

# OMISSION


Pages 2240 - 2800


*A. Ruth Baker*

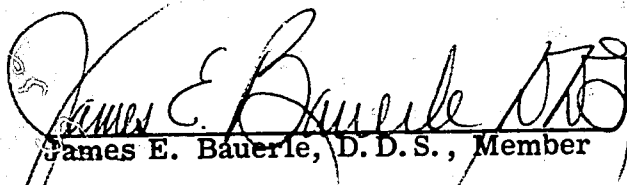
SIGNATURE OF OPERATOR


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 (March 26, 1976) to be reflected in the Minutes.


Signed this the 26th day of March, 1976, A. D.


  
Allan Shivers, Chairman

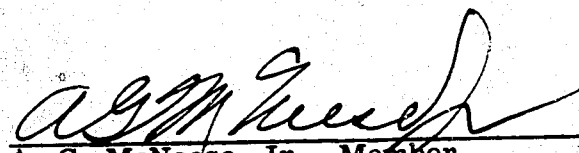
  
Dan C. Williams, Vice-Chairman

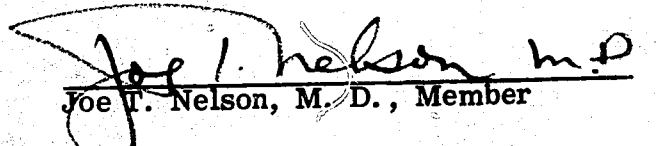
  
James E. Bauerle, D. D. S., Member

  
Edward Clark, Member

  
Mrs. Lyndon B. Johnson, Member  
(Mrs. Lyndon B.)

  
Thos. H. Law, Member

  
A. G. McNeese, Jr., Member

  
Joe T. Nelson, M. D., Member

  
Walter G. Sterling, Member

Meeting No. 739

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

PART ONE

[Including Minutes (Pages 1 - 85) and Deputy Chancellor's Docket No. 5 in Part (The University of Texas System through The University of Texas at Dallas)]

March 26, 1976

Austin, Texas

## MEETING NO. 739

FRIDAY, MARCH 26, 1976. --The regularly scheduled meeting of the Board of Regents of The University of Texas System convened on Friday, March 26, 1976, at 9:00 a. m. in Room 212 of the Main Building on the campus of The University of Texas at Austin, Austin, Texas.

## ATTENDANCE. --

Present

Chairman Shivers, presiding  
 Vice-Chairman Williams  
 Regent Bauerle  
 Regent Clark  
 Regent (Mrs.) Johnson  
 Regent Law  
 Regent McNeese  
 Regent Nelson  
 Regent Sterling

Absent

Secretary Thedford

Chancellor LeMaistre  
 Deputy Chancellor Walker

Chairman Shivers called the meeting to order.

INTRODUCTION OF GUESTS AND STUDENT REPRESENTATIVES. --  
 Chairman Shivers recognized Regent Sterling who introduced Mr. John B. Holmes of Houston, Texas, a member of the Board of Trustees of Hermann Hospital Estate.

After the introduction of Mr. Roy Vaughan, the newly elected Executive Director of the Ex-Students' Association at The University of Texas at Austin, and in response to Chairman Shivers' request, the student representatives present at the meeting were introduced:

U. T. Austin - President Rogers presented:

Mr. Jay Adkins, President-elect of Student Government  
 Mr. "Skip" Slyfield, Vice President-elect of Student Government

Galveston Medical Branch - President Levin presented:

Mr. Gregg Blackley, President of Student Government

U. T. Arlington - President Nedderman presented:

Ms. Lanette Prikryl, Reporter for Shorthorn

**BOARD OF REGENTS: APPROVAL OF MINUTES OF REGULAR MEETING ON FEBRUARY 13, 1976.** --The Minutes of the meeting of the Board of Regents of The University of Texas System held on February 13, 1976, in Austin, were approved as circulated by Secretary Thedford upon motion of Regent Sterling duly seconded. The official copy is recorded in the Permanent Minutes, Volume XXIII, beginning with Page 1659.

**BOARD OF REGENTS (U. T. ARLINGTON):** (1) RESOLUTION AUTHORIZING THE ISSUANCE OF BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, THE UNIVERSITY OF TEXAS AT ARLINGTON SUBORDINATE STATE AD VALOREM TAX BONDS, SERIES 1976, \$4,750,000, AND AWARDING OF SALE OF BONDS TO FORT WORTH NATIONAL BANK, FORT WORTH, TEXAS, (2) DESIGNATION OF CAPITAL NATIONAL BANK IN AUSTIN, AUSTIN, TEXAS, AND CHEMICAL BANK, NEW YORK, NEW YORK, BANKS OF PAYMENT, AND (3) AWARDING OF CONTRACT TO HELMS PRINTING COMPANY, INC., DALLAS, TEXAS, FOR PRINTING THE BONDS. --(1) The resolution set out on Pages 3 - 23 was duly introduced for the consideration of said Board and read in full. It was then duly moved by Regent McNeese and seconded by Regent Sterling that said resolution be adopted; and, after due discussion, said motion carrying with it the adoption of said resolution, prevailed and carried by the following vote:

AYES: All members of said Board voted "Aye."  $\leftarrow$

NOES: None

This bond issue is for the purpose of acquiring, constructing and initially equipping buildings or other permanent improvements at The University of Texas at Arlington.

The adoption of this resolution authorized issuance of Board of Regents of The University of Texas System, The University of Texas at Arlington Subordinate State Ad Valorem Tax Bonds, Series 1976, in the amount of \$4,750,000, and awarded the sale of the bonds to Fort Worth National Bank, Fort Worth, Texas, at a price equal to the principal amount thereof plus accrued interest thereon from the date thereof to the date of actual delivery (Page 20 ). The bonds shall bear interest at the rate of 3.80% per annum (Page 8 ).

(2) The bid of Capital National Bank in Austin, Austin, Texas, with Chemical Bank, New York, New York, to serve as Banks of Payment for the Board of Regents of The University of Texas System, The University of Texas at Arlington Subordinate State Ad Valorem Tax Bonds, Series 1976, in the amount of \$4,750,000 was accepted upon motion of Regent McNeese, seconded by Regent Sterling (Page 11 ). In accordance with this bid, the Capital National Bank in Austin, Austin, Texas, will pay the Board of Regents \$1,000 to act as the Bank of Payment with the Chemical Bank of New York, New York, as Co-Bank of Payment. Regent Clark abstained from voting on this motion.

(3) Upon motion of Regent McNeese, seconded by Regent Sterling, Helms Printing Company, Inc., Dallas, Texas, the lowest and best bidder, was awarded by unanimous vote the contract to print the Board of Regents of The University of Texas System, The University of Texas at Arlington Subordinate State Ad Valorem Tax Bonds, Series 1976, in the amount of \$4,750,000. These bonds are to be printed according to specifications with lithographed borders for the sum of \$654.50, there being one interest rate.

RESOLUTION AUTHORIZING THE ISSUANCE OF \$4,750,000  
BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS  
SYSTEM - THE UNIVERSITY OF TEXAS AT ARLINGTON  
SUBORDINATE STATE AD VALOREM TAX BONDS, SERIES 1976

THE STATE OF TEXAS. §

COUNTY OF TRAVIS §

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

ARTICLE I.

Constitutional and Statutory Authority  
Recitals and Findings

Section 1.01 University of Texas at Arlington. The University of Texas at Arlington (the "University") is duly created and existing under the Constitution and laws of the State of Texas.

Section 1.02 - Authority for this Resolution (the "Resolution"). The Board of Regents of the University of Texas System (sometimes the "Board") is authorized by the Constitution and laws of the State of Texas, particularly Article VII, Section 17, Texas Constitution, as amended in 1965 (the "Constitutional Provision"), to issue bonds, secured as provided in the Constitutional Provisions, for the purpose of acquiring, constructing and initially equipping buildings or other permanent improvements at such University.

Section 1.03 - Special Findings. It is hereby found, determined and declared that:

- (a) The Constitutional Provision is self-enacting and levies a state ad valorem tax on all of the taxable property in the State of Texas at the rate of ten cents (\$.10) on the One Hundred Dollars (\$100) valuation and authorizes the proceeds of said tax to be pledged to secure the payment of the principal of and interest on bonds issued pursuant thereto, and such tax levy.

became effective as of January 1, 1966, and will remain effective for taxes which will become due and payable in each year for a twelve-year period beginning January 1, 1966, and for each successive ten-year period thereafter.

(b) The Constitutional Provision provides for an allocation of proceeds of such tax for the twelve-year period commencing January 1, 1966, among the seventeen designated, state-supported institutions of higher learning and authorizes the governing boards of each of same to pledge any part of the fund allocated to it to pay the principal and interest on bonds issued thereunder.

(c) The Constitutional Provision requires that the Comptroller of Public Accounts of the State of Texas (sometimes the "Comptroller") make the June 1, 1966, allocation of eighty-five per cent (85%) of such funds based on the following determinations:

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

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

(d) Such determinations were made by said Coordinating Board and the Comptroller has made the June 1, 1966, allocation

to the University in the amount of 13.23138%.

(e) The Constitutional Provision requires that the Comptroller make the June 1, 1972 allocation of fifteen per cent (15%) of such funds based on the following determinations:

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

(f) Such determinations were made by said Coordinating Board and the Comptroller has made the June 1, 1972, allocation to the University in the amount of 4.71508%.

(g) The University has heretofore issued and now has outstanding Board of Regents of the University of Texas System - The University of Texas at Arlington State Ad Valorem Tax Bonds:

- (1) Series 1972, dated April 1, 1972, aggregating \$5,900,000 and
- (2) Series 1974, dated January 1, 1974, aggregating \$1,300,000,

(said Series 1972 and Series 1974 bonds being hereinafter sometimes referred to as the "Prior Pledge Bonds"), said Prior Pledge Bonds being payable from state ad valorem taxes levied under the Constitutional Provision.

(h) The assessed valuation of property in the State of Texas (less homestead exemptions) subject to such levy in accordance with the approved tax rolls, together with the Comptroller's official estimates of valuations for each year of the twelve-year



period and the figures representing the allocations among said seventeen designated, state-supported institutions of higher learning afford a basis for estimating the amount of money to be received by the University under such tax levy for each of the years of the said twelve-year period.

(1) It is necessary and desirable to issue, sell and deliver at this time \$4,750,000 bonds to be secured by tax moneys respectively allocated said University under the Constitutional Provision, said bonds to be subordinate in payment to the Prior Pledge Bonds, as hereinafter provided in this Resolution.

## ARTICLE II.

### Definitions and Interpretations

Section 2.01 - Definitions. Unless otherwise expressly provided, or unless the context otherwise requires, the terms defined in this Section shall have the respective meanings specified for all purposes of this Resolution except in the form of the bonds and of the interest coupons:

#### Bond or Bonds

The term "Bond" or "Bonds" shall mean any Bond or all Bonds, as appropriate, of the issue of the Board of Regents of the University of Texas System - The University of Texas at Arlington Subordinate State Ad Valorem Tax Bonds, Series 1976, authorized and issued pursuant to this Resolution.

#### Interest and Sinking Fund

The term "Interest and Sinking Fund" shall mean the Board of Regents of the University of Texas System - The University of Texas at Arlington Subordinate State Ad Valorem Tax Bonds, Series 1976, Interest and Sinking Fund created for the Bonds and established by this Resolution in the State Treasury.

Banks of Payment

\_\_\_\_\_, \_\_\_\_\_, Texas; and  
 \_\_\_\_\_, New York, New York.

Principal Bank of Payment

\_\_\_\_\_, \_\_\_\_\_, Texas.

Section 2.02 - Interpretations. The titles and headings of the Articles and Sections of this Resolution have been inserted for convenience of reference only and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms and provisions hereof. This Resolution and all the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein and to sustain the validity of the Bonds and the validity of the pledge of the taxes from which said Bonds are payable.

## ARTICLE III.

Authorization, Description  
and Execution of Bonds

Section 3.01 - Name, Amount, Purpose and Authorization. The coupon bonds of the University, to be known and designated as "BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM - THE UNIVERSITY OF TEXAS AT ARLINGTON SUBORDINATE STATE AD VALOREM TAX BONDS, SERIES 1976," shall be issued in the aggregate principal amount of \$4,750,000 for the purpose of acquiring, constructing and initially equipping buildings or other permanent improvements at said University, under and in strict conformity with the Constitution and laws of the State of Texas, including particularly Article VII, Section 17, Texas Constitution, as amended.

Section 3.02 - Date, Denomination and Maturity. The Bonds shall be dated May 1, 1976, shall be numbered consecutively from 1 to 950, both inclusive, shall be in the denomination of \$5,000

each, and all said Bonds shall mature on September 1, 1978.

Section 3.03 - Interest Rate and Principal and Interest

Payment. (a) Said Bonds shall bear interest evidenced by interest coupons at the rate of 3.80 % per annum, interest payable September 1, 1978.

(b) No payment of the principal of the Bonds shall be made until September 1, 1978, but payments of accrued interest shall be made on any March 1 and September 1 on or after which all principal and interest on the Prior Pledge Bonds have been paid in full or there has been set aside in the interest and sinking funds created therefor sufficient money to pay in full the principal of and interest to maturity on such Prior Pledge Bonds. Accrued interest payments will be made for periods of accrual in chronological order. All funds available to the Board for such purpose from taxes collected and allocated under the Constitutional Provision will be applied on each such March 1 and September 1 to the payment of interest on the Bonds on each occasion that the Board receives moneys from the Comptroller of Public Accounts of the State of Texas or from the Treasurer of the State of Texas for such purpose; if, however, on any such occasion the Board should receive insufficient monies to pay all the then chronologically accrued interest on all the Bonds, it shall determine by lot the Bonds on which such accrued interest can then be paid and shall direct the State Comptroller to pay same.

(c) If and when such funds are available to pay such accrued interest as herein set forth, then at least thirty days prior to the date fixed for any such payment, the Board shall cause a written notice of such proposed payment to be mailed to the Principal Bank of Payment and to the holders of the Bonds if known to the Board or published at least once in a financial

publication published in the City of Austin, Texas.

Section 3.04 - Payment of Principal of, Interest on, Characteristics and Execution of Bonds. That the Bonds, and the interest coupons appertaining thereto, shall be payable, shall have the characteristics, and shall be signed and executed (and said Bonds shall be sealed), all as provided, and in the manner indicated, in Section 3.03 and the Form of Bonds set forth in this Resolution.

Section 3.05 - Ownership of Bonds and Interest Coupons. That the Board and the Banks of Payment and any other person may treat the bearer of any Bond or the bearer of any interest coupon as the absolute owner of such Bond or interest coupon, as the case may be, for the purpose of making payments thereof and for all other purposes, and neither the Board nor the Banks of Payment shall be bound by any notice or knowledge to the contrary, whether such Bonds shall be overdue or not. All payments of or on account of the interest to any bearer of any interest coupons and all payments of or on account of principal to any bearer of any Bonds shall be valid and effectual and shall be a discharge of the Board and the Banks of Payment, irrespective of the liability upon the Bonds or interest coupons or claims for interest, as the case may be, to the extent of the sums paid.

Section 3.06 - Cancellation of Bonds or Coupons. All Bonds and all interest coupons surrendered to the Board or to the Banks of Payment for the purpose of payment or redemption shall be canceled, and no Bonds or interest coupons shall be issued in lieu thereof except as expressly permitted by any other provisions of this Resolution.

Section 3.07 - Mutilated, Lost, Destroyed or Wrongfully Taken Bonds or Coupons. If the bearer of any Bond or any interest

coupon claims that such Bond or interest coupon has been mutilated, lost, destroyed or wrongfully taken, the Board may, under the applicable provisions of Section 8.405, Texas Business and Commercial Code, and Article 715a, V.T.C.S., as presently existing or as may hereafter be amended, execute a new Bond or interest coupon of like tenor and date in exchange and substitution for the mutilated Bond or interest coupon or in lieu of and substitution for the Bond or interest coupon so lost, destroyed or wrongfully taken.

## ARTICLE IV.

Form of Bonds, Registration  
Certificate and Interest Coupons

The form of said Bonds, including the form of registration certificate of the Comptroller of Public Accounts of the State of Texas to be printed and endorsed on each of said Bonds, and the form of each of the aforesaid interest coupons which shall appertain and be attached initially to each of said Bonds, shall be, respectively, in substantially the following form:

FORM OF BONDS

No. \_\_\_\_\_ \$5,000

UNITED STATES OF AMERICA  
STATE OF TEXAS

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM -  
THE UNIVERSITY OF TEXAS AT ARLINGTON  
SUBORDINATE STATE AD VALOREM TAX BOND, SERIES 1976

FOR VALUE RECEIVED, the Board of Regents of the University of Texas System (sometimes hereinafter the "Board"), an agency of the State of Texas, for and on behalf of the University of Texas at Arlington, Arlington, Texas, (sometimes hereinafter the "University"), and as authorized by the Constitution of the State of Texas, hereby acknowledges itself indebted to and PROMISES TO PAY TO BEARER out of the proceeds of the ad valorem tax herein

described, on the 1st day of September, 1978, the sum of

FIVE THOUSAND DOLLARS

with interest thereon from the date hereof at the rate of \_\_\_\_\_% per annum, evidenced by five interest coupons payable September 1, 1978. However, as provided in the Resolution hereinafter mentioned, said coupons representing accrued interest may be paid at the option of the Board prior to September 1, 1978. Both principal of and interest on this bond shall be payable in any coin or currency of the United States of America which, on the date of payment of such principal and interest, is legal tender for the payment of debts due the United States of America, at Capital National Bank in Austin, Austin, Texas, or, at the option of the holder, at Chemical Bank, New York, New York, (the "Banks of Payment"). The principal hereof shall be payable only upon presentation and surrender of this bond, and the interest hereon falling due on this bond shall be payable only upon presentation and surrender of the interest coupons hereto attached.

THE DATE OF THIS BOND, in conformity with the resolution (the "Resolution") hereinafter mentioned, IS MAY 1, 1976.

THIS BOND IS ONE OF A SERIES OF 950 BONDS (the "Bond" or "Bonds") of like tenor and effect, except as to number, being numbered consecutively from 1 to 950, both inclusive, in the denomination of \$5,000 each, AGGREGATING \$4,750,000, issued on behalf of the University for the purpose of acquiring, constructing and initially equipping buildings or other permanent improvements at such University under and in strict conformity with the provisions of Section 17, of Article VII, Texas Constitution, as amended, and pursuant to the Resolution authorizing the issuance of the series of Bonds of which this is one, adopted on March 26,

1976, by the Board, and duly of record in the minutes of said Board.

THE BONDS OF WHICH THIS IS ONE are secured by a pledge of that part allocated to the University of the proceeds of a continuing tax on all of the taxable property in the State of Texas levied by Section 17 of Article VII of the Constitution, as amended on November 2, 1965, accumulated and held in the State Treasury to be used solely to pay the principal of and interest on the Board's outstanding The University of Texas at Arlington State Ad Valorem Tax Bonds, Series 1972 and Series 1974 (the "Prior Pledge Bonds"); provided, however, that no payment of the principal of or the interest on this Bond and the series of which it is a part shall be made until all of the principal of and interest on the Prior Pledge Bonds shall have been paid in full or until money has been set aside in the interest and sinking funds therefor sufficient to pay the principal thereof and interest thereon to maturity. The levy of such tax supporting the Bonds and the pledge thereof will remain effective so long as any of the Bonds is outstanding and unpaid.

IT IS FURTHER CERTIFIED AND RECITED that all acts, conditions and things required to be done precedent to and in the issuance of this Bond and this series of Bonds have happened and have been performed in regular and due time, form and manner as required by law; that this series of Bonds does not exceed any Constitutional or statutory limitation; and that provision has been made for the payment of the principal of and interest on this Bond and the series of which it is a part by irrevocably pledging as aforesaid the allocated proceeds of the continuing ad valorem tax hereinabove mentioned.

IN WITNESS WHEREOF, the Board of Regents of the University

MAR 26 1976

2167

of Texas System has caused the official seal of said Board to be duly impressed, or placed in facsimile, hereon, and has caused this Bond to be signed by the Chairman of said Board and attested by the Secretary of said Board, by their facsimile signatures, and the interest coupons hereto annexed also to be executed by the facsimile signatures of said Chairman and Secretary, all as of the date of this Bond.

BOARD OF REGENTS OF THE  
UNIVERSITY OF TEXAS SYSTEM

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

ATTEST:

\_\_\_\_\_  
Secretary

FORM OF REGISTRATION CERTIFICATE

COMPTROLLER'S REGISTRATION CERTIFICATE: REGISTER NO. \_\_\_\_\_

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

WITNESS my signature and seal this \_\_\_\_\_

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

(SEAL)



FORM OF INTEREST COUPON

No. \_\_\_\_\_ \$ \_\_\_\_\_

ON SEPTEMBER 1, 1978,

the Board of Regents of the University of Texas System, acting for and on behalf of the University of Texas at Arlington, PROMISES TO PAY TO BEARER, without exchange or collection charges, at Capital National Bank in Austin, Austin, Texas, or, at the option of the holder, at Chemical Bank, New York, New York, the amount shown hereon, in any coin or currency which on such date is legal tender for the payment of debts due the United States of America, out of the allocated proceeds of the ad valorem tax mentioned in the bond to which this coupon appertains, being interest due that date on the bond, bearing the number hereinafter designated, of that issue of Board of Regents of the University of Texas System - The University of Texas at Arlington Subordinate State Ad Valorem Tax Bonds, Series 1976, dated May 1, 1976.

No. \_\_\_\_\_, for the period from \_\_\_\_\_, 19\_\_ to \_\_\_\_\_, 19\_\_. As provided in the Resolution authorizing the issuance of the bond to which this coupon appertains, this coupon may be paid prior to September 1, 1978.

\_\_\_\_\_  
Chairman

\_\_\_\_\_  
Secretary

ARTICLE IV-A.

Legal Opinion and Cusip Numbers

The approving opinion of Vinson, Elkins, Searls, Connally & Smith, Houston, Texas, and cusip numbers may be printed on the backs of the Bonds, but errors or omissions of such numbers shall have no effect whatever on the validity of such Bonds.

## ARTICLE V.

Security of Bonds

Section 5.01 - Pledge of Payment. The Board hereby irrevocably pledges to the payment of the principal of and interest on the Bonds, with the exception of those funds pledged to the payment of the Prior Pledge Bonds and required to maintain the interest and sinking fund or funds heretofore established therefor and with the exception of those funds in excess of the amounts required to establish and maintain the Series 1976 Interest and Sinking Fund as hereinafter provided, the following:

(a) All moneys now in the State Treasury to the credit of the University realized from the collection of the continuing tax levied by the Constitutional Provision; and

(b) All of the funds realized from the collection of such continuing tax to which the University is entitled for each of the years 1966 to 1977, inclusive, on behalf of the University and allocated to it on June 1, 1966, and on June 1, 1972, by the Comptroller, which tax according to law becomes due on October 1 of each of said years; provided, however, no payment of the principal of or interest on the Bonds shall be made until the principal of and the interest on all of the Prior Pledge Bonds heretofore issued against such tax resources shall have been paid in full or until money has been set aside in the interest and sinking funds therefor sufficient to pay the principal thereof and interest thereon to maturity.

Section 5.02 - Duration of Pledge. If any of the Bonds or any interest thereon remain outstanding and unpaid on the date the Bonds are scheduled to mature, and in the event the Interest and Sinking Fund shall then contain insufficient money to pay all of such principal and interest and the expense incidental to the

making of such payments, to the extent of such deficiency, the proceeds from such continuing tax to which the University may be entitled under the allocation made by the Comptroller on June 1, 1966, and on June 1, 1972, or additional allocations or reallocation arrangements then in effect are pledged and such pledge shall remain effective until the Bonds shall have been paid in full with accrued interest thereon; but when provision shall have been made for the final payment of the Bonds by depositing money sufficient for the purpose in the Interest and Sinking Fund, the obligation under this Section 5.02 will have been fully satisfied and such pledge will have been released.

Section 5.03 - Use of Tax Funds. The money pledged to the payment of the Prior Pledge Bonds and the Bonds shall be used solely to pay the principal of and interest on the Prior Pledge Bonds and the Bonds and to defray the expense incident to such payments so long as any of such bonds or interest thereon is outstanding and unpaid. After provision shall have been made by accumulating in the Interest and Sinking Funds established for the Prior Pledge Bonds and the Bonds sufficient money available for the purpose, which can be used for no other purpose, to pay all of such Prior Pledge Bonds and the Bonds and interest calculated thereon to maturity, the Board reserves the right to use money in excess thereof for such purposes as may be permitted under the Constitutional Provision; provided, however, that said Board shall not issue additional obligations payable from such continuing tax authorized by said Constitutional Provision unless the pledge of such tax to the payment of such additional obligations is made junior and subordinate to the pledge of such tax to the payment of the Prior Pledge Bonds and the Bonds.

Section 5.04 - Bonds on a Parity. That no one of said Bonds

shall be entitled to priority over any other Bond of this issue in the application of the money in the allocated funds which have been pledged to the payment of the principal of and interest on the Bonds, regardless of the fact that some of the Bonds may be delivered prior to the delivery of other Bonds.

ARTICLE VI.

Application of Bond Proceeds

Section 6.01 - Bond Proceeds. The proceeds from the sale of the Bonds will be disbursed strictly in accordance with this Article.

Section 6.02 - Accrued Interest and Premium, if Any.

Moneys received from the purchasers of the Bonds representing accrued interest on the Bonds from their date to the date of actual delivery, plus any premium on the Bonds, shall be deposited into the Interest and Sinking Fund.

Section 6.03 - Use of Proceeds of Sale of Bonds. The proceeds from the sale of the Bonds, after making the deposit hereinabove provided, shall be used solely for the purposes of acquiring, constructing and initially equipping buildings or other permanent improvements at the University.

Section 6.04 - Surplus Bond Proceeds. If there are any surplus bond proceeds remaining after accomplishing the purposes set forth in Section 6.03, any moneys remaining of the Bond proceeds shall be deposited into the Interest and Sinking Fund.

ARTICLE VII.

Interest and Sinking Fund

That:

(a) The Treasurer of the State of Texas shall establish in the State Treasury a fund to be known as "The Board of Regents of the University of Texas System - The University of Texas at

Arlington Subordinate State Ad Valorem Tax Bonds, Series 1976, Interest and Sinking Fund";

(b) Upon receipt by the Treasurer of a certified copy of this Resolution the State Treasurer shall place to the credit of the Interest and Sinking Fund all money pledged herein (including the amounts mentioned in Section 6.02 and 6.04) for the payment of the Bonds and interest thereon, and allocated to the University; and

(c) As received in the State Treasury the said allocated money of the University shall be credited to the Interest and Sinking Fund in the manner and to be held in accordance with the pledge and subject to the provision, contained in Article V hereof.

#### ARTICLE VIII.

##### Procedure for Remitting to Banks of Payment

That:

(a) In accordance with the requirements of the Constitutional Provision that "The State Comptroller of Public Accounts shall draw all necessary and proper warrants upon the State Treasury, in order to carry out the purpose of this amendment", to the end that money will be available at the Banks of Payment in ample time to pay the principal of and interest on the Bonds, as such principal and interest respectively matures, the Comptroller of Public Accounts of the State of Texas on or before the first February 15 or August 15, after all of the Prior Pledge Bonds have been paid or funded as required by the Resolution, and thereafter on or before each February 15 and August 15 of each year while any of the Bonds are outstanding and unpaid, shall draw a warrant against the Interest and Sinking Fund in the amount of the interest that will have accrued on the Bonds on or

before the succeeding March 1 or September 1, as the case may be, to the extent there are monies therein sufficient to pay interest on the Bonds for one or more periods of accrual. Such warrant to be drawn on or before August 15, 1978, shall include the principal of the Bonds maturing on September 1, 1978. The amount of each such warrant shall be increased by the amount of the charges of the Banks of Payment for making payment of the Bonds or coupons or both Bonds and coupons scheduled to mature in each such instance. Within the discretion of the Comptroller of Public Accounts he may draw a separate warrant for the payment of such charges.

(b) Each such warrant shall be made payable to the order of the Principal Bank of Payment designated in Section 2.01, and the Comptroller shall deliver such warrant to the payee bank.

(c) The Principal Bank of Payment shall out of moneys remitted to it under the provisions of this Article VII, and not otherwise, make available at the other Bank of Payment specified in Section 2.01 hereof funds sufficient to pay such of the Bonds and such of the coupons as are presented for payment at such Banks and the Principal Bank of Payment. The Principal Bank of Payment by accepting designation as such Principal Bank of Payment agrees and is obligated to perform such service.

#### ARTICLE IX.

##### Enforcement of Rights of Bondholders

That all rights available to the holders of the Bonds under the Constitution and laws of the State of Texas, by suit for mandamus or otherwise, to compel the performance of their official duties by the Board, its officers, the officers of counties, or the officers of the State, to the end that the principal of and interest on the Bonds may be paid promptly, are hereby recognized

and reserved to and for the holders of the Bonds and the coupons appurtenant thereto.

ARTICLE X.

Sale, Approval, Registration and  
Delivery of Bonds

Section 10.01 - Sale of Bonds. The sale of the Bonds to Fort Worth National Bank, Fort Worth, Texas, at a price equal to the principal amount thereof, plus accrued interest thereon from the date thereof to the date of actual delivery plus a cash premium of \$ - 0 -, subject to the approving opinion as to the legality of the Bonds by the Attorney General of the State of Texas and Vinson, Elkins, Searls, Connally & Smith, Houston, Texas, market attorneys, is hereby authorized, approved, ratified and confirmed, it being hereby affirmatively found and declared that said sale was made through competitive bids as required by the Constitutional Provision.

Section 10.02 - Approval, Registration and Delivery of Bonds. The Chairman and Secretary are hereby authorized and directed to take and have charge of the records and proceedings of the Bonds, and the Bonds, pending their approval by the Attorney General of the State of Texas, and their registration by the Comptroller of Public Accounts. Upon registration of such Bonds, the Comptroller (or a deputy designated in writing to act for the Comptroller) shall manually sign the Comptroller's certificate of registration described herein to be printed on the back of each Bond, and the seal of the Comptroller shall be impressed, or placed in facsimile, on each of said Bonds. When the Bonds have been approved by the Attorney General and registered by the Comptroller of Public Accounts, they shall be delivered to the purchaser named above upon receipt of the full purchase price.

## ARTICLE XI.

Arbitrage and Debt Service Grants Covenants

The Board hereby specially covenants and agrees with the original purchasers and holders of the Bonds and with the owners or holders from time to time of said Bonds as follows:

(1) That the Board certifies that based upon all facts, estimates and circumstances now known or reasonably expected to be in existence on the date the Bonds are delivered and paid for, the Board reasonably expects that the proceeds of the Bonds will not be used in a manner that would cause the Bonds or any portion of the Bonds to be an "arbitrage bond" under Section 103(d)(2) of the Internal Revenue Code of 1954, as amended, and the temporary and proposed regulations heretofore prescribed thereunder, including, without limitation, Sections 1.103-13 and 1.103-14 of the proposed regulations published in the Federal Register on May 3, 1973. Furthermore, all officers, employees and agents of the Board and the University are authorized and directed to provide certifications of facts, estimates and circumstances which are material to the reasonable expectations of the Board as of the date the Bonds are delivered and paid for, and any such certifications may be relied upon by counsel, by the owners or holders of the Bonds, or by any person interested in the exemption of interest on the Bonds from Federal income taxation. Moreover, the Board covenants that it shall make such use of the proceeds of the Bonds, regulate investments of proceeds of the Bonds, and take such other and further action as may be required so that the Bonds shall not be "arbitrage bonds" under Section 103(d) of the Internal Revenue Code of 1954, as amended, and regulations prescribed from time to time thereunder.

(2) The Board covenants that it will not permit to be



deposited to the credit of the Interest and Sinking Fund herein established or applied to the payment of the principal of or interest on the Bonds any proceeds from any grant, donation or income received from the United States Government, whether pursuant to agreement or otherwise, if such deposit or application would result in interest payable on the Bonds being includable in whole or in part in Gross Income, under Section 103 of the Internal Revenue Code, for Federal income taxes.

## ARTICLE XII.

### Miscellaneous Provisions

Section 12.01 - No Recourse Against Board Officers. No recourse shall be had for the payment of the principal or interest on the Bonds or for any claim based thereon or in this Resolution against any officer of the Board or any person executing the Bonds.

Section 12.02 - Banks of Payment May Own Bonds. The Banks of Payment, in their individual or other capacity, may become the owners or pledgees of the Bonds with the same rights they would have if they were not the Banks of Payment.

Section 12.03 - Legal Holidays. In any case where the date of maturity of interest and payment of the Bonds shall be in the State of Texas or New York, as the case may be, a legal holiday or a day on which banking institutions are authorized by law to close, then payment of interest or principal need not be made on such date but may be made on the next succeeding day not a legal holiday or a day on which banking institutions are authorized by law to close in the State of Texas or New York, as the case may be, with the same force and effect as if made on the date of maturity and no interest shall accrue for the period from and after such date.

Section 12.04 - Severability Clause. If any word, phrase, clause, sentence, paragraph, section or other part of this Resolution, or the application thereof to any person or circumstance, shall ever be held to be invalid or unconstitutional by any court of competent jurisdiction, the remainder of this Resolution and the application of such word, phrase, clause, sentence, paragraph, section or other part of this Resolution to any other person or circumstance shall not be affected thereby.

Section 12.05 - Further Procedures. The Chairman and Secretary of the Board and other appropriate officials of the Board are hereby authorized and directed to do any and all things necessary and/or convenient to carry out the terms of this Resolution.

Section 12.06 - Approval of Official Notice of Sale, Statement and Bid Form.\* The Official Notice of Sale, Official Statement and Official Bid Form relating to the Bonds and submitted to this Board are found to be correct and are hereby approved.

*See attachment following this page.*

OFFICIAL NOTICE OF SALE & OFFICIAL STATEMENT

\$4,750,000

BOARD OF REGENTS OF  
THE UNIVERSITY OF TEXAS SYSTEM  
THE UNIVERSITY OF TEXAS AT ARLINGTON  
SUBORDINATE STATE AD VALOREM TAX BONDS  
SERIES 1976

BIDS TO BE OPENED ON THURSDAY, MARCH 25, 1976 AT 11:00 A.M., C.S.T.

BOARD OF REGENTS  
THE UNIVERSITY OF TEXAS SYSTEM

Allan Shivers, Chairman	Austin
Dan C. Williams, Vice Chairman	Dallas
James E. Bauerle, D.D.S.	San Antonio
Edward Clark	Austin
Mrs. Lyndon B. Johnson	Stonewall
Thomas H. Law	Fort Worth
A. G. McNeese, Jr.	Houston
Joe T. Nelson, M.D.	Weatherford
Walter G. Sterling	Houston

Betty Anne Thedford, Secretary

FINANCE-RELATED OFFICIALS OF THE UNIVERSITY OF TEXAS SYSTEM

Dr. Charles A. LeMaistre	Chancellor
Mr. E. D. Walker	Deputy Chancellor
Mr. William L. Lobb	Associate Deputy Chancellor for Investments, Trusts and Lands
Mr. Graves W. Landrum	Associate Deputy Chancellor for Operations
Mr. Frank Graydon	Budget Director
Mr. R. L. Andersen	Comptroller
Mr. James T. Fitzpatrick	General Counsel
Mr. Ralph Kristoferson	Director, Facilities Planning and Construction

Vinson, Elkins, Searls, Connally & Smith  
Houston, Texas  
Bond Counsel

S. E. Maclin  
Russ Securities Corporation  
San Antonio, Texas  
Bond Consultant

OFFICIAL NOTICE OF SALE

\$4,750,000  
BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM  
THE UNIVERSITY OF TEXAS AT ARLINGTON  
SUBORDINATE STATE AD VALOREM TAX BONDS, SERIES 1976

Bids to be Received  
Thursday, March 25, 1976, at 11:00 A.M., C.S.T.

**Time of Sale:** Sealed bids will be received by representatives of the Board of The University of Texas System in the Office of Investments, Trusts and Lands, 4. 6th Street, Austin, Texas, until 11:00 A.M., C.S.T., March 25, 1976, as described in the attached OFFICIAL STATEMENT, at which time said bids will be publicly opened and read. Award of the bonds is expected to be made by 9:30 A.M. by the Board of Regents at its meeting on March 26, 1976.

**Bids:** Sealed bids, plainly marked "BID FOR UNIVERSITY OF TEXAS AT ARLINGTON" should be addressed to "Board of Regents, The University of Texas System c/o L. Lobb, Associate Deputy Chancellor for Investments, Trusts and Lands, The University of Texas System, P. O. Box 7968, Austin, Texas, 78712". All bids must be on the "OFFICIAL BID FORM", copies of which are enclosed herewith.

**Interest Rates:** The bonds will be sold in one block on an "all or none" basis and no bid of less than par and accrued interest will be considered. The rate of interest to be borne by the bonds provided the interest rate named shall not exceed 6%. The rate named must be in multiples of 1/20th of 1%. Bids involving supplemental coupons or split interest rates will not be considered.

**Deposit:** Each bid must be accompanied by a Cashier's Check payable to the University of Texas System in the amount of \$95,000, which is 2% of the par value of the bonds. This check will be considered as a good faith deposit, and the successful bidder will be cashed and retained by the University to secure performance of the contract by such bidder. In the event such bidder should fail to take up and pay for the bonds in accordance with his bid, then the good faith deposit shall be accepted by The University of Texas System as full liquidated damages. Otherwise, said good faith deposit will be applied to the purchase price of the bonds. No interest will be allowed on the good faith deposit. The successful bidder, and the checks of the unsuccessful bidders will be returned as soon as the best bid is determined.

The Board will furnish a complete transcript of proceedings had in connection with the authorization and issuance of the bonds, including the unqualified legal opinion of the Attorney General of Texas to the effect that the bonds are valid and legally binding obligations of the Board, and, based upon such transcript of the proceedings, the unqualified approving opinion of Messrs. Vinson, Elkins, Searls, Connally & Smith, bond counsel, to the effect that the interest on the bonds is exempt from taxation under existing statutes, regulations and Court decisions. Messrs. Vinson, Elkins, Searls, Connally & Smith did not take part in the preparation of the Official Notice of Sale or the Official Statement nor has such firm independently verified any of the information contained therein, except to the extent of its capacity as bond counsel, such firm has reviewed the information

describing the bonds in such Notice and Statement to verify that such description conforms to the provisions of the bond resolution. The legal fees to be paid to Messrs. Vinson, Elkins, Searls, Connally & Smith for services rendered in connection with the issuance of the bonds are contingent on the sale and delivery of the bonds.

**No-Litigation Certificate:** The Board will execute, and deliver to the successful purchaser, a certificate to the effect that no litigation of any nature has been filed or is then pending to restrain or enjoin the issuance or delivery of said bonds or the coupons appertaining thereto, or which would affect the provisions made for their payment or security, or in any manner questioning the validity of said bonds or coupons.

**Certification as to Official Statement:** The Board will furnish the successful bidder a certificate at the time of delivery, executed by a proper officer or officers of the Board, acting in their official capacity, to the effect that to the best of their knowledge and belief, and after reasonable investigation: (a) the Official Statement nor any amendment or supplement thereto contains any untrue statement of a material fact necessary to make the statements therein, in light of the circumstances in which they were made not misleading; (b) since the date of the Official Statement no event has occurred which should have been set forth in an amendment or supplement to the Official Statement which has not been set forth in such an amendment or supplement; nor (c) has there been any material adverse change in the operation or financial affairs of the University since the date of such Official Statement.

**Printed Bonds:** The Board will furnish printed bonds on lithographed borders to the purchaser. The legal opinion of Messrs. Vinson, Elkins, Searls, Connally & Smith will be printed on the bonds.

**CUSIP Numbers:** It is anticipated that CUSIP identification numbers will be printed on said bonds, but neither the failure to print such number on any bond nor any error with respect thereto shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and pay for said bonds in accordance with the terms of the purchase contract. All expenses in relation to the printing of CUSIP numbers on said bonds shall be paid for by the issuer; provided, however, that the CUSIP Service Bureau charge for the assignment of said numbers shall be the responsibility of and shall be paid for by the purchaser.

**Paying Agent Banks:** On the date these bonds are sold, the Board of Regents of The University of Texas System will select a Texas Bank with assets in excess of \$100,000,000 as paying agent on these bonds, and a New York City Bank as co-paying agent. The selection of paying agents will be at the sole discretion of the Board of Regents.

**Delivery:** Delivery of the bonds will be made at the expense of the U.T. System at a bank in Austin, Texas; provided, however, that the purchaser may arrange with the Board for delivery of the bonds at a bank in another city, at the expense of the purchaser. It is anticipated that delivery can be made on or about May 3, 1976, and it is understood and agreed that the purchaser will accept delivery and make payment in Federal Funds of the agreed purchase price, less the amount of the Good Faith Deposit, on or before May 3, 1976, or thereafter when the bonds are tendered for delivery up to and including June 1, 1976. The purchaser shall be given at least seven days notice of the time which The University of Texas System has fixed for delivery. The purchaser shall make proper payment for the bonds prior to 12:00 noon C.D.T. on the date so fixed for delivery. If for any reason The University of

Texas System is unable to tender the bonds for delivery by June 1, 1976, then the System shall immediately contact the successful bidder to allow said bidder to extend his bid for an additional 30 days. If the successful bidder does not elect to extend his offer within five days after such notification, then the Good Faith Deposit will be returned and both The University of Texas System and the successful bidder shall be relieved of further obligation.

Responsibility for Qualification of Bonds for Sale in Respective States: The Board assumes no responsibility for qualification of the bonds under the securities laws of any jurisdiction in which the bond may be sold, assigned, pledged, hypothecated or otherwise transferred. This disclaimer of responsibility for qualification for sale or other disposition of the bonds shall not be construed as an interpretation of any kind with regard to the availability of any exemption from securities registration provisions.

Additional Copies of Notice of Sale, Bid Form, and Bond Resolution: Additional copies of the Official Notice of Sale, Official Statement, Official Bid Form, and copies of the Bond Resolution may be obtained at the office of the Associate Deputy Chancellor for Investments, Trusts and Lands, The University of Texas System, P. O. Box 7968, Austin, Texas, 78712 or Russ Securities Corporation, 1605 Alamo National Building, San Antonio, Texas, 78205.

In case of errors in net interest cost calculations, coupons named will govern, however the Board reserves the right to reject any and all bids, and to waive any and all irregularities.

William L. Lobb, Associate Deputy Chancellor  
for Investments, Trusts & Lands  
The University of Texas System

February 20, 1976

This Official Statement does not constitute an offer to sell Bonds in any jurisdiction to any person to whom it is unlawful to make such offer in such jurisdiction. No dealer, salesman, or any other person has been authorized to give any information or make any representation, other than those contained herein, in connection with the offering of these Bonds, and if given or made, such information or representation must not be relied upon. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Board of Regents since February 20, 1976, which is the date of this Official Statement.

OFFICIAL STATEMENT

\$4,750,000  
BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM  
THE UNIVERSITY OF TEXAS AT ARLINGTON  
SUBORDINATE STATE AD VALOREM TAX BONDS, SERIES 1976

Dated: May 1, 1976

Denomination: \$5,000

Principal and interest due September 1, 1978 payable at

AMOUNT, MATURITY, COUPON RATE AND PRICE OR YIELD

Amount	Due September 1 1978	Coupon Rate	Price or Yield
\$4,750,000			

(Accrued Interest to be Added)

REDEMPTION PROVISION: These bonds will be non-redeemable prior to maturity.

AUTHORITY FOR ISSUANCE AND PURPOSE: These bonds are being issued in behalf of The University of Texas at Arlington pursuant to Section 17 of Article VII of the Constitution of Texas, as amended, November 2, 1965, hereinafter referred to as the "Constitutional Provision", for the purpose of acquiring, constructing and initially equipping buildings or other permanent improvements at the University. The Constitutional Provision is self-enacting and has levied a continuing ad valorem tax on all of the taxable property in the State of Texas at the rate of 10¢ on the \$100 Assessed Valuation, and authorizes the proceeds of the tax to be pledged to pay the principal and interest on bonds or notes issued pursuant to the Provision. Said Constitutional Provision provides for the allocation of the proceeds of such tax for the 12-year period which began January 1, 1966, among seventeen designated state colleges and universities (the "Eligible Institutions"), of which The University of Texas at Arlington is one.

SECURITY: These bonds will be secured by and payable from a subordinate pledge of all receipts of the aforementioned 10¢ State ad valorem tax allocated to The University of Texas at Arlington, subject only to the prior pledge and rights of the presently outstanding \$7,200,000 The University of Texas at Arlington State Ad Valorem Tax Bonds, Series 1972 and 1974 (collectively sometimes hereinafter referred to as the "Prior Pledge Bonds"). These Subordinate Series 1976 Bonds offered herein are subordinate to the rights and payment of the Prior Pledge Bonds and are payable only after all principal and interest on the Prior Pledge Bonds have

been paid in full or until money has been set aside in the interest and sinking funds therefor sufficient to pay in full said Prior Pledge Bonds principal and interest to maturity. The levy of the State ad valorem tax supporting the Prior Pledge Bonds and these Subordinate Series 1976 Bonds will remain effective so long as any of said bonds are outstanding and unpaid. The Prior Pledge Bonds are also secured by the pledge of an H.E.W. Annual Interest Subsidy Grant finalized in the amount of \$19,655 per year through fiscal year 1978.

**INTEREST PAYMENTS ON SUBORDINATE BONDS:** Interest on these Subordinate Series 1976 Bonds shall be due September 1, 1978; however, payments of accrued interest on such bonds shall be made on any March 1 and September 1 on and after which there has been set aside in the interest and sinking funds created therefor sufficient money to pay in full the principal of and interest on the Prior Pledge Bonds. Accrued interest payments on the Subordinate Series 1976 Bonds will be made for periods of accrual in chronological order. All funds available to the Board for such accrued interest payments, from taxes collected and allocated under the Constitutional Provision, will be applied on each such March 1 and September 1 to the payment of interest on the Subordinate Series 1976 Bonds on each occasion that the Board receives moneys from the Comptroller of Public Accounts of the State of Texas or from the Treasurer of the State of Texas for such purpose.

**PAYMENT RECORD:** No publicly held bonds issued against the credit of the State of Texas have ever defaulted.

**LEGALITY:** Attorney General of the State of Texas and Messrs. Vinson, Elkins, Searls, Connally & Smith, Attorneys, Houston, Texas.

**DELIVERY:** Anticipated on or about May 3, 1976.

**ELIGIBILITY AS INVESTMENTS:** In the opinion of Bond Counsel, these Subordinate Series 1976 Bonds are legal and authorized investments in Texas for all banks, trust companies, building and loan associations, savings and loan associations, insurance companies of all kinds and types, fiduciaries, trustees, and guardians, and for all interest and sinking funds and other public funds of the State of Texas and all agencies, subdivisions, and instrumentalities thereof, including all counties, cities, towns, villages, school districts, and all other kinds and types of districts, public agencies and bodies politic. Said Bonds also shall be eligible and lawful security for all deposits of public funds of the State of Texas and all agencies, subdivisions, and instrumentalities thereof, including all counties, cities, towns, villages, school districts, and all other kinds and types of districts, public agencies, and bodies politic, to the extent of the market value of said Bonds, when accompanied by any unmaturing interest coupons appurtenant thereto.

**ADDITIONAL BONDS:** The Board of Regents will not issue any additional obligations payable from the aforementioned State ad valorem tax unless the pledge of such tax to the payment of such additional obligations is made junior and subordinate to the pledge of such tax to the payment of the Prior Pledge Bonds and the Subordinate Series 1976 Bonds offered herein.

**INTEREST AND SINKING FUND:** The Treasurer of the State of Texas will establish in the State Treasury an Interest and Sinking Fund with respect to the Subordinate Series 1976 Bonds. The money in this Interest and Sinking Fund shall be used solely to pay the principal and interest on the said Bonds and to defray the expenses incident to such payments so long as any of the Bonds or interest thereon is outstanding and unpaid. After full provision shall have been made by accumulating the Interest and Sinking Fund sufficient money available to pay all of the Subordinate Series 1976 Bonds, the Board of Regents of The University of Texas System reserves the right to use money in excess thereof for such purposes as may be permitted under the Constitutional Provision.

**ALLOCATION OF THE 10¢ STATE TAX:** The Constitutional Provision requires the Comptroller of Public Accounts of the State of Texas (the Comptroller) to allocate to the Eligible Institutions the funds to be raised by the subject tax for the twelve year period beginning January 1, 1966, with 85% of such funds to be allocated on June 1, 1966, and 15% thereof to be allocated on June 1, 1972. These allocations have been made as follows:

	Percentage Allocations	
	85% of Net Tax Receipts	15% of Net Tax Receipts
The University of Texas at Arlington	13.23138%	4.71508%
Texas Southern University	3.05517%	1.75788%
University of Houston	16.14029%	8.67321%
Texas Woman's University	2.48632%	1.70139%
Texas A&I University	3.47217%	6.06332%
Texas Technological University	13.41922%	5.45438%
Lamar University	8.28101%	8.17816%
Midwestern University	2.73844%	1.55226%
Pan American University	2.59439%	4.42073%
East Texas State University	3.97170%	4.63570%
North Texas State University	11.03214%	8.45225%
Stephen F. Austin State University	4.48300%	12.72203%
West Texas State University	3.39734%	2.18492%
Angelo State University	2.09495%	2.98806%
Sam Houston State University	4.40772%	10.30795%
Southwest Texas State University	4.22020%	15.36345%
Sul Ross State University	0.97456%	0.82923%
Totals	100.00000%	100.00000%

STATE OF TEXAS 10¢ AD VALOREM TAX  
STATE COMPTROLLER'S RECORD AND ESTIMATE OF FUTURE TAX COLLECTIONS

Calendar Year	Assessed Valuation				Fiscal Year (2)	Gross	Net Actual	Collections % of Gross (3)
	Total	State's Use as % of Total	State's Use (1) Amount	Gain				
1966	\$16,365,714,599	83.32	\$13,635,331,663	4.81%	1967	\$13,635,332	\$11,780,240	86.39
1967	17,239,779,973	83.10	14,326,623,993	5.07%	1968	14,326,624	12,538,818	87.52
1968	18,227,316,006	83.37	15,196,120,248	6.07%	1969	15,196,120	13,471,370	88.65
1969	19,607,556,461	83.77	16,424,856,807	8.09%	1970	16,424,857	15,159,138	92.29
1970	21,492,870,651	84.77	18,220,192,600	11.69%	1971	18,220,193	17,021,101	93.42
1971	23,781,357,155	85.57	20,350,280,394	9.41%	1972	20,350,280	18,952,300	93.13
1972	25,878,905,388	86.04	22,266,497,713	9.89%	1973	22,266,498	20,820,838	93.51
1973	28,219,142,903	86.71	24,468,238,082		1974	24,468,238	22,707,664	92.80
1974	31,925,713,114	87.67	27,988,105,590	14.39%	1975	27,988,105	25,899,946	92.54

STATE COMPTROLLER'S ESTIMATE OF FOLLOWING THREE YEARS (4)

1975 (5)	35,241,078,568	86.04	30,321,424,000	9.01%	1976	30,321,424	26,986,067	89.00
1976	38,417,821,943	86.04	33,054,694,000	9.01%	1977	33,054,694	29,418,678	89.00
1977	41,880,929,800	86.04	36,034,352,000	9.01%	1978	36,034,352	32,070,573	89.00

- (1) Assessed Value Less Homestead Exemption.
- (2) Fiscal Year ending 8-31.
- (3) The State's tax collection rate is approximately 98%. The net percentage shown is after County Tax Collectors and Assessors collection allowances.
- (4) The State Comptroller's Estimate as shown was dated January 1, 1975 and is the latest that has been released.
- (5) Actual preliminary Assessed Valuation figures at 2-20-76 were \$36,570,364,611 (Total) and \$32,418,641,744 (State's Use).

THE UNIVERSITY OF TEXAS AT ARLINGTON

ALLOCATION OF ESTIMATED TAX RECEIPTS

Year Ending 8-31:	Net Tax Receipts	13.23138% of 85%	4.71508% of 15%	Total
1975 (Actual)	\$25,899,946	\$2,912,882	\$183,180	\$3,111,376 (1)
1976	26,986,067	3,035,035	190,862	3,225,897
1977	29,418,678	3,308,622	208,067	3,516,689
1978	32,070,573	3,606,872	226,823	3,833,695

- (1) Includes interest on deposits.

ESTIMATED DEBT SERVICE REQUIREMENTS AND SURPLUS

Year Ending 9-1:	Estimated Tax Allocations	Ad Valorem Tax Bonds Debt Service Requirements				Total All Bonds	Accumulated Surplus (1)
		\$7,200,000 Series 1972 & Series 1974 (Prior Pledge Bonds)	These \$4,750,000 Subordinate Bonds		Total		
			Principal (9-1)	Interest @ 4-1/2% (3)			
1975							\$2,776,216.23 (2)
1976	\$3,225,897	\$2,442,872.50				\$2,442,872.50	3,559,240.73
1977	3,516,689	2,596,332.50				2,596,332.50	4,479,597.23
1978	3,833,695	2,751,690.00	\$4,750,000	\$498,750	\$5,248,750	8,000,440.00	312,852.23

- (1) Does not include the pledged H.E.W. Debt Service Grant of \$19,655 per year through 1978 which is pledged to the Prior Pledge Bonds.
- (2) Actual cash balance at 9-1-75.
- (3) Interest calculated at 4-1/2% for purposes of illustration.

STATE OF TEXAS  
FINANCIAL STATEMENT  
(At 2-20-76)

1975 Assessed Valuation (Excluding Homestead Exemptions) (Estimated at less than 20% of actual values)		\$32,418,641,744*
General Obligation Debt of Agencies of the State of Texas:		
Veterans' Land Bonds	\$313,790,000	
Water Development Bonds	229,110,000**	
College Student Loan Bonds	156,380,000	
Park Development Bonds	13,000,000	712,280,000
State Ad Valorem Tax Bonds payable from 10¢ Constitutional Tax		
The University of Texas at Arlington Bonds	\$ 11,950,000***	
Universities of the State of Texas Bonds	66,820,000	
Texas State University System	13,500,000	92,270,000
Total Bonds		\$804,550,000

\* Preliminary at 2-20-76

\*\* Includes \$31,230,000 for contract with U. S. Department of Interior, Bureau of Reclamation in connection with joint financing of LaVaca-Navidad River Authority of the Palmetto Bend Project.

\*\*\* Includes these \$4,750,000 Series 1976 Bonds.

STATE OF TEXAS AD VALOREM TAXES

Confederate Pension Fund*	\$0.02
State Universities of Texas Constitutional Tax	0.10
Total Tax Rate	\$0.12

\* Expires 12-31-76.

GENERAL INFORMATION  
THE UNIVERSITY OF TEXAS SYSTEM

THE UNIVERSITY OF TEXAS SYSTEM is composed of the following component institutions:

The University of Texas at Arlington  
The University of Texas at Austin  
The University of Texas Marine Science Institute at Port Aransas  
The University of Texas McDonald Observatory at Mount Locke  
The University of Texas at Dallas  
The University of Texas at El Paso  
The University of Texas of the Permian Basin  
The University of Texas at San Antonio  
The University of Texas Institute of Texan Cultures at San Antonio  
The University of Texas Health Science Center at Dallas  
The University of Texas Southwestern Medical School at Dallas  
The University of Texas Graduate School of Biomedical Sciences at Dallas  
The University of Texas School of Allied Health Sciences at Dallas  
The University of Texas Medical Branch at Galveston  
The University of Texas Medical School at Galveston  
The University of Texas Graduate School of Biomedical Sciences at Galveston  
The University of Texas School of Allied Health Sciences at Galveston  
The University of Texas Marine Biomedical Institute at Galveston  
The University of Texas Hospitals at Galveston  
The University of Texas Health Science Center at Houston  
The University of Texas Medical School at Houston  
The University of Texas Dental Branch at Houston  
The University of Texas Graduate School of Biomedical Sciences at Houston  
The University of Texas School of Allied Health Sciences at Houston  
The University of Texas School of Public Health at Houston  
The University of Texas Speech and Hearing Institute at Houston  
The University of Texas Health Science Center at San Antonio  
The University of Texas Medical School at San Antonio  
The University of Texas Dental School at San Antonio  
The University of Texas Graduate School of Biomedical Sciences at San Antonio  
The University of Texas School of Allied Health Sciences at San Antonio  
The University of Texas System Cancer Center  
The University of Texas M. D. Anderson Hospital and Tumor Institute at Houston  
The University of Texas Environmental Science Park at Smithville  
The University of Texas System School of Nursing  
The University of Texas School of Nursing at Austin  
The University of Texas School of Nursing at El Paso  
The University of Texas School of Nursing at Fort Worth  
The University of Texas School of Nursing at Galveston  
The University of Texas School of Nursing at Houston  
The University of Texas School of Nursing at San Antonio

The System is headquartered in Austin and has an operating budget for the fiscal year ending August 31, 1976 of \$576,731,000, of which \$349,653,603 is from State appropriations. The University of Texas System employing more than 25,000 is governed by a Board of nine Regents appointed by the Governor of Texas with Senate approval. The Regents are appointed for staggered six-year terms and serve without pay.



ENROLLMENTS at the institutions of the U. T. System rank fifth among all universities in the United States. Fall semester headcount enrollments of the U. T. System teaching institutions for the last three years are shown below.

	1973	1974	1975
U. T. Austin	40,611	41,841	42,598
U. T. Arlington	14,866	15,434	16,309
U. T. El Paso	10,980	11,418	13,614
U. T. San Antonio	1,113	1,620	4,437
U. T. Permian Basin	1,112	1,352	1,432
U. T. Dallas	382	700	3,333
Galveston Medical Branch	976	1,002	1,108
Houston Health Science Center	1,259	1,351	1,251
Dallas Health Science Center	769	973	1,113
San Antonio Health Science Center	631	648	810
Nursing School (System - Wide)	924	1,098	1,322
Total	73,623	77,437	87,327

GENERAL INFORMATION  
THE UNIVERSITY OF TEXAS AT ARLINGTON

THE UNIVERSITY OF TEXAS AT ARLINGTON traces its beginning back to 1895 with the founding of Arlington College as a private liberal arts institution. In 1917, by an act of the Texas Legislature, the institution was made a fully state-supported junior college under control of the Texas A&M College. In 1959 the college was elevated to senior college status and in 1965 control was transferred to The University of Texas System. Finally in 1967, the name was changed from Arlington State College to The University of Texas at Arlington.

The University is organized into four undergraduate colleges, being the College of Business Administration, the College of Engineering, the College of Liberal Arts and the College of Science. Further organization includes the School of Architecture and Environmental Design, a Graduate School and a Graduate School of Social Work, and an Institute of Urban Studies. Baccalaureate degrees are offered in 38 major subject areas, graduate programs offer 34 separate fields of study and 6 Ph.D. programs are offered. The University is fully accredited by the Southern Association of Colleges and Schools and The Association of Texas Colleges and Universities. The principal finance-related officers of The University of Texas at Arlington are:

Dr. W. H. Nedderman	President
Mr. J. D. Wetsel	Vice President for Business Affairs
Mr. A. L. von Rosenberg	Business Manager

The University is located in the center of the Dallas-Fort Worth metropolitan area, one of the nation's most important business and industrial regions. Taking advantage of location, the University cooperates closely with industry in the area by offering short training courses, conferences and seminars in various fields. Development of close ties with local industrial and civic groups has not only expanded the University in academic areas, but also in areas with direct practical application. Well in excess of 2-1/2 million people live within 30 miles of the University.

The campus of the University, situated several blocks southwest of the downtown business district of Arlington, covers some 300 acres. Total book value of plant fund assets at August 31, 1975 was \$93.8 million.

FINANCIAL SUPPORT: As a state university, The University of Texas at Arlington receives the bulk of its operating funds from State appropriations. Other operating funds are derived principally from student tuitions and University-owned revenue producing facilities such as dormitories and dining halls. The University has an operating budget for educational and general purposes (including contract research and services and current restricted fund accounts) for the current fiscal year ending August 31, 1976 of \$24 million, of which \$20.3 million is from State general revenue appropriations. For the same period budgeted expenditures for auxiliary enterprises is \$5.1 million.

ENROLLMENT STATISTICS: The University of Texas at Arlington, the 6th largest of the 28 state-owned senior colleges and universities in Texas, is basically an urban institution and many of its students live in the immediate area or commute. A recent analysis of the geographical distribution of students showed that 79% of its students were residents of Tarrant or Dallas County. 12% of the University's students were from 167 other Texas counties, 3% from 44 other states and 6% were from 65 foreign countries. A record of fall semester headcount enrollment for the past fifteen years is shown below.

Fall Semester	Headcount Enrollment
1961-62	8,415
1962-63	9,116
1963-64	10,025
1964-65	11,513
1965-66	11,849
1966-67	11,498
1967-68	11,873
1968-69	12,556
1969-70	13,869
1970-71	14,115
1971-72	13,565
1972-73	14,028
1973-74	14,866
1974-75	15,434
1975-76	16,309

Men students make up about 67% of total enrollment and women students 33%. For planning purposes, University officials are estimating that enrollment growth will average 5% a year for the next 5 years.

ATTENDANCE COSTS: Tuition at state-owned colleges and universities is \$4.00 per semester hour with a minimum of \$50.00 per regular semester for state residents, and \$40.00 per semester hour for non-residents. Full-time students pay approximately \$115 more per regular semester in various fees and service charges. The total cost of attending the University is competitive with other comparable Texas colleges and universities.

THE UNIVERSITY OF TEXAS AT ARLINGTON  
SUMMARY STATEMENT OF REVENUES AND EXPENDITURES

	Fiscal Year Ended August 31:		
	1974	1975	Projected 1976
<b>REVENUES</b>			
Tuition and Fees	\$ 4,704,442	\$ 4,974,007	\$ 5,200,000
State Appropriations	16,945,155	18,674,640	20,300,000
Gifts	144,724	173,160	200,000
Sponsored Research	758,678	1,267,832	1,400,000
Other Sponsored Programs	751,178	1,228,476	1,400,000
Student Aid	135,398	124,175	130,000
Auxiliary Enterprises	4,237,357	4,921,840	5,600,000
Other	424,625	514,112	550,000
<b>Total Revenues</b>	<b>\$28,101,557</b>	<b>\$31,878,242</b>	<b>\$34,780,000</b>
<b>EXPENDITURES AND MANDATORY TRANSFERS</b>			
Education and General	19,019,718	22,191,081	24,000,000
Student Aid	350,387	420,036	450,000
Auxiliary Enterprises	4,130,366	4,729,439	5,100,000
Mandatory Transfers (for debt service)	4,195,947	4,550,664	4,700,000
<b>Total Expenditures and Mandatory Transfers</b>	<b>\$27,696,418</b>	<b>\$31,891,220</b>	<b>\$34,250,000</b>
<b>EXCESS REVENUES OVER EXPENDITURES AND MANDATORY TRANSFERS</b>	<b>\$ 405,139</b>	<b>\$ (12,978)</b>	<b>\$ 530,000</b>

THE UNIVERSITY OF TEXAS AT ARLINGTON  
CONDENSED STATEMENT OF ASSETS AND NET WORTH

	Fiscal Year Ending 8-31:		
	1973	1974	1975
<b>ASSETS</b>			
Current Funds			
General	\$ 3,279,235	\$ 2,592,037	\$ 1,864,070
Auxiliary Enterprises	2,896,471	1,846,069	2,218,488
Designated	72,644	2,118,282	2,144,487
Restricted Funds	1,746,256	2,594,554	3,080,208
<b>Total Current Funds</b>	<b>7,994,606</b>	<b>9,150,942</b>	<b>9,307,253</b>
Loan Funds	389,195	559,856	699,186
Endowment and Similar Funds	295,205	550,058	550,058
Plant Funds			
Unexpended	19,046,620	22,121,474	17,993,150
Funds for Retirement of Indebtedness	969,824	1,370,813	1,795,082
Investment in Plant	56,147,896	65,516,435	74,033,662
<b>Total Plant Funds</b>	<b>76,164,340</b>	<b>89,008,722</b>	<b>93,821,894</b>
Agency Funds	63,155	74,313	53,142
<b>Grand Total Assets</b>	<b>84,906,501</b>	<b>99,343,891</b>	<b>104,431,533</b>
Less: Total Liabilities	31,499,720	40,740,041	46,434,120
<b>FUND BALANCES (i.e., Net Worth)</b>	<b>\$53,406,781</b>	<b>\$58,603,850</b>	<b>\$57,997,413</b>

The financial data and other information set forth in this Official Statement has been obtained from the State Comptroller's Office, records of The University of Texas System and other sources which are believed to be reliable, but it is not guaranteed as to the accuracy or completeness thereof, and its inclusion herein is not to be construed as a representation on the part of the Board of Regents to such effect. Excerpts and summaries of provisions of the Subordinate Series 1976 Bond Resolution do not purport to be complete statements and reference should be made to said Bond Resolution for a full and complete statement of all bond provisions.

*W. L. Lobb*  
W. L. Lobb, Associate Deputy Chancellor  
for Investments, Trusts & Lands  
The University of Texas System

RECESS FOR COMMITTEE MEETINGS AND EXECUTIVE SESSION OF THE COMMITTEE OF THE WHOLE. --At 9:10 a. m., Chairman Shivers announced that the Board would recess in order that the Committees could meet; and that immediately following the Open Session of the Committee of the Whole, the Board of Regents would convene in Room 209 as a Committee of the Whole in Executive Session pursuant to Article 6252-17, Sections 2 (e), (f) and (g), V. T. C. S. to consider:

1. Pending or Contemplated Litigation
2. Acquisition, Exchange and Sale of Land
3. Personnel Matters

RECONVENE. --Immediately after the meeting of the Executive Session of the Committee of the Whole (2:15 p. m.), the Board of Regents reconvened in Room 212 with the same attendance as at the earlier session.

#### REPORTS OF STANDING COMMITTEES

Chairman Shivers called for the reports of the Committees. With the exception of the Executive Session of the Committee of the Whole, all meetings had been conducted in open session in Room 212.

REPORT OF SYSTEM ADMINISTRATION COMMITTEE (Pages 24-25). -- Vice-Chairman Williams, Chairman of the System Administration Committee, submitted the following Report of the System Administration Committee and moved its adoption, stating that the recommendation therein was considered in open session. The report was approved, ratified and in all things confirmed:

#### Report

In open session this morning, the System Administration Committee approved the following recommendation by the Administration which had been circulated to the members of the System Administration Committee since its last meeting on February 13, 1976. This recommendation is now submitted in this report for formal approval by the Board of Regents:

U. T. Austin: Amendments to 1975-76 Budget (6-B-76). --It is recommended by President Rogers and concurred in by System Administration that the amendments to the 1975-76 Budget for The University of Texas at Austin set out on Page 25 be approved.

THE UNIVERSITY OF TEXAS AT AUSTIN  
 AMENDMENTS TO THE 1975-76 OPERATING BUDGET  
 Source of Funds - Departmental Appropriations  
 (Unless Otherwise Specified)

Item No.	Explanation	Present Status	Proposed Status	Effective Dates
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27. General Institutional Expense - Staff Benefits

Transfer of Funds:	From: Unappropriated Balance (Reserve for Accrued Sick Leave)	To: Accrued Sick Leave
Amount of Transfer	\$ 200,000	\$ 200,000

Senate Bill 52, Article V, Sections 7a and 7b, provide that, "A state employee who resigns, is dismissed, or separated from State employment shall be entitled to be paid in a lump sum for all vacation time duly accrued." A similar provision applies to payment for one-half of accrued sick leave. No specific appropriation was made for either of these items, yet the State Comptroller has ruled that the payments "shall" be made from funds available to the institution. This transfer is to provide funding for employees currently qualifying under the provision for accrued sick leave.

28. Plant Funds - Major Repairs and Rehabilitation Projects

Transfer of Funds	From: Available University Fund Unappropriated Balance (Allocation for Operations and Capital Improvements)	To: U. T. Austin - Major Repair and Rehabilitation Projects - Allotment Account
Amount of Transfer	\$ 200,000	\$ 200,000

The appropriation to the Plant Funds repair and remodeling account is to fund the projects listed below and to provide an unallocated account balance for future similar-type projects. Reporting of the projects will be included in subsequent dockets.

Security System - Main Library	\$ 7,100.00
Fire Damage - Biological Labs	25,000.00
Five Traffic Control Stations	23,000.00
Accoustical - Belmont Hall	5,000.00
Wiring - Drama Building	10,000.00
Security - Texas Memorial Museum	6,000.00
Removal of Personnel Building	9,970.00
Webb Hall Remodeling	14,110.00
Unallocated	<u>99,820.00</u>
<b>Total Appropriations</b>	<b><u>\$ 200,000.00</u></b>

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REPORT OF ACADEMIC AND DEVELOPMENTAL AFFAIRS COMMITTEE (Pages 26 - 31 ). --Committee Chairman (Mrs.) Johnson filed the following Report of the Academic and Developmental Affairs Committee which committee had transacted all of its business in open session. The report was adopted, and the actions therein were ratified.

1. U. T. System: Deputy Chancellor's Docket No. 5 (Attachment No. 1) (Catalog Change). --There were no exceptions submitted to Deputy Chancellor's Docket No. 5 (Attachment No. 1). The Docket was approved in the form distributed by Secretary Thedford and is attached (Attachment No. 1) following Page 85 and made a part of these Minutes.

It was ordered that any item included in this Docket that is normally published in the catalogs of the various institutions be reflected in the first catalog published hereafter by the respective institution.

2. U. T. Austin: Approval of (a) Student Services Fee (Required); (b) Student Services Fee (Optional); (c) Texas Union Fee; and (d) Medical Services Fee for 1976-77 (Catalog Change). --A report was received from President Rogers setting out the recommendations of three separate committees that she had appointed upon direction of the Board of Regents at its meeting on July 25, 1975, namely: (a) an ad hoc Committee on Funding for Student Government, (b) an ad hoc Committee to Study Funding of The Daily Texan, and (c) an ad hoc Committee to Review the Office of the Students' Attorney, together with her specific recommendations for the Student Services Fee (Required), Student Services Fee (Optional), Texas Union Fee and Medical Services Fee for 1976-77 at The University of Texas at Austin. The recommendations of President Rogers were concurred in by System Administration.

President Rogers' recommendation increased the list of services to be supported by the Student Services Fee (Required) by adding Student Government and The Daily Texan. Student representatives were allowed to speak for and against mandatory funding for these two services.

Carol Crabtree, President of the Students' Association for 1975-76, and David Fuhrman, Chairman of the Student Senate for 1975-76, spoke in support of mandatory funding for Student Government. Using the results of a poll Student Government supervised in the recent student election, Regent Law questioned Miss Crabtree and Mr. Fuhrman on the lack of confidence and interest students showed in student government. Chairman Shivers pointed out that should Student Government be included in the mandatory fee President Rogers would not be able to supplement Student Government income as she did for 1975-76.

In opposition to mandatory funding, Jim Moore, a second year law student spoke. Following these presentations and discussion by the Board of Regents, Regent Law moved that the recommendation of

President Rogers be approved for mandatory funding of Student Government. Regent Sterling seconded the motion. The following vote was recorded:

Yes

Regent Bauerle  
Regent Law  
Regent Sterling

No

Chairman Shivers  
Vice-Chairman Williams  
Regent Clark  
Regent (Mrs.) Johnson  
Regent McNeese  
Regent Nelson

Michael Granof (Assistant Professor of Accounting and President of Texas Board of Operating Trustees of Student Publications), Lloyd Edmonds (General Manager of Student Publications), Steve Dunn (student member of Student Publications Board) and Neal Graham, (former President of Student Publications Board) spoke in support of mandatory funding of The Daily Texan. Howard Hickman, Vice-Chairman of Young Americans for Freedom, spoke against the required fee. Regent Nelson questioned the speakers on the need for mandatory funding in lieu of The Daily Texan's large reserve account. Chairman Shivers posed questions regarding advertising and subscription income versus expenses.

Regent Law moved that President Rogers' recommendation for mandatory funding of The Daily Texan be approved. Regent Sterling seconded the motion.

Chairman Shivers asked to amend Regent Law's motion by reducing the fee for The Daily Texan from 75¢ to 25¢. This amendment was not acceptable to Regent Law. Chairman Shivers' motion to amend was seconded. The question was put and the amendment was defeated by the following vote:

Yes

Chairman Shivers  
Vice-Chairman Williams  
Regent Clark

No

Regent Bauerle  
Regent (Mrs.) Johnson  
Regent Law  
Regent McNeese  
Regent Nelson  
Regent Sterling

The question then recurred on Regent Law's motion to approve President Rogers' recommendation for mandatory funding of The Daily Texan. This motion carried by the following vote:

Yes

Chairman Shivers  
Vice-Chairman Williams  
Regent Bauerle  
Regent (Mrs.) Johnson  
Regent Law  
Regent Sterling

No

Regent Clark  
Regent McNeese  
Regent Nelson

Based on the action that the fee for student government would not be mandatory, President Rogers recommended at the meeting, and it was adopted, that the optional fee for student government (Students'

Association, including the Senior Cabinet and the Election Commission) be raised from the current rate of \$2.70 to \$3.15 per nine months. The Committee approved the recommendation.

With these two motions incorporated, the student fees as recommended by President Rogers were amended and approved as follows:

- a. Student Services Fee (Required). --The Student Services Fee (Required) at The University of Texas at Austin was set at \$2.12 per semester credit hour with a maximum of \$25.40 per regular semester and \$12.70 per six week summer term. The Student Services Fee (Required) will support the following activities:

- (1) Students' Attorney
- (2) The Daily Texan
- (3) Recreational Sports
- (4) Health Center Supplement
- (5) Shuttle Bus

Specific budgetary allocations will be submitted with the regular budget for Regental approval.

- b. Student Services Fee (Optional). --The following optional student service fees were approved on a 9 months basis unless otherwise noted. The only increases are \$2.00 to provide additional support of Women's Intercollegiate Athletics in the fee for Men's and Women's Intercollegiate Athletics and 45¢ in the fee for student government:

	<u>1976-77</u>
(1) Men's and Women's Intercollegiate Athletics	\$ 22.00
(2) Cultural Entertainment Committee	10.00
(3) Locker and Shower Fee (one semester)	.75
(4) The <u>Cactus</u> Yearbook	9.45
(5) <u>Peregrinus</u> Law School Yearbook	6.30
(6) "C" Parking Permit for Automobile	10.00
"C" Permit for spring semester	6.00
(7) "M" Parking Permit for Motorcycle	6.00
"M" Permit for spring semester	4.00
(8) Students' Association including Senior Cabinet and Election Commission	3.15

- c. Texas Union Fee. --An increase from \$8 per semester (\$5 regular fee and \$3 Special Student Union fee) to \$10 per semester (\$7 regular fee and \$3 special) was authorized.

It was noted that President Rogers joined with the Board of Directors of the Texas Union in recommending this increase.

- d. Medical Services Fee (Mandatory). --The Medical Services Fee (Mandatory) was approved at its present level of a maximum of \$15 per long session and \$7.50 per summer session.

Effective on and after the beginning of the 1976-77 Long Session, all funds that are generated or collected (from whatever source) for or on behalf of the student activities that are funded in whole or in part by the above-mentioned student fees (whether mandatory or optional) shall be deposited in University accounts.

It was ordered that the first catalog published hereafter by U. T. Austin be amended to conform.

3. U. T. Austin: Establishment of Graduate School Foundation. -- President Rogers presented and concurred in the recommendation of the Vice-President and Dean of Graduate Studies Irwin C. Lieb at The University of Texas at Austin that an internal Graduate School Foundation be established. System Administration joined President Rogers in this recommendation, and the following resolution establishing an internal foundation to be known as the Graduate School Foundation at The University of Texas at Austin was adopted subject to revision of the resolution by Regent Law:

WHEREAS, The Graduate School in The University of Texas at Austin provides for advanced study and research and for the preparation of independent productive scholars; and

WHEREAS, There are clear and specific needs for support of its program beyond those provided by regular budgetary allocations; now, therefore, be it

RESOLVED, That the Board of Regents of The University of Texas System hereby establishes an internal foundation within the provisions of the Regents' Rules and Regulations, Part One, Chapter VII, Section 3, to be designated the Graduate School Foundation in The University of Texas at Austin; and

RESOLVED, That the purpose of this Foundation shall be to foster, promote and support the advanced study, artistry and research which leads to the award of advanced degrees through the Graduate School of The University of Texas, and to encourage the making of gifts to this Foundation by deed, grant, devise, or otherwise for any purpose or purposes which may be appropriate to the aspiration of the Foundation; and, be it further

RESOLVED, That the Board of Regents within the Regents' Rules and Regulations for the governance of The University of Texas System hereby agrees to accept in trust any and all money and/or other property, be these real, personal or mixed, which may hereafter be given to or subscribed for the Graduate School Foundation of The University of Texas at Austin and subject to the following provisions:

- a. The funds of the Foundation shall be devoted entirely to the development of graduate scholarship, artistry and research in the Graduate School of The University of Texas at Austin; these monies or other properties shall not be used for the ordinary expenses of the Office of Graduate Studies;
- b. The donation to the Foundation may be made for a specific purpose or be given in the name of the donor or any other designation specified by the donor; for example, the Michael Doe Fund of the Graduate School Foundation; or may be given as undesignated funds to be held and used in accordance with provisions hereinafter set out;



- c. The Board of Regents shall hold, manage, control, sell, exchange, lease, convey, mortgage, or dispose in any manner for any consideration and on any terms, the gifts, funds, or property given to the Foundation at the Board of Regents' discretion, and shall from time to time pay out of the income, or if the income be insufficient, out of the principal all expenses of trust and all expenses incurred in furthering the purpose of the trust.
- d. Neither any donation of the Graduate School Foundation nor any fund or property arising therefrom in whatever form it may take shall ever be any part of the Permanent University Fund, nor shall the Legislature have power or be in anywise authorized to change the purposes for which donations, funds, or property have been given to the Foundation.
- e. The activities of the Foundation shall be administered by the Vice President and Dean of Graduate Studies. It shall be his duty to make all recommendations to the President of The University of Texas at Austin for the allocation and expenditure of funds available from and through the Foundation. Money may be allocated to such things as the following: graduate and postdoctoral study at The University of Texas or at other suitable educational, artistic or research institutes here and abroad; purchase of research supplies and equipment and materials and instruments for the arts, the equipment becoming the property of The University of Texas; library services and purchases; field studies here and abroad; supplementation of salaries; predoctoral and postdoctoral research appointments; and travel in this country and abroad with official permission in the development of the sciences, arts, and the professions.
- f. There shall be established a Graduate School Foundation Advisory Council. The Council initially will consist of 12 or more members appointed for staggered terms of three years. The members of the Council shall have the prior approval of the Chancellor and the Board of Regents after being nominated by the President of The University of Texas at Austin. There shall be ex officio members of the Advisory Council, namely: the Chairman of the Graduate Assembly at The University of Texas at Austin, a member of the faculty elected by the Graduate Assembly, an Executive Secretary appointed by the Dean, and the Director of Development. (The detailed organization of the Advisory Council and its specific responsibilities will be set out in its Bylaws.)
4. U. T. Austin: Establishment of Sid Richardson Chair in Public Affairs in the Lyndon B. Johnson School of Public Affairs. -- President Rogers reported that the Directors of The Sid Richardson Foundation authorized in April 1975 a grant in the amount of \$750,000 to The Lyndon Baines Johnson Foundation for the purpose of establishing and endowing the Sid Richardson Chair in Public Affairs in the Lyndon Baines Johnson School of Public Affairs.

Upon the recommendation of President Rogers and System Administration, the Sid Richardson Chair in Public Affairs in the Lyndon B. Johnson School of Public Affairs at The University of Texas at Austin was established. This Chair is to be effective September 1, 1976, and is to be funded by The Lyndon Baines Johnson Foundation. Appointments to this Chair will be made in accordance with the Regents' Rules and Regulations.

5. U. T. Austin (McDonald Observatory): Amendment to 1975-76 Budget for McDonald Observatory and Increase in Annual Appropriation from W. J. McDonald Observatory Fund to Director's Emergency Fund. --Based on President Rogers' statement of expressed need for emergency funds at the McDonald Observatory of The University of Texas at Austin and on her recommendation, concurred in by System Administration, the 1975-76 Budget for McDonald Observatory was amended by transferring all income for 1975-76 from the W. J. McDonald Observatory Fund to the Director's Emergency Fund. It was further authorized, upon recommendation through appropriate channels, that until rescinded by Minute Order all available income from the endowment of the W. J. McDonald Observatory Fund will be transferred to the Director's Emergency Fund and will be so reflected in the annual operating budget for McDonald Observatory.

The Director's Emergency Fund provides for emergencies at the Observatory with authorization to the Director to expend this appropriation in accordance with established rules and regulations.

6. U. T. Permian Basin: Authorization to Increase Graduation Fee and Establish Duplicate Diploma Fee (Catalog Change). --Of the recommendations presented by President Cardozier and concurred in by System Administration relating to fees at The University of Texas of the Permian Basin, Deputy Chancellor Walker asked that the request for a building use fee be withdrawn from the committee. See Page 79 . The other recommendations were approved as follows to be effective with the 1976 fall semester:

- a. That the Graduation Fee be increased to \$8.
- b. That there be established a fee for a duplicate diploma (Duplicate Diploma Fee) of \$7.50.

It was ordered that the first catalog published hereafter by U. T. Permian Basin be amended to conform.

REPORT OF BUILDINGS AND GROUNDS COMMITTEE (Pages 32-39 ). --  
The Buildings and Grounds Committee conducted its business in open session, and Committee Chairman Bauerle filed the following report of the Committee. The report was approved upon a motion duly made and seconded, and the actions therein were ratified:

1. U. T. System - Ashbel Smith Hall - Completion of Sixth Floor: Authorization to Prepare Preliminary Plans and Cost Estimate and Appropriation Therefor. --Upon recommendation of System Administration, authorization was given:
  - a. To complete the unfinished shelled space on the sixth floor of Ashbel Smith Hall in order to expand the Office of the General Counsel of The University of Texas System. This office, now housed on the eighth floor, does not have adequate space to handle the increased staff and library and support facilities.
  - b. To the Office of Facilities Planning and Construction with any required consultants to prepare preliminary plans, outline specifications and cost estimate to be submitted to the Board of Regents at a future meeting.
  - c. To appropriate \$5,000 from Permanent University Fund Bond proceeds to cover fees and miscellaneous expenses through the preparation of preliminary plans.
2. U. T. Arlington - Remodeling of Hereford Student Union Building: Approval of Preliminary Plans and Specifications and Additional Appropriation Therefor. --System Administration reported that the preliminary plans and specifications for the Remodeling of the Hereford Student Union Building at The University of Texas at Arlington had been prepared by the Project Architect, Jarvis Putty Jarvis, Inc., Dallas, Texas.

Upon recommendation of President Nedderman and System Administration:

- a. The preliminary plans and specifications which would provide improved and expanded student services for an enrollment of approximately 15,500 students and the expected increases in the near future were approved. These plans call for an estimated total project cost of \$2,500,000.
- b. It was authorized that the final plans and specifications be prepared and submitted to the Board of Regents for consideration at a later meeting.
- c. The sum of \$66,000 was appropriated from Combined Fee Revenue Bond proceeds for fees and miscellaneous expenses through the preparation of final plans and specifications. A previous appropriation of \$20,000 had been authorized from the same source.

3. U. T. Austin - Perry Castañeda Library (Formerly Called Social Science and Humanities Library): Award of Contract for Steel Bookstacks to Estey Corporation, Red Bank, New Jersey. --Upon the recommendation of President Rogers and System Administration, a contract for the steel bookstacks to be used in the Perry Castañeda Library (formerly called Social Science and Humanities Library) at The University of Texas at Austin was awarded to the lowest and best bidder, Estey Corporation, Red Bank, New Jersey, as set out below:

Base Proposal "A" \$ 694,577.00

Add Alternates:

A (Additional Bookstacks)	4,310.66
C (Additional Bookstacks)	29,672.00
D (Additional Bookstacks)	33,247.68
E (Add End Panels)	<u>3,569.05</u>

Total Contract Award \$ 765,376.39

It was noted that the funds necessary to cover this contract award are available in the Furniture and Equipment Account for this project.

4. U. T. Dallas - Addition to Founders Building North (Phase III): Award of Contracts for Furniture and Furnishings to Abel Contract Furniture and Equipment Company, Inc., Austin, Texas; San Antonio Floor Finishers, Inc., San Antonio, Texas; and Bennett Printing Company, Dallas, Texas. --Upon recommendation of President Jordan and System Administration, contracts for furniture and furnishings for the Addition to Founders Building North (Phase III) at The University of Texas at Dallas were awarded to the lowest and best bidders as set out below:

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

Base Proposal "A" (General Furniture) \$58,757.00

San Antonio Floor Finishers, Inc.,  
San Antonio, Texas

Base Proposal "B" (Carpet) 16,740.00

Bennett Printing Company,  
Dallas, Texas

Base Proposal "C" (Draperies) 6,079.26

Total Contract Awards \$ 81,576.26

It was noted that the funds necessary to cover these contract awards are available in the Furniture and Equipment Account for this project.

5. U. T. Dallas - Theater Building (Phase II Building Program) - Modifications for Additional Theatrical Lighting: Authorization for (a) Project, (b) Appointment of Harwood K. Smith and Partners, Inc., Dallas, Texas, Project Architect with Authorization to Prepare Final Plans, and (c) Advertisement for Bids. --System Administration reported that the electrical service and theatrical lighting required to support theatrical productions in the Theater Building (Phase II Building Program) at The University of Texas at Dallas were deferred when the building was constructed until such time as the actual needs in the teaching program were determined. These needs are now known.

Based upon these needs and the recommendation of President Jordan, concurred in by System Administration:

- a. Authorization was given for modifications in the Theater Building at The University of Texas at Dallas for additional theatrical lighting at an estimated cost of \$90,000 which had been previously appropriated. The electrical lighting equipment will be purchased locally and will be installed by the institution.
  - b. The firm of Harwood K. Smith and Partners, Inc., Dallas, Texas, was appointed Project Architect with authorization to prepare final plans.
  - c. The Office of Facilities Planning and Construction was authorized to advertise for bids for the building modification work which bids will be presented to the Board of Regents for consideration at a future meeting.
6. U. T. Dallas - Phase I of Physical Education Facilities (Outdoor Athletics Facilities and Parking - 1970 Campus Development Plan): Approval of Final Plans and Specifications with Authorization to Advertise for Bids; Appointment of Committee to Award Contract. -- As a part of the Campus Development Plan of December 1970 for The University of Texas at Dallas, it was recommended by President Jordan and System Administration and approved by the Committee:
- a. That Phase I of the Physical Education Facilities (Outdoor Athletics Facilities and Parking of the Campus Development Plan of December 1970) be approved at an estimated total project cost of \$250,000 with authorization to the Director of the Office of Facilities Planning and Construction to advertise for bids. These outdoor physical education facilities include basketball and volleyball courts, baseball, softball, soccer and football playing fields and trails for jogging and bicycling, together with related parking, lighting, and underground irrigation system, sodding and tree plantings.
  - b. That a committee consisting of President Jordan, Director Kristoferson, Deputy Chancellor Walker, Regent Williams, Committee Chairman Bauerle and Board Chairman Shivers be appointed to award a construction contract for this project within \$250,000 previously appropriated (Permanent Minutes Volume XXI, Page 3338 and Volume XXIII, Page 1983) with the understanding that the contract will be submitted to the Board of Regents for ratification at a future meeting.

It was noted that the additional phases for the final development will be brought to the Board of Regents at a future meeting.

7. U. T. El Paso - Library Annex: Approval of Preliminary Plans and Specifications. --Mr. Jon Davis of the firm of Davis and Whelchel, Architects and Engineers, El Paso, Texas, at the request of Committee Chairman Bauerle, presented the preliminary plans and specifications for the construction of a Library Annex at The University of Texas at El Paso. Originally the estimated total project cost was \$725,000. However, Mr. Davis said that \$850,000 was more realistic.

Following Architect Davis' presentation, President Templeton acknowledged that he had been too conservative in his estimate. He did state, however, that The University of Texas at El Paso being the 7th largest University of the State ranked about 26th with respect to library space per student, and that the construction of this annex would raise the rank to about 24th with 6 square feet of library space per student compared to 12 square feet at U. T. Arlington and 31 square feet at U. T. Austin. President Templeton indicated that with the construction of this annex and with proper management the library needs at U. T. El Paso should be taken care of for approximately 12 years.

After due consideration, the Buildings and Grounds Committee:

- a. Approved the preliminary plans and specifications as presented and increased the total estimated project cost from \$725,000 to \$1,053,000.
  - b. Authorized the Project Architect to prepare final plans and specifications for this project to be presented to the Board of Regents for consideration at a future meeting.
8. Dallas Health Science Center (Dallas Southwestern Medical School) - Expansion of Parking Lot #4: Authorization for (a) Project, (b) Appointment of Raymond L. Goodson, Jr., Inc., Dallas, Texas, Project Engineer with Authorization to Prepare Final Plans, (c) Advertisement for Bids and (d) Appropriation Therefor. --The Administration reported that existing parking facilities at the Dallas Southwestern Medical School of The University of Texas Health Science Center at Dallas are inadequate for the parking needs of faculty, staff and students. Currently 1,416 spaces are available for the 2,265 people who have paid for parking privileges, and in the Fall of this year it is projected that there will be added 127 students with a comparable increase in faculty and staff. The parking problem on the campus is compounded by the constant influx of campus visitors to attend seminars and conferences at the Center.

Upon recommendation of President Sprague and System Administration, the following were authorized:

- a. The expansion of Parking Lot #4 at an estimated total project cost of \$185,000. Parking Lot #4 is in the area of the Callier Center at The University of Texas at Dallas, and the land available will accommodate approximately 250 additional cars.

- b. The appointment of Raymond L. Goodson, Jr., Inc., Dallas, Texas, Project Engineer with authorization to prepare final plans and specifications.
- c. Calling for bids by the Director of the Office of Facilities Planning and Construction when he has completed his final review of the plans with the understanding that the results will be presented to the Board of Regents at a future meeting.
- d. An appropriation of \$185,000 to cover the estimated total project cost from the following sources:

Dallas Health Science Center  
Plant Funds Acct. #672008           \$150,000

Dallas Health Science Center  
Unallocated Plant Funds  
Acct. #729910                         \$ 35,000

9. Galveston Medical Branch (Galveston Hospitals) - Ambulatory Care Center: (a) Report on Feasibility Study; (b) Authorization for Ambulatory Care Center and Parking Facility; (c) Appointment of Page Southerland Page, Austin, Texas, Project Architect for the Ambulatory Care Center and Louis Lloyd Oliver and Tibor Beerman, Galveston, Texas, Project Architect for the Parking Facility, and (d) Additional Appropriation Therefor. --System Administration reported on the feasibility study made by Medical Planning Associates, Malibu, California, with respect to an Ambulatory Care Center at The University of Texas Medical Branch at Galveston. This report was authorized by the Regents on July 25, 1975. The recommendations of the consultants are based upon a thorough investigation of national and local trends, the health care and academic missions of the Medical Branch, and the analyses of existing facilities and all demographic data in the area of Ambulatory Care.

In justification of his recommendations regarding an Ambulatory Care Center and in reviewing the proposed site and estimated total project cost, President Levin pointed out the following:

- a. The Galveston Medical Branch is the only general referral center that is owned by the University. The University of Texas System Cancer Center is a referral center but it is in the specialty of cancer and related diseases.
- b. Through the generosity of The Sealy and Smith Foundation, a \$45 million construction program is now underway at the Galveston Medical Branch.
- c. The outpatient facilities at present and certainly in light of the ongoing construction are outmoded, and the outpatient visits have increased significantly over the past ten years. There were approximately 225,000 outpatients in 1974, and it is estimated there will be 400,000 in 1980.
- d. The purpose of the proposed center is to provide maximum opportunity for the education of undergraduate students and to provide continuing education experience for the graduate

students who wish to return to the campus. Medical education in the United States has traditionally relied on the use of inpatients for teaching but 80% of the doctor's time is devoted to seeing outpatients.

Regent Nelson commented that at the Federal level there is greater emphasis being placed on ambulatory care.

In the discussion that followed, Regent Law requested that this project be authorized subject to the availability of funds. Based on the findings of the report of Medical Planning Associates and upon the recommendation of President Levin and System Administration as amended, authorization was given:

- a. To construct an Ambulatory Care Center of approximately 175,000 square feet, and a separate but associated parking facility for approximately 400 cars at a total estimated project cost of \$18,700,000, to be constructed in an area adjacent to the existing McCullough Outpatient Clinic subject to availability of funds for the project.
  - b. To appoint the firm of Page Southerland Page, Austin, Texas, Project Architect for the Ambulatory Care Center and the firm of Louis Lloyd Oliver and Tibor Beerman, Galveston, Texas, Project Architect for the Parking Facility with authorization for the preparation of preliminary plans, outline specifications, and cost estimates to be brought to the Board of Regents at a future meeting.
  - c. To appropriate \$170,000 from Permanent University Fund Bond proceeds for the Ambulatory Care Center, and \$15,000 from Permanent University Fund Bond proceeds for the Ambulatory Parking Facility for fees and miscellaneous expenses through the preliminary stage. A previous appropriation of \$50,000 had been made from Medical Branch Unexpended Plant Funds to cover consultant fees and the feasibility study.
10. University Cancer Center (M. D. Anderson) - Environmental Science Park, Buescher Division at Smithville - Initial Facility: Award of Alternate No. 10 (Additional Laboratory Building) to Robert C. Gray Construction Company, Austin, Texas, and Additional Appropriation Therefor. --The contract for the Initial Facility of the Environmental Science Park, Buescher Division at Smithville, of The University of Texas System Cancer Center (M. D. Anderson) was awarded on December 12, 1975. The Administration advised that the 90 day period for the firm price on Alternate No. 10 for an Additional Laboratory Building would expire on March 29, 1976.

It was recommended by President Clark and System Administration, and approved by the Committee:

- a. That Alternate No. 10, Additional Laboratory Building, at a construction cost of \$1,252,000 be awarded to the Robert C. Gray Construction Company, Austin, Texas, and be added to the present contract with that Company for this facility.



- b. That an additional \$1,321,735 be appropriated from Unappropriated Surplus, Unexpended Plant Funds (Account No. 106751) to cover the construction cost, fees and miscellaneous expenses.
- c. That the total project cost be revised accordingly from the original \$2,850,183 to \$4,171,918.

11. University Cancer Center (M. D. Anderson) - Lutheran Hospital Addition and Outpatient Clinic Expansion - Furniture and Furnishings: (a) Withdrawal of Bid of Litton Office Products Centers, San Antonio, Texas, Without Penalty Authorized; (b) Contract Awards on Base Bid "A" (General Furniture) and Base Bid "C" (Office Landscape Furniture) Postponed Until May 1976 Meeting; and (c) Award of Contracts for Base Bid "B" (General Furniture) and Base Bid "D" (Tandem Seating Units) to Stewart Office Supply Company, Dallas, Texas, and for Base Bid "E" (Steel Office Furniture) to Wilhide, Incorporated, Dallas, Texas. --The bid tabulation on furniture and furnishings for the Lutheran Hospital Addition and Outpatient Clinic Expansion at M. D. Anderson of The University of Texas System Cancer Center was distributed to the members of the Board of Regents. Referring to these bids, Committee Chairman Bauerle reported:

The apparent low bidder for Base Proposal "C" is Litton Office Products Centers, San Antonio, Texas, with a bid of \$60,882.68. Litton Office Products Centers alleges an error and has requested that it be relieved of the obligation without penalty to fulfill the contract for Base Bid "C." A letter to that effect, dated March 24, 1976, is available.

Mr. Woody Huggins, sales manager for Litton Office Products Centers, early on March 24, 1976, submitted his original work sheets and adding machine tape to support his contention that an error had been made. This material was closely examined by the staff of the Office of Facilities Planning and Construction and was found to tally exactly with the bid prices quoted in Litton's proposal.

In the proposal, Litton's extended unit prices exactly equal the total amount of Litton's bid for Base Proposal "C." The bid obviously does not include an \$8,000 contingency allowance which should have been included. Had the contingency allowance been included, Litton's bid probably would have been \$68,882.68.

The recommendation of System Administration to relieve Litton Office Products Centers of any obligation without penalty and to award the contract to the next low bidder was amended and approved by the Buildings and Grounds Committee as follows:

- a. Litton Office Products Centers, San Antonio, Texas, was relieved without penalty of any obligation to fulfill the contract for Base Bid "C" (Office Landscape Furniture).
- b. Base Bid "A" (General Furniture) and Base Bid "C" (Office Landscape Furniture) of the second low bidder were deferred until the next meeting of the Board of Regents since these bids are still being evaluated.

In addition thereto, the Buildings and Grounds Committee, upon recommendation of President R. Lee Clark and System Administration, awarded contracts for other types of furniture to the lowest and best bidders as follows:

Stewart Office Supply Company		
Dallas, Texas		
Base Bid "B" (General Furniture)	\$ 61,224.49	
Base Bid "D" (Tandem Seating Units)	<u>244,348.21</u>	
		\$305,572.70
Wilhide, Incorporated		
Dallas, Texas		
Base Bid "E" (Steel Office Furniture)	\$ <u>269,311.17</u>	
		<u>269,311.17</u>
Total Contract Awards		<u>\$574,883.87</u>

The funds necessary to cover these two contract awards are available in the Furniture and Equipment Account for this project.

REPORT OF LAND AND INVESTMENT COMMITTEE (Pages 39 -54 ). -- The following Report of the Land and Investment Committee was submitted by Committee Chairman Clark, who stated that all actions had been taken in open session. Upon motion duly made and seconded, the report was adopted and the actions therein were ratified:

Though the Chairman of the Board of Regents has authority to execute any document authorized by the Board, either the Associate Deputy Chancellor for Investments, Trusts and Lands or the Deputy Chancellor may execute, unless otherwise indicated in the report, all necessary instruments authorized in this report that relate 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 and Special Fund when each has been approved as to form by a University attorney and as to content by the appropriate official.

PERMANENT UNIVERSITY FUND

A. INVESTMENT MATTERS

1. Permanent University Fund - Investment Advisory Committee:  
Appointment of Mr. Gene H. Bishop. -- Upon recommendation of Deputy Chancellor Walker and Associate Deputy Chancellor Lobb as provided in the Regents' Rules and Regulations, Part Two, Chapter IX, Section 6.2, Mr. Gene H. Bishop, President and Chief Executive Officer of the Mercantile National Bank at Dallas, Dallas, Texas, was appointed to the Investment Advisory Committee of the Permanent University Fund for a 5-year term ending August 31, 1981. With this appointment, the members of the Investment Advisory Committee are:

	<u>Expiration Date of Term</u>
Mr. Dee Osborne	August 31, 1977
Mr. Roger Jenswold	August 31, 1978
Mr. Harold W. Hartley	August 31, 1979
Mr. Thomas B. McDade	August 31, 1980
Mr. Gene H. Bishop	August 31, 1981

2. Report on Clearance of Monies to Permanent University Fund and Available University Fund. -- The following report on monies cleared by the General Land Office to the Permanent University Fund and Available University Fund for the current fiscal year through January 1976 was received from the Director, Auditing Oil and Gas Production and made a part of this Committee's report:

<u>Permanent University Fund</u>	<u>January 1976</u>	<u>Cumulative This Fiscal Year</u>	<u>Cumulative Preceding Fiscal Year (Averaged)</u>
Royalty			
Oil	\$3,156,555.10	\$15,479,095.72	\$12,386,634.20
Gas - Regular	1,646,232.00	8,367,578.24	7,135,789.40
- F.P.C.	354.56	340,884.88	58,159.85
- Market Value Settlements	453,042.77	2,975,306.03	4,146,372.00
- In Kind Settlements	229,575.10	1,141,953.90	227,991.10
Water	8,058.98	60,807.13	66,382.30
Salt Brine	2,170.59	9,372.36	9,088.75
Sulphur	6,547.50	- 0 -	- 0 -
Rental on Oil & Gas Leases	3,853.20	194,360.48	290,787.30
Rental on Water Contracts	797.96	797.96	11,859.55
Rental on Brine Contracts	- 0 -	- 0 -	208.35
Rental on Sulphur Contracts	- 0 -	- 0 -	- 0 -
Amendments and Extensions of Mineral Leases	2,402.63	10,284.83	94,610.10
	<u>5,509,590.39</u>	<u>28,580,441.53</u>	<u>24,427,883.10</u>
Bonuses, Mineral Lease Sales, (actual)	- 0 -	9,687,500.00	7,816,000.00
Bonuses, Sulphur Lease Sales, (actual)	- 0 -	- 0 -	- 0 -
Total, Permanent University Fund	<u>5,509,590.39</u>	<u>38,267,941.53</u>	<u>32,243,883.10</u>
<u>Available University Fund</u>			
Rental on Easements	41,344.13	143,535.28	93,791.15
Interest on Easements and Royalty	158.65	1,367.89	8,222.60
Correction Fees - Easements	- 0 -	161.55	41.65
Transfer and Relinquishment Fees	65.64	723.19	2,547.50
Total, Available University Fund	<u>41,568.42</u>	<u>145,787.91</u>	<u>104,602.90</u>
Total, Permanent and Available University Funds	<u>\$5,551,158.81</u>	<u>\$38,413,729.44</u>	<u>\$32,348,486.00</u>

Oil and Gas Development - January 31, 1976  
 Acreage Under Lease - 813,690, Number of Producing Acres - 342,897, Number of Producing Leases - 1,520

1. Easements and Surface Leases Nos. 4096-4121, Material Source Permits Nos. 505-507, and Amendment to Easement No. 3239. --  
Easements and Surface Leases Nos. 4096-4121, Material Source Permits Nos. 505-507, and Amendment to Easement No. 3239  
 were approved as set out below. All are within the policies of the Board of Regents and all have been approved as to form by a University attorney and as to content by an appropriate official. Payment for each has been received in advance unless otherwise indicated, and each document is on the University's standard form and is at the standard rate:

a. Easements and Surface Leases Nos. 4096 - 4121

No.	Company	Type of Permit	County	Location (Block#)	Distance or Area	Period	Consideration
4096	The Superior Oil Company (renewal of 3227)	Surface Lease (salt water disposal contract)	Crockett	46	five acres	3/1/76- 2/28/77*	\$ 400.00 (annually)
4097	Texas-New Mexico Pipe Line Company (renewal of 2238)	Pipe Line	Crane	30	1,083.4 rds. 6-5/8 inch	5/1/76- 4/30/86	1,895.95
4098	Texas-New Mexico Pipe Line Company (renewal of 2151)	Pipe Line	Crane	30, 31	1,206.3 rds. 6-5/8 inch	4/1/76- 3/31/86	2,111.03
4099	The Pecos Company (renewal of 2272)	Pipe Line	Crockett	47	300 rds. 6 inch	7/1/76- 6/30/86	525.00
4100	Enserch Corporation	Pipe Line	Ward	17, 18	25.63 rds. 2 and 4 inch	1/1/76- 12/31/85	100.00 (min.)
4101	PGP Gas Products, Inc.	Pipe Line	Pecos	19	439.3 rds. 4 1/2 inch	2/1/76- 1/31/86	439.30
4102	Phillips Pipe Line Company (renewal of 2139 & 2146)	Pipe Line	Andrews	10, 11	737.76 rds. 4 1/2 inch	2/1/76- 1/31/86	737.76

\*Renewable from year to year, but not to exceed a period of five years.

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Land Matters - Continued--

No.	Company	Type of Permit	County	Location (Block#)	Distance or Area	Period	Consideration
4103	El Paso Natural Gas Company (renewal of 2138)	Pipe Line	Upton	3	20.727 rds. 4½ inch	7/1/76- 6/30/86	\$ 100.00 (min.)
4104	Atlantic Richfield Company	Pipe Line	Crane	31	599.12 rds. 6-5/8 inch	4/1/76- 3/31/86	1,048.46
4105	Community Public Service Company	Power Line	Ward	16	19.15 rds. single pole	2/1/76- 1/31/86	100.00 (min.)
4106	El Paso Natural Gas Company (renewal of 2189)	Pipe Line	Hudspeth	G, H, J, K, L	10,044.73 rds. 26 inch 3,490.5 rds. 6-5/8 inch	8/1/76- 7/31/86	41,264.94
4107	Gulf Refining Company (renewal of 2228)	Pipe Line	Crane	30	1,318.11 rds. 4½ inch	3/1/76- 2/28/86	1,318.11
4108	El Paso Natural Gas Company (renewal of 2292 & 2293)	Surface Lease (cathodic protection unit site)	Hudspeth	K, L	two acres (approximately)	8/1/76- 7/31/86	200.00 (full)
4109	El Paso Natural Gas Company (renewal of 2242)	Pipe Line	Upton	3	977.46 rds. 4½ inch	6/1/76- 5/31/86	977.46
4110	Amoco Production Company (renewal of 2137)	Pipe Line	Andrews	2	455.15 rds. 6-5/8 inch	2/1/76- 1/31/86	796.51
4111	Southland Royalty Company (renewal of 1995)	Pipe Line	Crockett	31	176 rds. 2-7/8 inch	2/1/75- 1/31/85	176.00

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Land Matters - Continued-

No.	Company	Type of Permit	County	Location (Block#)	Distance or Area	Period	Consideration
4112	Texas Electric Service Company (renewal of 2186)	Power Line	Ward	16	448.37 rds. single pole	4/1/76-3/31/86	\$ 403.53
4113	West Texas Utilities Company (renewal of 2237)	Surface Lease (electrical sub-station site)	Crane	31	2.07 acres	5/1/76-4/30/86	1,000.00 (full)
4114	Mobil Pipe Line Company (renewal of 2243)	Pipe Line	Andrews	4, 5	572.1 rds. 4 1/2 inch	5/1/76-4/30/86	572.10
4115	Allan Construction Company	Surface Lease (flex-base storage unit site)	Crockett	31	20 acres	2/1/76-1/31/77*	600.00 (annually)
4116	Allan Construction Company	Surface Lease (construction yard site)	Crockett	31	10 acres	2/1/76-1/31/77*	300.00 (annually)
4117	Allan Construction Company	Surface Lease (flex-base storage unit site)	Pecos	18	10 acres	2/1/76-1/31/77*	300.00 (annually)
4118	El Paso Natural Gas Company (renewal of 2487 & 472)	Surface Lease (compressor station site)	Hudspeth	J	66.07 acres	6/1/76-5/31/86	19,821.00 (full)
4119	Lo Vaca Gathering Company	Surface Lease (meter equipment site)	Ward	16	.0574 acre	2/1/76-1/31/86	1,000.00 (full)

\*Renewable from year to year, but not to exceed a period of ten years.

Land Matters - Continued--

No.	Company	Type of Permit	County	Location (Block#)	Distance or Area	Period	Consideration
4120	Dalton H. Cobb	Pipe Line	Andrews	6	411.8 rds. 3 inch	8/1/74- 7/31/84	\$ 411.80
4121	Dalton H. Cobb	Power Line	Andrews	6	411.8 rds. single pole	8/1/74- 7/31/84	370.62

b. Material Source Permits Nos. 505 - 507

No.	Grantee	County	Location	Quantity	Consideration
505	Exxon Corporation	Andrews	Block 13	1,181 cubic yards caliche	\$ 354.30
506	Mid-County Asphalt Company	Crockett	Block 30	67,527 cubic yards borrow	3,376.35
507	Mid-County Asphalt Company	Crockett	Block 31	10,465 cubic yards base material	1,255.80

c. Amendment to Easement No. 3239

No.	Company	Type of Permit	County	Location (Block#)	Distance or Area	Period	Consideration
3239	El Paso Natural Gas Company	Pipe Line	Hudspeth	G, H, I, J, K, L	11,629 rds.* 20 inch	3/1/71- 2/28/81	\$23,258.00*

\*Original description omitted 286.412 rods and El Paso Natural Gas Company has paid the required easement charge (\$572.82) plus amendment fee (\$100.00) to effectuate this change in the legal description.

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2. Permanent University Fund: Adoption of Flexible Grazing Lease Policies. --After a request by the Associate Deputy Chancellor for Investments, Trusts and Lands that the University grant Flexible Grazing Leases on the Permanent University Fund lands, the following proposed policies were adopted:

### Flexible Grazing Lease Policies

Length of Lease--Ten years. The class and number of Animal Units (A. U.) a Lessee will be allowed to stock and the consideration per A. U. will be reviewed and set every six months.

a. Class and Number of A. U.

Class of A. U. shall be defined as a safe stocking ratio between cattle, sheep, goats, etc., which will allow the lease to show the greatest range improvement.

For example, 45% cattle, 5% horses, 40% sheep, 10% goats or in cattle country 95% cattle and 5% horses. Classes which make up an A. U. shall be determined by using guidelines furnished by Soil Conservation Service (S. C. S.)

#### Animal Unit Class Equivalents to be Used for Flexible Leasing on University of Texas Lands

	<u>A. U.</u>
(1) One cow with calf to weaning age	1.00
(2) One mature bull	1.25
(3) Calf - weaned	0.60
(4) Steer (one-year old)	0.70
(5) Steer (two-year old)	0.90
(6) Grown horse	1.25
(7) Ewe with lamb to weaning age	0.20
(5 ewes with lambs = 1.0 A. U.)	
(8) Lamb - weaned	0.14
(9) Ram	0.20
(10) Nanny with kid (goat)	0.17
(6 nannies with kids = 1 A. U.)	
(11) Billy (goat)	0.17

In determining the class and number of A. U. a Lessee can run on a lease, the Lessor will take into consideration the economical aspects of the operation, Lessee's requested class and number of A. U. and the S. C. S. recommendations. The Lessor's ultimate goal in setting the class and number of A. U. is for this lease to show continuous improvement of forage production. In dry years the number of A. U. will be reduced; in wet years the number of A. U. will be increased.

The class and number of A. U. a Lessee can stock will be determined the first week in June for the period of July 1 through December 31 and the first week in December for the period of January 1 through June 30.



If range conditions are such and the Lessee desires to stock additional A. U. during the current six-month period, he may do so only by obtaining written permission from the Land Agent and by paying additional consideration in advance based on the price per A. U. set for that six-month period. This payment will be prorated for the months remaining in the six-month period.

The Lessor reserves the right to use S. C. S. personnel and its local field office technical guide (standard and specifications) in determining the class and number of A. U. for each lease.

b. Consideration Per A. U.

In order to arrive at the price per animal unit for the ensuing six-month period of July 1 through December 31, the average of the top fat steer price per hundred pound weight during the previous April and May at Amarillo, Texas, and the top fat lamb price per hundred pound weight during the previous April and May at San Angelo, Texas, shall be the price factor used. In order to arrive at the price per animal unit for the period of January 1 through June 30, an average of the top fat steer price per hundred weight during the previous October and November at Amarillo, Texas, and the top fat lamb price per hundred pound weight during the previous October and November at San Angelo, Texas, shall be the price factor used.

For example, if top fat steer prices averaged \$40.00 per hundred pound weight in Amarillo during April and May (or October and November) and top fat lamb prices averaged \$50.00 per hundred pound weight in San Angelo during April and May (or October and November) and the stocking class of A. U. was 50% cattle and 50% sheep, the price factor would be \$45.00. If the stocking class of A. U. was 75% cattle and 25% sheep, the price factor would be \$42.50. If the stocking class of A. U. was all cattle, the price factor would be \$40.00. (Horses shall be classed as cattle and goats shall be classed as sheep in calculating the per A. U. price factor.)

This price factor so determined would be used as a basis for figuring the twelve (12) month consideration, and dividing by two (2) to determine the six-month payment.

During the first week in June and December of each year during the term hereof, the University reserves the right to increase or decrease the price factor up to 20%.

The purpose in using fat steer and lamb prices to determine the price factor is that the ultimate purpose for producing livestock is for food and fiber - mostly food - and also the fat market is more stable and widely known. The Lessor realizes that University Lessees do not produce or market fat steers or lambs, but produce and market good quality feeder steers and lambs. The Lessor also realizes that it would be difficult to base a price factor on a good quality feeder steer or lamb market as it is so variable. For example, in the year of 1973, feeder prices were approximately 20% higher than fats most of the year. In the year 1975, feeder prices were approximately 20% lower than fats most of the year. The wool or mohair markets are always variable.

The Lessor will consider aspects such as this in exercising its right to varyiate the price per A. U. 20% above or below the price factor.

The Land Agent shall have the right to set the classes and number of A. U. and the prices per A. U. on each lease subject to the approval of the Chairman of the Land and Investment Committee of the Board of Regents and the Associate Deputy Chancellor for Investments, Trusts and Lands.

2. Minimum Payment for Lease

The Lessor will set a minimum semiannual payment to be paid on each lease. This payment will be based on the previous semiannual per acre payment.

3. Hunting Rights

Lessor shall reserve all hunting rights on said lease but annually, as of June 1, Lessor shall determine the value per acre per year for the hunting rights, and Lessee shall have first refusal of accepting hunting rights. If Lessee refuses hunting rights, Lessor reserves the right to lease hunting rights to a third party. This lease will be for a period of one year, July 1 - June 30. Lessee shall have the right to sublet the premises in whole or in part for hunting.

4. Conservation and Lease Improvement Programs

The Lessee shall develop and carry out a sound conservation and range improvement program including a planned grazing system. When determined by the Lessor, the conservation and range improvement program will include: (a) control of mesquite with a canopy cover greater than 25%, (b) control of juniper with a canopy cover greater than 30%, (c) cross fencing for better livestock distribution, and (d) adequate waterings for all pastures.

The Lessor reserves the right to use S. C. S. personnel and their field office technical guides (standards and specifications) for all range conservation and/or ranch improvement programs or practices.

5. Cancellation

If the Lessee at any time during the term of the lease does not show good faith and follow diligently the terms of the lease, the University, after proper notification and at its option, reserves the right to terminate the lease.

6. Lease Renewal

If Lessee has fulfilled the terms of the lease, Lessee shall be given first preference in the renewal of the lease, provided that such renewal may be renegotiated as to terms and provisions. It will be understood that the University shall not be obligated to renew the lease.

7. Pasturing Stock Other than Own

A Lessee will be allowed, under appropriate circumstances, to pasture livestock for a period not to exceed six months. Written permission from the Land Agent is required.

8. Subletting

Under no conditions will a Lessee be allowed to sublet a grazing lease.

9. Size and Number of Leases

There shall be no restriction on the size of a grazing lease or the number of leases held by a family, partnership, or similar entity. No lease shall be divided unless each will constitute an economic operating unit.

10. Limitations Regarding Lessees

In renewing, assigning, or making new grazing leases, all things being equal, preference shall be given to Texas residents.

11. Farming

Irrigated farming shall be permitted in those areas where water does not have commercial priority or where water is being drained from under University lands. Provision shall be made in the grazing lease form to permit separation of irrigated land from the basic grazing lease without permission of the Lessee. No dry land farming will be permitted on University lands without written permission from the Land Agent. Lands removed from the grazing lease for farming purposes will be subject to additional rental.

12. Oil Fields

At the discretion of the Land Agent, grazing areas containing a sizable oil field shall be removed from the basic grazing lease. All grazing leases are subject to the development and prospecting for oil and gas or other minerals, also to the issuance by Lessor of easements and rights-of-way.

13. Damage Payments

Parties, other than grazing Lessees, conducting operations on the leased premises shall pay for damages due to such operations in accordance with the University Damage Schedule. Payments for such damages shall be paid and handled in the manner set out therein.

14. Improvements

The University will require a Lessee to maintain lease improvements in good condition at his own expense. All improvements on University lands are the property of the University.

15. Ingress and Egress

The University will be allowed to authorize its oil, gas, mineral, and hunting Lessees, geophysical exploration and other permittees the right of ingress and egress over land adjacent to University land owned or controlled by University Lessees.

16. Assignment of Grazing Lease

Assignment of a grazing lease requires written permission of the University, with the University to receive one-half or more of any bonus paid by assignee.

17. Records

When requested to do so by the University, records shall be maintained and reports shall be furnished to the Land Agent by the Lessee as to the number, ages, and type of livestock grazed on the lease and as to such other matters as may be considered necessary or appropriate.

3. Permanent University Fund - Acreage in Blocks 48 and 49, Reagan and Crockett Counties, Texas: Cancellation of Grazing Lease

No. 1163 to Mrs. Bill A. Friend and Approval of Flexible Grazing Lease No. 1 to J. D. Strauss. --The Administration reported that as a part of the University's continuing program of range evaluation, the University Land Agent had determined that the premises covered by Grazing Lease No. 1163 to Mrs. Bill A. Friend (6,159.6 acres located in Blocks 48 and 49, Reagan and Crockett Counties, Texas) had reached a state of improvement and that a Flexible Grazing Lease, both as to rental to be paid to Lessor and the number of animal units permitted to be pastured on the leased premises would be justified. It was further reported that hunting rights on these premises had heretofore been granted to the grazing lessee upon a fixed annual per acre rental for the entire primary and extended terms of a grazing lease.

Based upon this report, and upon the fact that Mrs. Friend proposes to sell her interest in this lease to a third party, the recommendation of the Associate Deputy Chancellor for Investments, Trusts and Lands and the University Land Agent to cancel Grazing Lease No. 1163 effective June 30, 1976, was approved.

The further recommendation of the Associate Deputy Chancellor for Investments, Trusts and Lands and the University Land Agent to grant a Flexible Grazing Lease covering this same property, 6,159.6 acres located in Blocks 48 and 49, Reagan and Crockett Counties, Texas, to Mr. J. D. Strauss under the following terms was approved. This lease will be known as Flexible Grazing Lease No. 1 and will be granted in accordance with the newly approved Flexible Grazing Lease Policies (Item 2, Page 45):

Consideration:           Cash Bonus of \$14,400

Term:                     Ten Years, commencing  
                              July 1, 1976, and ending  
                              June 30, 1986

4. Permanent University Fund - Acreage in Block 11, Andrews County, Texas: Cancellation of Grazing Lease No. 1110 to Robert L. Snyder and Approval of Flexible Grazing Lease No. 2 to S. F. Henderson. -- The Administration reported that as a part of the University's continuing program of range evaluation, the University Land Agent had determined that the premises covered by Grazing Lease No. 1110 originally granted to Hilary G. Bedford and subsequently assigned to Robert L. Snyder (9,661.67 acres located in Block 11, Andrews County, Texas) had reached a state of improvement and that a Flexible Grazing Lease, both as to rental to be paid to Lessor and the number of animal units permitted to be pastured on the leased premises would be justified. It was further reported that hunting rights on these premises had heretofore been granted to the grazing lessee upon a fixed annual per acre rental for the entire primary and extended terms of a grazing lease.

Based upon this report, and upon the fact that Mr. Snyder proposes to sell his interest in this lease to a third party, the recommendation of the Associate Deputy Chancellor for Investments, Trusts and Lands and the University Land Agent to cancel Grazing Lease No. 1110 effective June 30, 1976, was approved.

The further recommendation of the Associate Deputy Chancellor for Investments, Trusts and Lands and the University Land Agent to grant a Flexible Grazing Lease covering this same property, 9,661.67 acres located in Block 11, Andrews County, Texas, to Mr. S. F. Henderson under the following terms was approved. This lease will be known as Flexible Grazing Lease No. 2 and will be granted in accordance with the newly approved Flexible Grazing Lease Policies (Item 2, Page 45):

Consideration: Cash Bonus of \$12,072

Term: Ten Years, commencing  
July 1, 1976, and ending  
June 30, 1986

5. Permanent University Fund - Settlement of Part of Boundary Conflict Between a Portion of Block L, University Lands and the San Elizario Grant, El Paso County, Texas: Exchange of 4.13 Acres with Mrs. M. D. Springer and 5.05 Acres with Mrs. C. J. Milner. --The Administration presented the following review and report with respect to the boundary conflict between Block L, University Lands (Permanent University Fund) and the San Elizario Grant, El Paso County, Texas:

The boundary conflict between Block L, University Lands, and the San Elizario Grant is a matter of longstanding history and was previously the subject of a 1901 lawsuit in the District Court which defined the boundary line between the University's ownership and private ownership as a line delineating the "foot of the hills." It should be pointed out that the survey of Block L, University Lands, is junior in point of time to that of the San Elizario Grant which is the senior survey. During the intervening period of years,

various owners of property out of the San Elizario Grant have proceeded to encroach upon Block L, University Lands, and have constructed various improvements on the area in controversy.

In an effort to settle this longstanding boundary conflict, the Board of Regents in 1972 authorized a resurvey of the entirety of Block L, which was performed by Freese, Nichols & Esmond, Consulting Engineers of Odessa, Texas. Copies of the Surveyor's Report, Field Notes and plats were officially filed and approved by the Commissioner of the General Land Office as required by law on September 7, 1973. Each of the land owners that had been encroaching upon Block L, University Lands, has agreed that the survey prepared by Freese, Nichols & Esmond is correct and have offered to settle their various boundary claims by either obtaining a lease of the area in question from the Board of Regents or have offered to exchange property which they own out of the San Elizario Grant for property owned by the Board of Regents out of Block L, University Lands. In each of the fact situations where an exchange of property has been proposed, the University has ascertained that the value of the respective tracts of lands is approximately equal and that the University will be obtaining valued rights of ingress and egress across the Southern Pacific Railroad right-of-way to old U. S. Highway 80 which runs between the towns of Fabens and Tornillo in the area in question.

Following the review and report, and upon recommendation of the Associate Deputy Chancellor for Investments, Trusts and Lands, exchanges of property as set out below were authorized to two of the individuals involved in this boundary conflict:

- a. Exchange with Mrs. M. D. Springer 4.13 acres of land which she now occupies out of the southwest part of Section 9, Block L, University Lands, for 4.13 acres of land out of the east part of Survey 152, San Elizario Grant that is adjacent to Block L.
- b. Exchange with Mrs. C. J. Milner 5.05 acres of land which she now occupies out of the southwest part of Sections 5 and 6, Block L, University Lands for 5.05 acres of land out of Tracts 139-142, Lot 1, Block 46, San Elizario Grant.

The exchange of this property involves the surface only with the University retaining its mineral interest in Block L, and the private owners retaining their respective mineral interests out of the San Elizario Grant with each party waiving the rights of ingress and egress to the surface for the purpose of mineral development.

TRUST AND SPECIAL FUNDS

## A. GIFTS, BEQUESTS AND ESTATES

1. U. T. Austin: Acceptance of Gift from Mr. and Mrs. Edward R. Parish, Dallas, Texas, to be Matched by Mobil Oil Corporation, and Establishment of Troy Randall Parish Scholarship Fund. -- Upon recommendation of the Administration a gift of \$3,000 was accepted from Mr. and Mrs. Edward R. Parish of Dallas, Texas, and the Troy Randall Parish Scholarship Fund was established at The University of Texas at Austin in memory of Mr. and Mrs. Parish's son. This gift is being matched by Mobil Oil Corporation.

Committee Chairman Clark asked that appreciation be expressed to Mr. and Mrs. Parish and to Mobil Oil Corporation for this gift.

2. Houston Health Science Center (Houston Dental Branch): Acceptance of Gift from Mrs. Severin Knutson, Houston, Texas, to Establish the Mrs. Severin Knutson Eyeglass Fund. -- A gift of \$10,000 was accepted from Mrs. Severin Knutson, Houston, Texas, with sincere appreciation, and the Mrs. Severin Knutson Eyeglass Fund was established at the Houston Dental Branch of The University of Texas Health Science Center at Houston. The income from this fund will be used for purchasing eyeglasses for maxillofacial patients at the Houston Dental Branch as requested by Mrs. Knutson.
3. System Nursing School (San Antonio Nursing School): Acceptance of Gift from Mr. William E. Crawford, San Antonio, Texas, to Establish the Mary Margaret Moran Scholarship Fund. -- With deep gratitude, a gift of \$10,000 was accepted from Mr. William E. Crawford, San Antonio, Texas, and the Mary Margaret Moran Scholarship Fund in memory of Mr. Crawford's daughter was established at the San Antonio Nursing School of The University of Texas System School of Nursing. The income from this fund will be used for scholarships at the San Antonio Nursing School.

## B. REAL ESTATE MATTERS

1. U. T. Austin - Hogg Foundation (Varner Properties) - Northeast Corner of Fannin and Capitol Streets, Houston, Texas: Report with Respect to Default on Lease to W. T. Grant and Company, New York City, and Approval of Lease for Parking Lot Purposes to Homer J. Rader, Jr., d/b/a Classified Parking Systems, Inc., Houston, Texas. -- The Committee was advised that the property at the northeast corner of Fannin and Capitol streets, Houston, Texas (Hogg Foundation - Varner Properties - The University of Texas at Austin) containing 21,168 square feet leased to W. T. Grant Company, New York City, under lease expiring December 31, 1977, at an annual rental of \$85,000 had been vacated on June 1, 1975, by the W. T. Grant Company; the Company had defaulted on this lease as of November 1, 1975, and the University had notified W. T. Grant Company of its intention to re-enter and lease the premises without prejudice to its rights and remedies under the lease.

The University staff had received numerous requests during the past several months to lease this property for parking lot purposes, and bid proposals, including the form of surface parking lot lease to be issued, were mailed to prospective bidders on March 10, 1976, and the bids received were opened on March 24.

The results of these bids were presented to the Committee; and upon recommendation of the Administration, a lease under the following terms was granted to Homer J. Rader, Jr., d/b/a Classified Parking Systems, Inc., Houston, Texas, the highest and best bidder:

- a. Term: Beginning June 1, 1976 and ending March 31, 1986
  - b. Purpose: Property shall be used only for surface parking and no permanent improvements other than those required for surface parking lot shall be erected on the property by lessee.
  - c. Rental: Average monthly rental of \$5,333.63 (payable monthly: \$5,026.00 for the first 58 months and \$5,631.00 for the succeeding 60 months)
  - d. Proposed Cancellation Clause: The right to cancel the lease rests solely with lessor and may be cancelled at the end of the first year of the lease term or anytime thereafter upon six months' written notice from lessor. In event of cancellation of the lease, the lessor shall reimburse lessee for a portion of the costs borne by lessee (estimated to be between \$50,000 and \$60,000) for site preparation for surface parking, including demolition of the present structures. Lessor shall pay to lessee 10% of such costs for each full year remaining on the lease at the time of cancellation. Any fractional part of a year will be prorated. The lease may be cancelled by lessor only in case of sale of the property or for lease of the property for purposes other than for surface parking.
2. U. T. Austin - Hogg Foundation - W. C. Hogg Memorial Fund: Joinder in Oil and Gas Lease to Saye Oil Company, Shreveport, Louisiana, on Undivided 80 Acre Tract in Union County, Arkansas. --Upon recommendation of the Administration, authorization was given to join with Mrs. Alice N. Hanszen (4/64ths) and the Estate of Miss Ima Hogg (5/64ths) in an oil and gas lease to Saye Oil Company of Shreveport, Louisiana, on the Hogg Foundation's 7/64ths of the minerals under a tract of 80 acres in Section 11, Township 16 South, Range 17 West, Union County, Arkansas (W. C. Hogg Memorial Fund property - The University of Texas at Austin). Consideration is \$25 per mineral acre (\$218.75 for Hogg Foundation) for a 3-year paid up lease with 1/6th royalty on oil and gas. It was noted that Saye Oil Company is assembling a block to drill a wildcat test.



OTHER MATTERS

Report of Securities Transactions for Permanent University Fund and for Trust and Special Funds for the Months of December 1975 and January 1976. --The Report of Securities Transactions for Permanent University Fund and Trust and Special Funds for December 1975 and January 1976, submitted by the Office of Investments, Trusts and Lands, was received. It is attached (Attachment No. 2) following Page N-6 of Attachment No. 1 and made a part of these Minutes.

REPORT OF MEDICAL AFFAIRS COMMITTEE (Pages 54 - 73). -- Committee Chairman Nelson filed the following Report of the Medical Affairs Committee which committee had transacted all of its business in open session. The report was adopted, and the actions therein were ratified.

1. U. T. Austin (College of Pharmacy): Affiliation Agreement with The Audie Murphy Memorial Veterans Administration Hospital, San Antonio, Texas (Clinical Training of Pharmacy Students). -- Upon the recommendation of President Rogers, concurred in by System Administration, approval was given to the affiliation agreement set out on Pages 55 - 56 between the Board of Regents of The University of Texas System, for and on behalf of the College of Pharmacy of The University of Texas at Austin, and The Audie Murphy Memorial Veterans Administration Hospital, San Antonio, Texas.

Committee Chairman Nelson explained that this agreement provides for rotating students in the U. T. Austin College of Pharmacy through The Audie Murphy Memorial Veterans Administration Hospital at San Antonio for clinical training. The agreement does not contain the standard hold harmless clause since the facility did not demand it.

The Chairman of the Board of Regents was authorized to execute this agreement when it had been approved as to form by a University attorney and as to content by the Deputy Chancellor.

## AFFILIATION AGREEMENT

THE STATE OF TEXAS

I

I

COUNTY OF BEXAR

I

This AGREEMENT is executed on \_\_\_\_\_, 1976,  
between the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, for and on  
behalf of the College of Pharmacy of The University of Texas at Austin, and  
the AUDIE MURPHY MEMORIAL VETERANS ADMINISTRATION HOSPITAL, SAN ANTONIO,  
TEXAS, for the purposes of education and training. The Veterans Administra-  
tion retains full responsibility for the care of patients, including all  
administrative and professional functions relating thereto. The College of  
Pharmacy accepts advisory responsibility for the clinical portion of the  
programs conducted at the Veterans Administration Hospital.

The College of Pharmacy agrees:

1. To be responsible for the educational program of students assigned to the hospital; and for selection and assignment of students in accord with agreed-to schedules and work assignments.
2. To provide necessary assurance or evidence of acceptable health levels of and liability insurance coverage for assigned students and instructors.
3. To be responsible for the proper conduct of students and instructors during their tours of duty at the VA Hospital, as governed by the rules and regulations of the VA.
4. To the provision that it does not and will not discriminate against any employee or applicant for employment or registration in the course of study because of race, color, creed, sex, or national origin.

The Veterans Administration Hospital agrees:

1. To provide, insofar as possible, laboratory and practicum instruction and facilities to the students during the agreed-to tours of rotation.
2. To provide necessary orientation, administrative guides and procedures, and other media deemed essential to the conduct of the work experience.

3. To maintain administrative and professional supervision of students insofar as their presence affects the operation of the hospital and/or the direct or indirect care of patients.

Mutual Terms:

- 1. Acceptable schedules and work assignments developed will not interfere with the primary mission of the hospital.
- 2. Instructors and hospital staff supervisors will evaluate performance in accordance with published curricula guidelines.
- 3. An annual review of programs and policies will be made.
- 4. The criteria contained in M-3, part II, will apply in carrying out the provision of this agreement.
- 5. Either party may terminate this Affiliation Agreement upon notice to the other six months in advance of the next training experience.

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

ATTEST:

BOARD OF REGENTS OF THE  
UNIVERSITY OF TEXAS SYSTEM

Secretary

By  
Chairman

ATTEST:

THE AUDIE MURPHY MEMORIAL VETERANS  
ADMINISTRATION HOSPITAL, SAN ANTONIO

*[Signature]*

By *Raymond C. Sullivan*  
for Hospital Director

Approved as to Content:

*for Raymond C. Sullivan*  
Hospital Director

Approved as to Form:

*Lawrence Washburn*  
University Attorney

Approved as to Content:

*Ed Walker*  
Deputy Chancellor

2. San Antonio Health Science Center: Affiliation Agreements with (a) McAllen General Hospital, McAllen, Texas; (b) Floresville Memorial Hospital, Inc., Floresville, Texas; and (c) Floresville Medical Associates, Floresville, Texas (Department of Family Medicine). --President Harrison presented through System Administration the affiliation agreements set out on Pages 57-65 between the Board of Regents of The University of Texas System, for and on behalf of The University of Texas Health Science Center at San Antonio, and the facilities listed below. These agreements provide the San Antonio Health Science Center a remote base of operation for Department of Family Practice training programs, which will help alleviate some of the health manpower shortages in nonurban areas. No hold harmless clause was required by the facilities:

- a. McAllen General Hospital, McAllen, Texas
- b. Floresville Memorial Hospital, Inc., Floresville, Texas
- c. Floresville Medical Associates, Floresville, Texas

Committee Chairman Nelson commented that the Board of Regents had made a commitment to the legislature to establish more clinical facilities for the training of practitioners in the area of family medicine. These facilities are certified and qualified as rural preceptorships.

The Chairman of the Board of Regents was authorized to execute these agreements when they had been approved as to form by a University attorney and as to content by the Deputy Chancellor.

#### AFFILIATION AGREEMENT WITH McALLEN GENERAL HOSPITAL

This AFFILIATION AGREEMENT, made and entered into the \_\_\_\_\_ day of \_\_\_\_\_, 1976, by and between the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, for and on behalf of THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT SAN ANTONIO, hereinafter sometimes referred to as the "CENTER," and McALLEN GENERAL HOSPITAL, hereinafter sometimes referred to as the "HOSPITAL,"

WITNESSETH

WHEREAS, the Hospital and the Center have common objectives, including

- (1) the advancement of medical knowledge through investigation and professional service through care of the sick; (2) promotion of personal and community health in rural and medically underserved areas; (3) alleviation of health manpower shortages in the non-urban environment; (4) the development of an expanded, rural-based teaching program with emphasis on rural preceptorships and residency rotations in family medicine and related medical specialties

(5) the expansion of new and innovative methods for health care delivery in non-urban areas; and

WHEREAS, it is acknowledged that a Center can accomplish these objectives more effectively through affiliation;

NOW THEREFORE, the Hospital and the Center agree to affiliate upon the following terms:

1. THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT SAN ANTONIO

Jurisdiction and Responsibilities

- (a) The respective schools of the Center will be operated as reputable and accredited schools.
- (b) The Board of Regents of The University of Texas System will retain all jurisdictional powers incident to separate ownership, including the power to determine the general and fiscal policies of the Center and to appoint its administrative staff, faculty, and other personnel.
- (c) Except as otherwise provided, the Board of Regents of The University of Texas System shall be responsible for all expenses incurred in the operation of the Center.
- (d) The Center will provide, where indicated and mutually agreeable, the direction and personnel necessary to conduct certain Center programs of research and teaching at the Hospital.

2. MCALLEN GENERAL HOSPITAL

Jurisdiction and Responsibilities

- (a) The Hospital shall retain all rights incident to its separate ownership, including the right to determine its general and fiscal policies and the right to determine the acceptability and desirability of its administrative and staff personnel.
- (b) The Hospital will operate its facilities in a manner and with standards generally consistent with those established by the Joint Commission on Accreditation.
- (c) The Administration of the Center and the Board of Regents of The University of Texas System agree that academic status is important in attracting and maintaining well qualified individuals for teaching

positions at the Hospital and that academic appointments will be made by the Center for qualified individuals in key positions, if mutually desirable.

(d) The Hospital will provide the facilities, administration, basic equipment, and personnel necessary to conduct teaching programs for undergraduates and postgraduates. The teaching, research, and service activities of the Hospital will be conducted jointly and in cooperation with the programs of the Center, as they relate to these teaching programs.

(e) All patients of the Hospital shall be subject to the exclusive direction and control of the Hospital.

(f) All expenses incurred in the operation of the Hospital shall be paid by the Hospital. All expenses incurred in the operation of the Center shall be paid by the Center.

3. JOINT RESPONSIBILITIES

(a) The Hospital and the Center agree to cooperate in good faith in carrying out the common objectives and purposes of this Affiliation Agreement.

4. PERIOD OF AGREEMENT

(a) The Agreement is for a period of one (1) year from its effective date, and thereafter from year to year, unless terminated by either party on six (6) months written notice.

(b) Amendments may be proposed administratively when appropriate and/or necessary.

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

ATTEST:

Secretary

ATTEST:

Secretary

APPROVED AS TO FORM:

*Lance Walker*  
University Attorney

BOARD OF REGENTS OF THE  
UNIVERSITY OF TEXAS SYSTEM

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

MCALLEN GENERAL HOSPITAL

By: *William C. Burns*  
Administrator

APPROVED AS TO CONTENT:

*E. Walker*  
Deputy Chancellor

By: *Jack Powell*  
Chairman, Board of Managers  
McAllen General Hospital

AFFILIATION AGREEMENT WITH FLORESVILLE MEMORIAL HOSPITAL,  
INC.

This AFFILIATION AGREEMENT, made and entered into the \_\_\_\_\_ day of \_\_\_\_\_, 1976, by and between the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, for and on behalf of THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT SAN ANTONIO, hereinafter sometimes referred to as the "CENTER", and FLORESVILLE MEMORIAL HOSPITAL, INC., FLORESVILLE, TEXAS, hereinafter sometimes referred to as the "HOSPITAL",

## WITNESSETH:

WHEREAS, the Hospital and the Center have common objectives, including (1) the advancement of medical knowledge through investigation and professional service through care of the sick; (2) promotion of personal and community health in rural and medically underserved areas; (3) alleviation of health manpower shortages in the non-urban environment; (4) the development of an expanded, rural-based teaching program, with emphasis on rural preceptorships and residency rotations in family medicine and related medical specialties; and (5) the expansion of new and innovative methods for health care delivery in non-urban areas; and

WHEREAS, it is acknowledged that the Hospital and the Center can accomplish these objectives more effectively through affiliation with each other;

NOW, THEREFORE, the Hospital and the Center agree to affiliate upon the following terms:

1. THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT SAN ANTONIO

Jurisdiction and Responsibilities

- (a) The respective schools of the Center will be operated as reputable and accredited schools.
- (b) The Board of Regents of The University of Texas System will retain all jurisdictional powers incident to separate ownership, including the power to determine the general and fiscal policies of the Center and to appoint its administrative staff, faculty, and other personnel.

- (c) Except as otherwise provided, the Board of Regents of The University of Texas System shall be responsible for all expenses incurred in the operation of the Center.
- (d) The Center will provide, where indicated and mutually agreeable, the direction and personnel to conduct certain Center programs of research and teaching at the Hospital.

2. MEMORIAL HOSPITAL, FLORESVILLE, TEXAS

Jurisdiction and Responsibilities

- (a) The Hospital shall retain all rights incident to its separate ownership, including the right to determine its general and fiscal policies and the right to determine the acceptability and desirability of its administrative and staff personnel.
- (b) The Hospital will operate its facilities in a manner and with standards generally consistent with those established by the Joint Commission on Accreditation.
- (c) The Hospital will provide the facilities, administration, basic equipment, and personnel necessary to conduct teaching programs. The teaching, research, and service activities of the Hospital will be conducted jointly and in cooperation with the programs of the Center.
- (d) All patients of the Hospital shall be subject to the exclusive direction and control of the Hospital.
- (e) All expenses incurred in the operation of the Hospital shall be paid by the Hospital. All expenses incurred in the operation of the Center shall be paid by the Center.

3. JOINT RESPONSIBILITIES:

- (a) The Hospital and the Center agree to cooperate in good faith in carrying out the common objectives and purposes of this Affiliation Agreement.

4. PERIOD OF AGREEMENT:

- (a) The Agreement is for a term of one (1) year from its effective date, and thereafter from year to year, unless terminated by either party on six (6) months written notice.



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(b) Amendments may be proposed administratively when appropriate  
and/or necessary.

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

ATTEST: BOARD OF REGENTS OF THE  
UNIVERSITY OF TEXAS SYSTEM

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

Approved as to Form: FLORESVILLE MEMORIAL HOSPITAL, INC.

Lumie Waedrop By: Sister Laverne Mettlach  
University Attorney Administrator

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

Approved as to Content:

Carl E. Felker  
Deputy Chancellor

AFFILIATION AGREEMENT WITH FLORESVILLE MEDICAL ASSOCIATES

This AFFILIATION AGREEMENT, made and entered into the \_\_\_\_\_ day of \_\_\_\_\_, 1976, by and between the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, for and on behalf of THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT SAN ANTONIO, hereinafter sometimes referred to as the "CENTER," and the FLORESVILLE MEDICAL ASSOCIATES, a Texas Professional Association, of Floresville, Wilson County, Texas, hereinafter sometimes referred to as the "ASSOCIATES,"

WITNESSETH:

WHEREAS, the Associates and the Center have common objectives, including

- (1) the advancement of medical knowledge through investigation and professional service through care of the sick;
- (2) promotion of personal and community health in rural and medically underserved areas;
- (3) alleviation of health manpower shortages in the non-urban environment;
- (4) the development of an expanded, rural-based teaching program with emphasis on rural preceptorships and residency rotations in family medicine and related medical specialities;
- and (5) the expansion of new and innovative methods for health care delivery in non-urban areas; and

WHEREAS, it is acknowledged that a non-urban group practice and a Health Science Center can accomplish these objectives more effectively through affiliation with each other;

NOW, THEREFORE, the Associates and the Center agree to affiliate upon the following terms:

1. THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT SAN ANTONIO

Jurisdiction and Responsibilities

- (a) The respective schools of the Center will be operated as reputable and accredited schools.
- (b) The Board of Regents of The University of Texas System will retain all jurisdictional powers incident to separate ownership, including the power to determine the general and fiscal policies of the Center and to appoint its administrative staff, faculty, and other personnel.
- (c) Except as otherwise provided, the Board of Regents of The University of Texas System shall be responsible for all expenses incurred in the operation of the Center.

(d) The Center will provide, where indicated and mutually agreeable, the direction and personnel necessary to conduct certain Center programs of research and teaching with the Associates.

(e) The Administration of the Center and the Board of Regents of The University of Texas System agree that academic status is important in attracting and maintaining well-qualified individuals for teaching positions with the Associates and that academic appointments will be made by the Center for qualified individuals in key positions, if mutually desirable.

## 2. FLORESVILLE MEDICAL ASSOCIATES

### Jurisdiction and Responsibilities

(a) The Associates shall retain all rights incident to its separate ownership, including the right to determine its general and fiscal policies and the right to determine the acceptability and desirability of its administrative and staff personnel.

(b) The Associates will operate its facilities in a manner and with standards generally consistent with those established by the Texas Academy of Family Physicians.

(c) The Associates will provide the facilities, administration, basic equipment, and personnel necessary to conduct teaching programs for undergraduates and postgraduates. The teaching, research, and service activities of the Associates will be conducted jointly and in cooperation with the programs of the Center, as they relate to these teaching programs.

(d) All patients of the Associates shall be subject to the exclusive direction and control of the Associates.

(e) All expenses incurred in the operation of the Associates shall be paid by the Associates. All expenses incurred by the operation of the Center shall be paid by the Center.

## 3. JOINT RESPONSIBILITIES

(a) The Associates and the Center agree to cooperate in good faith in carrying out the common objectives and purposes of this Affiliation Agreement.

4. PERIOD OF AGREEMENT

(a) This Agreement is for a term of one (1) year from its effective date, and thereafter from year to year, unless terminated by either party on six (6) months written notice.

(b) Amendments may be proposed administratively when appropriate and/or necessary.

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

WITNESSES:

BOARD OF REGENTS OF THE  
UNIVERSITY OF TEXAS SYSTEM

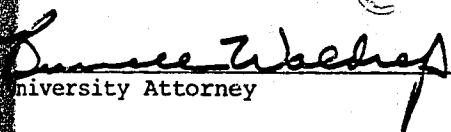
Secretary

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

Approved as to Form:

FLORESVILLE MEDICAL ASSOCIATES

University Attorney



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

Approved as to Content:

  
Deputy Chancellor

3. University Cancer Center: Affiliation Agreement with the Board of Trustees of the Texas Chest Foundation, Tyler, Texas. --The affiliation agreement set out on Pages 66-69 between the Board of Regents of The University of Texas System, for and on behalf of The University of Texas System Cancer Center, and the Board of Trustees of the Texas Chest Foundation, Tyler, Texas, was authorized upon the recommendation of President Clark, concurred in by System Administration. The purpose of the agreement is to facilitate cooperation between the Texas Chest Foundation and the University Cancer Center to provide programs of research, education and health care related to cancer and other diseases of the chest. Committee Chairman Nelson explained that the University Cancer Center is the logical place for this type of research since the Center is presently actively involved in a research program relating to the incidence of cancer among the asbestos workers at Tyler, Texas.

The Chairman of the Board of Regents was authorized to execute the agreement when it had been approved as to form by a University attorney and as to content by the Deputy Chancellor.

AFFILIATION AGREEMENT

THE STATE OF TEXAS    X  
                               X  
 COUNTY OF SMITH        X

This AFFILIATION AGREEMENT made and entered into the  
 \_\_\_\_\_ day of \_\_\_\_\_, 1976, by and  
 between the Board of Regents of The University of Texas  
 System, for and on behalf of The University of Texas System  
 Cancer Center in Houston, hereinafter called the "Center",  
 and the Board of Trustees of the Texas Chest Foundation,  
 hereinafter called the "Foundation",

W I T N E S S E T H:

WHEREAS, during the past quarter century certain factors  
 have resulted in an increased incidence of chronic lung dis-  
 ease, highly malignant cancers of the lung, and heart disease;  
 and

WHEREAS, advances in medicine and biomedical science made  
 in the past three decades have provided new and basic concepts  
 of cancer biology and cardiopulmonary physiology which should  
 open new avenues for research in diseases of the chest; and

WHEREAS, it is the desire of the Center and of the Found-  
 ation to coordinate their resources to improve health care for  
 the citizens of Texas, to expand and collaborate their research  
 and educational activities especially as they relate to cancer  
 and related diseases of the chest; and

WHEREAS, the President of the Center and the President of  
 the Foundation accept the responsibility for carrying out co-  
 operative endeavors where related and mutually beneficial in  
 their common goals of providing programs of research and edu-  
 cation and better health care for the citizens of Texas:

NOW, THEREFORE, in consideration of the mutual benefits and with the intent to develop both institutions to their maximum potential, the Center and Foundation hereby agree as follows:

1. EXTENT OF AFFILIATION

The purpose of this affiliation agreement is to establish a broad framework to facilitate cooperation at various levels within the Center and the Foundation. It is agreed that the initiative for establishing such affiliations and associated working relationships will be vested in the offices of the Center and of the Foundation.

2. PROVISION FOR FACULTY APPOINTMENTS FOR FOUNDATION STAFF MEMBERS

Both parties agree that academic status is a strong inducement for attracting well qualified physicians and biomedical scientists for key teaching and research positions with the Foundation. Appointments to the faculty may be initiated by the Foundation President and the Center and will be considered on an individual basis. When the best interests of both the Foundation and the Center would be served, Center departmental chairman may initiate full-time academic appointments (without tenure) for full-time individuals employed by the Foundation. Such appointments will terminate upon termination of an individual's appointment with the Foundation unless recommended otherwise by the appropriate Center departmental chairman.

3. COMPENSATION ARRANGEMENTS FOR FULL-TIME FACULTY

Individuals with academic appointments employed full-time by the Center and based with the Foundation will be subject to The University of Texas System policy regarding salary plan. Fees earned in excess of the maximum allowed shall be managed in a manner consistent with the management of similar money at the Center.

4. JOINT SPONSORSHIP OF RESEARCH ACTIVITIES

Research projects of the Foundation may be jointly sponsored with the Center. In such cases there will be prior agreement as to the extent of the responsibility of the Foundation and the Center in the administration and disposition of research funds, provision of staff and facilities, and ownership of equipment purchased with research funds.

5. PROVISION FOR REVIEW OF RELATIONSHIP

Both parties agree that a productive and harmonious relationship depends upon maintaining effective channels of communication. The parties anticipate that routine matters will be handled and decided mutually through continuous contacts at the appropriate level. At least annually, and more frequently if necessary, a group representing the Foundation and the Center shall review and discuss overall relationships and policies and other matters of common concern.

If any aspect of this agreement becomes unsatisfactory, or if any policy question arises, a joint committee shall be responsible for discussing and resolving the question involved. If a change in the agreement is necessary, the committee shall make recommendations to each party. If problems develop that are sufficiently serious and cannot be resolved, dissolution of the agreement may be indicated. The effective date of such dissolution shall be mutually agreed upon, with adequate time to allow the Foundation and the Center to make necessary arrangements in an orderly manner.

6. PERIOD OF AGREEMENT

This agreement is for a term of one year from the date of execution and shall continue thereafter from year to year unless terminated by either party upon giving six months advance written notice to the other party by certified mail. It may also be amended in writing to include such provisions as the parties may agree upon.

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

ATTEST:

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM

Secretary

By Chairman

ATTEST:

BOARD OF TRUSTEES OF THE TEXAS CHEST FOUNDATION

Secretary

By

Approved as to Content:

Approved as to Form:

Deputy Chancellor

*Russell Waldrop*  
University Attorney

4. System Nursing School: Affiliation Agreements with (a) Galveston County Health District, Galveston, Texas; (b) Psychiatric Institute of Fort Worth, Fort Worth, Texas; and (c) Houston Northwest Medical Center, Houston, Texas, Deferred until May Meeting. --The affiliation agreements between the Board of Regents of The University of Texas System, for and on behalf of The University of Texas System School of Nursing, with the following facilities were deferred until the May 1976 meeting:

- a. Galveston County Health District, Galveston, Texas
- b. Psychiatric Institute of Fort Worth, Fort Worth, Texas
- c. Houston Northwest Medical Center, Houston, Texas

Committee Chairman Nelson requested that the Office of General Counsel prepare for submission to the Board of Regents a new model affiliation agreement after reviewing the current model and incorporating any changes deemed necessary to provide appropriate supervision for the nursing students.



5. System Nursing School: Reassignment of Administrative, Faculty, and Staff Personnel Effective September 1, 1976. --Committee Chairman Nelson recognized Board Chairman Shivers. He explained that the item relating to The University of Texas System School of Nursing would be considered in open session because of the vast amount of interest expressed, and asked Regent Nelson to consider it in the Medical Affairs Committee.

In compliance with this request, Committee Chairman Nelson asked President Willman to introduce some of her associates who were present. President Willman then introduced the deans of the nursing schools:

Miss Billye J. Brown, Dean, The University of Texas School of Nursing at Austin

Miss Christine Bonds, Dean, The University of Texas School of Nursing at El Paso

Mrs. Myrna Pickard, Dean, The University of Texas School of Nursing at Fort Worth

Mrs. Dorothy Damewood, Dean, The University of Texas School of Nursing at Galveston

Miss Dorothy Otto, Acting Dean, The University of Texas School of Nursing at Houston

Dr. Patty Lynn Hawken, Dean, The University of Texas School of Nursing at San Antonio

Committee Chairman Nelson reviewed the development of the nursing schools in The University of Texas System. He pointed out that the deans of all the schools in the health science centers report to a local president and likewise the deans in the general academic institutions and that apparently this type of organization works better at a local level than at a system level. Committee Chairman Nelson assured all that this is merely a rearrangement of some activities with no changes in the basic program but a conformity to the same organization as the health science centers and academic institutions.

Committee Chairman Nelson in conclusion emphasized that the purpose of the nursing school is to train nurses for patient care.

Then it was moved by Committee Chairman Nelson that the Administrative, Faculty, and Staff personnel at each of the six schools of Nursing currently under the administrative jurisdiction of The University of Texas System School of Nursing be reassigned so that such personnel be under the administrative jurisdiction of the Chief Administrative Officer of the following component institutions of The University of Texas System:

- (1) The University of Texas School of Nursing at Austin -  
The University of Texas at Austin
- (2) The University of Texas School of Nursing at Galveston -  
The University of Texas Medical Branch at Galveston

- (3) The University of Texas School of Nursing at Houston -  
The University of Texas Health Science Center at Houston
- (4) The University of Texas School of Nursing at San Antonio -  
The University of Texas Health Science Center at San Antonio
- (5) The University of Texas School of Nursing at Fort Worth -  
The University of Texas at Arlington
- (6) The University of Texas School of Nursing at El Paso -  
The University of Texas at El Paso

Regent Sterling seconded the motion.

Committee Chairman Nelson then called on Dr. Willman who submitted a written response.

Following Dr. Willman's response in opposition to the motion, President Willman in turn introduced the following who spoke against the proposal:

Mrs. Rozanne Thatcher, a graduate nursing student, representing the student body of The University of Texas School of Nursing at Austin

Dr. Carolyn Cason, representing the faculty of The University of Texas School of Nursing at El Paso, as well as many concerned parents whose children are students on the U. T. El Paso campus

Dr. Patty Lynn Hawken, representing The University of Texas School of Nursing at San Antonio. She also spoke on requirements of the National League of Nursing of which she is a member.

Dr. Bonnie Rickelman, representing the faculty of The University of Texas School of Nursing at Austin

Miss Carolyn Gunning, representing the faculty of The University of Texas School of Nursing at San Antonio

Dr. Evelyn Redding, representing the faculty of The University of Texas School of Nursing at Houston

Mrs. Hazel Jay, representing the Fort Worth campus

Mrs. Luci Nugent, Chairman of the Nursing School Development Board - and a member since its inception, added her strong support to the nurses' opposition to reorganization.

Committee Chairman Nelson asked to include as a part of the Minutes the following data which Deputy Chancellor Walker had previously summarized:

"System Administration recommends that effective with the Fall semester, but not later than September 1, 1976, The University of Texas System School of Nursing be reorganized to place each of the six Schools of Nursing under the administrative jurisdiction

of the System institutions as follows: Nursing School at Austin, U. T. Austin; School at Galveston, Medical Branch; School at Houston, Houston Health Science Center; School at San Antonio, San Antonio Health Science Center; School at Fort Worth, U. T. Arlington; and School at El Paso, U. T. El Paso. Undergraduate work is offered at all six locations and graduate work is currently being offered at Austin, Fort Worth, Galveston, and San Antonio.

"Currently, System Administration of the System Nursing Schools operates on a budget of approximately \$450,000 per year, which includes approximately \$80,000 for continuing education. Since there is nothing unusual or unique in the routine administrative functions carried out by the nursing System Administration (i. e., payroll, budget, purchasing, vouchering, personnel administration, registration, and admissions), the individual component institutions can absorb this work with little if any increases in their operating budgets. With the reorganization of the administrative structure for nursing education, approximately \$300,000 out of the \$370,000 operating budget for System Administration will be available for academic programs and continuing education throughout the System.

"This reorganization which places the Nursing School under the administrative control of the component institutions where the school is located is consistent with the overall administration of The University of Texas System--that is, the day-to-day operation of all component institutions is carried out at the institution with the governance, policy, and coordination coming from the Board of Regents and System Administration.

"It is further recommended that the Board of Regents authorize and direct that nursing education in The University of Texas System shall place major emphasis on training nurses for direct patient care. Faculty and staff should encourage students to plan careers in patient care to help ease the critical shortage of nurses in hospitals and other health care institutions throughout the State.

"This proposed reorganization will not result in any disruption of the academic programs of the Nursing Schools. The Dean of each of the Nursing Schools would continue as the chief academic officer and would assume a deanship role within the Health Science Centers and general academic institutions to which they are assigned. It is also planned for the nursing program to be coordinated through a coordinator of nursing education who will report to the Associate Deputy Chancellor for Health Affairs. The processing of applications for admission to all Nursing Schools will be through the System Medical and Dental Applications Center which, through its computerized system, can handle all applications to assist the students and admission officer at each of the component institutions.

"Every effort will be made to relocate all employees currently working in the System Nursing School Administration within the U. T. System as jobs become available. All tenure rights will be respected."

Commenting that he was not prepared on such short notice to vote on such a proposal, Regent Law moved that Regent Nelson's motion be laid on the table subject to call. Regent (Mrs.) Johnson seconded Regent Law's motion. The question was put on the motion to table and was defeated by the following vote:

Yes

Regent (Mrs.) Johnson  
Regent Law

No

Chairman Shivers  
Vice-Chairman Williams  
Regent Bauerle  
Regent Clark  
Regent McNeese  
Regent Nelson  
Regent Sterling

The question then recurred on the main motion by Regent Nelson, seconded by Regent Sterling, and prevailed by the following vote:

Yes

Chairman Shivers  
Vice-Chairman Williams  
Regent Bauerle  
Regent Clark  
Regent McNeese  
Regent Nelson  
Regent Sterling

No

Regent (Mrs.) Johnson  
Regent Law

## REPORTS OF SPECIAL COMMITTEES

Chairman Shivers called for the reports of special committees.

REPORT AND RECOMMENDATIONS OF COMMITTEE TO STUDY HOUSING AT THE UNIVERSITY OF TEXAS OF THE PERMIAN BASIN: -- On behalf of the Special Committee to Study Housing at The University of Texas of the Permian Basin (composed of Regent Clark, Chairman, and Regents Bauerle and (Mrs.) Johnson), Committee Chairman Clark presented the following which was unanimously adopted:

Report

Background Information

In accordance with the action approved at the April 28, 1975 meeting of the Board of Regents, the above named special committee was appointed to study student housing at The University of Texas of the Permian Basin. Subsequently, the special committee submitted reports to the Board at meetings held on June 5, 1975 and December 12, 1975. Further investigations conducted by The University of Texas of the Permian Basin Administration and the Office of Facilities Planning and Construction established the desirability of leasing mobile housing units as an immediate solution for the housing requirements for the Fall of 1976. Specifications were prepared and proposals were requested. The proposals received required a rental charge in excess of a reasonable monthly rental rate. This condition resulted because the agencies submitting proposals were amortizing the cost of the mobile units over a three year period.

At the February 13, 1976 meeting of the Board, President Cardozier and System Administration presented recommendations for the consideration of the Board and the study of student housing at The University of Texas of the Permian Basin was again referred to the special committee for consideration and recommendation.

On February 23, 1976, the special committee, all members being present, met with President Cardozier, Deputy Chancellor Walker and Associate Deputy Chancellor Landrum. A longer term lease for rented units and purchase of the mobile home units were discussed as possibilities. The committee asked President Cardozier to proceed with investigations of leasing standard assembly line mobile home units for five years and also the feasibility of purchasing such units. The committee agreed that a rental rate of \$240.00 per unit (\$60.00 per student - four to a unit) was the maximum rental rate that should be considered.

Current Information

Following the February 23 meeting of the special committee, President Cardozier and his staff contacted the five agencies that initially submitted lease proposals on basis of a three year lease and asked them to submit lease proposals on the basis of a five year lease for a standard assembly line three bedroom, two bath, 14'x64' mobile home unit with refrigerated air conditioning. Also, President Cardozier and his staff visited several mobile home manufacturers to inspect assembly line units and obtain estimated purchase prices of the units. Explorations were made with the banks in Odessa to determine interest in financing the purchase of the mobile home units through the purchase

Board of Regents' Revenue Bonds or Notes. These preliminary investigations were reported to System Administration and Committee Chairman Clark on March 4, 1976. It was then determined that The University of Texas of the Permian Basin Administration should continue efforts to secure both lease and purchase proposals and bring the results to System Administration for review and submission to the special committee and, subsequently, to the Board of Regents for consideration.

Summary of Report and Recommendations of President Cardozier

A. Proposals for Rental of Fifty (50) Mobile Home Units

Five dealers submitted proposals for five year leases on comparable units as follows:

<u>Dealer</u>	<u>Purchase Price End of Five Years</u>	<u>Monthly Lease Price Per Unit</u>
Bowen Mobile Home Sales El Paso, Texas	\$4,500.00	\$159.00
A-1, Inc. Midland, Texas	\$2,550.00	\$163.72
Mobile Home Brokers Baytown, Texas	\$2,000.00	\$232.18
American Way Arlington, Texas	No proposal	No proposal
Larry Spruill Odessa, Texas	No quote	\$229.73
Montz Mobile Homes Odessa, Texas	\$3,672.00	\$166.30

The lowest proposal was \$159.00 per month submitted by Bowen Mobile Home Sales of El Paso. However, the home proposed by A-1 Mobile Homes of Midland at a price of \$163.72 per month per home appears to be a more attractive proposal for a number of reasons, including particularly a significantly lower purchase price at the end of five years. The addition of The University's cost of operation and maintenance plus a margin for anticipated vacancies, including between school terms when the homes will not be occupied, brings the total rental cost to \$242.34 per home per month.

B. Proposals for Purchase of Fifty (50) Mobile Home Units - F.O.B. Odessa -

Purchase proposals were received from five manufacturers as follows:

<u>Manufacturer</u>	<u>Price Per Unit</u>
Melody Homes Saginaw, Texas	\$8,250.00
Centurian Homes Waco, Texas	\$7,912.00
Ridgemont Industries Burleson, Texas	\$8,300.00
Charter Industries Henrietta, Texas	\$7,387.00
Housing by Vogue, Inc. Baytown, Texas	\$7,787.00
American Way Arlington, Texas	No proposal

It is the judgment of The University of Texas of the Permian Basin Administration that it is in the best interest of The University to purchase the homes, since at the end of the five year period the homes would be paid for and would be valued at \$2,500.00 to \$4,000.00 each. While if mobile homes are leased, The University would have no equity at the end of five (5) years. If the homes are purchased, The University will have more flexibility in disposing of the homes if it became necessary or desirable to do so. The available rental rate to students will not be higher than that for leasing, perhaps less.

#### C. Financing for Purchase of Units

If the homes are purchased, it will require the issuance of bonds in the amount of \$450,000.00 to fund the project plus a reserve required by the purchasers of the bonds, which might be as much as \$150,000.00. The \$150,000.00 (or less) reserve would be invested and should yield an interest rate equal to or greater than that required to service the bonds. Revenues from rental of the mobile homes and service facility income would retire the \$450,000.00 obligation over a five year period. The five banks in Odessa have agreed to buy the bonds at a negotiated interest rate of not more than 5 $\frac{1}{4}$ %. In order for The University to achieve a favorable interest rate, the lenders require additional potential revenue in addition to the rental income which should equal the amount required to service the debt. To provide additional revenue, The University proposes to levy a building use fee in the amount of \$4.00 per semester hour, an increase of \$2.00 per semester hour over that previously proposed. It is not anticipated that the building use fee revenue will be used to service the indebtedness but will serve as additional bond holders security. In the event income dropped below the level necessary to service the debt at any time during the five year period, and building use fee funds were advanced temporarily to service the bonded indebtedness, a like amount of funds could be returned to the building use fee fund, following retirement of the bonded

indebtedness, either through the sale of the mobile homes or rental beyond five (5) years. The primary purpose of the building use fee is for the general use and availability of the campus.

D. Recommendations by President Cardozier

- (1) Authorize purchase of fifty (50) mobile home units from Charter Industries of Henrietta, Texas, the lowest purchase price proposal received, at \$7,387.00 for a refrigerated air conditioned unit, F.O.B. Odessa, Texas.
- (2) Approve final plans for site development for one hundred (100) units and authorize taking of bids, with award of contract to be made at the May 14, 1976 meeting of the Board.
- (3) Authorize the issuance of building revenue bonds in an amount not to exceed \$600,000.00 at the May 14, 1976 meeting of the Board of Regents to finance the purchase and installation of the mobile home units and provide for a reserve fund and other costs related to the project.
- (4) Authorize the employment of bond counsel.
- (5) Authorize the sale of the bonds, either by competitive bidding or by negotiated private placement.
- (6) Pledge a building use fee for the general use and availability of the campus in an amount of \$4.00 per semester credit hour for each student. (This will be an additional \$2.00 fee per semester credit hour, since a \$2.00 fee has been previously recommended.)
- (7) Authorize The University of Texas of the Permian Basin Administration and Physical Plant staff to do all things necessary to install, tie down, connect to utilities, install air conditioning units and appropriately skirt the units from proceeds of the revenue bond sale (\$400.00 allowance per unit is to be provided in the budget).

System Administration Evaluation of The University of Texas of the Permian Basin Student Housing Problem

Comments:

- (1) Student housing is needed since it is not available in the community.
- (2) Building of new units in the area is not proceeding at a rate to meet the prediction of housing needs.
- (3) It is impossible to predict how long the present boom and the housing shortage in the Odessa area will continue.
- (4) Enrollment growth at The University of Texas of the Permian Basin is needed to insure adequate state funding for the operation of the school since in 1977-79 formula financing will be in effect.



- 5) The best evidence at this time is that enrollment will not substantially increase if student housing is not available.
- 6) There is no reliable way to estimate how many new students will enroll at The University of Texas of the Permian Basin if student housing is available.
- 7) Authorization will be required by the Board of Regents at the March 26 meeting of the Board if student housing is to be available for the Fall of 1976.

Evaluation:

Since early 1975 The University of Texas of the Permian Basin Administration and System Administration have investigated and secured proposals for various types of housing including duplexes, fourplexes, eightplexes, multi-story dormitory, and apartment type complexes. We have been unsuccessful in interesting private industry in providing student housing unless a long term commitment and guarantee of funding is made by The University. Since available funding sources are limited for The University of Texas of the Permian Basin campus there seems to be no alternative, if student housing is to be made available for The University of Texas of the Permian Basin, except to provide mobile homes either on a lease or purchase basis. It is our belief that the purchase of mobile homes, as recommended by President Cardozier, is a better plan for The University than leasing mobile homes, based on the proposals received.

Proposed Actions of the Board of Regents:

Therefore, if it is the policy of the Board of Regents to provide student housing at The University of Texas of the Permian Basin to be available for the Fall term 1976, the following Board actions will be required and are so recommended by System Administration:

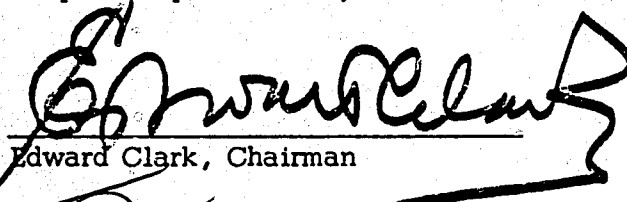
- (1) Approve final plans prepared by the Office of Facilities Planning and Construction for site development to accommodate one hundred (100) mobile home units and authorize advertisement for bids with award of contract to be made at the May 14, 1976 meeting of the Board. (This site development is estimated to cost \$250,000.00 and financed from tuition revenue bonds previously appropriated.)
- (2) Authorize The University of Texas of the Permian Basin Administration to purchase fifty (50) mobile home units from Charter Industries of Henrietta, Texas, the lowest purchase price proposal received, at \$7,387.00 for each refrigerated air conditioned unit, F.O.B. Odessa, Texas.
- (3) Authorize The University of Texas of the Permian Basin Administration and Physical Plant staff to do all things necessary to install, tie down, connect the utilities, install air conditioning units and appropriately skirt the units from proceeds of a revenue bond sale. (It is estimated that this cost will not exceed \$400.00 per unit.)

- (4) Authorize the issuance of building revenue bonds in an amount not to exceed \$600,000.00 at the May 14, 1976 Board of Regents meeting to finance the purchase and installation of the mobile home units and provide for a reserve fund and other costs related to the project.
- (5) Authorize the employment of McCall, Parkhurst and Horton of Dallas, Texas as bond counsel.
- (6) Authorize the sale of the bonds, either by competitive bidding or by negotiated private placement at an interest rate favorable to The University.
- (7) Authorize a building use fee for the general use and availability of the campus in an amount of \$4.00 per semester credit hour for each student, and pledge the fee for the retirement of the bonds (Page 31).

ACTION OF THE SPECIAL COMMITTEE TO STUDY HOUSING AT  
THE UNIVERSITY OF TEXAS OF THE PERMIAN BASIN

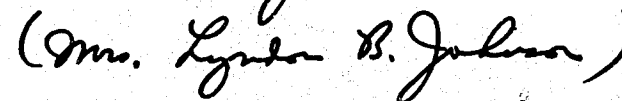
The committee recommends approval of the Board of Regents of the "Proposed Actions of The Board of Regents" as set out in the System Administration evaluation section of this report.

Respectfully submitted,

  
Edward Clark, Chairman

  
Dr. James E. Bauerle

  
Mrs. Lyndon B. Johnson

  
(Mrs. Lyndon B. Johnson)

REPORT OF BOARD FOR LEASE OF UNIVERSITY LANDS

Vice-Chairman Williams, Vice-Chairman of the Board for Lease of University Lands, reported that the Board for Lease of University Lands met on Thursday, March 25, 1976. He reminded the Regents that the Board for Lease would hold its 65th Public Auction Sale of Oil and Gas Leases on 100,000 acres of Permanent University Lands on June 10, 1976.

The Report of the Committee of the Whole in Open Session set out below was adopted by unanimous vote:

U. T. AUSTIN: REAPPOINTMENT OF DR. L. D. HASKEW AND APPOINTMENT OF DR. ROBERT E. DAVIS AND PROFESSOR DAVID A. ANDERSON MEMBERS (REGENTS' REPRESENTATIVES) OF THE BOARD OF TRUSTEES OF THE SOUTHWEST TEXAS AREA EDUCATIONAL TELEVISION COUNCIL (CHANNEL 9 - KLRN);--Dr. L. D. Haskew was reappointed and Dr. Robert E. Davis and Professor David A. Anderson were appointed members (Regents' representatives) of the Board of Trustees of the Southwest Texas Area Educational Television Council (Channel 9 - KLRN) for a three year term beginning January 1976 upon recommendation of President Rogers joined by System Administration.

The full membership of the Regents' representatives on this Board of Trustees as of this date is set out below:

Terms Expiring January 1977

Mr. Roy Barrera, Attorney, San Antonio, Texas  
Dr. Jack Davidson, Superintendent of Schools, Austin Independent School District, Austin, Texas  
Dr. Lorene Rogers, President, The University of Texas at Austin, Austin, Texas

Terms Expiring January 1978

Dr. Peter T. Flawn, President, The University of Texas at San Antonio, San Antonio, Texas  
Dr. Wayne Danielson, Dean of the School of Communication, The University of Texas at Austin, Austin, Texas

Terms Expiring January 1979

Dr. L. D. Haskew, Professor of Educational Administration, The University of Texas at Austin, Austin, Texas  
Dr. Robert E. Davis, Professor and Chairman of Radio-Television-Film, The University of Texas at Austin, Austin, Texas  
Professor David A. Anderson, School of Law, The University of Texas at Austin, Austin, Texas

U. T. AUSTIN: WAIVER OF REGENTS' RULES AND REGULATIONS (PART ONE, CHAPTER VIII, SECTION 1) AND THEATRE SPACE IN ADDITION TO DRAMA BUILDING NAMED B. IDEN PAYNE THEATRE.-- A resolution presented by the faculty of the Drama Department of the College of Fine Arts at The University of Texas at Austin, processed through appropriate channels, and a resolution from the Austin Circle of Theatres recommending that the theatre space in the Addition to the Drama Building be named in honor of Ben Iden Payne were considered.

It was unanimously ordered that Section 1, Chapter VIII of Part One of the Regents' Rules and Regulations be waived and that the theatre space in the Addition to the Drama Building (nearing completion) be named the B. Iden Payne Theatre.

U. T. AUSTIN - REPORT OF COMMITTEE TO STUDY PROPOSED PARK IN MEMORY OF MISS IMA HOGG: LAND WEST OF SIMKINS HALL BOUNDED ON NORTH BY 26TH STREET, ON WEST BY SAN JACINTO BOULEVARD AND ON THE SOUTH BY ENTRANCE WALK TO SIMKINS HALL NAMED SIMKINS PARK: OUTDOOR UNION FACILITY AUTHORIZED; MAY 3, 1976, DESIGNATED "IMA HOGG DAY". --The committee [President Rogers, Chairman, Regent (Mrs.) Johnson and Deputy Chancellor Walker] appointed by Chairman Shivers on December 12, 1975, to study the proposal by John Osborne and Chuck Dvorsky to dedicate 3.2 acres at The University of Texas at Austin for park purposes in memory of Miss Ima Hogg presented the following report:

"The special committee appointed by Chairman Shivers at the December 12, 1975 Board of Regents' meeting has met and developed recommendations concerning the dedication of a park. The recommendations are as follows:

- "1. That that portion of land west of Simkins Hall bounded on the north by 26th Street and on the west by San Jacinto Boulevard and on the south by the entrance walk at the southwest corner of Simkins Hall be dedicated as a park and named Simkins Park. It is understood that this dedication excludes the existing parking lots south of Simkins Hall. It was felt by the committee that this park, being adjacent to Simkins Hall and the Law School, would be more appropriately named for Judge Simkins.
- "2. That the site previously dedicated by the Board of Regents for the future construction of a Union East be assigned to the Board of Directors of the Texas Union for development of an outdoor Union facility. This facility would include temporary tables, benches, and like facilities for the serving of light refreshments and the socializing of students in an outdoor setting."

The site in Recommendation No. 2 for an outdoor facility is bounded on the south by Texas Memorial Museum, on the east by Trinity Street, on the west by San Jacinto Boulevard, and on the north - not a straight line - adjacent to Simkins Hall site and Water Chilling Station No. 4.

With respect to the recommendations in the report of the committee, Nancy Mowry (Chairman of the Texas Union Board) and Janie Strauss (a member of the Texas Union Board) spoke in favor of the recommendations. John Osborne appeared in opposition thereto urging that the area be left in its natural condition. Nancy Mowry assured all that the Texas Union Board was also desirous of preserving the area in its natural state.

Following a discussion, the report and the recommendations of the special committee were adopted. It was understood and ordered that the outdoor Union facility must be properly maintained at all times.

In conclusion, President Rogers announced that May 3, 1976, had been designated "Ima Hogg Day" to commemorate Miss Ima Hogg and her family for their many contributions.

U. T. DALLAS: EXCHANGE OF 59.0918 ACRES WITH HUNT-SANDS INTERESTS AND RIGHT-OF-WAY DEDICATION FOR EXTENSION OF LINDA LANE IN THE CITY OF PLANO, COLLIN COUNTY, TEXAS, AND ARMSTRONG PARKWAY IN THE CITIES OF RICHARDSON AND PLANO, COLLIN COUNTY, TEXAS; CONVEYANCE OF RIGHT-OF-WAY FOR LOOP 9; APPOINTMENT OF COMMITTEE TO SELL ACREAGE OUT OF 350-ACRE ENDOWMENT LAND. --After receiving a status report from President Jordan as to the proposed location of Loop 9, a highway in Collin County, Texas, approval was given to the request of President Jordan, concurred in by System Administration, that the Board of Regents for and on behalf of The University of Texas at Dallas enter into the following agreements:

1. An agreement with the Hunt-Sands Interests for the exchange of 59.0918 acres of land, more or less, located in the City of Plano, Collin County, Texas, whereby Hunt-Sands will convey its 59.0918 acres of land out of the Martha McBride Survey, Abstract No. 553, and the Board of Regents will convey its 59.0918 acres of land, more or less, out of the F. McCullough Survey, Abstract No. 586, both tracts being more fully described in Exhibits "A" and "B" in that certain exchange agreement dated August 13, 1975, between the Hunt-Sands Interests and Excellence in Education Foundation and subsequently dedicate a right-of-way for the extension of Linda Lane in the City of Plano, Collin County, Texas, and Armstrong Parkway in the Cities of Plano and Richardson in Collin County, Texas.
2. A conditional agreement with Collin County, Texas, to donate out of The University of Texas at Dallas Endowment Lands a right-of-way for the construction of Loop 9 in the South portion of Collin County, Texas, in the East segment which will be that portion from the center line of Preston Road (State Highway No. 289 E. and/or S. E.) to the Collin County boundary line near Shiloh Road such University of Texas lands to be donated are along that certain center line approved by the district office of the State Highway Department on August 28, 1975.

The Chairman of the Board of Regents was authorized to execute the agreements when approved as to form by a University attorney and as to content by the Deputy Chancellor, and to take such other action and execute such other instruments as are necessary to consummate such agreements.

3. Authorization was also granted for (a) the sale of approximately 50 acres of land located in Collin County, Texas, in the Martha McBride Survey, Abstract No. 553, such 50 acre tract of land being the northernmost tract of The University of Texas at Dallas Endowment Lands received from the Excellence in Education Foundation; and (b) the appointment of a committee to receive bids for the land and to award the sale to the best bidder. The Chairman of the Board of Regents was authorized to execute an appropriate deed of conveyance and to execute all other instruments necessary to consummate the sale of the land after approval as to form by a University attorney and as to content by the Deputy Chancellor.

**U. T. DALLAS: CORRECTION DEED AUTHORIZED SUBSTITUTED FOR DEDICATION DEED TO CITY OF RICHARDSON, TEXAS, DATED NOVEMBER 5, 1975 (RENNER ROAD).** --President Jordan reported that an error had been discovered in the field notes (submitted by the engineering firm that did the design work for the City of Richardson, Texas, for the location of Renner Road, a northeasterly entrance point to the campus of The University of Texas at Dallas) of the Dedication Deed from the Board of Regents of The University of Texas System to the City of Richardson, Texas, dated November 5, 1975 (Renner Road).

The Chairman of the Board was authorized to execute a correction deed to be substituted for the Dedication Deed to the City of Richardson, Texas, dated November 5, 1975, when the document had been approved as to form by a University attorney and as to content by the Deputy Chancellor.

**DALLAS HEALTH SCIENCE CENTER: ACCEPTANCE OF PROPERTY AT INWOOD ROAD AND MEDICAL CENTER DRIVE, DALLAS, TEXAS, FROM SOUTHWESTERN MEDICAL FOUNDATION.** --The Board of Regents accepted with deep appreciation from the Southwestern Medical Foundation a triangular piece of property at Inwood Road and Medical Center Drive, Dallas, Texas, being 0.27 acres of land out of Hiram Bennett Survey, Abstract No. 83 in the City of Dallas, Dallas County, Texas. This property is adjacent to the land previously conveyed to The University of Texas Health Science Center at Dallas for the construction of a computer Center.

**UNIVERSITY CANCER CENTER: WAIVER OF REGENTS' RULES AND REGULATIONS, PART ONE, CHAPTER III, SECTION 5.32 (NEPOTISM) TO PERMIT EMPLOYMENT OF MRS. JEANETTE SICILIANO.** --Upon recommendation of President Clark, concurred in by System Administration, Section 5.32, Chapter III, Part One of the Regents' Rules and Regulations was waived to permit the full-time employment of Mrs. Jeanette Siciliano as a Research Technician IV in the Department of Biology, Section of Medical Genetics at The University of Texas System Cancer Center effective April 1, 1976. Mrs. Siciliano is the wife of Dr. Michael J. Siciliano, Assistant Biologist and Assistant Professor of Biology in the same department and section of Medical Genetics.

**REPORT OF SECRETARY THEDFORD.** --Secretary Thedford reported the following for the permanent record:

The University of Texas at Austin College of Education Foundation Advisory Council. --On December 12, 1975 the Teacher Education Foundation was redesignated as the College of Education Foundation and nominees were approved to constitute the initial membership of the College of Education Foundation Advisory Council. The authorized membership of this Advisory Council is 12 and the initial membership is listed below.

TERM EXPIRES

Mr. Ralph Anderson, Houston	1978
Mrs. D. Harold Byrd, Dallas	1978
Dr. C. C. Colvert (Ph.D.), Austin	1978
Mr. James W. Edgar, Austin	1978

TERM EXPIRES

Mrs. Hazel Jane Clements Monday, Huntsville	1978
Mr. Richard A. Haberman, Austin	1978
Mrs. Ralph Hanna, Austin	1978
Mrs. Robert Wilkes, Austin	1978
Unfilled Term	1978
Unfilled Term	1978
Unfilled Term	1978
Unfilled Term	1978

U. T. AUSTIN: PROPOSED CHANGE IN DATE OF U. T. AUSTIN V. ARKANSAS FROM OCTOBER 16 TO DECEMBER 4, 1976. --Though it was not on the Agenda, President Rogers announced a proposed change in the date of the U. T. Austin v. Arkansas game from October 16 to December 4, 1976, to permit the game to be nationally televised. No opposition was recorded at that time, and the recommendation will be submitted for ratification at the Regents' meeting on May 14.

## COMMITTEE OF THE WHOLE - EXECUTIVE SESSION

Following the meeting of the Committee of the Whole in Open Session, the Executive Session of the Committee of the Whole met in Room 209 pursuant to Article 6252-17, Sections 2(e), (f) and (g).

Chairman Shivers reported that the Board of Regents discussed in Executive Session personnel matters and litigation, but the only item requiring action at this time related to personnel. There was no discussion relating to the acquisition, exchange or sale of land as listed on the agenda for the Executive Session.

U. T. SYSTEM: RATIFICATION OF APPOINTMENT OF ROBERT (BOB) L. HARDESTY ASSOCIATE DEPUTY CHANCELLOR FOR ADMINISTRATION. --The appointment by Deputy Chancellor Walker of Robert (Bob) L. Hardesty to be Associate Deputy Chancellor for Administration effective April 1, 1976, was ratified upon a motion duly made and seconded. Mr. Hardesty is currently Press Secretary to Governor Briscoe. (Details of this appointment will appear in the May 1976 Docket.)

## OTHER MATTERS

BOARD OF REGENTS: MEMORIAL RESOLUTION HONORING W. D. BLUNK. --Vice-Chairman Williams was recognized and moved that the following resolution honoring W. D. Blunk, who was Director of Development of The University of Texas System at the time of his death, be adopted:

WHEREAS, With the tragic death of Mr. William D. (Bill) Blunk on February 23, 1976, The University of Texas System lost a valued friend and devoted employee;

WHEREAS, He counted as close and personal friends literally thousands of ex-students and supporters of The University of Texas who valued his advice and counsel;

WHEREAS, Bill Blunk contributed nearly three decades of his life to serving The University of Texas with dedication, fierce loyalty and abiding love; and

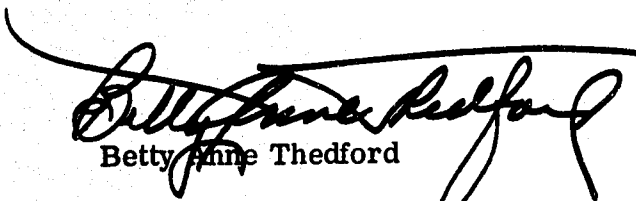
WHEREAS, He energetically sought to maintain the margin of excellence that distinguishes a university of the first class; now, therefore, be it

RESOLVED, That the Board of Regents expresses its profound sense of loss in the passing of Bill Blunk and acknowledges with deep gratitude and heartfelt sincerity the unique services of this extraordinary man to the University he loved so well; and, be it further

RESOLVED, That an appropriate copy of this resolution be presented to Mrs. Emily Blunk as evidence of the esteem in which her loving husband was held by the Board of Regents.

Regent Law seconded the motion which prevailed; and by unanimous vote the motion by Regent Clark to add the names of all the members of the Board of Regents to this resolution was adopted.

ADJOURNMENT. --Items on the agenda having been duly considered, the meeting was adjourned at 2:25 p. m.

  
Betty Anne Thedford

March 31, 1976