

## MATERIAL SUPPORTING THE AGENDA

Volume XXIA

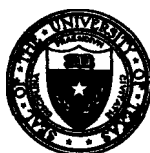
September 1973 - December 1973

This volume contains the Material Supporting the Agenda furnished to each member of the Board of Regents prior to the meetings held on September 14, October 26 and December 7, 1973.

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

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

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



THE BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM

Material Supporting

# Agenda

Meeting Date: December 7, 1973

Meeting No.: 718

Name: Office Copy

**CONFIDENTIAL**

*Atty - Toohill  
C. J. W. - Jensen*

CALENDAR  
BOARD OF REGENTS  
OF  
THE UNIVERSITY OF TEXAS SYSTEM

December 7, 1973

Place: Main Building, Room 212  
The University of Texas at Austin  
Austin, Texas

\* Friday, December 7, 1973. --The order of the meetings is set out below:

9:00 a. m. Meeting of the Board - Special Orders

1. To Consider Sale of U. T. Arlington,  
State Ad Valorem Tax Bonds,  
Series 1974, \$1,865,000
2. To Consider Sale of U. T. Austin,  
Building Revenue Bonds,  
Series 1974, \$53,000,000

9:15 a. m. Meeting of Committees

*Notify Mrs. f. re exceptions*

System Administration  
— Academic and Developmental Affairs  
Buildings and Grounds  
Medical Affairs  
Land and Investment — *invite Mrs. Thomas*  
Committee of the Whole *Mrs. Polk*

Meeting of the Board

12:00 noon

Lunch will be served in the Academic Center.  
*Lunch for Regents in Rm. 209*

Telephone Numbers

Offices:

Board of Regents	471-1265
Chancellor LeMaistre	471-1434
Chancellor Emeritus Ransom	471-1741
Deputy Chancellor Walker	471-1743
President Spurr	471-1233

Hotels:

Sheraton-Crest Inn	478-9611
Driskill Hotel	474-5911
Villa Capri Motor Hotel	476-6171

Airlines:

Braniff International	476-4631
Continental	477-6716
Texas International	477-6441

\*

8:50 a. m. Group picture of Board of Regents  
Room 209 of Regents' Suite

*Buddy Berner - 471-3571*

Meeting of  
the Board



BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM  
THE UNIVERSITY OF TEXAS AT ARLINGTON  
STATE AD VALOREM TAX BONDS, SERIES 1974 - \$1,865,000

SALE OF THE BONDS.--As authorized, bids were called for and received until 9:30 A.M., CST, on December 6, 1973, and then publicly opened and tabulated. A copy of the tabulation is attached.

It is recommended by the Associate Deputy Chancellor for Investments, Trusts and Lands, joined by the Deputy Chancellor for Administration, that the Board of Regents adopt the resolution authorizing the issuance of the bonds and the sale to Republic National Bank of Dallas and Merrill Lynch, Pierce, Fenner & Smith, Inc. for the sum of par plus accrued interest to date of delivery.

DESIGNATION OF PAYING AGENCY.--Attached is a tabulation of the bids received and publicly opened and tabulated at 9:30 A.M., CST., on December 6, 1973, in accordance with specifications previously furnished the qualified bidders (The University of Texas System Depository Banks with assets in excess of \$100,000,000).

It is recommended by the Associate Deputy Chancellor for Investments, Trusts and Lands, joined by the Deputy Chancellor for Administration, that the bid of First National Bank of Fort Worth, Fort Worth, Texas, to serve as paying agent for this issue be accepted. The bank will charge \$0.01 per coupon paid and \$0.10 per bond paid. The Co-Paying Agent is Manufacturers Hanover Trust Company, New York, New York.

AWARD OF CONTRACT FOR PRINTING THE BONDS.--Attached is a tabulation of the bids received and publicly opened and tabulated at 9:30 A.M., CST, on December 6, 1973, in accordance with specifications previously furnished companies bidding on University issues in recent years.

It is recommended by the Associate Deputy Chancellor for Investments, Trusts and Lands, joined by the Deputy Chancellor for Administration, that the bid of Steck-Warlick Company be accepted for printing bonds with lithographed borders, as set out in the specifications, for the sum of ~~\$352.50~~, there being ~~five~~ interest rates.

~~\$340~~  
\$352.50  
\$340.

~~four~~  
~~five~~  
four

**TABULATION OF BIDS**  
**\$1,865,000**  
**BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM**  
**THE UNIVERSITY OF TEXAS AT ARLINGTON**  
**STATE AD VALOREM TAX BONDS, SERIES 1974**  
**Bids Opened Thursday, December 6, 1973**

ACCOUNT	COUPONS	INTEREST COST	EFFECTIVE RATE																				
Republic National Bank of Dallas Merrill Lynch, Pierce, Fenner & Smith, Inc.	<table style="width: 100%; border-collapse: collapse;"> <tr><td style="width: 15%;"><u>1974</u></td><td style="width: 15%;">to</td><td style="width: 15%;"><u>      </u></td><td style="width: 15%;"><u>5.65</u></td></tr> <tr><td><u>75</u></td><td></td><td><u>      </u></td><td><u>5.30</u></td></tr> <tr><td><u>76</u></td><td></td><td><u>      </u></td><td><u>4.15</u></td></tr> <tr><td><u>77</u></td><td></td><td><u>      </u></td><td><u>4.15</u></td></tr> <tr><td><u>78</u></td><td></td><td><u>      </u></td><td><u>4.20</u></td></tr> </table>	<u>1974</u>	to	<u>      </u>	<u>5.65</u>	<u>75</u>		<u>      </u>	<u>5.30</u>	<u>76</u>		<u>      </u>	<u>4.15</u>	<u>77</u>		<u>      </u>	<u>4.15</u>	<u>78</u>		<u>      </u>	<u>4.20</u>	Gross: <u>240,074.19</u> Less Prem: <u>- 0 -</u> Net: <u>240,074.19</u>	4.3240
<u>1974</u>	to	<u>      </u>	<u>5.65</u>																				
<u>75</u>		<u>      </u>	<u>5.30</u>																				
<u>76</u>		<u>      </u>	<u>4.15</u>																				
<u>77</u>		<u>      </u>	<u>4.15</u>																				
<u>78</u>		<u>      </u>	<u>4.20</u>																				
First National Bank in Dallas & Associates	<table style="width: 100%; border-collapse: collapse;"> <tr><td style="width: 15%;"><u>1974</u></td><td style="width: 15%;">to</td><td style="width: 15%;"><u>      </u></td><td style="width: 15%;"><u>4.10</u></td></tr> <tr><td><u>75</u></td><td></td><td><u>      </u></td><td><u>5.70</u></td></tr> <tr><td><u>76</u></td><td></td><td><u>      </u></td><td><u>4.15</u></td></tr> <tr><td><u>77</u></td><td><u>78</u></td><td><u>      </u></td><td><u>4.20</u></td></tr> </table>	<u>1974</u>	to	<u>      </u>	<u>4.10</u>	<u>75</u>		<u>      </u>	<u>5.70</u>	<u>76</u>		<u>      </u>	<u>4.15</u>	<u>77</u>	<u>78</u>	<u>      </u>	<u>4.20</u>	Gross: <u>240,669.81</u> Less Prem: <u>69.81</u> Net: <u>240,600.00</u>	4.3335				
<u>1974</u>	to	<u>      </u>	<u>4.10</u>																				
<u>75</u>		<u>      </u>	<u>5.70</u>																				
<u>76</u>		<u>      </u>	<u>4.15</u>																				
<u>77</u>	<u>78</u>	<u>      </u>	<u>4.20</u>																				
First City National Bank in Houston, Texas	<table style="width: 100%; border-collapse: collapse;"> <tr><td style="width: 15%;"><u>1974</u></td><td style="width: 15%;">to</td><td style="width: 15%;"><u>75</u></td><td style="width: 15%;"><u>5.75</u></td></tr> <tr><td><u>76</u></td><td></td><td><u>      </u></td><td><u>4.375</u></td></tr> <tr><td><u>77</u></td><td><u>78</u></td><td><u>      </u></td><td><u>4.25</u></td></tr> <tr><td><u>      </u></td><td><u>      </u></td><td><u>      </u></td><td><u>      </u></td></tr> <tr><td><u>      </u></td><td><u>      </u></td><td><u>      </u></td><td><u>      </u></td></tr> </table>	<u>1974</u>	to	<u>75</u>	<u>5.75</u>	<u>76</u>		<u>      </u>	<u>4.375</u>	<u>77</u>	<u>78</u>	<u>      </u>	<u>4.25</u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>	Gross: <u>247,741.6667</u> Less Prem: <u>6.30</u> Net: <u>247,735.3667</u>	4.461021
<u>1974</u>	to	<u>75</u>	<u>5.75</u>																				
<u>76</u>		<u>      </u>	<u>4.375</u>																				
<u>77</u>	<u>78</u>	<u>      </u>	<u>4.25</u>																				
<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>																				
<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>																				
Underwood, Neuhaus & Co., Inc. & Associates	<table style="width: 100%; border-collapse: collapse;"> <tr><td style="width: 15%;"><u>1974</u></td><td style="width: 15%;">to</td><td style="width: 15%;"><u>      </u></td><td style="width: 15%;"><u>4.30</u></td></tr> <tr><td><u>75</u></td><td></td><td><u>      </u></td><td><u>6.00</u></td></tr> <tr><td><u>76</u></td><td><u>77</u></td><td><u>      </u></td><td><u>4.25</u></td></tr> <tr><td><u>78</u></td><td></td><td><u>      </u></td><td><u>4.30</u></td></tr> </table>	<u>1974</u>	to	<u>      </u>	<u>4.30</u>	<u>75</u>		<u>      </u>	<u>6.00</u>	<u>76</u>	<u>77</u>	<u>      </u>	<u>4.25</u>	<u>78</u>		<u>      </u>	<u>4.30</u>	Gross: <u>246,614.17</u> Less Prem: <u>- 0 -</u> Net: <u>246,614.17</u>	4.440831				
<u>1974</u>	to	<u>      </u>	<u>4.30</u>																				
<u>75</u>		<u>      </u>	<u>6.00</u>																				
<u>76</u>	<u>77</u>	<u>      </u>	<u>4.25</u>																				
<u>78</u>		<u>      </u>	<u>4.30</u>																				
Auscher Pierce Securities Corp. (Manager) Howles, Winston Division, Cowen & Co. Stan Mosle, Inc. Houston	<table style="width: 100%; border-collapse: collapse;"> <tr><td style="width: 15%;"><u>1974</u></td><td style="width: 15%;">to</td><td style="width: 15%;"><u>75</u></td><td style="width: 15%;"><u>5.125</u></td></tr> <tr><td><u>76</u></td><td><u>78</u></td><td><u>      </u></td><td><u>4.25</u></td></tr> <tr><td><u>      </u></td><td><u>      </u></td><td><u>      </u></td><td><u>      </u></td></tr> <tr><td><u>      </u></td><td><u>      </u></td><td><u>      </u></td><td><u>      </u></td></tr> <tr><td><u>      </u></td><td><u>      </u></td><td><u>      </u></td><td><u>      </u></td></tr> </table>	<u>1974</u>	to	<u>75</u>	<u>5.125</u>	<u>76</u>	<u>78</u>	<u>      </u>	<u>4.25</u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>	Gross: <u>242,100.11</u> Less Prem: <u>- 0 -</u> Net: <u>242,100.11</u>	4.36052
<u>1974</u>	to	<u>75</u>	<u>5.125</u>																				
<u>76</u>	<u>78</u>	<u>      </u>	<u>4.25</u>																				
<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>																				
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<u>19</u>	to	<u>      </u>	<u>      </u>																				
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<u>19</u>	to	<u>      </u>	<u>      </u>																				
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BIDS FOR PAYING AGENCY

\$1,865,000

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM  
 THE UNIVERSITY OF TEXAS AT ARLINGTON  
 STATE AD VALOREM TAX BONDS, SERIES 1974

Tabulation of Bids Received  
 December 6, 1973 - 9:30 a.m., CST

Bidder	New York Co-Paying Agent	Per Coupon Paid	Per Bond Paid
First National Bank of Fort Worth	Manufacturers Hanover Trust Company	\$ .01	\$ .10
National Bank of Commerce of Dallas	Manufacturers Hanover Trust Company	.05	.50
The Capital National Bank in Austin	Chemical Bank	.075	.75
First City National Bank of Houston	Manufacturers Hanover Trust Company	.125	2.00
Bank of the Southwest National Association, Houston	Manufacturers Hanover Trust Company	.10	1.00
First National Bank in Dallas	Manufacturers Hanover Trust Company	.10	1.25
Mercantile National Bank at Dallas	Chase Manhattan Bank, N.A.	.09	.90
The Fort Worth National Bank	Bankers Trust Company	.09	.90
Texas Commerce Bank, N.A.	Bankers Trust Company	.13	2.00

BIDS FOR PRINTING BONDS

\$1,865,000

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM  
 THE UNIVERSITY OF TEXAS AT ARLINGTON  
 STATE AD VALOREM TAX BONDS, SERIES 1974

Tabulation of Bids Received  
 December 6, 1973 - 9:30 a.m., CST

Bidder	One-Coupon Rate	Two-Coupon Rate	Three-Coupon Rate	Four-Coupon Rate	Five-Coupon Rate	Number of Working Days
Steck-Warlick Company	\$302.50	\$315.00	\$327.50	\$340.00	\$352.50	14

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM  
THE UNIVERSITY OF TEXAS AT AUSTIN  
BUILDING REVENUE BONDS, SERIES 1974 - \$53,000,000

SALE OF THE BONDS.--As authorized, bids were called for and received until 11:00 A.M., CST, on December 6, 1973, and then publicly opened and tabulated. A copy of the tabulation is attached.

It is recommended by the Associate Deputy Chancellor for Investments, Trusts and Lands, joined by the Deputy Chancellor for Administration, that the Board of Regents adopt the resolution authorizing the issuance of the bonds and the sale to Halsey, Stuart & Co. Inc. and Associates for the sum of par plus accrued interest to date of delivery.

DESIGNATION OF PAYING AGENCY.--Attached is a tabulation of the bids received and publicly opened and tabulated at 9:30 A.M., CST, on December 6, 1973, in accordance with specifications previously furnished the qualified bidders (The University of Texas System Depository Banks with assets in excess of \$100,000,000).

It is recommended by the Associate Deputy Chancellor for Investments, Trusts and Lands, joined by the Deputy Chancellor for Administration, that the bid of Bank of the Southwest National Association, Houston, to serve as paying agent for this issue be accepted. The bank will charge \$0.0575 per coupon and \$0.35 per bond paid. Co-Paying Agent is Manufacturers Hanover Trust Company, New York.

AWARD OF CONTRACT FOR PRINTING THE BONDS.--Attached is a tabulation of the bids received and publicly opened and tabulated at 9:30 A.M., CST, on December 6, 1973, in accordance with specifications previously furnished companies bidding on University issues in recent years.

It is recommended by the Associate Deputy Chancellor for Investments, Trusts and Lands, joined by the Deputy Chancellor for Administration, that the bid of Steck-Warlick Company, Austin, Texas, be accepted for printing the bonds with lithographed borders, as set out in the specifications, for the sum of \$3,802.00, there being five interest rates.

TABULATION OF BIDS  
 \$53,000,000  
 BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM  
 THE UNIVERSITY OF TEXAS AT AUSTIN  
 BUILDING REVENUE BONDS, SERIES 1974  
 Bids Opened Thursday, December 6, 1973

ACCOUNT	COUPONS	INTEREST COST	EFFECTIVE RATE																												
alsey, Stuart & Co. Inc. and Associates	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: center;"><u>1975</u></td> <td style="text-align: center;">to</td> <td style="text-align: center;"><u>87</u></td> <td style="text-align: center;"><u>6.50</u></td> </tr> <tr> <td style="text-align: center;"><u>88</u></td> <td></td> <td style="text-align: center;"><u>96</u></td> <td style="text-align: center;"><u>5.50</u></td> </tr> <tr> <td style="text-align: center;"><u>97</u></td> <td></td> <td style="text-align: center;"><u>99</u></td> <td style="text-align: center;"><u>5.60</u></td> </tr> <tr> <td style="text-align: center;"><u>2000</u></td> <td></td> <td style="text-align: center;"><u>2002</u></td> <td style="text-align: center;"><u>5.70</u></td> </tr> <tr> <td style="text-align: center;"><u>03</u></td> <td></td> <td style="text-align: center;"><u>04</u></td> <td style="text-align: center;"><u>5.00</u></td> </tr> <tr> <td style="text-align: center;">_____</td> <td></td> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> </tr> <tr> <td style="text-align: center;">_____</td> <td></td> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> </tr> </table>	<u>1975</u>	to	<u>87</u>	<u>6.50</u>	<u>88</u>		<u>96</u>	<u>5.50</u>	<u>97</u>		<u>99</u>	<u>5.60</u>	<u>2000</u>		<u>2002</u>	<u>5.70</u>	<u>03</u>		<u>04</u>	<u>5.00</u>	_____		_____	_____	_____		_____	_____	Gross: <u>58,482,718.75</u> Less Prem: <u>- 0 -</u>  Net: <u>58,482,718.75</u>	5.5641
<u>1975</u>	to	<u>87</u>	<u>6.50</u>																												
<u>88</u>		<u>96</u>	<u>5.50</u>																												
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BIDS FOR PAYING AGENCY

\$53,000,000

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM  
 THE UNIVERSITY OF TEXAS AT AUSTIN  
 BUILDING REVENUE BONDS, SERIES 1974

Tabulation of Bids Received  
 December 6, 1973 - 9:30 a.m., CST

Bidder	New York Co-Paying Agent	Per Coupon Paid	Per Bond Paid
Bank of the Southwest National Association, Houston	Manufacturers Hanover Trust Company	\$ .0575	\$ .35
Texas Commerce Bank, N.A.	Bankers Trust Company	.055	.60
The Fort Worth National Bank	Bankers Trust Company	.075	.75
Mercantile National Bank at Dallas	Chase Manhattan Bank, N.A.	.09	.90
The First National Bank of Fort Worth	Manufacturers Hanover Trust Company	.125	1.50
First City National Bank of Houston	Manufacturers Hanover Trust Company	.125	2.00
National Bank of Commerce of Dallas	Manufacturers Hanover Trust Company	.10	1.00
Capital National Bank in Austin	Chemical Bank	.09	.75





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

Chairman McNeese, Presiding

Date: December 7, 1973

Time: 9:00 a. m.

Place: Main Building, Room 212  
U. T. Austin  
Austin, Texas

A. CALL TO ORDER

B. APPROVAL OF MINUTES OF REGENTS' MEETING -  
OCTOBER 26, 1973

C. SPECIAL ORDERS

1. U. T. ARLINGTON: RESOLUTION AUTHORIZING ISSUANCE AND AWARDED SALE OF BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, THE UNIVERSITY OF TEXAS AT ARLINGTON, STATE AD VALOREM TAX BONDS, SERIES 1974, \$1,865,000; DESIGNATION OF PAYING AGENTS, AND AWARD OF CONTRACT FOR PRINTING BONDS (Pages 3 - 19 ). --At the Regents' meeting on July 27, 1973, the Board of Regents authorized the issuance and sale of \$1,500,000 Board of Regents of The University of Texas System, The University of Texas at Arlington, State Ad Valorem Tax Bonds. During the planning stage for said bond issue, the Comptroller of Public Accounts of the State of Texas revised his official estimate of the taxes to be collected under Sec. 17 of Article VII of the Constitution of Texas as amended which results in the Board of Regents being authorized to issue and sell State Ad Valorem Tax Bonds in the amount of \$1,865,000 for the benefit of The University of Texas at Arlington. At the July 1973 meeting, the firm of McCall, Parkhurst and Horton was named Bond Counsel, and Sam Maclin was named Bond Consultant for this issue. The purpose of the issue is to provide funds for the acquisition, construction and equipping of buildings and facilities at The University of Texas at Arlington.

Bids have been called for the issue in the amount of \$1,865,000 and will be opened in the Office of Investments, Trusts and Lands, 210 West Sixth Street, Austin, Texas, at 11:00 a. m., C.S.T., on December 6, 1973. Also, at the same place and on the same date at 9:30 a. m. bids for the designation of paying agents and for the award of the printing contract of the bonds will be opened. The results of the bids will be distributed to the Board of Regents at its meeting on December 7.

Action Required

- a. Adoption of the Resolution set out on Pages 3 - 19 . This Resolution was prepared by the Bond Counsel and authorizes the issuance and sale of bonds.
  - b. Designation of paying agents for the bonds.
  - c. Award of contract for printing bonds.
2. U. T. AUSTIN: RESOLUTION AUTHORIZING ISSUANCE AND AWARDING SALE OF BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, THE UNIVERSITY OF TEXAS AT AUSTIN, BUILDING REVENUE BONDS, SERIES 1974, \$53,000,000; DESIGNATION OF PAYING AGENTS, AND AWARD OF CONTRACT FOR PRINTING BONDS (Pages 20 - 33 ). -- At the Regents' meeting on October 26, 1973, the Board of Regents authorized the issuance and sale of \$53,000,000 Board of Regents of The University of Texas System, The University of Texas at Austin, Building Revenue Bonds. The Board of Regents authorized that bids be invited for the sale of this bond issue (the purpose of which is for the acquisition, construction and equipping of buildings at The University of Texas at Austin) and for the paying agents therefor and for the printing thereof. At the October 1973 meeting, the firm of McCall, Parkhurst and Horton was named Bond Counsel, and Sam Maclin was named Bond Consultant for this issue.

Bids for this issue will be opened in the Office of Investments, Trusts and Lands, 210 West Sixth Street, Austin, Texas, at 11:00 a. m., C.S.T., on December 6, 1973, and at the same place and on the same date at 9:30 a. m. bids for the designation of paying agents and for the award of the printing contract of the bonds will be opened. The results of the bids will be distributed to the Board of Regents at its meeting on December 7.

Action Required

- a. Adoption of the Resolution set out on Pages 20 - 33. This Resolution was prepared by the Bond Counsel and authorizes the issuance and sale of bonds.
  - b. Designation of paying agents for the bonds.
  - c. Award of contract for printing bonds.
- D. RECESS. -- The Regents will recess as a Board for the meetings of the Standing Committees, the Committee of the Whole and the Executive Session.

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\* See last section (Meeting of the Board) in this volume for remainder of open meeting agenda.

## RESOLUTION

BY THE BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM AUTHORIZING THE ISSUANCE OF ITS BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM - THE UNIVERSITY OF TEXAS AT ARLINGTON STATE AD VALOREM TAX BONDS, SERIES 1974, IN THE AGGREGATE PRINCIPAL AMOUNT OF \$1,865,000, BEARING INTEREST AS HEREINAFTER SET FORTH AND MATURING AS HEREINAFTER PRESCRIBED, TO PROVIDE FUNDS FOR THE PURPOSE OF ACQUIRING, CONSTRUCTING AND INITIALLY EQUIPPING BUILDINGS AND OTHER PERMANENT IMPROVEMENTS AT THE UNIVERSITY OF TEXAS AT ARLINGTON, PRESCRIBING THE FORM OF THE BONDS, PLEDGING TO THE PAYMENT OF THE INTEREST AND PRINCIPAL THEREOF THAT PART OF THE MONEY ALLOCATED TO SUCH INSTITUTION FROM THE CONTINUING TAX LEVIED BY THE CONSTITUTION UNDER ARTICLE VII, SECTION 17, AS AMENDED, PROVIDING FOR THE EXECUTION AND DELIVERY OF SAID BONDS AND PRESCRIBING THE DUTIES OF THE OFFICERS OF SAID BOARD AND OF THE STATE IN REFERENCE THERETO, AND MAKING CERTAIN COVENANTS WITH RESPECT TO SECURING PAYMENT OF SAID BONDS AND INTEREST.

WHEREAS, by adoption at the general election held in the State of Texas on November 2, 1965, Section 17 of Article VII of the Constitution of Texas was amended as a whole (hereinafter sometimes called the "Constitutional Provision"); and

WHEREAS, the Constitutional Provision is self-enacting and has continued an ad valorem tax on all of the taxable property in the State of Texas at an increased rate of Ten (10¢) Cents on the \$100.00 valuation, and authorizes the proceeds of the tax to be pledged to pay the principal of and interest on the bonds issued pursuant thereto; and

WHEREAS, such tax levy became effective as of January 1, 1966, and will remain effective for taxes which have and will become due and payable in each year for a twelve year period beginning January 1, 1966, and for each successive ten year period thereafter; and

WHEREAS, the Constitutional Provision provides for an allocation of proceeds of such tax for the twelve year period commencing January 1, 1966, among the seventeen designated

state supported institutions of higher learning (hereinafter sometimes called "Eligible Institutions") and has authorized the governing board of each of the Eligible Institutions to pledge any part of the fund allocated to it to pay the principal of and interest on bonds; and

WHEREAS, the Constitutional Provision requires the Comptroller of Public Accounts of the State of Texas to make the allocation of the funds to the Eligible Institutions to be raised by such tax for the twelve year period beginning January 1, 1966, 85% of such funds to be allocated on June 1, 1966; and 15% to be allocated on June 1, 1972; and

WHEREAS, the Constitutional Provision requires that the Comptroller of Public Accounts of the State of Texas (the Comptroller) make the June 1, 1966 allocation (85%) based on the following determinations:

"(1) Ninety per cent (90%) of the funds allocated on June 1, 1966, shall be allocated to state institutions based on projected enrollment increases published by the Coordinating Board, Texas College and University System for fall 1966 to fall 1978;

"(2) Ten per cent (10%) of the funds allocated on June 1, 1966 shall be allocated to certain of the eligible state institutions based on the number of additional square feet needed in education and general facilities by such eligible state institution to meet the average square feet per full time equivalent student of all state senior institutions (currently numbering twenty-two);"

and

WHEREAS, the Constitutional Provision requires that the Comptroller make the June 1, 1972 allocation (15%) based on the following determinations:

"All of the funds allocated on June 1, 1972, shall be allocated to certain of the eligible state institutions based on determinations used in the June 1, 1966, allocations except that the allocation of fifty per cent (50%) of the funds allocated on June 1, 1972, shall be based on projected enrollment increases for fall 1972 to fall 1978, and fifty per cent (50%) of such funds allocated on June 1, 1972, shall be based on the need for additional square feet of educational and general facilities;"

and

WHEREAS, such determinations have been made by the Coordinating Board; and

WHEREAS, the Comptroller has made both the June 1, 1966, and June 1, 1972 allocations as required by the Constitutional Provision; and

WHEREAS, of the total funds thus allocated, The University of Texas at Arlington (herein defined and referred to as the "University") is to receive 13.23138% from the June 1, 1966 allocation, and 4.71508% from the June 1, 1972 allocation; and

WHEREAS, the assessed valuation of property in the State of Texas (less homestead exemptions) subject to such levy in accordance with the approved tax rolls, together with the Comptroller's official estimates of valuations for each year of the twelve year period, and the figures representing the June 1, 1966 allocation among the Eligible Institutions afford a basis for estimating the amount of money to be received by the University under such tax levy for each of the years of the said twelve year period; and

WHEREAS, the Board of Regents of The University of Texas System, for and in behalf of The University of Texas at

Arlington has heretofore issued its Universities of the State of Texas State Ad Valorem Tax Bonds, Series 1972 - The University of Texas at Arlington in the aggregate principal amount of \$10,300,000 payable from such allocations, and \$9,000,000 of said bonds remain outstanding and unpaid; and

WHEREAS, the resolution authorizing the said Series 1972 Bonds permits the issuance of additional bonds payable from said allocations; and

WHEREAS, it has been and is hereby determined to be to the best interest of the University that the bonds herein authorized payable from its allocated fund be issued at this time and that action necessary for the issuance thereof be taken by this Board;

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

1. The Bonds. That in order to provide funds for the purpose of acquiring, constructing and initially equipping buildings and other permanent improvements at The University of Texas at Arlington, bonds are hereby authorized to be issued known as "Board of Regents of The University of Texas System - The University of Texas at Arlington State Ad Valorem Tax Bonds, Series 1974," in the aggregate principal amount of One Million Eight Hundred Sixty Five Thousand Dollars (\$1,865,000), in the denomination of Five Thousand Dollars (\$5,000) each, and numbered from One (1) through Three Hundred Seventy Three (373), (hereinafter referred to as the "Bonds").

2. Parity. That the Bonds are issued as Additional Bonds as permitted in the resolution authorizing the Series 1972 Bonds, and shall be in all respects on a parity with the said Series 1972 Bonds. That no one of the Bonds shall be entitled to priority over any other Bond of this issue in the application of the money in the allocated fund which has been

pledged to the payment of the principal of and interest on the Bonds, irrespective of the fact that some of the Bonds may be delivered prior to the delivery of other Bonds, it being the intent of this resolution that all Bonds of this issue shall rank equally.

3. Date of Bonds; Maturity Schedule. That the Bonds shall be dated January 1, 1974, and shall become due and payable on September 1 in each of the years and in the amounts as follows:

<u>YEARS</u>	<u>AMOUNTS</u>
1974	\$240,000
1975	325,000
1976	360,000
1977	495,000
1978	445,000

4. Interest Rates. That the Bonds shall bear interest at the following rates:

all bonds scheduled to mature during

the years 1974 through \_\_\_ --- \_\_\_\_\_% per annum;

all bonds scheduled to mature during

the years \_\_\_ through \_\_\_ --- \_\_\_\_\_% per annum;

all bonds scheduled to mature during

the years \_\_\_ through \_\_\_ --- \_\_\_\_\_% per annum;

all bonds scheduled to mature during

the years \_\_\_ through \_\_\_ --- \_\_\_\_\_% per annum;

all bonds scheduled to mature during

the years \_\_\_ through \_\_\_ --- \_\_\_\_\_% per annum;

with said interest to be evidenced by interest coupons payable September 1, 1974, and semi-annually thereafter on each March 1 and September 1.

5. Banks of Payment. That the principal of and the interest on the Bonds shall be payable, without exchange or collection charges to the owner or holder thereof, at \_\_\_\_\_

\_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_ (hereinafter called the "Principal Bank of Payment"), or, at the option of the holder, at \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_ (herein collectively called "Banks of Payment"), in lawful money of the United States of America upon surrender of proper Bond or coupon.

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

7. Negotiability. That nothing contained in the Bonds or in this resolution shall affect or impair the negotiability of the Bonds or the coupons thereto appertaining, and said Bonds and coupons shall constitute negotiable instruments within the meaning of the Uniform Commercial Code of the State of Texas.

8. Form of Bonds. That the form of the Bonds shall be substantially as follows:

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 STATE AD VALOREM TAX BOND  
SERIES 1974

For value received the Board of Regents of The University of Texas System (hereinafter sometimes called the "Board"), for and in behalf of The University of Texas at Arlington, Arlington, Texas, an agency of the State of Texas, and as authorized by the Constitution of the State of Texas, hereby acknowledges itself indebted to and promises to pay out of the proceeds of the ad valorem tax herein described to the bearer, on the 1st day of September, 19\_\_\_, the sum of



FIVE THOUSAND DOLLARS

with interest thereon from the date hereof at the rate of \_\_\_\_\_  
(\_\_\_\_%) per cent per annum, until the principal amount of this  
bond shall have been paid, payable September 1, 1974, and semi-  
annually thereafter on March 1 and September 1 of each year.  
Both principal and interest shall be payable in lawful money of  
the United States of America upon presentation and surrender of  
proper bond or coupon at \_\_\_\_\_,  
\_\_\_\_\_, \_\_\_\_\_, or, at the option of the holder at \_\_\_\_\_  
\_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, without exchange  
or collection charges to the owner or the holder thereof.

This bond is one of a series of bonds (hereinafter  
sometimes called the "Bonds") of like tenor and effect except  
as to number, maturity and interest rate, numbered from One (1)  
through Three Hundred Seventy Three (373), aggregating One Million  
Eight Hundred Sixty Five Thousand Dollars (\$1,865,000), issued  
for the purpose of acquiring, constructing and initially  
equipping buildings and other permanent improvements at The  
University of Texas at Arlington, Arlington, Texas, in accordance  
with the provisions of Section 17, of Article VII, as amended,  
of the Constitution of Texas, and pursuant to the resolution  
authorizing the issuance of the series of Bonds of which this  
is one, adopted by the Board of Regents of The University of  
Texas System, duly of record in the minutes of said Board  
(herein called the "Resolution").

The date of this Bond in conformity with the Resolution  
is January 1, 1974.

The Bonds of which this is one together with  
Universities of the State of Texas State Ad Valorem Tax Bonds,  
Series 1972 - The University of Texas at Arlington, dated  
April 1, 1972, are secured by a pledge of that part allocated  
to The University of Texas at Arlington of the proceeds of a  
continuing tax on all of the taxable property in the State

levied by Section 17 of Article VII of the Constitution, as amended on November 2, 1965, accumulated and held in the State Treasury to be used solely to pay the principal of and interest on the Bonds, and additional parity bonds herein mentioned. The levy of such tax supporting the Bonds and the pledge thereof will remain effective so long as any of the Bonds is outstanding and unpaid.

The Board reserves the right to issue additional parity bonds under the terms and conditions stated in the Resolution authorizing this Bond and the series of which it is a part, and said Bonds may be made payable from the same source, secured in the same manner and placed on a parity with the Series 1972 Bonds, this Bond and the series of which it is a part.

Each successive holder of this Bond, and each successive holder of each of the coupons hereto attached, is conclusively presumed to forego and renounce his equities in favor of subsequent holders for value without notice, and to agree that this Bond and each of the coupons hereto attached, may be negotiated by delivery by any person having possession thereof, howsoever such possession may have been acquired, and that any holder who shall have taken this Bond or any of the coupons from any person for value without notice, thereby has acquired absolute title thereto, free from any defenses enforceable against any prior holder and free from all equities and claims of ownership of any such prior holder. The Board and the Bank of Payment shall not be affected by any notice to the contrary.

IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions and things required to be done precedent to and in the issuance of this Bond and the series of which it is a part have been properly done, have happened and been performed in regular and due time, form and manner as required by the

Constitution and laws of the State of Texas, and the proceedings hereinabove mentioned, and that this issue of Bonds does not exceed any constitutional or statutory limitations and that provision has been made for the payment of the principal of and interest on this Bond and the series of which it is a part by irrevocably pledging the allocated proceeds of the continuing ad valorem tax hereinabove mentioned.

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

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM

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

ATTEST:

\_\_\_\_\_  
Secretary

9. Form of Coupon. That the form of coupon for the Bonds shall be substantially as follows:

NO. \_\_\_\_\_ \$ \_\_\_\_\_

On the \_\_\_\_ day of \_\_\_\_\_, 19\_\_, the Board of Regents of The University of Texas System promises to pay to bearer without exchange or collection charges to the owner or holder hereof, out of the allocated proceeds of the ad valorem tax described in the Bond to which this coupon is attached the sum of \_\_\_\_\_ (\$ \_\_\_\_\_) Dollars in lawful money of the United States of America at \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, or, at the option of the holder at \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_,

being the interest then due on its Board of Regents of the University of Texas System - The University of Texas at Arlington State Ad Valorem Tax Bonds, Series 1974, dated January 1, 1974. NO. \_\_\_\_\_.

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Chairman

10. Comptroller's Certificate. That the form of Comptroller's Certificate which shall be printed on the back of each of the Bonds shall be substantially as follows:

OFFICE OF COMPTROLLER :  
STATE OF TEXAS : REGISTER NO. \_\_\_\_\_

I HEREBY CERTIFY that there is on file and of record in my office a certificate of the Attorney General of the State of Texas to the effect that this Bond has been examined by him as required by Section 17 of Article VII of the Constitution, as amended, and that he finds that it has been issued in conformity with the Constitution and laws of the State of Texas and that it is a valid and binding obligation payable from the proceeds of the State ad valorem tax pledged to its payment by and in the Resolution of said Board of Regents of The University of Texas System, on behalf of The University of Texas at Arlington, an educational institution belonging to the State of Texas duly constituted under authority of law authorizing same and said Bond has this day been registered by me.

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

\_\_\_\_\_  
Comptroller of Public Accounts  
of the State of Texas

(SEAL)

11. Definitions. That throughout this Resolution, in the bond form prescribed herein and in the Bonds authorized hereby, the following terms and expressions as used herein shall have the meanings set forth, to-wit:

The term "Additional Bonds" shall refer to the additional parity bonds that are permitted to be issued by Section 12;

The term "Board" shall refer to the Board of Regents of The University of Texas System;

The term "Bonds" shall refer to the bonds authorized to be issued under the provisions of this resolution;

The term "Comptroller" shall refer to the Comptroller of Public Accounts of the State of Texas;

The term "Constitutional Provision" shall mean Article VII, Section 17 of the Constitution of Texas as amended November 2, 1965;

The term "Eligible Institutions" shall mean the seventeen state supported institutions of higher learning designated as those institutions to receive allocated proceeds from the tax levied by the Constitutional Provision;

The term "Interest and Sinking Fund" shall mean the fund established for the University in the State Treasury and further described in Section 13 hereof;

The term "Presiding Officer" shall mean the officer designated by law to preside over the Board;

The term "Resolution" shall mean this resolution authorizing the Bonds;

The term "Series 1972 Bonds" shall refer to Universities of the State of Texas State Ad Valorem Tax Bonds, Series 1972 - The University of Texas at Arlington, dated April 1, 1972;

The term "University" shall refer to The University of Texas at Arlington.

12. Findings, Pledge of Payment, Additional Bonds.

That official recognition is hereby given to these facts:

(a) That Section 17 of Article VII of the Constitution, as amended in 1965 (the "Constitutional Provision") has levied a continuing ad valorem tax on all taxable property in the State of Texas, at the rate of Ten (10¢) Cents on the One Hundred Dollars (\$100.00) of valuation;

(b) That such tax has been effective since January 1, 1966 and will remain effective so long as any of the Bonds is outstanding and unpaid;

(c) That as and when the proceeds from such tax levy are received by the Comptroller the net amounts realized therefrom (including the portion thereof allocated to the University) are deposited in the State Treasury to be held for the purposes set forth in the Constitutional Provision;

(d) That the Comptroller on June 1, 1966 allocated among the Eligible Institutions 85% of the said tax to be received for the twelve year period beginning January 1, 1966, and on June 1, 1972 allocated among the Eligible Institutions the remaining 15% of the said tax for the said twelve year period, all in accordance with the Constitutional Provision;

(e) That it is the duty of the Comptroller to draw all necessary and proper warrants upon the State Treasury to effectuate the pledge of such money made in this Resolution and to facilitate payment of the Bonds, the Additional Bonds and the interest thereon; and

(f) That while such tax will remain effective so long as any of the Bonds or the Additional Bonds is outstanding and unpaid, the Board must arrange the installment maturities of the Bonds and the Additional Bonds and make its pledge of the taxes allocated to the Institution so that the Bonds and Additional Bonds will be actually retired out of taxes collected from assessments made during the twelve year period beginning January 1, 1966.

Accordingly, the Board irrevocably pledges to the payment of the principal of and interest on the Series 1972 Bonds and the Bonds the following:

(1) All of the money now in the State Treasury to the credit of the University, realized from the collection of

the continuing tax levied by the Constitutional Provision;

(2) All of the proceeds from such continuing tax to which it is entitled levied for each of the years 1966 to 1977, both inclusive, and allocated June 1, 1966, and June 1, 1972, by the Comptroller, which tax according to law becomes due on October 1 of each of said years;

(3) In the event that any of the Bonds or any interest thereon remains outstanding and unpaid on the date the last of the Bonds is scheduled to mature, and in the event the Interest and Sinking Fund shall then contain insufficient money to pay all of such principal and interest and the expense incidental to the making of such payments, to the extent of such deficiency, the proceeds from such continuing tax to which the University may be entitled under the allocations made by the Comptroller on June 1, 1966 and June 1, 1972 or additional allocations or reallocation arrangements then in effect are pledged and such pledge shall remain effective until the Bonds shall have been paid in full with interest thereon; but when full provision shall have been made for the final payment of the Bonds by depositing money sufficient for the purpose in the Interest and Sinking Fund, the obligation under this sub-section (2) will have been fully satisfied and the pledge will have been released; and

(4) The money pledged to the payment of the Bonds shall be used solely to pay the principal of and interest on the Series 1972 Bonds and the Bonds and to defray the expense incident to such payments so long as any of such bonds or interest thereon is outstanding and unpaid. After full provision shall have been made by accumulating in

the Interest and Sinking Fund sufficient money to pay all of such Bonds and interest calculated thereon to maturity, the Board reserves the right to use money in excess thereof for such purposes as may be permitted under the Constitutional Provision.

Provided, however, the Board reserves and shall have the right and power to issue pursuant to the Constitutional Provision additional parity bonds in one or more series (herein defined as "Additional Bonds"), which Additional Bonds, when issued, shall be secured by and payable from the Ten (10¢) Cent tax levied by the Constitutional Provision for the twelve year period beginning January 1, 1966, and allocated to the University, in the same manner and to the same extent as the Series 1972 Bonds and the Bonds, and the Additional Bonds permitted by this Section 12, when issued, shall be in all respects of equal dignity and on a parity with the Series 1972 Bonds and the Bonds whether payable in whole or in part from the allocations made by the Comptroller on June 1, 1966 and on June 1, 1972. Provided, further, that Additional Bonds will not be issued in an aggregate principal amount that will cause the total amount required for the payment of the principal of and interest on the Series 1972 Bonds, the Bonds and the Additional Bonds in any year to be more than 85% of the amount of such taxes allocated to the University and officially estimated by the Comptroller of Public Accounts to be collected in such year for the credit of the Interest and Sinking Fund.

13. Interest and Sinking Fund. That (a) the Treasurer of the State of Texas has established in the State Treasury a fund known as Constitutional Tax Bonds Interest and Sinking Fund (herein defined and referred to as the "Interest and Sinking Fund");

(b) As received into the State Treasury the said



allocated money of the University shall be credited to the Interest and Sinking Fund in the manner and to be held in accordance with the pledge contained in Section 12 hereof.

14. Procedure for Remitting to Banks of Payment.

That

(a) In accordance with the requirements of the Constitutional Provision that "The State Comptroller of Public Accounts shall draw all necessary and proper warrants upon the State Treasury, in order to carry out the purpose of this amendment," to the end that money will be available at the Banks of Payment in ample time to pay the principal of and interest on the Bonds, as such principal and interest, respectively, matures and comes due, the Comptroller of Public Accounts of the State of Texas, on or before August 15, 1974, and on or before February 15 and August 15 of each year while any of the Bonds is outstanding and unpaid, shall draw a warrant against the Interest and Sinking Fund in the amount of the interest or interest and principal (when both are scheduled to mature) which will become due on the September 1 or March 1 next following. The amount of each such warrant shall be increased by the amount of the charges of the Banks of Payment for making payment of the Bonds or coupons or both Bonds and coupons scheduled to mature in each such instance. Within the discretion of the Comptroller of Public Accounts he may draw a separate warrant for the payment of such charges;

(b) Each such warrant shall be made payable to the order of the Banks of Payment specified in Section 5 above, and the Comptroller of Public Accounts shall deliver such warrant to the payee Bank;

(c) The Principal Bank of Payment shall,

out of moneys remitted to it under the provisions of this Section 14, and not otherwise, make available at the other Bank of Payment specified in Section 5 hereof, funds sufficient to pay such of the Bonds, and such of the coupons as are presented for payment at such bank and the Principal Bank of Payment. The Principal Bank of Payment agrees and is obligated to perform such service.

15. Enforcement of Rights of Bondholders. That all rights available to the holders of the Bonds under the Constitution and laws of the State, by suit for mandamus or otherwise, to compel the performance of their official duties by the Board, its officers, the officers of counties, or the officers of the State to the end that the principal of and interest on the Bonds may be timely paid, are hereby recognized and reserved to and for the holders of the Bonds and of the appurtenant coupons.

16. Arbitrage Provisions. 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 this issue 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.

17. Confirmation of Sale of Bonds. That the sale of the Bonds to \_\_\_\_\_, at a price of par and accrued interest to date of delivery, plus a premium of \$ \_\_\_\_\_ be and the same is hereby confirmed.

18. Custody and Delivery of Bonds. That the Presiding Officer or his designee is hereby authorized to have control of the Bonds and all necessary records and proceedings pertaining to the Bonds pending their delivery and the 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 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 Bonds, and the seal of said Comptroller shall be impressed, or placed in facsimile, on each of the Bonds.

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RESOLUTION AUTHORIZING THE ISSUANCE OF BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, THE UNIVERSITY OF TEXAS AT AUSTIN, BUILDING REVENUE BONDS, SERIES 1974, \$53,000,000

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, BUILDING REVENUE BONDS, SERIES 1974", are hereby authorized to be issued, sold, and delivered in the principal amount of \$53,000,000, FOR THE PURPOSE OF PROVIDING FUNDS TO ACQUIRE, CONSTRUCT, AND EQUIP A SOCIAL SCIENCES AND HUMANITIES LIBRARY WITH SHELF SPACE FOR APPROXIMATELY 2,500,000 VOLUMES, STUDY AREAS, AND FACILITIES TO ACCOMMODATE APPROXIMATELY 3000 READERS; A UNIVERSITY SPECIAL EVENTS CENTER; A UNIVERSITY CONCERT HALL AND MUSIC THEATRE; A UNIVERSITY OPERA LABORATORY THEATRE; AND UNIVERSITY DRAMA WORKSHOPS AND TECHNICAL SUPPORT FACILITIES FOR THE UNIVERSITY CONCERT HALL AND MUSIC THEATRE AND THE UNIVERSITY OPERA LABORATORY; ALL FOR AND ON BEHALF OF THE UNIVERSITY OF TEXAS AT AUSTIN.

Section 2. That said Bonds shall be dated JANUARY 1, 1974, shall be numbered consecutively from 1 THROUGH 10,600, shall be in the denomination of \$5,000 EACH, and shall mature and become due and payable serially on APRIL 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	\$ 685,000	1990	\$1,615,000
1976	725,000	1991	1,710,000
1977	770,000	1992	1,810,000
1978	815,000	1993	1,915,000
1979	860,000	1994	2,025,000
1980	910,000	1995	2,145,000
1981	965,000	1996	2,275,000
1982	1,020,000	1997	2,405,000
1983	1,080,000	1998	2,545,000
1984	1,145,000	1999	2,695,000
1985	1,215,000	2000	2,855,000
1986	1,285,000	2001	3,025,000
1987	1,360,000	2002	3,200,000
1988	1,440,000	2003	3,390,000
1989	1,525,000	2004	3,590,000

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:

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, may be redeemed prior to their scheduled maturities, and shall be signed and executed (and said Bonds shall be sealed), all as provided, and in the manner indicated, in the FORM OF BOND set forth in this Resolution.

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

FORM OF BOND:

NO. \_\_\_\_\_

\$5,000

UNITED STATES OF AMERICA  
STATE OF TEXAS  
BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM,  
THE UNIVERSITY OF TEXAS AT AUSTIN,  
BUILDING REVENUE BOND,  
SERIES 1974

ON APRIL 1, \_\_\_\_\_, the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM 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 OCTOBER 1, 1974, and semi-annually thereafter on each APRIL 1 and OCTOBER 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:

THIS BOND is one of a Series of negotiable, serial, coupon Bonds, Dated JANUARY 1, 1974, issued in the principal amount of \$53,000,000, FOR THE PURPOSE OF PROVIDING FUNDS TO ACQUIRE, CONSTRUCT, AND EQUIP A SOCIAL SCIENCES AND HUMANITIES LIBRARY WITH SHELF SPACE FOR APPROXIMATELY 2,500,000 VOLUMES, STUDY AREAS, AND FACILITIES TO ACCOMMODATE APPROXIMATELY 3000 READERS; A UNIVERSITY SPECIAL EVENTS CENTER; A UNIVERSITY CONCERT HALL AND MUSIC THEATRE; A UNIVERSITY OPERA LABORATORY THEATRE; AND UNIVERSITY DRAMA WORKSHOPS AND TECHNICAL SUPPORT FACILITIES FOR THE UNIVERSITY CONCERT HALL AND MUSIC THEATRE AND THE UNIVERSITY OPERA LABORATORY; ALL FOR AND ON BEHALF OF THE UNIVERSITY OF TEXAS AT AUSTIN.

ON APRIL 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:

- 2% if redeemed April 1, 1984 through October 1, 1987
- 1% if redeemed April 1, 1988 through October 1, 1990
- 1/2 of 1% if redeemed April 1, 1991 through October 1, 1993
- 0% if redeemed April 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, are secured by and payable from an irrevocable first lien on and pledge of the "Pledged Revenues", as defined and described in the Resolution authorizing this Series Bonds, which include any Pledged Available Fund Surplus, and a student Special Fee.

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  
Secretary, Board of Regents,  
The University of Texas System

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

FORM OF REGISTRATION CERTIFICATE:

COMPTROLLER'S REGISTRATION CERTIFICATE: REGISTER NO.

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

Witness my signature and seal this

XXXXXXXXXX  
Comptroller of Public Accounts of  
the State of Texas.

FORM OF INTEREST COUPON:

NO. \_\_\_\_\_

\$ \_\_\_\_\_

ON \_\_\_\_\_ 1, \_\_\_\_\_

THE BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM 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

said amount being interest due that day on the Bond, bearing the number hereinafter designated, of that issue of BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, THE UNIVERSITY OF TEXAS AT AUSTIN, BUILDING REVENUE BONDS, SERIES 1974, DATED JANUARY 1, 1974. The holder hereof shall never have the right to demand payment of this obligation out of any funds raised or to be raised by taxation. Bond No. \_\_\_\_\_.

XXXXXXXXX  
\_\_\_\_\_  
Secretary, Board of Regents

XXXXXXXXX  
\_\_\_\_\_  
Chairman, Board of Regents

Section 6. That as 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 "Bonds" shall mean the Board of Regents of The University of Texas System, The University of Texas at Austin, Building Revenue Bonds, Series 1974, authorized by this Resolution.

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

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

The term "Project" shall mean and include the following facilities planned to be acquired, constructed, and equipped in Austin, Texas, at the University, for and on behalf of the University, with proceeds from the sale of the Bonds:

(a) A University Special Events Center, consisting of a new building and coliseum to provide participant and spectator facilities for intercollegiate basketball games and for University related convocations and events such as graduation ceremonies, lectures, concerts, and theatrical presentations, with seating accommodations for approximately 16,500 persons.

(b) A College of Fine Arts and Department of Music Performing Arts Center Complex, comprised of the following:

(1) A University Concert Hall and Music Theatre, consisting of a new approximately 3000 seat theatre and related support facilities for concerts, recitals, opera, and ballet performances.

(2) A University Opera Laboratory Theatre, consisting of a new approximately 400 seat theatre and related support facilities for operatic training and performances.

(3) University Drama Workshops and technical support facilities for the University Concert Hall and Music Theatre and the University Opera Laboratory Theatre.

(c) All buildings, facilities, and services of all of the foregoing, together with all future improvements, enlargements, and additions thereto, and replacements thereof, acquired or constructed from any sources including the issuance of the Bonds and any Additional Bonds.

The term "Pledged Available Fund Surplus" shall have the meaning and be described and defined as follows: The term "Permanent University Fund" means the fund designated by that name which was created pursuant to Article VII, Sections 10, 11, 11a, 15, and 18 of the Texas Constitution, and is and will be governed by applicable present and future constitutional and statutory provisions. The term "Available University Fund" means the fund or funds designated by that name or any other name or names into which, or to the credit of which, the dividends, interest, and other income from the Permanent University Fund are deposited pursuant to applicable present and future constitutional and statutory provisions. Under present law, and after payment of expenses of administration of the Permanent University Fund, the Available University Fund is pledged and first used for the payment of principal of and interest on Permanent University Fund Bonds or Notes issued by The Texas A&M University System and by The University of Texas System pursuant to Article VII, Section 18 of the Texas Constitution, and traditionally, and without exception, the Texas Legislature biennially has granted and appropriated one third of the balance thereof, excluding income from certain grazing leases, to The Texas A&M University System, and has granted and appropriated the remainder thereof to The University of Texas System. The term "Pledged Available Fund Surplus" means any part of the aforesaid remainder of the Available University Fund that is actually granted and appropriated by the Texas Legislature and made available to The University of Texas System from time to time in any manner that will permit the use thereof by The University of Texas System to pay principal of and interest on the Bonds or Additional Bonds. It is hereby determined that such use will be the most practicable method available to The Board to enable it to acquire and construct the permanent improvements, new construction, and equipment constituting the facilities to be provided through the issuance of the Bonds, and that such use is essential to the Board in carrying out its policy of promoting excellence in education at the University.

The term "Special Fee" shall mean the gross collections of a special fee to be fixed, charged, and collected from all students (excepting any category of students now exempt from paying fees by Chapter 54, Texas Education Code) enrolled at the University, for the use and availability of all or any part of the Project, in the manner and to the extent provided in this Resolution, and pledged to the payment of the Bonds and any Additional Bonds, all in accordance with Chapter 55, Texas Education Code.



The term "Pledged Revenues" shall mean collectively (a) any Pledged Available Fund Surplus, (b) the Special Fee, and (c) 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.

Section 7. 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, and the Pledged Revenues are further pledged to the establishment and maintenance of the Interest and Sinking Fund and the Reserve Fund as provided in this Resolution.

Section 8. 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 there shall be maintained 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 "Series 1974 Building Revenue Bonds Interest and Sinking Fund" (herein called the "Interest and Sinking Fund"); provided, however, that, at the option of the Board, all or any part of the Interest and Sinking Fund may be maintained in the State Treasury of the State of Texas.

Section 9. That there is hereby created and there 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 "Series 1974 Building Revenue Bonds Reserve Fund" (herein called the "Reserve Fund"). The Reserve Fund shall be used finally in retiring the last of the outstanding Bonds and 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 insufficient for such purpose.

Section 10. That money in any Fund established pursuant to this Resolution may, at the option of the Board, be placed in time deposits or be invested in direct obligations of the United States of America, obligations guaranteed or insured by the United States of America, which, in the opinion of the Attorney General of the United States, are backed by its full faith and credit or represent its general obligation, including, but not limited to, evidences of indebtedness issued, insured, or guaranteed by such governmental agencies as the Federal Land Banks, Federal Intermediate Credit Banks, Banks for Cooperatives, Federal Home Loan Banks, Government National Mortgage Association, United States Postal Service, Farmers Home Administration, Federal Home Loan Mortgage Association, Small Business Administration, Federal Housing Association, or Participation Certificates in the Federal Assets Financing Trust; 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 and shall be used only for the purpose or purposes for which such Fund is required or permitted to be used. Such investments shall be sold promptly when necessary to prevent any default in connection with the Bonds or Additional Bonds.

Section 11. That 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 Board, in principal amounts at all times not less than the amounts of money credited to such Funds, respectively.

Section 12. (a) That immediately after the delivery of the Bonds the Board shall deposit all accrued interest and any premium received from the sale and delivery of the Bonds, to the credit of the Interest and Sinking Fund.

(b) That the Board may, at its option, deposit to the credit of the Interest and Sinking Fund and/or the Reserve Fund any Pledged Revenues hereafter pledged, and also any revenues derived from the ownership and/or operation of the Project, or funds available from any other source, and thus reduce, to the extent of any such deposits, the amounts that otherwise would be required to be deposited therein.

(c) That the Board shall transfer or cause to be transferred from any Pledged Available Fund Surplus and deposit, or cause to be deposited, to the credit of the Interest and Sinking Fund the amounts, at the times, as follows:

(1) on or before June 1, 1974, and semi-annually on or before each December 1 and June 1 thereafter, an amount which will be sufficient, together with other amounts, if any, then on hand in the Interest and Sinking Fund and available for such purpose, to pay the interest scheduled to accrue and come due on the Bonds on the next succeeding interest payment date; and

(2) on or before June 1, 1974, and semi-annually on or before each December 1 and June 1 thereafter, an amount sufficient, together with other amounts, if any, then on hand in the Interest and Sinking Fund and available for such purpose, to pay one-half of the principal scheduled to mature and come due on the Bonds on the next succeeding April 1;

provided and except, however, that after December 1, 1979, the Board may, at its option, make all or any part of each such aforesaid deposit required to be made to the credit of the Interest and Sinking Fund either from any Pledged Available Fund Surplus, or from the Special Fee in the manner as provided in Sections 14 and 15.

(d) That if, for any reason whatsoever, on any June 1 or on any December 1 of any year the deposits to the credit of the Interest and Sinking Fund specified or required in Section 12(c)(1) and (2) have not been made from Pledged Available Fund Surplus, such deposits shall be made from the Special Fee in the manner as provided in Sections 14 and 15.

Section 13. That immediately after the delivery of the Bonds the Board shall deposit the amount of \$4,000,000, from the proceeds received from the sale and delivery of the Bonds, to the credit of the Reserve Fund. So long as the money and investments in the Reserve Fund are not less in market value than a required amount equal to the average annual principal and interest requirements of all then outstanding Bonds and Additional Bonds, no deposits need be made into the Reserve

Fund; but if the Reserve Fund at any time contains less than said required amount in market value, then, subject and subordinate to making the required deposits to the credit of the Interest and Sinking Fund, the Board shall transfer or cause to be transferred from Pledged Revenues and deposit or cause to be deposited to the credit of the Reserve Fund, semi-annually, on or before each June 1 and December 1 thereafter, a sum at least equal to 1/10th of the average annual principal and interest requirements of all then outstanding Bonds and Additional Bonds, until the Reserve Fund is restored to said required amount. So long as the Reserve Fund contains said required amount, any surplus in the Reserve Fund over said required amount may be transferred and deposited into the Interest and Sinking Fund.

Section 14. That if, for any reason whatsoever, on any June 1 or on any December 1 of any year the deposits specified or required in Section 12(c) (1) and (2) and Section 13 to be made to the credit of the Interest and Sinking Fund and the Reserve Fund, respectively, have not been made, or if for any other reason whatsoever there are, or appear to be, no other Pledged Revenues available to pay the principal of and interest on the Bonds as the same mature and come due, then the Board shall fix, levy, charge, and collect the Special Fee, as provided in Section 15, effective at the next succeeding regular semester or summer term, in amounts sufficient to provide and make the deposits specified or required in Section 12(c) (1) and (2) and Section 13; and in such event the amounts so specified or required to be deposited to the credit of the Interest and Sinking Fund and the Reserve Fund shall be so deposited, from collections of the Special Fee, on or before the fifth day prior to the next succeeding interest payment date on the Bonds or Additional Bonds, and the Board shall not be considered to be in default with respect to this Resolution, or the Bonds or any Additional Bonds, if such deposits are so made.

Section 15. (a) That the Board covenants and agrees to fix, levy, charge, and collect the Special Fee on a uniformly applied basis from each student (excepting any student in a category now exempt from paying fees by Chapter 54, Texas Education Code) enrolled in the University at each regular fall and spring semester and at each term of each summer session, for the use and availability of all or any part of the Project, 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 when due all deposits required to be made to the credit of the Interest and Sinking Fund and the Reserve Fund in connection with the Bonds and any Additional Bonds, and to pay the principal of and interest on the Bonds and any Additional Bonds as the same mature and come due, and the Special Fee shall be fixed, levied, charged, and collected in the full amounts required by this Resolution without regard to the actual use, availability, or existence of all or any part of the Project; but it is specifically recognized that the Special Fee is to be fixed, levied, charged, and collected only if and when permitted or required and provided in this Resolution.

(b) That the Special Fee shall be fixed, levied, charged, and collected pursuant to resolution of the Board if and when permitted or required by this Resolution, and shall be increased if and when permitted or required by this Resolution, and may be decreased or abrogated, so long as all Pledged Revenues are sufficient to provide the money for making when due all deposits specified or required to be made to the credit of the Interest

and Sinking Fund and the Reserve Fund in connection with the Bonds and any Additional Bonds. All changes in the Special 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 and requirements hereof.

Section 16. (a) That if on any occasion there are not sufficient Pledged Revenues to make the required deposits into the Interest and Sinking Fund and the Reserve 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) That, subject to making the required deposits to the credit of the Interest and Sinking Fund and the Reserve Fund, when and as required by this Resolution, or any resolution authorizing the issuance of Additional Bonds, any excess Pledged Revenues may be used for any lawful purpose.

Section 17. On or before the last day of September, 1974, and semi-annually on or before the last day of each March and each September thereafter while any of the Bonds or Additional Bonds are outstanding and unpaid, the Board shall make available, or cause to be made available to the paying agents therefor, out of the Interest and Sinking Fund, and/or the Reserve Fund, if necessary, or otherwise from Pledged Revenues, money sufficient to pay such interest on and such principal of the Bonds and Additional Bonds as will accrue or mature on the October 1 or April 1 immediately following. The paying agents shall totally destroy all paid Bonds and Additional Bonds, and the coupons appertaining thereto, and shall furnish the Board with an appropriate certificate of destruction.

Section 18. That at such times as the aggregate amount of money and investments in the Interest and Sinking Fund and the Reserve Fund are at least equal in market value to (1) the aggregate principal amount of all unpaid (unmatured and matured) outstanding Bonds and Additional Bonds, plus (2) the aggregate amount of all unpaid (unmatured and matured) outstanding interest coupons appertaining to such Bonds and Additional Bonds, no further deposits need be made into the Interest and Sinking Fund or Reserve Fund. In determining the amount of such Bonds and Additional Bonds, and interest coupons appertaining thereto, outstanding at any time, there shall be subtracted and excluded the amount of any such Bonds and Additional Bonds, and interest coupons appertaining thereto, which shall have been duly called for redemption and for which funds shall have been deposited with the paying agents therefor sufficient, including any required redemption premium, for such redemption.

Section 19. That the Bonds and any Additional Bonds, and the interest coupons appertaining thereto, will constitute special obligations of the Board payable solely from the Pledged Revenues, 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 20. 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, including the refunding of any Bonds or Additional Bonds. 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 21. (a) The Interest and Sinking Fund and the Reserve 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 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 aggregate amount to be accumulated and maintained in the Reserve Fund shall be increased (if and to the extent necessary) to an amount not less than the average annual principal and interest requirements of all Bonds and Additional Bonds which will be outstanding after the issuance and delivery of the then proposed Additional Bonds; and that the required additional amount shall be so accumulated by the deposit in the Reserve Fund of all or any part of said required additional amount in cash immediately after the delivery of the then proposed Additional Bonds, or, at the option of the Board, by the deposit, from Pledged Revenues, of said required additional amount (or any balance of said required additional amount not deposited in cash as permitted above) in semi-annual installments, made on or before the first day of each December and June following the adoption of the resolution authorizing the issuance of the then proposed Additional Bonds, of not less than 1/10th of said required additional amount (or 1/10th of the balance of said required additional amount not deposited in cash as permitted above).

(b) All calculations of average annual principal and interest requirements made pursuant to this Section are made as of and from the date of the Additional Bonds then proposed to be issued.

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

Section 22. 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 and the Reserve Fund each contains the amount then required to be therein.

(b) The State Auditor of the State of Texas, or any certified public accountant, signs a written certificate to the effect that, during either the next preceding University of Texas System fiscal year, or any twelve consecutive calendar month period ending not more than ninety days prior to the adoption of the resolution authorizing the issuance of the then proposed Additional Bonds, the Pledged Revenues were at least equal to 1.25 times the average annual principal and interest requirements of all Bonds and Additional Bonds to be outstanding after the issuance of the then proposed Additional Bonds.

Section 23. The Board further covenants and agrees:

(a) That it will faithfully perform at all times any and all covenants, undertakings, stipulations, and provisions contained in this Resolution and each resolution authorizing the issuance of Additional Bonds, 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 resolutions and Bonds or Additional Bonds; and that it will, at the times and in the manner prescribed, deposit or cause to be deposited from the Pledged Revenues the amounts required to be deposited into the Interest and Sinking Fund and the Reserve Fund; and any holder of the Bonds or Additional Bonds may require the Board, its officials and employees, and any appropriate official of the State of Texas, to carry out, respect, or enforce the covenants and obligations of this Resolution or any resolution authorizing the issuance of Additional Bonds, by all legal and equitable means, including specifically, but without limitation, the use and filing of mandamus proceedings, in any court of competent jurisdiction, against the Board, its officials and employees, or any appropriate official of the State of Texas.

(b) That 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) That it has fee simple title to and owns and is lawfully possessed of the lands upon which the Project will be acquired and constructed, and that the Project will be acquired and constructed thereon as soon as practicable, that it warrants that it will keep and defend the title to all the aforesaid lands and the Project, that it is lawfully authorized 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. Although the Board presently expects Pledged Available Fund Surplus to be available for its use at all times when necessary in amounts sufficient to make all deposits required by this Resolution to be made to the credit of the Interest and Sinking Fund and the Reserve Fund, the Board cannot and does not make any covenant or representation with respect to any present or future grants or appropriations by the Texas Legislature or the actual availability of any Pledged Available Fund Surplus.

(d) That it will from time to time and before they 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 Project, that it will pay all lawful claims for rents, royalties, labor, materials, and supplies which if unpaid might interfere with the liens hereof, so that the priority of the liens created 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 while the Bonds or any Additional Bonds are outstanding and unpaid it will continuously and efficiently operate and maintain the Project in good condition, repair, and working order, and at a reasonable cost, and that the expenses of operation and maintenance of the Project will be paid from the general funds of the University in the same manner as the expenses of operation and maintenance of general facilities of the University, or paid from any other sources or funds lawfully available to the University.

(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) That while the Bonds or any Additional Bonds, are outstanding and unpaid, the Board shall not sell, convey, mortgage, or in any manner transfer title to, or lease, or otherwise dispose of the Project or any significant or substantial part thereof; provided that whenever the Board deems it necessary to dispose of any furnishings and equipment, it may sell or otherwise dispose of such furnishings and equipment when it has made arrangements to replace the same or provide substitutes therefor.

(h) That 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.

(i) 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 of Texas System. 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 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.



(j) 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.

(k) 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.

(l) 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 this issue 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 24. (a) The Comptroller of Public Accounts of the State of Texas shall, for the benefit of the Bonds, transfer and deposit to the credit of the Interest and Sinking Fund and the Board, out of any Pledged Available Fund Surplus in The University of Texas System Available University Fund in the State Treasury of the State of Texas, on or before June 1, 1974, and semi-annually thereafter on or before each December 1 and June 1, the amounts specified or required in Section 12(c) (1) and (2), and Section 13.

(b) To the end that money will be available in the Interest and Sinking Fund and at the Paying Agent in ample time to pay the principal of and interest on the Bonds as such principal and interest, respectively, mature and come due, the Comptroller of The University of Texas System or such officer as may hereafter be designated by the Board to perform the duties now vested in such officer, shall perform the following duties:

(1) Prepare and file with the Comptroller of Public Accounts of the State of Texas (hereinafter called the "Comptroller of Public Accounts") a voucher or other document based on which the Comptroller of Public Accounts shall transfer from any Pledged Available Fund Surplus in The University of Texas System Available University Fund, and deposit to the credit of the Interest and Sinking Fund and the Board, on or before June 1 and December 1 of each year, the amounts



specified or required in Section 12(c) (1) and (2) and Section 13.

(2) If all or any part of the Interest and Sinking Fund is being maintained in the State Treasury of the State of Texas, or if otherwise necessary, prepare and file with the Comptroller of Public Accounts, on or before the fifteenth day prior to each interest payment date on the Bonds, a voucher based on which the Comptroller of Public Accounts shall draw a warrant against such Interest and Sinking Fund equal to the total amount then on deposit therein, and the Comptroller of Public Accounts shall make said warrant payable to the order of the Paying Agent situated in the State of Texas specified in the face of the Bonds, and shall deliver such warrant to said Paying Agent prior to each interest payment date on the Bonds.

(c) The Paying Agent situated in the State of Texas, out of moneys remitted to it under the provisions of this Section or otherwise provided by the Board, shall make available, at the places collectively constituting the Paying Agent, funds sufficient to pay such of the Bonds and coupons appertaining thereto as are presented for payment when due.

Section 25. That the Chairman of the Board is hereby authorized to have control of the Bonds and all necessary records and proceedings pertaining to the Bonds pending their delivery and their investigation, examination, and approval by the Attorney General of the State of Texas, and their registration by the Comptroller of Public Accounts of the State of Texas. Upon registration of the 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 Bonds, and the seal of said Comptroller shall be impressed, or placed in facsimile, on each of the Bonds.

Section 26. 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 said 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 27. That said Bonds are hereby sold and shall be delivered to \_\_\_\_\_, for cash for the par value thereof and accrued interest thereon to date of delivery, plus a premium of \$ \_\_\_\_\_.

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**System Administration  
Committee**

SYSTEM ADMINISTRATION COMMITTEE  
Dan C. Williams, Chairman

Date: December 7, 1973

Time: Following Meeting of Board to Consider Sale of Bonds

Place: Main Building, Suite 212  
U. T. Austin  
Austin, Texas

Page  
SAC

U. T. Arlington, U. T. Austin, Houston Health Science Center (Houston Medical School and Houston Dental Branch) and San Antonio Health Science Center and its Antonio Medical School and San Antonio Dental School: Amendments to the 1973-74 Budgets (2-B-74)

Below

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REPORT OF ITEMS SUBMITTED TO  
SYSTEM ADMINISTRATION COMMITTEE

Since the last report of the System Administration Committee on October 26, 1973, the following recommendations of the Administrations 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, Houston Health Science Center (Houston Medical School and Houston Dental Branch) and San Antonio Health Science Center and its San Antonio Medical School and San Antonio Dental School: Amendments to the 1973-74 Budgets (2-B-74). --It is recommended by the appropriate institutional heads, concurred in by System Administration, that the following amendments to the 1973-74 budgets for The University of Texas at Arlington, The University of Texas at Austin, The University of Texas Health Science Center (Houston Medical School and Houston Dental Branch) and The University of Texas Health Science Center at San Antonio and its San Antonio Medical School and San Antonio Dental School, be approved (Pages 2 - 4 ).

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

Item No.	Explanation	Present Status	Proposed Status	Effective Dates
1.	Auxiliary Enterprises - Intercollegiate Athletics			
	Transfer of Funds	From: Intercollegiate Athletics Unappropriated Balance via Estimated Income	To: Intercollegiate Athletics - Age Group Swimming Program - Administrative and Professional Salaries \$ 12,200 Wages 3,300 Maintenance and Operation 2,950 Capital Outlay 750 Travel 2,300 Unallocated 12,500	
	Amount of Transfer	\$ 34,000	\$ 34,000	---

U. T. Arlington is requesting an additional appropriation to the Athletic Budget to be derived from additional income anticipated from revenue generated through the Age Group Swimming Program. This is a program which has been in existence since 1962 with the income and expenditures being made by the swimming coach at that time. Effective September 1, 1973, we are proposing that all income will be collected by the University and all expenditures are to be made through the University.

They now have as the swimming coach a former olympic gold medal winner who is popular among the young folks of the community. The program will add revenue which is needed to balance the Athletic Budget.

Estimated income is calculated as follows:

Age Group Swim Club (Doug Russell Swim Club)	\$ 14,000
Age Group Swim Meets	7,200
Swim Clinic	800
Swim-A-Thon	4,000
Summer Swimming Lessons	6,000
Pool Rental	2,000
	<u>\$ 34,000</u>

These income figures are based on actual experiences except the Swim-A-Thon and the Swim-A-Thon is based on information from other schools conducting similar programs.

The University of Texas at Austin

7. Barton D. Riley (Non-tenure)

Civil Engineering -  
Architectural Engineering Division

Lecturer

Lecturer

Academic Rate

\$ 11,000 (1972-73)

\$ 13,000

9/1/73

Source of Funds -  
Civil Engineering  
Faculty Salaries

The University of Texas Health Science Center at Houston  
(Houston Medical School)

<u>Item No.</u>	<u>Explanation</u>	<u>Present Status</u>	<u>Proposed Status</u>	<u>Effective Dates</u>
1.	Merrill L. Overturf (Non-tenure) Internal Medicine - General	Assistant Professor	Assistant Professor	
	Salary Rate	\$ 15,500	\$ 17,500	10/1/73
	Source of Funds: Medical School Merrill Company Grant			

(Houston Dental Branch)

2.	Frank B. Trice (Tenure) Office of the Dean and Medicine - Endo- dontics	Associate Dean (½T) and Professor (½T)	Associate Dean (½T) and Professor (½T)	
	Salary Rate	\$ 36,000	\$ 38,000	10/1/73

The University of Texas Health Science Center at San Antonio

1. Auxiliary Enterprises -  
Bookstore

Transfer of Funds	From: Bookstore - Unappropriated Balance via Estimated Income	To: Bookstore - Wages Maintenance and Operation Purchases for Resale Unallocated	\$ 500  500 25,000 14,000
Amount of Transfer	\$ 40,000		<u>\$ 40,000</u>

(San Antonio Medical School)

2.	George W. Frimpter (Tenure) Medicine	Professor (F.T.)	Professor (12%)	
	Salary Rate	\$ 29,500	\$ 36,000	10/1/73
3.	Jospeh C. Dougherty (Tenure) Medicine	Associate Professor (F.T.)	Associate Professor (38%)	
	Salary Rate	\$ 24,900	\$ 33,000	10/1/73
4.	Eleanor A. Young (Non-tenure) Medicine	Assistant Professor	Assistant Professor	
	Salary Rate	\$ 16,600	\$ 19,000	10/1/73

<u>Item No.</u>	<u>Explanation</u>	<u>Present Status</u>	<u>Proposed Status</u>	<u>Effective Dates</u>
5.	Barrie J. Hodgson (Non-tenure) Obstetrics and Gynecology  Salary Rate  Source of Funds: Unallocated Salaries	Assistant Professor  \$ 15,500	Assistant Professor  \$ 19,000	10/1/73
6.	Kaye E. Wilkins (Non-tenure) Surgery and Pediatrics  Salary Rate	Assistant Professor (F.T.)  \$ 23,000 (1972-73)	Assistant Professor (62%)  \$ 29,000	9/1/73
7.	Raul Ramos (Non-tenure) Surgery  Salary Rate	Clinical Assistant Professor (½T)  \$ 20,000	Clinical Assistant Professor (½T)  \$ 22,000	10/1/73
8.	Antonio R. Navarrete (Non-tenure) Pathology  Salary Rate	Assistant Professor  \$ 26,000 (1972-73)	Assistant Professor  \$ 28,000	9/1/73
<u>(San Antonio Dental School)</u>				
9.	Charles R. Morris (Tenure) Diagnosis and Roentgenology  Salary Rate	Professor and Chairman  \$ 29,000	Professor and Chairman  \$ 31,000	10/1/73
10.	Elmer W. Burnette, Jr. (Non-tenure) Periodontics  Salary Rate  Source of Funds: Unallocated Salaries	Associate Professor  \$ 22,800	Associate Professor  \$ 25,000	10/1/73

**Aca. & Dev.  
Affairs Com.**

ACADEMIC AND DEVELOPMENTAL AFFAIRS COMMITTEE  
Mrs. Lyndon B. Johnson, Chairman

Date: December 7, 1973

Time: Following the meeting of the System Administration Committee

Place: Main Building, Room 212  
U. T. Austin  
Austin, Texas

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1. Board of Regents: Report by Secretary of Programs Approved by Coordinating Board During 1972-73. -- The Secretary submits the following list of degree programs for the component institutions of The University of Texas System that have been approved by the Coordinating Board, Texas College and University System during the fiscal year 1972-73 for implementation September 1973 unless otherwise indicated.

The University of Texas at Arlington

B. A. in Chemistry  
B. S. in Biochemistry (to be operated in cooperation with The University of Texas Southwestern Medical School at Dallas)  
Phase out Department of Engineering Mechanics and form Department of Aerospace Engineering and Department of Mechanical Engineering  
Master of Architecture degree  
B. A. in Communications  
B. A. with major in Geology  
B. A. with major in Physics  
M. A. with major in Sociology

The University of Texas at Austin

Concentration in Folklore  
B. A. in Middle Eastern Studies  
Department of Advertising  
B. S. with major in Advertising  
Consolidation of graduate engineering programs into one M. S. and one Ph. D. degree with concentrations  
Concentration in Biomedical Engineering to the M. S. and Ph. D. degrees in Engineering  
Concentration in Materials Science Engineering to the M. S. and Ph. D. degrees in Engineering  
B. F. A. /B. A. with major in Dance  
Ph. D. with major in Art History  
B. A. with major in Astronomy

The University of Texas at Dallas and The University of Texas Health Science Center at Dallas

M. S. in Communication Disorders  
Ph. D. in Communication Disorders

The University of Texas at El Paso

Master of Business Administration degree

The University of Texas Health Science Center at Dallas

Department of Medical Computer Science

The University of Texas Medical School at San Antonio

Change the Division of Ambulatory Care and Community Medicine of the Department of Medicine to the Department of Family Practice

The University of Texas System School of Nursing

Certificate Program for Pediatric Nurse Practitioners (to be conducted in Galveston by the System Nursing School, the Galveston Medical School and the Galveston Allied Health Sciences School)

Ph. D. in Nursing

1a. U. T. System: Chancellor's Docket No. 68. --In compliance with the Regents' Rules and Regulations, Part One, Chapter I, Sub-division 8.64, Chancellor's Docket No. 68 was mailed by the Secretary to each member of the Board of Regents on Friday, November 9, 1973. The ballots are due in the Secretary's Office at the close of business on November 23, 1973. The Docket will be formally considered by the Academic and Developmental Affairs Committee with any exceptions appropriately referred and given detailed consideration.

2. U. T. Arlington, U. T. Austin and U. T. El Paso: Report on Current Provisional Admission Program and Proposed Revisions Thereof. --

*Enrolled*

On September 12, 1969, approval was given by the Regents for a System-wide Provisional Admission Program in the general academic institutions for a period not to exceed five years with an evaluation to be made in the fall of 1973.

In keeping with this directive institutional representatives and System administration have reviewed the program and its results. Since 1969 a cumulative total of 3,277 first year students have been enrolled in U.T. System general academic components who would not otherwise have been academically eligible and, of these, 1,279 were eligible to re-enroll at the end of the spring semester, 1973. The Presidents of these components recommend the continuation of the Provisional Admission Program.

Therefore, Chancellor LeMaistre concurs in the recommendation that authorization for the program to continue be given as follows:

- (1) The Provisional Admission Program for freshmen shall apply to all System four year general academic components. Any Texas resident may enter any undergraduate school or college in these institutions regardless of his or her high school record or his or her score on the Scholastic Aptitude Test (SAT) provided that he or she has graduated from an accredited high school with the required units and subjects as prescribed by the institution.
- (2) Provisional admission students may enroll initially for the spring semester or the entire summer session (both summer terms). [Upon the recommendation of the President and the approval of the Chancellor, annual authorization may be given for the fall semester entrance of provisional admission students where enrollment projections indicate that such admissions will be in the best interest of the institution.]
- (3) In accordance with Part One, Chapter IV, Section 2.11 of the Rules and Regulations, each institution shall develop an academic policy comparable in minimal course load to regularly admitted students with the understanding that courses will be selected from English, mathematics, natural science, and language.

*Take out.*

- (4) The student who demonstrates ability to perform college level work by maintaining an overall "C" average during the entire summer session (both summer terms) or during the spring semester may be admitted as a regular University student in subsequent semesters.

Provisional admission students who achieve a GPA between 1.5 and 2.0 in their first semester or summer session (both summer terms) will be allowed to continue for an additional semester or summer session in order to achieve a cumulative GPA of 2.0.

- (5) Each institution will provide some means of academic advisement or counseling for provisional students to enhance their chances of success.
- (6) Each institution will maintain an adequate system of record keeping on provisional students for the purposes of evaluating their academic performance.

In summary, the differences between the program as proposed and the existing Provisional Admission Program are as follows:

- (1) In institutions where the fall student enrollment pattern justifies it as in the best interest of the institution, the President may request approval of the Chancellor on an annual basis for fall semester enrollment of provisional students. At present the program is restricted to the spring semester and entire summer session.
- (2) The provisional students who do not achieve a "C" average during the initial semester or summer session (both summer terms) but receive a grade point average between 1.5 ~~("C")~~ and 2.0 ("C") will be allowed continuance for an additional semester or summer session in order to achieve a cumulative GPA of 2.0. At present the provisional student has only one semester or summer session to achieve the minimum grade point average.
- (3) The new proposal requires that the institution provide some means of academic advisement for provisional students. Although this is now done at most institutions, the present program does not specify it.

**SECRETARY'S NOTE:** Please note that there is no effective date indicated for the revised Provisional Admission Program policy. The date will probably be proposed at the meeting.

*Spring Sem. 1974*

3. U. T. Arlington: Report on Fiscal Operations of University-Owned Residence Halls (Dormitories). --

At the December 8, 1972, meeting of the Board of Regents, the Board approved an amendment to the 1971-72 Rate Schedule for University-Owned Residence Halls (Dormitories), effective September 1, 1973. However, the Board requested that a report of the fiscal operations of the dormitories be made in December, 1973.

The U. T. Arlington Administration reports that for the fiscal year ended August 31, 1973, the Housing System had an excess of expenditures over income of \$27,682.19 (deficit). For the fiscal year ending August 31, 1974, it is anticipated that the estimated income will exceed the estimated expenditure by \$7,400 (profit). The current occupancy in the residence halls is 98%.

4. U. T. Arlington and Dallas Health Science Center (Dallas G. S. B. S.): Recommendation to Establish Joint Program in Biomedical Engineering for a Master of Science Degree and a Doctor of Philosophy Degree. --

Chancellor LeMaistre concurs in President Nedderman's and President Sprague's recommendation that a joint degree program leading to the Master of Science and Doctor of Philosophy degrees in Biomedical Engineering be established at U.T. Arlington and the U.T. Health Science Center at Dallas (Graduate School of Biomedical Sciences).

Biomedical engineering involves the study, development, and application of engineering methods in defining and solving biomedical problems. This joint program will draw on faculty, courses, facilities and library holdings from both institutions to save duplication of effort and funds at each institution. Students completing the proposed program will be prepared for positions in organizations such as bioinstrumentation manufacturers, automobile, aircraft, oil, and drug industries, health departments, universities, medical schools, hospitals, and governmental agencies.

Each institution will form a Graduate Studies Committee in Biomedical Engineering and the combined committees will constitute the inter-institutional Committee on Biomedical Engineering which will administer this program. The Committee on Biomedical Engineering will determine all general policies for the program including degree requirements, entrance requirements, and methods for qualifying degree candidates consistent with standing requirements and procedures of both institutions.

The proposed program has been favorably reviewed by a committee of outside consultants in accordance with System policy for establishing new doctoral programs.

Subsequent to Regental approval the proposal will be submitted to the Coordinating Board for final authorization.

THE UNIVERSITY OF TEXAS  
HEALTH SCIENCE CENTER AT DALLAS

CHARLES C. SPRAGUE, M. D.  
PRESIDENT

SOUTHWESTERN MEDICAL SCHOOL  
GRADUATE SCHOOL OF BIOMEDICAL SCIENCES  
SCHOOL OF ALLIED HEALTH SCIENCES

April 25, 1973

CHANCELLOR'S OFFICE
Acknowledged
JUN 10 1973
For Information Only
Please Acknowledge
Enclosure

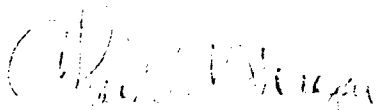
Charles A. LeMaistre, M. D.  
Chancellor  
The University of Texas System  
601 Colorado Street  
Austin, Texas 78701

Dear Doctor LeMaistre:

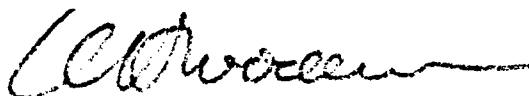
Transmitted with this letter is a proposal for a graduate (M.S. - Ph.D.) program in Biomedical Engineering to be offered jointly by The University of Texas Graduate School of Biomedical Sciences at Dallas and The University of Texas at Arlington.

Your approval is respectfully requested and I would appreciate your forwarding the proposal through the appropriate channels to the Coordinating Board for their endorsement.

Sincerely,



Charles C. Sprague, M. D.  
President



W. H. Nedderman  
President  
The University of Texas  
at Arlington

sm

enclosures: 10 copies of the proposal

5. U. T. Austin: Recommended Affiliation Agreement with City of Austin, Brackenridge Hospital. --

*Ames*

Chancellor LeMaistre concurs with the recommendation of President Spurr that the affiliation agreement set forth below between the Board of Regents of The University of Texas System, for and on behalf of The University of Texas at Austin College of Engineering, and the City of Austin for Brackenridge Hospital, be approved and that the Chairman be authorized to execute the agreement after it has been approved as to form and content by appropriate System Administration officials.

President Spurr's letter of recommendation is set forth below.



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

November 9, 1973

Charles A. LeMaistre, M.D.  
Chancellor  
The University of Texas System

CHANCELLOR'S OFFICE	
Acknowledged.....	.....
NOV 12 1973	
To.....	For Info and Return
To.....	Please Advise Me
To.....	Please Handle

Dear Dr. LeMaistre:

The Biomedical Engineering program in our College of Engineering is proposing an expansion of its teaching and research efforts by establishing a clinical relationship with Brackenridge Hospital. There already exists a close working relationship between many of the physicians using Brackenridge Hospital and members of our faculty.

I recommend that an Affiliation Agreement between the Board of Regents of The University of Texas System, on behalf of our College of Engineering, and the City of Austin for Brackenridge Hospital be approved and executed at the forthcoming meeting of the Board on December 7. The proposed Affiliation Agreement has been reviewed by Dr. Wagener, Dr. Knisely, and Mr. Waldrep as well as members of my staff. We are currently in the process of securing the required signatures of city and hospital officials. As soon as this is accomplished, which should be within the next several days, two copies will be immediately sent to you.

Sincerely yours,

*Stephen H. Spurr*

Stephen H. Spurr  
President

SHS:ls

cc: Dr. Earnest F. Gloyna

AGREEMENT

THE STATE OF TEXAS    X  
                                  X  
COUNTY OF TRAVIS    X

THIS AGREEMENT is executed on \_\_\_\_\_, 1973, between the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, for and on behalf of The University of Texas at Austin, College of Engineering, sometimes referred to as "College" in this agreement, and the CITY OF AUSTIN for Brackenridge Hospital, Austin, Texas, sometimes referred to as "Facility" in this agreement, WITNESSETH:

WHEREAS, the College and the Facility have the following common objectives: (1) to provide clinical and laboratory experience in terms of patient and related instruction for Biomedical Engineering students of the College; (2) to improve the overall educational program of the College by providing opportunities for learning experiences that will progress the student to advanced levels of performance; (3) to increase contacts between academic faculties and clinical faculties for fullest utilization of available teaching facilities and expertise; and (4) to establish and operate a Clinical-Biomedical Engineering Education Program of the first rank:

NOW, THEREFORE, for and in consideration of the foregoing, and in further consideration of the mutual benefits, the parties to this agreement agree as follows:

(1)    GENERAL INFORMATION

(a)    The Clinical-Biomedical Engineering Education Program will be consistent with the semester plan for the College.

(b)    The period of time for each student's clinical education will be mutually agreed upon at least one month before the beginning of the Clinical-Biomedical Engineering Education Program.

(c) The number of students eligible to participate in the Clinical-Biomedical Engineering Education Program will be mutually determined by agreement of the parties and may be altered by mutual agreement.

(2) RESPONSIBILITIES OF THE COLLEGE

(a) The College will send the name, biographical data, and a report of health status of each student to the Facility at least four weeks before the beginning date of the Clinical-Biomedical Engineering Education Program.

(b) The College is responsible for supplying any additional information required by the Facility prior to the arrival of the students.

(c) The College will assign to the Facility only those students who have satisfactorily completed the prerequisite didactic portion of the curriculum.

(d) The College will designate a faculty member who is acceptable to the Facility, to be responsible for the Clinical-Biomedical Engineering Education Program. That person shall be called the Clinical-Biomedical Engineering Education Supervisor.

(e) The College will enforce rules and regulations governing students that are mutually agreed upon by the College and the Facility.

(3) RESPONSIBILITIES OF THE FACILITY

(a) The Facility shall provide a jointly-planned, supervised program of clinical experience.

(b) The Facility shall maintain complete records and reports on each student's performance and provide an evaluation to the College on forms provided by the College.

(c) The Facility may request the College to withdraw from the Clinical-Biomedical Engineering Education Program any student whose performance is unsatisfactory, whose personal characteristics prevent desirable relationships within the Facility, or whose health status is a detriment to the student's successful completion of the clinical education assignment.



(d) The Facility shall provide equally to each student participating in the Clinical-Biomedical Engineering Education Program, within a given semester, any student arrangements and considerations mutually agreed upon by the College and the Facility.

(e) The Facility shall, on reasonable request, permit the inspection of the clinical and laboratory facilities, services available for clinical and laboratory experiences, student records, and such other items pertaining to the Clinical-Biomedical Engineering Education Program by the College or agencies, or by both, charged with the responsibilities for accreditation of the curriculum.

(f) The Facility shall certify that it subscribes to and will adhere to the letter and spirit of Title 6 of the Civil Rights Act of 1964 in all areas relating to student participation in the Clinical-Biomedical Engineering Education Program.

(g) The Facility shall be immediately notified in writing by the College of any change or proposed change of the Clinical-Biomedical Engineering Education Supervisor.

(4) RESPONSIBILITY OF THE STUDENT

The student

(a) is responsible for following the administrative policies of the Facility;

(b) is responsible for providing the necessary and appropriate uniforms required but not provided by the Facility;

(c) is responsible for his own transportation and living arrangements when not provided for by the Facility;

(d) is responsible for reporting to the Facility on time and following all established regulations during the regularly scheduled operating hours of the Facility; and

(e) will not submit for publication any material relating to the clinical and laboratory education experience without prior written approval of the Facility and the College.

(5) TERM OF AGREEMENT, MODIFICATION, TERMINATION

(a) This agreement is for a term of one year and thereafter from year to year unless terminated by either party on ninety days' written notice to the other. Except under unusual conditions, such notice shall be submitted before the beginning of a clinical education period.

(b) It is understood and agreed that the parties to this agreement may revise or modify this agreement by written amendment when both parties agree to such amendment.

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

CITY OF AUSTIN

BOARD OF REGENTS OF THE  
UNIVERSITY OF TEXAS SYSTEM

By: \_\_\_\_\_  
City Manager

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

ATTEST:

ATTEST:

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
Secretary

Approved as to Content

Approved as to Content

\_\_\_\_\_  
Administrator, Brackenridge  
Hospital

\_\_\_\_\_  
Deputy Chancellor for Administration

\_\_\_\_\_  
Academic Affairs

Approved as to Form:

Approved as to Form:

\_\_\_\_\_  
Assistant City Attorney

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

6. U. T. Austin: Recommendation to Request Coordinating Board for Permission to Establish a Program Leading to a Bachelor of Arts Degree in Biochemistry. --

Chancellor LeMaistre concurs in President Spurr's recommendation that authorization be given to establish a B.A. degree in Biochemistry at U.T. Austin.

The proposed program allows undergraduate chemistry students to specialize in biochemistry as a regular major. Although students can complete such a program under existing degree plans in chemistry by taking extra courses, this new plan will allow students to complete a biochemistry program within the normal 120 semester hours required in all Bachelor of Arts degree plans.

The program will be administered by the Department of Chemistry and will require no new courses, library acquisitions, additional faculty, or increased funding.

Subsequent to Regental approval the proposal will be submitted to the Coordinating Board for final authorization.



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

November 7, 1973

Charles A. LeMaistre, M.D.  
Chancellor  
The University of Texas System

Dear Dr. LeMaistre:

I write to recommend that both Regental and Coordinating Board approval be obtained for our proposal for a B. A. degree in Biochemistry. This new degree program was approved by the University Council at its meeting on September 21, 1973. A copy of the Documents and Proceedings of that Council meeting is enclosed for your use along with twelve copies of our "Institutional Request" prepared in the format recommended by the Coordinating Board.

Following approval by the Board of Regents, I shall transmit to your office a letter certifying the adequacy of funding for this proposed degree program.

Sincerely yours,

A handwritten signature in black ink that reads "Stephen H. Spurr".

Stephen H. Spurr  
President

SHS:ls

Enclosures

7. U. T. Austin: Recommendation to Request Permission from Coordinating Board to Establish Bachelor of Science Degree in Zoology and Bachelor of Science Degree in Biology. --

Chancellor LeMaistre concurs in President Spurr's recommendation that authorization be given to establish Bachelor of Science degrees in zoology and biology at U.T. Austin.

U.T. Austin currently offers Bachelor of Arts degrees in zoology and biology. The proposed B.S. degree in zoology will provide those students who desire and need it greater depth and concentration of training in zoology than the B.A. degree affords. The proposed B.S. degree in biology will also provide a more specialized emphasis than the B.A. in biology allows, but the specialties will cut across traditional organizational lines. For example, the option in molecular biology includes course work in physics and physical chemistry. The option in aquatic biology includes course work in marine sciences and at least six semester hours taken at an aquatic field station.

The zoology degree will be administered by the Zoology Department. The biology degree will be administered by the Council of the Division of Biological Sciences in the College of Natural Sciences.

Subsequent to Regental approval these proposals will be submitted to the Coordinating Board for final authorization.



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

November 7, 1973

Charles A. LeMaistre, M.D.  
Chancellor  
The University of Texas System

Dear Dr. LeMaistre:

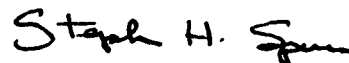
Enclosed for your consideration are two requests for new B. S. degree programs in Zoology and Biology in the College of Natural Sciences. I recommend that these requests be approved by the Board of Regents and the Coordinating Board. Twelve copies of each request, prepared in the format recommended by the Coordinating Board, are enclosed.

Both of these proposals were considered and approved by the University Council at its meeting on September 21, 1973. Copies of the relevant Documents and Proceedings of the Council are also enclosed.

I might note for your additional information that the College of Natural Sciences is currently awarding approximately 900 baccalaureate degrees every year. Of this total, approximately one-third are B. S. degrees in such fields as Chemistry, Geological Sciences, Home Economics, Medical Technology, and Physics. Furthermore, as you know, Coordinating Board approval has recently been given to our request for a B. S. degree program in Mathematics. Approval of these requests would expand the number of educational options available to students in the College of Natural Sciences, without at the same time requiring any additional resources.

A letter certifying the adequacy of funding for these new degree programs will be sent to you immediately upon receiving favorable consideration by the Board of Regents.

Sincerely yours,

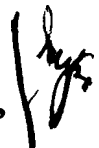
  
Stephen H. Spurr  
President

SHS:ls

Enclosures

8. U. T. Dallas: Recommendation to Request Permission from the Coordinating Board to Establish Doctoral Program Leading to Ph. D. Degree in Management Science. --

Chancellor LeMaistre concurs in President Jordan's recommendation that a graduate program leading to the Ph.D. degree in Management Science be established at U.T. Dallas.

The proposed program will be an extension of the existing Master of Science degree program in Management and Administrative Sciences which has approximately 170 students and was initiated at U.T. Dallas in the 1972-73 academic year. Candidates for the degree will be trained in the use of quantitative models of complex systems for understanding and solving management problems in business, government, and charitable organizations. 

The Head of the Graduate Program in Management and Administrative Sciences will administer the proposed program which has been approved by the Academic Council at U.T. Dallas. It has also been favorably reviewed by a committee of outside consultants in accordance with System policy for establishing new doctoral programs.

Subsequent to Regental approval the proposal will be submitted to the Coordinating Board for final authorization.



THE UNIVERSITY OF TEXAS AT DALLAS

OFFICE OF THE PRESIDENT

November 7, 1973

ACADEMIC AFFAIRS  
OFFICE U.T. SYSTEM

NOV 14 1973

Dr. Charles A. LeMaistre  
Chancellor  
The University of Texas System  
601 Colorado Street  
Austin, Texas 78701

To..... For info and retain  
To..... Please advise me  
To..... Please handle

Dear Dr. LeMaistre:

I am forwarding to you with this letter a proposal from The University of Texas at Dallas to The Coordinating Board, Texas College and University System for a graduate program leading to the degree of Doctor of Philosophy in Management Science. As you know, The University of Texas at Dallas presently has a Master's level program in Management and Administrative Sciences with approximately 170 students enrolled. The proposed Ph.D. program in Management Science builds, logically, on this Master's level base.

Pursuant to established University of Texas System procedures, Dr. Wagener appointed a committee to visit The University of Texas at Dallas and review the proposed doctoral program. You should have received by now, or will receive within the next day or two, a copy of the committee's report. In general, the committee was enthusiastic about the viability of a doctoral program in Management Science at The University of Texas at Dallas. The committee did have several suggestions to make to us with respect to the details of the program. Insofar as it was considered appropriate, the committee's suggestions have been incorporated into the proposal.

I request that this proposal be considered by the Board of Regents on December 7, 1973, so that, if approved by the Board of Regents, it may be received by The Coordinating Board Staff in time for Coordinating Board, Texas College and University System consideration at the April, 1974, meeting.

Sincerely,

Bryce Jordan

BJ:cp

9. U. T. Dallas: Recommendation to Establish a Program in International Management Studies for a Master of Science Degree and a Doctor of Philosophy Degree. --

Chancellor LeMaistre concurs in President Jordan's recommendation that a graduate program leading to the degrees of Master of Arts and Doctor of Philosophy in international management studies be established at U.T. Dallas.

The proposed program is designed to provide knowledge of specific countries or a specific area and equip the student to use this knowledge in international business, banking, governmental, journalistic, military, or educational endeavors. ~~The regional~~ emphasis of the program is East Asia and the Pacific Basin. The business, travel-tourism, financial, agricultural and industrial communities in Texas have extensive and growing interests in this area. The opening of the regional airport in the Dallas-Fort Worth area will intensify these interests there. Also there is no institution of higher learning in Texas that offers instruction in international business with emphasis on East Asia.

The proposed program will be administered by the Head of the Graduate Program in International Management Studies and will draw upon faculty resources from a wide range of disciplines. It has been favorably reviewed by the Academic Council at U.T. Dallas and by a committee of outside consultants.

Subsequent to Regental approval the proposal will be submitted to the Coordinating Board for final authorization.



**THE UNIVERSITY OF TEXAS AT DALLAS**

OFFICE OF THE PRESIDENT

November 4, 1973

ACADEMIC AFFAIRS  
OFFICE U.T. SYSTEM

NOV 14 1973

Dr. Charles LeMaistre  
Chancellor  
The University of Texas System  
601 Colorado Street  
Austin, Texas 78701

To..... For info and retain  
To..... Please advise me  
To..... Please handle

Dear Dr. LeMaistre:

I am enclosing with this letter a proposal to The Coordinating Board, Texas College and University System from The University of Texas at Dallas for a Graduate Program leading to the degrees of Master of Arts and Ph.D. in International Management Studies. You have received a report covering this Program prepared by an evaluation committee selected by Dr. Wagener. As you know, the report of the evaluation committee is strongly supportive of the attached proposal.

The committee was impressed with the timeliness of The University of Texas at Dallas' proposal and was strongly in favor of the establishment of the Program at The University of Texas at Dallas. The international flavor of Dallas/Fort Worth metropolitan area commerce (to be strongly accentuated by the addition of the Regional Airport), coupled with the fact that there is no program of this nature offered in the North Texas area, seemed to be decisive factors in their evaluation. The committee visited and discussed the Program with some half-dozen area business and civic organizations. All of these organizations heartily endorsed a program in this field at The University of Texas at Dallas. The committee was also favorably impressed with the opportunity for non-degree service courses which can be given to metroplex business concerns which find themselves in need of international business training.

Pursuant to this University's policy of joint faculty utilization by several curricula, the International Studies Program will maintain a close relationship with the Graduate Program in Management and Administrative Sciences. The visiting committee believes such ties to the latter, which is quantitatively oriented, to be a positive aspect of the Program submitted here.

The committee counseled less emphasis on the Pacific Basin and Japan than is contemplated in our Program. However, as you know, such a thrust was considered as appropriate for The University of Texas at Dallas because of particular interests of the Dallas business community, and also because we know that we cannot hope at this time to produce a vastly broader purview in the Program.

I request that this Program be considered by the Board of Regents on December 7, 1973 so that, if approved by the Board of Regents, it may be considered by the Coordinating Board in April, 1974.

Sincerely,



Bryce Jordan

BJ:cp

10. U. T. Dallas: Recommendation to Request Coordinating Board for Permission to Establish a Program Leading to a Master of Science Degree in Special Education.--

Chancellor LeMaistre concurs in President Jordan's recommendation that authorization be given to establish the degree of Master of Science in special education at U.T. Dallas.

The purpose of this program will be to train persons to work with children and youth who, because of physical, mental, social, or emotional difficulties, find learning difficult in ordinary classroom settings. The program is designed to prepare graduates to deal with various types of learning problems, rather than just single handicapping conditions. President Jordan reports that use will be made of resources available through the Callier Center for Communications Disorders, the Dallas Health Science Center, and a number of public and private agencies in the Dallas area. In keeping with System



policy for new degree proposals, a visiting committee has assisted in developing the proposed program.

Subsequent to Regental approval, the proposal will be submitted to the Coordinating Board for final authorization.



**THE UNIVERSITY OF TEXAS AT DALLAS**

OFFICE OF THE PRESIDENT

ACADEMIC AFFAIRS  
OFFICE U.T. SYSTEM

November 4, 1973

NOV 5 1973

To..... For info and return  
To..... Please advise me  
To..... Please handle

Dr. Charles LeMaistre  
Chancellor  
The University of Texas System  
601 Colorado Street  
Austin, Texas 78701

Dear Dr. LeMaistre:

I am enclosing with this letter a proposal to the Coordinating Board, Texas College and University System for a Graduate Program in Special Education leading to the Master of Science degree. Pursuant to arrangements approved by your office, we have had assistance in the review of our draft proposal and in the preparation of the attached final proposal by a Visiting Committee.

The Committee was enthusiastic in its endorsement of a master's level program in Special Education at The University of Texas at Dallas. The Committee was particularly impressed with the strong neuroscientific base available to the Program from The University of Texas at Dallas' formal relationships with The University of Texas Health Science Center at Dallas and The Callier Center for Communications Disorders.

The Program is strongly clinical and neuroscientifically based and will make use of, in addition to the Health Science Center and Callier, the large number of private and public facilities existing in the Dallas area for disabled, mentally retarded, speech and hearing handicapped, deaf, blind, emotionally disturbed and cerebral palsied children. As the Visiting Committee noted: "There are very few other colleges and universities in the nation that would have such a variety of high-quality resources in such close proximity".

I request that this proposal be considered by the Board of Regents on December 7, 1973. If considered favorably by the Board of Regents, the Program would then be to the Coordinating Board Staff in time for consideration by the Coordinating Board in April.

Sincerely,  
  
Bryce Jordan

BJ:ws

Encl.

**Buildings &  
Grounds Com.**

BUILDINGS AND GROUNDS COMMITTEE

Frank C. Erwin, Jr., Chairman

*Economic Dev. Admin.*

Date: December 7, 1973

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

Place: Main Building, Suite 212  
U. T. Austin  
Austin, Texas

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B & G

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- ✓
1. U. T. ARLINGTON: ACTIVITIES BUILDING (PROJECT NO. 301-227) - APPROVAL OF FINAL PLANS AND SPECIFICATIONS, AUTHORIZATION TO ADVERTISE FOR BIDS.--In accordance with authorization given at the Regents' Meeting held June 1, 1973, final plans and specifications have been prepared for the Activities Building at The University of Texas at Arlington by the Project Architect, Lawrence D. White Associates.

These plans and specifications provide for a building of approximately 100,000 gross square feet at an estimated total project cost of \$4,500,000.00, which has previously been appropriated.

Acting President Nedderman and System Administration recommend that the Board:

- a. Approve the final plans and specifications at an estimated total project cost of \$4,500,000.00.
- b. Authorize the Director of the Office of Facilities Planning and Construction to advertise for bids.

- ✓
2. U. T. ARLINGTON: FINE ARTS BUILDING (PROJECT NO. 301-139) - AUTHORIZATION FOR ADDITIONAL EQUIPMENT AND FURNISHINGS, APPOINTMENT OF INTERIOR DESIGN CONSULTANT AND ADDITIONAL APPROPRIATION THEREFOR.--Under authorization given by the Regents at the meeting held on September 11, 1972, construction of the Fine Arts Building on The University of Texas at Arlington Campus is under way. Completion is scheduled in November, 1974.

In September, 1972, at the time of award of the construction contract, funds in the amount of \$716,900.00 for Furniture, Furnishings, and Teaching Equipment were set aside within the appointed total project cost of \$8,125,800.00. Subsequently, completion of a detailed room-by-room equipment list shows that approximately \$325,000.00 more is needed, primarily for teaching equipment, so that the facility of 200,000 gross square feet can be properly equipped. The Office of Facilities Planning and Construction has reviewed and concurs with the increase.

Acting President Nedderman and System Administration recommend that the Board:

- a. Approve an additional appropriation of \$350,000.00 from proceeds of Combined Fee Revenue Bonds for the increased needs as follows: Additional Equipment and Furnishings, \$325,000.00, and Interior Design Services, \$25,000.00.
- b. Appoint a qualified firm from a list to be available at the meeting to serve as an interior design consultant at a fee not to exceed \$25,000.00 for assisting the building users in the coordination of all furnishings, equipment and interior color and material selections for the building.

*Fisher-Spiller*

3. U. T. ARLINGTON: LANDSCAPING OF SWIFT SCHOOL SITE AND UNDEVELOPED AREA THEREABOUT TO BE SITE OF RECREATION FACILITIES (PROJECT NO. 301-273) - RECOMMENDATION TO PREPARE PRELIMINARY PLANS AND TO APPOINT SCHRICKEL, ROLLINS, AND ASSOCIATES, INC., LANDSCAPE ARCHITECT. --

In accordance with authorization given by the Board at their meeting held on June 9, 1972, conceptual plans for site improvement adjacent to Swift School have been prepared by the Office of Facilities Planning and Construction. The plans cover the undeveloped area surrounding Swift School within the bounds of Summit, West Border, Kerby and West Second Streets. It also includes the area along Dry Creek from West Border to South Oak. The Development proposes tennis courts, archery range, soccer field, ballfield, hike-bike-jogging trail, security lighting, planting and irrigation.

Acting President Nedderman and System Administration recommend that the Board appoint Schrickel, Rollins, and Associates, Inc., Arlington, Texas, as Landscape Architect with authorization to prepare preliminary plans and specifications and cost estimate to be brought to the Board for approval at a later meeting. Funds for professional fees and miscellaneous expenses are available within the appropriation previously approved for this landscaping project.

4. U. T. ARLINGTON: EXTENSION OF UTILITIES DISTRIBUTION SYSTEM FOR ACTIVITIES BUILDING (PROJECT NO. 301-236) - APPROVAL OF PRELIMINARY PLANS AND SPECIFICATIONS, AUTHORIZATION TO PREPARE FINAL PLANS AND SPECIFICATIONS.--In accordance with the project authorization given at the Regents' Meeting held March 5, 1973, preliminary plans and specifications for extension of the utilities distribution system to the Activities Building at The University of Texas at Arlington have been prepared by the Project Engineer, Leo L. Landauer and Associates, Inc., Dallas, Texas.

Acting President Nedderman and System Administration recommend that the Board approve the preliminary plans and outline specifications at an estimated total project cost of \$662,000.00, which has been appropriated, and authorize the Project Engineer to prepare final plans and specifications for consideration of the Board at a future meeting.

5. U. T. ARLINGTON: AUTHORIZATION TO GRANT RIGHT-OF-WAY EASEMENT FOR AN OVERHEAD ELECTRIC DISTRIBUTION LINE.--The Texas Electric Service Company has requested an easement ten feet (10') in width and approximately two hundred fifty feet (250') in length along, over, under and across a 48.195 acre tract of land out of the O. Medlin Survey, Abstract No. 1043, Tarrant County, Texas, which property is more particularly described in Volume 400, Page 343, Deed Records, Tarrant County, Texas, for an overhead distribution line to serve the athletic complex in the west campus area some distance from the main campus. The easement is more fully described in the easement document which will be available for examination at the Board meeting.

It is recommended by Acting President Nedderman and System Administration that approval be given by the Board for such an easement to be executed by the Chairman of the Board after approval as to content by Deputy Chancellor Walker and as to legal form by a University of Texas Attorney.

*Some distance  
from main campus*

*change  
write up.*

7  
6.

U. T. AUSTIN: COLLEGE OF FINE ARTS AND PERFORMING ARTS CENTER (PROJECT NO. 102-201) - APPROVAL OF PRELIMINARY PLANS AND SPECIFICATIONS, AUTHORIZATION TO PREPARE FINAL PLANS AND SPECIFICATIONS.--In accordance with the project authorization given at the Regents' Meeting held April 29, 1972, preliminary plans and specifications for the construction of a complex of buildings for the College of Fine Arts and Performing Arts Center at The University of Texas at Austin have been prepared by the Project Architect, Fisher and Spillman, Inc. Preliminary plans and specifications for the Art Building Addition and Drama Building Addition of the College of Fine Arts and Performing Arts Center were approved by the Board in September, 1973, and working drawings and specifications are in process. This project is the remaining portion of the complex of structures authorized for the College of Fine Arts and includes:

- a. Fine Arts Library and Administration (Project No. 102-265): Library to house collections for Art, Drama, and Music, as well as the Art Slide Library and the offices of Dean of the College of Fine Arts. The total area in this facility is 95,000 square feet.
- b. Music Building and Recital Hall (Project No. 102-266): Music Building to house (along with the adjacent Music Building East) all classrooms, studios, offices for the Department of Music, and a 700 seat Recital Hall in the new facility having an area of 135,000 square feet.
- c. Opera Lab Theater (Project No. 102-267): A 400 seat Opera Lab Theater for teaching and for small productions, consisting of 31,000 square feet.
- d. Drama Workshops (Project No. 102-269): Technical Workshops and classrooms to support the Drama teaching program and the adjacent production theaters, in a facility having an area of 62,000 square feet.
- e. Concert Hall (Project No. 102-271): A 3000 seat auditorium to be used as a Concert Hall and Music Theater for presentation of symphony, opera, ballet, musical comedy and recitals. The total area of this facility including the house, lobbies, box office and stage area is 93,000 square feet.
- f. East Campus Site Development (Project No. 102-270): The completion of site work, pedestrian walks, roadways, and landscaping in the area between Trinity and Red River Streets and between the Law School and the East Mall. Final plans and specifications for the Street Improvements and Utilities Improvements portion of this project have already been approved by the Board.

*Auditorium Capacity: 3000*

President Spurr and System Administration recommend that the Board:

- a. Approve the preliminary plans and outline specifications at an estimated total project cost of \$25,580,981.00, which has been appropriated.
- b. Authorize the Project Architect to prepare final plans and specifications for consideration of the Board at a future meeting.



7.

U. T. AUSTIN: REMODELING OF PHYSICS BUILDING (PROJECT NO. 102-189) - ADDITIONAL APPROPRIATION FOR FURNITURE AND EQUIPMENT.--At the Regents' Meeting held on March 5, 1973, the construction contract for the Remodeling of the Physics Building at The University of Texas at Austin was awarded. The project budget included a modest sum for furnishings, furniture and classroom and teaching equipment. Since that time the U. T. Austin Staff and the Office of Facilities Planning and Construction have tried repeatedly but unsuccessfully to reduce requirements to within the funds budgeted for furniture and equipment. To meet the minimum essential furniture, furnishings and teaching equipment requirements it is estimated that \$85,000.00 in additional funds are needed.

President Spurr and System Administration recommend that the Board appropriate an additional \$85,000.00 from Available University Fund for furniture, furnishings, and classroom and teaching equipment, \$805,000.00 having been previously appropriated for the total project.

8.

U. T. AUSTIN: SOCIAL SCIENCE AND HUMANITIES LIBRARY (PROJECT NO. 102-200) - APPROVAL OF FINAL PLANS AND SPECIFICATIONS, AUTHORIZATION TO ADVERTISE FOR BIDS.--In accordance with authorization given at the Regents' Meeting held June 1, 1973, final plans and specifications have been prepared for Social Science and Humanities Library at The University of Texas at Austin by the Project Architects, Bartlett Cocke and Associates and Phelps and Simmons and Associates.

These plans and specifications provide for a building of approximately 490,000 gross square feet at an estimated total project cost of \$20,000,000.00, which has previously been appropriated.

President Spurr and System Administration recommend that the Board:

- a. Approve the final plans and specifications at an estimated total project cost of \$20,000,000.
- b. Authorize the Director of the Office of Facilities Planning and Construction to advertise for bids, subject to final review and all granting agency clearances.

9.

U. T. AUSTIN: EXPANSION OF CHILLING CAPACITY IN CHILLING STATIONS NUMBERS 3 AND 4 (PROJECT NO. 102-240) - AUTHORIZATION FOR ADVANCE PROCUREMENT OF EQUIPMENT.--In accordance with the authorization given at the Regents' Meeting held October 26, 1973, the Project Engineer, Zumwalt and Vinther, has prepared final plans and specifications so that competitive bids can be taken for advance procurement of major equipment. The pre-purchase of equipment will minimize the effect of cost escalation and allow the contract documents to be completed utilizing the exact equipment which will be incorporated into the system. The contract documents can be completed during the delivery schedule of the equipment, and thereby reduce the total elapsed time. Funds have been previously appropriated.

President Spurr and System Administration present the following recommendations for approval of the Board:

- a. That authorization be given to Office of Facilities Planning and Construction to take competitive bids, in advance of construction, for major and associated minor items of equipment required for the project. Such equipment would be "Owner-Furnished" for installation under a subsequent construction contract.

- b. That the specifications for major equipment, (chilling units, cooling towers and pumps) be approved and that the Office of Facilities Planning and Construction be authorized to advertise for bids which will be presented to the Board for consideration at a later date.

10. U. T. AUSTIN: DEVELOPMENT OF THE BALCONES RESEARCH CENTER.-- The following recommendations, made by System Administration and concurred in by President Spurr, for the development of the Balcones Research Center are:

- a. That a committee be officially constituted and charged by the Board of Regents with developing recommendations for industrial R&D use of Balcones Research Center land.
- b. That a special advance of \$20,000 be made for an engineering study under the supervision of the Office of Facilities Planning and Construction leading to the development of a master plan for the Balcones Institute for Research and Development. Insofar as such a study will be dependent upon the plans of the State Highway Department for utilizing Balcones Research Center land for both West Loop 360 and Loop 1, the Buildings and Grounds' Committee should be asked to undertake discussions with appropriate Highway officials to ascertain the status of such plans.
- c. That an additional advance of \$25,000 be made to the Office of Facilities Planning and Construction to be used for the demolition of several deteriorating and unusable buildings dating back to magnesium plant days at the Balcones Research Center.
- d. That the advances of funds cited above be repaid from the proceeds from the ultimate sale of the highway right-of-way to the State Highway Department for West Loop 360 and MoPac Boulevard Loop 1 which are tentatively scheduled to cross Balcones Research Center land west of the railroad track.

✓ 11. U. T. AUSTIN: MARINE SCIENCE INSTITUTE AT PORT ARANSAS - AUTHORIZATION TO GRANT AN UNDERGROUND EASEMENT TO NUECES COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 4 TO CONSTRUCT AN UNDERGROUND WATER DISTRIBUTION LINE.--The water supply lines at Port Aransas in the area of The University of Texas Marine Science Institute are inadequate and the Water District proposes to construct new water lines in the area to remedy the situation. Nueces County Water Control and Improvement District has requested an easement fifteen feet (15') wide and approximately fifty one feet (51') in length across and under Lot 8, Block 3 of Tarrant's Addition, Port Aransas, Nueces County, Texas, also an easement 15.08' by 19.28' across Lot 37 of Dan Brumley Subdivision of Survey 12, Lot 8, Block 1 of the amended map of Tarrant's Addition to Port Aransas. The easement is more fully described in the easement document which will be available for examination at the Board meeting.

It is recommended by President Spurr and System Administration that approval be given by the Board for such an easement to be executed by the Chairman of the Board after approval as to content by Deputy Chancellor Walker and as to legal form by a University of Texas Attorney.

12. U.T. AUSTIN (McDONALD OBSERVATORY): OBSERVATORY CONTROL BUILDING ADJACENT TO MILLIMETER WAVE TELESCOPE - APPROVAL OF FINAL PLANS AND SPECIFICATIONS, AUTHORIZATION TO ADVERTISE FOR BIDS AND AWARD CONTRACT.--In accordance with authorization given at the Regents' meeting held April 29, 1972, final plans and specifications have been prepared for the Observatory Control Building adjacent to the millimeter wave telescope at The University of Texas McDonald Observatory at Mount Locke by the Project Architect, Dale E. Selzer Associates, Inc.

These plans and specifications provide for a building of approximately 600 gross square feet at an estimated cost of \$25,000.00 which is within the \$125,000.00 previously appropriated to construct needed additional facilities at McDonald Observatory.

President Spurr and System Administration recommend that the Board:

- a. Approve the final plans and specifications at an estimated total project cost of \$25,000.00.
- b. Authorize the Director of the Office of Facilities Planning and Construction to advertise for bids and award a contract within the funds available.

13. U. T. AUSTIN (McDONALD OBSERVATORY): REPORT ON EFFORTS TO DEVELOP A WATER SOURCE FOR McDONALD OBSERVATORY AND RECOMMENDATIONS FOR FURTHER AUTHORIZATIONS IN CONNECTION THEREWITH.-- Pursuant to the authorization by the Board of Regents on September 14, 1973, Ed L. Reed and Associates, Consulting Hydrologists, of Odessa, Texas, proceeded with plans to drill a possible water source well in Section 339, H&GN Survey, Jeff Davis County, Texas, on property belonging to the Estate of G. Scott Locke, Deceased. At the October 26 meeting of the Board, a report was made as to the awarding of a contract for the drilling of such water source well to M. D. Virdell, d/b/a Virdell Drilling Company. Such well was drilled to the required total depth of 350 feet, and after extensive testing did not produce a supply of water sufficient to meet the needs of McDonald Observatory.

It is recommended that the Committee appointed at the September 14, 1973, meeting, consisting of Regent Erwin, Regent Shivers, Regent Bauerle, Deputy Chancellor Walker and President Spurr, continue the effort to develop a satisfactory water source on the Locke property, commonly known as the McIvor Ranch, with authorization for such Committee to:

- a. Contract for the drilling and testing of a second well on said property at a location to be recommended by Ed L. Reed and Associates and Don McIvor.
- b. Approve the terms and provisions of a Water Rights Lease covering a portion of the McIvor Ranch which is being given and donated to the Board of Regents of The University of Texas System by the Estate of G. Scott Locke, Deceased.

14-17  
passed

14. U. T. DALLAS: EUGENE McDERMOTT LIBRARY (FORMERLY LIBRARY BUILDING) - RECOMMENDED INSCRIPTION ON PLAQUE.--It is recommended that the inscription as set out below be approved for the plaque to be placed on the Eugene McDermott Library at The University of Texas at Dallas. This inscription follows the standard pattern approved by the Board of Regents at the meeting held October 1, 1966.

EUGENE McDERMOTT LIBRARY  
1972

BOARD OF REGENTS

John Peace, Chairman  
Frank N. Ikard, Vice-Chairman  
Frank C. Erwin, Jr.  
Jenkins Garrett  
Mrs. Lyndon B. Johnson  
Joe M. Kilgore  
A. G. McNeese, Jr.  
Joe T. Nelson, M. D.  
Dan C. Williams

Charles A. LeMaistre, M. D.,  
Chancellor, The University  
of Texas System  
Bryce Jordan, President,  
The University of Texas  
at Dallas

The Oglesby Group, Inc. and  
Harwood K. Smith and Partners  
Inc., ~~Project Architects~~ *Associated*  
Hensel-Phelps Construction  
Company, Contractor

15. U. T. DALLAS: CECIL H. GREEN CENTER (FORMERLY SOCIAL AND BEHAVIORAL SCIENCES BUILDING) - RECOMMENDED INSCRIPTION ON PLAQUE.-- It is recommended that the inscription as set out below be approved for the plaque to be placed on the Cecil H. Green Center at The University of Texas at Dallas. This inscription follows the standard pattern approved by the Board of Regents at the meeting held October 1, 1966.

*Passed*

CECIL H. GREEN CENTER  
1972

BOARD OF REGENTS

John Peace, Chairman  
Frank N. Ikard, Vice-Chairman  
Frank C. Erwin, Jr.  
Jenkins Garrett  
Mrs. Lyndon B. Johnson  
Joe M. Kilgore  
A. G. McNeese, Jr.  
Joe T. Nelson, M. D.  
Dan C. Williams

Charles A. LeMaistre, M. D.,  
Chancellor, The University  
of Texas System  
Bryce Jordan, President,  
The University of Texas  
at Dallas

The Oglesby Group, Inc., and  
Harwood K. Smith and Partners,  
Inc., ~~Project Architects~~  
Hensel-Phelps Construction  
Company, Contractor

*Associated*

16. U. T. DALLAS: ERIK JONSSON CENTER (FORMERLY LIBERAL ARTS BUILDING) - RECOMMENDED INSCRIPTION ON PLAQUE.--It is recommended that the inscription as set out below be approved for the plaque to be placed on the Erik Jonsson Center at The University of Texas at Dallas. This inscription follows the standard pattern approved by the Board to Regents at the meeting held October 1, 1966.

ERIK JONSSON CENTER  
1972

BOARD OF REGENTS

John Peace, Chairman  
Frank N. Ikard, Vice-Chairman  
Frank C. Erwin, Jr.  
Jenkins Garrett  
Mrs. Lyndon B. Johnson  
Joe M. Kilgore  
A. G. McNeese, Jr.  
Joe T. Nelson, M. D.  
Dan C. Williams

Charles A. LeMaistre, M. D.,  
Chancellor, The University  
of Texas System  
Bryce Jordan, President,  
The University of Texas  
at Dallas

The Oglesby Group, Inc., and  
Harwood K. Smith and Partners,  
Inc., ~~Project~~ Architects  
Hensel-Phelps Construction  
Company, Contractor

17. U. T. DALLAS: PHYSICAL INSTRUCTION BUILDING - RECOMMENDED INSCRIPTION ON PLAQUE.--It is recommended that the inscription as set out below be approved for the plaque to be placed on the Physical Instruction Building at The University of Texas at Dallas. This inscription follows the standard pattern approved by the Board of Regents at the meeting held October 1, 1966.

PHYSICAL INSTRUCTION BUILDING  
1972

BOARD OF REGENTS

John Peace, Chairman  
Frank N. Ikard, Vice-Chairman  
Frank C. Erwin, Jr.  
Jenkins Garrett  
Mrs. Lyndon B. Johnson  
Joe M. Kilgore  
A. G. McNeese, Jr.  
Joe T. Nelson, M. D.  
Dan C. Williams

Charles A. LeMaistre, M. D.,  
Chancellor, The University  
of Texas System  
Bryce Jordan, President,  
the University of Texas  
at Dallas

The Oglesby Group, Inc., and  
Harwood K. Smith and Partners,  
Inc., ~~Project~~ Architects  
Hensel-Phelps Construction  
Company, Contractor

- 7 18. U. T. DALLAS: ENVIRONMENTAL SCIENCE BUILDING (PROJECT NO. 302-211) - AWARD OF CONTRACT FOR FURNITURE AND FURNISHINGS TO ENVIRON, INC.--Specifications for Furniture and Furnishings for the Environmental Science Building at The University of Texas at Dallas were prepared by the Office of Facilities Planning and Construction and bids called for. These bids were received, opened, and tabulated on November 14, 1973, as shown below:

Bidder	Base Bid "A"	Time of Completion	Bidder's Bond
Abel Contract Furniture and Equipment Company, Inc., Austin, Texas	\$34,689.00	180 days	5%
Environ, Inc., Dallas, Texas	33,873.41	8-15-74	5%
Rockford Furniture Associates, Austin, Texas	34,134.10	300 days	5%

It is recommended by President Jordan and System Administration that award of a contract be made in the amount of \$33,873.41 to the low bidder, Environ, Inc., Dallas, Texas. Funds to cover this recommended contract award are available in the Furniture and Equipment account for this project.

- 7 19. U. T. DALLAS: AUTHORIZATION TO GRANT AN UNDERGROUND EASEMENT TO TEXAS POWER AND LIGHT COMPANY.--In order to provide electric service to T.A.G.E.R., Texas Power and Light Company has requested an underground easement five feet (5') in width and approximately two hundred eighty-eight feet (288') in length, in, across, over and under a tract of land in the John C. Campbell Survey, Abstract 241, and the John Clay Survey, Abstract 223, in Collin County, Texas; and also being part of a 328.70 acre tract conveyed to the Board of Regents of The University of Texas System by Excellence in Education Foundation by Deed of Gift dated September 26, 1969 recorded in Volume 69188, Page 1201, of the Deed Records of Dallas County, Texas; and also being part of a 236.3955 acre tract conveyed to the Board of Regents of The University of Texas System by Deed recorded in Volume 72177, Page 1645, of the Deed Records of Dallas County, Texas. The easement is more fully described in the easement document which will be available for examination at the Board meeting.

It is recommended by President Jordan and System Administration that approval be given for such an easement to be executed by the Chairman of the Board after approval as to content by Deputy Chancellor Walker and as to legal form by a University Attorney.

- 7
20. U. T. DALLAS: AUTHORIZATION TO GRANT AN UNDERGROUND EASEMENT TO LONE STAR GAS COMPANY FOR AN UNDERGROUND DISTRIBUTION LINE.-- In order to provide gas service to the Central Energy Plant, Lone Star Gas Company has requested an easement ten feet (10') in width and approximately six hundred twenty feet (620') in length across a portion of that certain lot, tract or parcel of land situated in the State of Texas, Counties of Dallas and Collin and being out of that certain 325.13 acre tract of land out of the McKinney and Williams Survey, John C. Campbell Survey and John W. Curtis Survey as conveyed to the Board of Regents of The University of Texas System by Excellence in Education Foundation by deed recorded in Volume 69188, Page 1201, Deed Records of Dallas County, Texas.

The easement is more fully described in the easement document which will be available for examination at the Board meeting.

It is recommended by President Jordan and System Administration that approval be given for such an easement to be executed by the Chairman of the Board after approval as to content by Deputy Chancellor Walker and as to legal form by a University Attorney.

- 7
21. U. T. EL PASO: INSTALLATION OF ARTIFICIAL TURF AT SUN BOWL - APPROVAL OF FINAL PLANS AND SPECIFICATIONS, AUTHORIZATION TO ADVERTISE FOR BIDS.--In accordance with authorization given at the Regents' Meeting held July 27, 1973, final plans and specifications have been prepared for the installation of Artificial Turf in Sun Bowl at The University of Texas at El Paso by the Office of Facilities Planning and Construction, The University of Texas System.

These plans and specifications provide for an artificial playing surface of approximately 107,000 gross square feet at an estimated total project cost of \$565,350.00. An additive alternate for the installation of artificial surfacing on two sloped end zone locations will be included in the bid documents. It is contemplated that this work will be accomplished in two construction contracts: one for the preparation of the base, and one for artificial turf installation.

President Templeton and System Administration recommend that the Board:

- a. Approve the final plans and specifications at an estimated total project cost of \$565,350.00 exclusive of the additive alternate.
- b. Authorize the Director of the Office of Facilities Planning and Construction to advertise for bids to be brought to the Board at a future meeting.

- 7
22. U. T. PERMIAN BASIN: AUTHORIZATION TO GRANT AN UNDERGROUND EASEMENT TO GETTY OIL COMPANY FOR A WATER LINE, FOR THE SOLE BENEFIT OF GETTY OIL COMPANY.--Getty Oil Company has requested an easement twenty-five feet (25') in width and five hundred sixty-eight feet (568') in length in, upon, over, across and under certain land located in the NE/4 of Section 18, Block 41, T-2-S, T.&P.R.R. Company Survey, Ector County, Texas, for the purpose of commencing water injection into the Headlee Devonian Unit Well No. 45-5.

This water line easement is in the northeastern corner of the campus site, beginning at Getty Oil's present easement on our eastern boundary line and runs west 568 feet along our north boundary line to a point where the line will go under 42nd Street. The easement is more fully described in the easement document which will be available for examination at the Board meeting.

It is recommended by President Amstead and System Administration that approval be given by the Board for such an easement to be executed by the Chairman of the Board after approval as to content by Deputy Chancellor Walker and as to legal form by a University Attorney.

*EXISTING*  
*Amstead*  
23. U. T. PERMIAN BASIN: RATIFICATION OF OVERHEAD EASEMENT AND AUTHORIZATION FOR UNDERGROUND EASEMENT TO TEXAS ELECTRIC SERVICE COMPANY.--Texas Electric Service Company, Fort Worth, Texas, has requested an overhead easement 10 feet in width and approximately 3600 feet in length, in, upon, over and across a 588 acre tract of land in Section 18, Block 41, T-2-S, T. & P.R.R. Company Survey, Ector County, Texas, for an existing overhead electric distribution line now serving the Transition Facilities and that portion of the campus presently used for athletics.

Texas Electric Service Company also requests an underground easement 10 feet in width and approximately 3800 feet in length in, upon, over and across the above referenced property in order to provide electric service to buildings in Phase I construction of the main campus. The easement is more fully described in the easement document which will be available for examination at the Board meeting.

It is recommended by President Amstead and System Administration that the existing overhead electric distribution line of Texas Electric Service Company be ratified and that the underground easement requested above be authorized with authorization to the Chairman of the Board of Regents to execute the one document after approval as to content by Deputy Chancellor Walker and as to legal form by a University attorney.

*V* 24. DALLAS HEALTH SCIENCE CENTER (DALLAS MEDICAL SCHOOL): CLINICAL SCIENCES BUILDING (INCLUDING ANIMAL FACILITIES) (PROJECT NO. 303-114) - APPROVAL OF REVISED FINAL PLANS AND SPECIFICATIONS, AUTHORIZATION TO ADVERTISE FOR BIDS.--In accordance with authorization given at the Regents' Meeting held March 5, 1973, final plans and specifications have been revised for the Clinical Sciences Building (Including Animal Facilities) at The University of Texas Health Science Center at Dallas by the Project Architects, Fisher and Spillman and Preston M. Geren and Associates.

These plans and specifications provide for a building of approximately 145,000 gross square feet at an estimated total project cost of \$9,300,000.00.

President Sprague and System Administration recommend that the Board:

- a. Approve the final plans and specifications at an estimated total project cost of \$9,300,000.00.
- b. Authorize the Director of the Office of Facilities Planning and Construction to advertise for bids, subject to final review.



25. DALLAS HEALTH SCIENCE CENTER (DALLAS MEDICAL SCHOOL): FRED F. FLORENCE MEMORIAL LIBRARY AND BIOMEDICAL INFORMATION CENTER (PROJECT NO. 303-96) - AWARD OF CONTRACT FOR CARPET TO CUSTOM CONTRACT INTERIORS, INC.--Specifications for carpeting for Fred F. Florence Memorial Library and Biomedical Information Center at The University of Texas Southwestern Medical School at Dallas in the Dallas Health Science Center were prepared by the Office of Facilities Planning and Construction and bids called for. These bids were received, opened, and tabulated on November 14, 1973, as shown below:

Bidder	Base Bid "A"	Add Alternates	
		No. 1	No. 2
Carpet Engineering Services Company, Dallas, Texas	\$116,300.00	\$38,730.00	\$8,240.00
Custom Contract Interiors, Inc., Dallas, Texas	115,984.38	38,616.52	8,210.96
Fashion Carpet and Interiors, Houston, Texas	119,594.00	39,839.00	8,471.00
Rockford Furniture Associates, Austin, Texas	120,141.20	40,024.80	8,510.40
Superior Carpet Sales and Service Company, Inc., Dallas, Texas	131,955.32	44,027.28	9,361.44
Sherman Wallace, Inc., Fort Worth, Texas	125,063.75	41,692.50	8,865.00

Each bidder submitted with his bid a bidder's bond in the amount of 5% of the greatest amount bid (Fashion Carpet and Interiors, 10%)

It is recommended by President Sprague and System Administration that award of a contract be made to the low bidder, Custom Contract Interiors, Inc., Dallas, Texas as follows:

Base Bid A	\$115,984.38
Add Alternate No. 1 (Carpet Entire 4th Floor)	<u>38,616.52</u>
Total Recommended Contract Award	<u>\$154,600.90</u>

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

26. DALLAS HEALTH SCIENCE CENTER: RATIFICATION OF THE EXECUTION OF A RELEASE TO THE CITY OF DALLAS IN CONSIDERATION OF A SANITARY SEWER CONNECTION TO BUILDINGS.--On October 17, 1973, Deputy Chancellor Walker executed a release in favor of the City of Dallas in consideration of the City making a sanitary sewer connection for the new Cafeteria and Florence Bioinformation Center buildings. This release was necessary in order to expedite construction and to offset potential claims of the contractor by reason of delay. All safety factors have been installed and all precautions taken, which will insure a satisfactory operation of the sewer system and there is no likelihood of any damage by reason of overflow.

*Dickinson*

System Administration recommends that the execution of the release to the City of Dallas for and on behalf of The University of Texas System dated October 17, 1973, releasing the City of Dallas of any responsibility by reason of backflow, if any, be in all things ratified and approved.

27. DALLAS HEALTH SCIENCE CENTER (DALLAS MEDICAL SCHOOL): PHASE I EXPANSION PROGRAM (PROJECT NO. 303-113) - AUTHORIZATION FOR ACCEPTANCE OF BILL OF SALE FROM ARCO PIPELINE COMPANY.--In connection with the relocation of the ARCO Pipeline necessitated by the Phase I Expansion program of the Dallas Medical School at The University of Texas Health Science Center at Dallas, certain underground piping is being abandoned and transferred to The University of Texas. The line is no longer activated as it has been purged and capped, but is being left in place where there was no interference with excavation or construction. A Bill of Sale to the University has been received verifying the quantity of piping and casing and showing the location on an attached plat.

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In order that the Bill of Sale may be accepted, President Sprague and System Administration recommend that the Chairman of the Board of Regents be authorized to accept the Bill of Sale and execute any and all documents after they have been approved as to content by the Director of Office of Facilities Planning and Construction and as to form by a University of Texas Attorney.

28. GALVESTON MEDICAL BRANCH: AUTHORIZATION FOR SIX TENNIS COURTS AND PUTTING GREENS, FINAL PLANS AND SPECIFICATIONS AND APPROPRIATION THEREFOR; AND AUTHORIZATION TO ADVERTISE FOR BIDS.--To supplement recreational facilities on the campus of The University of Texas Medical Branch at Galveston, the development of six additional lighted tennis courts and putting greens has been proposed by the Medical Branch administration. Approximately five years ago, six lighted courts were designed by the Medical Branch Physical Plant Department and constructed East of the existing Field House and North of Avenue C. The proposed tennis courts and putting greens are to be located adjacent to this initial development and will greatly supplement facilities that support participation in life-time sports.

President Blocker and System Administration recommend that the Board:

- a. Approve the project authorization of six Tennis Courts and Putting Greens at an estimated total project cost of \$150,000.00 located on Lots 8, 9, 10, 11, 12, 13, and 14 of Block 602 plus one-half of the East side of vacated Third Street.

- b. Authorize the preparation of final plans and specifications by the Medical Branch Physical Plant Department with authorization to advertise for bids to be submitted to the Board at a future meeting for approval of a contract award.
- c. Approve the appropriation of \$150,000.00 for the total project cost by transfer of available funds to the Medical Branch Unexpended Plant Funds - Tennis Courts and Putting Greens from the following Galveston Medical Branch sources:

\$70,000.00 - Unrestricted Gift Funds

80,000.00 - Pledges from Foundations  
and Private Gifts

29. HOUSTON HEALTH SCIENCE CENTER (PUBLIC HEALTH SCHOOL): PHASE II BUILDING - ACCEPTANCE OF PUBLIC HEALTH SERVICE GRANT NO. 1 CO5-PE-04318-01 AND FUNDING OF PROJECT AUTHORIZED.-- Notice has been received from the Public Health Service, Department of Health, Education and Welfare, that Grant No. 1 CO5-PE-04318-01 in the amount of \$6,675,878.00 has been awarded to assist in the construction of the Phase II Building at The University of Texas School of Public Health at Houston.

At the Regents' Meeting held October 26, 1973, the construction contract for this project was awarded and a total project cost of \$9,800,000.00 was approved.

Acting President Olson and System Administration recommend that the Board:

- a. Accept the grant and appropriate the grant amount of \$6,675,878.00 to the project.
- B. Approve the funding for the total project cost of \$9,800,000.00 as follows:

Permanent University Fund	
Bond Proceeds	\$3,124,122.00
Federal Grant	<u>6,675,878.00</u>
Total	<u>\$9,800,000.00</u>

30. SYSTEM NURSING SCHOOL: AUSTIN NURSING SCHOOL (PROJECT NO. 903-145) - ADDITIONAL APPROPRIATION FOR COMPLETION OF UNFINISHED SPACE (SOUTH END, THIRD LEVEL).--This project was designed to accommodate 100 students per class for The University of Texas School of Nursing at Austin and to provide future expansion space on the third level. The construction contract awarded to J. C. Evans Construction Company by the Board of Regents at its meeting on September 8, 1971, and which is now essentially complete, does not provide for the finishing of the North and South ends of the third level. Current admissions are approximately 100 students per semester, or double the original expected enrollment. The need for a classroom to accommodate up to 110 students exists and can be provided by finishing the South end of the third level.

President Willman and System Administration recommend that the Board:

- a. Appropriate an additional \$44,000.00 from Interest on Bond Proceeds for completion of the South end of the third level of this facility, \$3,232,960.00 having been previously appropriated for the total project.
- b. Authorize the Director of the Office of Facilities Planning and Construction to negotiate with the on-site contractor, J. C. Evans Construction Company, for this work or go out for bids, whichever is most advantageous to The University of Texas System.

31. U. T. DALLAS: PROPOSED AMENDMENT TO EASEMENT AUTHORIZED (JULY 27, 1973) TO TEXAS POWER AND LIGHT COMPANY AND SOUTHWESTERN BELL TELEPHONE COMPANY FOR UNDERGROUND UTILITY LINES.--It is recommended that the easement granted on July 27, 1973, to Texas Power and Light Company and Southwestern Bell Telephone Company for underground utility lines across a small portion of land at the extreme southeast corner of The University of Texas at Dallas at its campus boundary line at the Atcheson, Topeka and Santa Fe Railroad right-of-way be amended to permit overhead utility lines with the understanding that if said lines interfere with future development of said tract of land, the grantees at their cost and expense within 30 days of written notice by the grantor will place said utility lines underground or relocate said poles along said line so such poles and electric currency will not interfere with proposed development.

BUILDINGS AND GROUNDS COMMITTEE

EMERGENCY ITEMS

December 7, 1973

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2. U. T. Arlington: Fine Arts Building - Appointment of Interior Design Consultant	Below
14. U. T. Dallas: Amendment to Proposed Inscription on Plaque of Eugene McDermott Library	20
15. U. T. Dallas: Amendment to Proposed Inscription on Plaque of Cecil H. Green Center	20
16 and 17. U. T. Dallas: Amendment to Proposed Inscription on Plaques of Erik Jonsson Center and Physical Instruction Building	20
32. U. T. Austin: College of Fine Arts and Performing Arts Center - Site Preparation (Including Re-Routing of Trinity Street): Rejection of Bid	20
33. U. T. El Paso: Fine Arts Complex - (No bids received)	21
34. U. T. Permian Basin: Gymnasium - Award of Contract for Bleachers	22
35. U. T. San Antonio: Convocation Center: Award of Contract for Bleachers	22
36. Dallas Health Science Center (Dallas Medical School): Fred F. Florence Memorial Library and Biomedical Information Center: Award of Contract for Furniture and Furnishings	26
37. University Cancer Center (M. D. Anderson) - Environmental Science Park: Appointment of Committee to Award Construction Contract for Sewage Treatment Facility	26
38. System Nursing School (San Antonio Nursing School): Nursing School Building - Award of Contract for Furniture and Furnishings	27

2. U. T. Arlington: Fine Arts Building - Appointment of Interior Design Consultant. --Below is a list of the consultants recommended by System Administration:

Fisher and Spillman, Inc.	Dallas, Texas
Pierce-Lacey Partnership	Dallas, Texas
Parker-Croston Associates and Paul C. Wharton & Associates, Associated Architects	Fort Worth, Texas Arlington, Texas
Thomas-Booziotis and Associates	Dallas, Texas
The Oglesby Group.	Dallas, Texas
Hermanovski and Associates	Dallas, Texas

14. U. T. Dallas: Amendment to Proposed Inscription on Plaque of Eugene McDermott Library. --The System Administration recommends that the proposed plaque on Page B & G -10, Item 14, for the Eugene McDermott Library be amended by deleting "Project Architects" and inserting "Associated Architects. "
15. U. T. Dallas: Amendment to Proposed Inscription on Plaque of Cecil H. Green Center. --The System Administration recommends that the proposed plaque on Page B & G - 10, Item 15, for the Cecil H. Green Center be amended by deleting "Project Architects" and inserting "Associated Architects. "
- 16 and 17. U. T. Dallas: Amendment to Proposed Inscriptions on Plaque of Erik Jonsson Center and Physical Instruction Building.--The System Administration recommends that the proposed plaques on Page B & G - 11, Items 16 and 17, for the Erik Jonsson Center and the Physical Instruction Building be amended by deleting the name of the architects and inserting the following:

Harwood K. Smith and Partners, Inc. ,  
and The Oglesby Group, Inc. , Associated  
Architects

32. U. T. Austin: College of Fine Arts and Performing Arts Center - Site Preparation (Including Re-Routing of Trinity Street):  
Rejection of Bid. --In accordance with authorization given at the Regents' meeting held October 26, 1973, bids were called for and were received, opened and tabulated on December 4, 1973, for the College of Fine Arts and Performing Arts Center - Site Preparation (Including Re-Routing of Trinity Street) at The University of Texas at Austin. Only one bid proposal was received, although five contractors took out plans for this roadwork project; a back log of work apparently reduced bidder interest. The tabulation is shown below:

Bidder	Base Bid	Bidder's Bond
<u>Austin Paving Company,</u> <u>Austin, Texas</u>	<u>\$325,000.00</u>	5%

This scope of work provides for the re-routing of Trinity Street as the initial phase of site preparation for the College of Fine Arts and Performing Arts Center. A second phase of site preparation is proposed for relocation of underground utilities. A total estimated project cost of \$250,000 has been previously established for these two phases of site preparation.

An analysis of the bid made by The University of Texas at Austin and the Office of Facilities Planning and Construction indicated that the proposal was excessively high for the street improvements and that the work should be rebid.

President Spurr and System Administration recommend that the Board:

- a. Reject the bid received December 4, 1973, for the Site Preparation for East Campus Site Development (Street Improvement) at The University of Texas at Austin.
- b. Authorize the Office of Facilities Planning and Construction to incorporate the street improvements in a future bidding of additional Site Preparation work (Utilities Improvements), which bids will be presented to the Board at a forthcoming meeting.

33. U. T. El Paso: Fine Arts Complex - (No Bids Received)

34. U. T. Permian Basin: Gymnasium - Award of Contract for Bleachers to Hoover Brothers, Inc. --Specifications for bleachers for the Gymnasium at The University of Texas of the Permian Basin were prepared by the Office of Facilities Planning and Construction and bids called for. These bids were received, opened, and tabulated on December 4, 1973, as shown below:

Bidder	Base Bid "A"	Bidder's Bond or Cashier's Check
Hoover Brothers, Inc., Dallas, Texas	<u>\$18,499.00</u>	B.B. 5% - Not to exceed \$50,000
Kirby Building Spec- ialties, Inc., San Antonio, Texas	18,800.00	C. C. \$940.00

It is recommended by President Amstead and System Administration that award of a contract in the amount of \$18,499.00 be made to the low bidder, Hoover Brothers, Inc., Dallas, Texas. The funds necessary to cover this recommended contract award are available in the Furniture and Equipment account for the project.

35. U. T. SAN ANTONIO: CONVOCATION CENTER - AWARD OF CONTRACT FOR BLEACHERS TO HOOVER BROTHERS, INC. --Specifications for Bleachers for the Convocation Center at The University of Texas at San Antonio were prepared by the Office of Facilities Planning and Construction and bids called for. These bids were received, opened, and tabulated on December 4, 1973, as shown below:

Bidder	Base Bid "A"	Bidder's Bond or Cashier's Check
Hoover Brothers, Inc., Dallas, Texas	<u>\$140,499.00</u>	B. B. \$7,600.00
Kirby Building Spec- ialties, Inc., San Antonio, Texas	143,308.00	C. C. \$7,200.00

It is recommended by President Flawn and System Administration that award of a contract in the amount of \$140,499.00 be made to the low bidder, Hoover Brothers, Inc., Dallas, Texas. The funds necessary to cover this recommended contract award are available in the Furniture and Equipment account for the project.



36. Dallas Health Science Center (Dallas Medical School): Fred F. Florence Memorial Library and Biomedical Information Center - Award of Contracts for Furniture and Furnishings to Abel Contract Furniture and Equipment Co., Inc., Library Bureau, Division of Sperry Remington, Division of Sperry Rand Corporation, and Rockford Furniture Associates. --Specifications for Furniture and Furnishings for the Fred F. Florence Memorial Library and Biomedical Information Center at The University of Texas Southwestern Medical School at Dallas in the Dallas Health Science Center were prepared by the Office of Facilities Planning and Construction and bids called for. These bids were received, opened, and tabulated on November 28, 1973, as shown on the attached sheet.

It is recommended by President Sprague and System Administration that award of contracts be made as follows:

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

Base Bid "A" (General Furnishings)	\$173,681.17
Add Alternate No. 4 (20 Lounge Chairs)	4,919.40
Base Bid "E" (Filing Equipment)	<u>7,126.91</u>

Total Recommended Contract Award to Abel Contract Furniture and Equipment Company, Inc.	\$185,727.48
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Library Bureau, Division of Sperry Remington, Division of Sperry Rand Corporation, Herkimer, New York:

Base Bid "B" (Steel Stacks)	78,184.00
Add Alternate No. 1 (End Panels)	11,255.00
Add Alternate No. 2 (End Panels)	3,930.00
Base Bid "D" (Library Technical Furniture)	<u>14,970.60</u>

Total Recommended Contract Award to Library Bureau	108,339.60
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Rockford Furniture Associates, Austin, Texas:

Base Bid "C" (Carrels)	31,799.90
Add Alternate No. 3 (Additional Carrels)	<u>6,710.00</u>

Total Recommended Contract Award to Rockford Furniture Associates	<u>38,509.90</u>
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Total Recommended Contract Awards	<u>\$332,576.98</u>
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The contract awards as recommended above are to the low bidders meeting specifications.

In the case of Base Bid "B" (Steel Stacks), the apparent low bidder, Estey Corporation, qualified its bid. Although the specifications called for the contractor to install the Steel Stacks beginning July 1, 1974, Estey Corporation predicated its prices on delivery in early Spring 1974, with installation to be completed six weeks after start. This qualification is unacceptable, not only because it violates the terms of the contract but also because it subjects the University to possible claims for price changes, or storage charges, and rehandling charges. In view of Estey Corporation's nonresponsive bid, the low bidder is Library Bureau.

In the case of Base Bid "E" (Filing Equipment), McData Products Company offered substitute items for the specified items. The list of recommended substitutions were received on November 16th, instead of not later than November 13th as called for in the specifications. In addition, the list of substitutions was not accompanied by samples or sufficient data and specifications to permit evaluation as acceptable equals before November 18th, at which time the addendum informing bidders of acceptable substitutes was to be in the bidders' hands. Addendum No. 2, which fulfilled this function, contained 180 substitutions submitted by other bidders who were more timely in their submissions. Under the terms of the contract, McData Products Company was not responsive in its bid, because it proffered items not approved as equal to those specified. Therefore, the low responsive bidder was Abel Contract Furniture and Equipment Company.

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

Fred F. Florence Memorial Library and Biomedical Information Center

FURNITURE AND FURNISHINGS, ~~LIBRARY AND INFORMATION CENTER~~, THE UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL SCHOOL AT DALLAS

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

Bidder	Base Bid "A"	Base Bid "B"	Base Bid "C"	Base Bid "D"	Base Bid "E"	Add Alternates				Time of Completion
						No. 1 to Base Bid "B"	No. 2 to Base Bid "B"	No. 3 to Base Bid "C"	No. 4 to Base Bid "A"	
Abel Contract Furniture and Equipment Company, Inc., Austin, Texas	\$173,681.17	\$91,998.28	\$39,924.00	No Bid	\$7,126.91	\$ 7,976.00	\$2,880.00	\$4,400.00	\$4,919.40	180 days
Bellview Furniture Mfg. Company, Bell Gardens, California	----	----	----	\$21,984.40	----	----	----	----	----	90 to 120 days
Central Distributing Company, San Antonio, Texas	No Bid	No Bid	37,346.31	No Bid	No Bid	No Bid	No Bid	7,933.20	No Bid	120 days
Dallas Office Supply, Dallas, Texas	174,561.00	No Bid	No Bid	No Bid	No Bid	N/A	N/A	N/A	4,934.00	150 days
Environ, Inc., Dallas, Texas	No Bid	No Bid	31,782.88	No Bid	No Bid	----	----	6,732.80	----	July 1, 1974
Estey Corporation, Red Bank, New Jersey	No Bid	74,877.00	No Bid	No Bid	No Bid	12,530.00	4,380.00	No Bid	No Bid	See Below*
Library Bureau, Division of Sperry Remington, Division of Sperry Rand Corporation, Herkimer, New York	No Bid	78,184.00	No Bid	14,970.60	No Bid	11,255.00	3,930.00	No Bid	No Bid	90-120 days - "B" 90-150 days - "D"
McData Products Company, Richardson, Texas	No Bid	----	----	----	6,775.00	N/A	N/A	N/A	N/A	14 days after authority to install
Rockford Furniture Associates, Austin, Texas	181,269.13	87,717.10	31,799.90	No Bid	No Bid	8,745.00	3,240.00	6,710.00	4,985.00	260 days

Each bidder submitted with his bid a bidder's bond in the amount of 5% of the greatest amount bid (Estey Corporation, \$10,000.00; McData Products Company, not to exceed \$400.00).

\*Prices predicated on delivery in early Spring, 1974. Installation complete six weeks after start.

Cal

37. University Cancer Center (M. D. Anderson): Environmental Science Park - Appointment of Committee to Award Construction Contract for Sewage Treatment Facility. --In accordance with the authorization given at the Regents' meeting held on September 14, 1973, final plans and specifications were approved and authorization for advertisement for bids was obtained for the Sewage Treatment Facility at The University of Texas System Cancer Center (M. D. Anderson) Environmental Science Park at Smithville. It is now necessary to extend the bidding period approximately two weeks beyond the originally scheduled date of December 4, 1973.

President Clark and System Administration recommend that the Board appoint a Committee, consisting of President Clark, Director Kristoferson, Deputy Chancellor Walker, Committee Chairman Erwin, and Chairman McNeese, to award a contract for the project between meetings of the Board within funds previously appropriated from Unexpended Plant Funds of M. D. Anderson.

38. System Nursing School (San Antonio Nursing School): Award of Contract for Furniture and Furnishings for Nursing School Building to Abel Contract Furniture and Equipment Co., Inc., Holekamp Interiors, and San Antonio Floor Finishers, Inc. -- Specifications for Furniture and Furnishings for The University of Texas School of Nursing at San Antonio Building were prepared by the Office of Facilities Planning and Construction and bids called for. These bids were received, opened, and tabulated on November 28, 1973, as shown below:

Bidder	Base Bid "A"	Base Bid "B"	Base Bid "C"	Add Alternate No. 1 to Bid "A"	Time of Completion
Abel Contract Furniture and Equipment Com- pany, Inc., Austin, Texas	\$149,997.45	No Bid	\$69,960.00	\$8,421.27	270 days
Advance Driwall Company, Inc., San Antonio, Texas	----	----	57,120.00	----	75 days
Paul Anderson Company, San Antonio, Texas	113,571.32*	No Bid	No Bid	----	14-18 weeks
Carpet Engineer- ing Services Company, Dallas, Texas	No Bid	No Bid	58,500.00	----	120 days
Dallas Office Supply Com- pany, Dallas, Texas	151,223.70	No Bid	No Bid	8,373.30	150 days
Holekamp Inter- iors, San Antonio, Texas	No Bid	\$12,354.00	63,170.00	----	220 days
Rockford Furni- ture Associates, Austin, Texas	150,402.60	No Bid	56,460.00	9,122.10	320 days - "A" & 210 days - "C"
San Antonio Floor Finish- ers, Inc., San Antonio, Texas	No Bid	No Bid	55,525.00	----	45 days

\*This bid covered only part of the items specified, and, hence, could not be considered as a valid bid

Each bidder submitted with his bid a bidder's bond in the amount of 5% of the greatest amount bid except that Holekamp Interiors submitted a cashier's check in the amount of \$3,160.00.

With reference to Base Bid "B" (Draperies), it is noted that bids were solicited from six firms which usually deal in draperies. Of these six firms, one firm bid; two firms returned the invitation with the notation, "No Bid"; and three firms made no response at all. Holekamp Interiors' bid is reasonable and within the estimate prepared before the bid opening.

It is recommended by President Willman and System Administration that award of contracts be made to the low bidders, as follows:

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

Base Bid "A" (General Furniture) \$149,997.45

Holekamp Interiors, San Antonio, Texas

Base Bid "B" (Draperies) 12,354.00

San Antonio Floor Finishers, San Antonio, Texas

Base Bid "C" (Carpet) 55,525.00

Total Recommended Contract Awards \$217,876.45

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

**Medical Affairs  
Committee**

MEDICAL AFFAIRS COMMITTEE  
Joe T. Nelson, M.D., Chairman

Date: December 7, 1973

Time: Following the meeting of the Buildings and Grounds Committee

Place: Main Building, Room 212  
U. T. Austin  
Austin, Texas

Page  
MED

1. San Antonio Health Science Center (San Antonio Medical School):  
Request for Authority to Transfer the "Isabella H. Brackenridge  
Scholarship Fund in the School of Medicine" from the Galveston  
Medical Branch to the San Antonio Medical School 2
2. San Antonio Health Science Center (San Antonio Dental School):  
Recommended Affiliation Agreement with Gary Job Corp Center 3
3. University Cancer Center: Proposed Official Seal 7
4. System Nursing School: Recommendation to Create the  
President's Century Club 11



1. San Antonio Health Science Center (San Antonio Medical School):  
Request for Authority to Transfer the "Isabella H. Brackenridge  
Scholarship Fund in the School of Medicine" from the Galveston  
Medical Branch to the San Antonio Medical School. --

On September 14, 1973, the Board of Regents considered the agenda item set forth below, but at President Blocker's request deferred action to allow further discussions between President Blocker and the Woman's Club of San Antonio. These have occurred and by letter dated October 31, 1973 to President Blocker, Mrs. Milton Baughn, Jr., President, has reaffirmed the Club's desire that the Isabella Brackenridge Scholarships be transferred to The University of Texas Medical School at San Antonio.

Therefore, System Administration resubmits the agenda item and requests approval of the recommendation set forth in the last paragraph.

On July 4, 1904, the Woman's Club of San Antonio, Texas, established the "Isabella H. Brackenridge Scholarship Fund in the School of Medicine at The University of Texas." These scholarships were to promote professional education among worthy and ambitious young women in the School of Medicine. On March 21, 1969, the Board of Regents approved a new agreement with the Woman's Club which modified the trust by removing certain limitations relative to the administration of the fund. This agreement provided, among other things, for the custody of the fund to be in the University rather than the State Treasury, to increase the annual award and to give first consideration in awarding the scholarships to qualified girls from Bexar County.

It is now recommended by the Woman's Club of San Antonio that these scholarship funds be transferred from The University of Texas Medical Branch at Galveston to The University of Texas Medical School at San Antonio.

System Administration concurs in the recommendation of President Harrison and the Woman's Club of San Antonio, Texas, that these scholarships be transferred to The University of Texas Medical School at San Antonio pursuant to an appropriate agreement by and between the Board of Regents of The University of Texas System and the Woman's Club of San Antonio. It is further recommended that the Chairman of the Board of Regents be authorized to accept such agreement when same has been approved as to form and content by a University Attorney and the Deputy Chancellor for Administration and to take any further action deemed necessary to effect this transfer.



**The Woman's Club of San Antonio**  
1717 SAN PEDRO • SAN ANTONIO, TEXAS 78212

Mrs. M. H. Baughn, Jr.  
259 Wyanoke Drive  
San Antonio, Texas 78209

October 31, 1973

CHANCELLOR'S OFFICE U. of T.	
Acknowledged.....	File.....
NOV 14 1973	
To.....	For Info and Return
To.....	Please Advise Me
To.....	Please Handle

Dr. Truman Blocker,  
University of Texas Medical School,  
Galveston, Texas.

Dear Dr. Blocker,

Members of the Woman's Club of San Antonio are in receipt of your letter regarding the Isabella Brackenridge Scholarships.

We feel that had George Brackenridge and sister, Eleanor, felt a likelihood of the establishment of a University of Texas Medical School in San Antonio, the city dearest their hearts, that there would be no doubt as to this choice. Galveston was the only Medical School in the state in 1904 when the scholarships were established.

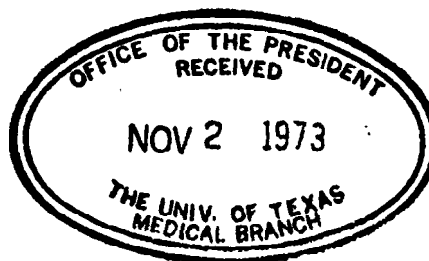
Based on the fact that the first consideration be given qualified girls of Bexar County, it was the decision of the Board of the Woman's Club of San Antonio on October 26 to have the scholarships transferred to the University of Texas Medical School at San Antonio.

Most sincerely yours,

  
Mrs. Milton H. Baughn, Jr.

President

cc: H/M  
Dr. Frank Harrison  
Woman's Club Files



2. San Antonio Health Science Center (San Antonio Dental School):  
Recommended Affiliation Agreement with Gary Job Corp Center. --

Chancellor LeMaistre concurs in the recommendation of President Harrison and requests Board approval of the affiliation agreement between the Gary Job Corp Center and the Board of Regents, for and on behalf of The University of Texas Dental School at San Antonio. (See Pages 4 - 6.) This agreement has been approved as to form and content by appropriate System officials and authorization for the Chairman to execute is requested.

AFFILIATION AGREEMENT

THE STATE OF TEXAS X

COUNTY OF TRAVIS X

This AGREEMENT is executed on \_\_\_\_\_, 1973,  
between the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM,  
for and on behalf of The University of Texas Dental School at San Antonio,  
hereinafter sometimes referred to as "Dental School" in this agreement,  
and THE GARY JOB CORP CENTER, hereinafter sometimes referred to as  
"Facility" in this agreement,

WITNESSETH:

WHEREAS, it is agreed by the parties to be of mutual interest and  
advantage that the students of the Dental School be given the opportunity  
to utilize the Facility for educational purposes:

NOW, THEREFORE, for and in consideration of the foregoing, and  
in further consideration of the mutual benefits, the parties to this agreement  
agree as follows:

- (1) The Facility will permit students of the Dental School to  
practice dentistry under the direct supervision and responsibility of the  
faculty of the Dental School.
- (2) The number and distribution of students between the divisions  
of the Facility will be mutually agreed upon between the Dental School and  
the Facility at the beginning of each semester.
- (3) The period of assignment shall be during regular Dental  
School academic sessions.
- (4) The Dental School will provide the Facility with the names of  
the students who are entitled to use the resources of the Facility under  
the terms of this agreement.

(5) Representatives of the Dental School and the Facility shall meet as often as necessary to study the Dental program and terms of this agreement and make such suggestions and changes as are needed.

(6) Dental School students will be subject to the rules and regulations established by the Facility for individual assignments:

- (A) the Facility will charge the Dental School no fees for dental practice opportunity afforded students;
- (B) students will be responsible for their own transportation to and from the Facility;
- (C) The Facility assumes no responsibility for the students' health needs while in the performance of this agreement; and
- (D) the Facility will not be charged for services performed by Dental School personnel or students.

(7) Only insofar as it is authorized by law to do so, the Dental School agrees to hold the Facility harmless from and against any and all liability for personal injury, including injury resulting in death, or damage to property, or both, resulting directly or indirectly from the use by the Dental School of the Facility, and agrees to reimburse the Facility for all reasonable expenses, including attorney's fees, incurred by the Facility in defending any such claim or claims.

(8) The Dental School agrees that members of its faculty will serve as consultants and on committees of the Facility when requested by the Facility.

(9) The Facility further agrees to the following:

- (A) to maintain the criteria for accreditation as established by the Council on Dental Education of The American Dental Association; and
- (B) to provide meals and lodging for the dental students during their assignment at the Facility.

(10) This agreement is for a term of one year, and thereafter from year to year unless terminated by either party upon giving six months' advance written notice to the other party by certified mail.

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

ATTEST:

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM

\_\_\_\_\_  
Secretary

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

ATTEST:

THE GARY JOB CORP CENTER

\_\_\_\_\_

By *Wallace Dockall*  
Wallace Dockall, Executive Director

APPROVED as to Form:

APPROVED as to Content:

*Bunnie Walsh*  
University Attorney

*W. A. Kinley*  
Vice-Chancellor for Health Affairs

*Stephen Blair*  
Legal Counsel  
The Gary Job Corp Center

*Charles B. ...*  
Deputy Chancellor for Administration

*Noble Butler*  
Noble Butler, Center Director

3. University Cancer Center: Proposed Official Seal. --

In accordance with the Regents' Rules and Regulations, Part Two, Chapter I, Section 8, Chancellor LeMaistre and President Clark recommend regental approval of the seal set forth below as the official seal of The University of Texas System Cancer Center. A colored replica of the seal will be available at the meeting.

Chancellor LeMaistre and President Clark also recommend that the continued use of the M. D. Anderson Hospital and Tumor Institute seal, as set forth below, be authorized in appropriate ways. This seal has been in use for about twenty-five years and is a recognized part of the M. D. Anderson tradition.



THE UNIVERSITY OF TEXAS SYSTEM  
CANCER CENTER

Texas Medical Center Houston, Texas 77025



R. Lee Clark, M.D.  
President

October 10, 1973

Dr. Charles A. LeMaistre, Chancellor  
The University of Texas System  
601 Colorado  
Austin, Texas 78701

Dear Doctor LeMaistre:

Enclosed is the original art work for two official seals:

1. The University of Texas System Cancer Center
2. M. D. Anderson Hospital and Tumor Institute

It is recommended that use of these seals be authorized by the Board of Regents, as provided in the Rules and Regulations, Part Two, Chapter I, Section 8.

The seal for M. D. Anderson has been in use for some twenty-five years. For this reason, and because of the identity and prestige of M. D. Anderson,

as our primary operational unit, we are recommending its continued authorization for use where deemed appropriate, in addition to the University Cancer Center seal for this component unit.

Sincerely yours,

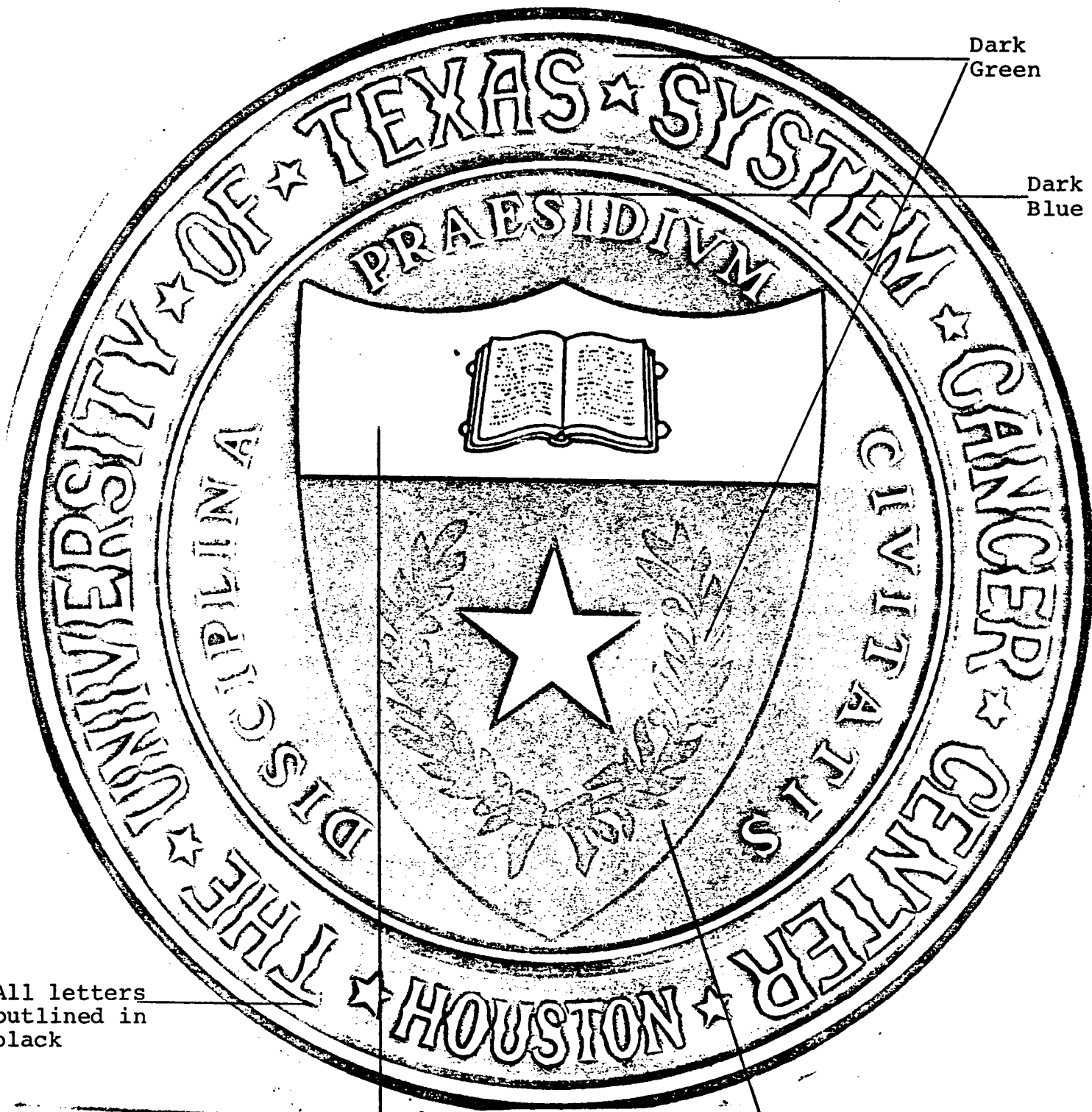


R. Lee Clark, M.D.  
President

RLC:ns

cc: Dr. William H. Knisely  
Dr. Robert C. Hickey  
Copy attached for Miss Thedford, if approved

M. D. ANDERSON HOSPITAL AND TUMOR INSTITUTE    *Annex and Rehabilitation Center*  
EXTRAMURAL PROGRAMS DIVISION    *Oncology Council-Biomedical Institutions*    *Collaborative Studies*    *Substations*    *Environmental Science Park*  
UNIVERSITY CANCER FOUNDATION    *The Anderson Mayfair*



Dark Green

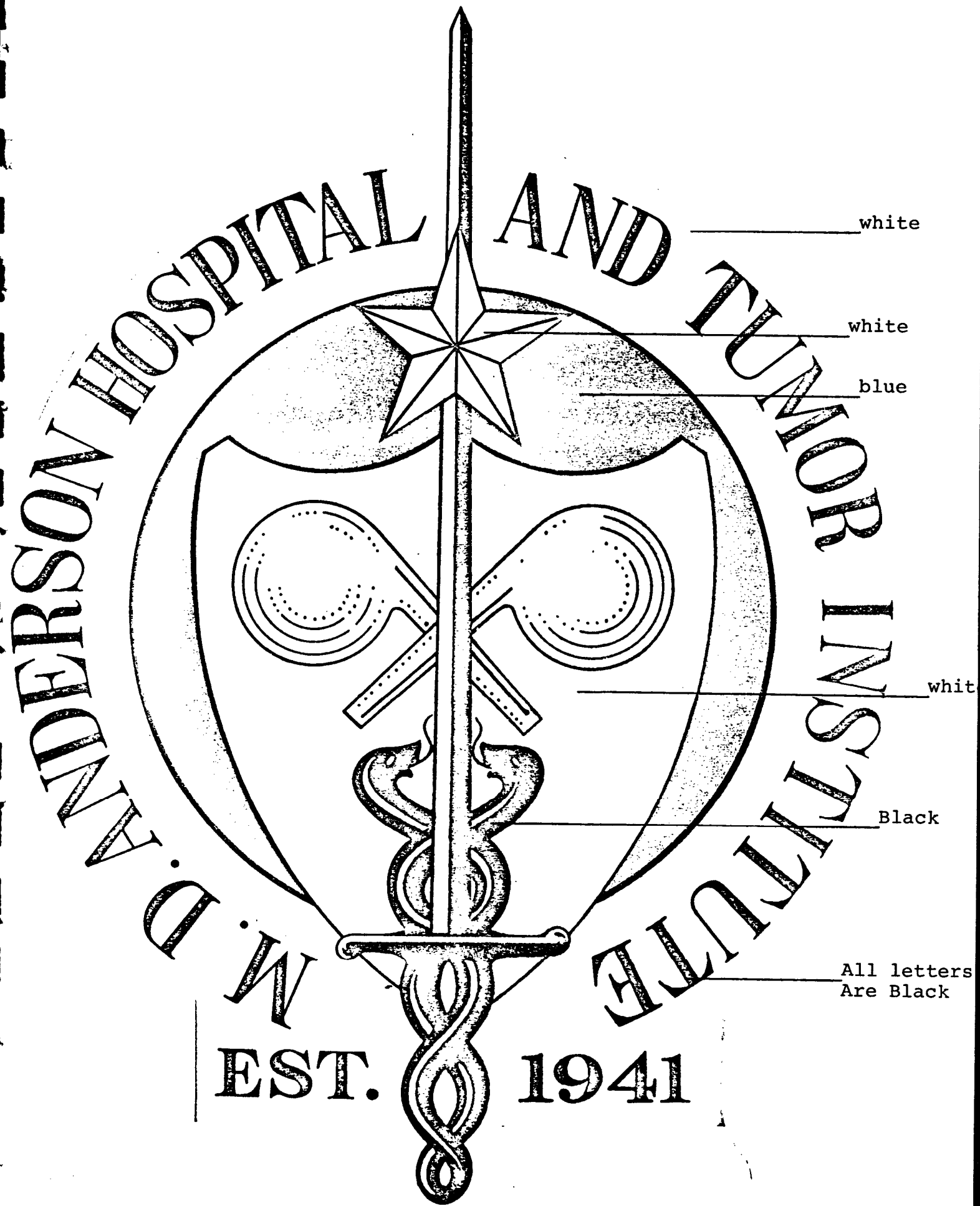
Dark Blue

All letters outlined in black

white

Official Orange





4. System Nursing School: Recommendation to Create the President's Century Club. --

In accordance with the Regents' Rules and Regulations, Part One, Chapter VII, Section 2.22, Chancellor LeMaistre concurs in the recommendation of President Willman that the Board of Regents approve the plan to create a new group to be known as the President's Century Club related to The University of Texas System School of Nursing development program.

This plan is set forth in full detail in President Willman's letter and attachment set forth below and is essentially the same concept as approved by the Board of Regents for The University of Texas at Austin, The University of Texas at San Antonio, and The University of Texas of the Permian Basin.



OFFICE OF THE PRESIDENT  
THE UNIVERSITY OF TEXAS  
SYSTEM SCHOOL OF NURSING  
AUSTIN, TEXAS 78712

November 7, 1973

Dr. Charles A. LeMaistre, Chancellor  
The University of Texas System  
601 Colorado  
Austin, Texas 78701

Dear Dr. LeMaistre:

The University of Texas System School of Nursing is currently engaged in an effort to strengthen communications and relations with its Alumni and to actively solicit developmental monies to meet needs which cannot be met with state funds. As a part of our development program, we propose to promote a group to be known as the President's Century Club. Alumni, friends and past supporters would be invited to membership with a contribution of at least \$100 per year. The accumulated funds would be expended at the President's discretion by her or by the Deans of the six Schools in the System. This approach would provide an annual avenue of support for selected potential givers over and above a planned, annual giving opportunity for all alumni and other fundraising activities of the School of Nursing Development Board which will be directed at potential audiences in the private sector. A sample letter of invitation to prospective members is attached.

I request your approval and that of the Board of Regents for the establishment of the President's Century Club.

Sincerely yours,

A handwritten signature in cursive script that reads "Marilyn D. Willman".

Marilyn D. Willman, Ph.D.  
President

MW/lmp  
Encl

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Letter to Prospective Members of  
The President's Century Club

Dear Mr. (Ms.) Donor:

Because you previously have demonstrated your friendship and support for The University of Texas System School of Nursing, I am inviting you to join me in a new organization that will help satisfy several unmet needs of our School.

There is a variety of continuing needs which cannot be met through state funds. For example, graduation convocations for senior nursing students on six campuses must be financed with non-public funds. Equipment for the production and use of audio-visual learning aids must be purchased through other resources because current funds are inadequate. Frequently students are caught in unexpected financial crises in which an emergency loan could enable them to remain in school. Without these funds, some promising students have been forced to withdraw.

These are only several of a number of areas in which the opportunities and the needs are great, but public funds are either unavailable or inadequate to serve the purpose. In addition to these state funding problems, the nursing school faces a continuing threat of federal cutbacks especially in the area of student financial aid. Thus, we must seek private funds to supplement government monies in order to provide the "margin of excellence" to which we aspire.

Our new organization, the President's Century Club, has been established to involve alumni and friends of UTSSN who are concerned and who want to help in these situations. Those of you who would like to become Century Club members will be kept closely informed of the progress, problems and development of the nursing school and you will be invited to special events as they are arranged on the six nursing school campuses.

The UTSSN now has the largest nursing student enrollment among the 12 baccalaureate schools of nursing in Texas. Certainly this achievement is a partial tribute to the diligence and initiative of alumni and lay leaders like you who have provided monetary or moral support to help us fulfill with distinction our missions of undergraduate and graduate education, research and continuing education.

I hope that you can help us meet urgent needs and pursue favorable opportunities that might otherwise be lost. Your generosity today will provide for better nursing tomorrow.

Sincerely yours,

Marilyn D. Willman, Ph.D.  
President

MW/lmp

L&I Com.

LAND AND INVESTMENT COMMITTEE

Date : December 7, 1973  
Time : Following the meeting of the Medical Affairs Committee  
Place : Main Building, Suite 212, U. T. Austin

PERMANENT UNIVERSITY FUND

	<u>Page</u> <u>L &amp; I</u>
INVESTMENT MATTERS:	
<i>Adv. Com. meeting</i>	
1. Report on Permanent University Fund Investments for the Fiscal Year Ended August 31, 1973.	2
2. Report on Clearance of Monies to Permanent University Fund and Available Fund for the Current Fiscal Year through October, 1973.	3
LAND MATTERS:	
3. Easements Nos. 3636 through 3650.	4
4. Highway Right-of-Way Easement No. 3651.	6
5. Material Source Permits Nos. 435 through 439.	6
6. Water Contracts Nos. 146 and 147.	7
7. Partial Assignment of Water Contract No. 143.	7
8. Brine Production Lease No. 9 and Water Contract No. 148.	7
9. Grazing Leases Nos. 1162 through 1175.	8
10. Amendments to Grazing Leases Nos. 1006, 1047, 1050-1051, 1053-1055, 1062-1065, 1067-1085, 1087-1095, 1097-1098, 1100-1102, 1104-1110, 1113, 1115-1119, and 1121-1123.	10
11. Report on Range Conservation and Ranch Improvement Program and Expression of Appreciation to the Soil Conservation Service of the U. S. Department of Agriculture.	17
12. Recommended Amendment to Damage Program of the Rate Schedules for Easements and Surface Leases and for Damages on University Lands.	17
13. Report on Lease Negotiations for the Pyote Air Force Base Property and Recommendation for Lease to Melvin Gibbs (Easement No. 3635).	17

TRUST AND SPECIAL FUNDS

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REAL ESTATE MATTERS:

- 14. U. T. Arlington - Report and Ratification of Sale of Property Located at 5444 Byers Street, Fort Worth, Tarrant County, Texas. 18
- 15. U. T. Austin - Brackenridge Tract - Recommendation for Lease to James A. Maines, d/b/a/ Boat Town. 18
- 16. U. T. El Paso - Josephine Clardy Fox Fund - Recommendation for Renewal of Lease to Johnny Benitez at 5010 Paisano Drive, El Paso, Texas. 19
- 17. M. D. Anderson - Estate of Lily Reber Hills - Recommendation for Joinder in Sale of Real Estate in Rule, Texas. 19

OTHER MATTERS:

- 18. Report of Securities Transactions for Permanent University Fund and for Trust and Special Funds for the Month of September 1973. 19

PERMANENT UNIVERSITY FUND - INVESTMENT MATTERS.--

1. REPORT ON PERMANENT UNIVERSITY FUND INVESTMENTS FOR THE FISCAL YEAR ENDED AUGUST 31, 1973.--Under separate bound cover the Associate Deputy Chancellor for Investments, Trusts and Lands presents a report on the Permanent University Fund investments for the fiscal year ended August 31, 1973. During the fiscal year, periodic reports of investment transactions made for the Fund were submitted to the Board for approval. The present report summarizes the investment transactions for the fiscal year and indicates the status of the Fund's portfolio as of August 31, 1973.

Even though the investment climate existing throughout the past several years has been difficult, it is felt that worthwhile overall results have been produced. The following comparison of the assets and earnings of the Permanent University Fund should be of interest:

	Fiscal Year Ended 8/31		Increase	
	1967	1973	Amount	%
Book Value	\$495,964,770.	\$669,354,740.	\$173,389,970.	35
Investment Income	18,701,233.	31,597,948.	12,896,715.	69

It is recommended by the Associate Deputy Chancellor for Investments, Trusts and Lands that the formal report be approved in order that copies may be distributed to the Governor, members of the Legislature and other State Officials, as required by H.B. 1198, passed at the regular session of the 62nd Legislature.

PERMANENT UNIVERSITY FUND - INVESTMENT MATTERS.--

2. REPORT OF CLEARANCE OF MONIES TO PERMANENT UNIVERSITY FUND AND AVAILABLE FUND.--The Auditor, Auditing Oil and Gas Production, reports the following with respect to monies cleared by the General Land Office to the Permanent University and Available University Fund for the current fiscal year through October 1973, as follows:

<u>Permanent University Fund</u>	<u>October, 1973</u>	<u>Cumulative This Fiscal Year</u>	<u>Cumulative Preceding Fiscal Year (Averaged)</u>
<u>Royalty</u>			
Oil	\$1,156,538.17	\$2,661,096.01	\$2,524,573.56
Gas - Regular	342,095.95	558,412.59	630,486.80
- F. P. C.	- 0 -	3.86	6,828.78
Water	4,458.96	36,948.95	21,825.52
Salt Brine	1,614.80	3,148.31	2,308.24
Rental on Mineral Leases	6,584.30	78,273.70	74,174.54
Rental on Water Contracts	4,480.00	6,543.51	2,340.24
Rental on Brine Contracts	100.00	100.00	16.66
Amendments and Extensions of Mineral Leases	- 0 -	68,875.26	155,137.72
	<u>1,515,872.18</u>	<u>3,413,402.19</u>	<u>3,417,692.06</u>
Bonuses, Mineral Lease Sales, (actual)	- 0 -	- 0 -	2,475,900.00
Total, Permanent University Fund	<u>1,515,872.18</u>	<u>3,413,402.19</u>	<u>5,893,592.06</u>
 <u>Available University Fund</u>			
Rental on Easements	76,835.73	79,435.66	18,940.92
Interest on Easements and Royalty	182.97	246.56	874.48
Correction Fees-Easements	- 0 -	- 0 -	- 0 -
Transfer and Relinquishment Fees	295.08	878.00	631.14
Total, Available University Fund	<u>77,313.78</u>	<u>80,560.22</u>	<u>20,446.54</u>
Total, Permanent and Available University Funds	<u>\$1,593,185.96</u>	<u>\$3,493,962.41</u>	<u>\$5,914,038.60</u>

<u>Oil and Gas Development - October 31, 1973</u>	
Acreage Under Lease	617,579
Number of Producing Acres	323,487
Number of Producing Leases	1,430

PERMANENT UNIVERSITY FUND - LAND MATTERS.--

3. LEASES AND EASEMENTS.--It is recommended by the Associate Deputy Chancellor for Investments, Trusts and Lands that the following applications for various leases, easements, material source permits, water contracts, assignment, brine production lease, hunting amendments and grazing leases on University Lands be approved. All have been approved as to content by the appropriate officials.

EASEMENTS AND SURFACE LEASES

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
3636	Gulf Oil Corporation	Pipe Line	Crane	31	110.29 rds. 4 inch	7/1/73- 6/30/83	\$ 82.72
3637	Phillips Pipe Line Company	Power Line	Andrews	11	197.88 rds. single pole construction	8/1/73- 7/31/83	138.52
3638	Phillips Pipe Line Company	Pipe Line	Andrews	11	437.69 rds. 4½ inch 328.18 rds. 2-3/8 inch	5/1/73- 4/30/83	574.40
3639	Texas Electric Service Company (renewal of 1811)	Power Line	Ward	16, 17	207.33 rds. distribution construction	11/1/73- 10/31/83	145.13
3640	Oasis Pipe Line Company	Pipe Line	Winkler	21	224 rds. 6 inch	9/1/73- 8/31/83	336.00
3641	Phillips Petroleum Company (renewal of 1773)	Pipe Line	Andrews	13, 14	1,313.50 rds. various size	12/1/73- 11/30/83	1,895.18

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Land Matters - Continued--

No.	Company	Type of Permit	County	Location (Block#)	Distance or Area	Period	Consideration
3642	Decalta International Corporation (renewal of 1792)	Surface Lease (camp site)	Andrews	13	12.2 acres	12/1/73-11/30/83	\$ 2,806.00 (full)
3643	The Permian Corporation (renewal of 1778)	Pipe Line	Reagan	10, 58	337 rds. 3½ inch 330 rds. 4½ inch	9/1/73-8/31/83	500.25
3644	The Permian Corporation (renewal of 1799)	Surface Lease (pump and storage facilities site)	Reagan	48	2.53 acres	10/1/73-9/30/83	750.00 (full)
3645	Atlantic Richfield Company (renewal of 1928)	Pipe Line	Crane	30	636.12 rds. 6-5/8 inch	1/1/74-12/31/83	954.18
3646	Allied Chemical Corporation (renewal of 1809)	Pipe Line	Reagan Upton	2, 3	1,133 rds. 4½ inch	11/1/73-10/31/83	849.75
3647	Fin-Tex Pipe Line Company (renewal of 1846)	Pipe Line	Crane	31	496 rds. 2 inch	1/1/74-12/31/83	372.00
3648	Warren Petroleum Company	Pipe Line	Crane	30	32.55 rds. 6 inch	11/1/73-10/31/83	75.00 (min.)
3649	El Paso Natural Gas Company	Pipe Line	Crockett	47	10.06 rds. 4 inch	11/1/73-10/31/83	75.00 (min.)
3650	Rio Grande Electric Coop, Inc.	Power Line	Hudspeth	G	720.18 rds. single pole	1/1/74-12/31/83	504.13

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Land Matters - Continued--

4. HIGHWAY RIGHT-OF-WAY EASEMENT

No.	Grantee	Type of Permit	County	Location (Block#)	Distance or Area	Period	Consideration
3651	Commissioners' Court of Reagan County	Highway Right-of-Way Easement	Reagan	43	30 acres	As long as used for highway purposes	None

5. MATERIAL SOURCE PERMITS

No.	Grantee	County	Location	Quantity	Consideration
435	Fred C. Martin Bulldozers	Martin	Block 6	2,115 cubic yards caliche	\$ 634.50
436	Conner Construction Company	Ward	Block 18	1,396 cubic yards sand and dirt	418.80
437	Strain Brothers, Inc.	Pecos	Blocks 23, 24	41,537 cubic yards borrow material	1,661.48
438	Strain Brothers, Inc.	Pecos	Block 24	15,396.95 tons base material	1,154.77
439	Britt Construction Company	Martin	Block 6	6,270 cubic yards caliche	1,881.00

Land Matters - Continued--

6. WATER CONTRACTS

No.	Grantee	County	Location	Period	Consideration
146	Great Plains Water Company	Pecos	Block 21	7/30/73-7/30/75	\$ 500.00
147	Great Plains Water Company	Pecos	Block 18	9/15/73-9/15/75	500.00

7. PARTIAL ASSIGNMENT OF WATER CONTRACT

No.	Assignee	Assignor	County	Location	Period	Consideration
143	Loris J. Cherry	Gulf Oil Corporation	Crane	Block 31	9/1/73-8/31/78	*

\*A royalty of ten cents (10¢) per 1,000 gallons of water produced will be paid

8. BRINE PRODUCTION LEASE AND WATER CONTRACT

No.	Grantee	Type of Permit	County	Location	Period	Consideration
9	Permian Brine Sales and Service, Inc.	Brine Production Lease	Crockett	Block 51	12/1/73-11/30/78	100.00*
148	Permian Brine Sales and Service, Inc.	Water Contract	Crockett	Block 51	12/1/73-11/30/78	100.00**

\*\$100.00 per year rental with a royalty of two cents per barrel of brine produced and sold or 12½ per cent of the sale price, whichever is greater.

\*\*\$100.00 per year rental with a royalty of ten cents per 1,000 gallons of water produced, but in no event shall royalty be less than \$200.00 per year.

Land Matters - Continued--

9. GRAZING LEASES (See Report on L & I - 17, Item 11.)

The following grazing leases are for the five-year period, January 1, 1974, through December 31, 1978, with extension for an additional five-year period, January 1, 1979, through December 31, 1983, at rental shown provided the Lessees carry out the range conservation and/or ranch improvement and practices specified in Exhibit B of the leases which shall be certified by the University Land Agent. The leases are on the University's standard forms with semi-annual payment of rental on January 1 and July 1 of each year in the amounts set out in the leases.

New	Old	Lessee	Location		Acreage	Previous Rental Per Acre	First Five Years			Second Five Years		
			County	Block			Per Acre G*	H*	Semi-Annual Rental	Per Acre G*	H*	Semi-Annual Rental
1162	1029	P. H. Coates and Steve Wayne Coates	Reagan	10, 11	8,643.30	60¢	\$0.85	\$0.03	\$3,803.05	\$1.05	\$0.04	\$4,710.60
1163	1030	Mrs. Bill A. Friend	Reagan, Crockett	48, 49	6,159.6	60¢	0.90	0.04	2,895.01	1.10	0.05	3,541.77
1164	1031	Whisnand, Schneemann and Schneemann	Reagan	48, 49	4,227.8	65¢	0.90	0.03	1,965.93	1.10	0.04	2,409.85
1165	1032	Louis Brooks	Crockett	39, 55, 56	11,733.1	60¢	1.00	0.04	6,101.21	1.20	0.05	7,333.19
1166	1033	C. R. McKenzie	Pecos	24, 25, 26	30,706.7	30¢	0.35	0.02	5,680.74	0.41	0.03	6,755.47
1167	1034	Mrs. Velma C. Rounsaville and Joe Rounsaville	Culberson	46	31,061.2	18¢	0.25	0.02	4,193.26	0.30	0.03	5,125.10
1168	1035	Way and Schneemann	Reagan Crockett	7, 8, 11, 12	19,506.0	65¢	0.90	0.04	9,167.82	1.10	0.05	11,215.95

\*G Grazing Rental

\*H Hunting Rental

## Land Matters - Continued--

New	Old	Lessee	County	Block	Acreage	Previous Rental Per Acre	First Five Years			Second Five Years		
							Per Acre G*	H*	Semi-Annual Rental	Per Acre G*	H*	Semi-Annual Rental
1169	1036	Max Schneemann, Jr., William Schneemann, III, and Phillip Schneemann	Crockett	46, 47, 48, 51	12,088.1	60¢	0.90	0.04	5,681.41	1.10	0.05	6,950.66
1170	1037	DeWayne Lindsey	Upton	15	874.3	42¢	0.50	0.03	231.69	0.60	0.04	279.78
1171	1040**	Richard H. Van Court	Irion, Crockett	38, 52	5,777.5	60¢	1.00	0.04	3,004.30	1.20	0.05	3,610.94
1172	1041**	Mrs. Mack L. Van Court	Irion, Crockett, Schleicher	52	5,777.6	60¢	1.00	0.04	3,004.35	1.20	0.05	3,611.00
1173	1042**	W. W. Adams	Crockett Schleicher	52, 54, 55	7,288.5	60¢	1.00	0.04	3,790.02	1.20	0.05	4,555.31
1174	1043**	B. G. Owens, Tommy Owens, and Buck Owens	Crockett	40, 41, 44, 45, 47	18,589.4	60¢	1.00	0.03	9,573.54	1.20	0.04	11,525.43
1175	1044**	Bill Wyche, Jr.	Andrews	10, 11	26,651.94	24¢	0.40	0.02	5,596.91	0.48	0.03	6,796.24

\*G Grazing Rental

\*H Hunting Rental

\*\*These leases would expire June 30, 1974. Lessee requested cancellation, with new lease to be effective January 1, 1974.

Land Matters - Continued--

10. AMENDMENTS TO GRAZING LEASES

The following grazing leases have heretofore been granted by the Board of Regents and contain a provision that the Lessee and the Board of Regents would share equally in any hunting rental. In accordance with the policy adopted by the Board of Regents at its meeting held on December 8, 1972, from and after January 1, 1973, Paragraph 14 of said grazing leases is to be amended so as to provide that a hunting rental as set out below will be due and payable semi-annually in addition to the grazing rental heretofore provided. Hunting rental will commence January 1, 1974, payable on due date of grazing lease rental.

Lease No.	Lessee	Location		Period	Acres	Price Per Acre		Hunting Rental	Total Rental Semi-Annual Grazing & Hunting
		County	Blocks			Grazing	Hunting		
1006	S. F. Henderson	Crane, Ector	35	1/1/74-12/31/77	5,531.62	\$0.25	\$0.02	\$ 55.32	\$ 746.77
1047	John Childress	Crockett	39, 42	1/1/74-6/30/74	9,099.30	0.58	0.03	136.49	2,775.27
			56	7/1/74-6/30/79		0.70	0.03	136.49	3,321.25
1050	Mrs. Maggie Nutt, executrix of the J. L. Nutt estate, Freda Nutt Hanks, Billie Hanks and Fred W. Nutt	Pecos	19	1/1/74-12/31/74	1,282.70	0.35	0.02	12.83	237.30
				1/1/75-12/31/79		0.41	0.02	12.83	275.78
1051	Lillian Kathleen St. Clair and Eugene C. St. Clair	Crockett	38, 39	1/1/74-12/31/74	8,139.30	0.60	0.03	122.09	2,563.88
				1/1/75-12/31/79		0.72	0.03	122.09	3,052.24
1053	Clifton Brooks etal	Crockett	46, 51	1/1/74-12/31/74	23,124.50	0.65	0.03	346.87	7,862.33
				1/1/75-12/31/79		0.75	0.03	346.87	9,018.56
1054	Bluford Thornton and Bluford A. Thornton	Ward	16	1/1/74-12/31/74	18,993.35	0.18	0.02	189.93	1,899.33
				1/1/75-12/31/79		0.22	0.02	189.93	2,279.20
1055	Blevins McKenzie etal	Pecos	21, 22,	1/1/74-12/31/74	18,254.20	0.35	0.015	136.91	3,331.40
			23, 24,	1/1/75-12/31/79		0.41	0.015	136.91	3,879.02
			25						
1062	L. B. McKenzie and Bruce T. McKenzie	Pecos	19	1/1/74-12/31/74	11,920.90	0.35	0.02	119.21	2,205.37
				1/1/75-12/31/79		0.41	0.02	119.21	2,563.00

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Land Matters - Continued--

Lease No.	Lessee	Location		Period	Acres	Price Per Acre		Hunting Rental	Total Rental Semi-Annual Grazing & Hunting
		County	Blocks			Grazing	Hunting		
1063	J. W. Henderson, III	Crockett	31, 32	1/1/74-12/31/74	4,300.00	0.67	0.13	279.50	1,720.00
				1/1/75-12/31/79		0.80	0.13	279.50	1,999.50
1064	Louis Woodward	Pecos	18, 19 20	1/1/74-6/30/75	12,483.70	0.35	0.02	124.84	2,309.49
				7/1/75-6/30/80		0.41	0.02	124.84	2,684.00
1065	Charles Springston	Reagan	8, 9	1/1/74-6/30/75	3,109.60	0.50	0.02	31.10	808.50
				7/1/75-6/30/80		0.60	0.02	31.10	963.98
1067	Ruby DeLong, Deceased	Crockett	38, 39 52, 55	1/1/74-6/30/75	6,580.40	0.65	0.03	98.71	2,237.34
				7/1/75-6/30/80		0.77	0.03	98.71	2,632.17
1068	O. W. Parker, Jr.	Reagan	1, 2	1/1/74-6/30/75	14,133.10	0.52	0.03	212.00	3,886.61
				7/1/75-6/30/80		0.67	0.03	212.00	4,946.59
1069	Wayne Harris Bellows	Crockett, Reagan, Upton	5, 6	1/1/74-6/30/75	16,573.30	0.67	0.05	414.33	5,966.39
				7/1/75-6/30/80		0.80	0.05	414.33	7,043.65
1070	Aubrey DeLong	Crockett Irion	38, 52, 55	1/1/74-6/30/75	8,213.60	0.65	0.03	123.20	2,792.62
				7/1/75-6/30/80		0.77	0.03	123.20	3,285.44
1071	Ronald B. McMullan	Reagan	8, 9 11	1/1/74-6/30/75	5,086.70	0.65	0.03	76.30	1,729.48
				7/1/75-6/30/80		0.77	0.03	76.30	2,034.68
1072	W. M. Jackson	Upton, Reagan	2, 3, 9, 58	1/1/74-6/30/75	25,304.60	0.44	0.02	253.05	5,820.06
				7/1/75-6/30/80		0.50	0.02	253.05	6,579.20
1073	Louis Brooks	Crockett	55, 56	1/1/74-6/30/75	3,253.40	0.65	0.03	48.80	1,106.16
				7/1/75-6/30/80		0.77	0.03	48.80	1,301.36

Land Matters - Continued--

Lease No.	Lessee	Location		Period	Acres	Price Per Acre		Hunting Rental	Total Rental Semi-Annual Grazing & Hunting
		County	Blocks			Grazing	Hunting		
1074	E. H. Linthicum and H. H. Linthicum	Irion	38, 40	1/1/74-6/30/75	12,253.20	0.65	0.03	183.80	4,166.09
		Crockett	41	7/1/75-6/30/80		0.77	0.03	183.80	4,901.28
1075	David Malcomb Smith and Andrew Paul Smith	Reagan	6, 7	1/1/74-6/30/75	16,904.20	0.67	0.05	422.61	6,085.52
		Crockett		7/1/75-6/30/80		0.80	0.05	422.61	7,184.29
1076	L. E. Lloyd	Schleicher	54	1/1/74-6/30/75	1,964.60	0.65	0.03	29.47	667.97
				7/1/75-6/30/80		0.77	0.03	29.47	785.84
1077	M. H. Woodward	Schleicher	54, 55	1/1/74-6/30/75	5,459.80	0.65	0.03	81.90	1,856.34
			56	7/1/75-6/30/80		0.77	0.03	81.90	2,183.92
1078	Robert H. Oglesby	Crockett	56	1/1/74-6/30/75	11,613.80	0.65	0.03	174.20	3,948.69
		Schleicher		7/1/75-6/30/80		0.77	0.03	174.20	4,645.51
1079	J & SM, Inc.	Pecos	27, 28	1/1/74-6/30/75	10,320.80	0.30	0.015	77.40	1,625.52
			James Campbell Block 165	7/1/75-6/30/80		0.36	0.015	77.40	1,935.14
1080	Lester Ratliff	Reagan	2	1/1/74-6/30/75	3,347.00	0.42	0.02	33.47	736.34
				7/1/75-6/30/80		0.50	0.02	33.47	870.22
1081	W. H. Hodge	Reagan	8, 9	1/1/74-6/30/75	5,029.30	0.60	0.03	75.44	1,584.23
			10, 11	7/1/75-6/30/80		0.72	0.03	75.44	1,885.99
1082	Charles T. Harris	Reagan	1, 4,	1/1/74-6/30/75	16,242.30	0.67	0.05	406.06	5,847.23
		Upton	5, 6, 8	7/1/75-6/30/80		0.80	0.05	406.06	6,902.98



Land Matters - Continued--

Lease No.	Lessee	Location		Period	Acres	Price Per Acre		Hunting Rental	Total Rental Semi-Annual Grazing & Hunting
		County	Blocks			Grazing	Hunting		
1083	Mrs. Madge M. Preston, Deceased and Richard E. Preston	Irion	52, 53,	1/1/74-6/30/75	28,300.50	0.65	0.04	566.01	9,763.67
		Schleicher	54, 55	7/1/75-6/30/80		0.77	0.04	566.01	11,461.70
1084	Lillian Kathleen St. Clair and Eugene C. St. Clair	Crockett	55	1/1/74-6/30/75	1,568.30	0.65	0.03	23.52	533.22
		Schleicher		7/1/75-6/30/80		0.77	0.03	23.52	627.32
1085	Carpenter Farms, Inc.	Pecos	18	1/1/74-6/30/75	2,374.90	0.35	0.02	23.75	439.36
				7/1/75-6/30/80		0.41	0.02	23.75	510.60
1087	Gregg McKenzie	Pecos	16, 20	1/1/74-6/30/75	7,475.95	0.35	0.02	74.76	1,383.05
				7/1/75-6/30/80		0.41	0.02	74.76	1,607.33
1088	Roy Neal McKenzie	Pecos	16	1/1/74-6/30/75	12,118.80	0.35	0.02	121.19	2,241.98
				7/1/75-6/30/80		0.41	0.02	121.19	2,605.54
1089	Tom McKenzie	Pecos	18, 19	1/1/74-6/30/75	15,398.48	0.35	0.02	153.98	2,848.71
			20	7/1/75-6/30/80		0.41	0.02	153.98	3,310.67
1090	J. T. Walker	Pecos	19	1/1/74-6/30/75	1,056.00	0.35	0.02	10.56	195.36
				7/1/75-6/30/80		0.41	0.02	10.56	227.04
1091	Rod Richardson	Pecos	16, 17	1/1/74-6/30/75	9,158.12	0.35	0.02	91.58	1,692.26*
				7/1/75-6/30/80		0.41	0.02	91.58	1,967.00*
1092	Rod Richardson	Pecos	16, 18	1/1/74-6/30/75	1,614.08	0.35	0.02	16.14	298.60
			20	7/1/75-6/30/80		0.41	0.02	16.14	347.03

\*This lease has disputed acreage as shown:

<u>Lease No.</u>	<u>Disputed Acreage</u>	<u>Hunting Rental Reduction</u>
1091	199.03 acres	\$1.99

Land Matters - Continued--

Lease No.	Lessee	Location		Period	Acres	Price Per Acre		Hunting Rental	Total Rental Semi-Annual Grazing & Hunting
		County	Blocks			Grazing	Hunting		
1093	Burch Woodward	Pecos	21, 22,	1/1/74-12/31/75	44,709.23	0.35	0.015	335.32	8,159.45
			23, 24	1/1/76-12/31/80		0.41	0.015	335.32	9,500.72
1094	J. B. Ratliff, III	Upton	3, 58	1/1/74-12/31/75	7,553.40	0.44	0.02	75.53	1,737.28
				1/1/76-12/31/80		0.50	0.02	75.53	1,963.88
1095	Dow Puckett	Pecos	27, James Campbell Block 165	1/1/74-12/31/75	4,570.60	0.30	0.015	34.28	719.87
				1/1/76-12/31/80		0.36	0.015	34.28	856.99
1097	Arnold P. Scharbauer	Andrews, Martin, Gaines, Dawson	6, 7	1/1/74-12/31/75	25,657.23	0.36	0.02	256.57	4,717.46*
				1/1/76-12/31/80		0.43	0.02	256.57	5,586.46*
1098	Norfleet Baylor and J. E. Baylor, Jr.	Hudspeth	J, K, L, M, N	1/1/74-12/31/75	164,622.50	0.18	0.01	823.11	15,639.14
				1/1/76-12/31/80		0.22	0.01	823.11	18,931.59
1100	W. A. Wroe	Terrell	34, 35	1/1/74-12/31/75	15,606.50	0.44	0.08	624.26	4,057.69
				1/1/76-12/31/80		0.50	0.08	624.26	4,525.89
1101	John MacGuire	Hudspeth	H, I, M	1/1/74-12/31/75	75,842.30	0.18	0.01	379.21	7,205.02
				1/1/76-12/31/80		0.22	0.01	379.21	8,721.86
1102	Mrs. Doc Turk Estate	Terrell	34	1/1/74-12/31/75	551.50	0.44	0.08	22.06	143.39
				1/1/76-12/31/80		0.50	0.08	22.06	159.94

\*This lease has disputed acreage as shown:

<u>Lease No.</u>	<u>Disputed Acreage</u>	<u>Hunting Rental Reduction</u>
1097	828.5 acres	\$8.28

Land Matters - Continued--

Lease No.	Lessee	Location		Period	Acres	Price Per Acre		Hunting Rental	Total Rental Semi-Annual Grazing & Hunting
		County	Blocks			Grazing	Hunting		
1104	Scharbauer Cattle Company	Andrews,	3, 4,	1/1/74-12/31/75	80,243.45	0.38	0.02	802.43	15,832.09*
		Gaines	5, 6, 7, 8	1/1/76-12/31/80		0.45	0.02	802.43	18,602.71*
1105	George Walton Poage, Sr. and George Walton Poage, Jr.	Upton	1, 2,	1/1/74-12/31/75	8,897.70	0.35	0.02	88.97	1,646.07
			3, 4, 58	1/1/76-12/31/80		0.46	0.02	88.97	2,135.44
1106	George Walton Poage, Jr.	Reagan	2, 3	1/1/74-12/31/75	4,093.70	0.35	0.02	40.94	757.34
		Upton		1/1/76-12/31/80		0.46	0.02	40.94	982.49
1107	John H. Harper	Culberson	48	1/1/74-12/31/75	5,220.16	0.18	0.01	26.10	495.91
				1/1/76-12/31/80		0.22	0.01	26.10	600.32
1108	Joe Mendiburu and Robert W. Beard	Hudspeth	D, E,	1/1/74-12/31/75	117,143.20	0.18	0.01	585.72	11,128.61
			F, H	1/1/76-12/31/80		0.22	0.01	585.72	13,471.47
1109	Jay Kerr and Cleve Kerr	Hudspeth	A, B,	1/1/74-6/30/76	102,394.30	0.18	0.01	511.97	9,727.46
			C	7/1/76-6/30/81		0.22	0.01	511.97	11,775.34
1110	Hilary George Bedford	Andrews	11	1/1/74-6/30/76	9,656.67	0.26	0.02	96.57	1,352.59
				7/1/76-6/30/81		0.31	0.02	96.57	1,594.13
1113	John Dublin, Jr.	Crockett	38, 39	1/1/74-6/30/76	11,245.20	0.65	0.03	168.68	3,823.37
			41, 42	7/1/76-6/30/81		0.77	0.03	168.68	4,498.08
1115	Theron K. Weatherby and Johnny S. Weatherby	Reagan	9, 10	1/1/74-6/30/76	6,775.20	0.63	0.02	67.75	2,201.94
				7/1/76-6/30/81		0.77	0.02	67.75	2,676.20

\*This lease has disputed acreage as shown:

<u>Lease No.</u>	<u>Disputed Acreage</u>	<u>Hunting Rental Reduction</u>
1104	1,082.99 acres	\$10.83

Land Matters - Continued--

Lease No.	Lessee	Location		Period	Acres	Price Per Acre		Hunting Rental	Total Rental Semi-Annual Grazing & Hunting
		County	Blocks			Grazing	Hunting		
1116	Ethel W. Bird and Charles A. Bird	Andrews	7	1/1/74-12/31/76	10,276.02	0.46	0.02	102.76	2,466.25
				1/1/77-12/31/81		0.53	0.02	102.76	2,825.91
1117	Guy R. Mabee	Andrews	7	1/1/74-12/31/76	2,494.40	0.46	0.02	24.94	598.65
				1/1/77-12/31/81		0.53	0.02	24.94	686.00
1118	Ellison Tom	Andrews	3, 4	1/1/74-12/31/76	13,941.40	0.38	0.02	139.41	2,754.35*
				1/1/77-12/31/81		0.45	0.02	139.41	3,236.36*
1119	Marion Flynt	Martin	7	1/1/74-12/31/76	1,245.70	0.46	0.02	12.45	298.96
				1/1/77-12/31/81		0.53	0.02	12.45	342.56
1121	Albert Ivy	Culberson	48	1/1/74-12/31/76	9,667.24	0.18	0.01	48.34	918.39
				1/1/77-12/31/81		0.22	0.01	48.34	1,111.74
1122	John Casselman, Jr.	Andrews	1, 2, 9	1/1/74-12/31/76	60,580.72	0.38	0.02	605.81	12,116.15
				1/1/77-12/31/81		0.45	0.02	605.81	14,236.47
1123	John MacGuire	Hudspeth	G	1/1/74-12/31/76	32,600.00	0.18	0.01	163.00	3,097.00
				1/1/77-12/31/81		0.22	0.01	163.00	3,749.00

\*This lease has disputed acreage as shown:

<u>Lease No.</u>	<u>Disputed Acreage</u>	<u>Hunting Rental Reduction</u>
1118	169.7 acres	\$1.70

11. REPORT ON RANGE CONSERVATION AND RANCH IMPROVEMENT PROGRAM AND EXPRESSION OF APPRECIATION TO THE SOIL CONSERVATION SERVICE OF THE U. S. DEPARTMENT OF AGRICULTURE.--The Board of Regents at its meeting held on September 12, 1969, adopted surface leasing policies on West Texas Lands to be effective October 1, 1969, which provided for extensions of grazing leases provided that the lessee completes a range conservation and/or ranch improvement program as outlined under the lease provisions. Since October 1, 1969, all 2,100,000 acres of University Lands, except approximately 15,000 acres, have been brought under such range conservation and/or ranch improvement program. Mr. Billy Carr, University Land Agent, has compiled a comprehensive report on surface leasing activities on University Lands which will be distributed to the members of the Board of Regents by the Secretary under separate cover.

The accomplishment of this enormous range conservation program would not have been possible but for the enthusiastic and able assistance extended to The University of Texas System by the Texas Soil and Water Conservation Board, the Chairmen and members of the District Soil and Water Conservation Boards, located in the various counties in which University Lands are situated, and particularly the Soil Conservation Service of the U. S. Department of Agriculture. Special thanks go to Mr. Edward E. Thomas, State Conservationist, and Mr. D. B. Polk, Range Conservationist, and to members of their staff for the invaluable and generous help, assistance and understanding provided in planning and implementing this program.

12. RECOMMENDED AMENDMENT TO DAMAGE PROGRAM OF THE RATE SCHEDULES FOR EASEMENTS AND SURFACE LEASES AND FOR DAMAGES TO UNIVERSITY LANDS.--Under the terms of the policies adopted by the Board of Regents at its meeting of December 8, 1972, all damage payments are to be made to The University of Texas System as Agent for the Lessee. In certain areas in the deep gas trend there have been extensive geophysical and drilling operations which have resulted in damage monies having been received for the credit of a lessee far exceeding an amount which could economically be justified for soil conservation and ranch improvement programs on such lease. The excess of such damage money can be more beneficially used by the University on other areas of University Lands.

The Associate Deputy Chancellor for Investments, Trusts and Lands joined by the University Land Agent recommends that the following additional paragraph be added to the policies adopted December 8, 1972:

- "6. At the option of the University if damage monies for any one year are in excess of the annual rental paid by a lessee, the amount over and above the annual rental may be used for conservation and range improvement programs on other University grazing leases at the discretion of a Committee composed of the Chairman of the Land and Investment Committee of the Board of Regents, the Associate Deputy Chancellor for Investments, Trusts and Lands, and the University Land Agent."

13. REPORT ON LEASE NEGOTIATIONS FOR THE PYOTE AIR FORCE BASE PROPERTY AND RECOMMENDATION FOR LEASE TO MELVIN GIBBS (EASEMENT NO. 3635).--At the Board of Regents' meeting of September 11, 1972, a report was made by System Administration as to the termination of Surface Lease No. 2690 to the A. D. Brown Warehouse Company as of October 18, 1972, as well as certain recommendations with regard to the improvements. The major improvements still remaining on the leased premises consist of five hangars and ten warehouses which are no longer covered by fire and extended coverage insurance. In addition, the System Administration was authorized to continue studies with The University of Texas of the Permian Basin as to the possible utilization of one or more of said buildings for educational purposes. In order to preserve one of the large hangars from deterioration and damage from the elements, it was considered advisable

to explore the cost of such major repairs and the possibility of negotiating a lease for a short term that would include as a part of the consideration such major repairs. Mr. Melvin Gibbs of Route 1, Box 17, Knott, Texas, submitted the best bid for the repair of said premises including the patching and hot mopping of the roof and other major repair items set out in the specifications devised by the University Land Agent. The cost of these major repairs exceeds \$4,000.

It is recommended by the Associate Deputy Chancellor for Investments, Trusts and Lands and joined by the University Land Agent that Hangar No. 296 located in Section 35, Block 16, University Lands, Ward County, Texas, be leased to Mr. Melvin Gibbs for a two year period commencing October 1, 1973, at a total cash consideration of \$840, plus the additional consideration of the performance of the repair and rehabilitation thereof in accordance with specifications prepared by the University Land Agent.

It is further recommended by the Associate Deputy Chancellor for Investments, Trusts and Lands that the University Staff be authorized to continue its studies with The University of Texas of the Permian Basin as to the possible utilization of all or any part of these improvements for educational purposes.

#### TRUST AND SPECIAL FUNDS - REAL ESTATE MATTERS.--

14. U. T. ARLINGTON - REPORT AND RATIFICATION OF SALE OF PROPERTY LOCATED AT 5444 BYERS STREET, FORT WORTH, TARRANT COUNTY, TEXAS.--At the Board of Regents' meeting held on September 14, 1973, the Administration was authorized to sell Lots 1 and 2, Block 1, Fort Worth Country Club Addition to the City of Fort Worth, Tarrant County, Texas, located at 5444 Byers Street (residence of Harry C. Weeks, deceased) for a consideration of not less than \$80,000. System Administration and the Fort Worth National Bank, Independent Executor of the Estate of Harry C. Weeks, deceased, negotiated the sale of said property to Charles C. Freeny, Jr., and wife, Rosezellen Freeny, for a consideration of \$80,000 with the Board of Regents to carry a first lien mortgage in the amount of \$64,000 bearing interest at 8-1/2% per annum, payable over a twenty five year period in equal monthly installments of \$515.36, including principal and interest, commencing March 1, 1974, said Note and the Deed of Trust Lien securing same containing pre-payment clauses and partial release clauses as set out therein. Under the terms of the Contract of Sale, this transaction was closed on Monday, November 26, 1973.

It is recommended that this report be accepted and the execution of the appropriate instruments by the Associate Deputy Chancellor for Investments, Trusts and Lands be in all things ratified and confirmed.

15. U. T. AUSTIN - BRACKENRIDGE TRACT - RECOMMENDATION FOR LEASE TO JAMES A. MAINES, D/B/A BOAT TOWN.--A portion of the Brackenridge Tract located at 3826 Lake Austin Boulevard in the City of Austin, Travis County, Texas, is presently leased to Mr. James A. Maines, d/b/a Boat Town, for a period of one year ending on December 31, 1973, at a rental of \$250 per month. This property has been operated as a boat dock and boat sales center by various operators for over thirty years. The University Staff in its negotiations with Mr. Maines for a renewal of said lease has given extensive consideration to the provisions of the present lease which require the lessee to maintain the premises in a neat, clean, sanitary and attractive manner at all times, particularly the present practices of parking boats, trailers and other equipment on the parking lot and other open areas adjacent to Lake Austin Boulevard. Each year when the Lower Colorado River Authority lowers the level of Lake Austin, the amount of equipment stored upon the open areas increases drastically and adds to the unsightly condition of the premises. The Lower Colorado River Authority has previously occupied a portion of Block 5, Lake Addition to the City of Austin, Travis County, Texas, located off Enfield Road immediately East of the Boat Town property as a "storage yard." This property contains approximately four acres, is enclosed by a high, cyclone-barbed wire fence and is shielded to some extent by trees and other natural shrubbery. This lease to LCRA is subject to cancellation on thirty days notice, and LCRA has been so notified of our request to terminate the lease and regain possession of the premises.

It is recommended by the Deputy Chancellor for Administration and the Associate Deputy Chancellor for Investments, Trusts and Lands that the lease to James A. Maines, d/b/a Boat Town, be renewed for an additional one year term ending on December 31, 1974, subject to ninety days cancellation, to include the right to store boats, trailers and other equipment on the LCRA "storage yard" site of approximately four acres at an increased rental from \$250 to \$275 per month or a total of \$3,300 annually.

16. U. T. EL PASO - JOSEPHINE CLARDY FOX FUND - RECOMMENDATION FOR RENEWAL OF LEASE TO JOHNNY BENITEZ AT 5010 PAISANO DRIVE, EL PASO, TEXAS.--One of the assets of the Josephine Clardy Fox Fund is a tract of land containing approximately 27,766 square feet fronting 213.4 feet on Paisano Drive and locally known as 5010 Paisano Drive. This tract has been leased on a year-to-year basis to Johnny Benitez, d/b/a Johnny's Auto Sales, and operated as a used car sales lot for a monthly rental of \$275. At the time of the sale of approximately four acres to Hunt Building Corporation, which was located immediately behind the premises described above, Mr. Benitez was required to relocate a chain link fence and his car sales office building. In addition, Mr. Benitez has made substantial improvements to the property including black topping the used car sales lot, and the construction of an attractive rock wall fronting Paisano Drive. During the lease negotiations, Mr. Benitez requested a longer term lease in order to enable him to amortize his investment in such improvements.

It is recommended by the Associate Deputy Chancellor for Investments, Trusts and Lands that the lease to the above described premises to Mr. Johnny Benitez be renewed for a two year period commencing December 1, 1973, at a rental of \$275 per month together with an option to renew said lease for two additional one year periods commencing December 1, 1975, and December 1, 1976, at a rental of \$300 per month and \$325 per month, respectively.

17. M. D. ANDERSON - ESTATE OF LILY REBER HILLS - RECOMMENDATION FOR JOINDER IN SALE OF REAL ESTATE IN RULE, TEXAS.--Mr. Royce Adkins, an attorney at Haskell, Texas, serves as Independent Executor, without full powers of sale, of the Estate of Lily Reber Hills who died in 1965 leaving her residuary estate one-half to the West Texas Rehabilitation Center and one-half to the Board of Regents as Trustee of the Cancer Foundation for cancer research. Most of the estate was in several pieces of real estate, including undivided interests with relatives; and Mr. Adkins has attempted to get the best possible prices for all of this property. To date, the Cancer Foundation has received cash distributions from the Estate in the total amount of \$35,000.

The one remaining piece of real estate is a small duplex on 95' x 100' out of Lot 7, Block 5, G. W. May Addition, Town of Rule, Haskell County. Mr. Adkins has an offer of \$3,500 cash from L. W. Norman and recommends acceptance. West Texas Rehabilitation Center has approved, and the Associate Deputy Chancellor for Investments, Trusts and Lands recommends authorization for joinder in the sale and execution of the deed.

#### OTHER MATTERS:

18. REPORT OF SECURITIES TRANSACTIONS FOR PERMANENT UNIVERSITY FUND AND FOR TRUST AND SPECIAL FUNDS FOR THE MONTH OF SEPTEMBER, 1973.--In accordance with present procedure, the reports of securities transactions for the Permanent University Fund and Trust and Special Funds for September, 1973, were mailed on November 15, 1973, by Secretary Thedford to the members of the Board of Regents. If any questions regarding these reports have been submitted, the Secretary will so report at the meeting of the Land and Investment Committee.

Cam. of the  
Whole



COMMITTEE OF THE WHOLE  
Chairman McNeese, Presiding

Date: December 7, 1973

Time: Following the meeting of the Land and Investment Committee

Place: Main Building, Room 212  
U. T. Austin  
Austin, Texas

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# I. SPECIAL ITEMS

## A. Board of Regents

### 1. Regents' Rules and Regulations, Part Two: Recommended Amendment to Chapter IX, Section 7. --

At the September 14, 1973, meeting of the Board of Regents, the list of investment dealers was abolished and the purchase or sale of securities was left to the discretion of the investment officials of The University of Texas System. To conform to this action, Section 7 of Chapter IX of Part Two of the Regents' Rules and Regulations is amended to read as follows:

Sec. 7 Investment Transactions: Sales, purchases, and exchanges shall be effected through investment dealers or brokers in accordance with normal investment practices, if, in the judgment of the Deputy Chancellor for Administration or the Associate Deputy Chancellor for Investments, Trusts and Lands, these services will produce the maximum benefit to The University of Texas System.

~~[Sec. 7 -- Brokerage Firms.~~

~~7.1 -- Approved List. -- Normally, purchase and sale transactions shall be effected through firms approved by the Board of Regents after recommendation by the Deputy Chancellor for Administration or the Associate Deputy Chancellor for Investments, Trusts and Lands. -- Where the best interests of The University of Texas System seem to require it, such transactions may be effected through such other broker or brokers as the Deputy Chancellor for Administration or the Associate Deputy Chancellor for Investments, Trusts and Lands may approve.~~

~~7.2 -- Unlisted Securities. -- Purchases and sales will generally be effected through brokers on the approved list. -- Where the best interests of The University of Texas System seem to require it, such transactions may be effected through such broker or brokers as the Deputy Chancellor for Administration or the Associate Deputy Chancellor for Investments, Trusts and Lands may select.~~

~~7.3 -- Block Transactions. -- Block purchases and sales will generally be effected through brokers on the approved list. -- Where the best interests of The University of Texas System seem to require it, such transactions may be effected through such broker or brokers as the Deputy Chancellor for Administration or the Associate Deputy Chancellor for Investments, Trusts and Lands may select.]~~

B. U. T. System

2. Recommended Resolution Honoring the Late Mr. Eugene McDermott. --

BOARD OF REGENTS, THE UNIVERSITY OF TEXAS SYSTEM

RESOLUTION HONORING THE LATE

EUGENE MCDERMOTT

WHEREAS, The Board of Regents of The University of Texas System records with profound sorrow the death of Eugene McDermott on August 24, 1973, and wishes to acknowledge his extraordinary contributions to humanity and to The University of Texas System and to pay tribute to his memory; and

WHEREAS, Eugene McDermott exemplified in his personal and professional life the highest ideals of mankind and brought brilliant leadership, integrity, and inspiration to every facet of his magnificent career and distinguished public service; and

WHEREAS, Eugene McDermott gave unstintingly of himself and his resources to higher education and research and has been one of the most generous benefactors in the history of The University of Texas;

NOW, THEREFORE, BE IT RESOLVED: That the Members of the Board of Regents of The University of Texas System express deep appreciation for the devotion of Eugene McDermott to the University, respect for his great wisdom, joy for having had his friendship, and personal and official gratitude for the privilege and honor of having been associated with this exceptional man. The Members of the Board join his family and friends in mourning his passing.

BE IT RESOLVED, That a copy of this Resolution be given to his beloved wife, Margaret McDermott, and devoted daughter, Mary

BE IT FURTHER RESOLVED, That a copy of this Resolution be appropriately inscribed and framed and displayed suitably at The University of Texas.

### 3. Recommended 1974-75 Budget Policies and Limitations. --

System Administration recommends that the following Budget Policies and Limitations be adopted:

#### 1974-75 BUDGET POLICIES AND LIMITATIONS

for General Operating Budgets, Auxiliary Enterprises, Contract Areas, Current Restricted Funds, and Service and Revolving Fund Activities

Institutional Heads are to write the "first" draft of their operating budgets conservatively, utilizing the following policy items. The recommendations for salary increases for both teaching and non-teaching personnel are subject to the current regulations of the Wage-Price Board and directives included in the General Appropriations Bill, H.B. 139, regarding salary increases.

1. Over-all budget totals, including reasonable reserves, must be limited to the funds available for the year from:
  - a. General Revenue Appropriations
  - b. Revised estimates of local income, and
  - c. Limited use of institutional Unappropriated Balances.
2. Selective merit salary advances may be provided for the faculty and professional staff. In the case of faculty, merit advances or advances in rank are to be on the basis of teaching effectiveness. This policy relating to faculty salary increases applies to all fund sources.
3. New faculty positions are to be based on conservative estimates of enrollment increases. Total faculty staffing should be reviewed in terms of planned increases in work-load.
4. Merit salary advances for classified personnel in accordance with the Personnel Pay Plan policies approved by the Board may be given only to individuals who will have been employed by the institution for at least 6 months as of August 31, 1974.
5. New classified positions are to be requested only where increased work-load justifies.
6. Maintenance, Operation, and Equipment items should be based only on such amounts as are needed. Increases are not to exceed 10% in total over amounts budgeted in 1973-74 except as related to new programs or newly developing institutions.

Justify all increases in Maintenance and Operation and Travel with performance-type data. Prior year expenditures are not to be considered as adequate justification.
7. Travel funds are to be shown as separate line items.
8. All requests for Special Equipment must be supported with detailed descriptions and justification.
9. Unless specific prior approval of the Chancellor is obtained, with appeal to the Board of Regents by the institutional head permitted, no increase in salary may be made for any faculty member or administrator while he is on research leave, on leave without pay, or on assignment outside of the U. T. System institutions.

10. MAXIMUM SALARY LIMITATIONS (Medical Units - 12 Months Basis)  
FOR FISCAL YEAR 1974-75

<u>Rank</u>	<u>Maximum State Salary Rates</u>	<u>Maximum Remuneration</u>
Professor and Chairman	\$ 40,000	\$ 60,000
Professor	38,000	57,000
Associate Professor	34,000	51,000
Assistant Professor	30,000	45,000
Instructor	25,000	37,500

Remuneration may be paid to ranked faculty from multiple fund sources including general budget funds, contract funds, gift funds, etc., subject to maximum limitations approved by the Board of Regents.

Remuneration may include professional income earned and deposited in the institutional trust fund account or other available trust or grant funds. Maximum remuneration in the 1974-75 budget is limited to 50 percent above the maximum State salary rate, by rank, except that in "Exceptional Situations" the limit is not to exceed 75 percent.

1974-75 BUDGET CALENDAR

December 7, 1973	Board Approval of Policies
March 1, 1974	<u>Four</u> Draft Copies of budgets due to System Administration (including supplemental data)
March 25-29	Budget Hearings with System Administration
May 1	Thirty Copies of Budgets due to System Administration (with adjusted supplemental data as applicable)
June 1	Budgets mailed to Board of Regents
June 14	Regents' Budget Meeting

## C. U. T. Permian Basin and University Cancer Center

### 4. Request for Approval in Principle of a Variation to the Definition of Tenure as Expressed in the Regents' Rules and Regulations. --

Chancellor LeMaistre, President Clark and President Amstead request permission to discuss with the Board an additional definition of the "tenure" concept.

Both President Clark and President Amstead have submitted to the Chancellor for approval sections of their Institutional Handbook of Operating Procedure which do not conform with the Regents' Rules and Regulations, Part One, Chapter III, Section 6.2, insofar as the definition of tenure is concerned.

At the outset, it should be noted that all personnel appointments in The University of Texas System are subject to annual renewal through budgetary approval by the Board of Regents. This point is not at issue. The question is one of definition of tenure.

Simply stated the regentally approved definition of tenure is a "status of continuing appointment as a member of the faculty at a component institution." Presidents Clark and Amstead wish to substitute a renewable specified term of appointment to tenure in lieu of the continuing status presently used in the definition of tenure.

Their proposal is that (a) the initial appointment to tenure be for a seven (7) year term, (b) during the sixth (6th) year of that term the academic performance of the person be reviewed, and that (c) based upon that evaluation, the individual would be either awarded an additional seven (7) year appointment to tenure, or advised that the seventh (7th) year of the existing tenured term would be the terminal year of employment at that component institution. The process would be repeated at each seven year interval.

In his recruitment and employment of faculty President Amstead has discussed this term tenure plan, and it has the approval of his faculty. President Clark and his faculty endorse the plan as a technique to ensure the continued professional competency of the University Cancer Center faculty for its unique mission.

The Health Affairs Council and the University Council have discussed this matter and the several presidents have no objection to the term appointment to tenure proposal for the University Cancer Center and U.T. Permian Basin. It is understood that they are not suggesting or endorsing it for any other campus.

The matter of term appointment to tenure has been considered nationally and implemented at several small colleges as an alternative to the traditional tenure plan. Also, The University of Missouri System has implemented a dual track plan, one of continuous appointment to tenure, the other requiring a seven (7) year term appointment to tenure prior to consideration of award of continuous appointment to tenure.

Chancellor LeMaistre agrees with the position of the University Council and the Health Affairs Council as stated above. In recognition of the fact that the presidents of the University Cancer Center and The University of Texas of the Permian Basin, with the advice and consent of their faculties, have recommended

this variation to the traditional tenure plan as appropriate to the needs of their institutions, and with the expressed understanding that these variations are not to be regarded as precedents for other campuses, Chancellor LeMaistre recommends approval in principle by the Board of Regents of the term appointment to tenure concept.

If the Board of Regents authorizes this alternative to the existing concept of tenure as a status of continuing appointment, by approval in principle of the term appointment to tenure, the Chancellor will bring to the February meeting appropriate amendments to the Regents' Rules and Regulations which would allow its implementation at the University Cancer Center and The University of Texas of the Permian Basin.

#### D. Galveston Medical Branch

5. Recommendation to Accept Deeds from The Sealy & Smith Foundation for the John Sealy Hospital to the Board of Regents of The University of Texas System.--

The Sealy & Smith Foundation of Galveston, Texas, has deeded two parcels of land consisting of 3,122 square feet out of Block 667 in Galveston, Texas, and 3,907.5 square feet of land out of Block 607, Galveston, Texas, respectively, as an extension to the construction site for the new John Sealy Hospital. Both deeds have been recorded in the Official Records of Galveston County, Texas.

System Administration joins with President Blocker in recommending that this gift of land for the use of the John Sealy Hospital be accepted with gratitude.

II. ITEM FOR THE RECORD. --As indicated, the following item was approved in the Executive Session of the Committee of the Whole and is reported herewith for the record and for ratification.

The membership of the various advisory councils is reported herein as furnished to this office by the Administration.

6. U. T. Austin: Membership of Advisory Councils to the Arts and Sciences Foundation (College of Humanities, College of Natural Sciences, College of Social and Behavioral Sciences and Division of General and Comparative Studies). --

On July 27, 1973, nominations of those individuals indicated by an asterisk and renominations of those individuals indicated by double asterisks were approved for membership on the Advisory Councils to the Arts and Sciences Foundation of The University of Texas at Austin, and on October 26, 1973, the complete membership was reported with the notation that on completion of assignments to the individual college advisory groups, specific assignments would be reported for the record. These assignments have been completed, and are shown below. The authorized membership of this advisory council is 30 members.

The College of Humanities  
Advisory Council

Term Expires

Mr. Carter Christie, Houston	1974
**Mr. Edwin M. Gale, Beaumont	1975
Mr. H. B. Harris, Jr., Houston	1975
*Mr. Lenoir Moody Josey, II, Houston	1976
Mrs. Theodore Strauss, Dallas	1974
Mr. Sam P. Woodson, Jr., Fort Worth	1974

The College of Natural Sciences  
Advisory Council

Mrs. Ford Boulware, San Angelo	1975
*Mr. Dixon Cain, Houston	1976
**Dr. Herschel H. Cudd, Chicago, Illinois (Ph.D.)	1975
Mr. James D. Dannenbaum, Houston	1974
*Mr. Richard Lane, Austin	1976
*L. L. Lankford, M. D., Dallas	1976
Mrs. Alice K. Reynolds Meyer, San Antonio	1974
Dr. Gordon K. Teal, Dallas (Ph.D.)	1975

The College of Social and Behavioral  
Sciences Advisory Council

Mr. H. K. Allen, Temple	1975
*Mrs. Dolph Briscoe, Austin	1976
**Mrs. Trammell Crow, Dallas	1975
Mr. Harry Lee Hudspeth, El Paso	1975
*Mrs. Radcliffe Killam, Laredo	1975
Miss Nancy E. Lake, Tyler	1974
The Hon. James J. Pickle, Washington, D. C.	1974
Mr. James H. Young, Corpus Christi	1975



The Division of General and  
Comparative Studies  
Advisory Council

Term Expires

**Mr. Thomas D. Anderson, Houston	1974
**Mr. R. Gordon Appleman, Fort Worth	1974
*Mrs. Jack S. Blanton, Houston	1976
*Mrs. John W. Browning, San Antonio	1976
*Mrs. Nellie Connally, Houston	1976
*Mrs. Clyde Parker, Kerrville	1976
Mr. Sterling W. Steves, Fort Worth	1974
*Mrs. William H. Snyder III, Dallas	1976

III. RATIFICATION (AFFILIATION AGREEMENT). --The following affiliation agreement is reported for ratification:

✓ 7. System Nursing School: Affiliation Agreement with Boulevard Hospital, Inc., Fort Worth, Texas. --

Chancellor LeMaistre concurs in the recommendation of President Willman that the affiliation agreement with Boulevard Hospital, Inc., of Fort Worth be ratified and that the Chairman be authorized to execute the agreement.

The agreement conforms to the model agreement approved by the Board and has been approved both as to form and content by appropriate administrative officials.

IV. SCHEDULED MEETINGS AND EVENTS. --Below is a schedule of meetings and events including the following meetings of the Board of Regents that have been previously scheduled:

February 1, 1974  
 March 15, 1974  
 May 3, 1974

1973

S	M	T	W	T	F	S
						1
DECEMBER	2	3	4	5	6	7
	8	9	10	11	12	13
	14	15	16	17	18	19
	20	21	22	23	24	25
	26	27	28	29	30	31

1973 and 1974

- Dec. 12 10:00 a.m. 62nd Public Auction - Oil and Gas Leases  
3:30 p.m. Sulphur Lease Sale  
 (Commodore Perry Building - Austin)
- Feb. 1 Board of Regents' Meeting
- Mar. 15 Board of Regents' Meeting
- May 3 Board of Regents' Meeting

1974

S	M	T	W	T	F	S	S	M	T	W	T	F	S
JANUARY							JULY						
	1	2	3	4	5		1	2	3	4	5	6	
6	7	8	9	10	11	12	7	8	9	10	11	12	13
13	14	15	16	17	18	19	14	15	16	17	18	19	20
20	21	22	23	24	25	26	21	22	23	24	25	26	27
27	28	29	30	31			28	29	30	31			
FEBRUARY							AUGUST						
				1	2		4	5	6	7	8	9	10
3	4	5	6	7	8	9	11	12	13	14	15	16	17
10	11	12	13	14	15	16	18	19	20	21	22	23	24
17	18	19	20	21	22	23	25	26	27	28	29	30	31
24	25	26	27	28									
MARCH							SEPTEMBER						
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3	4	5	6	7	8	9	8	9	10	11	12	13	14
10	11	12	13	14	15	16	15	16	17	18	19	20	21
17	18	19	20	21	22	23	22	23	24	25	26	27	28
24	25	26	27	28	29	30	29	30					
31													
APRIL							OCTOBER						
	1	2	3	4	5	6		1	2	3	4	5	
7	8	9	10	11	12	13	6	7	8	9	10	11	12
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21	22	23	24	25	26	27	20	21	22	23	24	25	26
28	29	30					27	28	29	30	31		
MAY							NOVEMBER						
				1	2	3						1	2
5	6	7	8	9	10	11	3	4	5	6	7	8	9
12	13	14	15	16	17	18	10	11	12	13	14	15	16
19	20	21	22	23	24	25	17	18	19	20	21	22	23
26	27	28	29	30	31		24	25	26	27	28	29	30
JUNE							DECEMBER						
					1		1	2	3	4	5	6	7
2	3	4	5	6	7	8	8	9	10	11	12	13	14
9	10	11	12	13	14	15	15	16	17	18	19	20	21
16	17	18	19	20	21	22	22	23	24	25	26	27	28
23	24	25	26	27	28	29	29	30	31				
30													

Football Schedule for U. T. Austin

- Jan. 1 Texas vs. Nebraska in the Cotton Bowl - Dallas  
 (Kickoff 1:10 p.m. not 1:30 p.m.)

1973-74 Holiday Schedule

- Dec. 24 - Christmas and New Year's Holidays
- Jan. 1 Holidays
- Apr. 12 Good Friday (1/2 day)
- May 27 Memorial Day

Commencement Exercises (Incomplete)

1974

- May 11 U. T. El Paso
- May 13 Houston Dental Branch
- May 17 U. T. Arlington
- May 18 U. T. Austin
- U. T. Dallas
- U. T. Permian Basin
- May 27 Dallas Medical School
- Dallas G.S.B.S. *H. S. ...*
- June 1 San Antonio Medical School
- June 7 Public Health School
- June 9 Houston Medical School
- Houston G.S.B.S.
- Aug. 18 Dallas Allied Health Sciences School
- \* U. T. San Antonio

\* No spring commencement exercises but possibly in August 1974.

COMMITTEE OF THE WHOLE

EMERGENCY ITEMS

December 7, 1973

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8. U. T. System: Request for Extension of Policy Period of Systemwide Boiler and Machinery Insurance

A three year systemwide boiler and machinery policy effective January 1, 1972 was authorized at the December, 1971 meeting of the Board of Regents.

System Administration recommends, to insure coverage at the current rates, that the Board authorize a policy period extension of three years to November 30, 1976 of our present systemwide boiler and machinery policy with The Hartford Fire Insurance Company, or wholly owned subsidiary, at approved manual rates providing for a 15% dividend authorized by the State Board of Insurance.

Approval of this action will extend our present policy for 23 months beyond the present expiration date at rates now in effect.

9. U. T. Austin: Request for Approval of Budget Related to 1974 Cotton Bowl Game. --

Chancellor LeMaistre concurs in the recommendation of President Spurr that the Board approve the attached budget for participation in the 1974 Cotton Bowl game as presented by the Athletics Council.



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

CHANCELLOR'S OFFICE U. OF T.	
Acknowledged.....	File.....
NOV 29 1973	
To.....	For File and Return
To.....	For File and Return
To.....	For File and Return

November 28, 1973

Charles A. LeMaistre, M.D.  
Chancellor  
The University of Texas System

Dear Dr. LeMaistre:

May I transmit to you with my full approval the estimated budget and request for additional compensation to the Athletics staff for the upcoming Cotton Bowl game as submitted to me by Mr. J. Neils Thompson, Chairman of the Athletics Council.

Sincerely yours,

*Stephen H. Spurr*  
Stephen H. Spurr  
President

SHS:ls  
Enclosures  
cc: Mr. J. Neils Thompson



THE UNIVERSITY OF TEXAS AT AUSTIN  
DEPARTMENT OF INTERCOLLEGIATE ATHLETICS  
AUSTIN, TEXAS 78712

NOV 28 1973

November 28, 1973

Dr. Stephen Spurr, President  
The University of Texas at Austin

Dear Dr. Spurr:

At its meeting on November 27, the Athletics Council approved for recommendation to the Administration the attached 1974 Cotton Bowl budget. Also, you will find a statement showing the actual expenses of 1970, 1971, 1972, and 1973 Cotton Bowl game.

In addition, I am attaching the letter providing for the approval of extra compensation in accordance with the Regental policy adopted several years ago.

Should you desire any further details regarding this budget, I should be happy to furnish them to you. It is obvious that higher costs are involved for approximately the same program that we have carried on for several years.

Sincerely yours

*J. Neils Thompson*  
J. Neils Thompson, Chairman  
Athletics Council

ESTIMATED BUDGET FOR COTTON BOWL GAME  
January 1, 1974, Dallas

Estimated Income

Direct Income from Cotton Bowl Association	\$100,000
Postage Income	1,200
Divided Profits from Southwest Athletics Conference, already included in 1973-74 Budget	<u>35,000</u>
Total	\$136,200

Estimated Expenditures

Team & Athletics Staff - Travel, Accommodations, & Meals	\$ 36,000	
Administration - Accommodations & Meals	500	
Band - Travel, Accommodations, & Meals	12,100	
Yell Leaders	500	
Extra Compensation for Athletics Group	25,000	
Awards	9,750	
Complimentary Tickets	500	
Public Relations - Sports News	500	
Motion Picture - Photography	1,500	
Miscellaneous	<u>2,000</u>	
Total		88,350

Addition to the 1973 Cotton Bowl Expenses

Because the firm furnishing the watches failed to bill the Athletics Department of The University of Texas for certain watches until after the end of the fiscal year 1972-73, this item of \$2,635 must be appropriated in order to pay the bill during the fiscal year 1973-74. This expense was included in the 1973 Cotton Bowl budget.

<u>ITEMS</u>	<u>1970 Expenses</u>	<u>1971 Expenses</u>	<u>1972 Expenses</u>	<u>1973 Expenses</u>
Team- Travel, Meals; Staff - Travel, per diem	\$27,513.57	\$31,628.13	\$32,622.80	\$33,000
Administration - Accommodations & Meals	620.38	30.92	210.50	345
Band - Travel, Accommodations, Meals	9,000.00	10,000.00	10,500.00	11,250
Yell Leaders	500.00	500.00	500.00	500
Extra Compensation for Athletics Group	18,173.70	20,664.15	22,315.00	23,474
Awards	12,287.64	6,861.40	7,291.25	6,000*
Complimentary Tickets	4,728.50	5,535.00	1,650.00	70
Public Relations - Sports News	715.14	598.55	387.52	449
Motion Picture - Photography	1,482.45	845.55	552.80	1,133
Miscellaneous	<u>585.05</u>	<u>919.74</u>	<u>427.00</u>	<u>396</u>
Total	75,606.43	77,583.44	76,456.87	75,617

\*This does not include \$2635 for watches because bill was received only recently.



THE UNIVERSITY OF TEXAS AT AUSTIN  
DEPARTMENT OF INTERCOLLEGIATE ATHLETICS  
AUSTIN, TEXAS 78712

November 27, 1973

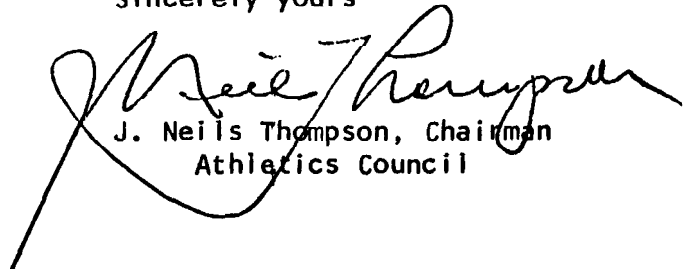
Dr. Stephen Spurr, President  
The University of Texas at Austin

Dear Dr. Spurr:

This is to request approval of the extra compensation to the Athletics Staff referred to in the estimated budget for the Cotton Bowl Game. The following is a list of the staff and the amount of compensation for each in accordance with the policy established by the Board of Regents in 1958 and modified in 1962:

Darrell K. Royal, Head Football Coach	\$41,400	8%	\$3,312.00
Fred S. Akers, Assistant Football Coach	19,400	8%	1,552.00
William M. Campbell, Assistant Football Coach	25,800	8%	2,064.00
Billy M. Ellington, Assistant Football Coach	20,500	8%	1,640.00
Timothy M. Doerr, Assistant Football Coach	16,500	8%	1,320.00
William T. Dykes, Assistant Football Coach	14,500	8%	1,160.00
Willie L. Manley, Assistant Football Coach	17,600	8%	1,408.00
David L. McWilliams, Assistant Football Coach	15,500	8%	1,240.00
R. M. Patterson, Assistant Football Coach	19,400	8%	1,552.00
Willie Zapalac, Assistant Football Coach	20,500	8%	1,640.00
Kenneth D. Dabbs, Assistant Football Coach	14,500	8%	1,160.00
Glen Swenson, Assistant Football Coach	13,700	8%	1,096.00
Frank Medina, Trainer	13,000	5%	650.00
James V. Blaylock, Procurement Officer	8,160	5%	408.00
Albert H. Lundstedt, Business Manager of Athletics	16,600	5%	830.00
Alfred R. Rochs, Asso. Business Manager of Athletics	14,376	5%	718.80
Richard D. Boldt, Football Ticket Manager	9,972	5%	498.60
James W. Ramsey, Sports News Director	13,900	5%	695.00
William L. Little, Assistant Sports News Director	10,656	5%	532.80
Ruth E. Gold, Executive Assistant	14,376	5%	718.80
Michael Stephens, Assistant Trainer	9,024	5%	451.20
			<u>\$24,647.20</u>

Sincerely yours

  
J. Neils Thompson, Chairman  
Athletics Council

10. U. T. Dallas: Request for Underground Easement to Texas Power and Light Company. --

Texas Power and Light Company of Dallas has requested an underground easement approximately 20 feet in width for a distance of 683 feet and 32 feet in width and 73 feet in length, out of that portion of the campus located in the John C. Campbell Survey, Abstract 241, in Collin County, Texas, which is deemed necessary to furnish electrical power for the new Central Energy Plant presently under construction on the campus of The University of Texas at Dallas. This is more fully described in the easement document which will be available for examination at the Board meeting.

It is recommended by President Jordan and System Administration that approval be given by the Board for such an easement to be executed by the Chairman of the Board after approval as to content by Deputy Chancellor Walker and as to legal form by a University Attorney.



**Meeting of  
the Board**

## MEETING OF THE BOARD OF REGENTS

### E. RECONVENE AFTER MEETINGS OF COMMITTEES

### F. REPORTS OF STANDING COMMITTEES

1. System Administration Committee by Committee Chairman Williams
2. Academic and Developmental Affairs Committee by Committee Chairman (Mrs.) Johnson
3. Buildings and Grounds Committee by Committee Chairman Erwin
4. Land and Investment Committee by Committee Chairman Garrett
5. Medical Affairs Committee by Committee Chairman Nelson
6. Board for Lease of University Lands by Regent Garrett (Vice-Chairman of the Board for Lease)

### G. REPORTS OF SPECIAL COMMITTEES

1. Special Committee to Meet with Austin City Council Regarding Use of Land Occupied by Austin Municipal Golf Course (Brackenridge Tract) and All Other Matters Pending Between City Council and Board of Regents
2. Special Committee to Confer with President Spurr Relating to Granting Exclusive and Nonexclusive Licenses in Connection with Agreements for Dr. Karl Folkers

### H. REPORT OF COMMITTEE OF THE WHOLE

### I. ADJOURNMENT

OFFICE OF THE BOARD OF REGENTS

MEMORANDUM

DATE..... December 6, 1973

To: Mr. Jenkins Garrett  
Vice Chairman of the Board for Lease  
of University Lands

Mr. Dan C. Williams  
Vice-Chairman of the Board of Regents  
of The University of Texas System

FROM: Betty Anne Thedford

*BAT*  
SUBJECT: Second Sulphur Lease Sale

Please allow me to remind you of the Second Sulphur Lease Sale to be held on December 12, 1973, and the further fact that you two gentlemen were authorized to act for the full Board of Regents on this occasion. Attached to this memo is the agenda for that sale.

T:lm1

Xc: All other members of the Board of Regents

MEETING OF BOARD OF REGENTS OF  
THE UNIVERSITY OF TEXAS SYSTEM

3:30 P.M., DECEMBER 12, 1973

PERMANENT UNIVERSITY FUND: SECOND SULPHUR LEASE SALE.--At the Regents meeting held on September 14, 1973, the Board of Regents ordered that a sulphur lease sale by the Board of Regents be held and that sealed bids in connection therewith be received and opened on December 12, 1973, following the 62nd Auction Sale of Oil and Gas Leases to be held by the Board for Lease of University Lands at the Commodore Perry Building, Austin, Texas, at 3:30 P.M.

As authorized by the Board, Notice of Sale of Sulphur Leases has been mailed to prospective bidders which 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).

REPORT OF SPECIAL COMMITTEE TO CONSIDER THE GRANTING OF EXCLUSIVE AND NONEXCLUSIVE LICENSES IN CONNECTION WITH RESEARCH AGREEMENTS FOR DR. KARL FOLKERS, U. T. AUSTIN, AND APPROVAL THEREOF WITH REQUEST FOR RECOMMENDATION OF POLICY WITH RESPECT TO PATENTS AND RELATED CONTRACTS. -- Regent Shivers, Chairman of a Special Committee (composed of Regents Clark, Erwin and Nelson) to consult with President Spurr of The University of Texas at Austin to consider approval of the execution of agreements in connection with the research of Dr. Karl Folkers at The University of Texas at Austin, reported that on Monday, December 3, 1973, the Committee met with Deputy Chancellor Walker and Comptroller Anderson and Vice-President Colvin and Director Blitch, Office of Research Management, of U. T. Austin.

After reviewing the material presented and listening to oral presentations, the committee unanimously suspended all the necessary rules and concurred in approving the following (3) agreements for research programs for Dr. Karl Folkers of U. T. Austin and authorized the Chairman of the Board of Regents to execute these agreements when the form of each has been approved by a University attorney:

1. Option Agreement among UT Austin, Dr. Karl Folkers and Beckman Instruments, Inc.
2. Agreement between UT Austin and Beckman Instruments, Inc.
3. Agreement among UT Austin, Beckman Instruments, Inc., and Oscar Mayer and Co., Inc.

The Committee requested that the staff of System Administration continue to study the policy of the Board of Regents with respect to patents and related contracts and to submit a recommendation to this Special Committee at its earliest convenience.

U. T. AUSTIN - REPORT OF SPECIAL COMMITTEE ON BRACKENRIDGE TRACT AND RECOMMENDATIONS AS TO APPROVAL OF LEASE AGREEMENT WITH THE CITY OF AUSTIN, EASEMENTS AND STREET DEEDS TO THE CITY OF AUSTIN AND AGREEMENT FOR THE RELOCATION OF RED RIVER STREET.--The Special Committee on the Brackenridge Tract appointed by the Chairman of the Board has met on several occasions with the Mayor of the City of Austin and members of the Special Committee appointed by the City Council and has reached certain basic agreements with regard to the Brackenridge Tract and the Municipal Golf Course Lease. The Special Committee recommends approval of the following basic agreements which have been reached with the Special Committee of the City of Austin as to the Brackenridge Tract:

1. A lease with the City of Austin covering the Municipal Golf Course containing 147 acres, more or less, out of the D. J. Gilbert Survey, Austin, Travis County, Texas, for a term commencing on December 1, 1973, and ending on March 31, 1987. In the provisions of this lease, the City of Austin has agreed to certain remodeling and renovation of the clubhouse and pro shop, sun shelters, water fountains and related facilities; the installation of an automatic irrigation system and necessary related facilities; certain improvements as to the tees and greens as necessary and continued maintenance of the golf course in order that the same may be placed in a first class condition. The lease also provides that the students, faculty and staff of The University of Texas at Austin will receive reduced rates as to golf fees.
2. Approval of various Street Right of Way Deeds, Utility, Sanitary Sewer and Drainage Easements to the City of Austin affecting parts of the entire Brackenridge Tract.

The Special Committee further recommends to the Board of Regents the approval of certain basic agreements that have been reached with the Special Committee of the City Council with regard to Red River Street:

1. An agreement with the City of Austin to relocate a part or parts of Red River Street from 18th Street to 38th Street in order to improve the vehicular and pedestrian traffic congestion in and around The University of Texas at Austin, conditioned on the vacation of the present Red River Street from approximately 18th Street to 26th Street.
2. Acquisition of the required 80 foot right of way for the relocated Red River Street by the University.

It is further recommended that the Board:

1. Authorize the University Administration to employ appraisers necessary to the acquisition of the required 80 foot right of way for the relocated Red River Street.
2. Authorize the University Administration, upon completion of the appraisals, to proceed with the acquisition of such 80 foot right of way for the relocated Red River Street.
3. Appropriate \$50,000.00 from Available University Fund for appraisers' fees and other related expenses in connection with the right of way acquisition.

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM  
December 7, 1973

STRICTLY  
EXECUTIVE SESSION

	<u>Page No.</u>
1. U. T. System: Recommended Nominees to the Board of Directors, The University of Texas Foundation, Inc.	2
2. U. T. Austin: Recommendation to Accept Sidney Burleson Smith Trust	2
3. U. T. Austin: Legal Aspects with Respect to a Bequest	3

Normally items are not listed on the agenda unless there is documentation or a recommendation. However, the following items have been submitted but the documentation is not yet complete:

1. U. T. System: Legal Matters Relating to a Lease Agreement Between the Board of Regents and The University of Texas Foundation, Inc.
2. U. T. System: Personnel Matters

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM  
December 7, 1973

STRICTLY  
EXECUTIVE SESSION

	<u>Page No.</u>
✓ 1. U. T. System: Recommended Nominees to the Board of Directors, The University of Texas Foundation, Inc.	2
✓ 2. U. T. Austin: Recommendation to Accept Sidney Burleson Smith Trust	2
✓ 3. U. T. Austin: Legal Aspects with Respect to a Bequest	4

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2. U. T. System: Personnel Matters



1. U. T. System: Recommended Nominees to the Board of Directors,  
The University of Texas Foundation, Inc. --

Chancellor LeMaistre recommends that the composition of the Board of Directors of The University of Texas Foundation, Inc., be changed effective January 1, 1974 to include two representatives of the Board of Regents to be appointed by the Chairman of the Board of Regents. These two places on the Board will be made available by the voluntary retirement of Dr. Ransom from one position and by designating Chancellor LeMaistre as an ex-officio member rather than a regular member.

Thus, Chancellor LeMaistre recommends that the Board approve the appointments listed below for terms beginning January 1, 1974 and expiring December 31, 1976.

Mr. Thomas H. Law, Fort Worth  
Mr. Benno C. Schmidt, New York, New York  
Mr. Gail Whitcomb, Houston  
Mr. Gene M. Woodfin, Houston  
Regental Representative (to be designated)  
Regental Representative (to be designated)  
Charles A. LeMaistre, M.D. (ex-officio)

For the information of the Board, in addition to the individuals listed above, the other members of the Board of Directors effective January 1, 1974, will be:

Mr. Rex G. Baker, Jr., Houston  
Mr. E. Philip Cannon, Austin  
Mr. Marvin K. Collie, Houston  
Mr. Hayden W. Head, Corpus Christi  
Mr. B. K. Johnson, San Antonio  
Mr. Jack Josey, Houston  
Mr. E. G. Morrison, Austin  
Mr. Preston Shirley, Galveston  
Mr. Robert Strauss, Dallas  
Mr. Jack C. Vaughn, Dallas

2. U. T. Austin: Recommendation to Accept Sidney Burleson Smith Trust. --

Mrs. Sidney Burleson Smith has tendered to the University a deed, together with a trust agreement, covering 227 acres of land in the Santiago del Valle Grant, Travis County, situated on Williamson Creek about 7 miles Southeast of downtown Austin. The property is being appraised but has an estimated value of around \$500,000.

The proposed trust agreement between Mrs. Smith and the Board of Regents will establish the Sidney Burleson Smith Trust, a Charitable Remainder Unitrust under the Tax Reform Act of 1969, with payments to be made to Mrs. Smith during her life in the amount of the lesser of the actual annual income or 5% of the annual value of the trust properties. Upon Mrs. Smith's death, the trust properties are to be transferred to the following funds to be held by the Board of Regents for the benefit of U. T. Austin:

1. One-fourth to the Adele Steiner Burleson Loan-Scholarship Fund for English Students;
2. One-fourth to the Ralph Steiner, M. D., Loan-Scholarship Fund for Pre-Medical Students; and
3. One-half to the Albert Sidney Burleson - Bryant Smith Loan-Scholarship Fund for Law School Students.

The portion for the Law School fund will be added to the assets of two other trust funds amounting to a total of approximately \$200,000 previously established by Mrs. Smith and her husband, Professor Bryant Smith, now deceased and formerly a distinguished member of the Law School faculty. Mrs. Smith also receives the income from these two funds for her life.

The Travis County land now brings only nominal grazing rental. Even though Mrs. Smith, who is around 76 years of age, expects reasonable income in due course from the trust fund she does not expect the University to sell the land in haste.

The Associate Deputy Chancellor for Investments, Trusts and Lands joins Chancellor LeMaistre and President Spurr in recommending acceptance of this trust and authorization for execution of the agreement by the Associate Deputy Chancellor. Mrs. Smith does not expect or want publicity, at least at this time.



3. U. T. Austin: Estate of Octavine Dreeben, Deceased. --

Mr. Wayne Stratton, Secretary-Treasurer of The University of Texas Law School Foundation, has submitted to the office of the Board of Regents the Last Will and Testament of Octavine Dreeben, who died on June 11, 1972.

The question to be decided is whether this bequest is to be received by the Board of Regents of The University of Texas System or by The University of Texas Law School Foundation keeping in mind the requirement that a commercial annuity be purchased.

Mr. Stratton said that Mr. Tom Sealy has appointed a special committee of the Board of Trustees of the Law School Foundation, comprised of Mr. Mark Martin, Chairman, Mr. Edward Clark, Mr. Elton M. Hyder, Jr., and Mr. Allan Shivers, to handle negotiations on this estate if the Law School Foundation is to serve as the conduit.

Below are (1) pertinent excerpts from the will, (2) a brief prepared by Mr. Wayne Stratton, and (3) the Inventory, Appraisal, and List of Claims of the estate:

a. Excerpts from will:

Sec. 2:2. Definition of Residuary Estate. My "Residuary Estate" shall consist of all of my property remaining after the payment of all debts and taxes, and the distribution of all specific devises as above provided, including property as to which effective disposition is not otherwise made in this will, property as to which I have an option to purchase or a reversionary interest, and all other property over which I have a power of testamentary disposition, whether by appointment or otherwise. Specifically, I hereby expressly exercise the testamentary general power of appointment reserved by me in Sec. 1:2 of the "OCTAVINE DREEBEN IRREVOCABLE LIVING TRUST between me, as Trustor, and The Fort Worth National Bank, as Trustee, dated August 25, 1969.

Sec. 2.3. Non-Charitable Devise. If my friend, Lylla Walker Arant, survives me, I devise to The Fort Worth National Bank, a National Banking Association domiciled in Fort Worth, Texas, as Trustee of the LYLLA WALKER ARANT TESTAMENTARY TRUST, such cash sum of money as will be adequate to purchase a commercial annuity which will pay \$1,000.00 per month to Lylla Walker Arant for the remainder of her life. I also devise to such Trust such additional cash sum as will be more than adequate to pay all trust administration costs for the entire term of the LYLLA WALKER ARANT TESTAMENTARY TRUST. Such Trust shall be held and administered in accordance with those provisions hereafter contained in Article III.

Sec. 2:4. Charitable Devise. I devise all of my Residuary Estate other than the cash sums referred to in Sec. 2:3 above (or all of my Residuary Estate if Lylla Walker Arant fails to survive me) in equal shares to The University of Texas Law School and to Southern Methodist University, a Texas non-profit corporation, for the benefit of its law school, to be used to provide legal educations for outstanding young

men of high moral character who need financial assistance in order to attend law school. If only one institution's law school be in existence at such time, then such assets shall be distributed to that institution's law school. If both institutions' law schools not be in existence at such time, then such assets shall be distributed to the State of Texas. I hereby express my request that the scholarships provided by such assets be named after my beloved husband, ISRAEL DREEBEN.

\* \* \*

Sec. 3:2. Trust Distribution Provisions. Using part of the cash sums transferred to this Trust, the Trustee shall purchase a commercial annuity on the life of Lylla Walker Arant payable \$1,000.00 per month for the life of Lylla Walker Arant. Such \$1,000.00 monthly payments shall be paid direct to the LYLLA WALKER ARANT TESTAMENTARY TRUST. Each month the Trustee shall pay to Lylla Walker Arant the cash sum of \$1,000.00. However, if during any month Lylla Walker Arant is married or has in effect testamentary dispositions other than those contained in her last will and testament signed in the fall of 1970 and on deposit with the Trustee, then no \$1,000.00 payment shall be made by the Trustee to Lylla Walker Arant for that month, and the annuity payment received for that month shall be accumulated in the Trust. When the conditions referred to in the preceding sentence no longer exist, the Trustee shall resume making \$1,000.00 monthly payments to Lylla Walker Arant (but no sums greater than \$1,000.00 per month shall ever be paid to Lylla Walker Arant simply because of prior accumulations in the Trust). Upon the death of Lylla Walker Arant, the Trust shall terminate and all of the then remaining Trust assets shall be distributed in the same manner as is provided in Sec. 2:4 above.

b. Brief by Mr. Stratton:

SUBJECT: Estate of Octavine Dreeben, Deceased

On Wednesday, October 17, 1973 a meeting was held between Mr. Albert O'Neal, Trust Officer, Fort Worth National Bank; Dean Charles O. Galvin, SMU Law School; Assistant Dean J. Stephen Dycus, SMU Law School; Rice M. Tilley, Jr., Fort Worth attorney for the estate of Mrs. Octavine Dreeben; and Wayne Stratton, Secretary-Treasurer, The University of Texas Law School Foundation. The topic of this meeting was the last will and testament executed by Mrs. Dreeben on September 23, 1970 that restates her desire to establish law student scholarships as described in a trust instrument she executed in 1969. These scholarships are for law students at both The University of Texas School of Law and Southern Methodist University Law School. In effect, Mrs. Dreeben bequeathed all of her residual estate jointly to the two schools after providing for specific bequests to several individuals and other charitable organizations. This residual estate amounts to approximately \$343,174, as estimated on the estate and gift tax return filed with the Internal Revenue Service, March 1973. The total estate has been valued at \$596,609.00 on the estate tax return.



### Dreeben Scholarship Fund

Under the terms of this will the assets bequeathed to the two law schools in equal shares, are to be used... "to provide legal educations for outstanding young men of high moral character who need financial assistance in order to attend law school." There is no stipulation that only interest earned on these gifts is to be used to provide these scholarships, i.e., the provision appears to empower the schools to make corpus invasions if they so desire. The only stipulation contained in the will is that these scholarships provided by her estate be named after her husband, Israel Dreeben.

### Lylla Walker Arant Testamentary Trust

Mrs. Dreeben's will provides for the establishment of the Lylla Walker Arant Testamentary Trust with the Ft. Worth National Bank as trustee. This trust is to provide Mrs. Arant (approximate age 53) the sum of \$1,000 per month for life with several stipulations:

1. Section 3.2 provides for "purchase of a commercial annuity on the life of Lylla Walker Arant payable \$1,000 per month for the life of Lylla Walker Arant. Each month the trustee shall pay to Lylla Walker Arant, the cash sum of \$1,000. However, if during any month, Lylla Walker Arant is married or has in effect testamentary dispositions other than those contained in her last will and testament signed in the fall of 1970 and on deposit with the trustee, then no \$1,000 payment shall be made by the trustee to Lylla Walker Arant for that month and the annuity payment received for that month shall be accumulated in the trust."
2. Section 3.2 closes with the statement "upon the death of Lylla Walker Arant, the trust shall terminate and all of the then remaining trust assets shall be distributed in the same manner as is provided in Section 2.4 above." This Section 2.4 provides for distribution of residual assets in the estate to the two law schools.

### Israel Dreeben Estate Status

Mrs. Dreeben died June 11, 1972. The residual beneficiaries under her will were contacted in October of 1973 and advised of her death. Both schools had previously been advised by Mrs. Dreeben's attorney, Mr. Rice M. Tilley, Jr., that he was preparing such a will for her execution as a further document to the original trust instrument she had executed prior to the 1969 Tax Reform Act. Both schools, at that time, were in possession of the original trust instrument but neither received copies of the will executed in 1970. Mr. O'Neal, the bank's trust officer, advised those present at the meeting in Dallas that this was an administrative, clerical error on their part as they thought they had taken appropriate steps to contact both law schools. Mr. Tilley stated that he was under the impression that the bank would notify all beneficiaries involved.

The primary problem area, as discussed at this meeting, was the language of the will, requiring that the executor (The Fort Worth National Bank) purchase a commercial annuity on the life of Mrs. Arant. Prior to Mrs. Dreeben's demise, Mrs. Arant suffered a massive stroke or series of strokes that seriously impaired her

health and life expectancy. Mrs. Arant is currently in a nursing home and, she has had a legal guardian appointed for her affairs. The executor of the estate valued the purchase of this commercial annuity for estate tax purposes at \$168,895.55 based on her age of 53. All present at the meeting agreed that, due to Mrs. Arant's health and relatively short-term life expectancy, that there might perhaps be two other ways to satisfy this provision of the will without violating the intent of the document.

- (1) A type of commercial annuity might be purchased, i.e., a "sum certain" annuity that would provide for a return of premiums or monies on deposit should Mrs. Arant die in the near future.
- (2) Rather than purchase an actual commercial annuity, the two law schools could offer warranties and indemnities to pay into the Lylla Walker Arant Trust established at the Fort Worth National Bank, a sum of \$500.00 a month each for as long as Mrs. Arant should live.

After discussing various other methods of securing this commercial annuity or providing for the payment directly to the Arant Trust by the schools, it was agreed upon by all present, including the executor of the estate and the attorney for the decedent, that since Mrs. Dreeben's full intent had been to provide funds for legal scholarships, more monies would be made available for that stated purpose if the schools guarantee the payment into the trust of \$500 a month each. This of course would preclude either school tying up large sums of money in the purchase of this annuity, even if it could be purchased at a less than commercial rate from insurance companies friendly to the schools. The Arant Trust had not yet been funded by the executor. It was agreed by all present that, since the guardian of Mrs. Arant has contacted them concerning the some \$17,000 in back payments due on Mrs. Arant's account since Mrs. Dreeben's death, the Arant Trust should immediately be funded by transferring some \$20,000 from the available \$50,000 cash in the Dreeben estate and that these back payments should be paid to Mrs. Arant's guardian immediately.

In conjunction with the decision concerning the method of handling the annuity for Mrs. Arant's Trust as provided by Mrs. Dreeben's will, it was pointed out at this meeting that an amended estate tax return could possibly be filed with the IRS since, based on a medical opinion and life expectancy statement to be secured from Mrs. Arant's doctors by Mr. Rice Tilley, Jr. and the Fort Worth National Bank, the amount of the specific bequest made to the Arant Trust by Mrs. Dreeben would be considerably reduced. It was estimated that a tax savings of perhaps as much as \$20-\$25,000 could be made, these funds, of course, being of direct benefit to the scholarship programs at the two law schools.

The other question raised concerning taxes, etc. was the expenditure by the executor for property taxes on the real property in the estate. It was pointed out that since property title is usually considered to pass upon the date of death and that since both residual beneficiaries were 501(C)(3) organizations, some if not all of the property taxes paid might be refunded.

Assistant Dean Dycus, SMU Law School, raised several questions concerning the estate tax return and the administration of the estate, including such items as the estimate of attorney fees charged to the estate, the administration fee estimated by the



independent executor, the method of computation of the estate tax due the federal government, the funeral expenses itemized since the will provided for and stated that all of Mrs. Dreeben's funeral expenses had been pre-paid, and the schedules prepared by the Fort Worth National Bank for cash disbursements. Due to these questions, the Fort Worth National Bank has agreed to provide the following:

- (1) Appraisals of the real property owned by Mrs. Dreeben, made at the time of her death (some of these appraisals were made by the bank, some by independent appraisors).
- (2) Copies of the actual cash ledger sheets indicating dates of the transactions.
- (3) Any portions of the estate tax return schedules that might have inadvertently been deleted from the package sent to each of the law schools in October, 1973.
- (4) The method used to compute the estimated administration fee as set forth by the bank.

In addition, Mr. Tilley, Jr. requested that he be allowed to submit to the two schools a letter substantiating the fees estimated by his firm for legal services.

The Fort Worth National Bank recommends that the 67 acre tract of property located adjacent to the new Dallas-Ft. Worth Interregional Airport be sold as soon as possible since they feel that land values in that area may have reached a peak. While they provided no appraisals of this property at the meeting, Mr. O'Neal suggested that it might have a market value of some \$9-\$10,000 per acre. While apparently this is somewhat less than some other properties in the area are bringing, it may be that, since considerable gravel has been removed from that property over the years, it would have a lesser value.

#### Conclusions

Considerable paperwork will be required to complete the orderly transfer of this estate to the schools involved for their scholarship programs since the bulk of the residual estate is in the form of real property. Decisions will have to be made by the governing bodies of the law schools or their foundations concerning disposition of these properties. SMU Law School has made no definitive statement concerning their desire or intent to sell any of these gifts. However, it is probably too early for them to make any such decision or statement. SMU, perhaps, may not be as agreeable to "take their money and run" as some institutions might be--this remains to be seen.

#### Recommendations

In my opinion, The University of Texas Law School Foundation should serve as the vehicle for the handling of this gift at the UT Law School. This was made clear at the Dallas meeting and all concurred, particularly Mr. Tilley, Jr. who apparently failed to incorporate Dean Keeton's suggestion in some of the earlier correspondence. The will does state that the legatee is The University of Texas School of Law. It does not spell out the State of Texas or the Board of Regents, hence all

agreed that our Foundation would be very appropriate. Also, the Arant Trust should be funded as agreed. The back money due Mrs. Arant's guardian be paid from the trust and the \$1,000 per month payments should go forward as scheduled and provided for by the trust. There is sufficient cash available to provide this money through this spring. The life expectancy statement should be secured immediately from Mrs. Arant's doctors and the amended estate tax return should be filed at once.

No commercial annuity should be purchased from the assets of the estate to fund this annuity if indeed Mrs. Arant's life expectancy is as short as parties close to the situation seem to feel. Rather, the two law schools should enter into a contract providing for the payment of these funds on a monthly basis (probably from income from the assets of the Dreeben scholarship funds).

The material to be provided by the Fort Worth National Bank to the schools, including the property appraisals, should be carefully examined. New property appraisals should be secured where it is deemed appropriate and consultations entered into as to properties that are to be sold or retained and sound written agreements be made by the two schools.

The property to be sold should be listed with an agent on a negotiated fee basis. The Fort Worth National Bank has requested that the schools enter into an agency agreement with them to sell the property as soon as possible. They have stated that their fee for brokering this real estate would be 6%. It may be that the schools would not be in a position to have to pay this high a fee due to friends and alumni of both institutions throughout the state. It is also recommended that, if the Dean of the UT Law School or the Trustees of the UT Law School Foundation feel, for any reason, that this transaction should be handled through the Board of Regents of The University of Texas System, this be decided immediately and the appropriate University officials notified so that they may handle the future negotiations with the administrator of the estate and the other educational institution. If the Law School Foundation is to serve as the depository for this gift, the President and/or Executive Committee might wish to appoint a special committee to assist in the negotiations in the Fort Worth-Dallas area.



c. Inventory, Appraisal and List of Claims:

NO. A-13893

ESTATE OF	X	IN THE PROBATE COURT
OCTAVINE DREEBEN,	X	OF
DECEASED	X	TARRANT COUNTY, TEXAS

INVENTORY, APPRAISAL, AND LIST OF CLAIMS

The undersigned personal representative of the above named estate files this Inventory and Appraisal of all of the property of the Estate which has come within the possession or knowledge of such personal representative. Decedent was a widow whose Estate consists solely of separate property as follows:

REAL PROPERTY

<u>Real Property - Surface</u>	<u>Market Value</u> <u>6-11-72</u>	<u>Total Value</u>
Tarrant County, Texas - Residence, 6518 Baker Blvd. 4/5 undivided interest in all of Block 8A, Richland Hills South Addition, City of Fort Worth	\$ 16,974.80	
Tarrant County, Texas - 4/5 undivided interest in Lot A, Block 3, Richland Hills South Addition, City of Fort Worth	29,574.80	
Tarrant County, Texas - 4/5 undivided interest in all of Block 6, Richland Hills South Addition, City of Fort Worth	11,072.00	
Tarrant County, Texas - 4/5 undivided interest in Northeast 11.3 feet of Lot 9, Block 4, Richland Hills South Addition, City of Fort Worth	-0-	
Dallas County, Texas - 65.11 acres more or less out of the J. E. Holland Survey and the T. W. Cousey Survey	325,000.00	
Dallas County, Texas - 4002-02 Swigs Ave., Tract 1, Lot 1, Block 2/755, S. D. Murray Partition Addition 384 F. R. Haskell, City of Dallas	23,000.00	
Harrison County, Texas - 84 acres more or less out of the George Headright Survey	10,500.00	
Terrell County, Texas - 640 acres more or less out of Survey 9, Block 56	<u>6,400.00</u>	\$422,521.60

Real Property - Mineral

Harrison County, Texas - Full mineral interest in 134 acres out of the George Johnson Headright Survey	\$ 134.00	
Morris County, Texas - 5/88.2 mineral interest in 88.2 acres out of the M. W. & W. O. Matthews Survey	5.00	
Terrell County, Texas - Full mineral interest in 64 acres out of Survey 9, Block S-6	640.00	
Van Zandt County, Texas - 1/512 Royalty Interest in 3 acres out of the Mund Gross Survey 299	<u>1,200.00</u>	<u>1,979.00</u>
Total Real Property		<u>\$424,500.60</u>

PERSONAL PROPERTY

Cash or Equivalent

Checking Account #461145 in The Fort Worth National Bank, Fort Worth, Texas, N/O Octavine Dreeben (balance 6-11-72)	\$ 2,046.39	
Funds in Trust Account #261300 styled Octavine Dreeben Irrevocable Living Trust (balance 6-11-72)	<u>8,957.32</u>	\$ 11,003.71

Stocks and Bonds

\$15,000.00 U.S. Treasury Notes 5 5/8% Due 8-15-74	\$ 15,121.87	
73,000.00 U.S. Treasury Notes 6% Due 5-15-75	74,003.75	
1,000.00 Bethel Baptist Church 7% First Mtg. Sinking Fund Bonds Due 1-1-80	500.00	
1,584 Units Common Trust Fund A - Equity Fund at 20.939515	33,168.19	
. 2,910 Units Common Trust Fund A - Fixed Income Fund - Taxable at 7.742794	<u>22,531.53</u>	\$145,325.34

Mortgage Notes

Eddie G. Tucker Mortgage #1 \$4,300.00 5% Dated 4-22-63	\$ 35.21	
Eddie G. Tucker Mortgage #2 \$4,300.00 7 1/2% Dated 9-22-70	3,603.04	
Theda Woodard Mortgage \$19,000.00 6% Dated 11-17-66	<u>10,754.48</u>	14,392.73

Miscellaneous

Household furniture, furnishings and fixtures located at 6518 Baker Blvd. Fort Worth, Texas	\$ 1,420.50	
Miscellaneous Furs	625.00	
Miscellaneous Jewelry	4,200.00	
Mausoleum Crypt #E-131, Hillcrest Memorial Park of Dallas, Inc., Dallas, Texas (nominal value)	<u>1.00</u>	<u>6,246.50</u>
Total Personal Property		<u>\$176,968.28</u>

LIST OF CLAIMS

The undersigned personal representative of the above named Estate additionally files this List of Claims due or owing to the Estate.

<u>Separate</u>	<u>Market Value</u> <u>6-11-72</u>	<u>Total Value</u>
Glenview Hospital - refund of overpayment	\$ 4.00	
Harris Hospital - refund of overpayment	16.00	
Medicare - reimbursement for medical expenses	364.64	
National Western Life Insurance Co. - refund of premium	84.61	
James F. Newton - June rent	190.00	
The Fort Worth National Bank: Quarterly Income Distribution to 5-31-72 from:		
Common Trust Fund A - Equity Fund	174.08	
Common Trust Fund A - Fixed Income Fund - Taxable	353.43	
Pro Rata Quarterly Income Distribution to 8-31-72 from:		
Common Trust Fund A - Equity Fund	24.74	
Common Trust Fund A - Fixed Income Fund - Taxable	42.82	
Miscellaneous Oil and Gas Receipts on Van Zandt Co. Texas Property:		
May, 1972	21.26	
June, 1972 - pro rata share	7.99	
Accrued interest to 6-11-72:		
\$15,000.00 U.S. Treasury Notes 5 5/8% Due 8-15-74, From 2-15-72	271.20	
73,000.00 U.S. Treasury Notes 6% Due 5-15-75, From 5-15-75, From 5-15-72	321.36	
1,000.00 Bethel Baptist Church 7% First Mtg. Sinking Fund Bonds Due 1-1-80, From 1-1-72	31.31	



Accrued interest to 6-11-72:			
Eddie G. Tucker Mortgage #1, From 3-10-72	.15		
Eddie G. Tucker Mortgage #2, From 5-22-72	15.01		
Theda Woodard Mortgage, From 12-17-71	315.45	\$	954.48
			<u>          </u>
Total Separate Claims Due to Estate		\$	<u>2,238.05</u>

Community

None

SUMMARY OF DECEDENT'S ESTATE

Separate Property

Real Property	\$424,500.60		
Personal Property	<u>176,968.28</u>		
Total Separate Property			\$601,468.88

Community Property

None		\$	-0-
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Claims Due To Estate

Separate	\$ 2,238.05		
Community	<u>-0-</u>		
Total Claims Due To Estate			<u>2,238.05</u>
Total Estate			<u>\$603,706.93</u>

The undersigned does solemnly swear that the Inventory, Appraisal, and List of Claims stated above are a true and complete statement of the property, appraisal thereof, and list of claims of the Estate that have come to the knowledge of the undersigned.

THE FORT WORTH NATIONAL BANK,  
Independent Executor of the  
Estate of Octavine Dreeben

By: \_\_\_\_\_  
Albert V. O'Neal,  
Trust Officer

Sworn to and subscribed before me by the person whose signature appears above this \_\_\_\_ day of April, 1973.

\_\_\_\_\_  
Notary Public, Tarrant County,  
Texas

THE FORT WORTH NATIONAL BANK, Independent Executor of the Estate of OCTAVINE DREEBEN, Deceased, requests that the Court issue an order approving this Inventory, Appraisal, and List of Claims.

THE FORT WORTH NATIONAL BANK,  
Independent Executor of the  
Estate of Octavine Dreeben

By: \_\_\_\_\_  
Albert V. O'Neal,  
Trust Officer

\* \* \*

Attention is called to the letter on the following page from Dean Page Keeton to Mr. Rice M. Tilley, Jr., in which he suggests that the beneficiary of the trust could be The University of Texas Law School Foundation rather than The University of Texas Law School.

October 29, 1970

Mr. Rice M. Tilley, Jr.  
Stone, Tilley, Parker, Snakard, Law & Brown  
Fort Worth National Bank Bldg.  
Fort Worth, Texas 76102

Dear Rice:

It occurs to me after further thought that if it is agreeable with you, and your client has no objection, the beneficiary of this trust for the use of the University of Texas Law School be set forth as the University of Texas Law School Foundation.

As you undoubtedly know, our Foundation is a separate educational corporation chartered solely to our School of Law. All gifts to the Foundation are fully tax deductible and to the best of our knowledge it is considered a public Foundation under all of the mechanical tests required by the Internal Revenue Service.

It seems to me that our Foundation might have a little more freedom in receiving a distribution from the estate in the form of assignments and conveyances of property interests.

If this does not meet with your approval, please feel perfectly free to proceed in naming the University of Texas for the School of Law.

Thank you again for all of your help.

Sincerely,

Page Keeton  
Dean



COMMITTEE OF THE WHOLE  
EXECUTIVE SESSION

EMERGENCY ITEMS  
December 7, 1973

	<u>Page No.</u>
4. ✓ Board of Regents: Proposed Lease Agreement Between ✓ The University of Texas Foundation, Inc., and the Board of Regents of The University of Texas System	17
5. ✓ U. T. System: Personnel Matters Related to System Administration	17
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NOTE: Additional Information on Item 3

27

4. Board of Regents: Proposed Lease Agreement Between The University of Texas Foundation, Inc., and the Board of Regents of The University of Texas System. --

A lease agreement between The University of Texas Foundation, Inc., as Lessor, and the Board of Regents of The University of Texas System, as Lessee, has been proposed whereby Lessor will lease to Lessee for its sole and exclusive use a Beechcraft King Aire A-100 Turbo-Prop airplane, Registry No. N-9050-V. The lease provides that the Lessor will repair and maintain the aircraft and will supply the other necessary requirements relating to air worthiness, certificates of pilots, insurance, and will indemnify and hold harmless the Lessee against any loss, liability or damage. Lessee agrees to pay to Lessor for the use of the aircraft the sum of \$200.00 per hour of actual flying time as reflected by the pilot's log. Provisions are also made for the adjustment of additional costs. The agreement is for a term of 5 years and subsequent like periods and may be cancelled or terminated by either party on 6 months written notice.

System Administration recommends the approval of the lease agreement and requests that the Chairman of the Board of Regents be authorized to execute the same and take all other necessary action to consummate the transaction after it has been approved as to content by the Deputy Chancellor for Administration and as to form by a University Attorney.

5. U. T. System: Personnel Matters Related to System Administration. --

At the October, 1973 meeting of the Board, there was discussion regarding the appropriate titles for staff personnel reporting directly to the Chancellor. During that discussion Chancellor LeMaistre said that he would bring recommendations to a subsequent meeting of the Board.

Chancellor LeMaistre recommends the following; and, if the Board agrees, will bring to the February meeting amendments to the Rules and Regulations and the System organizational chart which will reflect these recommendations.

1. The title Vice-Chancellor for Academic Affairs will be replaced by Assistant to the Chancellor for Academic Affairs. Amendments to the Rules and Regulations will emphasize the staff nature of this position. It is recommended that the position be filled by Dr. James Wagener, at an annual salary rate of \$30,000.00.
2. The title Vice-Chancellor for Health Affairs will be replaced by Assistant to the Chancellor for Health Affairs. Amendments to the Rules and Regulations will emphasize the staff nature of this position. The position will be filled by Dr. William Knisely.

If these recommendations are approved, the following Minute Order is suggested:

In the discussion of personnel matters relating to System Administration, specific organizational patterns were approved and Chancellor LeMaistre was requested to present at the February meeting amendments to the Rules and Regulations implementing same.



6. U. T. System: Legal Matters Relating to Release of Certain Information within the Provisions of Article 6252-17(a) Vernon's Civil Statutes. -- See Page 29.
7. U. T. System: Legal Matters Relating to Amendments to Depository Bank Agreements. --
8. U. T. Permian Basin: Legal Matters Relating to Proposed Gift. --

President Amstead has advised Chancellor LeMaistre that prior to the end of 1973, Ellen and Bill Noel wish to establish the Ellen and Bill Noel Scholarship Fund through the gift of 15,000 shares of El Paso Natural Gas Company common stock to the Board of Regents. The scholarship fund will be administered by the Board of Regents as Trustees and the scholarship funds awarded to full or part-time students at Odessa College and The University of Texas of the Permian Basin.

The proposed gift instrument, reproduced below, has been reviewed and approved by the Law Office and the Office of Investments, Trusts and Lands.

Chancellor LeMaistre recommends that the Board approve the proposed gift instrument and authorize acceptance of the gift by System Administration following execution of the instrument by Ellen and Bill Noel.

At this time the donors request no publicity.

THE UNIVERSITY OF TEXAS OF THE PERMIAN BASIN

Odessa, Texas 79762

November 28, 1973

Dr. Charles A. LeMaistre  
Chancellor  
The University of Texas System  
601 Colorado Street  
Austin, Texas 78701

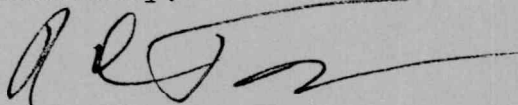
Dear Dr. LeMaistre:

Attached hereto is the final draft for the Ellen and Bill Noel Scholarship Fund which was given to me by their attorney, Mr. Tom Rodman. According to the last quote I have, the 15,000 shares of El Paso Natural Gas Company common stock are worth approximately \$225,000.00.

The Noel's plan to execute this instrument prior to the end of this calendar year - probably around the middle of December. Prior to executing the instrument, the Noel's wish to be advised of the Regents' approval.

I would appreciate your obtaining formal approval of this trust by the Board of Regents and their directive that it be accepted upon execution and delivery of the trust principal.

Sincerely,



R. C. Thompson  
Vice President for  
Business Affairs

RCT/cat  
Attachment

THE STATE OF TEXAS X  
COUNTY OF ECTOR X

WE, W. D. NOEL and ELLEN WITWER NOEL, of the County of Ector, State of Texas, and TREBOL OIL COMPANY, a Texas corporation, do give, grant, transfer, assign and convey to The Board of Regents of The University of Texas System, as Trustees, irrevocably and forever, for the use and benefit of the Beneficiaries hereinafter referred to, the following described property:

Fifteen Thousand (15,000)  
Shares of the Common Stock  
of El Paso Natural Gas Com-  
pany

(13,122 shares being from the said W. D. Noel and Ellen Witwer Noel, and 1,878 shares being from the said Trebol Oil Company)

in Trust under the following terms and conditions.

I.

This Trust shall be called The Ellen and Bill Noel Scholarship Fund.

II.

The principal of this Fund shall never be expended, but shall be retained forever. The net income, or the portion thereof necessary to fulfill the purposes of this Trust, shall be expended for scholarships as hereinafter set forth.

III.

The Stock hereinabove described and any other contributions to the principal shall be retained for a period of ten (10) years, after which period the said Board of Regents shall have full investment authority; provided, however, they may at their discretion continue to hold said Stock without liability for failure to diversify or otherwise.

IV.

The Beneficiaries of this Fund shall be:

(a) children of employees (including retired and deceased employees) of El Paso Products Company, Odessa Natural Corporation, and West Texas Gathering Company, desiring to and capable of entering either of the colleges or universities here-



inafter referred to, regardless of where they reside, all of whom shall hereinafter be referred to as "Beneficiaries of the First Class",

and

(b) all other worthy persons desiring to and capable of entering either of the colleges or universities hereinafter referred to, who are residents of Ector County, Texas, who shall hereinafter be referred to as "Beneficiaries of the Second Class" who shall be selected as hereinafter set forth.

(c) In the event Grantors, or either of them, cease to be an owner of West Texas Gathering Company, the children of employees of West Texas Gathering Company shall cease to be Beneficiaries of the First Class. In the event El Paso Products Company and/or Odessa Natural Corporation, cease to be identifiable as separate corporations, divisions and/or sub-divisions of El Paso Natural Gas and/or cease to be either directly or indirectly controlled by El Paso Natural Gas as separate corporations, divisions and/or sub-divisions, the children of employees of said companies, divisions and/or sub-divisions shall cease to be Beneficiaries of the First Class. Upon occurrence of the events described in the preceding two sentences such that the children of employees of the aforesaid companies are no longer Beneficiaries of the First Class, the distinction between classes of beneficiaries shall be terminated and the beneficiaries of this Trust shall be those persons described in Paragraph IV(b) which shall include those persons theretofore classed as "Beneficiaries of the First Class".

V.

The Fund income shall be used for scholarship aid to Beneficiaries of the First Class and Beneficiaries of the Second Class who shall attend, and only while attending as a full or part time student, either Odessa College, Odessa, Texas, or The University of Texas of the Permian Basin, Odessa, Texas.

VI.

Beneficiaries of the First Class and Beneficiaries of the Second Class shall be selected by the appropriate officials and

personnel of the above named College and University, such selection to be made, insofar as reasonably possible, by using the following methods and criteria:

(a) Beneficiaries of the First Class shall be preferred for selection over Beneficiaries of the Second Class, and Beneficiaries of the Second Class shall be selected only when Fund income is in excess of that reasonably needed for Beneficiaries of the First Class.

(b) Said College and University officials and personnel shall, not less often than once annually, seek recommendations for Beneficiaries of the First Class from a Committee consisting of not less than one representative from each of the companies named in Paragraph IV(a) which representatives shall be selected by the officers of El Paso Products Company exclusive of any grantor herein. Provided, however, that no recommendations shall be sought or received of any company named in Paragraph IV(a), if the children of such company's employees cease to be Beneficiaries of the First Class, as provided in Paragraph IV(c).

(c) Selection of Beneficiaries of the First Class and Beneficiaries of the Second Class shall be based upon, in order of importance:

- (1) need
- (2) character, including moral character and citizenship
- (3) scholastic ability

#### VII.

Fund income shall be allocated annually between Odessa College and The University of Texas of the Permian Basin on the basis of the needs of each for scholarship aid as above set out; provided, however, neither institution shall receive less than 40% or more than 60% of the annual Fund income during any year. If either college or university ceases to exist or function as an educational institution, then and in such event all annual fund income shall be allocated to the remaining college or university.

#### VIII.

Scholarship aid to Beneficiaries of the First Class shall

include:

- (a) tuition
- (b) allowance for books and supplies, including special equipment for handicapped persons
- (c) allowance for living expenses (considering recommendations of the committee referred to in Paragraph VI(b) above)

Scholarship aid to Beneficiaries of the Second Class shall be limited to (a) and (b) above.

IX.

So far as is reasonably possible, all Fund income shall be awarded annually to either Beneficiaries of the First Class or Beneficiaries of the Second Class; if not so possible, unexpended income shall be added annually to the principal of the Fund.

X.

The grantors herein or any other person or entity shall have the right at any time to make additional donations to this Fund, which donations shall be added to the principal of said Fund.

XI.

If the purpose of this trust becomes impracticable, or if by reason of changed conditions its further execution becomes unnecessary or unwise in the judgment of the trustees, such trustees, acting by a majority vote, may designate another purpose which they may deem more appropriate under the circumstances, and the purpose so designated shall thereupon become the purpose of this trust.

XII.

Except as otherwise provided in this article, the terms and provisions of the Texas Trust Act (Article 7425-b of Vernon's Annotated Texas Statutes), as same may have been and hereafter may be amended from time to time, shall apply to the trust herein established.

XIII.

The trustees shall have the following powers in the addition to powers and authority granted by law:

- (a) The trustees are empowered to administer this trust in accordance with such uniform rules and regulations as they may



from time to time adopt regardless of whether said rules and regulations contain a specific reference to this trust.

(b) The trustees shall have full and complete power and authority to determine and allocate income and other receipts as well as expenses between principal and income.

(c) To the extent that any such requirements can be legally waived, the trustees shall never be required to give any bond as trustees.

(d) The trustees may retain any property or undivided interests in property regardless of nonproductivity, risk or lack of diversification.

(e) Subject to the provisions of Paragraph III, the trustees may hold, manage, control, exchange, lease, sell, alienate, mortgage, invest and reinvest the trust estate in any property or undivided interest in property, including common trust funds, without being limited by any statute or rule of law concerning investments by trustees. The trustees are specifically empowered to transfer or sell assets to common trust funds in return for cash, other assets or participations in such funds.

XIV.

The trustees, in the administration of this trust, shall be liable only for their own gross negligence or willful misconduct.

XV.

Neither this trust, nor any fund or property arising therefrom, in whatever form it may take, shall ever be any part of the Permanent University Fund, nor shall the Legislature have power or be in anywise authorized to change the purposes hereof, or to divert such trust, fund, or property from the purposes herein set out.

WITNESS our hands this \_\_\_\_\_ day of October, 1973.

\_\_\_\_\_  
W. D. NOEL

\_\_\_\_\_  
ELLEN WITWER NOEL

9. U. T. San Antonio: Rescission of Gift of Land, 8 Acres, Kendall County, Texas, from Ken Muller and Likewise Rescission of Sale thereof to Dr. C. Clifford Wendler and Acceptance from Ken Muller of a Gift of an Undivided Interest in 108.5 Acres of Land in Kendall County Near Boerne, Texas. --

At the October 26, 1973, meeting, the Board of Regents accepted eight (8) acres of land in the Muller Subdivision, Kendall County, Texas, with an estimated value of \$22,000. The Board also authorized the sale of this tract to Dr. C. C. Wendler of Dallas, Texas, with the proceeds used to endow the "Janet M. Muller Student Loan Fund." Mr. Muller has been advised by his tax attorneys that no gift tax advantages will accrue to him if he continues to act as a developer.

Since this transaction had not been finalized by the delivery and recording of the deed of gift, Mr. Muller respectfully requests the Board to rescind its action of October 26, 1973. Further, Mr. Muller proposes, in lieu of such gift, to convey to The University of Texas at San Antonio an undivided interest in 108.5 acres of land in Kendall County, Texas, near Boerne. This land is currently being appraised, but indications are that it will have a value in excess of \$250,000. It is Mr. Muller's intention that ownership of this 108.5 acres be divided between the American Cancer Society, The National Kidney Foundation, The National Council of Alcoholism and The University of Texas at San Antonio. The Board of Regents of The University of Texas System would act as "coordinator" in the management and/or disposition of the property. Mr. Muller has suggested that the land can be leased for hunting and grazing, held for appreciation, subdivided or sold immediately. The proceeds of any immediate sale would be used to endow the "Janet M. Muller Student Loan Fund" in the approximate amount of \$25,000 with the balance to be used to provide unrestricted funds for The University of Texas at San Antonio to assist it in becoming a "new force" in the community.

It is recommended by the President of U. T. San Antonio, concurred in by Deputy Chancellor Walker, that

- (1) the previous action of the Board in accepting the gift of the eight (8) acre tract at the October 26, 1973, meeting be rescinded; and
- (2) the gift of an undivided interest in and to the 108.5 acre tract be accepted.

SECRETARY'S NOTE: The following is the Minute Order from the Minutes of October 26, 1973:

U. T. San Antonio: Acceptance of Gift of 8 Acres in Kendall County, Texas, from Ken Muller, Establishment of Student Loan Fund and Sale of Land to Dr. Clifford Wendler. --The Board of Regents accepted 8 acres of land out of Tracts 35, 36 and 37, Muller Sub-Division, Kendall County, Texas, at an estimated value of \$22,000 from Mr. Ken Muller of Boerne, Texas. (A gift from Mr. Muller of 6.45 acres in the same sub-division was reported in the docket of January 26, 1973.) Mr. Muller recommended and the Board of Regents authorized the sale of the above described 8 acres of land for \$2,800 per acre to Dr. C. Clifford Wendler of Dallas, Texas, subject to Mr. Muller's completing a road to the property and the Bandera Electric Cooperative installing power and lights. The sale is to be closed on or before February 1, 1974, and a real estate commission will be paid by the Board of Regents to the Houston Ranch Realty Company, Boerne, Texas.

The proceeds of the sale will be used to endow a student loan fund at The University of Texas at San Antonio to be The Janet M. Muller Student Loan Fund.



10. Report by Assistant Attorney General Linward Shivers (2:00 p. m.). --

11. Items Referred to Executive Committee by Standing Committees. --

a. A & D Committee - Exceptions to Chancellor's Docket  
No. 68

3. Additional Information



THE UNIVERSITY OF TEXAS LAW SCHOOL FOUNDATION  
2500 RED RIVER AUSTIN, TEXAS 78705 (512) 471-1621

December 4, 1973

TO: Dreeben Estate Committee  
Mark Martin, Chairman  
Edward Clark  
Elton M. Hyder, Jr.  
Allan Shivers

FROM: Wayne Stratton

SUBJECT: December 3, 1973 Meeting in Fort Worth, Texas

As I previously advised, a meeting was held yesterday with the Fort Worth National Bank Trust Department; Mr. Rice Tilley, Jr., attorney for the estate; Mr. Frank Scurlock, house council for Southern Methodist University; Mr. Paul Youngdale, UT Austin Development Board; and me.

All parties are now in full agreement that the commercial annuity required for the funding of the Arant Trust under the terms of Mrs. Dreeben's will should be circumvented by application to the Probate Court and the substitution made of contracts between the two law schools guarantying the funding of this \$1,000 per month for the trust beneficiary during her lifetime.

The possibility of filing an amended estate and gift tax return with the Internal Revenue Service was discussed in detail. It was the consensus of all present that a decision on this matter would be deferred until the Fort Worth National Bank and Mr. Tilley, Jr. could secure new quotations for a commercial annuity premium in order to recompute the probable value of this annuity and the consequences of the tax due, based on a new life-expectancy figure for Mrs. Arant of 15 years rather than the figure originally used from the actuarial tables indicating a 21 or 22 year life span.

**OFFICERS**

TOM SEALY  
President  
P.O. Box 670  
Midland, Texas 79701

KRAFT W. EIDMAN  
Vice President  
Bank of Southwest Bldg.  
Houston, Texas 77002

WAYNE R. STRATTON  
Secretary-Treasurer  
2500 Red River  
Austin, Texas 78705

FRANCES ADKINS  
Assistant Secretary  
2500 Red River  
Austin, Texas 78705

**LIFE MEMBER-TRUSTEES**

ALLAN SHIVERS  
Chairman, Life Members  
Austin

W. ST. JOHN GARWOOD  
Austin

ELTON M. HYDER, JR.  
Fort Worth

LEROY JEFFERS  
Houston

SYLVAN LANG  
San Antonio

THOMAS M. PHILLIPS  
Houston

TOM SEALY  
Midland

**TRUSTEES**

EDWARD CLARK  
Austin

J. CHRYS DOUGHERTY  
Austin

CHAS W DUKE  
San Antonio

KRAFT W. EIDMAN  
Houston

JOHN L. ESTES  
Dallas

J. A. GOOCH  
Fort Worth

WALES H. MADDEN, JR.  
Amarillo

MARK MARTIN  
Dallas

CECIL D. REDFORD  
Corpus Christi

PRESTON SHIRLEY  
Galveston

**TRUSTEES EMERITUS**

HINES H. BAKER  
Houston

ANGUS G. WYNNE  
Dallas

Dreeben Estate Committee  
December 4, 1973  
Page 2

All cash distributions to other heirs as provided in Mrs. Dreeben's will have now been made. The bank has not yet made any distribution on the real or mineral property. The IRS has not yet notified the bank and the estate attorney that the return has been audited and closed.

The Arant Trust has been established by the bank as provided for in the will and has initially been funded by a \$20,000 cash transfer from the estate. Payments to Mrs. Arant, through her guardian, have been brought up-to-date at this time. There currently remains some \$30,000 in cash assets in the estate. Mr. Tilley, Jr.'s firm has billed and received \$6,000 for legal services to this point and the Fort Worth National Bank has received approximately 1/2 of their estimated \$15,000 fee. There still remains sufficient cash in the estate to fund the Arant Trust for a few months, pending a contractual agreement with the schools, and to satisfy any remaining legal and administration charges.

Mr. Martin and Mr. Scurlock are proceeding at once to secure a new independent appraisal of the 65 acre tract of land adjacent to the Dallas-Ft. Worth Airport, solely for the information and protection of the two schools.

Hopefully we will know at the conclusion of the UT Board of Regents meeting on December 7, 1973 as to whether or not our Foundation will be the vehicle for this gift. If for any reason the Regents elect to handle this matter through UT Austin, we have kept both the System and UT Austin Development offices completely up-to-date.

We will advise you as soon as we have any additional information.

cc: Tom Sealy, President  
Kraft W. Eidman, Vice President

bcc: Miss Betty Anne Thedford



6. U.T. System: Legal Matters Relating to the Release of  
Certain Information within the Provisions of Article 6252-17(a)  
(VCS)

You have each received a copy of a letter from Representative Larry Bales addressed to Chairman McNeese in which, essentially, Mr. Bales makes two requests:

- (1) On behalf of the Texas College and University System Staff Employees Association a list of the non-teaching employees of The University of Texas which includes name, address, age, sex and length of service.
- (2) Personally, a copy of the "Grievance Procedure in effect for University of Texas employees as well as any explanatory rules or bulletins surrounding personnel policies relating to grievances."

Chairman McNeese also received basically the same letter from Senator Doggett, and Chairman McNeese has referred both letters to me for discussion with the Board. For your reference the letters from Mr. Bales and Mr. Doggett are attached as Exhibits A and B.

With regard to the grievance procedure requests, I will transmit to both legislators The University of Texas System Personnel Memorandum VI 080 "Grievance and Appeals Procedure," The University of Texas at Austin "green sheet" policy memorandum, the published Personnel-O-Gram dealing with this procedure, and related memoranda to the institutional personnel officers. I believe these will satisfy this aspect of Mr. Doggett's and Mr. Bales' request.

The difficulty involved in the request for the list of non-teaching employees from U.T. Austin and the related matter of "The Public Information Act" is set below in Mr. Shultz's memorandum to me dated December 4, 1973.

Mr. James Colvin, Vice-President for Business Affairs has no record of the Association having made a request for such information. Both Mr. Doggett and Mr. Bales state in their letters that "The Association would be willing to bear whatever expense there would be in providing the list."

As you are aware, the provisions of Article 6252-17a, Vernon's Civil Statutes, known as "The Public Information Act", make certain records maintained by state agencies available to the public upon request. However, this statute does not require an agency to compile information from various sources in order to provide information in the form requested by an individual or organization. Mr. Colvin states that The University does not maintain a list or record which contains the information referred to in the letters of Mr. Doggett and Mr. Bales. The individual personnel files would contain this information, but this would involve a file by file examination and a compilation of the specified information. The statute does not require that. Mr. Colvin has also informed the Law Office that certain information relating to all employees is maintained in the computer used by The University. This does not currently include sex or length of service of the employee. This information is being added but the process will not be completed until sometime early next year. There is no existing program which will retrieve from the computer the name, address and age of employees on the basis of whether they are non-teaching or teaching employees. A print-out from the computer giving name, address and age of non-teaching employees would involve approximately \$382.30 which would be broken down as follows: key punch - \$11.80; programming - \$238.00; analysis - \$68.00; clerical - \$8.25; computer time - \$56.25. The corresponding information as to sex and length of service would currently have to be compiled from personnel files on a file by file basis.

Based upon Mr. Shultz's memorandum, I recommend to the Board that I communicate further with Mr. Bales and Mr. Doggett on behalf of the Chairman and make the following points:

- (1) Since the requested list is not already compiled, its availability is not within the scope of "The Public Information Act."
- (2) Offer to provide a partial list as requested (name, address and age of non-teaching employees at U.T. Austin), since information regarding sex and length of service are not yet stored in the computer. *but will probably be another year,*
- (3) Advise that the cost for compiling this list is approximately \$385.00 and that upon receipt of this amount the request for the list will be completed at the earliest possible time.

PROPOSED SETTLEMENT OF MARKET VALUE/  
IN KIND ROYALTY GAS INVOLVING UNIVERSITY LANDS

The Attorney General's office has worked out two tentative settlements concerning University leases subject to the approval of the Board of Regents.

THE STATE OF TEXAS VS. BTA  
Cause No. 209,019  
53rd District Court

BTA is currently selling approximately 5,000 mcf a day of University royalty gas. 4,000 mcf is being sold to Intratex Pipeline, a subsidiary of Houston Natural Gas. The University is now receiving a price of 32¢ per mcf. The remaining 1,000 mcf is being sold to Lo-Vaca, and the University is receiving 28¢ for this gas. Under our proposed settlement, the University would be allowed to take its royalty gas in kind provided the gas is left in the pipeline system that is now taking the gas. The pipelines, in turn, would pay to the University a price more in keeping with the present market value. Assuming the University could double the amount now being received, this settlement would then add at least an additional \$500,000 a year to the University Permanent School Fund.

Further, BTA has agreed to provide in all future gas contracts with their pipeline purchasers that the University may elect to take in kind its royalty gas.

THE STATE OF TEXAS VS. GETTY OIL COMPANY  
Cause No. 209,021  
53rd District Court

Getty Oil Company's volumes involving University gas is considerably smaller than BTA's. The total amount involved is approximately 1,500 mcf a day. However, 400 mcf a day is now bringing a price of 23¢ per mcf and this price could be increased by at least 50¢ per mcf. This amount would bring an additional \$72,000 a year at least to the Permanent School Fund. The additional 1,100 mcf a day is now bringing a price of 55¢ per mcf and this price could be raised by 20¢ per mcf, and this would mean an additional \$72,000 per year to the University Permanent School Fund.

Getty Oil Company also will agree that on all future royalty gas, the University will have an option to take its gas in kind.

In both of these cases, the University is not actually having an option to take its gas in kind at the present time and sell it to another purchaser but they are increasing the income to the University Permanent School Fund by approximately \$700,000 per year, and the price increases which I have assumed are probably on the low side. As to all future royalty, the University will have an option of taking the gas in kind and designating whatever pipeline or purchaser will have the right to buy it.

RESPONSES TO DOCKET EXCEPTIONS

Chancellor's Docket No. 68

U.T. AUSTIN

Docket, Page A-22, Item 12

12. Interagency Cooperation Contract No. IAC (74-75)-0249, between The University of Texas at Austin (Astronomy Department) and the Coordinating Board, Texas College and University System, signed by Vice-President James H. Colvin, whereby the University agrees to furnish the services of a passenger airplane on an available time basis. The contract period is from September 1, 1973 through August 31, 1974. Total amount of the contract is not to exceed \$15,000.00.

EXCEPTION COMMENT:

What is our responsibility to the Coordinating Board to furnish them an airplane for travel, which is our leased airplane, in amount not to exceed \$15,000? Can the Coordinating Board not make the same arrangements for lease purposes as the University?

RESPONSE:

The interagency contract does not reflect any responsibility on the part of The University of Texas at Austin to furnish the use of an airplane for the Coordinating Board. In reality, the sublease, and the \$15,000 payment, reflects an effort to reduce the cost of the overall airplane lease to U.T. Austin by subleasing to another State agency the time for which the plane is not needed by the Astronomy Department. The result is a more economical transportation cost for both the University and the Coordinating Board.

GALVESTON MEDICAL BRANCH

Docket, Page G-2

A series of items authorizing the use of textbooks and other materials authored by members of the faculty. Approval of these written materials is required by the Regents' Rules and Regulations, Part One, Chapter III, Section 24.22, as set forth below.

- 24.22 Textbooks, notebooks, manuals, or other materials for the use of students of a component institution, written or prepared by a member of the faculty of that institution, shall not be prescribed for the use of students in that institution or sold to such students until such books, notes, manuals, or materials shall have been approved, with reasons stated, by the departmental faculty, the dean or deans concerned, and transmitted to the institutional head for approval and inclusion in the next regular docket. All such requests shall indicate the proposed prices and profits, and their authorization shall be effective only to the end of the fiscal year (August 31) for which such approval has been given.

EXCEPTION COMMENT:

I would like a discussion of the royalty payments to authors within the total system where our students within the system are required to use these texts. Is there not some way that the students within our own system could be exempt from that royalty payment?

RESPONSE:

Unlike the existing patent policy which allows The University of Texas System to share in the royalties from patents by employees, the System does not have a comparable policy with regard to copyrights. Thus, the University does not share in royalties based upon copyrights for textbooks and similar materials, and students required to use these textbooks following approval by the Board of Regents pay the standard price for the publication.

Since students purchase their textbooks in both University controlled and privately owned bookstores, price variations (based upon a deduction of the royalty to the author) would be a difficult administrative and bookkeeping situation, both from the bookseller and the publisher's viewpoint. Similarly it would be difficult, but not impossible, to require the author to contribute to the University an amount equal to his royalty from those students who are using his textbook in the components of The University of Texas System.

In many respects a requirement for a shared royalty (regardless of to whom the publication is sold) similar to the existing shared patent royalty would be most easily administered. This patent policy is set forth below.



GALVESTON MEDICAL BRANCH (Continued)

Regents' Rules and Regulations, Part Two, Chapter V,  
Section 2.4

2.4 Patent Policy.--Where no specific contract to the contrary has been approved by the Board of Regents, the following policy applies to patents obtained by employees of The University of Texas System:

2.41 The title to the patent for a discovery or invention by an employee shall belong to the employee subject to the following provisions:

2.411 When total net royalties, or other compensations, are less than \$1,000, no payment to The University of Texas System is required.

2.412 When net royalties, or other compensations, amount to more than \$1,000 but less than \$5,000, 10 percent of the excess of such royalties or other compensations over \$1,000 shall be paid to The University of Texas System.

2.413 When net royalties, or other compensations, amount to more than \$5,000, the royalty or other compensation paid The University of Texas System will be 10 percent on the amount above \$1,000 but less than \$5,000, and 20 percent on all amounts of \$5,000 or more.

2.414 Where contributions have been made to research projects by private donors, nonexclusive licenses on all inventions or discoveries resulting from such research may be issued on a reasonable basis without discrimination in favor of or against those making contributions in aid of the research.

HOUSTON HEALTH SCIENCE CENTER

I. Docket, Page HH-6, Public Health School, Item 3

3. Formula Grant No. 2 E02 AH 00016-05, by which the Department of Health, Education and Welfare, Public Health Service, Health Resources Administration, provides \$162,000 for the period July 1, 1973 through June 30, 1974, for the Public Health School. Dr. Reuel A. Stallones, Dean, is the Program Director. The majority of expenditures from this grant will be made in Harris County.

EXCEPTION COMMENT:

For what purposes and uses is the \$162,000 grant to be expended?

RESPONSE:

This docket item formalizes the acceptance of the annual formula grant (based on enrollment) to the School of Public Health. The justification for the grant as originally submitted stated:

"A number of program activities were threatened by the loss of formula grant funds, which we now hope to continue. Significant among these are attempts to coordinate environmental health in a broader perspective than it is usually viewed and an important program conceived with the health implications of architecture and urban and regional planning."

The original grant request contained a proposed budget as follows:

Personnel	\$155,000
Faculty -- \$149,000	
Non-Faculty -- \$6,000	
Travel	3,000
Supplies	<u>4,000</u>
TOTAL	\$162,000

When the final plans for the expenditure of this grant are fully developed a budget will be presented via the docket for regental approval. This procedure is required by the Regents' Rules and Regulations, Part Two, Chapter XI, Section 4.

Sec. 4. Detailed budgets are generally included in the proposals that result in a contract or grant for a specific research, training, or educational project, and expenditures should conform to such budgets, unless amended by authorized procedures. For those institutional or "formula" type grants identified in Subsection 1.3 of Section 1 of this chapter, a proposed budget must be submitted to the Office of the Chancellor for review, approval, and submission to the Board of Regents.

HOUSTON HEALTH SCIENCE CENTER (continued)

II. Docket, Page HH-7, Public Health School, Item 6

6. Modification No. 2 to Contract No. N01 NU 14073 (NIH 71-4073), by which the Department of Health, Education and Welfare, Public Health Service, National Institutes of Health, provides \$105,156 for the period June 28, 1973 through June 30, 1974, to support research "To Develop, Apply and Test a Model of the Extended Role of the Nurse as a Family Health Worker in the Community." The purpose of the project is to prepare the public health nurse to function as a community nurse practitioner, i.e., to work with community subgroups and assist in assessing their health and health related needs. The total project period is June 28, 1971 through June 30, 1974, and continues under the direction of Dr. Clarence Skrovan, Associate Professor in the Department of Health Services Administration. The majority of expenditures from this contract will be made in Harris County.

EXCEPTION COMMENT:

In the example portion of this writeup, is this not possibly legally the practice of medicine?

RESPONSE:

In the interest of brevity the docket item explanation does not make clear that this grant award is for the third year of a project which had an original award date of June 28, 1971, and that Modification No. 2 continues in effect the original terms and conditions of the basic contract. The original project application in Article I (see below) clearly specified that where appropriate the nurse would be "under the supervision of a licensed physician," and two years of experience have not resulted in any difficulties with the provisions of the Medical Practice Act.

ARTICLE I. Scope of Work

A. The Contractor shall furnish all personnel, materials, facilities and equipment necessary to develop, apply and test a model of the extended role of the nurse as family health worker in the community. In performance of the project, the Contractor shall:

1. Develop a conceptual plan of study, based on knowledge of present public health nursing practice, on exploration and review of functions which can be reasonably ascribed to public health nursing specialists to extend their nursing practice in family health. These functions shall be extended and carefully defined under the supervision of a licensed physician in regard to the following areas:

a. Model care: -- i.e., the nurse assuming responsibilities for evaluating individual and family general health needs, screening for specific health problems or disabling conditions, and estimating therapy needed.

HOUSTON HEALTH SCIENCE CENTER (continued)

II. Docket, Page HH-7, Public Health School, Item 6 (continued)

- b. Social function: -- Assessment of social needs of individuals and families, of functional patterns, and the factors interfering with normal or highest functioning potential and applying appropriate intervention;
- c. Psychological and behavioral aspects of health: -- This shall include nursing responsibilities beyond those traditionally performed related to health care, patterns of obtaining care, attitudes, etc.

This condition has remained a part of the contract, and there is a clear intent that the nurse continue "under the supervision of a licensed physician."

III. Docket, Page HH-9, Houston Medical School, Item 1

Item related to change of status for 17 physicians in the Medical School from non-tenure to tenure, effective September 1, 1973. (RBC-34)

EXCEPTION COMMENT:

Is it routine to remove from non-tenure to tenure seventeen faculty members at one time, all of whom will give us at least a total amount of \$850,000.00 annual commitment in salary?

RESPONSE:

Dean Smythe advised that, aside from himself and a very few other faculty who had originally acquired tenure elsewhere in The University of Texas System, these are the first awards of tenure to any faculty in the Houston Medical School. All of those awarded tenure are full professors and most are directors of program areas within the Medical School. The faculty committee charged with the responsibility to establish the requirements for tenure and to make recommendations to the Dean has only recently completed its first round of recommendations, and these proposed tenure awards are the result of those deliberations. For budgetary purposes the recommendation is that the tenure award be retroactive to the beginning of the fiscal year.