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MATERIAL SUPPORTING THE AGENDA

Volume XVIB

January 1969 - May 1969

This volume contains the Material Supporting the Agenda furnished to each member of the Board of Regents prior to the meetings held on January 31-February 1, March 14, and May 2, 1969.

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

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

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



THE BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM

Material Supporting
Agenda

Meeting Date:..... March 14, 1969

Meeting No.:..... 668

Name: *Official Copy*

CALENDAR
BOARD OF REGENTS
OF
THE UNIVERSITY OF TEXAS SYSTEM

March 14, 1969

Place: U. T. Austin, Main Building

Meeting Room: Main Building, Suite 212

Friday, March 14, 1969--The Committees will meet in the order set out below, followed by the Meeting of the Board:

9:00 a. m.	Executive Committee
	Academic and Developmental Affairs Committee
	Buildings and Grounds Committee
	Medical Affairs Committee
	Land and Investment Committee
	Committee of the Whole
	Meeting of the Board

Lunch will be served at noon in Main Building 101.

Telephone Numbers:

Office of the Secretary	GR 1-1265
Hotels:	
Commodore Perry	GR 6-6461
Driskill	GR 6-3501
Sheraton Crest Inn	GR 8-9611
Villa Capri	GR 6-6171
Airlines:	
Braniff Airlines	GR 6-4631
Trans Texas Airways	478-9585
Taxi	GR 2-1111

Executive Committee

EXECUTIVE COMMITTEE

Date: March 14, 1969
Time: 9:00 a. m.
Place: Main Building, Suite 212
U. T. Austin, Austin, Texas

The report of the interim actions taken by mail ballot since January 31, 1969, will be in the Supplementary Agenda Material, together with any items that may be submitted for the consideration of the Executive Committee.

EXECUTIVE COMMITTEE
Supplementary Agenda

Date: March 14, 1969

Time: 9:00 a. m.

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

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1. U. T. Austin: Minutes of the Meetings of the Board of Directors of the Texas Union (25-M-68)	3
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3. U. T. Arlington: Request to Coordinating Board for Ph. D. Program in Engineering (27-M-68)	3
4. U. T. Austin, U. T. El Paso, Galveston Medical Branch, Dallas Medical School: Amendments to the 1968-69 Budgets (6-B-68)	4
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REPORT OF INTERIM ACTIONS

Set out below are interim actions that have been approved by the Executive Committee:

- ✓ 1. U. T. Austin: Minutes of the Meetings of the Board of Directors of the Texas Union (25-M-68). --The minutes of the meetings of the Board of Directors of the Texas Union at The University of Texas at Austin held on January 9 and 29, 1969, respectively, were reviewed. The following modifications to the actions reflected in the minutes of January 9, 1969, were approved:
 - a. Action was delayed on the following requests of the Curtain Theatre pending further investigation:
 - (1) That a key to the outside entrance to Room 401 in Texas Union be issued to the Curtain Theatre
 - (2) That the following changes be made in Room 401:
 - (a) A permanent installation of a 220 volt power line
 - (b) A platform for technicians to be placed above the door in Room 401 where electric equipment controls could be placed
 - (c) A window cut through the wall from the stairwell so the control platform personnel could have visible access to the room
 - (d) Permission to paint the walls and ceiling for special productions.
 - b. That there be no action taken on the proposal for the Texas Union to operate the University's property on Lake Austin since the use of this property is now under study by Central Administration.
- ✓ 2. U. T. Austin: Minutes of the Meeting of the Board of Directors of Texas Student Publications, Inc. (26-M-68). --Approval was given to the minutes of the meeting of the Board of Directors of Texas Student Publications, Inc. at The University of Texas at Austin held on January 10, 1969. The appointment of Miss Anne-Marie Verstegen as Managing Editor of The Daily Texan for the 1969 Spring Semester required Regental consideration and was approved.
- ✓ 3. U. T. Arlington: Request to Coordinating Board for Ph. D. Program in Engineering (27-M-68). --Approval was given to establish a Ph. D. program in Engineering at The University of Texas at Arlington, and the Administration was authorized to request permission from the Coordinating Board, Texas College and University System for the establishment of the program.

4. U. T. Austin, U. T. El Paso, Galveston Medical Branch, Dallas Medical School: Amendments to the 1968-69 Budgets (6-B-68). -- The following amendments to the 1968-69 budgets of The University of Texas at Austin, The University of Texas at El Paso, The University of Texas Medical Branch at Galveston, and The University of Texas Southwestern Medical School at Dallas were approved (Pages 4-8).

Source of Funds - Departmental Appropriations
(Unless Otherwise Specified)

(All rates set out below are full time rates: salary rate indicates a 12 months' full time rate and academic rate indicates a 9 months' full time rate.)

The University of Texas at Austin

Item No.	Explanation	Present Status	Proposed Status	Effective Dates
65.	Auxiliary Enterprises - Parking and Traffic Transfer of Funds:	From: Parking and Traffic Unappropriated Balance (Parking Fees)	To: Parking and Traffic - Salaries	
	Amount of Transfer	\$5,600	\$5,600	---

66. Auxiliary Enterprises - Intercollegiate Athletics

The contracts of the Assistant Football Coaches are on a fiscal year basis, and the present contracts expire January 31, 1969. The following salary rate changes are recommended effective February 1, 1969:

	<u>Present Annual Salary Rate</u>	<u>Recommended Annual Salary Rate</u>	<u>Required Additional Funds Through 8-31-69</u>
Assistant Football Coach			
William M. Campbell	\$ 18,000	\$ 20,000	\$ 1,167
Billy M. Ellington	15,000	17,000	1,167
Willie F. Zapalac	15,500	17,000	875
Fred S. Akers	14,500	15,500	583
Emory D. Bellard	13,500	15,000	875
Richard M. Patterson	13,500	15,000	875
Thomas L. Ellis	13,500	14,500	583
Willie L. Manley	13,000	14,500	875
James C. Helms	7,800	7,800	<u>4,550 (a)</u>
Source of Funds: Intercollegiate Athletics Balance			<u>\$11,550</u>

(a) Funds required to continue appointment from February 1, 1969. (Initial appointment date - December 1, 1968.)

The University of Texas at El Paso

Item No.	Explanation	Present Status	Proposed Status	Effective Dates
5.	William N. Tidwell Office of the Business Manager	Director of Accounting	Director of Accounting	
	Salary Rate	\$10,200	\$12,000	2/1/69
	Source of Funds: Unallocated Salaries			
6.	Richard E. Canfield Office of the Business Manager	Assistant Business Manager	Assistant Business Manager	
	Salary Rate	\$12,700	\$13,800	2/1/69
	Source of Funds: Unallocated Salaries			

The University of Texas Medical Branch at Galveston

22.	Samuel N. Kolmen Physiology	Professor	Professor	
	Salary Rate	\$19,000	\$20,500	2/1/69
	Source of Funds: Shrine Burn Institute Service			
23.	George C. Bess Radiology	Assistant Professor	Assistant Professor	
	Salary Rate	\$15,000	\$19,000	2/1/69
	Source of Funds: Professional Fees - Radiology			

The University of Texas Southwestern Medical School at Dallas

12.	Jay P. Sanford Internal Medicine	Professor	Professor	
	Salary Rate	\$26,000	\$28,000	2/1/69
	Source of Funds: Faculty Gifts for Pathology			
13.	Anthony M. D'Agostino Pathology	Associate Professor	Associate Professor	
	Salary Rate	\$21,000	\$24,500	2/1/69
	Source of Funds: Faculty Gifts for Pathology			

The University of Texas Southwestern Medical School at Dallas (continued)

<u>Item No.</u>	<u>Explanation</u>	<u>Present Status</u>	<u>Proposed Status</u>	<u>Effective Dates</u>
14.	A. B. C. Dowdey Pathology	Assistant Professor	Assistant Professor	
	Salary Rate	\$20,500	\$24,000	2/1/69
	Source of Funds: Faculty Gifts for Pathology			
15.	Edwin H. Eigenbrodt Pathology	Assistant Professor	Assistant Professor	
	Salary Rate	\$18,500	\$22,500	2/1/69
	Source of Funds: Faculty Gifts for Pathology			
16.	Bruce D. Fallis Pathology	Professor	Professor	
	Salary Rate	\$30,500	\$34,000	2/1/69
	Source of Funds: Faculty Gifts for Pathology			
17.	L. Ruth Guy Pathology	Associate Professor	Associate Professor	
	Salary Rate	\$17,000	\$19,500	2/1/69
	Source of Funds: Faculty Gifts for Pathology			
18.	Morton F. Mason Pathology	Professor of Forensic Medicine and Toxicology	Professor of Forensic Medicine and Toxicology	
	Salary Rate	\$20,881	\$23,381	2/1/69
	Source of Funds: Faculty Gifts for Pathology			
19.	Joseph S. Paul Pathology	Assistant Professor	Assistant Professor	
	Salary Rate	\$16,000	\$17,500	2/1/69
	Source of Funds: Faculty Gifts for Pathology			

The University of Texas Southwestern Medical School at Dallas (continued)

<u>Item No.</u>	<u>Explanation</u>	<u>Present Status</u>	<u>Proposed Status</u>	<u>Effective Dates</u>
20.	Robert S. Putnam Pathology	Assistant Professor	Assistant Professor	
	Salary Rate	\$18,000	\$21,500	2/1/69
	Source of Funds: Faculty Gifts for Pathology			
21.	Rolland C. Reynolds Pathology	Associate Professor	Associate Professor	
	Salary Rate	\$23,000	\$26,500	2/1/69
	Source of Funds: Faculty Gifts for Pathology			
22.	Edwin D. Seaman Pathology	Assistant Professor	Assistant Professor	
	Salary Rate	\$20,000	\$23,500	2/1/69
	Source of Funds: Faculty Gifts for Pathology			
23.	Alice L. Smith Pathology	Associate Professor	Associate Professor	
	Salary Rate	\$18,500	\$21,000	2/1/69
	Source of Funds: Faculty Gifts for Pathology			
24.	Vernie A. Stembridge Pathology	Professor and Chairman	Professor and Chairman	
	Salary Rate	\$32,500	\$36,000	2/1/69
	Source of Funds: Faculty Gifts for Pathology			
25.	Ralph R. Sloan, Jr. Internal Medicine	Fellow	Fellow	
	Salary Rate	\$ 8,700	\$10,200	2/1/69
	Source of Funds: A.M.A. - Education and Research Foundation			

The University of Texas Southwestern Medical School at Dallas (continued)

<u>Item No.</u>	<u>Explanation</u>	<u>Present Status</u>	<u>Proposed Status</u>	<u>Effective Dates</u>
26.	Stuart D. Tauber Internal Medicine	Assistant Professor	Assistant Professor	
	Salary Rate	\$18,500	\$20,500	2/1/69
	Source of Funds: N.I.H. Career Development Award			
27.	Arthur L. Fuston Pediatrics	Project Administrator	Project Administrator	
	Salary Rate	\$12,000	\$13,500	2/1/69
	Source of Funds: U.S.P.H.S. C and Y Project			
28.	Luis Garrigo Psychiatry	Assistant Professor	Assistant Professor	
	Salary Rate	\$19,000	\$20,500	3/1/69
	Source of Funds: U.S.P.H.S. Contract			

5. U. T. Austin: Ratification of Baseball and Golf Schedules for 1968-69 (24-M-68). --The following baseball and golf schedules for 1968-69 as approved by the Athletics Director and the Chairman of the Athletics Council at The University of Texas at Austin and as submitted to the Executive Committee were approved:

Baseball

February	27	Sam Houston at Austin
	28	Sam Houston at Austin
March	7	Oklahoma University at Austin
	8	Oklahoma University at Austin
	11	Texas Lutheran College at Austin
	12	St. Mary's University at Austin
	17	University of Minnesota at Austin
	18	University of Minnesota at Austin
	21	Texas Christian University at Austin
	22	Texas Christian University at Austin
	28	Southern Methodist University at Dallas
	29	Southern Methodist University at Dallas
April	4	Rice University at Austin
	5	Rice University at Austin
	7	Notre Dame at Austin
	11	Baylor University at Waco
	12	Baylor University at Waco
	17	Trinity University at Austin
	25	Texas Technological College at Austin
	26	Texas Technological College at Austin
May	2	Texas A&M University at College Station
	3	Texas A&M University at College Station

Golf

January	30-31	Atascocita Intercollegiate Individual at Houston
February	13-14-15	L.R. Goldman Tournament at Houston
	28	Morris Williams Intercollegiate Individual at Austin
March	1	Morris Williams Intercollegiate Individual at Austin
	5-8	Border Olympics Golf Tournament at Laredo
	24	Texas Technological College at Lubbock
	28	Texas Christian University at Austin
April	7	University of Arkansas at Texarkana
	16-19	All America Intercollegiate Individual at Houston
	21	Baylor University at Waco
April	26	Texas A&M University at College Station
	29	Southern Methodist University at Austin
May	2	Rice University at Houston
May	8-9	Southwest Conference Individual Championships at Waco
June	--	NCAA Golf Tournament at Colorado Springs, Colorado

**Academic & Developmental Affairs
Committee**

ACADEMIC AND DEVELOPMENTAL AFFAIRS COMMITTEE

Date: March 14, 1969
Time: Following the meeting of the Executive Committee
Place: Main Building, Suite 212
U. T. Austin, Austin, Texas

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4. U. T. Austin: Proposal by the General Faculty Con- cerning Methods of Faculty Consultation on Selection of Certain Key Administrative Officials	5

- ✓ 1. U. T. System: Chancellor's Docket No. 30. --On February 25, 1969, the Chancellor's Docket was mailed to each Regent. The ballots are due to be returned to the Secretary by the close of business on March 11. If the ballots reflect that any item is excepted, the docket will be referred to the Committee of the Whole for consideration. The results of the ballots will be distributed at the meeting.
- ✓ 2. U. T. System: Report of University Development Board Actions. --Mr. Blunk, Executive Director of The University Development Board submits the following report:

Gifts and grants are reported to the Board of Regents routinely through established procedures.

The University of Texas System Development Board met in Austin, January 23. Among those attending was new member Lloyd M. Bentsen, Jr., of Houston. Highlights were reports given by Chancellor Harry Ransom and Executive Vice-Chancellor C. A. LeMaistre.

A report of gifts and grants to the U. T. System for the first quarter of the academic year 1968-69 showed 1,446 gifts totaling \$1,973,602. For the first quarter of 1967-68 there were 1,253 gifts totaling \$996,255. These first quarter 1968-69 increases are especially encouraging in view of the fact that gifts for the year 1967-68 totaled a record \$15,755,121.

On February 5 an all-day meeting was held in Austin to discuss Development problems and opportunities in Texas universities--the first such meeting held in Texas. The U. T. System Development office was originator--host. Other participants were Development directors from A&M, Baylor, Rice, SMU, TCU, Texas Tech and University of Houston; they scheduled another meeting in six months.

On February 7 the Executive Committee of the Chancellor's Council met in Austin. Dan C. Williams was re-elected Committee chairman; Dr. H. F. Connally, Jr., was elected vice-chairman. The Committee expanded its size by adding these new members: Dr. R. K. Blumberg, Seguin; Dr. C. L. Cline, Austin; O. Scott Petty, San Antonio; Dr. C. M. Phillips, Levelland; Edward Randall III, Houston.

The annual giving CLASP program appears to be exceeding previous years' records. The appeal of the 1969 CLASP honorary chairman, Dr. Denton Cooley, in a special brochure is getting favorable attention from alumni. Development Board annual giving committee chairman Dan M. Krausse is directing this annual effort.

A dinner on February 11 at El Paso Country Club was attended by 235 supporters of The University of Texas at El Paso. The dinner honored UTEP Foundation Advisory

Council members and recognized UTEP donors and friends. Speakers included Advisory Council Chairman William B. Hardie and Chancellor Harry Ransom.

On January 25 The University of Texas Medical Branch at Galveston Foundation Advisory Council met at Galveston. Expanding its size, the Council added these new members: Carl M. Byard, Galveston; Dr. H. F. Connally, Jr., Waco; Dr. Walter F. Hasskarl, Jr., Brenham; Harris Kempner, Galveston; W. L. Moody IV, Galveston; Preston Shirley, Galveston; John Winterbotham, Houston; Sam P. Woodson, Jr., Fort Worth. On February 15 this Council's Committee on Development Programs met in Austin.

Meeting dates of other Foundation Advisory Councils include:

- February 14 - College of Business Administration
Advisory Council (Austin)
- February 28 - Fine Arts Advisory Council (Houston)
- March 8 - Engineering Advisory Council (Austin)
- March 21 - Pharmaceutical Advisory Council
(Austin)
- April 14 - Geology Advisory Council (Dallas--Tentative)
- May 9 - College of Business Administration
Advisory Council (Austin)
- May 31 - Engineering Advisory Council (Austin)

Jack C. Vaughn has accepted appointment to The University of Texas Foundation, Inc., board, replacing James L. Bayless, resigned. The book value of Foundation assets now exceeds \$870,000; market value is in excess of \$2,800,000. In addition to general funds, the Foundation is administering gifts for the benefit of the College of Arts and Sciences, the College of Business Administration, the College of Engineering, and the Lyndon Baines Johnson Library. Loeb, Rhoades & Company has made gifts totaling about \$265,000 within the last ninety days for the purpose of purchasing books, manuscripts and other documents for the Lyndon Baines Johnson Library.

In the last few months Development policies of the Board of Regents and the Development Board have been more effectively implemented in the UT System's various component institutions. Greatest improvement has been noted in those institutions where staff additions or assignments have been made to strengthen and expand Development activities.

3. U. T. Austin: Amendments to Regulations Pertaining to the Budget Council System. --Below is a Xerox copy of a recommendation of Executive Vice-Chancellor Singletary:

At the January 31, 1969 meeting of the Board of Regents, regulations pertaining to the Budget Council system were adopted as a part of the institutional supplement to the Regents' Rules and Regulations. Subsequent to the submission of this item in the Material Supporting the Agenda for the January meeting, the Faculty Council on January 20, 1969 approved a revision of the third paragraph. This revision has been approved by President Hackerman and Executive Vice-Chancellor Singletary, and approval by the Board of Regents is recommended.

The proposed amendment follows:

✓AFTER PROPER NOTICE TO ALL VOTING MEMBERS OF THE DEPARTMENT AND AFTER DUE DISCUSSION, ANY MODIFICATIONS PROPOSED UNDER PARAGRAPHS 1 AND 2 ABOVE MUST BE SUBMITTED TO A MAIL BALLOT OF THE MEMBERS OF THE DEPARTMENTAL FACULTY, INCLUDING MEMBERS ON LEAVE, AND SHALL TAKE EFFECT IF APPROVED BY A MAJORITY VOTE OF THE DEPARTMENT, AND BY THE DEAN AND THE PRESIDENT. ✓
After one or more proposals to be presented to the department faculty under Paragraphs 1 and 2 have been circulated to all voting members of the department for at least one week, a meeting of the department shall be called during the long session at a time which will ensure full participation of its members. The meeting shall assess the merits of the proposal or proposals and determine whether they are in a form appropriate for submission to ballot. One week after the close of debate on the proposal or proposals, votes on them shall be taken by mail ballot sent to all voting members of the department, including those on leave. A modification shall take effect if approved by a majority vote of the members and by the dean and the president.

- Referred to Mrs. Session*
4. U. T. Austin: Proposal by the General Faculty Concerning Methods of Faculty Consultation on Selection of Certain Key Administrative Officials. --Below is a Xerox copy of a recommendation of Executive Vice-Chancellor Singletary:

In the following letter dated January 2, 1969, President Hackerman recommends approval of the action taken by the General Faculty at U.T. Austin concerning faculty consultation on certain key administrative officials for U.T. Austin.

Vice-Chancellor Singletary concurs in President Hackerman's recommendation, with certain amendments to the original document. Vice-Chancellor Singletary's recommendation of deletions to the original document are shown in brackets and capital letters, and the recommended additions to the original document are underlined.

Vice-Chancellor Singletary further recommends that the following statement also be adopted for inclusion in the Institutional Supplement for U.T. Austin:

The recommended procedures for faculty consultation in the selection of certain key administrative officials for the University of Texas at Austin will be followed except in extreme or unusual circumstances when, in the opinion of the Board of Regents, the best interests of the University can be more effectively served by some other method of consultation.

(SEAL)

THE UNIVERSITY OF TEXAS AT AUSTIN
Office of the President
Austin, Texas 78712

President

January 2, 1969

Dr. Otis A. Singletary
Executive Vice-Chancellor for Academic Affairs
The University of Texas System

Dear Dr. Singletary:

The General Faculty of The University of Texas at Austin has adopted the following proposed methods of faculty consultation on selection of certain key administrative officials for The University of Texas at Austin, and I recommend their approval for inclusion in the institutional regulations to be written for The University of Texas at Austin. Sections I, II, III, and V below were adopted at the General Faculty meeting on October 29, 1968, and I was so notified by the Secretary on December 13. Section IV below had been approved earlier (October 21, 1968) by circularization.

- I. The Chief Administrative Official of The University of Texas at Austin (now the "President").

Except for compelling reasons stated by the committee in its report, three or more nominees for President shall be submitted to the Chancellor by a consultative committee composed of nine members of the voting faculty of The University of Texas at Austin, six elected by the faculty of The University of Texas at Austin by the Hare System, three, not including administrative officials, appointed by the Chancellor; AND three students selected in a manner determined by the student government; and such other persons as the Chancellor might deem appropriate.

(For a definition of "Hare System" as used in this report, see the Rules and Regulations Governing Faculty Council.) No more than four of the elected members of the committee shall be from the College of Arts and Sciences and no more than two of the elected members from any other school or college. If the Chancellor declines or, because of rejection of the post by all nominees, is unable to recommend any of the nominees, the Chancellor may either request the committee to make additional nominations or may invoke such different procedure for selecting the President as he deems appropriate, provided that such different procedure shall include consultation with the committee before the Chancellor offers the position of President to any candidate.

II. The Vice-President for Academic Affairs and other Administrative Officials of The University of Texas at Austin in Direct Line of Authority from the President having Campus-Wide Responsibility and Authority with Respect to Academic, Faculty Affairs.

Except for compelling reasons stated by the committee in its report, three or more nominees shall be submitted to the President by a consultative committee composed of nine members of the voting faculty of The University of Texas at Austin, six elected by the faculty of The University of Texas at Austin by the Hare System, three, not including administrative officials, appointed by the President; AND three students selected in a manner determined by the student government; and such other persons as the President might deem appropriate. No more than four of the elected members of the committee shall be from the College of Arts and Sciences and no more than two of the elected members from any other school or college. If the President declines or, because of rejection of the post by all nominees, is unable to recommend any of the nominees, the President may either request the Committee to make additional nominations or may invoke such different procedure for selecting the appointee as the President deems appropriate, provided that such different procedure shall include consultation with the committee before the President offers the position to any candidate.

III. Deans and Directors of Schools and Colleges.

A. Procedure for Nomination.

Except for compelling reasons stated by the committee in its report, three or more nominees shall be submitted to the President by a consultative committee composed as indicated below. If the President declines or, because of rejection of the post by all nominees, is unable to recommend any of the nominees, the President may either request the committee to make additional nominations or may invoke such different procedure for selecting the appointee as the President deems appropriate, provided that such different procedure shall include consultation with the committee before the President offers the position to any candidate.

B. Composition of Nominating Committees.

1. Dean of the Graduate School.

The consultative committee shall be composed of nine members of the Graduate Faculty of The University of Texas at Austin, six elected by the Graduate Faculty by the Hare System, three, not including administrative officials, appointed by the President; /AND/ three students selected in a manner determined by the student government; and such other persons as the President might deem appropriate. No more than four of the elected members of the committee shall be from the College of Arts and Sciences and no more than two of the elected members from any other school or college.

2. Other Deans and Directors of Schools and Colleges.

The consultative committee shall be composed of five voting members of the faculty of the school or college for which a dean or director is being sought, elected by that faculty by the Hare System, and two voting members of the faculty of the University, not including administrative officials, appointed by the President; /AND/ three students selected in a manner determined by the student government; and such other persons as the President might deem appropriate.

3. Deans and Directors of New Schools and Colleges.

The consultative committee shall be composed of nine members of the voting faculty of The University of Texas at Austin, six elected by the faculty of The University of Texas at Austin by the Hare System and three, not including administrative officials, appointed by the President; /AND/ three students selected in a manner determined by the student government; and such other persons as the President might deem appropriate. No more than four of the elected members of the committee shall be from the College of Arts and Sciences and no more than two of the elected members from any other school or college.

C. Evaluation of Deans and Directors.

Deans and directors are appointed for one year. At a time not later than the end of any six-year period of service of a dean or director, a committee for evaluation shall be constituted in the same manner as for nomination. Such committee shall draft and forward to the President a report evaluating the administration of the school or college and recommending whether the incumbent dean or director should be continued in that position.

IV. Department Chairmen

- A. Only those having the rank of professor shall be eligible to serve as department chairmen, except when circumstances make this not feasible. In the latter case the appointment should be considered temporary. Such temporary appointment shall be as "acting" chairman.

Department chairmen are appointed or reappointed yearly.

- B. In the initial appointment of a department chairman the Dean shall consult with all voting members of the department or with their elected representatives through procedures formally communicated to the voting members of the department's faculty. Possible means of consultation include elective consulting committees (especially appropriate for the large department), written comments from members of the Department, or oral consultation with all members (in small departments).
- C. At the time preceding the end of any four-year period of service of a department chairman, the Dean shall consult with the voting members of the department through procedures formally communicated to the members of the department.

V. General Provisions.

A. Each committee shall select its chairman.

B. When a vacancy is anticipated in a deanship or higher position, the consultative committee shall be constituted as early as is convenient, preferably two years in advance.

C. A member of the nominating committee shall withdraw from the committee in any instance where it is clear that he is under serious consideration for appointment to the position being filled. Any vacancy in an elective position on a nominating or evaluating committee shall be filled by the next highest person on the electoral list.

D. Suggestions of candidates to be considered for nomination may be made to and sought by the consultative committee from any source both within and outside of the University.

E. Provisions for evaluation of deans and directors at intervals of not more than six years and evaluation of department chairmen at intervals of not more than four years are in addition to other procedures of evaluation employed by appropriate administrators. The evaluation committee reports are advisory.

It should be noted that Section II includes only the Vice-President for Academic Affairs "and other Administrative Officials of The University of Texas at Austin in Direct Line of Authority from the President having Campus-Wide Responsibility and Authority with Respect to Academic, Faculty Affairs." Thus the Vice-President for Business Affairs is not included in the selection process described above.

The present regulation governing selection of deans was approved by the Board of Regents at their March 1958 meeting and reads as follows:

Deans of Schools or Colleges shall be appointed by the Board of Regents upon the nomination of the President.

Prior to the appointment of each dean, (1) the Vice-President of the Main University shall request signed, confidential nominations

of one or more names from each member of the faculty concerned who is a voting member of the General Faculty and from such other voting members of the General Faculty as he may select; (2) the Vice-President of the Main University shall appoint an advisory committee, a majority of whom shall be members of the faculty concerned, to make nominations to him; and (3) the Vice-President of the Main University shall in turn make his nomination to the President.

The current method of selection of departmental chairmen was approved by the Board of Regents on June 27, 1953:

A member of the Budget Council shall be appointed by the Board of Regents, upon nomination by the President, to serve both as Chairman of the Department and as Chairman of the Budget Council for a term of four years...

The principle of faculty consultation in key administrative appointments has been followed at The University of Texas at Austin. The spelling out of this principle has been a matter of concern to the faculty over the years. The so-called Redford Report was adopted by the General Faculty on June 8, 1964, but has lain dormant ever since. The recommendation which the faculty has now endorsed is more practical and less restrictive than the earlier proposal and will, I think, prove helpful to the administration and the Regents if approved.

Sincerely yours,

/s/ Norman Hackerman

Norman Hackerman

NH:lsg

ACADEMIC AND DEVELOPMENTAL AFFAIRS COMMITTEE

Supplementary Agenda

Date: March 14, 1969
Time: Following the meeting of the Executive Committee
Place: U. T. Austin, Main Building, Suite 212

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*Proposed
next meeting*

5. U. T. Austin: Proposed Calendar for the 1970-71 Long Session. -- Vice-Chancellor Singletary concurs in the recommendation of President Hackerman that the calendar for the 1970-71 Long Session be approved as it was finally passed by the General Faculty on January 8, 1969. This calendar starts earlier in the year than the current calendar in order for the Fall Semester to end before the Christmas holidays.

Vice-Chancellor Singletary recommends that the Board of Regents approve the adoption of this calendar, which follows:

CALENDAR OF THE LONG SESSION OF 1970-1971

- August 30, Sunday. Opening of the Long Session
- Fall Semester
- August 31-September 1, Monday-Tuesday. Orientation procedure.
- August 31-September 2, Monday-Wednesday. Registration for the fall semester.
- September 2, Wednesday. Last day for registration without late penalty.
- September 3, Thursday. Classes begin.
- September 7, Monday. Labor Day. A holiday.
- September 8, Tuesday. Last day for adding courses and changing sections. Last day undergraduates may register without special approval of the Registrar.
- September 8, Tuesday. Last day students in the Graduate School may register, including paying fees, without special approval of the Dean of the Graduate School.
- September 18, Friday. This is the twelfth class day and date on which the official enrollment count is taken.
- October 1, Thursday. Last day for dropping courses without possible penalty. (See General Information bulletin.)
- October 2, Friday. Last day for making application for a graduate degree.
- October 27, Tuesday. Intrasemester reports due in deans' offices.
- November 25-28, Wednesday, 1:00 p.m.-Saturday, inclusive. Thanksgiving holidays.

December 1, Tuesday. Last day for making application for an undergraduate degree.

December 14-16, Monday-Wednesday. No classes.

December 17-23, Thursday-Wednesday. Fall semester final examinations.

December 23, Wednesday. Graduation day. (No public exercises.)

Spring Semester

January 11-13, Monday-Wednesday. Registration for the spring semester.

January 13, Wednesday. Last day for registration without late penalty.

January 14, Thursday. Classes begin.

January 19, Tuesday. Last day for adding courses and changing sections. Last day undergraduates may register without special approval of the Registrar.

January 19, Tuesday. Last day students in the Graduate School may register, including paying fees, without special approval of the Dean of the Graduate School.

January 29, Friday. This is the twelfth class day and the date on which the official enrollment count is taken.

February 11, Thursday. Last day for dropping courses without possible penalty. (See General Information bulletin.)

February 26, Friday. Last day for making application for a graduate degree.

March 12, Friday. Intrasemester reports due in deans' offices.

March 19-20, Friday-Saturday. Interscholastic League Press Conference Convention.

April 2-3, Friday-Saturday. Texas Relays.

April 2-10, Friday, 1:00 p.m.-Saturday, inclusive. Spring vacation.
Easter: April 11.

April 16,	Friday. Last day for making application for an undergraduate degree.
April 30-May 12,	Friday-Wednesday. Final examinations in the School of Law.
May 3-5,	Monday-Wednesday. No classes.
May 6-12,	Thursday-Wednesday. Final examinations except in the School of Law.
May 15,	Saturday. Commencement.

Summary

Fall semester:	74 class days, including examination period, but excluding registration days
	MWF: 40 class days
	TT: <u>28</u> class days
	68 + 6 exam days
Spring semester:	76 class days, including examination period, but excluding registration days
	MWF: 42 class days
	TT: <u>28</u> class days
	70 + 6 exam days

6. U. T. Austin: Amendment to Agreement Between the Board of Regents of The University of Texas System and the Austin Independent School District. -- Below is a Xerox copy of the recommendation of Executive Vice-Chancellor Singletary with respect to an amendment to the agreement between The University of Texas System and the Austin Independent School District.

Vice-Chancellor Singletary concurs in the recommendation of President Hackerman that the existing contract with the Austin Independent School District be amended to provide for library student training, as contained in the following letter dated February 25, 1969.

It is further recommended that the Chairman of the Board of Regents be authorized to execute the amendment to the agreement.

Dr. Otis A. Singletary
Executive Vice-Chancellor for Academic Affairs
The University of Texas System

Dear Dr. Singletary:

On May 24, 1967, the Board of Regents of The University of Texas System and the Austin Independent School District entered into an agreement for teacher training by which the University paid \$75 for each of its practice teaching students in the Austin public schools. It is now desirable to extend the contract to include library student trainees engaged in library laboratory practice and/or laboratory training, and it is requested that the Chairman of the Board of Regents be authorized to execute an amendment to provide for library training by the addition of the following subparagraph to the 1967 agreement:

- (3) \$37.50 per semester, commencing the second semester of the 1968-69 school year, for each library student trainee of UNIVERSITY engaged in library laboratory practice and/or laboratory training in a school operated by DISTRICT.

It is estimated that approximately 44 students will be library student trainees during the second semester and summer session of this year and 55 during the whole of next year.

Sincerely yours,


Norman Hackerman

NH:bg

7. U. T. Austin: Appropriations from the Unallocated Balance of Retained Earnings of Campus Services, Inc. --Below is a Xerox copy of Chancellor Ransom's recommendations with respect to the Unallocated Balance of the Retained Earnings of Campus Services, Inc.

- (a) Chancellor Ransom recommends that the Board of Regents approve President Hackerman's request for an appropriation of \$1,500 from the Unallocated Balance of the Retained Earnings of Campus Services, Inc., for use in connection with Round-Up Showcase. These funds will be used to pay various campus agencies which render services connected with Showcase.
- (b) Chancellor Ransom recommends approval of President Hackerman's request that an amount of \$132.50 be appropriated from the Unallocated Balance of the Retained Earnings of Campus Services, Inc., for the purpose of reimbursing two students for the cost of their attending a conference at SMU on "The Education of Women for Social and Political Leadership."

8. U. T. Austin, Galveston Medical Branch: Dual Positions Pursuant to Section 33, Article XVI, Constitution of Texas. -- Chancellor Ransom recommends that an appropriate resolution be adopted with respect to the individuals listed below in connection with each person's service on the state or federal board or commission opposite his name:

THE UNIVERSITY OF TEXAS AT AUSTIN

<u>Name</u>	<u>Classification</u>	<u>Board or Commission</u>
L. D. Haskew, Ph.D.	Professor of Educational Administration	Member - Texas Merit System Council, Texas Employment Commission
Wayne H. Holtzman, Ph.D.	Dean, College of Education	Member - Human Resources Panel, United States Air Force Scientific Advisory Board
Wayne H. Holtzman, Ph.D.	Dean, College of Education	Member - State Advisory Council of the Texas Employment Commission

THE UNIVERSITY OF TEXAS MEDICAL BRANCH AT GALVESTON

T. G. Blocker, Jr., M.D.	President	Member - Emergency Health Preparedness Advisory Committee, Division of Emergency Health Services, United States Public Health Service
Hamilton Ford, M.D.	Professor of Neurology and Psychiatry	Member - Galveston County Mental Health and Mental Retardation Board of Trustees
E. Ivan Bruce, M.D.	Professor of Neurology and Psychiatry	Member - Galveston County Mental Health and Mental Retardation Board of Trustees
Harold Goolishian, M.D.	Professor of Neurology and Psychiatry	Member - Galveston County Mental Health and Mental Retardation Board of Trustees

Allymit

- 9. Galveston Medical Branch: Recommended Rate Increase for Dormitories and Apartments. -- Below is a Xerox copy of the recommendation of Executive Vice-Chancellors LeMaistre and Walker and Chancellor Ransom with respect to rate increases for dormitories and apartments at The University of Texas Medical Branch at Galveston.

Executive Vice-Chancellors LeMaistre and Walker and Chancellor Ransom concur in the recommendation of Drs. Blocker and White and Messrs. Thompson and Harding that, effective September 1, 1969, the dormitory and apartment rental rates be increased as shown in the following schedule:

	<u>Present Monthly Rate</u>	<u>Proposed Monthly Rate</u>
Dormitory Room:		
Semi-Private	\$ 32.50	\$ 38.50
Private	51.00	60.00
Apartment	85.00	95.00

The rates for these facilities have not been increased since their initial occupancy in 1955-56. This increase is to compensate for the rising costs of maintenance and operation of these facilities.

It is further recommended that all tenants of dormitory facilities be required to make a \$20.00 deposit and all tenants of apartments be required to make a \$30.00 deposit. Such deposit is to be refunded when the student and/or employee moves from the facility. The deposit will be refunded subject to damages suffered by furniture, equipment and buildings.

Buildings & Grounds Committee

BUILDINGS AND GROUNDS COMMITTEE

Date: March 14, 1969

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

Place: Main Building, Suite 212

Page
B & G

U. T. AUSTIN

1. Approval of Final Plans and Specifications for
Remodeling of South Wing of University Junior High School
Building 2

2. Approval of Preliminary Plans and Outline Speci-
fications for Expansion of Memorial Stadium and Building
to House Physical Education Classrooms, Offices, and Other
Facilities 2

U. T. EL PASO

3. Approval of Final Plans and Specifications for
Dormitory Complex 3

GALVESTON MEDICAL BRANCH

4. Award of Contract to Tellepsen Construction
Company for Medical Library Building and Additional Ap-
propriation Therefor 3

ANDERSON HOSPITAL

5. Rental of Space 5

THE UNIVERSITY OF TEXAS SYSTEM
OFFICE OF THE DIRECTOR OF
FACILITIES PLANNING AND CONSTRUCTION
AUSTIN, TEXAS 78712

RECOMMENDATIONS TO THE
REGENTS' BUILDINGS AND GROUNDS COMMITTEE

February 25, 1969

✓ 1. U. T. AUSTIN - APPROVAL OF FINAL PLANS AND SPECIFICATIONS FOR REMODELING OF SOUTH WING OF UNIVERSITY JUNIOR HIGH SCHOOL BUILDING.-- In accordance with authorization given by the Board at the meeting held December 13, 1968, working drawings and specifications for Remodeling of the South Wing of the University Junior High School Building at The University of Texas at Austin have been prepared by Day and Newman, Project Architect. These final plans and specifications have been approved by President Hackerman, Mr. Lester E. Palmer, Executive Vice-Chancellors Singletary and Walker and Chancellor Ransom, and it is recommended that they be approved by the Board, with authorization to the Director of the Office of Facilities Planning and Construction to advertise for bids to be presented to the Board or the Executive Committee for consideration at a later date.

✓ 2. U. T. AUSTIN - APPROVAL OF PRELIMINARY PLANS AND OUTLINE SPECIFICATIONS FOR EXPANSION OF MEMORIAL STADIUM AND BUILDING TO HOUSE PHYSICAL EDUCATION CLASSROOMS, OFFICES, AND OTHER FACILITIES.--In accordance with authorization given by the Board at the meeting held November 1, 1968, preliminary plans and outline specifications for the Expansion of Memorial Stadium and a Building to House Physical Education Classrooms, Offices, and Other Facilities at The University of Texas at Austin have been prepared by the Project Architects and Engineers. The project as contemplated by these preliminary plans would add 14,782 seats to the Stadium and provide a building of approximately 200,000 gross square feet to house Physical Education. The estimated cost for this project is as follows:

Expansion of Memorial Stadium	\$ 5,900,000.00
Site Improvements	200,000.00
Building for Physical Education Classrooms, Offices, and Other Facilities	<u>4,100,000.00</u>
Total Estimated Cost	<u>\$10,200,000.00</u>

It is planned to finance this project with \$7,000,000.00 to come from Permanent University Fund Bond Proceeds, (\$2,900,000.00 for Expansion of Memorial Stadium and Site Improvements and \$4,100,000.00 for Physical Education Building) and \$3,200,000.00 to come from Sale of Options. The sum of \$6,500,000.00 has already been committed from Permanent University Fund Bond Proceeds for this project, and to cover the plans as outlined above, an additional \$500,000.00 will be needed from this source. An application will be filed for Federal Funds to assist in the construction of the Building for Physical Education, and any grant funds received will be used to reduce the amount to come from Permanent University Fund Bond Proceeds.

It is, therefore, recommended by Professor J. Neils Thompson, President Hackerman, Mr. Lester E. Palmer, Executive Vice-Chancellors Singletary and Walker, and Chancellor Ransom that the preliminary plans

and outline specifications as presented be approved by the Board, with an additional allocation of \$500,000.00 to the project from Permanent University Fund Bond Proceeds, and that authorization be given to the Architects and Engineers to prepare working drawings and specifications based on these preliminary plans to be presented to the Board for approval at a later date.

3. U. T. EL PASO - APPROVAL OF FINAL PLANS AND SPECIFICATIONS FOR DORMITORY COMPLEX.--In accordance with authorization given by the Board at the meeting held September 20, 1968, working drawings and specifications have been prepared on the Dormitory Complex at The University of Texas at El Paso by Carroll, Daeuble, DuSang and Rand, Project Architects on the project. These final plans and specifications have been approved by Acting President Leech, Mr. Lester E. Palmer, Executive Vice-Chancellors Singletary and Walker, and Chancellor Ransom, and it is recommended that they be approved by the Board, with authorization to the Director of Facilities Planning and Construction to advertise for bids on the dining facility, one men's dormitory, and one women's dormitory to be presented to the Board or the Executive Committee for consideration at a later date.

4. GALVESTON MEDICAL BRANCH - AWARD OF CONTRACT TO TELLEPSEN CONSTRUCTION COMPANY FOR MEDICAL LIBRARY BUILDING AND ADDITIONAL APPROPRIATION THEREFOR. --In accordance with authorization given by the Board at the meeting held September 20, 1968, bids were called for and were received, opened, and tabulated on February 11, 1969, as shown on Page 5. In order to bring the project closer to the amount of money available, negotiations were held with the low bidder, Tellepsen Construction Company, Houston, Texas. These negotiations have now been completed, and it is recommended by President Blocker, Vice-President Thompson, Mr. Lester E. Palmer, Executive Vice-Chancellors LeMaistre and Walker, and Chancellor Ransom that a contract award be made to Tellepsen Construction Company, Houston, Texas as follows, subject to concurrence of the granting agency:

Base Bid	\$2,353,000.00
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Deductive Alternates:

Alternate No. 4 - Omit Lawn Sprinklers	\$ 5,000.00
Alternate No. 9 - Substitute Terrazzo Flooring for Wood Block Flooring	12,000.00
Alternate No. 10 - Substitute "Titanaloy" Roof for All Copper Roof	<u>8,000.00</u>
Total Deductive Alternates	<u>\$25,000.00</u>

Negotiated Deductions:

1. Substitute vinyl asbestor flooring for terrazzo in certain areas	\$11,392.00
2. Omit vinyl asbestos tile and substitute trowel finish concrete floor in certain rooms	400.00
3. Use Paint grade birch doors in lieu of rift oak doors at certain locations	1,400.00
4. Substitute narrow stile anodized aluminum doors for certain bronze doors on the ground floor	11,100.00

5. Use standard grout in lieu of epoxy grout for ceramic tile	\$ 1,500.00
6. Change certain special made bronze light fixtures to ceramic	10,000.00
7. Use poured nailable light weight concrete deck on galvanized corruforn in lieu of gypsum plant	7,300.00
8. Use channel section in lieu of tube section for vertical reinforcing of windows	800.00
9. Use drywall partitions in lieu of plaster partitions	6,100.00
10. Use \$14.00 per sq. yd. installed allowance for Carpet instead of \$15.00 per sq. yd. specified	3,300.00
11. Revise piling to allow .219" pipe wall thickness in lieu of .250" specified	5,000.00
12. Use fiberglas duct for low pressure ducts in lieu of that specified	8,000.00
13. Use bent flanges, welded, in lieu of angle flanges as specified for high pressure ducts	900.00
14. Use gasket joint for soil pipe in lieu of lead and Oakum	850.00
15. Use 1/2" fiberglass in lieu of 1" rigid insulation on plumbing lines	518.00
16. Use Type "G" electrical fixtures in lieu of Type "C" fixtures	3,000.00
17. Substitute Arrow-Mart 2100 Series quiet type electrical switches	304.00
18. Allow the use of TW in lieu of THW for wire sizes No. 14, 12, and 10	469.00
19. Allow the use of THW wire for incoming service	<u>363.00</u>
Total Negotiated Deductions	<u>\$72,696.00</u>
Total Deductions	<u>\$ 97,696.00</u>
Total Recommended Contract Award	<u>\$2,255,304.00</u>

In order to cover this recommended contract award, Architect's Fees thereon, Movable Furniture and Furnishings, and miscellaneous expenses, funds in the amount of \$2,687,500.00 will be needed. Appropriations have already been made to the project in the amount of \$2,598,406.00 (\$1,598,406.00 from Federal Grant and \$1,000,000.00 from Moody Foundation). It is, therefore, recommended that an additional appropriation of \$89,094.00 be made to this project from Permanent University Fund Bond Proceeds.

MEDICAL LIBRARY AT THE UNIVERSITY OF TEXAS MEDICAL BRANCH AT GALVESTON

Bids Received at the Office of the Director of Facilities Planning and Construction
The University of Texas System, Austin, Texas, at 2:00 P. M., February 11, 1969

	Base Bid	Alternates									
		No. 1 Deduct	No. 2 Add	No. 3 Deduct	No. 4 Deduct	No. 5 Deduct	No. 6 Deduct	No. 7 Deduct	No. 8 Deduct	No. 9 Deduct	No. 10 Deduct
Baxter Construction Company, Inc., Houston, Texas	\$2,477,000	\$68,500	\$14,960	\$ No Bid	\$4,900	\$2,050	\$5,200	\$ No Bid	\$13,500	\$12,900	\$ 9,500
Fisher Construction Company, Houston, Texas	2,517,000	80,000	No Bid	No Bid	5,000	2,000	No Bid	1,800	18,000	13,000	9,000
C. H. Leavell and Company, Houston, Texas	2,629,000	60,000	15,600	No Bid	4,500	No Bid	3,600	2,000	22,400	8,000	8,000
H. A. Lott, Inc., Houston, Texas	2,538,700	68,000	18,000	No Bid	4,900	1,800	5,000	No Bid	13,000	12,000	10,000
Tellepsen Construction Company, Houston, Texas	2,353,000	74,000	No Bid	No Bid	5,000	600	1,700	4,500	18,000	12,000	8,000
Warrior Constructors, Inc., Houston, Texas	2,433,000	74,100	15,600	2,500	4,900	2,100	3,000	4,000	6,500	12,800	9,500

Each bidder submitted with his bid a bidder's bond in the amount of 5% of the greatest amount bid.

5. ANDERSON HOSPITAL - RENTAL OF SPACE.--The following letter has been received from Dr. R. Lee Clark, President of the M. D. Anderson Hospital and Tumor Institute:

"By Lease Agreement signed August 9, 1965, between the University of Texas M. D. Anderson Hospital and Tumor Institute and Pavilion Associates approximately 21,000 square feet of space was leased on the second floor of the Pavilion Building at 1700 Holcombe Boulevard in Houston, Texas. The actual amount of space was later determined to be 21,379 square feet. This lease, which was approved by the Board of Regents at meeting number 635, July 16-17, 1965, was for a basic period of three years with options permitting extension for three additional years. Necessary modification to this space was not completed until February 28, 1966, therefore the basic three year period of the lease began March 1, 1966. This three year period expires February 28, 1969.

"This space is in full use and no other space is available to house activities presently occupying the leased space. Therefore it is our wish to exercise the first one year option under the lease contract for extension for one additional year effective March 1, 1969 to February 28, 1970. It is presently anticipated that we will also wish to exercise the two additional one year options under this contract, since we do not expect to have additional space available for these activities during this period. Under the options, the rental rate is reduced from thirty-five cents per square foot per month to thirty cents per square foot per month, which is a much lower rate than is presently available anywhere in the Texas Medical Center area. Payment for this space is from grant funds.

"It is requested that authorization be obtained from the Board of Regents for the extension of the lease contract with Pavilion Associates as provided by the three options in this contract, with the understanding that each extension will be for a period of one year only after careful review of our space requirements. If additional information is needed, please let me know."

Executive Vice-Chancellor LeMaistre concurs in President Clark's request, as do Executive Vice-Chancellor Walker and Chancellor Ransom. Anderson Hospital has been authorized to notify Pavilion Associates of the intention to exercise the option to extend the lease for the period March 1, 1969 to February 28, 1970, subject to the Board's approval. It is recommended that this authorization be ratified by the Board, and that authorization also be given to exercise the options for each of the two subsequent years, subject to careful review of space requirements at time of renewal.

SUPPLEMENTARY AGENDA
BUILDINGS AND GROUNDS COMMITTEE

Date: March 14, 1969

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

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

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7. Enlargement of Scope of Water Resources Facility at Balcones Research Center, Appointment of Barnes, Landes, Goodman, and Youngblood as Architects for Structural Testing Area at Balcones Research Center, and Appropriation Therefor	9
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8. Approval of Payment for Paving Rim Road East and West of Lawton Drive and Paving a Portion of Wiggins Road	10
9. Easement to El Paso Electric Company Covering a Portion of Blocks 86, 120, 122A of Alexander Addition, El Paso County, Texas	10
10. Appointment of Garland and Hilles and Carroll, Daeuble, DuSang, and Rand as Associated Architects for the Expansion of the Press Box in the Sun Bowl Stadium and Appropriation Therefor	11
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THE UNIVERSITY OF TEXAS SYSTEM
OFFICE OF THE DIRECTOR OF
FACILITIES PLANNING AND CONSTRUCTION
AUSTIN, TEXAS 78712

SUPPLEMENT TO RECOMMENDATIONS TO
REGENTS' BUILDINGS AND GROUNDS COMMITTEE

February 28, 1969

6. U. T. AUSTIN - AWARD OF CONTRACT TO STOKES CONSTRUCTION COMPANY FOR HUMANITIES RESEARCH CENTER AND APPROPRIATION THEREFOR.--In accordance with authorization given by the Board, bids were called for and were received, opened, and tabulated on February 26, 1969, for the construction of the Humanities Research Center at The University of Texas at Austin, as follows:

Bidder	Base Bid	Add Alternate No. 1
T. C. Bateson Construction Company, Dallas, Texas	\$6,418,600	\$35,000.00
W. S. Bellows Construction Corporation, Houston, Texas	6,350,000	80,000.00
Lawless and Alford, Inc., Austin, Texas	6,248,436	31,000.00
C. H. Leavell and Company, Houston, Texas	6,449,000	20,000.00
Linbeck Construction Corpora- tion, Houston, Texas	6,185,000	25,000.00
Manhattan Construction Company of Texas, Houston, Texas	6,259,000	18,000.00
Stokes Construction Company, San Marcos, Texas	6,097,906	34,200.00

Each bidder submitted with his bid a bidder's bond in the amount of 5% of the greatest amount bid.

It is recommended by President Hackerman, Mr. Lester E. Palmer, Executive Vice-Chancellors Singletary and Walker, and Chancellor Ransom that a contract be awarded to the low bidder, Stokes Construction Company, San Marcos, Texas, as follows, subject to concurrence of the Federal granting agency:

Base Bid	\$6,097,906.00
Add Alternate No. 1	<u>34,200.00</u>
 Total Recommended Contract Award	 <u>\$6,132,106.00</u>

To cover this recommended contract award, Architects' Fees thereon, movable furniture and equipment, and miscellaneous expenses, it is recommended that the following sources of funds for the project be approved by the Board and that appropriations to cover the total cost of the project be made from these sources:

Federal Grant No. 2-7-00152-0	\$2,000,000.00
Building Use Fees	1,788,000.00
Skiles Act Bond Proceeds	1,925,000.00
Permanent University Fund Bond Proceeds	1,387,000.00

7. U. T. AUSTIN - ENLARGEMENT OF SCOPE OF WATER RESOURCES FACILITY AT BALCONES RESEARCH CENTER, APPOINTMENT OF BARNES, LANDES, GOODMAN, AND YOUNGBLOOD AS ARCHITECTS FOR STRUCTURAL TESTING AREA AT BALCONES RESEARCH CENTER, AND APPROPRIATION THEREFOR.--At the Regents' Meeting held July 21, 1968, an appropriation of \$375,000.00 was made for the construction of a Water Resources Facility at Balcones Research Center, The University of Texas at Austin, and the firm of Barnes, Landes, Goodman, and Youngblood appointed as Project Architects. At the Regents' meeting held September 20, 1968, authorization was given to place at Balcones Research Center the Structural Testing Area of approximately 10,000 square feet which had originally been included in the Engineering Teaching Center No. 1. It now appears desirable to include in the Water Resources Facility part of the facilities originally planned to be placed in the Structural Testing Area, and, therefore, the following recommendations are made by President Hackerman, Mr. Lester E. Palmer, Executive Vice-Chancellors Singletary and Walker, and Chancellor Ransom:

1. That the scope of the Water Resources Facility be enlarged to include part of the facilities originally planned to be placed in the Structural Testing Area at an estimated cost of \$100,000.00.
2. That the firm of Barnes, Landes, Goodman, and Youngblood, the Project Architects for the Water Resources Facility, also be appointed as Project Architects for the Structural Testing Area, with authorization to prepare plans and specifications to be presented to the Board for approval at a later meeting.
3. That an appropriation of \$300,000.00 be made from Permanent University Fund Bond proceeds out of the original allocation for Engineering Teaching Center No. 1 to cover the additional \$100,000.00 for Water Resources Facility and \$200,000.00 for the Structural Testing Area.
4. That a Committee, consisting of Dean J. J. McKetta, Mr. Lester E. Palmer, Executive Vice-Chancellor Walker, and Chairman Erwin, be appointed to approve the plans and specifications for the Water Resources Facility when completed by the Project Architects, with authorization to the Director of Facilities Planning and Construction to advertise for bids after such approval, to be presented to the Board or the Executive Committee for consideration at a later date.

8. U. T. EL PASO - APPROVAL OF PAYMENT FOR PAVING RIM ROAD EAST AND WEST OF LAWTON DRIVE AND PAVING A PORTION OF WIGGINS ROAD.--The following letter has been received by Executive Vice-Chancellor Singletary from Acting President Leech of The University of Texas at El Paso:

"The City of El Paso has certain ordinances whereby the City and the abutting property owners are required to pay for the paving of Rim Road. As the result of this action, The University of Texas at El Paso has been assessed \$551.46 for our share of the paving of Rim Road east of Lawton Drive and \$5,010.82 for the paving west of Lawton Drive.

"Vowell Construction Company of El Paso has been awarded the contract for this improvement and has notified us that they expect to start the work in two weeks. The plan provides for Rim Road to be paved to the point at which it connects with Wiggins Road, a street which is not dedicated since it is entirely within our campus. The section of Wiggins Road not paved is approximately 162 feet by 48 feet. Vowell Construction Company has submitted a plan to pave this section at the same rates per square foot for paving and curbing as the rate for Rim Road. The amount comes to \$2,527.30.

"The total for the entire project would be \$8,089.58:

Assessment for paving and curbing east of Lawton Drive where our property abuts the improvement.	\$ 551.46
Assessment for paving and curbing west of Lawton Drive to Wiggins Road where our property abuts the improvements.	5,010.82
Vowell's proposal to pave and curb Wiggins Road from Rim Road to its present paved and curbed point	<u>2,527.30</u>
Total	<u>\$8,089.58</u>

"I recommend that the work be authorized as proposed with the funds to be provided by Central Administration to be repaid after issuance of Skiles Act or Student Use Fee Bonds."

Dr. Leech's recommendation is concurred in by Mr. Lester E. Palmer, Executive Vice-Chancellors Singletary and Walker, and Chancellor Ransom, and it is recommended that the Board approve payment for this paving as set out above, with the funds needed to be advanced from Permanent University Fund Bond Proceeds to be reimbursed after issuance of Skiles Act or Student Use Fee Bonds.

9. U. T. EL PASO - EASEMENT TO EL PASO ELECTRIC COMPANY COVERING A PORTION OF BLOCKS 86, 120, 122A OF ALEXANDER ADDITION, EL PASO COUNTY, TEXAS.--A request has been received for an easement to El Paso Electric Company across a portion of Blocks 86, 120, 122A and that portion above Block 122A of the Alexander Addition, El Paso County, Texas, as shown on a map which will become part of the easement instrument, which will be available for inspection at the Board meeting. This easement will be for the purpose of erecting, operating, and maintaining facilities to provide electricity to the central heating and chilled water plant now being constructed by Central Energy Corporation under a contract with the Board of Regents of The University of Texas System. Since it is essential for the operation of the Central Energy Corporation plant that the electric service be available, and since the operation of the plant is necessary to furnish steam and chilled water for buildings being constructed on the Campus of The University of Texas at El Paso,

it is recommended by Acting President Leech, Mr. Lester E. Palmer, Executive Vice-Chancellors Singletary and Walker, and Chancellor Ransom that this easement be granted to El Paso Electric Company for a consideration of \$1.00, the easement instrument containing a stipulation that if the premises involved at any time are not used for the purposes as set forth above, then the easement will be cancelled. It is further recommended that Chairman Erwin be authorized to execute the easement instrument after approval as to content by Mr. Lester E. Palmer and as to legal form by a University Attorney.

✓ 10. U. T. EL PASO - APPOINTMENT OF GARLAND AND HILLES AND CARROLL, DAEUBLE, DUSANG, AND RAND AS ASSOCIATED ARCHITECTS FOR THE EXPANSION OF THE PRESS BOX IN THE SUN BOWL STADIUM AND APPROPRIATION THEREFOR.--At the Regents' Meeting held January 31, 1969, authorization was given to proceed with repairs and expansion of the Sun Bowl Stadium at The University of Texas at El Paso at a cost not to exceed \$150,000.00.

This work was to involve, among other items, expanding the press box to provide enclosed seating for 300. In order that the work can proceed on the project, the following recommendations are made by Acting President Leech, Mr. Lester E. Palmer, Executive Vice-Chancellors Singletary and Walker, and Chancellor Ransom:

1. That the associated firms of Garland and Hilles and Carroll, Daeuble, DuSang and Rand of El Paso, Texas, be appointed as Architects for the Expansion of the Press Box.
2. That an appropriation of \$5,400.00 be made to cover the Architects' Fees on the Expansion of the Press Box from U. T. El Paso Local Funds to be repaid later from sources as set out at the meeting held January 31, 1969.

✓ 11. GALVESTON MEDICAL BRANCH - EASEMENT TO HOUSTON LIGHTING AND POWER COMPANY ACROSS PART OF BLOCK 160 OF THE MICHAEL MENARD SURVEY, ABSTRACT 628 OF THE CITY OF GALVESTON.--In order that electrical service may be carried to the new Basic Sciences Building at The University of Texas Medical Branch at Galveston, it is recommended by President Blocker, Mr. Lester E. Palmer, Executive Vice-Chancellors LeMaistre and Walker, and Chancellor Ransom that for a consideration of \$1.00 the Board approve the granting of an easement to Houston Lighting and Power Company ten feet wide across a part of Block 610 of the Michael Menard Survey, Abstract 628 of the City of Galveston, Galveston County, Texas, as more fully described and shown on easement instrument and sketch attached, which will be available for inspection at the Board meeting. It is further recommended that Chairman Erwin be authorized to sign the easement instrument, after approval as to content by the Director of the Office of Facilities Planning and Construction and as to form by a University Attorney.

Palmer

12. DALLAS MEDICAL SCHOOL - AUTHORITY TO EXECUTE CONTRACT WITH CENTRAL ENERGY-CROW JOINT VENTURE NO. 1 TO FURNISH CHILLED WATER AND STEAM TO BUILDINGS SITUATED ON CAMPUS.--The Executive Vice-Chancellor for Business Affairs has negotiated a contract with Central Energy-Crow Joint Venture No. 1, Dallas, Texas, a joint venture consisting of Central Energy Corporation and Trammell Crow Energy Corporation, whereby Central Energy Corporation will furnish chilled water and steam to the buildings on the campus of The University of Texas Southwestern Medical School at Dallas. The provisions and terms of the contract will be patterned to those now in effect at San Antonio and El Paso.

It is recommended that the Chairman of the Board of Regents be authorized to execute a contract for these services for and on behalf of the Board, when approved as to form and content, and to do all things necessary to consummate this arrangement. The executed contract will be submitted to a subsequent meeting of the Board for ratification.

Chancellor Ransom, Executive Vice-Chancellor Walker, and Director of Facilities Planning and Construction Palmer concur in this recommendation.

13. ANDERSON HOSPITAL - APPOINTMENT OF KOETTER, THARP, AND COWELL AS ASSOCIATE ARCHITECTS FOR THE LUTHERAN HOSPITAL. -- The following letter has been received by Chancellor Ransom from Doctor R. Lee Clark:

"The firm of MacKie and Kamrath of Houston has been authorized by the Board of Regents as Architect for the approved building program of this institution (Minutes of meeting 656, October 1967, page 73).

"At the request of the Lutheran Hospital Board, and with the concurrence of MacKie and Kamrath, we have agreed to recommend the appointment of the firm Koetter, Tharp and Cowell of Houston as Associate Architect for the building program as it concerns the design and construction of a Lutheran Hospital, according to terms which the two firms find mutually agreeable. By this arrangement, MacKie and Kamrath will retain responsibility for the project and all transactions with The University of Texas. The terms of the two firms' agreement will provide for equal sharing of responsibility, in conceptual development, actual architectural work, expense, and profit, with final division of profits to be in proportion to the gross hourly expenditure of each firm after all direct costs have been determined and deducted from the gross fee received.

"It is therefore recommended that the firm of Koetter, Tharp and Cowell be named Associate Architect for the M. D. Anderson Hospital construction program as it relates to design and construction of the Lutheran Hospital. This recommendation is subject to prior approval by the Board of Regents of legal agreements now being prepared for submission concerning policy to govern the Lutheran Hospital project and concerning the Johnson Foundation's participation."

This recommendation is concurred in by Mr. Lester E. Palmer, Executive Vice-Chancellors LeMaistre and Walker and Chancellor Ransom.

EMERGENCY ITEMS
BUILDINGS AND GROUNDS COMMITTEE

Date: March 14, 1969

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

Place: Main Building, Suite 212

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B & G

U. T. AUSTIN

7 14. Approval of Plans and Specifications for
Central Water Chilling Station No. 4 14

7 15. Award of Contract to Austin Paving Company
for Parking Lot at Nineteenth and Trinity Streets 14

U. T. ARLINGTON

7 16. Award of Contract to Harry Fortune Mechanical
Contractor for Repair and Remodeling of Old Science
Hall and Additional Appropriation Therefor 14

GALVESTON MEDICAL BRANCH

7 17. Award of Contract to Eriksson Construction
Company, Inc., for Remodeling First Floor Ziegler
Hospital for the Department of Internal Medicine and
Additional Appropriation Therefor 15

7 18. Award of Contract to Galco Paving Company,
Inc., for Four Paved Parking Lots and Additional Ap-
propriation Therefor 16

7 19. Award of Contract to Joe C. Norman Equip-
ment Company for Ambulance Emergency Entrance, Service
Road, and Surface Drainage 16

THE UNIVERSITY OF TEXAS SYSTEM
OFFICE OF THE DIRECTOR OF
FACILITIES PLANNING AND CONSTRUCTION
AUSTIN, TEXAS 78712

EMERGENCY ITEMS
RECOMMENDATIONS TO REGENTS' BUILDINGS AND GROUNDS COMMITTEE

March 12, 1969

14. U. T. AUSTIN - APPROVAL OF PLANS AND SPECIFICATIONS FOR CENTRAL WATER CHILLING STATION NO. 4.--In accordance with authorization given by the Board at the meeting held December 17, 1966, plans and specifications have been prepared by Brown and Root, Engineers, for Central Water Chilling Station No. 4 at The University of Texas at Austin, which have been approved by President Hackerman, Mr. Lester E. Palmer, Executive Vice-Chancellors Singletary and Walker, and Chancellor Ransom. It is recommended that they be approved by the Board, with authorization to the Director of Facilities Planning and Construction to advertise for bids to be presented to the Board or the Executive Committee for consideration at a later date.

15. U. T. AUSTIN - AWARD OF CONTRACT TO AUSTIN PAVING COMPANY FOR PARKING LOT AT NINETEENTH AND TRINITY STREETS.--In accordance with authorization given by the Board at the meeting held January 31, 1969, bids were called for and were received, opened, and tabulated for a Parking Lot at Nineteenth and Trinity Streets containing 243 parking spaces, as shown below:

Bidder	Base Bid
Austin Paving Company, Austin, Texas	\$18,640.00
Robert C. Gray Construction Company, Austin, Texas	21,910.00
Haufler Excavating Company, Austin, Texas	23,000.00

It is recommended that a contract in the amount of \$18,640.00 be awarded to the low bidder, Austin Paving Company, Austin, Texas, that an appropriation in this amount be made from Account No. 36-0200-0010 - Campus Extension Rentals to cover the recommended contract award, and that U. T. Austin Vice-President Colvin be authorized to sign the contract.

16. U. T. ARLINGTON - AWARD OF CONTRACT TO HARRY FORTUNE MECHANICAL CONTRACTOR FOR REPAIR AND REMODELING OF OLD SCIENCE HALL AND ADDITIONAL APPROPRIATION THEREFOR.--In accordance with authorization given at the Regents' Meeting held January 31, 1969, bids were called for and were received, opened, and tabulated on March 10, 1969, for Repair and Remodeling of Old Science Hall at The University of Texas at Arlington, as shown below:

Bidder	Base Bid	Bid Bond
Broyles and Broyles, Inc., Fort Worth, Texas	\$220,700.00	5%
Drake Company, Inc., Fort Worth, Texas	219,000.00	5%
Harry Fortune Mechanical Contractor, Fort Worth, Texas	212,000.00	5%
General Engineering Corporation, Fort Worth, Texas	278,000.00	5%
Robert A. Morton, Inc., Arlington, Texas	233,981.00	5%

It is recommended by Acting President Harrison, Mr. Lester E. Palmer, Executive Vice-Chancellors Singletary and Walker, and Chancellor Ransom that a contract award in the amount of \$212,000.00 be made to the low bidder, Harry Fortune Mechanical Contractor, Fort Worth, Texas.

The Legislative Appropriation for this project was in the amount of \$141,914.00. Since this request had to be made sometime ago, escalation in construction costs has caused the bid to be considerably more than the original appropriation. This bid is considered to be a good bid, however, and in order to cover the recommended contract award, Engineer's Fees thereon, and miscellaneous expenses, it is further recommended that an additional appropriation of \$87,500.00 be made to the project from Account No. 85-9799-9903 - U. T. Arlington - Unallocated Proceeds - Local Funds.

17. GALVESTON MEDICAL BRANCH - AWARD OF CONTRACT TO ERIKSSON CONSTRUCTION COMPANY, INC., FOR REMODELING FIRST FLOOR ZIEGLER HOSPITAL FOR THE DEPARTMENT OF INTERNAL MEDICINE AND ADDITIONAL APPROPRIATION THEREFOR.--In accordance with authorization given by the Board at the meeting held January 31, 1969, bids for Remodeling First Floor of the Ziegler Hospital for the Department of Internal Medicine at The University of Texas Medical Branch at Galveston were called for and were received, opened, and tabulated on March 6, 1969, as shown below:

Bidder	Base Bid	Alternate No. 1 Add	Completion Time	Bid Bond
Eriksson Construction Company, Inc., Galveston, Texas	\$ 97,067.00	\$ 7,722.00	200 days	5%
John Gray Company, Inc., Galveston, Texas	117,590.00	9,994.00	180 days	5%
B. J. Larvin, General Contractor, Houston, Texas	105,692.00	8,466.00	180 days	5%
Milton Pate, Galveston, Texas	135,189.50	10,782.00	200 days	5%
Don Tarpey Construction Company, Texas City, Texas	103,400.00	8,600.00	180 days	5%

It is recommended by Vice-President Thompson, President Blocker, Mr. Lester E. Palmer, Executive Vice-Chancellors LeMaistre and Walker, and Chancellor Ransom that a contract in the amount of \$97,067.00 be awarded to the low bidder, Eriksson Construction Company, Inc., Galveston, Texas, and that an additional appropriation of \$24,000.00 be made to the project from Galveston Medical Branch Unallocated Projects - Plant Funds to cover this recommended contract award and miscellaneous expenses.

18. GALVESTON MEDICAL BRANCH - AWARD OF CONTRACT TO GALCO PAVING COMPANY, INC., FOR FOUR PAVED PARKING LOTS AND ADDITIONAL APPROPRIATION THEREFOR.--In accordance with authorization given by the Board at the meeting held January 31, 1969, bids for four paved parking lots at The University of Texas Medical Branch at Galveston were called for and were received, opened, and tabulated as shown below:

Bidder	Base Bid	Completion Time	Bid Bond
Eriksson Construction Company, Inc., Galveston, Texas	\$132,049.00	200 days	5%
Galco Paving, Inc., League City, Texas	115,890.00	90 wkg. days	5%
Galveston Concrete Company, Inc., Galveston, Texas	136,004.30	180 days	5%
Don Tarpey Construction Company, Texas City, Texas	127,900.00	90 days	5%

It is recommended by Vice-President Thompson, President Blocker, Executive Vice-Chancellors LeMaistre and Walker, and Chancellor Ransom that a contract award in the amount of \$115,890.00 be made to the low bidder, Galco Paving, Inc., League City, Texas, and that an additional appropriation of \$18,200.00 be made from Galveston Medical Branch Un-allocated Projects - Plant Funds to cover this recommended contract award and miscellaneous expenses.

19. GALVESTON MEDICAL BRANCH - AWARD OF CONTRACT TO JOE C. NORMAN EQUIPMENT COMPANY FOR AMBULANCE EMERGENCY ENTRANCE, SERVICE ROAD, AND SURFACE DRAINAGE.--In accordance with authorization given at the Regents' Meeting held January 31, 1969, bids on an Ambulance Emergency Entrance, Service Road, and Surface Drainage at The University of Texas Medical Branch at Galveston were called for and were received, opened, and tabulated on March 6, 1969, as shown below:

Bidder	Base Bid	Alt. Bid No. 1	Alt. Bid No. 2	Alt. Bid No. 3	Alt. Bid No. 4	Comp. Time
Robert L. Damrel, Inc., Beaumont, Texas	\$139,000	\$131,000	\$134,000	\$163,000	\$157,000	120 cal. days
Galveston Concrete Company, Inc., Galveston, Texas	159,576	149,676	155,796	No Bid	No Bid	180 cal. days
Joe C. Norman Equipment Company, Orange, Texas	137,500	128,700	133,300	165,400	156,500	120 wkg. days

Each bidder submitted with his bid a bidder's bond in the amount of 5% of the greatest amount bid.

Following is an explanation of the Base Bid and Alternates:

Base Bid - Includes all plans and specifications with stabilized shell as a base material for all paving, but excludes the fence around the Physical Plant storage area.

Alternate 1 - Includes all plans and specifications with 6" crushed limestone as a base material for all paving, but excludes demolition of the storage shed and existing concrete pad and fence around the Physical Plant storage area.

Alternate 2 - Includes all plans and specifications with stabilized shell base, but excludes demolition of the storage shed and fence around the Physical Plant storage area.

Alternate 3 - Includes all plans and specifications with stabilized shell base, demolition of storage shed and fence.

Alternate 4 - Same as Alternate 3, except substitute wooden material in lieu of brick on the fence.

It is recommended by Vice-President Thompson, President Blocker, Mr. Lester E. Palmer, Executive Vice-Chancellors LeMaistre and Walker, and Chancellor Ransom that a contract award on the basis of the base bid in the amount of \$137,500.00 be made to the low bidder, Joe C. Norman Equipment Company, Orange, Texas, and that the Physical Plant staff of the Galveston Medical Branch be authorized to re-design a less expensive fence for the storage area to be re-bid at a later date. The total of the recommended contract award, Engineer's Fees thereon, estimated cost of the redesigned fence, and miscellaneous expenses is within the amount of \$175,000.00 appropriated for this project.

Medical Affairs Committee

MEDICAL AFFAIRS COMMITTEE

Date: March 14, 1969

Time: Following the meeting of the Buildings and Grounds
Committee

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

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1. Galveston Medical Branch: Amendment to the By-Laws of the Medical Staff of the Hospitals	2
2. Anderson Hospital: Authority to Board Animals on Facility Owned by Doctor Russell W. Cumley	3

1. Galveston Medical Branch: Amendment to the By-Laws of the Medical Staff of the Hospitals. --Below is a Xerox copy of Chancellor Ransom's recommendation to amend the By-Laws of the Medical Staff of the hospitals at The University of Texas Medical Branch at Galveston:

Chancellor Ransom and Executive Vice-Chancellor LeMaistre concur in the recommendation of President Blocker that the Board of Regents approve the following change in the Bylaws of the Medical Staff of the Medical Branch, Article VI, Section 2, House Staff Committee, as contained in President Blocker's letter to Chancellor Ransom, which follows:

Dear Dr. Ransom:

The Medical Staff, at its Quarterly Meeting, Tuesday, January 28, 1969, adopted the following change in the Bylaws of the Medical Staff of the Medical Branch, subject to approval of the Board of Regents in conformance with Articles IX and X of those Bylaws:

Article VI, Section 2

The House Staff Committee shall consist of [NINE MEMBERS,] one member from each of the clinical departments, with the [GENERAL ADMINISTRATOR OF HOSPITALS, EXECUTIVE DIRECTOR AND DEAN,] President, Vice President for Academic Affairs and Dean of Medicine, Vice President for Health Services, Administrator of Hospitals and Chief of Staff as ex officio members. After initial appointments, appointments to the Committee shall be for a three-year term, this Committee to discharge all of the administrative duties of the usual intern Committee in reference to the education, coordination, supervision and discipline of the interns. It shall maintain close liaison with all of the program directors of all approved internships and residencies of the University of Texas Medical Branch Hospitals. In addition, the Committee is to maintain liaison with the Intern Placement Committee of the Medical Branch. However, it shall be the responsibility of the department offering the internship and residency to select, supervise, and certify the proficiency of interns and residents in their department and to request the issuance of certificates of having satisfactorily completed their course of training to the Executive Committee. This Committee shall meet bimonthly or oftener and report to the Executive Committee. It shall concern itself primarily with interdepartmental or interservice aspects of the house staff program and assist the hospital administration in matters of education, discipline, and development of policies relative to the house staff.

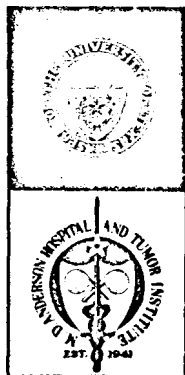
In accordance with the Bylaws and Rules and Regulations of the Medical Staff, I am requesting approval of this action.

Sincerely yours,

T. G. Blocker, Jr., M.D.
President

2. Anderson Hospital: Authority to Board Animals on Facility Owned by Doctor Russell W. Cumley. --Below is a Xerox copy of Chancellor Ransom's recommendation:

Chancellor Ransom and Executive Vice-Chancellor LeMaistre concur in the recommendation of President Clark, as set out in the letter below, to board horses used for anti-lymphocyte and anti-leukemic cell sera production at a facility owned by Dr. Russell W. Cumley, Head of the Department of Publications, at a cost of \$50.00 per horse per month.



R. LEE CLARK, M. D., PRESIDENT

THE UNIVERSITY OF TEXAS
M. D. ANDERSON HOSPITAL AND TUMOR INSTITUTE ^{CAK}
Texas Medical Center Houston, Texas 77025

Dr. Harry H. Ransom
Chancellor
The University of Texas
Austin, Texas 78712

Dear Doctor Ransom:

A research project in the Department of Developmental Therapeutics at this institution requires the use of horses for anti-lymphocyte and anti-leukemic cell sera production for use in our cancer clinical research program. This project presently requires nine horses, and it is possible this population may be increased at a later date.

We have experienced difficulty in obtaining proper facilities for these animals in an area conveniently located to the Texas Medical Center where they can be isolated from non-research livestock. These animals require close supervision and veterinary medical care by our veterinary staff who are essential to the successful conduct of this research program. Optimal conditions require our veterinary personnel to visit the area where these animals are maintained several times each week. Proper isolation is also necessary to control infectious diseases in these animals. We are presently housing these animals in a commercial facility where many other non-research animals are also housed, which was the best facility available to start this project. This facility

January 31, 1969
*This is said to be
the most economical
and only practical means available to
accomplish approval*

Harry Ransom

is approximately 18 miles from the Texas Medical Center. The cost of care is \$50.00 per month per horse, which is the best rate that we could find in the Houston area meeting minimal requirements for this research program.

Due to distance and other problems at the present facility, our veterinary staff has devoted considerable time in an effort to locate an acceptable facility for maintaining these research animals in an area more convenient to the Texas Medical Center where they can be isolated from non-research animals. They have located space which is only six miles from the Texas Medical Center and which is only one mile from the home of the Chief of our Veterinary Staff. This space, which has all of the necessary facilities required for good care of these animals, is owned by Dr. Russell W. Cumley, Head of the Department of Publications, at this institution. Dr. Cumley has offered the use of these facilities at a cost of \$50.00 per horse per month, the same rate being charged by the commercial facility where these animals are presently housed. A great saving can be achieved in transportation costs by use of the facility owned by Dr. Cumley, and it will be possible to provide better care for the animals.

I recommend that authorization be granted for this institution to contract with Dr. Cumley for use of the animal facility owned by him. Additional information will be provided if needed.

Sincerely yours,



R. Lee Clark, M. D.
President

MEDICAL AFFAIRS COMMITTEE

Supplementary Agenda

Date: March 14, 1969

Time: Following the meeting of the Buildings and Grounds
Committee

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

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MED

3. Medical Institutions: Request for Central Application
Center 6
4. Medical Institutions: Report of the System-wide Long
Range Planning Committee of the College of Pharmacy 8

3. Medical Institutions: Request for Central Application Center. --
Below is a Xerox copy of a recommendation of the Health Affairs Council, processed through appropriate channels:

The Health Affairs Council and Executive Vice-Chancellor LeMaistre recommend, and Chancellor Harry Ransom concurs, in the establishment of a central application office for receiving, processing, and transmitting all applications for admission to the medical and dental schools. The Center will also provide information and advice on applications to students, premedical committees, and other interested parties. The Center will also work in liaison with a new pilot program for improved counseling conducted for preprofessional students at The University of Texas at Austin. The Center will be located in the office of The Executive Vice-Chancellor for Health Affairs, and the operating cost of the Center, including the pilot program, will be shared equally by the dental and medical schools.

The proposed Application Office for the University of Texas Medical and Dental Schools would function as follows:

The Application Office for The University of Texas
Medical and Dental Schools

This office will be responsible for receiving, processing and transmitting all applications for admission to the medical and dental programs of the respective institutions. The application center will be administratively located in the Office of the Executive Vice-Chancellor for Health Affairs.

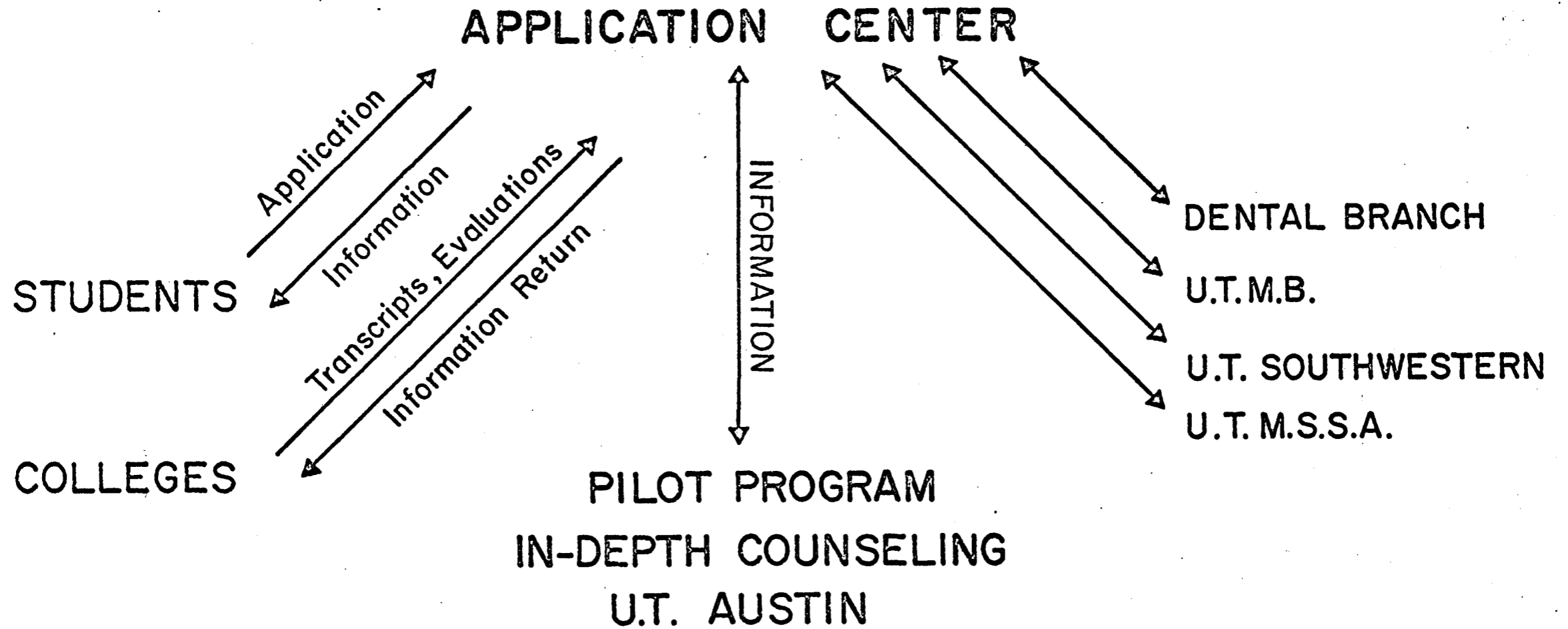
A \$5.00 fee for one institution and \$7.50 for two or more will be charged the applicant.

The Center will provide a detailed translation of the academic transcript and collect other available information for the medical and dental units. The Center will also provide information and advice on application procedures to students, premedical committees and other interested parties.

A Steering Committee composed of a representative from each medical and dental unit will establish criteria for analyses of transcripts and information. The Steering Committee will recommend procedures for the operation of the Application Office as well as modes of transmission of information and in-process reporting procedures.

The Center will work in liason with an in-depth premedical-predental counseling and advising program on The University of Texas at Austin campus with the participation of other interested premedical and predental advisors, from other colleges in the State.

It is understood that the operating cost of the Center will be shared equally by the one dental and three medical schools.



4. Medical Institutions: Report of the System-wide Long Range Planning Committee of the College of Pharmacy. -- Executive Vice-Chancellor LeMaistre reports that he and the other members of the Health Affairs Council have received, and have endorsed those recommendations in a report of the System-wide Long Range Planning Committee of the College of Pharmacy related to the establishment of appropriate programs of pharmaceutical education at Medical Institutions at The University of Texas System.

At the suggestion of Doctor Joseph B. Sprowls, Dean of the College of Pharmacy at U. T. Austin, and upon request of President Hackerman, Doctor LeMaistre appointed a committee in 1967 to make Long Range Plans for the College of Pharmacy.

The report of this System-wide committee contains the following recommendations:

- a. That the College of Pharmacy be designated and recognized as a system-wide school with the obligation to develop plans for the establishment of more appropriate programs of pharmaceutical education at one or more suitable locations in the University System.
- b. That appropriate consideration be given to designating the future role and purpose of the College of Pharmacy in Austin as a graduate center for pharmacy and a research center for pharmaceutical sciences.
- c. That the Dean of the College of Pharmacy be authorized to proceed with planning and program development for multi-location pharmacy educational facilities and to develop a budget for pilot interinstitutional programs to be operational within the next four years.
- d. That the present Committee be continued to serve as an Advisory Committee to the Dean of the College of Pharmacy during this period of planning and innovative developments.

Permission is requested, with Chancellor Ransom's concurrence, for the Medical Institutions and Dean Sprowls to proceed with the evaluation of the opportunities for pharmaceutical education at the ~~the~~ medical units and to establish the cost for the development of such a program.

*replace whether
programs - med school
all units
suitable locations in the
system*

Committee of the Whole

COMMITTEE OF THE WHOLE
Chairman Erwin, Presiding
Executive Session

Date: March 14, 1969

Time: Following the meeting of the Land and Investment Committee

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

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IV. SPECIAL ITEMS	
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2. Management of the Food Service in the Texas Union	4
3. Shuttle Bus Service	9

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 - A. Chairman Frank C. Erwin, Jr.
 - B. Vice-Chairman Jack S. Josey
 - C. Regent W. H. Bauer
 - D. Regent Jenkins Garrett
 - E. Regent Frank N. Ikard
 - F. Regent Joe M. Kilgore
 - G. Regent John Peace
 - H. Regent Dan C. Williams
 - I. Regent E. T. Ximenes

- II. REPORTS AND SPECIAL ITEMS BY CHANCELLOR

- III. REPORTS AND SPECIAL ITEMS BY VICE-CHANCELLORS
 - A. Executive Vice-Chancellor Charles LeMaistre
 - B. Executive Vice-Chancellor Otis Singletary
 - C. Executive Vice-Chancellor E. D. Walker
 - D. Vice-Chancellor Graves W. Landrum

TRUST AND SPECIAL FUNDS - REAL ESTATE MATTERS.--

U. T. AUSTIN - BRACKENRIDGE TRACT - RECOMMENDATION FOR NEW LEASE ON BOAT TOWN PROPERTY.--Mr. W. W. Bennett had operated a boat dock and sales facility for many years on approximately one acre of land out of the Brackenridge Tract situated on the west side of Lake Austin Boulevard and fronting on Lake Austin. The last lease to Mr. Bennett was effective July 1, 1959, to run through December 31, 1969, at rental of \$150 per month, stipulating additional improvements to be made by the tenant and with all improvements to remain on the property at the expiration of the lease.

After one other assignment from Mr. Bennett, Mr. Joe H. Frost, Jr., of San Antonio acquired the lease, with approval by the Board of Regents, effective in May, 1961. Mr. Frost has operated the business as "Boat Town", and now wishes to arrive at a mutual cancellation of the lease with the Board of Regents, effective December 31, 1968, and sell his inventory and equipment, all contingent on a new lease by the Board of Regents to the purchasers, Messrs. D. Pat Buell, Sanders Campbell, Louis Weber and Maurice Duke as a joint venture, these being the partners who are now planning construction of an apartment project on the property on Lake Austin Boulevard immediately north of the boat dock facilities. Mr. Duke is an Austin investor and builder. The other three partners are Dallas men, Mr. Buell being in the lumber business in Dallas as well as a real estate developer and builder with other projects in Austin. Mr. Weber is a partner in the Dallas law firm of Bailey, Williams, Weber & Allums, and Mr. Sanders H. Campbell is a Dallas real estate broker and investor operating as Sanders Campbell Company.

After negotiations, the four partners propose to the Board of Regents a lease on the Boat Town property effective January 1, 1969, and running for 6 years with right of cancellation by the University on January 1, 1970, or any time thereafter on 6 months' notice in the event of sale of this property, lease for purposes other than boat docks, repairs and sales, or the sale of any significant portion of the Brackenridge Tract property lying across Lake Austin Boulevard from Boat Town. Rental will be \$4,000 annually; all improvements will remain on the property upon termination of the lease; any significant alterations of the present improvements or construction of additional improvements will be subject to approval by the University. The lessees will carry full fire and extended coverage on the improvements, with policies in the name of the Board of Regents, as well as liability insurance reasonable for an operation of this type.

The Executive Director, Investments, Trusts and Lands recommends that the Board of Regents accept this proposal and authorize the execution of appropriate instruments.

Socket for meeting of
Dec. 13, 1968

action postponed at request of
Student Union.

2/27/68

IV. SPECIAL ITEMS

A. U. T. Austin

1. "Boat Town" Property on Lake Austin. --Below is a Xerox copy of the recommendations of Executive Vice-Chancellor Singletary:

In the following letter dated February 18, 1969, President Hackerman recommends:

That upon the satisfactory agreement with the present lease holder, the "Boat Town" property be assigned to the University of Texas at Austin, to be used as a recreational and educational facility for the students, faculty and staff of the University.

Vice-Chancellor Singletary concurs in this recommendation and, if approved, it is with the understanding that a specific program for the facility will be submitted to the Board of Regents for approval prior to implementation.

February 18, 1969

Dr. Otis A. Singletary
Executive Vice-Chancellor for Academic Affairs
The University of Texas System

Dear Dr. Singletary:

At the December 13 meeting of the Board of Regents I asked the Board if they would delay action on leasing a strip of University land on the Colorado River within the city limits of Austin known as "Boat Town." At that time I said I would have a further statement to make at a later meeting.

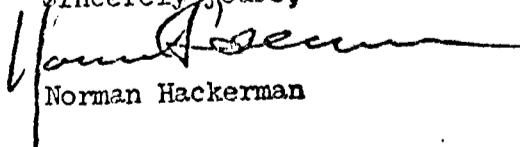
Since that time, I have held several discussions with the Union Board concerning possible future use of the Lake Austin Facility. They request that this be made available to the Union for operation as a recreational area for the students of the University as well as the faculty and staff. It suggests further that this is an area which might be used for educational purposes in a water safety program.

I am in agreement with their basic view that the Boat Town facility be used by The University of Texas at Austin. I therefore recommend as follows:

That upon the satisfactory agreement with the present lease holder, the "Boat Town" property be assigned to The University of Texas at Austin, to be used as a recreational and educational facility for the students, faculty, and staff of the University.

If this request is approved, it is understood that a specific program for the use of the Boat Town facility will be submitted to the Board for approval.

Sincerely yours,



Norman Hackerman

Submitted
12/15/69
W. Walker

2. Management of the Food Service in the Texas Union.--Below is a Xerox copy of a recommendation of Doctor Hackerman, concurred in by Executive Vice-Chancellors Singletary and Walker with respect to the Management of Food Service in the Texas Union:

The Texas Union Board of Directors has requested that they be given the authority to manage and operate all food services currently available within the Texas Union Building and the neighboring plaza to the east of the building. President Hackerman has recommended approval of their request in the letter dated February 12, 1969, which follows this recommendation. There is also included the Union Board's letter of January 13, 1969, to Dr. Hackerman, together with their preliminary estimated 1969-70 budget which is submitted to you for information only.

Vice-Chancellors Singletary and Walker concur in President Hackerman's recommendation with the following additional stipulations, and recommend approval by the Board of Regents:

1. That Board of Regents' approval be granted on a probationary basis. Union Board management and operation of food services within the Union building is approved as an experiment.
2. A thorough review and evaluation of the experiment is to be made by the President of U.T. Austin and reported to the Board of Regents via the Chancellor prior to the first day of the fiscal year beginning in September, 1970.
3. The budget for the operation of the Union Food Service, including subsequent changes in the budget, shall be approved by the Administration and the Board of Regents, consistent with the existing Rules and Regulations applicable to approval and control of operating budgets. The budgets shall give recognition to the obligations of the Union Food Service required by existing bond resolutions.
4. The further provisions are that: (a) personnel employed by the Union Food Service will be subject to the Rules and Regulations applicable to all University classified personnel; (b) accounting for cash receipts, purchasing and expenditures will be in accordance with applicable procedures for other auxiliary enterprises; (c) repair and/or remodeling of facilities are subject to Regents' Rules and Regulations applicable to all Buildings and Facilities; and (d) in addition to the routine financial reports issued on a monthly basis by the Director of Accounting for all budgetary units, there shall be a special report prepared each month which will provide a detailed analysis of the income and expenditures and other pertinent operating data of the Union Food Service. The format of this report will be approved by the Vice-President for Business Affairs of U.T. Austin.



THE UNIVERSITY OF TEXAS AT AUSTIN

OFFICE OF THE PRESIDENT

AUSTIN, TEXAS 78712

President

February 12, 1969

Dr. Otis A. Singletary
Executive Vice-Chancellor for Academic Affairs
The University of Texas System

Dear Dr. Singletary:

Attached please find a copy of a letter and attachment from Barbara Wigley, chairman of the Texas Union Board of Directors, in which she transmits the request of that Board to be given the authority to manage and operate all food services currently available within the Texas Union Building and the neighboring plaza to it to the east. That letter and estimate of income and expenditures is the outgrowth of considerable discussion by the Union Board, by members of that Board with members of my administration and myself, as well as my discussions with various and sundry advisors and consultants.

I recommend acceptance of their proposal that the Texas Union Board be given the authority to manage and operate all food services currently available within the Texas Union Building and the neighboring plaza to the east, to be effective on or about June 1, 1969. This includes transfer of the operation of the Commons, Chuck Wagon, and Faculty-Staff Dining Room, with all of the supporting kitchen facilities. We would also transfer the proper portion of the reserve currently in Housing and Food Services for Major Repairs and Replacements to the Texas Union Board as a reserve for Major Repairs and Replacements in the food service area. This recommendation contemplates the operation of these services in accord with the Rules and Regulations of the Board of Regents and the policies and practices of the University Personnel Office; direct responsibility to the Union Board for food service at reasonable prices; and the removal of the catering services from the Union kitchen facility for affairs outside the Union Building.

The Union Board currently consists of one faculty member and four students. Only one of the latter is likely to be on the Board next year. In view of the need for continuity in a business operation of this size,

I recommend that the Union Board be reconstituted so it consists of six students and three faculty members. The faculty members should be appointed by the President for three year overlapping terms, one to be appointed each year. The student members should include the President of the Students' Association, the President of the Texas Union Council, and four others to be selected on a basis to be determined by the Student Assembly for two-year terms. Such ex officio members without vote as are needed can be added as required.

In the event this transfer of responsibility is effected, it will be necessary to service the Law School Snack Bar from the Varsity Cafeteria, or perhaps at a later date from the kitchen facilities of the Beauford H. Jester Center. I have been advised that this can be done satisfactorily. Such catering as may be desired can also be done out of the new facilities in the dormitory center.

The Tea House has been run in conjunction with the Commons and the Varsity Cafeteria such that the entire service sustains no loss. It may well operate at a loss on its own or in conjunction with the Varsity Cafeteria. I believe the Tea House should be continued for at least a year more. It


is likely that it cannot make its own way, but we should be able to determine with this extra year's experience whether that is the case or whether it is needed and should be operated as part of the general Housing and Food Services operation even if a loss is incurred.

The suggested transition date is suitable from at least two points of view. First, it will occur at a time of relatively low call upon the services. Second, we will be just at the point of undertaking a major increase in food services with the opening of the Beauford H. Jester Center, and the stress of this large expansion will be somewhat offset with the reduction of the call on our personnel in the Union food service function.

To editorialize a bit, the problem stems in part from the fact that we did not recognize quickly enough the deterioration which had taken place in the food services in the Union. However, more importantly, it stems from the fact that there was no concern originally in mixing a major university food service and a building designed primarily for student use. This was an unconcern which was quite general across the country. As students assumed greater control of union facilities generally, interweaving of these two services, which are separable, produced some difficult problems. For example, the argument goes that since the food service is within a building which is within the jurisdiction of a board which operates the union, food services also should be within the jurisdiction of that board. Otherwise, those activities which occur in the food service areas but which do not have anything to do with the purveying of food are not the concern of the Union. Administrations have believed that since Union buildings are controlled by student-dominated boards, the activities within those buildings not directly related to food service in any location is a concern of the Union. Solutions to problems arising from this conflict have been generally unsatisfactory and at best temporary.

In addition, there is a basic concern amongst students as to whether we are really willing to let them accept responsibility for a major operation which is predominantly student-oriented but over which traditionally they have had no control. This is a justifiable concern, as is the concern of those who believe that their inexperience will inevitably lead to failure. My recommendation indicates that I think the proposal and its supporting materials have been carefully thought out and suitably buttressed to the point that they should be given the opportunity to demonstrate their capabilities in this regard.

Sincerely yours,



Norman Hackerman

union

THE UNIVERSITY OF TEXAS AT AUSTIN
AUSTIN, TEXAS 78712

January 13, 1969

Dr. Norman Hackerman
President
The University of Texas
at Austin
Main Building 102

JAN 13 1969

TO _____
READ & RETURN _____

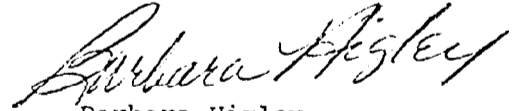
Dear Dr. Hackerman:

The Texas Union Board of Directors requests the authority to manage and operate all food services currently operating within the Texas Union. The Board firmly believes that the placing of these services under the direct auspices of the Director of the Texas Union will improve the standards of operation for the services in question, and establish a better means of receiving suggestions from students while providing the opportunity for students to demonstrate their responsibility.

If the request is approved, the current services would be maintained, including the operation of the Faculty-Staff Dining Room. In addition, the Texas Union would assume all financial responsibility. Based upon the enclosed suggested preliminary budget for the coming fiscal year, the Board anticipates sound management practices (management and staff would be employed under University Personnel policies as the Board feels an external professional food managers system does not offer sufficient advantages at this time) will produce the same satisfactory financial record as enjoyed in past years. The Board is prepared to meet the obligations placed upon this area by the Bond Service Agreement for the Jester Dormitory Center. However, in order to maintain the physical plant properly, it will be necessary to establish a Reserve for Major Repairs and Replacements from past contributions to the Housing and Food Division's Reserve for Major Repairs and Replacements.

Your consideration and favorable recommendation to the Board of Regents is respectfully requested.

Cordially yours,



Barbara Higley
Chairman
Texas Union Board of
Directors

BH/tn

PRELIMINARY ESTIMATED 1969 - 1970 BUDGET

UNIVERSITY COMMONS

INCOME

<u>Meals and Other Sales</u>	
Students, Faculty, and Other	\$843,750
Employees	\$ 21,500
<u>Other Income</u>	
Student Fines and Charges	--
Commissions	\$ 3,750
Miscellaneous	--
	<hr/>
TOTAL INCOME	\$869,000

EXPENDITURES

<u>General Administration and General Expenses</u>	
<u>General Administration</u>	
Division Office Salaries	--
Administrative Salaries	\$109,597
Division Office Expense	--
<u>General Expenses</u>	
Semi-Administrative Salaries	\$ 6,500
Telephone Service	\$ 1,750
Office Supplies	\$ 1,500
Travel Expense	\$ 400
Workmen's Compensation Insurance	\$ 1,600
Old Age Survivor's Insurance	\$ 15,500
Property Insurance	\$ 300
Miscellaneous	\$ 200
	<hr/>
Subtotals	\$137,347
<u>Food Service Expenses</u>	
Food	\$366,700
Wages	\$190,000
Distributed Wages	--
Supplies and Expenses	\$ 15,000
Cleaning Supplies	\$ 7,000
Laundry	\$ 300
Linens and Uniform Rentals	\$ 13,000
Utensils, China, Glass, and Silver	\$ 7,500
Extermination	\$ 200
	<hr/>
Subtotals	\$599,700

<u>Operation of Physical Plant</u>	
Repair to Buildings	\$ 7,000
Repair to Buildings - Other	\$ 3,000
Repair to Furniture and Equipment	\$ 40,000
Repair and Maintenance - Housing and Food Service	--
Care and Maintenance of Grounds	\$ 500
Heat, Light, Water, Power, and Air Conditioning	\$ 22,500
Miscellaneous	--
Subtotals	\$ 73,000
Reserve for Budget Adjustments	<u>\$ 20,000</u>
TOTAL EXPENSITURES	\$830,047
Transfer to Reserve for Repair and Replacements	<u>\$ 38,953</u>
TOTAL	\$869,000

The accompanying figures are based upon:

1. Brief discussions with past and present employees of the Commons.
2. Actual expenses in previous years.
3. The current estimated operating budget
4. A forecast that raw food prices will increase thereby increasing dollar volume income (which will occur under any management).
5. An assumption that all the current services will be retained with exception of Law School Snack Bar. Transfer of Catering Service would necessitate modifications of this budget.
6. All purchasing will be accomplished by the Commons staff.
7. Salary raises are imperative to attract satisfactory qualified personnel.
8. Portion of past contributions to Reserve for Major Repairs and Replacements will be returned to be utilized for Commons use in future years.
9. Estimate includes general raises in accordance with University Personnel policies for staff plus funds to raise Manager to \$12,000 annual level. Also includes two new positions:

(1) Administrative Assistant	Code 9004	\$6168-\$8160
(2) Accounting Clerk II	Code 2096	\$4584-\$5784
3. Shuttle Bus Service (For discussion only to be led by President Hackerman). -- President Hackerman requests permission to discuss with the Board of Regents the current status of a student recommendation pertaining to a proposed shuttle bus operation for the Austin campus.

Vice-Chancellor Singletary recommends that President Hackerman be allowed to discuss this matter with the Board of Regents in order to determine Board policy with regard to this type operation.

COMMITTEE OF THE WHOLE
Chairman Erwin, Presiding

Supplementary Agenda

Date: March 14, 1969

Time: Following the meeting of the Land and Investment Committee

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

*H. A + D - 5 - Regent Council -
B + G - Item 3*

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IV. SPECIAL ITEMS

A. The University of Texas System.

5. Construction of Chancellor's Residence (Bauer House)

At the Board of Regents' meeting held January 31, 1969, all bids for the remodeling of the Chancellor's residence were rejected inasmuch as they exceeded the budgeted amount. Since that date, Executive Vice-Chancellor Walker and the Office of Facilities Planning and Construction, together with the Architects, Jessen, Jessen, Millhouse, Greeven and Crume, have discussed many possibilities in an attempt to reduce the cost for remodeling the present structure. It has now been determined based on estimates given by the firm of W. T. Walker and Son in Austin, that a new facility with 8,000 square feet can be built on this site for an amount not to exceed \$163,000.00. It is, therefore, recommended that:

1. The Board authorize the Architects, Jessen, Jessen, Millhouse, Greeven and Crume, to prepare plans for the Chancellor's residence of approximately 8,000 square feet, not to exceed \$163,000.00 in cost.
2. That the Office of Facilities Planning and Construction be authorized to remove the existing improvements.
3. That authorization be given to employ Mr. W. T. Walker of the firm of W. T. Walker and Son on a cost plus a fixed fee basis, to be placed on the staff of the Office of Facilities Planning and Construction, to construct this residence.
4. That an appropriation of \$23,000.00 from Permanent University Fund Bond Proceeds be added to the \$140,000.00 previously appropriated, thereby making a total appropriation of \$163,000.00.

5a. Regents' Rules and Regulations: Amendment to Chapter VI. --It is recommended by the Administration that the Regents' Rules and Regulations, Part One, be amended as set out below:

Amend Subsection 3.3, Section 3, Chapter VI, Part One, Regents' Rules and Regulations, to read as follows:

"Gambling, immoral conduct, dishonesty, the illegal use, possession, or sale of a drug or narcotic, or the excessive use of intoxicating liquors renders the student subject to discipline. Any student placed on probation for or finally convicted of illegal use, possession, or sale of a drug or narcotic shall be automatically expelled from school, regardless of whether or not the illegal act that gave rise to the conviction was committed on the campus of one of the component institutions of The University of Texas System."

6. Request that Legal Proceedings be Instituted to Determine a Boundary on University Lands in Andrews and Gaines Counties, Texas.--In the year 1929 the Legislature authorized a resurvey of University lands. During the intervening years following the survey there arose a difference of opinion among some of the landowners as to the true North boundary line of Blocks 4, 5, and 6, University Lands, Andrews and Gaines Counties, Texas.

On February 7-8, 1964, the Board of Regents authorized and directed that legal proceedings be instituted to determine the true and correct boundary line between University Blocks 4, 5, and 6 and Block A-19, PSL. The Board adopted the following resolution:

"BE IT RESOLVED by the Board of Regents of The University of Texas that the Attorney General of the State of Texas be requested and he is hereby authorized to institute a lawsuit for and on behalf of the Board of Regents of The University of Texas for the use and benefit of the Permanent University Fund to establish the North boundary line of Blocks 4, 5 and 6, University Lands, Andrews and Gaines Counties, Texas, as resurveyed by Frank F. Friend as the true and correct boundary of said University Lands, and to take such other action as he deems warranted in this connection."

Several delays have been encountered in the prosecution of the suit. We have been informed by Attorney General Crawford Martin that he has employed a special assistant to evaluate this matter. It is suggested that the Attorney General be requested to proceed with a thorough investigation of the facts and the law pertaining to this controversy and supply the Board with his evaluation of the University's case.

Mr. Floyd O. Shelton, Executive Director, Investments, Trusts and Lands, recommends the above procedure, which is concurred in by Attorney Waldrep.

(Chairman Erwin also suggests that Mr. Peace, as one of the Board's representatives on the Board for Lease of University Lands, report on recent developments in the Attorney General's activities with respect to permit leases.)

7. Discussion of Policies and Practices in Management of System Cash Balances.

The following material concerning the deposit of The University of Texas System funds has been compiled by Executive Vice-Chancellor Walker and Comptroller Anderson particularly for the information of the new members of the Board of Regents and to provide all members of the Board with background information for formulation of future policies or changes to existing policies.

Most of the funds collected locally by State agencies, with certain exceptions in the case of institutions of higher education, are required by law to be deposited in the State Treasury and to be disbursed by the State Treasury only on the basis of vouchers approved by the State Comptroller out of appropriations made by the Legislature in accordance with pre-existing law.

The exceptions to funds required by law to be deposited in the State Treasury are, in the case of the governing board of institutions of higher education and the requirements for deposit thereof, covered in Article 2654d V.T.C.S. (as subsequently modified by Article 2543c, requiring some of these funds to be deposited in the State Treasury - see further discussion below). The funds not required to be deposited in the State Treasury are also enumerated in the appropriation bills (currently in Article IV, Sec. 26b) and are now listed as cash receipts of ". . . auxiliary enterprises, non-instructional services, matriculation fees collected in lieu of student activity fees, agency and restricted funds, endowment funds, student loan funds, and Constitutional College Building Amendment Funds." (The latter item includes proceeds of Permanent University Fund Bonds and Ad Valorem Tax Bonds.)

Article 2654d authorizes the governing boards of the named educational institutions to ". . . select depository banks as places of deposit of all funds . . ." The governing boards are directed to require adequate securities to be pledged to secure deposits, and to deposit all the named funds into the depository banks within 7 days from date of collection. This statute also specifies that all designated depositories shall pay interest on deposits at a rate to be agreed upon by the depositories and the boards.

Acting under the above statute, the Board of Regents has established policies in regard to depository banks and authorized a standard depository agreement to be executed with all banks. Aggregate funds on deposit for all components exceeded \$84,300,000 as of February 21, 1969, of which over 86%, or over \$72,780,000 was on time deposit. Almost all the amount on time deposit is at the rate of 6 1/4%, the maximum permitted by the regulation of the Federal Reserve Board. The deposited funds do not include any appreciable balances of endowment funds, which are invested by the Executive Director of Investments, Trusts and Lands.

8. Deposits in State Treasury - (a) Available University Fund and Permanent University Fund, (b) Local Educational Funds

(a) Available University Fund and Permanent University Fund

The Available University Fund and Permanent University Fund are required by the Constitution and various statutes to be deposited in the State Treasury (see Articles 2593a, 2603a, and 2654d, Vernon's Texas Civil Statutes). The further deposit of such funds by the State Treasurer is subject to the policies established by the State Depository Board (Article 2525 V.T.C.S.).

During the fiscal year ending August 31, 1968, the weekly cash balances of the Available University Fund on deposit with the State Treasury fluctuated between a high of \$13,268,000 and a low of \$7,800,400, with an average weekly balance of \$10,394,700. Interest credited by the State Treasury on the balances amounted to \$325,342, or an effective rate (based on average weekly total balances) of approximately 3.13%. Had these balances been earning interest at the same rate (4.91%) earned on total deposits under direct control of the Board of Regents during this period, the earnings would have amounted to approximately \$510,400.

Cash balances in the Permanent University Fund are at a much lower level because these funds are invested as rapidly as practicable in accordance with Regental policies. During fiscal year 1967-68, these weekly cash balances in the State Treasury varied from a high of \$6,819,300 to a low of \$146,400, with a weekly average of \$1,384,800. Interest credited by the State Treasurer was \$43,343, or at the rate of approximately 3.13%.

(b) Local Educational Funds

An oral report will be made by Executive Vice-Chancellor Walker on the results of discussions with the State Auditor and the State Treasurer regarding deposits of these funds in time deposit accounts.

For further background information, and the results attained since the existing form of depository agreement and existing policies were adopted in September, 1966, the following attachments are included:

1. Amended Roster of Depository Banks, Including Formulae for Allocation of Deposits and Amendment to Bank Depository Policies as adopted by the Board at the April 19, 1968, meeting.
2. The narrative portion of the Agenda Item for the April, 1968, meeting which resulted in the above.
3. The standard Depository Agreement adopted at the September, 1966, Board meeting (and subsequently modified in August, 1967, to broaden the types of securities which could be pledged as collateral).
4. Supplement to Regulation Q of the Federal Reserve Board establishing the maximum rates of interest which banks may currently pay on time deposits.
5. Copies of the reports previously rendered to the Board indicating average weekly cash balances and interest earned for the past three fiscal years (two comparative reports). The semi-annual comparative report for the period ending February 28, 1969, will be ready for distribution at the Board meeting.
6. The summary Weekly Cash Report - All Components, for the week ending February 21, 1969.

ATTACHMENT 1

Minutes of the Board of Regents

April 19, 1968

U. T. SYSTEM: AMENDED ROSTER OF DEPOSITORY BANKS, INCLUDING FORMULAE FOR ALLOCATION OF DEPOSITS, AND AMENDMENT TO BANK DEPOSITORY POLICIES.--A report, together with (1) an amended roster of depository banks, including formulae for allocation of deposits, and (2) an amendment to bank depository policies for The University of Texas System, was received from Vice-Chancellor Walker and Comptroller Anderson.

The roster of depository banks and the bank depository policies as amended were adopted in the form as set out on Pages 73-76 .

Roster of Depository Banks

Formula for
Allocation of
Time Deposits

Formula for
Allocation of
Demand Deposits

Galveston Medical Branch

60%	First Hutchings Sealy National	60%
30%	Moody National	30%
10%	United States National	10%

Plus:

University National Bank
and The American Bank
with Time Deposits of
\$100,000 each, exclusive
of the above.

U. T. El Paso

33%	State National	33%
24%	El Paso National	24%
33%	Southwest National	33%
10%	Bank of El Paso (Formerly Chelmont State Bank)	10%

Dallas Medical School

25%	First National	25%
50%	Republic National	50%
25%	National Bank of Commerce	25%

San Antonio Medical School
(See Note A)

33-1/3%	Frost National	Rotate Demand
33-1/3%	National Bank of Commerce	Deposit on Annual
33-1/3%	Main Bank and Trust	Basis

(Note A - Accounts to be opened in above San Antonio banks as of September 1, 1968 after those banks have executed the revised depository agreements currently in effect. Until that time, deposits of San Antonio Medical School to remain in Austin National Bank.)

Roster of Depository Banks (Cont'd)

Formula for
Allocation of
Time Deposits

Formula for
Allocation of
Demand Deposits

U. T. Arlington

15%	First National (Fort Worth)	None
60%	Fort Worth National (Fort Worth)	60%
15%	Arlington Bank & Trust (Arlington)	25%
10%	First National (Arlington)	15%

U. T. HOUSTON

Dental Branch

40%	Bank of the Southwest	(See Note B)
30%	First City National	(See Note B)
20%	Texas National Bank of Commerce	(See Note B)
10%	Fannin	None

Anderson Hospital

40%	Bank of the Southwest	(See Note B)
30%	First City National	(See Note B)
20%	Texas National Bank of Commerce	(See Note B)
10%	Fannin	None

(Note B - The demand accounts of the three Houston institutions will be rotated annually between the Bank of the Southwest, The First City National, and the Texas National Bank of Commerce, and will be rotated in such a way that no bank will have the demand accounts of more than one institution at one time.)

Roster of Depository Banks (Cont'd.)

Formula for
Allocation of
Time Deposits

Formula for
Allocation of
Demand Deposits

G. S. B. S.

(Rotate	Bank of the Southwest	(See Note B)*
Annually	First City National	(See Note B)*
Among the	Texas National Bank of	(See Note B)*
Three Approved	Commerce	
Banks)		

U. T. Austin & Central
Administration

(Prorated on Basis of Capital, Surplus, and Undivided Profits (including Reserves) as of December 31 preceding year)	American National Austin National Capital National City National Texas State Citizens National	(prorate on Basis of Capital, Surplus, and Undivided Profits (including Reserves.)) as of December 31 preceding year)
--	---	---

Bank Depository Policies

1. The Board of Regents will designate the depository banks for each institution and will adopt formulae for the allocation of demand and time deposits between the depository banks. However, the Vice-Chancellor for Business Affairs is authorized to deviate from the formulae whenever he deems it to be in the best interest of the University System to do so and the Vice-Chancellor for Business Affairs is instructed to report any deviation to the Board of Regents at the first meeting thereafter.

* See Page C of W-18

2. Each institution will keep in its demand accounts only so much of its funds as are required for the efficient management of its fiscal affairs. All of its other funds shall be kept on time deposit. It is anticipated that each institution will normally keep at least 75% of its funds on time deposit.
3. The standard Depository Agreement adopted by the Board of Regents will be offered to each depository bank, but there will be no negotiation with individual banks over the terms of the agreement. Any approved bank which does not wish to sign the standard form of the agreement will not be a depository bank for The University of Texas System or any component institution thereof.
4. A comprehensive semi-annual report will be made to the Board of Regents by each institution with respect to its deposits and depository banks during the preceding 6 month period.

8. SYSTEM-WIDE: REPORT ON BANK DEPOSITORY AND PROCEDURES, AND RECOMMENDED AMENDED ROSTER OF DEPOSITORY BANKS, INCLUDING FORMULAE FOR ALLOCATION OF DEPOSITS, AND AMENDMENT TO BANK DEPOSITORY POLICIES. --

Vice Chancellor Walker and Comptroller Anderson submit the following report and recommendation:

The Board of Regents, at the meeting on September 30, 1966, adopted System-wide Bank Depository policies which included formulae for the distribution of funds between the various banks approved as depositories and the allocation between time deposit and demand deposit accounts in those banks.

Since the adoption of these policies, conditions have arisen which have made it necessary to vary from the formulae allocations in order to maintain the maximum rate of earnings on time deposits as well as on total deposited funds. These conditions included the availability of proceeds in large amounts from the sale of Permanent University Fund Bonds, Constitutional Tax Bonds, and Revenue Bonds. Almost the entire amounts of these proceeds, pending the need therefor for construction purposes, were available for time deposit at maximum rates. In some cases the local banks involved declined to accept the bond proceeds on this basis, and in such cases the proceeds have been deposited in other approved depository banks which have been most cooperative in this regard. These banks include the Republic National Bank of Dallas, the Fort Worth National Bank, and the Southwest National Bank of El Paso, and the Bank of the

Southwest, First City National Bank and Texas National Bank of Commerce, all of Houston. As a result, our earnings from time deposits have been kept at a maximum, but these banks have received a larger proportion of funds than specified by the formulae allocations, and there have been consequent modifications to the allocations of the banks which declined the deposits.

In addition to the above variations, the Board of Regents has, from time to time, authorized additions or other changes in banks included on the amended Roster of Depository Banks as approved at the September 30, 1966, meeting. Therefore, it is recommended that the newly amended Roster of Banks, as set out below, and the formulae for allocation of deposits indicated thereon, be approved by the Board of Regents -- subject to the Vice-Chancellor for Business Affairs being authorized to deviate from the approved formulae when it is in the best interests of The University of Texas System to do so:

(Note: As a result of this report and the recommendations presented, the Board adopted the items indicated above. A report of significant deviations has been rendered in accordance with the policy statement adopted by the Board.)

ATTACHMENT 3

Form BDA-1 (Rev. 9/66 & 8/67)

THE STATE OF TEXAS |
 | BANK DEPOSITORY AGREEMENT
COUNTY OF TRAVIS |

THIS AGREEMENT is made and entered into on the date last herein written by and between the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, hereinafter called "DEPOSITOR," and

a banking corporation, duly incorporated and authorized by law to do banking business in the State of Texas and now carrying on such business in said State, hereinafter called "DEPOSITORY," and

hereinafter called "TRUSTEE," and is as follows:

I.

DEPOSITOR hereby designates DEPOSITORY as a regular depository for the period beginning _____ and continuing until this agreement has been cancelled in accordance with its provisions, for certain accounts in the name of THE UNIVERSITY OF TEXAS (including accounts in the name of any component institution which is now or may hereafter become a part of The University of Texas System), which accounts shall be opened by the DEPOSITOR designating the accounts and making deposits therein and the DEPOSITORY accepting said deposits.

II.

DEPOSITOR shall deposit such of its funds as it may choose, and DEPOSITORY shall receive such deposits, on "Demand Deposit(s)," "Time Deposit(s), Open Account" and/or on "Time Certificate(s) of Deposit," as designated by DEPOSITOR, and shall hold said "Demand Deposit(s)," "Time Deposit(s), Open Account" and/or "Time Certificate(s) of Deposit" subject to payment in accordance with the terms of the deposit. DEPOSITORY will allow, credit, and pay interest on such "Time Deposit(s), Open Account," and/or "Time Certificate(s) of Deposit" at the maximum rate allowed by the regulations of the Board of Governors of the Federal Reserve System for such accounts, respectively, with such interest to be paid on "Time Deposit(s), Open Account" monthly as it accrues on the last day of each month and at maturity on "Time Certificate(s) of Deposit". Provided, however, that notwithstanding any other provision of this Agreement, DEPOSITORY shall never be required to accept initially any deposit from DEPOSITOR that it does not elect to accept, but once having initially accepted any such deposit, DEPOSITORY may terminate such deposit only in accordance with the terms of such deposit and this Agreement.

III.

Subject to the provisions stated above as to "Time Deposit(s), Open Account" and subject to the terms of the "Time Certificate(s) of Deposit," DEPOSITORY shall pay on demand to the order of DEPOSITOR upon presentation of checks, drafts, or vouchers properly issued, all or any portion of said deposits now on deposit or to be deposited with said DEPOSITORY, free of expense to DEPOSITOR, and DEPOSITOR will not be liable for, or be required to pay DEPOSITORY, any service charges of any character whatsoever in connection with the handling of the accounts of DEPOSITOR, except such charges as are required by law to be charged to DEPOSITOR.

IV.

All funds on deposit with DEPOSITORY to the credit of the above DEPOSITOR (including "Demand Deposit(s)," "Time Deposit(s), Open Account" and "Time Certificate(s) of Deposit") shall be secured as follows:

1. Bonds or other evidences of direct indebtedness of the United States.
2. Bonds or other evidences of indebtedness which are guaranteed as to both principal and interest by the United States.
3. Bonds of the Board of Regents of The University of Texas System.
4. Permanent University Fund Bonds of the Texas A&M University System.
5. Bonds of the following categories which are rated "A" or better by Moody's and Standard and Poor's or by either if not rated by both:
 - a. Tax bonds of the State of Texas.
 - b. State of Texas Veteran's Land Bonds.
 - c. Colleges of the State of Texas Constitutional Tax Bonds.
 - d. Tax supported bonds of Texas cities, Texas counties, Texas independent school districts, and Texas junior college districts.
 - e. Revenue bonds of utility systems issued by Texas cities.

(All of the above listed evidences of indebtedness are hereinafter called "bonds".) The bonds so pledged shall have an aggregate market value, exclusive of accrued interest, at all times at least equal to the sum of the balances on deposit with DEPOSITORY in all accounts of the DEPOSITOR. At the time bonds are pledged hereunder under Item 2 above, DEPOSITORY shall furnish to DEPOSITOR a list of such bonds on which it shall certify as to the guarantee by the United States and the then market value thereof. At the time bonds are pledged hereunder under Item 5 above, DEPOSITORY shall furnish to DEPOSITOR a list of such bonds on which it shall certify the ratings of such bonds by Moody's and Standard and Poor's and the then market value thereof.

V.

DEPOSITORY has heretofore or will immediately hereafter deliver to TRUSTEE bonds of the kind and character above mentioned sufficient in amount to cover fully the funds of said DEPOSITOR now or hereafter deposited with said DEPOSITORY; which bonds shall have at all times an aggregate market value, exclusive of accrued interest, equal to the total amount of all such funds on deposit. Said bonds or the substitute bonds, as hereinafter provided for, shall be kept and retained by TRUSTEE in trust so long as the depository relationship between DEPOSITOR AND DEPOSITORY shall exist hereunder, and thereafter so long as said past deposits or future deposits made by DEPOSITOR with DEPOSITORY, or any portion thereof, shall have not been properly paid out by DEPOSITORY.

VI.

TRUSTEE hereby agrees to accept said bonds and hold the same in trust for the purpose herein stated.

VII.

It is distinctly understood by all the parties hereto that TRUSTEE shall not be required to ascertain the amount of funds on deposit by the DEPOSITOR with DEPOSITORY, nor the validity, authenticity, genuineness, or negotiability of the securities deposited hereunder with TRUSTEE by DEPOSITORY, and shall be liable to no one hereunder except for the safekeeping of the securities herein provided for as and when received, and the ordinary negligence of its own officers, agents and employees.

VIII.

Should DEPOSITORY fail at any time to pay immediately and satisfy upon presentation any check, draft, or voucher lawfully drawn upon any "Demand Deposit," or fail at any time to pay and satisfy, when due, any check, draft, or voucher lawfully drawn against any time deposit and the interest on such time deposit, or in case DEPOSITORY becomes insolvent or in any manner breaches its contract with DEPOSITOR, it shall be the duty of TRUSTEE, upon demand of DEPOSITOR (supported by proper evidence of any of the above-listed circumstances), to sell such bonds, and out of the proceeds therefrom pay DEPOSITOR all damages and losses sustained by it, together with all expenses of any kind and every kind incurred by it on account of such failure or insolvency, or sale, accounting to DEPOSITORY for the remainder, if any, of said proceeds.

IX.

Any sale by TRUSTEE herein made of such bonds, or any part thereof, may be either at public or private sale; provided, however, it shall give to both DEPOSITOR and DEPOSITORY notice of the time and place where such sale shall take place, and such sale shall be to the highest bidder therefor for cash. DEPOSITOR shall have the right to bid at such sale.

X.

If DEPOSITORY shall desire to sell or otherwise dispose of any one or more of said bonds so deposited with TRUSTEE, it may, without prior approval of DEPOSITOR, substitute for any one or more of such bonds other bonds of the same market value and of the character authorized herein, which said right of substitution shall remain in full force and be exercised by DEPOSITORY as often as it may desire to sell or otherwise dispose of any such original bonds or substitute bonds; provided, however, that at all times the aggregate amount of such bonds deposited with TRUSTEE shall always be such that the aggregate market value thereof, exclusive of accrued interest, shall be at least equal to the sum of DEPOSITOR'S funds or deposits in all accounts, and if, at any time, the aggregate amount of such bonds so deposited with TRUSTEE be less than the total sum of the DEPOSITOR'S funds on deposit with said DEPOSITORY, then, in that event, DEPOSITORY shall, upon demand in writing by DEPOSITOR, immediately deposit with TRUSTEE such additional bonds as may be necessary to equal the total sum of said deposits. DEPOSITORY shall be entitled to income on securities held by TRUSTEE, and TRUSTEE may dispose of such income as directed by DEPOSITORY without approval of DEPOSITOR.

XI.

TRUSTEE shall promptly forward to DEPOSITOR (via the Vice-Chancellor for Business Affairs of The University of Texas System, or his delegate) copies of safekeeping or trust receipts covering all such bonds held for DEPOSITORY, including substitute bonds as provided for herein.

Promptly after the end of each calendar month, said TRUSTEE shall furnish to DEPOSITOR in writing a signed statement showing a completely itemized list of the bonds held as security for DEPOSITOR as of the last day of the month (the original to go to the Vice-Chancellor for Business Affairs of The University of Texas System, or his delegate, and a copy to the chief business officer of the component institution involved), and further, upon written request of the DEPOSITOR, shall furnish as of any date requested a completely itemized list of the bonds held as security for DEPOSITOR.

XII.

If at any time the bonds in the hands of TRUSTEE shall have a market value in excess of the sum of balances due DEPOSITOR by DEPOSITORY, then on the written authorization of the Vice-Chancellor for Business Affairs of The University of Texas System, or his delegate, authorizing the withdrawal of a specified amount of bonds, TRUSTEE shall deliver this amount of bonds (and no more) to DEPOSITORY, taking its receipt therefor, and TRUSTEE shall have no further liability for bonds so redelivered to DEPOSITORY.

XIII.

Either DEPOSITOR or DEPOSITORY shall have the right to terminate this agreement by advance written notice to the other of its election so to do, and this agreement shall be void from and after the expiration of ninety (90) days after the receipt of such notice, provided all provisions of this agreement have been fulfilled.

XIV.

When the relationship of DEPOSITOR and DEPOSITORY shall have ceased to exist between DEPOSITOR and DEPOSITORY, and when DEPOSITORY shall have properly paid out all deposits of DEPOSITOR, it shall be the duty of DEPOSITOR to give TRUSTEE a certificate to that effect, whereupon TRUSTEE shall, with the approval of DEPOSITOR, redeliver to DEPOSITORY all bonds then in its possession belonging to DEPOSITORY, taking its receipt therefor, and an order in writing on said TRUSTEE by DEPOSITOR and a receipt for such bonds by DEPOSITORY shall be a full and final release of TRUSTEE of all duties and obligations undertaken by it by virtue of these presents, and it shall stand fully and finally acquitted of all liability of any kind and character whatsoever to both said DEPOSITOR and said DEPOSITORY.

Executed this _____ day of _____, 19____, by the undersigned duly authorized officers of the parties hereto.

ATTEST:

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, DEPOSITOR

Secretary

By _____
Chairman

ATTEST:

DEPOSITORY

Cashier

By _____
President

ATTEST:

TRUSTEE

Cashier

By _____
Trust Officer

Approved as to Content:

Approved as to Legal Form:

Vice-Chancellor for Business Affairs
of The University of Texas System

University Attorney

ATTACHMENT 4

SUPPLEMENT TO REGULATION Q

SECTION 217.6

Maximum Rates of Interest Payable on Time and Savings

Deposits by Member Banks

ISSUED BY THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM
EFFECTIVE APRIL 19, 1968

Pursuant to the provisions of section 19 of the Federal Reserve Act and § 217.3, the Board of Governors of the Federal Reserve System hereby prescribes the following maximum rates¹ of interest payable by member banks of the Federal Reserve System on time and savings deposits:

(A) SINGLE MATURITY TIME DEPOSITS

(1) Deposits of \$100,000 or more. — No member bank shall pay interest on any single maturity time deposit of \$100,000 or more at a rate in excess of the applicable rate under the following schedule:

MATURITY	MAXIMUM PER CENT PER ANNUM
30-59 days	5½
60-89 days	5¾
90-179 days	6
180 days or more	6¼

(2) Deposits of less than \$100,000. — No member bank shall pay interest at a rate in excess of 5 per cent per annum on any single maturity time deposit of less than \$100,000.

(B) MULTIPLE MATURITY TIME DEPOSITS

(1) Deposits payable at intervals of at least 90 days. — No member bank shall pay interest at a rate in excess of 5 per cent per annum on a multiple maturity time deposit that is payable only 90 days or more after the date of deposit, or 90 days or more after the last preceding date on which it might have been paid.

(2) Deposits payable at intervals of less than 90 days. — No member bank shall pay interest at a rate in excess of 4 per cent per annum on a multiple maturity time deposit that is payable less than 90 days after the date of deposit, or less than 90 days (but at least 30 days) after the last preceding date on which it might have been paid.

(C) SAVINGS DEPOSITS

No member bank shall pay interest at a rate in excess of 4 per cent per annum on any savings deposit.

In calculating the rate of interest paid, the effects of compounding of interest may be disregarded. A member bank that elects to compound interest — either at the maximum permissible rate or at a lower rate — shall state the basis of compounding (such as semiannually, quarterly, monthly, weekly, daily, or continuously) in every advertisement, announcement, solicitation, and agreement relating to the rate of interest paid on a deposit.

¹ The maximum rates of interest payable by member banks of the Federal Reserve System on time and savings deposits as prescribed herein are not applicable to any deposit which is payable only at an office of a member bank located outside of the States of the United States and the District of Columbia.

ATTACHMENT 5
 THE UNIVERSITY OF TEXAS SYSTEM
 COMPARATIVE SCHEDULE OF AVERAGE TOTAL WEEKLY CASH BALANCES,
 INTEREST EARNED ON TIME DEPOSITS AND CERTIFICATES OF DEPOSIT, AND
 EFFECTIVE INTEREST RATES COMPUTED ON TOTAL CASH BALANCES
 FISCAL YEARS 1966-67 AND 1967-68

	<u>Year Ended 8-31-67</u>			<u>Year Ended 8-31-68</u>		
	Average Total Weekly Cash Balances	Interest Earned (on Accrual Basis)	Effective Interest Rates (on Total Balances)	Average Total Weekly Cash Balances	Interest Earned (on Accrual Basis)	Effective Interest Rate (on Total Balances)
The University of Texas at Austin (Including Central Administration and Workmen's Compensation Insurance Funds)	\$30,449,604	\$1,326,218	4.36%	\$48,840,083	\$2,431,958	4.98%
The University of Texas at Arlington	6,565,655	306,120	4.66	10,383,969	538,893	5.19
The University of Texas at El Paso	2,440,803	89,966	3.69	3,766,313	173,202	4.60
The University of Texas Medical Branch at Galveston	5,160,989	225,197	4.36	6,073,757	297,042	4.89
The University of Texas Southwestern Medical School at Dallas	3,059,678	119,907	3.92	2,926,116	121,624	4.16
The University of Texas Medical School at San Antonio	*	*	*	546,777	18,562	3.40
The University of Texas Dental Branch at Houston	1,301,382	43,467	3.34	1,536,543	74,169	4.83
The University of Texas M. D. Anderson Hospital and Tumor Institute at Houston	5,737,411	256,105	4.46	6,473,224	307,010	4.74
The University of Texas Graduate School of Biomedical Sciences at Houston	<u>175,745</u>	<u>2,200</u>	<u>1.25</u>	<u>174,179</u>	<u>3,975</u>	<u>2.28</u>
Totals	<u>\$54,891,267</u>	<u>\$2,369,180</u>	<u>4.32%</u>	<u>\$80,720,906</u>	<u>\$3,966,435</u>	<u>4.91%</u>

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Included in U. T. Austin Figures for 1966-67

Compiled in the Office of the Comptroller
 from Component Institution Reports
 September 23, 1968

ATTACHMENT 5
 THE UNIVERSITY OF TEXAS SYSTEM
 COMPARATIVE SCHEDULE OF AVERAGE TOTAL WEEKLY CASH BALANCES,
 INTEREST EARNED ON TIME DEPOSITS AND CERTIFICATES OF DEPOSIT, AND
 EFFECTIVE INTEREST RATES COMPUTED ON TOTAL CASH BALANCES
 FISCAL YEARS 1965-66 AND 1966-67

	Year Ended 8-31-66			Year Ended 8-31-67		
	Average Total Weekly Cash Balances	Interest Earned (on Accrual Basis)	Effective Interest Rates (on Total Balances)	Average Total Weekly Cash Balances	Interest Earned (on Accrual Basis)	Effective Interest Rat. (on Total Balances)
The University of Texas at Austin (Including Central Administration and Workmen's Compensation Insurance Funds) and The University of Texas Medical School at San Antonio	\$16,259,103	\$326,359	2.01%	\$30,449,604	\$1,326,218	4.36%
The University of Texas Medical Branch at Galveston	3,247,892	70,609	2.17	5,160,989	225,197	4.36
The University of Texas Dental Branch at Houston	1,116,760	27,226	2.44	1,301,382	43,467	3.34
The University of Texas M. D. Anderson Hospital and Tumor Institute at Houston	4,777,961	131,211	2.75	5,737,411	256,105	4.46
The University of Texas Southwestern Medical School at Dallas	2,940,808	82,418	2.80	3,059,678	119,907	3.92
The University of Texas at El Paso	2,107,169	44,587	2.12	2,440,803	89,966	3.69
The University of Texas Graduate School of Biomedical Sciences at Houston	203,541	-0-	-0-	175,745	2,200	1.25
The University of Texas at Arlington	3,411,921	106,768	3.13	6,565,655	306,120	4.66
Totals	\$34,065,155	\$789,178	2.32%	\$54,891,267	\$2,369,180	4.32%

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THE UNIVERSITY OF TEXAS SYSTEM
Weekly Cash Report - All Components
Week Ending February 21, 1969

ATTACHMENT 6

DISTRIBUTION BY INSTITUTION	Demand Deposits	Time Deposits	Total Deposits	% Time to Total
U. T. Austin .	\$ 6,053,338	\$ 40,514,517	\$46,567,855	87 %
U. T. Arlington	1,263,031	11,711,149	12,974,180	90
U. T. El Paso	757,998	2,382,000	3,139,998	76
Galveston Medical Branch	1,079,942	6,350,000	7,429,942	85
Dallas Medical School	802,048	2,520,000	3,322,048	76
San Antonio Medical School	292,144	1,200,000	1,492,144	80
Houston Dental Branch	178,567	1,496,500	1,675,067	89
Anderson Hospital	1,094,849	6,457,000	7,551,849	86
G. S. B. S.	75,029	150,000	225,029	67
Houston Public Health School	17,432	-0-	17,432	-0-
TOTAL	\$ 11,614,378	\$ 72,781,166	\$84,395,544	86 %
DISTRIBUTION BY BANKS				
American National Bank	\$ 1,038,913	\$ 4,876,427	\$ 5,915,340	82 %
Austin National Bank	1,343,301	7,643,725	8,987,026	85
Capital National Bank	2,070,682	6,630,079	8,700,761	76
City National Bank	630,751	2,315,400	2,946,151	79
Texas State Bank	635,566	1,606,771	2,242,337	72
Citizens National Bank	259,094	669,500	928,594	72
Subtotal - Austin	<u>\$ 5,978,307</u>	<u>\$ 23,741,902</u>	<u>\$29,720,209</u>	<u>80</u>
Arlington Bank & Trust	\$ 235,766	\$ 700,000	\$ 935,766	75
First National Bank of Arlington	194,147	600,000	794,147	76
Fort Worth National Bank	833,118	7,861,149	8,694,267	90
First National Bank of Fort Worth	-0-	1,050,000	1,050,000	100
Subtotal - Arlington, Fort Worth	<u>\$ 1,263,031</u>	<u>\$ 10,211,149</u>	<u>\$11,474,180</u>	<u>89</u>
State National Bank	\$ 251,941	\$ 792,000	\$ 1,043,941	76
El Paso National Bank	246,004	765,000	1,011,004	76
Southwest National Bank	260,053	825,000	1,085,053	76
Bank of El Paso	-	-	-	-
Subtotal - El Paso	<u>\$ 757,998</u>	<u>\$ 2,382,000</u>	<u>\$ 3,139,998</u>	<u>76</u>
First Hutchings-Sealy National Bank	\$ 647,965	\$ 3,690,000	\$ 4,337,965	85
The Moody National Bank	323,983	1,845,000	2,168,983	85
United States National Bank	107,994	615,000	722,994	85
American Bank, Galveston	-0-	100,000	100,000	100
University National Bank	-0-	100,000	100,000	100
Subtotal - Galveston	<u>\$ 1,079,942</u>	<u>\$ 6,350,000</u>	<u>\$ 7,429,942</u>	<u>85</u>
Republic National Bank of Dallas	\$ 475,371	\$ 3,810,000	\$ 4,285,371	89
First National Bank in Dallas	201,241	630,000	831,241	76
The National Bank of Commerce	200,467	5,130,000	5,330,467	96
Subtotal - Dallas	<u>\$ 877,079</u>	<u>\$ 9,570,000</u>	<u>\$10,447,079</u>	<u>92</u>
Central National Bank of Houston	\$ -0-	\$ -0-	\$ -0-	-
The Fannin Bank	-0-	823,500	823,500	100
First City National Bank of Houston	178,567	2,443,500	2,622,067	93
Bank of the Southwest National Assoc.	1,094,849	14,003,500	15,098,349	93
Texas National Bank of Commerce	92,461	2,055,615	2,148,076	96
Subtotal - Houston	<u>\$ 1,365,877</u>	<u>\$ 19,326,115</u>	<u>\$20,691,992</u>	<u>93</u>
Bank & Trust, San Antonio	\$ 292,144	\$ 400,000	\$ 692,144	58
National Bank of Commerce	-0-	400,000	400,000	100
First National Bank, San Antonio	-0-	400,000	400,000	100
Subtotal - San Antonio	<u>\$ 292,144</u>	<u>\$ 1,200,000</u>	<u>\$ 1,492,144</u>	<u>80</u>
TOTAL	\$11,614,378	\$ 72,781,166	\$84,395,544	86 %

Includes Central Administration,
Interest and Sinking Funds

Prepared in Office of the Comptroller
February 26, 1969

Refer to

B. The University of Texas at Austin

9. Authority to Retain Counsel and Initiate Proceedings to Remove Cloud from Title (2305 Wooldridge Drive). -- Below is a Xerox copy of Chancellor Ransom's recommendation:

The following is an excerpt from the minutes of the meeting of the Board of Regents of The University of Texas System held on April 1, 1966:

" Main University: Proposal of Dr. C. P. Patterson for Establishment of The Perry Patterson Professorship of Government and The Perry and Tommie Patterson Fellowships in Political Science, and Provision for Satisfying Requirements of Gift (Stiles Endowment Fund). -- The proposal of Doctor C. P. Patterson (a) to deed to the Board of Regents of The University of Texas his residence and lots at 2503 Wooldridge Drive, Austin, Texas, together with the furniture, furnishings, libraries and other personal property therein, proceeds of which will be used to establish the Perry Patterson Professorship of Government and (b) to transfer and assign to the Board of Regents of The University of Texas certain stocks and cash to establish the Perry and Tommie Patterson Fellowships in Political Science, which are to be in the amount of \$1,500 each, was approved. The proposal provides that during his lifetime Doctor Patterson shall have the right to occupy the residence and shall receive the interest and dividends on corporate stocks and savings accounts.

"Under the approved proposal (a) the University will pay the inheritance and estate taxes due on the estate (approximately \$10,000) of Mrs. Perry Patterson whose death occurred in 1965, together with any ad valorem taxes that may be due if the University is unsuccessful in placing the property on exempt tax rolls; and (b) the University will also pay insurance premiums which may become due on the home. --

"The market value of the stocks is approximately \$116,800, and the cash transferred under the proposal is in the amount of \$50,000.

"A special account of \$16,000, transferred from the J. V. and H. A. Stiles Foundation Endowment Account, was set up to satisfy the first year requirements of the Patterson gift, and the Administration was authorized to pay out of the income from the J. V. and H. A. Stiles Endowment Fund an amount not to exceed \$1,000 per year to satisfy the annual requirements of this gift.

"The Chairman of the Board was authorized to execute the necessary instruments for the acceptance of this bequest. "

On February 10, 1969, a deed from Dr. Caleb Perry Patterson to Donald B. Yarbrough, dated August 4, 1965, was recorded in the office of the County Clerk of Travis County, Texas, purporting to convey the same tract of land which Dr. Patterson conveyed to the Board of Regents. Mr. Yarbrough has also advised that he intends to contest the execution of the deed to the University, the execution of the bill of sale to the University covering the household furnishings, and to contest the transfer of the securities to the University, all on the grounds that those transactions were fraudulent and as a result of certain individuals exerting undue influence on Dr. Patterson.

In addition Mr. Yarbrough has recently obtained from Dr. Patterson a general power of attorney by virtue of the provisions of which he is presently attempting to withdraw all of Dr. Patterson's bank accounts and savings accounts from their present depositories.

Mr. Shelton, Chancellor Ransom, and the University Attorney jointly recommend that Mr. Clint C. Small, Jr., be retained to represent the University in this matter and to do any and all things that are either necessary or desirable in order to carry out the terms of the agreement which the University has with Dr. Patterson and to protect the University's interests. It is recommended that Mr. Shelton be authorized to enter into an agreement with Mr. Small for a legal fee consisting of a \$500 retainer plus \$40 an hour for work actually devoted to the matter, with the understanding that the total fee will not exceed \$6,000 without additional prior approval of the Board.

Mr. Shelton will suggest at the meeting a source of funds for the payment of this fee.

10. Discussion Item: There will be discussed the need to advise certain persons who have been receiving free tickets to U. T. Austin football games that they will need to purchase seat options if they desire to continue to sit in the sections covered by the options.

11. Discussion Item: The desirability of appointing a committee to explore ways and means of transporting students to the center of the campus from the 30 blocks of parking lots that will be established in the Urban Renewal areas east of Red River and San Jacinto streets.

12. Discussion Item: The desirability of appointing a committee or committees:
 - a. To consider the desirability of establishing a University owned and operated bookstore at U. T. Austin with branches at strategic locations throughout the campus and with the profits to be available for appropriation by the Board of Regents for educational purposes not now permitted under the Appropriations Bill.

 - b. To consider the desirability of establishing service outlets in or near the Beauford Jester Center such as barber shops, beauty salons, drug stores, bookstores, and other outlets for furnishing personal service items. One of the considerations is to be whether such services should be furnished by private enterprises on University owned land and in University owned buildings or whether these services should be furnished by employees of the University or whether they should be furnished by the University either through its direct employees or through a wholly owned and wholly controlled corporation or division.

C. The University of Texas at Houston

13. Houston Speech and Hearing Center

Dr. LeMaistre would like to make an oral report on the status of discussions initiated by the Houston Speech and Hearing Center in Executive Session since both legal and personnel matters are involved.

Exec. Session

D. Anderson Hospital

14. Agreements relating to the Proposed Lutheran Hospital. --The Health Affairs Council and Executive Vice-Chancellor LeMaistre recommend, and Chancellor Ransom concurs in, the adoption of the following described agreements relating to the proposed Lutheran Hospital. Attorney Waldrep has participated in the discussions concerning both of these agreements; the Lutheran Hospital Board has approved both documents, and the representatives of the M. G. and Lillie A. Johnson Foundation have approved Agreement No. "b" which is outlined below:

a. Agreement of six points of policy between the Board of Directors of Lutheran Hospital, M. D. Anderson Hospital, and the Board of Regents of The University of Texas System as Trustees of the University Cancer Foundation.

AGREEMENT

STATE OF TEXAS |

COUNTY OF HARRIS |

WHEREAS, Lutheran Hospital (herein called Lutheran), has on the 28th day of January 1969, approved the following six (6) points of policy, to be accepted by The University of Texas M. D. Anderson Hospital and Tumor Institute at Houston (herein called Institute) prior to final execution of that certain agreement between Lutheran, Marshall G. and Lillie A. Johnson Foundation, Inc., and the Board of Regents of The University of Texas Sytem, affecting the construction of the Lutheran Hospital;

NOW, THEREFORE, these presents are to affirm that mutual agreement exists between Lutheran and Institute concerning the following six (6) points of policy, and Institute guarantees that the subject matter of such policies will be adhered to in the construction and operation of said Lutheran Hospital.

1. Name of the Hospital. The hospital shall be named, designated, and identified as LUTHERAN HOSPITAL. This name will be prominently displayed on the building facing Holcombe Boulevard. The Christian generosity and benevolence of Mr. and Mrs. Marshall G. Johnson will be gratefully acknowledged by making a permanent dedication of the initial building to their honor and memory.

2. Architectural Design and Planning. The physical structure of the hospital will be especially designed to blend with, but offer harmonious individual identification from, the other components of The University of Texas at Houston. In this manner, LUTHERAN HOSPITAL will emerge with a distinct image in keeping with the ideals of the benefactors of the hospital. To implement this, the firm of Koetter, Tharp, and Cowell, Architects, will be the architects for the Lutheran Hospital Association. The University architects are MacKie and Kamrath. Both architectural firms have for some time been considering this project as a joint venture, and although a contract has been prepared with the University and their architects for the initial planning, a further agreement should be prepared designating the firm of MacKie and Kamrath, architects and Koetter, Tharp, and Cowell as Associate Architects with an agreement between the architectural firms as to the division of architectural duties.

3. Release of the Johnson Foundation. Although the assets which now comprise the Johnson Foundation have been irrevocably dedicated or pledged toward the primary purpose of the Foundation, i. e., the erection, maintenance and equipping of a Lutheran Hospital in Houston (see the Charter and By-laws of the Foundation), the hospital will honor the request of Mr. Johnson to release all claims to the assets other than the Florida property if these requests are carried out.

4. Chapel. Included in the plans for LUTHERAN HOSPITAL will be an adequate area for a nondenominational chapel and adjacent space for a full time Lutheran chaplain's office and staff and meditation and memorial rooms. The Lutheran Hospital will be responsible to raise the funds for the building of the chapel. The cost of operating the chapel will be borne by the Lutherans Hospital Association.

5. Volunteer Services, Nursing School, etc. The Lutheran Hospital will have the opportunity to participate in the funding and management of volunteer services associated with the new institution. Also, Lutheran Hospital will have the opportunity to participate in the planning, funding, development and promotion of nursing and other educational programs desired for future development. All memorials donated through the Lutheran Hospital shall be properly recognized and acknowledged by appropriate plaques. The Lutheran Hospital shall have the right to allocate gift funds received by them for the Lutheran program as the Board of Directors (or any successor body) in consultation with the University of Texas shall deem advisable.

6. Scope of future authority. Although the LUTHERAN HOSPITAL will be ^{owned and} operated entirely by The University of Texas, the Board of Directors of the hospital will remain active in all auxiliary functions and future planning of the hospital. That board shall designate the representatives to represent LUTHERAN HOSPITAL on the Board of Visitors of The University of Texas at Houston.

IN WITNESS WHEREOF, the parties have executed this agreement this _____ day of _____, 1969.

ATTEST: BOARD OF DIRECTORS OF THE LUTHERAN HOSPITAL

Secretary BY _____
Chairman

ATTEST: THE UNIVERSITY OF TEXAS M. D. ANDERSON HOSPITAL AND TUMOR INSTITUTE AT HOUSTON

Secretary BY _____
President

ATTEST: BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM AS TRUSTEES OF THE UNIVERSITY CANCER FOUNDATION

Secretary BY _____
Chairman

NOTE: Chairman Erwin suggests that in the second line at the top of this page the words "owned and" should be inserted immediately before the word "operated."

- b. Agreement between the Board of Directors of Lutheran Hospital, the Trustees of the M. G. and Lillie A. Johnson Foundation, Inc., and the Board of Regents of The University of Texas System as Trustees of the University Cancer Foundation.

AGREEMENT

THE STATE OF TEXAS X

COUNTY OF HARRIS X

This AGREEMENT made and entered into this _____ day of _____ by and between the BOARD OF DIRECTORS OF THE LUTHERAN HOSPITAL of Houston, Texas, hereinafter sometimes called "Lutheran"; the TRUSTEES OF THE M. G. AND LILLIE A. JOINSON FOUNDATION, INC., of Wharton County, Texas, hereinafter sometimes called "Johnson Foundation"; and the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, AS TRUSTEES OF THE UNIVERSITY CANCER FOUNDATION, hereinafter sometimes called "Cancer Foundation",

WITNESSETH:

WHEREAS, plans are being considered for the construction of a hospital facility which will be additive and contiguous to The University of Texas M. D. Anderson Hospital and Tumor Institute for research, education, and service related to patients with special diseases, such diseases being interpreted as the broad gamut of allied diseases related directly or indirectly to neoplastic diseases; and

WHEREAS, it is the desire of the parties to reduce to writing the obligations and responsibilities of each in connection with the planning, construction, operation, and administration of the said hospital:

NOW, THEREFORE, in consideration of the mutual benefits, the parties hereby agree:

1. For and in consideration of the conveyance by Johnson Foundation to Cancer Foundation of a tract of land situated in the Counties of De Soto, Charlotte, and Highlands of the State of Florida consisting of approximately 51,700 acres of land, title to which shall be held in the name of the Board of Regents of The University of Texas System, as Trustees of the University Cancer Foundation, the Cancer ^{or cause to be constructed} Foundation hereby agrees to construct a hospital facility, wing or pavilion for research, education, and service related to patients with special diseases, directly or indirectly to neoplastic diseases, on land owned or to be acquired by the University or Cancer Foundation within the Texas Medical Center as an entity physically adjacent to and identified with The University of Texas M. D. Anderson Hospital and Tumor Institute as an integral part thereof under the terms and conditions hereinafter set forth. The land to be conveyed by the Johnson Foundation to the Cancer Foundation is described in Exhibit A which is attached hereto and made a part of this agreement, to which reference is made.

2. It is understood and agreed that this instrument shall be executed simultaneously with the execution and delivery of a deed from Johnson Foundation to the Cancer Foundation conveying the approximate 51,700 acres described in Exhibit A. The Cancer Foundation will pay the remaining installments upon the loan upon said land, as same become due, but the same shall in no way be an obligation of or debt upon the State.

3. The Cancer Foundation shall have the right at any time to sell the land at such price as the trustees of Cancer Foundation shall deem warranted, except that it is agreed by the Cancer Foundation that hereafter, and prior to the letting of a

contract for construction, if the Johnson Foundation should contribute as much as \$50,000 annually, beginning January, 1970, upon the payment of the loan against such land, then the Cancer Foundation will not sell said land without the consent of the Johnson Foundation until after a construction contract shall have been let. However, there shall be no obligation upon the Johnson Foundation to make such payments. The foregoing provisions shall not prohibit the Cancer Foundation from encumbering or mortgaging such land, without consent of the Johnson Foundation. If said land as a whole should be sold for as much as \$165 per acre net, or for a lesser price plus enough supplemented by the Cancer Foundation and pledged to such construction to yield \$165 per acre net, then the Johnson Foundation will consent to any sale. In any event such consent shall not be unreasonably withheld. All proceeds from any sale or mortgage of the land shall be irrevocably pledged to the construction costs of the Lutheran Hospital, if it has not already been completed.

4. The Cancer Foundation shall proceed as soon as practicable with plans for the construction of a hospital for the treatment of diseases related directly or indirectly to neoplastic diseases.

5. The hospital, when completed, shall cost not less than Eight Million Dollars (\$8,000,000), and it is contemplated that upon the receipt of certain matching funds and other funds available to the Cancer Foundation the value of the facility will far exceed this amount, and it is anticipated will permit a building of not less than a 300-bed facility. In this connection if construction is not commenced within the specified period of three years from the date hereof, it is agreed and understood that the land, or if it be

sold, then the proceeds from the sale of the land, plus any net revenues obtained from the investment of such proceeds, shall, at the option and request of Johnson Foundation, revert to and re-vest in the said Johnson Foundation, less reasonable costs incurred by Cancer Foundation in planning such facility, and the Cancer Foundation will execute such necessary reconveyances or transfers as may be proper or necessary. In such event Johnson Foundation will refund to the Cancer Foundation any payments on said loan which the latter may have made, plus interest on such payments at 5-3/4% per annum from date of payment thereof by the Cancer Foundation.

6. For the purpose of this agreement the acceptance of a bid or bids for the construction of a hospital will be tantamount to the commencement of construction and in full satisfaction of the requirements set forth above.

7. The hospital shall be known as "The Lutheran Hospital - M. G. & Lillie A. Johnson Building," with an appropriate plaque designating the same, and shall be operated under the direction and control of The University of Texas M. D. Anderson Hospital and Tumor Institute at Houston who shall be responsible for all operating expenses of the facility. A commemorative plaque will be permanently placed in a prominent position in or on the building, and an appropriate dedication will be made to memorialize the contributions of the founders of the Johnson Foundation.

8. Permission is granted to Lutheran for the erection of a nondenominational chapel to be operated in conjunction with the hospital, which shall be constructed and operated by Lutheran without any financial obligation whatsoever on the part of Cancer Foundation and Johnson Foundation. Ordinary and necessary building maintenance, utilities and janitorial service shall be assumed by the Institute.

NOTE NO. 1: Chairman Erwin suggests that in the third line of Section 7 above the words "owned by the Board of Regents of The University of Texas System and" should be inserted immediately before the word "operated."

NOTE NO. 2: Chairman Erwin inquires what entity is intended to be identified by the word "Institute" in the last line of Section 8.

9. By the execution and delivery of that certain deed conveying 51,700 acres of land situated in the State of Florida and described in Exhibit A, Lutheran hereby recognizes the conveyance as payment of the obligations of the Johnson Foundation in connection with the funding of the said hospital, and Lutheran hereby agrees to execute a full and complete release to Johnson Foundation evidencing the fact that its obligation has been fulfilled and discharged.

10. It is understood that ^{Board of Regents} ~~Cancer Foundation~~ shall be responsible for the planning and construction of the hospital, with concurrence of Lutheran, which concurrence shall not be unreasonably withheld. Lutheran will nominate and shall have a member or members on the Board of Visitors or a comparable board which will operate within the framework of the hospital organization for the purpose of consulting with Cancer Foundation from time to time in connection with the planning, construction, operation, and administration of the said hospital.

11. After the conveyance of the 51,700 acre tract of land described in Exhibit A from Johnson Foundation to Cancer Foundation and while title is held by Cancer Foundation, it is agreed that any net revenues received from the property be and the same are hereby irrevocably pledged to the expenses necessary for the construction of the hospital, taxes or such other purpose as may be mutually agreed upon by the parties. In this connection any income accruing from the land may be used for architectural fees or other

incidental construction costs, but shall in no manner be categorized as business income.

IN WITNESS WHEREOF, the parties have executed this agreement on the date and year above stated.

ATTEST:

BOARD OF DIRECTORS OF
THE LUTHERAN HOSPITAL

Secretary

BY _____
Chairman

ATTEST:

THE M. G. AND LILLIE A. JOHNSON
FOUNDATION, INC.

Secretary

BY _____
President

ATTEST:

BOARD OF REGENTS OF THE
UNIVERSITY OF TEXAS SYSTEM
AS TRUSTEES OF THE UNIVERSITY
CANCER FOUNDATION

Secretary

BY _____
Chairman

E. ITEMS FOR THE RECORD. --The following items have been approved as indicated by the Committee of the Whole and are included herewith for ratification:

15. U. T. Austin: East Campus Library and Research Building Named Sid W. Richardson Hall. --It is reported for the record that at the meeting on September 20, 1968, the East Campus Library and Research Building at The University of Texas at Austin was named Sid W. Richardson Hall.

16. U. T. El Paso: Report of Special Committee to Select President and Appointment of Doctor J. R. Smiley. --It is reported for the record that at the meeting on January 31, 1969, the recommendation of the Special Committee to select a President at The University of Texas at El Paso was approved, and Doctor Joe R. Smiley was named as President, effective June 1, 1969, or at such later date as may be agreed upon by Dr. Smiley and Dr. Ransom.

V. SCHEDULED EVENTS. --Below are listed scheduled events that have been reported to the Office of the Secretary. The dates for the Regents' meetings on April 25, June 6 and July 25 were tentatively set without designation of place. Chancellor Ransom has reported that he has four other engagements on the weekend of April 25 - 26, all of which are University related.

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1969

March 14

April 1 - 5

April 4

April 6

April 12

April 28

May 8

May 15

May 16

May 30

May 31

June 2

June 11

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Board of Regents' Meeting

Spring Vacation (For Students)

Good Friday-Staff Holiday

Easter Sunday

U. T. Austin Honors Day

U. T. Austin, Dedication
of J. T. Patterson
Laboratories Building
at 3:00 p. m.

Development Board Meeting

Oil and Gas Lease Sale

Anderson Hospital: Dedication
of Gimble Building, Research
Institute and Warren S. Bel-
lows Memorial Laboratory

U. T. Austin - Commence-
ment Activities begin

Commencement
U. T. Austin
U. T. Arlington
U. T. El Paso
System Nursing School

Commencement
Dallas Medical School

Commencement
Galveston Medical Branch

VI. ADJOURNMENT

COMMITTEE OF THE WHOLE
EMERGENCY ITEMS

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17. U. T. System: Request for Attorney General's Opinion with respect to Optional Retirement Plan	47
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19. Regents' <u>Rules and Regulations</u> , Part One: Amendment to Chapter VI (Fund Raising and Non-Commercial Solicitations) - Request that it be in EXECUTIVE SESSION	48

17. U.T. SYSTEM: AUTHORIZATION TO REQUEST ATTORNEY GENERAL'S OPINION.--

The Chancellor's Office asks permission of the Board of Regents to request an Attorney General's opinion for the purpose of clarifying the conditions for vesting of the individual participant under the Optional Retirement Plan as authorized by Senate Bill 292, Acts of the 60th Legislature, Regular Session (V.A.C.S. Art. 2922-1i).

University Attorneys and members of the Administration have had informal discussions with members of the Attorney General's staff, and agreement has been reached that clarification is needed for the benefit of employees who are members of the Optional Retirement Program and for the administration of the Plan.

18. U.T. AUSTIN: REQUEST FOR APPROVAL OF FIVE-YEAR CONTRACT FOR HEAD BASKETBALL COACH.--

At its meeting on February 19, 1969, the Athletics Council voted to recommend to the Administration that Coach Leon Black be given a five-year coaching contract at this present salary, effective April 1, 1969, because, "In Coach Royal's opinion, Mr. Black has proved to be a coach we want; one that works hard and in time will improve the basketball program so that it will be in championship class and recognized nationally."

With the concurrence of President Hackerman and Executive Vice-Chancellor Singletary, Chancellor Ransom recommends that the Board of Regents approve a five-year contract for Leon Black as Head Basketball Coach, effective April 1, 1969, at his present salary.

19. U.T. AUSTIN: PROPOSED AMENDMENTS TO REGENTS' RULES AND REGULATIONS, PART ONE, CHAPTER VI, SECTION 6.--

President Hackerman has requested clarification of certain rules of the University governing fund raising and non-commercial solicitations, as indicated in the following letter to Executive Vice-Chancellor Singletary:



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

President

March 10, 1969

Dr. Otis A. Singletary
Executive Vice-Chancellor for Academic Affairs
The University

Dear Dr. Singletary:

As you know, there has been some question of the way I interpreted the rules of the University governing fund raising and non-commercial solicitations on campus, particularly as they relate to the definition of "a worthy institution-related activity." In view of the fact that this difference of opinion has arisen, I thought it would be well to get some clarification from the Chancellor's Office or the Board of Regents. It may be that some rewording might be necessary. Other considerations are that there be no restrictions on fund raising except limits of time and place or that all fund raising be eliminated from the campus.

Sincerely yours,

A handwritten signature in cursive script that reads "Norman Hackerman".

Norman Hackerman

NH:bg

As a result of discussions with officials of U.T. Austin, Executive Vice-Chancellor Singletary, with the concurrence of Vice-Chancellor Landrum and University Attorney Gibson, recommends that the Regents' Rules and Regulations be amended as follows:

Amend Subsection 6.13, Section 6, Chapter VI, Part One, Regents' Rules and Regulations, to read as follows:

6.13 Fund-raising for any purpose, including fund-raising for charity, and noncommercial solicitations will not be authorized on the campus of any component institution of The University of Texas System, unless prior approval has been granted by the institutional head or his representative.

6.131 Any fund-raising and noncommercial solicitations approved by the institutional head or his representative shall be conducted subject to reasonable institutional regulations regarding time, place, procedure, and financial reporting and accountability.

[6.13 REGISTERED STUDENT ORGANIZATIONS MAY BE AUTHORIZED TO CONDUCT FUND-RAISING ACTIVITIES, SUBJECT TO THE FOLLOWING LIMITATIONS:

6.131 SUCH FUND-RAISING ACTIVITIES SHALL BE FOR THE BENEFIT OF THE TOTAL INSTITUTION OR OF A WORTHY INSTITUTION-RELATED ACTIVITY.]

6.132 Any fund-raising from students by students for charity that has been approved by the institutional head or his delegate shall be subject to regulations made by the students' association at each component institution and approved by the Dean of Students at such institution. For the purpose of this section, fund-raising for charity means fund-raising for the needy or suffering, relief of the poor, or for public benevolent purposes, but does not mean fund-raising for the personal benefit of an individual, group, or registered student organization, to pay for monetary indebtedness incurred by an individual, group, or registered student organization, or to pay any fee, fine, or other charge arising from a violation of federal, state, or local law.

6.133 With the approval of the institutional head or his representative, registered student organizations [INSTITUTIONAL REGULATIONS] may conduct [PERMIT] fund-raising activities [BY STUDENT ORGANIZATIONS] for their own members and only at official meetings.

[6.134 TO INSURE NONINTERFERENCE WITH INSTITUTIONAL PURPOSES AND FUNCTIONS, INSTITUTIONAL REGULATIONS SHALL INCLUDE APPROPRIATE PROVISIONS FOR ESTABLISHING TIME, PLACE, AND MANNER OF FUND-RAISING ACTIVITIES AND FOR REQUIRING FINANCIAL REPORTING AND ACCOUNTABILITY.]

If this action is approved, the respective institutions in The University of Texas System shall conform the Institutional Supplements to conform to the Regents' Rules and Regulations as amended.

3/17/69
J. H. [unclear]

RECOMMENDATION FOR BOARD OF REGENTS ACTION IN RESPECT TO DESIGNATION OF "SPECIAL DEPOSITORY BANKS", SUBJECT TO APPROVAL OF THE STATE TREASURER, FOR THE PURPOSE OF RECEIVING AND KEEPING FUNDS ARISING FROM LOCAL EDUCATIONAL INCOME OF THE GENERAL ACADEMIC INSTITUTION OF THE U. T. SYSTEM WHICH ARE REQUIRED BY LAW TO BE DEPOSITED IN THE STATE TREASURY.

Under the provisions of Article 2543c, V.T.C.S., and Section 26b, Article IV, H.B. No. 5, 60th Legislature, First Called Session, the Board of Regents of The University of Texas System designated the following special depository banks to receive from the State Treasury those institutional receipts arising from local income of educational activities which are required to be deposited in the State Treasury:

For The University of Texas at Austin (Fund 248):

The American National Bank *Austin, Texas*
The Austin National Bank
The Capital National Bank
City National Bank of Austin
Texas State Bank
Citizens National Bank of Austin

For The University of Texas at Arlington (Fund 244):

Arlington Bank and Trust, *Arlington, Texas*
First National Bank in Arlington
The Fort Worth National Bank
The First National Bank of Fort Worth

For The University of Texas at El Paso (Fund 250):

El Paso National Bank
The State National Bank of El Paso
Southwest National Bank of El Paso

This designation of the above named banks shall be effective as of April 1, 1969, and previous designations for this purpose for the named institutions are hereby rescinded.

In order that sufficient collateral may be maintained by the above designated special depository banks, consistent with the requirements of the State Depository Board, to cover balances of all institutional funds deposited therein by the State Treasurer; and in order that a maximum amount of such funds may be maintained on time deposit by

the State Depository Board consistent with the operating requirements for such funds and with the requirements of the State Depository Board, the Board of Regents hereby authorized the Executive Vice-Chancellor of Business Affairs of The University of Texas System, or ~~his delegate~~, to perform any and all acts and to prepare any and all notices necessary to properly notify the State Treasurer of:

- the receipt*
1. Suggested allocation of deposits between the designated banks.
 2. The amounts of deposits anticipated in different periods of the year in each designated bank (in order that adequate collateral may be required of the banks).
 3. The amounts of cash available for 90-day time deposits at given intervals of the year.
 4. The desired withdrawals or re-deposit of such funds.

To EDUI
3/1 ✓

Land & Investment Committee

LAND AND INVESTMENT COMMITTEE

Date: March 14, 1969
Time: Following the meeting of the Medical Affairs Committee
Place: Main Building 212, The University of Texas at Austin

Page
L & I

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PERMANENT UNIVERSITY FUND -- INVESTMENT MATTERS.--

REPORT OF SECURITIES TRANSACTIONS.--The following securities transactions have been made for the Permanent University Fund from January 1 through January 31, 1969. The Executive Director of Investments, Trusts and Lands recommends approval by the Board of Regents of these transactions:

PURCHASES OF SECURITIES

U. S. GOVERNMENT SECURITIES:

<u>FHA MORTGAGES</u>	<u>No. of Loans Purchased</u>	<u>Purchase Principal Balance</u>	<u>Net Principal Cost</u>	<u>Net Purchase Yield#</u>
Various Purchased for January Payment	<u>15</u>	<u>\$324,420.53</u>	<u>\$ 309,821.61</u>	<u>6.86%</u>

#After servicing costs and based on average life of 12 years.

CORPORATE SECURITIES:

<u>COMMERCIAL PAPER</u>	<u>Par Value Purchased</u>	<u>Interest Rate</u>	<u>Principal Cost</u>	<u>Effective Yield</u>
General Motors Acceptance Corporation Short Term Notes, dated 1/15/69, due 2/14/69 (30 days to maturity)	\$2,000,000	6-3/8%	\$2,000,000.00	6.40905%*
General Motors Acceptance Corporation Short Term Notes, dated 1/15/69, due 3/17/69 (61 days to maturity)	<u>2,000,000</u>	6-3/8%	<u>2,000,000.00</u>	6.44462 **
T O T A L S	<u>\$4,000,000</u>		<u>\$4,000,000.00</u>	

*Interest due at maturity in the amount of \$10,681.74.

**Interest due at maturity in the amount of \$21,840.08.

PURCHASES OF SECURITIES
(Continued)

CORPORATE SECURITIES: (Continued)

<u>COMMON STOCKS</u>	No. of Shares Purchased	Average Principal Cost	Total Principal Cost*	Indicated Current Yield on Cost**
Avon Products, Inc.	3,100	131.0	\$ 406,088.48	1.22%
Burroughs Corporation	900	233.1	209,785.26	0.51
Caterpillar Tractor Company	8,300	46.6	386,740.25	2.58
Consolidated Foods Corporation	4,400	45.6	200,613.80	2.19
Eastman Kodak Company	2,700	73.3	197,870.76	1.58
FMC Corporation	5,000	37.4	186,863.00	2.27
Federated Department Stores, Inc.	10,300	34.8	358,082.89	2.73
Ford Motor Company	3,500	54.2	189,754.90	4.43
Goodyear Tire & Rubber Company	3,400	58.2	197,989.46	2.58
Louisiana Land & Exploration Company	10,000	70.6	706,468.25	2.55
Northwest Airlines, Inc.	2,000	86.0	171,995.30	0.93
Polaroid Corporation	3,200	122.7	392,689.08	0.26
Squibb Beech-Nut, Inc.	8,100	49.6	401,554.75	3.03
Westinghouse Electric Corporation	<u>6,000</u>	69.3	<u>415,715.66</u>	<u>2.60</u>
T O T A L S	<u>70,900</u>		<u>\$4,422,211.84</u>	<u>2.14%</u>

*Includes brokerage commissions paid.

**Yield at present indicated dividend rates.

SALES OF CORPORATE SECURITIES

FRACTIONAL SHARE SOLD

<u>Security</u>	<u>Net Sales Proceeds#</u>
9/10ths Shares The Clorox Company Common Stock received in 3.95-for-1 exchange of 8,182 shares of Procter & Gamble Company Common Stock (After writedown, Fund holds 32,318 shares with a book value of \$469,820.47)	\$23.18

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

BOND EXCHANGES

<u>PAR VALUE</u>	<u>ISSUE EXCHANGED</u>	<u>DESCRIPTION</u>	<u>BOOK VALUE</u>		<u>BOOK</u>	<u>NEW BOOK YIELD</u>
			<u>ISSUE EXCHANGED</u>	<u>ISSUE RECEIVED</u>	<u>YIELD IN- CREASE</u>	
\$ 500,000	U. S. Treasury Bonds 3-1/4%, due 6/15/83-78	Pacific Gas & Electric Co. Ref. Mtge., 4-3/8%, due 6/1/94	\$ 521,859.69	\$ 515,609.69	1.45%	4.12%
1,000,000	U. S. Treasury Bonds 3-1/4%, due 6/15/83-78	U. S. Steel Corp. Debs., 4-5/8%, due 1/1/96	1,042,218.76	1,039,718.76	1.62	4.30
1,000,000	U. S. Treasury Bonds 3-1/4%, due 6/15/83-78	U. S. Steel Corp. Debs., 4-5/8%, due 1/1/96	1,040,138.45	1,035,138.45	1.62	4.34
2,500,000	U. S. Treasury Bonds 3-1/4%, due 6/15/83-78	Household Finance Corp. Debs., 4-1/2%, due 7/1/91	2,598,076.10	2,573,076.10	1.52	4.24
1,000,000	U. S. Treasury Bonds 3-1/4%, due 6/15/83-78	C. I. T. Financial Corp. Debs., 4-5/8%, due 5/1/89	1,014,728.04	1,014,728.04	1.44	4.49
5,000,000	U. S. Treasury Bonds 3-1/4%, due 6/15/83-78	Beneficial Finance Co. Debs., 4-1/2%, due 3/1/92	5,009,288.72	4,934,288.72	1.40	4.62
2,000,000	U. S. Treasury Bonds 3-1/4%, due 6/15/83-78	Associates Investment Co. Debs., 4-3/8%, due 5/1/84	2,028,008.54	2,025,508.54	1.19	4.24
4,750,000	U. S. Treasury Bonds 3-1/4%, due 6/15/83-78	Arizona Public Service Co. 1st Mtge., 4.80%, due 11/1/91	4,855,156.07	4,855,156.07	1.65	4.60
2,000,000	U. S. Treasury Bonds 3-1/4%, due 6/15/83-78	C. I. T. Financial Corp. Debs., 4-5/8%, due 5/1/89	2,081,482.64	2,081,482.64	1.54	4.25
1,000,000	U. S. Treasury Bonds 3-1/2%, due 2/15/90	Southern Bell Tel. & Tel. Co. Debs., 4-3/8%, due 4/1/2001	1,003,649.41	999,899.41	0.91	4.38
1,400,000	U. S. Treasury Bonds 3-1/4%, due 6/15/83-78	New England Tel. & Tel. Co. Debs., 4-1/2%, due 7/1/2002	1,437,210.25	1,403,610.25	1.59	4.48
1,700,000	U. S. Treasury Bonds 3-1/4%, due 6/15/83-78	New England Tel. & Tel. Co. Debs., 4-5/8%, due 7/1/2005	1,735,302.11	1,713,270.11	1.60	4.57

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BOND EXCHANGES
(Continued)

<u>PAR VALUE</u>	<u>ISSUE EXCHANGED</u>	<u>DESCRIPTION</u>	<u>BOOK VALUE</u>		<u>BOOK YIELD IN- CREASE</u>	<u>NEW BOOK YIELD</u>
			<u>ISSUE EXCHANGED</u>	<u>ISSUE RECEIVED</u>		
\$ 1,600,000	U. S. Treasury Bonds 3-1/4%, due 6/15/83-78	Mountain States Tel. & Tel. Co. Debs., 4-1/2%, due 6/1/2002	\$ 1,640,300.17	\$ 1,602,156.17	1.58%	4.49%
3,700,000	U. S. Treasury Bonds 3-1/4%, due 6/15/83-78	New York Telephone Co. Ref. Mtge., 4-5/8%, due 1/1/2004	3,726,649.48	3,689,131.48	1.50	4.65
1,000,000	U. S. Treasury Bonds 3-1/4%, due 6/15/83-78	New Jersey Bell Telephone Co. Debs., 4-5/8%, due 6/1/2005	1,022,349.13	1,009,449.13	1.61	4.56
500,000	U. S. Treasury Bonds 3-1/4%, due 6/15/83-78	Commercial Credit Co. Notes, 4-1/2%, due 8/1/85	523,171.45	518,171.45	1.50	4.13
2,000,000	U. S. Treasury Bonds 3-1/4%, due 6/15/83-78	Associates Investment Co. Debs., 4-5/8%, due 4/1/85	2,058,424.24	2,048,424.24	1.51	4.37
<u>1,000,000</u>	U. S. Treasury Bonds 3-1/4%, due 6/15/83-78	Associates Investment Co. Debs., 4-3/8%, due 5/1/84	<u>1,036,291.52</u>	<u>1,031,291.52</u>	<u>1.28</u>	<u>4.04</u>
<u>\$33,650,000</u>	Total Exchange of U. S. Treasury Bonds for Corporate Obligations		<u>\$34,374,304.77</u>	<u>\$34,090,110.77</u>	<u>1.48%</u>	<u>4.45%</u>

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PERMANENT UNIVERSITY FUND - LAND MATTERS.--

LEASES AND EASEMENTS.--It is recommended by the Executive Director of Investments, Trusts and Lands that the following applications for various leases, easements, and material source permits on University Lands be approved. All are at the standard rates, unless otherwise stated, are on the University's standard forms with grazing leases carrying provisions for renewal for an additional five years at negotiated terms. Payments for easements and material source permits have been received in advance unless otherwise stated. All have been approved as to form by a University Attorney and as to content by the appropriate official and will be executed by the Executive Director of Investments, Trusts and Lands.

EASEMENTS AND SURFACE LEASES

No.	Company	Type of Permit	County	Location	Distance or Area	Period	Consideration
2829	The Permian Corporation	Pipe Line	Upton	Block 3	95.45 rods 3"	1/1/69- 12/31/78	\$ 55.36
2830	Community Public Service Company	Power Line	Winkler	Block 20	80.84 rods	1/1/69- 12/31/78	50.00 (Min.)
2831	El Paso Natural Gas Company (Renewal of 1358 and 1365 combined)	Pipe Line	Andrews	Block 9	16.121 rods 4½"	5/1/69- 4/30/79	50.00 (Min.)
2832	Service Pipe Line Company (Renewal of 1262)	Surface Lease pump station site	Andrews	Block 11	3.66 acres	2/9/69- 2/8/70	54.90*
2833	Thornton Petroleum Corporation	Pipe Line	Upton	Blocks 3 & 58	1,007.12 rods 2"	12/1/68- 11/30/78	584.13
2834	Texas-New Mexico Pipe Line Company (Renewal of 1129)	Pipe Line	Andrews	Blocks 12, 13 & 14	619 rods 4½" 4,811 rods 8-5/8"	2/1/69- 1/31/79	5,891.67
2835	L. R. Hamilton (Renewal of 1215)	Surface Lease residential site	Crane	Block 31	400' x 400'	1/1/69- 12/31/69	50.00*

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Easements and Surface Leases, Continued.--

No.	Company	Type of Permit	County	Location	Distance or Area	Period	Consideration
2836	Phillips Petroleum Company (Renewal of 1275)	Pipe Line	Andrews	Block 4	327.6 rods 3½"	3/1/69- 2/28/79	\$ 190.01
2837	Phillips Petroleum Company (Renewal of 1338)	Pipe Line	Andrews	Blocks 5 & 8	1,676.2 rods 2-3/8"	4/1/69- 3/31/79	972.20
2838	Phillips Petroleum Company (Renewal of 1339)	Pipe Line	Pecos	Blocks 19 & 20	3,370.1 rods 3"	4/1/69- 3/31/79	1,954.66
2839	Phillips Petroleum Company (Renewal of 1359)	Pipe Line	Crane & Ector	Block 35	882 rods 12-3/4"	6/1/69- 5/31/79	1,525.86
2840	Phillips Petroleum Company (Renewal of 1363)	Pipe Line	Andrews	Blocks 4 & 5	429.8 rods 10-3/4" 433.8 rods 8-5/8" 87.4 rods 6-5/8" 406 rods 4½"	6/1/69- 5/31/79	1,329.13
2841	Phillips Pipe Line Company (Renewal of 1344)	Surface Lease cathodic protection unit	Andrews	Block 13	Less than one acre	4/1/69- 3/31/79	50.00** (Min.)
2842	Pan American Petroleum Corporation	Pipe Line	Andrews	Block 9	240.02 rods 6-5/8" 72.06 rods 4½"	2/1/69- 1/31/79	317.81
2843	Rio Grande Electric Cooperative, Inc.	Power Line	Hudspeth	Block K	348.18 rods	10/1/68- 9/30/78	201.94
2844	West Texas Utilities Company (Renewal of 1218)	Power Line	Crockett Crane	Block 7 Blocks 30 & 31	14,539 rods	1/1/69- 12/31/78	8,432.62

Easements and Surface Leases, Continued. --

No.	Company	Type of Permit	County	Location	Distance or Area	Period	Consideration
2845	West Texas Utilities Company (Renewal of 1219)	Power Line	Pecos	Blocks 16 & 18	10,893.3 rods	1/1/69- 12/31/78	\$ 14,750.73
2846	Community Public Service Company	Power Line	Pecos	Block 27 & J. Campbell Blk. 165	65.45 rods	2/1/69- 1/31/79	50.00 (Min.)
2847	H. H. Calley	Surface Lease business site	Reagan	Block 11	200' x 200'	2/1/69- 1/31/70	200.00*
2848	El Paso Natural Gas Company (Renewal of 1387)	Pipe Line	Crockett	Block 29	303.545 rods 4 $\frac{1}{2}$ "	7/1/69- 6/30/79	176.06
2849	Scurlock Oil Company	Surface Lease pump station and storage site	Winkler	Block 20	2.07 acres	1/1/69- 12/31/78	500.00**
2850	Phillips Pipe Line Company (Partial renewal of 1369 to Phillips Petroleum Company)	Pipe Line	Andrews	Block 9	601.2 rods 4 $\frac{1}{2}$ "	6/1/69- 5/31/79	348.70
2851	Phillips Petroleum Company (Partial renewal of 1369)	Pipe Line	Andrews	Block 9	219.1 rods 4 $\frac{1}{2}$ " 373.5 rods 6-5/8"	6/1/69- 5/31/79	556.61
2852	El Paso Natural Gas Company (Renewal of 1340)	Pipe Line	Andrews	Block 13	797.442 rods 8-5/8"	9/1/69- 8/31/79	917.06
2853	Mobil Pipe Line Company (Renewal of 1348)	Pipe Line	Andrews	Blocks 1, 2, 4 & 5	2,034.73 rods 4 $\frac{1}{2}$ " 315.88 rods 5 $\frac{1}{2}$ " 113.45 rods 6-5/8"	3/1/69- 2/28/79	1,493.82
2854	El Paso Natural Gas Company (Renewal of 1176)	Pipe Line	Crane	Blocks 30 & 31	1,979.82 rods 20" 601.78 rods 24"	5/1/69- 4/30/79	4,466.17

Easements and Surface Leases, Continued.--

No.	Company	Type of Permit	County	Location	Distance or Area	Period	Consideration
2855	Texas Electric Service Company (Renewal of 1277)	Power Line	Andrews Crane Ector	Blocks 9 & 10 Block 31 Block 35	2,697.52 rods	4/1/69- 3/31/79	\$ 1,564.56
2856	Darmac Corporation	Pipe Line	Pecos	Block 20	492.8 rods 4 $\frac{1}{2}$ "	2/1/69- 1/31/79	285.82
2857	Continental Oil Company (Renewal of 1335)	Pipe Line	Reagan	Block 11	420 rods 4 $\frac{1}{2}$ "	5/1/69- 4/30/79	243.60
2858	Scurlock Oil Company	Pipe Line	Winkler	Blocks 20 & 21	1,112 rods 4"	1/1/69- 12/31/78	644.96
2859	Commissioner's Court of Schleicher County	Highway Right-of-Way	Schleicher	Block 56	7.259 acres	So long as used for highway purposes	none

AMENDMENT OF DESCRIPTION

Instrument	Lessee	Period	First Description	New Description	Consideration
Surface Lease No. 2784 Assignment under Mineral Lease No. 2	Atlantic Richfield Company	11/1/68- 10/31/69	10 acres in NE/4 of NE/4 of NE/4, Section 4, Block 31, Crane County	10 acres in E/2 of NW/4 of NE/4 of NE/4 and W/2 of NE/4 of NE/4 of NE/4, Section 4, Block 31, Crane Co.	\$ (remains unchanged)*

* Renewable from year to year, not to exceed a total of ten years. Consideration is for first year only.

** Payment is for full consideration.

MATERIAL SOURCE PERMITS

No.	Grantee	County	Location	Quantity	Consideration
352	A. V. Peacock Welding Service	Andrews	Block 9	50 cu. yds. sand	\$ 50.00 (Min.)
353	W. A. (Bill) Farmer Construction Company	Andrews	Block 9	1,350 cu. yds. caliche	391.50
354	George R. Bentley Construction Company	Crane	Block 30	192 cu. yds. caliche	55.68

WATER CONTRACTS

No.	Grantee	County	Location	Period	Consideration
131	The Estate of Ralph Lowe, Deceased (Renewal of 103)	Andrews	Block 12	3/1/69- 2/28/74	\$ 100.00***

***Annual rental \$100; plus 12½% for servicing oil wells on University Lands, 20% for servicing oil wells off University Lands, minimum for drilling rig above 7500' is \$2,500, plus \$25 per day for rig below 7500', for water other than for servicing oil wells 12½% or 10¢ per 1,000 gallons, whichever is greater.

REPORT ON CLEARANCE OF MONIES TO PERMANENT UNIVERSITY FUND AND AVAILABLE FUND.--The Auditor, Oil and Gas Production, reports the following with respect to monies cleared by the General Land Office to the Permanent University Fund and Available University Fund for the current fiscal year through January 31, 1969, as follows:

	January, 1969	Cumulative This Fiscal Year	Cumulative Preceding Fiscal Year (Averaged)
<u>Permanent University Fund</u>			
Royalty - Oil	\$ 1,829,400.49	\$ 5,466,516.44	\$ 6,435,528.30
Gas - Regular	82,938.73	364,533.75	445,115.35
- F.P. C.	-0-	145,335.21	-0-
Water	9,266.16	51,775.50	45,857.35
Salt Brine	937.82	5,915.86	5,521.00
Rental on Mineral Leases	1,052.50	141,127.07	96,872.00
Rental on Water Contracts	-0-	2,163.50	436.65
Rental on Brine Contracts	-0-	100.00	-0-
Amendments and Extensions of Mineral Leases	-0-	390,610.00	69,467.85
	<u>\$ 1,923,595.70</u>	<u>\$ 6,568,077.33</u>	<u>\$ 7,098,798.50</u>
Bonuses, Mineral Lease Sales, (actual)	-0-	-0-	2,426,400.00
Total, Permanent University Fund	<u>\$ 1,923,595.70</u>	<u>\$ 6,568,077.33</u>	<u>\$ 9,525,198.50</u>
<u>Available University Fund</u>			
Rental on Easements	\$ 14,904.09	\$ 105,824.75	\$ 126,252.80
Interest on Easements and Royalty	182.11	206.37	162.75
Correction Fees-Easements	-0-	-0-	-0-
Transfer and Relinquishment Fees	139.51	980.92	1,242.30
Total, Available University Fund	<u>\$ 15,225.71</u>	<u>\$ 107,012.04</u>	<u>\$ 127,657.85</u>
Total, Permanent and Available University Funds	<u>\$ 1,938,821.41</u>	<u>\$ 6,675,089.37</u>	<u>\$ 9,652,856.35</u>
<u>Oil and Gas Development - January 31, 1969</u>			
Acres under Lease	621,191		
Number of Producing Acres	314,022		
Number of Producing Leases	1,386		

TRUST AND SPECIAL FUNDS -- INVESTMENT MATTERS.--

REPORT OF SECURITIES TRANSACTIONS.--The following securities transactions have been made for the Trust and Special Funds from January 1 through January 31, 1969. The Executive Director of Investments, Trusts and Lands recommends approval by the Board of Regents of these transactions:

PURCHASES OF SECURITIES

<u>Date of Purchase</u>	<u>Security and Fund</u>	<u>Principal Cost</u>
1/ 3/69	\$50,000 par value General Motors Acceptance Corporation 6-3/8% Short Term Note, dated 1/6/69, due 3/3/69, to yield 6.43885% (56 days to maturity - interest in the amount of \$500.80 payable at maturity) (The Harry Carothers Wiess Chair for Cancer Research - Anderson Hospital)	\$ 50,000.00
1/ 3/69	\$37,053.62 par value Austin National Bank 6-1/4% Time Certificate of Deposit, dated 1/3/69, due 7/3/69 (6 months), at par (Hogg Foundation: Alice N. Hanszen Gift to Mental Hygiene - Temporary)	37,053.62
	\$59,829.13 par value Ditto (Hogg Foundation: Balances Subject to Reappropriation - Temporary)	59,829.13
	\$141,321.32 par value Ditto (Hogg Foundation: Unappropriated Income Account - Temporary)	141,321.32
1/27/69	\$296,000 par value General Motors Acceptance Corporation 5% Short Term Note, dated 1/28/69, due 2/17/69, to yield 5.01393% (20 days to maturity - interest in the amount of \$824.51 payable at maturity) (Archer M. Huntington Museum Fund)	

SPECIAL PURCHASES OF SECURITIES

<u>Date of Purchase</u>	<u>Security and Fund</u>	<u>Principal Cost</u>
1/21/69	\$550,000 par value General Motors Acceptance Corporation 6-1/4% Short Term Note, dated 1/22/69, due 2/21/69 to yield 6.28272% (30 days to maturity - interest in the amount of \$2,879.58 payable at maturity) (Ima Hogg Foundation)	\$550,000.00
1/31/69	\$110,000 par value Austin National Bank 6-1/4% Time Certificate of Deposit, dated 2/1/69, due 8/1/69 (6 months) at par (Interscholastic League Funds - Football Account - Temporary)	110,000.00

SALES OF SECURITIES

Date Sold	Security and Fund	Net Sales Proceeds
1/ 2/69	53 Shares International Telephone & Telegraph Corporation Common Stock, sold at 57-3/8 (Proceeds distributed: \$1,983.88 - to repay donor cost of stock 1,022.08 - to Chancellor's Council - Unrestricted Account)	\$ 3,005.96
	5 Shares International Telephone & Telegraph Corporation Cumulative Preferred \$4.00 Convertible Series K Stock, sold at 102-3/4 (Proceeds distributed: \$338.77 - to repay donor cost of stock 167.21 - to Chancellor's Council - Unrestricted Account)	505.98
	28 Shares McCullough Oil Corporation of California Common Stock, sold at 39-1/4 (Proceeds distributed: \$400.00 - to T. U. Taylor Scholarship Fund - Engineering Foundation 681.58 - Various Donors - Various Purposes - Engineering Foundation)	1,081.58
	10 Shares Standard Oil Company (New Jersey) Capital Stock, sold at 78-7/8 (Geology Library - Books of Geology Library - Various Donors)	775.34
1/ 6/69	200 Shares The American National Bank of Austin, Texas, Capital Stock, sold at 125 Net (U. T. Arlington - Use of History Department)	25,000.00
1/ 8/69	20 Shares General American Oil Company of Texas Common Stock, sold at 54-3/4 (Chancellor's Council - Unrestricted Account)	1,078.02
	20 Shares Lucky Stores, Inc. Common Stock, sold at 45-7/8 (Carolyn G. and George M. Knebel Fund - Geology Foundation)	902.30
1/24/69	110 Shares Affiliated Fund, Inc. Capital Stock, sold at 9-1/4 Net	1,017.50
	247 Shares Diversified Growth Stock Fund, Inc. Capital Stock, sold at 14.84 Net (College of Business Administration Foundation - Various Donors)	3,665.48

BOND EXCHANGES

<u>PAR VALUE</u>	<u>FUND AND DESCRIPTION</u>		<u>BOOK VALUE</u>		<u>BOOK YIELD</u>	<u>NEW BOOK YIELD</u>
	<u>ISSUE EXCHANGED</u>	<u>ISSUE RECEIVED</u>	<u>ISSUE EXCHANGED</u>	<u>ISSUE RECEIVED</u>	<u>IN- CREASE</u>	
	<u>HOGG FOUNDATION: W. C. HOGG ESTATE FUND --</u>					
\$15,000	U. S. Treasury Bonds 3-1/4%, due 6/15/83-78	New York Telephone Co. Ref. Mtge., 4-5/8%, due 1/1/2004	\$15,000.00	\$14,847.90	1.44%	4.69%
35,000	U. S. Treasury Bonds 3-1/4%, due 6/15/83-78	New England Tel. & Tel. Co. Debs., 4-5/8%, due 7/1/2005	35,000.00	34,546.40	1.45	4.70
	<u>STUDENT PROPERTY DEPOSIT SCHOLARSHIP FUND --</u>					
52,000	U. S. Treasury Bonds 3-1/4%, due 6/15/83-78	New England Tel. & Tel. Co. Debs., 4-1/2%, due 7/1/2002	51,799.43	50,551.43	1.29	4.62
	<u>ARCHER M. HUNTINGTON MUSEUM FUND --</u>					
23,000	U. S. Treasury Bonds 3-1/4%, due 6/15/83-78	New England Tel. & Tel. Co. Debs., 4-1/2%, due 7/1/2002	23,748.60	23,196.60	1.63	4.45

THE UNIVERSITY OF TEXAS SYSTEM COMMON TRUST FUND - RECOMMENDATION RE ADDITIONS.--The Executive Director of Investments, Trusts and Lands recommends that the following additions made to the Common Trust Fund endowment account on March 1, 1969, be approved:

Fund	Recommended Addition
The American Theatre Scholarship - Drama (\$823.72 already in Common Trust Fund)	\$ 66.00
J. Alton Burdine Memorial Fund (College of Arts & Sciences Foundation) (\$6,175.00 already in Common Trust Fund)	110.00
Jennie and Carl Sundberg Scholarship (College of Arts & Sciences Foundation) (\$11,337.69 already in Common Trust Fund)	975.00
The Accounting Education Fund (College of Business Administration Foundation) (\$49,592.10 already in Common Trust Fund)	2,655.00
J. Anderson Fitzgerald Special Scholarship Fund (College of Business Administration Foundation) (\$8,178.84 already in Common Trust Fund)	70.00
J. L. Mosle Memorial Scholarship Fund (Department of Finance) (College of Business Administration Foundation) (\$4,369.87 already in Common Trust Fund)	1,000.00
John Arch White Professorship in Business Administration (College of Business Administration Foundation) (\$70,432.70 already in Common Trust Fund)	9,044.35
Edward Louis Dodd and Alice Laidman Dodd Fellowship Fund (\$51,461.72 already in Common Trust Fund)	158.38
T. U. Taylor Scholarship Fund (College of Engineering Foundation) (\$5,332.30 already in Common Trust Fund)	412.50
Various Donors - Various Purposes (College of Engineering Foundation) (\$12,583.54 already in Common Trust Fund)	681.58
E. William Doty Scholarship Fund (College of Fine Arts Foundation) (\$3,059.57 already in Common Trust Fund)	100.00
Department of Drama Ex-Students Scholarship Fund (College of Fine Arts Foundation) (\$10,377.60 already in Common Trust Fund)	12.50
The Loren Winship Scholarship (College of Fine Arts Foundation) (\$3,788.85 already in Common Trust Fund)	125.00
Hal P. Bybee Memorial Fund (Geology Foundation) (\$159,504.80 already in Common Trust Fund)	3,279.75
Robert H. Cuyler Memorial Scholarship in Geology (Geology Foundation) (\$14,177.57 already in Common Trust Fund)	180.00
George E. Green Scholarship Fund (Geology Foundation) (\$8,844.25 already in Common Trust Fund)	345.00

COMMON TRUST FUND - RECOMMENDATION RE ADDITIONS
(Continued)

Fund	Recommended Addition
Carolyn G. and George M. Knebel Fund (Geology Foundation) (\$19,403.53 already in Common Trust Fund)	\$ 902.30
J. Hoover Mackin Scholarship Fund (Geology Foundation) (NEW FUND)	3,869.00
Ed. Owen - Geo. Coates Fund (Geology Foundation) (\$102,412.20 already in Common Trust Fund)	25.00
Dr. F. L. Whitney Memorial Scholarship Fund (Geology Foundation) (\$21,361.75 already in Common Trust Fund)	240.00
F. L. Whitney Memorial Book Fund - Various Donors (Geology Foundation) (\$2,232.80 already in Common Trust Fund)	265.00
Hogg Foundation - Eloise Helbig Chalmers - Ima Hogg Fund (\$1,927.38 already in Common Trust Fund)	156.53
Thos. E. Hogg - Residuary Legacy (\$4,155.71 already in Common Trust Fund)	67.32
Journalism Department - Various Donors (\$20,515.67 already in Common Trust Fund)	1,059.40
Library Memorial Fund (\$3,569.25 already in Common Trust Fund)	200.00
The Perry and Tommie Patterson Fellowships in Political Science (\$569.13 already in Common Trust Fund)	200.00
Lora Lee Pederson Scholarship Fund, Graduate School of Social Work (\$5,142.55 already in Common Trust Fund)	10.00
The Senior Class Endowment Fund (Pharmaceutical Foundation) (\$10,984.58 already in Common Trust Fund)	58.60
James M. Rockwell and Sarah Wade Rockwell Endowment Fund (\$84,187.50 already in Common Trust Fund)	25,000.00
The J. V. and H. A. Stiles Foundation (\$99,131.14 already in Common Trust Fund)	38.75
Gillette Professorship of Obstetrics and Gynecology (Dallas Medical School) (\$11,102.54 already in Common Trust Fund)	278.85
Fitzhugh Carter Pannill Scholarship and Loan Fund (San Antonio Medical School) (\$1,700.00 already in Common Trust Fund)	70.00
Lloyd A. Nelson Professorship in Geology (U. T. El Paso) (\$85,791.04 already in Common Trust Fund)	68.43
Total additions made to Common Trust Fund on March 1, 1969	<u>\$51,724.24</u>

TRUST AND SPECIAL FUNDS - REAL ESTATE MATTERS.--

U. T. AUSTIN - BRACKENRIDGE TRACT - GROUND LEASE AT 3710 LAKE AUSTIN BOULEVARD TO ROLAND ORD DE NOIE - RECOMMENDATION FOR MUTUAL CANCELLATION.--On December 13, 1968, the Board of Regents approved a lease to Mr. Roland Ord DeNoie on the ground at 3710 Lake Austin Boulevard, part of the Brackenridge Tract, for a small grocery, cafe and bait shop, with living quarters in the rear, for the period November 1, 1968, through December 31, 1969, at rental of \$50 per month. The property has been rented since March 1, 1959, to J. E. Buckbee at the same rental, and Mr. Buckbee had assigned to Mr. DeNoie. The tenant owns the improvements with right of removal at termination of lease.

Before the lease with Mr. DeNoie was signed, problems developed, particularly as to compliance with City Health Ordinances, and Messrs. Buckbee and DeNoie re-negotiated the matter and Mr. Buckbee took back his rights and responsibilities as to improvements. Rental was paid to January 1, 1969, prior to which time the business was closed. Mr. Buckbee is now engaged in arrangements for clearing the site, and the Executive Director, Investments, Trusts and Lands recommends that the Board of Regents ratify cancellation of the rental arrangement with Mr. DeNoie.

U. T. EL PASO - COTTON TRUST - RECOMMENDATION FOR RATIFICATION OF LEASE OF PROPERTY AT COLES AND FOURTH STREETS, EL PASO, TO MILITARY PACKAGING, INC. ON MONTH-TO-MONTH BASIS.--A tract of approximately 1.25 acres at Coles and Fourth Streets in El Paso, together with a sheet metal building situated on the tract, has been vacant for several months due to plans for its being taken in part for the Chamizal Highway. On recommendation of administrative officials at U. T. El Paso, the Executive Director, Investments, Trusts and Lands, has entered into a letter agreement with Military Packaging, Inc. of Salt Lake City, Utah for a rental agreement effective February 15, 1969, on a month-to-month basis at \$500 per month payable in advance. The agreement is subject to cancellation by either party on 30 days' notice with any prepaid rent to be refunded pro rata as of the effective date of cancellation. Rental is to be paid to the Business Manager of U. T. El Paso. The Executive Director, Investments, Trusts and Lands, recommends ratification of this agreement.

TRUST AND SPECIAL FUNDS - SPECIAL MATTERS.--

U. T. AUSTIN - IMA HOGG FOUNDATION - RECOMMENDATION FOR MEETING OF THE MEMBERS OF THE BOARD OF REGENTS AS TRUSTEES OF IMA HOGG FOUNDATION AT THE MARCH MEETING OF THE BOARD OF REGENTS FOR ELECTION OF OFFICERS.--The members of the Board of Regents and their successors, without execution of instruments for acceptance as Successor Trustees, are Trustees of the Ima Hogg Foundation established by Miss Ima Hogg under Articles of Incorporation dated June 6, 1964, and covered by a Trust Indenture and Agreement between Miss Hogg and the members of the Board of Regents, dated December 7, 1964.

The By-Laws provide (Section 2.2) that immediately following a regular meeting of the Board of Regents at which its officers are elected for the ensuing year, or until successors are elected and qualified, the Trustees of Ima Hogg Foundation likewise will elect officers for the following year or until their successors qualify.

The present officers of the Foundation are Mr. Erwin, President; Mr. Josey, Vice President; and Mr. Floyd O. Shelton, Secretary-Treasurer, all having been re-elected on September 13, 1967.

Mr. Shelton, as Secretary-Treasurer, recommends a brief meeting of the Trustees of Ima Hogg Foundation at the March meeting of the Board of Regents for election of officers and for approval of minutes of the last meetings held on September 20 and December 13, 1968. Copies of the minutes are being furnished to all Trustees.

U. T. AUSTIN - WINEDALE STAGECOACH INN FUND - RECOMMENDATION FOR MEETING OF THE MEMBERS OF THE BOARD OF REGENTS AS TRUSTEES OF WINEDALE STAGECOACH INN FUND AT THE MARCH MEETING OF THE BOARD OF REGENTS FOR ELECTION OF OFFICERS.--The members of the Board of Regents and their successors, without execution for acceptance as Successor Trustees, are Trustees of the Winedale Stagecoach Inn Fund established under Trust Indenture between Miss Ima Hogg and the members of the Board of Regents as Trustees dated March 5, 1965.

The Trust Indenture provides for meetings of the Trustees to be held at least two times each calendar year. The last meeting was on September 20, 1968. The Rules and Regulations of the Trustees provide for the election of officers at the first regular meeting of each calendar year to serve until their successors are elected and qualified. The present officers are Mr. Erwin, President; Mr. Josey, Vice President; and Mr. Shelton, Secretary-Treasurer. These officers were elected on September 13, 1967.

Mr. Shelton, as Secretary-Treasurer, recommends a brief meeting of the Trustees at the March meeting of the Board of Regents for election of officers and for approval of the minutes of the meeting held on September 20, 1968, copies of which have been furnished to all Trustees.

U. T. AUSTIN - LYNDON BAINES JOHNSON SCHOOL OF PUBLIC AFFAIRS FOUNDATION - REPORT ON SUCCESSION OF TRUSTEES AND ELECTION OF OFFICERS.--The members of the Board of Regents and their successors, as provided in the By-Laws adopted by the Board of Directors on December 13, 1968, are Directors of the Lyndon Baines Johnson School of Public Affairs Foundation, Inc. by certificate dated July 12, 1968. Succession to the Board of Directors is automatic and without execution of acceptance. The By-Laws provide for the election of officers by the Directors to serve until resignation or election of successors and for regular meetings at such times as determined by the Board of Directors. The only meeting of the Directors was December 13, 1968, at which meeting Mr. Erwin was elected President; Mr. Josey, Vice President; and Mr. Shelton, Secretary-Treasurer.

Mr. Shelton is bringing this to the attention of the Board of Directors so that a brief meeting of the Board can be held at the March meeting of the Board of Regents if President Erwin so desires. If such meeting is held, approval of minutes of the December 13, 1968 meeting is recommended. Copies of these minutes are being distributed to the Directors.

GALVESTON MEDICAL BRANCH - ROBERTSON POTH FOUNDATION - RECOMMENDATION FOR MEETING OF TRUSTEES AT MARCH MEETING OF THE BOARD OF REGENTS FOR ELECTION OF OFFICERS AND APPROVAL OF MINUTES.--By instrument dated December 31, 1967, Mr. Erwin, as Chairman of the Board of Regents; Mr. Josey, as Chairman of the Medical Affairs Committee; and Mr. Ikard, as Chairman of the Land and Investment Committee; and their successors in office, were appointed Successor Trustees of the Robertson Poth Foundation by the original Trustees, Dr. Gaynelle Robertson Poth, Dr. Edgar J. Poth and Dr. Douglas D. Stiernberg. The Foundation was established by the Drs. Poth in 1952, and the Trust Indenture provides that annually the Trustees will elect a Chairman, Vice Chairman and Secretary-Treasurer. The only meeting of the Trustees was on April 19, 1968, at which time Mr. Ikard was elected Chairman; Mr. Josey, Vice Chairman; and Mr. Floyd O. Shelton, Secretary-Treasurer. Under the instrument appointing the Successor Trustees and accepted by them, the Drs. Poth were appointed by the Successor Trustees as a committee to recommend to the Trustees with regard to the operation of the Foundation.

Mr. Shelton, as Secretary-Treasurer, recommends that a brief meeting of the Trustees be held at the March meeting of the Board of Regents for election of officers and for approval of the minutes of the 1968 meeting.

LAND AND INVESTMENT COMMITTEE

SUPPLEMENTARY AGENDA

Date: March 14, 1969

Time: Following the meeting of the Medical Affairs Committee

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

	<u>Page</u> <u>L&I</u>
<u>Permanent University Fund - Land Matters</u>	
1. Assignment of Easement No. 2554	22
<u>Permanent University Fund - Investment Matters</u>	
2. Recommendation for Addition to List of Seller -Services - FHA Mortgage Program	23
<u>Trust and Special Funds</u>	
3. Bond Matters	
U. T. El Paso - Board of Regents of The University of Texas System, The University of Texas at El Paso Building Revenue Bonds, Series 1969, in the Amount of \$8,500,000	23

ASSIGNMENT OF EASEMENT

No.	Assignor	Assignee	Type of Permit	County	Location	Distance	Period	Consideration
2554	Toreador Royalty Corp.	Comanche Gas Co.	Pipe Line	Pecos	Block 28	199.45 rods	3/1/68- 2/28/78	\$ 115.68

PERMANENT UNIVERSITY FUND-INVESTMENT MATTERS

FHA Mortgage Program: Designation of United Mortgage Company of Texas as Seller-Servicer. --It is recommended that the United Mortgage Company of Texas, a Texas corporation with its principal place of business in Houston, be added to the list of approved seller-servicers for the FHA mortgage program.

TRUST AND SPECIAL FUNDS - BOND MATTERS.--

U. T. EL PASO - BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, THE UNIVERSITY OF TEXAS AT EL PASO BUILDING REVENUE BONDS, SERIES 1969, IN THE AMOUNT OF \$8,500,000.--At the May 31, 1968, meeting of the Board of Regents, authorization was given for construction of additional student dormitory and dining facilities at U. T. El Paso, subject to further review after the 1968 Fall registration. At the September 20, 1968, meeting of the Board, approval was given for the preliminary plans looking toward award of contracts for construction in 1969.

At the July 26, 1968, meeting of the Board of Regents, Building Use Fees for U. T. El Paso were set at \$28 per semester and \$14 per summer term, effective with the Summer Session of 1969 in anticipation of construction of classroom and office buildings on the campus.

In planning the facilities for U. T. El Paso, it has been determined by administrative officials at that institution, as well as Systems officers and our bond consultant, that a stronger and more marketable issue of bonds would be a combination of the dormitory and the academic facilities with the former being retired by income from the new and existing dormitories and the latter from the student use fee.

It is, therefore, recommended by Mr. Floyd O. Shelton, Executive Director, Investments, Trusts and Lands, joined by Mr. E. D. Walker, Executive Vice Chancellor for Business Affairs, Mr. R. L. Anderson, Comptroller, and administrative officials of U. T. El Paso, that an issue of bonds to be known as Board of Regents of The University of Texas System, The University of Texas at El Paso Building Revenue Bonds, Series 1969, in the amount of \$8,500,000 be authorized. It is further recommended that the Executive Director, Investments, Trusts and Lands be authorized to advertise the issue and call for bids to be received on April 24, 1969, with the award of the sale to be made by the Board at its scheduled meeting of April 25, 1969.

The recommendation concerning calling for construction bids for the dormitory portion of the issue is being made through the Buildings and Grounds Committee.

It is further recommended by the Executive Director, Investments, Trusts and Lands that the firm of Vinson, Elkins, Searls & Connally of Houston serve as bond counsel and Mr. Sam Maclin serve as bond consultant for this enlarged issue, both having been so designated for the dormitory and dining facilities at the meeting of May 31, 1968.

PERMANENT UNIVERSITY FUND - INVESTMENT MATTERS.--

RECOMMENDATION RE SALE OF CLOROX COMPANY STOCK.--With approval of the Board of Regents 8,182 shares of Proctor & Gamble stock in the Permanent University Fund was exchanged in December, 1968, for 32,318.9 shares of Clorox Company stock. The exchange was made pursuant to an offer made to its stockholders by Proctor & Gamble in carrying out a plan for the enforced divestiture of its holdings in Clorox.

The Executive Director, Investments, Trusts, and Lands, joined by the Staff Investment Committee, Investment Counsel and the Investment Advisory Committee, recommends that he be authorized to sell the stock of Clorox.

TRUST AND SPECIAL FUNDS - INVESTMENT MATTERS.--

RECOMMENDATION RE SALE OF CLOROX COMPANY STOCK.--With approval of the Board of Regents, the following shares of Proctor & Gamble stock in Trust & Special Funds was exchanged in December, 1968, for shares of Clorox Company stock:

<u>Fund</u>	<u>Proctor & Gamble Stock</u>	<u>Clorox Stock</u>
Common Trust Fund	117	462
Hogg Foundation:		
W. C. Hogg Memorial Fund	235	928
Varner Properties	176	695

The exchanges were made pursuant to an offer made to its stockholders by Proctor & Gamble in carrying out a plan for the enforced divestiture of its holdings in Clorox.

The Executive Director, Investments, Trusts and Lands, joined by the Staff Investment Committee, Investment Counsel and the Investment Advisory Committee, recommends that he be authorized to sell the stock of Clorox.

TRUST AND SPECIAL FUNDS - REAL ESTATE MATTERS.--

ANDERSON HOSPITAL - MOSE GIMBEL ESTATE - RECOMMENDATION FOR DESIGNATION OF DRILLING SITES, AMBROSE MAYS SURVEY, HARRIS COUNTY.--The only asset not liquidated by the executors of the Estate of Mose Gimbel and conveyed to the Board of Regents for the Gimbel Wing of M. D. Anderson Hospital was an undivided 1/2 interest in the minerals under approximately 454.4 acres, Ambrose Mays Survey, Harris County. Mr. Gimbel had provided in his will that the "royalty" under this tract not be sold,

The surface is owned by Messrs. Ben and Max Marcus, and the tract is now in the path of continued development in north Harris County. The Marcus brothers are negotiating for sale of the tract for residential development approved for FHA loans and need to restrict any mineral development to 2 drilling sites of 5 acres each.

At its meeting of January 31, 1969, the Board of Regents rejected an offer from the Marcus brothers to purchase the University's 1/2 of the minerals at \$300 per mineral acre, or a total of approximately \$68,160, with designation of 2 permanent 5-acre drilling sites and with the University to retain 1/6 non-participating royalty, being the same royalty carried in the current lease on the tract held by Texaco. Texaco's lease from the Board of Regents is dated June 16, 1967, for primary term of 5 years and was for bonus of \$51 per mineral acre, \$10 per acre annual delay rental and 1/6 royalty. Rental of \$2,272 was paid last June to the University.

The Marcus brothers, through their attorney, Mr. Thomas D. Anderson of Houston, have now submitted a proposal to the University, already agreed to on the same price basis per mineral acre by the owners of the other 1/2 of the minerals, under which the Marcus brothers will pay the University \$1 for an option to run to May 5, 1969, for payment to the University of \$50,000 for its joining in the designation of 2 permanent 5-acre drilling sites, the general location of the 2 drilling sites already having been designated and approved by our Bureau of Economic Geology. The option arrangement is intended to allow the Marcus brothers time to complete a firm commitment for sale of the acreage, but there is no provision for specific performance on their part.

Under the proposal, the mineral owners would receive delay rental payable in 1969 if Texaco elects to pay this rental but would forego the other 2 annual rentals so that Texaco would have a paid up lease for the 5-year term if it pays 1969 rentals.

The exact location of the 2 drilling sites will be designated by Texaco if it decides to maintain its lease (rental date for the other mineral owners is in April). If not, the exact location will be agreed upon by the mineral owners and the Marcus brothers.

President Clark joins the Executive Director, Investments, Trusts and Lands in recommending that the Board of Regents accept this proposal and authorize execution of appropriate papers.

Meeting of the Board

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

Chairman Erwin Presiding

Date: March 14, 1969

Time: Following the meeting of the Committee of the Whole

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

- A. INVOCATION
- B. CONSIDERATION OF MINUTES OF MEETING ON
JANUARY 31, 1969
- C. SPECIAL ITEMS
1. Chancellor Harry Ransom
 2. Chief Administrative Officers of the Component
Institutions
 - a. U. T. Austin (Doctor Hackerman)
 - b. U. T. Arlington (Doctor Harrison)
 - c. U. T. El Paso (Doctor Leech)
 - d. Galveston Medical Branch
(Doctor Blocker)
 - e. Dallas Medical School
(Doctor Sprague)
 - f. San Antonio Medical School
(Doctor Pannill)
 - g. System Nursing School
(Doctor Willman)

- h. Houston Dental Branch
(Doctor Olson)
 - i. Anderson Hospital (Doctor Clark)
 - j. G.S.B.S. (Doctor Arnim)
 - k. Division of Continuing Education
(Doctor Taylor)
 - l. Public Health School (Doctor Stallones)
3. Members of the Board of Regents
- a. Chairman Frank C. Erwin, Jr.
 - b. Vice-Chairman Jack S. Josey
 - c. Regent W. H. Bauer
 - d. Regent Jenkins Garrett
 - e. Regent Frank N. Ikard
 - f. Regent Joe M. Kilgore
 - g. Regent John Peace
 - h. Regent Dan C. Williams
 - i. Regent E. T. Ximenes

D. REPORTS OF STANDING COMMITTEES

- 1. Executive Committee by Committee Chairman Bauer
- 2. Academic and Developmental Affairs Committee
by Committee Chairman Kilgore
- 3. Buildings and Grounds Committee by Committee
Chairman Peace
- 4. Land and Investment Committee by Committee
Chairman Ikard
- 5. Medical Affairs Committee by Committee
Chairman Josey

6. Board for Lease of University Lands

- E. REPORTS OF SPECIAL COMMITTEES, IF ANY
- F. REPORT OF COMMITTEE OF THE WHOLE
- G. ADJOURNMENT

It is recommended that Section 3, Chapter VI, Part One, Regents' Rules and Regulations, be amended by adding a Subsection 3.(17) and that all necessary rules be suspended to make the regulation effective immediately; Subsection 3.(17) reads as follows:

"3.(17) Pursuant to the authority granted the Board of Regents of The University of Texas System to promulgate rules and regulations for the safety and welfare of students under the provisions of Section 2, Chapter 80, Acts of the 60th Legislature, Regular Session, 1967 (Article 2919j, Vernon's Texas Civil Statutes), the Board of Regents hereby promulgates the following rules and regulations:

"No person or group of persons acting in concert may willfully engage in disruptive activity or disrupt a lawful assembly on the campus or property under the control of any component institution of The University of Texas System.

"For the purposes of this regulation, 'disruptive activity' means:

"(1) obstructing or restraining the passage of persons in an exit, entrance, or hallway of any building without the authorization of the administration of the school;

"(2) seizing control of any building or portion of a building for the purpose of interfering with any administrative, educational, research, or other authorized activity;

"(3) preventing or attempting to prevent by force or violence or the threat of force or violence any lawful assembly authorized by the school administration;

"(4) disrupting by force or violence or the threat of force or violence a lawful assembly in progress; or

"(5) obstructing or restraining the passage of any person at an exit or entrance to said campus or property or preventing or attempting to prevent by force or violence or by threats

thereof the ingress or egress of any person to or from said property or campus without the authorization of the administration of the school.

"For the purposes of this regulation, a lawful assembly is disrupted when any person in attendance is rendered incapable of participating in the assembly due to the use of force or violence or due to a reasonable fear that force or violence is likely to occur.

"Nothing herein shall be construed to infringe upon any right of free speech or expression guaranteed by the Constitution of the United States or the State of Texas.

"In accordance with the provisions of Section 2, Chapter 80, Acts of the 60th Legislature, Regular Session, 1967, any person who violates the provisions of this regulation shall upon conviction be punished by a fine of not more than \$200.

"In addition to the criminal penalty set out in the preceding paragraph, any student who violates any provision of this regulation is subject to discipline, including expulsion."