

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

Signed this the 18th day of February, 1961, A. D.

Walter Madden Jr.

J. Thompson

A. M. Newell

W. W. Keith

J. Rainin

J. Thompson

Mrs. Charles Dewall

O. P. Brown

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MEETING NO. 595

FEBRUARY 18, 1961. -- The Board of Regents of The University of Texas convened as a Committee of the Whole Saturday, February 18, 1961, at 10:00 a. m., in the Regents' Room (Main Building 209), The University of Texas, Austin, Texas

ATTENDANCE. --

<u>Present</u>	<u>Absent</u>
Chairman Minter	
Vice-Chairman Johnson*	
Regent Bryan*	
Regent (Mrs.) Devall	
Regent Hardie	
Regent Heath	
Regent Madden*	
Regent McNeese	
Regent Thompson	
Chancellor Wilson	
Secretary Thedford	

Also present at intervals were the following University officials: *

Mr. Lanier Cox, Vice-Chancellor (Administrative Services)
 Doctor J. C. Dolley, Vice-Chancellor (Fiscal Affairs)
 Doctor L. D. Haskew, Vice-Chancellor (Developmental Services)
 Doctor Harry H. Ransom, President of Main University

There were no committee meetings but all items were considered by the Committee of the Whole.

THE SOUTH TEXAS MEDICAL SCHOOL

REVIEW OF STATUS OF THE SOUTH TEXAS MEDICAL SCHOOL; BOND ISSUE APPROVED, BEXAR COUNTY; PROCEDURE AUTHORIZED. --

Each Regent was furnished in the Material Supporting the Agenda the following brief review by Chairman Minter of the status of the establishment of The South Texas Medical School which was authorized by House Bill No. 9, 56th Leg., R. S., 1959. This review included the latest action taken by the voters of Bexar County and submitted for approval suggested procedure to be followed by the Board of Regents:

On April 20, 1959, the Legislature of the State of Texas authorized the Board of Regents to establish a medical branch of The University of Texas in Bexar County.

* See pages 3, 7, 8.

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Certain restrictions were imposed by the Act:

1. A teaching hospital acceptable to the Board of Regents must be provided within one mile of the campus and maintained without any cost to the State of Texas.
2. Gifts and grants of money or property could be accepted upon the approval of the Attorney General as to the title of such property.
3. The Board of Regents would take no action pursuant to the terms of the Act, except planning, until an appropriation had been made for the purpose of carrying out this Act.

For a number of reasons listed in the Act, a state of emergency was declared.

The Board of Regents acted promptly. An outstanding committee of medical school-hospital consultants headed by Dr. Joseph C. Hinsey came to San Antonio in July 1959 and a study was made then and in the following months which resulted in the Hinsey Report submitted to the Board of Regents on October 1, 1959. This report recommended selection of the Oak Hills site which had been offered free of cost by the San Antonio Medical Foundation. This foundation by letter from Dr. James P. Hollers offered the Board of Regents their choice of 100 acres of land valued at about \$500,000 to be selected by the Board from the 200-acre Medical Center site. The Board of Regents adopted the Hinsey recommendation as to site. Prior to October 1959 no downtown site was offered and none has since been tendered. The Board of Regents has kept an open mind to any offer and would consider one if such were made.

On May 4, 1960, the Harrell-Willard Study was submitted to the Development Committee of The South Texas Medical School. This report recommended rehabilitation of the Robert B. Green Hospital and construction of a new 300-bed teaching hospital.

On May 13, 1960, the Trustees of the Methodist Hospital reaffirmed their pledge to the Board of Regents that they would comply with Board rules permitting The South Texas Medical School of The University of Texas to use their 175 beds as fully integrated teaching hospital beds without cost to the county or state.

The Board of Regents is hopeful that as many as possible of the numerous civilian, military and governmental hospitals in Bexar County can be used in teaching, intern, and residency training programs of the medical school, and pledges itself to every effort to work out coordinating programs which may be mutually beneficial.

On January 31, 1961, the voters of Bexar County by an overwhelming majority approved a \$6,500,000 bond issue for rehabilitation of the Robert B. Green Hospital and construction of a new 300-bed teaching hospital. County Judge Charles Anderson has notified the Board of Regents officially of this action. Money from federal sources is expected to supplement materially that available from the bond issues.

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In view of these actions and commitments, it is recommended that the Board of Regents:

1. Recognize that Bexar County has now met its obligations imposed by the Legislature and by the Board of Regents toward the establishment of The South Texas Medical School.
2. Inform the Governor and the Legislature that the Board of Regents has proceeded as far as possible in studies and in planning as was directed and authorized by House Bill No. 9.
3. Request the Governor and the Legislature for future guidance.
4. Promptly make available to the Governor and to the Legislature, upon request, information and estimates which necessarily will be required for the enactment of further legislation.

The foregoing was accepted by the Board and the recommendations therein were approved upon motion of Mr. Thompson, seconded by Mrs. Devall.

ATTENDANCE: Mr. Bryan came into the meeting.

SOUTHWESTERN MEDICAL SCHOOL

EXCHANGE AND TRANSFER OF LAND TO PROVIDE SITE FOR CHILDREN'S HOSPITAL; AUTHORIZATION TO REQUEST PERMISSION FROM LEGISLATURE, SOUTHWESTERN MEDICAL SCHOOL. --In the supporting material, each Regent was furnished with the following background information regarding a possible site on the Southwestern Medical School campus for a Children's Hospital to be used as a teaching unit.

At the July 1960 meeting, the Board authorized Dean Gill and Regent Thompson to negotiate with the Children's Hospital group in Dallas for a proposed allocation of uncommitted acreage on the Southwestern Medical School campus for a Children's Hospital to be used as a teaching unit.

At the September 1960 meeting, Dean Gill presented to the Regents a proposal of the Parkland Hospital Board that approximately ten acres at the corner of the Railroad right of way and Inwood Road of the Southwestern Medical School campus be exchanged for approximately seven acres, located west and south of the Parkland Hospital. The Regents in accordance with Dean Gill's recommendation expressed "willingness to make this exchange if recommended to the Board (Regents) by the Southwestern Medical Center Council, subject to legal and technical details being worked out to the satisfaction of the Board of Regents." This location for the Children's Hospital would be convenient to the Parkland Hospital and to the Southwestern Medical School.

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The Board of Managers of the Dallas County Hospital District have indicated their position to be as follows:

1. The approval by the Board of Managers of the general concept of this project.
2. The approval of exchange of land wherein The University of Texas Southwestern Medical School would make available to the Hospital District, for further expansion, some ten acres located at the point designated on the map in exchange for some seven and one-half acres as outlined on the proposed site plan, subject to a minor readjustment in the northwestern corner to permit better access to Parkland Memorial Hospital parking lots. This would then permit the University to negotiate with Children's Medical Center for the acquisition of this land for the development of a children's hospital and a children's outpatient clinic.

The foregoing approvals of the Board of Managers are subject to the following conditions:

1. That the Administrators of the two organizations jointly approve a program of future operations, subject to approval by the Boards of the two organizations.
2. That the Children's Medical Center provide evidence of financial responsibility, both in connection with the building of the unit and its operation for the foreseeable future.
3. That an understanding be developed for the satisfactory disposition of the new Children's Medical Center property in the event of default in the future, the provision for terms of this agreement to be written into the contract.
4. That formal agreement of this program be obtained in writing from the Medical Staff of Children's Medical Center.
5. That the program as outlined be approved by Commissioners' Court.

Upon motion of Mr. Thompson, seconded by Mrs. Devall, the Board adopted the following recommendations of Dean Gill, concurred in by Chancellor Wilson:

1. The Board authorize the exchange of ten acres out of the southwest corner of the present campus site for approximately seven and one-half acres now held by the Dallas Hospital District near the Parkland Hospital and the Medical School.
2. Legislative approval for this exchange should be requested immediately.
3. With Legislative approval, following this exchange, the seven and one-half acres acquired from the Dallas Hospital District should be transferred to the Children's Hospital for use as a hospital site for a teaching hospital.

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The approval of the foregoing recommendations by the Board were expressly and specifically conditioned upon the following:

1. Favorable action by the Legislature.
2. Approval by the Commissioners' Court.
3. Negotiation of a contract with the Board of Children's Hospital to accept the terms required by our Board of Regents for a fully integrated teaching hospital.
4. Provision for reversion of the property to the State in the event it is not maintained as a teaching hospital for children.
5. Satisfaction of the conditions laid down by the Hospital District Board as quoted above.

ALLOCATION OF INCOME FROM WILLIAM BUCHANAN FOUNDATION GRANT. -- Each Regent had been furnished prior to the meeting background information on The William Buchanan Foundation Grant together with proposals.

In accordance with policies and procedures adopted by the Board of Regents in October 1957 (Permanent Minutes, Volume V, Page 14), the standing committee (composed of the Chancellor, the Executive Dean and Director of the Medical Branch, the Dean of Southwestern Medical School, and the Dean of the Postgraduate School of Medicine) recommended the following allocations of income from The William Buchanan Foundation Grant. It is the opinion of the committee and of Mr. Waldrep, University Attorney, that these proposed allocations are within the intent and scope of the Grant:

1. Allocation of \$2,000 to the Postgraduate School of Medicine for expenses of the Hill Country Seminar on Pediatrics to be held in Hunt, Texas, in August, 1960. This recommendation is made with the understanding that income from fees charged for attendance at this seminar may reduce the over-all expenses, in which event any unused portion of the \$2,000 allocation will revert to the Buchanan Grant as unallocated income. (This will be a reimbursement.)
2. Allocation of the balance of income now accrued or which will accrue prior to July 1, 1961, estimated at \$24,000, to the Department of Pediatrics at the Medical Branch for laboratory remodeling and for equipment.

(Written approval of the committee for these allocations of money is in the Secretary's Files, Volume VIII, Page 165.)

Upon motion of Mr. Thompson, seconded by Mrs. Devall, the Board approved the foregoing allocations as submitted.

THE WILLIAM BUCHANAN FOUNDATION GRANT: ESTABLISHMENT OF PROFESSORSHIP IN PEDIATRICS, SOUTHWESTERN MEDICAL SCHOOL. -- Each Regent had been furnished prior to the meeting background information on The William Buchanan Foundation Grant together with proposals.

In accordance with policies and procedures adopted by the Board of Regents in October 1957 (Permanent Minutes, Volume V, Page 14), the standing committee (composed of the Chancellor, the Executive Dean and Director of the Medical Branch, the Dean of Southwestern Medical School, and the Dean of the Postgraduate School of Medicine) recom-

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mended the following allocation of income from The William Buchanan Foundation Grant. It is the opinion of the committee and of Mr. Waldrep, University Attorney, that this proposed allocation is within the intent and scope of the Grant:

Beginning July 1, 1961, allocation of the entire annual income from the Buchanan Foundation Grant to The University of Texas Southwestern Medical School as support for a chair to be known as "The William Buchanan Professorship in Pediatrics." This proposal encompasses the permanent allocation of all future income from The William Buchanan Foundation Grant to support this chair in Pediatrics.

The Trustees of The William Buchanan Foundation Grant have approved the establishment of The William Buchanan Professorship in Pediatrics at the Southwestern Medical School subject to the following terms and conditions:

1. The University of Texas will establish at its Southwestern Medical School an endowed Chair, which will be called "The William Buchanan Professorship in Pediatrics."
2. Appointments to The William Buchanan Professorship of Pediatrics will be made by the University on the basis of scholarly attainments in the field of teaching and research; and continuation of the appointment will be on the basis of sustained performance in these areas or upon the ability of the holder of the Chair to direct, develop and inspire younger men as outstanding teachers and investigative scholars.
3. The principal sum of \$500,000 will be invested and reinvested by the Endowment Officer of the University or his successors in function; whatever their title, and will be kept intact as an endowment.
4. The annual income from the endowment will be used upon the recommendation and under the direction of the holder of the Chair, subject to such regulation and supervision as the University may consider best suited to carry out the purposes here stated, for support of educational and research activities within the Department of Pediatrics of The University of Texas Southwestern Medical School. In general, such income will be used to stimulate new programs, to initiate new projects, to provide supplies and equipment where needed, or to support technical salaries in those instances where such expenditures seem to contribute most to the educational and research programs of the department.
5. None of the income from the endowment will be used to pay or to supplement the salary of any person who is not a holder of the Chair for any period longer than two years; and no portion of such income will be used to pay or to supplement the salary of the holder of the Chair except that if the holder of the Chair is over retirement age or is not Head of the Department of Pediatrics, with approval of the holder of the Chair and upon recommendation by the Dean of the Southwestern Medical School to the Board of Regents, income from the endowment may be used without any limitation as to time to pay or to supplement the salary of the holder of the Chair.
6. An annual report shall be made to the Foundation showing, in a general way, the income from the endowment, the purposes

for which the funds were expended, and the aims and accomplishments of such expenditures.

For so long as the University continues to meet the terms and conditions of the numbered paragraphs above, the University may expend the income from the endowment without prior permission from the Foundation and the Foundation waives that requirement of paragraph 1(b) of the agreement dated April 2, 1956, by and between The University of Texas and The William Buchanan Foundation. So long as The William Buchanan Foundation continues in existence, however, the University shall continue to maintain the principal sum intact as a separate endowment and shall not expend the income from the principal sum in any manner other than as set forth above without first obtaining the approval of the Foundation.

Upon motion of Mr. Thompson, seconded by Mrs. Devall, the Board approved the recommendation of Dean Gill, concurred in by Chancellor Wilson, that the foregoing allocation of The William Buchanan Foundation Grant be approved together with the terms and conditions set up by the Trustees of The William Buchanan Foundation Grant for the establishment of an endowed chair at The University of Texas Southwestern Medical School to be known as "The William Buchanan Professorship in Pediatrics," with authority to Chairman Minter to execute the letter of agreement.

SYSTEM-WIDE MATTERS

ATTENDANCE: Mr. Madden came into the meeting.

RULES AND REGULATIONS RE MEMBERSHIP OF GRADUATE COUNCIL: FINAL APPROVAL OF AMENDMENT NO. 2 TO PART ONE, CHAPTER VI, SECTION 7. -- In order to conform to the Rules and Regulations, Part One, Chapter VII, Subsection 4.1, the Administration recommended that final approval be given to Amendment No. 2 to Part One of the Rules and Regulations of the Board of Regents for the Government of The University of Texas. (This amendment upon recommendation of the Academic and Developmental Affairs Committee was approved by the Board at the meeting on January 16, 1961.)

Upon motion of Mrs. Devall, seconded by Mr. Madden, the Board gave final approval to Amendment No. 2, Part One, Chapter VI, Section 7, thereby deleting Subsections 7.1 and 7.2 and substituting in lieu thereof the following:

7.1 Composition. -- The Graduate Council shall be composed of eight members of the Graduate Faculty, the Secretary of the Graduate Legislative Council, and the Dean of Research and Sponsored Programs, all with vote. The eight members of the Graduate Faculty shall be selected by the Dean of the Graduate School, who may invite nominations for these positions from the Graduate Faculty. In constituting the Graduate Council the Dean shall give attention to securing the broadest possible representation of all areas of graduate instruction.

7.2 Terms of Office. -- The eight members of the Council selected from the Graduate Faculty shall serve terms of six years each. An interval of two years must elapse before any Council member can be reappointed.

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PROGRESS REPORT ON LEGISLATION, 57TH LEGISLATURE. --Mr. Cox reported orally to the Board on various bills affecting The University of Texas that had been introduced in the 57th Legislature and also reported on the status of legislation that the Board had approved for submission, including the following:

1. Senate Bill No. 12, authorizing conveyance of land for the site of a new stadium at Texas Western College, has passed both the House and the Senate and is awaiting the Governor's signature.
2. Senate Bill No. 63, authorizing the acquisition of adjoining property for Texas Western College, has passed the Senate. Its companion bill, House Bill No. 219, has also passed the House. It is expected that at an early date the Senate will accept the House Bill or vice versa, and it will then go to the Governor for his signature.
3. Senate Concurrent Resolution No. 11, authorizing the acceptance of gifts and grants including grants from Federal agencies for additions to the M. D. Anderson Hospital and Tumor Institute, has been approved by the Senate.
4. A joint resolution proposed to amend the Constitution to permit State employees to serve in certain other capacities where there is no conflict of interest is expected to be introduced at an early date.

ATTENDANCE: Mr. Johnson came into the meeting.

DeROSSETTE THOMAS PROPERTY, 217 S. PRESA STREET, SAN ANTONIO, DISPOSITION OF. --The following relating to the DeRossette Thomas Property at 217 S. Presa Street, San Antonio, now used as the Asa Mitchell Guidance Center by the Community Guidance Center of Bexar County, was reported at the January 1961 meeting:

The Community Guidance Center of Bexar County has now determined that expansion of its facilities is necessary, and that such expansion can be achieved more economically and with better use of the facilities by moving to a new location. The Center reports that it has a tentative offer of \$26,500 for the South Presa Street location, which is on the University's books at \$27,500, and proposes that the Board of Regents authorize the sale of this property with the proceeds, together with approximately \$7,500 invested at the University in Funds Grouped for Investment, but not including proceeds from the Laredo property, be made available for purchase and/or construction of a new Guidance Center. They estimate that the new Center will cost in the neighborhood of \$50,000 and believe that they will be able to raise locally the additional amount of money required.

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The Board of Regents at the January 1961 meeting approved the following recommendation of the Administration:

It is recommended that the Board of Regents express to the Guidance Center its willingness to proceed with this plan, subject to obtaining a price for the South Presa Street property satisfactory to the Guidance Center Board and to the Board of Regents, and subject to satisfactory arrangements as to title to the new property and satisfaction of the University's Attorney as to any other legal problems involved.

Pursuant to the above action and prior to this meeting (February 18, 1961), the Board of Directors of the Community Guidance Center requested that the Board of Regents approve for sale the DeRossette Thomas Property, 217 South Presa Street, San Antonio, at a price of \$26,500.

Doctor Dolley told the Board that when the supporting material regarding this request was distributed neither the University Attorney nor the Attorney representing the Community Guidance Center of Bexar County had a firm opinion as to what could be done legally. However, the Attorneys are now of the opinion that it would be better for the Board of Regents to be relieved as Trustee and a successor appointed. It was clearly pointed out that the only connection the Regents have in the San Antonio property is as Trustee. After a discussion as to the value of the property, the value of the DeRossette Thomas Estate and the desirability of having an appraisal made, it was adopted upon motion of Mr. Hardie, seconded by Mr. Heath, that the Board approve the price of \$26,500 for the property at 217 South Presa Street, San Antonio, and that the Administration cooperate to the effect of transferring properly this property to the Community Guidance Center of Bexar County.

SELLS PETROLEUM, INC.: A. W. WALKER, JR., NAMED BOARD'S REPRESENTATIVE. --Doctor Wilson reported that Regent Joe C. Thompson had asked to be relieved of his duties as the University's representative on the Board of Directors of Sells Petroleum, Inc. Mr. Thompson, however, did agree to attend the next meeting of the stockholders on the 27th of February. Upon recommendation of the Administration and upon a motion duly made and seconded, the Board named Mr. A. W. Walker, Jr., as a replacement for Mr. Thompson as the University's representative of Sells Petroleum, Inc.

PROXY DESIGNATION, SELLS PETROLEUM, INC. --Upon a motion duly made and seconded, the Board adopted the Administration's recommendation that Chancellor Wilson execute a proxy and forward it to Mr. Donnell F. Kerr, Secretary, Sells Petroleum, Inc., naming Mr. Joe C. Thompson as the University's "true and lawful Attorney, to represent it and to vote its share of stock in said corporation at the next Annual Meeting of the shareholders of such Corporation, to be held in the Conference Room of The First National Bank in Dallas, Dallas, Texas, on the 27th day of February, 1961, at 10:00 a.m..." and that Mr. Thompson be further authorized to place in nomination at this meeting the name of A. W. Walker, Jr., to represent The University of Texas on the Board of Directors of Sells Petroleum, Inc.

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MEDICAL BRANCH

PROPOSED LOW-COST LABORATORY BUILDING, REQUEST FOR LEGISLATION AUTHORIZED. --Each Regent had been furnished in the Material Supporting the Agenda a request to approve construction of a low-cost unit at the Medical Branch, but the Administration asked to withdraw this item from the Agenda of the meeting. The Administration did request, however, authorization to draw a resolution for submission to the 57th Legislature authorizing the Board of Regents to construct at The University of Texas Medical Branch with Available University Fund, Permanent University Bond proceeds, and gift and grant funds a low-cost building of approximately 20,000 square feet to be adjacent to the General Services Building at a cost of approximately \$300,000. The Board adopted this recommendation upon motion of Mr. Thompson, seconded by Mrs. Devall.

EXECUTIVE SESSION

The Board resolved itself into executive session for the remainder of the morning. After having recessed for lunch, it reconvened in executive session at 1:15 p. m. At 2:15 p. m. Secretary Thedford was called into the meeting.

NEXT MEETING OF THE BOARD. --The next meeting of the Board of Regents was set in Austin on March 17 and 18. The Administration was instructed to send to the Appointees of the Governor as soon as appointed the material as it is sent to the other Regents.

CHANGES IN STATUS. --Chairman Minter presented to the Secretary the following which had been approved by the Board:

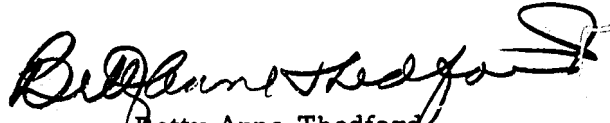
1. Appoint Dr. Ransom Chancellor effective April 1, 1961, at a total annual compensation of \$30,000. Of this amount, \$18,100 will come from the legislative appropriation for the Chancellor and the balance from the Etter Fund. Dr. Ransom should designate that portion of the supplementation which he would want in the form of an annuity payment. Until such time as he occupies the Chancellor's house, the present arrangement in lieu of house and utilities is to be continued.
2. Effective April 1, 1961, appoint Dr. Wilson as Special Consultant to the Chancellor's Office at the annual rate of \$18,100 from General Funds (Account Number 8250, Unallocated Account in Central Administration), and continue supplementation and annuity payments from the Etter Fund at the present rate, through May 31, 1961.
3. Appoint Dr. Ransom as Chancellor of The University of Texas system and as Acting President of the Main University, effective April 1, 1961. The Faculty Committee is asked to continue its study directed toward assisting the Chancellor and the Regents in the selection of a President of the Main University.

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The Committee's subsequent report is to supplement the present one which the Board in retrospect realizes was prepared under considerable pressure as to time. The additional report is to be made after thorough study and as soon as feasible.

ADJOURNMENT. -- The Board adjourned at 3:00 p. m.


Betty Anne Thedford