

MATERIAL SUPPORTING THE AGENDA

VOLUME XXXVIIb

This volume contains the Material Supporting the Agenda furnished to each member of the Board of Regents prior to the meetings held on

February 8, 1990  
April 12, 1990

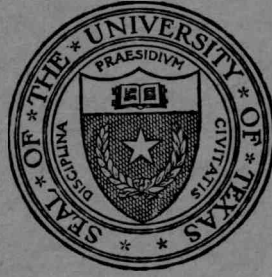
The material is divided according to the standing committees and the meetings that were held and is color coded as follows:

White paper - for documentation of all items that were presented before the deadline date.

Blue paper - all items submitted to the Executive Session and distributed only to the Regents, Chancellor and Executive Vice Chancellors of the System.

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 some people get copies and some do not get copies. If the Executive Secretary was furnished a copy, then that material goes into the appropriate subject file.



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**Material Supporting the Agenda  
of the  
Board of Regents  
The University of Texas System**

**Meeting No.:** 846  
**Date:** February 8, 1990  
**Location:** Edinburg, Texas

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BOARD OF REGENTS  
OF  
THE UNIVERSITY OF TEXAS SYSTEM

CALENDAR

Place: Board Room 316, Administration Building  
The University of Texas - Pan American  
1201 West University Drive  
Edinburg, Texas

Host Institution: The University of Texas - Pan American

Thursday, February 8, 1990

9:30 a.m.

Convene in Open Session with  
recess to Executive Session  
as per the agenda

See Pages B of R 1 - 4,  
Items A - O

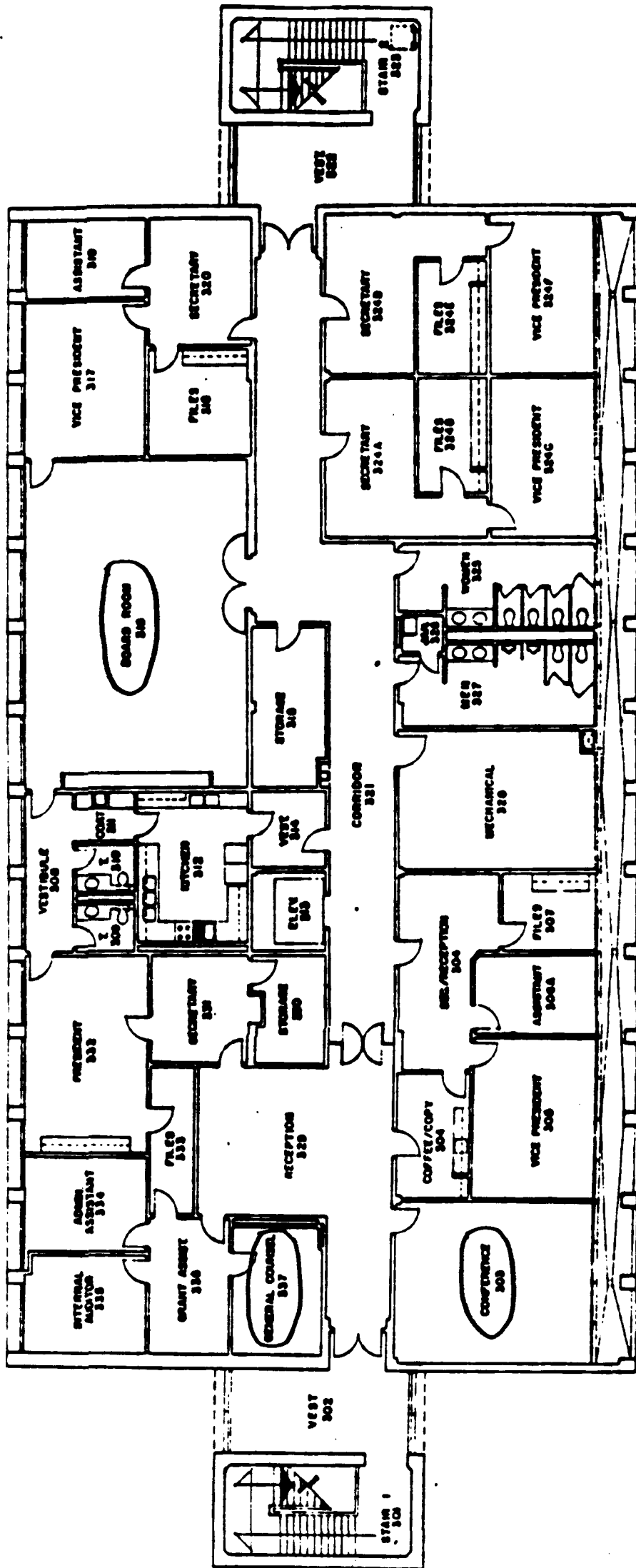
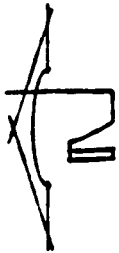
Telephone Numbers

President Nevarez

(512) 381-2100

Embassy Suites Hotel  
(1800 South Second Street, McAllen)

(512) 686-3000

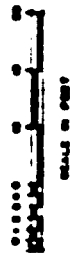


Board Room 316  
 Conference Room 303  
 Room 337  
 President's Office Area

Meeting Room  
 Executive Session  
 Regents' Secretarial Office  
 Telephones for Press and Staff

PAN AMERICAN UNIVERSITY	
ADMINISTRATION BLDG.	
DATE	BY
SCALE	DATE
PROJECT NO.	DATE
DESIGNED BY	DATE
CHECKED BY	DATE
APPROVED BY	DATE

THIRD FLOOR PLAN

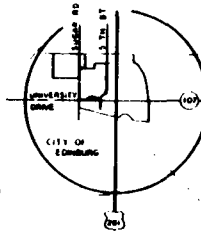


# THE UNIVERSITY OF TEXAS-PAN AMERICAN

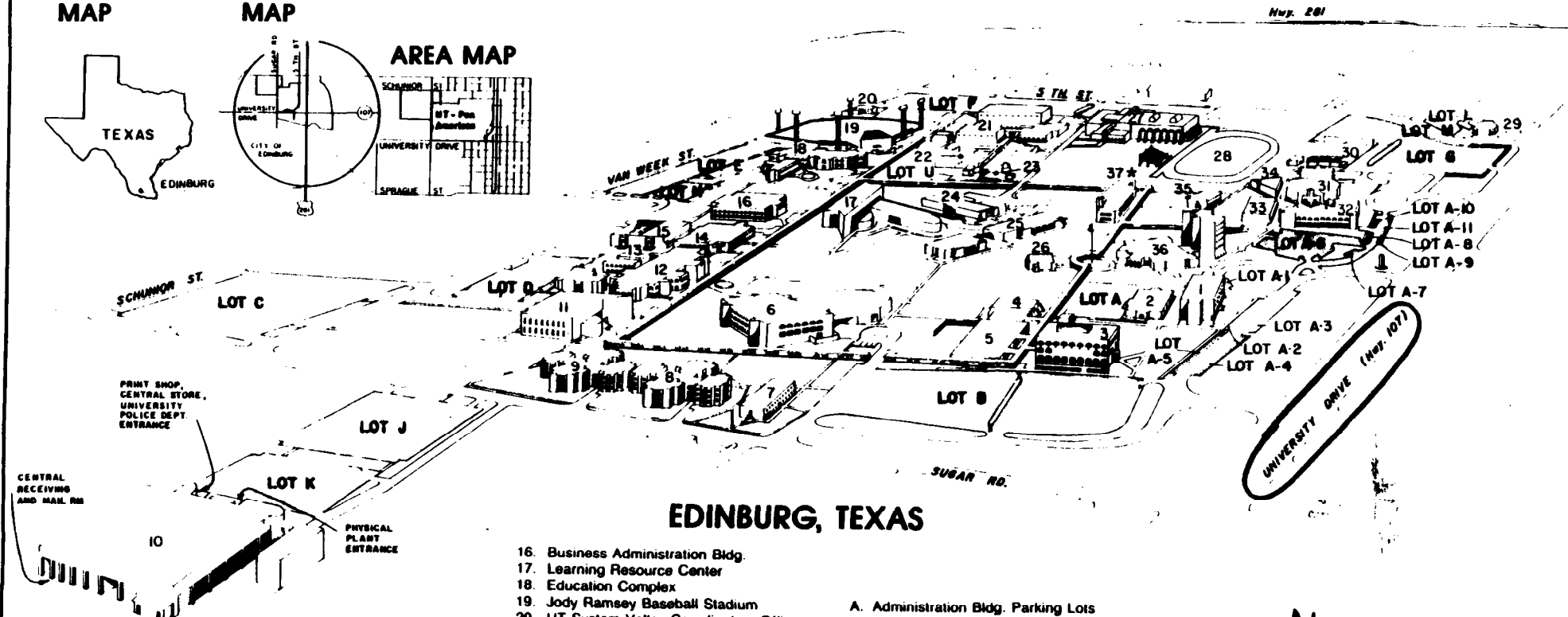
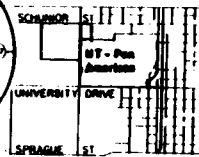
LOCATION  
MAP



VICINITY  
MAP



AREA MAP



EDINBURG, TEXAS

## Legend

1. Administration Bldg
2. Computer Center Bldg.
3. University Center (Student Activity Bldg.)
4. Ballroom
5. Cafeteria & Snack Bar
6. Communication Arts & Science Bldg.
7. Emilia Schunior Ramirez Hall
8. Women's Dorm
9. Darrel K. Troxel Residence Hall
10. Support Facilities
11. Liberal Arts Bldg
12. Science Complex
13. Biology Annex
14. Nursing Education Bldg and (Allied Health Annex Addition)★
15. Central Utility Plant

16. Business Administration Bldg.
17. Learning Resource Center
18. Education Complex
19. Jody Ramsey Baseball Stadium
20. UT System Valley Coordinating Office
21. Health & Physical Education Bldg.
22. New Tennis Courts
23. Astro Science Complex
24. Mathematics Bldg.
25. Physical Science Bldg.
26. Chapel
27. Health & Physical Education II
28. Field & Track Facilities
29. University Bookstore
30. Orville Cox Tennis Courts
31. Fine Arts Auditorium
32. Fine Arts Bldg. B
33. Fine Arts Bldg. C
34. Fine Arts Annex
35. Southwick Hall
36. Student Services Bldg.
37. Academic Services Building ★

- A. Administration Bldg. Parking Lots A-1 Thru A-11
- B. University Center Parking Lot
- C. North Sugar Road Parking Lot
- D. Science Bldg. Parking Lot
- E. Education Bldg. Parking Lot
- F. Fieldhouse & Baseball Stadium Parking Lot
- G. Fine Arts & Cox Tennis Courts Parking Lot
- H. Business Administration & Faculty Parking Lot
- J. Dormitory Parking
- K. Support Facilities Parking Lot
- L. University Bookstore Service Parking
- M. University Bookstore Parking Lot
- U. Planetarium Loading Zone

★ PROJECTS IN PLANNING PHASE



The University of Texas  
Pan American

COURTESY PHYSICAL PLANT DEPT  
ENGINEERING AND DEVELOPMENT  
DATE: OCT. 1986  
REVISED DATE: SEP. 1989

**AIRPORT TO HOTELS  
HOTELS TO UT PAN AMERICAN**

**UT PAN  
AMERICAN**



HWY. 107

President's Home

FREDDY GONZALEZ DR.

SUGAR RD.

10TH ST.

McCOLL RD.

NOLANA AVE.

COMPRI HOTEL

BUS. 83

EXP. 83

To South Padre Island

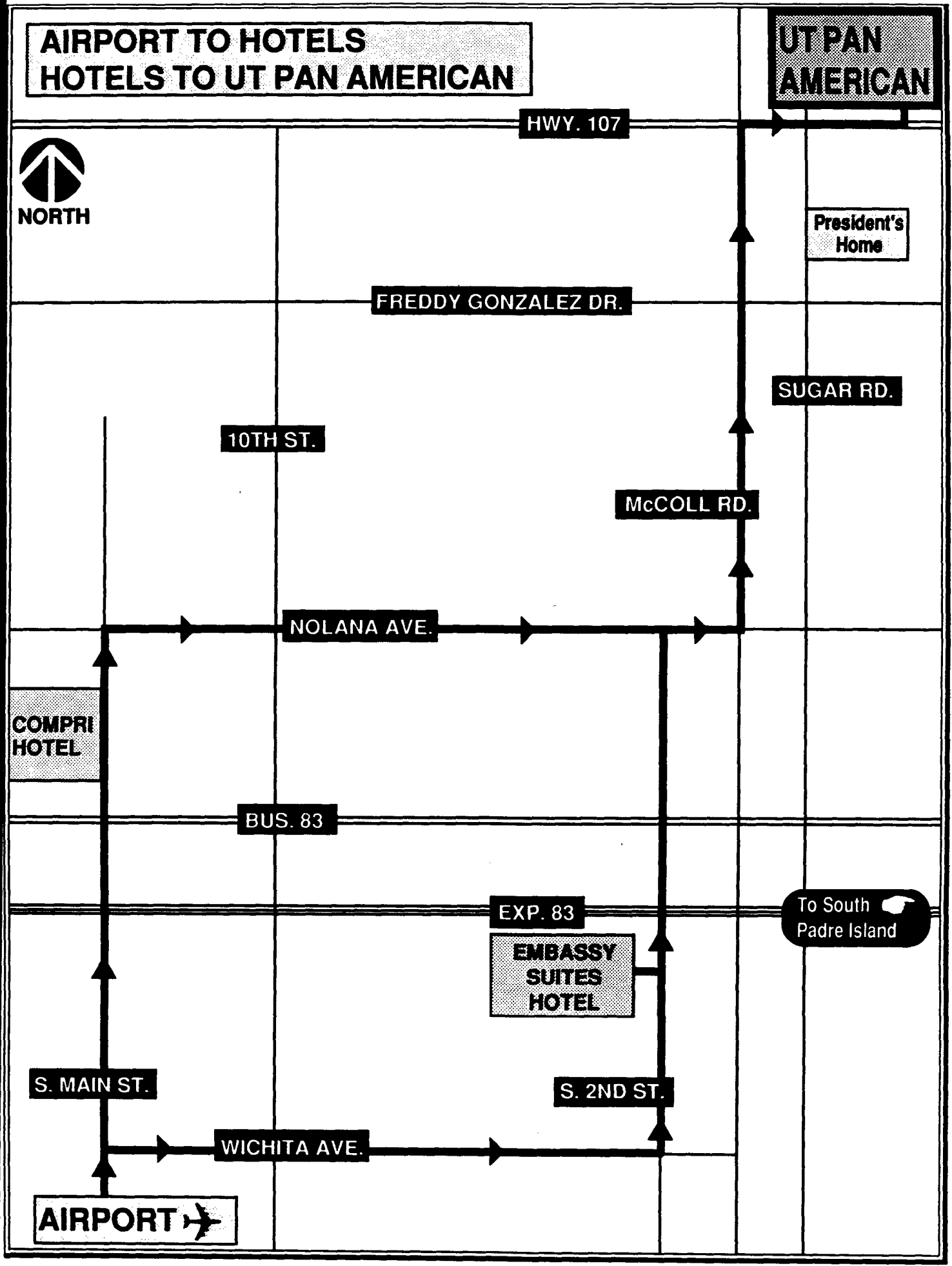
EMBASSY SUITES HOTEL

S. MAIN ST.

S. 2ND ST.

WICHITA AVE.

AIRPORT 



Meeting of  
the Board

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

Date: Thursday, February 8, 1990

Time: 9:30 a.m. Convene in Open Session with  
recess to Executive Session  
as per the agenda

Place: Board Room 316 (Open Session) and Conference  
Room 303 (Executive Session), Administration  
Building, U. T. Pan American

- A. CALL TO ORDER
- B. WELCOME BY PRESIDENT NEVAREZ
- C. APPROVAL OF MINUTES OF REGULAR MEETING HELD  
DECEMBER 7, 1989
- D. RECESS FOR MEETINGS OF THE STANDING COMMITTEES AND  
COMMITTEE REPORTS TO THE BOARD

The Standing Committees of the Board of Regents of The University of Texas System will meet as set forth below to consider recommendations on those matters on the agenda for each Committee listed in the Material Supporting the Agenda. At the conclusion of each Standing Committee meeting, the report of that Committee will be formally presented to the Board for consideration and action.

Executive Committee: Chairman Beecherl  
Vice-Chairman Barshop, Vice-Chairman Roden  
MSA Page Ex.C - 1

Personnel and Audit Committee: Chairman Roden  
Regent Barshop, Regent Cruikshank  
MSA Page P&A - 1

Academic Affairs Committee: Chairman Barshop  
Regent Loeffler, Regent Ramirez, Regent Ratliff  
MSA Page AAC - 1

Health Affairs Committee: Chairman Blanton  
Regent Moncrief, Regent Ramirez  
MSA Page HAC - 1

Finance and Facilities Committee: Chairman Moncrief  
Regent Beecherl, Regent Blanton, Regent Loeffler  
MSA Page F&F - 1

Land and Investment Committee: Chairman Ratliff  
Regent Cruikshank, Regent Roden  
MSA Page L&I - 1

- E. RECONVENE AS COMMITTEE OF THE WHOLE



F. RECESS TO EXECUTIVE SESSION

The Board will convene in Executive Session pursuant to Vernon's Texas Civil Statutes, Article 6252-17, Sections 2(e), (f) and (g) to consider those matters set out on Page Ex.S - 1 of the Material Supporting the Agenda.

G. RECONVENE IN OPEN SESSION

H. CONSIDERATION OF ACTION OF ANY ITEMS DISCUSSED IN THE EXECUTIVE SESSION OF THE BOARD OF REGENTS PURSUANT TO V.T.C.S., ARTICLE 6252-17, SECTIONS 2(e), (f) AND (g)

1. Pending and/or Contemplated Litigation - Section 2(e)
2. Land Acquisition, Purchase, Exchange, Lease or Value of Real Property and Negotiated Contracts for Prospective Gifts or Donations - Section 2(f)

U. T. Austin: Request for Authorization to Purchase Lot 10 and North 24.25 Feet of Lot 11, Outlot 49, Division D, Austin, Travis County, Texas

3. Personnel Matters [Section 2(g)] Relating to Appointment, Employment, Evaluation, Assignment, Duties, Discipline, or Dismissal of Officers or Employees

I. ITEMS FOR THE RECORD

1. U. T. Permian Basin: Acceptance of Membership to the Development Board.--

At the October 1989 U. T. Board of Regents' meeting, the following individuals were approved for membership on the U. T. Permian Basin Development Board for terms as indicated. Their acceptance of membership is herewith reported for the record.

	<u>Term Expires</u>
Mr. Steve Late, Odessa	1992
Mr. Ted Roden, Odessa	1992
Mr. Ray Stoker, Odessa	1990
Mr. Carroll Thomas, Midland	1990

2. U. T. San Antonio: Acceptance of Membership to the College of Science and Engineering Advisory Council.--

At the October 1989 U. T. Board of Regents' meeting, Mr. Robert J. Beal, San Antonio, Texas, was approved for membership on the U. T. San Antonio College of Science and Engineering Advisory Council for a one-year term to expire August 31, 1990. Mr. Beal's acceptance of membership is herewith reported for the record.

3. U. T. Health Science Center - San Antonio: Acceptance of Membership to the Development Board.--

At the October 1989 U. T. Board of Regents' meeting, Mrs. Dardi Cardenas and Rafael Garza, M.D., both of McAllen, Texas, were approved for membership on the U. T. Health Science Center - San Antonio Development Board for three-year terms to expire August 31, 1992. Their acceptance of membership is herewith reported for the record.

4. U. T. Health Science Center - San Antonio - Institute of Biotechnology: Transfer of Title to the Hayden Head Building.--

Report

It is reported for the record that:

- a. On January 18, 1990, escrow documents were executed evidencing the gift of the Hayden Head Building, the initial facility of the U. T. Institute of Biotechnology, by the Texas Research and Technology Foundation to the U. T. Board of Regents for and on behalf of The University of Texas Health Science Center at San Antonio.
- b. On January 24, 1990, the Texas Research and Technology Foundation and the U. T. Health Science Center - San Antonio sponsored public ceremonies to evidence the acceptance of the gift and the naming and dedication of the Hayden Head Building.

This gift by the Foundation is in conformity with the documents executed on April 22, 1988, as a part of the San Antonio Biosciences Initiative.

- J. REPORT OF BOARD FOR LEASE OF UNIVERSITY LANDS
- K. REPORT OF SPECIAL COMMITTEES
- L. OTHER MATTERS

M. SCHEDULED MEETINGS AND EVENTS

1. Board of Regents' Meetings

<u>Dates</u>	<u>Locations/Hosts</u>
April 12, 1990	U. T. Health Center - Tyler
June 14, 1990	Austin
August 9, 1990	U. T. Permian Basin
October 12, 1990 (Friday)	U. T. Southwestern Medical Center - Dallas
December 6, 1990	U. T. M.D. Anderson Cancer Center

2. Official Commencements - 1990

May 4	U. T. Tyler
May 10	U. T. Pan American (Brownsville)
May 12	U. T. El Paso
	U. T. Permian Basin
May 13	U. T. Pan American
	U. T. San Antonio
May 19	U. T. Arlington
	U. T. Austin
	U. T. Dallas
	U. T. G.S.B.S. - Houston
May 26	U. T. Medical School - Galveston
	U. T. Dental School - San Antonio
June 2	U. T. Southwestern Medical School - Dallas

N. OTHER BUSINESS

O. ADJOURNMENT

# 1990

January 1990						
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30	31					

Executive  
Committee

EXECUTIVE COMMITTEE  
Committee Chairman Beecherl

Date: February 8, 1990  
Time: Following the convening of the Board of Regents  
at 9:30 a.m.  
Place: Board Room 316, Administration Building  
U. T. Pan American

	<u>Page</u> <u>Ex.C</u>
1. U. T. System: Request for Transfer of Funds Requiring Advance Regental Approval Under Budget Rules and Procedures No. 2 (Exec. Com. Letter 90-4)	3
2. U. T. System: Recommendation to Approve 1991 Budget Policies and Limitations for General Operating Budgets, Auxiliary Enterprises, Contracts and Grants, Restricted Current Funds, Designated Funds, and Service and Revolving Funds Activities (Exec. Com. Letter 90-5)	4
3. U. T. System: Recommendation to Amend the Investment Guidelines Section of the Permanent University Fund Investment Policy Statement, the Common Trust Fund Investment Policy Statement and the Medical Liability Self-Insurance Fund Investment Policy Statement (Exec. Com. Letter 90-9)	6
4. U. T. Dallas - Animal Care Facility (Project No. 302-599): Recommended Award of Construction Contract to Total Construction Concepts, Inc., Dallas, Texas, and Request for Approval to Increase Total Project Cost (Exec. Com. Letter 90-7)	7
5. U. T. Dallas: Recommendation to Approve Proposed Implementation Plan for the Admission of Freshman and Sophomore Students, and Proposed Amendments to the Role and Mission Statement and Table of Programs and for Submission of Both to the Coordinating Board for Approval (Catalog Change) (Exec. Com. Letter 90-5)	10
6. U. T. Medical Branch - Galveston - Emergency Generators (Project No. 601-718): Request for Authorization of Project; Appointment of Project Engineer to Prepare Final Plans; Submission to Coordinating Board; Authorization to Advertise for Bids; and Authorization for Executive Committee to Award Contracts (Exec. Com. Letter 90-7)	11

7. U. T. Health Science Center - San Antonio - Institute of Biotechnology - Hayden Head Building: Request for Approval of Building Cornerstone Inscription (Exec. Com. Letter 90-5) 12
8. U. T. M.D. Anderson Cancer Center - LeRoy Melcher, Jr. Memorial Fountain (Project No. 703-700) and a Memorial Garden: Request for Authorization to Redesign Fountain and to Design Garden; Approval to Name the Garden the "Dorothy Hudson Michalis Memorial Garden" (Regents' Rules and Regulations, Part One, Chapter VIII, Section 1.2, Naming of Facilities Other Than Buildings); Authorization to Prepare Final Plans and Advertise for Bids; Authorization for Executive Committee to Award Contracts; and Appropriation Therefor (Exec. Com. Letter 90-6) 14
9. U. T. M.D. Anderson Cancer Center - U. T. M.D. Anderson Hospital - Modifications and Renovations - Phase III (Project No. 703-695): Recommendation to Reject Proposal of Lowest Bidder; to Authorize Executive Secretary to Notify Lowest Bidder of Rejection and Offer Opportunity to Appeal; to Authorize Chancellor to Appoint Hearing Officer if Required; and to Authorize Executive Committee to Award Contract (Exec. Com. Letter 90-6) 15
10. U. T. M.D. Anderson Cancer Center - U. T. M.D. Anderson Hospital - Modifications and Renovations - Phase III (Project No. 703-695): Recommended Award of Construction Contract to Basic Constructors, Inc., Houston, Texas, and Request for Approval to Reduce the Total Project Cost (Exec. Com. Letter 90-9) 18
11. U. T. M.D. Anderson Cancer Center (U. T. M.D. Anderson Science Park) - Research Laboratory Expansion (Project No. 703-668): Recommended Award of Construction Contract to Templeton Construction Company, San Angelo, Texas (Exec. Com. Letter 90-7) 21
12. U. T. Arlington, U. T. Austin, U. T. Medical Branch - Galveston, U. T. Health Science Center - Houston, U. T. Health Science Center - San Antonio and U. T. M.D. Anderson Cancer Center: Recommendation to Accept Energy Management Loans from the Office of the Governor and to Proceed with Planning and Construction Pursuant to These Loans, Including Hiring Architectural and Engineering Firms, Securing Coordinating Board Approval Where Required and Approval of Preliminary and Final Plans (Exec. Com. Letter 90-8) 25

1. U. T. System: Request for Transfer of Funds Requiring Advance Regental Approval Under Budget Rules and Procedures No. 2 (Exec. Com. Letter 90-4).--

RECOMMENDATION

The Executive Committee concurs in the recommendation of the Chancellor, the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Health Affairs and the Presidents of the respective institutions indicated below that the U. T. Board of Regents approve the following transfer of funds:

Educational and General Funds

Amount of Transfer - \$351,667

From: Allocation of General Revenue by the Coordinating Board for the Texas College Work-Study Program for 1990 (H. B. No. 3)

To:	U. T. Arlington	\$ 35,525
	U. T. Austin	116,119
	U. T. Dallas	7,243
	U. T. El Paso	47,769
	U. T. Pan American	82,425
	U. T. Pan American (Brownsville)	1,000
	U. T. San Antonio	28,410
	U. T. Tyler	6,797
	U. T. Medical Branch - Galveston	9,286
	U. T. Health Science Center - San Antonio	17,093
	Total	<u>\$351,667</u>

BACKGROUND INFORMATION

The 71st Legislature, Regular Session, 1989, passed H. B. No. 3 (by Lewis) establishing the Texas College Work-Study Program and appropriated two million dollars each year of General Revenue to finance it. The purpose of the program is to provide eligible, financially needy (resident) students with jobs, funded in part by the State of Texas, to enable those students to attend eligible institutions of higher education, public or private, in Texas.

Students on athletic scholarships and seminary students are not eligible to participate in the program. The Texas Higher Education Coordinating Board is charged with the administration of the program.



2. U. T. System: Recommendation to Approve 1991 Budget Policies and Limitations for General Operating Budgets, Auxiliary Enterprises, Contracts and Grants, Restricted Current Funds, Designated Funds, and Service and Revolving Funds Activities (Exec. Com. Letter 90-5).--

RECOMMENDATION

The Executive Committee concurs in the recommendation of the Chancellor that the U. T. Board of Regents adopt the following Budget Policies and Limitations for preparation of the 1990-91 U. T. System Operating Budgets:

U. T. System  
1990-91 Budget Policies and Limitations

In preparing the draft of the Fiscal 1991 operating budget, the Chief Administrative Officer of each component institution should adhere to guidelines and policies as detailed below. Overall budget totals, including reasonable reserves, must be limited to the funds available for the year from:

- General Revenue Appropriations
- Estimates of Local Income
- Limited Use of Institutional Unappropriated Balances

1. The recommendations for salary increases for personnel are subject to the current regulations and directives included in the General Appropriations Bill. This Bill states in part:

Article III, Sec. 7. Salary and Benefit Provisions

7. MERIT AUTHORIZATION. It is expressly provided that institutional administrators may grant merit salary increases to employees whose job performance and productivity is consistently above that normally expected or required.
8. MERIT REQUIREMENT FOR FACULTY AND PROFESSIONAL POSITIONS. Salary increases for faculty in the general academic universities and technical institutes; professional positions in the Texas A&M University Services; and faculty and professional positions in the health science centers and other medical education programs shall be awarded on the basis of merit and performance in accepted activities including teaching, research and service. This shall not be interpreted so as to preclude salary adjustments designed to avoid salary inequities.

Article V, Sec. 72. Salaries to be Proportional by Fund  
It is the intent of the Legislature that unless otherwise restricted payment for salaries, wages and benefits paid from appropriated funds shall be proportional to the source of funds.

2. General Salary Policy (applicable to all fund sources) - Selective merit salary increases may be provided for the (1) faculty, (2) administrative/professional staff and (3) classified staff subject to available resources and requirements for funding new positions, increased maintenance, operating expenses or equipment.
  - (a) Faculty Salary Policy - Merit increases or advances in rank are to be on the basis of teaching effectiveness, research and public service. Recognizing the expectations of the legislative leadership institutions should, as a minimum, sustain faculty salary levels reached in 1990.
  - (b) Administrative and Professional Salary Policy - Merit salary increases may be granted to administrative and professional staff and are to be based on evaluation of performance in areas appropriate to work assignments. Merit increases for administrative and professional staff should approximate increases available for classified personnel but not exceed those available for faculty.
  - (c) Classified Personnel Salary Policy - Merit salary increases may be granted to classified personnel and are to be based on evaluation of performance in areas appropriate to work assignments. Merit increases may be given only to individuals who will have been employed by the institution for at least six months as of August 31, 1990, and should be given in full step increments in accordance with the institutional pay plan.
3. New faculty positions are to be based on conservative estimates of enrollment increases. Total faculty staffing should be reviewed in terms of needed adjustments in work load or student faculty ratios and with sensitivity to funds available for merit increases.
4. New Administrative/Professional positions are to be requested only when justified by increased work loads and from funds available after merit salary increases are granted.
5. New classified positions are to be requested only when justified by increased work loads and from funds available after merit salary increases are granted.
6. Maintenance, Operation and Equipment items are to be increased only as justified by expanded work loads, inflation or newly developing programs.
7. Travel funds are to be shown as separate line items.

## 1991 OPERATING BUDGET CALENDAR

December 1989	U. T. Board of Regents' Approval of Budget Policies and Limitations (Executive Committee Letter)
April 2, 1990	<u>Seven</u> Draft Copies (bound) of Budgets due to System Administration (including 7 copies of supplemental data)
April 23-May 4, 1990	Budget Hearings with System Administration
May 14, 1990	<u>Fifteen</u> copies of Budgets (bound) due to System Administration (with 7 copies of adjusted supplemental data as applicable)
June 1, 1990	Budgets mailed to the U. T. Board of Regents
June 14, 1990	U. T. Board of Regents' Budget Meeting
June 27, 1990	<u>Fifty</u> Copies of Budgets (unbound) due to System Administration for binding

### BACKGROUND INFORMATION

The 1991 Budget Policies track the provisions stated in the Appropriations Bill and are substantially the same as those used in preparing the 1990 budgets with the exception that there is no legislative appropriation for or mandate for non-faculty salary increases in 1991. The Legislature provided a 3% increase in General Revenue dollars for faculty salaries.

3. U. T. System: Recommendation to Amend the Investment Guidelines Section of the Permanent University Fund Investment Policy Statement, the Common Trust Fund Investment Policy Statement and the Medical Liability Self-Insurance Fund Investment Policy Statement (Exec. Com. Letter 90-9).--

### RECOMMENDATION

The Executive Committee concurs in the recommendation of the Chancellor and the Executive Vice Chancellor for Asset Management to amend the investment restrictions on corporate bonds and preferred stocks in the Investment Guidelines Section of the Permanent University Fund Investment Policy

Statement, the Common Trust Fund Investment Policy Statement and the Medical Liability Self-Insurance Fund Investment Policy Statement as set forth below in Congressional style:

Corporate bonds and preferred stocks must be rated a minimum of Baa3 by Moody's Investors Service, Inc. or BBB- by Standard & Poor's Corporation, respectively, when purchased unless approved by the Executive Vice Chancellor for Asset Management. Bonds rated below A3 [and] or A- shall not constitute an excessive portion of the total bond portfolio. Unrated bonds or preferred stocks may be purchased prior to review by the Land and Investment Committee if, in the opinion of the System's investment staff, they are at least equal in quality to publicly offered securities eligible for purchase. The cost of bonds or preferred stocks rated below Baa3 or BBB-, unrated bonds, and unrated preferred stocks which have been purchased but have not been reviewed by the Land and Investment Committee may not exceed 1% of the book value of the Fund.

#### BACKGROUND INFORMATION

At the December 15, 1989 regular meeting of the Investment Advisory Committee, the Executive Vice Chancellor for Asset Management held a discussion on modifying the bond rating restrictions in these investment policy statements. The Land and Investment Committee and Investment Advisory Committee members in attendance (and subsequently all Investment Advisory Committee members via phone) concurred with this change which will increase the authorized investments, while keeping close control over the risk in the various investment portfolios.

4. U. T. Dallas - Animal Care Facility (Project No. 302-599): Recommended Award of Construction Contract to Total Construction Concepts, Inc., Dallas, Texas, and Request for Approval to Increase Total Project Cost (Exec. Com. Letter 90-7).--

#### RECOMMENDATION

The Executive Committee concurs in the recommendation of the Chancellor, the Executive Vice Chancellor for Academic Affairs and President Rutford that the U. T. Board of Regents:

- a. Award a construction contract for the conversion of an existing building (formerly Founders Machine Shop) at U. T. Dallas into an Animal Care Facility to the lowest responsive bidder, Total Construction Concepts, Inc., Dallas, Texas, for the Base Bid and Alternate Bid Nos. 1, 2, 3 and 4 in the amount of \$527,500

- b. Approve an increase in the authorized total project cost from \$710,000 to \$728,000 and approve the transfer of \$18,000 of Permanent University Fund Bond Proceeds from funds allocated to U. T. Dallas, Repair and Rehabilitation Projects, in the Capital Improvement Program approved by the U. T. Board of Regents in June 1988.

#### BACKGROUND INFORMATION

In accordance with authorization of the U. T. Board of Regents in October 1985, bids for the conversion of an existing building into an Animal Care Facility at U. T. Dallas were received on November 30, 1989, as shown on Page Ex.C - 9.

In June 1988, the U. T. Board of Regents allocated \$140,000 for roof replacement and repair at U. T. Dallas within the Repair and Rehabilitation Project portion of the Capital Improvement Program. The Old Founders Machine Shop to be connected into this Animal Care Facility was one of the buildings which needed roof replacement. This work was therefore included in the remodeling contract. It is appropriate to allocate \$18,000 from Permanent University Fund Bond Proceeds, U. T. Dallas Account 72186, to this project to cover the cost of the roof replacement.

The recommended contract award to Total Construction Concepts, Inc., Dallas, Texas, in the amount of \$527,500 can be made within the proposed total project cost of \$728,000. The total project cost is composed of the following elements:

Construction Cost	\$527,500
Fees and Administrative Expenses	75,495
Relocation Cost	55,000
Equipment, Future Work, Miscellaneous Expenses and Project Contingency	<u>70,005</u>
Total Project Cost	\$728,000

This project is included in the U. T. System Capital Improvement Program approved in October 1985 and the U. T. System Capital Budget approved in August 1989 by the U. T. Board of Regents. Funding for this project is \$595,000 (excluding the requested transfer of \$18,000) from Permanent University Fund Bond Proceeds and \$115,000 from U. T. Dallas Unexpended Plant Funds.

This project was approved by the Texas Higher Education Coordinating Board in October 1988.

ANIMAL CARE FACILITY  
 THE UNIVERSITY OF TEXAS AT DALLAS  
 Bids Received November 30, 1989, at  
 The University of Texas at Dallas

<u>BIDDER</u>	<u>Total Construction Concepts, Inc. Dallas, TX</u>	<u>SEDALCO, INC. Ft. Worth, TX</u>	<u>Pete Durant &amp; Associates, Inc. Keller, TX</u>	<u>Overland Construction Co., Inc. Mesquite, TX</u>	<u>J. N. Kent Construction Co., Inc. Dallas, TX</u>
BASE BID	\$523,000	\$609,000	\$628,000	\$696,747	\$727,035
Alt. No. 1 - Install Owner's Equipment	500	2,600	3,000	1,260	5,000
Alt. No. 2 - Install Owner's Watering System	500	5,200	6,000	780	5,400
Alt. No. 3 - Install Owner's Casework	1,000	1,800	2,000	1,520	9,500
Alt. No. 4 - Rework Electrical Service	<u>2,500</u>	<u>2,400</u>	<u>2,000</u>	<u>2,690</u>	<u>2,000</u>
TOTAL	\$527,500	\$621,000	\$641,000	\$702,997	\$748,935

EX.C - 9

5. U. T. Dallas: Recommendation to Approve Proposed Implementation Plan for the Admission of Freshman and Sophomore Students, and Proposed Amendments to the Role and Mission Statement and Table of Programs and for Submission of Both to the Coordinating Board for Approval (Catalog Change) (Exec. Com. Letter 90-5).--

#### RECOMMENDATION

The Executive Committee concurs in the recommendation of the Chancellor, the Executive Vice Chancellor for Academic Affairs and President Rutford that the U. T. Board of Regents approve the proposed implementation plan for the admission of freshman and sophomore students at U. T. Dallas effective with the Summer Session 1990 and approve the proposed amendments to the Role and Mission Statement and the Table of Programs. These documents were distributed to the Board as attachments to Executive Committee Letter 90-5 and are on file in the Office of the Board of Regents. Upon approval by the Board, both documents will be formally submitted to the Texas Higher Education Coordinating Board.

It is further recommended that President Rutford be authorized to make minor modifications to the implementation plan if recommended by the Coordinating Board and approved by the Executive Vice Chancellor for Academic Affairs.

Upon Coordinating Board approval, the next appropriate catalog published at U. T. Dallas will be amended to reflect these actions.

#### BACKGROUND INFORMATION

The proposed implementation plan for the admission of freshman and sophomore students to U. T. Dallas has been developed in accordance with the plan elements adopted by the U. T. Board of Regents at its meeting in August 1989 and in response both to the legislation authorizing the admission of freshmen and sophomores and to the requirements of the Texas Higher Education Coordinating Board. At the August 1989 meeting of the U. T. Board of Regents, U. T. Dallas was authorized to develop the implementation plan for submission to the Coordinating Board, subject to prior approval of the Executive Committee of the U. T. Board of Regents.

Amendments to the Role and Mission Statement and Table of Programs include deletion of language prohibiting the enrollment of freshmen and sophomores, updating the Table of Programs to reflect changes made since 1985 when the Table was initially adopted and other minor editorial changes. The addition of freshmen and sophomores will not necessitate any changes in existing authorized degree programs or in the administrative structure of U. T. Dallas. Additionally, no new construction will be required to begin the program of admitting freshman and sophomore students.

Approval via Executive Committee Letter was sought to meet the deadline requirements of the Coordinating Board for inclusion of these items on the agenda for the Coordinating Board meeting on January 25-26, 1990.

6. U. T. Medical Branch - Galveston - Emergency Generators (Project No. 601-718): Request for Authorization of Project; Appointment of Project Engineer to Prepare Final Plans; Submission to Coordinating Board; Authorization to Advertise for Bids; and Authorization for Executive Committee to Award Contracts (Exec. Com. Letter 90-7).--

#### RECOMMENDATION

The Executive Committee concurs in the recommendation of the Chancellor, the Executive Vice Chancellor for Health Affairs and President James that the U. T. Board of Regents:

- a. Authorize a project for the purchase and installation of emergency generators at the U. T. Medical Branch - Galveston at an estimated total project cost of \$3,690,000
- b. Appoint the firm of Burns DeLatte & McCoy, Inc., Houston, Texas, as Project Engineer to prepare final plans and specifications
- c. Authorize submission of the project to the Texas Higher Education Coordinating Board
- d. Authorize the Office of Facilities Planning and Construction to advertise for bids upon completion of final review
- e. Authorize the Executive Committee to award all contracts associated with this project within the authorized total project cost.

#### BACKGROUND INFORMATION

The Capital Improvement Program approved by the U. T. Board of Regents in June 1989 included a project for the purchase and installation of four large emergency generators to be centrally located on the U. T. Medical Branch - Galveston campus. At that time, the estimated total project cost for the central facility was approximately \$4,000,000. More detailed studies have been made since that time and current estimates indicate that the total project cost of a centralized facility, plus the infrastructure necessary to serve the planned campus facilities, would be almost twice the original estimate. A project is now proposed that will provide emergency power generation at or near the facilities as well as additional or upgraded service to other existing campus facilities at an estimated total project cost of \$3,690,000.



The proposed project will include the purchase and installation of seven new diesel powered generators and three new natural gas powered generators to provide emergency power to new facilities under construction, existing facilities under renovation and existing facilities requiring additional power. The project will also include relocating two existing generators to other existing facilities which require additional emergency power. A new emergency power distribution system will be required in three existing facilities. New space will need to be constructed in four different locations, totaling approximately 3,000 gross square feet, to house generators. Other generators will be located in existing space or in space currently under construction.

The appointment of Burns DeLatte & McCoy, Inc., Houston, Texas, is recommended by the U. T. Medical Branch - Galveston and the Office of Facilities Planning and Construction because the firm has more knowledge about the electrical distribution system on the campus than any other firm.

Funding for this project was included in the Capital Budget approved by the U. T. Board of Regents in August 1989 at an estimated total project cost of \$4,000,000. The estimated total project cost is now \$3,690,000 and the Capital Budget amount will be reduced when construction bids are received.

7. U. T. Health Science Center - San Antonio - Institute of Biotechnology - Hayden Head Building: Request for Approval of Building Cornerstone Inscription (Exec. Com. Letter 90-5).--

#### RECOMMENDATION

The Executive Committee concurs in the recommendation of the Chancellor, the Executive Vice Chancellor for Health Affairs and President Howe that the U. T. Board of Regents approve the inscription set out on Page Ex.C - 13 for a cornerstone on the Hayden Head Building being constructed at the University of Texas Institute of Biotechnology (UTIBT) as a component part of the U. T. Health Science Center - San Antonio.

The inscription follows a previously established precedent for gift facilities and includes the names of members of the Board of Trustees of the donor, the Texas Research and Technology Foundation, and the names of members of the U. T. Board of Regents sitting at the time the gift was received in January 1990.

HAYDEN HEAD BUILDING  
Built through the Generosity  
of the  
Ross Perot Family  
1990

TEXAS RESEARCH  
AND  
TECHNOLOGY FOUNDATION  
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Science Center at San Antonio

BACKGROUND INFORMATION

The facility known as the Hayden Head Building is being constructed by the Texas Research and Technology Foundation on a site in the Texas Research Park, San Antonio, Texas, for the U. T. Institute of Biotechnology for the benefit of the U. T. Health Science Center - San Antonio. Upon completion of construction in January 1990, title to the building and its site will be transferred to the U. T. Board of Regents.

The Texas Research and Technology Foundation desires to install an inscribed cornerstone on the Hayden Head Building. Approval of the inscription, detailed above, was requested in order for the cornerstone to be completed before the building dedication scheduled for January 24, 1990.

8. U. T. M.D. Anderson Cancer Center - LeRoy Melcher, Jr. Memorial Fountain (Project No. 703-700) and a Memorial Garden: Request for Authorization to Redesign Fountain and to Design Garden; Approval to Name the Garden the "Dorothy Hudson Michalis Memorial Garden" (Regents' Rules and Regulations, Part One, Chapter VIII, Section 1.2, Naming of Facilities Other Than Buildings); Authorization to Prepare Final Plans and Advertise for Bids; Authorization for Executive Committee to Award Contracts; and Appropriation Therefor (Exec. Com. Letter 90-6).--

#### RECOMMENDATION

The Executive Committee concurs in the recommendation of the Chancellor, the Executive Vice Chancellor for Health Affairs and President LeMaistre that the U. T. Board of Regents:

- a. Authorize the redesign, at a new site, of the LeRoy Melcher, Jr. Memorial Fountain at an estimated total project cost of \$750,000 and design a Memorial Garden on an adjacent site at an estimated total project cost of \$225,000 at the U. T. M.D. Anderson Cancer Center
- b. Approve naming the garden the "Dorothy Hudson Michalis Memorial Garden" in accordance with the Regents' Rules and Regulations, Part One, Chapter VIII, Section 1.2, Naming of Facilities Other Than Buildings
- c. Authorize the Office of Facilities Planning and Construction to design and prepare final plans and specifications for the fountain and the garden to be constructed under a single contract and, upon completion of final review, advertise for bids
- d. Authorize the Executive Committee to award a construction contract within the authorized total project costs
- e. Appropriate \$225,000 from gift funds donated by the Michalis family for total project funding of the Dorothy Hudson Michalis Memorial Garden. Previous appropriations have been \$750,000 from gift funds donated by the Melcher family for total project funding of the LeRoy Melcher, Jr. Memorial Fountain.

#### BACKGROUND INFORMATION

In October 1989, the U. T. Board of Regents rejected all construction bids received for the LeRoy Melcher, Jr. Memorial Fountain at the U. T. M.D. Anderson Cancer Center because it has not been possible to vacate a street easement held by the Texas Medical Center, Inc., that crosses part of the former construction site. Consequently, a new site has been selected near the intersection of Holcombe Boulevard and John Freeman Avenue which requires limited redesign of the Fountain.

A gift from the Michalis family for the construction of the Dorothy Hudson Michalis Memorial Garden on a contiguous piece of property has been received and the U. T. M.D. Anderson Cancer Center requests that the Garden project be administered by the Office of Facilities Planning and Construction concurrently with the Fountain project to ensure economies in costs and continuity in building design and landscaping.

9. U. T. M.D. Anderson Cancer Center - U. T. M.D. Anderson Hospital - Modifications and Renovations - Phase III (Project No. 703-695): Recommendation to Reject Proposal of Lowest Bidder; to Authorize Executive Secretary to Notify Lowest Bidder of Rejection and Offer Opportunity to Appeal; to Authorize Chancellor to Appoint Hearing Officer if Required; and to Authorize Executive Committee to Award Contract (Exec. Com. Letter 90-6).--

#### RECOMMENDATION

The Executive Committee concurs in the recommendation of the Chancellor, the Executive Vice Chancellor for Health Affairs and President LeMaistre that the U. T. Board of Regents:

- a. Propose to award the contract for construction of the Modifications and Renovations - Phase III at the U. T. M.D. Anderson Hospital of the U. T. M.D. Anderson Cancer Center to the second lowest bidder, Basic Constructors, Inc., Houston, Texas, in the amount of \$2,922,000 (for the Base Bid and Alternate No. 1), rather than to the lowest bidder, The Argee Corporation, Denver, Colorado, which bid a price of \$2,894,000 (for the Base Bid and Alternate No. 1), on the ground that the lowest bidder is not responsible
- b. Instruct the Executive Secretary of the U. T. Board of Regents to notify the lowest bidder of the proposed decision for award and to advise that a notice of appeal may be filed with the U. T. Board of Regents within seven (7) calendar days of receipt of such notification
- c. Authorize the Chancellor, if The Argee Corporation timely files a notice of protest against the Board's proposed decision, to appoint a Hearing Officer who shall promptly convene and conduct a hearing and subsequently submit the records of the hearing and a report of his or her findings through the Chancellor's Office to the Executive Committee of the U. T. Board of Regents
- d. Authorize the Executive Committee to award a construction contract to the next lowest bidder, Basic Constructors, Inc., in the event that a timely notice of protest is not filed; or, if a timely notice of protest is filed and a hearing is held, to award a construction contract to the bidder that it determines, upon consideration of the records of the hearing and

the Hearing Officer's findings, to be the lowest responsible bidder, whether that be The Argee Corporation or Basic Constructors, Inc.; if The Argee Corporation is selected, the contract should be awarded on the basis of the Base Bid plus Alternates 1 and 2 for a total of \$2,911,500.

#### BACKGROUND INFORMATION

In accordance with authorization of the U. T. Board of Regents in August 1989, bids for the third phase of modifications and renovations to the U. T. M.D. Anderson Hospital at the U. T. M.D. Anderson Cancer Center were received on November 15, 1989, as shown on Page Ex.C - 17.

The apparent lowest bidder for this project is The Argee Corporation, Denver, Colorado. In accordance with standard procedure, the Office of Facilities Planning and Construction (OFPC) and the Project Architect reviewed the lowest bidder's credentials and investigated its performance on previous contracts. The investigation of The Argee Corporation reveals that it has projects under construction for two Texas state governmental agencies, two Texas cities and three agencies of other States. Each of these seven organizations has informed OFPC that The Argee Corporation does not perform in a responsible manner. It generally brokers all elements of work, does not control its subcontractors effectively, permits inferior work to be installed, substitutes inferior materials and equipment for the specified materials and equipment, is consistently behind schedule and files claims at any opportunity. This information indicates that The Argee Corporation is not a responsible bidder and award should be made to Basic Constructors, Inc. as the lowest responsible bidder.

Secretary's Note: The Argee Corporation elected not to appeal so the appointment of a Hearing Officer was not necessary. See Item 10, Page Ex.C - 18, for the award of contract to the lowest responsible bidder.

U. T. M.D. ANDERSON CANCER CENTER - U. T. M.D. ANDERSON HOSPITAL  
 MODIFICATIONS AND RENOVATIONS - PHASE III  
 Bids Received November 15, 1989, at  
 U. T. M.D. Anderson Cancer Center

<u>BIDDER</u>	<u>BASE BID</u>	<u>ALT. #1 EAST WING</u>	<u>ALT. #2 CANOPY REROOFING</u>	<u>BASE BID + ALT. #1</u>
The Argee Corporation Denver, CO	\$2,758,000	\$136,000	\$ 17,500	\$2,894,000 (with Alt. #2 \$2,911,500)
Basic Constructors, Inc. Houston, TX	2,795,000	127,000	102,000	2,922,000
The Lemoine Company Incorporated and J. T. Vaughn Construction Co., Inc./a Joint Venture, Houston, TX	2,854,000	155,000	49,700	3,009,000
Keeper Company, Inc. Houston, TX	3,016,630	107,200	39,840	3,123,830
Pepper-Lawson Construction, Inc., Houston, TX	2,997,000	140,000	91,000	3,137,000
Miner-Dederick Constructors, Inc., Houston, TX	3,028,000	150,000	44,000	3,178,000
Cahaba Construction Company Houston, TX	3,025,000	169,000	70,000	3,194,000
Metzger Construction Company Houston, TX	3,218,400	137,900	74,611	3,356,300
Temple Associates, Inc. Diboll, TX	3,197,000	172,000	21,000	3,369,000

10. U. T. M.D. Anderson Cancer Center - U. T. M.D. Anderson Hospital - Modifications and Renovations - Phase III (Project No. 703-695): Recommended Award of Construction Contract to Basic Constructors, Inc., Houston, Texas, and Request for Approval to Reduce the Total Project Cost (Exec. Com. Letter 90-9).--

#### RECOMMENDATION

The Executive Committee concurs in the recommendation of the Chancellor, the Executive Vice Chancellor for Health Affairs and President LeMaistre that the U. T. Board of Regents:

- a. Award a construction contract for the Modifications and Renovations - Phase III at the U. T. M.D. Anderson Hospital of the U. T. M.D. Anderson Cancer Center to the lowest responsible bidder, Basic Constructors, Inc., Houston, Texas, for the Base Bid and Alternate Bid No. 1 in the amount of \$2,922,000
- b. Approve a reduction in the authorized total project cost from \$6,900,000 to \$4,500,000 and reduce the appropriation of Permanent University Fund Bond Proceeds from \$5,000,000 to \$2,600,000. The appropriation of \$1,900,000 from U. T. M.D. Anderson Cancer Center Institutional Reserves remains unchanged.

#### BACKGROUND INFORMATION

In accordance with authorization of the U. T. Board of Regents in August 1989, bids for the third phase of modifications and renovations to the U. T. M.D. Anderson Hospital at the U. T. M.D. Anderson Cancer Center were received on November 15, 1989, as shown on Page Ex.C - 20.

Following the bid opening, the U. T. Board of Regents, via Executive Committee Letter 90-6 dated December 18, 1989, proposed to reject the proposal of the lowest bidder, The Argee Corporation, Denver, Colorado, as coming from a non-responsible contractor subject to The Argee Corporation's right to protest; proposed an award to the second lowest bidder (which was the lowest responsible bidder), Basic Constructors, Inc., Houston, Texas; and instructed the Executive Secretary of the U. T. Board of Regents to notify the lowest bidder of the proposed award and advise that a notice of appeal must be filed within seven (7) calendar days.

The Argee Corporation was notified on January 3, 1990, of the proposed contract award and given until close of business on January 10, 1990, to file a notice of appeal. The Argee Corporation has notified the Executive Secretary that no appeal will be filed. Since there will be no appeal of the proposed award, the rejection by the U. T. Board of Regents of the low but nonresponsible bid has become effective, and it is recommended that the construction contract be awarded to Basic Constructors, Inc., Houston, Texas.

The recommended contract award to Basic Constructors, Inc., Houston, Texas, in the amount of \$2,922,000 can be made within the reduced total project cost of \$4,500,000. The revised total project cost is composed of the following elements:

Construction Cost	\$2,922,000
Fees and Administrative Expenses	369,600
Furniture and Equipment	317,000
Future Work (FCMS, Air Balancing, Install Telecommunications Cable, Asbestos Abatement)	744,000
Miscellaneous Expenses	28,000
Project Contingency	<u>119,400</u>
Total Project Cost	\$4,500,000

This Executive Committee Letter also amends the FY 1990 Capital Budget by reducing the commitment of Permanent University Fund Bond Proceeds by \$2.4 million.



U. T. M.D. ANDERSON CANCER CENTER - U. T. M.D. ANDERSON HOSPITAL  
 MODIFICATIONS AND RENOVATIONS - PHASE III  
 Bids Received November 15, 1989, at  
 U. T. M.D. Anderson Cancer Center

<u>BIDDER</u>	<u>BASE BID</u>	<u>ALT. #1 EAST WING</u>	<u>ALT. #2 CANOPY REROOFING</u>	<u>BASE BID + ALT. #1</u>
The Argee Corporation Denver, CO	\$2,758,000	\$136,000	\$ 17,500	\$2,894,000 (with Alt. #2 \$2,911,500)
Basic Constructors, Inc. Houston, TX	2,795,000	127,000	102,000	2,922,000
The Lemoine Company Incorporated and J. T. Vaughn Construction Co., Inc./a Joint Venture, Houston, TX	2,854,000	155,000	49,700	3,009,000
Keeper Company, Inc. Houston, TX	3,016,630	107,200	39,840	3,123,830
Pepper-Lawson Construction, Inc., Houston, TX	2,997,000	140,000	91,000	3,137,000
Miner-Dederick Constructors, Inc., Houston, TX	3,028,000	150,000	44,000	3,178,000
Cahaba Construction Company Houston, TX	3,025,000	169,000	70,000	3,194,000
Metzger Construction Company Houston, TX	3,218,400	137,900	74,611	3,356,300
Temple Associates, Inc. Diboll, TX	3,197,000	172,000	21,000	3,369,000

11. U. T. M.D. Anderson Cancer Center (U. T. M.D. Anderson Science Park) - Research Laboratory Expansion (Project No. 703-668): Recommended Award of Construction Contract to Templeton Construction Company, San Angelo, Texas (Exec. Com. Letter 90-7).--

#### RECOMMENDATION

The Executive Committee concurs in the recommendation of the Chancellor, the Executive Vice Chancellor for Health Affairs and President LeMaistre that the U. T. Board of Regents award a contract for the construction of the Research Laboratory Expansion at the Research Division of the U. T. M.D. Anderson Science Park for the U. T. M.D. Anderson Cancer Center to the lowest responsible bidder, Templeton Construction Company, San Angelo, Texas, for the Base Bid, Alternate Bid Nos. A1, A2, A3, A4 and A6, and three (3) Biological Safety Cabinets at \$9,000 each (Unit Price Bid No. 2) in the total amount of \$3,348,000.

#### BACKGROUND INFORMATION

In accordance with authorization of the U. T. Board of Regents in August 1988, bids for the construction of the Research Laboratory Expansion at the Research Division of the U. T. M.D. Anderson Research Park for the U. T. M.D. Anderson Cancer Center were received on November 16, 1989, as shown on Pages Ex.C 22 - 24.

The recommended contract award to Templeton Construction Company, San Angelo, Texas, in the amount of \$3,348,000 can be made within the authorized total project cost of \$4,000,000. The authorized total project cost is composed of the following elements:

Construction Cost	\$3,348,000
Fees and Administrative Expenses	465,140
Furniture and Equipment	90,000
Future Work (Air Balancing)	36,000
Miscellaneous Expenses	40,000
Project Contingency	<u>20,860</u>
Total Project Cost	\$4,000,000

Funds for this project include \$2,000,000 from private grant and gift funds and \$2,000,000 from U. T. M.D. Anderson Cancer Center Unappropriated Balances. The project is included in the Capital Budget approved by the U. T. Board of Regents in August 1989.

RESEARCH LABORATORY EXPANSION  
 U. T. M.D. ANDERSON CANCER CENTER  
 RESEARCH DIVISION, U. T. M.D. ANDERSON SCIENCE PARK  
 Bids Received November 16, 1989, at  
 Smithville, Texas

BIDDER	Templeton Construction Company San Angelo, TX	O'Neal Construction, Inc. Austin, TX	BFW Construction Co., Inc. Temple, TX	Drymalla Construction Company, Inc. Columbus, TX
BASE BID	\$3,069,500	\$3,109,600	\$3,180,000	\$3,183,000
Alt. No. A1 - Equipment for Room 1.302	+73,000	+73,000	+73,000	+72,280
Alt. No. A2 - Equipment for Lab 1.408	+67,000	+70,000	+52,000	+68,098
Alt. No. A3 - Mezzanine at East Wing	+18,500	+20,800	+15,300	+27,948
Alt. No. A4 - Duct Insulation	+56,000	+48,000	+53,000	+46,000
Alt. No. A5 - Canopy at Chiller	+15,000	+16,200	+19,000	+13,363
Alt. No. A6 - Insulate Underslab	+37,000	+17,975	+17,000	+16,750
Alt. No. A7 - Reduce East Wing	-15,000	-19,600	-26,000	-19,500
Alt. No. A8 - Electrical Service from Lab Building 2	-10,000	- 7,300	- 9,200	- 9,208
Unit Price No. 1 - 6' Chemical Hood	6,500	6,600	19,000	6,000
Unit Price No. 2 - 4' Biological Safety Cabinet	9,000 (3 = 27,000)	14,500 (3 = 43,500)	18,000 (3 = 54,000)	11,000 (3 = 33,000)
Unit Price No. 3 - Cold Room	<u>39,000</u>	<u>26,000</u>	<u>32,000</u>	<u>32,000</u>
TOTAL - Base Bid plus Alternates A1, A2, A3, A4, A6 and 3 Biological Safety Cabinets (Unit Price No. 2)	\$3,348,000	\$3,382,875	\$3,444,300	\$3,447,076

EX. C - 22

RESEARCH LABORATORY EXPANSION  
 U. T. M.D. ANDERSON CANCER CENTER  
 RESEARCH DIVISION, U. T. M.D. ANDERSON SCIENCE PARK  
 Bids Received November 16, 1989  
 Smithville, Texas

<u>BIDDER</u>	<u>American Constructors, Inc. Austin, TX</u>	<u>The Argee Corporation Denver, CO</u>	<u>The Cadence Group, Inc. Austin, TX</u>	<u>Spaw-Glass Construction Services, Inc. San Antonio, TX</u>
BASE BID	\$3,199,000	\$3,240,000	\$3,273,000	\$3,289,000
Alt. No. A1 - Equipment for Room 1.302	+76,000	+97,000	+74,700	+76,000
Alt. No. A2 - Equipment for Lab 1.408	+50,000	+65,500	+70,600	+72,000
Alt. No. A3 - Mezzanine at East Wing	+25,000	+25,500	+26,600	+22,000
Alt. No. A4 - Duct Insulation	+38,000	+47,000	+56,700	+56,000
Alt. No. A5 - Canopy at Chiller	+15,000	+16,300	+19,600	+14,000
Alt. No. A6 - Insulate Underslab	+19,000	+21,600	+37,200	+37,000
Alt. No. A7 - Reduce East Wing	-18,000	-16,800	-21,000	-24,000
Alt. No. A8 - Electrical Service from Lab Building 2	- 9,200	- 9,200	- 9,200	- 9,200
Unit Price No. 1 - 6' Chemical Hood	8,300	5,600	9,200	7,500
Unit Price No. 2 - 4' Biological Safety Cabinet	14,700	12,200	15,000	14,000
	(3 = 44,100)	(3 = 36,600)	(3 = 45,000)	(3 = 42,000)
Unit Price No. 3 - Cold Room	<u>27,000</u>	<u>33,500</u>	<u>30,000</u>	<u>28,000</u>
 TOTAL - Base Bid plus Alternates A1, A2, A3, A4, A6 and 3 Biological Safety Cabinets (Unit Price No. 2)	 \$3,451,100	 \$3,533,200	 \$3,583,800	 \$3,594,000

RESEARCH LABORATORY EXPANSION  
 U. T. M.D. ANDERSON CANCER CENTER  
 RESEARCH DIVISION, U. T. M.D. ANDERSON SCIENCE PARK  
 Bids Received November 16, 1989  
 Smithville, Texas

<u>BIDDER</u>	<u>ICA/ICM International Incorporated Austin, TX</u>	<u>Temple Associates, Inc. Diboll, TX</u>	<u>R.G.M Construction Co., Inc. Austin, TX</u>	<u>Odell Lueckemeyer Construction Brenham, TX</u>
BASE BID	\$3,349,758	\$3,387,000	\$3,711,000	\$3,910,769
Alt. No. A1 - Equipment for Room 1.302	+37,000	+73,000	+86,000	+76,900
Alt. No. A2 - Equipment for Lab 1.408	+19,900	+72,000	+79,000	+57,613
Alt. No. A3 - Mezzanine at East Wing	+26,300	+17,000	+39,000	+30,000
Alt. No. A4 - Duct Insulation	+55,200	+48,000	+53,000	+37,200
Alt. No. A5 - Canopy at Chiller	+11,650	+12,500	+14,000	+22,100
Alt. No. A6 - Insulate Underslab	+36,400	+37,000	+18,000	+20,000
Alt. No. A7 - Reduce East Wing	-15,600	-24,000	-50,000	-26,100
Alt. No. A8 - Electrical Service from Lab Building 2	- 7,900	-10,000	-11,000	- 9,000
Unit Price No. 1 - 6' Chemical Hood	12,430	7,000	14,000	7,400
Unit Price No. 2 - 4' Biological Safety Cabinet	29,800	18,000	7,800	14,596
	(3 = 89,400)	(3 = 54,000)	(3 = 23,400)	(3 = 43,788)
Unit Price No. 3 - Cold Room	<u>24,400</u>	<u>37,000</u>	<u>42,000</u>	<u>38,974</u>
 TOTAL - Base Bid plus Alternates A1, A2, A3, A4, A6 and 3 Biological Safety Cabinets (Unit Price No. 2)	 \$3,613,958	 \$3,688,000	 \$4,009,400	 \$4,176,270

EX. C - 24

12. U. T. Arlington, U. T. Austin, U. T. Medical Branch - Galveston, U. T. Health Science Center - Houston, U. T. Health Science Center - San Antonio and U. T. M.D. Anderson Cancer Center: Recommendation to Accept Energy Management Loans from the Office of the Governor and to Proceed with Planning and Construction Pursuant to These Loans, Including Hiring Architectural and Engineering Firms, Securing Coordinating Board Approval Where Required and Approval of Preliminary and Final Plans (Exec. Com. Letter 90-8).--

#### RECOMMENDATION

The Executive Committee concurs in the recommendation of the Chancellor, the Executive Vice Chancellor for Academic Affairs and the Executive Vice Chancellor for Health Affairs that the six institutions listed below be authorized to accept Energy Management Loans from the Office of the Governor:

U. T. Arlington  
U. T. Austin  
U. T. Medical Branch - Galveston  
U. T. Health Science Center - Houston  
U. T. Health Science Center - San Antonio  
U. T. M.D. Anderson Cancer Center

It is also recommended that project authorization, appointment of architects and engineers, authorization to submit projects to the Texas Higher Education Coordinating Board and approval of preliminary and final plans for all such projects be delegated to the U. T. System Administration with actions to be presented to the U. T. Board of Regents for ratification through the institutional docket.

#### BACKGROUND INFORMATION

Six component institutions of the U. T. System are expected in the very near future to receive about \$12.8 million in energy loans from the Office of the Governor. These loans will finance approximately 120 energy saving projects, ranging in cost from \$2,000 to \$800,000. The source of funding for these grants are monies deposited to the State Treasury's Oil Overcharge Fund. The loans will be repaid from legislative appropriations to be earmarked for this purpose. It will take approximately 24 months from the date of acceptance of these loans to complete all projects, and handling of requested approvals via this Executive Committee Letter will help to accelerate the time to contract award and the accrual of energy savings.

Each loan application was preceded by an energy audit to ensure that the requested project is feasible and that the investment will be paid back within a reasonable time period. They were then reviewed by the U. T. System Office of Facilities Planning and Construction and the Office of the Governor. The related promissory note forms have been reviewed and approved by the Office of General Counsel.

Upon completion of these projects, annual utility savings are computed to be in the range of \$4.1 million per year.

Most of the projects involved are under \$300,000 and fall under existing delegation authority. However, preliminary estimates indicate that about 12 projects will cost more than \$300,000. It is anticipated that several smaller projects might also be combined as design proceeds and bid documents are prepared. Delegation to U. T. System Administration of project authorization, appointment of architects and engineers, authorization to submit projects to the Coordinating Board and approval of preliminary and final plans will expedite project completion and result in additional energy savings.

These projects are not included in the FY 1990 Capital Budget, but will be reflected in the FY 1991 Capital Budget.

Personnel and  
Audit Committee



PERSONNEL AND AUDIT COMMITTEE  
Committee Chairman Roden

Date: February 8, 1990  
Time: Following the meeting of the Executive Committee  
Place: Board Room 316, Administration Building  
U. T. Pan American

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2. U. T. System: Recommendation to Confer Emeritus Titles [ <u>Regents' Rules and Regulations, Part One, Chapter II, Section 13, Subsection 13.4 (Honorary Titles)</u> ]	4

1. U. T. System: Proposed Policy Providing for Establishment of Sick Leave Pool Effective March 1, 1990.--

#### RECOMMENDATION

The Chancellor concurs in the recommendation of the Vice Chancellor for Business Affairs that the U. T. Board of Regents approve the following policy providing for the establishment of sick leave pools at each component institution of the U. T. System and at U. T. System Administration effective March 1, 1990, as required by the provisions of Article 6252-8e, Vernon's Texas Civil Statutes:

#### SICK LEAVE POOL POLICY

1. PURPOSE. Each component institution of the U. T. System shall establish a sick leave pool to provide a source of additional sick leave for those employees who have exhausted accrued sick leave because of a catastrophic illness or injury.
2. DEFINITIONS. As used in this Policy:
  - 2.1 "Catastrophic illness or injury" means a severe condition or combination of conditions affecting the mental or physical health of an employee or the employee's immediate family that requires the services of a licensed practitioner for a prolonged period of time and that requires the employee to exhaust accrued leave and to lose compensation from the State.
  - 2.2 "Employee" means a regular employee of a component institution of the U. T. System or the U. T. System Administration as defined in Article V of the General Appropriations Act.
  - 2.3 "Immediate family" means those persons living in the same household with the employee who are either related to the employee by kinship, adoption, or marriage or are certified by the Texas Department of Human Services as foster children of the employee or, if not living in the same household, are totally dependent upon the employee for personal care or services on a continuing basis.
  - 2.4 "Licensed practitioner" means a person who is licensed to practice in one of the health professions set forth in Paragraph (B) of Article 3.70-2 of the Texas Insurance Code.
  - 2.5 "Pool administrator" means the person appointed to administer the sick leave pool.
  - 2.6 "Sick leave pool" or "pool" means the accumulated sick leave donated by employees for utilization in accordance with this Policy.

3. POOL ADMINISTRATOR. This Policy shall be administered at each component institution by a pool administrator designated by the chief administrative officer and at the U. T. System Administration by a pool administrator designated by the Chancellor of the U. T. System.
  - 3.1 The pool administrator shall adopt forms and regulations appropriate for the administration of this Policy.
  - 3.2 The decision of the pool administrator regarding contributions to and withdrawals from the pool shall be final.
4. SICK LEAVE POOL. The sick leave pool at each component institution and the U. T. System Administration shall consist of the sick leave voluntarily contributed to the pool by employees.
  - 4.1 An employee who desires to contribute sick leave to the pool must submit an application to the pool administrator.
  - 4.2 Contributions to the pool must be in units of eight (8) hours and no more than three (3) units may be contributed by an employee during each fiscal year.
  - 4.3 Upon approval of an application, the pool administrator shall credit the sick leave pool with the sick leave contributed by an employee and shall direct the personnel department to deduct a corresponding amount from that employee's accrued sick leave.
  - 4.4 Sick leave contributed to the pool may not be designated for the use of a particular person.
  - 4.5 Although contributions are voluntary, employees who leave state employment should be encouraged to contribute to the pool.
5. WITHDRAWAL OF SICK LEAVE FROM THE POOL. Applications to withdraw sick leave from the pool must be submitted on the form prescribed by the pool administrator. An application must be filed with the pool administrator and must be accompanied by a statement from the licensed practitioner who treated the illness or injury that resulted in the exhaustion of the accrued sick leave of the employee making the application. The pool administrator will consider applications in the order in which they are received and will approve or deny an application within ten (10) working days after receipt.
  - 5.1 An employee is eligible to withdraw sick leave from the pool if the pool administrator finds that the employee has exhausted all accrued sick leave because of a catastrophic illness or injury or because of a previous donation of sick leave to the pool.

- 5.2 In determining the amount of sick leave to be assigned to an eligible employee from the pool, the pool administrator shall take into consideration the information contained in the employee's application, the number of applications then pending, and the amount of sick leave available in the pool. In no event shall the sick leave allocated to an eligible employee from the pool exceed ninety (90) days or one-third (1/3) of the pool, whichever is less. Upon approval of an employee's application, the pool administrator shall notify the personnel office of the amount of sick leave to be assigned to the employee.
- 5.3 The employee may use sick leave assigned from the pool in the same manner as sick leave accrued pursuant to Article V of the General Appropriations Act and shall be treated in the same manner and shall be entitled to accrue the same benefits as an employee who uses such accrued sick leave.
- 5.4 The estate of a deceased employee shall not be entitled to payment for unused sick leave assigned from the pool.

#### BACKGROUND INFORMATION

Article 6252-8e, Vernon's Texas Civil Statutes, requires State agencies to establish voluntary sick leave pools to allow for the allocation of sick leave to employees who have exhausted their accrued sick leave because of a catastrophic illness or injury. The proposed policy complies with the requirements of the statute and it is anticipated that the policy may help to alleviate the hardship experienced by an employee and the employee's family when a catastrophic illness or injury has required the employee to exhaust accrued sick leave and lose compensation from the State. Input from appropriate State agencies and from each institution of the U. T. System has been taken into consideration in the development of the proposed policy.

2. U. T. System: Recommendation to Confer Emeritus Titles [Regents' Rules and Regulations, Part One, Chapter II, Section 13, Subsection 13.4 (Honorary Titles)].--

#### RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and the Vice Chancellor for Business Affairs that the U. T. Board of Regents confer honorary emeritus titles on the two individuals indicated below:

- a. Lorene L. Rogers, President Emeritus, U. T. Austin
- b. Joe E. Boyd, Jr., Vice Chancellor for Business Affairs Emeritus, U. T. System.

Both individuals are now fully retired and are thereby eligible under the Regents' Rules and Regulations, Part One, Chapter II, Section 13, Subsection 13.4, relating to honorary titles, for consideration of these honorary designations which were not conveyed at the time of retirement.

#### BACKGROUND INFORMATION

Dr. Lorene L. Rogers served as President of U. T. Austin from 1975-1979, stepping down from that position on August 31, 1979, and fully retiring from her faculty position on September 1, 1980. Although the Regents' Rules and Regulations on Honorary Titles were amended to include the President Emeritus designation shortly after her retirement as President and she was accorded Faculty Emeritus status via budget action on retirement from the Faculty, the President Emeritus title was never considered.

Dr. Rogers joined the U. T. Austin faculty in 1949 and taught both chemistry and nutrition. She served as Vice President at U. T. Austin from 1971-1974 and President ad Interim from 1974-1975. She had previously been associate dean of the Graduate School and research scientist and assistant director of the Clayton Foundation Biochemical Institute. Dr. Rogers has served on national boards and commissions in higher education and as a consultant in the field of international education. She has been honored as a distinguished graduate by the University of North Texas where she received a bachelor's degree and by U. T. Austin where she received a master's degree in organic chemistry and a doctor of philosophy degree in biochemistry.

Mr. Joe E. Boyd, Jr. retired as Vice Chancellor for Business Affairs on August 31, 1982, but continued to serve the U. T. System in a consultant/advisor capacity and was not, therefore, eligible under the Regents' Rules and Regulations for consideration of the emeritus designation. With his full retirement on August 31, 1988, it is now appropriate to recommend conveyance of that honor.

Mr. Boyd was responsible for U. T. System business affairs functions, first as vice president and then as vice chancellor, from 1977 to 1982. He began his career in the U. T. System in 1950 as an auditor and later served as vice president at the U. T. System Cancer Center (now U. T. M.D. Anderson Cancer Center). After receiving a bachelor's degree from McMurray College, Abilene, Texas, he received a Master of Business Administration from U. T. Austin in 1948. He was given the Alumni Award of Distinction by McMurray College in 1974.

These recommendations for award of emeritus titles are honorary designations in recognition of service in the respective positions but do not include emoluments or privileges other than those available to persons who have retired from the U. T. System.

Academic  
Affairs Comm.

ACADEMIC AFFAIRS COMMITTEE  
Committee Chairman Barshop

Date: February 8, 1990  
Time: Following the meeting of the Personnel and Audit  
Committee  
Place: Board Room 316, Administration Building  
U. T. Pan American

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1. U. T. Austin: Proposed Appointments to Endowed Academic Positions in the College of Liberal Arts Effective September 1, 1990.--

#### RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that the following initial appointments be made to endowed academic positions in U. T. Austin's College of Liberal Arts effective September 1, 1990:

<u>Name of Proposed Appointee</u>	<u>Endowed Academic Position</u>
Dr. Jose Luis Varela, Faculty of Philology, Universidad Complutense de Madrid	Peter T. Flawn Centennial Professorship in Spanish Language and Literature; established December 1984
Dr. Laurence Thomas, Department of Philosophy, Syracuse University	Roy Allison Vaughan Centennial Professorship in Philosophy; established December 1983
Dr. Jane C. Marcus, The City University of New York (CUNY) Graduate School and City College of New York	Iris Howard Regents Professorship in English Literature; established February 1986

#### BACKGROUND INFORMATION

Dr. Varela has been appointed Professor, Department of Spanish and Portuguese at U. T. Austin, effective September 1, 1990, and has an international reputation as an interpreter of the work of Cervantes. He has taught at several universities in the United States as a visiting professor, including U. T. Austin, and has taught and lectured widely in Europe and South America. Dr. Varela is the recipient of Spain's National Prize of Literature and holder of the Gran Cruz of the Orden del Merito Civil.

Dr. Thomas has been appointed Professor, Department of Philosophy at U. T. Austin, effective September 1, 1990. He is widely recognized for his scholarship and research on the foundations of morality and has held faculty appointments at several prominent universities. Dr. Thomas' book, Living Morally, and more than 30 scholarly articles reflect his distinguished contributions to the field of philosophy.

Dr. Marcus has been appointed Professor, Department of English at U. T. Austin, effective September 1, 1990. She is internationally recognized as one of the leading feminist literary critics. Dr. Marcus formerly taught at U. T. Austin and was selected to receive the Texas Excellence Teaching Award. She has authored or edited eight books, more than 40 scholarly articles and more than 70 literary reviews.



2. U. T. Austin: Proposed Appointment to the Fourth Sid W. Richardson Foundation Regents Chair in Physics in the College of Natural Sciences Effective September 1, 1990.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that Dr. Roy F. Schwitters, Director, Superconducting Super Collider Laboratory, be appointed as the initial holder of the Fourth Sid W. Richardson Foundation Regents Chair in Physics in the College of Natural Sciences at U. T. Austin effective September 1, 1990.

BACKGROUND INFORMATION

Dr. Schwitters has been appointed Professor, Department of Physics at U. T. Austin, effective September 1, 1990. He is a preeminent experimental high-energy physicist who has been a professor at Harvard University since 1979. In addition to several committee memberships, Dr. Schwitters is a Fellow of the American Academy of Arts and Sciences, the American Physical Society, and the American Association for the Advancement of Science. He has received the Alan T. Waterman Award from the National Science Foundation and has authored or coauthored over 100 scientific publications.

The Fourth Sid W. Richardson Foundation Regents Chair in Physics was established by the U. T. Board of Regents in February 1985.

3. U. T. Austin: Request for Authorization to Establish a Graduate Program in Molecular Biology and to Submit the Proposed Program to the Coordinating Board for Approval (Catalog Change).--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that authorization be granted to establish a graduate program including Master of Arts (M.A.) and Doctor of Philosophy (Ph.D.) degrees in Molecular Biology at U. T. Austin. Upon Regental approval, the proposal will be submitted to the Texas Higher Education Coordinating Board for review and appropriate action. The proposed program in molecular biology is to be implemented upon receiving approval and is consistent with U. T. Austin's Strategic Plan and approved Role and Scope Table of Programs. A description of the proposed program is included in the Background Information.

If approved by the Coordinating Board, the next appropriate catalog published at U. T. Austin will be amended to reflect this action.

## BACKGROUND INFORMATION

### Program Description

The proposed graduate program in molecular biology at U. T. Austin will give identity to U. T. Austin's molecular biology activities by offering the M.A. and Ph.D. degrees with a major in Molecular Biology. The proposed program will be administered under the direction of an interdisciplinary faculty committee with representation from several departments in the College of Natural Sciences and from the College of Pharmacy. The interdisciplinary committee, which is to be appointed by the Vice President and Dean of Graduate Studies, will approve courses of study, develop curriculum, establish degree requirements and admission criteria, and encourage expansion of research in molecular biology.

U. T. Austin currently awards the M.A. and Ph.D. in Biological Sciences under an interdepartmental biological sciences committee. Although students may pursue a molecular biology track under this program, the University realizes that the molecular biology program must have the visibility of a specific graduate degree program if the University expects to compete for recognition and for talented graduate students.

In addition to the interdisciplinary degree program in Biological Sciences, related graduate degrees are currently awarded through the departments of biochemistry, botany, microbiology, home economics (nutrition), zoology, and the College of Pharmacy. The proposed graduate program in molecular biology would include faculty from these and other disciplines. Although the program will focus on doctoral activities, a complementary master's degree will also be offered. Approximately one hundred fifty students are expected eventually to be enrolled in the graduate program in molecular biology.

### Program Need

Molecular biology as a discipline is only thirty years old and has produced a rapid pace of discoveries about the basic molecular rules of life. This momentum will continue in the foreseeable future. Major universities such as Cal Tech, MIT, Stanford and Princeton have realized the importance of the field and have implemented molecular biology programs. The implementation of the proposed new graduate program at U. T. Austin will advance the institution to the forefront of research in this area and will afford new opportunities to attack fundamental problems in our society related to health, food production and related technologies.

The proposed graduate program in molecular biology underwent a combined U. T. System Administration, Coordinating Board, and external committee review in December 1988. According to the final report of the external review committee, "For at least a decade there has been a recognized need at The University of Texas at Austin to create a graduate molecular biology program . . . ." The review committee strongly supported approval of the program. In addition, the Texas Higher Education Coordinating Board is engaged in a five-year cycle of reviewing all doctoral programs in the state. Life sciences doctoral programs, including the interdisciplinary Biological Sciences doctoral degree at U. T. Austin, are currently being reviewed. Submission of the proposed program in molecular biology will allow the Coordinating Board to review the proposal in a timely manner.

Persons who successfully complete the master's or doctoral degree in molecular biology will be prepared to fill academic and research positions in research universities and other research institutions and will be attractive to governmental agencies and to the biomedical, chemical, pharmaceutical and agricultural-based industries in Texas. Graduates will also be able to participate in stimulating the development of new industries.

#### Program Quality

The primary strength of any graduate program is the quality of the faculty. U. T. Austin faculty members in the biological sciences are well-perceived and have been highly rated in the past by national rankings. Fifteen to twenty molecular biologists at U. T. Austin currently have funded National Institutes of Health (NIH) grants. These faculty publish extensively in nationally recognized journals and are considered by their colleagues in the field as solid scientists.

The second measure of the strength of a graduate program is the quality of its students. An enhanced reputation in molecular biology will permit recruitment of graduate and postgraduate students who can compete successfully for federal and foundation financial support for their own research.

A major goal of U. T. Austin is to strengthen its molecular biology program over the next five years. The program, which currently involves fifty or so faculty members with interests in molecular biology, will be strengthened by the addition of fifteen to twenty faculty members, including six to be recruited to fill endowed chairs. Funds have also been allocated to build a new Life Sciences building which will aid greatly in the competition for research funding in the molecular biology field.

#### Program Costs

Existing faculty resources and the presence of six endowed positions will permit the University to provide a high quality program with present resources. As the program gains strength and visibility, the level of funding from federal and industrial sources will undoubtedly increase and will generate funds for equipment and student support.

In many ways, the proposed new graduate program meets Coordinating Board criteria for consideration as a nonsubstantive change since a concentration in molecular biology is already an option within the Ph.D. in Biological Sciences. The program can be implemented with existing faculty and will require the addition of only four new courses. These courses will be team taught by faculty from related disciplines and will form the core curriculum for the new degree program. Filling additional positions will serve only to strengthen existing faculty and to attract additional students.

Planned upgrading of facilities, equipment and library, which will serve to support this program, are not tied to the approval of this proposed graduate program but are improvements which the University plans to put into place to strengthen its molecular biology activities in any case.

## Summary

U. T. Austin proposes to establish a graduate program in molecular biology and submit it to the Coordinating Board for approval. While the proposal is essentially nonsubstantive, the new program will provide much needed visibility and attendant teaching and research strength in the rapidly expanding area of molecular biology. An enhanced reputation in the field will mean stronger external support and the attraction of excellent graduate and postgraduate students. The University has committed itself to developing a high quality, successful molecular biology program. Development of this program is a natural and essential direction for biological sciences activities at U. T. Austin.

4. U. T. Austin: Recommendation to Approve Voluntary Student Services Fees Effective with the Fall Semester 1990 (Catalog Change).--

## RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that the U. T. Board of Regents approve Voluntary Student Services Fees at U. T. Austin to be effective with the Fall Semester 1990 as set out below. Current and proposed fees are listed for comparative purposes.

	1989-90		1990-91	
	Academic Year	Spring Semester	Academic Year	Spring Semester
Athletics	\$52.00	\$26.00	\$52.00	\$26.00
Athletics Dependent	64.00	32.00	64.00	32.00
Drama Department	12.00	6.00	12.00	6.00
Performing Arts	25.00	12.50	25.00	12.50
TSP Package*	32.50	28.25	33.50	29.25
<u>Cactus</u> Yearbook	28.50	28.50	28.50	28.50
<u>UTmost</u> Magazine	8.50	4.30	8.50	4.30
Official Directory	2.00	(not offered)	2.00	(not offered)
<u>Peregrinus</u> Yearbook	15.00	15.00	15.00	15.00
<u>Analecta</u> Literary Journal	3.50	3.50	3.50	3.50
<u>Polis</u> Magazine	4.00	2.00	4.00	2.00
Locker/Basket and Shower	8.00	4.00	8.00	4.00

\*TSP Package represents a reduced cost for purchase of Cactus, UTmost, and the Official Directory.

Upon Regental approval, the Minute Order will reflect that the next appropriate catalog published at U. T. Austin will be amended to include these changes.

### BACKGROUND INFORMATION

In accordance with Sections 54.513 and 54.514 of the Texas Education Code, the proposed amounts for Voluntary Student Services Fees have been recommended to President Cunningham by the Student Services Fees Committee of U. T. Austin.

All the fees remain unchanged from the previous year except the TSP Package which requests an increase of \$1.00 due to higher costs of printing for the Cactus Yearbook.

5. U. T. Austin: Recommendation to Approve an Increase in the Compulsory Texas Union Fee Effective with the Fall Semester 1990 (Catalog Change).--

### RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that the U. T. Board of Regents approve an increase in the Texas Union Fee at U. T. Austin from \$23 per semester or summer session to \$28 per semester or summer session to be effective with the Fall Semester 1990. The fee will be reduced proportionally for students who register for less than twelve weeks during the summer session.

Upon Regental approval, the Minute Order will reflect that the next appropriate catalog published at U. T. Austin will be amended to conform to this action.

### BACKGROUND INFORMATION

During the Spring Semester 1989, a student referendum endorsed increases in the Texas Union Fee to \$23 for Fall 1989, \$28 for Fall Semester 1990, and \$33 for Fall Semester 1991. The increased fee revenue will pay for significant repairs and rehabilitation in the Texas Union. The proposed fee is within the ceilings authorized by Sections 54.513 and 54.530 of the Texas Education Code as amended by the 71st Legislature.

6. U. T. Austin: Recommendation to Establish the Harry Ransom Humanities Research Center Advisory Council.--

### RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that the Harry Ransom Humanities Research Center Advisory Council be established at U. T. Austin pursuant to the Regents' Rules and Regulations, Part One, Chapter VII, Section 3, with the understanding that initial nominees will be submitted for approval at a future meeting.

## BACKGROUND INFORMATION

The specific purposes of this 25 member advisory council will be to increase public awareness of the resources of the Harry Ransom Humanities Research Center and to enhance private funding support.

7. U. T. Austin: Recommendation to Approve Proposed Memoranda of Agreement with Darnall U. S. Army Community Hospital, Fort Hood, Texas.--

## RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that the U. T. Board of Regents approve the proposed memoranda of agreement as set out on Pages AAC 9 - 18 by and between U. T. Austin and Darnall U. S. Army Community Hospital, Fort Hood, Texas.

## BACKGROUND INFORMATION

The two proposed memoranda of agreement between U. T. Austin and Darnall U. S. Army Community Hospital are on behalf of the U. T. Austin College of Communication and the School of Social Work. The agreement for the College of Communication will allow selected graduate students in speech pathology and audiology to take clinical training at the hospital. Similarly, students enrolled in the M.S. in Social Work degree program would be allowed to receive clinical training at the hospital. Both agreements have been reviewed and approved by the Office of General Counsel.

Approval by the U. T. Board of Regents via agenda is sought because the memoranda follow the U. S. Army form rather than the approved U. T. System standard affiliation agreement form. The proposed agreements are similar to an agreement approved by the U. T. Board of Regents in December 1982 and are in a form which has become almost standard.

It is the intent of the U. T. System Administration to administratively approve and submit via docket other affiliation agreements with the federal government that are identical or substantially similar to these agreements or others previously approved by the U. T. Board of Regents.

The Offices of Academic Affairs, Health Affairs and General Counsel are in the process of reviewing approved similar affiliation agreements that have come into standard usage and will recommend those agreements for approval as standard forms at a future U. T. Board of Regents' meeting.



REPLY TO  
ATTENTION OF

DEPARTMENT OF THE ARMY  
UNITED STATES ARMY MEDICAL DEPARTMENT ACTIVITY  
FORT HOOD, TEXAS 76544-5063



MEMORANDUM OF AGREEMENT  
BETWEEN  
DARNALL U.S. ARMY COMMUNITY HOSPITAL  
AND  
THE UNIVERSITY OF TEXAS AT AUSTIN

SUBJECT: Affiliation Agreement for the Acceptance, Appointment, and Clinical Assignment of University of Texas at Austin trainees by Darnall U.S. Army Community Hospital.

1. Purpose. To define the acceptance, appointment, and clinical assignment of trainees from The University of Texas at Austin by Darnall U.S. Army Community Hospital.

2. Reference. AR 351-3, Professional Training Programs of the Army Medical Department.

3. Problem.

a. The University of Texas at Austin, hereafter called educational institution, which is accredited by the Southern Association of Colleges and Universities conducts a program of training for post-graduate level social work students. The program is accredited by the National Association of Social Workers and leads to a Master of Social Work Degree. The program curriculum requires that the trainees obtain clinical learning experience.

b. The Darnall U.S. Army Community Hospital, Fort Hood, Texas, hereafter called the Army medical facility, conducts certain clinical activities in which trainees in the educational program, if allowed to participate, can obtain all or part of their required clinical learning experience.

c. An affiliation under this memorandum will benefit both parties by contributing to the educational preparation of a future supply of health care providers.

d. Trainees will be student volunteers under section 3111 of title 5, United States Code (5 USC 3111). They will not be Federal employees, but will be covered by 5 USC 8101-8151, relating to compensation for certain injuries, and by 28 USC 2671-2680 and 10 USC 1089, relating to tort claims.

e. Selection for this training will be made without regard to race, sex, color, religion, creed, national origin, lawful political or other affiliation, marital status, age (other than legal minimum age limitations), or physical handicap. Handicapped persons will not be provided benefits, service, or training that is different or separate from what is provided to others unless such action is required to provide equity. A qualified handicapped person will not otherwise be limited in the enjoyment of any right, privilege, advantage, or opportunity granted to others receiving the training and benefits of this agreement.

4. Scope. This agreement applies to not more than five trainees per semester and will not detract from the Army Medical Department's medical and training mission.

5. Understanding.

a. This agreement applies to not more than the one category of trainees described in paragraph 3a.

b. Affiliation under this agreement must not detract from the medical mission of the Army medical facility, or the education and training needs of Army Medical Department personnel.

c. There will be no payment of charges or fees between the parties to this agreement, and no payment of compensation by the United States to the trainees.

d. Insofar as the commander of the Army medical facility finds it consistent with his or her command's basic mission, the Army medical facility will--

(1) Screen prospective trainees to ascertain their qualifications and suitability and arrange for their appointment as student volunteers.

(2) Coordinate with the educational institutions to prevent conflict of schedules and activities during the clinical learning experience, and designate an appropriate point of contact for this purpose. This coordination involves--

(a) Planning with representatives of the educational institution.

(b) Orienting trainees and assigning them to specific clinical cases and experiences, including attendance at selected conferences, clinics, courses, and programs conducted by the Army medical facility.



(3) Retain responsibility for patient care in the facility and exercise supervision over trainees consistent with the facility's quality assurance program.

(4) Permit, on reasonable request, the inspection of clinical and related facilities by agencies charged with accreditation of the educational institution program.

(5) Notify the school of any intent to release a student.

e. The educational institution will--

(1) At least 30 days before the beginning of each training period, provide the names of the trainees eligible to be appointed, the dates and hours for which training is requested, and the clinical activities in which training is requested.

(2) Permit trainees to accept Federal appointment as student volunteers for the purpose of participating in clinical learning experiences, and provide such personal information on trainees as is necessary. Verify that they meet minimum age requirements of 18 years and, on request, certify that they are enrolled at least half-time in the educational institution's program. Ensure that trainees are available for completion of the appointment process before the training period begins.

(3) Notify the Army medical facility of a change in the enrollment status of any trainee.

(4) Designate an appropriate point of contact to coordinate trainee activities under this agreement.

(5) Provide and maintain the personnel records and reports necessary to document the trainees' clinical learning experience for the purpose of academic credit.

(6) Be responsible for such health and other medical examinations and protective measures as the commander of the Army medical facility deems necessary.

(7) Assist in the enforcement of such rules and regulations governing trainees as may be issued by the

commander of the Army medical facility and its host installation.

(8) Assist in enforcing the prohibition against the publication by trainees of any material related to the clinical learning experience that has not been reviewed and cleared by the Army medical facility to assure that--

(a) No classified information is published.

(b) Infringement of patients' rights to privacy is avoided.

(c) Military procedures are completely accurate.

(9) Withdraw a trainee from participation in the clinical learning experience on written notice.

#### 6. Effective Period.

The terms of this agreement--

a. Will be effective on 1 January 1990 subject to approval by Health Services Command, and will continue in effect until terminated.

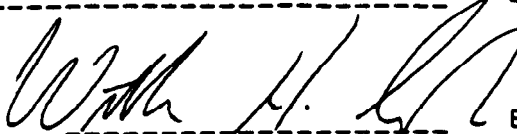
b. May be amended by the parties without referral to the approving authority only to incorporate changes required by Army Regulation 351-3.

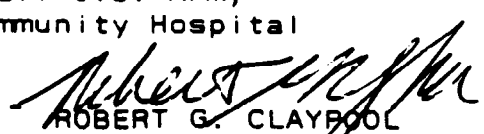
#### 7. Termination

Either party may terminate the arrangements under this agreement by giving 30 days advance written notice of the effective date of termination. Except under unusual conditions, the notice will be given before the beginning of a training period. It is understood that the approving authority may terminate these arrangements at any time to meet the mission needs of the Army Medical Department.

The University of Texas  
at Austin

Darnall U.S. Army  
Community Hospital

By:   
William H. Cunningham  
President

By:   
ROBERT G. CLAYPOOL  
Colonel, Medical Corps

Title: \_\_\_\_\_

Title: Commanding

Date: January 2, 1990

Date: November 10, 1989

FOR THE U.S. ARMY HEALTH SERVICES COMMAND:

Approved

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

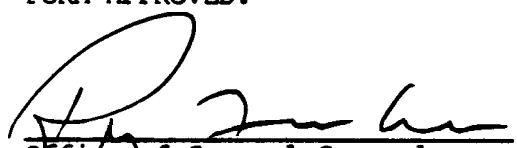
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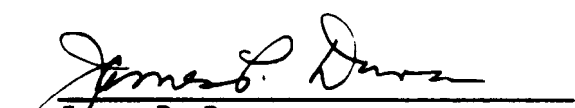
Date: \_\_\_\_\_

THE UNIVERSITY OF TEXAS SYSTEM:

FORM APPROVED:

CONTENT APPROVED:

  
Office of General Counsel

  
James P. Duncan  
Executive Vice Chancellor  
for Academic Affairs

CERTIFICATE OF APPROVAL

I hereby certify that the foregoing Agreement was approved by the Board of Regents of The University of Texas System on the \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, and that the person whose signature appears above is authorized to execute such agreement on behalf of the Board.

\_\_\_\_\_  
Executive Secretary, Board of Regents  
The University of Texas System

Agreement Number HSH-23-89

MEMORANDUM OF AGREEMENT  
BETWEEN  
DARNALL U.S. ARMY COMMUNITY HOSPITAL  
AND  
THE UNIVERSITY OF TEXAS AT AUSTIN, AUSTIN, TEXAS

SUBJECT: Affiliation Agreement for the Acceptance, Appointment, and Clinical Assignment of The University of Texas at Austin Trainees by Darnall U.S. Army Community Hospital.

1. Purpose. To define the acceptance, appointment, and clinical assignment of trainees from The University of Texas at Austin by Darnall U.S. Army Community Hospital.

2. Reference. AR 351-3, Professional Training Programs of the Army Medical Department.

3. Problem.

a. The University of Texas at Austin, hereafter called educational institution, which is accredited by The Southern Association of Colleges and Schools conducts a program of training for graduate level students in Speech/Language Pathology and Audiology. The program is accredited by the Educational Standards Board of the Board of Examiners in Speech/Language Pathology and Audiology and leads to a Masters Degree in Communication Science and Disorders. The program curriculum requires that the trainees obtain clinical learning experience.

b. The Darnall U.S. Army Community Hospital, Fort Hood, Texas, hereafter called the Army medical facility, conducts certain clinical activities in which trainees in the educational program, if allowed to participate, can obtain all or part of their required clinical learning experience.

c. An affiliation under this memorandum will benefit both parties by contributing to the educational preparation of a future supply of health care providers.

d. Trainees will be student volunteers under section 3111 of title 5, United States Code (5 USC 3111). They will not be Federal employees, but will be covered by 5 USC 8101-8151, relating to compensation for certain injuries, and by 28 USC 2671-2680 and 10 USC 1089, relating to tort claims.

e. Selection for this training will be made without regard to race, sex, color, religion, creed, national origin.

lawful political or other affiliation, marital status, age (other than legal minimum age limitations), or physical handicap. Handicapped persons will not be provided benefits, service, or training that is different or separate from what is provided to others unless such action is required to provide equity. A qualified handicapped person will not otherwise be limited in the enjoyment of any right, privilege, advantage, or opportunity granted to others receiving the training and benefits of this agreement.

4. Scope. This agreement applies to not more than one trainee per semester and will not detract from the Army Medical Department's medical and training mission.

5. Understanding.

a. This agreement applies to not more than one of the category of trainees described in paragraph 3a.

b. Affiliation under this agreement must not detract from the medical mission of the Army medical facility, or the education and training needs of Army Medical Department personnel.

c. There will be no payment of charges or fees between the parties to this agreement, and no payment of compensation by the United States to the trainees.

d. Insofar as the commander of the Army medical facility finds it consistent with his or her command's basic mission, the Army medical facility will--

(1) Screen prospective trainees to ascertain their qualifications and suitability and arrange for their appointment as student volunteers.

(2) Coordinate with the educational institution to prevent conflict of schedules and activities during the clinical learning experience, and designate an appropriate point of contact for this purpose. This coordination involves--

(a) Planning with representatives of the educational institution.

(b) Orienting trainees and assigning them to specific clinical cases and experiences, including attendance at selected conferences, clinics, courses, and programs conducted by the Army medical facility.

(3) Retain responsibility for patient care in the facility and exercise supervision over trainees consistent with the facility's quality assurance program.

(4) Permit, on reasonable request, the inspection of clinical and related facilities by agencies charged with accreditation of the educational institution program.

(5) Notify the school of any intent to release a student.

e. The educational institution will--

(1) At least 30 days before the beginning of each training period, provide the names of the trainees eligible to be appointed, the dates and hours for which training is requested, and the clinical activities in which training is requested.

(2) Permit trainees to accept Federal appointment as student volunteers for the purpose of participating in clinical learning experiences, and provide such personal information on trainees as is necessary. Verify that they meet minimum age requirements of 18 years and, on request, certify that they are enrolled at least half-time in the educational institution's program. Ensure that trainees are available for completion of the appointment process before the training period begins.

(3) Notify the Army medical facility of a change in the enrollment status of any trainee.

(4) Designate an appropriate point of contact to coordinate trainee activities under this agreement.

(5) Provide and maintain the personnel records and reports necessary to document the trainees' clinical learning experience for the purpose of academic credit.

(6) Be responsible for such health and other medical examinations and protective measures as the commander of the Army medical facility deems necessary.

(7) Assist in the enforcement of such rules and regulations governing trainees as may be issued by the commander of the Army medical facility and its host installation.

(8) Assist in enforcing the prohibition against the publication by trainees of any material related to the

clinical learning experience that has not been reviewed and cleared by the Army medical facility to assure that--

- (a) No classified information is published.
- (b) Infringement of patients' rights to privacy is avoided.
- (c) Military procedures are completely accurate.

(9) A trainee is withdrawn from participation in the clinical learning experience on a written notice from the commander of the Army medical facility that further participation by the trainee is not desirable.

6. Effective Period.

The terms of this agreement--

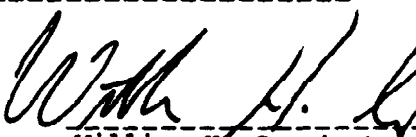
- a. Will be effective on September 1, 1989, subject to approval by Health Services Command, and will continue in effect until terminated.
- b. May be amended by the parties without referral to the approving authority only to incorporate changes required by Army Regulation 351-3.


7. Termination

Either party may terminate the arrangements under this agreement by giving 30 days advance written notice of the effective date of termination. Except under unusual conditions, the notice will be given before the beginning of a training period. It is understood that the approving authority may terminate these arrangements at any time to meet the mission needs of the Army Medical Department.

The University of Texas  
at Austin

Darnall U.S. Army  
Community Hospital

By:   
William H. Cunningham  
President

By:   
LESLIE M. BURGER  
Colonel, Medical Corps

Title: -----

Title: Commanding

Date: January 2, 1990

Date: 12 Jul 89

FOR THE U.S. ARMY HEALTH SERVICES COMMAND:

Approved

By:

*J. R. Williams*  
T. R. Byrne, COL, MS

Title:

Asst DCSRM

Date:

1 June 69

THE UNIVERSITY OF TEXAS SYSTEM:

FORM APPROVED:

*[Signature]*  
Office of General Counsel

CONTENT APPROVED:

*[Signature]*  
James P. Duncan  
Executive Vice Chancellor  
for Academic Affairs

CERTIFICATE OF APPROVAL

I hereby certify that the foregoing Agreement was approved by the Board of Regents of The University of Texas System on the \_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, and that the person whose signature appears above is authorized to execute such agreement on behalf of the Board.

\_\_\_\_\_  
Executive Secretary, Board of Regents  
The University of Texas System



8. U. T. Dallas: Request to Name Room in the J. Erik Jonsson Center (Regents' Rules and Regulations, Part One, Chapter VIII, Section 1, Subsection 1.2, Naming of Facilities Other Than Buildings).--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Rutford that Room 5.602 in the J. Erik Jonsson Center in the School of Management at U. T. Dallas be named the Occidental Chemical Seminar Room. This recommendation is in accordance with the Regents' Rules and Regulations, Part One, Chapter VIII, Section 1, Subsection 1.2, relating to the naming of facilities other than buildings.

BACKGROUND INFORMATION

The proposed room naming is in recognition of a gift received from Occidental Chemical Corporation, Dallas, Texas. The purpose of the gift is to renovate, equip and furnish the seminar room for the School of Management.

9. U. T. El Paso: Recommendation to Approve Revision of Parking Permit Classifications and Corresponding Fees Effective with the Fall Semester 1990 (Catalog Change).--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Natalicio that the U. T. Board of Regents approve a revision of parking permit classifications and corresponding fees at U. T. El Paso to be effective with the Fall Semester 1990 as set out below:

	<u>1989-90</u> Current <u>Fees</u>	<u>1990-91</u> Proposed <u>Fees</u> *
<u>Faculty/Staff Decals</u>		
Class O (reserved)	\$45.00	\$100.00
Class F (faculty)	30.00	N/A
Class F-I (faculty, inner lots)	N/A	50.00
Class F-P (faculty, perimeter lots)	N/A	30.00
Class F-R (faculty, remote lots)	N/A	10.00
Class S (staff)	30.00	N/A
Class S-I (staff, inner lots)	N/A	50.00
Class S-P (staff, perimeter lots)	N/A	30.00
Class S-R (staff, remote lots)	N/A	10.00

\* Parking permit fees are reduced if purchased in the spring semester or summer session.

	<u>1989-90 Current Fees</u>	<u>1990-91 Proposed Fees</u> *
<u>Student Decals</u>		
Class A (all students)	\$10.00	N/A
Class A-P (students, perimeter lots)	N/A	\$ 20.00
Class A-R (students, remote lots)	N/A	10.00
Class M (motorcycles)	10.00	10.00
Class D (residence hall occupants)	No Charge	No Charge
Class V (residents of UTEP Village)	No Charge	No Charge
Class R (Share-A-Ride)	1.00	1.00

Other

Class H (disabled)**	No Charge	No Charge
Temporary-All Classes (one month only)	N/A	5.00
Replacement Decal	N/A	1.00

\* Parking permit fees are reduced if purchased in the spring semester or summer session.

\*\* If vehicle does not meet the requirements of Vernon's Annotated Texas Civil Statutes, Articles 6675a.5e and 6675a-5e.1, the annual fee is \$20.00.

Upon Regental approval, the Minute Order will reflect that the next appropriate catalog published at U. T. El Paso will be amended to conform to this action.

BACKGROUND INFORMATION

The U. T. El Paso Parking and Traffic Committee and the U. T. El Paso Administration have recommended that the current permit classifications and fees be revised to differentiate between lots which are inside the control gates and the perimeter and remote lots. Faculty and staff permits for the inner campus lots will cost more than the current fees. The faculty and staff permits for the perimeter lots remain the same as 1989-90 and a reduced fee will be available for permits to use the remote lots. Student permits for the perimeter lots will cost more than the student permits for 1989-90 and permits for the remote lots will remain unchanged. The new parking permit structure will facilitate the use of the University's perimeter and remote parking lots as well as relieve parking congestion within the controlled campus areas.

Parking and Traffic Regulations for 1990-91 at U. T. El Paso were reviewed and approved by the Office of General Counsel and are included in the February 1990 institutional docket. Complete descriptions of permit types and a current listing of parking and traffic enforcement fees are contained in the regulations.

10. U. T. Pan American: Recommendation to Approve Increases in Residence Hall Room and Board Rates and Meal Plan Rates Effective with the Fall Semester 1990 (Catalog Change).--

RECOMMENDATION

The Chancellor concurs with the recommendation of the Executive Vice Chancellor for Academic Affairs and President Nevarez that the U. T. Board of Regents approve increases in residence hall room and board rates and meal plan rates at U. T. Pan American effective with the Fall Semester 1990 as set out below:

	<u>1989-90</u> Current Rates	<u>1990-91</u> Proposed Rates
<u>Room and Board Rates per Semester</u>		
Room and 10A Meal Plan	\$ 890.00	\$ 979.00
Room and 10B Meal Plan	940.00	1,034.00
Room and 15 Meal Plan	990.00	1,089.00
Room and 20 Meal Plan	1,040.00	1,144.00
<u>Room and Board Rates (Summer Session)</u>		
Room and 20 Meal Plan	400.00	440.00
<u>Room and Board--Other Fees</u>		
Installment Payment Fee	5.00	5.00
Delinquent Installment Fee	5.00	5.00
<u>Meals Only Rates per Semester</u>		
10A Meal Plan	353.00	388.00
10B Meal Plan	373.00	410.00
15 Meal Plan	500.00	550.00
20 Meal Plan	550.00	605.00
<u>Meals Only Rates (Summer Session)</u>		
20 Meal Plan	218.00	240.00
<u>Meals Only--Other Fees</u>		
Installment Payment Fee	5.00	5.00
Delinquent Installment Fee	5.00	5.00
Change of Meal Plan Service Charge	3.00	3.00

Upon Regental approval, the Minute Order will reflect that the next appropriate catalog published by U. T. Pan American will be amended to conform to this action.

BACKGROUND INFORMATION

The proposed 1990-91 residence hall room and board and meal plan rates represent a 10% increase over present rates which have not been increased since 1982. U. T. Pan American currently has the lowest room and board and meal plan rates of all Texas public institutions and income has not kept pace with increasing costs. U. T. Pan American expects to monitor expenses and reassess the rates for 1990-91.

11. U. T. Pan American: Recommendation to Establish Development Board and Proposed Nominees Thereto (NO PUBLICITY UNTIL ACCEPTANCES ARE RECEIVED).--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Nevarez that a Development Board be established at U. T. Pan American pursuant to the Regents' Rules and Regulations, Part One, Chapter VII, Section 2, and the individuals named below be approved as the initial nominees to membership:

THE UNIVERSITY OF TEXAS - PAN AMERICAN

Recommended Appointments to Membership

Development Board

a. Membership

Authorized None                      Recommended 18

b. Appointments

None

c. New Appointments

For one-year term ending 1990

Mr. A. R. Guerra, Linn, Business: Rancher  
Mr. Virgil Wildey, Houston, Business: Public  
Relations Director, AT&T  
Mr. Eddie De La Garza, Edinburg, Business:  
Attorney, Garcia and De La Garza  
Mrs. Sylvia Aaronson, Houston, Business:  
Civic Leader  
Mrs. Joyce Bost, McAllen, Business: Manager-  
Marketing Operations, Southwestern Bell  
Telephone Company

For two-year term ending 1991

Mr. Rodolfo Cantu, Rio Grande City, Business: President, First National Bank  
Mr. Bill Ellis, Jr., McAllen, Business: Attorney, Ellis, Koeneke & Ramirez  
Dr. David Finley, Dallas, Business: Vice President, Human Resources, The Southland Corporation  
Mr. Enrique Guerra, Linn, Business: Rancher  
Mr. Jon Dee Lawrence, Austin, Business: Vice President and Associate General Counsel (Texas), Southwestern Bell Telephone Company

For three-year term ending 1992

Ms. Carolyn Maddux, McAllen, Business: Society and Food Editor, The Monitor  
Mr. John Martin, C.F.P., McAllen, Business: Broker, A. G. Edwards & Sons, Inc.  
Mrs. Margaret McAllen, Weslaco, Business: Civic Leader  
Mr. Jerry Mills, Austin, Business: Regional Manager Midcontinent Region, Public and Government Affairs, Texaco USA  
Mr. Jaime Ramon, Dallas, Business: Attorney, Epstein, Becker & Green  
Mr. Herm Wille, New York, Business: Herm Wille & Associates

d.	Unfilled Terms	<u>Term Expires</u>
	One	1990
	One	1991

#### BACKGROUND INFORMATION

The specific purposes of this development board will be:

- a. To assist the President in identifying and providing support for the programs of The University of Texas - Pan American
- b. To provide the President advice and counsel concerning programs that will enhance The University of Texas-Pan American and in its service region
- c. To assist the President in promoting the programs of The University of Texas - Pan American to the public.

In accordance with usual procedures, no publicity will be given to these nominations until acceptances are received and reported for the record at a subsequent meeting of the U. T. Board of Regents.

Health Affairs  
Committee

HEALTH AFFAIRS COMMITTEE  
Committee Chairman Blanton

Date: February 8, 1990  
Time: Following the meeting of the Academic Affairs Committee  
Place: Board Room 316, Administration Building  
U. T. Pan American

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2. U. T. System: Recommendation for Approval to Increase Institutional Premium Rates for The University of Texas System Professional Medical Liability Self-Insurance Plan Effective September 1, 1990	2
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7. U. T. Health Science Center - Houston (U. T. Nursing School - Houston): Recommendation to Approve an Administrative Reorganization to Establish Three Departments and to Submit the Proposed Changes to the Coordinating Board (Catalog Change)	7
8. U. T. M.D. Anderson Cancer Center - M.D. Anderson Cancer Center Outreach Corporation: Request for Approval of Business Plan; Amendments to Articles of Incorporation; Amendments to Bylaws; Proposed Members of the Board of Directors; Educational Affiliation Agreement; and License Agreement and Sublicense Agreements	8

1. U. T. System: Proposed Amendment to The University of Texas System Professional Medical Liability Self-Insurance Plan Effective February 8, 1990.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs and the Office of General Counsel that the U. T. Board of Regents amend Section 2 of Article IV of The University of Texas System Professional Medical Liability Self-Insurance Plan effective February 8, 1990, as shown below in congressional style:

Section 2. Medical staff members as defined in Article II, (a), (2) above shall become participants in the Plan upon written designation by the chief administrative officer of the health care institution with the concurrence of the Executive Vice Chancellor for Health Affairs. [~~Provided, however, that the total number of such medical staff members authorized to participate system-wide shall not exceed fifty for any fiscal year.~~]

BACKGROUND INFORMATION

The U. T. System health-related component institutions are utilizing the services of a greater number of part-time and voluntary faculty to fulfill their missions of teaching, research and patient care. Because many commercial professional liability insurers will not provide liability coverage for physicians who supervise physicians in training, it is desirable for the components to provide liability coverage for these volunteer and part-time staff physicians who provide highly specialized services to the components.

2. U. T. System: Recommendation for Approval to Increase Institutional Premium Rates for The University of Texas System Professional Medical Liability Self-Insurance Plan Effective September 1, 1990.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs and the Office of General Counsel that the U. T. Board of Regents approve the following premium rates for the U. T. System Professional Medical Liability Self-Insurance Plan effective September 1, 1990:

<u>Risk Class</u>	<u>Current Rates</u>		<u>Recommended Rates</u>	
	<u>Staff</u>	<u>Resident</u>	<u>Staff</u>	<u>Resident</u>
1	\$ 2,280	\$ 1,524	\$ 2,508	\$ 1,680
2	3,816	2,532	4,200	2,784
3	6,504	4,332	7,152	4,764
4	10,572	7,032	11,628	7,740
5	17,556	11,676	19,320	12,840



## BACKGROUND INFORMATION

The U. T. Board of Regents authorized the creation of the U. T. System Professional Medical Liability Self-Insurance Plan at the April 1977 meeting.

The total number of U. T. System physicians covered by the Self-Insurance Plan currently is 3,117 full-time staff and resident physicians, with liability limits of \$400,000 per claim for staff physicians and \$100,000 for interns, residents and fellows.

The U. T. Board of Regents authorized initial premium rates for the Self-Insurance Plan at one-half the rate charged by the Hartford Insurance Company for the year ending March 31, 1977. These rates were not increased until September 1, 1986, when rates were increased by 37.5%. On September 1, 1987, rates were increased by 150%; on September 1, 1988, rates were increased by 99.9%; and on September 1, 1989, rates were increased by 8%.

Actuaries retained by the Self-Insurance Plan report that claim experience for the most recent fiscal year was about as expected. The actuaries recommend that the Plan implement a 10% rate increase effective September 1, 1990.

Medical liability premium rates charged by commercial insurance carriers continue to increase. The recommended rate increase will result in the Plan's premium rates remaining well below those of commercial insurers and other self-insurance plans as illustrated below.

### RATE COMPARISON

	<u>Insurance Corporation of America</u>	<u>Medical Protective</u>	<u>Current UT Staff</u>	<u>Recommended UT Staff</u>
General Practice, no surgery	\$ 3,801	\$ 3,511	\$ 2,280	\$ 2,508
General Practice, minor surgery	6,327	6,172	3,816	4,200
Cardiology	12,231	8,038	6,504	7,152
General Surgery	19,631	19,674	10,572	11,628
Anesthesiology	19,631	19,674	17,556	11,628
Orthopedic Surgery	26,991	26,612	17,556	19,320
OB/GYN	42,959	31,287	17,556	19,320

3. U. T. Southwestern Medical Center - Dallas: Proposed Appointments to Endowed Academic Positions Effective Immediately.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs and President Wildenthal that the following initial appointments to endowed academic positions at U. T. Southwestern Medical Center - Dallas be effective immediately:

<u>Name of Proposed Appointee</u>	<u>Endowed Academic Position</u>
Roger N. Rosenberg, M.D. Professor and Chairman of the Department of Neurology	The Abe (Brunky), Morris, and William Zale Distinguished Professorship in Neurology; contingent upon the establishment of the Professorship as proposed in Item <u>30</u> on Page <u>L&amp;I - 30</u> .
Jonathan W. Uhr, M.D. Professor and Chairman of the Department of Microbiology and Professor of Internal Medicine	Raymond and Ellen Willie Distinguished Chair in Cancer Research, in Honor of Laverne and Raymond Willie, Sr.; contingent upon the establishment of the Chair as proposed in Item <u>29</u> on Page <u>L&amp;I - 29</u> .
Ellen S. Vitetta, Ph.D. Professor of Microbiology and Director, Cancer Immunobiology Research Cancer	The Scheryle Simmons Patigian Distinguished Chair in Cancer Immunobiology; established February 1989.

BACKGROUND INFORMATION

Dr. Rosenberg is internationally recognized as a clinician and researcher. He is director of the N.I.H.-funded Alzheimer's Research Center at U. T. Southwestern Medical Center - Dallas and editor of The Clinical Neurosciences.

Dr. Uhr joined the faculty at U. T. Southwestern Medical Center - Dallas in 1972 and presently is Professor and Chairman of the Department of Microbiology and Professor of Internal Medicine. He is internationally recognized for his work in cancer research and immunology and is a member of the National Academy of Sciences.

Dr. Vitetta joined the U. T. Southwestern Medical Center - Dallas faculty in 1974 and is now Professor of Microbiology and Director of the Cancer Immunobiology Research Center. She is internationally recognized for her work in immunotoxins and serves on the editorial boards of numerous publications in this field.

4. U. T. Southwestern Medical Center - Dallas: Recommendation to Approve Revised Schedule of Parking Fees Effective with the Fall Semester 1990 (Catalog Change).--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs and President Wildenthal that the U. T. Board of Regents approve a revised schedule of parking fees at U. T. Southwestern Medical Center - Dallas as set out below effective with the Fall Semester 1990:

<u>Location/Type Parking</u>	<u>Current Fees</u>	<u>Proposed Fees</u>
<u>Garage 1; Lot 5</u>		
Faculty Reserved	\$240	\$300
Faculty/Admin. & Prof. Staff	120	130
Clinical Faculty (non-paid)	5	5
<u>Garage 2; Lot 4</u>		
Staff (Allied Health Sciences School)	60	65
Students	30	30
<u>Lot 4</u>		
Students (Allied Health Sciences School)	45	30
Staff	30	35
Students	30	30
<u>Lot 1</u>		
Handicapped/Faculty (reserved)	240	300
Handicapped/Faculty (non-reserved)	120	130
Handicapped (w/o decal)	30	35
<u>Temporary Permits</u>	15	17

Upon Regental approval, the Minute Order will reflect that the next appropriate catalog published at U. T. Southwestern Medical Center - Dallas will be amended to conform to this action.

BACKGROUND INFORMATION

The proposed schedule reduces some student rates, bringing all student parking fees to the same level. The increase for reserved faculty/administrative parking is greater than that proposed for general staff. The overall increase is estimated at nine percent.

5. U. T. Medical Branch - Galveston: Proposed Appointment to the Marie B. Gale Professorship in Internal Medicine Effective December 7, 1989.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs and President James that Roger D. Soloway, M.D., be appointed as initial holder of the Marie B. Gale Professorship in Internal Medicine at the U. T. Medical Branch - Galveston effective December 7, 1989.

BACKGROUND INFORMATION

Dr. Soloway, who joined the faculty at U. T. Medical Branch - Galveston in 1987, is Director of the Division of Gastroenterology in the Department of Internal Medicine and Co-Director of the Lithotripsy Center. He is internationally recognized and respected and a productive and well-funded researcher. Dr. Soloway has made many contributions to the departmental teaching, patient care and research programs at U. T. Medical Branch - Galveston.

The Marie B. Gale Professorship in Internal Medicine was established by the U. T. Board of Regents at the August 1984 meeting.

6. U. T. Health Science Center - Houston: Proposed Appointments to Endowed Academic Positions Effective Immediately.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs and President Low that the following initial appointments to endowed academic positions at the U. T. Health Science Center - Houston be effective immediately:

Name of Proposed Appointee

Endowed Academic Position

Jorge D. Blanco, M.D.  
Professor, Department of  
Obstetrics, Gynecology and  
Reproductive Sciences;  
Chief of Obstetrics and  
Gynecology, Lyndon B.  
Johnson General Hospital

Dr. John T. Armstrong Pro-  
fessorship in Obstetrics  
and Gynecology; established  
December 1984

M. Yusoff Dawood, M.D.  
Professor, Department of  
Obstetrics, Gynecology  
and Reproductive Sciences

The Berel Held, M.D. Pro-  
fessorship in the Depart-  
ment of Obstetrics,  
Gynecology and Reproduc-  
tive Sciences; established  
October 1988.

### BACKGROUND INFORMATION

Dr. Blanco has been appointed Professor in the Department of Obstetrics, Gynecology and Reproductive Sciences at the U. T. Health Science Center - Houston and Chief of Obstetrics and Gynecology at Lyndon B. Johnson General Hospital. He is nationally recognized for his research in the area of infectious diseases in obstetrical and gynecological patients. Dr. Blanco possesses a unique blend of teaching, clinical, research and administrative experience which has prepared him for his new leadership position.

Dr. Dawood was recently appointed Professor in the Department of Obstetrics, Gynecology and Reproductive Sciences at the U. T. Health Science Center - Houston and has attained national and international recognition within the fields of Obstetrics and Gynecology. He is certified by the American Board of Obstetrics and Gynecology and has also served as an examiner for that Board. A distinguished clinician, basic and clinical researcher, experienced administrator and effective and proven educator, Dr. Dawood brings both leadership and clinical expertise to the programs at the U. T. Health Science Center - Houston.

7. U. T. Health Science Center - Houston (U. T. Nursing School - Houston): Recommendation to Approve an Administrative Reorganization to Establish Three Departments and to Submit the Proposed Changes to the Coordinating Board (Catalog Change).--

### RECOMMENDATION

The Chancellor concurs with the recommendation of the Executive Vice Chancellor for Health Affairs and President Low to reorganize the administrative structure of the U. T. Nursing School - Houston at the U. T. Health Science Center - Houston and to establish three departments with each department further subdivided into four divisions. If approved by the U. T. Board of Regents, this proposal will be forwarded to the Texas Higher Education Coordinating Board for approval as an administrative change.

### BACKGROUND INFORMATION

The faculty at the U. T. Nursing School - Houston is presently divided into two entities: the Undergraduate Faculty and the Graduate Faculty. The proposed reorganization calls for the faculty to be divided into three departments: the Department of Nursing for Acute and Continuing Care, the Department of Nursing for Target Populations, and the Department of Nursing Systems and Technology. Each department will be further divided into four divisions.

The rationale for the proposed reorganization includes:

- a. Improved administrative efficiency
- b. Improved communication among faculty
- c. Improved faculty morale
- d. Enhanced interface with the U. T. Medical School - Houston
- e. Increased focus on clinical research.

The proposed reorganization will involve neither the addition of new academic programs or courses nor require an increase in space or employees. Consequently, there will be no additional costs associated with these recommendations.

Upon Coordinating Board approval, the next appropriate catalog published at the U. T. Health Science Center - Houston will be amended to conform to this action.

8. U. T. M.D. Anderson Cancer Center - M.D. Anderson Cancer Center Outreach Corporation: Request for Approval of Business Plan; Amendments to Articles of Incorporation; Amendments to Bylaws; Proposed Members of the Board of Directors; Educational Affiliation Agreement; and License Agreement and Sublicense Agreements.--

#### RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs and President LeMaistre that the U. T. Board of Regents take the following actions to initiate the operations of the M.D. Anderson Cancer Center Outreach Corporation ("Outreach") on behalf of the U. T. M.D. Anderson Cancer Center:

- a. Approve the Business Plan of Outreach set forth on Pages HAC 12 - 13
- b. Approve amendments to the Articles of Incorporation of Outreach (Pages HAC 14 - 20) as approved by the Board in April 1989 to:
  1. Insert the names of the four initial members of the Board of Directors (Article VI)
  2. Provide that all amendments to the Articles of Incorporation must have the prior approval of the U. T. Board of Regents (Article XIII).

- c. Approve amendments to the Bylaws of Outreach (Pages HAC 21 - 34) as approved by the U. T. Board of Regents in April 1989 to:
1. Provide that all members of the Board of Directors must have the prior approval of the U. T. Board of Regents (Article II)
  2. Provide that all amendments to the Bylaws must have the prior approval of the U. T. Board of Regents (Article X)
  3. Provide that an Advisory Board rather than being mandatory is discretionary (Articles II and VII).
- d. Approve and ratify the following named persons as initial members of the Board of Directors of Outreach:
1. Mr. Randall Meyer                      Houston, Texas
  2. Mr. W. Randolph Smith              Houston, Texas
  3. Mr. Roy M. Huffington              Houston, Texas
  4. Mr. Ben F. Love                      Houston, Texas
- e. Approve the Educational Affiliation Agreement in substantially the form set forth on Pages HAC 35 - 48 by and between U. T. M.D. Anderson Cancer Center and Orlando Cancer Center, Orlando, Florida
- f. Approve the License Agreement between the U. T. Board of Regents and Outreach in substantially the form set forth on Pages HAC 49 - 60
1. Approve the Sublicense Agreement between Outreach and Orlando Cancer Center in substantially the form set forth on Pages HAC 61 - 71
  2. Approve the Sublicense Agreement between Outreach and Hematology-Oncology Associates of Central Florida, Orlando, Florida, in substantially the form set forth on Pages HAC 72 - 81
  3. Approve the form of the Sublicense Agreement reflected in the agreement with Hematology-Oncology Associates of Central Florida for use with other physicians or groups that are contractually committed to provide services through Orlando Cancer Center and authorize execution of such agreements by the Executive Vice Chancellor for Health Affairs.

## BACKGROUND INFORMATION

At its April 1989 meeting, the U. T. Board of Regents approved the Articles of Incorporation and Bylaws of the M.D. Anderson Cancer Center Outreach Corporation in substantially the form set out in the Minute Order of that meeting and directed that, before operations were initiated, the Business Plan be approved by appropriate officials of the U. T. System Administration. The U. T. Board of Regents also directed that other contracts, agreements and similar documents incident to operational status be submitted to the U. T. Board of Regents for approval.

The Business Plan has been carefully developed by the Administration of the U. T. M.D. Anderson Cancer Center assisted by the use of reputable health service consultants and ongoing consultation and advice from appropriate U. T. System Administration officials. There is agreement that the plan is operationally viable and provides a mechanism for that component to increase the scope and quality of cancer services to an expanded patient base.

A comprehensive study and economic analysis has been made of the Orlando, Florida, area. This analysis is summarized in the Business Plan. The Business Plan reflects that the involvement of the nonprofit corporation Outreach is economically feasible and the educational affiliation with the U. T. M.D. Anderson Cancer Center, as outlined in the Educational Affiliation Agreement, is consistent with its purposes.

A not-for-profit corporation known as Orlando Cancer Center, Inc. ("OCC"), Orlando, Florida, will be formed under Florida law. Fifty percent of the Board of Directors of OCC will be appointed by Outreach and fifty percent will be appointed by Orlando Regional Medical Center. OCC will operate an outpatient clinic in the Orlando, Florida, area providing diagnostic, clinical treatment, and long-term follow-up of cancer patients.

The Business Plan reflects the corporate organization and related agreements which have been negotiated. It is the judgment of the Chancellor, Executive Vice Chancellor for Health Affairs, Vice Chancellor for Business Affairs, and Office of General Counsel, together with other officials of the U. T. System Administration and U. T. M.D. Anderson Cancer Center, that the not-for-profit corporate organization reflected in the Business Plan presents the organizational structure most advantageous to the success of the Outreach program.

The amendments to the Articles of Incorporation and Bylaws provide appropriate review by the U. T. Board of Regents of the appointment of board members and future amendments to either of these basic operational documents. These instruments preserve the following three concepts essential to the organization of Outreach and previously approved by the U. T. Board of Regents:

1. The President of the U. T. M.D. Anderson Cancer Center serves as the single member of the Corporation



2. The President of the U. T. M.D. Anderson Cancer Center has the authority to appoint all members of the Board of Directors with the prior approval of such nominees by the U. T. Board of Regents and to designate the Chairman of the Board of Directors
3. Outreach will have the authority to use the names, service marks, trademarks and other intellectual property of the U. T. M.D. Anderson Cancer Center only under licenses and/or sublicenses approved by the U. T. Board of Regents.

The four individuals recommended for approval to the initial Board of Directors of Outreach are respected Houston businessmen, knowledgeable of the U. T. M.D. Anderson Cancer Center and its programs.

The Educational Affiliation Agreement, the License Agreement and the Sublicense Agreements, essential to the success of the Business Plan and to the defining of duties, responsibilities and obligations of the several parties, have been approved as to content by appropriate officials of U. T. System Administration and as to form by the Office of General Counsel.

ORLANDO CANCER CENTER, INC.

BUSINESS PLAN

Florida is one of the fastest growing states in the United States. Based on a detailed analysis of the demographic trends and forecasts at the county level, Central Florida (including the Orlando, Tampa, and West Palm Beach regions) is the area within Florida that is forecast to have the highest growth in absolute population and in percentage of population in excess of 55 years of age. The projected population in Florida for the year 1990 is 12.9 million people and the projected number of statewide new cancer cases in that year is approximately 64,000 cases. It is estimated that 54% of the 1990 population and 63% of the new cancer cases in 1990 will occur in the Central Florida region. These numbers and percentages are forecast to increase through the year 2000.

There are currently two major nonprofit medical institutions that serve the Orlando area, one of which is Orlando Regional Medical Center ("ORMC"). ORMC is a 1,045-bed nonprofit teaching hospital that currently has a cancer program approved by the American College of Surgeons.

M.D. Anderson Cancer Center Outreach Corporation ("Outreach") has determined to enter into a cooperative arrangement with ORMC through the organization of Orlando Cancer Center, Inc. ("OCC"). The purpose of the project will be to establish in a freestanding facility a comprehensive outpatient cancer care program in Orlando, which will be the exclusive Orlando outpatient cancer care program of Outreach and ORMC.

OCC will be organized as a Florida nonprofit corporation with two Members, Outreach and ORMC. Each of the Members will appoint 1/2 of the Board of Directors of OCC. The location of the OCC facility will be on the campus of ORMC.

The OCC facility will offer patients comprehensive outpatient cancer care services, including radiation therapy, chemotherapy, pharmacy, nursing, lab services, pathology, diagnostic radiology, and surgery. Pursuant to contract between Outreach and OCC, Outreach will provide, and receive compensation for the provision of, certain personnel to OCC, including the Medical Director, the Administrator, the Finance Director, and the Marketing Director. Pursuant to an Educational Affiliation Agreement between The University of Texas M.D. Anderson Cancer Center ("Anderson") and OCC, Anderson will provide a series of educational programs covering clinical oncology care and related topics. Pursuant to several license agreements, OCC (and its contracting physicians) will be authorized to use the mark "M.D. Anderson Cancer Center

Outreach Corporation," subject to approval of such use by the Board of Regents via the U.T. System Office of General Counsel.

The Members have provided for initial capitalization of \$1,200,000 and an additional capital commitment of \$1,000,000 if needed. OCC will be capitalized exclusively through moneys from ORMC; ORMC will provide its capital contribution in cash and will provide Outreach's capital contribution via ORMC's loan of such funds to OCC. Outreach's repayment obligation is limited to the withholding of a portion of OCC's distributions to Outreach. OCC will distribute periodically to the Members for their nonprofit purposes the excess of revenues over expenses.

Anticipated operational results, which are derived from detailed proforma projections, forecast annual distributions to Members for the first 7 years of operation as follows:

Year	<u>Annual Distributions to Members</u>	<u>Cumulative Distributions to Members</u>
1	\$2.1 million	\$ 2.1 million
2	\$4.0	\$ 6.1
3	\$2.7	\$ 8.8
4	\$4.0	\$12.8
5	\$4.3	\$17.0
6	\$5.2	\$22.2
7	\$6.3	\$28.5

In conclusion, the Central Florida market is a top priority location for the development of a cooperative cancer care program. The freestanding comprehensive outpatient cancer care program in Orlando, sponsored by ORMC and Outreach, builds on a solid foundation at ORMC and adds the oncologic expertise and reputation of Anderson. The development of such a program gives every indication of being both medically and economically feasible. The program as planned should provide an expanded quality of cancer care services to the citizens of Florida and, through Outreach, should provide additional funds on a targeted basis to assist the research and development needs at Anderson.

This Business Plan has been reviewed by the M.D. Anderson Cancer Center and U.T. System Office. A more detailed presentation will be made at the briefing of Regents at the Board's February meeting.

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Non-Profit



# The State of Texas

## SECRETARY OF STATE

### CERTIFICATE OF INCORPORATION OF

M.D. ANDERSON CANCER CENTER OUTREACH CORPORATION  
CHARTER NO. 1133805

The undersigned, as Secretary of State of the State of Texas, hereby certifies that Articles of Incorporation for the above corporation duly signed and verified pursuant to the provisions of the Texas Non-Profit Corporation Act, have been received in this office and are found to conform to law.

ACCORDINGLY the undersigned, as such Secretary of State, and by virtue of the authority vested in the Secretary by law, hereby issues this Certificate of Incorporation and attaches hereto a copy of the Articles of Incorporation.

Dated NOVEMBER 21, 19 89



Gary S Bayard Jr.  
Secretary of State

WJB

FILED  
In the Office of the  
Secretary of State of Texas

NOV 21 1989

ARTICLES OF INCORPORATION  
OF

Corporations Section

M.D. ANDERSON CANCER CENTER OUTREACH CORPORATION

I, the undersigned natural person, of the age of eighteen (18) years or more, acting as incorporator of a corporation under the Texas Non-Profit Corporation Act, do hereby adopt the following Articles of Incorporation for such corporation (the "Corporation"):

ARTICLE I.

The name of the Corporation is M.D. ANDERSON CANCER CENTER OUTREACH CORPORATION.

ARTICLE II.

The Corporation is a non-profit corporation.

ARTICLE III.

The period of the Corporation's duration is perpetual.

ARTICLE IV.

The purposes for which the Corporation is organized and to be operated are charitable, educational, and scientific. In accomplishment of such purposes, the Corporation is to be administered solely for the benefit of The University of Texas M.D. Anderson Cancer Center (the "Beneficiary"), by providing, directly or indirectly, assistance and benefit, financial or otherwise, to the Beneficiary through whatever means are determined by the Board of Directors, including, but not limited to, making distributions or providing services to the Beneficiary. In accomplishment of such purposes, the Corporation will emphasize clinical, educational, and scientific aspects of cancer care throughout the United States and in foreign countries, and will

- (a) Establish and maintain comprehensive outpatient centers for cancer care, including without limitation general clinics and specialty clinics, offering ambulatory chemotherapy,

diagnostic radiology, therapeutic radiology, clinical and pathology laboratories, and pharmacy;

(b) Establish and maintain inpatient cancer centers in various settings (such as a unit in an acute-care facility or as a freestanding unit on an acute-care campus);

(c) Enter into co-operative agreements with local medical centers, providing institutional services with respect to inpatient care for cancer patients;

(d) Enter into educational agreements with local medical centers or other institutions to enhance the training of technicians and allied health professionals in the care of cancer patients;

(e) Enter into agreements with The University of Texas M.D. Anderson Cancer Center for the use of necessary or appropriate services, facilities, equipment, personnel, programs, names, service marks, trademarks, intellectual property, and such other items that would further the purposes of the Corporation;

(f) Establish and maintain programs, including educational programs and services for physicians, educational programs for the public, and marketing programs, for the purposes of generating and enhancing referrals with respect to the services and facilities offered by The University of Texas M.D. Anderson Cancer Center; and

(g) Perform such other activities or functions that the Board deems appropriate or necessary for the accomplishment of the purposes of the Corporation.

The broadest discretion is vested in and conferred upon the Board of Directors for the accomplishment of these purposes, provided, however, that no contribution shall be made or distributed to or for any person, firm, corporation, or other entity that shall apply, directly or indirectly, such contributed funds for any purpose or purposes in violation of the Constitution and statutes of the United States or the State of Texas.

If (a) the Beneficiary ceases to be an organization described in Section 509(a)(1) or 509(a)(2) of the Code or (b) the Beneficiary is dissolved or otherwise ceases to exist, the Board of Directors shall by written notice (evidencing at least a

majority determination of the Board of Directors) administer the Corporation for the sole benefit of The University of Texas System (the "First Substitute Beneficiary"). If (a) the First Substitute Beneficiary is not or thereafter ceases to be an organization described in Section 509(a)(1) or 509(a)(2) of the Code or (b) the First Substitute Beneficiary is dissolved or otherwise ceases to exist, the Board of Directors shall by written notice (evidencing at least a majority determination of the Board of Directors) administer the Corporation for the sole benefit of the State of Texas (the "Second Substitute Beneficiary").

#### ARTICLE V.

The street address of the initial registered office of the Corporation is 811 Dallas Avenue, Houston, Texas, 77002, and the name of its initial registered agent at such address is CT Corporation System.

#### ARTICLE VI.

The initial number of Board of Directors is four (4), and the names and addresses of the persons who are to serve initially as Directors are:

<u>Name</u>	<u>Address</u>
Mr. Randall Meyer	1100 Milam, Suite 4601 Houston, Texas 77002
Mr. W. Randolph Smith	3501 First City Tower 1001 Fannin Street Houston, Texas 77002-6760
Mr. Roy M. Huffington	Interfirst Plaza 1100 Louisiana, Suite 5107 Houston, Texas 77002
Mr. Ben F. Love	600 Travis, 61st Floor Houston, Texas 77002

ARTICLE VII.

The name and street address of the incorporator are:

<u>Name</u>	<u>Address</u>
Mr. Hugh C. Wilfong II	2800 First City Tower 1001 Fannin Street Houston, Texas 77002-6760

ARTICLE VIII.

Regardless of any other provisions of these Articles of Incorporation or the laws of the State of Texas, the Corporation shall not:

(1) Permit any part of the net earnings of the Corporation to inure to the benefit of any private individual (except that reasonable compensation may be paid for personal services rendered to or for the Corporation affecting one or more of its purposes);

(2) Devote more than an insubstantial part of its activities to attempting to influence legislation by propaganda or otherwise;

(3) Participate in, or intervene in (including the publication or distribution of statements), any political campaign on behalf of any candidate for public office; or

(4) Attempt to influence the outcome of any specific public election or to carry on, directly or indirectly, any voter registration drives.

ARTICLE IX.

If the Corporation is a private foundation within the meaning of Section 509(a) of the Code, the Corporation:

(1) Shall distribute its net income for each taxable year at such time and in such manner as not to become subject to the tax on undistributed income imposed by Section 4942 of the Code;



(2) Shall not engage in any act of self-dealing as defined in Section 4941(d) of the Code;

(3) Shall not retain any excess business holdings as defined in Section 4943(c) of the Code;

(4) Shall not make any investments in such manner as to subject it to tax under Section 4944 of the Code; and

(5) Shall not make any taxable expenditures as defined in Section 4945(d) of the Code.

#### ARTICLE X.

Upon the dissolution of the Corporation, after payment or provision for payment of the Corporation's liabilities has been made, the Corporation's remaining assets shall be distributed exclusively to the Beneficiary or to the First Substitute Beneficiary in the event the First Substitute Beneficiary is selected pursuant to the provisions of ARTICLE IV or to the Second Substitute Beneficiary in the event the Second Substitute Beneficiary is selected pursuant to the provisions of ARTICLE IV. The amount of any distribution made under this ARTICLE X shall be determined by the Board of Directors.

#### ARTICLE XI.

The Corporation shall indemnify (which indemnification shall include, without limitation, advancing reasonable expenses) any person who is or was a Director, officer, employee, or agent of the Corporation (or any person who is or was serving at the request of the Corporation as a Director, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise) to the fullest extent required or permitted by applicable law. In addition, the Corporation shall have the power to indemnify (which indemnification shall include, without limitation, advancing reasonable expenses) to the fullest extent permitted by law such other persons as the Board of Directors may determine from time to time. The Corporation shall have the power to purchase and maintain at its expense insurance on behalf of such persons to the fullest extent permitted by applicable law, whether

or not the Corporation would have the power to indemnify such person under the foregoing provisions.

ARTICLE XII.

References to the "Code" in these Articles of Incorporation are references to sections of the Internal Revenue Code of 1986 and corresponding provisions of any subsequent federal tax laws.

ARTICLE XIII.

These Articles may be amended by the Member; provided, however, that any such amendment shall have received the prior approval of the Board of Regents of The University of Texas System.

IN WITNESS WHEREOF, I have hereunto set my hand this 20<sup>th</sup>  
day of November, 1989.

Hugh C. Wilfong II  
Mr. Hugh C. Wilfong II

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BYLAWS

OF

M.D. ANDERSON CANCER CENTER OUTREACH CORPORATION

ARTICLE I  
STRUCTURE, MEMBER, AND PURPOSES

Section 1. Structure. The M.D. Anderson Cancer Center Outreach Corporation (the "Corporation") is a nonprofit corporation organized under the laws of the State of Texas, which has a Member within the meaning of the Texas Non-Profit Corporation Act, Tex. Rev. Civ. Stat. Ann. Art. 1396 (the "Act"). The Articles of Incorporation of the Corporation (as amended from time to time, the "Articles of Incorporation") were filed in the office of the Secretary of the State of Texas on November 21, 1989.

Section 2. Member. The Member of the Corporation shall be the President, as exists from time to time and acting in his official capacity, of The University of Texas M.D. Anderson Cancer Center (the "Cancer Center") or any organization succeeding to the assets and liabilities of the Cancer Center. In the event that the title of President of the Cancer Center is abolished, the Member of the Corporation shall be the highest-ranking person in the administration of the Cancer Center organization. In the event that the Cancer Center ceases to do business, the Member of the Corporation shall be the Board of Regents of The University of Texas System.

Section 3. Purposes. The purposes for which the Corporation is organized and to be operated are charitable, educational, and scientific, and, in accomplishment of such purposes, the Corporation is to be administered solely for the benefit of the Cancer Center. The Corporation shall have, without limitation, the following purposes:

- (a) Establish and maintain comprehensive outpatient centers for cancer care, including without limitation general clinics and specialty clinics, offering ambulatory chemotherapy, diagnostic radiology, therapeutic radiology, clinical and pathology laboratories, and pharmacy;
- (b) Establish and maintain inpatient cancer centers in various settings (such as a unit in an acute-care facility or as a freestanding unit on an acute-care campus);

(c) Enter into co-operative agreements with local medical centers, providing institutional services with respect to inpatient care for cancer patients;

(d) Enter into educational agreements with local medical centers or other institutions to enhance the training of technicians and allied health professionals in the care of cancer patients;

(e) Enter into agreements with The University of Texas M.D. Anderson Cancer Center for the use of necessary or appropriate services, facilities, equipment, personnel, programs, names, service marks, trademarks, intellectual property, and such other items that would further the purposes of the Corporation;

(f) Establish and maintain programs, including educational programs and services for physicians, educational programs for the public, and marketing programs, for the purposes of generating and enhancing referrals with respect to the services and facilities offered by The University of Texas M.D. Anderson Cancer Center; and

(g) Perform such other activities or functions that the Board deems appropriate or necessary for the accomplishment of the purposes of the Corporation.

## ARTICLE II ACTION BY MEMBER

Section 1. Appointments. The Member shall appoint Directors of the Corporation in accordance with the provisions of Article IV, Section 3 of these Bylaws (the "Bylaws") and, if the Member determines to create an Advisory Board, certain Advisory Board members in accordance with the provisions of Article VII, Section 3 of these Bylaws; provided, however, that the Members's appointment of Directors of the Corporation shall be subject to the prior approval of such nominees by the Board of Regents of The University of Texas System.

Section 2. Other Actions by Member. The Member may remove from office at any time with or without cause any person appointed

by the Member to serve on the Board of Directors or on the Advisory Board.

Section 3. Annual Meeting of Member. The annual meeting of the Member shall be held at such time and place as shall be designated by the Member, or, if not so designated, on the \_\_\_\_\_ of the month of \_\_\_\_\_ of each year at the Corporation's registered office for the purpose of appointing Directors and certain Advisory Board members for the ensuing year and transacting such other business as may be properly brought before such annual meeting. No notice of such annual meetings shall be required.

Section 4. Special Meetings of Member. Special meetings of the Member shall be held whenever called by the Chairman of the Board, the Board of Directors, or the Member. Notice of special meetings shall be required. The Secretary shall give notice of each special meeting to the Member by delivering written notice to the Member either in person or by mail stating the place, day, and hour of the meeting and the purpose or purposes for which the meeting is called, not less than ten (10) days nor more than fifty (50) days before the date of the meeting.

Section 5. Voting. The Member may vote in person or by proxy executed in writing by the Member. No proxy shall be valid after eleven (11) months from the date of its execution, unless otherwise provided in the proxy. Each proxy shall be revocable unless expressly provided therein to be irrevocable, and unless otherwise made irrevocable by law.

Section 6. Conduct of Business. At meetings of the Member, matters pertaining to the Corporation's purposes shall be considered. The President of the Cancer Center, if present, shall preside as chairman at meetings of the Member; and in such individual's absence a chairman shall be chosen by the Member. The Member shall fix the rules and procedures for its meetings, keep regular minutes of its meetings, and cause such minutes to be recorded in books kept for that purpose in the principal office of the Corporation.

ARTICLE III  
OFFICES

Section 1. Principal Place of Business. The principal place of business of the Corporation shall be located at \_\_\_\_\_ . The Corporation may have such other offices, either within or without the State of Texas, as the Board of Directors may determine or as the affairs of the Corporation may require from time to time.

Section 2. Registered Office and Registered Agent. The Corporation shall have and continuously maintain in the State of Texas a registered office and a registered agent whose office is the Corporation's registered office, as required by the Act. The registered office may but need not be identical with the principal office of the Corporation in the State of Texas, and the address of the registered office may be changed from time to time by the Board of Directors in accordance with applicable law.

ARTICLE IV  
BOARD OF DIRECTORS

Section 1. Powers. The property, business, and affairs of the Corporation shall be managed and controlled by the Board of Directors, and subject to the restrictions imposed by law, the Articles of Incorporation, and these Bylaws, the Board of Directors shall exercise all of the powers of the Corporation.

Section 2. Number. The Board of Directors shall consist initially of the four (4) Directors named in the Articles of Incorporation of the Corporation initially filed with the Secretary of State of Texas. The number of Directors may be increased or decreased (provided such decrease does not have the effect of shortening the term of any incumbent Director) from time to time by amendment of the Bylaws in accordance with the provisions of Article X, provided that the number of Directors shall never be less than three (3).

Section 3. Appointment and Term. At its annual meeting, the Member shall appoint all Directors. Such appointments shall be effective on the date of the next Annual Meeting (as defined in Article IV, Section 7 of these Bylaws). Each person serving as a Director shall serve until the earlier to occur of (a) the next

Annual Meeting (as defined in Article IV, Section 7 of these Bylaws), or (b) such Director's death, resignation, or removal as provided in these Bylaws.

Section 4. Removal. Any Director may be removed from office at any time, with or without cause, by the Member.

Section 5. Vacancies. Any vacancy occurring in the office of a Director, whether by death, resignation, removal, increase in the number of Directors, or otherwise, shall be filled by the Member.

Section 6. Meetings of Directors. The Directors may hold meetings, maintain an office, and keep the Corporation's books and records at such place or places within or without the State of Texas as the Board of Directors may from time to time determine; provided, however, that in the absence of any such determination, such place shall be the Corporation's principal office in the State of Texas.

Section 7. Annual Meetings. The annual meeting of the Board of Directors ("Annual Meeting") shall be held at such time and place as shall be designated from time to time by resolution of the Board of Directors, or, if not so designated, on the second \_\_\_\_\_ of the month of \_\_\_\_\_ of each year at the Corporation's principal office for the purpose of (a) electing officers for the ensuing year, and (b) transacting such other business as may be properly brought before such Annual Meeting. Notice of Annual Meetings shall not be required.

Section 8. Regular Meetings. Regular meetings of the Board of Directors ("Regular Meetings") shall be held quarterly at such times and places as shall be designated from time to time by resolution of the Board of Directors. Notice of Regular Meetings shall be required.

Section 9. Special Meetings. Special meetings of the Board of Directors ("Special Meetings") shall be held at such times and places as shall be designated from time to time by the Chairman or, on the written request of any Director, by the Secretary or on the written request of the Member. Notice of Special Meetings shall be required.

Section 10. Notice of Meetings. The Secretary shall give notice of the time and place of each Regular and Special Meeting to each Director in person, or by mail, telegraph, or telephone, at least five (5) days before such meeting. Unless otherwise indicated in such notice, any and all matters pertaining to the Corporation's purposes may be considered and acted upon at such meeting. At any such meeting at which every Director shall be present even though without notice, any matter pertaining to the Corporation's purposes may be considered and acted upon.

Section 11. Quorum. A majority of the then acting Directors shall constitute a quorum for the consideration of any matters pertaining to the Corporation's purposes. If at any meeting of the Board of Directors there is less than a quorum present, a majority of those present may adjourn the meeting from time to time. The act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by law, the Articles of Incorporation, or these Bylaws.

Section 12. Voting. A Director may vote in person or by proxy executed in writing by the Director. No proxy shall be valid after three (3) months from the date of its execution. Each proxy shall be revocable unless expressly provided therein to be irrevocable, and unless otherwise made irrevocable by law.

Section 13. Conduct of Business. At meetings of the Board of Directors, matters pertaining to the Corporation's purposes shall be considered.

At all meetings of the Board of Directors, the Chairman of the Board shall preside, and in the absence of the Chairman of the Board, a chairman shall be chosen by the Board of Directors from among the Directors present.

The Secretary of the Corporation shall act as secretary of all meetings of the Board of Directors, but in the absence of the Secretary, the chairman may appoint any person to act as secretary of the meeting. The chairman of any meeting of the Board of Directors shall determine the order of business and the procedure at the meeting, including, without limitation, conduct of the discussion and the order of business.



Section 14. Compensation of Directors; Expenses. Persons serving as Directors shall not receive any salary or compensation for their services as Directors; provided, however, that nothing contained herein shall be construed as precluding any Director from receiving compensation in a reasonable amount for personal services rendered (other than services rendered as a Director) that are reasonable and necessary in carrying out the Corporation's purposes as the Board of Directors may from time to time determine. A Director shall be entitled to reimbursement for reasonable expenses incurred by him in carrying out his duties as a Director.

#### ARTICLE V COMMITTEES

Section 1. Board Committees. The Board of Directors may from time to time designate members of the Board of Directors to constitute committees that shall have and may exercise such powers as a majority of the Board of Directors may determine in the resolution that creates the committee. The Board of Directors may appoint individuals who are not members of the Board of Directors to any committee; provided, however, that a majority of the committee members shall be members of the Board of Directors if such committee exercises the authority of the Board of Directors in the management of the Corporation.

Other committees, not having and exercising the authority of the Board of Directors in the management of the Corporation, may be designated and members appointed by a resolution adopted by the Board of Directors. Membership of such committees may, but need not, be limited to Directors.

Section 2. Procedures; Meetings; Quorum. Any committee created by the Board of Directors or these Bylaws, unless otherwise expressly provided herein, shall (a) have a chairman designated by the Board of Directors, (b) fix its own rules or procedures, (c) meet at such times and at such place or places as may be provided by such rules or by resolution of such committee or resolution of the Board of Directors, and (d) keep regular minutes of its meetings and cause such minutes to be recorded in books kept for that purpose in the principal office of the Corporation, and report the same to the Board of Directors at its next succeeding meeting. At every meeting of any such committee, the presence of a majority of all the members thereof shall constitute a quorum, and the

affirmative vote of a majority of the members present shall be necessary for the adoption by it of any action, unless otherwise expressly provided in the committee's rules or procedures or these Bylaws or by the Board of Directors.

The Board of Directors may designate one or more Directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of such committee. In the absence or disqualification of a member of a committee, the member or members present at any meeting of such committee and not disqualified from voting, whether or not constituting a quorum, may unanimously appoint the designated alternate Director to act at that meeting in the place of the absent or disqualified member.

#### ARTICLE VI OFFICERS

Section 1. Number, Titles, and Term of Office. The officers of the Corporation shall consist of a Chairman of the Board, a President, one or more Vice Presidents, a Secretary, a Treasurer, and such other officers and assistant officers as the Board of Directors may from time to time elect or appoint. Such other officers and assistant officers shall have such authority and responsibility as may be assigned to them by the Board of Directors. Any two (2) or more offices may be held by the same individual, except the offices of President and Secretary. Except for those officers elected pursuant to the Unanimous Consent of Directors in Lieu of Organizational Meeting (the "Organization Consent"), the term of office for each officer shall be until the next succeeding Annual Meeting at which officers are elected. The term of office for those officers elected pursuant to the Organization Consent shall be that period of time beginning on the date of the Organization Consent and ending on the date of the first Annual Meeting. In any event, a duly-elected officer shall serve in the office to which he or she is elected until his or her successor has been duly elected and qualified.

Section 2. Removal. Any officer or agent or member of a committee elected or appointed by the Board of Directors may be removed by the Board of Directors, but such removal shall be without prejudice to the contract rights, if any, of the individual

so removed. Election or appointment of an officer or agent or member of a committee shall not of itself create contract rights.

Section 3. Vacancies. Any vacancy occurring in any office of the Corporation may be filled by the Board of Directors.

Section 4. Powers and Duties of the Chairman of the Board. The Chairman of the Board shall preside at all meetings of the Board of Directors and the Advisory Board and shall have such other powers and duties as may be assigned to such officer in these Bylaws or from time to time by the Board of Directors. The Chairman of the Board shall be appointed by the Member.

Section 5. Powers and Duties of the President. The President shall be the Chief Executive Officer of the Corporation. Subject to the control of the Board of Directors, the President shall have general executive charge, management, and control of the properties, business, and operations of the Corporation with all such powers as may be reasonably incident to such responsibilities; shall have the authority to agree upon and execute all leases, contracts, evidences of indebtedness, and other obligations in the name of the Corporation subject to the approval of the Board of Directors and the Executive Committee; and shall have such other powers and duties as may be designated in these Bylaws and as may be assigned to such officer from time to time by the Board of Directors.

Section 6. Powers and Duties of a Vice President. Each Vice President shall have such powers and duties as may be assigned to such officer by the Board of Directors including the performance of the duties of the President upon the death, absence, or resignation of the President or upon the President's inability to perform the duties of such office. Any action taken by a Vice President in the performance of the duties of the President shall be conclusive evidence of the absence or inability to act of the President at the time such action was taken.

Section 7. Powers and Duties of the Treasurer. The Treasurer shall have custody of all of the Corporation's funds and securities that come into such officer's hands. When necessary or proper, the Treasurer may endorse or cause to be endorsed, in the name and on behalf of the Corporation, checks, notes, and other obligations for collection and shall deposit or cause to be deposited the same to the credit of the Corporation in such bank or banks or depositories

and in such manner as shall be designated and prescribed by the Board of Directors; may sign or cause to be signed all receipts and vouchers for payments made to the Corporation either alone or jointly with such other officer as may be designated by the Board of Directors; whenever required by the Board of Directors, shall render or cause to be rendered a statement of the cash account; shall enter or cause to be entered regularly in the Corporation's books to be kept by such officer for that purpose full and accurate accounts of all moneys received and paid out on account of the Corporation; shall perform all acts incident to the position of Treasurer subject to the control of the Board of Directors; and shall, if required by the Board of Directors, give such bond for the faithful discharge of such officer's duties in such form as the Board of Directors may require.

Section 8. Powers and Duties of the Secretary. The Secretary shall keep the minutes of all meetings of the Board of Directors in books provided for that purpose; shall attend to the giving and serving of all notices; in furtherance of the Corporation's purposes and subject to the limitations contained in the Articles of Incorporation, may sign with the President in the name and on behalf of the Corporation and/or attest the signatures thereto, all contracts, conveyances, franchises, bonds, deeds, assignments, mortgages, notes, and other instruments of the Corporation; shall have charge of the Corporation's books, records, documents, and instruments, except the books of account and financial records and securities of which the Treasurer shall have custody and charge, and such other books and papers as the Board of Directors may direct, all of which shall be open at reasonable times to the inspection of any Director upon application at the Corporation's office during business hours; and shall in general perform all duties incident to the office of Secretary subject to the control of the Board of Directors.

#### ARTICLE VII ADVISORY BOARD

Section 1. Powers. The Corporation may have an advisory board (the "Advisory Board"). If an Advisory Board is created by the Member, the following provisions of Article VII shall govern the operation of the Advisory Board. The Advisory Board shall, upon the request of the Board of Directors, advise and assist the

Board of Directors on such matters as the Board of Directors may designate.

Section 2. Number. The Advisory Board shall consist of such persons appointed to the Advisory Board from time to time by the Member. The number of Advisory Board members may be increased or decreased from time to time by the Member; provided that any such decrease or increase shall be in accordance with the provisions of applicable law, and provided further, to the extent practicable and allowable by applicable law.

Section 3. Appointment. The Member shall appoint persons to the Advisory Board.

Section 4. Term. All members of the Advisory Board shall be classified, with respect to the time for which they severally hold office, into three classes as nearly as equal in number as possible. The first class shall be originally appointed for a term expiring at the Annual Meeting next following the Member's creation of the Advisory Board, the second class shall be originally elected for a term expiring at the next following Annual Meeting, and the third class shall be originally elected for a term expiring at the next following Annual Meeting, with Advisory Board members of each class to hold office in any event until their successors have been elected or appointed and qualified, or until their earlier death, resignation, or removal.

Section 5. Removal. Any Advisory Board member may be removed at any time, with or without cause, by the Member.

Section 6. Vacancy. Any vacancy occurring in the Advisory Board shall be filled by the Member.

Section 7. Meetings. The Advisory Board may hold meetings at such time and place as the Advisory Board may from time to time determine; provided, however, in the absence of such determination, such place shall be the Corporation's principal office in the State of Texas.

Section 8. Notice of Meetings. The Secretary shall give notice to Advisory Board members of the time and place of each Advisory Board meeting as far in advance as practicable before such meeting. Unless otherwise indicated in such notice, any and all matters pertaining to the Advisory Board's purposes may be

considered and acted upon at such meeting. At any meeting at which every Advisory Board member shall be present even though without notice, any matter pertaining to the Advisory Board's purposes may be considered and acted upon.

Section 9. Quorum. A majority of the then acting Advisory Board members shall constitute a quorum for the consideration of any matters pertaining to the Advisory Board's purposes. If at any meeting of the Advisory Board there is less than a quorum present, a majority of those present may adjourn the meeting from time to time.

Section 10. Voting. An Advisory Board member may vote in person or by proxy executed in writing by such individual.

Section 11. Conduct of Business. Unless the Member designates a chairman of the Advisory Board, the Chairman of the Board of Directors shall act as chairman of all meetings of the Advisory Board at which such individual is present; in the absence of a chairman designated by the Member and the Chairman of the Board of Directors, a chairman shall be chosen from among the Advisory Board members present. The chairman of any meeting of the Advisory Board shall determine the order of business and the procedure at the meeting, including, without limitation, conduct of the discussion and the order of business. The Advisory Board shall keep regular minutes of all its meetings and cause such minutes to be recorded in books kept for that purpose in the principal office of the Corporation, and shall report the same to the Board of Directors at its next succeeding meeting.

Members of the Board of Directors shall be invited to attend all meetings of the Advisory Board.

#### ARTICLE VIII MISCELLANEOUS PROVISIONS

Section 1. Fiscal Year. The Corporation's fiscal year shall be as determined from time to time by the Board of Directors.

Section 2. Seal. The Corporation's seal, if any, shall be such as may be approved from time to time by the Board of Directors.

Section 3. Notice and Waiver of Notice. Whenever any notice is required to be given by mail under the provisions of these Bylaws, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed postpaid wrapper addressed to the person or Member entitled thereto at such person's post office address, as such appears in the records of the Corporation, and such notice shall be deemed to have been given on the date of such mailing. A waiver of notice in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to notice.

Section 4. Resignations. Any Director or officer may resign at any time. Such resignation shall be made in writing and shall take effect at the time specified therein, or, if no time be specified, at the time of its receipt by the President or Secretary. The acceptance of a resignation shall not be necessary to make it effective, unless expressly so provided in the resignation.

Section 5. Action Without a Meeting by Member, Directors, or Committees; Telephone Meetings. Any action required by law or these Bylaws to be taken at a meeting of the Member, the Board of Directors, or any committee, or any action which may be taken at a meeting of the Member, the Board of Directors, or of any committee thereof may be taken without such a meeting if a consent in writing, setting forth the action to be taken, shall be signed by all of the Member, Directors, or members of the committee, as the case may be. Such consent shall have the same force and effect as a unanimous vote at a meeting, and may be stated as such in any document or instrument filed with the Secretary of State. Subject to the requirements of law for notice of meetings, unless otherwise restricted by the Articles of Incorporation or these Bylaws, Member, members of the Board of Directors, or members of any committee may participate in and hold a meeting of such Member, Board of Directors, or committee, as the case may be, by means of a conference telephone, or similar communications equipment by means of which all persons participating in the meeting can hear each other, and participation in such meeting shall constitute presence in person at such meeting, except where a person participates in the meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called or convened.

ARTICLE IX  
INDEMNIFICATION OF DIRECTORS AND OFFICERS

The Corporation shall indemnify (which indemnification shall include, without limitation, advancing reasonable expenses) any person who is or was a Director, officer, employee, or agent of the Corporation (or any person who is or was serving at the request of the Corporation as a Director, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise) to the fullest extent required or permitted by applicable law. In addition, the Corporation shall have the power to indemnify (which indemnification shall include, without limitation, advancing reasonable expenses) to the fullest extent permitted by law such other persons as the Board of Directors may determine from time to time. The Corporation shall have the power to purchase and maintain at its expense insurance on behalf of such persons to the fullest extent permitted by applicable law, whether or not the Corporation would have the power to indemnify such person under the foregoing provisions.

ARTICLE X  
AMENDMENTS

These Bylaws may be altered, amended, or repealed by the Member at any annual meeting of the Member, or at any special meeting of the Member if notice of the proposed amendment is contained in the notice of such special meeting of the Member; provided, however, that any such alteration, amendment, or repeal shall have received the prior approval of the Board of Regents of The University of Texas System.

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EDUCATIONAL AFFILIATION AGREEMENT

THE STATE OF TEXAS

COUNTY OF HARRIS

This AGREEMENT made and entered into this \_\_ day of \_\_\_\_\_, 19\_\_ by and between the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM ("Board"), a State agency duly authorized to execute this Agreement, for and primarily in behalf of the UNIVERSITY OF TEXAS M. D. ANDERSON CANCER CENTER in Houston ("Anderson"), and ORLANDO CANCER CENTER ("Center").

WITNESSETH:

WHEREAS, in recognition of contemporary trends in medicine and future scientific advancements, Anderson and Center agree on the desirability of establishing a closer working relationship between the two institutions, who share a common commitment for a program of excellence in cancer prevention, treatment, education and research; and

WHEREAS, Center periodically desires to provide for its staff unique health care related educational experiences; and

WHEREAS, Anderson is committed to obtaining highly skilled health care personnel and to providing them with opportunities to participate in professional education and training programs; and

WHEREAS, to accomplish such objectives, the parties seek to establish an educational program for Center's health care professionals,

NOW THEREFORE, in consideration of the mutual covenants herein Anderson and Center agree as follows:

1. Anderson Obligations.

Anderson agrees to provide a series of educational programs, at a site in or near Orlando, Florida provided by the Center, covering clinical oncology care and related topics. It is anticipated that such programs will be presented approximately every three weeks during the year, with an estimated total number of fifteen (15) presentations per year. The topics to be covered in such programs will vary throughout the year and, during a multiyear cycle, will include the full array of cancer care issues and specialty areas. An illustrative set of topical areas to be presented is appended to this Agreement as Attachment "A." The actual schedule of topical presentations will be finalized and implemented through routine administrative mechanisms and letters of agreement between the designated representatives of Anderson (Vice President for Academic Affairs) and the Center (Medical Director). To ensure orderly planning, scheduling and promoting of such

presentations, the respective representatives must agree on (a) the presentation topic, (b) the individual speaker, and (c) the specific time and date for each presentation at least sixty (60) days in advance of the event. Except for certain acts to be performed by Board and Anderson pursuant to express provisions of this Agreement, Board hereby authorizes Anderson to furnish the personnel for the educational programs referenced in Paragraph 1 and as illustrated in Attachment "A."

2. Center Obligations.

The costs associated with the provision of these educational services will be paid by the Center to Anderson on a cost reimbursement basis. The Center will pay directly to Anderson (a) all reasonable travel expenses incurred by Anderson staff in the provision of services listed under Paragraph 1 above; (b) costs associated with duplication of materials for handouts to attendees and related type expenses; and (c) a specified amount per program to defray the cost of Anderson staff.

Reasonable travel expenses shall be defined the same as Anderson Travel Policies and Procedures, as funded under the Designated Funds category. Payments shall be made by the Center to Anderson after receipt of a signed Anderson invoice and verification of delivery by Center personnel. The reimbursement amounts and the annual total cost of all programs provided under this Agreement shall be consistent with the Program Budget specified in Attachment "B." To reflect future cost changes and other operational factors affecting reimbursement, the parties may renegotiate the amounts specified in Attachment "B" before an automatic annual renewal of this Agreement; any such revisions to Attachment "B" shall

become effective on the renewal date and shall not otherwise alter the contents of the Agreement.

3. Dispute Resolution.

If any aspect of this Agreement becomes unsatisfactory to either party, a Joint Committee composed of the Center Medical Director, the Center Chief of Staff and the Anderson Vice President for Academic Affairs, shall be responsible for discussing and resolving the questions involved. The Joint Committee shall submit written recommendations to the authorities in each institution as to how an issue will be resolved. If the Joint Committee concludes that the Agreement should be amended or terminated, any such amendment or termination date must be mutually accepted by both parties in order to become effective. Such amendment or termination must be set forth in writing and signed by both parties.

4. Amendments.

All the agreements between the parties on the subject matter hereof have been reduced to writing herein. No amendments to this Agreement shall be valid unless in writing and signed by the duly authorized representatives of the parties and approved by Board.

5. Oral Representations.

No oral representations of any officer, agent, or employee of the parties, either before or after the effective date of this Agreement, shall effect or modify any obligations of either party hereunder.

6. Term and Termination.

a. Term.

This Agreement shall not become effective unless and until approved by Board. If so approved, this Agreement shall become effective on the date of such approval, and shall continue in effect for an initial term ending one (1) year after the date of execution.

b. Termination.

- (1) After the initial one (1) year term, this Agreement may be renewed automatically from year to year unless one party shall have given ninety (90) days prior written notice of its intention to terminate this Agreement. If such notice is given, this Agreement shall terminate on the last day of the notice period.
- (2) This Agreement may be terminated in writing pursuant to a Joint Committee recommendation as set forth in Paragraph 3.
- (3) Notwithstanding any other provision herein, this Agreement shall automatically terminate upon the termination of any of the following agreements:
  - (a) Center Members' Agreement;
  - (b) Agreement for Personnel to be provided by M. D. Anderson Cancer Center Outreach Corporation to Orlando Cancer Center, Inc.; or
  - (c) Center - Outreach License Agreement

7. Use of Name.

Neither party shall release, publish, or otherwise distribute information containing the name of the other party or any of its employees without prior written approval by an authorized representative of the non-releasing party, said approval not to be unreasonably withheld. For purposes of this Agreement, the authorized representative of the Board and Anderson shall be the President of Anderson or his designee, and the authorized representative for the Center shall be Center's Chairman of the Board, or his designee.

8. Miscellaneous Provisions.

a. Governing Law.

This Agreement shall be executed and delivered in, and shall be interpreted and enforced pursuant to and in accordance with, the laws of the State of Texas. All duties and obligations of the parties are performable in Harris County, Texas and Harris County, Texas shall be the exclusive venue for any litigation, special proceeding, or other proceeding as between the parties that may be brought, or arise out of, or in connection with, or by reason of this Agreement.

b. Notice.

Any notice, demand or communication required or permitted herein shall be deemed effective when personally delivered or mailed by prepaid certified mail, return receipt requested, addressed as follows:

For Anderson: Mr. David J. Bachrach  
Executive Vice President for  
Administration & Finance  
U.T.M.D. Anderson Cancer Center  
1515 Holcombe Blvd., Box 104  
Houston, Texas 77030

For Center: Mr. John Hillenmeyer  
Chairman  
Orlando Cancer Center  
1414 South Kuhl Avenue  
Orlando, Florida 32806-2093

Either party may change such addresses from time to time by notifying the other party as to the specific change.

c. Assignment.

This Agreement shall be binding on and shall inure to the benefit of the parties and their respective successors and assignees; provided, however, that no assignment by either party shall be effective without prior written approval of the other party. A delay in or failure of performance of either party shall not constitute default hereunder, or give rise to any claim for damages, if and to the extent such delay or failure is caused by occurrences beyond the control of either party.

d. Severability.

In the event any provision of this Agreement is held to be invalid, illegal, or unenforceable for any reason and in any respect, such invalidity, illegality, or unenforceability shall in no event effect, prejudice, or disturb the validity of the

remainder of this Agreement, which shall be and remain in full force and effect in accordance with its terms.

e. Paragraphs: Headings.

The division of this Agreement into paragraphs, sections, and subsections and the use of captions and headings in connection therewith are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.



IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives this \_\_ day of \_\_\_\_\_, 19\_\_.

ATTEST:

THE UNIVERSITY OF TEXAS M. D.  
ANDERSON CANCER CENTER

\_\_\_\_\_  
(Title)

By: \_\_\_\_\_  
President

ATTEST:

ORLANDO CANCER CENTER

\_\_\_\_\_  
(Title)

By: \_\_\_\_\_  
(Title)

FORM APPROVED:

CONTENT APPROVED:

\_\_\_\_\_  
General Counsel  
University of Texas System

\_\_\_\_\_  
Office of the Chancellor  
University of Texas System

### CERTIFICATE OF APPROVAL

I hereby certify that the foregoing Agreement was approved by the Board of Regents of the University of Texas System on the \_\_ day of \_\_\_\_\_, 19\_\_.

\_\_\_\_\_  
Secretary, Board of Regents  
The University of Texas System

## ATTACHMENT "A"

### Illustrative Continuing Medical Education Program Topics

The following topical listing of programs is organized around areas of physician specialty at Anderson. Further detail on each area of specialty can be found in the following documents:

1. "The University of Texas M. D. Anderson Cancer Center - Guide For Referring Physicians - 1989-1990";
2. "The University of Texas M. D. Anderson Cancer Center - Office of Patient Care Annual Report - 1987-1988"; and
3. "Research Report 1989, The University of Texas M. D. Anderson Cancer Center".

Copies of these documents, and future updates of these or related documents, are incorporated by reference into this agreement. This topical listing is meant to be illustrative of the types of programs that will be available.

It is anticipated that approximately fifteen (15) programs will be presented during a twelve month period, or one program every three weeks. Specific program topics, speakers, and logistics will be agreed to by the Anderson representative (Vice President for Academic Affairs) and the Orlando Cancer Center representative (Medical Director) at least sixty (60) days in advance of the event. This list of programs is subject to change, and the availability of any individual speaker is subject to future written program-specific agreements.

The primary thrust of all topical presentations will focus on the clinical diagnosis and treatment methods of the specific oncologic disease(s), and current clinical research activities being undertaken at various sites including M. D. Anderson Cancer Center.

#### DIVISION OF SURGERY

##### General Surgery

- Breast Tumors
- Gastrointestinal Tumors
- Liver Tumors
- Skin Tumors
- Bone Tumors
- Endocrine Tumors
- Soft Tissue Tumors

##### Gynecological Surgery

##### Head and Neck Surgery

- Head and Neck Tumors
- Neurosurgery

- Plastic and Reconstructive Surgery
- Thoracic Surgery
  - Lung Malignancies
  - Esophageal Malignancies
  - Other Thoracic Malignancies
- Urologic Surgery
  - Genitourinary Cancers
  - Urinary Tract Tumors
  - Male Reproductive System Tumors
- Anesthesiology
- Dental Oncology

#### DIVISION OF MEDICINE

- Clinical Immunology and Biological Therapy
- Hematology
  - Adult Leukemia Research Program
  - Bone Marrow Transplantation
  - Clinical Studies
  - General Hematology
  - Experimental Hematology
  - Leukemia
  - Lymphoma
  - Molecular Hematology
  - Pheresis Services
- Medical Oncology
  - Breast Medical Oncology
  - Community Oncology
  - Digestive Diseases and Gastrointestinal Oncology
  - General Oncology
  - Genitourinary Oncology
  - Gynecologic Medical Oncology
  - Melanoma/Sarcoma
  - Pharmacology
- Medical Specialties
  - Cardiopulmonary
  - Endocrinology
  - Infectious Diseases
  - General Internal Medicine
  - Rehabilitation Medicine
- Neuro-Oncology
  - Central Nervous System Tumors
  - Brain Tumors
  - Neuropsychology
  - Neuropsychiatry
  - Pain Control

#### DIVISION OF RADIOTHERAPY

Clinical Radiotherapy  
Breast Radiotherapy  
Gastrointestinal and Genitourinary Radiotherapy  
Gynecological Radiotherapy  
Head and Neck Radiotherapy  
Lung Radiotherapy  
Lymphoma/Total Body Irradiation  
Neutrons  
Pediatrics/Central Nervous System/Soft Tissue Sarcoma  
Experimental Radiotherapy  
Radiation Physics

#### DIVISION OF DIAGNOSTIC IMAGING

Diagnostic Radiology  
Angiography/Interventional Radiology  
Metabolic and Experimental Radiology  
Computed Tomography  
Gastrointestinal Radiology  
Head and Neck Radiology  
Lymphangiography  
Mammographic Radiology  
Neuroradiology  
Orthopedic Radiology  
Pediatric Radiology  
Pulmonary Radiology  
Ultrasound  
Nuclear Medicine

#### DIVISION OF LABORATORY MEDICINE

Laboratory Medicine  
Clinical Chemistry  
Clinical Microbiology and Infection Control Service  
Cytogenetics Laboratory  
General Services  
Laboratory Hematology and Blood Bank

#### DIVISION OF PATHOLOGY

Anatomic Pathology  
Cytopathology  
Flow Cytometry  
Hematopathology  
Immunocytochemistry  
Neuropathology  
Pathogenics  
Surgical Pathology  
Molecular Pathology

DIVISION OF PEDIATRICS  
Clinical Pediatrics  
Experimental Pediatrics

DIVISION OF CANCER PREVENTION  
Cancer Prevention and Control

OFFICE OF RESEARCH  
Fundamental Cancer Research

DIVISION OF NURSING  
Clinical Nursing Support

DIVISION OF PHARMACY  
Clinical Pharmacy Support

ATTACHMENT "B"

Educational Affiliation Agreement - Program Budget

The following budget is an estimate of the likely costs associated with the implementation of this education affiliation program over a twelve month period, assuming a maximum of fifteen (15) presentations during the year. The Orlando Cancer Center agrees to pay Anderson no more than \$30,000 per year for these services. The actual cost to the Center shall be based on the actual cost per presentation, consistent with the following budget:

1.	Travel Expenses:		
	Number of Persons Traveling =		1
	Airfare Roundtrip	758.00	
	Ground Transportation	120.00	
	Hotel (2 nights)	250.00	
	Per Diem (2 days)	100.00	
	Miscellaneous	<u>22.00</u>	
	Total Travel Expense Per Program		1,250.00
2.	Handout Materials for Attendees		
	Duplication	100.00	
	Miscellaneous	<u>50.00</u>	
	Total Materials Expense Per Program		150.00
3.	Reimbursement to Anderson for Professional Staff Time	600.00	
	TOTAL COST PER PROGRAM		\$2,000.00

Payments shall be made by the Center to Anderson after receipt of a signed Anderson invoice and verification of service delivery by Center personnel. Each invoice shall cover the costs associated with one or more programs, with costs specified by the above budget categories and specific program.

DRAFT OF December 28, 1989

### LICENSE Agreement

This License Agreement ("Agreement") is entered into effective as of the \_\_\_\_\_ day of \_\_\_\_\_, 1989, between the parties hereto, who agree as follows in consideration of the mutual promises contained herein:

1. PARTIES

- 1.1 The Board of Regents of The University of Texas System (hereinafter referred to as BOARD OF REGENTS) has its principal office at 201 West 7th Street, Austin, Texas 78701.
- 1.2 M. D. Anderson Cancer Center Outreach Corporation (hereinafter referred to as LICENSEE) has a principal place of business at 1515 Holcombe, Houston, Texas 77030.
- 1.3 BOARD OF REGENTS and LICENSEE are the parties to this Agreement.

2. BACKGROUND

- 2.1 BOARD OF REGENTS owns rights in certain marks now and previously used by THE UNIVERSITY OF TEXAS SYSTEM and/or component institutions thereof identified in Attachment A hereto, and has acquired public recognition and goodwill through the use of such marks.
- 2.2 LICENSEE recognizes the goodwill appurtenant to use of the marks

and desires to obtain a nonexclusive license to utilize such marks. BOARD OF REGENTS is willing to grant such a license under the terms and conditions of this Agreement.

3. DEFINITIONS

- 3.1 MARKS include trademarks and service marks.
- 3.2 LICENSED MARKS means those marks listed in Attachment A, including common law rights, as well as any applications for registration which may be filed by BOARD OF REGENTS or registrations which may be issued to BOARD OF REGENTS covering such marks, whether state or federal.
- 3.3 LICENSED SERVICES means those services specified in Attachment B hereto in connection with which any of the LICENSED MARKS are used.
- 3.4 TERM means the effective period of this Agreement, which shall commence on the EFFECTIVE DATE and which shall terminate, upon the earliest termination of any of the following Agreements:
  - a. Orlando Cancer Center Members Agreement,
  - b. Agreement for Personnel to be provided by M. D. Anderson Cancer Center Outreach Corporation to Orlando Cancer Center, Inc., and



- c. Educational Affiliation Agreement between The University of Texas M. D. Anderson Cancer Center and Orlando Cancer Center, Inc.

3.5 QUALITY means an acceptable level of quality to BOARD OF REGENTS.

4. LICENSE GRANT

Subject to the terms and conditions of this Agreement, BOARD OF REGENTS grants to LICENSEE the nonexclusive right and license to utilize the LICENSED MARKS during the TERM hereof: (a) solely in connection with the LICENSED SERVICES of QUALITY of its joint undertaking with Orlando Regional Medical Center of Orlando, Florida; and (b) with advertising and promotional material elsewhere to the extent appropriate to the provision of services through the Orlando Cancer Center in Orlando, Florida.

5. DEFAULT. TERMINATION

5.1 Upon expiration or termination of this Agreement, all rights granted to LICENSEE hereunder shall cease, and LICENSEE will refrain from further use of the LICENSED MARKS, or any mark or name reasonably deemed by BOARD OF REGENTS to be similar to the LICENSED MARKS, in connection with the provision of or promotion of services. LICENSEE acknowledges that failure to comply with this

provision will result in immediate and irreparable harm affording injunctive and any and all other appropriate relief to BOARD OF REGENTS.

5.2 Upon expiration or termination of this Agreement, LICENSEE shall not operate its business in any manner which would falsely suggest to the public that this Agreement is still in force or that any relationship exists between LICENSEE and BOARD OF REGENTS.

6. SUBLICENSES

LICENSEE shall have the right to grant a sublicense under this Agreement only to Orlando Cancer Center and to physicians or physician groups that are contractually obligated to provide physician services through Orlando Cancer Center, such license subject to the prior written approval of BOARD OF REGENTS.

7. GOODWILL IN LICENSED MARKS

LICENSEE agrees that the essence of this Agreement is founded on the goodwill associated with the LICENSED MARKS and the value of that goodwill in the minds of the consuming public. LICENSEE agrees that it is critical that such goodwill be protected and enhanced and, toward this end, LICENSEE shall not during the TERM or thereafter:

- (a) attack the title or any rights of BOARD OF REGENTS in or to the LICENSED MARKS;

- (b) apply to register or maintain any application or registration of the LICENSED MARKS or any other mark confusing similar thereto in any jurisdiction, domestic or foreign;
- (c) use any colorable imitation of any of the LICENSED MARKS, or any variant form (including variant design forms, logos, colors, or typestyles) of the LICENSED MARKS not specifically approved by BOARD OF REGENTS;
- (d) misuse the LICENSED MARKS;
- (e) take any action that would bring the LICENSED MARKS into public disrepute;
- (f) use the LICENSED MARKS, or any mark or name confusingly similar thereto, in its corporate or trade name without approval of BOARD OF REGENTS; or
- (f) take any action that would tend to destroy or diminish the goodwill in the LICENSED MARKS.

8. QUALITY CONTROL: ADVERTISING APPROVAL

- 8.1 ALL LICENSED SERVICES shall be QUALITY services. LICENSEE acknowledges that if LICENSED SERVICES were of inferior quality, the substantial goodwill which BOARD OF REGENTS possesses in MARKS would be impaired. Accordingly, LICENSEE agrees that all LICENSED SERVICES shall be of high quality.

8.2 All advertising and promotional material bearing the LICENSED MARKS shall be subject to the approval of BOARD OF REGENTS via The University of Texas System Office of General Counsel. LICENSEE shall furnish advertising and promotional materials to BOARD OF REGENTS. In addition, LICENSEE shall furnish to BOARD OF REGENTS one (1) copy of any advertisement of LICENSED SERVICES used by LICENSEE. BOARD OF REGENTS shall have two (2) weeks from receipt thereof in which to reject in writing the materials. In the absence of rejection, or upon earlier written acceptance, the materials will be deemed as accepted. LICENSEE shall furnish to BOARD OF REGENTS a further sample of advertising if it desires to change the advertising. BOARD OF REGENTS will have two (2) weeks to reject advertising. Failure to reject will be deemed acceptable.

9. MARKING

LICENSEE agrees that it will designate the LICENSED SERVICES in a manner as specified from time to time in writing by BOARD OF REGENTS to indicate the rights of BOARD OF REGENTS in the LICENSED MARKS, including registration status of the LICENSED MARKS and that the services are provided pursuant to license.

10. INDEMNITY/HOLD HARMLESS

- 10.1 LICENSEE agrees that it is wholly responsible for all services provided by it, including all LICENSED SERVICES, and that BOARD OF REGENTS shall have no liability for any services, including any LICENSED SERVICE, provided by LICENSEE or by the sublicensee of LICENSEE. LICENSEE indemnifies and holds harmless BOARD OF REGENTS and the officers, employees, and agents thereof, from any claims, demands, causes of actions and damages, including reasonable attorney's fees, caused or arising out of LICENSEE'S provision of professional services, including LICENSED SERVICES.
- 10.2 INDEMNITY. To the extent authorized by the Constitution and the laws of the State of Texas, the BOARD OF REGENTS indemnifies and holds harmless LICENSEE and the officers, employees and agents, thereof, from any claims, demands, causes of action, and damages including reasonable attorneys' fees, based solely on an alleged infringement by LICENSEE of the claimant's trademark or trade name directly resulting from the use by LICENSEE of a LICENSED MARK.

11. NOTICES

Any notices, statements, payments, or reports required by this Agreement shall be deemed served when deposited in the United States mail, first class postage prepaid, certified or registered mail, return receipt requested and addressed as follows:

IF TO LICENSEE:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

BOARD OF REGENTS:

Trademark Licensing Manager  
Office of General Counsel  
The University of Texas System  
201 West 7th Street  
Austin, Texas 78701

12. STATUS OF PARTIES

This Agreement is not intended to create, and shall not be interpreted or construed as creating, a partnership, joint venture, agency, employment, master and servant, or similar relationship between BOARD OF REGENTS and LICENSEE or the sublicensee, and no representation to the contrary shall be binding upon BOARD OF REGENTS.

13. BINDING EFFECT

This Agreement shall be binding upon and inure to the benefit of BOARD OF REGENTS and LICENSEE and their respective successors, assigns, executors, heirs, and personal representatives.

14. LAW GOVERNING

This Agreement shall for all purposes be governed by and interpreted and enforced in accordance with the laws of the State of Texas. LICENSEE

hereby agrees that any action arising out of this Agreement shall be litigated under the laws of the State of Texas in a court of competent jurisdiction in Travis County, Texas, and LICENSEE hereby agrees to submit to the jurisdiction of the courts of the State of Texas and to obtain the sublicensee's consent to submit to the jurisdiction of the court's of the State of Texas, and that service of process by certified mail, return receipt requested, shall be sufficient to confer in personam jurisdiction over LICENSEE or the sublicensee. LICENSEE agrees that the terms of this paragraph will be part of the sublicense.

15. MISCELLANEOUS

- 15.1 The provisions of this Agreement are severable, and if any provision shall be held illegal, invalid, or unenforceable, such holding shall not affect the legality, validity, or enforceability of any other provision. Any such illegal, invalid, or unenforceable provision shall be deemed stricken herefrom as if it had never been contained herein, but all other provisions shall continue in full force and effect.
- 15.2 As used herein, the term LICENSEE shall include the plural as well as the singular, the masculine and feminine genders, and corporations, partnerships, and other business entities as well as individuals.
- 15.3 This Agreement contains the entire Agreement between the parties with respect to the subject matter hereof and supersedes any prior Agreements between the parties, written or oral, with respect to

such subject matter.

15.4 This Agreement may not be amended, modified, or rescinded except by a written Agreement executed by BOARD OF REGENTS and LICENSEE.

EXECUTED BY BOARD OF REGENTS and LICENSEE on the day and year first above written, in duplicate copies, each of which shall be deemed an original.

THE BOARD OF REGENTS OF THE  
UNIVERSITY OF TEXAS SYSTEM

By: \_\_\_\_\_  
Hans Mark, Chancellor

M. D. ANDERSON CANCER  
CENTER OUTREACH  
CORPORATION

By: \_\_\_\_\_  
(Name of individual)

Title: \_\_\_\_\_

Approved as to Form:

\_\_\_\_\_  
U.T. System  
Office of General Counsel



ATTACHMENT A  
LICENSED MARKS ARE:

M. D. Anderson Cancer Center Outreach Corporation

ATTACHMENT B

LICENSED SERVICES ARE:

In accordance with Licensee's purposes and emphases on the clinical, educational and scientific aspects of cancer care, the following services may be provided by Licensee in connection with the Licensed Marks listed in Attachment A:

1. Cancer Care Services provided in Surgery, Medicine, Radiotherapy, Diagnostic Imaging, Laboratory Medicine, Pathology, Pediatrics, Cancer Prevention, Nursing and Pharmacy;
2. Cancer Research Services; and
3. Cancer Education Services.

DRAFT of December 28, 1989

OUTREACH - OCC  
LICENSE AGREEMENT

This License Agreement ("Agreement") is entered into effective as of the \_\_\_\_\_ day of \_\_\_\_\_, 1989, between the parties hereto, who agree as follows in consideration of the mutual promises contained herein:

1. PARTIES

- 1.1 M. D. Anderson Cancer Center Outreach Corporation (hereinafter referred to as LICENSOR) has a principal place of business at 1515 Holcombe, Houston, Texas 77030.
- 1.2 Orlando Cancer Center (hereinafter referred to as LICENSEE) has a principal place of business at \_\_\_\_\_ Orlando, Florida.
- 1.3 LICENSOR and LICENSEE are the parties to this Agreement.

2. BACKGROUND

- 2.1 LICENSOR has rights in certain marks identified in Attachment A hereto, and public recognition and goodwill have been acquired through the use of such marks.
- 2.2 LICENSEE recognizes the goodwill appurtenant to use of the marks and desires to obtain a nonexclusive license to utilize such marks. LICENSOR is willing to grant such a license under the terms and

conditions of this Agreement.

3. **DEFINITIONS**

- 3.1 MARKS include trademarks and service marks.
- 3.2 LICENSED MARKS means those marks listed in Attachment A, including common law rights, as well as any applications for registration or registrations which may be issued covering such marks, whether state or federal.
- 3.3 LICENSED SERVICES means those services specified in Attachment B hereto in connection with which any of the LICENSED MARKS are used.
- 3.4 TERM means the effective period of this Agreement, which shall commence on the EFFECTIVE DATE and which shall terminate, upon the earliest termination of any of the following Agreements:
- a. Orlando Cancer Center, Inc. Members' Agreement,
  - b. Agreement for Personnel to be Provided by M. D. Anderson Cancer Center Outreach Corporation to Orlando Cancer Center, Inc., and
  - c. Educational Affiliation Agreement between The University of Texas M. D. Anderson Cancer Center and Orlando Cancer Center, Inc.
- 3.5 QUALITY means an acceptable level of quality to LICENSOR.

4. LICENSE GRANT

Subject to the terms and conditions of this Agreement, LICENSOR grants to LICENSEE the nonexclusive right and license to utilize the LICENSED MARKS during the TERM hereof: (a) solely in connection with the LICENSED SERVICES of QUALITY to be rendered in Orlando, Florida; and (b) with advertising and promotional material elsewhere to the extent appropriate to the provision of services in Orlando, Florida.

5. DEFAULT, TERMINATION

5.1 Upon expiration or termination of this Agreement, all rights granted to LICENSEE hereunder shall cease, and LICENSEE will refrain from further use of the LICENSED MARKS, or any mark or name reasonably deemed by LICENSOR to be similar to the LICENSED MARKS, in connection with the provision of or promotion of services. LICENSEE acknowledges that failure to comply with this provision will result in immediate and irreparable harm affording injunctive and any and all other appropriate relief to the owner of the LICENSED MARKS.

5.2 Upon expiration or termination of this Agreement, LICENSEE shall not operate its business in any manner which would falsely suggest to the public that this Agreement is still in force or that any relationship exists between LICENSEE and LICENSOR or the owner of the

## LICENSED MARKS.

### 6. GOODWILL IN LICENSED MARKS

LICENSEE agrees that the essence of this Agreement is founded on the goodwill associated with the LICENSED MARKS and the value of that goodwill in the minds of the consuming public. LICENSEE agrees that it is critical that such goodwill be protected and enhanced and, toward this end, LICENSEE shall not during the TERM or thereafter:

- (a) attack the title or any rights in or to the LICENSED MARKS;
- (b) apply to register or maintain any application or registration of the LICENSED MARKS or any other mark confusing similar thereto in any jurisdiction, domestic or foreign;
- (c) use any colorable imitation of any of the LICENSED MARKS, or any variant form (including variant design forms, logos, colors, or typestyles) of the LICENSED MARKS not specifically approved by LICENSOR;
- (d) misuse the LICENSED MARKS;
- (e) take any action that would bring the LICENSED MARKS into public disrepute;
- (f) use the LICENSED MARKS, or any mark or name confusingly similar thereto, in its corporate or trade name without approval of LICENSOR; or

- (f) take any action that would tend to destroy or diminish the goodwill in the LICENSED MARKS.

7. QUALITY CONTROL; ADVERTISING APPROVAL

- 7.1 All LICENSED SERVICES shall be QUALITY services. LICENSEE acknowledges that if LICENSED SERVICES were of inferior quality, the substantial goodwill in LICENSED MARKS would be impaired. Accordingly, LICENSEE agrees that all LICENSED SERVICES shall be of high quality.
- 7.2 All advertising and promotional material bearing the LICENSED MARKS shall be subject to the approval of LICENSOR. LICENSEE shall furnish advertising and promotional materials to LICENSOR, and to The University of Texas System Office of General Counsel, Intellectual Property Division, at 201 W. 7th St., Austin, Texas 78701. In addition, LICENSEE shall furnish to LICENSOR one (1) copy of any advertisement of LICENSED SERVICES used by LICENSEE. LICENSOR shall have one (1) month from receipt thereof in which to reject in writing the materials. In the absence of rejection, or upon earlier written acceptance, the materials will be deemed as accepted. LICENSEE shall furnish to LICENSOR a further sample of advertising if it desires to change the advertising. LICENSOR will have one (1) month to reject advertising. Failure to reject will be deemed acceptable.

8. MARKING

LICENSEE agrees that it will designate the LICENSED SERVICES in a manner as specified from time to time in writing by LICENSOR to indicate the rights of LICENSOR in the LICENSED MARKS, including registration status of the LICENSED MARKS and that the services are provided pursuant to license.

9. INDEMNITY/HOLD HARMLESS

LICENSEE agrees that it is wholly responsible for all services provided by it, including all LICENSED SERVICES, and that neither LICENSOR nor the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM (hereinafter "BOARD") shall have any liability for any services, including any LICENSED SERVICE, provided by LICENSEE. LICENSEE indemnifies and holds harmless LICENSOR and BOARD and the officers, employees, and agents thereof, from any claims, demands, causes of action and damages, including reasonable attorney's fees, caused or arising out of LICENSEE'S provision of professional services, including LICENSED SERVICES.

10. NOTICES

All notices or demands required to be made or permitted under this Agreement shall be in writing and shall be deemed served when deposited in the United States mail, first class postage prepaid, certified or registered mail, return receipt



requested, addressed as provided in paragraph 1 of this Agreement, or to such other address as either party may from time to time designate in writing.

11. STATUS OF PARTIES

This Agreement is not intended to create, and shall not be interpreted or construed as creating, a partnership, joint venture, agency, employment, master and servant, or similar relationship between BOARD, LICENSOR and LICENSEE and no representation to the contrary shall be binding upon BOARD or LICENSOR.

12. BINDING EFFECT

This Agreement shall be binding upon and inure to the benefit of BOARD, LICENSOR and LICENSEE and their respective successors, assigns, executors, heirs, and personal representatives.

13. LAW GOVERNING

This Agreement shall for all purposes be governed by and interpreted and enforced in accordance with the laws of the State of Texas. LICENSEE hereby agrees that any action arising out of this Agreement shall be litigated under the laws of the State of Texas in a court of competent jurisdiction in Texas, and LICENSEE hereby agrees to submit to the jurisdiction of the courts of the State of Texas, and that service of process by certified mail, return receipt requested, shall be sufficient to confer in personam jurisdiction over LICENSEE.

14. MISCELLANEOUS

14.1 The provisions of this Agreement are severable, and if any provision shall be held illegal, invalid, or unenforceable, such holding shall not affect the legality, validity, or enforceability of any other provision. Any such illegal, invalid, or unenforceable provision shall be deemed stricken herefrom as if it had never been contained herein, but all other provisions shall continue in full force and effect.

14.2 As used herein, the term LICENSEE shall include the plural as well as the singular, the masculine and feminine genders, and corporations, partnerships, and other business entities as well as individuals.

14.3 This Agreement contains the entire Agreement between the parties with respect to the subject matter hereof and supersedes any prior agreements between the parties, written or oral, with respect to such subject matter.

14.4 This Agreement may not be amended, modified, or rescinded except by a written agreement executed by LICENSOR and LICENSEE.

EXECUTED BY LICENSOR and LICENSEE on the day and year first above written, in duplicate copies, each of which shall be deemed an original.

LICENSOR:

M. D. ANDERSON CANCER  
CENTER OUTREACH CORPORATION

By: \_\_\_\_\_  
(Name of Individual)

Title: \_\_\_\_\_

LICENSEE:

ORLANDO CANCER CENTER

By: \_\_\_\_\_  
(Name of Individual)

Title: \_\_\_\_\_

ATTACHMENT A  
LICENSED MARKS ARE:

M. D. Anderson Cancer Center Outreach Corporation

**ATTACHMENT B**

**LICENSED SERVICES ARE:**

In accordance with Licensee's purposes and emphases on the clinical, educational and scientific aspects of cancer care, the following services may be provided by Licensee in connection with the Licensed Marks listed in Attachment A:

1. Cancer Care Services provided in Surgery, Medicine, Radiotherapy, Diagnostic Imaging, Laboratory Medicine, Pathology, Pediatrics, Cancer Prevention, Nursing and Pharmacy;
2. Cancer Research Services; and
3. Cancer Education Services.

DRAFT of December 28, 1989

OUTREACH - HEMATOLOGY-ONCOLOGY ASSOCIATES  
OF CENTRAL FLORIDA  
LICENSE AGREEMENT

This License Agreement ("Agreement") is entered into effective as of the \_\_\_\_\_ day of \_\_\_\_\_, 1989, between the parties hereto, who agree as follows in consideration of the mutual promises contained herein:

1. PARTIES

- 1.1 M. D. Anderson Cancer Center Outreach Corporation (hereinafter referred to as LICENSOR) has a principal place of business at 1515 Holcombe, Houston, Texas 77030.
- 1.2 Hematology-Oncology Associates of Central Florida (hereinafter referred to as LICENSEE) has a principal place of business at \_\_\_\_\_ Orlando, Florida.
- 1.3 LICENSOR and LICENSEE are the parties to this Agreement.

2. BACKGROUND

- 2.1 LICENSOR has rights in certain marks identified in Attachment A hereto, and public recognition and goodwill have been acquired through the use of such marks.
- 2.2 LICENSEE recognizes the goodwill appurtenant to use of the marks and desires to obtain a nonexclusive license to utilize such marks. LICENSOR is willing to grant such a license under the terms and

conditions of this Agreement.

3. DEFINITIONS

- 3.1 MARKS include trademarks and service marks.
- 3.2 LICENSED MARKS means those marks listed in Attachment A, including common law rights, as well as any applications for registration or registrations which may be issued covering such marks, whether state or federal.
- 3.3 LICENSED SERVICES means those services specified in Attachment B hereto in connection with which any of the LICENSED MARKS are used.
- 3.4 TERM means the effective period of this Agreement, which shall commence on the EFFECTIVE DATE and which shall terminate, upon the earliest termination of any of the following Agreements:
- a. Orlando Cancer Center, Inc. Members' Agreement,
  - b. Agreement for Personnel to be Provided by M. D. Anderson Cancer Center Outreach Corporation to Orlando Cancer Center, Inc., and
  - c. Education Affiliation Agreement between The University of Texas M. D. Anderson Cancer Center and Orlando Cancer Center, Inc.

3.5 QUALITY means an acceptable level of quality to LICENSOR.

4. LICENSE GRANT

Subject to the terms and conditions of this Agreement, LICENSOR grants to LICENSEE the nonexclusive right and license to utilize the LICENSED MARKS during the TERM hereof: (a) solely in connection with the LICENSED SERVICES of QUALITY to be rendered through the Orlando Cancer Center in Orlando, Florida; and (b) with advertising and promotional material elsewhere to the extent appropriate to the provision of services in Orlando, Florida.

5. DEFAULT, TERMINATION

5.1 Upon expiration or termination of this Agreement, all rights granted to LICENSEE hereunder shall cease, and LICENSEE will refrain from further use of the LICENSED MARKS, or any mark or name reasonably deemed by LICENSOR to be similar to the LICENSED MARKS, in connection with the provision of or promotion of services. LICENSEE acknowledges that failure to comply with this provision will result in immediate and irreparable harm affording injunctive and any and all other appropriate relief to the owner of the LICENSED MARKS.

5.2 Upon expiration or termination of this Agreement, LICENSEE shall not operate its business in any manner which would falsely suggest to the public that this Agreement is still in force or that any relationship exists between LICENSEE and LICENSOR or the owner of the LICENSED MARKS.



6. GOODWILL IN LICENSED MARKS

LICENSEE agrees that the essence of this Agreement is founded on the goodwill associated with the LICENSED MARKS and the value of that goodwill in the minds of the consuming public. LICENSEE agrees that it is critical that such goodwill be protected and enhanced and, toward this end, LICENSEE shall not during the TERM or thereafter:

- (a) attack the title or any rights in or to the LICENSED MARKS;
- (b) apply to register or maintain any application or registration of the LICENSED MARKS or any other mark confusing similar thereto in any jurisdiction, domestic or foreign;
- (c) use any colorable imitation of any of the LICENSED MARKS, or any variant form (including variant design forms, logos, colors, or typestyles) of the LICENSED MARKS not specifically approved by LICENSOR;
- (d) misuse the LICENSED MARKS;
- (e) take any action that would bring the LICENSED MARKS into public disrepute;
- (f) use the LICENSED MARKS, or any mark or name confusingly similar thereto, in its corporate or trade name without approval of LICENSOR; or
- (f) take any action that would tend to destroy or diminish the goodwill in the LICENSED MARKS.

7. QUALITY CONTROL: ADVERTISING APPROVAL

7.1 All LICENSED SERVICES shall be QUALITY services. LICENSEE acknowledges that if LICENSED SERVICES were of inferior quality, the substantial goodwill in LICENSED MARKS would be impaired. Accordingly, LICENSEE agrees that all LICENSED SERVICES shall be of high quality.

7.2 All advertising and promotional material bearing the LICENSED MARKS shall be subject to the approval of LICENSOR. LICENSEE shall furnish advertising and promotional materials to LICENSOR, and to The University of Texas System Office of General Counsel, Intellectual Property Division, at 201 W. 7th St., Austin, Texas 78701. In addition, LICENSEE shall furnish to LICENSOR one (1) copy of any advertisement of LICENSED SERVICES used by LICENSEE. LICENSOR shall have one (1) month from receipt thereof in which to reject in writing the materials. In the absence of rejection, or upon earlier written acceptance, the materials will be deemed as accepted. LICENSEE shall furnish to LICENSOR a further sample of advertising if it desires to change the advertising. LICENSOR will have one (1) month to reject advertising. Failure to reject will be deemed acceptable.

8. MARKING

LICENSEE agrees that it will designate the LICENSED SERVICES in a manner as specified from time to time in writing by LICENSOR to indicate the rights of LICENSOR in the LICENSED MARKS, including registration status of the LICENSED MARKS and that the services are provided pursuant to license.

9. INDEMNITY/HOLD HARMLESS

LICENSEE agrees that it is wholly responsible for all services provided by it, including all LICENSED SERVICES, and that neither LICENSOR nor the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM (hereinafter "BOARD") shall have any liability for any services, including any LICENSED SERVICE, provided by LICENSEE. LICENSEE indemnifies and holds harmless LICENSOR and BOARD and the officers, employees, and agents thereof, from any claims, demands, causes of action and damages, including reasonable attorney's fees, caused or arising out of LICENSEE'S provision of professional services, including LICENSED SERVICES.

10. NOTICES

All notices or demands required to be made or permitted under this Agreement shall be in writing and shall be deemed served when deposited in the United States mail, first class postage prepaid, certified or registered mail, return receipt requested, addressed as provided in paragraph 1 of this Agreement, or to such other address as either party may from time to time designate in writing.

11. STATUS OF PARTIES

This Agreement is not intended to create, and shall not be interpreted or construed as creating, a partnership, joint venture, agency, employment, master and servant, or similar relationship between BOARD, LICENSOR and LICENSEE and no representation to the contrary shall be binding upon BOARD or LICENSOR.

12. BINDING EFFECT

This Agreement shall be binding upon and inure to the benefit of BOARD, LICENSOR and LICENSEE and their respective successors, assigns, executors, heirs, and personal representatives.

13. LAW GOVERNING

This Agreement shall for all purposes be governed by and interpreted and enforced in accordance with the laws of the State of Texas. LICENSEE hereby agrees that any action arising out of this Agreement shall be litigated under the laws of the State of Texas in a court of competent jurisdiction in Texas, and LICENSEE hereby agrees to submit to the jurisdiction of the courts of the State of Texas, and that service of process by certified mail, return receipt requested, shall be sufficient to confer in personam jurisdiction over LICENSEE.

14. MISCELLANEOUS

14.1 The provisions of this Agreement are severable, and if any provision shall be held illegal, invalid, or unenforceable, such holding shall not

affect the legality, validity, or enforceability of any other provision. Any such illegal, invalid, or unenforceable provision shall be deemed stricken herefrom as if it had never been contained herein, but all other provisions shall continue in full force and effect.

14.2 As used herein, the term LICENSEE shall include the plural as well as the singular, the masculine and feminine genders, and corporations, partnerships, and other business entities as well as individuals.

14.3 This Agreement contains the entire Agreement between the parties with respect to the subject matter hereof and supersedes any prior agreements between the parties, written or oral, with respect to such subject matter.

14.4 This Agreement may not be amended, modified, or rescinded except by a written agreement executed by LICENSOR and LICENSEE.

EXECUTED BY LICENSOR and LICENSEE on the day and year first above written, in duplicate copies, each of which shall be deemed an original.

LICENSOR:

M. D. ANDERSON CANCER  
CENTER OUTREACH CORPORATION

By: \_\_\_\_\_  
(Name of Individual)

Title: \_\_\_\_\_

LICENSEE:

HEMATOLOGY-ONCOLOGY  
ASSOCIATES OF CENTRAL  
FLORIDA

By: \_\_\_\_\_  
(Name of Individual)

Title: \_\_\_\_\_

ATTACHMENT A  
LICENSED MARKS ARE:

M. D. Anderson Cancer Center Outreach Corporation

**ATTACHMENT B**

**LICENSED SERVICES ARE:**

In accordance with Licensee's purposes and emphases on the clinical, educational and scientific aspects of cancer care, the following services may be provided by Licensee in connection with the Licensed Marks listed in Attachment A:

1. Cancer Care Services provided in Medicine, Cancer Prevention and Nursing;
2. Cancer Research Services; and
3. Cancer Education Services.

Finance and  
Facilities Com.



FINANCE AND FACILITIES COMMITTEE  
Committee Chairman Moncrief

Date: February 8, 1990  
Time: Following the meeting of the Health Affairs Committee  
Place: Board Room 316, Administration Building  
U. T. Pan American

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F&F

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8. U. T. Health Science Center - San Antonio -  
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9. U. T. M.D. Anderson Cancer Center: Request  
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Expansion; Authorize the President to  
Appoint a Project Consultant to Prepare  
Study; and Appropriation Therefor 10

I. FINANCE MATTER

U. T. System: Recommendation to Approve Chancellor's Docket No. 50.--

RECOMMENDATION

It is recommended that Chancellor's Docket No. 50 be approved.

It is requested that the committee confirm that authority to execute contracts, documents, or instruments approved therein has been delegated to the officer or official executing same.

II. FACILITIES MATTERS

1. U. T. Austin - Balcones Research Center - West Tract: Recommendation to Grant a .573 Acre Public Utility and Right-of-Way Easement to the City of Austin, Texas.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham to grant a .573 acre public utility and right-of-way easement from the U. T. Austin Balcones Research Center - West Tract to the City of Austin, Texas. The consideration for granting the easement will be obtained from Trammell Crow Company, Austin, Texas, on behalf of Stonebridge Development, Inc., Austin, Texas, acting on behalf of the majority of landowners in the Golden Triangle District, and shall consist of certain utilities located within and across Stonelake Boulevard, Capital of Texas Highway North, and York Boulevard, in Austin, Travis County, Texas, and the placement and use of excess soil and rock materials on the center tract of Balcones Research Center - East Tract.

BACKGROUND INFORMATION

This easement is located along the southern property line of an 8.3 acre tract owned by U. T. Austin and located west of MoPac (Loop 1) and due south of Microelectronics and Computer Technology Corporation, Inc. Granting of the easement will enhance the future development potential of the tract by providing for better access and the immediate availability of utilities. In addition, fill material will be placed on a tract of land low in elevation located between Balcones Research Center and MoPac and owned by U. T. Austin.

FINANCE AND FACILITIES COMMITTEE

ADDITIONAL ITEM

FEBRUARY 8, 1990

I. FINANCE MATTERS

2. U. T. Board of Regents: Recommendation to Amend the Regents' Rules and Regulations, Part Two, Chapter III, Section 4 (Local Institutional Funds).--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Asset Management and the chief business officers of the U. T. System component institutions that the Regents' Rules and Regulations, Part Two, Chapter III, Section 4 regarding the investment of local institutional funds be amended as set forth below in congressional style:

Sec. 4. Local Institutional Funds.

- 4.1 All local income not required to be deposited in the State Treasury must ~~[by-law]~~ be deposited in official depository banks for safekeeping or invested as specified by law and by The University of Texas System Institutional Funds Investment Policy.

4.11 ~~[Depository-agreements-with-official-depository-banks-shall-be negotiated,-as-necessary,-by-the System-Comptroller-with-these-banks approved-by-the-Board-and-in-accordance-with-the-then-current-policies-of-the-Board.---Such-depository agreements-shall-be-executed-by-the Chairman-of-the-Board.]~~

Funds held in demand or time deposits shall be deposited in official depository banks with which the Board has a depository agreement. Depository agreements may be negotiated and executed by the Executive Vice Chancellor for Asset Management when such agreements are in substantially the same form as a standard depository agreement approved by the Board and are with banks meeting the then current policies of the Board.

- 4.12 Requests for authorized signatures, or changes thereto, for bank accounts maintained in all depository banks, shall be forwarded to the System Comptroller, who, after review and approval, shall refer such requests to the Vice Chancellor for Business Affairs for notification of the banks concerned.
- 4.2 Depository banks selected shall furnish adequate surety bonds or securities to assure safety of these funds. Local Funds shall be deposited in the depository banks as soon as possible [~~7-but in-no-event-later-than-seven-days-from-the-date-of-collection~~]. Demand deposits and time deposits will be maintained in accordance with the current policies of the Board.
- 4.3 The Board and the chief administrative officers may not, by law, borrow money from any person, firm, or corporation to be repaid from Local Funds except as specifically authorized by the Legislature.
- 4.4 Interest on Time Deposits.--As permitted by statute, interest received from depository banks for funds on time deposit shall be credited to appropriate accounts in either general funds or trust funds in relationship to the sources of balances on time deposit, provided that disposition of such earning was not specified by the grantor. Interest received from Current Restricted Funds (Trust Funds) time deposits shall be subject to further appropriation or transfer by the Board for any lawful purpose.
- 4.5 The Executive Vice Chancellor for Asset Management shall invest, upon the request of the chief business officer of any component institution, local institutional funds as specified by law and by The University of Texas System Institutional Funds Investment Policy and shall negotiate and execute all agreements and instruments necessary for such investments.

#### BACKGROUND INFORMATION

At the October 1989 meeting of the U. T. Board of Regents, "The University of Texas System Institutional Funds Investment Policy" was approved. These amendments to the Regents' Rules and Regulations conform the Rules to the Public Funds Investment Act and specify the responsibilities of the Executive Vice Chancellor for Asset Management with regard to the investment of local funds within that policy and also delegate to the Executive Vice Chancellor for Asset Management authority to execute depository agreements which conform to the model approved by the Board.

2. U. T. Dallas: Report for the Record on a Facilities Site Study for the Cecil and Ida Green Center for the Study of Science and Society.--

#### REPORT

In accordance with authorization given by the U. T. Board of Regents at its October 1989 meeting, U. T. Dallas contracted for architectural consultation services related to a facility to house the Cecil and Ida Green Center for the Study of Science and Society. The Dallas firm of F&S Partners, Incorporated was employed to recommend locations and design concepts and to provide cost estimates for consideration at a future meeting of the Board. The consultant has provided those services and recommends a two-story, 14,600 square foot building to be centrally located on the U. T. Dallas campus. Estimated project cost for the building is \$2,433,000.

The design concept and the site selection will allow the Center to be effectively used as a place for informal gatherings of faculty as well as a repository for the Cecil Green papers, books and memorabilia, and as an office building for Center functions. The location and design concept also make the building an architectural focal point in the center of the campus.

The Chancellor, Executive Vice Chancellor for Academic Affairs and President Rutford concur in the recommendations of F&S Partners, Incorporated. It is anticipated that recommendations for the appointment of a project architect will be on the agenda for the April meeting of the U. T. Board of Regents and that a representative of F&S Partners, Incorporated will be present at that meeting to respond to questions from the Board.

3. U. T. El Paso: Recommendation to Approve Naming of a Campus Building (Regents' Rules and Regulations, Part One, Chapter VIII, Section 1, Subsection 1.1, Naming of Buildings).--

#### RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Natalicio that the U. T. Board of Regents approve naming the Physical Plant facility at U. T. El Paso the Carl Hertzog Building. This recommendation is in accordance with the Regents' Rules and Regulations, Part One, Chapter VIII, Section 1, Subsection 1.1, relating to the naming of buildings.

This item requires the concurrence of the Academic Affairs Committee.

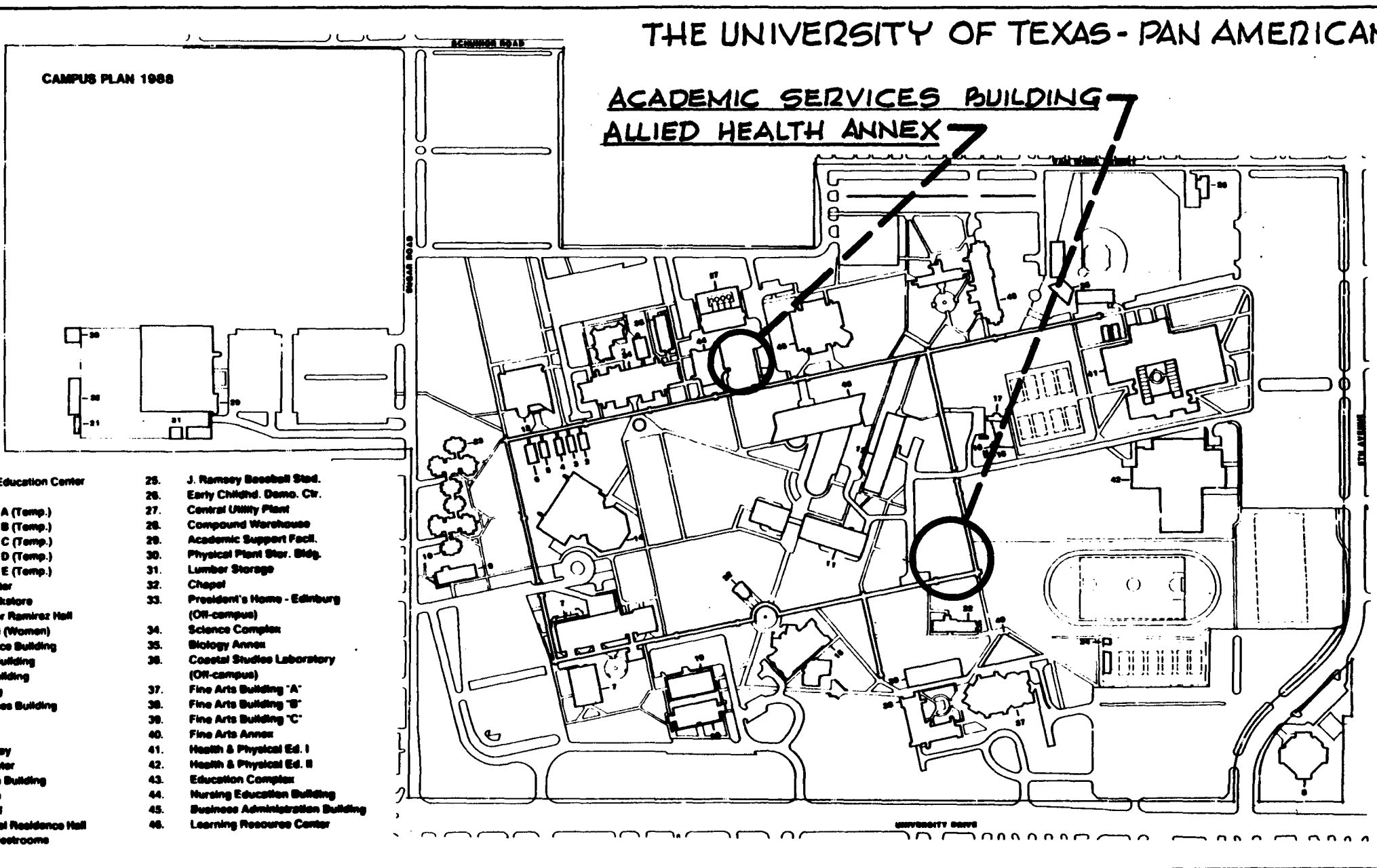
# THE UNIVERSITY OF TEXAS - PAN AMERICAN

**ACADEMIC SERVICES BUILDING**  
**ALLIED HEALTH ANNEX**

CAMPUS PLAN 1988

## LEGEND

- |                                                 |                                              |
|-------------------------------------------------|----------------------------------------------|
| 1. Site Of Safety Education Center (Off-campus) | 25. J. Ramsey Baseball Stad.                 |
| 2. Office Building A (Temp.)                    | 26. Early Child. Demo. Ctr.                  |
| 3. Office Building B (Temp.)                    | 27. Central Utility Plant                    |
| 4. Office Building C (Temp.)                    | 28. Compound Warehouse                       |
| 5. Office Building D (Temp.)                    | 29. Academic Support Facil.                  |
| 6. Office Building E (Temp.)                    | 30. Physical Plant Str. Bldg.                |
| 7. University Center                            | 31. Lumber Storage                           |
| 8. University Bookstore                         | 32. Chapel                                   |
| 9. Emilla Schunior Ramirez Hall                 | 33. President's Home - Edinburg (Off-campus) |
| 10. Residence Hall (Women)                      | 34. Science Complex                          |
| 11. Physical Science Building                   | 35. Biology Annex                            |
| 12. Mathematics Building                        | 36. Coastal Studies Laboratory (Off-campus)  |
| 13. Liberal Arts Building                       | 37. Fine Arts Building "A"                   |
| 14. C.A.S. Building                             | 38. Fine Arts Building "B"                   |
| 15. Student Services Building                   | 39. Fine Arts Building "C"                   |
| 16. Observatory                                 | 40. Fine Arts Annex                          |
| 17. Planetarium                                 | 41. Health & Physical Ed. I                  |
| 18. South Roll-Away                             | 42. Health & Physical Ed. II                 |
| 19. Computer Center                             | 43. Education Complex                        |
| 20. Administration Building                     | 44. Nursing Education Building               |
| 21. Grounds Shop                                | 45. Business Administration Building         |
| 22. Southwick Hall                              | 46. Learning Resource Center                 |
| 23. Darrel K. Tronel Residence Hall             |                                              |
| 24. Physical Ed. Restrooms                      |                                              |



## BACKGROUND INFORMATION

The proposed building naming is in honor of Mr. J. Carl Hertzog, deceased 1984, who served as a faculty member at U. T. El Paso and founded and directed the University's Texas Western Press. Mr. Hertzog was highly regarded as a distinguished printer and book designer. The Physical Plant facility has recently been remodeled and now houses the University Print Shop, News and Publications Office and the Texas Western Press, activities with which Mr. Hertzog was associated during his tenure at U. T. El Paso.

4. U. T. Pan American - Academic Services Building and Allied Health Annex: Request for Authorization of Projects; Appointment of Project Architect to Prepare Preliminary Plans; and Appropriation Therefor.--

## RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Nevarez that the U. T. Board of Regents:

- a. Authorize projects for the construction of an Academic Services Building and an Allied Health Annex at U. T. Pan American at an estimated total project cost of \$9,950,000
- b. Appoint the firm of Graeber, Simmons & Cowan, Inc., Austin, Texas, as Project Architect to prepare preliminary plans and a detailed cost estimate that will be submitted to the U. T. Board of Regents for consideration at a future meeting
- c. Appropriate \$200,000 from ad valorem taxes as a temporary source of funding for fees and administrative expenses through completion of preliminary plans. It is anticipated that these funds will be repaid from Higher Education Assistance Fund (HEAF) bond proceeds.

This item requires the concurrence of the Academic Affairs Committee.

## BACKGROUND INFORMATION

In August 1989, the Board of Regents of Pan American University authorized the preparation of a project analysis for the construction of an Academic Services Building and an Allied Health Annex on the campus of Pan American University (now U. T. Pan American). The firm of Graeber, Simmons & Cowan, Inc., Austin, Texas, was appointed by the Pan American University Board of Regents to prepare the analysis. It was completed in consultation with the U. T. System Office of Facilities Planning and Construction in October 1989.

The proposed Academic Services Building will be a new two-level facility of approximately 61,075 gross square feet. The building is programmed to house two primary areas: computer instruction and laboratory space; and space for



academic support components including Audio/Visual (A/V) Production, academic support administration, A/V and Computer Repair, a major teaching theater and faculty offices.

The proposed Allied Health Annex will be constructed as a two-level, 24,000 gross square foot addition to the existing Nursing Education Building. The Annex will contain additional space for the existing programs of Nursing, Physical Therapy and Rehabilitative Services and for teaching and research laboratories, and faculty offices.

It is requested that the proposed facilities be designed concurrently by a single Project Architect so that plans and specifications may be prepared in a manner that will allow both facilities to be constructed under a single contract if it is determined to be advantageous.

These proposed facilities have been submitted for initial consideration to the Texas Higher Education Coordinating Board at its January 1990 meeting with final consideration anticipated at the April 1990 meeting. Funding for the proposed projects will be from bonds to be repaid from Higher Education Assistance Fund (HEAF) appropriations.

Since U. T. Pan American became a part of the U. T. System effective September 1, 1989, these projects will be considered as additions to the current Capital Improvement Program and the 1989-1990 Capital Budget.

5. U. T. San Antonio: Authorization to Sell 209 Sir Arthur Court, Castle Hills, Bexar County, Texas.--

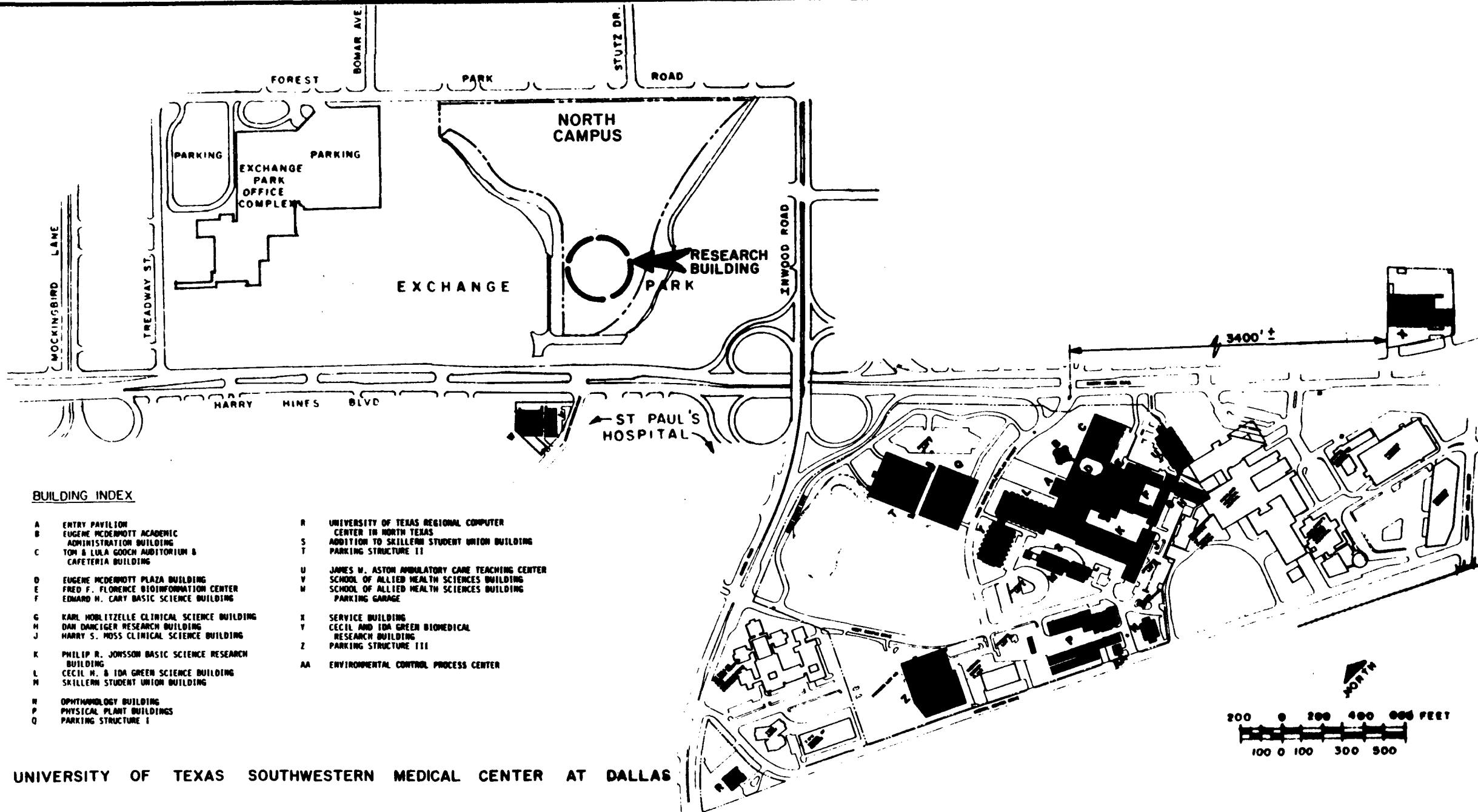
#### RECOMMENDATION

The Chancellor concurs with the recommendation of the Executive Vice Chancellor for Academic Affairs to sell the residence located at 209 Sir Arthur Court in Castle Hills, Bexar County, Texas, for the benefit of U. T. San Antonio.

It is further recommended that the Vice President for Business Affairs at U. T. San Antonio or his delegate be authorized to execute contracts and closing documents required for the sale following approval by the Executive Vice Chancellor for Asset Management, the Executive Director for Lands and Endowment Real Estate and the Office of General Counsel. Proceeds from the sale will be returned to the source for the original purchase which was General Tuition Revenue Bonds and related interest.

#### BACKGROUND INFORMATION

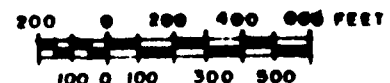
President Kirkpatrick is being provided a housing allowance as part of his compensation package. Thus, the house which has been owned and maintained by U. T. San Antonio since 1973 for previous presidents is no longer needed. The property will be marketed by Kuper Realty of San Antonio, Texas, who will receive a standard six percent commission upon closing.



**BUILDING INDEX**

- |   |                                                   |    |                                                             |
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| B | EUGENE McDERMOTT ACADEMIC ADMINISTRATION BUILDING | S  | ADDITION TO SKILLERN STUDENT UNION BUILDING                 |
| C | TOM & LULA GOOCH AUDITORIUM & CAFETERIA BUILDING  | T  | PARKING STRUCTURE II                                        |
| D | EUGENE McDERMOTT PLAZA BUILDING                   | U  | JAMES W. ASTON AMBULATORY CARE TEACHING CENTER              |
| E | FRED F. FLORENCE BIOINFORMATION CENTER            | V  | SCHOOL OF ALLIED HEALTH SCIENCES BUILDING                   |
| F | EDWARD H. CARY BASIC SCIENCE BUILDING             | W  | PARKING GARAGE                                              |
| G | KARL NOBLITZELLE CLINICAL SCIENCE BUILDING        | X  | SERVICE BUILDING                                            |
| H | DAN DANCIGER RESEARCH BUILDING                    | Y  | CECIL AND IDA GREEN BIOMEDICAL RESEARCH BUILDING            |
| J | HARRY S. MOSS CLINICAL SCIENCE BUILDING           | Z  | PARKING STRUCTURE III                                       |
| K | PHILIP R. JOHNSON BASIC SCIENCE RESEARCH BUILDING | AA | ENVIRONMENTAL CONTROL PROCESS CENTER                        |
| L | CECIL H. & IDA GREEN SCIENCE BUILDING             |    |                                                             |
| M | SKILLERN STUDENT UNION BUILDING                   |    |                                                             |
| N | OPHTHALMOLOGY BUILDING                            |    |                                                             |
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| Q | PARKING STRUCTURE I                               |    |                                                             |

THE UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL CENTER AT DALLAS



EXISTING SITE PLAN

6. U. T. San Antonio: Recommendation to Grant a 2.282 Acre Right-of-Way Easement to the State Department of Highways and Public Transportation.--

RECOMMENDATION

The Chancellor concurs with the recommendation of the Executive Vice Chancellor for Academic Affairs and President Kirkpatrick to grant a 2.282 acre right-of-way easement to the State Department of Highways and Public Transportation on the north and west sides of the U. T. San Antonio campus for completion of frontage roads for Loop 1604, enlargement of two campus entrances and widening of Babcock Road. Those portions of the easement which improve the entrances to the campus and internal circulation will be granted at no cost while the acreage which will be used for through traffic will be sold at its appraised value.

BACKGROUND INFORMATION

In 1972, the U. T. Board of Regents granted a right-of-way easement for Loop 1604 from campus property. Now that final design of the new Loop 1604 is complete, this additional acreage is required for completion of the roadway to meet existing and projected future traffic needs for northern Bexar County. This expansion will also enhance access to the campus and traffic safety at its perimeter. New entrances from Loop 1604 onto campus will be constructed by the Highway Department at no cost to U. T. San Antonio. This request for authorization is being made prior to receipt of the appraised value of the land because the State Department of Highways and Public Transportation plans to commence work on the project as early as May 1990.

7. U. T. Southwestern Medical Center - Dallas - Research Building - Phase I North Campus Expansion (Project No. 303-702): Presentation of Preliminary Plans; Authorization to Prepare Final Plans for Staged Construction; Authorization to Advertise for Bids and for the Executive Committee to Award Contracts for First Stages.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs and President Wildenthal that the U. T. Board of Regents:

- a. Approve preliminary plans for the construction of the first phase of development on the North Campus of the U. T. Southwestern Medical Center - Dallas to consist of a Research Building with support facilities and a Thermal Energy Building and utility/site infrastructure at an estimated total project cost of \$52,500,000, exclusive of institutional equipment

- b. Authorize the Project Architect to prepare final plans and specifications in such a manner that contracts can be awarded in the following stages:
  1. Prepurchase of energy plant equipment
  2. Construction of roads, utility distribution and site infrastructure
  3. General construction of the Research Building and Thermal Energy Plant
- c. Upon completion of final review, authorize the Office of Facilities Planning and Construction to advertise for bids and the Executive Committee to award contracts for the first two stages. Final plans for the third stage will be presented to the U. T. Board of Regents for consideration at a future meeting.

#### BACKGROUND INFORMATION

In accordance with authorization of the U. T. Board of Regents in April 1989, preliminary plans and a detailed cost estimate for the construction of the first phase of development on the North Campus of the U. T. Southwestern Medical Center - Dallas to consist of a Research Building with support facilities and a Thermal Energy Building and utility/site infrastructure have been prepared by the Project Architect, F&S Partners, Inc., Dallas, Texas.

The Research Building will be a thirteen-level facility containing approximately 419,250 gross square feet of research laboratories and direct research support areas (8 levels), animal resources support (1 level), indirect laboratory support (1 level), and entry/service and parking (3 levels). Approximately three research levels will be shelled space. The estimated construction cost of the Research Building is \$34,600,000, resulting in an average unit cost of \$82.53 per gross square foot. Additional construction for the Thermal Energy Plant and related infrastructure is \$9,665,000. The estimated total project cost of Phase I including the Research Building, the Thermal Energy Plant, and the site infrastructure is \$52,500,000.

Authorization is requested for early purchase of Thermal Energy Plant equipment and award of site development contracts to assure that utilities will be available at the appropriate stage of construction and that the site will be accessible to the general construction contractor.

This project is included in the U. T. System Capital Improvement Program approved in June 1989 and the FY 1990 Capital Budget approved in August 1989 by the U. T. Board of Regents.

The Research Building was approved by the Texas Higher Education Coordinating Board in October 1989.

8. U. T. Health Science Center - San Antonio - Basic Science Building Fifth Level Completion (Project No. 402-608): Proposed Acceptance of Findings and Recommendations of Hearing Officer.--

#### RECOMMENDATION

Chancellor Mark and Vice Chancellor and General Counsel Farabee recommend that the U. T. Board of Regents accept the Findings and Recommendations of the Hearing Officer with regard to claims by Peco, Inc. d/b/a Peco Construction Company, San Antonio, Texas, for additional costs associated with the construction of the fifth level of the Basic Science Building at the U. T. Health Science Center - San Antonio. In summary, the findings and recommendations are as follows: "...that both claims are untimely and that Chancellor Mark's decision dated May 19, 1989, is correct. I recommend that these claims be denied."

#### BACKGROUND INFORMATION

In accordance with accepted procedures regarding the appeals process in construction disputes, first Mr. Kristoferson, Director of the Office of Facilities Planning and Construction, and then Chancellor Mark heard the appeal of Peco, Inc. and each rejected the claim for additional compensation based upon lack of timeliness, one of the basic conditions of the contract.

Peco, Inc. exercised its right to appeal to the U. T. Board of Regents and at the August 1989 meeting the Board appointed Mr. George W. Overshiner as a Hearing Officer to hear the disputed claims. Mr. Overshiner's report is dated January 12, 1990, and concludes with this sentence:

"For all of the above reasons I concur with the May 19, 1989, decision of Chancellor Hans Mark and recommend that the claim or claims be entirely denied."

Mr. Overshiner's report is on file in the Office of the Board of Regents.

9. U. T. M.D. Anderson Cancer Center: Request for Authorization to Prepare a Functional and Space Programming Study for Future Expansion; Authorize the President to Appoint a Project Consultant to Prepare Study; and Appropriation Therefor.--

#### RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs and President LeMaistre that the U. T. Board of Regents:

- a. Authorize preparation of a functional and space planning study for future expansion at the U. T. M.D. Anderson Cancer Center specifically relating to facilities to be placed in a new research and clinical facility currently referred to as the Bertner Street Building, while recognizing its relationship to overall campus requirements and plans
- b. Authorize the President of the U. T. M.D. Anderson Cancer Center, with the approval of the Executive Vice Chancellor for Health Affairs and the Office of Facilities Planning and Construction, to appoint a Project Consultant to prepare a study for consideration at a future meeting of the U. T. Board of Regents
- c. Appropriate \$300,000 from U. T. M.D. Anderson Cancer Center Unappropriated Plant Fund Balances for fees and administrative expenses through completion of the functional and space planning study.

This item requires the concurrence of the Health Affairs Committee.

#### BACKGROUND INFORMATION

The recently completed Campus Master Plan for the U. T. M.D. Anderson Cancer Center recommended that a study of the movement of patients, visitors, staff and materials both externally and internally be conducted. At the October 1989 meeting of the U. T. Board of Regents, such a study was authorized and the firm of Lockwood Andrews and Newnam Architects, (LAN) Houston, Texas, was appointed to do the study.

The Master Plan also identified several potential sites for future buildings. The next step in the planning process, and preliminary to presenting a specific request for a building project to the U. T. Board of Regents for approval, would be a study of comprehensive functional and space needs. Functional programming would determine the requirements of each service (function) in terms of staffing, equipment and circulation while space programming would translate the functional program requirements into area requirements to determine

building site and the amount of space and spatial characteristics required for every room and/or service. This type of programming should be done prior to any architectural design planning and should be closely coordinated with the LAN study on circulation patterns.

Preliminary planning for projected growth in patient care and research needs indicates that a new facility is required. This facility, which is currently referred to as the Bertner Street Building, was included in the six-year Capital Improvement Program approved by the U. T. Board of Regents in June 1989.

Land and  
Investment Comm.



LAND AND INVESTMENT COMMITTEE  
Committee Chairman Ratliff

Date: February 8, 1990  
Time: Following the meeting of the Finance and  
Facilities Committee  
Place: Board Room 316, Administration Building  
U. T. Pan American

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L&I

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Investment Matters

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ber 31, 1989

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U. T. SYSTEM

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ber 1, 1990
2. Recommendation to Increase the Annual  
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of The University of Texas System Com-  
mon Trust Fund Effective Septem-  
ber 1, 1990

8

8

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U. T. AUSTIN

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U. T. AUSTIN

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U. T. SOUTHWESTERN MEDICAL CENTER - DALLAS

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U. T. SYSTEM

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I. PERMANENT UNIVERSITY FUND

INVESTMENT MATTERS

Report on Clearance of Monies to the Permanent University Fund for November and December 1989 and Report on Oil and Gas Development as of December 31, 1989.--The following reports with respect to (a) certain monies cleared to the Permanent University Fund for November and December 1989 and (b) Oil and Gas Development as of December 31, 1989, are submitted by the Executive Vice Chancellor for Asset Management:

	<u>November 1989</u>	<u>December 1989</u>	<u>Cumulative Through December of this Fiscal Year (1989-1990)</u>	<u>Cumulative Through December of Preceding Fiscal Year (1988-1989)</u>	<u>Per Cent Change</u>
Permanent University Fund					
Royalty					
Oil	\$ 3,991,715.81	\$ 4,525,711.53	\$16,853,124.65	\$13,780,738.50	22.29%
Gas	1,411,098.74	1,490,243.53	6,089,076.55	6,389,050.16	-4.70%
Sulphur	125,481.00	622.00	163,919.75	86,926.50	--
Water	49,789.97	51,609.79	294,230.89	254,578.30	15.58%
Brine	4,491.03	5,680.40	21,547.33	9,712.54	121.85%
Trace Minerals	0.00	0.00	0.00	0.00	--
Rental					
Oil and Gas Leases	61,656.89	57,546.61	579,600.26	609,402.35	-4.89%
Other	100.00	500.00	2,390.70	2,120.00	--
Sale of Sand, Gravel, Etc.	0.00	1,151.10	1,151.10	34,887.45	--
Total University Lands Receipts Before Bonuses	<u>5,644,333.44</u>	<u>6,133,064.96</u>	<u>24,005,041.23</u>	<u>21,167,415.80</u>	<u>13.41%</u>
Bonuses					
Oil and Gas Lease Sales	0.00	2,160,415.16	2,160,415.16	2,554,807.73	--
Amendments and Extensions to Mineral Leases	<u>0.00</u>	<u>160.00</u>	<u>160.00</u>	<u>641.11</u>	<u>--</u>
Total University Lands Receipts	5,644,333.44	8,293,640.12	26,165,616.39	23,722,864.64	10.30%
Gain or (Loss) on Sale of Securities	<u>7,087,997.83</u>	<u>7,081,194.20</u>	<u>26,749,721.59</u>	<u>64,488,103.16</u>	<u>-58.52%</u>
<b>TOTAL CLEARANCES</b>	<u>\$12,732,331.27</u>	<u>\$15,374,834.32</u>	<u>\$52,915,337.98</u>	<u>\$88,210,967.80</u>	<u>-40.01%</u>

Oil and Gas Development - December 31, 1989  
Acreage Under Lease - 694,921

Number of Producing Acres - 542,169

Number of Producing Leases - 2,166

II. COMMON TRUST FUND

1. U. T. System: Recommendation to Amend The Charter of The University of Texas System Common Trust Fund Effective September 1, 1990.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Asset Management that the Charter of the U. T. System Common Trust Fund, Article VI, Paragraph 2, on accounting for the Common Trust Fund be amended effective September 1, 1990, as shown below in congressional style:

2. Book value of the Fund shall be maintained on [~~a-cash-receipts-and-disbursements-basis-except-that-bond-premiums-and-discounts-shall-be-amortized-with discounts-amortized-to-par-on-the-final maturity-date-and-premiums-amortized-to the-next-call-price-on-that-call-date and-succeeding-call-prices-and-dates thereafter-until-maturity~~] an accrual basis in compliance with Financial Accounting Standards Board or Government Accounting Standards Board Statements, whichever is applicable. Asset write-offs or write-downs shall be determined by the Executive Vice Chancellor for Asset Management.

BACKGROUND INFORMATION

The proposed change in the accounting method specified in the Charter of the U. T. System Common Trust Fund will bring the accounting for the Common Trust Fund in line with accounting changes proposed under the uniform state-wide accounting project.

2. U. T. System: Recommendation to Increase the Annual Guideline Distribution Amount Per Unit of The University of Texas System Common Trust Fund Effective September 1, 1990.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Asset Management that the annual guideline distribution amount per unit for The University of Texas System Common Trust Fund be increased from 16.5¢ per unit to 17¢ per unit as of September 1, 1990.



## BACKGROUND INFORMATION

The Charter of the U. T. System Common Trust Fund states that the per unit distribution amount of the Common Trust Fund shall be the lesser of (a) the per unit cash income received plus the per unit amount available in an income reserve or (b) the annual guideline amount per unit established by the U. T. Board of Regents. At the October 1987 meeting, the U. T. Board of Regents established the annual guideline distribution amount per unit at 16.5¢ per unit. Based on financial reviews of the Common Trust Fund, the increased distribution level should continue to allow the Common Trust Fund to grow at least with the rate of inflation while helping to address the compelling need for revenue to support the purposes of these endowments at the campuses.

### III. TRUST AND SPECIAL FUNDS

#### Gifts, Bequests and Estates

1. U. T. Austin: Recommendation to Accept Gift and Transfer of Funds to Establish the Austin Industries Endowed Faculty Fellowship in Civil Engineering in the College of Engineering and Eligibility for Matching Funds Under The Regents' Endowed Teachers and Scholars Program.--

## RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that a \$33,000 gift from Austin Industries, Inc., Dallas, Texas, and a \$34,000 transfer of previously reported gifts from current restricted funds for a total of \$67,000 be accepted to establish the Austin Industries Endowed Faculty Fellowship in Civil Engineering in the Department of Civil Engineering, College of Engineering, at U. T. Austin.

Additionally, it is recommended that \$33,000 in matching funds be allocated under The Regents' Endowed Teachers and Scholars Program and used to increase the endowment to a total of \$100,000.

Income earned from the endowment will be used to support a professor who works in the area of construction materials and who will work closely with students who are preparing to work directly in the construction industry.

## BACKGROUND INFORMATION

Mr. William T. Solomon, Chairman and President of Austin Industries, Inc., is a member of the College of Engineering Foundation Advisory Council.

2. U. T. Austin: Recommendation to Accept Gift and Pledge to Establish The BFGoodrich Endowed Professorship in Materials Engineering in the College of Engineering; Allocate Funds from the College of Engineering Challenge Grant and Eligibility for Matching Funds Under The Regents' Endowed Teachers and Scholars Program.--

#### RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that a \$24,225 gift and a \$48,450 pledge, payable by December 31, 1991, from the BFGoodrich Company, Brecksville, Ohio, for a total of \$72,675 be accepted to establish The BFGoodrich Endowed Professorship in Materials Engineering in the College of Engineering at U. T. Austin.

It is further recommended that \$104,650 be allocated from the College of Engineering Challenge Grant received from an anonymous donor and used to increase the endowment to a total of \$177,325.

Additionally, it is recommended that \$72,675 in matching funds be allocated under The Regents' Endowed Teachers and Scholars Program and used to increase the endowment to a total of \$250,000.

#### BACKGROUND INFORMATION

The BFGoodrich Company believes that the College of Engineering's interest in Materials Science and Engineering will make an important contribution to maintaining the strong technological position of the United States.

This endowment is being established under the College of Engineering Challenge for Excellence Program as set out in the Minutes of the June 1988 meeting of the U. T. Board of Regents whereby a challenge grant of \$4,500,000 was accepted from an anonymous donor to enhance and achieve a high level of excellence in the four areas of advanced research and teaching which relate closely to the mission of SEMATECH and the Microelectronics and Computer Technology Corporation (MCC).

3. U. T. Austin: Recommendation to Accept Gifts, Pledges and Transfer of Funds to Establish the Judge Jerry Buchmeyer Endowed Presidential Scholarship in Law in the School of Law.--

#### RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that \$6,275 in gifts and \$3,925 in pledges, payable by August 31, 1993, from various donors and a \$14,800 transfer of previously reported gifts from current restricted funds for a total of \$25,000 be accepted to establish the Judge Jerry Buchmeyer Endowed Presidential Scholarship in Law in

the School of Law at U. T. Austin. Funds in the amount of \$10,200 will be held and administered by The University of Texas Law School Foundation (an external foundation) in accordance with the Regents' Rules and Regulations, and \$14,800 will be held and administered by the U. T. Board of Regents.

Income earned from the endowment will be used to award scholarships to students based on need or merit at the discretion of the Dean of the Law School or his designated representative.

#### BACKGROUND INFORMATION

Judge Buchmeyer received his B.A. in 1955 and his LL.B. in 1957 from U. T. Austin. He currently serves as Judge for the United States District Court in Dallas, Texas.

4. U. T. Austin: Recommendation to Accept Gift to Establish the Dr. and Mrs. Ernest C. Butler Endowed Presidential Scholarship in Opera in the College of Fine Arts and Allocate Previously Approved Pledge and Matching Funds.--

#### RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that a \$10,000 gift from Dr. and Mrs. Ernest C. Butler, Austin, Texas, be accepted to establish the Dr. and Mrs. Ernest C. Butler Endowed Presidential Scholarship in Opera in the College of Fine Arts at U. T. Austin.

Income earned from the endowment will be used to award scholarships based upon merit to incoming and continuing graduate students who are United States citizens.

It is further recommended that \$30,000 be allocated from the Graduate Fellowships in the Fine and Performing Arts previously approved challenge matching program for addition to the scholarship for a total endowment of \$40,000. This \$30,000 represents a \$20,000 pledge and \$10,000 in previously allocated matching funds under The Regents' Endowed Student Fellowship and Scholarship Program.

#### BACKGROUND INFORMATION

Ernest C. Butler, M.D., is a member of The President's Associates and The Chancellor's Council. He is a Life Member of The Ex-Students' Association.

The Graduate Fellowships in the Fine and Performing Arts were established at the June 1988 meeting of the U. T. Board of Regents with a \$500,000 pledge from an anonymous donor.

The pledge qualified for matching under The Regents' Endowed Student Fellowship and Scholarship Program and matching funds of \$250,000 were allocated to increase the Fellowships. The purpose of the Graduate Fellowships is to match gifts received in the fine and performing arts.

5. U. T. Austin: Recommendation to Accept Gifts and Pledges to Establish the Chemistry Faculty-Regents Scholarship and Fellowship Fund in the College of Natural Sciences.--

#### RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that \$30,075 in gifts and \$35,500 in pledges, payable by August 31, 1993, from various donors for a total of \$65,575 be accepted to establish the Chemistry Faculty-Regents Scholarship and Fellowship Fund in the Department of Chemistry, College of Natural Sciences, at U. T. Austin.

Income earned from the endowment will be used to award scholarships based on merit to undergraduate and graduate students who are majoring in Chemistry.

#### BACKGROUND INFORMATION

This Fund is being funded by faculty members of the Department of Chemistry and anonymous donors.

6. U. T. Austin: Recommendation to Designate Funds to Establish the Billy Bob Draeger Friend of Alec Research Fund in the College of Engineering.--

#### RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that a previously approved bequest of approximately \$12,440 from the Estate of Billy Bob Draeger, Houston, Texas, be designated to establish the Billy Bob Draeger Friend of Alec Research Fund in the College of Engineering at U. T. Austin.

Income earned from the endowment will be used to support research within the College of Engineering.

#### BACKGROUND INFORMATION

At the October 1989 meeting, the U. T. Board of Regents accepted a bequest of approximately \$24,880 from the Estate of Billy Bob Draeger, Houston, Texas, for support of research

in humanities within the College of Liberal Arts and in engineering within the College of Engineering. Each of the named colleges received one-half of the total distribution.

Mrs. Billy Bob Draeger, received her B.A. in History in 1933 from U. T. Austin and was a member of The President's Associates.

7. U. T. Austin: Recommendation to Redesignate Previously Approved Funds and Accept Gifts to Establish the Engineering Foundation Endowed Faculty Fellowship No. 1 in the College of Engineering; Allocate Funds from the College of Engineering Challenge Grant and Eligibility for Matching Funds Under The Regents' Endowed Teachers and Scholars Program.--

#### RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that \$14,660 in previously approved gifts from the T. L. L. Temple Foundation, Lufkin, Texas, \$20,928 previously allocated from the College of Engineering Challenge Grant received from an anonymous donor, and \$14,536 in previously approved Regents' Endowed Teachers and Scholars Program matching funds for a total of \$50,124 be redesignated and \$14,412 in gifts from various donors be accepted for a total of \$64,536 to be used to establish the Engineering Foundation Endowed Faculty Fellowship No. 1 in the College of Engineering at U. T. Austin.

It is further recommended that \$20,928 be allocated from the College of Engineering Challenge Grant received from an anonymous donor and used to increase the endowment to a total of \$85,464.

Additionally, it is recommended that \$14,536 in matching funds be allocated under The Regents' Endowed Teachers and Scholars Program and used to increase the endowment to a total of \$100,000.

#### BACKGROUND INFORMATION

At the August 1989 meeting, the U. T. Board of Regents accepted a pledge of \$1,565,260 from the T. L. L. Temple Foundation and allocated the first \$342,396 among several new and existing endowments for the College of Engineering. Of this \$342,396, \$14,536 was allocated to the previously established Engineering Foundation Endowed Faculty Fellowship No. 1. Funds in the amount of \$20,928 from an anonymous donor's challenge approved by the U. T. Board of Regents at the June 1988 meeting and \$14,536 of matching funds from The Regents' Endowed Teachers and Scholars Program were also approved for addition to this endowment. Concurrent with this action, the Engineering Foundation Endowed Faculty Fellowship No. 1 was redesignated as the Archie W. Straiton Endowed Faculty Fellowship in Engineering in recognition of an additional gift from Dr. Straiton. The College of Engineering now requests that the Temple Foundation funds along with appropriate challenge and matching funds be used to establish a new endowment.

The T. L. L. Temple Foundation was established in 1962 by Mrs. Georgie Temple Munz, T. L. L. Temple's daughter. Mr. Temple founded Southern Pine Lumber Company in 1894 which became Temple Industries, Inc. The Foundation supports hospitals, education, child welfare, community funds and libraries.

8. U. T. Austin: Recommendation to Accept Gifts to Establish the Constance Forsyth Scholarship in Printmaking in the College of Fine Arts.--

#### RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that a \$3,000 gift from Mrs. Evelyn Selby, Austin, Texas, and \$9,500 in gifts from various donors for a total of \$12,500 be accepted to establish the Constance Forsyth Scholarship in Printmaking in the Department of Art, College of Fine Arts, at U. T. Austin.

Income earned from this endowment will be used to award scholarships to meritorious undergraduate or graduate students in printmaking. These will be competitive scholarships, with recipients selected by a faculty committee on the basis of art works submitted for evaluation.

#### BACKGROUND INFORMATION

Professor Forsyth's sister, Mrs. Evelyn Selby, and various donors are funding this endowment in memory of Professor Forsyth. Professor Forsyth joined the Department of Art in 1940 to establish the printmaking program at U. T. Austin. She was named Professor Emeritus in 1973. In addition to her contributions to printmaking, Professor Forsyth was known internationally for her own art.

9. U. T. Austin: Recommendation to Accept Gifts and Pledges to Establish the Friends of Chemistry-Regents Scholarship and Fellowship Fund in the College of Natural Sciences.--

#### RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that \$11,400 in gifts and \$13,600 in pledges, payable by August 31, 1993, from various donors for a total of \$25,000 be accepted to establish the Friends of Chemistry-Regents Scholarship and Fellowship Fund in the Department of Chemistry, College of Natural Sciences, at U. T. Austin.

Income earned from the endowment will be used to award scholarships and fellowships based on merit to students of chemistry. This endowment will support excellence in the pursuit of scientific knowledge.

## BACKGROUND INFORMATION

Various friends of the Department of Chemistry are funding this endowment in support of the Department.

10. U. T. Austin: Recommendation to Accept Gift of Securities, Pledge and Corporate Matching Funds to Establish the June and Gene Gillis Endowed Faculty Fellowship in Manufacturing Systems Engineering in the College of Engineering; Allocate Funds from the College of Engineering Challenge Grant and Eligibility for Matching Funds Under The Regents' Endowed Teachers and Scholars Program.--

## RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that a gift of Exxon Corporation common stock which realized proceeds of \$4,108 and a \$3,160 pledge, payable by December 31, 1991, from Mr. and Mrs. M. E. "Gene" Gillis, Houston, Texas, and \$21,804 in requested corporate matching funds from the Exxon Education Foundation, Florham Park, New Jersey, for a total of \$29,072 be accepted to establish the June and Gene Gillis Endowed Faculty Fellowship in Manufacturing Systems Engineering in the College of Engineering at U. T. Austin.

It is further recommended that \$41,860 be allocated from the College of Engineering Challenge Grant received from an anonymous donor and used to increase the endowment to a total of \$70,932.

Additionally, it is recommended that \$29,068 in matching funds be allocated under The Regents' Endowed Teachers and Scholars Program and used to increase the endowment to a total of \$100,000.

## BACKGROUND INFORMATION

Mr. M. E. Gillis, a Distinguished Graduate of the College of Engineering and a member of the College of Engineering Foundation Advisory Council, received his B.S.Ch.E. in 1951 from U. T. Austin. He is currently President of Exxon Chemical Americas, a division of Exxon Corporation.

This endowment is being established under the College of Engineering Challenge for Excellence Program as set out in the Minutes of the June 1988 meeting of the U. T. Board of Regents whereby a challenge grant of \$4,500,000 was accepted from an anonymous donor to enhance and achieve a high level of excellence in the four areas of advanced research and teaching which relate closely to the mission of SEMATECH and the Microelectronics and Computer Technology Corporation (MCC).

11. U. T. Austin: Recommendation to Accept Gifts, Pledges and Transfer of Funds to Establish the Chief Justice Joe R. Greenhill Endowed Presidential Scholarship in Law in the School of Law.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that \$26,863.33 in gifts, \$4,366.67 in pledges, payable by August 31, 1991, from various donors and a \$12,500 transfer of previously reported gifts from current restricted funds for a total of \$43,730 be accepted to establish the Chief Justice Joe R. Greenhill Endowed Presidential Scholarship in Law in the School of Law at U. T. Austin. Funds in the amount of \$31,230 will be held and administered by The University of Texas Law School Foundation (an external foundation) in accordance with the Regents' Rules and Regulations, and \$12,500 will be held and administered by the U. T. Board of Regents. When matching funds become available under The Regents' Endowed Student Fellowship and Scholarship Program, the U. T. Law School Foundation will transfer funds held for the endowment to the U. T. Board of Regents.

Income earned from the endowment will be used to award scholarships to students based on need or merit at the discretion of the Dean of the Law School or his designated representative.

BACKGROUND INFORMATION

Judge Joe R. Greenhill, Sr. received both his B.A. in Economics and his B.B.A. in 1936 and his LL.B. in 1939 from U. T. Austin. He is "Of Counsel" with the law firm of Baker & Botts in Austin, Texas.

Primary donors to this Scholarship are Mr. M. Harvey Weil, Corpus Christi, Texas, and the law firms of Baker & Botts, Houston, Texas, and Bankston, Wright & Greenhill, Austin, Texas. Leadership in the fundraising effort was provided by Mr. J. Chrys Dougherty and Mr. Barry Bishop, both of Austin, Texas.

12. U. T. Austin: Recommendation to Accept Gift and Pledge to Establish the Hughes Aircraft Company Faculty Fellowship in Engineering in the College of Engineering; Allocate Funds from the College of Engineering Challenge Grant and Eligibility for Matching Funds Under The Regents' Endowed Teachers and Scholars Program.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that a \$9,690 gift and a \$19,380 pledge, payable by December 31, 1991, from the Hughes Aircraft Company, Los Angeles, California, for a total of \$29,070 be accepted to establish the Hughes Aircraft Company Faculty Fellowship in Engineering in the College of Engineering at U. T. Austin.



It is further recommended that \$41,860 be allocated from the College of Engineering Challenge Grant received from an anonymous donor and used to increase the endowment to a total of \$70,930.

Additionally, it is recommended that \$29,070 in matching funds be allocated under The Regents' Endowed Teachers and Scholars Program and used to increase the endowment to a total of \$100,000.

#### BACKGROUND INFORMATION

Hughes Aircraft Company looks forward to continuing technical interactions with U. T. Austin as the scientific and engineering research and educational programs of the College of Engineering address technologies vital to the aerospace industry.

This endowment is being established under the College of Engineering Challenge for Excellence Program as set out in the Minutes of the June 1988 meeting of the U. T. Board of Regents whereby a challenge grant of \$4,500,000 was accepted from an anonymous donor to enhance and achieve a high level of excellence in the four areas of advanced research and teaching which relate closely to the mission of SEMATECH and the Microelectronics and Computer Technology Corporation (MCC).

13. U. T. Austin: Recommendation to Accept Pledge to Establish the Ben F. Love Chair in Bank Management in the College of Business Administration and Graduate School of Business and Eligibility for Matching Funds Under The Regents' Endowed Teachers and Scholars Program.--

#### RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that a \$1,000,000 pledge, payable by May 31, 1990, from Houston Endowment Inc., Houston, Texas, be accepted to establish the Ben F. Love Chair in Bank Management in the College of Business Administration and Graduate School of Business at U. T. Austin.

Income earned from the endowment will be used to support the Chair.

It is further recommended that \$500,000 in matching funds under The Regents' Endowed Teachers and Scholars Program be reserved. The use of the matching funds will be designated at a later date.

#### BACKGROUND INFORMATION

Mr. Ben F. Love, retired Chairman and Chief Executive Officer of Texas Commerce Bancshares, Inc., Houston, Texas, received his B.B.A. from U. T. Austin in 1948. He is a member of The President's Associates, a Distinguished Alumnus and a senior

active member of the College of Business Administration Foundation Advisory Council. Mr. Love has played a prominent role in the banking industry. His significant contributions to both Texas and the United States have had a major impact on the College and Graduate School of Business, as well as U. T. Austin as a whole.

Houston Endowment Inc. is a philanthropic foundation endowed by Mr. and Mrs. Jesse H. Jones. The Foundation has previously provided funding for several endowments including endowed academic positions and scholarships.

14. U. T. Austin: Recommendation to Accept Gifts, Pledge and Transfer of Funds to Establish the Arch H. McCulloch Endowed Presidential Scholarship in Law in the School of Law.--

#### RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that gifts of \$7,853 from various donors, a \$4,647 pledge, payable by August 31, 1991, from The Honorable William C. McCulloch, Houston, Texas, and a \$12,500 transfer of previously reported gifts from current restricted funds for a total of \$25,000 be accepted to establish the Arch H. McCulloch Endowed Presidential Scholarship in Law in the School of Law at U. T. Austin. Funds in the amount of \$12,500 will be held and administered by The University of Texas Law School Foundation (an external foundation) in accordance with the Regents' Rules and Regulations, and \$12,500 will be held and administered by the U. T. Board of Regents.

Income earned from the endowment will be used to award scholarships to students based on need or merit at the discretion of the Dean of the Law School or his designated representative.

#### BACKGROUND INFORMATION

Mr. Archibald H. McCulloch, deceased, received his LL.B. from U. T. Austin in 1922. His son, The Honorable William C. McCulloch, received his B.A. in 1963 and his LL.B. in 1964 from U. T. Austin. A primary donor to this Scholarship is Mr. Ross H. Hemphill, Dallas, Texas.

15. U. T. Austin: Recommendation to Accept Gift, Pledge and Corporate Matching Funds to Establish the Robert and Jane Mitchell Endowed Faculty Fellowship in Engineering in the College of Engineering; Allocate Funds from the College of Engineering Challenge Grant and Eligibility for Matching Funds Under The Regents' Endowed Teachers and Scholars Program.--

#### RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that a \$2,500 gift and a \$7,191 pledge, payable by August 31, 1991, from Mr. and Mrs. Robert L. Mitchell, Weston, Connecticut, and \$19,382 in requested corporate matching funds from the Hoechst-Celanese Corporation, Somerville, New Jersey, for a total of \$29,073 be accepted to establish the Robert and Jane Mitchell Endowed Faculty Fellowship in Engineering in the College of Engineering at U. T. Austin.

It is further recommended that \$41,854 be allocated from the College of Engineering Challenge Grant received from an anonymous donor and used to increase the endowment to a total of \$70,927.

Additionally, it is recommended that \$29,073 in matching funds be allocated under The Regents' Endowed Teachers and Scholars Program and used to increase the endowment to a total of \$100,000.

#### BACKGROUND INFORMATION

Mr. Robert L. Mitchell, retired Vice Chairman and Director of the Celanese Corporation, is a senior active member of the College of Engineering Foundation Advisory Council.

This endowment is being established under the College of Engineering Challenge for Excellence Program as set out in the Minutes of the June 1988 meeting of the U. T. Board of Regents whereby a challenge grant of \$4,500,000 was accepted from an anonymous donor to enhance and achieve a high level of excellence in the four areas of advanced research and teaching which relate closely to the mission of SEMATECH and the Microelectronics and Computer Technology Corporation (MCC).

16. U. T. Austin: Peat, Marwick, Mitchell & Co. Centennial Professorship in Accounting and Peat, Marwick, Mitchell & Co. Faculty Fellowship in Accounting in the College of Business Administration and the Graduate School of Business - Recommendation to Accept Additional Pledge and Redesignate as the KPMG Peat Marwick Centennial Professorship and the KPMG Peat Marwick Faculty Fellowship in Accounting Education and Eligibility for Matching Funds Under The Regents' Endowed Teachers and Scholars Program.--

#### RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that a \$225,000 pledge, payable by August 31, 1993, from the KPMG Peat Marwick Foundation, New York, New York, be accepted for a \$125,000 addition to the Peat, Marwick, Mitchell & Co. Centennial Professorship in Accounting and a \$100,000 addition to the Peat, Marwick, Mitchell & Co. Faculty Fellowship in Accounting in the College of Business Administration and the Graduate School of Business at U. T. Austin and each redesignated as the KPMG Peat Marwick Centennial Professorship and the KPMG Peat Marwick Faculty Fellowship in Accounting Education respectively.

This recommendation is being made in accordance with the donor's request.

It is further recommended that \$112,500 in matching funds be allocated under The Regents' Endowed Teachers and Scholars Program with \$62,500 used to increase the KPMG Peat Marwick Centennial Professorship to a total of \$502,500 and \$50,000 used to increase the KPMG Peat Marwick Faculty Fellowship in Accounting Education to a total of \$250,000.

#### BACKGROUND INFORMATION

At the April 1978 meeting, the U. T. Board of Regents accepted a pledge from the Peat, Marwick, Mitchell Foundation to provide \$175,000 to U. T. Austin over a ten-year period to support the Peat, Marwick, Mitchell Professorship of Accounting. At the December 1982 meeting, the U. T. Board of Regents accepted a \$125,000 gift from the Peat, Marwick, Mitchell Foundation to permanently endow the Professorship in lieu of the annual contributions and matching funds of \$125,000 from The Centennial Teachers and Scholars Program were allocated to increase the endowment to a total of \$250,000. At the August 1984 meeting, the U. T. Board of Regents accepted a pledge of \$75,000 from the Austin, Texas, partners and employees of Peat, Marwick, Mitchell & Co. and the Peat, Marwick, Mitchell Foundation. Of the total, \$25,000 was added to the Peat, Marwick, Mitchell & Co. Centennial Professorship in Accounting and matching funds in the amount of \$25,000 from The Regents' Endowed Teachers and Scholars Program were allocated to increase the endowment to a total of \$300,000. The remaining \$50,000 of the total pledge was used to establish the Peat, Marwick, Mitchell & Co. Faculty Fellowship in Accounting and matching funds of \$50,000 from The Regents' Endowed Teachers and Scholars Program were allocated to increase the endowment to a total of \$100,000.

17. U. T. Austin: Recommendation to Accept Gifts to Establish the Victor and Myra Ravel Endowed Scholarship Fund in Children's Rights in the Schools of Law and Social Work.--

#### RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that gifts totalling \$25,000 from Mr. and Mrs. Victor W. Ravel, Austin, Texas, be accepted to establish the Victor and Myra Ravel Endowed Scholarship Fund in Children's Rights in the Schools of Law and Social Work at U. T. Austin.

Income earned from the endowment will be divided equally between the Schools of Law and Social Work and used to award scholarships to students in the respective schools.

#### BACKGROUND INFORMATION

Mr. and Mrs. Victor W. Ravel are outstanding citizens of Texas and loyal supporters of U. T. Austin. Mr. Ravel is a longtime member of the School of Social Work Foundation Advisory Council. He received his B.A. in Government in 1934 and his LL.B. in 1938 from U. T. Austin. Mrs. Ravel received her B.A. in Sociology from U. T. Austin in 1937. They are members of The Chancellor's Council and Mrs. Ravel is a Life Member of The Ex-Students' Association.

18. U. T. Austin: Recommendation to Accept Gift to Establish the Debbie Ann Rock Scholarship in Interior Design in the College of Natural Sciences.--

#### RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that a \$30,000 gift from Mr. and Mrs. Terrence L. Rock, Plano, Texas, be accepted to establish the Debbie Ann Rock Scholarship in Interior Design in the Department of Home Economics, College of Natural Sciences, at U. T. Austin.

Income earned from the endowment will be used to award scholarships to students who are entering their junior year and are majoring in the Interior Design Sequence. Recipients shall be chosen on the basis of proven artistic and scholastic ability, positive attitude, promise of continued superior performance and demonstrated talent, with financial need a consideration when there are equally qualified applicants. Recipients may reapply for their senior year and shall be given preferential consideration.

### BACKGROUND INFORMATION

Mr. and Mrs. Terrence L. Rock are funding this endowment in memory of their daughter, Deborah Ann Rock. Ms. Rock, an Interior Design major, attended U. T. Austin from 1985 to 1989.

19. U. T. Austin: Recommendation to Accept Gifts, Pledges and Transfer of Funds to Establish the Michael P. Rosenthal Endowed Presidential Scholarship in Law in the School of Law.--

### RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that \$14,260 in gifts and \$3,400 in pledges, payable by August 31, 1993, from various donors and a \$12,500 transfer of previously reported gifts from current restricted funds for a total of \$30,160 be accepted to establish the Michael P. Rosenthal Endowed Presidential Scholarship in Law in the School of Law at U. T. Austin. Funds in the amount of \$17,660 will be held and administered by The University of Texas Law School Foundation (an external foundation) in accordance with the Regents' Rules and Regulations, and \$12,500 will be held and administered by the U. T. Board of Regents.

Income earned from the endowment will be used to award scholarships to students based on need or merit at the discretion of the Dean of the Law School or his designated representative.

### BACKGROUND INFORMATION

This endowment is being funded by various Law School faculty and other individual donors in memory of former Professor Michael P. Rosenthal of the U. T. Austin School of Law who was a member of the faculty for twenty-one years and had held the Thomas Shelton Maxey Professorship since September 1985. Professor Rosenthal was instrumental in establishing the Criminal Justice Project and the Elder Law Clinic in the School of Law. He served the community by helping to create the Criminal Justice Clinic and the Juvenile Justice Clinic at The University of Texas at Austin School of Law.

20. U. T. Austin: Recommendation to Accept Gift, Pledge and Transfer of Funds to Establish the Clint C. Small, Jr. Endowed Presidential Scholarship in Law in the School of Law (NO PUBLICITY).--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that a \$20,000 gift and a \$7,500 pledge, payable by August 31, 1991, from the law firm of Small, Craig & Werkenthin, Austin, Texas, and a \$12,500 transfer of previously reported gifts from current restricted funds for a total of \$40,000 be accepted to establish the Clint C. Small, Jr. Endowed Presidential Scholarship in Law in the School of Law at U. T. Austin. Funds in the amount of \$27,500 will be held and administered by The University of Texas Law School Foundation (an external foundation) in accordance with the Regents' Rules and Regulations, and \$12,500 will be held and administered by the U. T. Board of Regents.

Income earned from the endowment will be used to award scholarships to students based on need or merit at the discretion of the Dean of the Law School or his designated representative.

BACKGROUND INFORMATION

Mr. Clinton C. Small, Jr. received his B.B.A. and his LL.B. in 1939 from U. T. Austin. Of the thirty-three members of the law firm of Small, Craig & Werkenthin, twenty-three are graduates of U. T. Austin.

NO PUBLICITY

21. U. T. Austin: Recommendation to Accept Gift, Pledge and Transfer of Funds to Establish the William Byron and Frances Combs White Endowed Presidential Scholarship in Law in the School of Law.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that a \$10,000 gift and a \$2,500 pledge, payable by December 31, 1991, from Mr. and Mrs. William B. White, Houston, Texas, and a \$12,500 transfer of previously reported gifts from current restricted funds for a total of \$25,000 be accepted to establish the William Byron and Frances Combs White Endowed Presidential Scholarship in Law in the School of Law at U. T. Austin. Funds in the amount of \$12,500 will be held and administered by The University of Texas Law School Foundation (an external foundation) in accordance with the Regents' Rules and Regulations, and \$12,500 will be held and administered by the U. T. Board of Regents.

Income earned from the endowment will be used to award scholarships at the discretion of the Dean of the Law School or his designated representative. The donors request that the scholarships be awarded on merit to students who excel in their first year Property course.

#### BACKGROUND INFORMATION

Mr. William Byron White, a partner in the law firm of Fulbright & Jaworski in Houston, Texas, received his B.A. in History in 1949 and his LL.B. in 1951 from U. T. Austin. He is a member of The President's Associates.

22. U. T. El Paso: Recommendation to Accept Gifts to Establish the Billie W. Etheridge Debate Scholarship Endowment.--

#### RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Natalicio that gifts totalling \$10,000 from Mr. Charles W. Santaguida, Phoenix, Arizona, and Mr. Robert J. Malone, Houston, Texas, be accepted to establish the Billie W. Etheridge Debate Scholarship Endowment at U. T. El Paso.

Income earned from the endowment will be used to award annual scholarships to students participating in the Debate Program at U. T. El Paso. Scholarship recipients are to be recommended by the debate coach or program director with the selection to be determined by the Scholarship Office in conformity with University procedures and scholarship requirements.

#### BACKGROUND INFORMATION

Ms. Billie W. Etheridge retired from U. T. El Paso in August 1989. This endowment is being funded by two of her former students to honor her 22 years of service on the faculty of the Departments of Drama and Speech, English and Communications. As a result of Ms. Etheridge's many contributions, the Forensics Program at U. T. El Paso continues to produce outstanding debate teams and individual competitive speakers.



23. U. T. El Paso: Recommendation to Accept Gifts and Reinvested Income to Establish the J. Edward and Helen M. C. Stern Fund.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Natalicio that gifts of securities which realized proceeds of \$103,788.77 from Dr. and Mrs. J. Edward Stern, El Paso, Texas, \$2,300.61 in gifts from various donors, and \$18,226.33 in reinvested income for a total of \$124,315.71 be accepted to establish the J. Edward and Helen M. C. Stern Fund at U. T. El Paso.

Income earned from the endowment will be reinvested in the corpus until a specific use for the Fund is established by Dr. and Mrs. Stern. A final report will be made at a later date.

BACKGROUND INFORMATION

Dr. J. Edward Stern is retired from a highly successful private practice in El Paso. Dr. and Mrs. Stern both attended U. T. El Paso during the 1950s.

24. U. T. Southwestern Medical Center - Dallas: Distinguished Chair in Biomedical Science - Recommendation to Accept Additional Gifts and Eligibility for Matching Funds Under the Texas Eminent Scholars Program.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs and President Wildenthal that a \$500,000 gift from Mr. and Mrs. Louis A. Beecherl, Jr., Dallas, Texas, a \$400,000 gift from an anonymous donor, a \$50,000 gift from Mr. Cecil Green, Dallas, Texas, and a \$50,000 gift from the Southwestern Medical Foundation, Dallas, Texas (to be held in trust by the Foundation), for a total of \$1,000,000 be accepted for addition to the Distinguished Chair in Biomedical Science which is currently held by Joseph L. Goldstein, M.D., at the U. T. Southwestern Medical Center - Dallas.

It is further recommended that the actual income which will be earned on the \$950,000 in gifts be certified to the appropriate State authorities for matching under the Texas Eminent Scholars Program as set out in Chapter 51, Subchapter I of the Texas Education Code, when matching funds are made available under that act.

### BACKGROUND INFORMATION

Two Distinguished Chairs in Biomedical Science were established at the August 1989 meeting of the U. T. Board of Regents with a \$2,000,000 gift from an anonymous donor. Joseph L. Goldstein, M.D., was appointed as initial holder of one of the Chairs.

25. U. T. Southwestern Medical Center - Dallas: The Eugene McDermott Chair for the Study of Human Growth and Development - Recommendation to Redesignate as the Eugene McDermott Distinguished Chair for the Study of Human Growth and Development.--

### RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs and President Wildenthal that The Eugene McDermott Chair for the Study of Human Growth and Development at the U. T. Southwestern Medical Center - Dallas be redesignated as the Eugene McDermott Distinguished Chair for the Study of Human Growth and Development.

This recommendation is being made to reflect more accurately the value of this endowment.

### BACKGROUND INFORMATION

The Eugene McDermott Chair for the Study of Human Growth and Development was established at the December 1972 meeting of the U. T. Board of Regents with a \$600,000 pledge in marketable securities from The McDermott Foundation, Dallas, Texas. The current book and market values of this endowment significantly exceed the \$1,000,000 level required for Distinguished Chair status.

26. U. T. Southwestern Medical Center - Dallas: Distinguished Chair in Biomedical Science - Recommendation to Accept Additional Gifts and Redesignate as The W. A. (Monty) Moncrief Distinguished Chair in Cholesterol and Arteriosclerosis Research and Eligibility for Matching Funds Under the Texas Eminent Scholars Program.--

### RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs and President Wildenthal that a \$500,000 gift from the William A. and Elizabeth B. Moncrief Foundation, Fort Worth, Texas, a \$400,000 gift from an anonymous donor, a \$50,000 gift from Mr. Cecil Green, Dallas, Texas, and a \$50,000 gift from the Southwestern Medical Foundation, Dallas, Texas (to be held in trust by the Foundation), for a total of \$1,000,000 be accepted for addition to the Distinguished Chair in Biomedical Science

which is currently held by Michael S. Brown, M.D. The Chair is to be redesignated as The W. A. (Monty) Moncrief Distinguished Chair in Cholesterol and Arteriosclerosis Research at the U. T. Southwestern Medical Center - Dallas.

It is further recommended that the actual income which will be earned on the \$950,000 in gifts be certified to the appropriate State authorities for matching under the Texas Eminent Scholars Program as set out in Chapter 51, Subchapter I of the Texas Education Code, when matching funds are made available under that act.

#### BACKGROUND INFORMATION

This Chair is one of two Distinguished Chairs in Biomedical Science established at the August 1989 meeting of the U. T. Board of Regents, with the option to rename the Chairs at a later date. With this additional gift, it is deemed appropriate that the Chair be renamed The W. A. (Monty) Moncrief Distinguished Chair in Cholesterol and Arteriosclerosis Research as a memorial to the father of W. A. "Tex" Moncrief, Jr. Dr. Brown, the initial appointee, will continue to hold the Chair.

27. U. T. Southwestern Medical Center - Dallas: Recommendation to Accept Gifts, Pledge and Transfer of Funds to Establish the Philip O'Bryan Montgomery, Jr., M.D. Distinguished Chair in Developmental Biology and Eligibility for Matching Funds Under the Texas Eminent Scholars Program.--

#### RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs and President Wildenthal that a \$150,000 gift from the Biological Humanics Foundation, Dallas, Texas, a \$120,000 gift from an anonymous donor, a \$15,000 gift from the Southwestern Medical Foundation, Dallas, Texas (to be held in trust by the Foundation), and a \$15,000 pledge, payable by June 30, 1990, from Mr. Cecil Green, Dallas, Texas, for a total of \$300,000 be accepted to establish the Philip O'Bryan Montgomery, Jr., M.D. Distinguished Chair in Developmental Biology at the U. T. Southwestern Medical Center - Dallas.

It is further recommended that a \$700,000 transfer from The Eugene McDermott Chair for the Study of Human Growth and Development be accepted to increase the above endowment to a total of \$1,000,000 as authorized by the gift instrument establishing the McDermott Chair.

Additionally, it is recommended that the actual income which will be earned on the \$285,000 in gifts be certified to the appropriate State authorities for matching under the Texas Eminent Scholars Program as set out in Chapter 51, Subchapter I of the Texas Education Code, when matching funds are made available under that act.

## BACKGROUND INFORMATION

Dr. Philip O'Bryan Montgomery, Jr. joined the faculty of the U. T. Southwestern Medical Center - Dallas in 1953 as assistant professor and became a full professor with tenure in 1961. He serves on numerous medical and scientific boards and committees and served as Special Assistant to the Chancellor of the U. T. System from 1971 to 1975. Dr. Montgomery is sought out by the citizens of Dallas for his advice and leadership and it is most fitting that a Distinguished Chair be established in his name.

28. U. T. Southwestern Medical Center - Dallas: Mary Nell and Ralph B. Rogers Chair in Cardiovascular Diseases - Recommendation to Accept Additional Gifts and Redesignate as the James T. Willerson, M.D. Distinguished Chair in Cardiovascular Diseases and Eligibility for Matching Funds Under the Texas Eminent Scholars Program.--

## RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs and President Wildenthal that a \$125,000 gift from the Ralph B. Rogers Foundation, Dallas, Texas, a \$125,000 gift consisting of Texas Industries, Inc. common stock and oil and gas properties located in Kay County, Oklahoma; Sabine Parish, Louisiana; and Freestone, Panola, Upshur and Harrison Counties, Texas, from Mr. and Mrs. Robert D. Rogers, Dallas, Texas, a \$200,000 gift from an anonymous donor, a \$25,000 gift from Mr. Cecil Green, Dallas, Texas, and a \$25,000 gift from the Southwestern Medical Foundation, Dallas, Texas (to be held in trust by the Foundation), for a total of \$500,000 be accepted for addition to the Mary Nell and Ralph B. Rogers Chair in Cardiovascular Diseases. It is also recommended that the Chair be redesignated as the James T. Willerson, M.D. Distinguished Chair in Cardiovascular Diseases at the U. T. Southwestern Medical Center - Dallas.

It is further recommended that the actual income which will be earned on the \$475,000 in gifts be certified to the appropriate State authorities for matching under the Texas Eminent Scholars Program as set out in Chapter 51, Subchapter I of the Texas Education Code, when matching funds are made available under that act.

## BACKGROUND INFORMATION

Dr. James T. Willerson, Houston, Texas, received his B.A. in 1961 from U. T. Austin. He joined the U. T. Southwestern Medical Center - Dallas faculty in 1972 and has had a very distinguished career in the field of Internal Medicine. Dr. Willerson has devoted his research to the study of cardiovascular diseases.

Mr. Ralph B. Rogers is one of the founders of Texas Industries, Inc. He is also the founder and Chief Executive Officer of The Ralph B. Rogers Foundation. Mr. Robert D. Rogers, son of Mr. Ralph B. Rogers, is the President and Chief Executive Officer of Texas Industries, Inc. and is presently on the Board of Trustees of the Southwestern Medical Foundation.

29. U. T. Southwestern Medical Center - Dallas: Recommendation to Accept Gifts to Establish the Raymond and Ellen Willie Distinguished Chair in Cancer Research, in Honor of Laverne and Raymond Willie, Sr. and Eligibility for Matching Funds Under the Texas Eminent Scholars Program.--

#### RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs and President Wildenthal that a \$250,000 gift from Mr. and Mrs. Raymond Willie, Dallas, Texas, a \$250,000 gift from Mrs. Laverne Willie, Dallas, Texas, a \$400,000 gift from an anonymous donor, a \$50,000 gift from Mr. Cecil Green, Dallas, Texas, and a \$50,000 gift from the Southwestern Medical Foundation, Dallas, Texas (to be held in trust by the Foundation), for a total of \$1,000,000 be accepted to establish the Raymond and Ellen Willie Distinguished Chair in Cancer Research, in Honor of Laverne and Raymond Willie, Sr. at the U. T. Southwestern Medical Center - Dallas.

It is further recommended that the actual income which will be earned on the \$950,000 in gifts be certified to the appropriate State authorities for matching under the Texas Eminent Scholars Program as set out in Chapter 51, Subchapter I of the Texas Education Code, when matching funds are made available under that act.

Income earned from the endowment will be used to support the Chair.

#### BACKGROUND INFORMATION

Mr. and Mrs. Raymond Willie, Jr. are distinguished Dallasites and longtime friends of the U. T. Southwestern Medical Center - Dallas. Mr. and Mrs. Willie are funding this Chair so that the cancer research programs directed by Dr. Jonathan Uhr might be accelerated.

See Item 3 on Page HAC - 4 related to a proposed appointment to this Distinguished Chair.

30. U. T. Southwestern Medical Center - Dallas: Recommendation to Accept Gift to Establish The Abe (Brunky), Morris, and William Zale Distinguished Professorship in Neurology and Eligibility for Matching Funds Under the Texas Eminent Scholars Program.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs and President Wildenthal that a \$250,000 gift from The Zale Foundation, Dallas, Texas, be accepted to establish The Abe (Brunky), Morris, and William Zale Distinguished Professorship in Neurology at the U. T. Southwestern Medical Center - Dallas.

It is further recommended that the actual income which will be earned on the \$250,000 gift be certified to the appropriate State authorities for matching under the Texas Eminent Scholars Program as set out in Chapter 51, Subchapter I of the Texas Education Code, when matching funds are made available under that act.

Income earned from the endowment will be used to support the Professorship.

BACKGROUND INFORMATION

The funds for this Professorship have been provided by The Zale Foundation to honor three brothers of the Zale family. The Zale family has supported the U. T. Southwestern Medical Center - Dallas for many years. They were instrumental in the establishment of the new Zale Lipshy University Hospital. It is the donors' hope to make additional gifts to this endowment at a later date to fund a distinguished chair.

See Item 3 on Page HAC - 4 related to a proposed appointment to this Distinguished Professorship.

31. U. T. Southwestern Medical Center - Dallas: Recommendation to Accept a Donation of Property in Pasadena, Harris County, Texas, from Dr. and Mrs. Eldridge F. Avery, Friendswood, Texas; Authorize the Office of Lands and Endowment Real Estate to Negotiate the Sale; and Authorize the Executive Vice Chancellor for Asset Management to Execute All Documents Pertaining to the Sale.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Asset Management and President Wildenthal to accept a gift of real property identified as Lot 7 and the East 10 feet of Lot 6, Block One of Center Place, and a parcel of land out of Lot 46 of Alta Vista Acres, Section One, both in Pasadena, Harris County, Texas, from Dr. and Mrs. Eldridge F. Avery, Friendswood, Texas, for the benefit

of the U. T. Southwestern Medical Center - Dallas. The 2.629 acre tract of land has an appraised value of \$281,000. It is the Avery's wish that sale proceeds or income received from the property be used to establish an endowment to fund programs bringing students and alumni closer together. The exact nature of these programs will be specified at a later date. The U. T. Southwestern Medical Center - Dallas has agreed to pay existing maintenance liens and taxes on the property in the amount of \$851.54. Dr. and Mrs. Avery will pay the 1989 property taxes.

It is further recommended that the Office of Lands and Endowment Real Estate be authorized to negotiate the sale of the property at fair market value and that the Executive Vice Chancellor for Asset Management be authorized to execute all documents pertaining to the sale.

#### BACKGROUND INFORMATION

Dr. Avery is a 1956 graduate of U. T. Southwestern Medical Center - Dallas.

32. U. T. Medical Branch - Galveston: Recommendation to Accept Gift to Establish the Ivan Bruce Memorial Award.--

#### RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs and President James that a \$10,000 gift from Mrs. Waneta B. Bruce, Fort Worth, Texas, be accepted to establish the Ivan Bruce Memorial Award at the U. T. Medical Branch - Galveston.

Income earned from the endowment will be used to award annually a \$500 cash prize and certificate to a senior student submitting the best paper relating to the history of psychiatry.

#### BACKGROUND INFORMATION

This endowment is being funded by Mrs. Waneta B. Bruce in memory of her husband, E. Ivan Bruce, Jr., M.D. Dr. Bruce, a faculty member in the Department of Psychiatry and Behavioral Sciences at the U. T. Medical Branch - Galveston for over thirty-five years, was a Professor of Psychiatry from 1949 to 1977, Interim Department Chairman from 1974 to 1977, and Chief of Staff of the U. T. Hospitals - Galveston in 1967. In addition, he directed the psychiatry residency training program for more than fifteen years.

33. U. T. Medical Branch - Galveston: Recommendation to Accept Gift to Establish the Frances Rugeley Herbst, M.D. Fellowship in Oncology.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs and President James that a \$70,000 gift from Dr. Walter E. Herbst, Victoria, Texas, be accepted to establish an endowment at the U. T. Medical Branch - Galveston to be named the Frances Rugeley Herbst, M.D. Fellowship in Oncology.

Income earned from the endowment will be used to support oncology research and to enhance the teaching of residents.

BACKGROUND INFORMATION

This endowment is being funded by Dr. Walter E. Herbst in memory of his wife, Dr. Frances Rugeley Herbst. She worked part-time in the offices of Dr. Bruce Bauknight and Dr. Larry Riedel, Victoria, Texas, both of whom graduated from the U. T. Medical Branch - Galveston.

34. U. T. Medical Branch - Galveston: Recommendation to Accept Gift to Establish the Jesse H. Jones Distinguished Chair in Burn Surgery.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs and President James that a \$1,000,000 gift from Houston Endowment Inc., Houston, Texas, be accepted to establish the Jesse H. Jones Distinguished Chair in Burn Surgery at the U. T. Medical Branch - Galveston.

Income earned from the endowment will be used to support the Chair.

BACKGROUND INFORMATION

This endowment is to honor David N. Herndon, M.D., who serves as the Chief of Staff at the U. T. Medical Branch - Galveston-affiliated Shriners Burns Institute and the Director of Burn Services for both the Institute and the U. T. Medical Branch - Galveston.

Dr. Herndon joined the faculty of the U. T. Medical Branch - Galveston in 1981 as an Associate Professor of Surgery. He was named Professor of Surgery in 1986 and Annie Laurie Howard Distinguished Professor of Burn Surgery in 1988. Houston Endowment Inc. wishes to pay tribute to his many accomplishments in the area of burns.



Houston Endowment Inc. is a philanthropic foundation endowed by Mr. and Mrs. Jesse H. Jones. The foundation has previously established several endowments including endowed academic positions and scholarships.

35. U. T. Medical Branch - Galveston: Recommendation to Accept Transfer of Funds to Establish the UTMB School of Medicine Alumni Life Members' Fund.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs and President James that a \$106,500 transfer of funds from the Board of Trustees of the School of Medicine Alumni Association of the U. T. Medical Branch - Galveston be accepted to establish the UTMB School of Medicine Alumni Life Members' Fund at the U. T. Medical Branch - Galveston.

Income earned from the endowment will be used to support the general purposes of operating the Association and providing services to members in accordance with the Bylaws of the Association.

BACKGROUND INFORMATION

The funds used to establish this endowment have been accumulated from the Association's Life Membership Dues, which were originally instituted to allow individuals to endow their annual dues to the Association in perpetuity. The transfer of funds to the U. T. Board of Regents is being requested to formalize the endowment concept behind the Life Membership Dues.

36. U. T. Medical Branch - Galveston: Recommendation to Accept Gifts to Establish the William Todd Midgett Award for Superior Clinical Practice.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs and President James that a \$25,000 gift from Dr. and Mrs. William M. Midgett, Denton, Texas, and \$690 in gifts from various donors for a total of \$25,690 be accepted to establish the William Todd Midgett Award for Superior Clinical Practice at the U. T. Medical Branch - Galveston.

Income earned from the endowment will be used to present an annual award at the honors convocation to a junior medical student in recognition of scholarship, exceptional professional qualities and potential for superior clinical practice.

### BACKGROUND INFORMATION

This endowment is being funded by Dr. and Mrs. William M. Midgett in memory of their son, William Todd Midgett. Mr. Midgett was a senior medical student scheduled to graduate with the Class of 1989 at the U. T. Medical Branch - Galveston. The Gold-Headed Cane, an honor awarded each year to the senior student exemplifying the ultimate in patient care, was awarded to Mr. Midgett posthumously at the 1989 Convocation.

37. U. T. Health Science Center - San Antonio: Recommendation to Accept Gifts to Establish the Arthur E. Grant, M.D., Lectureship Series.--

### RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs and President Howe that gifts totalling \$15,790 from various donors be accepted to establish an endowment at the U. T. Health Science Center - San Antonio to be named the Arthur E. Grant, M.D., Lectureship Series.

Income earned from the endowment will be used to support a lectureship series in the Department of Physical Medicine and Rehabilitation and to enhance generally educational efforts at the U. T. Health Science Center - San Antonio.

### BACKGROUND INFORMATION

Family and friends of Arthur E. Grant, M.D., along with alumni of the U. T. Health Science Center - San Antonio, are funding this endowment to honor his leadership in the Department of Physical Medicine and Rehabilitation. Dr. Grant recently retired as the founding Chairman of the Department after serving with distinction in that capacity for twenty-two years.

38. U. T. Health Science Center - San Antonio: Recommendation to Accept Gifts to Establish the Medical School 20th Anniversary Scholarship Endowment Fund.--

### RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs and President Howe that gifts totalling \$75,000 from various donors be accepted to establish the Medical School 20th Anniversary Scholarship Endowment Fund at the U. T. Health Science Center - San Antonio.

Income earned from the endowment will be used to award scholarships to deserving medical students at the discretion of the Medical School Scholarship Committee. Recipients of these annual awards will be designated as "20th Anniversary Scholars" for that year.

#### BACKGROUND INFORMATION

This Scholarship is being funded with contributions from alumni, faculty and community supporters of the U. T. Health Science Center - San Antonio upon its twenty year anniversary.

39. U. T. M.D. Anderson Cancer Center: Recommendation to Accept Remainder Interest in the Wilfred George Barnts Charitable Remainder Unitrust.--

#### RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs and President LeMaistre that the remainder interest in the Wilfred George Barnts Charitable Remainder Unitrust, funded by Mr. Wilfred George Barnts, Stafford, Texas, with an initial gift of \$500,000 (to be held in trust by First Interstate Bank of Texas, N.A., Houston, Texas) be accepted to establish an endowment at the U. T. M.D. Anderson Cancer Center upon termination of the Trust. A final report will be made at a later date.

#### BACKGROUND INFORMATION

The Wilfred George Barnts Charitable Remainder Unitrust was established for the lifetime benefit of Mr. Wilfred George Barnts. The Trust agreement provides for the payment of seven percent of the annual net fair market value of the Trust assets to be paid quarterly to Mr. Barnts during his lifetime. Upon termination of the Trust, the remaining principal and income of the Trust will be distributed to the U. T. Board of Regents to fund the Barnts Family Fund for Cancer Research at the U. T. M.D. Anderson Cancer Center.

Mr. Wilfred George Barnts serves on the Steering Committee of The President's Council of the University Cancer Foundation and has served as a volunteer at the U. T. M.D. Anderson Hospital.

40. U. T. M.D. Anderson Cancer Center: Recommendation to Accept Gift and Pledge to Establish the H.E.B. Professorship in Laser Biology.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs and President LeMaistre that a \$50,000 gift and a \$150,000 pledge, payable by December 31, 1992, from the H. E. Butt Grocery Company, San Antonio, Texas, for a total of \$200,000 be accepted to establish the H.E.B. Professorship in Laser Biology at the U. T. M.D. Anderson Cancer Center.

Income earned from the endowment will be used to support the Professorship.

BACKGROUND INFORMATION

Mr. Charles C. Butt, Chairman and President of the H. E. Butt Grocery Company, has been an active supporter of the U. T. M.D. Anderson Cancer Center and is a member of the University Cancer Foundation Board of Visitors.

41. U. T. M.D. Anderson Cancer Center: Recommendation to Accept Remainder Interest in the Fay Etta Robinson Marital Trust and Reinvested Accrued Interest to Establish The P. H. and Fay Etta Robinson Professorship in Cancer Research.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs and President LeMaistre that a thirty percent remainder interest in the Fay Etta Robinson Marital Trust, Houston, Texas, comprised of cash totalling \$286,425 and a mineral interest in Woods County, Oklahoma, and \$13,575 in reinvested accrued interest for a total of \$300,000 be accepted to establish The P. H. and Fay Etta Robinson Professorship in Cancer Research at the U. T. M.D. Anderson Cancer Center.

Income earned from the endowment will be used to support the Professorship.

BACKGROUND INFORMATION

The Fay Etta Robinson Marital Trust was created pursuant to the terms of the Last Will and Testament of Mr. P. H. "Perk" Robinson. Mr. Robinson was an active supporter of the U. T. M.D. Anderson Cancer Center.

42. U. T. M.D. Anderson Cancer Center: Recommendation to Accept Transfer of Funds to Establish The Hubert L. and Olive Stringer Professorship in Cancer Research.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs and President LeMaistre that a \$375,000 transfer of accumulated earnings from the Hubert L. and Olive Stringer Chair in Basic Science in Honor of Sally Stringer at the U. T. M.D. Anderson Cancer Center be accepted to establish The Hubert L. and Olive Stringer Professorship in Cancer Research at the U. T. M.D. Anderson Cancer Center.

It is further requested that the Professorship be funded at a level of \$300,000 with the remaining \$75,000 made available for current use when a holder is appointed to the Professorship.

Income earned from this endowment will be used to support the Professorship.

BACKGROUND INFORMATION

The Hubert L. and Olive Stringer Chair in Basic Science in Honor of Sally Stringer was established by the U. T. Board of Regents in June 1981. Since the earnings from this endowment have accumulated to a level sufficient to fund another \$300,000 endowment, it is appropriate to honor Hubert L. and Olive Stringer with the proposed Professorship.

IV. INTELLECTUAL PROPERTY MATTER

U. T. System: Recommendation for Approval of Proposed Research Affiliation Agreement with Clayton Foundation for Research, Houston, Texas.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs that the U. T. Board of Regents approve a proposed Research Affiliation Agreement between the U. T. Board of Regents and the Clayton Foundation for Research (Foundation), a Texas nonprofit corporation, Houston, Texas, for medical and scientific research to be conducted by Foundation at certain health-related component institutions of the U. T. System as set out on Pages L&I 39 - 47.

## BACKGROUND INFORMATION

The Clayton Foundation for Research (Foundation) is a Texas nonprofit corporation established for the purpose of medical and scientific research. The Foundation presently is affiliated with and conducts research at the U. T. M.D. Anderson Cancer Center and the U. T. Health Science Center - Houston. The Foundation conducts research using its own personnel and facilities which are leased from the component institutions.

The proposed Research Affiliation Agreement is similar to existing and approved research affiliation agreements and will supplant those agreements, thereby eliminating the necessity of having future agreements separately approved.

Under the proposed agreement, as in existing research affiliation agreements, the Foundation will own any inventions or other technologies developed during the course of its research. Royalties received from licensing inventions and technologies will be apportioned between the Foundation and the relevant U. T. System health-related component institutions according to the respective contributions of the parties. Royalty income apportioned to the Foundation will be shared with the investigator in the same percentage that he/she would have received under the U. T. System Intellectual Property Policy. The balance of such royalty will be dedicated, at the Foundation's discretion, to funding further research at the health-related component institution.

Specific program agreements will be subject to prior administrative review and approval by the U. T. Board of Regents as appropriate. The proposed agreement has been reviewed by the Office of General Counsel.

RESEARCH AFFILIATION AGREEMENT

This Agreement effective the \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, between Clayton Foundation for Research, a Texas nonprofit corporation (the "Foundation"), and The Board of Regents of The University of Texas System (the "System"), acting for and on behalf of certain of its component institutions (such component institutions being referred to herein as "Hospitals" or in the singular as a "Hospital"), is made with reference to the following facts:

A. The Hospitals are nonprofit institutions with the principal purpose of providing medical education and also providing medical care to patients as an integral part of their medical education function and, therefore, qualify as "hospitals" under section 170(b)(1)(A)(iii) of the Internal Revenue Code of 1986 and are not grant-making institutions. In order to qualify as a medical research organization, the Foundation must be affiliated with a hospital(s) in the continuous active conduct of medical research, and it must employ professional personnel and own or lease its own physical facilities and equipment appropriate for such research. It is not sufficient to merely use its funds to support research conducted by another institution, as distinguished from research conducted by its own personnel.

B. The Foundation and certain of the Hospitals are currently affiliated in the active conduct of medical research, by virtue of the Foundation conducting some of its research in facilities of such Hospitals, such Hospitals making their facilities available to the Foundation, and the personnel of the Foundation and such Hospitals participating in such medical research. Such affiliations are pursuant to written Research Affiliation Agreements entered into by and between the Foundation and the particular Hospital, each such Agreement having been separately approved by the Board of Regents.

C. It is now the desire of the parties to affiliate under a single Research Affiliation Agreement which will govern the conduct of research by the Foundation at each Hospital where such

research is being, or will be conducted, and further, to have this Agreement replace and supersede the several existing Research Affiliation Agreements with individual Hospitals.

D. The objectives of the Foundation are to employ the most talented and productive investigators available to engage in research of their own choosing, to provide its investigators with maximum autonomy and freedom consistent with a cooperative research effort by the Foundation and the Hospitals, and to maintain the identity of the Foundation in conducting joint research projects.

NOW, THEREFORE, it is mutually agreed as follows:

1. Purpose: The purpose of this Agreement is to provide for the continuous active conduct of medical research by the Foundation in conjunction with the Hospitals and to expressly set forth the agreement between the parties hereto as to the respective rights to any proprietary property or assets of any kind or nature resulting from, or arising out of, the research conducted hereunder.

2. Location: The medical research to be conducted hereunder shall be conducted in facilities of the Hospitals, and in other appropriate locations as may be required so as to reasonably facilitate such medical research.

3. Supervision of Medical Research: The continuous active conduct of medical research in conjunction with the Hospitals shall be under the supervision of a senior investigator(s) who will be selected by the Foundation with the advice of the particular Hospital. The research will be conducted by the Foundation through such senior investigator(s), and the cost of conducting the medical research will be paid by the Foundation.

4. Research Program Agreements: The specific research projects, including personnel and budgets, will be agreed upon by the Foundation, the System and the various Hospitals in specific Research Program Agreements. Such projects will be subject to all of the terms and conditions of such specific Research Program Agreements as well as all terms and conditions hereof. In the



event of any conflict or discrepancy between the terms and conditions of any Research Program Agreement and the terms and conditions hereof, the terms and conditions hereof shall control.

5. Conduct of Medical Research: The medical research in conjunction with a Hospital shall be conducted by the investigator(s) and other employees of the Foundation either alone or in conjunction with others working at the Hospital. The Foundation and the Hospital shall freely exchange information, ideas and research results of joint projects. All activities conducted at the Hospital pursuant to this Agreement shall conform to the applicable policies of the Hospital, and the personnel of the Hospital assisting and collaborating in such medical research shall be responsible for obtaining appropriate approval for such activities. The Hospital shall permit its personnel to assist in collaborating in medical research with the personnel of the Foundation, and the Foundation shall permit its personnel to assist in collaborating in medical research with the personnel of the Hospital.

6. Agreement as to Proprietary Rights: Any inventions or discoveries made, and any technology or know-how developed, during the course of research under this Agreement, which may, or may not be patentable, or copyrightable, shall be treated in the manner prescribed in Appendix A attached hereto.

7. Period of Agreement: This Agreement is for a period of five years from the effective date hereof and shall be automatically extended for additional five-year periods from and after the expiration of the first and each succeeding five-year period, unless six months or more prior to expiration of any five-year period either party shall give written notice to the other party that it has elected not to extend the term of this Agreement; provided, however, that either party may terminate this Agreement at any time by giving the other party six months' written notice of intention to terminate. Amendment of this Agreement shall be only in writing, signed and approved by each of the parties.

8. Prior Agreements Superseded: This Agreement, as of the effective date stated above, supersedes and replaces in their entirety each existing Research Affiliation Agreement between the Foundation and Hospitals that are component institutions of the System, including without limitation those Research Affiliation Agreements between (i) the Foundation and the System for and on behalf of The University of Texas at Austin dated April 8, 1971, (ii) the Foundation, the System for and on behalf of The University of Texas at Austin, and The Student Health Center of The University of Texas at Austin dated April 14, 1971, (iii) the Foundation and The University of Texas M. D. Anderson Hospital and Tumor Institute dated February 13, 1981, and (iv) the Foundation and The University of Texas Medical School at Houston dated February 13, 1981, as amended December 13, 1984.

This Agreement is effective as of the day and year first above written.

CLAYTON FOUNDATION FOR RESEARCH

By: \_\_\_\_\_  
C. W. Wellen  
President

ATTEST:

BOARD OF REGENTS OF THE UNIVERSITY  
OF TEXAS SYSTEM

By \_\_\_\_\_  
Arthur H. Dilly  
Executive Secretary

By: \_\_\_\_\_  
Title: Chancellor

APPROVED AS TO FORM:

APPROVED AS TO CONTENT:

By \_\_\_\_\_  
Dudley R. Dobie, Jr., Attorney  
Office of General Counsel

By \_\_\_\_\_  
Charles B. Mullins, M.D.  
Executive Vice Chancellor  
for Health Affairs

## APPENDIX A

### PROPRIETARY PROPERTY

#### 1. Policy

The inventions and discoveries made and the know-how and technology developed by Clayton investigators during the course of research under this Agreement, either solely or jointly with the Hospital investigators, are valuable assets arising out of such research. These assets include inventions, discoveries, technology, know-how, and programs subject, or not subject, to being patented, or copyrighted, all of which are hereinafter referred to as "Proprietary Property." The Foundation and the System recognize that rights to this Proprietary Property, either limited or exclusive, can be a strong incentive for a private company to risk the money and effort needed to change research and Proprietary Property into a commercial product, or procedure, which is widely available to the public. Accordingly, the Foundation desires to obtain title to such Proprietary Property and, when feasible, to seek patent or copyright protection on such Proprietary Property resulting from research projects under this Agreement. The System is prepared to assist the Foundation in its desire to seek patent, or copyright, protection for certain of such Proprietary Property, and its desire to use such Proprietary Property in hastening the public enjoyment of the benefits of its research. In this regard, disclosures by an investigator of a Hospital shall be made to the Hospital in accordance with the Hospital's regular procedures; provided, however, that copies of any and all such disclosures shall be furnished to the Foundation by the Hospital immediately upon the Hospital's receipt of such disclosure. Notwithstanding anything to the contrary herein, authors of scientific papers shall be entitled to retain the copyright to the extent provided by the policies and procedures of the Hospital.

#### 2. Proprietary Property

Proprietary Property developed solely by the Foundation, or solely by the Hospital, shall belong to such party. Due to the close cooperation between personnel of the Foundation and the

Hospital in the research projects under this Agreement, it is contemplated that some Proprietary Property may be produced jointly by Foundation and Hospital investigators. In this regard, where at the time the investigator is acting solely in the capacity as an employee of one party, such Proprietary Property shall nevertheless be deemed to have been made "jointly" if the other party has made some substantial contribution to the research project out of which such joint Proprietary Property arose, such as funds, equipment, space, overhead, staff, etc. In the case of Proprietary Property produced or made jointly by the Foundation and a Hospital, either party may request that a patent or copyright application be filed therefor. The Foundation shall have the right to file patent applications, including utility models, and copyrights and to secure ownership to the same in the name of the Foundation in every country in the world and shall have the right to make the final decision with respect to the subject matter thereof, reserving the right to abandon or cease maintaining the same. In the event that the Foundation elects not to file such a patent application, or copyright, or to abandon any such patent application, or ceases maintaining such a patent, the Foundation shall give thirty (30) days notice prior to such election, and the System shall have the right to file for, assume the prosecution of, or maintain the same, and the Foundation agrees to assign title thereto to the System. The party filing the patent application or copyright, prosecuting the application, or maintaining the application shall have the full control over the same; however, such party shall provide the other party with copies of all documents with respect thereto and will consider any comments or suggestions made by the other party prior to filing or responding to office actions. The parties further agree that all expenses thereof shall be apportioned according to the respective contributions of the parties to the funding of the research project out of which the Proprietary Property arose.

3. Royalties

- (a) Royalties received from Proprietary Property shall be apportioned according to the respective contributions of the parties to the funding of the research project out of which the Proprietary Property arose.
- (b) The patent policy of the Foundation for the use of any royalty income apportioned to the Foundation from a patent or copyright arising out of a research project conducted under this Agreement is as follows:
- (1) The investigator shall receive the same percentage of the royalty that he would have received as an investigator under the then-existing patent policy of the Hospital; and
  - (2) The balance of such royalty will normally be dedicated to further research at the Hospital on the same or a related project out of which the Proprietary Property arose; provided, however, that the Foundation, in the sole discretion of its trustees, reserves the right to utilize part or all of such balance of the royalty on other research projects at the Hospital or at any other institution or for any other purpose.
- (c) The Foundation (or the System if it is assigned title to the Proprietary Property under Paragraph 2 above) shall receive and disburse royalty income pursuant to subparagraph (a) above with respect to joint Proprietary Property of the Foundation and the System and shall keep accurate records detailing the basis for such disbursements. The party receiving and disbursing royalty income under the preceding sentence shall, before the end of the calendar quarter next succeeding the close of each calendar year, provide a written report to the other party detailing royalty receipts and disbursements for the immediately preceding

calendar year and shall thereupon make the payments declared therein to be due.

4. Litigation

It may become necessary to enforce one or more of the patents, or copyrights, contained in the Proprietary Property obtained under Paragraph 2 above against infringers. All costs of litigation, including attorneys' fees, shall be deducted from any royalties, judgments or other amounts received on the Proprietary Property in suit before distribution in accordance with the provisions of Paragraph 3, subparagraph (a) above. If such costs exceed royalties, judgments or other amounts received on the Proprietary Property in suit, the excess shall be borne by the parties in proportion to their respective interests in the patent or copyright; provided, however, that either party may elect to decline to bear its share of such costs, but in such event the other party shall be entitled to recover an amount equal to twice its excess costs prior to the declining party being entitled to receive any distribution under this Agreement.

5. General Provisions

- (a) The term "royalty" (which includes any consideration received from the licensing, use, sale or other disposition of Proprietary Property) as used in this Agreement refers to a net royalty, and the Foundation and/or the System shall first recoup all costs and expenses (including attorneys' fees) incurred in applying for, obtaining, maintaining, protecting and licensing any particular Proprietary Property before any royalty income received from such Proprietary Property is disbursed under this Agreement.
- (b) In the event that the Foundation is making the patent application with respect to a particular Proprietary Property, the System will use reasonable efforts to either require the employee (or employees) of the Hospital with rights in such particular Proprietary Property to assign such rights to the System, and the

System will in turn assign such rights to the Foundation, or to cause such employee (or employees) to assign such rights directly to the Foundation as a matter of convenience.

- (c) Where two or more persons are jointly responsible for the invention of a particular Proprietary Property, only one royalty will be paid, and the parties agree that the royalty the Foundation is to pay under clause (1) of subsection (b) of paragraph 3 hereof shall be divided among the co-inventors in proportion to their relative contribution to its invention. In the event of a dispute as to the existence of co-inventors, their identity or their relative contributions to a particular Proprietary Property, the Hospital shall be responsible for settling such dispute in accordance with its usual policies and procedures, and its determination shall be final.

**Executive Session  
of the Board**



BOARD OF REGENTS  
EXECUTIVE SESSION  
Pursuant to Vernon's Texas Civil Statutes  
Article 6252-17, Sections 2(e), (f) and (g)

Date: February 8, 1990

Time: Following the meeting of the Land and  
Investment Committee

Place: Board Room 316 and Conference Room 303 of the  
Administration Building, U. T. Pan American

1. Pending and/or Contemplated Litigation - Section 2(e)
  
2. Land Acquisition, Purchase, Exchange, Lease or Value of  
Real Property and Negotiated Contracts for Prospective  
Gifts or Donations - Section 2(f)  
  
U. T. Austin: Request for Authorization  
to Purchase Lot 10 and North 24.25 Feet  
of Lot 11, Outlot 49, Division D, Austin,  
Travis County, Texas
  
3. Personnel Matters [Section 2(g)] Relating to Appointment,  
Employment, Evaluation, Assignment, Duties, Discipline,  
or Dismissal of Officers or Employees