMMENDATION RE ADDITIONS
(Continued)

Fund	Recommended Addition
Dr. F. L. Whitney Memorial Scholarship Fund (Geology Foundation) (\$18,473.75 already in Grouped)	\$ 500.00
German Play Scholarship Fund - Various Donors (\$1,715.29 already in Grouped)	106.00
The Gilbreth Award Fund (\$327.57 already in Grouped)	3.37
Hinds-Webb Scholarship Fund (\$107.43 already in Grouped)	0.92
Thos. E. Hogg - Residuary Legacy (\$2,750.36 already in Grouped)	50.38
Kappa Epsilon Scholarship Fund (\$1,141.79 already in Grouped)	25.00
Bobby Layne Scholarship Fund (\$6,224.07 already in Grouped)	55.14
Lona Lee Pederson Scholarship Fund, Graduate School of Social Work (\$2,772.67 already in Grouped)	23.50
W. F. Gidley Appreciation Endowment Fund (Pharmaceutical Foundation) (\$2,210.56 already in Grouped)	10.00
Alma Jacobs House Piner Fund (\$6,830.08 already in Grouped)	70.72
Dewitt Reddick Journalism Scholarship Fund (\$3,281.52 already in Grouped)	31.15
The Amanda Stoltzfus Memorial Trust Fund (\$2,603.66 already in Grouped)	34.87
The Robert Cantrell Feamster Foundation (Medical Branch) (\$2,623.48 already in Grouped)	27.10
Dr. Walter Junius Hildebrand Scholarship (Medical Branch) (\$70,326.19 already in Grouped)	152.91
Lloyd A. Nelson Professorship in Geology (Texas Western College) (\$10,467.47 already in Grouped)	50.76
Additions made to Funds Grouped on June 1, 1966	<u>\$55,832.43#</u>

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

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B. Gift, Bequest and Estate Matters

- 1. Texas Western College: Bequest under the Will of Robert L. Goff. -- Under the Will of Robert L. Goff, accepted by the Board at its meeting of September 19, 1964, the University was to receive a specific bequest of \$5,000 as well as to participate proportionately in the residue of the estate. The cash bequest has been received as well as stocks valued at \$8,489.88 and \$5,000 cash, both a portion of the residue. Additional funds are anticipated which will make the University's portion approximately \$30,000.

Approval was given of the recommendation of Administrative officials that this bequest be placed in the Excellence Fund of Texas Western College for the purpose of founding the Robert L. Goff Lecture-ships.

- 2. Main University, Hogg Foundation for Mental Health: Bequest under the Will of Mrs. Eloise Helbig Chalmers -- In the will of Mrs. Eloise Helbig Chalmers of Houston, the University is to receive, as Trustees of the Hogg Foundation for Mental Health, the home of Mrs. Chalmers located at 1907 West Clay, Houston, Texas. The appraised value of the property is \$9,500. Mrs. Chalmers stipulated that the property was to be sold or utilized in any way the Board sees fit and that she was leaving the property to the University "in honor of my dear friend Miss Ima Hogg, and her family."

The bequest was accepted and the Endowment Officer authorized to attempt to sell the property with any proposal to be submitted to the Board of Regents for approval.

- 3. Main University: Gift from E. W. and Helen Franke of Mineral Interests in Wharton County. -- Acceptance of a quitclaim deed to The University of Texas of one-half of the mineral rights lying under all of Section 12, H. & T. C. RR. Survey, Abstract 662, Wharton County from E. W. Franke of Corpus Christi, and his sister Miss Helen Franke, of San Antonio, was approved. Any proceeds from the property are to be divided equally between the Main University and the Engineering Foundation. An evaluation of the minerals by a Houston geologist gives the University's interest a fair market value of \$19,200, \$60 per net mineral acre, as of May 24, 1966.

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4. Texas Western College: Estate of Antoinette Cardona
--- The bequest to Texas Western College under the Will of Mrs. Antoinette Cardona of El Paso was accepted. Mrs. Cardona's Will provides for the residue of her property, after specific bequests, to be used to establish scholarships or non-interest loan funds to needy and worthy students of Texas Western College.

It is estimated that the bequest may amount to \$20,000 to \$30,000.

5. Medical Branch: Bequest under the Will of Joseph Pollock. -- The bequest under the will of Mr. Joseph Pollock to the Medical Branch of the University for the "Joseph Pollock Student Loan Fund" was accepted. Mr. Pollock was for many years a member of the custodial staff at the Medical Branch and left his entire estate to that institution.

It is estimated the net estate will amount to approximately \$5,000.

C. Real Estate Matters

1. Winedale Stagecoach Inn Fund. -- Approval was given of the following sales, also approved by the Trustees of the Winedale Stagecoach Inn Fund, with the Chairman authorized to execute the deeds when approved as to form by the University Attorney and as to content by the Endowment Officer:

- (1) T. L. Smith, Jr., Lot 8 of the Hogg Sub-Division comprising 5 acres at \$300 per acre.
- (2) Brown and Root, Inc., 2 acres out of the J. H. Bell League, with approximately 100 foot frontage on State Highway 36 at not less than \$ 500 per acre.
- (3) Brazoria County and the State Highway Department, approximately 10.703 acres for a new Farm-to-Market Road from State Highway 36 over to Varner-Hogg State Park at \$300 per acre with allowance of an offset of any acreage out of the old road to be abandoned and actually released back to the Trustees.
- (4) Mr. Alex Weems, 285 acres adjoining on the east the proposed new Farm-to-Market Road and lying between West Columbia and Varner-Hogg State Park at \$300 per acre to be paid

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25% in cash and the remainder in 10 equal annual installments at 6% interest, with full on-or-before privileges, subject to Mr. Weems' acceptance of this counter-offer not later than August 1, 1966.

2. M. D. Anderson Hospital and Tumor Institute: William Heuermann Fund for Cancer Research. -- Approval was given for the Chairman to execute a quitclaim deed to an expired mineral interest in San Patricio County in the William Heuermann Fund for Cancer Research. In 1936, Mr. Heuermann conveyed 222.6 acres to A. H. Miller, reserving an undivided 1/4 of the minerals for a term of 20 years from date of the deed. Since there was no production at the end of the 20 years, the reserved interest expired. It was, however, inadvertently included in the deed conveying the remaining property to the University.

D. Discussion Matters

1. Texas Western College, Frank B. Cotton Trust. Status of Chamizal Matter. -- Doctor Ray reported to the Committee the progress and activities in this connection since the last meeting of the Board. No action was requested or taken.
2. Texas Western College, Lucille T. Stevens Scholarship Fund: Five Points Property in El Paso. -- Doctor Ray reviewed the previous decision of the Board to proceed with sale of the property and his continued efforts in that direction. No action was taken. Any sale proposal is to be presented to the Board for approval.
3. Arlington State College: Ad Valorem Tax Bonds. -- Committee Chairman Erwin reviewed the opinions of the Attorney General on this matter and there was general discussion of plans for such bond issues. Arlington will not issue any bonds in the sale in July and a recommendation will be brought in at a later meeting.

Committee Chairman Erwin expressed the gratitude and appreciation of the Land and Investment Committee to Doctor Dolley for his leadership and experienced work through many years, all of which redound to his credit and to that of the University and assured him of the high esteem in which he is held, both by this Board of Regents as well as their predecessors.

Adoption of Report. -- On motion of Vice-Chairman Erwin, seconded by Regent Brenan, the foregoing report of the Land and Investment Committee and the recommendations contained therein were unanimously adopted.

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REPORT OF THE MEDICAL AFFAIRS COMMITTEE (See Page 82 for adoption.) -- Committee Chairman Connally presented the following recommendations of the Medical Affairs Committee:

1. Medical Branch: Policy re Hospital Benefits for Interns, Residents, and Their Dependents. -- It is recommended that the policy adopted in September 1964 relating to hospital benefits for interns, residents, and their dependents at the Medical Branch be revised to provide:

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

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

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

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- 2. Southwestern Medical School: Faculty Privileges and Limitations (Consultation Policy) for Presbyterian Hospital. -- The faculty practice privileges and limitations currently in effect for the Dallas Hospital District (Parkland and Woodlawn Hospitals) and the Children's Medical Center were extended to the Presbyterian Hospital and other Dallas hospitals with whom Southwestern Medical School has or may hereafter have an affiliation agreement. The existing policy on privileges and limitations is set out in the Regents' minutes of July 1952 as "Consultation Privileges."

- 3. Main University: Report by Director of Student Health Center. -- The Medical Affairs Committee received an informative report from Doctor Paul White, Director of the Student Health Center at the Main University, on the activities in the center and its prospects.

- 4. Southwestern Medical School: Special Committee to Work with Committee of Texas Board of Mental Health and Retardation Relating to Dallas Neuropsychiatric Institute (See paragraph following adoption of this report on Page 82.). -- It is recommended that Chairman Heath be authorized to name a committee of three to work with a like committee of the Texas Board of Mental Health and Retardation for the consideration of building and staffing of the Dallas Neuropsychiatric Institute.

- 5. Report of Medical Affairs Council. -- The Medical Affairs Committee received from Doctor Le Maistre with favor the following report of the Medical Affairs Council:
 - (a) The Medical Affairs Council goes on record as encouraging Doctor Blocker and the Medical Branch to take such steps as are necessary to implement a program for development of a medically-oriented Marine Biology Institute in connection with the Medical Branch which would be a regional facility for The University of Texas System.

 - (b) It is resolved by the Medical Affairs Council that the Medical Branch be authorized to establish a formal school of Allied Health Sciences in order to formalize, enlarge and bring together those training activities that have been in operation for many years. It is further resolved that similar programmatic development be authorized and encouraged in all other biomedical education units of the University where such training programs have also been in existence.

- 6. Heart Disease, Cancer, and Stroke and Related Diseases: Articles of Agreement for Regional Medical Program Grant. -- The following report and suggested Articles of Agreement for Regional Medical Program Grant as presented by Doctor LeMaistre were approved subject to final approval of such suggested Articles of Agreement as to content by Doctor LeMaistre and as to form by University Attorney Waldrep. Chairman Heath was authorized to sign the working agreement referred to therein that is to be entered into by The University of Texas, Baylor University College of Medicine, The Methodist Hospital and the Texas Medical Center, Inc., when the agreement is so approved:

Title IX of the Public Health Service Act (P. L. 89-239) authorizes a planning grant for the purpose of assisting in the establishment of regional cooperative arrangements among medical schools, research institutions and hospitals for research and training in the fields of heart disease, cancer, stroke and related diseases. The University has made application for such a grant for and on behalf of the component institutions of the University System and Baylor University College of Medicine and The Methodist Hospital. Doctor LeMaistre has been designated as Coordinator and Doctor Eastwood of the Texas Medical Center, Inc., has been designated as Fiscal Agent. It is contemplated that a working agreement between the Board of Regents of The University of Texas, Baylor University College of Medicine, The Methodist Hospital and the Texas Medical Center, Inc., will be executed fixing the areas of responsibility. The agreement will specifically provide:

- (1) The base program planning grant is numbered RM-00007-01 and an agreement relating thereto will be executed by the Board of Regents of The University of Texas or its duly authorized representative. In this connection it is understood and agreed that all participating institutions under this grant will comply with provisions and conditions of said grant.
- (2) It is understood and agreed that funds awarded by the Department of Health, Education and Welfare will be predicated on a budget duly approved by the Coordinator and institutional heads and forwarded to the Fiscal Agent, Dr. Richard T. Eastwood, for distribution as stated in the budget.
- (3) That before any of the funds received under the grant are disbursed under the provisions thereof, the Fiscal Agent, Dr. Richard T. Eastwood, will obtain the approval and concurrence of Dr. Charles LeMaistre, the Program Coordinator.
- (4) All funds which have been allocated for the participating institutions under this agreement will be forwarded by HEW to the Fiscal Agent, Dr. Eastwood, for subsequent disbursement to the institution or component and notice of the same shall be forwarded to the Coordinator, Dr. LeMaistre.
- (5) It is understood that the fiscal accounting will be performed by each component institution and all reports relating thereto shall be forwarded through channels by and through Dr. Eastwood, the Fiscal Agent, and Dr. LeMaistre, the Program Coordinator.

Adoption of Report. -- Regent Connally moved that the report of the Medical Affairs Committee be adopted. Regent Ikard seconded the motion which unanimously prevailed.

SPECIAL COMMITTEE TO WORK WITH COMMITTEE OF TEXAS BOARD OF MENTAL HEALTH AND RETARDATION RE DALLAS NEUROPSYCHIATRIC INSTITUTE. -- Pursuant to the authorization that the Chairman appoint a Special Committee to Work with a Special Committee of the Texas Board of Mental Health and Retardation Relating to Building and Staffing of the Dallas Neuropsychiatric Institute, Chairman Heath appointed the following committee (Page 81): Regent Connally, Chairman, and Regents Olan and Johnson. Chairman Heath requested Vice-Chancellor Vowell to work with the committee because of his experience with both boards involved.

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REPORT OF BOARD FOR LEASE OF UNIVERSITY LANDS.-- Regent Brennan reported that the Board for Lease of University Lands held a meeting at 8:30 a. m. on Thursday, June 23, 1966, at the General Land Office at which Regent Bauer and Regent Josey were present and Commissioner Sadler was represented by Mr. Jack Giberson. Following the meeting of the Board the 52nd public auction sale of oil and gas leases was held. Leases on a total of 48,173 acres were up for sale. Proceeds of \$3,024,900, or an average of \$62.09 per acre, was realized from this sale.

COMMITTEE OF THE WHOLE

Chairman Heath stated that he had been directed by the Committee of the Whole to report the following:

POSTGRADUATE MEDICAL TRAINING PROGRAMS: REQUEST OF OSTEOPATHIC PHYSICIANS TO PARTICIPATE.-- The Committee of the Whole received a statement from Doctor Elmer Baum on behalf of the Texas Association of Osteopathic Physicians and surgeons requesting that osteopathic doctors be permitted to participate in postgraduate medical training programs.

SCHEDULED MEETINGS OF THE BOARD.-- The following meetings of the Board of Regents were scheduled:

August 26 - 27, 1966, in Austin
(Previously scheduled for only
August 27)
September 30 - October 1, 1966,
in Austin
November 4, in Austin and
November 5, 1966, in Waco

MAIN UNIVERSITY: NEGOTIATION AUTHORIZED FOR CONTRACT WITH AUSTIN INDEPENDENT SCHOOL DISTRICT RELATING TO COMPENSATION FOR STUDENT TEACHING.-- The Administration was authorized to negotiate a contract with the Austin Independent School District for compensation to be paid by The University of Texas to the Austin Independent School District for student teaching services. It was understood that if the State Legislature establishes payment for supervisory services on a formula basis throughout the State the University will agree to pay only that amount which the legislative formula provides. The contract will be submitted to the Board for final approval and made a part of the record.

SYSTEM-WIDE COMPUTER COMMITTEE: REQUEST RE COMPUTER FOR SOUTHWESTERN MEDICAL SCHOOL AND ARLINGTON STATE COLLEGE.-- For the purpose of attempting to develop a solution to the computer needs of Arlington State College and Southwestern Medical School, Doctors Hackerman and Kozmetsky and the System-Wide Com-

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puter Committee were requested to meet promptly with representatives from these two institutions and to report their findings at the August meeting of the Board of Regents.

DENTAL BRANCH: PERMISSION TO RENT SPACE FOR QUARANTINE AREA UNDER USPHS CONTRACT NO. PH43-65-628. -- Permission was granted to Dean Olson to negotiate for rental of a house of approximately 3,000 square feet at a cost not to exceed \$200 per month. The rental agreement is to extend through the termination date of the United States Public Health Service Research Cost Reimbursement Contract No. PH43-65-628, and the rental fee is to be charged as a direct cost to this contract. The need for this space is to maintain a quarantine area for new arrivals for the marmoset colony. The final agreement will be submitted to the Executive Committee for approval.

TEXAS WESTERN COLLEGE: CONTRACT WITH ASSOCIATED FOOD SERVICES, INC. (See Item 2 below). -- Chancellor Ransom's recommendation that Associated Food Services, Inc., Dallas, Texas, operate the Main Dining Hall and Miners Hall Dining Room at Texas Western College under a contract was approved as was his recommendation that a cost plus a fixed fee contract not be renewed. The contract to be negotiated will be effective September 1, 1966, and will provide for either a rate per day per student paid to the caterer or a rate per day per student paid to the caterer and a per cent of the gross income returned to the institution.

TEXAS WESTERN COLLEGE AND MEDICAL BRANCH: REPORT ON STUDENT HOUSING AND FOOD DEFERRED. -- The request of the Administration to defer until the August 1966 meeting the reports on student housing and food at Texas Western College and at the Medical Branch was granted. These reports were requested by the Regents at their May 1966 meeting.

CHANCELLOR'S DOCKET NO. 8. -- The Secretary reported that Chancellor's Docket No. 8 had been approved by mail ballot in accordance with authorized procedure with the following exceptions or suggested changes:

1. The purpose of the gift in Item No. 101, Page M-28, was changed from "student aid" to "research."
2. Item No. 3 on Page W-1 was excepted. (See above). This item reads as follows:

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

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The following amendment to Chancellor's Docket No. 8 was unanimously adopted at the meeting of the Committee of the Whole:

Amend Item No. 1, Page C-5, so that it will read as follows:

Appoint as of July 1, 1966 Mr. E. D. Walker as Vice-Chancellor for Business Services at an annual salary rate of \$23,000, Mr. G. W. Landrum as Vice-Chancellor for Staff Operations at an annual salary rate of \$23,000, and Doctor C. A. LeMaistre as Vice-Chancellor for Health Affairs at an annual salary rate of \$36,000.

SYSTEM-WIDE: AGREEMENT WITH COORDINATING BOARD, TEXAS COLLEGE AND UNIVERSITY SYSTEM FOR PARTICIPATION IN TEXAS OPPORTUNITY PLAN. -- Each institution in the University System was authorized to participate in the Texas Opportunity Plan, a student loan program, and the Chairman of the Board was authorized to execute the agreement set out below with the Coordinating Board, Texas College and University System, for each institution in the University System participating in the Texas Opportunity Plan. The Chancellor was authorized to submit for the Board's approval a Texas Opportunity Plan loan fund officer for each of the participating institutions of The University of Texas as required in Section (2) of the agreement.

AGREEMENT

between

COORDINATING BOARD, TEXAS COLLEGE AND UNIVERSITY SYSTEM

and

THE UNIVERSITY OF TEXAS

(Institution Involved)

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

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

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- (3) Submit such report, other than those required by the Rules and Regulations, as may be required by the Commissioner.

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

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

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

<u>Coordinating Board, Texas</u>	<u>The University of Texas</u>
<u>College and University System</u>	<u>(Institution Involved)</u>
<u>(Commissioner)</u>	<u>(Chairman, Board of Regents)</u>
<u>(Date)</u>	<u>(Date)</u>

REGENTS' RULES AND REGULATIONS: AMENDMENT TO PART ONE, CHAPTER III, SECTION 30. (15). -- In order to bring the Regents' Rules and Regulations into conformity with a ruling by the Teacher Retirement System of Texas, Part One, Chapter III, Section 30. (15) was deleted and the following substituted in lieu thereof:

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

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In compliance with the Rules and Regulations, Part One, Chapter I, Section 4.1 (30-day rule), this section will be presented for final adoption at the Regents' meeting on August 27, 1966.

BIENNIAL LEGISLATIVE BUDGET REQUESTS (1967-69). -- The Committee of the Whole received proposed biennial legislative budget requests (1967-69) for:

- System Offices - Central Administration
- Main University
- Texas Western College
- Arlington State College
- Medical Branch
- Southwestern Medical School
- South Texas Medical School
- Dental Branch
- M. D. Anderson Hospital and Tumor Institute
- Graduate School of Biomedical Sciences

These requests were amended by substituting a new portion for the Graduate School of Biomedical Sciences, and the requests then as amended were approved for submission to the Capitol offices on July 15, 1966. These budgets had been prepared in conformity with the policies adopted by the Board of Regents on February 26, 1966. A copy of the requests as approved is in the Secretary's files.

MAIN UNIVERSITY: EXPANSION OF CAPACITY OF WASTE HEAT BOILER. -- The Stone and Webster report on the "Study of Electrical Power, Steam, and Chilled Water Requirements for the Main University" was not received until June 23, 1966, and the Administration and staff had not had sufficient time to make a detailed analysis of the report. A complete analysis will be made and firm recommendations available for the Board meeting on August 27.

However, the report indicates the necessity of increasing the University's steam generating facilities immediately in order to meet the needs of the currently approved building program. In this connection, an appropriation was made from Permanent University Fund Bond proceeds in the amount of \$160,000 from the allocation for Power Generation II to increase the capacity of the steam boiler in the new Power Plant Addition by approximately 80,000 pounds of steam per hour. There is a current balance of \$1,984,000 for Power Generation II as shown in the schedule of authorized projects for Main University.

ARLINGTON STATE COLLEGE: DEVELOPMENT COUNCIL. -- A Development Council for Arlington State College was authorized.

MAIN UNIVERSITY, UNIVERSITY PRESS: ESTABLISHMENT OF ADVISORY COUNCIL. -- The establishment of an Advisory Council of twelve members for the University Press was approved.

MAIN UNIVERSITY: AGREEMENT WITH EX-STUDENTS' ASSOCIATION RE USE OF AND UTILITIES FOR ETTER ALUMNI CENTER. -- Upon the recommendation of Vice-Chancellor Hackerman, concurred in by Chancellor Ransom, Vice-Chancellor Hackerman and Business Manager

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Colvin were authorized to negotiate the terms of an agreement with the Ex-Students' Association whereby the Ex-Students' Association will make available the Alumni Center for use of faculty and student groups and whereby the University will furnish electricity, gas and chilled water to the Ex-Students' Association in payment of the use of the Alumni Center by faculty and student groups. It is understood that the proposed agreement will be submitted to the Executive Committee for final approval with authority to the Chairman of the Board to execute same on behalf of the Board.

MAIN UNIVERSITY: PURCHASE OF J. FRANK DOBIE'S RANCH PAISANO. -- The purchase of J. Frank Dobie's Ranch Paisano from Ralph Johnston of Houston, Harris County, Texas, in the amount of \$76,216.75 was authorized with the understanding that there would be no financial obligation of any nature on the part of the University and that no restrictions would attach to the acceptance of this land under the deed or otherwise. No state funds will be used for this purchase, but funds for this purchase have been donated by various donors throughout the state, including a donation from Mr. Ralph Johnston amounting to 10% of the purchase price.

SYSTEM-WIDE: APPROVAL OF CHANGES IN MONEY AND SECURITIES INSURANCE POLICY. -- A report was received from Comptroller Sparenberg that the University's Money and Securities Insurance Policy with Hartford Accident and Indemnity Company became ineffective on June 1, 1966. A money and securities policy issued by Traveler's Indemnity Company of Hartford Connecticut through the Consolidated Insurance Company of Austin, Texas, for the period of June 1 through December 15, 1966, inclusive, for a premium of \$877.00 was ratified. The only change in the terms and conditions of the policy is a \$100.00 deductible on each loss occurrence.

In accordance with the Rules and Regulations, Comptroller Sparenberg was authorized to call for bids on a money and securities insurance policy on an invitational basis, such bids to be on the basis of coverage for the System under one policy or contract.

Further in compliance with the Rules and Regulations, the Board also received a report from Comptroller Sparenberg as to losses in excess of \$1,000.

MAIN UNIVERSITY: RESOLUTION APPROVED AS ADOPTED BY BOARD OF DIRECTORS OF TEXAS STUDENT PUBLICATIONS, INC. -- The following resolution was adopted as submitted by the Board of Directors of Texas Student Publications, Inc. in lieu of the resolution concerning authority of Appointment Committees that was part of the minutes of the meeting of the Board of Directors of Texas Student Publications, Inc. held on April 28, 1966.

RESOLUTION

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

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

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

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

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

AND BE IT FINALLY RESOLVED, that the policies as outlined in this Resolution be incorporated into the Handbook of Texas Student Publications, Inc. (See Page 45 .)

ARCHER M. HUNTINGTON MUSEUM FUND: ALLOCATION FROM THE ARCHER M. HUNTINGTON SECURITIES INCOME ACCOUNT TO MUSEUM FUND. -- An allocation of \$12,000 from the Archer M. Huntington Securities Income Account to the Archer M. Huntington Museum Fund for the purpose of continuing the summer program of the Art Teaching Gallery was approved.

MAIN UNIVERSITY: APPOINTMENT OF ROBERT HILBURN AS EDITORIAL MANAGER, THE DAILY TEXAN. -- Mr. Robert Hilburn was appointed as Editorial Manager of The Daily Texan at an annual salary rate of \$13,500, effective September 1, 1966.

RULES AND REGULATIONS, PART TWO: AMENDMENT TO CHAPTER X, SECTION 8.5. -- The Regents' Rules and Regulations, Part Two, were amended by adding to Section 8.5, Chapter X, the following:

"Provided, however, that the Executive Committee of the Board of Directors of Texas Student Publications, Inc. shall appoint and make awards to all members of the editorial staffs of the publications except the Editor and Managing Editor of The Daily Texan, the Editor of the Cactus, the Editor of the Ranger, the Editor of the Riata, and the Editor of Texas Engineering and Science Magazine, so long as such appointments and awards are made consistent with budgets previously approved by the Board of Regents and provided further that no action taken by the Board of Directors of Texas Student Publications, Inc. with respect to the employment, dismissal, salary, or duties and responsibilities of either the TSP General Manager or the Editorial Manager of The Daily Texan shall have any force or effect until it has been approved by the Board of Regents."

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REGENTS' RULES AND REGULATIONS, PART TWO. -- The Rules and Regulations for the Government of The University of Texas, Part Two, were amended as follows:

1. By deleting in Chapter II, Sections 2.1, 4.1, 4.21, 4.22, 4.4, and 6.1 and inserting in lieu thereof the following:
 - 2.1 The financial accounts of the University shall be kept in accordance with the recommendations of the National Committee on the Preparation of a Manual on College and University Business Administration, as set forth in Volume I of "College and University Business Administration" (1952) published by the American Council on Education. Where those recommendations conflict with statutes applicable to the University or to official orders of the Coordinating Board, Texas College and University System, the latter shall be controlling.
 - 4.1 All financial reports shall be prepared in accordance with the provisions of the statutes, official orders of Coordinating Board, Texas College and University System, and the directives of the Board of Regents and in conformity with the manual, "College and University Business Administration," referred to above. The forms shall be prepared by the institutional business officer and approved by the Vice-Chancellor for Business Affairs or his delegate.
 - 4.21 Annual Financial Report. -- On or before December 29, printed financial reports, set up in accordance with the forms recommended in Volume I, "College and University Business Administration" (1952) shall be filed with the Coordinating Board, Texas College and University System. The certificate of audit of the State Auditor is to be included if his report has been completed.
 - 4.22 Salary Payment Report. -- On or before December 31 each year, an itemized schedule shall be prepared of salaries and wages paid all employees for services during the preceding fiscal year out of any funds from any source or character under the control and/or custody of the Board of Regents, showing for each employee the total amount paid from each source during the twelve months of the fiscal year, the title of the position held or kind of service rendered, and a summary of all expenditures by departments. Three copies of this report shall be prepared, one copy for the Office of the Secretary of the Board of Regents, one copy for the Vice-Chancellor for Business Affairs, and one copy for the Office of the Comptroller.
 - 4.4 Periodic financial reports reflecting income receipts, approved budget changes, and expenditures for each component institution shall be prepared by Central Administration.
 - 6.1 The University shall submit biennial budget requests as may be required to the Coordinating Board, Texas College and University System, to the Legislative Budget Board, and to the Executive Budget Office in the form and at the time prescribed.

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2. By deleting in Chapter III, Sections 3.1, 3.12, 4.2, 7.1, 7.3, 8.2, 10.1, 12.5, 13.31, 13.321, 13.322, 13.33, 13.342, 13.371, 13.372, 13.3721, and 13.3722 and inserting in lieu thereof the following:
- 3.1 The Appropriation Bill requires that all cash receipts at the Main University, at Texas Western College, and at Arlington State College be deposited in the State Treasury with the exception of those from auxiliary enterprises, noninstructional services, student service fees, student activity fees, parking fees, agency and restricted funds, endowment funds, student loan funds, and Constitutional College Building Amendment Funds.
- 3.12 Not less than every seven days, the institutional business officer shall make remittances to the State Treasury in the form of checks drawn on the clearing account except that a balance of not more than \$500 may be maintained.
- 4.2 Depository banks selected shall furnish adequate surety bonds or securities to assure safety of these funds. Local funds shall be deposited in the depository banks as soon as possible, but in no event later than seven days from the date of collection. Such funds are usually carried as demand deposits; however, they may be carried as time deposits at a negotiated interest rate.
- 7.1 Main University Vouchers for disbursement of funds shall be prepared in the departmental offices at the Main University. They shall be signed by the head of the department, or someone recommended by him in writing and appointed by the Chancellor, and such vouchers shall be approved by an authorized person in the Auditor's Office.
- 7.3 Vouchers shall be prepared on State of Texas Purchase Voucher Form, consisting of five copies as follows:
- No. 1 - For State Comptroller (if paid from State funds)
 - No. 2 - For Board of Control (if purchase through Board of Control)
 - No. 3 - For Institutional Business Office
 - No. 4 - For Institutional Department (file copy)
 - No. 5 - For return with check to vendor (sent by business office with payment)
- 8.2 If the amount is \$50 or less, either a notarization or a signed certification is required. The certification, if used, must read as follows:
- I certify under the penalty of perjury that this claim has been examined by me and to the best of my knowledge and belief is true and correct.
- 10.1 Outstanding checks shall be carried on the official accounting records for the two fiscal years following the year in which they are issued. (Example: if issued in 1963-64, they would be carried through August 31, 1966.) Those still outstanding at the end of the second fiscal year after issue shall be cancelled and written off the official accounting records.

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

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

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

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

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

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

Medical Branch, Galveston - the Executive Dean and Director, the Associate Director, or the Business Manager.

Southwestern Medical School - the Dean or the Business Manager.

Dental Branch - the Dean or the Business Manager.

M. D. Anderson Hospital and Tumor Institute - the Director, the Administrator, or the Business Manager.

Graduate School of Biomedical Sciences at Houston - the Dean or the Business Manager.

South Texas Medical School - the Dean or the Business Manager.

Arlington State College - the President or the Director of Business and Finance.

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

13.331 If there is attached to the employee's expense account when submitted a "Paid" bill or receipt from a commercial hotel, motel, or other com-

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mercial lodging establishment for the employee's lodging for the period for which per diem reimbursement is claimed:

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

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

	Rates	
	In State	Out of State
Per diem per calendar day	\$7.00	\$10.00

One-fourth (1/4) the rate for a calendar day for each period of six (6) hours or fraction thereof (at least 2 hours) \$ 1.75 \$ 2.50

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

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

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

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

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13. 3711 Where the employee pays for public transportation, including taxis, from his personal funds, receipts for such necessary transportation, excluding receipts for city bus, taxi or limousine fares in amounts of \$2.50 or less, shall be obtained and attached to the employee's expense account when submitted. A detailed list of all claims for rented or public transportation including city bus, taxi, and limousine fares in amounts of \$2.50 or less shall be shown on the Travel Expense Account under "Record of Transportation Claimed for Each Trip."
13. 3712 The Chancellor or heads of component institutions may request commercial transportation companies to furnish required transportation for official business to designated employees of Central Administration or such institutions, upon the presentation to cooperating transportation companies of transportation requests approved by the Chancellor or the head of the institution requesting such transportation. The transportation request shall specify the class of transportation authorized. The monthly billings for such transportation services from the transportation company will be vouchered on a regular purchase voucher, showing the detail of such furnished transportation for each trip with a complete statement attached setting out in detail why each trip listed was necessary in the operation and maintenance of the institution.
13. 372 Private Automobile. --An employee traveling in his personally-owned automobile shall be reimbursed at the rate of eight cents (8¢) per mile on the basis of the shortest practical route between points. No additional expense incidental to the operation of such automobile shall be allowed.
13. 3721 Reimbursement for Mileage in the State of Texas shall include the use of Farm-to-Market roads. The latest official highway map published by the State Highway Department shall be the official map for use during the current biennium. For out-of-state travel, mileage will be computed from standard highway maps.
13. 3722 When two or more employees travel in a single private automobile, only one shall receive a transportation allowance, but this provision shall not preclude each traveler from receiving a per diem allowance.
3. By adding in Chapter III, (a) Section 13. 3724 following Section 13. 3723, and (b) a new Section 13. 373, as follows:
13. 3724 Reimbursement for out-of-state transportation for the use of personally-owned automobiles together with per diem shall never exceed the cost of commercial first

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class transportation from the nearest airport and the per diem required had the employee travelled by such conveyance. The determination of the allowances due owners of personally-owned automobiles in compliance with this paragraph shall be as follows: (1) Per diem shall be determined by the use of an airline schedule which would have sufficed for the performance of the official business. (2) Expenses of transportation to airfields from points where airports are not available shall be allowed in addition to the cost of first class commercial air transportation. (3) When additional passengers are conveyed on out-of-state trips in personally-owned automobiles they shall receive as their expenses per diem based on automobile travel time. (4) Persons traveling to points not served by airlines shall receive mileage and per diem based on actual miles traveled and other expenses as authorized elsewhere in these regulations.

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

4. By deleting in Chapter IV, Section 7 and inserting in lieu thereof the following:

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

5. By adding to Chapter IV at the appropriate place the new Sections, 9.4 and 13, as set out below:

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

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

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6. By adding in Chapter V, following Subsection 2.614, a new Section and two Subsections (3, 3.1, and 3.2) which read as follows:
3. Certain Provisions in Current Appropriation Bill. --
The rules and regulations of the Board of Regents are subject to and shall comply with the provisions appearing in the current Appropriation Bill, including the following pertaining to personnel:
- 3.1 Use of Alcoholic Beverages. -- "None of moneys appropriated under this Act shall be used for the payment of salaries to any employee who uses alcoholic beverages while on active duty. None of the funds appropriated under this Act for travel expenses may be expended for alcoholic beverages."
- 3.2 Separation from State Employment. --
"No employee of the State shall be granted terminal, annual or vacation leave subsequent to the effective day of employee's resignation, dismissal, or separation from State employment."
7. By changing Section 3 in Chapter V to Section 4, which reads as follows:
4. Other Regulations Concerning Personnel are Reported in the Rules and Regulations of the Board of Regents, Part One, as follows:
- Affidavit - Chapter III, Sec. 1.6, page 19.
- Political Aid and Legislative Influence -
Chapter III, Sec. 1.7, page 20.
- Physical Examination - Chapter III, Sec. 1.8,
page 20.
- Employment of Aliens - Chapter III, Sec. 3,
page 21.
- Indebtedness to the University or the State -
Chapter III, Sec. 27, page 32.
- Appointment of Relative (Nepotism Rule) -
Chapter III, Sec. 5, page 22.
- Holidays - Chapter III, Sec. 14, page 28.
- Vacation - Chapter III, Sec. 15, page 29.

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Sick Leave - Chapter III, Sec. 18, page 30.

Leave for Jury Duty - Chapter III, Sec. 19,
page 30.

Leaves of Absence Without Pay - Chapter III,
Sec. 16, page 29.

Absence from Usual and Regular Duties -
Chapter III, Sec. 20, page 30.

Office Hours - Chapter III, Sec. 12, page 28.

Outside Employment - Chapter III, Sec. 13,
page 28.

Acceptance of Money from Students - Chapter III,
Sec. 25, page 31.

Textbooks and Other Materials Prescribed
for the Use of Students - Chapter III, Sec. 23,
page 31.

Institutional Employees as Students - Chapter III,
Sec. 29, page 33.

Power to Authorize Expenditures out of Univer-
sity Funds - Chapter III, Sec. 26, page 32.

Division of Salaries for Staff Engaged in Teaching
and Non-teaching Activities - Chapter III, Sec. 17,
page 29.

Compensation for Correspondence and Extension
Teaching of Full-time Staff Members - Chapter III,
Sec. 22, page 30.

Classified Personnel Systems - Chapter III,
Sec. 2, page 20.

Code of Ethics - Chapter III, Sec. 4, page 21.

Tenure, Promotion, and Termination of Employ-
ment - Chapter III, Sec. 6, page 24.

Modified Service - Chapter III, Sec. 30, page 33.

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8. By adding a new section, Section 8, to Chapter VI, which reads as follows:

8. Group Long Term Disability Income Insurance.

8.1 The University carries a master group long term disability income insurance policy, covering all institutions, with the Aetna Life Insurance Company. Premiums are payable monthly in advance, by payroll deduction, and the rate applies to the monthly rate of basic earnings of each covered employee regardless of age. The program is optional but is available only to faculty members with the rank of Instructor or higher, or full-time monthly salaried employees. New employees are notified of their eligibility by the Personnel Office at the time of employment. The plan became effective initially on October 1, 1965.

8.2 Monthly rate of basic earnings is the rate in effect on the October 1 before the start of an individual's disability. Furthermore, monthly rate of basic earnings is defined as 1/9 of the base rate for academic personnel paid on a nine-month basis and 1/12 of the base annual rate for non-teaching employees or any other person paid on a twelve-month basis. In no case shall monthly rate of basic earnings exceed \$2,500.00 per month. All premiums and benefits are payable 12 months per year.

8.3 The plan guarantees benefits of 65% of the monthly rate of pay up to maximum monthly benefits of \$1625.00 per month, and any extra compensation is excluded. The plan will pay all of this 65% guarantee if the insured is not eligible for "other income benefits." If he is eligible for "other income benefits," the plan will add to the total of "other income benefits" to make up this 65% guarantee. In general, the plan counts as "other income benefits" any wages, salary, or other remuneration a person might receive from their component institution, or from any other employer, while they are eligible for income benefits from the plan. Also counted are any disability benefits payable under any law or under any plan sponsored by The University of Texas.

8.4 Covered employees will be eligible for the first income payment from the plan after having been "totally disabled" throughout a qualifying period of 90 days. Payments will be made as of the end of each calendar month. Benefits continue to be paid as long as a person is "totally disabled"; however, all income payments will stop when a person recovers, dies, or reaches age 65--whichever happens first.

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- 8.5 No medical examination is required if application is made for insurance within 60 days from date of employment. After the 60 day period, an "Evidence of Insurability" form, prepared by the company and available through the Personnel Office is required. No medical examination is required if this form is accepted by the company after review, but, if it is not so accepted, the applicant must have a medical examination at his expense.
- 8.6 Each policyholder receives a certificate issued by the company which is prepared and transmitted through the Business Office or Personnel Office.
- 8.7 The insurance of any employee under this policy shall terminate at the earliest time specified below:
 - 8.71 Upon discontinuance of the policy.
 - 8.72 At the end of a policy month during which the employee's employment with the University in the classes eligible for the insurance terminates.
 - 8.73 On the date the employee attains the age of sixty-five years.
- 8.8 A person may continue to keep the coverage during periods of Official Leave of Absence upon the direct payment of premiums through the Business Office of the appropriate component institution.
- 9. By adding, in Chapter VII, Section 4.6 and by substituting for Sections 12.2, 12.5, 12.6, 12.7, 12.8, 12.9, and 12.10, four new sections, 12.2, 12.5, 12.6, 12.7, and 12.8 as follows:
 - 4.6 The current appropriation bill provides that no funds appropriated thereby may be expended for the purchase or maintenance of motor vehicles by a state institution unless the institution submits to the Legislative Budget Board and the Governor's Budget Office within thirty (30) days after the beginning of each fiscal year a complete list of all rules, regulations, and policies prohibiting and penalizing the personal use of State-owned passenger vehicles by employees.
 - 12.2 TV Stations Prohibited. -- "None of the moneys appropriated in this Article may be expended for the acquisition, construction or operation of television transmitter station; provided, however, this prohibition shall not be construed so as to prevent the medical schools, dental school, general academic institutions or other agencies of Higher Education named in this Article from using closed-circuit television for purely instructional purposes, or to prevent general academic teaching institutions with existing transmitter stations to use same for educational purposes, or to prevent the continuance of operating arrangement with existing transmitter stations for purely educational purposes."

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- 12.5 Use of Educational and General Funds for Alumni Activities Prohibited. -- "None of the educational and general funds or of the Constitutional funds appropriated by this Article may be expended by State agencies of higher education for the support and maintenance of alumni organizations or activities."
- 12.6 Vending Machines Authorized. -- "Vending machines may be placed on State-owned Property or in State-owned Buildings only with the approval of the governing Board and such approval shall be recorded in the minutes of the body. A copy of the contract shall be filed with the State Board of Control showing the location within the agency and the terms of the contract. Proceeds, net revenue, rentals or commissions received shall be accounted for as State Revenue and the amount so collected is hereby appropriated to the Institution for use as directed by the Board authorizing the installation."
- 12.7 Pay Station Telephones Authorized. -- "Pay telephones may be located in State-owned Buildings or on State-owned Land only with the approval of the governing Board and the net proceeds shall be collected and accounted for as State revenue and the amount so collected is hereby appropriated for use by the agency as determined by the governing Board."
- 12.8 Full Disclosure of Expenditures. -- "The expenditures of appropriations made by this Article to the General academic teaching institutions shall be contingent upon the full reporting each fiscal year to the State Auditor, in the manner and at the times prescribed by him, of expenditures made by each program or activity of such institutions, including auxiliary enterprises, of the fund sources of such expenditures, and of the expenditure allocations by programs and purposes out of Federal, private, and other grants and gifts."
10. By substituting in Chapter VIII the term "Vice-Chancellor for Business Affairs or his delegate" for the term "Comptroller" wherever it appears and by substituting in Sec. 4.4 "Chancellor or his delegate" for "Vice-Chancellor (Developmental Services)."
11. By deleting in Chapter XI, Sections 4 and 5 and substituting the following in lieu thereof:
4. If the work is to be financed by government agencies, the negotiations shall be handled with the advice and assistance of the Office of Sponsored Projects at the Main University and by the equivalent office at the other component institutions.
 5. Information as to overhead rates applicable to the type of contract to be entered into should be secured from the Vice-Chancellor for Business Affairs or his delegate or the Office of Sponsored Projects if with government agencies and otherwise from the business officers.

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MAIN UNIVERSITY, MCDONALD OBSERVATORY: LEASE AGREEMENT WITH G. C. MITCHELL ESTATE, PRESIDIO COUNTY, TEXAS, FOR RADIO-ASTRONOMY PROGRAM. --Approval was granted for a rental lease agreement with the G. C. Mitchell Estate for use of certain described land in Presidio County, Texas, in connection with a proposed radio-astronomy program at McDonald Observatory. After the negotiations of the agreement have been completed, the Chairman of the Board of Regents is authorized to execute an agreement when same is approved as to content by Chairman Heath and Regent Josey and as to form by University Attorney Waldrep. A copy of this agreement will be incorporated in the minutes at the subsequent meeting of the Board after it has been fully executed.

SOUTHWESTERN MEDICAL SCHOOL: EASEMENT FOR ACCESS ROAD TO CITY OF DALLAS; APPROPRIATION FROM GENERAL FUNDS UN-APPROPRIATED BALANCE; EASEMENT TO CITY OF DALLAS FOR UNDERGROUND WATER DISTRIBUTION AND CONSTRUCTION OF ROAD; CONSENT TO CHILDREN'S MEDICAL CENTER FOR DEDICATION OF STREET. --The proposed access road from Inwood Road to Amelia Street for the new Children's Hospital in Dallas passes by properties owned by the Children's Medical Center, Parkland Memorial Hospital, Southwestern Medical Center, Texas Woman's University Nursing School, The Callier Hearing Center, and some private owners. In connection with this proposed road, (1) authorization was granted for an easement to the City of Dallas across the Southwestern Medical School portion of the property from Inwood Road to Amelia Street; (2) an appropriation of \$75,000 from General Funds Unappropriated Balance was approved as the University's pro rata share of the costs of the road, drainage, curb, gutters, etc.; (3) an easement for approximately 15 feet on the property of Southwestern Medical School was granted to the City of Dallas for the construction of approximately 4 feet of road and an underground water distribution system to be installed by the City of Dallas; (4) consent was also given for the dedication of a public street which will connect Amelia Street and Inwood Road and will lie along the south line of the Children's Medical Center tract. This consent is required because of restrictions on land use in a former deed from the Board of Regents to the Children's Medical Center, dated October 29, 1964, and recorded in Volume 432, Page 1199, of the Deed Records of Dallas County, Texas, but such consent shall in no way be construed as a waiver as to the remainder of the property; and (5) the Chairman of the Board was authorized to execute both easements herein granted when same are approved as to content by Mr. Walker and as to form by University Attorney Waldrep.

ITEM FOR THE RECORD: APPOINTMENT OF REGENTS' REPRESENTATIVES ON SOUTHWEST TEXAS AREA EDUCATIONAL TV COUNCIL. -- The following item approved by the Committee of the Whole at its meeting on April 2, 1966, was ratified:

Appointment of Regents' Representatives on Southwest Texas Area Education TV Council. --Mrs. Dick Reynolds and Mayor Lester Palmer were appointed on the Southwest Texas Area Education TV Council for terms expiring 1969, to succeed Mr. Ernest W. Jackson of Austin and Doctor James McCrocklin,

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President of Southwest Texas State College, San Marcos. The Regents' representatives as of this date are:

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

MAIN UNIVERSITY: AMENDMENT TO ADD UNIVERSITY OF HOUSTON TO COOPERATIVE AGREEMENT FOR WATER RESOURCES RESEARCH AMONG THE TEXAS AGRICULTURAL AND MECHANICAL UNIVERSITY SYSTEM, TEXAS TECHNOLOGICAL COLLEGE, AND THE UNIVERSITY OF TEXAS. -- The Cooperative Agreement for Water Resources Research executed by Texas Technological College, The Texas Agricultural and Mechanical University System, and The University of Texas, as approved by the Board of Regents at its meeting on February 26, 1966, was amended by adding to this agreement the University of Houston as a participant.

The Chairman was authorized to sign the instrument when approved as to content by Doctor Hackerman and as to form by University Attorney Waldrep.

ACQUISITION OF FOUR 1700 COMPUTERS. -- Doctor Hackerman was authorized to acquire four 1700 computers provided they can be acquired in the following way:

1. One is in an order now pending.
2. One is to be purchased from the proceeds of the sale of the 1604 Computer.
3. One is to be purchased with money from a grant.
4. One is to be purchased by savings derived from some revisions and deletions by Doctor Hackerman of equipment now on order.

It was understood that there will not be any appreciable increase in operating and maintenance expenses.

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MEDICAL BRANCH: LETTER AUTHORIZED TO CERTAIN CITY AND COUNTY OFFICIALS OF GALVESTON RE CARE OF INDIGENT PATIENTS BY MEDICAL BRANCH HOSPITALS. --Chancellor Ransom and Chairman Heath were authorized to sign and to send the following letter relating to the care of indigent patients by the Medical Branch hospitals to the Mayor and City Councilmen of the City of Galveston and County Judge and County Commissioners of Galveston County, Texas:

"Mayor, City Councilmen
County Judge and County Commissioners

"During the last five Legislative sessions critical questions have been raised in regard to the portion of the appropriation for the Medical Branch Hospitals used for care of indigent patients from Galveston City and County. The unfavorable situation at The University of Texas Medical Branch Hospitals, from the standpoint of the State's financial contribution, is highlighted by the statistics which show that almost one-half of the funds appropriated by the Legislature for support of the hospital is used for the care of medically indigent patients from Galveston County and Galveston City. For the Fiscal Year September 1, 1964 through August 31, 1965, the Legislature appropriated \$2,730,273 for support of The University of Texas Medical Branch Hospitals. During that same period, \$1,056,025 of charity care was given to the residents of the City of Galveston. Deducting the \$200,000 annual payment received from the City, an expenditure of \$856,025 resulted. In addition, \$446,699 was expended for indigent care for patients from the remainder of Galveston County for which no reimbursement was received. This total of \$1,302,724 is only slightly less than 50% of the total funds appropriated by the Legislature for hospital support.

We have been informed repeatedly by members of the Legislature that the appropriations for the support of medical education and research have suffered due to the necessity of appropriating this large sum for indigent care in Galveston County. The University of Texas Medical Branch Hospital is the only general hospital maintained and operated at the expense of the State of Texas. Similarly, The University of Texas Medical Branch at Galveston is the only State supported medical school which has to spend any money whatever to support the teaching hospital or hospitals with which it is affiliated.

By way of contrast, the people of Dallas County carry the full cost of maintaining the teaching facilities for the State supported medical school in Dallas County without any cost to the State whatever. Similarly, when the new State supported medical school in San Antonio opens, the people of Bexar County will carry the full cost of supporting the teaching hospitals in that City. In recent years, at least five other cities (Lubbock, Amarillo, Austin, El Paso and Houston) have submitted proposals for new medical schools, and in each instance have assured the Legislature that the local community (County or City) would provide full support for the teaching hospital.

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The Legislators feel that if The University of Texas Medical Branch Hospitals are to continue to receive support from the Legislature that funds appropriated should be spent on a pro rata basis to give care to patients from throughout the State of Texas. It is a well known fact that for many years virtually all of the medically indigent patients in Galveston City and County have been treated at the Medical Branch Hospitals. Many of those patients have been necessary for a sound medical teaching program, but others could have been replaced by those, from other areas of the State, who may well have provided a greater variety of experience for our students.

In view of the stern warnings given us by the appropriation committees during the last Legislative session, we are faced with two alternatives: either (1) arrange for local support for a major share of the indigent patients which we accept from Galveston City and County or (2) restrict the number of patients from Galveston City and County to a pro rata share of the total Legislative support based on population, and select all patients strictly on the basis of need for teaching. Based on the 1960 census, Galveston County has less than 1-1/2% of the total population in the State of Texas. If this percentage were applied to the State appropriation for the support of The University of Texas Medical Branch Hospitals during the forthcoming Fiscal Year (September 1, 1966 through August 31, 1967) (\$3,284,270) Galveston County's share of funds would total slightly less than \$50,000.

Medicare should contribute, to some degree, to the solution of this problem for patients 65 and over. Other federally related programs are currently available that would provide matching funds at a ratio of up to three to one to the local community for medical care for certain low income groups. Though the initiative in securing these programs must come from the community, the scientific stature of the Medical Branch will materially enhance the chances for approval of any application. The officials of the Medical Branch stand ready to work with the officials of the City and/or the County in efforts to initiate one or more of these programs or to assist in any way possible in arriving at a solution to this problem.

Work must begin at once, however, in order that a report of action can be submitted to the Legislature when it convenes next January. Without such a report the Medical Branch must either assure the Legislature that in the future patients will be taken from throughout the State on a pro rata basis with consideration given to needs for teaching or be prepared to accept a marked cut in appropriations for indigent patient care. To accept this latter action without assurance of local support would be disastrous."

7-09-66

ARLINGTON STATE COLLEGE: AWARD OF CONTRACT FOR MATHEMATICS-LANGUAGE BUILDING AND APPROPRIATIONS THEREFOR. --The contract for the construction of the Mathematics-Language Building at Arlington State College was awarded to the low bidder, Thomas S. Byrne, Inc., Fort Worth, Texas, in the total amount of \$1,387,700 as set out below with authority for the Director of the Office of Facilities Planning and Construction to present through the Executive Committee any contract changes which he may wish to recommend for approval.

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

Appropriations for the Mathematics-Language Building as shown below were approved.

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

A contingency allowance of \$26,000 was authorized to be set up with authority to the Office of Facilities Planning and Construction to write change orders to the construction contract within this amount.

7-09-66

SYSTEM-WIDE, BANK DEPOSITORIES: (1) DEPOSITORY BANKS FOR SOUTH TEXAS MEDICAL SCHOOL (2) SPECIAL COMMITTEE TO RENEGOTIATE THROUGH EXECUTIVE COMMITTEE BANK DEPOSITORY AGREEMENTS FOR PERIOD BEGINNING SEPTEMBER 1, 1966.-- When the subject of bank depository agreements was called for, Chairman Heath disqualified himself and relinquished the Chair to Vice-Chairman Erwin.

- 1. South Texas Medical School: Banks Authorized as Depositories
 -- Upon motion of Regent Josey, seconded by Regent Ikard, the following banks were named as depositories for funds of South Texas Medical School together with the percentages to be maintained in each:

	<u>Approximately</u>
National Bank of Commerce	25%
Frost National Bank	50%
Pan American National Bank	25%

Regent Brenan asked to be recorded present but "not voting."

- 2. System-Wide: Special Committee to Renegotiate Through Executive Committee Bank Depository Agreements for Period Beginning September 1, 1966.-- All of the University's present bank depository agreements expire on August 31, 1966. Vice-Chairman Erwin was authorized to appoint a Special Committee to Study the Renegotiating of Bank Depository Agreements of The University of Texas System for the Period Beginning September 1, 1966, and to submit recommendations through the Executive Committee.

Regents Josey and Connally were named by Vice-Chairman Erwin to work with him on the special committee.

Presiding Officer.-- Vice-Chairman Erwin retired from the chair and Chairman Heath again presided.

Adoption of Report.-- Upon motion of Regent Ikard, duly seconded, the foregoing report of the Committee of the Whole and the recommendations contained therein were unanimously approved with special instructions to the Secretary to include the action relating to the award of a contract for the Mathematics-Language Building at Arlington State College and to the appropriation therefor (Page 105).

OTHER MATTERS

RECOGNITION OF CLIFF DRUMMOND, PRESIDENT OF THE STUDENTS' ASSOCIATION, AND JOHN ECONOMIDY, EDITOR OF THE DAILY TEXAN
 -- Chairman Heath recognized Clifford Drummond, President of the Students' Association, and John Economidy, Editor of The Daily Texan. Mr. Drummond expressed pleasure at being at the meeting and said that he looked forward to working with the Board during 1966-67 as President of the Students' Association.

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PRESENTATION OF CERTIFICATE OF APPRECIATION TO AND
ACKNOWLEDGMENT OF BY VICE-CHANCELLOR JAMES C. DOLLEY
-- Chairman Heath, on behalf of the Board of Regents, Central Adminis-
tration, and the heads of the component institutions, presented to Doctor
James C. Dolley, retiring Vice-Chancellor for Fiscal Affairs of The Uni-
versity of Texas, a certificate of appreciation. In his remarks, Chairman
Heath included the following:

When the time comes to announce that a friend and colleague
of long-standing is about to retire, we all have mixed emotions:
I am happy for his sake that he will be relieved of those burdens
carried so ably, but sad to lose him from the University adminis-
tration. I have been associated with Doctor James C. Dolley for
the past thirty years in many contexts: church, business, commun-
ity activities. My closest relationship with him has been during the
time I have served on the Board of Regents. During these years, he
has never wavered from the high standard of integrity which we
have all come to identify with Jim Dolley.

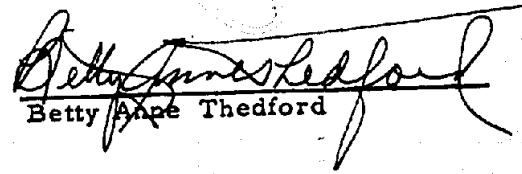
If I had to determine the position in which he has rendered more
service, it would be extremely difficult because Doctor Dolley
has served the University in many capacities ranging from Professor-
ship to Chairmanship of the Athletic Council during a historic
era, to Vice-President, Acting President, and Vice-Chancellor for
Fiscal Affairs. He now plans to return full-time to his teaching,
which he has carried on part-time throughout his years of adminis-
trative work.

Jim and Lois Dolley have been friends of Mrs. Heath and me
for more than thirty years--since we came here in 1933. They
have exemplified the finest type of devoted service to The Univer-
sity of Texas. Doctor Dolley's accomplishments are too numerous
to recount here.

As a symbol of our esteem and in recognition of all Doctor Dolley
has meant to The University of Texas, I am proud to present this
Certificate of Appreciation signed by members of the Board of
Regents, the Central Administration, and Institutional Heads. I
am sure I speak for all of these officers, as well as all who have
been associated with Doctor Dolley, when I thank him for his out-
standing leadership and for his personal friendship through the
years.

Vice-Chancellor Dolley in response expressed his appreciation to Chair-
man Heath and stated that in all sincerity he had enjoyed his association
with the University officials and the various members of the Board of
Regents over the long period of his tenure.

ADJOURNMENT.-- There being no further business, thereupon the Chair-
man declared the meeting adjourned.


Betty Ape Thedford

July 20, 1966