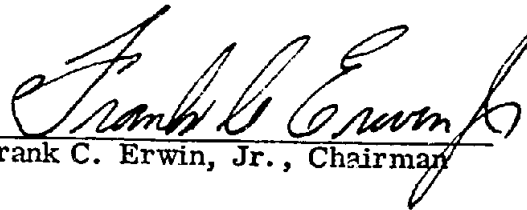


We, the undersigned members of the Board of Regents of The University of Texas System, hereby ratify and approve all actions taken at this meeting to be reflected in the Minutes.

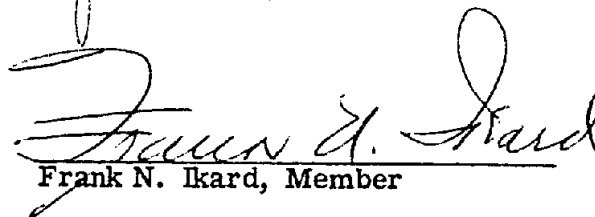
Signed this the 14th day of March, 1969, A. D.

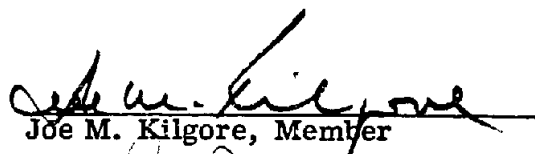

Frank C. Erwin, Jr., Chairman

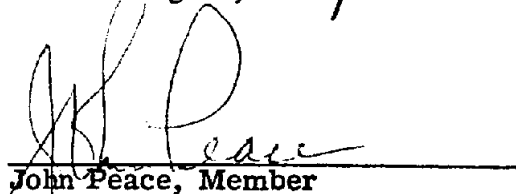

Jack S. Josey, Vice-Chairman

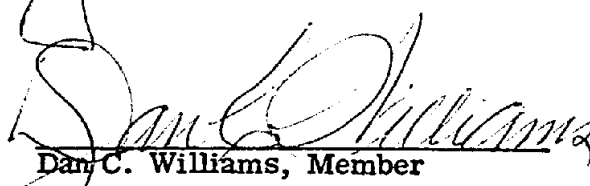

W. H. Bauer, Member

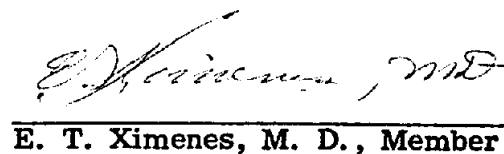

Jenkins Garrett, Member


Frank N. Ikard, Member


Joe M. Kilgore, Member


John Peace, Member


Dan C. Williams, Member


E. T. Ximenes, M. D., Member

Meeting No. 668

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

March 14, 1969

Austin, Texas

3-14-69

MEETING NO. 658

FRIDAY, MARCH 14, 1969. --The Board of Regents of The University of Texas System convened in regular session in Main Building, Suite 212, Austin, Texas, at 9:00 a. m. on Friday, March 14, 1969, with attendance as set out below.

ATTENDANCE. --

Present

Chairman Erwin, Presiding
 Vice-Chairman Josey
 Regent Bauer
 Regent Garrett
 Regent Ikard
 Regent Kilgore
 Regent Peace
 Regent Williams
 Regent Ximenes

Absent

Chancellor Ransom
 Secretary Thedford

CHAIRMAN WELCOMES REGENT DAN C. WILLIAMS AS NEW MEMBER. --
 Chairman Erwin called the Board to order and personally and on behalf of the Regents welcomed Mr. Dan C. Williams as a new member of the Board. Mr. Williams has served on the University Development Board for many years and has done much in that area.

RECOGNITION OF STUDENT REPRESENTATIVES AND EXPRESSION OF APPRECIATION TO REGENTS. --At the beginning of the Committee of the Whole Chairman Erwin recognized and on behalf of the Board of Regents of The University of Texas System welcomed the following students who were present at the meeting at that time:

Miss Merry Clark, Editor of The Daily Texan
 Mr. Ben Brooks, Chairman, Students' Association
 Parking Committee
 Miss Barbara Higley, Chairman, Texas Union
 Board of Directors
 Mr. Ron McCluskey, President of The University
 of Texas at El Paso Students' Association
 Mr. James Livermore, President, Student Congress,
 The University of Texas at Arlington

Chairman Erwin also took the opportunity to express appreciation to Vice-Chairman Josey and Regents Peace and Ximenes for their attendance and support at the Legislative hearings on matters relating to The University of Texas System.

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REGENTS' RULES AND REGULATIONS, PART ONE: AMENDMENT TO CHAPTER VI, SECTION 3. --By unanimous vote Section 3, Chapter VI, of Part One of the Regents' Rules and Regulations, was amended by adding a subsection 3. (17), and all necessary rules were 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.

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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.

APPROVAL OF MINUTES, JANUARY 31, 1969. --The minutes of the meeting of the Board of Regents held in Houston, Texas, on January 31, 1969, were approved without objection in the form as distributed by the Secretary and as recorded in Volume XVIb, beginning with Page 1053 .

RECESS. --The Board of Regents recessed at 9:15 a. m. in order that the committees of the Board could meet.

ATTENDANCE. --Following the meetings of the Standing Committees and the Committee of the Whole, the Board of Regents reconvened at 5:45 p. m. in Main Building, Suite 212, with the same attendance as at the morning session.

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REPORTS OF STANDING COMMITTEES

REPORT OF EXECUTIVE COMMITTEE (Pages 4-10). --Upon motion of Committee Chairman Bauer, seconded by Vice-Chairman Josey, the following report of the Interim Actions of the Executive Committee was adopted:

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:
 2. 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. (See Pages 46 .)
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.

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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 5-9):

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

Explanation	Present Status	Proposed Status	Effective Dates
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	---

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:

	Present Annual Salary Rate	Recommended Annual Salary Rate	Required Additional Funds Through 8-31-69
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	4,550 (a)
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.)

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The University of Texas at El Paso

<u>Explanation</u>	<u>Present Status</u>	<u>Proposed Status</u>	<u>Effective Dates</u>
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			
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

Samuel N. Kolmen Physiology	Professor	Professor	
Salary Rate	\$19,000	\$20,500	2/1/69
Source of Funds: Shrine Burn Institute Service			
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

Jay P. Sanford Internal Medicine	Professor	Professor	
Salary Rate	\$26,000	\$28,000	2/1/69
Source of Funds: Faculty Gifts for Pathology			
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			

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

<u>Explanation</u>	<u>Present Status</u>	<u>Proposed Status</u>	<u>Effective Dates</u>
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			
Edwin H. Eigenbrodt Pathology	Assistant Professor	Assistant Professor	
Salary Rate	\$18,500	\$22,500	2/1/69
Source of Funds: Faculty Gifts for Pathology			
Bruce D. Fallis Pathology	Professor	Professor	
Salary Rate	\$30,500	\$34,000	2/1/69
Source of Funds: Faculty Gifts for Pathology			
L. Ruth Guy Pathology	Associate Professor	Associate Professor	
Salary Rate	\$17,000	\$19,500	2/1/69
Source of Funds: Faculty Gifts for Pathology			
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			
Joseph S. Paul Pathology	Assistant Professor	Assistant Professor	
Salary Rate	\$16,000	\$17,500	2/1/69
Source of Funds: Faculty Gifts for Pathology			

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

<u>Explanation</u>	<u>Present Status</u>	<u>Proposed Status</u>	<u>Effective Dates</u>
Robert S. Putnam Pathology	Assistant Professor	Assistant Professor	
Salary Rate	\$18,000	\$21,500	2/1/69
Source of Funds: Faculty Gifts for Pathology			
Rolland C. Reynolds Pathology	Associate Professor	Associate Professor	
Salary Rate	\$23,000	\$26,500	2/1/69
Source of Funds: Faculty Gifts for Pathology			
Edwin D. Seaman Pathology	Assistant Professor	Assistant Professor	
Salary Rate	\$20,000	\$23,500	2/1/69
Source of Funds: Faculty Gifts for Pathology			
Alice L. Smith Pathology	Associate Professor	Associate Professor	
Salary Rate	\$18,500	\$21,000	2/1/69
Source of Funds: Faculty Gifts for Pathology			
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			
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			

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

<u>Explanation</u>	<u>Present Status</u>	<u>Proposed Status</u>	<u>Effective Dates</u>
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			
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			
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:

<u>Baseball</u>		
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

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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

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REPORT OF ACADEMIC AND DEVELOPMENTAL AFFAIRS COMMITTEE (Pages 11-19). --Without objection the following report of the Academic and Developmental Affairs Committee as filed by Committee Chairman Kilgore was adopted. The actions reflected therein were taken in open session:

1. U. T. System: Chancellor's Docket No. 30. --Chancellor's Docket No. 30 was approved by mail ballot in the form as distributed and is attached to these minutes following Page 72 and made a part hereof.
2. U. T. System: Report on Activities of The University of Texas System Development Board by Executive Director Blunk. --The following report was received from Mr. Blunk, Executive Director of The University of Texas System Development Board. In addition thereto, Mr. Blunk reported that there are plans for out-of-state meetings. One has been scheduled on March 27 in Chicago and another tentatively planned in New York on the 22nd or 23rd of April.

Mr. Blunk was requested at his first opportunity to convey to the members of the Development Board the Regents' appreciation for their fine work:

"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. Bentser, Jr., of Houston. Highlights were reports given by Chancellor Ransom and Executive Vice-Chancellor 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.

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"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. Krause 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. "

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3. U. T. Austin: Amendment to Regulations Pertaining to the Budget Council System. --Approval was given to amend the regulations pertaining to the Budget Council System at The University of Texas at Austin as adopted by the Board of Regents on January 31, 1969, by deleting the third paragraph and inserting in lieu thereof the following:

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.

4. U. T. Austin: Methods of Faculty Consultation on Selection of Certain Key Administrative Officials. --The following regulation was adopted and approved for inclusion in the Institutional Supplement for The University of Texas at Austin. A somewhat different form of this regulation was recommended by the Faculty Council and by Doctor Hackerman, but several amendments were proposed by Doctor Singletary and those amendments are incorporated in the following regulation. Doctor Singletary stated to the Board that in his opinion some of his proposed amendments might not be agreeable to a majority of the Faculty Council.

PREFACE

The following 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.

- 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; three students selected in a manner determined by the student government; and such other persons as the Chancellor might deem appropriate. (For 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; 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.

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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; 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; 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; 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.

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- 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.
5. U. T. Austin: Proposed Calendar for the 1970-71 Long Session Postponed. --The Calendar for the 1970-71 long session for The University of Texas at Austin as recommended by the General Faculty, concurred in by Executive Vice-Chancellor Singletary and President Hackerman, was postponed until the May 1969 meeting in order to find out to what extent other schools are making similar changes.

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6. U. T. Austin: Amendment to Agreement Between the Board of Regents of The University of Texas System and the Austin Independent School District. --Approval was given to amend the contract on behalf of The University of Texas at Austin between the Board of Regents of The University of Texas System and the Austin Independent School District executed on the 24th day of May, 1967, by adding the following paragraph on the last page of the agreement immediately preceding the date line and the signatures:
- "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."
7. U. T. Austin: Appropriations from the Unallocated Balance of Retained Earnings of Campus Services, Inc. (Roundup Showcase and SMU Conference). --The recommendation of the Chancellor to appropriate the following for the purposes indicated from the Unallocated Balances of the Retained Earnings of Campus Services, Inc. at The University of Texas at Austin was approved:
- A. \$1,500.00 for use in connection with Roundup Showcase.
- B. \$132.50 to reimburse two students for expenses incurred in their attendance of a conference on "The Education of Women for Social and Political Leadership" which was held at Southern Methodist University.
8. U. T. Austin and Galveston Medical Branch: Dual Positions Pursuant to Section 33, Article XVI, Constitution of Texas. --With respect to the individuals listed below at The University of Texas at Austin and The University of Texas Medical Branch at Galveston, the following resolution was adopted in connection with the service of each individual on each of the state or federal boards opposite his name. This resolution conforms to the amendment to Section 33, Article XVI, Constitution of Texas adopted in November 1967:

RESOLUTION

WHEREAS, (the name of the individual) has an opportunity to serve as (the capacity in which he is serving on a state or federal board or commission):

NOW, THEREFORE, BE IT RESOLVED by the Board of Regents of The University of Texas System, acting pursuant to delegated legislative authority:

1. That the said (the name of the individual) be and he is hereby authorized by the Board of Regents to serve as (the capacity in which he is serving on a state or federal board or commission) until he no longer has an opportunity to do so or until this direction and requirement is amended or revoked by the Board of Regents;

2. That the said (the name of the individual) be and he is hereby authorized by the Board of Regents to serve as (the capacity in which he is serving on a state or federal board or commission) in addition to all other duties that have been or may hereafter be assigned or required of him by the Board of Regents;

3. That the Board of Regents finds that (the name of the individual)'s service as (the capacity in which he is serving on a state or federal board or commission) is not in conflict with his employment by The University of Texas;

4. That the Board of Regents finds that (the name of the individual)'s service as (the capacity in which he is serving on a state or federal board or commission) is and will continue to be a benefit and advantage to The University of Texas System and the State of Texas.

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

<u>Name</u>	<u>Classification</u>	<u>Board or Commission</u>
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

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9. Galveston Medical Branch: Increase in Rates for Dormitories and Apartments and Requirement of Deposit. --The rental rates for dormitory rooms and for apartments at The University of Texas Medical Branch at Galveston were increased as set out below effective September 1, 1969, and it was ordered 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. When the student and/or employee moves from the facility, the deposit will be refunded subject to damages suffered by furniture, equipment and buildings.

Dormitory Room:	
Semi-Private	\$38.50
Private	60.00
Apartment	95.00

3-14-69

REPORT OF BUILDINGS AND GROUNDS COMMITTEE (Pages 20-27). -- Committee Chairman Peace filed with the Secretary and moved the adoption of the following report of the Buildings and Grounds Committee. This report was adopted without objection:

1. U. T. System: Construction of Chancellor's Residence (Bauer House) (1) Employment of W. T. Walker; and (2) Additional Appropriation Therefor (See Page 72). -- Since all bids for remodeling of the Chancellor's residence were rejected at the Regents' meeting on January 31, 1969, in as much as they exceeded the amount budgeted for this project and after the discussion of many possibilities in an attempt to reduce the cost for remodeling the present structure, it is recommended that approval be given to the following:

- a. Architects Jessen, Jessen, Millhouse, Greeven and Crume be authorized to prepare plans for the Chancellor's residence of approximately 8,000 square feet, not to exceed \$163,000.00 in cost.
- b. The Office of Facilities Planning and Construction be authorized to remove the existing improvements.
- c. 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.
- d. 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.

2. U. T. Austin: East Campus Library and Research Building Named Sid W. Richardson Hall (See Page 72). -- It is reported for the record that at the meeting of the Committee of the Whole on September 20, 1968, the East Campus Library and Research Building at The University of Texas at Austin was named Sid W. Richardson Hall.

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3. U. T. Austin: Approval of Final Plans and Specifications for Remodeling of South Wing of University Junior High School Building.--It is recommended that the final plans and specifications for Remodeling of the South Wing of the University Junior High School Building at The University of Texas at Austin as prepared by the Project Architects, Day and Newman, 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.

4. 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. --It is recommended that the 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, as prepared by the Project Architects and Engineers, be approved by the Board, and that the Architects and Engineers be authorized to prepare working drawings and specifications based on these preliminary plans to be presented to the Board for approval at a later date. The estimated cost for the project is \$10,200,000.00, to be financed by \$7,000,000.00 from Permanent University Fund Bond Proceeds and \$3,200,000.00 from Sale of Options. 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.

5. U. T. Austin: Award of Contract to Stokes Construction Company for Humanities Research Center and Appropriation Therefor.--It is recommended that a contract award be made to the low bidder, Stokes Construction Company, San Marcos, Texas, for the Humanities Research Center at The University of Texas at Austin, as follows:

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>

It is further 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

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6. 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, Special Committee to Approve Plans, and Appropriation Therefor. -- The following recommendations are made in connection with the Water Resources Facility and the Structural Testing Area at Balcones Research Center, The University of Texas at Austin:

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.

7. U. T. Austin: Approval of Plans and Specifications for Central Water Chilling Station No. 4. -- It is recommended that the plans and specifications for the Central Water Chilling Station No. 4 at The University of Texas at Austin as prepared by Brown and Root, Engineers, 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.

8. U. T. Austin: Award of Contract to Austin Paving Company for Parking Lot at Nineteenth and Trinity Streets and Appropriation Therefor. -- It is recommended that a contract award in the amount of \$18,640.00 be made to the low bidder, Austin Paving Company, Austin, Texas, for a parking lot containing 243 spaces at Nineteenth and Trinity Streets, The University of Texas at Austin, that an appropriation in this amount be made from Account No. 36-0200-0010 - Campus Extension Rentals to cover this recommended contract award, and that U. T. Austin Vice-President Colvin be authorized to sign the contract.

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9. U. T. Arlington: Award of Contract to Harry Fortune Mechanical Contractor for Repair and Remodeling of Old Science Hall and Additional Appropriation Therefor.--It is recommended that a contract award in the amount of \$212,000.00 be made to Harry Fortune Mechanical Contractor, Fort Worth, Texas, for Repair and Remodeling of Old Science Hall at The University of Texas at Arlington and 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 in addition to the Legislative Appropriation of \$141,914.00.

10. U. T. El Paso: Approval of Final Plans and Specifications for Dormitory Complex.--It is recommended that the final plans and specifications on the Dormitory Complex at The University of Texas at El Paso as prepared by Carroll, Daeuble, DuSang and Rand, Project Architects, 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.

11. U. T. El Paso: Approval of Payment for Paving Rim Road East and West of Lawton Drive and Paving a Portion of Wiggins Road.--It is recommended that approval be given to paying for the paving of Rim Road east and west of Lawton Drive and a portion of Wiggins Road at The University of Texas at El Paso, as set out below, with funds being advanced from Permanent University Fund Bond Proceeds to be reimbursed after issuance of Skiles Act or Student Use Fee Bonds at U. T. El Paso:

Assessment for paving and curbing east of Lawton Drive where U. T. El Paso property abuts the improvement	\$ 551.46
Assessment for paving and curbing west of Lawton Drive to Wiggins Road where U. T. El Paso 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	2,527.30
Total	<u>\$8,089.58</u>

12. U. T. El Paso: Easement to El Paso Electric Company Covering a Portion of Blocks 86, 120, and 122A of Alexander Addition, El Paso County, Texas.--It is recommended that an easement for a consideration of \$1.00 be granted 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, on the Campus of The University of Texas at El Paso, as more fully described in the easement instrument and map attached thereto, 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, this easement to contain 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. The granting of this easement is to be conditioned upon its being an underground installation. It is further recommended that Chairman Erwin be authorized to execute the easement instrument in accordance with the provisions set out above after approval as to content by Mr. Lester E. Palmer, and as to legal form by a University Attorney.

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13. 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.--

In connection with the repairs and expansion of the Sun Bowl Stadium at The University of Texas at El Paso, the following recommendations are made:

- a. 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.
- b. 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.

14. Galveston Medical Branch: Award of Contract to Tellepsen Construction Company for Medical Library Building and Additional Appropriation Therefor.--It is recommended that a contract award be made to the low bidder, Tellepsen Construction Company, Houston, Texas, for the Medical Library Building at The University of Texas Medical Branch at Galveston, as follows:

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:

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

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c.	Use standard grout in lieu of epoxy grout for ceramic tile	\$ 1,500.00
f.	Change certain special made bronze light fixtures to ceramic	10,000.00
g.	Use poured nailable light weight concrete deck on galvanized corruflex in lieu of gypsum plant	7,300.00
h.	Use channel section in lieu of tube section for vertical reinforcing of windows	800.00
i.	Use drywall partitions in lieu of plaster partitions	6,100.00
j.	Use \$14.00 per sq. yd. installed allowance for Carpet instead of \$15.00 per sq. yd. specified	3,300.00
k.	Revise piling to allow .219" pipe wall thickness in lieu of .250" specified	5,000.00
l.	Use fiberglass duct for low pressure ducts in lieu of that specified	8,000.00
m.	Use bent flanges, welded, in lieu of angle flanges as specified for high pressure ducts	900.00
n.	Use gasket joint for soil pipe in lieu of lead and Oakum	850.00
o.	Use 1/2" fiberglass in lieu of 1" rigid insulation on plumbing lines	518.00
p.	Use Type "G" electrical fixtures in lieu of Type "C" fixtures	3,000.00
q.	Substitute Arrow-Mart 2100 Series quiet type electrical switches	304.00
r.	Allow the use of TW in lieu of THW for wire sizes No. 14, 12, and 10	469.00

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5. Allow the use of TIW wire for incoming service	363.00
Total Negotiated Deductions	\$72,696.00
Total Deductions	\$ 97,696.00
Total Recommended Contract Award	\$2,255,304.00

It is further recommended that an additional appropriation of \$89,094.00 be made to the project from Permanent University Fund Bond proceeds, bringing the total appropriation for the project to \$2,687,500.00.

15. 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. --It is recommended that an underground easement tenfeet wide be granted to Houston Lighting and Power Company across a part of Block 160 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 thereto, for a consideration of \$1.00, 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 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.

16. 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.--It is recommended that a contract award in the amount of \$97,067.00 be made to the low bidder, Eriksson Construction Company, Inc., Galveston, Texas, for Remodeling of First Floor of the Ziegler Hospital for the Department of Internal Medicine at The University of Texas Medical Branch at Galveston, and that an additional appropriation of \$24,000.00 be made to the project from Galveston Medical Branch Unallocated Projects - Plant Funds.

17. Galveston Medical Branch: Award of Contract to Galco Paving Company, Inc., for Four Paved Parking Lots and Additional Appropriation Therefor.--It is recommended that a contract award in the amount of \$115,890.00 be made to the low bidder, Galco Paving, Inc., League City, Texas, for Four Paved Parking Lots at The University of Texas Medical Branch at Galveston, and that an additional appropriation of \$18,200.00 be made to the project from Galveston Medical Branch Unallocated Projects - Plant Funds.

18. Galveston Medical Branch: Award of Contract to Joe C. Norman Equipment Company for Ambulance Emergency Entrance, Service Road, and Surface Drainage.--It is recommended that a contract award in the amount of \$137,500.00 be made to the low bidder, Joe C. Norman Equipment Company, Orange, Texas, for an Ambulance Emergency Entrance, Service Road, and Surface Drainage at The University of Texas Medical Branch at Galveston, 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, this fence not being included in the bid accepted above.

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19. 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.--It is recommended that the matter of authorizing the execution of a contract with Central Energy-Crow Joint Venture No. 1, Dallas, Texas, 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, be postponed until the next meeting, when the complete contract document can be presented to the Board for consideration.

20. Anderson Hospital: Ratification of Extension of Lease with Pavilion Associates for Space in the Pavilion Building.--It is recommended that the Board ratify the extension of a lease with Pavilion Associates for approximately 21,000 square feet of space on the second floor of the Pavilion Building at 1700 Holcombe Boulevard in Houston, Texas, for the use of The University of Texas M. D. Anderson Hospital and Tumor Institute at Houston, for the one-year period from March 1, 1969 through February 28, 1970, at a rental rate of \$0.30 per square foot per month, with payment to be made from grant funds; it is further recommended that authorization be given to exercise the options contained in the original lease for each of the two subsequent years, subject to careful review of space requirements at time of renewal.

21. Anderson Hospital: Appointment of Koetter, Tharp, and Cowell as Associate Architects for the Lutheran Hospital.--It is recommended that the firm of Koetter, Tharp, and Cowell, Houston, Texas, be named as Associate Architect for the construction program of The University of Texas M. D. Anderson Hospital and Tumor Institute at Houston as it relates to design and construction of the Lutheran Hospital, but with the total architects' fee for both firms not to exceed 6%. (See Page 50.)

3-14-69

REPORT OF LAND AND INVESTMENT COMMITTEE (Pages 36-49). -- Committee Chairman Ikard handed to the Secretary and moved the adoption of the following report of the Land and Investment Committee, which meeting was held in open session. The report was adopted without objection. The Executive Director, Investments, Trusts and Lands, was authorized to execute all necessary instruments relating to real estate or mineral interests held or controlled by the Board of Regents as a part of the Permanent University Fund or as a part of any Trust or Special Fund when such instruments are approved by the appropriate official.

I. Permanent University Fund

A. Investment Matters

1. Report of Purchases, Sales and Exchanges of Securities. -- The report of purchases, sales and exchanges of securities for the Permanent University Fund from January 1 through January 31, 1969, was approved as follows:

PURCHASES OF SECURITIESU. 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.

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PURCHASES OF SECURITIES
(Continued)

CORPORATE SECURITIES: (Continued)

<u>COMMON STOCKS</u>	<u>No. of Shares Purchased</u>	<u>Average Principal Cost</u>	<u>Total Principal Cost*</u>	<u>Indicated Current Yield on Cost**</u>
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 SECURITIESFRACTIONAL SHARE SOLD

<u>Security</u>	<u>Net Sales Proceeds#</u>
1/10ths 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 YIELD IN- CREASE</u>	<u>NEW BOOK YIELD</u>
			<u>ISSUE EXCHANGED</u>	<u>ISSUE RECEIVED</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>	DESCRIPTION	<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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2. FHA Mortgage Program - Designation of United Mortgage Company of Texas as Seller-Servicer. --Approval was given for the addition of United Mortgage Company of Texas, a Texas corporation with its principal place of business in Houston, to the list of approved seller-servicers for the FHA mortgage program.

3. Sale of Clorox Company Stock. --Approval was given for the sale of 32,318 shares of stock of the Clorox Company. This was received, after approval by the Board, by exchange for 8,182 shares of Proctor & Gamble stock.

B. Land Matters

1. Easements and Surface Leases 2829 - 2859; Amendment of Description of Surface Lease No. 2784 and Assignment Under Mineral Lease No. 2; Assignment of Easement No. 2554; Material Source Permits Nos. 352 - 354; and Water Contract No. 131. --Easements and Surface Leases Nos. 2829-2859; Amendment of Description of Surface Lease No. 2784 and Assignment under Mineral Lease No. 2; Assignment of Easement No. 2554; Material Source Permits Nos. 352-354; and Water Contract No. 131 were approved as follows: (All are at standard rates; unless otherwise stated, and are on the University's standard forms. Payment has been received in advance unless otherwise stated. All have been approved as to form and content by the appropriate administrative officials and the Executive Director, Investments, Trusts and Lands is authorized to execute the instruments.)

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

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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 4½"	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 4½"	6/1/69- 5/31/79	348.70
2851	Phillips Petroleum Company (Partial renewal of 1369)	Pipe Line	Andrews	Block 9	219.1 rods 4½" 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 4½" 315.88 rods 5½" 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

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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.

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

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 12 $\frac{1}{2}$ % 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 12 $\frac{1}{2}$ % or 10¢ per 1,000 gallons, whichever is greater.

2. Report on Clearance of Monies to Permanent University Fund and Available Fund.--The following report on clearance of monies to the Permanent University Fund and the Available University Fund for January, 1969, was received.

<u>Permanent University Fund</u>	<u>January, 1969</u>	<u>Cumulative This Fiscal Year</u>	<u>Cumulative Preceding Fiscal Year (Averaged)</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>			
Acreage under Lease	621,191		
Number of Producing Acres	314,022		
Number of Producing Leases	1,386		

3. Permanent University Fund Lands: North Boundary Line Andrews and Gaines Counties, Texas, and Permit Leases. --The following resolution was adopted with respect to the North boundary line of Blocks 4, 5, and 6, University Lands, Andrews and Gaines Counties, Texas:

WHEREAS, in the year 1929 the legislature authorized a resurvey of University Lands; and

WHEREAS, following the survey there arose a difference of opinion among the landowners as to the true North boundary line of Blocks 4, 5, and 6, University Lands, Andrews and Gaines Counties, Texas; and

WHEREAS, on February 7, 1964, the Board of Regents of The University of Texas System authorized and directed that legal proceedings be instituted to determine the true and correct North boundary line of Blocks 4, 5, and 6, University Lands, Andrews and Gaines Counties, Texas; and

WHEREAS, there have been numerous delays in the prosecution of the suit; and

WHEREAS, the Board of Regents has been informed by Attorney General Crawford Martin that he has employed a special assistant to evaluate this matter;

NOW, THEREFORE, BE IT RESOLVED by the Board of Regents of The University of Texas System, That Mr. Floyd O. Shelton, Executive Director of Investments, Trusts and Lands, be instructed to make a thorough study and to make a recommendation at the May 1969 meeting of the Board of Regents with respect to the action, if any, that should be taken to determine the true North boundary line of Blocks 4, 5, and 6 of University Lands in Andrews and Gaines Counties, Texas. Mr. Shelton was further authorized to check with the Attorney General of Texas and whomever he may desire as to the merits of the case.

Mr. Floyd O. Shelton, Executive Director of Investments, Trusts and Lands, was also requested to review permit leases that were issued under the Mineral Acts of 1917 on University Lands and to bring in a recommendation at the May 1969 meeting of the Board of Regents with respect to the action, if any, that should be taken by the University in connection with any permit leases that still exist. (See Page 72 .)

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II. Trust and Special Funds

A. Investment Matters

1. Report of Purchases, Sales and Exchanges of Securities. --The report of purchases, sales and exchanges of securities for Trust and Special Funds from January 1 through January 31, 1969, was approved as follows:

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

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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 247 Shares Diversified Growth Stock Fund, Inc. Capital Stock, sold at 14.84 Net (College of Business Administration Foundation - Various Donors)	1,017.50 3,665.48

BOND EXCHANGES

<u>PAR VALUE</u>	<u>FUND AND 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>	<u>ISSUE EXCHANGED</u>	<u>ISSUE RECEIVED</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

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2. The University of Texas Sytem Common Trust Fund. --
 The following additions to the Common Trust endowment
 account as of March 1, 1969, were ratified:

Fund	
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 Lou's 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

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COMMON TRUST FUND
(Continued)

Fund	
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>

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3. Sale of Clorox Company Stock. --Approval was given for the sale of the following shares of stock of the Clorox Company:

<u>Fund</u>	<u>Clorox Stock</u>
Common Trust Fund	462
Hogg Foundation:	
W. C. Hogg Memorial Fund	928
Varner Properties	695

The Clorox stock was received, after approval of the Board, by exchange for the shares of Proctor and Gamble as set out below:

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

4. San Antonio Medical School: Establishment of the George W. Brackenridge Permanent Endowment Fund. --Approval was given to, and the Chairman was authorized to execute, an agreement with the trustees of the George W. Brackenridge Foundation to establish the George W. Brackenridge Permanent Endowment Fund for The University of Texas Medical School at San Antonio. The income from this endowment is to be used for scholarships and other educational purposes in connection with the San Antonio Medical School but no part of the principal or the income therefrom is to be used for the construction of any buildings. Gifts from the George W. Brackenridge Fund totaling more than \$100,000 have already been received for the establishment of this endowment fund. See Page 72.

B. Real Estate Matters

1. U. T. Austin - Brackenridge Tract - Cancellation of Ground Lease to Roland O. DeNoie at 3710 Lake Austin Boulevard. --Approval was given for the mutual cancellation of the ground lease at 3710 Lake Austin Boulevard (Brackenridge Tract) to Roland O. DeNoie. The lease was approved at the December 13, 1968, meeting of the Board for a small grocery, cafe and bait shop and living quarters in the rear for the period November 1, 1968, through December 31, 1969, at rental of \$50 per month. Rental was paid until January 1, 1969, and the property vacated prior to that time. The previous tenant, Mr. J. E. Buckbee, is engaged in arrangements for clearing the site.

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2. U. T. Austin: Brackenridge Tract, Boat Town Property. --In response to the recommendation that the Boat Town Property on Lake Austin in the Brackenridge Tract 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, Mr. Shelton, Executive Director of Investments, Trusts and Lands was authorized to call on the lessee to perform the remainder of his contract which expires on December 31, 1969, and in the interim the Administration was asked to submit specific recommendations for the use of the property. (See Page _____.)

3. U. T. Austin: Clint C. Small, Jr., Retained as Counsel in Carrying Out Agreement with Doctor C. P. Patterson (2305 Wooldridge Drive). --The following excerpt reflects the action taken by the Board at its meeting on April 1, 1966:

"The proposal of Doctor C. P. Patterson (a) to deed to the Board of Regents of The University of Texas at Austin 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

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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.

Approval was given to retain Mr. C. C. Small, Jr., 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, and Mr. Shelton was 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. Funds in the amount of \$4,250 are available in the C. P. Patterson gift expense account 30-9240-9450 to apply on this fee. See Page 72.

4. U. T. El Paso - Cotton Trust - Sale of Oil and Gas Leases on Lands In Hudspeth and Culberson Counties. --Approval was given for offering lands owned by the Cotton Trust in Culberson and Hudspeth Counties for oil and gas lease at public auction on May 15, 1969, following the already scheduled sale of oil and gas leases on University Lands by the Board for Lease of University Lands. The land will be offered as one tract comprising several parcels on which separate leases will be made not exceeding one section each. The minimum bonus that will be accepted will be \$2 per acre, the lease will be for 5 years with 1/6 royalty of oil and gas and annual delay rental of \$1 per acre.

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5. U. T. El Paso - Cotton Trust - Ratification of Lease on Month-to-Month Basis of Property at Coles and Fourth Streets, El Paso to Military Packaging, Inc. --Ratification was given of lease to Military Packaging, Inc. on a month to month basis of approximately 1.25 acres belonging to the Cotton Trust at Coles and Fourth Streets in El Paso, together with a metal building situated on the tract. The letter agreement, signed by the Executive Director, Investments, Trusts and Lands, provides for rental of \$500 per month payable in advance effective February 15, 1969, 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. Part of this property is scheduled to be taken for the proposed Chamizal Highway.
6. Anderson Hospital - Mose Gimbel Estate - Designation of Drilling Sites, Ambrose Mays Survey, Harris County. --Approval was given to proposal from Messrs. Ben and Max Marcus of Houston, for option to May 5, 1969, for \$1 for payment to the University of \$50,000 for its joining in the designation of 2 permanent 5-acre drilling sites on approximately 454.4 acres, Ambrose Mays Survey, Harris County, under which the University owns 1/2 interest in the minerals. This is the same price basis already agreed to by the owners of the other 1/2 of the minerals. Texaco now has a lease from the Board of Regents, dated June 16, 1967, for primary term of 5 years, with bonus of \$51 per mineral acre, \$10 per acre annual delay rental and 1/6 royalty. Delay rental was paid in June, 1968, of \$2,272.

Under the present proposal, the mineral owners will receive delay rental payable in 1969, if Texaco elects to pay this rental, but would forego the other 2 annual rentals.

The exact location of the 2 drilling sites will be designated by Texaco if it decides to maintain its lease. If not, the exact location will be agreed upon by the mineral owners and the Marcus brothers.

This is 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.

C. Bond Matters

1. 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 and Selection of Vinson, Elkins, Searls & Connally as Board Counsel and Sam Maclin as Bond Consultant. --Approval was given for an issue of bonds, in the amount of \$8,500,000 at The University of Texas at El Paso. Building Revenue Bonds, Series 1969, with part of the proceeds of the issue to be used for the dorm-

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itory and dining facilities and part for academic buildings. The Executive Director of Investments, Trusts and Lands was authorized to advertise the issue and call for bids to be received on May 1, 1969, with the award of the sale to be made by the Board of Regents at its meeting of May 2, 1969.

Approval was further given for the firm of Vinson, Elkins, Searls & Connally of Houston to serve as bond counsel and Mr. Sam Maclin of San Antonio to serve as bond consultant. Both had been named for the dormitory and dining facilities at the May 31, 1968, meeting of the Board before the bond issue was enlarged.

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REPORT OF MEDICAL AFFAIRS COMMITTEE (Pages 50-61 _____). -- Committee Chairman Josey filed with the Secretary and moved adoption of the following report of actions taken by the Medical Affairs Committee in open session. This motion was duly seconded and unanimously prevailed:

1. U. T. System: Establishment of Central Application Center for Dental and Medical Institutions. --A Central Application Center for receiving, processing and transmitting all applications for admission to the dental and medical schools of The University of Texas System and for working in liaison with an in-depth pre-medical--predental counseling and advising program on The University of Texas at Austin campus was authorized. The center will be located in the office of the Executive Vice-Chancellor for Health Affairs, and the operating costs for the center including the pilot program for counseling will be shared equally by the existing dental and medical schools.

2. Galveston Medical Branch: Amendment to the Bylaws of the Medical Staff of the Hospitals. --The Bylaws of the Medical Staff of the Hospitals of The University of Texas Medical Branch at Galveston were amended by deleting in Article VI, Section 2, the first sentence of the paragraph relating to the "House Staff Committee" and substituting in lieu thereof the following:

"The House Staff Committee shall consist of one member from each of the clinical departments, with the 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."

The administration was again instructed to present for the record at the next meeting of the Board of Regents the Bylaws of the Medical Staff of the Hospitals of The University of Texas Medical Branch at Galveston as amended. These Bylaws were originally adopted in 1957, and there have been numerous amendments since their adoption.

3. Anderson Hospital: Agreements with Respect to Lutheran Hospital (a) Six Points of Policy between Board of Directors of Lutheran Hospital, Anderson Hospital, and Board of Regents as Trustees of University Cancer Foundation and (b) between Board of Directors of Lutheran Hospital, Trustees of Marshall G. and Lillie A. Johnson Foundation, Inc., and Board of Regents as Trustees of University Cancer Foundation. --Upon recommendation of the Health Affairs Council and Executive Vice-Chancellor Le Maistre, concurred in by Chancellor Ransom, the agreements relating to the Lutheran Hospital as set out on Pages 51-60 _____ were authorized. Chairman Erwin was authorized to execute the documents when they have been approved as to form by a University attorney and as to content by Executive Vice-Chancellors Le Maistre and Walker. (See Pages 27, 72.)

(a) Agreement on Six Points of Policy between Board of Directors of Lutheran Hospital, Anderson Hospital, and Board of Regents as Trustees of University Cancer Foundation (Pages 51-53 _____.)

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AGREEMENT

THE STATE OF TEXAS X
 C
 COUNTY OF HARRIS X

WHEREAS, Lutheran Hospital, Houston, Texas (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 System 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 System 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

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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 its 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 chaplains offices (Lutheran) and staff and meditation and memorial rooms at no expense to the State. Lutheran will be responsible to raise the funds for building the chapel, including office, staff and meditation and memorial rooms. 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

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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 it for the Lutheran program as the Board of Directors (or any successor body) in consultation with The University of Texas System shall deem advisable.

6. Scope of Future Authority. Although the Lutheran Hospital will be owned and operated entirely by The University of Texas System, 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 System at Houston.

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

ATTEST:

Secretary

BOARD OF DIRECTORS OF THE LUTHERAN HOSPITAL

By _____
Chairman

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

By _____
President

ATTEST:

Secretary

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM

By _____
Chairman

Approved as to Form:

University Attorney

Approved as to Content:

Executive Vice-Chancellor for Health Affairs

Executive Vice-Chancellor for Business Affairs

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- (b) Agreement between Board of Directors of Lutheran Hospital, Trustees of Marshall G. and Lillie A. Johnson Foundation, Inc., and Board of Regents as Trustees of University Cancer Foundation (Pages 54-60.)

AGREEMENT

THE STATE OF TEXAS))
))
COUNTY OF HARRIS))

This AGREEMENT made and entered into this _____ day of _____, 1969, 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. JOHNSON FOUNDATION, INC., of Wharton County, Texas, hereinafter sometimes called "Johnson Foundation"; the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, hereinafter sometimes called "Board"; and the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, AS TRUSTEE 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

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the Board of Regents of The University of Texas System, as Trustee of the University Cancer Foundation, the Board hereby agrees to construct a hospital facility, wing, or pavilion for research, education, and service to patients with special diseases, related directly or indirectly to neoplastic diseases, on land owned or to be acquired by Board 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 Trustee 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

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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.

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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 owned by the Board of Regents of The University of Texas System and 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 Board.

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 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

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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:

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

Secretary

By _____
President

ATTEST:

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM AND BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, AS TRUSTEE OF THE UNIVERSITY CANCER FOUNDATION

Secretary

By _____
Chairman

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Approved as to Form:

Approved as to Content:

University Attorney

Executive Vice-Chancellor
for Health Affairs

Executive Vice-Chancellor
for Business Affairs

President
The University of Texas
M. D. Anderson Hospital and
Tumor Institute

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Approximately 51,700 acres of land, situated in DeSoto, Charlotte, and Highlands Counties, in the State of Florida, more particularly described as follows, to-wit:

1. Lands situated in Charlotte County, Florida:

Sections 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, and 24, all in Township 40 South, Range 27 East: N-1/2, N-1/2 of SE-1/4, SE-1/4 of SE-1/4, NE-1/4 of SW-1/4 of Section 1, and NE-1/4, N-1/2 of NW-1/4 and SE-1/4 of NW-1/4 of Section 2, all in Township 40 South Range 26 East.

2. Lands situated in Highlands County, Florida:

W-1/2 of Section 5, Sections 6 and 7, W-1/2 of Section 8, Sections 16, 18, 19, 21, and 28, S-1/2 and N-1/2 of NE-1/4 of Section 29, Sections 30, 31, 32, and 33, all in Township 39 South, Range 28 East.

3. Lands situated in DeSoto County, Florida:

Sections 1, 2, 3, 4, and 5, all of Section 6, excepting therefrom NE-1/4 of NW-1/4 of NE-1/4; W-1/2 of SE-1/4 of NE-1/4 of NW-1/4; and W-1/2 of NE-1/4 of NW-1/4 of NW-1/4; Sections 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, and 36, all in Township 39 South, Range 27 East: S-1/2 of Section 13, Sections 24, 25, S-1/2 of Section 32, Sections 33, 34, 35, and 36, all in Township 39 South, Range 26 East.

Containing 51,700 acres, more or less.

And the above-described land is the same property described in a previous deed dated May 17, 1963, from Marshall G. Johnson and Lillie A. Johnson to M. G. and Lillie A. Johnson Foundation, Inc., which is recorded in Official Record Book No. 20, page 584, in the Office of the Clerk of the Circuit Court of DeSoto County, Florida, and likewise recorded in the official records of Charlotte County and of Highlands County, Florida.

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4. Anderson Hospital: Authority to Board Horses on Facility Owned by Doctor Russell W. Cumley. --President Clark was authorized to board the horses used in the cancer clinical research program at The University of Texas M. D. Anderson Hospital and Tumor Institute at a facility owned by Doctor Russell W. Cumley, Head of the Department of Publications, at a cost of \$50.00 per horse per month.
5. Medical Institutions: Report of the System-Wide Long Range Planning Committee of the College of Pharmacy. --A report was received from Executive Vice-Chancellor LeMaistre that he and the other members of the Health Affairs Council have endorsed the following recommendations in a report of the System-Wide Long Range Planning Committee of the College of Pharmacy relating to the establishment of appropriate programs of pharmaceutical education at Medical Institutions at The University of Texas System:
 - 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 was granted to the Medical Institutions and Dean Sprowls to proceed with the evaluation of the opportunities for pharmaceutical education at suitable locations, including the general academic institutions, and to establish the cost for the development of such a program.

REPORT OF BOARD FOR LEASE OF UNIVERSITY LANDS. --At the meeting on March 4, 1969, of the Board for Lease of University Lands, Regent Peace reported that plans were approved for the oil and gas lease sale to be held in Austin on May 15, 1969. He reviewed the other actions taken by the Board for Lease at that meeting which will be reflected in the minutes of the Board for Lease of University Lands that is distributed to each member of the board.

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COMMITTEE OF THE WHOLE
(Pages 62-72)

Chairman Erwin presented the following report of the actions taken by the Committee of the Whole:

BOARD OF REGENTS: ORGANIZATION OF NEWLY CONSTITUTED BOARD: (1) RESIGNATION OF CHAIRMAN AND VICE-CHAIRMAN (2) ELECTION OF REGENT ERWIN AS CHAIRMAN (3) ELECTION OF REGENT JOSEY AS VICE-CHAIRMAN (4) ELECTION OF SECRETARY. -- This being the first meeting of the Board of Regents at which all three of the most recently appointed Regents had attended, Chairman Erwin submitted his resignation as Chairman and called for the organization of the newly constituted board in order to give the new Regents an opportunity to participate in selection of their officers.

Regent Frank C. Erwin, Jr., was re-elected Chairman of the Board of Regents.

Regent Jack S. Josey was re-elected as Vice-Chairman.

Betty Anne Thedford was re-elected as Secretary.

REGENTS' RULES AND REGULATIONS, PART ONE: AMENDMENTS TO CHAPTER V (GRADUATE EDUCATION IN THE BIO-MEDICAL INSTITUTIONS OF THE UNIVERSITY OF TEXAS SYSTEM) AND CHAPTER VI (STUDENT SERVICES AND ACTIVITIES) SECTIONS 3 AND 6. --The necessary rules were waived and final approval was given to amend the Regents' Rules and Regulations, Part One as follows:

1. By changing the title of Chapter V and adding a new subtitle to be styled as follows:

GRADUATE EDUCATION IN THE UNIVERSITY OF TEXAS SYSTEM

A. Graduate Education in the General Academic Institutions

2. By adding to Chapter V following Subdivision A, Section 9 a new subdivision to read as follows:

B. Graduate Education in the Bio-Medical Institutions

- Sec. 1. Each of the bio-medical institutions of The University of Texas System, as defined by the Chancellor and approved by the Board of Regents, may have a Graduate School or two or more institutions may have a combined Graduate School.

- 1.1 "Graduate" education, as the term is used in these rules excludes programs which lead to the M. D., D. D. S., M. P. H. and D. P. H. degrees or other advanced degree programs as specifically excluded by the Board of Regents.

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Sec. 2. The Chancellor has general responsibility for direction of the graduate programs and, subject to approval of the Board of Regents, is the ultimate authority in its administration.

Sec. 3. Relationship to the Health Affairs Council

The Chairman of the Graduate Council for the bio-medical institutions shall serve the Health Affairs Council on matters pertaining to graduate education.

Sec. 4. Graduate Council for the Bio-Medical Institutions

There shall be a Graduate Council for the Bio-Medical institutions to be made up of the graduate administrators of the institutions and one elected member from the graduate faculty of each institution, the latter to serve for a two year period. The Graduate Council shall elect its own Chairman. The Chancellor, Executive Vice-Chancellor for Health Affairs, and the institution heads shall be ex officio members without vote. The Graduate Council shall advise the Health Affairs Council on matters concerning graduate education in the bio-medical institutions, and shall make recommendations on policy, quality and coordination of future graduate programs.

Sec. 5. The head of each institution shall have authority over the graduate programs in that institution.

Sec. 6. Graduate Program Administrators

Each of the bio-medical institutions of The University of Texas System which offers graduate programs shall have a graduate administrator. The graduate administrator, who must be a member of the Graduate Faculty, shall be appointed by the institution head with the approval of the Chancellor and the Board of Regents.

Sec. 7. Graduate Faculties of the Medical Institutions

Each institution with a graduate program shall have a Graduate Faculty composed of persons qualified by their scholarly or creative work and effectiveness in teaching graduate students. The Graduate Faculties are composed of Members, Special Members, and Associates. The Graduate Faculty shall meet as a body at least once each academic year.

7.1 Membership in the Graduate Faculty

7.11 Any faculty member who holds a position of tenure in a department or comparable unit conducting an active graduate program not excluded under Section 1, or who has demonstrated competence in graduate education, and who is or on appointment will be, an active participant in such a graduate program, becomes a member of the Graduate Faculty upon certification by the appropriate Committee on Graduate Studies and approval by the graduate administrator, the head of the institution, the Executive Vice-Chancellor for Health Affairs, the Chancellor and the Board of Regents. Faculty members holding tenure positions in a department that does not have an active graduate program, but who are active participants in joint graduate programs may be certified by the appropriate Committee on Graduate Studies.

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7.12 Special Members. Outstanding persons from government, industry, and professions, foundations, or other academic institutions who are granted teaching responsibilities on a visiting or part-time basis in connection with the graduate program may be appointed a Special Member of the Graduate Faculty of that institution for the duration of his teaching assignment. The appointment shall be by nomination by the appropriate Committee on Graduate Studies and approval of the local graduate administrator and institution head.

7.13 Associates. Non-tenured Faculty Members or those who have yet to demonstrate competence in graduate education who will participate actively in graduate education and research may become Associates of the Graduate Faculty upon certification by the appropriate Committee on Graduate Studies and the graduate administrator and institution head. An Associate of the Graduate Faculty shall be eligible to supervise Master's theses, and on approval by the appropriate Committee on Graduate Studies, and with the approval of the graduate administrator, an Associate may supervise particular doctoral dissertations. An Associate is not eligible for membership on the Graduate Executive Committee.

7.2 Graduate Instruction

A thesis or dissertation course may be taught only by a Member, Special Member, or Associate of a Graduate Faculty.

Sec. 8. Institution Graduate Administration

The Graduate Faculty of each institution may exercise its legislative functions through a Graduate Executive Committee to consist of the local graduate administrator and not less than four members of the Graduate Faculty to be elected annually by the Graduate Faculty. The Graduate Executive Committee shall be responsible for formulating general academic policies of the graduate program at its institution and shall meet regularly during each academic year. The graduate administrator shall serve as Chairman but shall not vote except in case of tie votes.

Sec. 9. Committee on Graduate Studies

The Graduate Executive Committee at each institution may establish a Committee on Graduate Studies for each academic area in which a graduate program is offered or proposed.

9.1 The Committees on Graduate Studies shall make recommendations concerning new degree programs, new graduate courses, changes in graduate courses, and shall designate teachers of thesis or dissertation courses. These recommendations shall be reviewed by the Graduate Executive Committee for its approval. Each Committee on Graduate Studies is responsible for recommending admissions to candidacy for all graduate degrees in its academic area. Each committee shall elect its own Chairman.

9.2 Transitional Administration

Until there is a Committee on Graduate Studies for an academic area in which graduate work is offered or planned, the institutional Graduate Faculty shall perform the duties of the Committee on Graduate Studies through a committee appointed by the graduate administrator.

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Sec. 10. Graduate Advisors

In each academic department with a graduate program, the Chairman of the Department in consultation with that department's Committee on Graduate Studies and the graduate administrator shall appoint one or more Graduate Advisors for that area. The Graduate Advisor shall be the representative of the graduate administrator in all matters pertaining to the advising of graduate students taking major work in that academic area. The chairman retains responsibility for the general administration and development of the graduate program in his academic area. In the case of programs not confined to departments, the Chairman of the appropriate Committee on Graduate Studies in consultation with that committee and with the concurrence of the graduate administrator shall appoint a Graduate Advisor for that area.

Sec. 11. Each bio-medical institution shall prepare and maintain in a current state an institutional supplement pertaining to the operation of its graduate program. This shall be filed with the Chancellor.

3. By amending subsection 3 of Section 3 in Chapter VI 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.

4. By changing Section 6.12 to Section 6.13 and by amending the new Section 6.13 to read as follows:

6.13 Use of Physical Facilities of the University by Registered Student Organizations. --Registered student organizations may use an institution's buildings and/or grounds in compliance with reasonable and nondiscriminatory institutional regulations which shall specify the procedures under which such organizations may reserve the institution's buildings and/or grounds for their use. Groups of students which are not registered may not use the institution's buildings and/or grounds. Registered student organizations may not enter into joint sponsorship of any on-campus project or program with individuals, groups, or students which are not registered.

5. By substituting the following Section 6.12 and its subsections 6.121, 6.122 and 6.123 for the present Section 6.13 and its subsections 6.131, 6.132, 6.133 and 6.134:

6.12 No noncommercial solicitations, including fund-raising for charity, shall be permitted on a campus

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of a component institution of The University of Texas System without the prior approval of the institutional head or his delegate.

- 6.121 Such approval by the institutional head may be granted for solicitation or fund-raising for the needy or suffering, relief of the poor, or for public benevolent purposes, but it may not be granted 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.
- 6.122 Any noncommercial solicitation, including fund-raising for charity, that is approved by the institutional head or his delegate shall be conducted in accordance with reasonable institutional regulations regarding time, place, procedure, and financial reporting and accountability.
- 6.123 Notwithstanding the provisions of Section 6.121 above, with the approval of the institutional head or his delegate, a registered student organization may solicit or raise funds from its own members for the benefit of the organization but only at official meetings of the organization.

REGENTS' RULES AND REGULATIONS, PART TWO: AMENDMENTS TO CHAPTER X, SECTION 9 (MEMBERSHIP OF THE TEXAS UNION AT THE UNIVERSITY OF TEXAS AT AUSTIN). --Effective June 1, 1969, the Regents' Rules and Regulations, Part Two, Chapter X, Section 9.2 and its subsections were amended to read as follows:

- 9.2 The Board of Directors of the Texas Union shall consist of nine voting members: six students and three faculty members. The Dean of Students, or his delegate, the Secretary to the Board of Directors, and the Union Director shall be ex officio members without vote.
- 9.21 The faculty members shall be appointed by the President for three-year overlapping terms, one to be appointed each year. The first appointment is to be made effective September 1, 1969.
- 9.22 The student members shall be as follows: President of the Students' Association, 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.

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U. T. SYSTEM: REQUEST FOR ATTORNEY GENERAL'S OPINION RE OPTIONAL RETIREMENT PLAN. --Authority was given to request an opinion from the Attorney General on the clarification of the conditions for vesting of the individuals participating 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).

U. T. AUSTIN: TRANSPORTATION OF STUDENTS: (1) AUTHORIZATION TO NEGOTIATE WITH AUSTIN TRANSIT COMPANY FOR SHUTTLE BUS SERVICE AND (2) SPECIAL COMMITTEE TO STUDY TRANSPORTATION. --(1) A recommendation was received from Ben Brooks, Head of the Student Parking Committee, that the Regents enter into a contract with the Austin Transit Company for shuttle bus service within The University of Texas at Austin campus and the adjacent residential area bordered by San Jacinto, Lamar, 19th and 36th streets. Following that report, Business Manager Colvin was authorized to explore the feasibility of the implementation of Mr. Brook's recommendation and report back to the Board at its May meeting.

(2) Regent Peace, as Chairman of the Building and Grounds Committee, was authorized to appoint a committee to study the general problems of transportation on the campus of The University of Texas at Austin and specifically to explore the 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.

U. T. AUSTIN: MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF THE TEXAS UNION. --The minutes of the meeting of the Board of Directors of the Texas Union at The University of Texas at Austin held on February 26, 1969, were reviewed. The following modification of the action reflected in the minutes of February 26, 1969, was approved:

The Texas Union Board of Directors met on February 26, 1969, and approved a request by representatives of the local S. D. S. chapter that the S. D. S. be allowed to conduct a National Council meeting in the Texas Union on March 28, 29, and 30, 1969.

In accordance with Subsection 9.5, Section 9, Chapter X, Part Two, Regents' Rules and Regulations, copies of the minutes of the February 26 Texas Union Board meeting were delivered for review to the President of The University of Texas at Austin and for distribution to and review by the Chancellor and the Board of Regents.

After reviewing the Texas Union Board minutes and other appropriate documents, the Board of Regents, pursuant to authority granted in Subsection 9.11, Section 9, Chapter X, Part Two, Regents' Rules and Regulations, reversed the action of the Texas Union Board in approving the use of Texas Union facilities for an S. D. S. National Conference meeting and unanimously approved the joint recommendation of the Vice-President for Student Affairs of U. T. Austin, the President of U. T. Austin, the Executive Vice-Chancellor for Academic Affairs, and the Chancellor that the Board of Regents reject the S. D. S.'s request that Texas Union facilities be made available for the above stated purpose.

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U. T. AUSTIN: MANAGEMENT OF FOOD SERVICES IN THE TEXAS UNION TRANSFERRED TO TEXAS UNION BOARD. --With respect to the management of the food services in the Texas Union at The University of Texas at Austin, the recommendations of the Administration were amended and approved as follows:

1. That authority to manage and operate all food services currently available within the Texas Union Building and the neighboring plaza to the east between the Texas Union Building and the Academic Center be transferred from the Housing and Food Service Division of The University of Texas at Austin to the Texas Union Board effective 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. Food services at reasonable prices will be the responsibility of the Union Board. Catering services from the Union kitchen facilities for affairs outside the Union Building will be removed. If the monthly reports as required in Item No. 7 below reflect that there is a deficit, appropriate remedial action will be taken immediately.
2. That if and when repairs and improvements are needed in the Housing and Food Service area, the Union Board shall make application to the Board of Regents through appropriate channels for an appropriation to make such improvements.

These recommendations were made and were approved with the understanding:

1. That the approval of this authorization is on a trial basis for one year and predicated on a profitable operation.
2. That a thorough review and evaluation of the experiment will 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. That the budget for the operation of the Union Food Service, including subsequent changes in the budget, will 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. That personnel employed by the Union Food Service will be subject to the Rules and Regulations applicable to all University classified personnel.
5. That accounting for cash receipts, purchasing and expenditures will be in accordance with applicable procedures for other auxiliary enterprises.

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6. That repair and/or remodeling of facilities will be subject to Regents' Rules and Regulations applicable to all Buildings and Facilities.
7. That 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 Services. The format of this report will be approved by the Vice-President for Business Affairs of U. T. Austin.

See Page 66 for amendments to the Regents' Rules and Regulations, Part Two, with respect to the membership of the Texas Union Board.

U. T. AUSTIN: COMPLIMENTARY FOOTBALL TICKETS IN RELATION TO SEAT OPTIONS. --Chairman Erwin was authorized to appoint a committee to arrange for proper notification to those individuals who have been receiving complimentary tickets to the football games of The University of Texas at Austin with respect to the purchase of seat options. Those persons will need to purchase seat options if they desire to continue to sit in the section covered by the options. The committee was given authority to make any exceptions they deemed advisable.

U. T. AUSTIN: COMMITTEE TO STUDY DESIRABILITY OF UNIVERSITY OWNED AND OPERATED BOOKSTORE. --Chairman Erwin was authorized to appoint a committee to study the desirability of establishing a University owned and operated bookstore at The University of Texas at Austin with branches at strategic locations throughout the campus. The profits from such an establishment could be available for appropriations by the Board of Regents for educational purposes not now permitted under the Appropriations Bill.

U. T. AUSTIN: COMMITTEE AUTHORIZED TO STUDY ESTABLISHMENT OF SERVICE OUTLETS IN JESTER CENTER AREA. --President Hackerman was authorized to appoint a committee to consider the desirability of establishing in or near the Beauford Jester Center service outlets such as barber shops, beauty salons, drug stores, bookstores, and other outlets for furnishing personal service items with the request that a recommendation be made as soon as possible so that the services would be available by September 1, 1969, the date that the Jester Center will open.

U. T. AUSTIN: REAPPOINTMENT OF LEON BLACK AS HEAD BASKETBALL COACH FOR FIVE-YEAR PERIOD. --The recommendation of the Athletic Council, processed through appropriate channels, that Leon Black be reappointed as Head Basketball Coach at The University of Texas at Austin for a period of five years effective April 1, 1969, at his present salary was approved.

U. T. AUSTIN, U. T. ARLINGTON, U. T. EL PASO: DESIGNATION OF SPECIAL DEPOSITORY BANKS FOR RECEIVING AND KEEPING FUNDS ARISING FROM LOCAL EDUCATIONAL INCOME 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, Austin, Texas
The Capital National Bank, Austin, Texas
City National Bank of Austin, Austin, Texas
Texas State Bank, Austin, Texas
Citizens National Bank of Austin, Austin, Texas

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

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

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

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

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 the Comptroller, to per-

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form any and all acts and to prepare any and all notices necessary to properly notify the State Treasurer of:

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.

U. T. EL PASO: ACQUISITION OF LOTS 1, 2, 3, 4, AND 5, BLOCK 87, ALEXANDER ADDITION, CITY OF EL PASO, FROM DON R. THOMPSON (STATUTORY AUTHORITY FOR LAND CONTIGUOUS TO CAMPUS). -- Approval was given to purchase from Don R. Thompson lots 1, 2, 3, 4, and 5, block 87, Alexander addition to the City of El Paso, at a sum not to exceed \$18,750.00, funds to come from Skiles Act Bond proceeds. These lots are contiguous to the campus of The University of Texas at El Paso, and there is statutory authority for acquiring land contiguous to the campus.

ITEMS FOR THE RECORD. --The following item has been approved as indicated by the Committee of the Whole and is included herewith for ratification:

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.

SCHEDULED MEETINGS. --The meeting of the Board of Regents scheduled for April 26 was changed to May 2, 1969, in Arlington. The places of the other meetings previously designated are as follows:

June 20, 1969 - Galveston
August 1, 1969 - Austin

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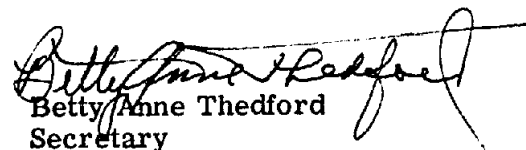
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CROSS REFERENCES. --The following items were considered by the Committee of the Whole but the action thereon is reported in the respective standing committees on the pages indicated below:

1. U. T. SYSTEM: Construction of Chancellor's Residence (Bauer House), Page 20.
2. PERMANENT UNIVERSITY FUND: Andrews and Gaines Counties Boundary Dispute, Page 39.
3. PERMANENT UNIVERSITY FUND: Permit Leases, Page 39.
4. U. T. AUSTIN: Retention of Legal Counsel in carrying out agreement with Doctor C. P. Patterson, Page 46.
5. U. T. AUSTIN: Brackenridge Tract -- Boat Town Property, Page 46.
6. SAN ANTONIO MEDICAL SCHOOL: Establishment of George W. Brackenridge Permanent Endowment Fund, Page 45.
7. U. T. AUSTIN: East Campus Library and Research Building named Sid W. Richardson Hall, Page 20.
8. ANDERSON HOSPITAL: Agreement with respect to Lutheran Hospital, Page 50.

Adoption of Report. --Without objection the foregoing report of the Committee of the Whole was adopted upon motion of Regent Ikard.

ADJOURNMENT. --The meeting was adjourned at 5:45 p. m.


Betty Anne Thedford
Secretary

March 20, 1969