

OMISSION

Pages 94 - 793

A. Ruth Baker

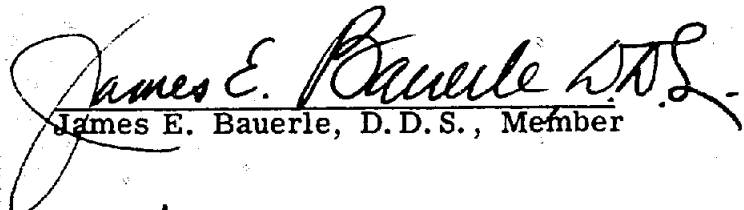
SIGNATURE OF OPERATOR

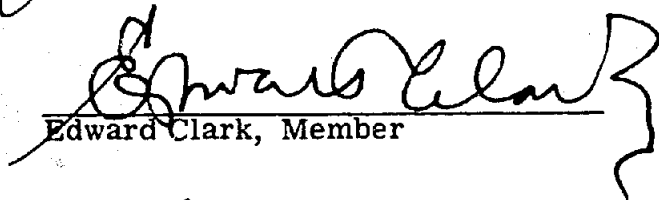
We, the undersigned members of the Board of Regents of The University of Texas System, hereby ratify and approve all actions taken at this meeting (September 14, 1973) to be reflected in the Minutes.

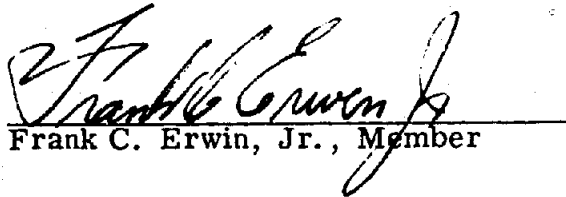
Signed this the 14th day of September, 1973, A. D.


A. G. McNeese, Jr., Chairman

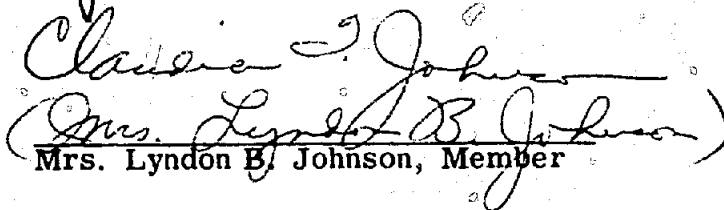
Dan C. Williams, Vice-Chairman

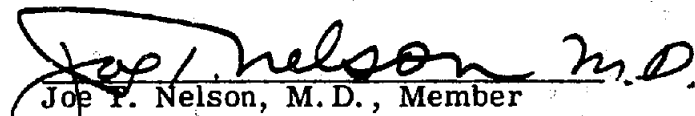

James E. Bauerle, D.D.S., Member


Edward Clark, Member


Frank C. Erwin, Jr., Member


Jenkins Garrett, Member


Mrs. Lyndon B. Johnson, Member


Joe P. Nelson, M.D., Member


Allan Shivers, Member

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MEETING NO. 716

FRIDAY, SEPTEMBER 14, 1973. --The Board of Regents of The University of Texas System convened in regular session at 9:00 a. m. on Friday, September 14, 1973, in The Union, The University of Texas at El Paso, El Paso, Texas.

ATTENDANCE. --

Present

Chairman McNeese, Presiding
Regent Bauerle*
Regent Clark
Regent Erwin
Regent Garrett
Regent (Mrs. Johnson)
Regent Nelson
Regent Shivers

Absent

Vice-Chairman Williams - **
excused

Secretary Thedford

Chancellor LeMaistre
Chancellor Emeritus Ransom
Deputy Chancellor Walker

OPENING REMARKS OF CHAIRMAN. --Chairman McNeese called the meeting to order and expressed on behalf of the Board of Regents appreciation for the many courtesies extended by President Templeton and his staff at The University of Texas at El Paso. He stated, "About 15 years ago, I attended a meeting here as a Regent, and it is unbelievable the progress that has been made at this school. It is a vital part of The University of Texas System as evidenced by the expenditures that have been made here. We are happy to be here. We appreciate so much your courtesies and we hope you will invite us back again very shortly."

APPROVAL OF MINUTES OF JULY 27, 1973. --Upon motion of Regent Shivers duly seconded, the Minutes of the regular meeting of the Board of Regents of The University of Texas System held in Austin on July 27, 1973, were unanimously approved in the form distributed by the Secretary and recorded in the Permanent Minutes, Volume XX, beginning with Page 3291.

RECOGNITION OF REPRESENTATIVE LUTHER JONES. --During the course of the meeting, Chairman McNeese recognized the Honorable Luther Jones, a member of the Texas House of Representatives from District 72, Place 4, El Paso, Texas.

*Regent Bauerle was in attendance at the meetings of all the Standing Committees and the Committee of the Whole. However, he had to leave early to make transportation connections and was not present when the Board met to receive the reports of the Committees.

**Vice-Chairman Williams was excused from the meeting because of important business.

U. T. ARLINGTON: (1) RESOLUTION AUTHORIZING THE ISSUANCE OF BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, THE UNIVERSITY OF TEXAS AT ARLINGTON, COMBINED FEE REVENUE BONDS, SERIES 1973-A, \$7,500,000 AND AWARDING OF SALE OF BONDS TO FIRST NATIONAL BANK IN DALLAS, DALLAS, TEXAS, AND ASSOCIATES, (2) DESIGNATION OF TEXAS COMMERCE BANK NATIONAL ASSOCIATION, HOUSTON, TEXAS, OR BANKERS TRUST COMPANY, NEW YORK, NEW YORK, AS THE PAYING AGENTS, AND (3) AWARDING OF CONTRACT TO STECK-WARLICK COMPANY, THE STECK DIVISION, AUSTIN, TEXAS, FOR PRINTING OF BONDS. --The resolution set out on Pages 3 - 13 was duly introduced for the consideration of said Board and read in full. It was then duly moved by Regent Clark and duly seconded that said resolution be adopted; and, after due discussion, said motion carrying with it the adoption of said resolution, prevailed and carried by the following vote:

AYES: All members of said Board shown present on Page 1 voted "Aye."

NOES: None.

This bond issue is for the purpose of providing funds to purchase land, improve existing facilities, and construct and equip buildings, structures, and facilities, for and on behalf of The University of Texas at Arlington.

The adoption of this resolution authorized issuance of Board of Regents of The University of Texas System, The University of Texas at Arlington, Combined Fee Revenue Bonds, Series 1973-A, in the amount of \$7,500,000, and awarded the sale of the bonds to First National Bank in Dallas, Dallas, Texas, and Associates for the sum of par plus accrued interest to date of delivery and a premium of \$274.50 (Page 13) and at the interest rates reflected on Page 3. The effective interest rate is 5.55462%.

Upon motion of Regent Clark duly seconded, the bid of Texas Commerce Bank National Association, Houston, Texas, to serve as Paying Agent for the Board of Regents of The University of Texas System, The University of Texas at Arlington, Combined Fee Revenue Bonds, Series 1973-A, in the amount of \$7,500,000, was accepted. The Co-paying Agent designated was Bankers Trust Company, New York, New York (Pages 4, 6). The Paying Agent will make no charge for payment of bonds and coupons and will pay the Board of Regents the sum of \$15.00. Regent Shivers abstained from voting.

Upon motion of Regent Clark duly seconded, the Steck-Warlick Company, The Steck Division, Austin, Texas, was awarded by unanimous vote the contract to print the Board of Regents of The University of Texas System, The University of Texas at Arlington, Combined Fee Revenue Bonds, Series 1973-A, in the amount of \$7,500,000. These bonds are to be printed according to specifications with lithographed borders for the sum of \$800, there being seven interest rates.

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RESOLUTION AUTHORIZING THE ISSUANCE OF BOARD
OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM,
THE UNIVERSITY OF TEXAS AT ARLINGTON, COMBINED
FEE REVENUE BONDS, SERIES 1973-A, \$7,500,000

WHEREAS, the Board of Regents of The University of Texas System is authorized to issue the bonds hereinafter authorized pursuant to Chapter 55, Texas Education Code.

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

Section 1. That said Board's negotiable, serial, coupon bonds to be designated "BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, THE UNIVERSITY OF TEXAS AT ARLINGTON, COMBINED FEE REVENUE BONDS, SERIES 1973-A", are hereby authorized to be issued, sold, and delivered in the principal amount of \$7,500,000, FOR THE PURPOSE OF PROVIDING FUNDS TO PURCHASE LAND, IMPROVE EXISTING FACILITIES, AND CONSTRUCT AND EQUIP BUILDINGS, STRUCTURES, AND FACILITIES, FOR AND ON BEHALF OF THE UNIVERSITY OF TEXAS AT ARLINGTON.

Section 2. That said bonds shall be dated OCTOBER 1, 1973, shall be numbered consecutively from 1 THROUGH 1500, shall be in the denomination of \$5,000 EACH, and shall mature and become due and payable serially on JULY 1 in each of the years, and in the amounts, respectively, as set forth in the following schedule:

<u>YEARS</u>	<u>AMOUNTS</u>	<u>YEARS</u>	<u>AMOUNTS</u>
1974	\$ 50,000	1990	\$ 195,000
1975	55,000	1991	200,000
1976	55,000	1992	210,000
1977	60,000	1993	225,000
1978	65,000	1994	230,000
1979	65,000	1995	250,000
1980	70,000	1996	260,000
1981	75,000	1997	275,000
1982	80,000	1998	290,000
1983	130,000	1999	310,000
1984	135,000	2000	325,000
1985	145,000	2001	340,000
1986	150,000	2002	660,000
1987	165,000	2003	1,000,000
1988	175,000	2004	1,070,000
1989	185,000		

Said bonds may be redeemed prior to their scheduled maturities, at the option of said Board, on the dates stated, and in the manner provided, in the FORM OF BOND set forth in this Resolution.

Section 3. That said bonds scheduled to mature during the years, respectively, set forth below shall bear interest at the following rates per annum:

maturities 1974 through 1988,	6.50%
maturities 1989,	6.00%
maturities 1990 through 1996,	5.40%
maturities 1997 through 1998,	5.50%
maturities 1999 through 2000,	5.60%
maturities 2001 through 2003,	5.70%
maturities 2004,	5.00%

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

Section 4. That said bonds, and the interest coupons appertaining thereto, shall be payable, shall have the characteristics, and shall be signed and executed (and said Bonds shall be sealed), all as provided, and in the manner indicated, in the FORM OF BOND set forth in this Resolution.

Section 5. That the form of said bonds, including the form of Registration Certificate of the Comptroller of Public Accounts of the State of Texas to be printed and endorsed on each of said bonds, and the form of the aforesaid interest coupons which shall appertain and be attached initially to each of said bonds, shall be, respectively, substantially as follows:

FORM OF BOND:

NO. _____ \$5,000

UNITED STATES OF AMERICA
STATE OF TEXAS
BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM
THE UNIVERSITY OF TEXAS AT ARLINGTON
COMBINED FEE REVENUE BOND
SERIES 1973-A

ON JULY 1, _____, the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, for and on behalf of THE UNIVERSITY OF TEXAS AT ARLINGTON, promises to pay to bearer the principal amount of

FIVE THOUSAND DOLLARS

and to pay interest thereon, from the date hereof, at the rate of _____ % per annum, evidenced by interest coupons payable JANUARY 1, 1974, and semi-annually thereafter on each JULY 1 and JANUARY 1 while this bond is outstanding.

THE PRINCIPAL of this bond and the interest coupons appertaining hereto shall be payable to bearer, in lawful money of the United States of America, without exchange or collection charges to the bearer, upon presentation and surrender of this bond or proper interest coupon, at the following, which shall constitute and be defined as the "Paying Agent" for this Series of Bonds:

TEXAS COMMERCE BANK, NATIONAL ASSOCIATION, HOUSTON, TEXAS,
OR, AT THE OPTION OF THE BEARER, AT
BANKERS TRUST COMPANY, NEW YORK, NEW YORK.

THIS BOND is one of a Series of negotiable, serial, coupon bonds, dated OCTOBER 1, 1973, issued in the principal amount of \$7,500,000, FOR THE PURPOSE OF PROVIDING FUNDS TO PURCHASE LAND, IMPROVE EXISTING FACILITIES, AND CONSTRUCT AND EQUIP BUILDINGS, STRUCTURES, AND FACILITIES, FOR AND ON BEHALF OF THE UNIVERSITY OF TEXAS AT ARLINGTON.

ON JULY 1, 1984, OR ON ANY INTEREST PAYMENT DATE THEREAFTER, the outstanding bonds of this Series may be redeemed prior to their scheduled maturities, at the option of said Board, IN WHOLE, OR IN PART, for the principal amount thereof and accrued interest thereon to the date fixed for redemption, plus a premium

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on the principal amount of each such bond as follows:

- 3% if redeemed July 1, 1984 through January 1, 1987;
- 2% if redeemed July 1, 1987 through January 1, 1990;
- 1% if redeemed July 1, 1990 through January 1, 1994;
- 0% if redeemed July 1, 1994, or thereafter.

At least thirty days prior to the date fixed for any such redemption said Board shall cause a written notice of such redemption to be published at least once in a financial publication published in the City of New York, New York, or in the City of Austin, Texas. By the date fixed for any such redemption due provision shall be made with the "Paying Agent" for the payment of the required redemption price. If such written notice of redemption is published and if due provision for such payment is made, all as provided above, the bonds which are to be so redeemed thereby automatically shall be redeemed prior to their scheduled maturities, and they shall not bear interest after the date fixed for redemption, and they shall not be regarded as being outstanding except for the purpose of being paid by the "Paying Agent" with the funds so provided for such payment.

IT IS HEREBY certified, recited, and covenanted that this bond has been duly and validly issued and delivered; that all acts, conditions, and things required or proper to be performed, exist, and be done precedent to or in the issuance and delivery of this bond have been performed, existed, and been done in accordance with law; and that the interest on and principal of this bond and the Series of which it is a part, together with other outstanding revenue bonds, are secured by and payable from an irrevocable first lien on and pledge of certain student tuition fees designated as the "Building Use Fee", and certain student general use fees designated as the "General Fee", and certain interest grants, and other revenues, collectively defined as "Pledged Revenues" and specifically described and referred to in the Resolution authorizing this Series of bonds.

SAID BOARD has reserved the right, subject to the restrictions stated in said Resolution authorizing this Series of bonds, to issue additional parity revenue bonds which also may be secured by and made payable from an irrevocable first lien on and pledge of the aforesaid Pledged Revenues.

THE HOLDER hereof shall never have the right to demand payment of this obligation out of any funds raised or to be raised by taxation.

IN WITNESS WHEREOF, this bond and the interest coupons appertaining hereto have been signed with the facsimile signature of the Chairman of said Board and countersigned with the facsimile signature of the Secretary of said Board, and the official seal of said Board has been duly impressed, or placed in facsimile, on this bond.

XXXXXXXXXX	XXXXXXXXXX
Secretary, Board of Regents, The University of Texas System	Chairman, Board of Regents, The University of Texas System

FORM OF REGISTRATION CERTIFICATE:

COMPTROLLER'S REGISTRATION CERTIFICATE: REGISTER NO.

I hereby certify that this bond has been examined, certified as to validity, and approved by the Attorney General

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of the State of Texas, and that this bond has been registered by the Comptroller of Public Accounts of the State of Texas.

Witness my signature and seal this

XXXXXXXXX
Comptroller of Public Accounts of
the State of Texas.

FORM OF INTEREST COUPON:

NO. _____ \$ _____
ON _____ 1, _____

THE BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, for and on behalf of THE UNIVERSITY OF TEXAS AT ARLINGTON, promises to pay to bearer the amount shown on this interest coupon, in lawful money of the United States of America, without exchange or collection charges to the bearer, unless due provision has been made for the redemption prior to maturity of the bond to which this interest coupon appertains, upon presentation and surrender of this interest coupon, at the TEXAS COMMERCE BANK, NATIONAL ASSOCIATION, HOUSTON, TEXAS, OR, AT THE OPTION OF THE BEARER, AT BANKERS TRUST COMPANY, NEW YORK, NEW YORK, said amount being interest due that day on the bond, bearing the number hereinafter designated, of that issue of BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, THE UNIVERSITY OF TEXAS AT ARLINGTON, COMBINED FEE REVENUE BONDS, SERIES 1973-A, DATED OCTOBER 1, 1973. The holder hereof shall never have the right to demand payment of this obligation out of any funds raised or to be raised by taxation. Bond No. _____.

XXXXXXXXX
Secretary, Board of Regents, Chairman, Board of Regents,
The University of Texas System The University of Texas System

Section 6. That as hereinafter used in this Resolution the following terms shall have the meanings set forth below, unless the text hereof specifically indicates otherwise:

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

The term "University" shall mean The University of Texas at Arlington, Arlington, Texas.

The term "Bonds" shall mean collectively the Board of Regents of The University of Texas System, The University of Texas at Arlington, Combined Fee Revenue Bonds, Series 1971, authorized by Resolution of the Board on December 4, 1970, (the "Series 1971 Bonds"), the Board of Regents of The University of Texas System, The University of Texas at Arlington, Combined Fee Revenue Bonds, Series 1971-A, authorized by Resolution of the Board on March 12, 1971, (the "Series 1971-A Bonds"), the Board of Regents of The University of Texas System, The University of Texas at Arlington, Combined Fee Revenue Bonds, Series 1973, authorized by Resolution of the Board on January 26, 1973, (the "Series 1973 Bonds"), and the Board of Regents of The University of Texas System, The University of Texas at Arlington, Combined Fee Revenue Bonds, Series 1973-A, authorized by this Resolution (the "Series 1973-A Bonds").

The term "Building Use Fee" shall mean the gross collections of the building use fee to be fixed, charged, and collected from all tuition paying students regularly enrolled

at the University, out of and as a part of the regular student tuition fees at the University, in the manner and to the extent provided in this Resolution, and pledged to the payment of the Bonds and Additional Bonds in accordance with Chapter 55, Texas Education Code.

The term "General Fee" shall mean the gross collections of the general fee to be fixed, charged, and collected from all students regularly enrolled at the University, for the general use and availability of The University of Texas at Arlington, in the manner and to the extent provided in this Resolution, and pledged to the payment of the Bonds and any Additional Bonds, in accordance with Chapter 55, Texas Education Code.

The term "Interest Subsidy" shall mean all of the annual interest subsidy grants which are received by the Board from the United States Government with respect to the Bonds.

The term "Pledged Revenues" shall mean collectively the Building Use Fee, the General Fee, and the Interest Subsidy, together with any additional revenues, income, receipts, or other resources, including, without limitation, any grants, donations, or income received or to be received from the United States Government, or any other public or private source, whether pursuant to an agreement or otherwise, which hereafter may be pledged to the payment of the Bonds or the Additional Bonds.

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

Section 7. (a) That the Board of Regents of The University of Texas System, The University of Texas at Arlington, Combined Fee Revenue Bonds, Series 1973-A, authorized by this Resolution, are "Additional Bonds" as permitted by Sections 18, 19, and 20, of the Resolutions authorizing the issuance of the Series 1971 Bonds, the Series 1971-A Bonds, and the Series 1973 Bonds, respectively, and it is hereby determined, declared, and resolved that all of the Bonds are and shall be secured and payable equally and ratably on a parity, and that Sections 7 through 22 of this Resolution are cumulative of Sections 7 through 22 of said Resolutions authorizing the issuance of the Series 1971 Bonds, the Series 1971-A Bonds, and the Series 1973 Bonds, respectively, with said Sections being equally applicable to all of the Bonds.

(b) That the Bonds and any Additional Bonds, and the interest thereon, are and shall be secured by and payable from an irrevocable first lien on and pledge of the Pledged Revenues.

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

Section 9. That effective and commencing with the regular 1971 spring semester, the Building Use Fee was fixed and is hereby confirmed and shall be levied, charged, and collected from each tuition paying student regularly enrolled at the University, as follows:

- (a) \$5.00 per regular semester and summer session for each student enrolled for 12 or more Semester Credit Hours;

- (b) \$0.42 per Semester Credit Hour per regular semester and summer session for each student enrolled for less than 12 Semester Credit Hours;

and said Building Use Fee shall be so levied, charged, and collected in such amounts, and shall not be reduced, so long as any Bonds or Additional Bonds are outstanding. All collections of the Building Use Fee shall be deposited directly to the credit of the "Interest and Sinking Fund" hereinafter created.

Section 10. (a) That the Board covenants and agrees to fix, levy, charge, and collect the General Fee from each student regularly enrolled in the University at each regular fall and spring semester and at each term of each summer session, for the general use and availability of the University, in such amounts, without any limitation whatsoever, as will be at least sufficient at all times to provide, together with other Pledged Revenues, the money for making all deposits required to be made to the credit of the Interest and Sinking Fund in connection with the Bonds and any Additional Bonds.

(b) That it is hereby declared and confirmed that on July 27, 1973, the Board revised the General Fee, effective at the regular 1973 fall semester of the University, and that such General Fee has been and is hereby fixed and is, and was collected and effective at the regular 1973 fall semester of the University and is being and will be credited to the Revenue Fund, as follows:

the General Fee for the general use and availability of the University facilities is hereby fixed and shall be collected from each student regularly enrolled at The University of Texas at Arlington, as follows:

\$4.50 per semester credit hour for each of the regular fall and spring semesters, and for each term of each summer session.

(c) That the General Fee shall be increased if and when required by this Section, and may be decreased so long as all Pledged Revenues are sufficient to provide the money for making all deposits required to be made to the credit of the Interest and Sinking Fund in connection with the Bonds and any Additional Bonds. All changes in such General Fee shall be made by resolution of the Board, but such procedure shall not constitute or be regarded as an amendment of this Resolution, but merely the carrying out of the provisions hereof.

Section 11. That there is hereby created and shall be established on the books of the Board a separate account to be entitled the "General Fee Revenue Fund" (hereinafter called the "Revenue Fund"). All collections of the General Fee and any other Pledged Revenues, except the Building Use Fee, shall be credited to the Revenue Fund.

Section 12. That to pay the principal of and interest on all outstanding Bonds and any Additional Bonds, as the same come due, there is hereby created and shall be established at an official depository of the Board (which must be a member of the Federal Deposit Insurance Corporation) a separate fund to be entitled the "Combined Fee Revenue Bonds Interest and Sinking Fund" (hereinafter sometimes called the "Interest and Sinking Fund"); and there is hereby created and ordered to be established within the Interest and Sinking Fund a debt service reserve which shall be used finally in retiring the last of the outstanding Bonds and any Additional Bonds, or for paying principal of and interest on any outstanding Bonds and Additional Bonds, when and to the extent the amount in the Interest and Sinking Fund is otherwise insufficient for such purpose. All money and investments in the Interest and Sinking Fund in excess of the principal and interest requirements, during the then current fiscal year, on the Bonds and any Additional Bonds, shall constitute the debt service reserve.

Section 13. Money in any Fund established pursuant to this Resolution may, at the option of the Board, be placed in time deposits or invested in direct obligations of, or obligations the principal of and interest on which are guaranteed by, the United States of America, and evidences of indebtedness of the Federal Land Banks, Federal Intermediate Credit Banks, Banks for Cooperatives, Federal Home Loan Banks, or Federal National Mortgage Association; provided that all such deposits and investments shall be made in such manner that the money required to be expended from any Fund will be available at the proper time or times. Such investments shall be valued in terms of current market value as of the last day of February and August of each year. Interest and income derived from such deposits and investments shall be credited to the Fund from which the deposit or investment was made. Such investments shall be sold promptly when necessary to prevent any default in connection with the Bonds or Additional Bonds.

Section 14. That all money in all Funds created by this Resolution, to the extent not invested, shall be secured in the manner prescribed by law for securing funds of the University, in principal amounts at all times not less than the amounts of money credited to such Funds, respectively.

Section 15. All accrued interest from the Sale of the Series 1973-A Bonds shall be deposited into the Interest and Sinking Fund, and on or before December 25, 1973, and semi-annually on or before each June 25th and December 25th thereafter, the Board shall transfer from the Revenue Fund and deposit to the credit of the Interest and Sinking Fund the amounts as follows:

(1) an amount which will be sufficient, together with other monies then on hand therein and available for such purpose, to pay the interest scheduled to come due on the Bonds on the next succeeding interest payment date; and

(2) an amount which will be sufficient, together with other monies then on hand therein and available for such purpose, to pay one-half of all principal scheduled to mature and come due on the Bonds on the next succeeding July 1; and

(3) an amount equal to 1/10th of the average annual principal and interest requirements of the Bonds; provided, however, that when the money and investments in the debt service reserve are at least equal in market value to the amount of the average annual principal and interest requirements of the Bonds, then such deposits may be discontinued, unless and until the debt service reserve should be depleted to less than said amount in market value, in which case said deposits shall be resumed and continued until the debt service reserve is restored to said amount.

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

(b) Subject to making all deposits to the credit of the Interest and Sinking Fund, including the debt service reserve therein, as required by this Resolution, or any resolution authorizing the issuance of Additional Bonds, the surplus Pledged Revenues may be used by the Board for any lawful purpose.

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Section 17. That whenever the total amount in the Interest and Sinking Fund, including the debt service reserve therein, shall be equivalent to (1) the aggregate principal amount of Bonds and Additional Bonds, if any, outstanding, plus (2) the aggregate amount of all unpaid interest coupons thereto appertaining unmatured and matured, no further payment need be made into the Interest and Sinking Fund. In determining the amount of Bonds or Additional Bonds outstanding, there shall be subtracted the amount of any Bonds or Additional Bonds which shall have been duly called for redemption and for which funds shall have been deposited with the paying agents sufficient for such redemption.

Section 18. That the Board shall have the right and power at any time and from time to time, and in one or more Series or issues, to authorize, issue, and deliver additional parity revenue bonds (herein called "Additional Bonds") in any amounts, for any lawful purpose. Such Additional Bonds, if and when authorized, issued, and delivered in accordance with this Resolution, shall be secured and payable equally and ratably on a parity with the Bonds, and all other outstanding Additional Bonds, by an irrevocable first lien on and pledge of the Pledged Revenues.

Section 19. (a) Each resolution under which Additional Bonds are issued shall provide that the Interest and Sinking Fund established by this Resolution shall secure and be used to pay all Additional Bonds as well as the Bonds. However, each resolution under which Additional Bonds are issued shall specifically provide and require that, in addition to the amounts required by the provisions of this Resolution and the provisions of any other resolution or resolutions authorizing Additional Bonds to be deposited to the credit of the Interest and Sinking Fund, the Board shall transfer from the Pledged Revenues and deposit to the credit of the Interest and Sinking Fund at least such amounts as are required for the payment of all principal of and interest on said Additional Bonds then being issued, as the same comes due, and that the Board shall transfer from said Pledged Revenues and deposit to the credit of the debt service reserve in the Interest and Sinking Fund at least such amounts as will, together with any other amounts already required to be deposited in the debt service reserve in connection with the Bonds and any other outstanding Additional Bonds, be sufficient to cause the debt service reserve to accumulate and contain within a period of not to exceed five fiscal years after the date of said Additional Bonds then being issued, a total amount of money and investments at least equal in market value to the average annual principal and interest requirements of such proposed Additional Bonds, the then outstanding Bonds, and any then outstanding Additional Bonds.

(b) The principal of all Additional Bonds must be scheduled to be paid or mature on July 1 of the years in which such principal is scheduled to be paid or mature; and all interest thereon must be payable on January 1 and July 1.

Section 20. Additional Bonds shall be issued only in accordance with this Resolution, but notwithstanding any provisions of this Resolution to the contrary, no installment, Series, or issue of Additional Bonds shall be issued or delivered unless:

(a) The senior financial officer of the University signs a written certificate to the effect that the Board is not in default as to any covenant, condition, or obligation in connection with all outstanding Bonds and Additional Bonds, and the resolutions authorizing same, and that the Interest and Sinking Fund contains the amount then required to be therein.

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(b) The State Auditor of the State of Texas, or a certified public accountant, signs a written certificate to the effect that, during either the University's fiscal year, or the twelve calendar month period, next preceding the date of execution of such certificate, the Pledged Revenues actually received were at least equal to 1.25 times the average annual principal and interest requirements of all Bonds and Additional Bonds then outstanding.

(c) The senior financial officer of the University signs a written certificate to the effect that during each University fiscal year while any Bonds or Additional Bonds, including the proposed Additional Bonds, are scheduled to be outstanding, beginning with the fiscal year next following the date of the then proposed Additional Bonds, the Pledged Revenues estimated to be received during each of said fiscal years, respectively, will be at least equal to 1.25 times the principal and interest requirements of all then outstanding Bonds and Additional Bonds, and the then proposed Additional Bonds, during each of said fiscal years, respectively.

Section 21. On or before the first day of January, 1974, and on or before the first day of each July and of each January thereafter while any of the Bonds and Additional Bonds, if any, are outstanding and unpaid, there shall be made available to the paying agents therefor, out of the Interest and Sinking Fund, money sufficient to pay such interest on and such principal of the Bonds and Additional Bonds, if any, as will accrue or mature on such January 1 or July 1. The paying agents shall totally destroy all paid Bonds and Additional Bonds, if any, and the coupons appertaining thereto, and shall furnish the Board with an appropriate certificate of destruction.

Section 22. The Board covenants and agrees that:

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

(b) It is duly authorized under the laws of the State of Texas to create and issue the Bonds; that all action on its part for the creation and issuance of the Bonds has been duly and effectively taken, and that the Bonds in the hands of the holders and owners thereof are and will be valid and enforceable special obligations of the Board in accordance with their terms.

(c) It lawfully owns and is lawfully possessed of the lands upon which the existing campus, buildings, and facilities constituting the University are located, and has a good and indefeasible estate in such lands in fee simple, that it warrants that it has, and will defend, the title to all the aforesaid lands, and every part thereof and improvements thereon, for the benefit of the holders and owners of the Bonds and Additional Bonds against the claims and demands of all persons whomsoever, that it is lawfully qualified to pledge the Pledged Revenues to the payment of the Bonds and Additional Bonds in the manner prescribed herein, and has lawfully exercised such rights.

(d) It will from time to time and before the same become delinquent pay and discharge all taxes, assessments, and governmental charges, if any, which shall be lawfully imposed upon it, or the campus, buildings, and facilities of the University, that it will pay all lawful claims for rents, royalties, labor, materials, and supplies which if unpaid might by law become a lien or charge thereon, the lien of which would be prior to or interfere with the liens hereof, so that the priority of the liens granted hereunder shall be fully preserved in the manner provided herein, and that it will not create or suffer to be created any mechanic's, laborer's, materialman's or other lien or charge which might or could be prior to the liens hereof, or do or suffer any matter or thing whereby the liens hereof might or could be impaired; provided, however, that no such tax, assessment, or charge, and that no such claims which might be used as the basis of a mechanic's, laborer's, materialman's or other lien or charge, shall be required to be paid so long as the validity of the same shall be contested in good faith by the Board.

(e) That it will continuously and efficiently operate and maintain in good condition, and at a reasonable cost, the University and the facilities and services thereof, so long as any Bonds or Additional Bonds are outstanding.

(f) That while the Bonds or any Additional Bonds are outstanding and unpaid, the Board shall not additionally encumber the Pledged Revenues in any manner, except as permitted in this Resolution in connection with Additional Bonds, unless said encumbrance is made junior and subordinate in all respects to the liens, pledges, covenants, and agreements of this Resolution.

(g) Proper books of record and account will be kept in which full, true, and correct entries will be made of all dealings, activities, and transactions relating to the Pledged Revenues, and all books, documents, and vouchers relating thereto shall at all reasonable times be made available for inspection upon request of any bondholder.

(h) That each year while any of the Bonds or Additional Bonds are outstanding, an audit will be made of its books and accounts relating to the Pledged Revenues by the State Auditor of the State of Texas, or a certified public accountant, such audit to be based on the fiscal year of the University beginning on September 1 of each year and ending on August 31 of each year. As soon as practicable after the close of each such fiscal year, and when said audit has been completed and made available to the Board, a copy of such audit for the preceding fiscal year shall be mailed to the original holders, of the Bonds, and to all other bondholders who shall so request in writing. Such annual audit reports shall be open to the inspection of the bondholders and their agents and representatives at all reasonable times.

(i) That the Board covenants that it will not permit to be deposited to the credit of any of the Funds created by this Resolution, or applied to the payment of the principal of or interest on the Bonds or any Additional Bonds, any proceeds from any grant, subsidy, donation, or income received from the United States Government, whether pursuant to agreement or otherwise, if such deposit or application would result in interest payable on the Bonds or Additional Bonds being includable in whole or in part in gross income for Federal income tax purposes.

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(j) That the Board covenants that it will comply with all of the terms and conditions of any and all grant or subsidy agreements applicable to the Bonds or Additional Bonds entered into between the Board and any governmental agency in connection with any grant or debt service subsidy; and the Board will take all action necessary to enforce said terms and conditions.

(k) That the Board covenants to and with the purchasers of the Bonds that it will make no use of the proceeds of the Bonds at any time throughout the term of the issues of Bonds which, if such use had been reasonably expected on the date of delivery of the Bonds to and payment for the Bonds by the purchasers, would have caused the Bonds to be arbitrage bonds within the meaning of Section 103(d) of the Internal Revenue Code of 1954, as amended, or any regulations or rulings pertaining thereto; and by this covenant the Board is obligated to comply with the requirements of the aforesaid Section 103(d) and all applicable and pertinent Department of the Treasury regulations relating to arbitrage bonds. The Board further covenants that the proceeds of the Bonds will not otherwise be used directly or indirectly so as to cause all or any part of the Bonds to be or become arbitrage bonds within the meaning of the aforesaid Section 103(d), or any regulations or rulings pertaining thereto.

Section 23. That the Chairman of the Board is hereby authorized to have control of the Series 1973-A Bonds and all necessary records and proceedings pertaining thereto pending their delivery and their investigation, examination, and approval by the Attorney General of the State of Texas, and their registration by the Comptroller of Public Accounts of the State of Texas. Upon registration of the Series 1973-A Bonds, said Comptroller of Public Accounts (or a deputy designated in writing to act for said Comptroller) shall manually sign the Comptroller's Registration Certificate printed and endorsed on each of the Series 1973-A Bonds, and the seal of said Comptroller shall be impressed, or placed in facsimile, on each of the Series 1973-A Bonds.

Section 24. That it is hereby officially found and determined: that a case of emergency or urgent public necessity exists which requires the holding of the meeting at which this Resolution is adopted, such emergency or urgent public necessity being that the proceeds from the sale of the Series 1973-A Bonds are required as soon as possible and without delay for necessary and urgently needed public improvements; and that said meeting was open to the public, and public notice of the time, place, and purpose of said meeting was given, all as required by Vernon's Ann. Civ. St. Article 6252-17.

Section 25. That the Series 1973-A Bonds are hereby sold and shall be delivered to First National Bank in Dallas and Associates, for the amount of par and accrued interest to date of delivery, plus a premium of \$274.50.

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U. T. AUSTIN: (1) RESOLUTION AUTHORIZING THE ISSUANCE OF BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, THE UNIVERSITY OF TEXAS AT AUSTIN, COMBINED FEE REVENUE BONDS, SERIES 1973, \$34,000,000 AND AWARDING OF SALE OF BONDS TO FIRST NATIONAL BANK IN DALLAS, DALLAS, TEXAS, AND ASSOCIATES, (2) DESIGNATION OF TEXAS COMMERCE BANK NATIONAL ASSOCIATION, HOUSTON, TEXAS, OR BANKERS TRUST COMPANY, NEW YORK, NEW YORK, AS THE PAYING AGENTS AND (3) AWARDING OF CONTRACT TO STECK-WARLICK COMPANY, THE STECK DIVISION, AUSTIN, TEXAS, FOR PRINTING OF BONDS. --

The resolution set out on Pages 15-22 was duly introduced for the consideration of said Board and read in full. It was then duly moved by Regent Clark and seconded by Regent Bauerle that said resolution be adopted; and, after due discussion, said motion carrying with it the adoption of said resolution, prevailed and carried by the following vote:

AYES: All members of said Board shown present on Page 1 voted "Aye."

NOES: None.

This bond issue is for the purpose of providing funds to acquire, purchase, construct, improve, enlarge, and/or equip property, buildings, structures, or other facilities, for and on behalf of The University of Texas at Austin.

The adoption of this resolution authorized issuance of Board of Regents of The University of Texas System, The University of Texas at Austin, Combined Fee Revenue Bonds, Series 1973, in the amount of \$34,000,000 and awarded the sale of the bonds to First National Bank in Dallas, Dallas, Texas, and Associates for the sum of par plus accrued interest to date of delivery and a premium of \$208.55 (Page 22) and at the interest rates reflected on Page 15. The effective interest rate is 5.5352%.

Upon motion of Regent Clark, seconded by Regent Bauerle, the bid of Texas Commerce Bank National Association, Houston, Texas, to serve as Paying Agent for the Board of Regents of The University of Texas System, The University of Texas at Austin, Combined Fee Revenue Bonds, Series 1973, in the amount of \$34,000,000 was accepted. The Co-paying Agent designated was Bankers Trust Company, New York, New York (Pages 16, 18). The Paying Agent will make no charge for payment of bonds and coupons and will pay the Board of Regents the sum of \$75.00. Regent Shivers abstained from voting.

Upon motion of Regent Clark, seconded by Regent Bauerle, the Steck-Warlick Company, The Steck Division, Austin, Texas, was awarded by unanimous vote the contract to print the Board of Regents of The University of Texas System, The University of Texas at Austin, Combined Fee Revenue Bonds, Series 1973, in the amount of \$34,000,000. These bonds are to be printed according to specifications with lithographed borders for the sum of \$2,620, there being seven interest rates.

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RESOLUTION AUTHORIZING THE ISSUANCE OF BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, THE UNIVERSITY OF TEXAS AT AUSTIN, COMBINED FEE REVENUE BONDS, SERIES 1973, \$34,000,000

WHEREAS, the Board of Regents of The University of Texas System is authorized to issue the bonds hereinafter authorized pursuant to Chapter 55, Texas Education Code.

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

Section 1. That said Board's negotiable, serial, coupon bonds to be designated "BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, THE UNIVERSITY OF TEXAS AT AUSTIN, COMBINED FEE REVENUE BONDS, SERIES 1973" (hereinafter sometimes called the "Series 1973 Bonds"), are hereby authorized to be issued, sold, and delivered in the principal amount of \$34,000,000, FOR THE PURPOSE OF PROVIDING FUNDS TO ACQUIRE, PURCHASE, CONSTRUCT, IMPROVE, ENLARGE, AND/OR EQUIP PROPERTY, BUILDINGS, STRUCTURES, OR OTHER FACILITIES, FOR AND ON BEHALF OF THE UNIVERSITY OF TEXAS AT AUSTIN.

Section 2. That said Series 1973 Bonds shall be dated OCTOBER 1, 1973, shall be numbered consecutively from 1 THROUGH 6800, shall mature and become due and payable serially on JUNE 1 in each of the years, and in the amounts, respectively, as set forth in the following schedule:

<u>YEARS</u>	<u>AMOUNTS</u>	<u>YEARS</u>	<u>AMOUNTS</u>
1974	\$325,000	1990	\$ 850,000
1975	350,000	1991	905,000
1976	370,000	1992	960,000
1977	395,000	1993	1,010,000
1978	420,000	1994	1,075,000
1979	445,000	1995	1,135,000
1980	470,000	1996	1,215,000
1981	500,000	1997	1,280,000
1982	530,000	1998	1,350,000
1983	565,000	1999	1,440,000
1984	600,000	2000	1,520,000
1985	640,000	2001	2,285,000
1986	680,000	2002	3,000,000
1987	720,000	2003	3,600,000
1988	760,000	2004	3,800,000
1989	805,000		

Said Series 1973 Bonds may be redeemed prior to their scheduled maturities, at the option of said Board, on the dates stated, and in the manner provided, in the FORM OF BOND set forth in this Resolution.

Section 3. That said Series 1973 Bonds scheduled to mature during the years, respectively, set forth below shall bear interest at the following rates per annum:

maturities 1974 through 1985,	6.50%
maturities 1986,	6.00%
maturities 1987 through 1996,	5.40%
maturities 1997 through 1998,	5.50%
maturities 1999 through 2000,	5.60%
maturities 2001 through 2003,	5.70%
maturities 2004,	5.00%

Said interest shall be evidenced by interest coupons which shall appertain to said Series 1973 Bonds, and which shall be payable on the dates stated in the FORM OF BOND set forth in this Resolution.

Section 4. That said Series 1973 Bonds, and the interest coupons appertaining thereto, shall be payable, shall have the characteristics, and shall be signed and executed (and said Bonds shall be sealed), all as provided, and in the manner indicated, in the FORM OF BOND set forth in this Resolution.

Section 5. That the form of said Series 1973 Bonds, including the form of Registration Certificate of the Comptroller of Public Accounts of the State of Texas to be printed and endorsed on each of said Bonds, and the form of the aforesaid interest coupons which shall appertain and be attached initially to each of said Bonds, shall be, respectively, substantially as follows:

FORM OF BOND:

NO. _____ \$5,000

UNITED STATES OF AMERICA
STATE OF TEXAS
BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM
THE UNIVERSITY OF TEXAS AT AUSTIN
COMBINED FEE REVENUE BOND
SERIES 1973

ON JUNE 1, _____, the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, for and on behalf of THE UNIVERSITY OF TEXAS AT AUSTIN, promises to pay to bearer the principal amount of

FIVE THOUSAND DOLLARS

and to pay interest thereon, from the date hereof, at the rate of _____% per annum, evidenced by interest coupons payable DECEMBER 1, 1973, and semi-annually thereafter on each JUNE 1 and DECEMBER 1 while this bond is outstanding.

THE PRINCIPAL of this bond and the interest coupons appertaining hereto shall be payable to bearer, in lawful money of the United States of America, without exchange or collection charges to the bearer, upon presentation and surrender of this bond or proper interest coupon, at the following, which shall constitute and be defined as the "Paying Agent" for this Series of Bonds:

TEXAS COMMERCE BANK, NATIONAL ASSOCIATION, HOUSTON, TEXAS,
OR, AT THE OPTION OF THE BEARER, AT
BANKERS TRUST COMPANY, NEW YORK, NEW YORK.

THIS BOND is one of a Series of negotiable, serial, coupon bonds, dated OCTOBER 1, 1973, issued in the principal amount of \$34,000,000, FOR THE PURPOSE OF PROVIDING FUNDS TO ACQUIRE, PURCHASE, CONSTRUCT, IMPROVE, ENLARGE, AND/OR EQUIP PROPERTY, BUILDINGS, STRUCTURES, OR OTHER FACILITIES, FOR AND ON BEHALF OF THE UNIVERSITY OF TEXAS AT AUSTIN.

ON JUNE 1, 1984, OR ON ANY INTEREST PAYMENT DATE THEREAFTER, the outstanding bonds of this Series may be redeemed prior to their scheduled maturities, at the option of said

Board, IN WHOLE, OR IN PART, for the principal amount thereof and accrued interest thereon to the date fixed for redemption, plus a premium on the principal amount of each such bond as follows:

- 3% if redeemed June 1, 1984 through December 1, 1987;
- 2% if redeemed June 1, 1988 through December 1, 1990;
- 1% if redeemed June 1, 1991 through December 1, 1993;
- 0% if redeemed June 1, 1994, or thereafter.

At least thirty days prior to the date fixed for any such redemption said Board shall cause a written notice of such redemption to be published at least once in a financial publication published in the City of New York, New York, or in the City of Austin, Texas. By the date fixed for any such redemption due provision shall be made with the "Paying Agent" for the payment of the required redemption price. If such written notice of redemption is published and if due provision for such payment is made, all as provided above, the bonds which are to be so redeemed thereby automatically shall be redeemed prior to their scheduled maturities, and they shall not bear interest after the date fixed for redemption, and they shall not be regarded as being outstanding except for the purpose of being paid by the "Paying Agent" with the funds so provided for such payment.

IT IS HEREBY certified, recited, and covenanted that this bond has been duly and validly issued and delivered; that all acts, conditions, and things required or proper to be performed, exist, and be done precedent to or in the issuance and delivery of this bond have been performed, existed, and been done in accordance with law; and that the interest on and principal of this bond and the Series of which it is a part, together with other outstanding revenue bonds, are secured by and payable from an irrevocable first lien on and pledge of certain student tuition fees designated as the "Building Use Fee", and certain student general use fees designated as the "General Fee", and certain interest grants, and other revenues, collectively defined as "Pledged Revenues" and specifically described and referred to in the Resolution authorizing this Series of bonds.

SAID BOARD has reserved the right, subject to the restrictions referred to in said Resolution authorizing this Series of bonds, to issue additional parity revenue bonds which also may be secured by and made payable from an irrevocable first lien on and pledge of the aforesaid Pledged Revenues.

THE HOLDER hereof shall never have the right to demand payment of this obligation out of any funds raised or to be raised by taxation.

IN WITNESS WHEREOF, this bond and the interest coupons appertaining hereto have been signed with the facsimile signature of the Chairman of said Board and countersigned with the facsimile signature of the Secretary of said Board, and the official seal of said Board has been duly impressed, or placed in facsimile, on this bond.

XXXXXXXXX

 Secretary, Board of Regents,
 The University of Texas System

XXXXXXXXX

 Chairman, Board of Regents,
 The University of Texas System.

FORM OF REGISTRATION CERTIFICATE:

COMPTROLLER'S REGISTRATION CERTIFICATE: REGISTER NO.

I hereby certify that this bond has been examined, certified as to validity, and approved by the Attorney General of the State of Texas, and that this bond has been registered by the Comptroller of Public Accounts of the State of Texas.

Witness my signature and seal this

XXXXXXXXXX

Comptroller of Public Accounts of
the State of Texas.

FORM OF INTEREST COUPON:

NO. _____ \$ _____

ON _____ 1, _____

THE BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, for and on behalf of THE UNIVERSITY OF TEXAS AT AUSTIN, promises to pay to bearer the amount shown on this interest coupon, in lawful money of the United States of America, without exchange or collection charges to the bearer, unless due provision has been made for the redemption prior to maturity of the bond to which this interest coupon appertains, upon presentation and surrender of this interest coupon, at the

TEXAS COMMERCE BANK, NATIONAL ASSOCIATION, HOUSTON, TEXAS,
OR, AT THE OPTION OF THE BEARER, AT
BANKERS TRUST COMPANY, NEW YORK, NEW YORK,

said amount being interest due that day on the bond, bearing the number hereinafter designated, of that issue of BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, THE UNIVERSITY OF TEXAS AT AUSTIN, COMBINED FEE REVENUE BONDS, SERIES 1973, DATED OCTOBER 1, 1973. The holder hereof shall never have the right to demand payment of this obligation out of any funds raised or to be raised by taxation. Bond No. _____.

XXXXXXXXXX

Secretary, Board of Regents

XXXXXXXXXX

Chairman, Board of Regents

Section 6. That as hereinafter used in this Resolution the following terms shall have the meanings set forth below, unless the text hereof specifically indicates otherwise:

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

The term "University" shall mean The University of Texas at Austin, Austin, Texas.

The term "Bonds" shall mean collectively the Board of Regents of The University of Texas System, The University of Texas at Austin, Combined Fee Revenue Bonds, Series 1970, authorized by resolution of the Board on May 29, 1970, (the "Series 1970 Bonds"), the Board of Regents of The University of Texas System, The University of Texas at Austin, Combined Fee Revenue Bonds, Series 1971, authorized by resolution of the Board on January 29, 1971, (the "Series 1971 Bonds"), the Board of Regents of The University of Texas System, The

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University of Texas at Austin, Combined Fee Revenue Bonds, Series 1972, authorized by resolution of the Board on October 20, 1972, (the "Series 1972 Bonds"), and the Board of Regents of The University of Texas System, The University of Texas at Austin, Combined Fee Revenue Bonds, Series 1973, authorized by this Resolution (the "Series 1973 Bonds").

Section 7. That the Series 1973 Bonds are "Additional Bonds" as permitted by Section 8 of the resolution adopted by the Board on May 29, 1970, authorizing the issuance of the Series 1970 Bonds, and it is hereby determined, declared, and resolved that all of the Series 1970 Bonds, the Series 1971 Bonds, the Series 1972 Bonds, and the Series 1973 Bonds (hereinafter sometimes collectively called the "Bonds") are and shall be secured and payable equally and ratably on a parity, and that the Bonds and any Additional Bonds, and the interest thereon, are and shall be secured by and payable from an irrevocable first lien on and pledge of the Pledged Revenues, as defined in the aforesaid resolution authorizing the Series 1970 Bonds, and further including all interest grants received or to be received from the United States Government in connection with the Bonds, which interest grants are hereby pledged and shall constitute part of the Pledged Revenues, and shall, upon receipt, be credited to the Revenue Fund, as provided and permitted in the aforesaid resolution authorizing the Series 1970 Bonds.

Section 8. That the Bonds and any Additional Bonds and interest coupons appertaining thereto constitute special obligations of the Board payable solely from the Pledged Revenues, and such obligations shall not constitute a prohibited indebtedness of the University, the Board, or the State of Texas, and the holders of the Bonds and Additional Bonds and the coupons appertaining thereto shall never have the right to demand payment out of funds raised or to be raised by taxation.

Section 9. That Sections 5 through 11 of the aforesaid resolution adopted on May 29, 1970, authorizing the issuance of the Series 1970 Bonds are hereby adopted by reference and shall be applicable to the Series 1973 Bonds for all purposes, except to the extent herein specifically modified and supplemented; and the Interest and Sinking Fund, including the debt service reserve therein, created by the aforesaid resolution authorizing the Series 1970 Bonds shall be used to pay and secure the Series 1970 Bonds, the Series 1971 Bonds, the Series 1972 Bonds, and the Series 1973 Bonds, equally and ratably, on a parity. Also, the resolution adopted by the Board on May 29, 1970, fixing rates in connection with the Series 1970 Bonds, and in particular establishing the Building Use Fee and the General Fee, is hereby adopted by reference and shall be applicable to the Series 1970 Bonds, the Series 1971 Bonds, the Series 1972 Bonds, and the Series 1973 Bonds equally and ratably, on a parity for all purposes, except as modified as provided in Section 10.

Section 10. That it is hereby declared and confirmed that on July 27, 1973, the Board revised the General Fee, effective at the regular 1973 fall semester of the University, and that such General Fee has been and is hereby fixed and is, and was collected effective at the regular 1973 fall semester of the University and is being and will be credited to the Revenue Fund, as follows:

for the general use and availability of the property, buildings, structures, and other facilities of The University of Texas at Austin the General Fee shall be collected from each student regularly enrolled at The University of Texas at Austin, in the following amounts:

\$5.46 per semester credit hour for each of the regular fall and spring semesters, and for each term of each summer session.

Section 11. (a) That all accrued interest received as part of the proceeds from the sale and delivery of the Series 1973 Bonds shall be deposited to the credit of the Interest and Sinking Fund; and on or before November 25, 1973, and semi-annually on or before each May 25th and November 25th thereafter, the Board shall transfer from the Revenue Fund and deposit to the credit of the Interest and Sinking Fund the amounts as follows:

(1) an amount which will be sufficient, together with other monies then on hand therein and available for such purpose, to pay the interest scheduled to come due on the Bonds on the next succeeding interest payment date; and

(2) an amount which will be sufficient, together with other monies then on hand therein and available for such purpose, to pay one-half of all principal scheduled to mature and come due on the Bonds on the next succeeding June 1; and

(3) an amount equal to 1/10th of the average annual principal and interest requirements of the Bonds; provided, however, that when the money and investments in the debt service reserve are at least equal in market value to the amount of the average annual principal and interest requirements of the Bonds, then such deposits may be discontinued, unless and until the debt service reserve should be depleted to less than said amount in market value, in which case said deposits shall be resumed and continued until the debt service reserve is restored to said amount.

(b) That this Section is cumulative, and states all deposits required to be made to the credit of the Interest and Sinking Fund from the Revenue Fund in connection with all of the Bonds. All gross collections of the Building Use Fee shall continue to be deposited as received directly to the credit of the Interest and Sinking Fund, as required by Section 7.03 of the resolution authorizing the Series 1970 Bonds.

Section 12. On or before the last day of November, 1973, and on or before the last day of each May and of each November thereafter while any of the Bonds and Additional Bonds, if any, are outstanding and unpaid, there shall be made available to the paying agents therefor, out of the Interest and Sinking Fund, money sufficient to pay such interest on and such principal of the Bonds and Additional Bonds, if any, as will accrue

or mature on the first day of the month immediately following. The paying agents shall totally destroy all paid Bonds and Additional Bonds, if any, and the coupons appertaining thereto, and shall furnish the Board with an appropriate certificate of destruction.

Section 13. That while the Bonds or any Additional Bonds are outstanding and unpaid, the Board covenants and agrees that it will not additionally encumber the Pledged Revenues in any manner, except as permitted in the resolution authorizing the Series 1970 Bonds in connection with Additional Bonds, unless said encumbrance is made junior and subordinate in all respects to the liens, pledges, covenants, and agreements of the resolutions authorizing the Bonds.

Section 14. That the Board covenants and agrees that it and the University will comply with all of the terms and conditions of all interest grants agreements entered into between the Board or the University and the United States Government in connection with the Bonds and the purposes for which they are issued; and that all action necessary will be taken to enforce said terms and conditions.

Section 15. That the Board covenants that it will not permit to be deposited to the credit of the Interest and Sinking Fund, or applied to the payment of the principal of or interest on the Bonds or any Additional Bonds, any proceeds from any applicable grant, donation, or income received from the United States Government, whether pursuant to an agreement or otherwise, if such deposit or application would result in interest payable on the Bonds or Additional Bonds being includable in whole or in part in gross income for Federal income tax purposes.

Section 16. That the Board covenants to and with the purchasers of the Series 1973 Bonds that it will make no use of the proceeds of the Series 1973 Bonds at any time throughout the term of this issue of Series 1973 Bonds which, if such use had been reasonably expected on the date of delivery of the Series 1973 Bonds to and payment for the Series 1973 Bonds by the purchasers, would have caused the Series 1973 Bonds to be arbitrage bonds within the meaning of Section 103(d) of the Internal Revenue Code of 1954, as amended, or any regulations or rulings pertaining thereto; and by this covenant the Board is obligated to comply with the requirements of the aforesaid Section 103(d) and all applicable and pertinent Department of the Treasury regulations relating to arbitrage bonds. The Board further covenants that the proceeds of the Series 1973 Bonds will not otherwise be used directly or indirectly so as to cause all or any part of the Series 1973 Bonds to be or become arbitrage bonds within the meaning of the aforesaid Section 103(d), or any regulations or rulings pertaining thereto.

Section 17. That the Chairman of the Board is hereby authorized to have control of the Series 1973 Bonds, and all necessary records and proceedings pertaining thereto pending their delivery and their investigation, examination, and approval by the Attorney General of the State of Texas, and their registration by the Comptroller of Public Accounts of the State of Texas. Upon registration of the Series 1973 Bonds, said Comptroller of Public Accounts (or a deputy designated in writing to act for said Comptroller) shall manually sign the Comptroller's Registration Certificate printed and endorsed on each of the Series 1973 Bonds, and the seal of said Comptroller shall be impressed, or placed in facsimile, on each of the Series 1973 Bonds.

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Section 18. That it is hereby officially found and determined: that a case of emergency or urgent public necessity exists which requires the holding of the meeting at which this Resolution is adopted, such emergency or urgent public necessity being that the proceeds from the sale of the Series 1973 Bonds are required as soon as possible and without delay for necessary and urgently needed public improvements; and that said meeting was open to the public, and public notice of the time, place, and purpose of said meeting was given, all as required by Vernon's Ann. Civ. St. Article 6252-17.

Section 19. That the Series 1973 Bonds are hereby sold and shall be delivered to First National Bank in Dallas and Associates, for the amount of par and accrued interest to date of delivery, plus a premium of \$208.55.

COMMENDATION OF STAFF OF OFFICE OF INVESTMENTS, TRUSTS AND LANDS, BOND CONSULTANT AND BOND COUNSEL. --During the consideration of the resolution authorizing the sale of the Board of Regents of The University of Texas System, The University of Texas at Austin, Combined Fee Revenue Bonds, Series 1973, \$34,000,000, Regent Erwin said, "I think the staff of the Office of Investments, Trusts and Lands deserves a great amount of credit for these interest rates. They tailored these bonds to fit the market and they did a great job as they always do. It is unbelievable that these bonds were sold at 5.5352% and that the University can obtain 9% or better on time deposits of the bond proceeds. The Bond Consultants and Bond Counsel have served the University for a long time and deserve great credit."

Regent Clark joined Regent Erwin in these remarks and extended congratulations for a job well done. He asked, and it was unanimously approved, that the motion adopting the resolution set out on Pages 15 - 22 be amended to include this commendation.

U. T. EL PASO: (1) RESOLUTION AUTHORIZING THE ISSUANCE OF BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, THE UNIVERSITY OF TEXAS AT EL PASO, COMBINED FEE REVENUE BONDS, SERIES 1973, \$5,000,000 AND AWARDING OF SALE OF BONDS TO FIRST NATIONAL BANK IN DALLAS, DALLAS, TEXAS, AND ASSOCIATES, (2) DESIGNATION OF TEXAS COMMERCE BANK NATIONAL ASSOCIATION, HOUSTON, TEXAS, OR BANKERS TRUST COMPANY, NEW YORK, NEW YORK, AS THE PAYING AGENTS AND (3) AWARDING OF CONTRACT TO STECK-WARLICK COMPANY, THE STECK DIVISION, AUSTIN, TEXAS, FOR PRINTING THE BONDS. -- The resolution set out on Pages 24 - 31 was duly introduced for the consideration of said Board and read in full. It was then duly moved by Regent Nelson and seconded by Regent Clark that said resolution be adopted; and, after due discussion, said motion carrying with it the adoption of said resolution, prevailed and carried by the following vote:

AYES: All members of said Board shown present on Page 1 voted "Aye."

NOES: None.

This bond issue is for the purpose of providing funds to acquire, purchase, construct, improve, enlarge, and/or equip property, buildings, structures, or other facilities, for and on behalf of The University of Texas at El Paso.

The adoption of this resolution authorized issuance of Board of Regents of The University of Texas System, The University of Texas at El Paso, Combined Fee Revenue Bonds, Series 1973, in the amount of \$5,000,000 and awarded the sale of the bonds to First National Bank in Dallas, Dallas, Texas, and Associates for the sum of par plus accrued interest to date of delivery and a premium of \$273.57 (Page 31) and at the interest rates reflected on Page 24. The effective interest rate is 5.5080%.

Upon motion of Regent Nelson, seconded by Regent Clark, the bid of Texas Commerce Bank National Association, Houston, Texas, to serve as Paying Agent for the Board of Regents of The University of Texas System, The University of Texas at El Paso, Combined Fee Revenue Bonds, Series 1973, in the amount of \$5,000,000, was accepted. The Co-paying Agent designated was Bankers Trust Company, New York, New York (Pages 25, 27). The Paying Agent will make no charge for payment of bonds and coupons and will pay the Board of Regents the sum of \$10.00. Regent Shivers abstained from voting.

Upon motion of Regent Nelson, seconded by Regent Clark, the Steck-Warlick Company, The Steck Division, Austin, Texas, was awarded by unanimous vote the contract to print the Board of Regents of The University of Texas System, The University of Texas at El Paso, Combined Fee Revenue Bonds, Series 1973, in the amount of \$5,000,000. These bonds are to be printed according to specifications with lithographed borders for the sum of \$698, there being seven interest rates.

RESOLUTION AUTHORIZING THE ISSUANCE OF BOARD
OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM,
THE UNIVERSITY OF TEXAS AT EL PASO, COMBINED
FEE REVENUE BONDS, SERIES 1973, \$5,000,000

WHEREAS, the Board of Regents of The University of Texas System is authorized to issue the bonds hereinafter authorized pursuant to Chapter 55, Texas Education Code.

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

Section 1. That said Board's negotiable, serial, coupon bonds to be designated "BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, THE UNIVERSITY OF TEXAS AT EL PASO, COMBINED FEE REVENUE BONDS, SERIES 1973", (hereinafter sometimes called the "Series 1973 Bonds"), are hereby authorized to be issued, sold, and delivered in the principal amount of \$5,000,000, FOR THE PURPOSE OF PROVIDING FUNDS TO ACQUIRE, PURCHASE, CONSTRUCT, IMPROVE, ENLARGE, AND/OR EQUIP PROPERTY, BUILDINGS, STRUCTURES, OR OTHER FACILITIES, FOR AND ON BEHALF OF THE UNIVERSITY OF TEXAS AT EL PASO.

Section 2. That said Series 1973 Bonds shall be dated OCTOBER 1, 1973, shall be numbered consecutively from 1 THROUGH 1000, shall mature and become due and payable serially on MAY 1 in each of the years, and in the amounts, respectively, as set forth in the following schedule:

<u>YEARS</u>	<u>AMOUNTS</u>	<u>YEARS</u>	<u>AMOUNTS</u>
1975	\$ 60,000	1990	\$150,000
1976	65,000	1991	160,000
1977	70,000	1992	170,000
1978	75,000	1993	180,000
1979	75,000	1994	190,000
1980	80,000	1995	205,000
1981	85,000	1996	215,000
1982	90,000	1997	230,000
1983	100,000	1998	245,000
1984	105,000	1999	260,000
1985	110,000	2000	275,000
1986	120,000	2001	295,000
1987	125,000	2002	310,000
1988	135,000	2003	330,000
1989	140,000	2004	350,000

Said Series 1973 Bonds may be redeemed prior to their scheduled maturities, at the option of said Board, on the dates stated, and in the manner provided, in the FORM OF BOND set forth in this Resolution.

Section 3. That said Series 1973 Bonds scheduled to mature during the years, respectively, set forth below shall bear interest at the following rates per annum:

maturities 1975 through 1984,	6.50%
maturities 1985 through 1994,	5.30%
maturities 1995 through 1996	5.40%
maturities 1997 through 1998,	5.50%
maturities 1999 through 2000,	5.60%
maturities 2001 through 2003,	5.70%
maturities 2004,	5.00%

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Said interest shall be evidenced by interest coupons which shall appertain to said Series 1973 Bonds, and which shall be payable on the dates stated in the FORM OF BOND set forth in this Resolution.

Section 4. That said Series 1973 Bonds, and the interest coupons appertaining thereto, shall be payable, shall have the characteristics, and shall be signed and executed (and said Bonds shall be sealed), all as provided, and in the manner indicated, in the FORM OF BOND set forth in this Resolution.

Section 5. That the form of said Series 1973 Bonds, including the form of Registration Certificate of the Comptroller of Public Accounts of the State of Texas to be printed and endorsed on each of said Bonds, and the form of the aforesaid interest coupons which shall appertain and be attached initially to each of said Bonds, shall be, respectively, substantially as follows:

FORM OF BOND:

NO. _____

\$5,000

UNITED STATES OF AMERICA
STATE OF TEXAS
BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM
THE UNIVERSITY OF TEXAS AT EL PASO
COMBINED FEE REVENUE BOND
SERIES 1973

ON MAY 1, _____, the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, for and on behalf of THE UNIVERSITY OF TEXAS AT EL PASO, promises to pay to bearer the principal amount of

FIVE THOUSAND DOLLARS

and to pay interest thereon, from the date hereof, at the rate of _____% per annum, evidenced by interest coupons payable MAY 1, 1974, and semi-annually thereafter on each NOVEMBER 1 and MAY 1 while this bond is outstanding.

THE PRINCIPAL of this bond and the interest coupons appertaining hereto shall be payable to bearer, in lawful money of the United States of America, without exchange or collection charges to the bearer, upon presentation and surrender of this bond or proper interest coupon, at the following, which shall constitute and be defined as the "Paying Agent" for this Series of Bonds:

TEXAS COMMERCE BANK, NATIONAL ASSOCIATION, HOUSTON, TEXAS,
OR, AT THE OPTION OF THE BEARER, AT
BANKERS TRUST COMPANY, NEW YORK, NEW YORK.

THIS BOND is one of a Series of negotiable, serial, coupon bonds, dated OCTOBER 1, 1973, issued in the principal amount of \$5,000,000, FOR THE PURPOSE OF PROVIDING FUNDS TO ACQUIRE, PURCHASE, CONSTRUCT, IMPROVE, ENLARGE, AND/OR EQUIP PROPERTY, BUILDINGS, STRUCTURES, OR OTHER FACILITIES, FOR AND ON BEHALF OF THE UNIVERSITY OF TEXAS AT EL PASO.

ON MAY 1, 1984, OR ON ANY INTEREST PAYMENT DATE THEREAFTER, the outstanding bonds of this Series may be redeemed prior to their scheduled maturities, at the option of said Board, IN WHOLE, OR IN PART, for the principal amount thereof and accrued interest thereon to the date fixed for redemption, plus a premium

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on the principal amount of each such bond as follows:

- 3% if redeemed May 1, 1984 through November 1, 1987;
- 2% if redcemcd May 1, 1988 through November 1, 1990;
- 1% if redeemed May 1, 1991 through November 1, 1993;
- 0% if redeemed May 1, 1994, or thereafter.

At least thirty days prior to the date fixed for any such redemption said Board shall cause a written notice of such redemption to be published at least once in a financial publication published in the City of New York, New York, or in the City of Austin, Texas. By the date fixed for any such redemption due provision shall be made with the "Paying Agent" for the payment of the required redemption price. If such written notice of redemption is published and if due provision for such payment is made, all as provided above, the bonds which are to be so redeemed thereby automatically shall be redeemed prior to their scheduled maturities, and they shall not bear interest after the date fixed for redemption, and they shall not be regarded as being outstanding except for the purpose of being paid by the "Paying Agent" with the funds so provided for such payment.

IT IS HEREBY certified, recited, and covenanted that this bond has been duly and validly issued and delivered; that all acts, conditions, and things required or proper to be performed, exist, and be done precedent to or in the issuance and delivery of this bond have been performed, existed, and been done in accordance with law; and that the interest on and principal of this bond and the Series of which it is a part, together with other outstanding revenue bonds, are secured by and payable from an irrevocable first lien on and pledge of certain student tuition fees designated as the "Building Use Fee", and certain student general use fees designated as the "General Fee", and certain interest grants, and other revenues, collectively defined as "Pledged Revenues" and specifically described and referred to in the Resolution authorizing this Series of bonds.

SAID BOARD has reserved the right, subject to the restrictions referred to in said Resolution authorizing this Series of bonds, to issue additional parity revenue bonds which also may be secured by and made payable from an irrevocable first lien on and pledge of the aforesaid Pledged Revenues.

THE HOLDER hereof shall never have the right to demand payment of this obligation out of any funds raised or to be raised by taxation.

IN WITNESS WHEREOF, this bond and the interest coupons appertaining hereto have been signed with the facsimile signature of the Chairman of said Board and countersigned with the facsimile signature of the Secretary of said Board, and the official seal of said Board has been duly impressed, or placed in facsimile, on this bond.

XXXXXXXXX

 Secretary, Board of Regents,
 The University of Texas System

XXXXXXXXX

 Chairman, Board of Regents,
 The University of Texas System.

FORM OF REGISTRATION CERTIFICATE:

COMPTRROLLER'S REGISTRATION CERTIFICATE: REGISTER NO.

I hereby certify that this bond has been examined, certified as to validity, and approved by the Attorney General

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of the State of Texas, and that this bond has been registered by the Comptroller of Public Accounts of the State of Texas.

Witness my signature and seal this

XXXXXXXXXX
Comptroller of Public Accounts of
the State of Texas.

FORM OF INTEREST COUPON:

NO. _____ \$ _____

ON _____ 1, _____

THE BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, for and on behalf of THE UNIVERSITY OF TEXAS AT EL PASO, promises to pay to bearer the amount shown on this interest coupon, in lawful money of the United States of America, without exchange or collection charges to the bearer, unless due provision has been made for the redemption prior to maturity of the bond to which this interest coupon appertains, upon presentation and surrender of this interest coupon, at the TEXAS COMMERCE BANK, NATIONAL ASSOCIATION, HOUSTON, TEXAS, OR, AT THE OPTION OF THE BEARER, AT BANKERS TRUST COMPANY, NEW YORK, NEW YORK, said amount being interest due that day on the bond, bearing the number hereinafter designated, of that issue of BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, THE UNIVERSITY OF TEXAS AT EL PASO, COMBINED FEE REVENUE BONDS, SERIES 1973, DATED OCTOBER 1, 1973. The holder hereof shall never have the right to demand payment of this obligation out of any funds raised or to be raised by taxation. Bond No. _____.

XXXXXXXXXX
Secretary, Board of Regents

XXXXXXXXXX
Chairman, Board of Regents

Section 6. That as hereinafter used in this Resolution the following terms shall have the meanings set forth below, unless the text hereof specifically indicates otherwise:

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

The term "University" shall mean The University of Texas at El Paso, El Paso, Texas.

The term "Bonds" shall mean collectively the Board of Regents of The University of Texas System, The University of Texas at El Paso, Combined Fee Revenue Bonds, Series 1970, authorized by resolution of the Board on April 17, 1970, (the "Series 1970 Bonds"), the Board of Regents of The University of Texas System, The University of Texas at El Paso, Combined Fee Revenue Bonds, Series 1971, authorized by resolution of the Board on October 22, 1971, (the "Series 1971 Bonds"), and the Board of Regents of The University of Texas System, The University of Texas at El Paso, Combined Fee Revenue Bonds, Series 1973, authorized by this Resolution (the "Series 1973 Bonds").

Section 7. That the Series 1973 Bonds are "Additional Bonds" as permitted by Section 8 of the resolution adopted by the Board on April 17, 1970, authorizing the issuance of the Series 1970 Bonds, and it is hereby determined, declared, and resolved that all of said Series 1970 Bonds, Series 1971 Bonds, and Series 1973 Bonds (hereinafter sometimes collectively called the "Bonds") are and shall be secured and payable equally and ratably on a

parity, and that the Bonds and any Additional Bonds, and the interest thereon, are and shall be secured by and payable from an irrevocable first lien on and pledge of the Pledged Revenues, as defined in the aforesaid resolution authorizing the Series 1970 Bonds, and further including all interest grants or subsidies received or to be received from the United States Government in connection with the Bonds, which interest grants are hereby pledged and shall constitute part of the Pledged Revenues, and shall, upon receipt, be credited to the Revenue Fund, as provided and permitted in the aforesaid resolution authorizing the Series 1970 Bonds.

Section 8. That the Bonds and any Additional Bonds and interest coupons appertaining thereto constitute special obligations of the Board payable solely from the Pledged Revenues, and such obligations shall not constitute a prohibited indebtedness of the University, the Board, or the State of Texas, and the holders of the Bonds and Additional Bonds and the coupons appertaining thereto shall never have the right to demand payment out of funds raised or to be raised by taxation.

Section 9. That Sections 5 through 11 of the aforesaid resolution adopted on April 17, 1970, authorizing the issuance of the Series 1970 Bonds are hereby adopted by reference and shall be applicable to the Series 1973 Bonds for all purposes, except to the extent herein specifically modified and supplemented; and the Interest and Sinking Fund, including the debt service reserve therein, created by the aforesaid resolution authorizing the Series 1970 Bonds shall be used to pay and secure the Series 1970 Bonds, the Series 1971 Bonds, and the Series 1973 Bonds, equally and ratably, on a parity. Also, the resolution adopted by the Board on April 17, 1970, fixing rates in connection with the Series 1970 Bonds, and in particular establishing the Building Use Fee and the General Fee, is hereby adopted by reference and shall be applicable to the Series 1970 Bonds, the Series 1971 Bonds, and the Series 1973 Bonds equally and ratably, on a parity for all purposes, except as modified as provided in Section 10.

Section 10. That it is hereby declared and confirmed that on July 27, 1973, the Board revised the General Fee, effective at the regular 1973 fall semester of the University, and that such General Fee has been and is hereby fixed and is, and was collected and effective at the regular 1973 fall semester of the University and is being and will be credited to the Revenue Fund, as follows:

the General Fee for the general use and availability of the University facilities is hereby fixed and shall be collected from each student regularly enrolled at The University of Texas at El Paso as follows:

\$4.26 per semester credit hour for each of
the regular fall and spring semesters,
and for each term of each summer session.

Section 11. (a) That all accrued interest received as part of the proceeds from the sale and delivery of the Series 1973 Bonds shall be deposited to the credit of the Interest and Sinking Fund; and on or before October 25, 1973, and semi-annually on or before each April 25th and October 25th thereafter, the Board shall transfer from the Revenue Fund and deposit to the credit of the Interest and Sinking Fund the amounts as follows:

(1) an amount which will be sufficient, together with other monies then on hand therein and available for such purpose, to pay the interest scheduled to come due on the Bonds on the next succeeding interest payment date; and

(2) an amount which will be sufficient, together with other monies then on hand therein and available for such purpose, to pay one-half of all principal scheduled to mature and come due on the Bonds on the next succeeding May 1; and

(3) an amount equal to 1/10th of the average annual principal and interest requirements of the Bonds; provided, however, that when the money and investments in the debt service reserve are at least equal in market value to the amount of the average annual principal and interest requirements of the Bonds, then such deposits may be discontinued, unless and until the debt service reserve should be depleted to less than said amount in market value, in which case said deposits shall be resumed and continued until the debt service reserve is restored to said amount.

(b) That this Section is cumulative, and states all deposits required to be made to the credit of the Interest and Sinking Fund from the Revenue Fund in connection with all of the Bonds. All gross collections of the Building Use Fee shall continue to be deposited as received directly to the credit of the Interest and Sinking Fund, as required by Section 7.03 of the resolution authorizing the Series 1970 Bonds.

Section 12. On or before the last day of October, 1973, and on or before the last day of each April and of each October thereafter while any of the Bonds and Additional Bonds, if any, are outstanding and unpaid, there shall be made available to the paying agents therefor, out of the Interest and Sinking Fund, money sufficient to pay such interest on and such principal of the Bonds and Additional Bonds, if any, as will accrue or mature on the first day of the month immediately following. The paying agents shall totally destroy all paid Bonds and Additional Bonds, if any, and the coupons appertaining thereto, and shall furnish the Board with an appropriate certificate of destruction.

Section 13. The Board covenants and agrees that:

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

(b) It is duly authorized under the laws of the State of Texas to create and issue the Bonds; that all action on its part for the creation and issuance of the Bonds has been duly and effectively taken, and that the Bonds in the hands of the holders and owners thereof are and will be valid and enforceable special obligations of the Board in accordance with their terms and the terms of this Resolution.

(c) It lawfully owns and is lawfully possessed of the lands upon which the existing Campus, buildings, and facilities constituting the University are located, and has a good and indefeasible estate in such lands in fee simple, that it warrants that it has, and will defend, the title to all the aforesaid lands, and every part thereof and improvements thereon, for the benefit of the holders and owners of the Bonds and

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Additional Bonds against the claims and demands of all persons whomsoever, that it is lawfully qualified to pledge the Pledged Revenues to the payment of the Bonds and Additional Bonds in the manner prescribed herein, and has lawfully exercised such rights.

(d) It will from time to time and before the same become delinquent pay and discharge all taxes, assessments, and governmental charges, if any, which shall be lawfully imposed upon it, or the Campus, buildings, and facilities of the University, that it will pay all lawful claims for rents, royalties, labor, materials, and supplies which if unpaid might by law become a lien or charge thereon, the lien of which would be prior to or interfere with the liens hereof, so that the priority of the liens granted hereunder shall be fully preserved in the manner provided herein, and that it will not create or suffer to be created any mechanic's, laborer's, materialman's or other lien or charge which might or could be prior to the liens hereof, or do or suffer any matter or thing whereby the liens hereof might or could be impaired; provided, however, that no such tax, assessment, or charge, and that no such claims which might be used as the basis of a mechanic's, laborer's, materialman's or other lien or charge, shall be required to be paid so long as the validity of the same shall be contested in good faith by the Board.

(e) That it will continuously and efficiently operate and maintain in good condition, and at a reasonable cost, the University and the facilities and services thereof, so long as any Bonds or Additional Bonds are outstanding.

(f) That while the Bonds or any Additional Bonds are outstanding and unpaid, the Board shall not additionally encumber the Pledged Revenues in any manner, except as permitted in the resolution authorizing the Series 1970 Bonds in connection with Additional Bonds, unless said encumbrance is made junior and subordinate in all respects to the liens, pledges, covenants, and agreements of the resolutions authorizing the Bonds.

(g) Proper books of record and account will be kept (separate and apart from all other records and accounts) in which full, true, and correct entries will be made of all dealings, activities, and transactions relating to the Pledged Revenues, and all books, documents, records, accounts, data, and vouchers relating thereto shall at all reasonable times be made available for inspection upon request of any bondholder.

(h) That each year while any of the Bonds or Additional Bonds are outstanding, an audit will be made of its books and accounts relating to the Pledged Revenues by the State Auditor of the State of Texas, or any certified public accountant, such audit to be based on the fiscal year of the University. As soon as practicable after the close of each University fiscal year, and when said audit has been completed and made available to the Board, a copy of such audit for the preceding fiscal year shall be mailed to all bondholders who shall so request in writing. Such annual audit reports shall be open to the inspection of the bondholders and their agents and representatives at all reasonable times.

Section 14. That the Board covenants and agrees that it and the University will comply with all of the terms and conditions of all interest grants agreements entered into between the Board or the University and the United States Government in connection with the Bonds and the purposes for which they are issued; and that all action necessary will be taken to enforce said terms and conditions.

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Section 15. That the Board covenants that it will not permit to be deposited to the credit of the Interest and Sinking Fund, or applied to the payment of the principal of or interest on the Bonds or any Additional Bonds, any proceeds from any applicable grant, donation, or income received from the United States Government, whether pursuant to an agreement or otherwise, if such deposit or application would result in interest payable on the Bonds or Additional Bonds being includable in whole or in part in gross income for Federal income tax purposes.

Section 16. That the Chairman of the Board is hereby authorized to have control of the Series 1973 Bonds and all necessary records and proceedings pertaining thereto pending their delivery and their investigation, examination, and approval by the Attorney General of the State of Texas, and their registration by the Comptroller of Public Accounts of the State of Texas. Upon registration of the Series 1973 Bonds, said Comptroller of Public Accounts (or a deputy designated in writing to act for said Comptroller) shall manually sign the Comptroller's Registration Certificate printed and endorsed on each of the Series 1973 Bonds, and the seal of said Comptroller shall be impressed, or placed in facsimile, on each of the Series 1973 Bonds.

Section 17. That the Board covenants to and with the purchasers of the Series 1973 Bonds that it will make no use of the proceeds of the Series 1973 Bonds at any time throughout the term of this issue of Series 1973 Bonds which, if such use had been reasonably expected on the date of delivery of the Series 1973 Bonds to and payment for the Series 1973 Bonds by the purchasers, would have caused the Series 1973 Bonds to be arbitrage bonds within the meaning of Section 103(d) of the Internal Revenue Code of 1954, as amended, or any regulations or rulings pertaining thereto; and by this covenant the Board is obligated to comply with the requirements of the aforesaid Section 103(d) and all applicable and pertinent Department of the Treasury regulations relating to arbitrage bonds. The Board further covenants that the proceeds of the Series 1973 Bonds will not otherwise be used directly or indirectly so as to cause all or any part of the Series 1973 Bonds to be or become arbitrage bonds within the meaning of the aforesaid Section 103(d), or any regulations or rulings pertaining thereto.

Section 18. That it is hereby officially found and determined: that a case of emergency or urgent public necessity exists which requires the holding of the meeting at which this Resolution is adopted, such emergency or urgent public necessity being that the proceeds from the sale of the Series 1973 Bonds are required as soon as possible and without delay for necessary and urgently needed public improvements; and that said meeting was open to the public, and public notice of the time, place, and purpose of said meeting was given, all as required by Vernon's Ann. Civ. St. Article 6252-17.

Section 19. That the Series 1973 Bonds are hereby sold and shall be delivered to First National Bank in Dallas and Associates, for the amount of par and accrued interest to date of delivery, plus a premium of \$273.57.

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REGENT ERWIN'S STATEMENT WITH RESPECT TO ENROLLMENT. --
Regent Erwin made the following statement:

"There were those who were fearful some months ago about constructing additional buildings for the students and faculty to use and there were those who feared when we set up the Building Use Fee, we would run off students. I think it should be noted that at every one of the institutions in the U. T. System this fall we have an increased enrollment at a time when other institutions in the state are losing students. I think this shows that the students appreciate leadership and high quality education.

"I agree with Mr. Clark - there is no question that we ought to give Dr. Amstead some kind of recognition. He promised the Legislature he would have 800 students and he has 1108. Dr. Flawn has done at least as remarkable a job. He is limited to masters degree students and has 1114, and Dr. Jordan has 400 graduate students. I think that every once in a while we need to brag on ourselves."

RECESS. --The Board of Regents having completed the three special orders set for 9:00 a. m. recessed at 9:20 a. m. to reconvene promptly after the Standing Committees and the Committee of the Whole completed their meetings.

REASSEMBLY. --The Standing Committees and the Committee of the Whole having completed their meetings, the Board of Regents reassembled in the same room to receive the reports of the Committees. All Regents who had attended the morning session were present except Regent Bauerle who had to leave early to make transportation connections.
(See Page 1 .)

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REPORTS OF STANDING COMMITTEES

Set out below are reports of meetings of the Standing Committees which were conducted in open session:

REPORT OF SYSTEM ADMINISTRATION COMMITTEE (Pages 33-39). -- The following report of the System Administration Committee was filed by Board Chairman McNeese in the absence of Committee Chairman Williams. The report and the recommendations therein were approved by unanimous vote:

Since the last report of the System Administration Committee on July 27, 1973, the following recommendations of the Administration were circulated to the members of the System Administration Committee and no exceptions were registered. These recommendations are herewith submitted for formal approval by the System Administration Committee:

U. T. Arlington, U. T. Austin, Galveston Medical Branch (Galveston Medical School), San Antonio Health Science Center and University Cancer Center (M. D. Anderson): Amendments to the 1972-73 and 1973-74 Budgets (6-B and 7-B-73). -- It is recommended by the appropriate institutional heads, concurred in by System Administration, that the following amendments to the 1972-73 and 1973-74 budgets as indicated below for The University of Texas at Arlington, The University of Texas at Austin, The University of Texas Medical Branch at Galveston (Galveston Medical School), The University of Texas Health Science Center at San Antonio and The University of Texas System Cancer Center (M. D. Anderson), be approved (Pages 34-39).

Unless otherwise indicated, the sources of funds for these amendments are departmental appropriations.

All rates are full time rates: salary rate indicates a 12 months' full time rate and academic rate indicates a 9 months' full time rate:

The University of Texas at Arlington
1972-73

<u>Explanation</u>	<u>Present Status</u>	<u>Proposed Status</u>	<u>Effective Dates</u>
Auxiliary Enterprises- Rent Properties			
Transfer of Funds	From: Rent Properties- Unappropriated Balance via Estimated Income	To: Rent Properties- Maintenance and Operation	
Amount of Transfer	\$ 25,000	\$ 25,000	---
Auxiliary Enterprises- Student Congress			
Transfer of Funds	From: Student Activi- ties Fees Unappropriated Balance via Estimated Income	To: Student Congress- Wages \$ 272.50 Maintenance & Operation 954.60 Travel 237.60 Capital Outlay 200.00	
Amount of Transfer	\$1,664.70	<u>\$1,664.70</u>	---

The University of Texas at Austin
1972-73

Auxiliary Enterprises- Intercollegiate Athletics			
Transfer of Funds	From: Intercollegiate Athletics Unappropriated Balance via Realized Income	To: Intercollegiate Athletics - Other Expenses	
Amount of Transfer	\$ 38,600	\$ 38,600*	---

* To be used for:

- (a) Improvement and Rehabilitation of Facilities (\$20,000) -
(1) lighting underneath the stadium; (2) installing gates to control people at the seventh level; (3) upgrading the facilities in the ticket office; and (4) painting the light poles on the east side of the stadium.
- (b) Furniture for Basketball Coaches' Office (\$3,100) - To refurbish a room in Gregory Gymnasium for a basketball coaches' office. The need for this action was brought about by an agreement between the Department of Intercollegiate Athletics and the Department of Physical Instruction to relinquish Coach Royal's office in order that it could be used as a departmental office for its chairman.

It was felt by Coach Black that it was highly desirable to have an office in the gymnasium where the coaches could

visit with prospective athletes and their parents since practices and home games take place in that building. A lounge had been used previously for that purpose, but since those furnishings were moved to Belmont Hall, it was desirable to refurbish the lounge for an office and of such quality as to be comparable with the facilities in Belmont Hall.

- (c) Baseball Playoff and College World Series (\$15,500) -
This is for the District VI Playoff and the College World Series: (1) Team Expenses - \$13,100; (2) Game Expenses - \$2,000; (3) Publicity Expenses - \$400.

The University of Texas at Austin (Continued)
1972-73

Explanation	Present Status	Proposed Status	Effective Dates
Auxiliary Enterprises- Division of Housing & Food Service-Jester Center Halls			
Transfer of Funds	From: Unappropriated Balance-Housing & Food Service	To: Jester Center Halls	
Amount of Transfer	\$ 6,000	\$ 6,000	---
To be used for:			
(a) Convert Storeroom M-18-H in the basement of Jester East to a Television-Recreation room (\$2,300).			
(b) Redecorate the Jester East Lobby (\$3,700).			
Auxiliary Enterprises- Marine Science Institute			
Transfer of Funds	From: Student Services Fees-Unappropriated Balance	To: Marine Science Institute	
Amount of Transfer	\$ 10,500	\$ 10,500	---
Auxiliary Enterprises - Intercollegiate Athletics			
Transfer of Funds	From: Unappropriated Balance - Intercol- legiate Athletics via Realized Income	To: Intercollegiate Athletics - Other Expenses \$ 57,450 Wages <u>12,000</u>	
Amount of Transfer	\$ 69,450	<u>\$ 69,450*</u>	---

* The manner in which budgeted is listed on Page 36.

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Budget adjustments to be made are:

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Adjusted Budget</u>
Football	\$344,300	-\$29,300	\$315,000
Baseball	43,200	3,300	46,500
Tennis	8,300	3,600	11,900
Golf	11,750	4,250	16,000
Swimming	17,300	3,400	20,700
Athletics Scholarships	287,000	29,000	316,000
Telephone and Telegraph	29,000	5,000	34,000
OASI, WCI, and UCI	23,000	2,000	25,000
Repairs and Maintenance	37,000	8,000	45,000
Travel, Scouting and Recruiting	93,800	<u>28,200</u>	122,000
		\$57,450	

Intercollegiate Athletics - Wages account needs the following adjustments:

Wages Account	65,000	<u>12,000</u>	77,000
		69,450	

The University of Texas at Austin (Continued)
1972-73

Auxiliary Enterprises -
Texas Union

Transfer of Funds	From: Unappropriated Balance - Texas Union via Realized Income	To: Texas Union Dining Service - Law School Snack Bar
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Amount of Transfer	\$ 3,892	\$ 3,892	---
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The University of Texas at Austin
1973-74

TEXAS PETROLEUM RESEARCH COMMITTEE, 1973-74 BUDGET FOR THE UNIVERSITY OF TEXAS AT AUSTIN. --

The University of Texas at Austin and the Texas A&M University operate under an agreement with the Texas Petroleum Research Committee. Mr. Robert L. Whiting, Director of the Texas Petroleum Research Committee, recommends the following budget for the portion of the funds allocated to The University of Texas at Austin. (Pages 37-38)

The University of Texas at Austin (Continued)
1973-74

THE UNIVERSITY OF TEXAS AT AUSTIN
BUDGET OF THE UNIVERSITY DIVISION
TEXAS PETROSEUM RESEARCH COMMITTEE
Fiscal Year 1973-74
(12 Months)

ESTIMATED INCOME:	<u>1972-73</u>	<u>1973-74</u>
One-half of State Appropriation to Oil and Gas Division of Railroad Commission of Texas	\$60,000	\$60,000
TOTAL ESTIMATED INCOME:	<u>\$60,000</u>	<u>\$60,000</u>

ESTIMATED EXPENDITURES:

Account No.	Appropriation Item	Mos.	Account Number	1972-73 Budget	1973-74 Budget
01	Administrative and Professional Salaries	12	14-7497-0139	\$ 20,000	\$ 21,200
1A	Classified Personnel	12	14-7497-0131	33,500	31,433
3B	Wages (Hourly)	12	14-7497-0132	1,700	3,567
4A	Maintenance and Operation	12	14-7497-0135	3,000	2,500
5	Travel	12	14-7497-0137	300	300
6	Computer Rental and Purchased Service	12	14-7497-0138	1,500	1,000
	Total Appropriation			60,000*	60,000*

EMPLOYEE ROSTER

Supplemental Data	Item	Title - Name - Code	1973-74 Appointment Period	%	Time Mos.	1972-73 Adjusted Rate	1973-74 Amount
		DIRECTOR (Part-time)				(A)	(A)
		ASSISTANT DIRECTOR 1000					
	1.	I. H. Silberberg	9-01 8-31	100	12	\$ 20,000	\$ 21,200
		Total - Administrative and Professional Salaries					21,200
		ADMINISTRATIVE SECRETARY 9040					
	2.	Judith A. Schluter	9-01 8-31	100	12	6,912	7,632
		RESEARCH ENGINEER ASSISTANT II 4281					
\$ 4,429	3.	Classified Rate	9-01 8-31	53			4,429
8,436#				100	12		
4,429	4.	R. H. Anderson	9-01 8-31	53			4,429
8,436#		Classified Rate		100	12		

The University of Texas at Austin (Continued)
1973-74

EMPLOY ROSTER (Continued)

Supplemental Data	Item No.	Title - Name - Code	1973-74 Appointment Period	% Time Mos.	1972-73 Adjusted Rate	1973-74 Amount
		RESEARCH ENGINEER ASSISTANT I 4282				
\$ 4,170	5.	W. M. Kazmann	9-01 8-31	63		\$ 4,170
6,672#		Classified Rate		100 12		
4,170	6.	W. B. Fair	9-01 8-31	63		4,170
6,672#		Classified Rate		100 12		
4,170	7.	H. J. Payne	9-01 8-31	63		4,170
6,672#		Classified Rate		100 12		
2,433	8.		2-01 8-31	63		2,433
6,672#		Classified Rate		100 12		
Total - Classified Personnel						31,433

(A) Paid from TPRC A&M Division

The University of Texas Medical Branch at Galveston (Galveston Medical School)
1972-73

Item No.	Explanation	Present Status	Proposed Status	Effective Dates
1.	Duane L. Larson (Tenure) Surgery	Professor	Professor	
	Salary Rate	\$ 29,500	\$ 33,000	8/1/73
	Source of Funds:			
	Shrine Affiliation Agreement			

The University of Texas Health Science Center at San Antonio
1972-73

1.	Auxiliary Enterprises- Bookstore			
	Transfer of Funds	From: Bookstore Un-appropriated Balance via Estimated Income	To: Bookstore - Purchases for Resale	
	Amount of Transfer	\$ 50,000	\$ 50,000	---

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The University of Texas System Cancer Center (M. D. Anderson)
1972-73

Item No.	Explanation	Present Status	Proposed Status	Effective Dates
1.	Corinne Norton Medical Records	Chief Medical Records Librarian	Chief Medical Records Librarian	7/1/73
	Salary Rate	\$ 15,200	\$ 17,200	
	Source of Funds: Reserve for Pro- fessional Salaries			

9-14-73

REPORT OF ACADEMIC AND DEVELOPMENTAL AFFAIRS COMMITTEE
(Pages 40-44). --Committee Chairman (Mrs.) Johnson filed the following report of the Academic and Developmental Affairs Committee and moved the adoption thereof:

1. U. T. System: Chancellor's Docket No. 66 (Attachment No. 1). -- There were three exceptions to the Chancellor's Docket. The responses to two of these were satisfactory but the third exception was referred to the Executive Session. After it had been satisfactorily explained, the Chancellor's Docket No. 66 was approved in the form distributed by the Secretary prior to the meeting. It is attached (Attachment No. 1) following Page 93 and made a part of these Minutes.
2. U. T. Arlington: Appointment of Dr. David Merrill to the Amon G. Carter Chair of Art History. --The Amon G. Carter Chair of Art History at The University of Texas at Arlington was originally established on January 31, 1969, with the first payment of \$250,000. Committee Chairman (Mrs.) Johnson reported that the donors are now prepared to make the final payment for this endowed position. The recommendation to name Dr. David Merrill the first appointee to the Amon G. Carter Chair of Art History at The University of Texas at Arlington for the 1973-74 academic year was approved. It was noted that Mrs. Ruth C. Johnson, a former member of the Board of Regents of The University of Texas System and also a Director of the Amon G. Carter Foundation, has approved this appointment.
3. U. T. Austin: Establishment of Joseph C. Hutcheson Professorship in Law. --Approval was given to the recommendation of President Spurr, concurred in by Chancellor LeMaistre, to establish the Joseph C. Hutcheson Professorship in Law at the Law School of The University of Texas at Austin to be funded by the Law School Foundation. After receiving recommendations from appropriate administrative officials pursuant to the gift instrument, appointments to this professorship will be made annually by the Board of Regents of The University of Texas System. The Chairman of the Board of Regents was authorized to sign the instrument reflecting the Board's acceptance.
4. U. T. Austin: Change in Title of Stiles Professorship in Comparative Literature to Stiles Professorship in Humanities and Comparative Literature. --Approval was given to the recommendation of President Spurr, concurred in by Chancellor LeMaistre, to change the title of the Stiles Professorship in Comparative Literature to the Stiles Professorship in Humanities and Comparative Literature so as to reflect more appropriately the breadth of interdisciplinary endeavors within the Humanities.
5. U. T. Austin: Establishment of The Tom Sealy Lecture on Law and the Free Society in School of Law. --Approval was given to the recommendation of President Spurr, concurred in by Chancellor LeMaistre, to establish in the School of Law at The University of Texas at Austin a lectureship to be known as The Tom Sealy Lecture on Law and the Free Society and to be funded by the Law School Foundation. It is understood that occupants of this lectureship will be chosen by the Board of Regents of The University of Texas System after receiving recommendations from appropriate administrative officials.

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6. U. T. Austin: 1972-73 Agreement with Travis County Legal Aid and Defender Society Amended and Extended. --A report was received from Chancellor LeMaistre that the cooperative program between the School of Law and the Travis County Legal Aid and Defender Society has, in the opinion of President Spurr and the outside consultants, proved to be an effective adjunct to the Law School curriculum. Chancellor LeMaistre recommended:

- a. That the Board of Regents approve the agreement set forth below which in substance is identical to the previous one year agreements except (1) the requirement for an annual outside review has been eliminated and replaced by a presidential review and (2) the term of the agreement is continuous from year to year unless dissolved by either party following appropriate notice.
- b. That the presidential review take place prior to the submission of the annual operating budget to System Administration and that this review form the basis for the recommended budgetary allocation.
- c. That any funds required by this program shall be subject to the usual rules and regulations on budgetary matters.

Upon motion of Regent Shivers, seconded by Regent Garrett, the 1972-73 Agreement between the Board of Regents of The University of Texas System for and on behalf of the Law School of The University of Texas at Austin and the Travis County Legal Aid and Defender Society was amended and authorized as set out herein. Chairman McNeese and Regent Erwin voted "No." Regent Shivers commented that he thought this program should be kept under review:

THE STATE OF TEXAS I
 I
COUNTY OF TRAVIS I

THIS MEMORANDUM AGREEMENT by and between the Board of Regents of The University of Texas System, for and on behalf of The University of Texas at Austin School of Law, hereinafter called University, and Travis County Legal Aid and Defender Society, hereinafter called LADS.

WITNESSETH:

WHEREAS, University recognizes that a law school of the first class should offer its students opportunities to obtain first-hand experience in handling legal problems of the public; and

WHEREAS, LADS represents that it can provide these services;

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NOW, THEREFORE, for and in consideration of the mutual benefits and the covenants herein contained, the parties agree as follows:

I.

LADS agrees to furnish all services as may be required from time to time by the University for the purpose of providing clinical legal education and to perform such duties incidental to the clinical legal education program as are required for conforming to the policies and rules of the University. It is universally recognized that such a program provides a laboratory for students in the law school for the development of practice skills. It is further recognized that a good law school through the utilization of faculty and interested students must confront the problem of the poor and assist in bringing them into the world of the law and lawyers, thus providing an opportunity to contribute toward achieving the ancient and honored goal of the legal profession of equal justice for all.

LADS, therefore, agrees to render such services as required by the University so that these functions can be adequately performed.

II.

It is understood and agreed that LADS will conduct its programs and integrate its work in such a manner as to furnish the means by which legal education can be advanced and students better prepared for the practice of law, all of which is in the public interest and is an essential part of the law school function.

III.

University agrees to pay LADS, subject to the approval of the Board of Regents through the Budgetary Process, a mutually agreed sum, which sum of money is to be paid to LADS upon invoices submitted to the University which shall be approved by the Dean of The University of Texas at Austin School of Law and the Vice-President for Business Affairs at The University of Texas at Austin. It is contemplated that such invoices shall be for services rendered--legal and secretarial--and invoices will be submitted, normally on a monthly basis, by LADS to the Dean of The University of Texas at Austin School of Law, who shall forward such invoices for final approval to the Vice-President for Business Affairs at The University of Texas at Austin.

IV.

There shall be an annual review of "clinical" experience under the contract with LADS conducted by the President of The University of Texas at Austin, taking into consideration such issues as those raised

concerning such programs as discussed in the article, "Supervising Students in Legal Clinics Outside the Law School," by Arthur N. Frakt, in the April, 1971, issue of Student Lawyer Journal, with a written report on the evaluation submitted to the Chancellor and the Board of Regents as a part of the material supporting the annual operating budget.

V.

This agreement shall become effective immediately upon its execution and shall extend from year to year, except as it may be amended by mutual agreement of the parties, or may be terminated by either party upon giving ninety (90) days' written notice to the other.

EXECUTED THIS _____ day of _____, 1973

ATTEST:

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM

Secretary

By: _____
Chairman

ATTEST:

TRAVIS COUNTY LEGAL AID AND DEFENDER SOCIETY

By: George D. Byfield

Approved as to form:

Approved as to content:

Bernice Wachep
University Attorney

James H. Hagan
for
Vice-Chancellor for Academic Affairs

Edward L. ...
Deputy Chancellor for Administration

John ...
Vice-President for Business Affairs
The University of Texas at Austin

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The Chairman of the Board of Regents was authorized to execute this agreement when it has been approved as to content by the Assistant Vice-Chancellor for Academic Programs and the Deputy Chancellor for Administration and as to form by a University attorney.

The purpose of this agreement is to provide legal services for those who cannot afford to pay for said services and to provide clinical experience for first and second year students in the Law School.

Adoption of Report. -- The motion of Committee Chairman (Mrs.) Johnson to adopt the report of the Academic and Developmental Affairs Committee was seconded and unanimously prevailed.

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REPORT OF BUILDINGS AND GROUNDS COMMITTEE (Pages 45-56).--
Committee Chairman Erwin filed the following report of the Buildings and
Grounds Committee and the actions therein were ratified without objection:

1. U. T. Arlington - Expansion of Capacity of Central Plant and
Extension of Utilities Distribution System for Fine Arts Building:
Award of Contract to Empire Mechanical Contractors, Inc., Fort
Worth, Texas. --For the expansion of the capacity of the Central
Plant and the extension of utilities distribution system to serve
the Fine Arts Building at The University of Texas at Arlington,
a contract was awarded to the low bidder, Empire Mechanical
Contractors, Inc., Fort Worth, Texas, as follows:

Base Bid	\$ 2,179,900
Add Alternates:	
No. 1 (Alterations to Fuel Lines)	1,500
No. 2 (Water Treatment System)	<u>23,700</u>
Total Contract Award	<u>\$ 2,205,100</u>

Authorization was given to reduce the total project cost from
\$2,995,000 to \$2,555,000 which amount covers the building con-
tract award, previous contract award for installation of two fuel
storage tanks, fees, and miscellaneous expenses. The building
contract award provides for new electric feeders from the Central
Plant to the Fine Arts Building, expansion of the Central Plant
Building with additional chilling units, and construction of a
utility tunnel from the plant to the Fine Arts Building.

To conform to the revised total project cost, the previous appro-
priation of \$2,995,000 from Combined Fee Bonds was reduced to
\$2,555,000.

2. U. T. Austin - College of Fine Arts and Performing Arts Center
(Addition to Drama Building and Remodeling of Existing Building):
Approval of Preliminary Plans and Specifications. --Preliminary
plans and specifications for the construction of an addition to the
Drama Building and the remodeling of the existing Drama Building
as a part of the College of Fine Arts and Performing Arts Center
at The University of Texas at Austin were approved. These prelim-
inary plans and specifications were prepared by the Project
Architect, Fisher and Spillman, Inc. This project includes new
construction totaling 47,000 square feet consisting of a 500 seat
proscenium theatre with adjacent support areas and new class-
rooms and offices for the drama and dance programs, and includes
remodeling of the existing Drama Building. The estimated total
project cost for this portion of the complex is \$3,800,000, which
has been appropriated.

The Project Architect was authorized to prepare final plans and
specifications to be presented to the Board of Regents for considera-
tion at a future meeting.

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3. U. T. Austin - College of Fine Arts and Performing Arts Center (Addition to Art Building and Remodeling of Existing Building): Approval of Preliminary Plans and Specifications. -- Preliminary plans and specifications for the construction of an addition to the Art Building and the remodeling of the existing Art Building as a part of the College of Fine Arts and Performing Arts Center at The University of Texas at Austin were approved. These preliminary plans and specifications were prepared by the Project Architect, Fisher and Spillman, Inc. This project includes new construction totaling 49,000 square feet consisting of studios, classrooms and offices, plus outdoor work areas and remodeling in the existing Art Building. The estimated total project cost for this portion of the complex is \$1,937,650, which has been appropriated.

The Project Architect was authorized to prepare final plans and specifications to be presented to the Board of Regents at a future meeting.

4. U. T. Austin - Art Museum: Request for Consideration Withdrawn. -- The recommendation with respect to an Art Museum at The University of Texas at Austin was withdrawn at the request of the Administration.
5. U. T. Austin - Engineering Teaching Center No. 1: Award of Contracts for Furniture and Furnishings to Abel Contract Furniture and Equipment Company, Inc., Austin, Texas; Library Bureau, Division of Remington Rand, Sperry Rand Corporation, Houston, Texas; and Rockford Furniture Associates, Austin, Texas. -- For furniture and furnishings for the Engineering Teaching Center No. 1 at The University of Texas at Austin, contracts were awarded to the low bidders, as follows:

Rockford Furniture Associates
Austin, Texas

Base Bid "A" (General Furniture)	\$ 378,706.10
Base Bid "D" (Carpeting)	26,201.60

Abel Contract Furniture and Equipment
Company, Inc.
Austin, Texas

Base Bid "B" (Library Furniture)	22,853.46
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Library Bureau, Division of Remington Rand
Sperry Rand Corporation
Houston, Texas

Base Bid "C" (Steel Bookstacks)	<u>7,846.59</u>
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Total Contract Award	<u>\$ 435,607.75</u>
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The funds necessary to cover these contract awards are available in the Furniture and Equipment account for the project.

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- 6. U. T. Austin - Physics-Mathematics-Astronomy Building: Named Robert Lee Moore Hall. --The Physics-Mathematics-Astronomy Building at The University of Texas at Austin was named the "Robert Lee Moore Hall" in honor of Dr. Robert Lee Moore, Professor Emeritus of Mathematics at The University of Texas at Austin. It was noted that the Mathematics Wing of this building had previously been named in honor of Dr. Moore at the Regents' meeting on April 24, 1973.
- 7. U. T. Austin - East Campus Library Auditorium: Named in Honor of Lyndon Baines Johnson. --The East Campus Library Auditorium at The University of Texas at Austin was named the "Lyndon Baines Johnson Auditorium" in honor of the late Lyndon Baines Johnson, 36th President of the United States.
- 8. U. T. Austin - Clark Field Baseball Facility: (1) Award of Contract to Construct Clark Field Baseball Stadium to J. C. Evans Construction Company, Inc., Austin, Texas, (2) Award of Contract for Synthetic Turf to Monsanto Company, St. Louis, Missouri, and (3) Additional Appropriation Therefor. --For the construction of the Clark Field Baseball Stadium at The University of Texas at Austin, a contract was awarded to the low bidder, J. C. Evans Construction Company, Inc., Austin, Texas, as follows:

Base Bid	\$ 1,711,747
Add Alternate No. 1 (Add Sports Lights)	<u>255,000</u>
Total Contract Award	<u>\$ 1,966,747</u>

For the installation of the synthetic turf and wearing surfaces at the Clark Field Baseball Facility, a contract was awarded to the low bidder, Monsanto Company, St. Louis, Missouri, as follows:

Base Bid No. 2 (Knitted Turf)	\$ 430,924
Construction Contingency (Not Included in Base Bid)	<u>10,000</u>
Total Contract Award	<u>\$ 440,924</u>

This project provides for a covered stadium of 5,000 seats with concession areas, dressing facilities and a lighted artificially surfaced playing field designed for multi-purpose activities.

The total project cost was increased from \$2,500,000 to \$2,577,562 to cover the two construction contract awards, movable furnishings and equipment, fees, and miscellaneous expenses. Additional funds in the amount of \$77,562 were appropriated from Pooled Interest on Bond Proceeds and Other Construction Funds to cover the total project cost. From this source, \$2,500,000 has been previously appropriated.

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9. U. T. Austin: Appointment of Stone and Webster, Engineering Consultant, of New York City, New York, to Study Alternate Possibilities for Expansion of Power Plant. -- A report was received that the Director of the Physical Plant, U. T. Austin, and the Director of the Office of Facilities Planning and Construction had conducted a study which indicated that the "firm" electrical capacity on the campus of The University of Texas at Austin will probably be exceeded in 1976 and that an increase of 30 megawatts capacity will be required. The additional electrical capacity will include service to new projects on the U. T. Austin campus, including the Graduate School of Business, the Addition to Robert A. Welch Hall, College of Education, Social Science and Humanities Library, Special Events Center, and the College of Fine Arts and Performing Arts Center.

After due consideration, authorization was given to employ the firm of Stone and Webster, Engineering Consultant, of New York City, New York, who had made a previous study, to make a survey outlining alternatives and to recommend to the Administration how additional electrical power to meet the needs could be provided. Funds have been previously appropriated for additional power supply, and it was authorized that the consultant's fees be paid from that source. Based upon the recommendations made by Stone and Webster, the Administration was requested to submit to the Board at a future meeting recommendations for providing the necessary additional power requirements.

10. U. T. Austin - Robert A. Welch Hall: The Scope of the Addition to Robert A. Welch Hall Revised and Authorization Given to Prepare Preliminary Plans Accordingly. -- The original addition to the Robert A. Welch Hall at The University of Texas at Austin authorized at the Regents' meeting on March 16, 1972, to cover 165,000 gross square feet was amended to include undergraduate lecture halls, classrooms and other facilities to provide approximately 255,000 square feet at an estimated total project cost of \$15,080,000, which has been previously appropriated.

The firm of Wyatt C. Hedrick, Architects and Engineers, of Houston, Texas, was authorized to prepare preliminary plans and specifications for the additional space. The plans and specifications will be presented to the Board of Regents for approval at a future meeting.

Committee Chairman Erwin reported that the trustees of The Robert A. Welch Foundation were deeply grateful that the Chemistry Building and its Addition on the campus of The University of Texas at Austin had been named the Robert A. Welch Hall. Committee Chairman Erwin indicated that an appropriate commemoration would later be held.

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11. U. T. Austin - McDonald Observatory: Report of Ed L. Reed and Associates, Midland, Texas, Regarding Water Sources and Authorization for Exploratory Well on McIvor Ranch; Employment of Freese, Nichols and Esmond, Odessa, Texas, Consulting Engineers and Surveyors, to Make Study to Get Water From Well Site to Mount Locke; Authorization to Negotiate for Right-of-Way and Easements and Appointment of Committee. -- Ed L. Reed and Associates, Midland, Texas, were authorized on July 21, 1972, to make the necessary studies, evaluation and reports regarding water sources for The University of Texas at Austin - The University of Texas McDonald Observatory at Mount Locke and The University of Texas of the Permian Basin. The Administration reported that Mr. Reed had filed an evaluation in February of 1973 indicating that an alternate source of supply other than the existing well at the foot of Mount Locke would have to be found. However, it was his opinion that the current well would provide an adequate water supply for at least two years. Notwithstanding this evaluation, last month the water supply decreased by some 70% and has remained at that level. This decrease in water supply has made it necessary to buy water and haul it by truck from Fort Davis. The Administration reported that at a meeting held at McDonald Observatory on September 11, 1973, with members of the staff and Mr. Reed, the following recommendations were proposed for immediate implementation. These recommendations were adopted by unanimous vote:
- a. Employ Ed L. Reed and Associates to supervise the drilling and testing of an exploratory well to a depth of approximately 400 feet at a site to be agreed upon by the owner of the property (represented by Mr. Don McIvor) and Mr. Reed on the McIvor Ranch approximately 3 miles from the Observatory.
 - b. Employ Freese, Nichols and Esmond, Consulting Engineers and Surveyors, Odessa, Texas, to make an engineering study and cost estimate for routing, piping and pumping from the well site to the existing water system on Mount Locke.
 - c. If the test well indicates an adequate supply of water to serve the needs of the Observatory, authorize the Administration to negotiate with property owners including the State Highway Department for the necessary right-of-way and easements to accommodate the piping from the well site to the Observatory as per the engineers' recommendations.
 - d. Employ Ed L. Reed and Associates to prepare recommendations for reworking the existing well at Mount Locke with such work to be done after the new source of water has been developed and the necessary piping and tie-in to the existing distribution system on Mount Locke has been completed.

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- e. Authorize the Deputy Chancellor for Administration to negotiate with Ed L. Reed and Associates and Freese, Nichols and Esmond contracts for the work as outlined above and authorize the Chairman to execute such contracts after approval by a committee composed of President Spurr, Deputy Chancellor Walker, Committee Chairman Erwin and Regents Bauerle and Shivers.

This item was not on the agenda for this meeting, therefore, it will be resubmitted for ratification at the Regents' meeting on October 26, 1973.

12. U. T. El Paso - Bell Hall: Award of Contracts to Abel Contract Furniture and Equipment Company, Inc., Austin, Texas, and Norton Brothers, Inc., El Paso, Texas, for Furniture and Furnishings. --For furniture and furnishings for remodeled Bell Hall at The University of Texas at El Paso, contracts were awarded to the low bidders, as follows:

Base Bid "A" (General Furniture) Abel Contract Furniture and Equipment Company, Inc., Austin, Texas	\$ 40,293.00
Base Bid "B" (Carpet) Norton Brothers, Inc. El Paso, Texas	20,098.76
Base Bid "C" (Classroom Furniture) Norton Brothers, Inc. El Paso, Texas	<u>2,379.60</u>
Total Contract Awards	<u>\$ 62,771.36</u>

It was noted that the funds necessary to cover these contract awards are available in the Furniture and Equipment account for the project.

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13. U. T. El Paso - Fine Arts Complex (Fine Arts Buildings Nos. 1 and 2): Award of Contracts to Abel Contract Furniture and Equipment Company, Inc., Austin, Texas; Brodhead-Garrett Company, Cleveland, Ohio; and Norton Brothers, Inc., El Paso, Texas, for Furniture and Furnishings. --For furniture and furnishings for Fine Arts Buildings Nos. 1 and 2 at The University of Texas at El Paso, contracts were awarded to the low bidders as follows:

Brodhead-Garrett Company
Cleveland, Ohio

Base Bid "A" (Special Shop Items) \$ 39,942.50

Norton Brothers, Inc.
El Paso, Texas

Base Bid "B" (General Furniture) 163,069.69
Base Bid "D" (Music Furniture and Risers) 33,160.25
Base Bid "E" (Steel Bookstacks) 7,573.50

Abel Contract Furniture and Equipment
Company, Inc.
Austin, Texas

Base Bid "C" (Library Furniture) 4,664.93

Total Contract Awards \$ 248,410.87

The funds necessary to cover these contract awards are available in the Furniture and Equipment account for the project.

14. U. T. El Paso - Special Events Center: Approval of Preliminary Plans and Specifications. --Preliminary plans and specifications for the construction of the Special Events Center at The University of Texas at El Paso to be located next to the playing field were approved. These preliminary plans and specifications were prepared by the Project Architect, B. W. Crain, Jr., Longview, Texas. A model of this Center was on exhibit at the meeting.

The Project Architect was authorized to prepare final plans and specifications to be presented to the Board of Regents at a future meeting.

15. Dallas Health Science Center (Dallas Medical School) - Auditorium and Cafeteria: Award of Contract to Environ, Inc., Dallas, Texas, for Furniture and Furnishings. --For furniture and furnishings for the Auditorium and Cafeteria at the Dallas Medical School of The University of Texas Health Science Center at Dallas, a contract was awarded to the low bidder, Environ, Inc., Dallas, Texas, in the amount of \$56,712.25.

The funds necessary to cover this contract award are available in the Furniture and Equipment account for the project.

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16. Dallas Health Science Center (Dallas Medical School) - Auditorium and Cafeteria: Award of Contract for Carpeting to Superior Carpet Sales and Service Company, Inc., Dallas, Texas. --For the carpeting of the Auditorium and Cafeteria at the Dallas Medical School of The University of Texas Health Science Center at Dallas, a contract was awarded to the low bidder, Superior Carpet Sales and Service Company, Inc., Dallas, Texas, as follows:

Base Bid "A" (Carpet No. 1)	\$ 30,548.12
Base Bid "B" (Carpet No. 2)	<u>20,740.00</u>
Total Contract Award	<u>\$ 51,288.12</u>

The funds needed to cover this contract award are available in the Furniture and Equipment account for the project.

17. Dallas Health Science Center (Dallas Medical School) - Physical Plant Expansion: Award of Contract to Lee-Emmert, A Corporation, Richardson, Texas, and Additional Appropriation Therefor. -- A contract was awarded to the low bidder, Lee-Emmert, A Corporation, Richardson, Texas, for the Physical Plant Expansion for the Dallas Medical School of The University of Texas Health Science Center at Dallas, as follows:

Base Bid	\$ 414,332
Deduct Alternates:	
No. 1 (Omit Gypsum Wall Board)	-1,008
No. 2 (Omit Wall Paneling)	-2,505
No. 3 (Omit Sound Blankets)	<u>-1,453</u>
Total Contract Award	<u>\$ 409,366</u>

This project provides for a two-story addition consisting of offices, file storage and space for environmental monitoring equipment.

The total project cost was increased from \$326,000 to \$442,100 to cover the building construction contract award, air balancing, fees and miscellaneous expenses. For this project \$326,000 has been previously appropriated. The additional funds of \$116,100 were appropriated from Unappropriated Balance Plant Funds of Dallas Health Science Center.

18. Galveston Medical Branch (Galveston Hospitals) - Linear Accelerator: Approval of Final Plans and Specifications for Facility to House and Authorization to Advertise for Bids. -- The final plans and specifications for the installation of the linear accelerator at The University of Texas Medical Branch at Galveston (acquired from Varian Associates) have been prepared by the Project Architect, Louis Lloyd Oliver and Tibor Beerman, and were approved. These plans and specifications cover a building of approximately 1,300 gross square feet at an estimated total construction cost of \$277,750. The contract award for the linear accelerator was granted

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at the Regents' March 5, 1973, meeting in the amount of \$322,250, and the estimated total project cost remains at \$600,000, which has been appropriated.

The Director of the Office of Facilities Planning and Construction was authorized to advertise for bids for the housing facility subject to final review.

19. Galveston Medical Branch - High Rise Parking Facility: Award of Contract to John Gray Company, Inc., Galveston, Texas. -- For the High Rise Parking Facility at The University of Texas Medical Branch at Galveston, a contract was awarded to the low bidder, John Gray Company, Inc., Galveston, Texas, as follows:

Base Bid	\$ 872,000
Add Alternates:	
No. 1 (Add East Elevator)	21,526
No. 2 (Add West Elevator)	<u>21,526</u>
Total Contract Award	<u>\$ 915,052</u>

This contract award provides for a parking structure to accommodate 400 cars at a total project cost of \$1,000,000 which has been appropriated, and is funded from Medical Branch Unexpended Institutional Plant Funds.

20. Galveston Medical Branch (Galveston Medical School) - Ashbel Smith Building (Referred to as Old Red): The Firm of Wilson/Crain/Anderson of Houston, Texas, Appointed Project Architect; Resolution of Commendation from Texas State Historical Survey Committee. --In order that plans for the rehabilitation of the Ashbel Smith Building (referred to as Old Red) at the Galveston Medical School of The University of Texas Medical Branch at Galveston can be started, the firm of Wilson/Crain/Anderson of Houston, Texas, was appointed Project Architect with authorization to prepare preliminary plans and specifications to be presented to the Board of Regents for approval at a future meeting.

The following Resolution of Commendation from the Texas State Historical Survey Committee was received through Chairman McNeese:

RESOLUTION

WHEREAS, The Ashbel Smith Building, affectionately known for many years as "Old Red," is now the oldest medical college building in Texas and one of the five oldest such structures in the nation, having been constructed in 1890 as the first building of The University of Texas Medical Branch at Galveston; and

WHEREAS, "Old Red" is an edifice of splendid and inventive architectural quality, designed by the eminent architect Nicholas J. Clayton in the Romanesque Revival style; and

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WHEREAS, the historical and architectural significance of this structure has been repeatedly noted and commented upon, with official recognition being twice accorded through the efforts of the Texas State Historical Survey Committee, first in 1962, when the building was declared a Recorded Texas Historic Landmark, and again in 1969, when it was entered upon the National Register of Historic Places; and

WHEREAS, "Old Red" has given unflagging, arduous, and lengthy service to students of the medical profession for more than four score years, and has, as a result, fallen into a seriously deteriorated condition, being threatened repeatedly with demolition; and

WHEREAS, in order to save this historical landmark and architectural masterpiece, returning it to productive use as an Institute for the Medical Humanities and a combined Medical Museum and Historical Repository, a sum of two million dollars will ultimately be required; and

WHEREAS, in May of 1973 a campaign to raise funds from various private and independent sources was vigorously launched by the office of Dr. T. G. Blocker, Jr., President of The University of Texas Medical Branch, with the amount of \$130,000 having been donated or pledged to date; and

WHEREAS, on June 1, 1973, The University of Texas Board of Regents approved, as a "challenge," the allocation of \$850,000 from the sale of Permanent University Fund Bonds, with the provision that a matching amount be raised from other sources; and

WHEREAS, the Texas State Historical Survey Committee is aiding this most worthwhile effort by having applied in July of 1973 for a federal grant-in-aid to supplement the above-mentioned monies;

NOW, THEREFORE, BE IT RESOLVED that the members of the Survey Committee reconfirm the resolution which they passed in 1966 supporting the preservation of "Old Red," and add to it at this time a wholehearted endorsement of the campaign being conducted by Dr. Blocker and a sincere commendation of the action of the Board of Regents.

BE IT FURTHER RESOLVED that this resolution be spread upon the Minutes of this meeting and that copies be forwarded to the offices of Dr. T. G. Blocker, Jr., and to the Board of Regents of The University of Texas.

/s/ Clifton Caldwell
President

ATTEST:

/s/ Mrs. F. M. Covert, III
Secretary

/s/ Truett Latimer
Executive Director

DATE: July 13, 1973

(SEAL)

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21. San Antonio Health Science Center (San Antonio Medical School) - Physical Plant Building No. 2: Award of Contract to D. J. Rheiner Construction Company, San Antonio, Texas, and Additional Appropriation Therefor. -- For the Physical Plant Building No. 2 at the San Antonio Medical School of The University of Texas Health Science Center at San Antonio, a contract was awarded to the low bidder, D. J. Rheiner Construction Company, San Antonio, Texas, as follows:

Base Bid	\$ 263,000
Add Alternates:	
No. 1 (Add Office Air Conditioning)	5,100
No. 2 (Add Masonry Wall and Driveway)	9,600
No. 3 (Add Mezzanine Stair and Chain Link Partitions)	7,400
No. 4 (Add Fans, Door Operator, and Fire Alarm)	4,300
Total Contract Award	<u>\$ 289,400</u>

A total project cost of \$312,000 was authorized to cover the building construction contract award, equipment, fees, and miscellaneous expenses, and additional funds in the amount of \$37,000 were appropriated from Unexpended Plant Funds of the San Antonio Medical School to cover the total project cost, \$275,000 having been previously appropriated from the same source.

22. University Cancer Center (M. D. Anderson) - Cancer Research Addition to 6th and 7th Floors of M. D. Anderson Hospital and Tumor Institute Building: Approval of Final Plans and Specifications and Authorization to Advertise for Bids. -- The final plans and specifications for the addition to the 6th and 7th floors of the M. D. Anderson Hospital and Tumor Institute of The University of Texas System Cancer Center, prepared by Project Architect, MacKie and Kamrath of Houston, Texas, were approved. These plans and specifications provide for a building addition of approximately 104,000 gross square feet at an estimated total project cost of \$6,790,000. Provision was made for additive alternates for additional desired items if funds are available at the time of contract award.

The Office of Facilities Planning and Construction was authorized to advertise for bids subject to final review and all granting agency clearances.

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23. University Cancer Center - Environmental Science Park: Approval of Final Plans and Specifications for Sewage Treatment Facility, and Authorization to Advertise for Bids. -- Final plans and specifications for the Sewage Treatment Facility at the Environmental Science Park at Bastrop, Texas, of The University of Texas System Cancer Center were approved. These plans and specifications were authorized at the Regents' meeting on September 11, 1972, and were prepared by the Project Engineer, Freese and Nichols. The plans provide for the building of a sewage system, including a collection system and a 40,000 gallon per day treatment plant at an estimated total project cost of \$116,000. It was noted that future work to be accomplished by the M. D. Anderson Physical Plant staff will include a standby generator and irrigation system.

The Director of the Office of Facilities Planning and Construction was authorized to advertise for bids and to present the bids to the Board of Regents for consideration at a later meeting.

REPORT OF LAND AND INVESTMENT COMMITTEE (Pages 56-72). -- The following report of the Land and Investment Committee was filed with the Secretary. Committee Chairman Garrett moved that the report be adopted. The motion was seconded and unanimously prevailed.

Unless otherwise indicated in the report, either the Associate Deputy Chancellor for Investments, Trusts and Lands or the Deputy Chancellor for Administration was authorized to execute all necessary instruments relating to real estate or mineral interest held or controlled by the Board of Regents as a part of the Permanent University Fund or as a part of any Trust or Special Fund when such instruments are approved as to form by a University attorney and as to content by an appropriate official.

I. Permanent University Fund

A. Investment Matters

1. Permanent University Fund: Approved Investment Dealers Postponed. -- Consideration of the list of Investment Dealers for the purchases of securities for the Permanent University Fund was postponed until the next meeting of the Board of Regents.
2. Permanent University Fund: Contract with Duff and Phelps and Duff Anderson and Clark, Inc., of Chicago, Illinois, for Investment Advisory Services. -- Upon recommendation of the Deputy Chancellor for Administration and the Associate Deputy Chancellor for Investments, Trusts and Lands, approval was given to contract with Duff and Phelps and Duff Anderson and Clark, Inc., Chicago, Illinois, for Investment Advisory Services to The University of Texas System for the period October 1, 1973 through August 31, 1974, for an annual consideration of \$11,000.

3. Permanent University Fund: Report on Clearance of Monies to Permanent University Fund and Available University Fund. --
From the Auditor, Oil and Gas Production the following report with respect to monies cleared by the General Land Office to
the Permanent University Fund and the Available University Fund for the current fiscal year through July 1973 was received
and made a part of this Committee's report:

<u>Permanent University Fund</u>	<u>July, 1973</u>	<u>Cumulative This</u> <u>Fiscal Year</u>	<u>Cumulative Preceding</u> <u>Fiscal Year (Averaged)</u>
<u>Royalty</u>			
Oil	\$1,689,331.13	\$14,074,008.34	\$14,709,010.14
Gas - Regular	312,573.37	3,394,758.24	3,155,508.62
- F. P. C.	- 0 -	40,871.76	25,689.07
Water	17,403.81	117,740.01	108,700.35
Salt Brine	1,201.68	13,094.52	12,339.47
Rental on Mineral Leases	23,523.53	276,156.84	311,327.94
Rental on Water Contracts	- 0 -	13,541.47	23,474.00
Rental on Brine Contracts	100.00	100.00	183.37
Amendments and Extensions of Mineral Leases	2,415.00	920,003.45	261,644.90
Bonuses, Mineral Lease Sales (actual)	<u>2,046,548.52</u>	<u>18,850,274.63</u>	<u>18,607,877.86</u>
Total-Permanent University Fund	<u>- 0 -</u>	<u>6,035,200.00</u>	<u>4,769,600.00</u>
	<u>2,046,548.52</u>	<u>24,885,474.63</u>	<u>23,377,477.86</u>
<u>Available University Fund</u>			
Rental on Easements	29,898.87	110,926.86	218,316.01
Interest on Easements and Royalty	823.84	4,865.73	13,209.68
Correction Fees - Easements	- 0 -	- 0 -	124.19
Transfer and Relinquishment Fees	300.04	3,201.47	6,265.05
Total-Available University Fund	<u>31,022.75</u>	<u>118,994.06</u>	<u>237,914.93</u>
Total-Permanent and Available University Funds	<u>\$2,077,571.27</u>	<u>\$25,004,468.69</u>	<u>\$23,615,392.79</u>
<u>Oil and Gas Development-July 31, 1973</u>			
Acreage Under Lease	625,120		
Number of Producing Acres	321,642		
Number of Producing Leases	1,424		

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B. Land Matters

1. Permanent University Fund: Easements and Surface Leases Nos. 3577-3601, Material Source Permit No. 432 and Water Contract No. 144**. --Easements and Surface Leases Nos. 3577-3601, Material Source Permit No. 432 and Water Contract No. 144** were approved as set out below. All are within the policies of the Board of Regents and all have been approved as to form by a University attorney and as to content by an appropriate official:

Easements and Surface Leases Nos. 3577-3601

All easements and surface leases are at the standard rate; are on the University's standard forms; and payment has been received in advance unless otherwise stated.

No.	Company	Type of Permit	County	Location (Block#)	Distance or Area	Period	Consideration
3577	Texas-New Mexico Pipe Line Company (renewal of 1735)	Pipe Line	Andrews	12, 14	302 rds. 4½ inch 1,090 rds. 6-5/8 inch	9/1/73- 8/31/83	\$ 1,861.50
3578	D. D. Poynor (renewal of 1738)	Surface Lease (construction yard site)	Reagan	11	215' x 800'	7/1/73- 6/30/74*	600.00 (annually)
3579	Exxon Company, U.S.A. (renewal of 1771)	Power Line	Ward	16	80 rds. single pole construction	8/1/73- 7/31/83	75.00 (min.)
3580	Delhi Gas Pipeline Corporation	Pipe Line	Crockett	29	322.30 rds. 4½ inch	7/1/73- 6/30/83	241.73
3581	Delhi Gas Pipeline Corporation	Pipe Line	Ward	17	86.61 rds. 4½ inch	7/1/73- 6/30/83	75.00 (min.)

*Renewable from year to year, but not to exceed a period of ten (10) years

**This contract is in compliance with the water policy adopted at this meeting.

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Land Matters - Continued--

No.	Company	Type of Permit	County	Location (Block#)	Distance or Area	Period	Consideration
3582	Northern Natural Gas Company	Pipe Line	Ward	18	842.55 rds. 8-5/8 inch	7/1/73- 6/30/83	\$ 1,263.83
3583	Exxon Corporation	Pipe Line	Andrews	13	124 rds. 4½ inch 88 rods 3½ inch	7/1/73- 6/30/83	159.00
3584	Texas-New Mexico Pipe Line Company (renewal of 1745)	Pipe Line	Martin	7	716 rds. 4½ inch 522 rds. 6-5/8 inch	10/1/73- 9/30/83	1,320.00
3585	LSG Transtexas Gas Company	Pipe Line	Ward	18	232.42 rds. 18 inch	7/1/73- 6/30/83	534.57
3586	LSG Transtexas Gas Company	Surface Lease (processing plant site)	Ward	18	12.86 acres	7/1/73- 6/30/83	2,957.80 (full)
3587	Texaco, Inc. (renewal of 1784)	Power Line	Andrews	5	317 rds. power line construction	10/1/73- 9/30/83	221.90
3588	West Texas Utilities Company	Power Line	Reagan	2, 9	1,075 rds. single pole construction	7/1/73- 6/30/83	752.50
3589	Santa Fe Pipeline Company	Pipe Line	Andrews	1	956.61 rds. 3½ inch	8/1/73- 7/31/83	717.46

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Land Matters - Continued--

No.	Company	Type of Permit	County	Location (Block#)	Distance or Area	Period	Consideration
3590	Gulf Oil Corporation (renewal of 1767)	Pipe Line	Crane	30	1,519.33 rds. 4½ inch	8/1/73- 7/31/83	\$ 1,139.50
3591	Exxon Pipeline Company (renewal of 1764)	Pipe Line	Andrews	1	160.6 rds. 4½ inch	9/1/73- 8/31/83	120.45
3592	Lo-Vaca Gathering Company	Pipe Line	Ward	16	162.6 rds. 2-7/8 inch	7/1/73- 6/30/83	121.95
3593	Lo-Vaca Gathering Company	Surface Lease (natural gas pipeline facilities)	Ward	16	0.02 acre	7/1/73- 6/30/83	750.00 (full)
3594	Southern Union Gas Company (renewal of 1802)	Pipe Line	Ward	17, 18	1,377 rds. 5 inch	11/1/73- 10/31/83	1,032.75
3595	El Paso Natural Gas Company (renewal of 1823)	Pipe Line	Crockett	29	63.030 rds. 4½ inch	12/1/73- 11/30/83	75.00 (min.)
3596	Oasis Pipe Line Company	Pipe Line	Winkler	21	412.85 rds. 6 inch	7/1/73- 6/30/83	619.28
3597	Oasis Pipe Line Company	Pipe Line	Ward	16	399.39 rds. 10 inch	7/1/73- 6/30/83	599.09
3598	Texaco, Inc. (renewal of 1822)	Pipe Line	Ward	18	74.06 rds. 2-3/8 inch	11/1/73- 10/31/83	75.00 (min.)

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Land Matters - Continued--

No.	Company	Type of Permit	County	Location (Block#)	Distance or Area	Period	Consideration
3599	El Paso Electric Company (renewal of 1798)	Power Line	El Paso	L	30.999 rds. single pole construction	9/1/73-8/31/83	\$ 75.00 (min.)
3600	Amoco Production Company	Surface Lease (tank battery site)	Crane	31	30' x 291'	8/1/73-7/31/83	750.00 (full)
3601	Harry Holt Oil Field Construction Company (renewal of 1803)	Surface Lease (trucking lot site)	Ward	16	150' x 200'	10/1/73-9/30/74*	150.00 (annually)

*Renewable from year to year, but not to exceed a period of ten (10) years

Material Source Permit No. 432

No.	Grantee	County	Location	Quantity	Consideration
432	Atlantic Richfield Company	Crane	Block 30	250 cubic yards sand	\$ 75.00

Water Contract No. 144 (This contract is in compliance with the water policy adopted at this meeting.)

No.	Grantee	County	Location	Period	Consideration
144	Northern Natural Gas Company (renewal of 110)	Pecos	Block 19	7/1/73-6/30/78	\$ 100.00**

**\$100.00 per year with royalty of ten cents (10¢) per one thousand (1,000) gallons of water produced, but in no event shall royalty be less than \$200.00 per year.

2. Permanent University Fund: Policy Regarding Ground-Water on University Lands Adopted; Request to Administration for Recommended Policy on Resale of Water. -- Pursuant to a request at the meeting of the Board of Regents on June 1, 1973, a Water Resources Report including maps and other water resource data pertinent to University Lands was prepared by the Office of University Lands, Geology. A copy of this report was mailed by the Secretary to each Regent on September 5, 1973.

A compilation of the most current policies, terms and lease provisions regarding ground-water on University Lands was received from the Administration. After discussion, the following policy was adopted:

Policy Regarding Ground-Water
on University Lands

The University will not, until the need may be greater than at present, contract for extensive ground-water surveys of University Lands but will continue its cooperation with municipalities, government agencies and private consultants in affording access to University Lands data and to the premises being surveyed.

a. Water for Municipalities

- (1) After reasonable reserves for its grazing lessees and mineral lessees, the University, in dealing with the ground-water resources on University Lands, will give first consideration to the present and prospective needs of municipalities in the area.
- (2) Any municipality wishing to enter into a contract for production of water from University Lands should apply for a water exploration permit covering the area in which it is interested and obligate itself to arrange for a satisfactory ground-water survey by a recognized agency or consultant, approved by the University, with all data to be furnished the University. The holder of such exploration permit will have prior right to negotiate, after the data have been furnished, with the University for a water lease or contract on all or part of the area covered by the permit to the extent of the holder's needs in the foreseeable future.
- (3) The charge for water exploration permits will be no less than 25 cents per acre per year and such permits will be limited to a term of two years.
- (4) The original royalty rate shall be not less than 6.25 cents per 1,000 gallons of water or 12.5% of the commercial rate whichever is greater.
- (5) The term shall be for not more than 10 years. However, additional 10 year options may be granted subject to increased royalty provisions and a Lessor's Buy-Out Clause, provided the renewal agreement be in keeping with the then current policies of the Board.

At the beginning of each additional 10 year period the royalty shall be increased at least 0.50 cents per

1,000 gallons or shall be adjusted upward at least in an amount equal to the cost of living increase, whichever is greater. The cost of living increase shall be determined by the Consumer Price Index of the United States Department of Labor, Bureau of Labor Statistics Sub-group Fuel and Utilities Table 1.

The University shall have the option and the right at the end of any 10 year period to acquire Lessee's business operated under the lease and all property of the Lessee used in connection therewith. For buy-out purposes, depreciation deductions shall be calculated as follows: (a) Pipe Lines and appurtenances, depreciated over a period of fifty years; (b) Right of way costs and water wells, depreciated over a period of fifty years; (c) Storage tanks and appurtenances, depreciated over a period of thirty years; and (d) Buildings, pumps and mechanical and electrical equipment, depreciated over a period of twenty years.

Computation of price will be based on original costs and major replacement costs, less depreciation, and will not include cost of normal maintenance nor any intangible exploration cost. The total amount to be paid to Lessee shall be reduced by the amount of Lessee's obligations and liabilities assumed by Lessor.

- (6) The minimum royalty paid per year must be equivalent to not less than \$2.00 per acre for each acre included in the water lease.
- (7) If Lessee's operations disrupt or deplete the grazing lessee's water sources, Lessee must furnish the grazing lessee with like amounts of water of like quality, free of charge.
- (8) Water must be used for ordinary municipal purposes and, among other things, cannot be used for irrigation or waterflooding.
- (9) All geological and related information must be furnished to the University.

b. Industrial Water

After reasonable reserves for its grazing lessees and consideration for the needs of municipalities in the area, the University will give consideration to industrial needs when such industrial use will result in multiple benefits to the University. For example, the sale of water for use in a plant or refinery which is processing products from University Lands would return a double benefit to the University, or when such sale of water will serve to prevent drainage of the University's water to adjacent land.

- (1) The royalty rate shall be not less than 10 cents per 1,000 gallons.
- (2) The term shall be for not more than five (5) years.
- (3) The minimum annual rental shall be \$100.00 or \$1.00 per acre whichever is greater.
- (4) The minimum annual royalty shall be \$200.00 per year.
- (5) Before any contracts are renewed, it must be shown to the satisfaction of the University that continued operations will not harm any water sources being used by the grass lessees and provided the renewal agreement be in keeping with the then current policies of the Board.
- (6) All water metering equipment shall be test calibrated and new meter factors established prior to the renewal of any contract.
- (7) Water may not be used for irrigation or waterflooding.
- (8) All geological and related information must be furnished to the University.

c. Water for Irrigation

The University will not allow the use of its ground-water for irrigation but when the danger of drainage to adjacent lands is apparent, it will consider granting irrigation leases.

d. Waterflooding and Secondary Recovery

The University will not sell potable water for waterflooding oil reservoirs but will allow the free use of non-potable water for secondary recovery operations on University Lands. Such use of non-potable water will be allowed under the terms of a contract which contains suitable restrictions as to depth-interval and water quality. No water may be used containing less than 2,500 parts per million total solids and no water may be withdrawn from any formation which might result in harm to any existing or potential oil or gas reservoir. The University will consider selling non-potable water for flooding oil reservoirs not located on University Lands when such action is deemed advantageous to the University and it can be shown that such withdrawals will not harm any existing or potential oil or gas reservoir on University Lands.

Upon motion of Regent Erwin, seconded by Regent Bauerle, the foregoing statement was adopted as the policy to be followed regarding ground-water on University Lands with the understanding that all renewed water contracts would be in keeping with the then current policies of the Board.

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During the consideration of the water policy and the review of the Water Resources Report that had been mailed to each Regent, Committee Chairman Garrett asked that Water Contract No. 55 issued to the City of Crane be referred to the Executive Session of the Committee of the Whole. See Item 3 below.

Regent Shivers inquired what regulations or restrictions the University had for water contracts with municipalities with respect to the resale of water. The response being that we do not have any restrictions, Regent Shivers requested the Administration to bring a recommendation to the Board on regulations with respect thereto.

3. Permanent University Fund: Water Contract No. 55, City of Crane. -- Following the Executive Session of the Committee of the Whole in which the legal aspects of the current water contract with the City of Crane (Water Contract No. 55) were discussed, Committee Chairman Garrett reported that the Office of Investments, Trusts and Lands had been authorized to amend the current water contract with the City of Crane.
4. Permanent University Fund: Non-Potable Water Contract to Southland Royalty Company, Block 16, Ward County. -- A non-potable water contract was granted to Southland Royalty Company under the following terms and in compliance with the water policy adopted at this meeting:
 - a. Acreage: Sections 4, 5, and 6, Block 16, Ward County, Texas, containing 1,927.8 acres.
 - b. Term: 10 years; plus the first right of first refusal to negotiate a new lease provided the renewal agreement be in keeping with the then current policies of the Board.
 - c. Rental: \$25,000 per year payable in advance covering production of non-potable water under 5 million barrels per year. If production exceeds 5 million barrels but less than an average of 150,000 barrels per day for one year, \$50,000 per year payable in advance. If production is to exceed 150,000 barrels per day per year, rental shall be subject to negotiation at that time.
 - d. Formation: Covers the non-potable water from the Capitan Reef Formation and water that contains more than 2,500 PPM (parts per million) total solids. Lessee cannot produce non-potable water from any formation, including the Capitan Reef, which results in any harm to any oil or gas reservoir or oil and gas aquifer.

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- e. Bond: Lessee must post \$50,000 bond to prevent contamination of any potable water under University Lands.

5. Permanent University Fund: Second Sulphur Lease Sale December 12, 1973; Appointment of Committee, and Appropriation Therefor. -- Pursuant to the Regents' action on June 1, 1973, Chairman McNeese sent to prospective lessees a letter on June 25, 1973, requesting a list of tracts the lessees desire to have considered for a sulphur lease sale. Based upon the results of these inquiries, it was ordered that there be a sulphur lease sale by the Board of Regents and that the sealed bids for this sale be opened on December 12, 1973, following the Auction Sale of Oil and Gas Leases to be held by the Board for Lease of University Lands but in no event to be opened earlier than 3:30 p. m. This is the second sulphur lease sale conducted by the Board of Regents of The University of Texas System. The first sale was held on December 14, 1967.

Upon recommendation of the Associate Deputy Chancellor for Investments, Trusts and Lands, the following procedures and authorizations were adopted:

- a. That the sale be advertised by mailing an appropriate notice of sale to a list of prospective lessees, by publishing a list of all tracts in the Midland, Texas, paper, and by running appropriate block or display advertisements in the New York edition of the Wall Street Journal, and in papers with large circulation in Houston, Texas; New Orleans, Louisiana; Salt Lake City, Utah; Los Angeles and San Francisco, California.
- b. That the Associate Deputy Chancellor for Investments, Trusts and Lands be authorized to execute leases sold when approved as to form by a University attorney and as to content by the Geologist in Charge.
- c. That \$5,000 be appropriated from the Available Fund Unappropriated Balance to cover expenses of the sale.

Chairman McNeese appointed Regents Garrett and Williams to meet on the day of the sale with full authority to receive, accept or reject bids and to award leases on behalf of the Board of Regents.

It was reported by the Office of Investments, Trusts and Lands that the notice of sale of sulphur leases includes the following:

- a. The Board will consider only cash bids; drilling obligations, payments out of production, overriding royalties, or any form of bonus bid other than cash will not be considered. However, all prospective bidders are urged to examine the provisions in the attached lease agreements concerning surety bonds, royalty payments, and other contractual obligations.

- b. The Board reserves the right to reject any and all bids even though such bids are in excess of the below listed minimum.
- c. The following tract of land will be offered for lease on the day named, to-wit:

List of Lands to be Offered for Lease at
Second Sulphur Sale
Pecos County, Texas

<u>Tract</u>	<u>Block</u>	<u>All of Section</u>	<u>Acres</u>
1	26	1	640.00
	26	2	640.00
	26	3	640.00
	26	4	640.00
	26	11	640.00
	26	12	640.00
	26	13	640.00
	26	14	640.00
	26	15	640.00
	26	22	640.00
	26	23	640.00
	25	6	640.00

Tract Number One, containing Seven Thousand Six Hundred Eighty (7,680) acres, will be bid upon as a unit and will be leased as one single lease. The minimum consideration that will be accepted for Tract Number One will be a cash bonus of One Million Dollars (\$1,000,000).

II. Trust and Special Funds

A. Gift, Bequest and Estate Matters

1. U. T. Austin: Acceptance of Bequests under the Will of Mrs. Dora Dieterich Bonham, Deceased (for Benefit of Texas Memorial Museum, Archives of the Library, History Department and "School of Business Administration"). --A written report was received that Mrs. Dora Dieterich Bonham, deceased, had provided in her will the following bequests for the benefit of The University of Texas at Austin. Mrs. Bonham, a resident of San Angelo at the time of her death, a native of Travis County, Texas, and an ex-student of the University, died on June 22, 1973. She left a will dated November 14, 1967, now probated in Tom Green County, Texas, the pertinent provisions of which are:

Fourth

"I give and bequeath to the Texas Memorial Museum, owned by The University of Texas, Twenty-five Thousand (\$25,000.00) Dollars in securities and Five Thousand (\$5,000.00) Dollars in cash, the evaluation of such securities to be arrived at by using the market price of the securities at the date of my death. The cash donation may be used as soon as needed, and the income received each year shall be used to establish and maintain a Memorial to Eugene Bonham and the Dieterich families, including my father and mother, Mr. and Mrs. Roy F. Dieterich, my brother, Roy Dieterich, Veteran of World War II, and my great-grandfather, Francis Dieterich, who participated in the Texas Revolution and was an early merchant of Austin, Texas.

"I also give and bequeath to the Texas Memorial Museum, all of my paintings, prints, cut glass, sets of china and historical pieces of china, and any small articles as formerly owned by my family;" (Here follows a list of some of articles covered by this bequest.)

Fifth

"I give and bequeath to The Archives of the Library of The University of Texas, One Hundred Thousand (\$100,000.00) Dollars in shares of common stock of two companies, the Southern Union Gas Company and the Southwestern Public Service Company, the evaluation of such securities to be arrived at by using the market price of these securities at the date of my death. This gift and any income or property arising therefrom shall be called the DORA DIETERICH BONHAM ARCHIVES GUIDE FUND. Only the income from the principal shall be spent at such intervals as desired by the Archivist of The University of Texas, to provide for publication of each volume of The Guide, as it continues to supply a review or digest of the manuscripts or papers donated to the Archives. At the date of writing of this will, my contributions to the Archives have reached the sum of Twelve Thousand Three Hundred (\$12,300.00) Dollars in principal amount, to supply the cost of publication of Volume One of The Guide. The Archivist is charged with the

responsibility of completion of plans for the publication of Volume One and succeeding Volumes of The Guide. After the publication of Volume One of The Guide, the Archivist shall have the privilege of enlarging the program of activities for The Guide, and may include expenditure from the income to provide cost of research and special assistance as needed to produce each Volume of The Guide, and the cost of publication of any supplemental Guide covering special subjects may be included in this enlarged program.

"To the Archivist of the Library of The University of Texas, I give and bequeath all of my personal papers and files, and light green file cases; all note books and scrapbooks as left in my office in my living room; all collections of my family pictures; and all of my narrative writings. This gift is made that permanent records shall be completed concerning the Dieterich and Fulkes families, and my late husband, Eugene Bonham. If at my death my work is not completed, it is my desire that further research work be done to establish in narrative form such records as will depict the value of my Texas heritage, so that other students of history may gain such vision as I enjoyed during the period of time that I studied the History of Texas. Any papers, writings and pictures as related to information concerning my great-grandfather, Francis Dieterich, are included in this gift to the Archives of The University of Texas." (Here follows some further description of items covered by this bequest.)

Sixth

"I give in trust, all the rest and residue of my estate of whatever kind and character including securities and cash, wherever situated, to the Board of Regents of The University of Texas and their successors in office as Trustees and in Trust, for the use and benefit of The University of Texas. This gift and any fund or property arising therefrom in whatever form it may take, shall be called THE EUGENE AND DORA BONHAM MEMORIAL, and shall be used to support teaching or research as conducted or approved under two Divisions or Departments of The University of Texas, namely: The History Department and the School of Business Administration. Only the income from securities or investments shall be expended at any time, the principal remaining in trust. Income from this memorial may be spent for scholarships or stipends, this financial assistance in any amounts up to One Thousand (\$1,000.00) Dollars per year for each individual student. Graduate or undergraduate students (omitting first and second year students) may receive such assistance, if they are preparing to teach Texas History, U. S. History, or American History, or if they are conducting research in Texas History, U. S. History, or American History; or graduate students who are conducting extensive research in the field of Business

Administration. Students benefiting from this bequest must be of good character, and must have high scholarly standing, considering their previous grades and records." (Here follows satisfactory provisions regarding Trustees' powers and the like.)

The Independent Executors estimate that the residuary bequest under Article Sixth will amount to around \$200,000. With reference to Article Fifth, Volume I of The University of Texas Archives: A Guide to the Historical Manuscripts Collections in The University of Texas Library was published in 1968. Volume II is in process, and publication is expected in 1975. Volumes III and IV are in the planning stages, and this is expected to be an ongoing project thereafter.

These bequests were accepted for the purposes for which they were made.

2. U. T. Austin: Acceptance of Endowment from The Tinker Foundation and Establishment of Edward Larocque Tinker Chair in Latin American Studies. --The Board of Regents accepted an endowment from The Tinker Foundation of New York City consisting of a check for \$100,000 and a pledge of an additional \$400,000 of which \$200,000 will be paid in 1974 and the remainder in 1975. The Edward Larocque Tinker Chair in Latin American Studies at The University of Texas at Austin was established. This position is to be filled by a Visiting Professor in Latin American Studies and to be funded by the income from this endowment. All appointments thereto are to be approved by the Board of Regents upon the recommendation of the appropriate University official and in accordance with the Regents' Rules and Regulations.

3. Dallas Health Science Center (Dallas Medical School): Acceptance of Gift from The McDermott Foundation and Establishment of the Dr. Eugene P. Frenkel Research Fund and the Dr. Bryan Williams Student-Faculty Fund. --A gift of 1,840 shares of the Common Stock of Texas Instruments, Inc., having a fair market value on August 6, 1973, in excess of \$200,000 was accepted from The McDermott Foundation for the exclusive use and benefit of The University of Texas Health Science Center at Dallas. These funds are in honor of two members of the faculty of the Dallas Health Science Center and are to be divided equally into two funds entitled Dr. Eugene P. Frenkel Research Fund and Dr. Bryan Williams Student-Faculty Fund and shall be managed, operated, used and expended in accordance with the following restrictions and conditions:
 - a. The Regents, in their sole discretion in accordance with such rules and regulations as they may from time to time adopt, or (if the Regents delegate such power and authority to the appropriate officers of the Center) the Center, shall have the power and authority to administer the Funds, to make sales and purchases in connection therewith, to keep same invested and reinvested, and to make allocations of receipts and expenses between principal and income.

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- b. The Dr. Eugene P. Frenkel Research Fund shall be used for projects furthering or enhancing scientific developments in chemotherapy medicine and allied fields as recommended by Dr. Frenkel while he is associated with the Center.
 - c. The Dr. Bryan Williams Student-Faculty Fund shall be used for projects relating to student and faculty activities, scholarships, etc. of the Center, as recommended by Dr. Williams while he is associated with the Center.
 - d. The Foundation's intent in establishing the Funds is to provide long term support for the purposes set out above and still permit flexibility in making expenditures from the Funds for non-recurring or unusual needs requiring the use of the principal of the Funds. Therefore, the Foundation recommends that all of the net income of each fund be expended as earned, and that over a period of any three (3) consecutive years from time to time not more than ten percent (10%) of the market value of said Fund be expended for the aforesaid purposes.
 - e. All expenditures of income or principal from the Fund shall be made by the President (or other chief executive officer from time to time) of the Center, who shall, after either Dr. Frenkel and Dr. Williams shall cease to be associated with the Center, determine the projects for which expenditures are to be made for the aforesaid purposes.
 - f. No part of the Funds shall ever be or become a part of the Permanent University Fund or of income therefrom, nor shall the Legislature of the State of Texas have power or be in anywise authorized to change the purposes of the Funds or to divert them or any part thereof from the purposes hereinabove specified.
4. University Cancer Center (M. D. Anderson): Acceptance of Endowment from The Robert A. Welch Foundation. --Approval was given to accept \$150,000 from the Trustees of The Robert A. Welch Foundation as their first payment to endow at M. D. Anderson of The University of Texas System Cancer Center a chair to be named The Robert A. Welch Chair in Chemistry. The Foundation has expressed its intention to make four additional annual grants of \$125,000 each from current income, provided such grants do not contravene Federal or State laws pertaining to the Foundation, for a total endowment of \$650,000.

B. Real Estate Matters

U. T. El Paso - Josephine Clardy Fox Fund: Lease of a Portion of Tract 34, Elijah Bennett Survey No. 11, Locally Known as 5160 El Paso Drive, El Paso, Texas, to Lloyd Innerarity Executed by Innson Corporation. --It was reported for the record that Innson Corporation, wholly owned by Mr. Lloyd Innerarity, executed a lease covering a portion of Tract 34, Elijah Bennett Survey No. 11, locally known as 5160 El Paso Drive, El Paso, Texas, rather than Mr. Innerarity as authorized by the Board of Regents at its meeting on October 20, 1972.

III. Other Matters

Report of Securities Transactions for Permanent University Fund and for Trust and Special Funds for the Months of June and July 1973. -- The report of Securities Transactions for Permanent University Fund and for Trust and Special Funds for June and July 1973, submitted by the Office of Investments, Trusts and Lands, was received. It is attached (Attachment No. 2) following Page N-5 of Attachment No. 1 and made a part of these Minutes.

REPORT OF MEDICAL AFFAIRS COMMITTEE (Pages 73 - 74). -- Committee Chairman Nelson filed the following report of the Medical Affairs Committee and moved that it be approved. The motion was seconded and unanimously prevailed:

1. Galveston Medical Branch (Galveston Allied Health Sciences School): Affiliation Agreement for Clinical Training of Allied Health Students with Bexar County Hospital District, San Antonio, Texas. -- For the clinical training of allied health students at the Galveston Allied Health Sciences School of The University of Texas Medical Branch at Galveston, an affiliation agreement was authorized with the facility listed below. This agreement conforms to the standard affiliation agreement approved by the Board of Regents on March 6, 1970. The Chairman of the Board of Regents was authorized to execute this agreement which has been approved as to form by a University attorney and as to content by the Vice-Chancellor for Health Affairs and the Deputy Chancellor for Administration:

<u>Clinical Facility</u>	<u>Location</u>	<u>Specialty</u>
Bexar County Hospital District	San Antonio	Physical Therapy

2. Houston Health Science Center (Houston Medical School, Houston Dental Branch, Houston G. S. B. S. and Public Health School) and University Cancer Center (M. D. Anderson): Amendment Among the Houston Academy of Medicine, Baylor College of Medicine, Texas Woman's University, U. T. System and Texas Medical Center, Inc., Designating Texas Medical Center as Agent; and Amendment to the Current Library Operating Agreement; and Agreement Among Baylor College of Medicine, U. T. System and Texas Medical Center, Inc. -- The Texas Medical Center, Inc., is applying for funds to renovate the Jesse H. Jones Library Building and in order for them to complete their application, the Federal Government requires that there be an agency agreement between The University of Texas System, Baylor College of Medicine and Texas Medical Center, Inc., that authorizes the Texas Medical Center, Inc., to make this application. The library of the Houston Academy of Medicine is located in the Jesse H. Jones Library Building and there exists a library operating agreement among the Houston Academy of Medicine, Baylor College of Medicine, Texas Woman's University and Texas Medical Center, Inc., for library services of the Houston Academy of Medicine.

Following a discussion of the library arrangements for the U. T. System institutions at the Texas Medical Center, Inc., three documents were authorized:

- a. An agreement among the Houston Academy of Medicine, Baylor College of Medicine, Texas Woman's University, The University of Texas System and Texas Medical Center, Inc., by which these entities agree to designate the Texas Medical Center as their agent to enforce conditions pursuant to the receipt of any Federal assistance for building the library addition.

- b. An amendment to the existing library operating agreement which, in order to comply with Federal requirements, specifies that for a minimum of 20 years, Baylor College of Medicine and The University of Texas System shall jointly enjoy a majority representation of the Library Board.
- c. An agreement among Baylor College of Medicine, The University of Texas System and the Texas Medical Center, Inc., by which the two former entities (Baylor and Texas) being the only entities eligible to receive Federal funds for medical library construction assign this eligibility to the Texas Medical Center as their agent.

The Chairman of the Board of Regents was authorized to execute such instruments as soon as they have been reviewed by System Administration and approved as to form by a University attorney and as to content by the Deputy Chancellor for Administration.

3. Galveston Medical Branch (Galveston Medical School) and San Antonio Health Science Center (San Antonio Medical School) - "Isabella H. Brackenridge Scholarship Fund in the School of Medicine:" Consideration of Transfer from Galveston Medical School to San Antonio Medical School Deferred Until Meeting on October 26, 1973. --With respect to the request to transfer the "Isabella H. Brackenridge Scholarship Fund in the School of Medicine" from the Galveston Medical School of The University of Texas Medical Branch at Galveston to the San Antonio Medical School of The University of Texas Health Science Center at San Antonio, Regent Erwin commented that in his research on the Brackenridge Tract, it was very evident that Colonel Brackenridge and his sister, Isabella H. Brackenridge, were devoted to the Medical School at Galveston. He pointed out that Colonel Brackenridge gave money for the Women's Building at Galveston to encourage worthy and ambitious young women to enter the medical profession and that Isabella H. Brackenridge gave the money that the Woman's Club of San Antonio, Texas, used to establish the scholarship fund in her honor. Because of their dedication to the Galveston Medical School, Regent Erwin stated that he did not feel that the scholarship fund should be transferred to the San Antonio Medical School.

Based on Regent Erwin's comments and President Blocker's reluctance to have the scholarship fund transferred, consideration of the request to transfer was deferred until the meeting on October 26, 1973.

REPORT OF BOARD FOR LEASE OF UNIVERSITY LANDS. --Regent Garrett, a member of the Board for Lease of University Lands, had no report other than the Board for Lease of University Lands is scheduled to meet on Saturday, September 15, 1973, at 10:00 a. m. in the Charro Room of the Holiday Inn, El Paso, Texas.

COMMITTEE OF THE WHOLE
(Pages 75 - 93)

Chairman McNeese presented the items considered in executive session and moved the adoption of the following report which includes the action taken in open session and in executive session. The report was adopted by unanimous vote:

REGENTS' RULES AND REGULATIONS, PART ONE: AMENDMENTS TO CHAPTER V (GRADUATE EDUCATION IN THE UNIVERSITY OF TEXAS SYSTEM) AND CHAPTER II (COUNCILS ON GRADUATE EDUCATION). -- The necessary rules were waived and the following amendments to the Regents' Rules and Regulations, Part One, Chapter V and Chapter II were adopted as set out below to be effective immediately:

- a. Chapter V of the Regents' Rules and Regulations, Part One, was deleted and the following substituted therefor:

CHAPTER V

GRADUATE EDUCATION IN THE UNIVERSITY OF TEXAS SYSTEM

1. The various component institutions of The University of Texas System authorized to offer graduate degrees shall provide and maintain an appropriate faculty and administrative organization for such graduate degrees. The President of each component institution of The University of Texas System shall be responsible to the Chancellor, and through him, to the Board of Regents for the policies and administration of the graduate programs.
- 1.1 "Graduate programs," as this term is used in these rules, does not include the programs that lead to the M. D., D.D.S., M.P.H., Dr. P.H., J.D., LL. M., and M.C. J. degrees, or others that may be excluded upon recommendation by the President of the component institution and concurrence by the Chancellor.
2. Within the general academic components, the designation "Graduate School" will be used if (a) there is a minimum of three distinct programs approved for doctoral degrees and thirty such doctoral degrees have been awarded; or (b) there is a minimum of ten distinct programs approved for master's degrees and fifty master's degrees have been awarded. In component institutions that do not meet these requirements, graduate study will be in a "Division of Graduate Studies."
3. Graduate programs in the biomedical components shall be administered as follows:
- 3.1 In the Health Science Centers at Dallas, Houston, and San Antonio and at Galveston Medical Branch the graduate programs will be administered through a Graduate School of Biomedical Sciences.

- 3.2 In the System Nursing School graduate education will be administered as specific graduate programs coordinated by an administrative officer designated by the President.
- 3.3 In the University Cancer Center research and graduate instruction will be offered in cooperation with other components which are authorized to award graduate degrees.
4. Component institutions which offer graduate degrees and elect an administrative organization and designations different from those authorized above may do so only upon the recommendation of the President, the concurrence of the Chancellor, and the approval of the Board of Regents.
5. The policies and procedures for staffing and administering the graduate programs at all component institutions shall be set forth in the institutional Handbook of Operating Procedures. These policies and procedures shall include qualifications for faculty members assigned to teach graduate courses, supervise graduate programs, and advise graduate students.

CHAPTER II

ADMINISTRATION

- b. Subsections 3.34 and 3.44 of Section 3 of Chapter II of the Regents' Rules and Regulations, Part One, relating to the Advisory Council for Graduate Affairs and the Graduate Council for the Biomedical Institutions, were deleted. These Councils are not included in the revised Chapter V, and their functions will be assumed by ad hoc committees appointed by the Chancellor, the University Council, the Health Affairs Council, or the Academic Affairs Council.

REGENTS' RULES AND REGULATIONS, PART TWO: RECOMMENDATION TO AMEND SECTIONS 6 AND 7 OF CHAPTER IX RELATING TO EXPANSION OF INVESTMENT ADVISORY COMMITTEE AND BROKERAGE FIRMS - TABLED. -- Upon motion of Regent Erwin, seconded by Regent Nelson, the recommendation to amend Sections 6 and 7 of Chapter IX of Part Two of the Regents' Rules and Regulations relating to the expansion of the Investment Advisory Committee and the brokerage firms was tabled.

BOARD FOR LEASE OF UNIVERSITY LANDS: MEMBERSHIP. -- Because of important business, Vice-Chairman Williams, a member of the Board for Lease of University Lands, had notified the Chairman that he could not attend the meeting of the Board for Lease on September 15, 1973. Pursuant to Senate Bill 610, 63rd Legislature, R. S., 1973, Chairman McNeese named Regent Nelson as a substitute member of the Board for Lease of University Lands.

REPORT OF EXECUTIVE SESSION HELD ON AUGUST 6, 1973, RELATING TO LITIGATION AGAINST PURCHASERS OF GAS PRODUCED FROM UNIVERSITY LANDS (CAUSE NO. 207,789, DISTRICT COURT, TRAVIS COUNTY, TEXAS, 53RD JUDICIAL DISTRICT.) -- The report of the Executive Session of a special meeting of the Board of Regents of The University of Texas System held on August 6, 1973, which is set out on Pages 77-79 was received. The actions therein were ratified by unanimous vote.

Monday, August 6, 1973. --At 4:30 p. m. in Room 206 of The Anderson-Mayfair, Houston, Texas, the following assembled in Executive Session pursuant to the Notice set out below filed with the Secretary of State on the morning of August 3, 1973:

State Officials

Bob Armstrong, Commissioner of the General Land Office
 Joe Bill Watkins, Assistant Attorney General
 Linward Shivers, Assistant Attorney General

Board of Regents of The University of Texas System

A. G. McNeese, Jr., Chairman
 James E. Bauerle, D.D.S.
 Frank C. Erwin, Jr.
 Jenkins Garrett
 Joe T. Nelson, M. D.

Betty Anne Thedford, Secretary

The University of Texas System Officials

Charles A. LeMaistre, Chancellor
 E. D. Walker, Deputy Chancellor for Administration
 R. L. Anderson, Comptroller
 William L. Lobb, Associate Deputy Chancellor for
 Investments, Trusts and Lands
 Richard Gibson, Director of Law Office
 W. Robert Long, Trust Officer
 Wright Hallfrisch, Auditor, Auditing Oil and
 Gas Production
 James B. Zimmerman, Geologist-in-Charge,
 University Lands

Board of Directors of Texas A & M University System

Clyde Wells, Chairman
 L. F. Peterson

Bob Cherry, Secretary

The University of Texas System Officials

Jack Williams, President
 Clyde F. Freeman, Comptroller

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THE UNIVERSITY OF TEXAS SYSTEM
BOARD OF REGENTS
August 3, 1973

BETTY ANNE THEDFORD, SECRETARY
1000 UNIVERSITY DRIVE
AUSTIN, TEXAS 78712

MAIN BUILDING 212
U.T. AUSTIN CAMPUS

The Honorable Mark White
Secretary of State
Capitol Building
Austin, Texas

Dear Mr. Secretary:

I hand you herewith by special messenger a Notice that there will be an informal meeting in Executive Session of some of the members of the Board of Regents of The University of Texas System at 4:30 p. m. on Monday, August 6, 1973, at The Anderson Mayfair, 1600 Holcombe Boulevard, Houston, Texas, to discuss legal aspects of the litigation brought by the Board of Regents against the purchasers of gas produced from University Lands.

Sincerely yours,

Betty Anne Theford
Betty Anne Theford

T:bys
Copy to Chancellor LeMaistre

I do hereby acknowledge receipt of the notice referred to in the above communication.

Mark W. White, Jr.
Secretary of State

Filed in the office of
Secretary of State

AUG 3 1973

April Suberson
Director Adm. Div.

Jo Ann Baker
by

August 2, 1973

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The Deputy Chancellor for Administration had notified the members of the Board of Regents and explained the purpose and necessity for this Executive Session, to-wit, to discuss the litigation brought by the Attorney General for and on behalf of the State of Texas against the producers of gas produced from University Lands.

Chairman McNeese reported that in Executive Session a detailed discussion by all present ensued with respect to the proposed settlement of Cause No. 207,789 in the District Court of Travis County, Texas, 53rd Judicial District, styled State of Texas v. Exxon Corporation, et al, and other cases to be instituted relating to leases made before the enactment of Senate Bill No. 818 and to the taking of royalty gas, casinghead gas and oil in kind on all leases. It was the consensus that the services of a technical expert in the field of oil, gas and casinghead gas who is familiar with pipeline situations, Federal Power Commission implications and other factors related thereto was needed.

Regent Erwin moved that the Board of Regents, which has the legal responsibility, authorize the Attorney General, with the approval of the Chairman of the Board of Regents, to employ such consultant or consultants as he deems necessary to aid in the prosecution and/or settlement of Cause No. 207,789 and related problems, that the Chairman of the Board of Regents be authorized to direct the payment of the person or persons employed the amounts he thinks reasonable for their services and from the sources he deems appropriate. Regent Garrett seconded this motion with the understanding that the Land Commissioner will use his best efforts to have the School Land Board share in the payment for consultant services. This motion prevailed by unanimous vote.

Expression of Appreciation by Chairman of Texas A & M Board of Directors. --On behalf of the Board of Directors of the Texas A & M University and the A & M University representatives, Chairman Clyde Wells expressed appreciation for the courtesy extended by inviting representatives of Texas A & M University to be at this meeting and participate in the discussion of the State taking gas, casinghead gas and oil in kind.

LITIGATION AGAINST PURCHASERS OF GAS PRODUCED FROM UNIVERSITY LANDS (CAUSE NO. 207,789, DISTRICT COURT, TRAVIS COUNTY, TEXAS, 53RD JUDICIAL DISTRICT): REAFFIRMATION OF REGENTS. --In the Executive Session of the Committee of the Whole, the members of the Board of Regents went on record to support the Attorney General of the State of Texas in trying to work out a compromise in Cause No. 207,789 in the District Court of Travis County, Texas, 53rd Judicial District, styled State of Texas v. Exxon, et al, whereby the University would take its 1/6th royalty in kind and forego any claim for monetary damages which had accrued prior to the entering of the judgment. If such settlement or compromise cannot be effected, then it was the order of the Board of Regents to insist on prosecuting their claim for monetary damages.

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BOARD OF REGENTS: SANTA RITA AWARD COMMITTEE AND REVISION OF GUIDELINES AND AUTHORIZATION TO PURCHASE MEDALLIONS. --Prior to 1969, the Santa Rita Award Committee was a committee of The University of Texas Development Board. Since the discontinuance of The University of Texas Development Board and the reorganization of private fund development in 1969, the Santa Rita Award Committee, originally created in June 1967, has continued to act. The last award by this committee was on July 27, 1973.

In view of the fact that The University of Texas Development Board no longer exists, the Board of Regents authorized that the award continue to be made but that the Santa Rita Award Committee be a Regental committee plus the Chancellor and the Director for Development of The University of Texas System as ex-officio secretary to the committee without vote.

The Guidelines for the Santa Rita Award were revised as follows:

Guidelines for the Santa Rita Award

I. Standards

A System-wide award which may be made annually to a limited number of individuals who have made valuable contributions over an extended period to The University of Texas System in its developmental efforts. Individuals are defined as persons, as opposed to corporations, charitable trusts, foundations, and like entities. The recipient(s) may be judged on the basis of a broad list of criteria, primary among which will be his (their) demonstrated concern for the principles of higher education generally, as well as a deep commitment to the furtherance of the purposes and objectives of The University of Texas System specifically. Participation by the recipient in the affairs of the System shall be of such character and purpose to serve as a high example of selfless and public-spirited service. Of particular interest will be the effect that such individual activity may have engendered similar motivation from other public and private areas toward the University System.

II. General Conditions

- A. The award, to be known as the "Santa Rita Award," will consist of a medallion and a leather-bound edition of Santa Rita--The Highest Award, to be presented annually, preferably on or about May 28, the anniversary date of Santa Rita Number 1.
- B. The award shall be made on behalf of the Board of Regents of The University of Texas System.
- C. In most cases the Santa Rita Award will be made to a single individual, but no prohibition is intended as to the number who may be recipients in any one year.

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- D. To be eligible an individual must be nominated annually, but may receive the award only once.
- E. Posthumous awards may be given.
- F. No member of the Board of Regents shall be eligible to receive the Santa Rita Award until the termination of his service.

III. Awards Committee

The Santa Rita Awards Committee shall be composed of:

three members of the Board of Regents appointed annually by the Chairman of the Board of Regents;

the Chancellor of The University of Texas System; and the Director for Development of The University of Texas System, as ex-officio secretary to the committee without vote.

To the greatest extent possible, the identity of the appointed members of the committee shall be kept confidential. Communications to and from the committee shall be through the Director for Development or, if this is impracticable, the Chancellor.

IV. Nominations for Awards

- A. Nominations for the award shall be forwarded to the Awards Committee through the Director for Development (Box 8060, University Station, Austin 78712).

Nominations made by members of the faculty or staff of The University of Texas System must be forwarded through the head of the member's component institution. The institutional head may attach such comments and recommendations as he deems advisable.

- B. The nominator shall provide such supporting information and documentation as may be required by the committee.
- C. Deadline for such nominations shall be January 15 of each year.

V. Selection of Awardees

Awards shall be made, upon the recommendation of the Awards Committee, by a majority vote of members present at a Board of Regents' meeting at which a quorum is present.

In connection therewith, authority was given for the purchase of ten (10) ten-carat gold Santa Rita medallions at a cost of \$985 each to be paid for from development funds.

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BOARD OF REGENTS: RECOMMENDATION OF SPECIAL COMMITTEE AND APPOINTMENT OF CHANCELLOR EMERITUS RANSOM TO WRITE HISTORY OF THE UNIVERSITY OF TEXAS. --In Executive Session of the Committee of the Whole on July 27, 1973, Regent Clark as Chairman and Regent Garrett were appointed as a special committee to confer with Chancellor Emeritus Ransom and bring back to the Board of Regents recommendations relating to an appointment of Chancellor Emeritus Ransom to write the history of The University of Texas. Committee Chairman Clark reported the committee of two recommends that Chancellor Emeritus Ransom be appointed to prepare a history of The University of Texas from its beginning through the tenure of former President Logan Wilson that ended in 1961 under the following terms and conditions:

1. Title

Chancellor Emeritus

2. Channel for Reporting

To the Board of Regents through the Committee of the Board, and through no other administrative office.

3. Salary

The twelve-month rate established in 1970-71: \$51,500. Continued occupancy of 1610 Watchhill as presently assigned.

4. Period of Assignment and Production Schedule

Harry Ransom is eligible for full-time special assignment until September 1, 1977.

Quarterly reports to the Regents' committee would be used to determine regular progress and the total accomplishment in each year.

The initial volume of the history would be ready for publication - - that is, submission to printers - - by September 1976.

Later volumes would follow in succession as soon as possible.

After the regular history is completed, a reference book recording all major aspects of the University's development would be issued.

5. Funding of the Project

Staff. The equivalent of the present staff of the Chancellor Emeritus (executive assistant, secretary, clerk). No research assistants are requested.

Maintenance, operation, and supplies. Because of the necessity of reproduction of documents, the estimate on this fund would be somewhat larger than the present allocation. All documents and reproductions would remain the property of the University.

Interviewing, travel, conferences, etc. An estimated sum of \$15,000 a year. All materials assembled by these means would remain the property of the University.

Source of funds and accounting. Source of funds should be the Available Fund so that the project would not be dependent upon tax money appropriated by the Legislature. Accounting for expenditures would be submitted to a System officer or to the Office of the Board of Regents.

6. Space

Appropriate space in Richardson Hall.

7. Work With University Donors--past, current, and future--would be carried on without conflict with either Development programs or administrative officers.

The foregoing report was accepted and the recommendations were approved.

BRACKENRIDGE TRACT: REPORT OF SPECIAL COMMITTEE TO MEET WITH CITY COUNCIL OF AUSTIN TO DISCUSS PRESENT AND FUTURE USE OF LAND OCCUPIED BY AUSTIN MUNICIPAL GOLF COURSE AND ALL OTHER MATTERS PENDING BETWEEN CITY COUNCIL AND BOARD OF REGENTS. --Regent Shivers, Chairman of the Special Committee to meet with the City Council of Austin to discuss present and future use of land occupied by Austin Municipal Golf Course and all other matters pending between the City Council and the Board of Regents, reported that he and Regents Clark and Erwin had met with Mayor Roy Butler of the City of Austin and two members of the City Council. At this meeting there were preliminary discussions with respect to matters pending between the City Council and the Board of Regents. It was agreed that the City would continue to operate the Austin Municipal Golf Course until an agreement had been reached. The joint committee is scheduled to meet again on September 24, 1973.

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U. T. SYSTEM: AMENDMENTS TO THE 1973-74 OPERATING BUDGETS WITH RESPECT TO SALARIES OF CHIEF ADMINISTRATIVE OFFICERS. --
 With the exception of The University of Texas Medical Branch at Galveston, The University of Texas Health Science Center at Houston and The University of Texas System School of Nursing, the 1973-74 Operating Budgets were amended by increasing the salaries of the chief administrative officers by 3.4% over their 1972-73 salaries with the understanding that the figures would be rounded to the next even one hundred dollars. The funds for such increases would come from current restricted fund sources. Below is a list of the chief administrative officers involved and their salaries as finally approved for 1973-74:

1. U. T. Arlington
 Acting President
 Wendell H. Nedderman
 General Revenue \$ 28,000
 Development Funds 14,400
 Total Salary \$ 42,400

2. U. T. Austin
 President
 Stephen H. Spurr
 General Revenue \$ 31,500
 Etter Estate Funds 17,100
 Total Salary \$ 48,600
 (with house and utilities)

3. U. T. Dallas
 President
 Bryce Jordan
 General Revenue \$ 28,000
 Development Funds 15,500
 Total Salary \$ 43,500
 (with house and utilities)

4. U. T. El Paso
 President
 Arleigh B. Templeton
 General Revenue \$ 28,000
 Cotton Trust Funds 16,500
 Total Salary \$ 44,500
 (with house and utilities)

5. U. T. Permian Basin
 President
 B. H. Amstead
 General Revenue \$ 28,000
 Development Funds (Subject
 to being raised) 14,400
 Total Salary \$ 42,400
 (with house and utilities)

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- 6. U. T. San Antonio
 President
 Peter T. Flawn
 General Revenue \$ 28,000
 Current Restricted Funds 15,500
 Total Salary \$ 43,500
 (with house and utilities)

- 7. Dallas Health Science Center
 President
 Charles C. Sprague
 General Revenue \$ 29,500
 Southwestern Medical Foundation 10,000
 National Fund for Medical Education 9,500
 Development Funds 700
 Total Salary \$ 49,700

- 8. San Antonio Health Science Center
 President
 Frank Harrison
 General Revenue \$ 29,500
 Development Funds 500
 San Antonio Medical Foundation 14,500
 Total Salary \$ 44,500
 (with residential quarters and utilities)

- 9. University Cancer Center
 President
 R. Lee Clark
 General Revenue \$ 29,500
 Development Funds 600
 University Cancer Foundation 18,500
 Total Salary \$ 48,600
 (with residential quarters and utilities)

U. T. ARLINGTON: SALE OF PROPERTY AT 5444 BYERS STREET, FORT WORTH, TEXAS. --At the Regents' meeting on March 5, 1973, System Administration was authorized to sell the property at 5444 Byers Street, Fort Worth, Tarrant County, Texas (residence of Harry C. Weeks, deceased) subject to approval by the Board of Regents at a subsequent meeting. System Administration reported that an offer of \$80,000 had been made on this property but that the executor of the estate was trying to get an additional sum and that the details of the sale were not yet firm. The Administration was authorized to sell this property for a consideration of not less than \$80,000 to a responsible buyer and to report the details of the sale at the meeting following consummation.

U. T. AUSTIN: ACCEPTANCE OF GIFT FROM ARTHUR WATSON OF HOUSE AT 500 EAST 18TH STREET, AUSTIN, TEXAS. --The following recommendation was presented by the Administration, and the resolution set out herein was adopted:

WHEREAS, Mr. Arthur Watson owns the property at 500 East 18th, which is adjacent to the Collections Deposit Library at The University of Texas at Austin. This property is within the Brackenridge Urban Renewal Area. The Austin Urban Renewal Agency filed condemnation proceedings against Mr. Watson and an award was made by the Condemnation Commissioners and appealed by Mr. Watson;

WHEREAS, In order to settle the appeal, Mr. Watson proposes that the Urban Renewal Agency pay for the land with Mr. Watson making a gift of the house to The University of Texas and retaining a life estate in the premises;

BE IT RESOLVED, That the gift from Mr. Arthur Watson be accepted by the Board of Regents and that the Chairman of the Board of Regents be authorized to execute any and all documents necessary to consummate this transaction after the documents have been approved as to content by Deputy Chancellor Walker and as to form by a University attorney.

U. T. AUSTIN: REPORT OF COMMITTEE TO APPROVE INVITATION TO BID AND TO AWARD CONTRACT FOR CONCESSIONS AND VENDING SERVICES AT ATHLETIC EVENTS HELD UNDER JURISDICTION OF ATHLETICS COUNCIL, AND RATIFICATION OF AWARD TO CONCESSION SERVICES, INC., AUSTIN, TEXAS. --A report was received from the special committee (composed of Regents Clark, Erwin and Shivers, Deputy Chancellor Walker, Vice-President Colvin, and Athletics Council Chairman Thompson) to approve an invitation to bid and to award the contract to the lowest and best bidder for concessions and vending services at athletic events in Memorial Stadium, Clark Field, Penick Courts and events held in Gregory Gymnasium under the jurisdiction of the Athletics Council of The University of Texas at Austin. The committee received bids which were opened on August 17, 1973, and awarded a contract for these services to Concessions Services, Inc., Austin, Texas, in which contract the contractor agrees to pay 35.75% of gross sales or \$30,000 each year of the contract, whichever is greater. The contract is for three (3) years but provides for cancellation on 90 days' written notice by either party.

The report of this special committee was received and the actions therein ratified with authorization to the Chairman of the Board of Regents to execute the contract when it has been approved as to content by the Deputy Chancellor for Administration and as to form by a University attorney.

U. T. AUSTIN: WAIVER OF REGENTS' RULES AND REGULATIONS, PART ONE, CHAPTER III, SECTION 5.3 AND SUBSECTION 5.32, TO PERMIT APPOINTMENT OF MRS. LESLIE GALLERY. --The Regents' Rules and Regulations, Part I, Chapter III, Section 5.3 and Subsection 5.32 were waived to permit the employment of Mrs. Leslie Gallery to a two-year part-time appointment as an Assistant Professor in the School of Architecture of The University of Texas at Austin effective with the 1973-74 fall semester. Dr. John Gallery is an Associate Professor and Associate Dean of the School of Architecture. This waiver was made with the understanding that (1) Dr. Gallery as Associate Dean will not during the next two years participate in any discussion or determination related to his wife's appointment status; and (2) if, at the end of two years, Dr. Gallery continues as Associate Dean or in a similar administrative position in the School of Architecture Mrs. Gallery will not be considered for reappointment to the faculty. If he does not occupy such a position, reappointment of Mrs. Gallery will be considered on the merits of the case as any other faculty appointment.

U. T. AUSTIN: PERMISSION TO CHARLES ALAN WRIGHT TO SERVE AS LEGAL COUNSEL TO EXECUTIVE BRANCH OF FEDERAL GOVERNMENT (DUAL POSITION). --Approval was given to Charles Alan Wright, Professor of Law at The University of Texas at Austin, to serve during the academic year 1973-74 in a case or cases on behalf of the offices of the President of the United States that have grown out of the Watergate investigations. Professor Wright will also be serving as a full time member of the Law School faculty.

U. T. EL PASO: STATEMENT FROM DAVID D. CAMPOS, CHAIRMAN OF A COMMITTEE TO ESTABLISH A U. T. EL PASO BOARD OF REGENTS. --David Campos, who had requested some weeks ago to appear before the Board of Regents of The University of Texas System, was presented to the group by President Templeton. David Campos in turn introduced those present on his behalf: Carolina Castillos, Joe Acosta, Bert Hernandez, and Juan Paz. David Campos is a student at The University of Texas at El Paso and currently chairman of a committee to get a separate Board of Regents for U. T. El Paso. He read, and thereafter distributed to each member of the Board the following statement:

September 14, 1973

Board of Regents
The University of Texas System
Chaparral Room
The University of Texas at El Paso
El Paso, Texas

Dear Board Member:

We do not come here to disrupt or to demand of you the impossible, instead, we come here to challenge you to fulfill (sic) the great voids that presently exist at our University. We come here on behalf of the thousands of students who have the burning desire to improve the quality of our society through their education. Unfortunately, these great voids and futile efforts of the past towards upgrading the quality of

our education are echoed in our meaningless buildings and landscapes. We do not come here to present you with statistics. You are the people with the power, the money, and the influence; statistics would have only served to have bored you.

We come here to touch your conscience, your moral goodness, and your obligation to do right, and to exert yourself to work in the interest of the student. Rest assured that 27 million dollars in meaningless buildings serve no purpose to improve the quality of our education. It is in the quality of our education that we find meaning to our lives.

Furthermore, five minutes that was allocated our delegation would not have been sufficient time to have even breathed across your faces the essence of our great desire to cooperate and work with you towards the promise of a great University for the people of this expanse.

In the spirit of cooperation and committment (sic) from your position as a member of the Board of Regents, we present you with four major areas of concern to all students:

1. The upgrading of the Inter-American Studies Program.
2. The upgrading of Chicano Studies from a Program to a Department.
3. The hiring of a Chicano to the postion (sic) of Vice President of Student Affiars (sic) or to the position of Vice President of Business Affairs.
4. A raise of salaries for custodians, in order that their salaries be up to par with the rest of the custodians in the U-T System.

Finally, in order so that we may preserve the dignity of your willingness to communicate with us; we do, however, expect from this Board, in written form, a detailed answer towards realizing the four major points previously stated by no later than Monday, November 5, 1973.

Very Truly Yours,

Davis D. Campos

To this statement, Chairman McNeese responded, "We appreciate your dedication to and interest in your group."

9-14-73

U. T. SAN ANTONIO: ESTABLISHMENT OF REVOLVING FUND (AUTHORIZED BY H. B. NO. 139, SECTIONS 27f AND 27g, 63RD LEGISLATURE).--Sections 27f and 27g, House Bill No. 139, Acts of the 63rd Legislature, Regular Session, (General Appropriation Bill) provides that revolving funds may be established by governing boards of educational institutions "to facilitate payment of nominal expenses and to pay bills within cash discount periods." In accordance therewith, a revolving fund in the amount of \$20,000 was established at The University of Texas at San Antonio. The \$20,000 will come from local funds on deposit in the State Treasury, and the depository bank will be the Frost National Bank in San Antonio. All deposits will be secured as provided by law.

Any two of the following officers and/or employees of The University of Texas at San Antonio are authorized to sign checks drawn on this fund:

Vice-President for Fiscal Affairs
Director of Accounting
Accountant
Director of General Services

DALLAS HEALTH SCIENCE CENTER (DALLAS MEDICAL SCHOOL): ACCEPTANCE OF GIFT FROM ESTATE OF HARRY MOSS FOR SUPPORT OF RESEARCH IN CARDIOVASCULAR DISEASES. --Upon the recommendation of President Sprague, concurred in by Chancellor LeMaistre, a gift from the estate of Harry Moss, Dallas, Texas, was accepted with deep appreciation. The gift includes an immediate contribution of \$400,000 and a commitment of \$250,000 per year for five years. The first payment will be delivered before the end of 1973 and will be reported to the Board of Regents when it is received along with the regular gift reports. This gift is to support research in educational programs in cardiovascular diseases.

Chancellor LeMaistre reported it is anticipated that at the conclusion of the initial five year commitment the commitment will be renewed in the same amount and for the same purposes for an additional period of time by the Trustees of the Harry Moss Estate.

GALVESTON MEDICAL BRANCH (GALVESTON HOSPITALS): RESOLUTION TO SHRINERS INSTITUTE FOR BURNS ON 10TH ANNIVERSARY AND RESOLUTION TO DUANE L. LARSON, M.D., CHIEF SURGEON. -- Regent Nelson reported that the Shriners of North America will celebrate on Thursday evening, September 20, 1973, the 10th Anniversary of the Shriners Institute for Burns at Galveston and that on the same evening Dr. Duane L. Larson will receive a Presidential Citation. Whereupon, Regent Nelson was authorized to prepare on behalf of the Board of Regents appropriate resolutions to the Shriners Burns Institute and to Dr. Larson and transmit them to be read on the occasion of the celebration. Below are the resolutions that were prepared:

Resolution to Shriners Burns Institute

WHEREAS, The Board of Regents recognizes the fact that benefactions of the Shriners of North America have provided historic examples of service to humanity, and that

In the establishment of the Burns Institute at the Medical Branch of The University of Texas System in Galveston the Shriners have expanded this tradition of human concern, and that

During its first decade this program of the Shriners and the University has steadfastly assured an ideal of joint effort for the common good, and that

Both advancement of knowledge and more effective care of patients are served by the wise foresight and generous provision of the Shriners:

THEREFORE be it resolved unanimously, That the Board of Regents express profound gratitude to the Shriners, pride in the University's relationship with the Burns Institute, and confidence in its future.

Resolution of Congratulations

to

Dr. Duane L. Larson

WHEREAS, The Board of Regents knows that the Shriners Burns Institute at the University of Texas Medical Branch is one of the most significant and distinguished divisions of the System, and that

Dr. Duane L. Larson, Chief Surgeon of the Institute has brought to that Institute imaginative and courageous leadership, and that

Dr. Larson has given to medicine and to his surgical specialty both devotion and wisdom, and that

Dr. Larson in receiving the high honor of a Presidential Citation has brought to the University, to the Institute, and to his own career noteworthy recognition:

THEREFORE, The Board of Regents unanimously expresses to Dr. Larson its appreciation of his personal attainment and his historic leadership in a program devoted to the advancement of science and the welfare of mankind.

GALVESTON MEDICAL BRANCH: ACCEPTANCE FROM THE SEALY AND SMITH FOUNDATION OF FOUR FRATERNITY HOUSES (ALPHA KAPPA KAPPA, PHI DELTA EPSILON, NU SIGMA NU AND PHI RHO SIGMA) AND AUTHORIZATION TO REMODEL THE HOUSES. --With gratitude, the Board of Regents accepted for The University of Texas Medical Branch at Galveston from The Sealy & Smith Foundation of Galveston, Texas, four fraternity houses (Alpha Kappa Kappa, 301 Post Office Street; Phi Delta Epsilon, 410 Market Street; Nu Sigma Nu, 420 Market Street, and Phi Rho Sigma, 421 Mechanic Street, Galveston, Texas) located adjacent to the campus of the Galveston Medical Branch. The Chairman of the Board of Regents was authorized to execute any and all instruments necessary for the acceptance of this property from the foundation.

It was further ordered that these four fraternity houses be remodeled for not more than \$100,000 with the funds to come from Unappropriated Plant Funds of the Medical Branch. It was noted that after the remodeling has been completed, the fraternity houses will be leased to the individual fraternities for a sum of money to be negotiated by each fraternity and the Galveston Medical School administration; the individual fraternity will be responsible for the collection of all rents and charges from the members and for paying rentals in accordance with lease agreements to be executed by each fraternity. The Deputy Chancellor for Administration was authorized to execute lease agreements with the four fraternities after they are approved as to form by a University attorney and as to content by the Vice-President for Business Affairs of the Galveston Medical Branch.

SAN ANTONIO HEALTH SCIENCE CENTER (SAN ANTONIO MEDICAL SCHOOL): RATIFICATION OF ACCEPTANCE FROM AN ANONYMOUS *DONOR OF GIFT AND ESTABLISHMENT OF SCHOLARSHIP FUND FOR FEMALE STUDENTS IN MEDICAL SCHOOL.** --The action of President Harrison in accepting for the San Antonio Medical School of The University of Texas Health Science Center at San Antonio a check in the amount of \$30,000 from an anonymous donor was ratified. These funds will be held and invested in such manner and in such investments as are deemed advisable by the Board of Regents. In compliance with the donor's request, a named scholarship fund was established for female students in medical school. The income from the principal shall be used for these scholarships, the award of which shall be based upon financial need. The donor reserved the right during her lifetime to withdraw \$10,000 of the principal in the event some unforeseen emergency arises. Upon the donor's death, all property shall be the property of the Board of Regents of The University of Texas System for the scholarship fund created herein.

*Mrs. Evelyn I. K. Woolley
**Evelyn Knott Woolley Fund

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SYSTEM NURSING SCHOOL (FORT WORTH NURSING SCHOOL AND SAN ANTONIO NURSING SCHOOL): AUTHORIZATION TO REQUEST COORDINATING BOARD FOR PERMISSION TO OFFER CERTIFICATE PROGRAM TO PREPARE FAMILY NURSE PRACTITIONERS.--

President Willman of the System Nursing School requested that a certificate program to prepare family nurse practitioners be established at The University of Texas Nursing School at Fort Worth and The University of Texas Nursing School at San Antonio. President Willman proposed that the course content be offered during a four-month period of combined didactic and clinical experience, to be followed by an eight-month preceptorship. The nursing school faculty and medical school faculty are to share in the teaching program with existing course offerings being utilized whenever possible.

The purpose of this program is to prepare nurses to function in a team relationship with family physicians and other health professionals in outpatient and community clinics and physicians' offices where they will assist in providing primary health care for individuals and families.

President Willman reported that the Texas Academy of Family Physicians had approved the program subject to certain conditions. (These conditions are set out in the amendments below.)

Following a discussion of this proposal, it was ordered that permission be sought from the Coordinating Board, Texas College and University System to establish a certificate program to prepare family nurse practitioners at the Fort Worth Nursing School and the San Antonio Nursing School subject to the proposed program being amended as follows:

1. Page 1, first paragraph, amend by adding the following sentence:

"The nurse practitioners shall function under the control and supervision of a licensed physician who shall remain responsible for the medical care and treatment of the patient."

2. Page 2, second paragraph, amend by adding the following sentence:

"Curriculum development will be coordinated with the Texas Academy of Family Physicians."

3. Page 2, next to the last paragraph entitled FAMILY/NURSE/PHYSICIAN RELATIONSHIP, amend by deleting the second sentence and substituting in lieu thereof the following:

"The expanded role for the nurse practitioner shall scrupulously respect the statutorily authorized functions of the licensed professional nurse and the licensed physician."

4. Page 3, fourth paragraph, amend by deleting all of this paragraph and substituting in lieu thereof the following:

"Students admitted to the program will be required to be registered nurses with a baccalaureate degree or registered nurses with carefully evaluated close equivalency to a baccalaureate degree. Students must be guaranteed by a physician-employer or physician-supervisor the opportunity to practice in the role for which they will be prepared."

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5. Page 2, first paragraph under Item 2, amend by deleting all of this paragraph and substituting in lieu thereof the following:

"The course content will be offered during a four month period of combined didactic and clinical experience, to be followed by an eighth month preceptorship in a physician's office or in a clinic under the supervision of a physician. The preceptorship program will be coordinated with the Texas Academy of Family Physicians. Both nursing and medical school faculty will share in the teaching program with existing course offerings being utilized whenever possible."

A copy of the program to be submitted to the Coordinating Board, Texas College and University System is filed in the office of the Secretary.

RATIFICATION (AFFILIATION AGREEMENTS). --The following affiliation agreements were ratified:

System Nursing School: Affiliation Agreements with Sun Towers Hospital, The St. Joseph Hospital, and Texas State Department of Health, Public Health Region 3 (All Located in El Paso, Texas). --Based on the model agreement for clinical training of nursing students approved by the Board of Regents on September 12, 1970, affiliation agreements between the Board of Regents of The University of Texas System on behalf of The University of Texas System School of Nursing and the following facilities were ratified. The Chairman of the Board of Regents was authorized to execute these agreements which have been approved as to form by a University attorney and as to content by the Vice-Chancellor for Health Affairs and the Deputy Chancellor for Administration:

Sun Towers Hospital, El Paso
The St. Joseph Hospital, El Paso
Texas State Department of Health, Public Health
Region 3, El Paso

SCHEDULED MEETINGS AND EVENTS. --In addition to meetings of the Board of Regents scheduled on October 26, 1973, and December 7, 1973, in Austin, the following dates were tentatively set with the understanding that each Regent would check his calendar and report whether the dates were acceptable to him:

January 25, 1974
March 15, 1974
May 3, 1974

ADJOURNMENT. --There being no further business, Chairman McNeese declared the meeting adjourned at 2:20 p. m.


Betty Anne Thedford
Secretary

September 21, 1973