

Index

Meeting No. 826

THE MINUTES OF THE BOARD OF REGENTS
OF
THE UNIVERSITY OF TEXAS SYSTEM

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April 9, 1987

Smithville, Texas

UNIVERSITY OF TEXAS SYSTEM
SMITHVILLE, TEXAS
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 OF
 THE UNIVERSITY OF TEXAS SYSTEM
 APRIL 9, 1987
 SMITHVILLE, TEXAS

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MEETING NO. 826

THURSDAY, APRIL 9, 1987.--The members of the Board of Regents of The University of Texas System convened in regular session at 2:00 p.m. on Thursday, April 9, 1987, in the Auditorium of the Conference Center at the U. T. Science Park of The University of Texas System Cancer Center, Smithville, Texas, with the following in attendance:

ATTENDANCE.--

<u>Present</u>	<u>Absent</u>
Chairman Hay, presiding	*Vice-Chairman Ratliff
Vice-Chairman Baldwin	
Regent Barshop	
Regent Beecherl	
Regent Blanton	
Regent Moncrief	
Regent Roden	
Regent Yzaguirre	

Executive Secretary Dilly

Chancellor Mark
Executive Vice Chancellor Duncan
Executive Vice Chancellor Mullins
Executive Vice Chancellor Patrick

[On February 19, 1987, Governor William P. Clements, Jr. named the following to membership on the Board of Regents of The University of Texas System for terms to expire on February 1, 1993:

Mr. Sam E. Barshop, San Antonio, Texas, to succeed Mrs. Janey Slaughter Briscoe of Uvalde, Texas, whose term expired on February 1.

Mr. Louis A. Beecherl, Jr., Dallas, Texas, to succeed Mrs. Beryl Buckley Milburn of Austin, Texas, whose term expired on February 1.

Mr. W. A. "Tex" Moncrief, Jr., Fort Worth, Texas, to succeed Mr. Tom B. Rhodes of Dallas, Texas, whose term expired on February 1.

Each of the above was confirmed by the Senate of Texas on March 26, 1987, and subsequently took the oath of office.]

Chairman Hay announced a quorum present and called the meeting to order. On behalf of the Board, the officials of U. T. System Administration and the component institutions of The University of Texas System, Chairman Hay welcomed Regents Barshop, Beecherl, and Moncrief to membership on the U. T. Board of Regents and stated that the Board looked forward to their counsel in the governance of the U. T. System.

*Vice-Chairman Ratliff was excused because of a previous commitment.

WELCOME BY CHARLES A. LEMAISTRE, M.D., PRESIDENT OF THE UNIVERSITY OF TEXAS SYSTEM CANCER CENTER.--Chairman Hay stated that the Board was pleased to be meeting at the U. T. Science Park in Smithville and then called on Charles A. LeMaistre, M.D., President of The University of Texas System Cancer Center (the host institution).

On behalf of the faculty and staff of the U. T. Science Park, President LeMaistre welcomed the members of the Board and other guests to Smithville. In view of the Regents' full agenda, President LeMaistre elected to forego the usual institutional presentation.

U. T. BOARD OF REGENTS: APPROVAL OF MINUTES OF REGULAR MEETING HELD ON FEBRUARY 12, 1987.--Upon motion of Regent Blanton, seconded by Vice-Chairman Baldwin and Regent Roden, the Minutes of the regular meeting of the Board of Regents of The University of Texas System held on February 12, 1987, in Austin, Texas, were approved as distributed by the Executive Secretary. The official copy of these Minutes is recorded in the Permanent Minutes, Volume XXXIV, Pages 1594 - 2304.

INTRODUCTION OF FACULTY AND STUDENT REPRESENTATIVES.--Chairman Hay called on the chief administrative officers of the component institutions to introduce their respective faculty and student representatives and other guests:

U. T. Austin

President Cunningham introduced:

Student Representatives:	Ms. Stacey Freedenthal General Reporter <u>The Daily Texan</u>
	Mr. Lum Twilligear General Reporter <u>The Daily Texan</u>

U. T. El Paso

President Monroe introduced:

Faculty Representative:	Dr. Robert Tollen, Professor of Economics and Finance and Chairman of the Faculty Senate
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U. T. Cancer Center

President LeMaistre introduced:

Staff Representatives:	Dr. Tom Slaga, Director Science Park - Research Division
	Dr. Michale E. Keeling Head, Science Park - Veterinary Resources Division

Secretary's Note: Historically, the Minutes of meetings of the Board of Regents are essentially Minute Orders and do not reflect the background information or discussion which may have occurred related to a particular agenda item.

Because of the unusual nature of the following item and for historical reference, it is reported in full transcription.

U. T. Board of Regents: Tabling of Matters Relating to the Organization of the U. T. Board of Regents in Accordance with the Regents' Rules and Regulations, Part One, Chapter I, Sections 3, 4 and 5.--

CHAIRMAN HAY: It is traditional with the appointment of new Board members that the first order of business be given to the reorganization of the Board. Regent Barshop has asked to be recognized at this time.

REGENT BARSHOP: I would like to propose a motion to table the election of Chairman and Vice-Chairmen to the next meeting so that I may get more familiar with the Board and understand more of its functions and procedures and what the circumstances are. I don't feel I know the Board well enough to make a decision at this point.

REGENT YZAGUIRRE: I second the motion.

REGENT MONCRIEF: I don't know if this is the appropriate time to speak or if it should be taken up in Executive Session but I want to express my opinion.

CHAIRMAN HAY: Go ahead with what you want to say.

REGENT MONCRIEF: I have heard a lot of talk about the election of the Chairman of this Board. I've heard more about it than the chairmanship of Exxon or Texaco.

I was sent three black notebooks in the mail and it clearly states in one of those notebooks that when a chairman has served two years consecutively he must resign and a new vote on the chairmanship must be taken. That time is now.

The motion is out of order and breaks the very rules we are governed by.

CHAIRMAN HAY: The Rules can be waived and the motion is in order.

The motion is to defer action of the reorganization of the Board until the June meeting. Is there further discussion?

REGENT MONCRIEF: I will continue to raise my objections by whatever authority rules on that.

CHAIRMAN HAY: Shall we call for a vote on the motion.

SHOW OF HANDS IN FAVOR OF BARSHOP MOTION: Chairman Hay
Vice-Chairman Baldwin
Regent Barshop
Regent Yzaguirre

SHOW OF HANDS AGAINST MOTION: Regent Blanton
Regent Beecherl
Regent Moncrief
Regent Roden

CHAIRMAN HAY: We have a tie.

REGENT BEECHERL: I am a little confused by the fact that there is not a legal ruling on whether the Board can actually waive the Rules and Regulations.

CHAIRMAN HAY: The Regents have the authority to amend the Regents' Rules and Regulations and a majority of the vote could amend or waive the Regents' Rules and Regulations.

REGENT YZAGUIRRE: One member of the Board is missing and he is an attorney.

REGENT MONCRIEF: I will continue to raise my objections and want the record to show that I am opposed to the action taken in relation to the chairmanship and want it noted that I'm opposed to the waiver of the Regents' Rules and Regulations.

REGENT RODEN: Oh, it will be.

REGENT BARSHOP: The new people on the Board need to understand more about it before reconstituting it.

REGENT YZAGUIRRE: Regent Ratliff is out and I don't think it is fair.

I think it (reorganization) should be postponed until everyone can be here to vote.

I believe Mr. Ratliff should be here.

REGENT BEECHERL: Do we defer that to the 9th member?

REGENT MONCRIEF: Isn't the Board of Regents created by the State Legislature and governed by set rules.

VICE-CHAIRMAN
BALDWIN: The Regents' Rules and Regulations are self-imposed.

CHAIRMAN HAY: All the Regents' Rules and Regulations are self-imposed and they are adopted and subject to amendment.

REGENT MONCRIEF: The Board is not complying with the Regents' Rules and Regulations it is governed by if the rule on resignation is waived.

CHAIRMAN HAY: Shall we now take a second vote on Regent Barshop's motion to table the reorganization of the Board until the June meeting and on the waiver of the provisions of the Regents' Rules and Regulations which would permit the deferral of that action.

Those in favor: Chairman Hay
Vice-Chairman Baldwin
Regent Barshop
Regent Yzaguirre

Those opposed: Regent Blanton
Regent Moncrief
Regent Roden

Abstained: Regent Beecherl

CHAIRMAN HAY: The motion carries 4 to 3.

SPECIAL ITEM

U. T. System: Permission for Mr. James S. Wilson to Serve on the Board of Directors of the Williamson County Municipal Utility District No. 9 [Regents' Rules and Regulations, Part One, Chapter III, Section 13, Subsections 13.(10) and 13.(11)].-- Permission was granted for Mr. James S. Wilson, Manager of Endowment Real Estate for The University of Texas System, to serve on the Board of Directors of the Williamson County Municipal Utility District No. 9.

Mr. Wilson's appointment to this Board is conditioned upon the fact that he will receive no remuneration or compensation for his services in this capacity.

The holding of this office by Mr. Wilson is of benefit to the State of Texas, creates no conflict with his regular duties with U. T. System Administration and is in accordance with approval requirements for positions of honor, trust, or profit provided in Article 6252-9a of Vernon's Texas Civil Statutes, and Part One, Chapter III, Section 13, Subsections 13.(10) and 13.(11) of the Regents' Rules and Regulations.

RECESS FOR COMMITTEE MEETINGS AND COMMITTEE REPORTS TO THE BOARD.--At 2:10 p.m., the Board recessed for the meetings of the Standing Committees and Chairman Hay announced that at the conclusion of each committee meeting, the Board would reconvene to approve the report and recommendations of that committee.

The meetings of the Standing Committees were conducted in open session and the reports and recommendations thereof are set forth on the following pages.

REPORTS AND RECOMMENDATIONS OF STANDING COMMITTEES

REPORT OF EXECUTIVE COMMITTEE (Pages 6 - 11).--In compliance with Section 7.14 of Chapter I of Part One of the Regents' Rules and Regulations, Chairman Hay reported to the Board for ratification and approval all actions taken by the Executive Committee since the last meeting. Unless otherwise indicated, the recommendations of the Executive Committee were in all things approved as set forth below:

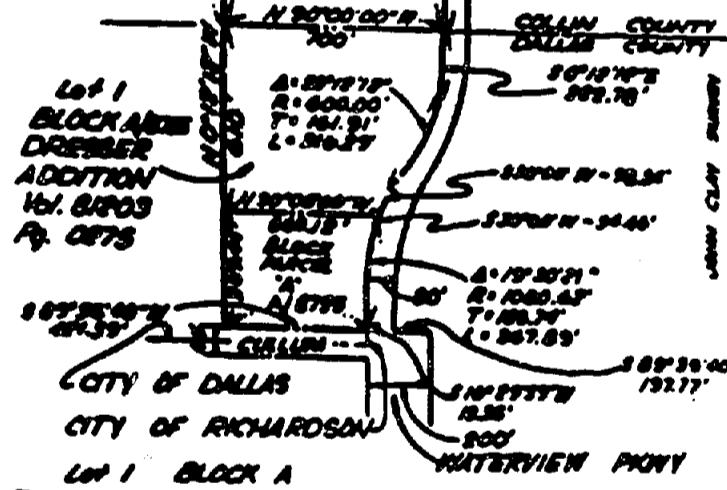
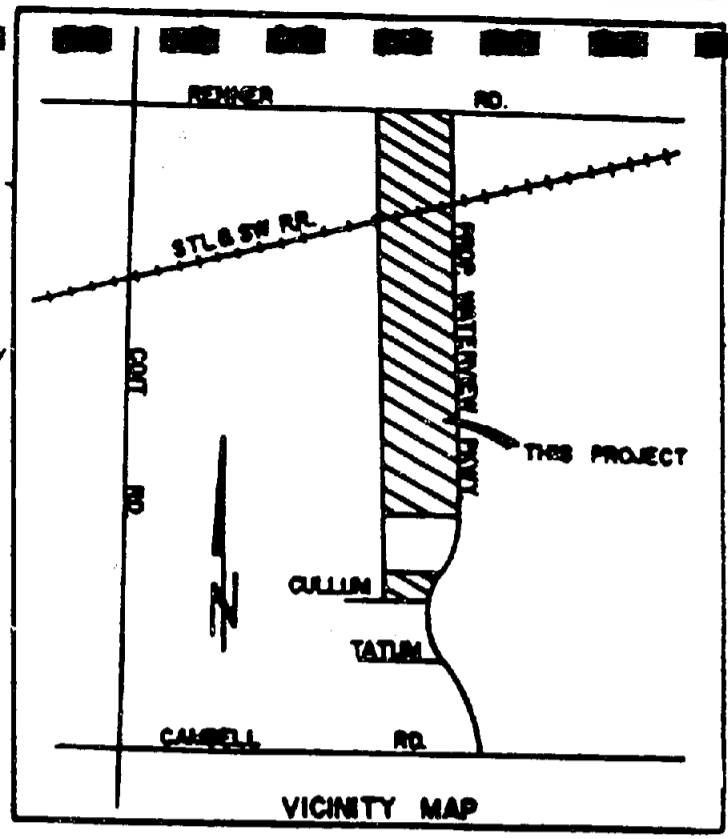
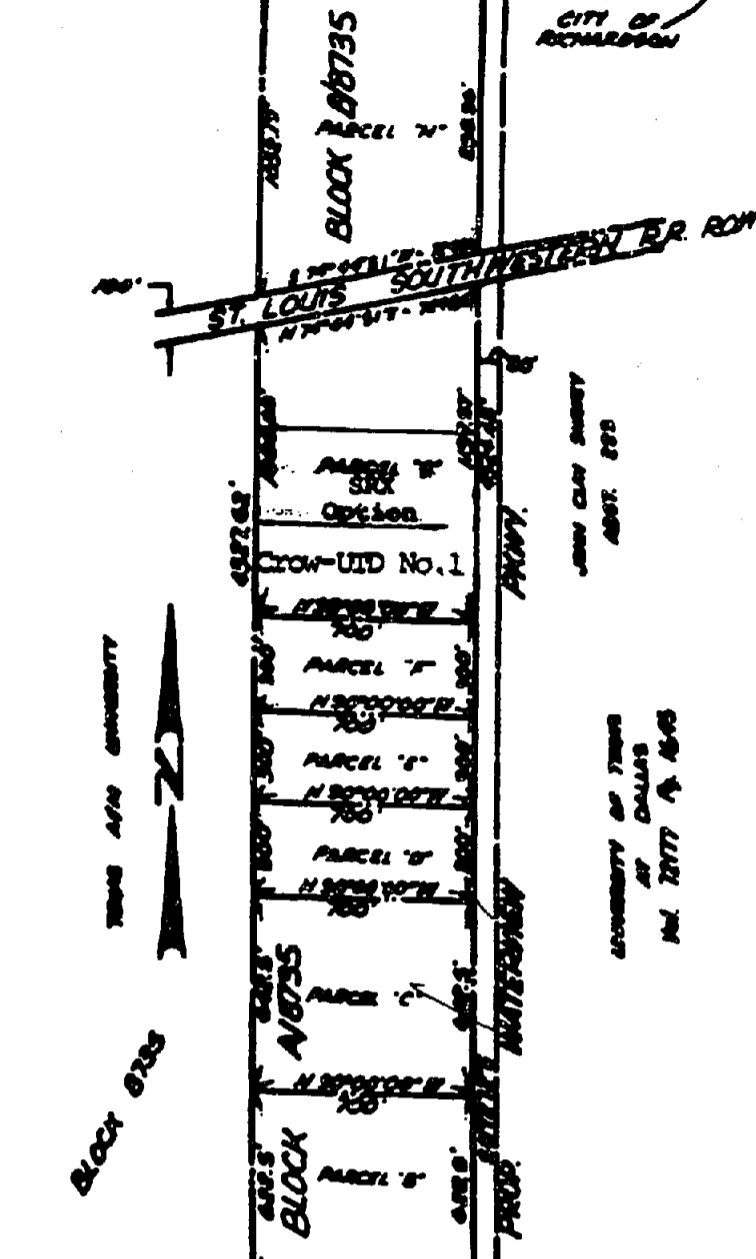
1. U. T. Dallas - Special Committee on Endowment Lands in Collin and Dallas Counties, Texas: Authorization to Sell 4.885 Acres of the Synergy Park-Phase I Tract to Crow-UTD No. 1 Limited Partnership, Dallas, Texas; Approval of a One-Year Option to Purchase and Two-Year Right-of-First-Refusal on an Adjoining Tract to Webb Sowden, Trustee, for Assignment to Shared Resource Exchange, Inc. (SRX), Dallas, Texas; Authorization to Pay Landowner Assessments to the City of Richardson, Texas, for Street and Related Construction; and Approval for Appropriate Officials to Execute All Documents Related Thereto (Exec. Com. Letter 87-10).--Upon recommendation of the Executive Committee and the Special Committee on Endowment Lands in Collin and Dallas Counties, Texas, the Board:
 - a. Approved the sale of 4.885 acres of the Synergy Park-Phase I Tract to Crow-UTD No. 1 Limited Partnership, a Texas limited partnership, Dallas, Texas, for \$6.50 per square foot and authorized the Chairman of the U. T. Board of Regents to execute, after approval by the Office of General Counsel, a Special Warranty Deed and authorized the Senior Vice President of The University of Texas at Dallas to execute the necessary closing affidavits
 - b. Approved a one-year option to purchase, at \$6.50 per square foot, and a two-year right-of-first-refusal for an adjoining five acres from the Synergy Park-Phase I Tract to Webb Sowden, Trustee, for assignment to Shared Resource Exchange, Inc. (SRX), Dallas, Texas, and authorized the Executive Vice Chancellor for Asset Management to execute the necessary documents, after approval by the Office of General Counsel
 - c. Approved payment of landowner assessments in the amount of \$619,026.60 from income from Synergy Park land sales to the City of Richardson, Texas, for the construction of Synergy Park Boulevard and associated storm sewer and utilities, pursuant to City of Richardson ordinances.

Transactions a. and b. are indicated on the survey map set out on Page 8. Transaction c. is depicted on the Property Dedication map set out on Page 9.

At a called meeting on October 9, 1986, the Special Committee on Endowment Lands in Collin and Dallas Counties, Texas, recommended advancing the development of Synergy Park at U. T. Dallas by selling one Synergy Park tract of approximately five acres at a price of not less than \$6.50/square foot and granting a one-year option/two-year right-of-first-refusal on a second tract for the purpose of obtaining long-term lease occupancy by Shared Resource Exchange, Inc. (SRX).

The purchaser of the first tract, a newly-formed Texas limited partnership, Crow-UTD No. 1 Limited Partnership, has contracted with SRX for a ten-year lease of the building to be constructed by the Crow partnership on the first tract. SRX itself will hold the one-year option and two-year right-of-first-refusal on the adjoining tract. Neither U. T. Dallas nor any of its employees have any involvement with Crow-UTD No. 1 Limited Partnership which utilizes the acronym "UTD" in its name.

CITY OF DALLAS 10040171-1007 REXNER RD.
CITY OF DALLAS

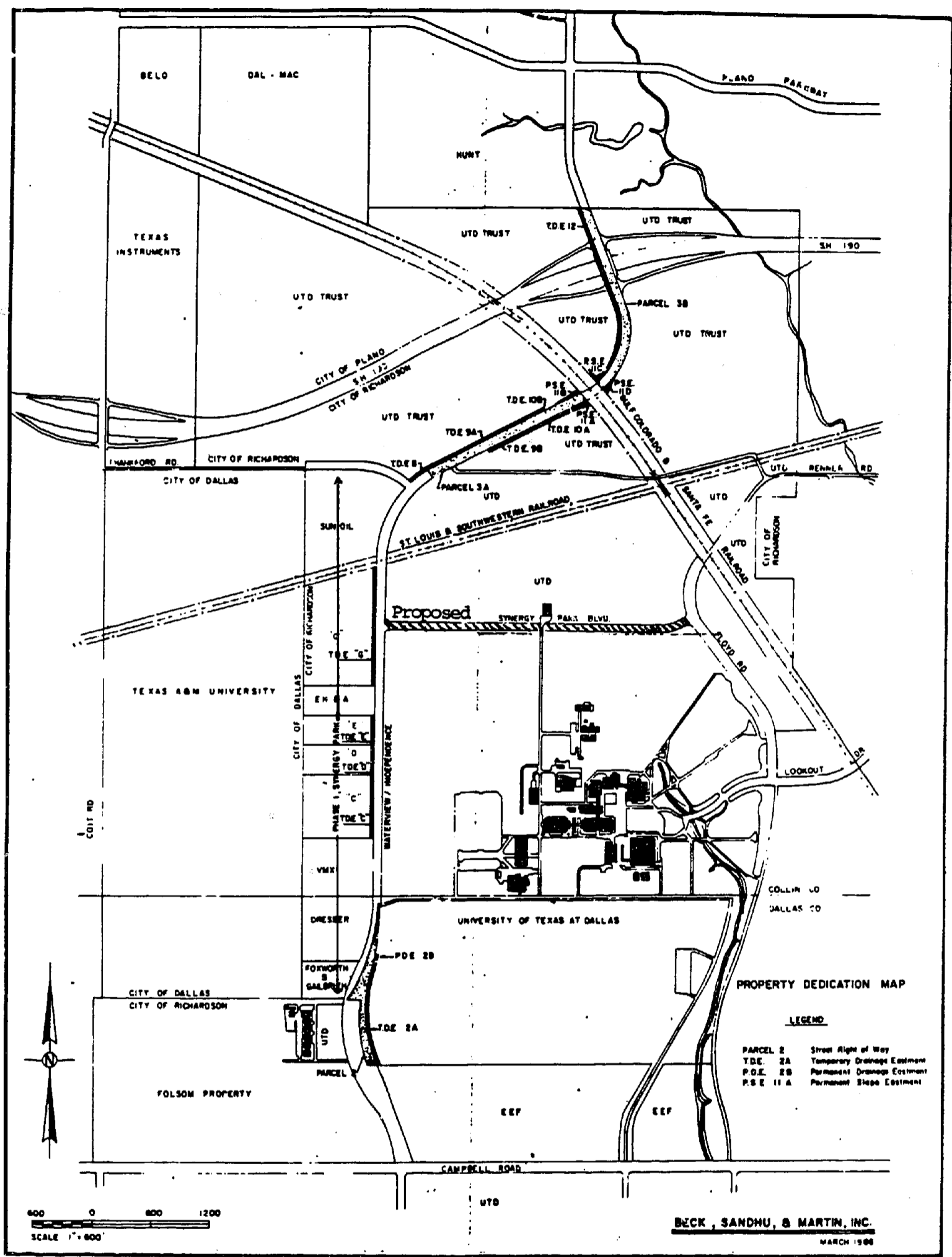


Beck, Sandhu and Martin, Inc.

SCALE : 1" = 600'

DATE : OCT., 1984

PARCEL LOCATION MAP
BLOCKS A/8735 & B/8735
OUT OF THE
JOHN CLAY SURVEY, ABST. 223 & 313
IN
DALLAS AND COLLIN COUNTY, TEXAS
FOR
THE UNIVERSITY OF TEXAS AT DALLAS
5401 North Central Expressway, Suite 750 • Dallas, Texas 75206 • (214) 971-0774



PROPERTY DEDICATION MAP

LEGEND

- PARCEL 2 Street Right of Way
- T.D.E. 2A Temporary Drainage Easement
- P.D.E. 2B Permanent Drainage Easement
- P.S.E. 11A Permanent Slope Easement

600 0 600 1200
SCALE 1" = 600'

BECK, SANDHU, & MARTIN, INC.
MARCH 1988

2. U. T. Dallas - Multipurpose and Engineering Start-Up Facility (Project No. 302-604): Award of Construction Contract to Sverdrup Corporation, Dallas, Texas, and Approval of Plaque Inscription (Exec. Com. Letter 87-9).--The Board, upon recommendation of the Executive Committee:
- a. Awarded a construction contract for The University of Texas at Dallas Multipurpose and Engineering Start-Up Facility to the lowest responsible bidder, Sverdrup Corporation, Dallas, Texas, for the Base Bid and Additive Alternate Bids One, Two, Three, and Four in the amount of \$6,056,523
 - b. Approved the plaque inscription set forth below to be placed in the building. The inscription follows the standard pattern approved by the U. T. Board of Regents in June 1979.

MULTIPURPOSE AND ENGINEERING START-UP FACILITY

1987

BOARD OF REGENTS

Jess Hay, Chairman	Hans Mark
Robert B. Baldwin III, Vice-Chairman	Chancellor, The
Shannon H. Ratliff, Vice-Chairman	University of Texas System
Jack S. Blanton	Robert H. Rutherford
Janey Slaughter Briscoe	President, The University
(Mrs. Dolph)	of Texas at Dallas
Beryl Buckley Milburn	
Tom B. Rhodes	F&S Partners Incorporated
Bill Roden	Project Architect
Mario Yzaguirre	Sverdrup Corporation
	Contractor

This project was approved by the Coordinating Board, Texas College and University System in October 1986, and is within the scope of the Capital Improvement Program approved by the U. T. Board of Regents in October 1985.

3. U. T. Medical Branch - Galveston: Transfer of Funds Requiring Advance Regental Approval Under Budget Rules and Procedures No. 2 (Exec. Com. Letter 87-9).--The Executive Committee recommended and the Board approved the following transfer of funds at The University of Texas Medical Branch at Galveston:

Educational and General Funds

Amount of Transfer - \$900,000

From: Unappropriated Balance (via Estimated Income) -
1986-87

To: Research Development Fund

(RBC #238)

2314

4. U. T. Health Science Center - San Antonio - Basic Science Building Fifth Level Completion (Project No. 402-608): Award of Construction Contract to Peco Construction Company, San Antonio, Texas (Exec. Com. Letter 87-11).--Upon recommendation of the Executive Committee, the Board awarded a construction contract for the Basic Science Building Fifth Level Completion at The University of Texas Health Science Center at San Antonio to the lowest responsible bidder, Peco Construction Company, San Antonio, Texas, for the Base Bid and Additive Alternates Four, Six, Seven, Eight, Nine, Ten and Eleven in the amount of \$2,923,000.

REPORT AND RECOMMENDATIONS OF THE FINANCE AND AUDIT COMMITTEE (Page 12).--Committee Chairman Yzaguirre reported that the Finance and Audit Committee had met in open session to consider those matters on its agenda and to formulate recommendations for the U. T. Board of Regents. Unless otherwise indicated, the action set forth in the Minute Order which follows was recommended by the Finance and Audit Committee and approved in open session and without objection by the U. T. Board of Regents:

1. U. T. System: Approval of Docket No. 33 of the Office of the Chancellor (Catalog Change).--Upon recommendation of the Finance and Audit Committee, the Board approved Docket No. 33 of the Office of the Chancellor in the form distributed by the Executive Secretary. It is attached following Page 44 in the official copies of the Minutes and is made a part of the record of this meeting.

It was expressly authorized that any contracts or other documents or instruments approved therein had been or shall be executed by the appropriate officials of the respective institution involved.

It was ordered that any item included in the Docket that normally is published in the institutional catalog be reflected in the next appropriate catalog published by the respective institution.

Regent Hay abstained from voting on items within the Docket related to Exxon Corporation due to a possible conflict of interest.

TXT + 1

Approval of Docket 33.
Regent Hay abstained
2 voting 2
was 1 Exxon.

REPORT AND RECOMMENDATIONS OF THE ACADEMIC AFFAIRS COMMITTEE (Pages 13 - 21).--Committee Chairman Baldwin reported that the Academic Affairs Committee had met in open session to consider those matters on its agenda and to formulate recommendations for the U. T. Board of Regents. Unless otherwise indicated, the actions set forth in the Minute Orders which follow were recommended by the Academic Affairs Committee and approved in open session and without objection by the U. T. Board of Regents:

1. U. T. Arlington: Approval of Memorandum of Affiliation with the Olin E. Teague Veterans Administration Medical Center, Temple, Texas.--Approval was given to the Memorandum of Affiliation set forth on Pages 13 - 14 by and between The University of Texas at Arlington and the Olin E. Teague Veterans Administration Medical Center, Temple, Texas.

This agreement, which will be effective on execution by the facility, will allow students in U. T. Arlington's nursing program to participate in clinical training activities.

MEMORANDUM OF AFFILIATION

BETWEEN

Olin E. Teague
THE VETERANS ADMINISTRATION MEDICAL CENTER, TEMPLE, TEXAS 76501
(City, State, Zip)

AND

The University of Texas at Arlington, Arlington, Texas 76019
(Educational Affiliate, City, State, Zip)

It is mutually agreed by The University of Texas at Arlington and the Veterans Administration Medical Center Temple, TX that educational experiences will be provided at the VA facility for students in the following programs(s): *(City, State)*

<u>Program Name</u>	<u>Academic Degree Anticipated</u>
Nursing	Bachelor's Level
Nursing	Master's Program

The faculty of the University of Texas at Arlington will assume responsibility, in coordination with the VA staff, for the assignment of students. There will be coordinated planning by the VA facility and the faculty members. While in the VA facility, students will be subject to VA rules and regulations.

The facility will retain full responsibility for the care of patients and will maintain administrative and professional supervision of students insofar as their presence affects the operation of the facility and/or the direct and indirect care of patients. The facility is responsible for the supervision of the education of undergraduate and graduate students and residents.

Students will receive an orientation to the facility. Faculty members and facility staff supervisors will evaluate the student's performance in mutual consultation and according to the guidelines outlined in the approved curriculum.

The University of Texas at Arlington complies with Title VI of the Civil Rights Act of 1964,

(Affiliate)
 Title IX of the Education Amendments of 1972, section 504 of the Rehabilitation Act of 1973, and Title II of the Older Americans Amendments of 1975, and all related regulations, and assures that it does not, and will not, discriminate against any person on the basis of race, color, sex, creed, national origin, age or handicap under any program or activity receiving Federal financial assistance.

Nothing in the agreement is intended to be contrary to State or Federal laws. In the event of conflict between terms of this agreement and any applicable State or Federal law, that State or Federal law will supersede the terms of this agreement. In the event of conflict between State and Federal laws, Federal laws will govern.

Protection of faculty members and students of the affiliated institution from personal liability when furnishing professional services covered by this agreement while at the VA health care facility will be that which is provided under the Federal Tort Claims Act, as implemented by 38 U.S.C. 4116.

Periodic reviews of programs and policies will be conducted under the auspices of the Office of Academic Affairs.

This Memorandum of Affiliation may be terminated by either party on written notice to the other 6 months in advance of the next training experience. (Time period)

Date signed [Signature]

Name (type:) W. H. NEDDERMAN Title President

Date signed 10/2/86 Name of Affiliate: The University of Texas at Arlington

Name (type): E. A. BORRELL Facility Director
VA Medical Center Temple, Texas

VA FORM 10-0094
SEPT 1985

ATTEST: ..

Olin E. Teague Veterans Administration
Medical Center, Temple, Texas
(Name of Affiliating Facility)

By: _____

By: _____

(Title) _____

Medical Center Director
VA Medical Center, Temple, Texas
(Title)

CONTENT APPROVED:

[Signature]
President
The University of Texas at Arlington

FORM APPROVED:

[Signature]
Office of General Counsel
The University of Texas System

BOARD OF REGENTS OF THE UNIVERSITY
OF TEXAS SYSTEM

By: [Signature]
James P. Duncan
Executive Vice Chancellor
for Academic Affairs
(Title)

CERTIFICATE OF APPROVAL

I hereby certify that the foregoing Agreement was approved by the Board of Regents of The University of Texas System on the 9TH day of APRIL, 1987, and that the person whose signature appears above is authorized to execute such agreement on behalf of the Board.

[Signature]
Executive Secretary, Board of Regents
The University of Texas System

2. U. T. Austin: Permission for Dr. Herbert H. Woodson to Serve on the Texas National Research Laboratory Commission [Regents' Rules and Regulations, Part One, Chapter III, Section 13, Subsections 13.(10) and 13.(11)].--Permission was granted for Dr. Herbert H. Woodson, Professor of Electrical and Computer Engineering and Director of the Center for Energy Studies at The University of Texas at Austin, to serve on the Texas National Research Laboratory Commission.
- Dr. Woodson's appointment to this Commission by Governor Clements is of benefit to the State of Texas, creates no conflict with his regular duties, and is in accordance with approval requirements for positions of honor, trust, or profit provided in Article 6252-9a of Vernon's Texas Civil Statutes, and Part One, Chapter III, Section 13, Subsections 13.(10) and 13.(11) of the Regents' Rules and Regulations.
3. U. T. Austin: Appointment of (a) Dr. John A. Daly to the William David Blunk Memorial Professorship Effective September 1, 1987, and (b) Dr. Mikhail Gromov as Initial Holder of the Second Sid W. Richardson Foundation Regents Chair in Mathematics in the College of Natural Sciences from April 10, 1987 to May 1, 1987.--The Board approved the following appointments to endowed academic positions at The University of Texas at Austin effective as indicated:
- a. Dr. John A. Daly, Associate Professor of Speech Communication, to the William David Blunk Memorial Professorship for the 1987-88 academic year only effective September 1, 1987
- b. Dr. Mikhail Gromov, School of Mathematics, Institut des Hautes Etudes, Bures-Sur-Yvette, France, as initial holder of the Second Sid W. Richardson Foundation Regents Chair in Mathematics in the College of Natural Sciences from April 10, 1987 to May 1, 1987.
4. U. T. Austin: Proposed Appointment to the Louis T. Yule Regents Professorship in Library and Information Science in the Graduate School of Library and Information Science Effective September 1, 1987 (Withdrawn).--The item regarding a proposed appointment to the Louis T. Yule Regents Professorship in Library and Information Science in the Graduate School of Library and Information Science at The University of Texas at Austin effective September 1, 1987, was withdrawn.
5. U. T. Austin: Approval to Name (a) Room 2.706-A in the New Chemical and Petroleum Engineering Building as the Carol and Henry Groppe Undergraduate Advising Room and (b) Room 3.114 in Townes Hall in the School of Law as the Browning-Ferris Industries Room (Regents' Rules and Regulations, Part One, Chapter VIII, Section 1, Subsection 1.2, Naming of Facilities Other Than Buildings).--Approval was granted to name the rooms listed on Page 16 at The University of Texas at Austin in accordance with the Regents' Rules and Regulations, Part One, Chapter VIII, Section 1, Subsection 1.2, relating to the naming of facilities other than buildings.

- a. Room 2.706-A in the new Chemical and Petroleum Engineering Building as the Carol and Henry Groppe Undergraduate Advising Room

See Page 33 related to establishment of the Carol and Henry Groppe Undergraduate Advising Room Endowment.

- b. Room 3.114 in Townes Hall in the School of Law as the Browning-Ferris Industries Room

See Page 35 related to establishment of The University of Texas School of Law Advocacy Programs Endowment.

6. U. T. Austin: Approval of Increases in Certain Voluntary Student Services Fees [Cactus (Yearbook), TSP Package, Peregrinus (Law School Yearbook)] Effective with the Fall Semester 1987 (Catalog Change).--Upon recommendation of the Academic Affairs Committee, the Board approved increases in certain Voluntary Student Services Fees at The University of Texas at Austin to be effective with the Fall Semester 1987 as set forth below:

	1987-88	
	Actual Fee	
	Academic Year	Spring Semester
Cactus (Yearbook)	\$27.50	\$27.50
UtMost	8.50	4.25
Directory	1.50	1.50
TSP Package*	32.50	28.25
Peregrinus (Law School Yearbook)	14.00	14.00
Cultural Entertainment Committee Discount Membership	Discontinued	
Cultural Entertainment Committee Discount Membership Dependent Fee	Discontinued	
Drama Department Fee	12.00	6.00
Intercollegiate Athletics	52.00	26.00
Intercollegiate Athletics Dependent Fee	64.00	32.00
Locker/Basket and Shower	4.00	2.00

*TSP package includes Cactus, UtMost, and the Directory at a reduced rate.

The fee increases for the Cactus, Peregrinus, and the TSP Package were required due to increased printing costs and sales tax and were requested by the Board of Operating Trustees of Texas Student Publications.

It was ordered that the next appropriate catalog published at U. T. Austin be amended to reflect this action.

7. U. T. Dallas: Appointment of Dr. Blake E. Cherrington as Initial Holder of the Lars Magnus Ericsson Chair in Electrical Engineering Effective Immediately.--The Board approved the appointment of Dr. Blake E. Cherrington, Dean of the School of Engineering and Computer Science, as initial holder of the Lars Magnus Ericsson Chair in Electrical Engineering at The University of Texas at Dallas effective immediately.

Per the terms of the endowment, this Chair is to be held by the Dean of the School of Engineering and Computer Science.

8. U. T. El Paso: Proposed Appointment to the Charles R. and Dorothy S. Carter Chair in Business Administration in the College of Business Administration Effective September 1, 1987 (Withdrawn).--The item related to a proposed appointment to the Charles R. and Dorothy S. Carter Chair in Business Administration in the College of Business Administration at The University of Texas at El Paso to be effective September 1, 1987, was withdrawn.
9. U. T. El Paso: Approval to Appoint (a) Dr. Po-Wen Hu, (b) Dr. S. K. Varma, (c) Dr. John McClure, and (d) Dr. Vijay Singh as Mr. and Mrs. MacIntosh Murchison Fellows in Engineering (Mr. and Mrs. MacIntosh Murchison Chairs in Engineering) in the College of Engineering Effective for the 1987 Calendar Year Only.--The Board, upon recommendation of the Academic Affairs Committee, appointed the following faculty members of the College of Engineering at The University of Texas at El Paso as Mr. and Mrs. MacIntosh Murchison Fellows in Engineering effective for the 1987 calendar year only:
- a. Dr. Po-Wen Hu, Associate Professor of Mechanical and Industrial Engineering
 - b. Dr. S. K. Varma, Associate Professor of Metallurgical Engineering
 - c. Dr. John McClure, Assistant Professor of Metallurgical Engineering
 - d. Dr. Vijay Singh, Associate Professor of Electrical Engineering

Under terms of the endowment for the four Mr. and Mrs. MacIntosh Murchison Chairs in Engineering, funds may be used to award fellowships in engineering to qualified faculty for periods up to one year when vacancies exist in the endowed chairs. These appointees were competitively selected on the basis of research proposals submitted within the College of Engineering.

10. U. T. El Paso: Approval of Agreement with the Texas Engineering Experiment Station (TEES), a Component of The Texas A&M University System.--Approval was given to the agreement set forth on Pages 18 - 20 by and between The University of Texas at El Paso and the Texas Engineering Experiment Station (TEES), a component of The Texas A&M University System.

This agreement, which will be effective on execution by the facility, will formalize a continuing cooperative relationship between TEES and U. T. El Paso in areas of mutual interest in technology development and transfer, computer-aided engineering and the manufacturing sciences, and energy systems.

AGREEMENT

THIS AGREEMENT made this _____ day of _____, 1987, by and between The University of Texas at El Paso, a component of The University of Texas System (hereinafter "UT El Paso"), and the Texas Engineering Experiment Station, a component of the Texas A&M University System (hereinafter "TEES").

WITNESSETH:

WHEREAS, UT El Paso, through its College of Engineering, conducts studies and experimental programs in various fields of engineering; and,

WHEREAS, TEES coordinates research and grants for such research in various fields of engineering; and,

WHEREAS, UT El Paso and TEES have a mutual interest in technology development and transfer, computer-aided engineering and the manufacturing sciences, and energy systems and now desire to create a framework for further cooperative efforts on specific engineering and engineering related research projects;

NOW, THEREFORE, in consideration of the premises and of the benefits to be derived therefrom, UT El Paso and TEES, for purposes of achieving the above stated objectives of said parties, agree as follows:

1. TEES will from time to time advise the College of Engineering of UT El Paso of the availability of research projects and grants which are to be administered or coordinated through TEES.

2. UT El Paso will submit project or grant proposals in a form acceptable to TEES for those projects which UT El Paso desires to conduct.

3. Separate contracts will be executed for each project in which TEES and UT El Paso agree to cooperate. Said contracts will include a statement of the services to be performed by UT El Paso, contract amounts, bases for calculating costs, payment method, term of contract, and any special provisions dealing with equipment procurement and ownership.

4. To accomplish the cooperative agreement described in paragraph 3 above, the parties understand and contemplate that they may find it mutually beneficial to establish at the College of Engineering at The University of Texas at El Paso an operating division of TEES. As an operating division of TEES, the College of Engineering at The University of Texas at El Paso may work with and include as a part of the TEES division activities in El Paso and surrounding area. A separate agreement will describe the conditions of the establishment of such a division, including any arrangements for sharing of facilities and joint appointment of personnel.

5. In said contracts, UT El Paso will be designated as the Performing Agency and TEES will be designated as the Receiving Agency.

6. This Agreement and any contracts executed pursuant to the provisions contained herein are subject to the laws of the State of Texas and the Rules and Regulations of the Board of Regents of The University of Texas System and the Board of Regents of the Texas A&M University System.

7. This Agreement shall become effective upon the approval and execution by the Board of Regents of The University of Texas System and the Board of Regents of the Texas A&M University System. If so approved and executed, this Agreement shall continue in effect for an initial term of five (5) years after the date and year first above written, and after such initial term shall continue in effect from year to year unless one party shall have given one hundred and eighty (180) days' prior written notice to the other party of intention to terminate this Agreement. This Agreement and any specific project or grant contracts executed pursuant thereto shall terminate for all purposes one hundred and eighty (180) days after such notice is given.

EXECUTED by the Board of Regents of The University of Texas System and the Board of Regents of the Texas A&M University System on the day and

year first above written, in duplicate copies, each of which shall be deemed an original.

THE TEXAS ENGINEERING EXPERIMENT STATION

THE TEXAS A&M UNIVERSITY SYSTEM

Herbert H. Richardson, Director and
Deputy Chancellor for Engineering
Texas A&M University System

Perry L. Adkission, Chancellor

By Chairman, Board of Regents
Texas A&M University System

CONTENT APPROVED:

FORM APPROVED:

Haskell Monroe, President
The University of Texas at El Paso

John L. Baumgart
Office of General Counsel
The University of Texas System

BOARD OF REGENTS OF
THE UNIVERSITY OF TEXAS SYSTEM

By James P. Duncan
Executive Vice Chancellor
For Academic Affairs

CERTIFICATE OF APPROVAL

I hereby certify that the foregoing Agreement was approved by the Board of Regents of The University of Texas System on the 9TH day of APRIL, 1987, and that the person whose signature appears above is authorized to execute such agreement on behalf of the Board.

Arthur Dilly
Arthur Dilly
Executive Secretary
to the Board of Regents
The University of Texas System

U. T. BOARD OF REGENTS: STATEMENT BY REGENT BARSHOP RELATED TO COST SAVINGS MEASURES WITHIN U. T. SYSTEM.--At the conclusion of the meeting of the Academic Affairs Committee, Chairman Hay recognized Regent Barshop who presented the following statement related to cost savings measures within The University of Texas System:

Statement by Regent Barshop

The Board of Regents is aware that each of the System component institutions have made major efforts to be more efficient through consolidations and other cost savings measures. The Board is also aware that further efficiencies in the U. T. System components will have to be achieved if faculty salaries are to be restored to nationally competitive levels. This is, and continues to be, a top priority for the Board.

The Board of Regents requests that each of the U. T. System presidents outline for the Board the cost savings actions that their institutions have taken as well as the actual cost savings that have been achieved. In addition, the Board would like each of the presidents to review their budgets to determine new cost savings measures that should be taken to achieve additional savings. The Board wishes to stress to the presidents that any additional cuts they propose must have only a minimal impact on the quality of education and research that the components provide the people of Texas. What should be emphasized is consolidation and elimination of any duplicate or marginal activities that may not be appropriate in this financial environment.

The presidents are asked to submit this information to the Office of the Chancellor no later than August 1st in order that the cost savings may be implemented, where possible, by September 1, 1987.

Upon motion of Regent Barshop, seconded by Vice-Chairman Baldwin, the foregoing statement was unanimously adopted by the Board.

Chairman Hay commented that Regent Barshop's motion was a good proposal and that the request was made in the context of the reality of State Appropriations. He noted that the U. T. System components have in fact absorbed about \$180,000,000 of General Revenue reductions in relationship to the 1984-85 biennium.

Chairman Hay stated that a lot has been done, and the Board would like that quantified and would like for the institutions to take another hard look at what additional significant savings might be accomplished without compromising the System's missions.

REPORT AND RECOMMENDATIONS OF THE HEALTH AFFAIRS COMMITTEE (Pages 22 - 23).--Committee Vice-Chairman Yzaguirre reported that the Health Affairs Committee had met in open session to consider those items on its agenda and to formulate recommendations for the U. T. Board of Regents. Unless otherwise indicated, the actions set forth in the Minute Orders which follow were recommended by the Health Affairs Committee and approved in open session and without objection by the U. T. Board of Regents:

1. U. T. Medical Branch - Galveston: Approval to Increase Membership Dues and Guest Charges for the Alumni Field House Effective May 1, 1987 (Catalog Change).--In order to offset increasing costs of salaries, utilities and maintenance of the Alumni Field House at The University of Texas Medical Branch at Galveston, the Board approved the annual membership dues and guest per visit charge effective May 1, 1987, as set forth below:

	<u>Annual Rate</u>
Student	Activity Fee
Student/Family	\$ 36.00
Employee	150.00
Employee/Family	225.00
Locker	50.00
	<u>Per Visit</u>
Guest	5.00

It was ordered that the next appropriate catalog published at the U. T. Medical Branch - Galveston be amended to conform to this action.

2. U. T. Medical Branch - Galveston: Approval of Rate Increases for Dormitories and Apartments Effective Fall Semester 1987 (Catalog Change).--Due to continuing escalation of operating costs such as utilities, salaries, and general maintenance, the Board approved the following rental rates for dormitories and apartments at The University of Texas Medical Branch at Galveston effective with the Fall Semester 1987:

	<u>Monthly Rate</u>
Dormitory Rooms	
Semi-Private	\$115.00
Private	165.00
Apartments	
Two persons/apartment	300.00
Three persons/apartment	330.00

It was ordered that the next appropriate catalog published at the U. T. Medical Branch - Galveston be amended to reflect this action.

3. U. T. Health Science Center - San Antonio: Appointment of Dr. Suellen Reed as Initial Holder of the Lillie Cranz Cullen Professorship in Nursing Effective Immediately.-- Upon recommendation of the Health Affairs Committee, the Board appointed Dr. Suellen Reed, Professor at the U. T. Nursing School - San Antonio of The University of Texas Health Science Center at San Antonio, as initial holder of the Lillie Cranz Cullen Professorship in Nursing effective immediately.

4. U. T. Health Science Center - San Antonio: Permission for Dr. Martha L. Wood to Serve on the National Advisory Dental Research Council of the National Institutes of Health, Washington, D. C., for a Three-Year Term Beginning Immediately [Regents' Rules and Regulations, Part One, Chapter III, Section 13, Subsections 13.(10) and 13.(11)].--Permission was granted for Dr. Martha L. Wood, Executive Assistant to the President at The University of Texas Health Science Center at San Antonio, to serve on the National Advisory Dental Research Council of the National Institutes of Health, Washington, D. C., for a three-year term beginning immediately.

Dr. Wood's appointment is of benefit to the State of Texas, creates no conflict with her regular duties and is in accordance with approval requirements for positions of honor, trust, or profit provided in Article 6252-9a of Vernon's Texas Civil Statutes and Part One, Chapter III, Section 13, Subsections 13.(10) and 13.(11) of the Regents' Rules and Regulations.

5. U. T. Cancer Center: Appointment of Dr. Barry W. Brown as Initial Holder of the Larry and Pat McNeil Professorship in Cancer Research Effective April 1, 1987.--The Board, upon recommendation of the Health Affairs Committee, appointed Dr. Barry W. Brown, Professor of Biomathematics, as initial holder of the Larry and Pat McNeil Professorship in Cancer Research at The University of Texas System Cancer Center effective April 1, 1987.

REPORT AND RECOMMENDATIONS OF THE BUILDINGS AND GROUNDS COMMITTEE (Pages 24 - 28).--In the absence of Committee Vice-Chairman Ratliff, Regent Baldwin reported that the Buildings and Grounds Committee had met in open session to consider those items on its agenda and to formulate recommendations for the U. T. Board of Regents. Unless otherwise indicated, all actions set forth in the Minute Orders which follow were recommended by the Buildings and Grounds Committee and approved in open session and without objection by the U. T. Board of Regents:

1. U. T. Austin - Balcones Research Center - Microelectronics and Engineering Research Center (Project No. 102-660): Authorization for Project; Appointment of Graeber, Simmons & Cowan, Austin, Texas, Project Architect (in Consultation with Anderson DeBartolo Pan, Inc., Tucson, Arizona) to Prepare Preliminary Plans; and Appropriation Therefor.--Upon recommendation of the Buildings and Grounds Committee, the Board:
 - a. Authorized a project for the construction of a Microelectronics and Engineering Research Center building at the Balcones Research Center of The University of Texas at Austin at an estimated total project cost of \$20,000,000
 - b. Appointed the firm of Graeber, Simmons & Cowan, Austin, Texas, Project Architect (in consultation with Anderson DeBartolo Pan, Inc., Tucson, Arizona) to prepare preliminary plans and a detailed cost estimate to be presented to the U. T. Board of Regents at a future meeting
 - c. Appropriated \$425,000 from U. T. Austin General Fee balances for fees and administrative expenses through preparation of preliminary plans. Previous appropriations had been \$60,000 from the same source for a project analysis.

The increasing interest in the interdisciplinary fields of microelectronics, materials, and manufacturing technology at U. T. Austin results in a critical need for new space. U. T. Austin Administration expects that approximately 300 graduate students and 50 faculty will be involved in these three programs at Balcones Research Center and on the main campus within the next few years.

The space required is approximately 131,000 gross square feet, including approximately 82,600 square feet of assignable space. The total project cost for this facility is expected to be \$20,000,000, and approximately \$17,800,000 will be needed in addition for departmental equipment to make the facility workable as a first-class research entity. A continuous commitment of funds for support personnel and operating expenses is mandatory to ensure the long-term quality and safety of the facility.

The nature of the research demands special types of laboratories, critical control over the environment of certain research space, and continuous maintenance. Extremely clean rooms are needed in microelectronics research, and some areas must be designed to accommodate hazardous chemicals and gases. In the materials and manufacturing programs, space is required for heavy machinery with large overhead clearance, and other areas require special temperature control or toxic gas handling capability. As a result of these stringent requirements,

the ratio of usable to total space in the project is lower than normal, and the expense of the facility is higher per square foot than most University buildings. Furthermore, the maintenance and operation of the facility will require specialized personnel and budget commitments.

The funding for construction of this project will be \$10,000,000 from Permanent University Fund Bond Proceeds and \$10,000,000 from U. T. Austin Fee Reserves.

This project is within the scope of the Capital Improvement program approved by the U. T. Board of Regents on January 14, 1987.

2. U. T. Dallas - Engineering and Computer Science Building (Project No. 302-570): Approval of Preliminary Plans; Authorization to Complete Final Plans; Authorization for Submission to Coordinating Board; and Additional Appropriation Therefor.--Mr. Key Kolb and Mr. Robert Meckfessel, representing the Project Architect, Omniplan Architects, Inc., Dallas, Texas, presented the preliminary plans for the Engineering and Computer Science Building at The University of Texas at Dallas to the Buildings and Grounds Committee.

Based upon this presentation and the recommendation of the Buildings and Grounds Committee, the Board:

- a. Approved the preliminary plans and specifications for the Engineering and Computer Science Building at U. T. Dallas at an estimated total project cost of \$20,000,000 (excluding scientific and engineering equipment)
- b. Authorized the Project Architect to prepare final plans and specifications to be presented to the U. T. Board of Regents at a future meeting
- c. Authorized submission of the project to the Coordinating Board, Texas College and University System
- d. Appropriated \$500,000 from Permanent University Fund Bond Proceeds for fees and administrative expenses through completion of final plans and specifications. Previous appropriations had been \$300,000 from gift funds and U. T. Dallas Excellence Fund income.

Funding for this project will be \$17,500,000 from Permanent University Fund Bond Proceeds and the balance, including the cost of equipment, will be from private gifts and U. T. Dallas endowment funds.

This project is within the scope of the Capital Improvement Program approved by the U. T. Board of Regents in October 1985.

3. U. T. Medical Branch - Galveston - Expansion of Thermal Energy Plant (Project No. 601-657): Request for Approval of Preliminary Plans and Authority to Complete Final Plans for the Addition to the Thermal Distribution System; Authorization for Submission to Coordinating Board; Authorization to Advertise for Bids and for Executive Committee to Award Contracts; and Appropriation Therefor (Deferred).-- Following a detailed discussion, the item related to approval of preliminary plans for Expansion of the Thermal Energy Plant at The University of Texas Medical Branch at Galveston was deferred for consideration at a later date.

4. U. T. Health Science Center - San Antonio - Research Building: Authorization for Project; Appointment of Marmon Barclay Souter Foster Hays, Architect-Engineers-Planners, San Antonio, Texas, Project Architect (in Consultation with Flad/Affiliated, Laboratory Consultants, Madison, Wisconsin) to Prepare Preliminary Plans; and Appropriation Therefor.-- The Buildings and Grounds Committee recommended and the Board:
 - a. Authorized a project for the construction of a Research Building at The University of Texas Health Science Center at San Antonio at an estimated total project cost of \$20,000,000, excluding equipment
 - b. Appointed the firm of Marmon Barclay Souter Foster Hays, Architect-Engineers-Planners, San Antonio, Texas, Project Architect (in consultation with Flad/Affiliated, Laboratory Consultants, Madison, Wisconsin) to prepare preliminary plans and a detailed cost estimate to be presented to the U. T. Board of Regents at a future meeting
 - c. Appropriated \$450,000 from Permanent University Fund Bond Proceeds for fees and administrative expenses through preparation of preliminary plans.

The U. T. Health Science Center - San Antonio plans to construct a Research Building of approximately 120,000 gross square feet to house imaging devices, laboratories, clinical pharmacy and pharmacology research facilities, offices, classrooms and small animal holding facilities. The facility will be constructed near the U. T. Health Science Center - San Antonio and west of the South Texas Medical Center on 25 acres conveyed at no cost to the U. T. Health Science Center - San Antonio by the San Antonio Medical Foundation. An additional 25 acres has been reserved for future expansion.

The Research Building is within the scope of the extended Capital Improvement Program approved by the U. T. Board of Regents on January 14, 1987. Funding for this project will be \$10,000,000 from Permanent University Fund Bond Proceeds and \$10,000,000 from private gifts.

5. U. T. Cancer Center: Approval to Name Recreation Area Adjacent to Lutheran Hospital the Vara Martin Daniel Children's Play Park (Regents' Rules and Regulations, Part One, Chapter VIII, Section 1, Subsection 1.2, Naming of Facilities Other Than Buildings).--The Board, upon recommendation of the Health Affairs and Buildings and Grounds Committees, approved the naming of a recreation area to be constructed adjacent to the Lutheran Hospital at The University of Texas System Cancer Center as the Vara Martin Daniel Children's Play Park in accordance with the Regents' Rules and Regulations, Part One, Chapter VIII, Section 1, Subsection 1.2, relating to the naming of facilities other than buildings.

The naming of this recreation area is a fitting tribute to Mrs. Vara Faye Martin Daniel, a patient at U. T. M.D. Anderson Hospital for many years, who saw the need for a park specially designed for the comfort and protection of pediatric patients, including wheelchair swings, picnic tables with special back supports, and very soft ground covering.

6. U. T. Cancer Center - Modification and Renovation of M.D. Anderson Hospital - Phase II (Project No. 703-602) and Upgrading of Mechanical Systems (Project No. 703-597): Award of Construction Contract to Cahaba Construction Company, Houston, Texas.--Upon recommendation of the Buildings and Grounds Committee, the Board awarded a construction contract for the second phase of Modification and Renovation of M.D. Anderson Hospital and the Upgrading of Mechanical Systems of M.D. Anderson Hospital at The University of Texas System Cancer Center to the lowest responsible bidder, Cahaba Construction Company, Houston, Texas, in the amount of \$6,814,500 for the Combined Base Bid, Phase II Additive Alternates 1, 2A and 2B and Mechanical Upgrade Additive Alternates Two, Three, and Four.

This contract award covers two projects which were combined into one bid package and construction contract because there is insufficient space available for two contractors' work areas. Because of internal accounting needs, it was necessary to obtain separate bid prices on each project, although the combined bid for both projects was to be the basis for award of a contract. In its bid submission, the apparent low bidder, Cahaba Construction Company, reversed the dollar sums for the base bids of the two projects. The Office of General Counsel determined that the administrative error was not material and recommended that a construction contract be awarded to Cahaba.

A combined total project cost of \$10,000,000 has been authorized by the U. T. Board of Regents for all phases of work. A construction contract for the first phase of the Modification and Renovation of M.D. Anderson Hospital was awarded by the U. T. Board of Regents in December 1986 at a total project cost of \$1,658,700. The construction contract award to Cahaba Construction Company, Houston, Texas, in the amount of \$6,814,500 for the Combined Base Bid and Phase II Additive Alternates 1, 2A and 2B and Mechanical Upgrade Additive Alternates Two, Three and Four can be made within the remaining balance of \$8,341,300 of the authorized combined total project cost of \$10,000,000.

The total project cost is composed of the following elements:

Construction Cost	\$ 6,814,500
Fees and Administrative Expenses	863,900
Future Work (Air Balancing, FCMS)	355,000
Miscellaneous Expenses	95,500
Project Contingency	<u>212,400</u>
Total Project Cost for Phase II and Upgrading of Mechanical Systems	\$ 8,341,300
Project Cost for previously awarded Phase I	<u>1,658,700</u>
Total Combined Project Cost	\$10,000,000

Funds for these projects have been appropriated from Plant Funds Unexpended Balances. These projects were approved by the Coordinating Board, Texas College and University System in January 1986 and July 1986.

7. U. T. Health Center - Tyler - Biomedical Research Building (Project No. 801-583): Approval of Plaque Inscription.--The Board, upon recommendation of the Buildings and Grounds Committee, approved the inscription set out below for a plaque to be placed on the Biomedical Research Building at The University of Texas Health Center at Tyler. The inscription follows the standard pattern approved by the U. T. Board of Regents in June 1979.

BIOMEDICAL RESEARCH BUILDING
1985

BOARD OF REGENTS

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Chancellor, The
University of Texas System
George A. Hurst
Director, The University
of Texas Health Center
at Tyler

Simons-Clark Associates
Project Architect
Denson Construction Company
Contractor

REPORT AND RECOMMENDATIONS OF THE LAND AND INVESTMENT COMMITTEE (Pages 29 - 40).--Committee Vice-Chairman Blanton reported that the Land and Investment Committee had met in open session to consider those matters on its agenda and to formulate recommendations for the U. T. Board of Regents. Unless otherwise indicated, all actions set forth in the Minute Orders which follow were recommended by the Land and Investment Committee and approved in open session and without objection by the U. T. Board of Regents.

The execution of documents authorized in this report will be in accordance with the Regents' Rules and Regulations, Part Two, Chapter IX, Section 1.3 as set forth below:

- 1.3 Authority to Execute Instruments Relating to Land and Mineral Interests.--The Chairman of the Board, the Vice-Chairmen, the Chancellor, or his delegate, and the Executive Vice Chancellor for Asset Management are each authorized to execute conveyances, deeds, surface and/or mineral leases, easements, rights-of-way, oil and gas division orders, and transfer orders, geophysical and material source permits, water contracts, pooling and unitization agreements, and any other instruments as may be necessary or appropriate from time to time, relating to the handling, management, control, and disposition of any real estate or mineral interest held or controlled by the Board as a part of the PUF or as a part of any trust or special fund.

I. PERMANENT UNIVERSITY FUND

Report on Clearance of Monies to Permanent University Fund for January and February 1987, and Report on Oil and Gas Development as of February 28, 1987.--The following reports with respect to (a) certain monies cleared to the Permanent University Fund for January and February 1987, and (b) Oil and Gas Development as of February 28, 1987, were submitted by the Executive Vice Chancellor for Asset Management:

<u>Permanent University Fund</u>	<u>January 1987</u>	<u>February 1987</u>	<u>Cumulative Through February of this Fiscal Year (1986-1987)</u>	<u>Cumulative Through February of Preceding Fiscal Year (1985-1986)</u>	<u>Per Cent Change</u>
Royalty					
Oil	\$ 3,343,149.17	\$ 4,039,119.92	\$ 22,796,800.59	\$ 48,643,694.83	-53.14%
Gas	1,516,782.41	1,552,598.34	11,063,991.28	15,969,944.50	-30.72%
Sulphur	10,000.00	10,000.00	60,000.00	148,183.55	
Water	36,314.39	34,670.66	270,918.63	303,616.06	
Brine	2,498.10	2,071.79	16,793.78	59,430.14	
Trace Minerals	0.00	0.00	0.00	0.00	
Rental					
Oil and Gas Leases	(1,368.48)	21,742.97	395,387.00	783,845.08	
Other	100.00	1,748.64	5,012.28	1,400.00	
Sale of Sand, Gravel, Etc.	0.00	400.00	400.00	33,890.00	
Gain or (Loss) on Sale of Securities	35,325,533.82	38,859,934.11	112,129,840.36	84,547,853.93	
Subtotal	<u>40,233,009.41</u>	<u>44,522,286.43</u>	<u>146,739,143.92</u>	<u>150,491,858.09</u>	<u>-2.49%</u>
Bonuses					
Oil and Gas Lease Sales	3,007,941.58	0.00	3,007,941.58	5,913,600.00	
Amendments and Extensions to Mineral Leases	2,400.00	320.00	(6,293.56)	187,046.23	
Total Bonuses	<u>3,010,341.58</u>	<u>320.00</u>	<u>3,001,648.02</u>	<u>6,100,646.28</u>	
TOTAL CLEARANCES	<u>\$43,243,350.99</u>	<u>\$44,522,606.43</u>	<u>\$149,740,791.94</u>	<u>\$156,592,504.37</u>	<u>-4.38%</u>

Oil and Gas Development - February 28, 1987

Acreage Under Lease - 663,599

Number of Producing Acres - 561,323

Number of Producing Leases - 2,249

II. TRUST AND SPECIAL FUNDS

A. GIFTS, BEQUESTS AND ESTATES

1. U. T. Austin: Acceptance of Gift from Blue Bell Creameries, Inc., Brenham, Texas, and Establishment of the John W. Barnhill, Jr. - Blue Bell Creameries, Inc. Endowed Presidential Scholarship in the College of Communication.--The Board accepted a \$25,000 gift from Blue Bell Creameries, Inc., Brenham, Texas, and established the John W. Barnhill, Jr. - Blue Bell Creameries, Inc. Endowed Presidential Scholarship in the Department of Journalism, College of Communication, at The University of Texas at Austin.

Income earned from the endowment will be used to award an annual scholarship to a deserving Texas resident undergraduate student majoring in journalism.

2. U. T. Austin: Acceptance of Gift from Mr. O. V. Bennett, Jr., Austin, Texas, and Establishment of the Gordon Clark Bennett Endowed Scholarship in Home Economics in the College of Natural Sciences.--The Land and Investment Committee recommended and the Board accepted a \$10,000 gift from Mr. O. V. Bennett, Jr., Austin, Texas, and established the Gordon Clark Bennett Endowed Scholarship in Home Economics in the Department of Home Economics, College of Natural Sciences, at The University of Texas at Austin.

Income earned from the endowment will be used to award scholarships to deserving students majoring in home economics.

3. U. T. Austin: Acceptance of Gifts and Pledges from Various Donors and Establishment of the Hal Box Endowed Scholarship in Architecture in the School of Architecture.--Approval was given to accept \$10,940 in gifts and \$1,500 in pledges from various donors for a total of \$12,440 and to establish the Hal Box Endowed Scholarship in Architecture in the School of Architecture at The University of Texas at Austin.

Income earned from the endowment will be used to award scholarships to students at all levels in the School of Architecture.

4. U. T. Austin: Acceptance of Gift from the Shive Foundation and Dr. and Mrs. William Shive, Austin, Texas, and Establishment of The Clayton Foundation Biochemical Institute Regents Lectureship in the College of Natural Sciences and Eligibility for Matching Funds Under The Regents' Endowed Teachers and Scholars Program.--The Board, upon recommendation of the Land and Investment Committee, accepted a \$33,333.34 gift from the Shive Foundation and Dr. and Mrs. William Shive, Austin, Texas, and established The Clayton Foundation Biochemical Institute Regents Lectureship in the Department of Chemistry, College of Natural Sciences, at The University of Texas at Austin.

Further, \$16,666.66 of the gift will be matched under The Regents' Endowed Teachers and Scholars Program and used to increase the endowment for a total of \$50,000.

5. U. T. Austin: Acceptance of Gift and Pledge from Mr. and Mrs. Raymond V. Cruce, Houston, Texas, and Establishment of the Raymond V. and Lucy Cruce Endowed Scholarship in Engineering in the College of Engineering.--The Land and Investment Committee recommended and the Board accepted a \$5,000 gift and a \$5,000 pledge, payable by December 1988, for a total of \$10,000 from Mr. and Mrs. Raymond V. Cruce, Houston, Texas, and established the Raymond V. and Lucy Cruce Endowed Scholarship in Engineering in the College of Engineering at The University of Texas at Austin.

Income earned from the endowment will be used to award scholarships to deserving undergraduate students in the College of Engineering.

6. U. T. Austin: Acceptance of Gift and Pledge from Drs. William H. and Isabella Cunningham, Austin, Texas, and Corporate Matching Funds from Jefferson-Pilot Corporation, Greensboro, North Carolina, and Establishment of the Anna Hughes Cunningham Endowed Scholarship in Women's Athletics.--Approval was given to accept a \$2,000 gift and \$4,000 pledge, payable by December 1990, from Drs. William H. and Isabella Cunningham, Austin, Texas, and \$6,000 in corporate matching funds from Jefferson-Pilot Corporation, Greensboro, North Carolina, for a total of \$12,000 and to establish the Anna Hughes Cunningham Endowed Scholarship in Women's Athletics at The University of Texas at Austin.

Income earned from the endowment will be used to award a scholarship to a basketball player who has demonstrated a commitment to academic and athletic achievement and who has completed her athletic eligibility and needs financial assistance to complete her undergraduate degree.

7. U. T. Austin: Acceptance of Gift from Mr. James Ernest McClain, Greenville, Texas, and Establishment of the W. C. (Dusty) Duesterhoeft Chair in Electrical and Computer Engineering in the College of Engineering.--The Board accepted a \$500,000 face value life insurance policy from Mr. James Ernest McClain, Greenville, Texas, and established the W. C. (Dusty) Duesterhoeft Chair in Electrical and Computer Engineering in the College of Engineering at The University of Texas at Austin.

Income earned from the endowment will be used to support a Chair in the Department of Electrical and Computer Engineering.

8. U. T. Austin: Center for High Performance Computing Endowment - Approval to Redesignate as the Gerhard J. Fonken Director of High Performance Computing Endowment.--In accordance with the donor's request, approval was given to redesignate the Center for High Performance Computing Endowment as the Gerhard J. Fonken Director of High Performance Computing Endowment at The University of Texas at Austin.

9. U. T. Austin: Approval to Accept Gift from Dr. and Mrs. William B. Franklin, Baytown, Texas, and Corporate Matching Funds from Exxon Education Foundation, New York, New York, and Establishment of the William B. and Geraldine Franklin Friend of Alec Excellence Fund in the College of Engineering.--Upon recommendation of the Land and Investment Committee, the Board accepted a \$2,500 gift from Dr. and Mrs. William B. Franklin, Baytown, Texas, and \$7,500 in corporate matching funds from Exxon Education Foundation, New York, New York, for a total of \$10,000 and established the William B. and Geraldine Franklin Friend of Alec Excellence Fund in the College of Engineering at The University of Texas at Austin.

Income earned from the endowment will be used to award scholarships to deserving students in engineering in accordance with policies established for the Friends of Alec Program.

10. U. T. Austin: Acceptance of Bequest from the Estates of Mrs. Edythe E. Gilbert and Dr. Taylor Clyde Gilbert, Dallas, Texas, and Establishment of the Dr. Taylor Clyde Gilbert and Mrs. Edythe Erhard Gilbert Scholarship and/or Loan Fund.--The Board accepted a bequest of \$1,647,930.81 from the combined Estates of Mrs. Edythe E. Gilbert and Dr. Taylor Clyde Gilbert, Dallas, Texas, and established the Dr. Taylor Clyde Gilbert and Mrs. Edythe Erhard Gilbert Scholarship and/or Loan Fund at The University of Texas at Austin.

For the first twenty-five (25) years, the corpus and income of the endowment may be used for the purpose of making loans to deserving students. After that period, income only may be used for scholarships and loan repayments must be returned to the corpus. The endowment is to be established in honor of Dr. and Mrs. Gilbert's parents, Daniel Webster Gilbert and Marietta Gilbert and John A. Erhard, Sr. and Ada Erhard.

11. U. T. Austin: Acceptance of Gift from Mr. and Mrs. Henry Groppe, Houston, Texas, and Establishment of the Carol and Henry Groppe Undergraduate Advising Room Endowment in the College of Engineering.--Approval was given to accept a \$10,000 gift from Mr. and Mrs. Henry Groppe, Houston, Texas, and to establish the Carol and Henry Groppe Undergraduate Advising Room Endowment in the College of Engineering at The University of Texas at Austin.

Income earned from the endowment will be used to furnish and maintain the facilities of the designated room named in honor of the donors.

See related item on Page 15 .

12. U. T. Austin: Thad T. Hutcheson Professorship in Law in the School of Law - Approval to Redesignate as the Thad T. Hutcheson Endowed Moot Court Competition.--At the request of the Law School Foundation (an external foundation), the Thad T. Hutcheson Professorship in Law in the School of Law at The University of Texas at Austin was redesignated as the Thad T. Hutcheson Endowed Moot Court Competition.

Further, the income from the funds being held and administered by The University of Texas Law School Foundation will be used to defray the expenses of the annual advocacy competition.

13. U. T. Austin: Acceptance of Gift from Mr. George T. Karpos, Kingwood, Texas, and Corporate Matching Funds from The Standard Oil Company, Cleveland, Ohio, and Shell Companies Foundation Incorporated, Houston, Texas, and Establishment of the George T. Karpos Friend of Alec Excellence Fund in the College of Engineering.--The Board, upon recommendation of the Land and Investment Committee, accepted a \$3,333 gift from Mr. George T. Karpos, Kingwood, Texas, and corporate matching funds of \$6,666 from The Standard Oil Company, Cleveland, Ohio, and \$3,333 from Shell Companies Foundation Incorporated, Houston, Texas, for a total of \$13,332 and established the George T. Karpos Friend of Alec Excellence Fund in the College of Engineering at The University of Texas at Austin.

Income earned from the endowment will be used at the discretion of the Dean of the College of Engineering.

14. U. T. Austin: Establishment of the Jane H. Macon Scholarship in the School of Law.--The Board, at the request of the Law School Foundation (an external foundation), established the Jane H. Macon Scholarship in the School of Law at The University of Texas at Austin in accordance with the Regents' Rules and Regulations. The funding for this Scholarship (\$10,000) will be retained by the Law School Foundation, and the Scholarship will be awarded to a law student who is a resident of San Antonio, Bexar County, Texas, and who exhibits financial need or academic standing.

15. U. T. Austin: Acceptance of Gift from Mr. and Mrs. Staley McBrayer, Fort Worth, Texas, and Establishment of the Staley and Beverly McBrayer Endowed Fund in Community Journalism in the College of Communication.--Approval was given to accept a \$15,000 gift from Mr. and Mrs. Staley McBrayer, Fort Worth, Texas, and to establish the Staley and Beverly McBrayer Endowed Fund in Community Journalism in the Department of Journalism, College of Communication, at The University of Texas at Austin.

Income earned from the endowment will be used to award scholarships to undergraduate students with an interest in community journalism.

16. U. T. Austin: Acceptance of Gift from Mr. Robert L. Mitchell, Weston, Connecticut, and Corporate Matching Funds from Celanese Corporation, New York, New York, and Establishment of the Robert L. Mitchell Friend of Alec Excellence Fund in the College of Engineering.--The Land and Investment Committee recommended and the Board accepted a \$5,000 gift from Mr. Robert L. Mitchell, Weston, Connecticut, and \$10,000 in corporate matching funds from Celanese Corporation, New York, New York, for a total of \$15,000 and established the Robert L. Mitchell Friend of Alec Excellence Fund in the College of Engineering at The University of Texas at Austin.

Income earned from the endowment will be used to award scholarships to deserving students in engineering in accordance with policies established for the Friends of Alec Program.

17. U. T. Austin: Ed and Molly Smith Centennial Professorship in Business in the College of Business Administration and the Graduate School of Business - Approval to Redesignate as the Ed and Molly Smith Chair in Business Administration.--At the request of The Business School Foundation (an external foundation), the Ed and Molly Smith Centennial Professorship in Business in the College of Business Administration and the Graduate School of Business at The University of Texas at Austin was redesignated as the Ed and Molly Smith Chair in Business Administration. The funding for this Chair (\$900,000) will be retained by The Business School Foundation.
18. U. T. Austin: Establishment of the Heman Sweatt Memorial Scholarship in the School of Law.--The Board, at the request of the Law School Foundation (an external foundation), established the Heman Sweatt Memorial Scholarship in the School of Law at The University of Texas at Austin in accordance with the Regents' Rules and Regulations. The funding for this Scholarship (\$10,000) will be retained by the Law School Foundation and income will be awarded to a deserving minority student.
19. U. T. Austin: Acceptance of Bequest from the Estate of Mrs. Julia Krikorian, Holly, Michigan, and Establishment of the Dean T. U. Taylor Endowed Graduate Fellowship Fund in Geotechnical Engineering in the College of Engineering.--Upon recommendation of the Land and Investment Committee, the Board accepted a \$25,000 bequest from the Estate of Mrs. Julia Krikorian, Holly, Michigan, and established the Dean T. U. Taylor Endowed Graduate Fellowship Fund in Geotechnical Engineering in the Department of Civil Engineering, College of Engineering, at The University of Texas at Austin.
- Income earned from the endowment will be used to award fellowships to graduate students in the Department of Civil Engineering pursuing geotechnical engineering.
20. U. T. Austin: Recommendation to Establish the Ralph B. Thomas Endowment for International Studies in Business in the Graduate School of Business (Withdrawn).--At the request of The Business School Foundation (an external foundation), the item related to the proposed establishment of the Ralph B. Thomas Endowment for International Studies in Business in the Graduate School of Business at The University of Texas at Austin was withdrawn for further consultation with the foundation and Regental consideration at a later date.
21. U. T. Austin: Establishment of The University of Texas School of Law Advocacy Programs Endowment in the School of Law.--The Law School Foundation (an external foundation) requested and the Board authorized establishment of The University of Texas School of Law Advocacy Programs Endowment in the School of Law at The University of Texas at Austin in accordance with the Regents' Rules and Regulations. The funding for this endowment (\$170,331) will be retained by the Law School Foundation and will be used to fund training programs and student activities in advocacy.

See Page 15 regarding the Browning-Ferris Industries Room.

22. U. T. Austin: University Theatre Associates Endowment in the College of Fine Arts - Approval to Dissolve Endowment and Transfer Funds to Seven Various Endowed Scholarship Funds in the College of Fine Arts.--Approval was given to dissolve the University Theatre Associates Endowment in the College of Fine Arts with a current balance of \$10,070.92 and to transfer funds to increase the following seven (7) previously established endowed scholarships in the College of Fine Arts at The University of Texas at Austin:

	<u>Endowment</u>	<u>Transfer</u>	<u>New Balance</u>
a.	Lillian Barkley Scholarship Fund	\$ 436.37	\$10,000.00
b.	E. P. and Virginia Conkle Endowed Scholarship	2,982.27	10,000.00
c.	Donna Dellinger Memorial Scholarship Fund	1,340.44	10,000.00
d.	James H. Parke Memorial Scholarship Fund	2,990.98	7,026.46
e.	B. Iden Payne Fund	562.46	10,000.00
f.	Loren Winship Scholarship Fund	242.79	10,000.00
g.	Igor Youskevitch Endowed Scholarship in Drama	<u>\$ 1,515.61</u>	10,000.00
	TOTAL	<u>\$10,070.92</u>	

23. U. T. Dallas: Acceptance of Bequest from the Estate of Ida M. Green, Dallas, Texas.--The Board, upon recommendation of the Land and Investment Committee, accepted a bequest of three percent of the residual of the Estate of Ida M. Green, Dallas, Texas, together with 3,000 shares of Texas Instruments, Incorporated common stock valued at \$475,184.15 in partial distribution of the bequest. A final report will be submitted upon final distribution and estate settlement.

Income earned from the endowment will be returned to the principal until designation for the use of the funds is made.

24. U. T. El Paso: Acceptance of Gift of Life Insurance Policy from Mrs. Winifred T. Jordan, Austin, Texas, and Transfer of Funds and Establishment of the Chip Jordan Literary Festival Fund.--The Land and Investment Committee recommended and the Board accepted a gift of a life insurance policy with a face amount of \$100,000 on the life of Mrs. Winifred T. Jordan, Austin, Texas, and a \$10,000 transfer of previously reported gifts from current restricted funds and established the Chip Jordan Literary Festival Fund at The University of Texas at El Paso.

Income earned from the endowment will be used to provide the Department of English at U. T. El Paso with annual funding to cover the expenses of the Chip Jordan Literary

Festival, the annual writers' competitions, the Summer Writers' Conference, and any other program included under the Festival so designated by the Department of English.

Upon the death of Mrs. Winifred T. Jordan, proceeds of the \$100,000 life insurance policy with California-Western States Life Insurance Company will be added to the Chip Jordan Literary Festival Fund.

25. U. T. El Paso: Helen O'Shea Keleher Memorial Presidential Endowed Scholarship Fund - Report of Receipt of Final Distribution from the Estate of Helen O'Shea Keleher, El Paso, Texas.--It was reported that the final distribution in the amount of \$3,046.10 had been received from the Estate of Helen O'Shea Keleher, El Paso, Texas, bringing the total bequest to \$803,046.10 which will be added to the Helen O'Shea Keleher Memorial Presidential Endowed Scholarship Fund at The University of Texas at El Paso for a total endowment of \$828,144.01.
26. U. T. Tyler: Acceptance of Gift of Securities from Mr. and Mrs. John D. Glass, Jr., Tyler, Texas, and Establishment of the Mr. and Mrs. John D. Glass, Jr. Endowed Presidential Scholarship and the President's Associates Endowment Fund.--Upon recommendation of the Land and Investment Committee, the Board accepted a gift of 816 shares of Rockwell International common stock valued at \$38,254.08 from Mr. and Mrs. John D. Glass, Jr., Tyler, Texas, and established the Mr. and Mrs. John D. Glass, Jr. Endowed Presidential Scholarship with \$25,000 and the President's Associates Endowment Fund with \$13,254.08 at The University of Texas at Tyler.
- Income earned from the President's Associates Endowment Fund will be used to establish lifetime memberships in the President's Associates, Friends of the Arts, and the Distinguished Lecture Series at U. T. Tyler.
27. U. T. Tyler: Acceptance of Gift from Dr. and Mrs. William Pirtle, Tyler, Texas, and Establishment of the Joyce and Bill Pirtle Endowed Presidential Scholarship.--The Board accepted a \$25,000 gift from Dr. and Mrs. William Pirtle, Tyler, Texas, and established the Joyce and Bill Pirtle Endowed Presidential Scholarship at The University of Texas at Tyler.
- Income earned from the endowment will be used to award scholarships to students meeting the criteria of the Presidential Scholarship Program.
28. U. T. Tyler: Acceptance of Bequest from the Estate of Mattie Alice Scroggin Baker, Tyler, Texas, and Establishment of the Scroggin Scholarship Fund.--The Land and Investment Committee recommended and the Board accepted a bequest of the residual estate estimated to be in excess of \$700,000 from the Estate of Mattie Alice Scroggin Baker, Tyler, Texas, and established the Scroggin Scholarship Fund at The University of Texas at Tyler.
- Income earned from the endowment will be used to award scholarships to students majoring in history.

29. U. T. Cancer Center: Acceptance of Bequest from the Estate of Homer Ammann, El Campo, Texas.--Approval was given to accept a bequest of twenty-five percent of the Estate of Homer Ammann, El Campo, Texas, for the benefit of The University of Texas System Cancer Center. The estate, with a total estimated value of \$4.5 million, consists of real estate holdings, mineral and royalty interests, farm equipment, livestock, and cash investments. The U. T. Cancer Center's share would be approximately \$1.1 million. A request to establish an endowment for a specific research program will be made at a later date.
30. U. T. Cancer Center: Acceptance of Transfer of Funds and Establishment of the Bernard W. Biedenharn Chair in Cancer Research.--Authorization was given to transfer \$475,228.99 from the B. W. Biedenharn Fund and \$124,771.01 from the Anderson Clinical Faculty Professorships Fund for a total endowment of \$600,000 and to establish the Bernard W. Biedenharn Chair in Cancer Research at The University of Texas System Cancer Center. A departmental designation will be made at a later date.

Income earned from the endowment will be used for support of the holder's research.

At its February 1978 meeting, the U. T. Board of Regents accepted a gift of securities consisting of 65 shares of common stock in two Coca-Cola Bottling Companies from Mr. B. W. Biedenharn, Monroe, Louisiana, and established the B. W. Biedenharn Fund to be used for cancer research. The gift of stock was accepted with the condition that it not be sold without donor authorization. In 1983, the shares were exchanged for shares in a new corporation called The Biedenharn Corporation. In November 1986, the Biedenharn Corporation entered into a merger agreement with Coca-Cola Bottling Company of the Southwest and the U. T. Cancer Center holdings in the Biedenharn Corporation were sold for net proceeds of \$454,893.79. Dividend payments previously received bring the balance in the B. W. Biedenharn Fund to \$475,228.99.

31. U. T. Cancer Center: Report of Dissolution of Trust from the Estate of Walter Coppinger, Deceased, San Angelo, Texas.--It was reported that the ten-year trust created under the Will of Walter Coppinger, San Angelo, Texas, with The University of Texas System Cancer Center receiving distributions of approximately \$95,000 and 25% of an undivided three-fourths interest in the minerals of approximately 560 acres in Tom Green County, Texas, had been dissolved. The funds derived from this estate will be used in support of cancer research.
32. U. T. Cancer Center: Acceptance of Bequest from the Estate of Annie Laurie Howard, Houston, Texas, and Establishment of the Annie Laurie Howard Research Professorship and Eligibility for Matching Funds Under the Texas Eminent Scholars Program.--The Land and Investment Committee recommended and the Board accepted a \$338,964.21 bequest from the Estate of Annie Laurie Howard, Houston, Texas, and with \$300,000 established the Annie Laurie Howard Research Professorship with the balance to support the activities of the professorship at The University of Texas System Cancer Center.

Further, the actual income earned on the \$300,000 bequest will be certified for matching under the Texas Eminent Scholars Program as set out in Chapter 51, Subchapter I of the Texas Education Code.

33. U. T. Cancer Center: Dr. Charles A. LeMaistre Professorship in Clinical Cancer Care - Redesignated as the Margaret and Ben Love Professorship in Clinical Cancer Care in Honor of Dr. Charles A. LeMaistre.--The Board redesignated the Dr. Charles A. LeMaistre Professorship in Clinical Cancer Care as the Margaret and Ben Love Professorship in Clinical Cancer Care in Honor of Dr. Charles A. LeMaistre at The University of Texas System Cancer Center.
34. U. T. Cancer Center: L. Newton Thomas Research Fund - Redesignation as the L. Newton Thomas Endowment Fund for Science Park Research Library.--The Land and Investment Committee recommended and the Board redesignated the L. Newton Thomas Research Fund as the L. Newton Thomas Endowment Fund for Science Park Research Library at The University of Texas System Cancer Center.

Income earned from the endowment will be used to provide additional support for the library at the Research Division of the U. T. Science Park at Smithville, Texas.

B. REAL ESTATE MATTERS

1. U. T. El Paso: Frank B. Cotton Trust - Approval to Renew a Lease Covering a 2.68 Acre Tract of Land Located at 1500 E. Third Street, El Paso, Texas, with Farah Manufacturing Company, Inc., El Paso, Texas.--Upon recommendation of the Land and Investment Committee, approval was given to renew a lease covering a 2.68 acre tract of land located at 1500 E. Third Street, El Paso, Texas, with Farah Manufacturing Company, Inc., El Paso, Texas. The property is held in trust as part of the Frank B. Cotton Trust for The University of Texas at El Paso. Farah Manufacturing Company asked to exercise its option to extend the initial lease for an additional ten years ending February 28, 2002, with a base rent of \$28,000, an amount equal to eight percent of the 1987 appraised land value plus all costs incurred for taxes, maintenance and operations on the site. The base rent of \$28,000 will be adjusted March 1, 1992, and March 1, 1997, to reflect the percentage increase in the Consumer Price Index.
2. U. T. El Paso: Frank B. Cotton Trust - Authorization to Renew a Lease Covering a 5.02 Acre Tract of Land Located at 1600 E. Fourth Street, El Paso, Texas, with El Paso Machine & Steel Works, Inc., El Paso, Texas.--The Board authorized the renewal of a lease covering a 5.02 acre tract of land located at 1600 E. Fourth Street, El Paso, Texas (Frank B. Cotton Trust for The University of Texas at El Paso), with El Paso Machine & Steel Works, Inc., El Paso, Texas, for a 15-year term beginning July 1, 1987.

The terms of the lease provide for an annual rent of \$30,000 for years one through five, \$36,500 for years six through ten, and \$44,408 for years eleven through fifteen. The lessee will have the right to cancel the lease after the fifth and tenth years of the contract. El Paso Machine & Steel Works, Inc., will be responsible for all taxes, maintenance and operating costs through the term of the lease.

3. U. T. El Paso: Josephine Clardy Fox Fund - Approval to Sell Real Estate Located at 5010 East Paisano, El Paso, Texas, to Mr. O. J. Benitez, El Paso, Texas.--Upon recommendation of the Land and Investment Committee, the Board approved the sale of real estate located at 5010 East Paisano, El Paso, Texas, to Mr. O. J. Benitez, El Paso, Texas, for \$89,950 less sales commission and survey costs. This property is held in trust as part of the Josephine Clardy Fox Fund for The University of Texas at El Paso. The five percent sales commission will be equally split between Signature Real Estate of El Paso and Rogers & Belding, Inc., El Paso, Texas.

Proceeds from the sale of the property will be added to the Josephine Clardy Fox Fund for the benefit of U. T. El Paso.

4. U. T. Cancer Center: Dr. and Mrs. Robert D. Moreton Gift of Land - Approval to Lease 154 Acres of Land and Improvements Located in Eastland County, Texas, to Mr. Pat Moseley, Ranger, Texas.--The Board, upon recommendation of the Land and Investment Committee, approved a lease covering 154 acres of land, including improvements, located in Eastland County, Texas, to Mr. Pat Moseley, Ranger, Texas. This property was a gift from Dr. and Mrs. Robert D. Moreton, Houston, Texas, to support educational programs at The University of Texas System Cancer Center. Terms of the net lease provide for a rental of \$6 per acre or \$924 per year for a two-year term beginning April 1, 1987. Mr. Moseley will act as caretaker of the property and coordinate the work of various oil companies with regard to pipelines, easements and drilling.

ITEMS FOR THE RECORD

1. U. T. El Paso - College of Engineering Industrial Advisory Council: Acceptance of Membership.--At the February 1987 U. T. Board of Regents' meeting, the following were approved for membership on The University of Texas at El Paso College of Engineering Industrial Advisory Council. Their acceptances of membership are herewith reported for the record.

Term Expires

Mr. George Bailey, El Paso	1989
Mr. David Boyer, El Paso	1987
Col. Charles C. Clarke, El Paso	1988
Mr. Samuel P. Drake, El Paso	1988
Mr. Guillermo Licon, El Paso	1988
Mr. Harry W. Ray, El Paso	1988
Mr. Pablo Salcido, El Paso	1989
Mr. Hank A. Schlieper, El Paso	1988
Mr. Jaime Torrez, El Paso	1988
Mr. John Turner, El Paso	1989

2. U. T. San Antonio - Development Board: Acceptance of Membership.--At the December 1986 U. T. Board of Regents' meeting, The Honorable Dolph Briscoe, Jr., former Governor of Texas and rancher, Uvalde and San Antonio, Texas, was approved for membership on the Development Board at The University of Texas at San Antonio for a term to expire August 31, 1987. Governor Briscoe's acceptance of membership is herewith reported for the record.

3. U. T. Health Science Center - Houston: American Legion Auxiliary Scholarship Fund - Correction of Minute Order of December 4, 1986, Related to Establishment Thereof.--At the request of President Bulger and the donor, the Regental action of December 4, 1986, to establish the American Legion Auxiliary Scholarship Fund at The University of Texas Health Science Center at Houston as an endowment account was withdrawn.

The donor has indicated that the contribution of \$27,500 may be used for current scholarship purposes at The University of Texas Graduate School of Biomedical Sciences at Houston and is not to be regarded as an endowment fund.

REPORT OF BOARD FOR LEASE OF UNIVERSITY LANDS

Regent Yzaguirre, a member of the Board for Lease of University Lands, submitted the following report on behalf of that Board:

Report

The Board for Lease of University Lands met on Thursday, March 12, 1987, in Austin, Texas.

The only business conducted by the Board was to schedule an oil and gas lease sale in Midland, Texas, on July 16, 1987. Lease terms approved by the Board are as follows:

1. Bonus - minimums of \$50 to \$150 per acre
(The minimum bonus varies depending on county and area.)
2. Rental - \$5 per acre for years 2 and 3
(\$10 per acre for years 4 and 5 of lease)
3. Royalty - 1/4th
4. Minimum Production Royalty
(\$5 per acre per year)
5. Primary term - 5 years

A total of 62,044 acres will be offered for oil and gas lease on Permanent University Fund Lands in 185 tracts in the following counties: Irion, Crockett, Reagan, Schleicher and Upton.

SCHEDULED MEETING.--Chairman Hay announced that the next meeting of the U. T. Board of Regents would be held on June 11-12, 1987, at U. T. Tyler.

RECESS.--At 2:53 p.m., Chairman Hay announced that the Board would recess to convene in Executive Session to discuss matters pursuant to Vernon's Texas Civil Statutes, Article 6252-17, Sections 2(e), (f) and (g) and that the Board would reconvene in open session this afternoon (April 9) to consider formally actions on those items.

RECONVENE.--At 4:15 p.m., the Board reconvened in open session for the purpose of acting on items discussed in Executive Session.

EXECUTIVE SESSION OF THE BOARD OF REGENTS

Chairman Hay reported that the Board had met in Executive Session in Room 101 of the Conference Center to discuss matters in accordance with Article 6252-17, Sections 2(e), (f) and (g) of Vernon's Texas Civil Statutes. In response to Chairman Hay's inquiry regarding the wishes of the Board, the following actions were taken:

1. U. T. System: Approval of Lease Agreement with Domaine Cordier U.S.A., Inc., a Texas Corporation, Related to the Commercial Vineyards and Winery on Permanent University Fund Lands in Pecos County, Texas.--Regent Blanton moved that the Lease Agreement with Domaine Cordier U.S.A., Inc., a Texas Corporation, relating to the commercial vineyards and winery on Permanent University Fund Lands in Pecos County, Texas, be approved by the Board.

Vice-Chairman Baldwin and Regent Beecherl seconded the motion which carried by unanimous vote.

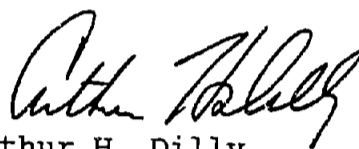
A copy of the Lease Agreement is on file in the Office of the Board of Regents.

2. U. T. Dallas: Authorization to Sell Approximately Five Acres of Synergy Park Land to Teling Systems, Inc., and/or Its Assigns; Approval of One-Year Option to Purchase and an Additional Two-Year Right-of-First-Refusal on a Contiguous Tract of Approximately 5.3 Acres; and Authorization for the Execution of Necessary Documents.--Upon motion of Vice-Chairman Baldwin, seconded by Regent Yzaguirre, the Board, on behalf of The University of Texas at Dallas:
 - a. Approved the sale of approximately five acres of UTD Synergy Park land to Teling Systems, Inc., and/or its assigns, at a price not less than six dollars and fifty cents (\$6.50) per square foot, with 25% of the sale price due on closing and interest payable monthly on the remaining principal at 1 1/2% above the prime interest rate at the time of closing.

The remaining principal will be due at the end of 12 months.
 - b. Authorized the Executive Vice Chancellor for Asset Management to execute, after approval by the Office of General Counsel, a Special Warranty Deed, and authorized the Senior Vice President of U. T. Dallas to execute the necessary closing affidavits

- c. Approved a one-year option to purchase at not less than six dollars and fifty cents (\$6.50) per square foot and an additional two-year right-of-first-refusal to purchase a contiguous tract of approximately 5.3 acres within the parameters discussed in Executive Session
- d. Authorized the Executive Vice Chancellor for Asset Management to execute the necessary documents after approval by the Office of General Counsel.

ADJOURNMENT.--There being no further business, the meeting was adjourned at 4:17 p.m.



Arthur H. Dilly
Executive Secretary

April 15, 1987