

MATERIAL SUPPORTING THE AGENDA

VOLUME XXXIXC

This volume contains the Material Supporting the Agenda furnished to each member of the Board of Regents prior to the meetings held on

June 11, 1992
August 13, 1992

The material is divided according to the standing committees and the meetings that were held and is color coded as follows:

White paper - for documentation of all items that were presented before the deadline date.

Blue paper - all items submitted to the Executive Session and distributed only to the Regents, Chancellor and Executive Vice Chancellors of the System.

Yellow paper - emergency items distributed at the meeting.

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



**Material Supporting the Agenda
of the
Board of Regents
The University of Texas System**

Meeting No.: 863

Date: August 13, 1992

Location: Austin, Texas

BOARD OF REGENTS
OF
THE UNIVERSITY OF TEXAS SYSTEM

CALENDAR

Place: Regents' Meeting Room, Ninth Floor
Ashbel Smith Hall
201 West Seventh Street
Austin, Texas

Thursday, August 13, 1992

9:00 a.m.

Convene in Open Session with
recess to Executive Session
as per the agenda

See Pages B of R 1 - 6
Items A - O

Telephone Numbers

Office of the Board of Regents	(512) 499-4402
Chancellor Mark	(512) 499-4201
Executive Vice Chancellor Burck	(512) 499-4560
Executive Vice Chancellor Duncan	(512) 499-4233
Executive Vice Chancellor Mullins	(512) 499-4224

**Meeting of
the Board**

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

Date: Thursday, August 13, 1992

Time: 9:00 a.m. Convene in Open Session with
recess to Executive Session
as per the agenda

Place: Regents' Meeting Room (Open Session) and
Regents' Conference Room (Executive Session)
Ninth Floor, Ashbel Smith Hall

- A. CALL TO ORDER
- B. APPROVAL OF MINUTES OF REGULAR MEETING
HELD JUNE 11, 1992
- C. SPECIAL ITEM

U. T. Board of Regents: Proposed Amendments to the
Regents' Rules and Regulations, Part One, Chapter III.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Business Affairs, the Executive Vice Chancellor for Academic Affairs, and the Executive Vice Chancellor for Health Affairs that the Regents' Rules and Regulations, Part One, Chapter III be amended as set forth below in congressional style:

- a. Amend Section 1, Subsection 1.8, Subdivision 1.84 regarding academic titles as follows:

1.84 Prefixes to academic and staff positions
in which tenure cannot be acquired:

....

- (d) Chair Emeritus, Professor Emeritus and Associate Professor Emeritus. One of these titles may be given to a retired faculty member or in anticipation of the retirement of a faculty member, effective upon retirement. The conferring of one of these titles is not automatic upon retirement and may be [is] conferred only [in-accordance with-procedures-developed-at-the institution-and] upon approval by the chief administrative officer of the component institution in accordance with procedures included in the Institutional Handbook of Operating Procedures and final approval by the Board of Regents.

b. Add a new Section 18 as follows:

Sec. 18. Parental Leave.--Parental leave for all employees shall be as provided by state law.

c. Renumber present Sections 18 through 29 as appropriate.

d. Amend Section 23 as follows:

Sec. 24. [~~Sec. 23~~] Compensation for Correspondence and Extension Teaching [~~of Full-Time Staff Members~~].--Full-time employees on twelve (12) month appointments may receive additional compensation for correspondence course and/or extension center teaching, but may not receive additional compensation for summer school teaching. Full-time employees on nine (9) month appointments may receive additional compensation for correspondence course and/or extension center teaching during the nine (9) month period and also may be paid for summer school teaching. Compensation rates for correspondence course[s] and extension center teaching shall be paid at rates [~~for full-time teachers on a nine-months basis or for other employees on a twelve-months basis shall be in accord with rates fixed by the then current Appropriations Bill.--If not so fixed,~~ those compensation rates shall be] set from year to year by the chief administrative officer with the approval of the appropriate Executive Vice Chancellor and the Chancellor.

e. Add a new Section 30 as follows:

Sec. 30. Institutional Control and Administration of Contracts and Grants.--Facilities, equipment, or other resources of a component institution may not be utilized in the performance of a contract or grant that is not administered and controlled by the component institution. An employee who utilizes the facilities, equipment, or resources of a component institution for any purpose related to a contract or grant that is not subject to the administration and control of the component institution may not be paid a salary by the component institution until the contract or grant becomes subject to administration by the component institution or such activities are discontinued.

f. Renumber present Sections 30 through 33 as appropriate.

BACKGROUND INFORMATION

The proposed amendment to Subdivision 1.84(d) of Subsection 1.8, Section 1, Chapter III, Part One of the Regents' Rules and Regulations makes an additional title classification of Chair Emeritus for those faculty members retiring from appointments to those endowed academic positions and makes clear that award of the Emeritus title is to be made pursuant to approved procedures included in the institutional Handbook of Operating Procedures.

The proposed new language at Section 18 regarding parental leave is in line with a new provision in the current General Appropriations Act that employees are entitled to a parental leave of absence of up to six weeks in the event of the birth or adoption of a child under the age of three. The employee may elect to use any combination of available vacation leave, compensatory time or leave without pay for the parental leave.

The proposed amendment to Section 23 is necessary because of deletion of language concerning salary rate maximums for correspondence and extension center teaching or other services from the current General Appropriations Act.

The proposed new language at Section 30 embodies the policy expressed by the Texas Legislature in a rider that was included in previous General Appropriations Acts for many years.

D. RECESS FOR MEETINGS OF THE STANDING COMMITTEES AND COMMITTEE REPORTS TO THE BOARD

The Standing Committees of the Board of Regents of The University of Texas System will meet as set forth below to consider recommendations on those matters on the agenda for each Committee listed in the Material Supporting the Agenda. At the conclusion of each Standing Committee meeting, the report of that Committee will be formally presented to the Board for consideration and action.

Executive Committee: Chairman Beecherl
Vice-Chairman Ramirez, Vice-Chairman Cruikshank
MSA Page Ex.C - 1

Business Affairs and Audit Committee: Chairman Loeffler, Regent Cruikshank, Regent Holmes
MSA Page BAAC - 1

Academic Affairs Committee: Chairman Barshop
Regent Holmes, Regent Ramirez, Regent Temple
MSA Page AAC - 1

Health Affairs Committee: Chairman Ramirez
Regent Cruikshank, Regent Moncrief, Regent Temple
MSA Page HAC - 1

Facilities Planning and Construction Committee:
Chairman Moncrief, Regent Barshop, Regent
Cruikshank, Regent Rapoport
MSA Page FPCC - 1

Asset Management Committee: Chairman Cruikshank
Regent Beecherl, Regent Loeffler, Regent Rapoport
MSA Page AMC - 1

E. RECONVENE AS COMMITTEE OF THE WHOLE

F. ITEMS FOR THE RECORD

1. U. T. Austin - Brackenridge Tract: Report of Sale of Stratford Hills Subdivision, Sections II and III, Travis County, Texas.--

REPORT

Following approval by the U. T. Board of Regents at its April 1992 meeting, a portion of the Brackenridge Tract known as Sections II and III of the Stratford Hills Subdivision, Austin, Travis County, Texas (less and except Lot 7 in Section III) was sold on July 2, 1992, for \$3,500,000 for the benefit of U. T. Austin. Net proceeds of \$3,479,894.00 were received from Quentin Corp., a Florida corporation whose president is Mr. Kenneth P. Brown of Gainesville, Florida. This sale conveyed forty-five undeveloped residential lots which were platted by the Office of Endowment Real Estate. Lot 7, Section III which was not included in the conveyance will be offered for sale at a future date. It is U. T. Austin's intent to use the sales proceeds primarily for a matching program for undergraduate scholarships. A specific recommendation will be presented as soon as the procedural details of the matching program are concluded. The matching program will be administered under guidelines subject to review by the Office of General Counsel and approval of the Executive Vice Chancellor for Academic Affairs.

2. U. T. Southwestern Medical Center - Dallas - Intercampus Connector for Research Building - Phase II North Campus Expansion (Project No. 303-755): Report on Deductions in the Contract Cost and the Composition of the Total Project Cost.--

REPORT

At its June 1992 meeting, the U. T. Board of Regents authorized a temporary increase in the total project cost for the Intercampus Connector for Research Building - Phase II North Campus Expansion at the U. T. Southwestern Medical Center - Dallas from \$5,500,000 to \$6,121,627 and awarded a construction contract in the amount of \$5,660,300 upon the representation that the Office of Facilities Planning and Construction would implement changes to reduce the total project cost to within the previously approved and funded amount of \$5,500,000. A deductive change order in the amount of \$710,041 has been executed which brings the cost for the project well within the approved total project cost of \$5,500,000.

With this change, the project cost is composed of the following elements:

Revised Construction Contract Cost	\$4,950,259
Fees and Administrative Expenses	401,456
Future Work (Air-Balancing)	5,000
Miscellaneous Expenses	56,290
Project Contingency	<u>86,995</u>
Total Project Cost	\$5,500,000

- G. REPORT OF BOARD FOR LEASE OF UNIVERSITY LANDS
- H. REPORT OF SPECIAL COMMITTEES
- I. OTHER MATTERS

Certificate of Appreciation

- J. RECESS TO EXECUTIVE SESSION

The Board will convene in Executive Session pursuant to Vernon's Texas Civil Statutes, Article 6252-17, Sections 2(e), (f) and (g) to consider those matters set out on Page Ex.S - 1 of the Material Supporting the Agenda.

- K. RECONVENE IN OPEN SESSION

- L. CONSIDERATION OF ACTION ON ANY ITEMS DISCUSSED IN THE EXECUTIVE SESSION OF THE BOARD OF REGENTS PURSUANT TO V.T.C.S., ARTICLE 6252-17, SECTIONS 2(e), (f) AND (g)

- 1. Pending and/or Contemplated Litigation - Section 2(e)
 - a. U. T. Health Science Center - Houston:
Proposed Settlement of Medical Liability Litigation
 - b. U. T. Health Science Center - San Antonio:
Proposed Settlement of Medical Liability Litigation
- 2. Land Acquisition, Purchase, Exchange, Lease or Value of Real Property and Negotiated Contracts for Prospective Gifts or Donations - Section 2(f)
- 3. Personnel Matters [Section 2(g)] Relating to Appointment, Employment, Evaluation, Assignment, Duties, Discipline, or Dismissal of Officers or Employees

U. T. Southwestern Medical Center - Dallas:
Consideration of Recommendation of Hearing Tribunal Regarding Termination of Nontenured Faculty Member

M. SCHEDULED EVENTS

1. Board of Regents' Meetings

<u>Dates</u>	<u>Locations/Hosts</u>
October 9, 1992	U. T. Dallas
December 3, 1992	Regents' Room, Austin

2. The following dates and locations are proposed for meetings of the Board of Regents in 1993:

<u>Dates</u>	<u>Locations/Hosts</u>
February 11	Austin - No Host
April 8	U. T. Health Science Center - San Antonio
June 10	U. T. El Paso
August 12	Austin - No Host
October 8	U. T. Southwestern Medical Center - Dallas
December 2	U. T. Brownsville

3. Other Events

March 11, 1993	U. T. M.D. Anderson Cancer Center: Dedic- ation of the Jesse H. Jones Rotary House International
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N. OTHER BUSINESS

O. ADJOURNMENT

1992

January 1992						
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September 1992						
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November 1992						
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December 1992						
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**Executive
Committee**

EXECUTIVE COMMITTEE
Committee Chairman Beecherl

Date: August 13, 1992

Time: Following the convening of the Board of Regents
at 9:00 a.m.

Place: Regents' Meeting Room, Ninth Floor, Ashbel Smith Hall

	<u>Page</u> <u>EX.C</u>
1. U. T. System: Recommended Approval of Financial Disclosure Statements Submitted by the Chancellor and the Institutional Chief Administrative Officers (Exec. Com. Letter 92-17)	2
2. U. T. Austin - Parking Garage No. 2 (Project No. 102-711): Recommended Award of Construction Contract to Dal-Mac Construction Company, Richardson, Texas (Exec. Com. Letter 92-16)	2
3. U. T. Health Science Center - San Antonio - Asbestos Abatement for Building Roofs - Exhaust and Intake Air Flow System (Project No. 402-675): Proposed Acceptance of Findings and Recommendations of Hearing Officer (Exec. Com. Letter 92-16)	5

1. U. T. System: Recommended Approval of Financial Disclosure Statements Submitted by the Chancellor and the Institutional Chief Administrative Officers (Exec. Com. Letter 92-17).--

RECOMMENDATION

Pursuant to requirements of the current Appropriations Act and U. T. Board of Regents' policy, the sworn financial disclosure statements of the Chancellor and the institutional chief administrative officers, previously submitted to the Texas Ethics Commission, as required by Article 6252-9b of Texas Revised Civil Statutes Annotated, are submitted for review and approval by the U. T. Board of Regents.

The Executive Committee recommends that the Board of Regents find that these financial disclosure statements have been reviewed by the appropriate Executive Vice Chancellor, are in the form prescribed by the Texas Ethics Commission, and meet the filing requirements of Texas law. The statements are on file with the Office of the Board of Regents.

BACKGROUND INFORMATION

Article 6252-9b of Texas Revised Civil Statutes Annotated requires the filing of financial disclosure statements by certain state officials with the Texas Ethics Commission by April 30 of each year. Additionally, the current Appropriations Act requires certain state agency officers and employees to file financial disclosure statements for review and approval by the governing body of the employing agency. The Attorney General has interpreted the provisions of the Appropriations Act and Article 6252-9b to require the Chancellor and the institutional chief administrative officers to file financial disclosure statements with the U. T. Board of Regents. The U. T. Board of Regents approved the current policy concerning its review and approval requirements in June 1990.

2. U. T. Austin - Parking Garage No. 2 (Project No. 102-711): Recommended Award of Construction Contract to Dal-Mac Construction Company, Richardson, Texas (Exec. Com. Letter 92-16).--

RECOMMENDATION

The Executive Committee concurs in the recommendation of the Chancellor, the Executive Vice Chancellor for Academic Affairs, and President Cunningham that the U. T. Board of Regents award a construction contract for Parking Garage No. 2 at U. T. Austin to the lowest responsible bidder, Dal-Mac Construction Company, Richardson, Texas, for the Base Bid in the amount of \$3,790,000.

BACKGROUND INFORMATION

In accordance with authorization of the U. T. Board of Regents in October 1991, bids for construction of Parking Garage No. 2 at U. T. Austin were received on May 21, 1992, as shown on Page Ex.C - 4.

The recommended award to Dal-Mac Construction Company for the Base Bid in the amount of \$3,790,000 can be made within the authorized total project cost of \$4,733,606.

Parking Garage No. 2 is five levels and will accommodate approximately 721 parking spaces. The garage is designed to take two additional levels and is intended to be used primarily for faculty and staff parking to ease the shortage on the west side of the campus.

Funding for the project is \$1,733,606 from Auxiliary Enterprise Balances and \$3,000,000 from Revenue Financing System Bond Proceeds. This project is included in the current Capital Improvement Plan and Capital Budget and was approved by the Texas Higher Education Coordinating Board in October 1991.

PARKING GARAGE NO. 2
 THE UNIVERSITY OF TEXAS AT AUSTIN
 Bids Received May 21, 1992

<u>BIDDER</u>	<u>BASE BID</u>	<u>Alt. #1 Landscaping & Irrigation System</u>	<u>Alt. #2 Concrete Unit Pavers</u>	<u>Alt. #3 Concrete Light Bollard</u>
Dal-Mac Construction Company Richardson, Texas	\$3,790,000	\$<84,000>	\$<2,000>	\$<65,000>
The Cadence Group, Inc. Austin, Texas	3,937,000	<88,000>	<700>	<53,000>
Morton-Bellows - A Joint Venture Austin, Texas	4,113,780	<67,000>	<5,000>	<76,000>
Brath, Inc., Round Rock, Texas	4,164,000	<81,000>	<8,100>	<35,000>
E. E. Reed Construction Company Austin, Texas	4,249,000	<101,000>	<5,000>	<35,000>
Tellepsen Corporation Houston, Texas	4,329,000	<80,000>	N/C	<40,000>
BFW Construction Co., Inc. Temple, Texas	4,349,000	<76,000>	<6,000>	<38,000>
Lyda, Inc., San Antonio, Texas	4,374,000	<84,000>	<1,000>	<26,500>
Charles N. White Construction Company, Austin, Texas	4,390,336	<91,000>	3,800	<32,000>
Austin Rio Construction Co., Inc. Austin, Texas	4,558,000	<83,000>	<9,000>	<79,000>
Browning Construction Co. San Antonio, Texas	4,798,000	<81,000>	<1,500>	<55,000>
O'Neal Construction, Inc. Austin, Texas	4,838,000	<74,400>	N/C	<32,800>

EX.C - 4

3. U. T. Health Science Center - San Antonio - Asbestos Abatement for Building Roofs - Exhaust and Intake Air Flow System (Project No. 402-675): Proposed Acceptance of Findings and Recommendations of Hearing Officer (Exec. Com. Letter 92-16).--

RECOMMENDATION

The Executive Committee concurs in the recommendation of Chancellor Mark and Vice Chancellor and General Counsel Farabee that the U. T. Board of Regents accept the findings and recommendations of the Hearing Officer with regard to the claim by Olmos Abatement, Inc. (OAI), Austin, Texas, (the "Contractor") for additional compensation associated with asbestos removal on roofs of the U. T. Health Science Center - San Antonio, which work was a necessary prerequisite to construction of an Air Intake Structure which was to be built by another contractor.

The Hearing Officer, Judge James R. Meyers (Retired), found that the extra work claimed by OAI was included in the scope of work required by the contract. He recommended that Chancellor Mark's decision against additional payment by the U. T. System, which was being appealed, should be upheld in its entirety.

BACKGROUND INFORMATION

In accordance with established procedures regarding disputes originating in construction contracts, Mr. R. S. Kristoferson, Director of the Office of Facilities Planning and Construction, issued a written decision denying the claim. OAI then appealed the decision to Chancellor Mark who studied the merits of the claim on the basis of the written records. Chancellor Mark agreed with Mr. Kristoferson that the Contractor's claim for additional compensation should be denied. The Contractor, Mr. Lake, then appealed the decision to the U. T. Board of Regents which appointed Judge Meyers to act as Hearing Officer.

The hearing was held on May 12, 1992. The Contractor's original claim was in the amount of \$89,910 for removal of mastic which it said was not included in the scope of its work under the Contract. During the course of the hearing, the Contractor modified its claim to a sum in excess of \$120,000.

Two extracts from Judge Meyers' recommendations to the U. T. Board of Regents read as follows:

"When the contract is read as an entire document, which it must be, it is, in my view, unambiguous and clear that removal of mastic is included in the work OAI was to perform."

"After considering all of the testimony, the exhibits offered by the parties and their arguments I am convinced that the decision of the Chancellor was correct."

A copy of Judge Meyers' report dated May 20, 1992, is on file in the Office of the Board of Regents.

**Business Aff.
and Audit Com.**

BUSINESS AFFAIRS AND AUDIT COMMITTEE
Committee Chairman Loeffler

Date: August 13, 1992

Time: Following the meeting of the Executive Committee

Place: Regents' Meeting Room, Ninth Floor, Ashbel Smith Hall

	<u>Page</u> <u>BAAC</u>
1. U. T. System: Recommendation to Approve <u>Chancellor's Docket No. 65</u>	2
2. U. T. Board of Regents: Recommendation to Amend the Regents' <u>Rules and Regulations</u> , Part One, Chapter II, Section 6, Subdivi- sion 6.312 and Subsection 6.36 (Business Operations Duties and Responsibilities and West Texas Lands Management)	2
3. U. T. System: Recommendation to Adopt a Standard Bank Depository Agreement-Fully FDIC Insured Accounts Only	5
4. U. T. System: Recommendation to Adopt Reso- lution to Authorize Financing of Equipment by the Texas Public Finance Authority, Execution of Master Lease Agreement and Lease Supple- ment, and Authorization for Officers of U. T. System to Complete Transactions	8
5. U. T. System: Recommendation to Approve Poli- cies for Preparation of Legislative Appropria- tions Request for the 1994-1995 Biennium	12

1. U. T. System: Recommendation to Approve Chancellor's Docket No. 65.--

RECOMMENDATION

It is recommended that Chancellor's Docket No. 65 be approved.

It is requested that the committee confirm that authority to execute contracts, documents, or instruments approved therein has been delegated to the officer or official executing same.

2. U. T. Board of Regents: Recommendation to Amend the Regents' Rules and Regulations, Part One, Chapter II, Section 6, Subdivision 6.312 and Subsection 6.36 (Business Operations Duties and Responsibilities and West Texas Lands Management).--

RECOMMENDATION

The Chancellor concurs with the recommendation of the Executive Vice Chancellor for Business Affairs that the Regents' Rules and Regulations, Part One, Chapter II, Section 6, Subdivision 6.312 and Subsection 6.36 be amended as set forth below in congressional style:

- 6.312 Business Operations Duties and Responsibilities.
- 6.3121 Accounting, reporting, and expenditure control.
 - 6.3122 Data processing systems - including prior approval of equipment acquisitions by purchase or lease.
 - 6.3123 Accounting and business system development.
 - 6.3124 Accounting records, forms, procedures, and financial reports, including format for such reports.
 - 6.3125 Lease contracts for building space.
 - 6.3126 Approval of the business aspects and overhead rates in research and other contracts with outside agencies.
 - 6.3127 Investment Accounting Office. [University
~~Lands-Accounting-Office~~]
 - [~~6.3128~~ ~~Investment-Accounting-Office~~]
- 6.36 West Texas Lands Management.
The Executive Vice Chancellor for Business Affairs provides direction and management for all transactions relative to Permanent University Fund Lands (hereinafter sometimes referred to as "University Lands"). In the exercise of those responsibilities, the Executive Vice Chancellor for Business Affairs:
- 6.361 Works closely with the Board for Lease of University Lands in the discharge of its duties and responsibilities.

- 6.362 Develops procedures to ensure the involvement of the Vice Chancellor for Asset Management in the development of recommendations which impact upon the asset management aspects of the Permanent University Fund Lands.
- 6.363 Directs and manages the operation of the following budgeted activities which are part of the Office of West Texas Lands:
 University Lands - Oil, Gas, and Mineral Interests;
 University Lands - Surface Interests (Oil Field Supervision); and
 University Lands - Surface Interests (Leasing and Agricultural Projects).
- 6.364 Director of West Texas Operations. [~~Manager-of-University-Lands---Oil,-Gas,-and-Mineral-Interests-~~]
 Subject to delegation by the Executive Vice Chancellor for Business Affairs, the Director of West Texas Operations [~~Manager-of-University-Lands---Oil,-Gas,-and-Mineral-Interests~~] is responsible for providing field supervision of System operations, activities and transactions involving oil, gas, and mineral development and production on the University Lands, supervision of System operations, activities, and interests, water rights and oil and gas field operations in or on University Lands. Within limits of authority set by the Executive Vice Chancellor for Business Affairs, the Director's [~~Manager's~~] regular duties include:
- 6.3641 Making recommendations to the Board for Lease of University Lands, and the Board of Regents, as appropriate, for periodic oil and gas lease sales of University Lands, and for unitization, pooling and other transactions involving oil and gas leasehold and royalty interests and other mineral interests in University Lands.
- 6.3642 Organizing, directing, guiding, setting objectives and standards for, and assigning and evaluating the work of all personnel reporting to him or her.
- 6.3643 Reviewing periodically the terms and conditions of forms and transactions involving oil and gas interests in University Lands, and making recommendations with respect thereto to the Executive Vice Chancellor for Business Affairs and the Board for Lease of University Lands.
- 6.3644 Reporting regularly to the Executive Vice Chancellor for Business Affairs and the Board for Lease of University Lands all activities, developments and problems which could significantly affect System interests and University Lands, together with his or her recommendations with respect thereto.

- 6.3645 Working closely with the Board for Lease of University Lands in the discharge of its duties and responsibilities.
- [6-3646 ~~Coordinating with the Manager of University Lands --- Surface Interests in the discharge of their respective duties and responsibilities.~~
- 6-365 ~~Manager of University Lands --- Surface Interests --- Subject to delegation by the Executive Vice Chancellor for Business Affairs, the Manager of University Lands --- Surface interests is responsible for providing field supervision of System operations, activities, and transactions pertaining to surface interests, water rights and oil and gas field operations in or on University Lands. --- Within limits of authority set by the Executive Vice Chancellor for Business Affairs, the Manager's regular duties include:~~
- 6.3646 [6-3651] Making recommendations to the Board with respect to all transactions involving surface interests in University Lands, including research projects, right-of-way easements, agricultural, grazing and other surface use leases, and geophysical permits.
- 6.3647 [6-3652] Organizing, directing, guiding, setting objectives and standards for, and assigning and evaluating the work of all personnel reporting to him or her.
- 6.3648 [6-3653] Reviewing periodically the terms and conditions of forms and transactions involving surface interests in University Lands, and making recommendations with respect thereto to the Executive Vice Chancellor for Business Affairs.
- 6.3649 [6-3654] Reporting regularly to the Executive Vice Chancellor for Business Affairs all activities, developments and problems which could significantly affect System interests and University Lands, together with his or her recommendations with respect thereto.
- 6.364(10) [6-3655] Working closely with federal and state agencies in connection with research and development projects and activities, involving utilization and husbandry of University Lands, of mutual interest to the System and such agencies.
- [6-3656 ~~Coordinating with the Manager of University Lands --- Oil, Gas, and Mineral Interests in the discharge of their respective duties and responsibilities, and acts as oil and gas fields supervisor.~~
- 6.364(11) Supervising the University Lands Accounting Office.

BACKGROUND INFORMATION

A study was initiated in mid-1991 to review the University Lands Accounting Office and the two West Texas Lands Offices which included an assessment of the interrelated functions and operations of these entities. Based on the results of the study, it was determined that the efficiency and effectiveness of the three offices would be enhanced by realigning the direct reporting relationship of the three offices to the same individual. This recommendation amends the Regents' Rules and Regulations to document that the University Lands Accounting Office, the University Lands - Oil, Gas and Mineral Interests, and the University Lands - Surface Interests offices report directly to the Director of West Texas Operations. The Director of West Texas Operations reports to the Executive Vice Chancellor for Business Affairs.

3. U. T. System: Recommendation to Adopt a Standard Bank Depository Agreement-Fully FDIC Insured Accounts Only.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Business Affairs, the Acting Vice Chancellor for Asset Management, and the chief business officers of the U. T. System component institutions that the standard Bank Depository Agreement-Fully FDIC Insured Accounts Only set out on Pages BAAC 6 - 7 be approved in accordance with the Regents' Rules and Regulations, Part Two, Chapter III, Section 4.11 (Local Institutional Funds), to be used only for small bank accounts which, in the aggregate, do not exceed the FDIC insurance limit at individual banks.

BACKGROUND INFORMATION

This agreement is necessary to provide a standard agreement for small bank accounts which, in the aggregate, are within the FDIC insurance limit at individual banks. Components maintain small accounts for petty cash and clearance purposes in towns away from their primary location where operations are conducted. Contact with State Auditors has been made to assure that FDIC coverage will be considered in measuring adequate security for deposits as required by law. These accounts generally average \$5,000 to \$10,000. Excess balances are swept weekly to concentration accounts with the component's primary bank.

THE STATE OF TEXAS

BANK DEPOSITORY AGREEMENT-FULLY FDIC INSURED ACCOUNTS ONLY

COUNTY OF TRAVIS

This Agreement is made and entered into on the date last herein written by and between the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, herein called "BOARD", and

___ a national banking association, organized under the laws of the United States of America, or
___ a state banking association, organized under the laws of a state within the United States of America and which is a member of the Federal Reserve System and the Federal Deposit Insurance Corporation and is authorized by law to conduct banking business in the State of Texas and now carrying on such business in said State, hereinafter called "BANK", and is as follows:

I. AUTHORIZATION

BOARD hereby designates BANK as a depository for the period beginning _____ and continuing until this Agreement has been canceled in accordance with its provisions, for certain accounts in the name of THE UNIVERSITY OF TEXAS SYSTEM (including accounts in the name of any component institution which is now or may hereafter become a part of The University of Texas System). Such accounts shall be opened by the BOARD or its component by designating the accounts and making deposits therein and by the BANK accepting said deposits. It is the intent of Board and Bank that all such account deposit balances with BANK may not exceed, in the aggregate, the maximum insured limit under deposit insurance provided by the Federal Deposit Insurance Corporation.

BOARD may open or close accounts, as needed, under this Agreement. As evidence to BANK that such new account has been properly authorized by BOARD, each such account shall be identified and the authorized signers designated by the Vice Chancellor for Business Affairs of the U.T. System or, in the case of component institutions of the U.T. System, the chief administrative officer and the chief business officer as authorized under the Rules and Regulations of the U.T. Board of Regents such rules having been adopted by an official resolution of the BOARD. Under such Rules said representatives may remove, substitute or add signers to the account as may be deemed necessary.

II. DEPOSIT OF FUNDS

BOARD shall deposit such of its funds as it may choose and BANK shall accept such deposits in the form of "Demand Deposits" and shall hold said deposits subject to payment in accordance with the terms of the deposit.

III. PAYMENT OF DEPOSITS

BANK shall pay on demand to the order of BOARD upon the proper presentation of wire transfer instructions, checks, drafts, or vouchers properly issued, all or any portion of the funds now on deposit or to be deposited with BANK. BANK shall make no deductions for its own account from BOARD'S account except as authorized in writing by BOARD or to correct operational errors in the normal course of business. The obligations of BANK under this Section shall survive the termination of this Agreement.

IV. EVENTS OF DEFAULT

The following events shall be considered Events of Default by BANK:

- A. BANK fails at any time to pay immediately and satisfy upon presentation an order for payment lawfully issued against any deposit and BOARD has determined, in its sole discretion, that such failure has not occurred due to operational errors of BANK and such failure has not been corrected after one additional business day from the date the failure first occurred, or
- B. BANK is declared insolvent by a State or Federal bank regulatory agency, or
- C. Other than the events listed above, BANK shall breach its contract with BOARD and such failure has not been corrected to the satisfaction of BOARD after BANK has been sent (by facsimile transmission or other immediately available method) three days written notice by BOARD.

V. REMEDIES

If an Event of Default shall occur, BOARD may immediately withdraw any or all of its funds on deposit including accrued interest, if any, with BANK without penalty regardless of the form of the deposit instrument.

VI. TERMINATION

BOARD or BANK shall have the right to terminate this Agreement by advance written notice to the other of its election so to do, and this Agreement shall be void from and after the expiration of ninety (90) days after the receipt of such notice, provided all provisions of this Agreement have been fulfilled. BOARD may immediately terminate this Agreement upon an Event of Default as listed in Section IV.

VII. MISCELLANEOUS

- A. No failure or delay by BOARD in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein provided shall be cumulative and not exclusive of any rights or remedies provided by law.
- B. Any provision of this Agreement may be amended or modified if, and only if, such amendment or modification is in writing and is signed by the BOARD and BANK.
- C. Any provision of this Agreement which is prohibited, unenforceable or not authorized shall be ineffective to the extent of such prohibition, unenforceability or non-authorization without invalidating the remaining provisions thereof.
- D. This Agreement shall be deemed to be a contract made under and shall be construed in accordance with and governed by the laws of the State of Texas and all applicable laws of the United States of America. The venue for any legal action to enforce or interpret this Agreement shall be in Travis County, Texas.
- E. This Agreement may not be assigned by BANK without the prior written consent of BOARD. Any successor to BANK whether by sale, merger or operation of law shall be bound by the terms of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective authorized officers or representatives as of the ____ day of _____, 19__.

Address:
210 West Sixth Street
Austin, Texas 78701

BOARD OF REGENTS OF THE UNIVERSITY
OF TEXAS SYSTEM

By: _____

Its: _____

ATTEST:

Executive Secretary

Address:

BANK

By: _____

Its: _____

ATTEST:

Its: _____

4. U. T. System: Recommendation to Adopt Resolution to Authorize Financing of Equipment by the Texas Public Finance Authority, Execution of Master Lease Agreement and Lease Supplement, and Authorization for Officers of U. T. System to Complete Transactions.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Business Affairs that the U. T. Board of Regents:

- a. Adopt the Resolution substantially in the form set out on Pages BAAC 10 - 11
- (1) Authorizing the U. T. System to finance equipment purchases through the Texas Public Finance Authority when the source of funds for such purchases is State general revenue appropriations
 - (2) Authorizing the Executive Vice Chancellor for Business Affairs or his designee at each component institution of the U. T. System who shall be the chief business officer of such component to submit requests to the Texas Public Finance Authority for equipment financing or refinancing provided that such financing is not in conflict with the Master Resolution or any supplemental resolution of The University of Texas System Revenue Financing System and the source of funds to pay debt service for such financing is State general revenue appropriations
- b. Appoint the Executive Vice Chancellor for Business Affairs and the chief business officer for each component institution of the U. T. System or his or her designee as Authorized Representatives of the U. T. System to execute, on behalf of each component, the Master Lease Agreement and each Lease Supplement of the Texas Public Finance Authority.
- c. Authorize certain officers and employees of the U. T. System to take any and all steps necessary to carry out the intentions of the U. T. Board of Regents to complete the transactions.

BACKGROUND INFORMATION

Article V, Section 144 of the current General Appropriations Act requires all state agencies financed in whole or in part by the General Revenue Fund to use master lease financing for the acquisition of information resource technologies and capital equipment when the source of payment is general revenue appropriations. The Texas Public Finance Authority will administer a program for all state agencies. The State Comptroller on June 25, 1992, notified the U. T. System that effective July 1, 1992, requests for payment from general revenue for equipment purchases without master lease financing would not be honored. The proposed resolution authorizes the U. T. System to participate in the Texas Public Finance Authority program. Components may continue to use vendor financing and the Revenue Financing System debt program for equipment provided that the source of funds for payment of lease payments or debt service is other than general revenue appropriations. The State mandated program will be accessed through the authority provided by this resolution to the chief business officers of each component of the U. T. System.

DRAFT

Equipment Lease Financing Resolution

WHEREAS, the Texas Public Finance Authority (the "Authority") is authorized to issue revenue bonds or other obligations for the purpose of financing of a lease or other agreement with respect to equipment purchased, leased or intended to be purchased or leased by a state agency pursuant to Tex. Rev. Civ. Stat., art. 601d, as amended and Tex. Rev. Civ. Stat., art. 717q, as amended ("717q") (jointly the "Authorizing Law");

WHEREAS, The U. T. System intends to request the Authority from time to time to issue bonds or other obligations of the Authority to finance or refinance Equipment when the source of funds would otherwise be the general revenue appropriations of the State of Texas in an aggregate amount not exceeding \$20,000,000 during the 1991-93 biennium (the "Biennium"); and

WHEREAS, The U. T. System now desires to approve and authorize the financing or refinancing of the equipment and to authorize the Executive Vice Chancellor for Business Affairs or designee to submit requests for financing to the Authority from time to time to issue its bonds or other obligations to finance or refinance equipment and take such other actions related thereto.

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

1. The purchase or lease of equipment has been duly authorized by law and is required or suitable for the public purposes mandated by law and the financing or refinancing thereof is appropriate.

2. The Executive Vice Chancellor for Business Affairs of The U. T. System, or his designee, is hereby authorized and directed to submit requests from time to time to the Authority to issue its bonds or other obligations, in an aggregate amount not exceeding \$20,000,000 during the Biennium, for and on behalf of The U. T. System for the purpose of financing or refinancing the purchase or lease of equipment when the source of funds for such equipment would otherwise be the general revenue appropriations of the State of Texas in accordance with the Authorizing Law.

3. The Executive Vice Chancellor for Business Affairs and the chief business officer of a component institution of The U. T. System are each hereby further authorized to approve, execute and deliver the Master Lease Agreement Requests for Financing, and such other instruments, including but not limited to the financing documents required by the Authority's rules, and to take such other actions as are necessary and appropriate in connection with the issuance, sale or delivery of the bonds or other obligations of the Authority.

4. Due notice of this meeting and the subject matter of this Resolution was given as required by law; and that a quorum of the Board was present at the meeting at which this Resolution was considered.

Adopted and effective as of _____, 199__.

Chairman
Board of Regents of
The University of Texas System

Secretary

5. U. T. System: Recommendation to Approve Policies for Preparation of Legislative Appropriations Request for the 1994-1995 Biennium.--

RECOMMENDATION

With the concurrence of the Executive Staff, the Chancellor recommends that the U. T. Board of Regents approve the following policies for use in preparing the Legislative Appropriations Request for the 1994-1995 Biennium. In accordance with Section 61.059 of the Texas Education Code, the formulas approved by the Texas Higher Education Coordinating Board serve as the basis for these recommended policies for requesting legislative appropriations.

Policies for Preparing Legislative Appropriations Request for the Biennium 1994-1995

In preparing the Legislative Appropriations Request for the biennium beginning September 1, 1993, the instructions issued by the Texas Higher Education Coordinating Board, the Legislative Budget Board, and the Governor's Budget and Planning Office are to be used as specific guidelines. These instructions will implement the State Strategic Planning and Budgeting System and in some cases will require new types of information. In the interest of uniformity and similar treatment, the following additional policies and limitations shall be observed relating to areas not funded by formula or not otherwise covered by the above-mentioned instructions.

a. Faculty Salaries

Funds for nonformula faculty salaries may be increased up to 8% for 1994 over budgeted 1993 and up to 8% for 1995 over 1994 requested.

b. Departmental Operating Expense

Increases for Departmental Operating Expenses covered under the Resident Instruction Element of Cost may be increased up to 11.6% for each year of the biennium.

c. Library

Funding may be requested to provide up to a 25% increase for each year of the biennium.

d. Utilities

Requests for Utilities are to be based on projected needs using the best available rate estimates, carefully documented.

e. All Other Elements of Costs

In keeping with the general guidelines for formula funding, all other nonformula elements of cost may be increased up to 12.5% for 1994 over 1993 budgeted and 7.9% for 1995 over 1994 requested.

f. New Positions

All requests for new positions must be based on new or expanded programs or on improvements in existing programs and be fully justified.

g. Employee Insurance Premiums

FY 1993 rates should be used to request funds for payment of the State's contribution toward the cost of insurance premiums. Eligible employees are those covered under the provisions of the Texas State College and University Employees Uniform Insurance Benefits Act.

h. Special Items

Funds may be requested to support items which are peculiar to the particular institution and which are not otherwise included in other specific "Elements of Institutional Costs." Support for these Special Items must be fully justified.

i. Across-the-Board Salary Increases

No across-the-board salary increases should be included in this request. Across-the-board increases will be established as part of a statewide policy. Merit increases and competitive market adjustments may be requested.

1994-1995 LEGISLATIVE APPROPRIATIONS REQUEST CALENDAR

July 17, 1992 - August 10, 1992	Individual component legislative appropriations request preliminary review and critique by appropriate Executive Vice Chancellor
August 13, 1992	U. T. Board of Regents' Approval of Policies
August 17, 1992	Ten draft copies of Legislative Appropriations Request (bound) due to System Administration
August 20-31, 1992	Individual Budget Hearings with System Administration on a need basis
September 8, 1992	Fifty-five copies of Legislative Appropriations Request (unbound) due to System Administration for binding
September 18, 1992	Filing Date for Legislative Appropriations Request

BACKGROUND INFORMATION

The Texas Higher Education Coordinating Board formulas, that by statute the general academic institutions are required to follow in requesting Legislative appropriations, include approximately 75 to 85 percent of the dollar amounts requested. Items not covered by formula for the academic institutions, for which comparable requests for appropriations are made, include utilities, staff benefits, and special items such as research projects and special institutes operated by the universities. The health institutions are nonformula funded, and by these policies are directed to utilize the general Coordinating Board approved formula increases to request funding for comparable elements of cost.

The Request for Legislative Appropriations include only Educational and General elements of cost, i.e., they do not include auxiliary enterprises, contracts and grants, or restricted funds.

**Academic
Affairs Com.**

ACADEMIC AFFAIRS COMMITTEE
Committee Chairman Barshop

Date: August 13, 1992

Time: Following the meeting of the Business Affairs and
Audit Committee

Place: Regents' Meeting Room, Ninth Floor, Ashbel Smith Hall

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1. U. T. Board of Regents: Proposed Appointment of Regental Representatives to U. T. Austin Intercollegiate Athletics Council for Men and Intercollegiate Athletics Council for Women Effective September 1, 1992.--

RECOMMENDATION

Chairman Beecherl, with the concurrence of President Cunningham, recommends the appointment of the following as Regental representatives to the U. T. Austin Intercollegiate Athletics Council for Men and the Intercollegiate Athletics Council for Women each for a four-year term beginning September 1, 1992:

- a. Mr. Baker Montgomery, Dallas, Texas, to succeed Mr. John Fainter on the Intercollegiate Athletics Council for Men
- b. Mr. George O. Nokes, Jr., Austin, Texas, to succeed Mrs. Nancy Inman on the Intercollegiate Athletics Council for Women.

BACKGROUND INFORMATION

The U. T. Austin Intercollegiate Athletics Council for Men is a nine member advisory group composed of a student, an ex-student, two Regental appointees and five members of the University General Faculty. The Regental appointments are for four (4) year staggered terms. Mr. L. R. (Bobby) French of Midland is the continuing Regental representative.

The Intercollegiate Athletics Council for Women is composed of nine voting members and one nonvoting member as follows: two students (one nonvoting), an ex-student, two Regental appointees and five members of the University General Faculty. The Regental appointments are for four (4) year staggered terms. Mrs. Betty Himmelblau of Austin is the continuing Regental representative.

Mr. Montgomery is president of Catlyn Capital Corporation, a merchant banking and real estate investment firm. He has been active in many aspects of the men's athletic program and is a member of The President's Associates, the Littlefield Society, and The Chancellor's Council.

Mr. Nokes has been active in the Silver Spurs organization, the Dallas Texas Exes, and is a former president of the Dallas Longhorn Club. He is currently vice-president of the Longhorn Association for Women's Athletics and a member of The President's Associates, the Littlefield Society, and The Chancellor's Council.

Neither Mr. Fainter nor Mrs. Inman are eligible for reappointment.

2. U. T. Austin: Proposed Appointment to the Jack S. Blanton, Sr. Chair in Australian Studies in the College of Liberal Arts Effective September 1, 1992.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that Dr. John C. Higley, Professor of Government and Sociology and Director of the Center for Australian Studies at U. T. Austin, be appointed as the initial holder of the Jack S. Blanton, Sr. Chair in Australian Studies in the College of Liberal Arts at U. T. Austin effective September 1, 1992.

BACKGROUND INFORMATION

Dr. Higley initially joined the U. T. Austin faculty in 1969 and rejoined in 1984 after accepting a faculty appointment in Australia in 1976. He is internationally recognized for his scholarly work in comparative politics and political sociology. Dr. Higley has been the recipient of several Fulbright Awards to carry out research in Europe and Australia and is the author or coauthor of several books and monographs and numerous articles in the fields of comparative politics and political sociology. He was instrumental in the establishment of the Center for Australian Studies and has served as director or co-director of the Center since 1988.

The Jack S. Blanton, Sr. Chair in Australian Studies was established by the U. T. Board of Regents at the October 1988 meeting. It was intended that the Chair be held by the Director of the Center for Australian Studies.

3. U. T. Austin: Proposed Appointment to the Charles E. and Sarah M. Seay Regents Chair in Finance in the College of Business Administration Effective September 1, 1992.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that Professor Stephen P. Magee, holder of the Fred H. Moore Centennial Professorship in International Management in the Graduate School of Business at U. T. Austin, be appointed as the initial holder of the Charles E. and Sarah M. Seay Regents Chair in Finance in the College of Business Administration at U. T. Austin effective September 1, 1992. Professor Magee will relinquish the Fred H. Moore Centennial Professorship in International Management in the Graduate School of Business effective August 31, 1992.

BACKGROUND INFORMATION

Professor Magee, a faculty member at U. T. Austin since 1976, is nationally recognized for his scholarship in the area of international finance. He is the author of three books with another book forthcoming and has also authored or coauthored numerous papers, journal articles, book reviews and proceedings. He is a recipient of U. T. Austin's Joe D. Beasley Teaching Award, was selected Most Outstanding First Year MBA Teacher, and received the Graduate School of Business' Outstanding Research Contribution Award at U. T. Austin.

The Charles E. and Sarah M. Seay Regents Chair in Finance was established by the U. T. Board of Regents at the April 1992 meeting.

4. U. T. Austin: Request for Permission for Individual to Serve as a Member of the Gulf of Mexico Regional Marine Research Board [Regents' Rules and Regulations, Part One, Chapter III, Section 13, Subsections 13.(10) and 13.(11)].--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that approval be given for Dr. Arthur E. Maxwell, Director of the Institute for Geophysics at U. T. Austin, to serve as a member of the Gulf of Mexico Regional Marine Research Board.

It is further recommended that the U. T. Board of Regents find that: (1) the holding of this membership by Dr. Maxwell is of benefit to the State of Texas and (2) there is no conflict between Dr. Maxwell's position at U. T. Austin and his membership on this Board.

BACKGROUND INFORMATION

Dr. Maxwell has been invited by the Administrator of the National Oceanic and Atmospheric Administration (NOAA) to serve as a member of the Gulf of Mexico Regional Marine Research Board. This eleven-member Board was established in 1991 by federal law, through amendments to the Marine Protection, Research and Sanctuaries Act, as one of ten such regional boards to (a) develop and submit to NOAA and the U. S. Environmental Protection Agency a marine research plan; (b) provide a forum for coordinating research among research institutions and agencies; (c) provide for review and comment on research plans by affected users; (d) ensure the highest quality research projects; and (e) prepare for submission to Congress a periodic report on the marine environmental research issues and activities within the region. Dr. Maxwell will serve without compensation.

This recommendation 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. Austin: Request for Permission for Individual to Continue to Serve as a Member of the Secretary of Energy Advisory Board (SEAB) of the U. S. Department of Energy [Regents' Rules and Regulations, Part One, Chapter III, Section 13, Subsections 13.(10) and 13.(11)].--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that approval be given for Dr. William L. Fisher, Director of the Bureau of Economic Geology at U. T. Austin, to continue to serve as a member of the Secretary of Energy Advisory Board (SEAB) of the U. S. Department of Energy.

It is further recommended that the U. T. Board of Regents find that: (1) the holding of this membership by Dr. Fisher is of benefit to the State of Texas and (2) there is no conflict between Dr. Fisher's position at U. T. Austin and his membership on this Board.

BACKGROUND INFORMATION

Dr. Fisher was initially appointed by Secretary of Energy James D. Watkins in February 1990 to serve on this thirty-member Board and approval was given by the U. T. Board of Regents to this appointment in April 1990. The SEAB was established by the Secretary of Energy in 1990 to advise the Secretary on all aspects of the mission, operations, and responsibilities of the Department of Energy. Dr. Fisher's reappointment will be for a period of one year and he will serve without compensation.

This recommendation 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.

6. U. T. Austin: Request for Permission for Individual to Serve as a Member of the Board of Governors of the United States-Mexico Foundation for Science [Regents' Rules and Regulations, Part One, Chapter III, Section 13, Subsections 13.(10) and 13.(11)].--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that approval be given for Dr. Beryl B. Simpson, Professor, Department of Botany at U. T. Austin, to serve as a member of the Board of Governors of the United States-Mexico Foundation for Science.

It is further recommended that the U. T. Board of Regents find that: (1) the holding of this membership by Dr. Simpson is of benefit to the State of Texas and (2) there is no conflict between Dr. Simpson's position at U. T. Austin and her membership on this Board.

BACKGROUND INFORMATION

Dr. Simpson has been invited by the Secretary of the Smithsonian Institution to serve as a member of the Board of Governors of the United States-Mexico Foundation for Science. This new Foundation was established in 1991 to be an effective mechanism for the support of basic and applied science and is expected to become a powerful tool to strengthen relations between Mexico and the United States. Dr. Simpson will serve without compensation.

The recommended appointment is to a position with a nongovernmental consortium not technically covered by the 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. However, Regental approval is sought because the Foundation is closely related to the federal government and will seek substantial governmental support.

7. U. T. Austin: Recommendation to Designate the Joseph D. Jamail Center for Legal Research in the School of Law (Regents' Rules and Regulations, Part One, Chapter VIII, Section 1, Subsection 1.2, Naming of Facilities Other Than Buildings).--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that an area comprised of the Tarlton Law Library, the Texas Legal Resource Center for Child Abuse and Neglect, the Computer Learning Center, the Tom Clark Archives, the Media Center, the Law and Popular Culture Collection, the faculty

library, and the other research facilities in Jesse Jones Hall in the School of Law at U. T. Austin be designated as the Joseph D. Jamail Center for Legal Research 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.

BACKGROUND INFORMATION

The proposed naming of the Joseph D. Jamail Center for Legal Research is to honor Mr. Joseph D. Jamail, Houston, Texas, and to recognize his generous support of the School of Law and the Law School Foundation at U. T. Austin. See Item 1 on Page AMC - 24 regarding acceptance of a gift from Mr. and Mrs. Jamail.

8. U. T. Austin: Recommendation to Name Room in Townes Hall (Regents' Rules and Regulations, Part One, Chapter VIII, Section 1, Subsection 1.2, Naming of Facilities Other Than Buildings).--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that the Dean's Conference Room (Room 2.117D) of Townes Hall at U. T. Austin be named the Alla R. Goodwin Conference Room 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.

BACKGROUND INFORMATION

The proposed naming of this room is in recognition of the retirement of Mrs. Alla R. Goodwin, a dedicated and highly valued employee of the Law School. Mrs. Goodwin, who was Administrative Services Officer to the Dean, has served the Law School for over 29 years.

9. U. T. Austin: Recommendation to Amend the Resolution for the Longhorn Foundation of the Department of Intercollegiate Athletics for Men and to Accept a Gift from the Texas Longhorn Education Foundation, a Texas Nonprofit Corporation, Austin, Texas.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that the resolution for the Longhorn Foundation of the

Department of Intercollegiate Athletics for Men at U. T. Austin be amended as presented in congressional style below:

a. Amend Paragraph 1 of the resolution as follows:

1. The funds of the Foundation shall be devoted solely to the enrichment of all men's varsity sports of the Department of Intercollegiate Athletics of The University of Texas at Austin consistent with approved business procedures and National Collegiate Athletic Association requirements and assist in establishing and funding scholarships and faculty and staff positions at The University of Texas at Austin.

b. Add a new Paragraph 6 as follows:

6. The Two Hundred Horns Club shall operate as a division of the Foundation with bylaws as approved by a five-member board appointed by the Longhorn Foundation Advisory Council.

It is further recommended that President Cunningham be authorized to accept, with the approval of the Executive Vice Chancellor for Academic Affairs and on behalf of the U. T. Board of Regents, a gift from the Texas Longhorn Education Foundation, a Texas nonprofit corporation, Austin, Texas, as follows:

- a. Miscellaneous office furniture and fixtures
- b. Funds in excess of \$500,000 to be used to assist in the education of students, assist in establishing and funding scholarships and faculty and staff positions and to carry out the purposes of The Two Hundred Horns Club.

BACKGROUND INFORMATION

A resolution establishing the Longhorn Foundation as a formal operating internal foundation of U. T. Austin was approved by the U. T. Board of Regents at the December 1987 meeting and was later amended at the December 1989 meeting. The Foundation has been operating since June 1986 and was formally designated as an internal foundation pursuant to Part One, Chapter VII, Section 4, Subsection 4.3 of the Regents' Rules and Regulations to enhance the visibility and fund raising capabilities of the organization.

The proposed amendments to the Longhorn Foundation resolution broaden the purpose of the Foundation and acknowledge the inclusion of The Two Hundred Horns Club as a division of the Foundation. The membership and operation of The Two Hundred Horns Club previously within the Texas Longhorn Education Foundation (TLEF), Austin, Texas, shall transfer to U. T. Austin. TLEF is a nonprofit corporation established in 1974 as a 501(c)3 organization to benefit U. T. Austin through the provision of funds to promote and assist in the education of students. TLEF is in the process of dissolution and upon dissolution will gift all remaining assets to benefit U. T. Austin.

The proposed amendments to the Longhorn Foundation resolution have been reviewed and approved by the Office of General Counsel.

10. U. T. Austin: Proposed Amendments to the Undergraduate Admissions Policy to be Effective June 1993 (Catalog Change).--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that amendments to the U. T. Austin Undergraduate Admissions Policy be adopted to be effective June 1993, with provisional admission changes applying to students beginning in the 1993 Summer Session and all other changes applying to students seeking admission for the 1994 Summer Session or subsequent semesters. The proposed changes are set out below in congressional style and are shown in the charts on Page AAC - 15:

THE UNIVERSITY OF TEXAS AT AUSTIN UNDERGRADUATE ADMISSIONS POLICY

The policy of The University of Texas at Austin regarding admission of undergraduates is as follows:

A. Texas Residents

1. Priority admission will be granted to all Texas resident freshman applicants who meet the following standards and whose completed applications are received by the Office of Admissions by February 1 for the following Summer Session or Fall Semester.

a. [~~Admit-all~~] Texas resident freshman applicants in the top 10% of their high school class if they attain a score of at least 900 on the [irrespective-of] SAT or 21 on the ACT [scores--All-applicants-will-be required-to-submit-an-SAT-or-ACT-score-for evaluation-purposes].

b. [~~Admit-all-Texas-resident-freshman-applicants-with-SAT-scores-of-1200-or-greater-or-ACT-scores-of-29-or-greater-irrespective-of-standing-in-high-school-class-~~]

[~~e--Admit-all~~] Texas resident freshman applicants ranking in the top quarter, but below the top 10%, of their high school graduating class if they attain a score of at least 1050 [1000] on the SAT or 25 [24] on the ACT.

c. [~~d--Admit-all~~] Texas resident freshman applicants ranking in the second quarter of their high school graduating class if they attain a score of at least 1150 [1100] on the SAT or 27 on the ACT.

~~[e--Admit-all-Texas-resident-freshman-applicants-ranking-in-the-lower-one-half-of-their-high-school-graduating-class-if-they-attain-a-score-of-at-least-1200-on-the-SAT-or-29-on-the-ACT.]~~

2.[f-] Individual review will be given to all Texas resident freshman applicants who meet the following standards and whose completed applications are received by the Office of Admissions by March 1 for the following Summer Session or Fall Semester.

a. Texas resident freshman applicants who would have been eligible for priority admission but did not meet the February 1 deadline.

b. Texas resident freshman applicants ranking in the top 10% of their high school graduating class who attain scores below 900 on the SAT or 21 on the ACT.

c. Texas resident freshman applicants ranking in the top quarter but below the top 10% if they attain scores of 800-1040 [900] on the SAT or 19-24 [18-23] on the ACT. [7-10]

d. Texas resident freshman applicants ranking in the second quarter if they attain scores of 900-1140 [1090] on the SAT or 21[22]-26 on the ACT. [7 and-10]

e. Texas resident freshman applicants ranking in the third and fourth quarters [lower-one-half] if they attain test scores of at least 1200 [1100-1190] on the SAT or 29 [27-28] on the ACT.

3.[g-] Consistent with the Texas [Equal] Educational Opportunity Plan for Higher Education, individual review will be given routinely to [the Texas-resident-freshman-applications-of] all Black and Hispanic Texas resident freshman applicants [students] ranking in the top half of their high school graduating class and not otherwise admitted.

4. Texas resident freshman applicants graduating from an unaccredited high school are eligible for individual review if they score at least 1100 on the SAT or 26 on the ACT and at least 500 on the College Board English Composition Test, Math Level I or Level II Test and a third achievement test of the student's choice. A Texas resident over twenty-one years of age who did not graduate from high school but scored at least 1100 on the SAT or at least 26 on the ACT may be given individual review.

5.[h-] The review of applications under provisions 2, 3[+f+] and 4[+g+] will [be-conducted-by-professionals-and-will] take into account such

multiple criteria as leadership, recommendations of teachers, special hardships, competitiveness of high school, the University's need for ethnic and cultural diversity, and the extent to which an academic program is impacted.

B. Nonresidents

1. [i-] Priority admission will be granted to [Admit] all nonresident freshman applicants who are in the top 25% of their high school class with a minimum SAT score of 1200 [1100] or minimum ACT score of 29 [27] and whose completed applications are received by the Office of Admissions by February 1 for the following Summer Session or Fall Semester [as-permitted-under-State-law]. The President has the authority to raise these required scores if necessary.
2. Individual review will be given to all nonresident freshman applicants who meet the following standards and whose completed applications are received by the Office of Admissions by March 1 for the following Summer Session or Fall Semester.
 - a. Applicants who would have been eligible for priority admission but did not meet the February 1 deadline.
 - b. Applicants who rank in the top 25% of their high school class and attain scores of 1100-1190 on the SAT or 26-28 on the ACT.

C. [j-] Admission will be granted to [Admit] all applicants who are holders of bona fide U. T. Austin scholarships designated by the President.

D. [k-] Admission will be granted to [Admit] all resident [and-nonresident] transfer applicants who submit applications by March 1 and who have [with] 30 or more transferable semester credit hours of college credit and a minimum cumulative grade point average of 3.00; individual review will be given to all resident [and-nonresident] transfer applicants with 54 transferable semester credit hours or more and a cumulative grade point average between 2.50 and 2.99. Transfer applicants with fewer than 30 transferable hours will not be considered for admission.

Individual review will be given to all nonresident transfer applicants who submit applications by March 1 and who have 30 or more transferable semester credit hours of college credit and a minimum cumulative grade point average of 3.00 or who have 54 transferable semester credit hours or more and a minimum cumulative grade point average of 2.5.

E. [l-] Texas residents graduating from Texas high schools with the requisite units of high school credit, but not meeting the requirements for regular admission, may be considered for provisional freshman admission in the Summer or Spring terms immediately following graduation from high school, provided they have not enrolled for credit at any other college or university since graduation.

Provisionally admitted students must complete four courses for a minimum total of twelve semester credit hours with a 2.25 grade point average and no grade[s] of "X" or "F" [below-"E"-and-at-least-one-grade-of-"B"-or higher] in that Summer Session or Spring Semester to be eligible to continue beyond that Summer Session or Spring Semester. All students must register for English 306 unless they already have credit for the course or qualify for credit on the basis of a placement examination. The remaining three or four courses must be chosen from at least three of the following groups:

Group I	Foreign Language	
Group II	Mathematics	
Group III	Anthropology	History
	Classics	Linguistics
	Economics	Philosophy
	Geography	Psychology
	Government	Sociology
Group IV	Astronomy	Geology
	Biology	Microbiology
	Botany	Physics
	Chemistry	Zoology
	Computer Sciences	

A provisionally admitted student will be required to register according to the published schedule and to participate in an orientation program at the time of registration.

[m-] A provisionally admitted student who fails to fulfill the academic requirements for continuation will be dismissed from the University and may be considered for readmission under the rules for transfer applicants.

F.[n-] All applicants for regular or provisional freshman admission are required to meet the high school unit requirements: four units of English, two units in a single foreign language, three units of mathematics at the level of algebra I or higher, two units of physical science, three units of social science and one and one-half units of elective courses.

G.[o-] The priority application deadline is February 1 and the regular application deadline is March 1 for all seeking admission for the Summer Session or the Fall Semester and October 1 for all seeking admission for the following Spring Semester [is-March-1].

H.[p-] With approval of the U. T. Board of Regents, individual schools and colleges may institute higher admission requirements where limitations on faculty and facilities do not permit the acceptance of all qualified applicants. In such cases, priority will be given to the applicants with the higher overall academic achievement and potential and earlier date of application.

I.[q-] Under compelling circumstances, the President may revise application deadlines or criteria for admission as reasonably necessary to stabilize enrollment, increase the academic quality and diversity of the student body, and maintain access to the University for qualified Texas resident students.

BACKGROUND INFORMATION

The Undergraduate Admissions Policy for U. T. Austin was most recently amended by the U. T. Board of Regents at the August 1990 meeting. The proposed amendments change certain provisions relating to new freshman admissions for resident and nonresident applicants, specify the treatment of nonresident transfer applications, clarify the standards for continuation of provisionally-admitted freshmen, and make other changes of an editorial nature. If approved, the revised policy would be effective June 1993 and apply to applications received from persons who expect to enroll for the 1994 Summer Session or subsequent semesters, with the changes relating to continuation of provisionally admitted students being in effect for the 1993 Summer Session.

The proposed changes are an important aspect of the enrollment management strategies at U. T. Austin. An analysis of Fall 1992 freshman applications indicates that nearly all available spaces could be filled by applicants who qualify under the current standards for priority admissions. Consequently, the number of students who could be admitted after individual review would be reduced substantially. Under the proposed standards, Texas resident students in the top 10% of their high school graduating class would be given priority admission if they scored at least 900 on the SAT or 21 on the ACT. Under the current policies, these students would receive priority admission without regard to their scores on the SAT or ACT. The proposed policies would give individual review to students in the top 10% of their classes with scores below 900 on the SAT or 21 on the ACT. For students below the top 10%, the standards for test scores would be increased both for priority admissions and for deferred admission decisions following individual review.

Texas resident applicants whose class rank and test scores fall below the proposed standards and students who are denied admission after individual review will continue to be eligible for provisional admissions. The proposed change for provisionally admitted students would require a 2.25 grade point average with no grade of "X" or "F" on twelve hours of courses for students to be eligible to continue beyond that Summer Session or Spring Semester. This change does not alter the performance now required to attain regular admission but provides a more easily understood statement of that standard.

Nonresident high school graduates in the top quarter of their class would have to score at least 1200 on the SAT or 29 on the ACT to be eligible for priority admission, and those with scores between 1100-1190 on the SAT or 26-28 on the ACT would be given a deferred decision after individual review.

An additional change would establish a February 1 deadline for applications for students who wish to be given consideration for priority admission. This change would allow the processing of priority applications to be completed prior to the regular March 1 deadline and thus allow the staff more time for processing the increased numbers of applications requiring individual review. Students whose class rankings and test scores qualify for priority admission but who fail to meet the February 1 priority deadline would still be eligible for individual review if they meet the March 1 deadline.

PROPOSED FRESHMAN ADMISSIONS STANDARDS

	High School Class Rank	Admission Test Score	Admission Category	
Texas Resident	First Quarter	Top 10%	SAT: 900 or above ACT: 21 or above	Priority Admission
			SAT: below 900 ACT: below 21	Deferred Decision
		Next 15%	SAT: 1050 or above ACT: 25 or above	Priority Admission
			SAT: 800-1040 ACT: 19-24	Deferred Decision ³
			SAT: below 800 ACT: below 19	Not eligible for regular admission
	Second Quarter ²	SAT: 1150 or above ACT: 27 or above	Priority Admission	
		SAT: 900 - 1140 ACT: 21 - 26	Deferred Decision ³	
		SAT: below 900 ACT: below 21	Not eligible for regular admission	
	Third and Fourth Quarters	SAT: 1200 or above ACT: 29 or above	Deferred Decision ³	
		SAT: below 1200 ACT: below 29	Not eligible for regular admission	
Non-resident	First Quarter ⁴	SAT: 1200 or above ACT: 29 or above	Priority Admission	
		SAT: 1100 - 1190 ACT: 26 - 28	Deferred Decision ³	
		SAT: below 1100 ACT: below 26	Not eligible for admission	
	Lower Three Quarters	Not eligible for admission		
Either	A freshman applicant must complete specified high school units prior to enrollment at UT. These are: four years of language arts, three years of mathematics at the level of Algebra I or above, two years of lab science, two years of a single foreign language, and three years of social studies.			

¹ Applicable only to those who graduate from an accredited high school. Applicants graduating from unaccredited high schools must score 1100 or more on the SAT or 26 or more on the ACT and 500 or more on the following College Board achievement tests: English Composition Test, Math Level I or Level II Test and a third achievement test to be selected by the student.

² Consistent with the Higher Education Opportunity Plan for a Multicultural Texas, individual review will be given routinely to the applications of all Black and Hispanic students ranking in the top half of their high school graduating class and not otherwise admissible.

³ Applicants for whom the decision is deferred will be notified of an admission decision in early April if applying for summer or fall admission. Texas residents who are not offered regular admission may be offered provisional admission. The University reserves the right to restrict the number of students admitted in response to enrollment pressures.

⁴ Because of enrollment pressures, additional criteria may be used in the selection of candidates for admission from the pool of nonresident applicants who meet the minimum standards.

STANDARDS FOR ENTERING FRESHMEN (OLD)

	High School Class Rank ¹	Admission Test Score	Admission Category	
Texas Resident	First Quarter ²	Top 10%	Any score on SAT or ACT	Regular Admission
		Next 15%	SAT: 1000 or above ACT: 24 or above	Regular Admission
			SAT: 800 - 990 ACT: 19 - 23	Deferred Decision ³
			SAT: Below 800 ACT: Below 19	Not Eligible for Regular Admission
		Second Quarter ²	SAT: 1100 or above ACT: 26 or above	Regular Admission
	SAT: 900 - 1090 ACT: 21 - 25		Deferred Decision ³	
	SAT: Below 900 ACT: Below 21		Not Eligible for Regular Admission	
	Third and Fourth Quarters	SAT: 1200 or above ACT: 29 or above	Regular Admission	
		SAT: 1100 - 1190 ACT: 26 - 28	Deferred Decision ³	
		SAT: Below 1100 ACT: Below 26	Not Eligible for Regular Admission	
Non-resident	First Quarter ⁴	SAT: 1100 or above ACT: 26 or above	Regular Admission	
		SAT: Below 1100 ACT: Below 26	Not Eligible for Admission	
	Lower Three Quarters	Not Eligible for Admission		
Either	A freshman applicant must complete specified high school units prior to enrollment at UT. These are: four years of language arts, three years of mathematics at the level of Algebra I or above, two years of lab science, two years of a single foreign language, and three years of social studies.			

¹ Applicable only to those who graduate from an accredited high school. Applicants graduating from unaccredited high schools must score 1100 or more on the SAT or 26 or more on the ACT and 500 or more on the following College Board achievement tests: English Composition Test, Math Level I or Level II Test and a third achievement test to be selected by the student.

² Consistent with the Higher Education Opportunity Plan for a Multicultural Texas, individual review will be given routinely to the applications of all Black and Hispanic students ranking in the top half of their high school graduating class and not otherwise admissible.

³ Applicants for whom the decision is deferred will be notified of an admission decision in early April if applying for summer or fall admission. Texas residents who are not offered regular admission may be offered provisional admission. The University reserves the right to restrict the number of students admitted in response to enrollment pressures.

⁴ Because of enrollment pressures, additional criteria may be used in the selection of candidates for admission from the pool of nonresident applicants who meet the minimum standards.

11. U. T. Austin: Recommendation for Approval of Proposed Academic Exchange Agreements with (a) University College, Galway, Ireland, and (b) University of Montpellier III, Montpellier, France, and Request for Authorization to Execute Agreements.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that approval be given to two academic exchange agreements between U. T. Austin and the following international institutions:

- a. University College, Galway, Ireland
(Pages AAC 17 - 19)
- b. University of Montpellier III, Montpellier,
France (Pages AAC 20 - 22).

It is further recommended that the Executive Vice Chancellor for Academic Affairs be authorized, on behalf of the U. T. Board of Regents, to execute these agreements with the understanding that any and all specific agreements arising from each agreement are to be submitted for prior administrative review and approval as required by the Regents' Rules and Regulations.

BACKGROUND INFORMATION

The proposed academic exchange agreements are designed to promote academic, cultural and research cooperation between U. T. Austin and the other institutions. In general, the goals of each agreement are to:

- a. Facilitate the exchange of teachers and researchers of English and American language and literature on behalf of their respective English departments
- b. Identify faculty members to teach and participate in research
- c. Appraise the results of the exchange in order to determine whether the teaching and research objectives of the exchange are being achieved.

The proposed agreement with University College formalizes the existing informal relationship between the two universities which has been in existence since 1988.

The proposed agreement with the University of Montpellier III builds on an exchange program initiated in 1976 and continued in 1980 and 1984.

The proposed agreements have been reviewed and approved by the Office of General Counsel and are similar to other academic exchange agreements previously approved by the U. T. Board of Regents.

ACADEMIC EXCHANGE AGREEMENT
UNIVERSITY OF TEXAS AT AUSTIN and
UNIVERSITY COLLEGE, GALWAY

The provisions recorded below constitute an agreement of understanding between the University of Texas at Austin and University College, Galway, Ireland. It defines the agreement to exchange professors and researchers between the English Departments of each of the Universities.

Article one

This agreement is not a binding contract, but is designed to facilitate the exchange of teachers and researchers of English and American language and literature between the University of Texas at Austin and University College, Galway, Ireland on behalf of their respective English departments.

Article two

During the first semester of the academic year, each English Department through appropriate University officials will submit the name of one faculty member to teach and participate in research for the following academic year in the other University, provided that suitable candidates are available and are willing to accept assignment. Candidates submitted by one University to the other must be acceptable to the host University. All appointments and leaves of absences by faculty members are subject to the normal approval procedures by appropriate officials within the candidate's University.

Article three

The minimum period of appointment in either University shall be three months. Exchanges of one year or longer are possible if approved by both parties; they are subject to pertinent rules and regulations applicable in both Universities.

Article four

Teaching and professional obligations assigned to exchange professors by the host University shall not exceed an equivalent level of activity assigned to colleagues of the same rank in the host university.

Article five

Exchange professors will receive from the host university a salary equivalent to that paid by the host institution for the corresponding rank. The accumulation of service or seniority will be governed by the rules and regulations in effect at the exchange professor's home institution.

Representatives of the host institutions should assume responsibility for assisting exchange professors in acquiring those forms necessary to relieve the individual of income tax liability, securing necessary Social Security Number forms, and letters necessary to insure prompt payment of salary.

Article six

The parties to this agreement will regularly appraise the results of the exchange in an effort to determine whether or not the teaching and research objectives of the exchange are being achieved.

Article seven

This agreement shall go into effect in September 1993, or as soon as possible thereafter. It will remain in effect for an indefinite period, subject to change initiated by either of the parties with one year's notice. Any additions, changes, or deletions to this agreement must be approved by the appropriate representatives of both universities.

EXECUTED by the Board of Regents of The University of Texas System and University College, Galway on the day and year first below written, in duplicate copies, each of which shall be deemed an original.

THE UNIVERSITY OF TEXAS AT AUSTIN

UNIVERSITY COLLEGE, GALWAY

BY: _____
WILLIAM H. CUNNINGHAM
President

BY: _____
COLM O hEOCHA
President

ROBERT D. KING
Dean ad interim
College of Liberal Arts

THOMAS A. BOYLAN
Dean
Faculty of Arts

JOSEPH E. KRUPPA
Chairman
English Department

KEVIN M. BARRY
Chairman
Department of English

FORM APPROVED:

BOARD OF REGENTS OF THE
UNIVERSITY OF TEXAS SYSTEM

Office of General Counsel

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 _____ day of _____, 1992 and that the person whose signature appears above is authorized to execute such Agreement on behalf of the Board.

Executive Secretary, Board of Regents
The University of Texas System

ACADEMIC EXCHANGE AGREEMENT
UNIVERSITY OF TEXAS AT AUSTIN and
MONTPELLIER III

The provisions recorded below constitute an agreement of understanding between the University of Texas at Austin and the University of Montpellier III in Montpellier, France. It defines the agreement to exchange professors and researchers between the English Departments of each of the Universities. The agreement follows from consideration of the Academic and Cultural Convention of May 7, 1975 (the Fulbright Convention) between the government of the French Republic and the government of the United States of America.

Article one

This agreement is not a binding contract, but is designed to facilitate the exchange of teachers and researchers of English and American language and literature between the University of Texas at Austin and the University of Montpellier III on behalf of their respective English departments.

Article two

During the first semester of the academic year, each English Department through appropriate University officials will submit the name of one faculty member to teach and participate in research for the following academic year in the other University, provided that suitable candidates are available and are willing to accept assignment. Candidates submitted by one University to the other must be acceptable to the host University. All appointments and leaves of absences by faculty members are subject to the normal approval procedures by appropriate officials within the candidate's University.

Article three

The minimum period of appointment in either University shall be three months. Exchanges of one year or longer are possible if approved by both parties; they are subject to pertinent rules and regulations applicable in both Universities.

Article four

Teaching and professional obligations assigned to exchange professors by the host University shall not exceed an equivalent level of activity assigned to colleagues of the same rank in the host university.

Article five

Exchange professors will receive from the host university a salary equivalent to that paid by the host institution for the corresponding rank. The accumulation of service or seniority will be governed by the rules and regulations in effect at the exchange professor's home institution.

The salaries paid to the professors of one country by the other country are exempted from income tax for up to two years by the fiscal convention of July 28, 1967 between the French Government (law N. 68797 of 23 August 1968 published in number 214 of the French Journal Officiel September 11, 1968) and the Government of the United States.

Representatives of the host institutions should assume responsibility for assisting exchange professors in acquiring those forms necessary to relieve the individual of income tax liability, securing necessary Social Security Number forms, and letters necessary to insure prompt payment of salary.

Article six

Exchange professors from the two countries are urged to apply for travel grants from the Franco-American Commission for Cultural and Educational Exchanges. In the event that an exchange results in a disadvantageous salary for one of the participants in a specific exchange, the disadvantaged professor may, with the permission of his own university, apply to the Franco-American Commission for Cultural and Educational Exchanges for a compensatory salary increment. Travel and compensatory salary increment grants will be awarded according to an Academic and Cultural Exchange Convention signed between the governments of the French Republic and the United States of America on May 7, 1965. The issuance and administration of the grants and increments will be governed by the provisions of the Exchange Commission.

Article seven

The parties to this agreement will regularly appraise the results of the exchange in an effort to determine whether or not the teaching and research objectives of the exchange are being achieved.

This agreement went into effect in September 1976 for a period of four years. It was renewed for additional four year periods, by mutual agreement, in 1980 and 1984. This present revision will be in effect for an indefinite period, subject to change initiated by either of the parties with one year's notice.

EXECUTED by the Board of Regents of The University of Texas System and the University of Montpellier III on the day and year first below written, in duplicate copies, each of which shall be deemed an original.

THE UNIVERSITY OF TEXAS AT
AUSTIN

UNIVERSITY OF MONTPELLIER III

BY: _____
William H. Cunningham
President

BY: _____
J. Maurin
Président

BY: _____
Robert D. King
Dean ad interim, College of Liberal Arts

BY: _____

BY: _____
Joseph E. Kruppa
Chairman, Department of English

BY: _____
Jean Claude Amalric
Directeur du Département d'Anglais

FORM APPROVED:

BOARD OF REGENTS OF THE
UNIVERSITY OF TEXAS SYSTEM

Office of General Counsel

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 _____ day of _____, 1992 and that the person whose signature appears above is authorized to execute such Agreement on behalf of the Board.

Executive Secretary, Board of Regents
The University of Texas System

12. U. T. Dallas: Request for Permission for Individual to Serve as Chair of the Citizens Planning and Advisory Committee of the Texas Mental Health and Mental Retardation Board [Regents' Rules and Regulations, Part One, Chapter III, Section 13, Subsections 13.(10) and 13.(11)].--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Rutherford that approval be given for Dr. Priscilla Beadle, Vice President for Administration and Student Affairs at U. T. Dallas, to serve as Chair of the Citizens Planning and Advisory Committee of the Texas Mental Health and Mental Retardation Board.

It is further recommended that the U. T. Board of Regents find that: (1) the holding of this membership by Dr. Beadle is of benefit to the State of Texas and (2) there is no conflict between Dr. Beadle's position at U. T. Dallas and her membership on this Committee.

BACKGROUND INFORMATION

Dr. Beadle has been invited by Ms. Ann Utley, Chairman of the Texas Mental Health and Mental Retardation Board, to serve as Chair of the Citizens Planning and Advisory Committee of the Texas Mental Health and Mental Retardation Board. This Committee is a nine member Committee which advises the Board of Texas Mental Health and Mental Retardation on planning and budgeting for the agency. Dr. Beadle will serve without compensation.

This recommendation 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.

13. U. T. El Paso: Request for Authorization to Establish a Ph.D. Degree in Materials Science and Engineering and to Submit the Proposed Degree Program to the Coordinating Board for Approval (Catalog Change).--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Natalicio that authorization be granted to establish a Ph.D. in Materials Science and Engineering at U. T. El Paso and to submit the proposal to the Texas Higher Education Coordinating Board for approval. In addition, the Coordinating Board will be asked to change the U. T. El Paso Table of Programs to reflect authorization for the proposed degree program. The proposed Ph.D. degree program is consistent with U. T. El Paso's mission and its plans for offering quality degree programs to meet student needs. A description of the degree program is given in the Background Information of this agenda item.

Upon approval by the Coordinating Board, the next appropriate catalog published at U. T. El Paso will be amended to reflect this action.

BACKGROUND INFORMATION

Program Description

The proposed cross-disciplinary Doctor of Philosophy program in Materials Science and Engineering will be administered by the Department of Metallurgical and Materials Engineering and supported by faculty in the Departments of Chemistry, Physics, Electrical Engineering, Civil Engineering and Mechanical/Industrial Engineering. Faculty from these same departments are also involved in the NSF-supported Materials Research Center of Excellence and the state-supported Institute for Manufacturing and Materials Management (IM³). All students will take four core courses dealing with the structures, properties, processing and performance of materials and the techniques of analysis and materials characterization. In addition to the core, students will take from 27 to 45 hours of advanced course work in support of a specialization and then complete a dissertation.

Program Need

Materials Science and Engineering is a rapidly emerging field of strategic economic importance. Ph.D.-level materials engineers and scientists play the central role in research, development and the transfer of materials technology from basic research to industry. Materials technology is especially important to the rapidly developing manufacturing industries of the Texas-Mexico border area. In the El Paso/Ciudad Juarez metroplex, there are more than three hundred maquiladoras representing nearly fifty Fortune 500 companies. Materials -- metals, plastics, ceramics, composites, and some semiconductors -- are central to the maquila industries. Issues involving materials sources, processes,

and products, and issues related to environmental concerns associated with handling materials and materials waste are central to these industries.

In addition to meeting both a national and a regional need for materials scientists and engineers, the proposed program will also meet an increasingly urgent need for doctorally-prepared Hispanic faculty. There is already a substantial shortage of doctorally-prepared Hispanic faculty, especially in science and engineering. This shortage is anticipated to become greater as the growth in the enrollment of undergraduate Hispanic students increases throughout the Southwest without a commensurate increase in the availability of Hispanic faculty as role models. In 1990, only 1.8% of the doctorates in physics and only 1.5% of the doctorates in chemistry were awarded to Hispanics. With a student population that is nearly 60% Hispanic, U. T. El Paso is the largest university in the continental United States with a majority Hispanic student population. Thus, it is well positioned to make a sizable contribution to the pool of Hispanic scientists and engineers.

Program Quality

U. T. El Paso has been aggressively developing the infrastructure necessary for the success of the Ph.D. in Materials Science and Engineering. Through the Minority Research Center of Excellence (MRCE), collaborative research efforts among the faculty and cooperating departments have been initiated and approximately \$8 million worth of laboratory equipment has been acquired. There are currently twenty-one faculty members involved in graduate-level research and teaching who will participate in the program. These faculty hold degrees from a broad range of highly-prestigious universities and have published numerous journal articles, books, and book chapters. They are involved in an ongoing, substantially funded research program. In a recent site visit, external consultants found the proposed program to be of high quality.

Program Cost

Because U. T. El Paso already has several well-equipped laboratories, including those in the newly renovated Geological Sciences Building and those to be included in Burges Hall when that renovation is complete, and since U. T. El Paso already has twenty-one active faculty members who can teach all courses in the curriculum, no significant cost will be incurred as a result of starting the program. In fact, because failure to start the program would reduce U. T. El Paso's ability to compete for outside funding, the cost of not implementing the program is far greater than the cost of implementing it. Modest additional expenditures will be required for a secretary, for the reallocation of some graduate assistants, and for library materials. These additional costs will be covered from grant funds.

Summary

U. T. El Paso proposes to establish a cross-disciplinary Ph.D. program in Materials Science and Engineering. U. T. El Paso already has well-established and well-equipped laboratories which are currently being used by the twenty-one faculty members who will support the proposed doctoral program. U. T. El Paso has a substantial research program with external funding sufficient to ensure that the research scholarship necessary to support the proposed Ph.D. program will be in

place. The program will make an important contribution to the development of a competitive manufacturing industry and to the availability of Hispanic scientists and engineers.

A copy of the proposal for the Ph.D. in Materials Science and Engineering is on file in the U. T. System Office of Academic Affairs.

14. U. T. Pan American: Recommendation to Establish (a) the School of Business Administration Advisory Council and (b) the School of Business Administration/Center for Entrepreneurship and Economic Development Advisory Council.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Nevarez that approval be given to establish (a) the School of Business Administration Advisory Council and (b) the School of Business Administration/Center for Entrepreneurship and Economic Development Advisory Council at U. T. Pan American, with 28 and 24 members respectively, pursuant to the Regents' Rules and Regulations, Part One, Chapter VII, Section 3, regarding the Advisory Councils of a Component Institution.

BACKGROUND INFORMATION

The specific purpose of the School of Business Administration Advisory Council will be:

- a. to serve the Dean and President regarding the School of Business Administration and its role in the South Texas Community
- b. to advise the School of Business Administration regarding the needs of the business community and assist in developing public and private partnerships with the School of Business Administration to meet those needs
- c. to assist the School of Business Administration in securing financial support for the School from public, private and foundation sources in coordination with the Office of Institutional Advancement
- d. to promote the positive image of the School of Business Administration and The University of Texas - Pan American.

The specific purpose of the School of Business Administration/Center for Entrepreneurship and Economic Development Advisory Council will be:

- a. to serve as advisory council to the Director of the Center for Entrepreneurship and Economic Development, Dean of the School of Business Administration and President for

developing the Center for Entrepreneurship and Economic Development programs and activities in the community

- b. to advise the Center for Entrepreneurship and Economic Development as to community needs and assist in developing public and private partnerships with the Center for Entrepreneurship and Economic Development to meet those needs
- c. to assist in securing financial support for the Center for Entrepreneurship and Economic Development from public, private and foundation sources in coordination with U. T. Pan American's Office of Institutional Development.

The School of Business Administration Advisory Council was previously established and approved by the governing board of Pan American University before the merger with the U. T. System, but the Council had been inactive. Since U. T. Pan American joined the U. T. System, the Council has been reactivated and new guidelines established to provide support activities for U. T. Pan American. Although membership for this Council was approved at the June 1992 meeting of the U. T. Board of Regents, the Council has not been officially established and approved by the U. T. Board of Regents.

The School of Business Administration/Center for Entrepreneurship and Economic Development, a newly created Advisory Council at U. T. Pan American, also had its membership reported at the June 1992 meeting but did not have official approval by the U. T. Board of Regents.

- 15. U. T. San Antonio: Request for Permission for Individual to Serve on the Interim Board of Directors of the Northwest San Antonio Transportation Development Corporation [Regents' Rules and Regulations, Part One, Chapter III, Section 13, Subsections 13.(10) and 13.(11)].--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Kirkpatrick that approval be given for Mr. M. Dan Williams, Vice President for Business Affairs at U. T. San Antonio, to serve on the interim Board of Directors of the Northwest San Antonio Transportation Development Corporation.

It is further recommended that the U. T. Board of Regents find that: (1) the holding of this membership by Mr. Williams is of benefit to the State of Texas and (2) there is no conflict between Mr. Williams' position at U. T. San Antonio and his membership on this Board.

BACKGROUND INFORMATION

Mr. Williams has been invited by Barry M. Goodman, President of the Goodman Corporation, a Houston, Texas, consulting firm, to serve on the interim Board of Directors of the Northwest San Antonio Transportation Development Corporation. This interim Board is being established to submit an application to the Texas Department of Transportation for official formation of a development corporation as authorized by the Development Corporation Act of 1979 (Article 5190.6 of Vernon's Texas Civil Statutes) to pursue financing for transportation projects. If established, the Northwest San Antonio Transportation Development Corporation will support acquisition and development of the Southern Pacific right-of-way toward a new northwest transportation corridor to provide for access and mobility for San Antonio's northwest activity centers. Mr. Williams will serve without compensation.

This recommendation 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.

16. U. T. San Antonio: Recommendation to Approve Changes in Parking Permit Fees Effective with the Fall Semester 1992 (Catalog Change).--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Kirkpatrick that the U. T. Board of Regents approve changes in parking permit fees at the U. T. Institute of Texan Cultures - San Antonio and the U. T. San Antonio Downtown Center effective with the Fall Semester 1992 as set out below:

U. T. Institute of Texan Cultures - San Antonio
and U. T. San Antonio Downtown Center

<u>Faculty/Staff Permits</u>	<u>1991-92 Current Fees</u>	<u>1992-93 Proposed Fees</u>
Class A (reserved)	\$30.00	\$60.00
Class B (faculty/staff)	18.00	36.00
Class C (motorcycles)	6.00	16.00

Annual parking permit fees are prorated if purchased for the Spring Semester and/or Summer Session(s) only.

Upon Regental approval, the Minute Order will reflect that the next appropriate catalog published by U. T. San Antonio will be amended to conform to this action.

BACKGROUND INFORMATION

The Parking and Traffic Regulations for U. T. San Antonio are being revised to incorporate regulations for the U. T. Institute of Texan Cultures - San Antonio and the U. T. San Antonio Downtown Center which have had separate regulations in the past. The Downtown Center currently consists of the U. T. San Antonio buildings which are adjacent to the U. T. Institute of Texan Cultures - San Antonio and which house downtown academic programs offered for the first time in the 1991-92 academic year. Proposed revised Parking and Traffic Regulations following the model regulations approved by the U. T. Board of Regents at the February 1992 meeting have been approved administratively, and substantive changes will be submitted for Regental approval via the institutional docket at the October 1992 meeting.

The proposed rates for the Faculty/Staff permits represent increases to rates previously approved by the Board at the August 1990 meeting. Faculty/Staff rates for the U. T. Institute of Texan Cultures - San Antonio have historically been lower than the rates at the main campus. The proposed increases will begin the process of gradually raising those rates until they are identical to rates on the main campus. Student parking for the U. T. San Antonio Downtown Center requires a regular U. T. San Antonio student parking permit. Fees for those permits were approved by the Board at the June 1992 meeting.

Parking enforcement fees for the U. T. Institute of Texan Cultures - San Antonio have previously been approved via the institutional docket. Under the new U. T. San Antonio Parking and Traffic Regulations, the U. T. San Antonio main enforcement fees approved by the Regents at the June 1992 meeting will also apply to the U. T. Institute of Texan Cultures - San Antonio and the U. T. San Antonio Downtown Center.

**Health Affairs
Committee**

HEALTH AFFAIRS COMMITTEE
Committee Chairman Ramirez

Date: August 13, 1992
Time: Following the meeting of the Academic Affairs
Committee
Place: Regents' Meeting Room, Ninth Floor, Ashbel Smith Hall

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6. U. T. Board of Regents: Proposed Amendments to the Regents' <u>Rules and Regulations</u> , Part One, Chapter I, Section 7 (Committee Structure) and Chapter II, Section 5 (Executive Vice Chancellor for Health Affairs) and Section 13 (Chief Administrative Officers of Component Institutions)	6

1. U. T. Medical Branch - Galveston: Recommendation to Approve Changes in Parking Rates Effective September 1, 1992 (Catalog Change).--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs and President James that the U. T. Board of Regents approve changes in the parking rates at the U. T. Medical Branch - Galveston effective September 1, 1992, as set out below:

	PRESENT MONTHLY RATE	PROPOSED MONTHLY RATES		
		Fiscal Years 1993 & 1994	Fiscal Years 1995 & 1996	Fiscal Years 1997 & 1998
Garage	\$ 15.00	\$ 25.00	\$ 35.00	\$ 40.00
Surface Lots	7.00	15.00	20.00	25.00
Shuttle Parking	New Service	10.00	10.00	15.00

No parking fees are charged for permanently disabled persons or disabled veterans as defined by Articles 6675a-5e and 6675a-5e.1 of Vernon's Texas Civil Statutes.

Upon Regental approval, the Minute Order will reflect that the next appropriate catalog published by U. T. Medical Branch - Galveston will be amended to conform to this action.

BACKGROUND INFORMATION

U. T. Medical Branch - Galveston parking rates were last increased in October 1985. The proposed increases are necessary due to increased costs (salaries, general maintenance, etc.) associated with operating the parking facilities and the increasing need for the expansion and improvement of these facilities. The proposed rates are competitive.

2. U. T. Medical Branch - Galveston: Request for Permission for Individual to Serve on the Texas Cancer Council [Regents' Rules and Regulations, Part One, Chapter III, Section 13, Subsections 13.(10) and 13.(11)].--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs and President James that Courtney M. Townsend, Jr., M.D., Robertson-Poth Professor in the Department of Surgery at the U. T. Medical Branch - Galveston, be granted permission to serve on the Texas Cancer Council.

It is further recommended that the U. T. Board of Regents find that: (1) the holding of this position by Dr. Townsend is of benefit to the State of Texas and (2) there is no conflict between his position at U. T. Medical Branch - Galveston and his appointment to this Council.

BACKGROUND INFORMATION

Lieutenant Governor Bob Bullock has appointed Dr. Townsend to the Texas Cancer Council for a term effective immediately and extending through February 1, 1998. The prestigious Texas Cancer Council brings together leaders in cancer research and policy to help implement programs and services for cancer victims and work in support of cancer research. The Council will work closely with the Texas Department of Health and the Legislative Task Force on Cancer in Texas to implement the Texas Cancer Plan, monitor and update the plan if needed, promote effective and efficient statewide public and private policies, programs and services for persons with cancer, and to encourage planning among the public, private and volunteer sectors in cancer research, prevention and treatment, and coordinate administrative responsibility with the Department of Health. The Council members serve without remuneration.

This recommendation is in accordance with approval requirements for positions of honor, trust, or profit provided in Article 6252-9a 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. M.D. Anderson Cancer Center: Request for Permission for Individual to Accept an Appointment from the Texas Commission on Alcohol and Drug Abuse [Regents' Rules and Regulations, Part One, Chapter III, Section 13, Subsections 13.(10) and 13.(11)].--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs and President LeMaistre that approval be given for Mrs. Elizabeth Feltz, a medical technologist in the Molecular Diagnostics Laboratory in the Division of Laboratory Medicine at the U. T. M.D. Anderson Cancer Center, to accept an appointment from the Texas Commission on Alcohol and Drug Abuse to serve on the Institutional Review Board for the Houston Recovery Campus.

It is further recommended that the U. T. Board of Regents find that: (a) the holding of this position by Mrs. Feltz is of benefit to the State of Texas and (2) there is no conflict between her position at the U. T. M.D. Anderson Cancer Center and service in this capacity.

BACKGROUND INFORMATION

Mrs. Feltz has been asked by the Texas Commission on Alcohol and Drug Abuse to serve on the Institutional Review Board for the Houston Recovery Campus. Members of the board are responsible for ensuring that patients entered into stringent research and evaluation programs to determine the effectiveness of different treatment modalities do not incur undue risk. Mrs. Feltz will receive no compensation for service in this capacity.

This recommendation 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.

4. U. T. M.D. Anderson Cancer Center: Request for Permission for Individual to Serve on the NASA Advisory Council and the Scientific Advisory Committee for Biomedical Research in Space [Regents' Rules and Regulations, Part One, Chapter III, Section 13, Subsections 13.(10) and 13.(11)].--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs that approval be given for Charles A. LeMaistre, M.D., President of the U. T. M.D. Anderson Cancer Center, to serve in the following capacities:

- a. Member, NASA Advisory Council
- b. Chairman, Scientific Advisory Committee for Biomedical Research in Space.

It is further recommended that the U. T. Board of Regents find that: (1) the holding of these positions by Dr. LeMaistre is of benefit to the State of Texas and (2) there is no conflict between his position at the U. T. M.D. Anderson Cancer Center and his service in these capacities.

BACKGROUND INFORMATION

Dr. LeMaistre has been appointed as an at-large member of the NASA Advisory Council. The Council is composed of senior executives who advise NASA on many subjects related to exploration of the world beyond our own earth. The Council meets four to five times a year and members serve without compensation.

Dr. LeMaistre has also been asked by the National Institutes of Health and NASA to chair a new Scientific Advisory Committee for Biomedical Research in Space. The committee is being formed as a result of an agreement between NIH and NASA to develop a joint program of collaboration to enhance biomedical

research capabilities. In addition, the committee will serve as a peer evaluation group for the proposals that will be submitted under the joint NIH and NASA programs and projects. No remuneration will be received for this service.

This recommendation 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. M.D. Anderson Cancer Center: Proposed Appointments to Endowed Academic Positions Effective September 1, 1992.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs and President LeMaistre that the following initial appointments to endowed academic positions at the U. T. M.D. Anderson Cancer Center be effective September 1, 1992:

<u>Name of Proposed Appointee</u>	<u>Endowed Academic Position</u>
Walter N. Hittleman, Ph.D. Professor of Cell Biology	Sophie Caroline Steves Professorship in Cancer Research; established August 1991
Raphael E. Pollock, M.D., Ph.D., Associate Professor of Surgery	Doctor R. Lee Clark Professorship; established February 1981

BACKGROUND INFORMATION

After receiving a Ph.D. in Biophysics from the University of California at Berkeley in 1972, Dr. Hittleman completed a postdoctoral fellowship at the U. T. M.D. Anderson Cancer Center and, subsequently, joined the faculty as a Research Associate in the Department of Developmental Therapeutics. He became a full professor in 1985 and is recognized by his peers as an outstanding researcher and instructor. In addition to his duties at the U. T. M.D. Anderson Cancer Center, he has served on numerous local, state, national and international committees.

Dr. Pollock received his medical degree from St. Louis University in 1977. Following residencies at the University of Chicago and Rush-Presbyterian-St. Luke's Medical Center in Chicago, he accepted a fellowship at the U. T. M.D. Anderson Cancer Center. In 1984, he received an appointment as a faculty associate in the Department of General Surgery and is now an Associate Professor of Surgery and holds the administrative position of Deputy Chairman of Research in the Department of General Surgery. He has been the recipient of numerous awards and is highly respected by the faculty and staff at U. T. M.D. Anderson Cancer Center.

6. U. T. Board of Regents: Proposed Amendments to the Regents' Rules and Regulations, Part One, Chapter I, Section 7 (Committee Structure) and Chapter II, Section 5 (Executive Vice Chancellor for Health Affairs) and Section 13 (Chief Administrative Officers of Component Institutions).--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs that the Regents' Rules and Regulations, Part One, Chapter I, Section 7 (Committee Structure) and Chapter II, Section 5 (Executive Vice Chancellor for Health Affairs) and Section 13 (Chief Administrative Officers of Component Institutions) be amended as set forth below in congressional style:

- a. Amend Part One, Chapter I, Section 7, Subsection 7.1 by deleting Subdivisions 7.17(11)1, 7.17(11)2, and 7.17(11)5 and renumbering and amending Subdivisions 7.17(11)3 and 7.17(11)4 as follows:

7.17(11)	With respect to each Hospital, <u>clinic and patient care facility</u> owned by The University of Texas System:
7.17(11)1	Participate in the accreditation process for the Hospital;
7.17(11)2	Review long-range plans for the Hospital;
<u>7.17(11)1</u> [7.17(11)3]	Review and make recommendations to the Board concerning the bylaws, rules and regulations of the medical staff [of the Hospital];
<u>7.17(11)2</u> [7.17(11)4]	Review and make recommendations to the Board concerning mechanisms and controls for the achievement and maintenance of high standards of professional practices in and at the Hospital, [at] <u>clinic or patient care facility.</u> [and
7.17(11)5	Hold regular meetings at the Hospital to review programs and problems.]

- b. Amend Part One, Chapter II, Section 5, Subsection 5.2 as follows:

5.2 Duties and Responsibilities.

The Executive Vice Chancellor for Health Affairs shall have as a prime responsibility the maintenance of high academic quality in the health-related teaching institutions and high quality health services in the health-care delivery institutions of the System. The Board through its policies, procedures, and Rules and Regulations maintains its governance responsibilities, and acknowledges the importance of maintaining accreditation for hospital, clinic and other patient care facilities. Because of the complexity and diversity of the System, the Executive Vice Chancellor for Health Affairs is delegated the responsibility for ensuring

the governance requirements for accreditation not specifically covered elsewhere in these policies, procedures, and Rules and Regulations are met. The Executive Vice Chancellor for Health Affairs will report the accreditation status to the Board on a periodic basis. Through the chief administrative officers of the component institutions, he or she shall have responsibility for the budgets, academic planning and programs, facilities planning and construction, and personnel (both academic and non-academic) of those components. In consultation with the Chancellor, the Executive Vice Chancellor for Health Affairs shall prepare recommendations and supporting information on such matters for consideration by the appropriate standing committees of the Board and the Board of Regents.

- c. Amend Part One, Chapter II, Section 13, Subsection 13.3 by adding a new Subdivision 13.31(12) as follows:

13.31(12) Develop and implement plans and policies to ensure that hospitals, clinics, and patient care facilities of the health components remain in compliance with any accreditation requirements appropriate to the component or its programs.

BACKGROUND INFORMATION

During recent accreditation reviews at the U. T. M.D. Anderson Cancer Center, Harris County Psychiatric Center, and the U. T. Medical Branch - Galveston, the Joint Commission on Accreditation of Healthcare Organizations has expressed concerns regarding the specific role and responsibilities of the U. T. Board of Regents in governance/management of U. T. System hospitals. The proposed changes to the Regents' Rules and Regulations are intended to clarify and meet the Commission's requirements for governance/management of university-owned hospitals.

**Fac. Plan. &
Const. Com.**

FACILITIES PLANNING AND CONSTRUCTION COMMITTEE
Committee Chairman Moncrief

Date: August 13, 1992

Time: Following the meeting of the Health Affairs
Committee

Place: Regents' Meeting Room, Ninth Floor, Ashbel Smith Hall

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3. U. T. Dallas: Cecil H. Green Center (Project No. 302-151) - Request to Change Building Name, and Cecil and Ida Green Center for the Study of Science and Society (Project No. 302-717) - Request to Change Building Name and Approval of Plaque Inscription	3

1. U. T. Arlington - Science Building Phase I Expansion (Project No. 301-706): Request for Approval of Final Plans and Authorization to Advertise for Bids and for the Executive Committee to Award Contracts.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Amacher that the U. T. Board of Regents:

- a. Approve the final plans and specifications for the Science Building Phase I Expansion at U. T. Arlington at an estimated total project cost of \$12,500,000
- b. Authorize the Office of Facilities Planning and Construction to advertise for bids upon completion of final review and the Executive Committee to award all contracts associated with this project within the authorized total project cost.

BACKGROUND INFORMATION

In accordance with the authorization of the U. T. Board of Regents in December 1990, final plans and specifications for the Science Building Phase I Expansion at U. T. Arlington have been completed by the Project Architect, Vestal, Loftis, Kalista Architects, Inc., Arlington, Texas.

The new construction in Phase I will contain approximately 58,000 gross square feet for teaching and research laboratories and faculty offices primarily for the Department of Chemistry. This project will also renovate approximately 5,600 square feet in the existing Science Building to correct major deficiencies in mechanical and fume hood systems and provide renovated laboratory space for the Department of Physics.

The Phase I project is included in the U. T. System Capital Improvement Program and the FY 1993 Capital Budget. Funding for the \$12,500,000 total project cost is with \$10,000,000 from Permanent University Fund Bond Proceeds, \$2,000,000 from Gifts and Grants, and \$500,000 from FY 1988 PUF Reserves.

This project was approved by the Texas Higher Education Coordinating Board in October 1991.

2. U. T. Dallas - Engineering and Computer Science Building (Project No. 302-570): Request for Approval of Plaque Inscription.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Rutford that the U. T. Board of Regents approve the inscription set out below for a plaque to be placed on the Engineering and Computer Science Building at U. T. Dallas. The inscription follows the standard pattern approved by the U. T. Board of Regents in June 1979.

ENGINEERING AND COMPUTER SCIENCE BUILDING
1990

BOARD OF REGENTS

Louis A. Beecherl, Jr., Chairman	Hans Mark
Sam Barshop, Vice-Chairman	Chancellor, The University of Texas System
Bill Roden, Vice-Chairman	Robert H. Rutford
Jack S. Blanton	President, The University of Texas at Dallas
Robert J. Cruikshank	
Tom Loeffler	
W. A. "Tex" Moncrief, Jr.	
Mario E. Ramirez, M.D.	Omniplan Architects, Inc.
Shannon H. Ratliff	Project Architect
	The Cadence Group, Inc.
	Contractor

BACKGROUND INFORMATION

A construction contract for the Engineering and Computer Science Building at U. T. Dallas was awarded by the U. T. Board of Regents at the June 1990 meeting.

3. U. T. Dallas: Cecil H. Green Center (Project No. 302-151) - Request to Change Building Name, and Cecil and Ida Green Center for the Study of Science and Society (Project No. 302-717) - Request to Change Building Name and Approval of Plaque Inscription.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Rutford that the U. T. Board of Regents:

- a. Approve a building name change from
Cecil H. Green Center at U. T. Dallas to
Cecil H. Green Hall

- b. Approve a building name change from Cecil and Ida Green Center for the Study of Science and Society to Cecil and Ida Green Center, and approve the inscription set out below for a plaque to be placed on the building in accordance with the standard pattern approved by the U. T. Board of Regents in June 1979.

CECIL AND IDA GREEN CENTER
1991

BOARD OF REGENTS

Louis A. Beecherl, Jr., Chairman	Hans Mark
Mario E. Ramirez, M.D., Vice-Chairman	Chancellor, The University of Texas System
Robert J. Cruikshank, Vice-Chairman	Robert H. Rutford
Sam Barshop	President, The University of Texas at Dallas
Zan W. Holmes, Jr.	
Tom Loeffler	
W. A. "Tex" Moncrief, Jr.	
Bernard Rapoport	F&S Partners, Incorporated
Ellen C. Temple	Project Architect
	Ward-Lisle Constructors, Inc.
	Contractor

BACKGROUND INFORMATION

In January 1973, the U. T. Board of Regents approved the name of Cecil H. Green Center for the Social and Behavioral Sciences Building at U. T. Dallas. At the June 1991 meeting, the U. T. Board of Regents awarded a construction contract for a building to house the U. T. Dallas Cecil and Ida Green Center for the Study of Science and Society. The initial facility name included in the construction authorization was identical to that of the study center. As the new building nears completion, it is clear that common usage will make that building the "Green Center." To minimize confusion with the existing building (Cecil H. Green Center) and the newly created Center for the Study of Social and Behavioral Sciences, it is recommended that the name of the older building be changed to Cecil H. Green Hall and that the new building be designated the Cecil and Ida Green Center.

The original naming, and thereby the redesignation, of both these buildings involve an exception to the Regents' Rules and Regulations requirement that persons in whose honor a building is to be named "shall have been deceased at least five years."

Mr. Cecil H. Green was one of the major founders and is a longtime and continuing supporter of U. T. Dallas. A bequest from the estate of Mrs. Cecil H. (Ida) Green, deceased in December 1986, was accepted by the U. T. Board of Regents in April 1987.

**Asset
Management Com.**

ASSET MANAGEMENT COMMITTEE
Committee Chairman Cruikshank

Date: August 13, 1992
Time: Following the meeting of the Facilities Planning
and Construction Committee
Place: Regents' Meeting Room, Ninth Floor, Ashbel Smith Hall

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AMC

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Investment Matter

1. Report on Clearance of Monies to the Permanent University Fund for May and June 1992 and Report on Oil and Gas Development as of June 30, 1992

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U. T. BOARD OF REGENTS

2. Adoption of Resolution Authorizing the Issuance of Replacement Bonds Numbers R7535, R7554, R7555, R7556, R7557, R7558, R7560, R7562, R7564 and R7566, \$5,000 Each, in the Aggregate Amount of \$50,000, of the Board of Regents of The University of Texas System Permanent University Fund Bonds, New Series 1981 and Coupon Numbers 23 Through 32, \$225 Each, for Each of the Bonds in the Aggregate Amount of \$22,500, to Southwest Securities, Inc., Dallas, Texas, and Authorization for Appropriate Officials to Execute Documents Relating Thereto

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II. Trust and Special Funds

Gifts, Bequests and Estates

U. T. SYSTEM AND U. T. AUSTIN

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U. T. AUSTIN

2. Recommendation to Establish the Scott and Nancy Atlas Endowed Presidential Scholarship in Law in the School of Law

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U. T. AUSTIN

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I. PERMANENT UNIVERSITY FUND

INVESTMENT MATTER

1. Report on Clearance of Monies to the Permanent University Fund for May and June 1992 and Report on Oil and Gas Development as of June 30, 1992.--The following reports with respect to (a) certain monies cleared to the Permanent University Fund for May and June 1992 and (b) Oil and Gas Development as of June 30, 1992, are submitted by the Executive Vice Chancellor for Business Affairs:

	May 1992	June 1992	Cumulative Through June of this Fiscal Year (1991-1992)	Cumulative Through June of Preceding Fiscal Year (1990-1991)	Per Cent Change
Permanent University Fund					
Royalty					
Oil	\$ 3,105,002.42	\$4,095,104.58	\$39,958,945.38	\$57,462,736.70	-30.46%
Gas	949,759.72	853,684.73	10,954,880.61	16,708,734.85	-34.44%
Sulphur	0.00	0.00	(10,598.69)	0.00	--
Water	34,496.64	66,812.63	504,803.82	723,925.41	-30.27%
Brine	4,229.93	7,007.92	44,817.00	50,255.66	-10.82%
Trace Minerals	0.00	0.00	00.00	00.00	--
Rental					
Oil and Gas Lease	83,958.40	94,916.66	558,316.33	661,204.66	-15.56%
Other	6,012.30	5,103.00	17,067.00	14,808.65	15.25%
Sale of Sand, Gravel, Etc.	0.00	00.00	8,310.00	23,802.75	-65.09%
Total University Lands Receipts Before Bonuses	4,183,459.41	5,122,629.52	52,036,541.45	75,645,468.68	-31.21%
Bonuses					
Oil and Gas Lease Sales	1,932,665.52	0.00	1,932,665.52	2,383,007.90	-18.90%
Amendments and Extensions to Mineral Leases	329.85	166.53	2,506.03	91,413.64	-97.26%
Total University Lands Receipts	6,116,454.78	5,122,796.05	53,971,713.00	78,119,890.22	-30.91%
Gain or (Loss) on Sale of Securities	5,701,299.33	3,947,780.22	44,130,725.68	(38,785,233.69)	213.78%
TOTAL CLEARANCES	\$11,817,754.11	\$9,070,576.27	\$98,102,438.68	\$39,334,656.53	149.40%

Oil and Gas Development - June 30, 1992
Acreage Under Lease - 662,763

Number of Producing Acres - 535,339

Number of Producing Leases - 2,560

2. U. T. Board of Regents: Adoption of Resolution Authorizing the Issuance of Replacement Bonds Numbers R7535, R7554, R7555, R7556, R7557, R7558, R7560, R7562, R7564 and R7566, \$5,000 Each, in the Aggregate Amount of \$50,000, of the Board of Regents of The University of Texas System Permanent University Fund Bonds, New Series 1981 and Coupon Numbers 23 Through 32, \$225 Each, for Each of the Bonds in the Aggregate Amount of \$22,500, to Southwest Securities, Inc., Dallas, Texas, and Authorization for Appropriate Officials to Execute Documents Relating Thereto.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Business Affairs that the U. T. Board of Regents:

- a. Adopt the Resolution substantially in the form set out on Pages AMC 11 - 23 to authorize the issuance of Replacement Bonds R7535, R7554, R7555, R7556, R7557, R7558, R7560, R7562, R7564 and R7566, \$5,000 each, in the aggregate amount of \$50,000, of the Board of Regents of The University of Texas System Permanent University Fund Bonds, New Series 1981 and Coupon Numbers 23 through 32, \$225 each, for each of the bonds in the aggregate amount of \$22,500, to Southwest Securities, Inc., Dallas, Texas
- b. Authorize the appropriate officials to execute documents relating thereto.

BACKGROUND INFORMATION

On April 8, 1992, Southwest Securities, Inc. mailed ten University of Texas System Permanent University Fund Bonds, New Series 1981 bearer bonds, \$5,000 each, with coupons attached to the U. T. System for reregistration. On April 16, 1992, the bonds and coupons were inadvertently destroyed by U. T. System personnel. After an inquiry by Southwest Securities, Inc., it was discovered on June 5, 1992, that the bonds had been destroyed. Southwest Securities, Inc., the bondholder; NationsBank, the Paying Agent; and Vinson & Elkins, Bond Counsel, were notified of the destruction.

Vinson & Elkins explained that since the resolution did not address the issue of replacement bonds for lost bonds, we would be required to issue such replacement bonds in accordance with Article 715a of Vernon's Annotated Civil Statutes. This process requires that after Regental approval, the bonds be reprinted, approved by the Attorney General, registered by the Comptroller of Public Accounts, and several documents relating to the bonds be executed. This process requires a couple of months to complete. Since interest payment, coupon number 22, was due on July 1, 1992, procedures were established with NationsBank to pay only that coupon on the due date to alleviate any payment delay to the bondholder.

DRAFT

RESOLUTION AUTHORIZING THE ISSUANCE AND DELIVERY OF REPLACEMENT BONDS FOR CERTAIN OF THE BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM PERMANENT UNIVERSITY FUND BONDS, NEW SERIES 1981, AND APPROVING AND AUTHORIZING INSTRUMENTS AND PROCEDURES RELATING THERETO

WHEREAS, the Board of Regents of The University of Texas System (the "Board"), pursuant to a resolution adopted on June 11, 1981 (the "Original Bond Resolution"), has heretofore issued and delivered its "Board of Regents of The University of Texas System Permanent University Fund Bonds, New Series 1981" (the "Bonds") in the aggregate principal amount of \$43,000,000; and

WHEREAS, on April 8, 1992, Bonds No. 7535, 7554, 7555, 7556, 7557, 7558, 7560, 7562, 7564 and 7566, together with the outstanding interest coupons attached thereto (the "Original Bonds"), were mailed by Southwest Securities, Inc., Dallas, Texas ("Southwest Securities"), the owner of the Original Bonds, to The University of Texas System Office of Finance (the "Office of Finance") for registration as to principal amount; and

WHEREAS, on April 16, 1992, the Original Bonds were inadvertently destroyed by Office of Finance personnel; and

WHEREAS, Office of Finance personnel, acting on behalf of the Board, have executed the Affidavit of Loss and the Disposal Certificate attached hereto as Exhibit A and Exhibit B, respectively; and

WHEREAS, Article 715a, Vernon's Annotated Texas Civil Statutes, authorizes the Board to issue replacement bonds of like

tenor and effect for any lawfully issued and outstanding Bonds that have been destroyed; and

WHEREAS, due to the circumstances surrounding the destruction of the Original Bonds, the Board has determined that no affidavit of destruction or indemnity is required from Southwest Securities in connection with the issuance of replacement bonds for the Original Bonds; and

WHEREAS, the Board has determined that replacement bonds and replacement coupons should be issued and delivered to replace the Original Bonds; and

WHEREAS, capitalized terms used herein and not otherwise defined shall have the meanings given to such terms in the Original Bond Resolution;

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM THAT:

I.

The replacement bonds of the Board to be known and designated as "Board of Regents of The University of Texas System Permanent University Fund Bonds, New Series 1981" (the "Replacement Bonds"), shall be issued in the aggregate principal amount of Fifty Thousand Dollars (\$50,000) to replace the Original Bonds.

II.

The Replacement Bonds shall be in coupon form, shall be dated July 1, 1981, shall be numbered Bonds No. R-7535, R-7554, R-7555, R-7556, R-7557, R-7558, R-7560, R-7562, R-7564 and R-7566 with the

words "DUPLICATE BOND" printed under the numbers, shall be in the denomination of \$5,000 each, shall mature on July 1, 1999, and shall bear interest at the rate of 9.00% per annum.

III.

The principal of, premium, if any, and interest on the Replacement Bonds shall be payable at the times and in the manner described in the FORM OF BOND set forth herein. The interest on the Replacement Bonds shall be evidenced by interest coupons numbered 23 through 32 for each Replacement Bond, with the words "DUPLICATE COUPON" printed thereon (the "Replacement Coupons").

The Replacement Bonds shall be signed by the Chairman of the Board and attested by the Executive Secretary of the Board holding office as of the date of adoption of this Resolution, by their lithographed or printed facsimile signatures, and the official seal of The University of Texas System (the "System") shall be impressed or placed in facsimile thereon. The Replacement Coupons attached to the Replacement Bonds shall also be executed by the lithographed or printed facsimile signatures of the Chairman of the Board and the Executive Secretary of the Board. The facsimile signatures on the Replacement Bonds and Replacement Coupons shall have the same effect as if the Replacement Bonds and Replacement Coupons had been signed manually and in person by each of said officers, and the facsimile seal on the Replacement Bonds shall have the same effect as if the official seal of the System had been manually impressed upon the Replacement Bonds. The registration certificate of the

Comptroller of Public Accounts of the State of Texas (the "Comptroller of Public Accounts"), which is to be printed upon the Replacement Bonds, shall be manually subscribed, the official seal of the Comptroller of Public Accounts shall be impressed or placed in facsimile upon the Replacement Bonds.

IV.

The form of the Replacement Bonds, including the form of Registration Certificate of the Comptroller of Public Accounts to be printed and endorsed on each Replacement Bond, the form of the Replacement Coupons, which shall appertain and be attached initially to each Replacement Bond, and the form of endorsement for registration as to principal, shall be, respectively, substantially as follows:

FORM OF BOND:

No. R- _____
DUPLICATE BOND

\$5,000

UNITED STATES OF AMERICA
STATE OF TEXAS

BOARD OF REGENTS OF
THE UNIVERSITY OF TEXAS SYSTEM
PERMANENT UNIVERSITY FUND BOND
NEW SERIES 1981

ON JULY 1, 1999, the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM promises to pay to bearer, or if this bond be registered as to principal, then to the registered owner hereof, the principal amount of

FIVE THOUSAND DOLLARS

and to pay interest thereon, from the date hereof, at the rate of 9.00% per annum, evidenced by interest coupons payable JANUARY 1, 1982, and semiannually thereafter on each JULY 1 and JANUARY 1 while this bond is outstanding. The principal of this bond and the interest coupons appertaining hereto shall be payable to bearer, in lawful money of the United States of America, without exchange or collection charges to the bearer, upon presentation and surrender of this bond or proper interest coupon, at NationsBank of Texas, N.A., Dallas, Texas (as successor paying agent to The Austin National Bank, Austin, Texas), or, at the option of the bearer, at Bankers Trust Company, New York, New York, or at First National Bank, Chicago, Illinois, which places shall be the paying agents for this Series of bonds.

THIS BOND is one of a Series of negotiable coupon bonds dated JULY 1, 1981, issued in the principal amount of \$43,000,000 FOR THE PURPOSE OF CONSTRUCTING, EQUIPPING, OR ACQUIRING BUILDINGS OR OTHER PERMANENT IMPROVEMENTS FOR THE UNIVERSITY OF TEXAS SYSTEM, to the extent and in the manner provided by law, in accordance with the provisions of the Amendments to Section 18, Article VII of the Texas Constitution, adopted by a vote of the people of Texas on November 6, 1956, and on November 8, 1966.

ON JULY 1, 1991, OR ON ANY INTEREST PAYMENT DATE THEREAFTER, any outstanding bonds of this Series may be redeemed prior to their scheduled maturities, at the option of said Board, IN WHOLE, OR FROM TIME TO TIME IN PART, for the following redemption prices

(expressed as percentages of the principal amount) plus unpaid accrued interest on the bonds called for redemption to the date fixed for redemption:

<u>Redemption Date</u>	<u>Redemption Price</u>
July 1, 1991, or January 1, 1992	101½
July 1, 1992, or January 1, 1993	100-¾
July 1, 1993, or January 1, 1994	100-½
July 1, 1994, or January 1, 1995	100-¼
July 1, 1995, or thereafter	100½

At least thirty days before the date fixed for any such redemption the Board shall cause a written notice of such redemption to be published at least once in a financial publication published in the City of New York, New York. By the date fixed for any such redemption, due provision shall be made with the paying agents for the payment of par and accrued interest to the date fixed for redemption of the bonds to be redeemed, plus the required premium. If the written notice of redemption is published, and if due provision for such payment is made, all as provided above, the bonds, which are to be so redeemed, thereby automatically shall be redeemed prior to maturity, and they shall not bear interest after the date fixed for redemption, and shall not be regarded as being outstanding except for the purpose of being paid by the paying agents with the funds so provided for such payment.

IT IS HEREBY certified, recited and covenanted that this bond has been duly and validly issued and delivered; that all acts, conditions and things required or proper to be performed, exist and be done precedent to or in the issuance and delivery of this

bond have been performed, existed and been done in accordance with law; and that the interest on and principal of this bond, and the Series of which it is a part, together with the other New Series Outstanding Bonds, are equally and ratably secured by and payable from a lien on and pledge of the Interest of The University of Texas System in the income from the Permanent University Fund, as such Interest is apportioned by Section 66.03, Texas Education Code (Chapter 42 of the Acts of the Regular Session of the 42nd Legislature of the State of Texas), subject only and subordinate to the first lien on and pledge of said Interest heretofore created in connection with the Old Series Outstanding Bonds (as such terms are defined in the Resolution authorizing this Series of bonds).

SAID BOARD has reserved the right, subject to the restrictions referred to in the Resolution authorizing this Series of bonds, to issue additional parity bonds and notes which also may be secured by and made payable from a lien on and pledge of the aforesaid Interest of The University of Texas System in the income from the Permanent University Fund, in the same manner and to the same extent as this Series of bonds.

THIS BOND, at the option of the owner hereof, is registrable as to principal only on the books of the Registrar. For such purpose the Comptroller Accounts of The University of Texas System shall be the Registrar. If registered, the fact of registration shall be noted on the back hereof and thereafter no transfer of this bond shall be valid unless made on the books of the Registrar

at the instance of the registered owner and similarly noted hereon. Registration as to principal may be discharged by transfer to bearer, after which this bond again may be registered as before. The registration of this bond as to principal shall not affect or impair the negotiability of the interest coupons appertaining hereto, which shall continue to be negotiable by delivery merely. Subject to said provisions for the registration of this bond as to principal only, nothing contained herein shall affect or impair the negotiability of this bond, and this bond shall constitute a negotiable instrument within the meaning of the laws of the State of Texas.

IN WITNESS WHEREOF, this bond and the interest coupons appertaining hereto have been signed with the facsimile signature of the Chairman of said Board and countersigned with the facsimile signature of the Secretary of said Board, and the official seal of said Board has been duly impressed, or placed in facsimile, on this bond.

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM

Executive Secretary

Chairman

FORM OF REGISTRATION CERTIFICATE:

COMPTROLLER'S REGISTRATION CERTIFICATE § REGISTER NO. _____

I hereby certify that this bond has been examined, certified as to validity, and approved by the Attorney General of the State of Texas, and that this bond has been registered by the Comptroller of Public Accounts of the State of Texas.

Witness my signature and seal this

(SEAL)

Comptroller of Public Accounts
of the State of Texas

FORM OF INTEREST COUPON:

No. _____ \$ _____
DUPLICATE COUPON

ON _____ 1, _____, unless the bond to which this coupon appertains has been called for redemption and due provision made to redeem same, THE BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM promises to pay to bearer the amount shown on this interest coupon, in lawful money of the United States of America, without exchange or collection charges to the bearer, upon presentation and surrender of this interest coupon, at NationsBank of Texas, N.A., Dallas, Texas (as successor paying agent to The Austin National Bank, Austin, Texas), or, at the option of the bearer, at Bankers Trust Company, New York, New York, or at First National Bank, Chicago, Illinois, said amount being interest due that day on the bond bearing the number hereinafter designated, of

that issue of BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM
PERMANENT UNIVERSITY FUND BONDS, NEW SERIES 1981, DATED JULY 1,
1981.

BOND NO. _____

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM

Executive Secretary

Chairman

FORM OF ENDORSEMENT FOR REGISTRATION AS TO PRINCIPAL:

ENDORSEMENT FOR REGISTRATION AS TO PRINCIPAL

(NO WRITING TO BE MADE HEREON EXCEPT BY THE REGISTRAR
DESIGNATED FOR THIS ISSUE OF BONDS)

It is hereby certified that, at the request of the owner of
the within bond, I have this day registered it as to principal in
the name of such owner, as indicated in the registration blank
below, on the books kept by me for such purpose. The principal of
this bond shall be payable only to the registered owner hereof
named in the registration blank below, or his legal representative,
and this bond shall be transferable only on the books of the
Registrar and by an appropriate notation in such registration
blank. If the last transfer recorded on the books of the Registrar
and in the registration blank below shall be to bearer, the
principal of this bond shall be payable to bearer and it shall be
in all respects negotiable. In no case shall negotiability of the

interest coupons appertaining hereto be affected or impaired by any registration as to principal.

<u>NAME OF REGISTERED OWNER</u>	<u>DATE OF REGISTRATION</u>	<u>SIGNATURE OF REGISTRAR</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

V.

The original approving legal opinion of Vinson & Elkins (now, Vinson & Elkins L.L.P.), Houston, Texas, may be printed on the back of the Replacement Bonds over the certification of the Executive Secretary of the Board holding office as of the date of adoption of this Resolution, which may be executed in facsimile.

VI.

Except as otherwise provided in this Resolution, the Replacement Bonds and Replacement Coupons shall be issued, held and paid subject to and upon the terms and conditions contained in the Original Bond Resolution, and the provisions thereof shall apply with equal force to the Replacement Bonds and Replacement Coupons as if those provisions were fully set forth herein; provided, however, that where the terms and provisions of the Original Bond Resolution are inconsistent or in conflict with the terms and

provisions of this Resolution, the terms and provisions of this Resolution shall govern.

VII.

The Chairman of the Board, or the Chairman's authorized representative, and the System's bond counsel, are hereby authorized to have control of the Replacement Bonds and the Replacement Coupons and all necessary records and proceedings pertaining thereto pending their investigation, examination and approval by the Attorney General of the State of Texas, their registration by the Comptroller of Public Accounts and their delivery to Southwest Securities.

VIII.

Upon approval and registration of the Replacement Bonds and the Replacement Coupons by the Attorney General of the State of Texas and the Comptroller of Public Accounts, the Replacement Bonds and Replacement Coupons shall be delivered to Southwest Securities.

IX.

The Chairman of the Board, the Executive Secretary of the Board, the Vice Chancellor and General Counsel of the System, the Executive Vice Chancellor for Business Affairs of the System, the Manager-Finance of the System and all other officers, employees and agents of the Board are hereby expressly authorized, empowered and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge, and deliver in the name and under the seal and on behalf of the Board all such

instruments, whether or not mentioned herein as may be necessary and/or desirable to carry out the provisions of this Resolution.

X.

This Resolution shall become effective and be in full force upon and after its adoption.

ADOPTED AND APPROVED this _____ day of _____, 1992.

Chairman
Board of Regents of The
University of Texas System

Attest:

Executive Secretary
Board of Regents of The
University of Texas System

(SEAL)

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II. TRUST AND SPECIAL FUNDS

Gifts, Bequests and Estates

1. U. T. System and U. T. Austin: Recommendation to Accept Gifts and Pledges and to Establish Various Endowments and Eligibility for Matching Funds Under The Regents' Endowment Program.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that \$7,000,000 of total gifts and pledges of \$10,000,000 (comprised of \$2,000,000 in gifts and \$8,000,000 in pledges, payable by August 31, 1995) from Mr. and Mrs. Joseph D. Jamail (Lee Hage Jamail), Houston, Texas, be accepted and that various endowments be established as follows:

U. T. System

One million dollars (\$1,000,000) of the pledges, as received, be used to establish the Lee Hage and Joseph D. Jamail Regents Chair in Higher Education Leadership at the U. T. System.

It is further recommended that \$500,000 in matching funds be allocated under The Regents' Endowment Program and used to increase the endowment to a total of \$1,500,000.

Income earned from the endowment will be designated exclusively for the use of the Chancellor of the U. T. System.

U. T. Austin

- a. Two million dollars (\$2,000,000) of the gifts and pledges, as received, be used to establish four chairs of \$500,000 each in the School of Law at U. T. Austin as follows:
 1. Dahr Jamail, Randall Hage Jamail, and Robert Lee Jamail Regents Chair in Law;
 2. Harry M. Reasoner Regents Chair in Law;
 3. "The Friends of Joe Jamail" Regents Chair in Law; and
 4. An untitled chair in Law, for which a title will be requested at a later date.

It is further recommended that \$1,000,000 in matching funds be allocated under The Regents' Endowment Program and used to establish the Lee Hage Jamail Regents Chair in Education in the College of Education at U. T. Austin.

Income earned from these endowments will be used to support the Chairs, respectively.

- b. Three million dollars (\$3,000,000) of the pledges, as received, be used for the benefit of U. T. Austin, with a request for designation of the funds to be submitted at a later date.
- c. One million dollars (\$1,000,000) of the gifts be accepted for use for a proposed student swimming facility at U. T. Austin.

Additionally, it is recommended that the following endowments be established in the School of Law at U. T. Austin with \$3,000,000 of the gifts and pledges, to be held and administered by The University of Texas Law School Foundation (an external foundation) in accordance with the Regents' Rules and Regulations:

- a. Joseph D. Jamail Library Excellence & Research Fund

Income earned from the endowment will be used for books and materials, equipment, salary supplements for distinguished law librarians, student research assistants, faculty research grants, and such other items that, in the discretion of the Dean of the School of Law, will enhance the research mission of the School of Law.

- b. Joseph D. Jamail Endowed Dean's Discretionary Fund

Income earned from the endowment will be used to support the activities of the office of the Dean of the School of Law and to advance the educational mission of the School of Law.

BACKGROUND INFORMATION

Mr. and Mrs. Joseph D. Jamail (Lee Hage Jamail), Houston, Texas, are longtime supporters of the U. T. System and U. T. Austin. Mr. Jamail, an attorney with the law firm of Jamail & Kolius, Houston, Texas, received his B.A. in 1950 and his J.D. in 1953 from U. T. Austin. He is a member of The Chancellor's Council and the Littlefield Society. Mrs. Jamail attended U. T. Austin in 1947. She is a member of the Texas Higher Education Coordinating Board and the Development Board at U. T. Austin.

The Dahr Jamail, Randall Hage Jamail, and Robert Lee Jamail Regents Chair in Law is being funded in honor of Mr. and Mrs. Jamail's three sons, all of Houston, Texas, and all of whom attended U. T. Austin. Mr. Robert Lee Jamail received his M.B.A. in 1992 from U. T. Austin.

The Harry M. Reasoner Regents Chair in Law is being funded in honor of Mr. Joseph D. Jamail's good friend, Mr. Harry M. Reasoner, Houston, Texas, Managing Partner in the law firm of Vinson & Elkins, Houston, Texas. Mr. Reasoner received his LL.B. from U. T. Austin in 1962. He is a Life Member of the Law School Foundation Board of Trustees, a member of The Chancellor's Council, and a member of the Littlefield Society.

"The Friends of Joe Jamail" Regents Chair in Law is being funded in honor of Mr. Gus Kolius, Houston, Texas; Mr. Alvin Owsley, Houston, Texas; The Honorable Oscar H. Mauzy, Austin, Texas; Mr. W. T. McNeil, Edna, Texas; Mr. Thomas S. Arnold, Texarkana, Arkansas; Mr. John Denzel Bevers, Lubbock, Texas; Mr. Dan Felts, Austin, Texas; Mr. Jerome Johnson, Amarillo,

Mr. Dan Felts, Austin, Texas; Mr. Jerome Johnson, Amarillo, Texas; Mr. W. A. Keils, Teague, Texas; Mr. Munson Smith, Victoria, Texas; Mr. Scott Baldwin, Marshall, Texas; and Mr. Franklin Jones, Marshall, Texas, all graduates of U. T. Austin, and Mr. Joe H. Reynolds, Houston, Texas.

The University of Texas Law School Foundation has received \$500,000 of the gifts and \$1,500,000 of the pledges from Mr. and Mrs. Jamail for a total of \$2,000,000 to establish the Joseph D. Jamail Library Excellence & Research Fund and \$300,000 of the gifts and \$700,000 of the pledges for a total of \$1,000,000 to establish the Joseph D. Jamail Endowed Dean's Discretionary Fund, both in the School of Law.

Plans for the student swimming facility and a formal request for project approval will be submitted to the U. T. Board of Regents at a future date.

See Item 7 on Page AAC - 7 related to the proposed designation of several research facilities in the School of Law at U. T. Austin as the "Joseph D. Jamail Center for Legal Research."

2. U. T. Austin: Recommendation to Establish the Scott and Nancy Atlas Endowed Presidential Scholarship in Law in the School of Law.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that the Scott and Nancy Atlas Endowed Presidential Scholarship in Law in the School of Law at U. T. Austin be established. The funds for the endowment will be held and administered by The University of Texas Law School Foundation (an external foundation) in accordance with the Regents' Rules and Regulations. When matching funds become available under The Regents' Endowment Program, the Law School Foundation will transfer funds held for the endowment to the U. T. Board of Regents.

Income earned from the endowment will be used to award scholarships to law students selected at the discretion of the Dean of the School of Law or the Dean's designee, based on merit or need, with preference to be given to members of the Texas Law Review editorial Board.

BACKGROUND INFORMATION

The University of Texas Law School Foundation has received a \$7,500 gift from Mr. and Mrs. Morris Atlas, McAllen, Texas, and family, and a \$5,000 pledge, payable by August 31, 1995, from Mr. Scott Atlas, Houston, Texas, for a total of \$12,500 and has pledged to allocate \$12,500 in previously reported gifts from current restricted funds for a total of \$25,000 to

establish this endowment in the School of Law. Mr. Morris Atlas received his B.B.A. in 1949 and his LL.B. in 1950 from U. T. Austin. Mr. Scott Atlas received his J.D. from U. T. Austin in 1975. Ms. Nancy Atlas is a partner in the law firm of Sheinfeld, Maley & Kay, Houston, Texas, and is currently a member and Chair of the Texas Higher Education Coordinating Board.

3. U. T. Austin: Recommendation to Accept Gifts to Establish the BASF Endowed Scholarship and Fellowship in the College of Natural Sciences and Eligibility for Matching Funds Under The Regents' Endowment Program.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that gifts totalling \$25,000 from the BASF Corporation, Parsippany, New Jersey, be accepted to establish the BASF Endowed Scholarship and Fellowship in the Department of Chemistry and Biochemistry, College of Natural Sciences, at U. T. Austin.

It is further recommended that \$12,500 in matching funds be allocated under The Regents' Endowment Program and used to increase the endowment to a total of \$37,500.

Income earned from the endowment will be used to award undergraduate scholarships and graduate fellowships in the Department of Chemistry and Biochemistry.

BACKGROUND INFORMATION

In addition to funding this endowment, the BASF Corporation, Parsippany, New Jersey, has contributed \$4,000 to the U. T. Austin Marine Science Institute and the College of Natural Sciences at U. T. Austin through the Chemicals Division of BASF Corporation, Freeport, Texas.

4. U. T. Austin: Bromberg Memorial Fund for the Harry Ransom Humanities Research Center - Recommendation to Accept Additional Gifts and Eligibility for Matching Funds Under The Regents' Endowment Program.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that a \$5,000 gift given jointly from Trusts for the benefit of Edward S. Bromberg, Alan R. Bromberg, and Henri L. Bromberg, Jr., and \$5,000 in gifts from various donors for a total of \$10,000 be accepted for addition to the Bromberg Memorial Fund for the Harry Ransom Humanities Research Center at U. T. Austin.

It is further recommended that \$5,000 in matching funds be allocated under The Regents' Endowment Program and used to increase the endowment to a total of \$67,856.19.

BACKGROUND INFORMATION

At the March 1957 meeting, the U. T. Board of Regents accepted \$7,000 in gifts from the Bromberg family and established the Bromberg Memorial Fund. Upon the request of the donors, at the March 1971 meeting, the U. T. Board of Regents dedicated the Fund for the Harry Ransom Humanities Research Center.

5. U. T. Austin: Recommendation to Establish the Class of 1942 Endowed Presidential Scholarship in Law in the School of Law.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that the Class of 1942 Endowed Presidential Scholarship in Law in the School of Law at U. T. Austin be established. The funds for the endowment will be held and administered by The University of Texas Law School Foundation (an external foundation) in accordance with the Regents' Rules and Regulations. When matching funds become available under The Regents' Endowment Program, the Law School Foundation will transfer funds held for the endowment to the U. T. Board of Regents.

Income earned from the endowment will be used to award scholarships to second-year law students selected at the discretion of the Dean of the School of Law or the Dean's designee, based on merit or need.

BACKGROUND INFORMATION

The University of Texas Law School Foundation has received \$25,010 in gifts from friends and classmates of the Class of 1942 and has pledged to allocate \$12,505 in previously reported gifts from current restricted funds for a total of \$37,515 to establish this endowment in the School of Law. This endowment is being funded on the occasion of the 50th Anniversary of the Class of 1942.

6. U. T. Austin: The Bartlett Cocke Charitable Remainder Trust - Recommendation to Accept Remainder Interest in The Bartlett Cocke Charitable Remainder Trust, Gifts, and Pledge to Establish the Bartlett Cocke Scholarships in the School of Architecture and Eligibility for Matching Funds Under The Regents' Endowment Program.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that the remainder interest in The Bartlett Cocke Charitable Remainder Trust, valued at \$52,369.87; \$4,060 in gifts from various donors; and an \$11,756 pledge, payable by August 31, 1995, from Mr. Bartlett Cocke, Jr., San Antonio, Texas, for a total of \$68,185.87 be accepted to establish the Bartlett Cocke Scholarships in the School of Architecture at U. T. Austin.

It is further recommended that \$34,092 in matching funds be allocated under The Regents' Endowment Program and used to increase the endowment to a total of \$102,277.87.

Income earned from the endowment will be used to award scholarships in the School of Architecture at U. T. Austin.

BACKGROUND INFORMATION

At the June 1990 meeting, the U. T. Board of Regents accepted a \$50,000 gift from Mr. Bartlett Cocke, Sr., San Antonio, Texas, to establish The Bartlett Cocke Charitable Remainder Trust. The Trust terminated upon Mr. Cocke's death in March 1992, and the corpus and accumulated or undistributed income are to be used to fund the Bartlett Cocke Scholarships in the School of Architecture at U. T. Austin.

Mr. Cocke received his B.S. in Architecture in 1922 from U. T. Austin. He was a member of The Chancellor's Council and The President's Associates. Mr. Bartlett Cocke, Jr., San Antonio, Texas, received his B.B.A. in 1953 from U. T. Austin and is a former member of the School of Architecture Foundation Advisory Council.

7. U. T. Austin: Recommendation to Accept Bequest to Establish the Dr. Bailey R. Collins/Ellene Collins Ward/Mary Sue Collins Hibbs Scholarship Fund in the College of Liberal Arts and Eligibility for Matching Funds Under The Regents' Endowment Program.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that the residue of the Estate of Mary Sue Hibbs, Wichita Falls, Texas, comprised of cash and personal property valued at approximately \$400,063.72, be accepted for the benefit of U. T. Austin.

It is further recommended that \$390,562.47, representing cash distributions and net proceeds from the sale of the personal property, be used to establish the Dr. Bailey R. Collins/Ellene Collins Ward/Mary Sue Collins Hibbs Scholarship Fund in the College of Liberal Arts at U. T. Austin.

Additionally, it is recommended that \$195,281.24 in matching funds be allocated under The Regents' Endowment Program and used to increase the endowment to a total of \$585,843.71.

Income earned from the endowment will be used to provide scholarship support in the College of Liberal Arts.

BACKGROUND INFORMATION

Mrs. Mary Sue Hibbs, Wichita Falls, Texas, received her B.A. in 1927 and her M.A. in 1928 from U. T. Austin. Mrs. Ellene Collins Ward received her B.A. in 1920 and her M.A. in 1937 from U. T. Austin. Dr. Bailey R. Collins received his M.D. in 1923 from the U. T. Medical School - Galveston.

8. U. T. Austin: Recommendation to Accept Gift to Establish the Samuel George Cook Memorial Endowed Presidential Scholarship in the College of Business Administration and Eligibility for Matching Funds Under The Regents' Endowment Program.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that a \$30,000 gift from Mrs. Sam G. Cook (Eula Belle Maley Cook), Austin, Texas, be accepted to establish the Samuel George Cook Memorial Endowed Presidential Scholarship in the College of Business Administration at U. T. Austin.

It is further recommended that \$15,000 in matching funds be allocated under The Regents' Endowment Program to increase the endowment to a total of \$45,000.

Income earned from the endowment will be used to award scholarships to first year students enrolled in the College of Business Administration.

BACKGROUND INFORMATION

Mr. Samuel G. Cook, Austin, Texas, received his B.B.A. in 1932 from U. T. Austin. This endowment is being funded in memory of Mr. Cook by his wife, Mrs. Eula Belle Cook, Austin, Texas. She is a member of The Chancellor's Council and received her B.A. and M.A. in 1934 from U. T. Austin.

9. U. T. Austin: Recommendation to Accept Bequest from the Estate of Frances G. Creech, Elgin, Texas, and Beneficiary Designation in the Gillum Fund, Williamson County, Texas.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that a specific bequest of various books and photographs and \$20,000 cash from the Estate of Frances G. Creech, Elgin, Texas, be accepted for the benefit of U. T. Austin.

Per the terms of Mrs. Creech's Last Will and Testament, the various books and photographs are designated for addition to the collection of the Harry Ransom Humanities Research Center at U. T. Austin and the \$20,000 specific bequest is to be used to assess and support the memorabilia received from her estate.

Additionally, it is recommended that a designation as an eligible income beneficiary of the Gillum Fund, Williamson County, Texas (held in trust by The Texas Methodist Foundation of Williamson County, Texas), be accepted for the benefit of the Department of Human Ecology at U. T. Austin, in honor of Mrs. Frances G. Creech and her sister, Retired Lieutenant Colonel Isabelle Dubar.

BACKGROUND INFORMATION

Mrs. Frances G. Creech, Elgin, Texas, received her B.S. in 1927 and her M.S. in 1929 from U. T. Austin.

The Gillum Fund was established by Mrs. Creech in 1988 to promote and further religious and charitable endeavors. The Department of Human Ecology at U. T. Austin is one of seventeen organizations eligible to participate in annual distributions from the Trust. Distributions are made at the sole discretion of the Grants Committee of The Texas Methodist Foundation of Williamson County, Texas.

10. U. T. Austin: Recommendation to Accept Pledge to Establish the Cullen Trust for Higher Education Endowment Fund and Eligibility for Matching Funds Under The Regents' Endowment Program.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that a \$500,000 pledge, payable by May 30, 1993, from The Cullen Trust for Higher Education, Houston, Texas, be accepted to establish the Cullen Trust for Higher Education Endowment Fund at U. T. Austin.

It is further recommended that \$250,000 in matching funds be allocated under The Regents' Endowment Program and used to increase the endowment to a total of \$750,000.

Income earned from the endowment will be used to award undergraduate scholarships and graduate fellowships to highly qualified students at U. T. Austin. Students holding the awards will be known as "Cullen Scholars" or "Cullen Fellows," depending on the student's undergraduate or graduate status.

BACKGROUND INFORMATION

The Cullen Trust for Higher Education, Houston, Texas, has given a total of \$2,106,401 to U. T. Austin for endowment purposes. Benefitting from these gifts are the Colleges of Business, Engineering, Natural Sciences, and the Graduate School at U. T. Austin.

The Cullen Trust's grant provision that U. T. Austin secure additional private gifts to be used in the same manner as this endowment has been met with the creation of the A. D. Hutchison Student Endowment Fund which is also being submitted for administrative and Regental approval.

See Item 21 on Page AMC - 39 related to the A. D. Hutchison Student Endowment Fund.

11. U. T. Austin: James T. Doluisio Chair in Pharmacy in the College of Pharmacy - Recommendation to Designate Endowment Condition.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that the James T. Doluisio Chair in Pharmacy in the College of Pharmacy be designated exclusively for the Dean of the College of Pharmacy at U. T. Austin.

This recommendation is being made in accordance with the wishes of the Pharmaceutical Foundation Advisory Council.

BACKGROUND INFORMATION

The James T. Doluisio Chair in Pharmacy was established as a quasi-endowment at the June 1991 meeting of the U. T. Board of Regents with gifts and a pledge totalling \$500,000 from the Pharmaceutical Foundation Advisory Council. Dr. Doluisio is Dean of the College of Pharmacy and holds the Hoechst-Roussel Professorship at U. T. Austin.

12. U. T. Austin: Recommendation to Accept Gift and Pledge to Establish the Dow Chemical Company Faculty Fellowship in Technical Communication in the College of Engineering and Eligibility for Matching Funds Under The Regents' Endowment Program to Establish the Dow Chemical Company Endowed Professorship in Chemistry in the College of Natural Sciences.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that a \$100,000 gift and a \$100,000 pledge, payable by August 31, 1993, from The Dow Chemical Company Foundation, Midland, Michigan, for a total of \$200,000 be accepted to establish the Dow Chemical Company Faculty Fellowship in Technical Communication in the Department of Chemical Engineering, College of Engineering, at U. T. Austin.

Income earned from the endowment will be used to support the teaching of technical communication in the Department of Chemical Engineering.

It is further recommended that \$100,000 in matching funds be allocated under The Regents' Endowment Program and used to establish the Dow Chemical Company Endowed Professorship in Chemistry in the Department of Chemistry, College of Natural Sciences, at U. T. Austin.

Income earned from the endowment will be used to support the Professorship.

BACKGROUND INFORMATION

The Dow Chemical Company, Freeport, Texas, one of the world's largest chemicals producers, is a generous supporter of U. T. Austin in the areas related to chemistry and engineering and employs many U. T. Austin graduates.

13. U. T. Austin: Recommendation to Accept Gifts to Establish the Seaborn Eastland Endowed Scholarship in the Department of Intercollegiate Athletics for Men.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that \$51,570 in gifts from Mrs. Anne Eastland, Houston, Texas, members of her family, and various donors and a gift of real property described as Lot 12, Block E, Lago Vista, Section One, Travis County, Texas, valued at \$8,000 for a total of \$59,570 be accepted to establish the Seaborn Eastland Endowed Scholarship in the Department of Intercollegiate Athletics for Men at U. T. Austin.

Income earned from the endowment will be used to provide scholarships in the Department of Intercollegiate Athletics for Men.

BACKGROUND INFORMATION

This endowment is being funded in memory of Mr. Seaborn Eastland, Jr., Houston, Texas, who was a senior partner in the law firm of Andrews & Kurth, Houston, Texas, prior to his death in December 1990. Mr. Eastland, a longtime supporter of U. T. Austin, received his B.B.A. in 1942 and his LL.B. in 1947 from U. T. Austin. Mrs. Anne Eastland, Houston, Texas, received her B.J. in 1943 from U. T. Austin. She is a member of The President's Associates, the Littlefield Society, and The Chancellor's Council.

14. U. T. Austin: Recommendation to Accept Transfer of Funds to Establish the Exhibitions and Conferences Endowment for the Harry Ransom Humanities Research Center.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that a \$25,000 transfer of institutional funds be accepted to establish a quasi-endowment for the Harry Ransom Humanities Research Center at U. T. Austin to be named the Exhibitions and Conferences Endowment.

Income earned from the endowment will be used to support exhibitions and conferences at the Harry Ransom Humanities Research Center.

BACKGROUND INFORMATION

In October 1989, the College of Liberal Arts transferred funds to the Harry Ransom Humanities Research Center for an Exhibitions and Conferences Fund to support exhibitions and conferences. The current balance of the fund, including accumulated earnings, is \$27,786.75. Establishment of this endowment with part of these funds will allow the Harry Ransom Humanities Research Center to attract gifts designated for endowment purposes which will provide long-term support of its exhibitions and conferences.

15. U. T. Austin: Recommendation to Accept Bequest from the Estate of Bill Edward Fritts, Walnut Creek, California.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that a specific bequest of a collection of comic books and magazines, valued at \$30,000, from the Estate of Bill Edward Fritts, Walnut Creek, California, be accepted for addition to the collections of the Harry Ransom Humanities Research Center at U. T. Austin.

BACKGROUND INFORMATION

Mr. Bill Edward Fritts, Walnut Creek, California, a former high school teacher, attended U. T. Austin in 1960.

16. U. T. Austin: Recommendation to Accept Gifts to Establish the GSD&M Endowed Scholarship in Advertising in the College of Communication.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that \$13,700 in gifts from various donors be accepted to establish the GSD&M Endowed Scholarship in Advertising in the College of Communication at U. T. Austin.

Income earned from the endowment will be used to provide one or more scholarships to full-time students in advertising, art, or marketing. The recipient shall be selected on the basis of need, scholastic achievement, and intention to pursue an advertising career.

BACKGROUND INFORMATION

This endowment is being funded by former students of the College of Communication currently employed with the advertising firm of GSD&M, Austin, Texas.

17. U. T. Austin: Recommendation to Establish the Harry and Mar Siu Gee Endowed Presidential Scholarship in Immigration Law in the School of Law.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that the Harry and Mar Siu Gee Endowed Presidential Scholarship in Immigration Law in the School of Law at U. T. Austin be established. The funds for the endowment will be held and administered by The University of Texas Law School Foundation (an external foundation) in accordance with the Regents' Rules and Regulations. When matching funds become available under The Regents' Endowment Program, the Law School Foundation will transfer funds held for the endowment to the U. T. Board of Regents.

Income earned from the endowment will be used to award scholarships to law students selected at the discretion of the Dean of the School of Law or the Dean's designee, based on merit or need, with preference to be given to students who have studied or will study the field of immigration law.

BACKGROUND INFORMATION

The University of Texas Law School Foundation has received a \$5,000 gift and a \$7,500 pledge, payable by August 31, 1995, from Mr. Harry Gee, Jr., Houston, Texas, and his sisters, Ms. Mayling Hew, Metairie, Louisiana, and Ms. Marymay Wong, Houston, Texas, and has pledged to allocate \$12,500 in previously reported gifts from current restricted funds for a total of \$25,000 to establish this endowment in the School of Law in honor of the donors' mother and late father. Mr. Harry Gee, Jr. received his LL.B. in 1963 from U. T. Austin.

18. U. T. Austin: Recommendation to Establish the Lisa Atlas Genecov and Dr. Jeffrey S. Genecov Endowed Presidential Scholarship in Law in the School of Law.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that the Lisa Atlas Genecov and Dr. Jeffrey S. Genecov Endowed Presidential Scholarship in Law in the School of Law at U. T. Austin be established. The funds for the endowment will be held and administered by The University of Texas Law School Foundation (an external foundation) in accordance with the Regents' Rules and Regulations. When matching funds become available under The Regents' Endowment Program, the Law School Foundation will transfer funds held for the endowment to the U. T. Board of Regents.

Income earned from the endowment will be used to award scholarships to law students selected at the discretion of the Dean of the School of Law or the Dean's designee, based on merit or need.

BACKGROUND INFORMATION

The University of Texas Law School Foundation has received a \$7,500 gift from Mr. and Mrs. Morris Atlas, McAllen, Texas, and family, and a \$5,000 pledge, payable by August 31, 1995, from Mrs. Lisa Atlas Genecov, Dallas, Texas, and has pledged to allocate \$12,500 in previously reported gifts from current restricted funds for a total of \$25,000 to establish this endowment in the School of Law. Mr. Morris Atlas received his B.B.A. in 1949 and his LL.B. in 1950 from U. T. Austin. Mrs. Lisa Atlas Genecov received her J.D. from U. T. Austin in 1984. Jeffrey S. Genecov, D.D.S., received his B.A. in Plan II from U. T. Austin in 1981.

19. U. T. Austin: Recommendation to Accept Transfer of Funds to Establish the "Gift" Publications Endowment for the Harry Ransom Humanities Research Center.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that a \$150,000 transfer of previously reported gifts and book sales proceeds from current restricted funds be accepted to establish a quasi-endowment for the Harry Ransom Humanities Research Center at U. T. Austin to be named the "Gift" Publications Endowment.

Income earned from the endowment will be used for collection development at the Harry Ransom Humanities Research Center.

BACKGROUND INFORMATION

In March 1963, the Harry Ransom Humanities Research Center "Gift" Publications Fund account was created as a depository for random or commemorative gifts and for funds generated by Ransom Center book sales. At the request of the Director of the Harry Ransom Humanities Research Center, a portion of the balance of the "Gift" Publications Fund account is to be used to fund an endowment which will allow the Ransom Center to attract gifts designated for endowment and to provide income for collection development.

20. U. T. Austin: Recommendation to Accept Gifts to Establish the Norman Hackerman Endowed Presidential Scholarship in Chemistry and Biochemistry in the College of Natural Sciences and Eligibility for Matching Funds Under The Regents' Endowment Program.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that a \$25,000 gift from friends and colleagues of Professor Emeritus Norman Hackerman, Austin, Texas, be accepted to establish the Norman Hackerman Endowed Presidential Scholarship in Chemistry and Biochemistry in the Department of Chemistry and Biochemistry, College of Natural Sciences, at U. T. Austin.

It is further recommended that \$12,500 in matching funds be allocated under The Regents' Endowment Program and used to increase the endowment to a total of \$37,500.

Income earned from the endowment will be used to award scholarships in the Department of Chemistry and Biochemistry, based on need or merit.

BACKGROUND INFORMATION

Dr. Norman Hackerman, Austin, Texas, is a nationally known chemist and academic administrator. He began his association with U. T. Austin in 1943 as Director of the Corrosion Research Laboratory and became a full professor in the Department of Chemistry in 1950. In 1963, he was appointed Vice Chancellor for Academic Affairs of the U. T. System and became President of U. T. Austin in 1967.

21. U. T. Austin: Recommendation to Accept Bequest from the Estate of A. D. Hutchison, Greenville, Texas, to Establish the A. D. Hutchison Student Endowment Fund.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that a bequest of the residue of the Estate of A. D. Hutchison, Greenville, Texas, valued at \$1,090,599.14, be accepted to establish a quasi-endowment at U. T. Austin to be named the A. D. Hutchison Student Endowment Fund.

Subject to compliance with the guidelines for the Brackenridge Matching Program, it is the intention of President Cunningham to use matching funds in the amount of \$545,299.57 from the Brackenridge Matching Program to increase the endowment to a total of \$1,635,898.71.

Income earned from the endowment will be used to provide undergraduate scholarships and graduate fellowships to deserving students.

BACKGROUND INFORMATION

In his Last Will and Testament, Mr. A. D. Hutchison, Greenville, Texas, named the U. T. Board of Regents as residuary beneficiary of his estate, for the benefit of U. T. Austin, effective upon the death of his wife, Mrs. Anna Mae Hutchison, who subsequently died in December 1991. According to the terms of Mr. Hutchison's Will, the residue was "to be used exclusively as for scholarships for worthy and deserving students in obtaining a college level education." The establishment of this endowment is an appropriate use of these funds in accordance with the donor's wishes. Mr. Hutchison attended the College of Engineering at U. T. Austin in 1919. Mrs. Anna Mae Hutchison received her B.A. in English from U. T. Austin in 1921.

The Brackenridge Matching Program was established at the June 1991 meeting of the U. T. Board of Regents initially with \$3,000,000 of LCRA lease income from the Park Street portion of the Brackenridge Tract to match private gifts which create or enhance student fellowship and scholarship endowments at U. T. Austin.

22. U. T. Austin: Recommendation to Accept Gift to Establish the Mary Gibbs Jones Endowed Presidential Scholarship in Nursing in the School of Nursing.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that a \$25,000 gift from Houston Endowment Inc., Houston, Texas, be accepted to establish the Mary Gibbs Jones Endowed Presidential Scholarship in Nursing in the School of Nursing at U. T. Austin.

It is the intention of President Cunningham to use matching funds in the amount of \$12,500 from the Brackenridge Matching Program to increase the endowment to a total of \$37,500.

Income earned from the endowment will be used to provide scholarship support to students in the School of Nursing.

BACKGROUND INFORMATION

Houston Endowment Inc., Houston, Texas, is funding this endowment in response to the School of Nursing Endowed Presidential Scholarship in Nursing Campaign and in memory of Mrs. Mary Gibbs Jones, a former trustee of Houston Endowment Inc. Houston Endowment Inc. has a long history of supporting U. T. Austin by funding many faculty endowments and matching positions.

The Brackenridge Matching Program was established at the June 1991 meeting of the U. T. Board of Regents initially with \$3,000,000 of LCRA lease income from the Park Street portion of the Brackenridge Tract to match private gifts which create or enhance student fellowship and scholarship endowments at U. T. Austin.

23. U. T. Austin: Recommendation to Accept Gift, Pledge, and Corporate Matching Funds Pledge to Establish the Charles C. Keeble and Charles C. Keeble, Jr. Endowed Presidential Scholarship in Oil and Gas/Energy Law in the School of Law.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that a \$3,125 gift from Mr. Charles C. Keeble, Houston, Texas, a \$9,375 corporate matching funds pledge from the Exxon Education Foundation, Irving, Texas, payable by May 31, 1993, and a \$12,500 pledge, payable by August 31, 1992, from The University of Texas Law School Foundation for a total of \$25,000 be accepted to establish the Charles C. Keeble and Charles C. Keeble, Jr. Endowed Presidential Scholarship in Oil and Gas/Energy Law in the School of Law at U. T. Austin.

Income earned from the endowment will be used to award scholarships to law students with an interest in oil and gas/energy law selected at the discretion of the Dean of the School of Law or the Dean's designee, based on merit or need.

BACKGROUND INFORMATION

Mr. Charles C. Keeble, who is recently deceased, was retired as Chief Attorney in Coal and Synthetic Fuels for Exxon Company U.S.A., Houston, Texas. He received his B.A. in History in 1949 and his J.D. in 1951 from U. T. Austin. Mr. Charles C. Keeble, Jr., Dallas, Texas, an attorney with Haynes and Boone, Dallas, Texas, received his B.B.A. in Accounting in 1983 and his J.D. in 1986 from U. T. Austin.

24. U. T. Austin: Recommendation to Accept Gift and Transfer of Funds to Establish the Carolyn Frost Keenan Endowed Presidential Scholarship in the Department of Intercollegiate Athletics for Women.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that a \$25,000 gift from Ms. Carolyn Frost Keenan, Houston, Texas, and a \$12,500 transfer of matching funds from the Second Century Fund for a total of \$37,500 be accepted to establish the Carolyn Frost Keenan Endowed Presidential Scholarship in the Department of Intercollegiate Athletics for Women at U. T. Austin.

Income earned from the endowment will be used annually to provide a scholarship to a volleyball player who has completed athletic eligibility but requires financial assistance to complete a baccalaureate degree or begin graduate studies. Another athlete may be selected in any year when no volleyball player meets the criteria for the award.

BACKGROUND INFORMATION

Ms. Carolyn Frost Keenan received her B.S. in Home Economics in 1976 and her M.A. in Advertising in 1978 from U. T. Austin. She is a former president of the Longhorn Associates for Women's Athletics. She is a member of The Chancellor's Council, the Littlefield Society, and a Life Member of The Ex-Students' Association.

The Departments of Intercollegiate Athletics for Women and Intercollegiate Athletics for Men have jointly initiated a \$10,000,000 scholarship fund raising effort known as the Second Century Fund. Within the Second Century Fund, the Departments have adopted a program to match private gifts

designated for student support endowments. Matching funds are being generated from gifts and other unrestricted funds available to the Departments. The Carolyn Frost Keenan Endowed Presidential Scholarship is the first endowed scholarship to benefit from this effort.

25. U. T. Austin: Recommendation to Accept Pledge to Establish the Knopf Fellowship Program for the Harry Ransom Humanities Research Center and Eligibility for Matching Funds Under The Regents' Endowment Program.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that a \$50,000 pledge, payable by December 31, 1993, from Alfred A. Knopf Incorporated, New York, New York, be accepted to establish the Knopf Fellowship Program for the Harry Ransom Humanities Research Center at U. T. Austin.

It is further recommended that \$25,000 in matching funds be allocated under The Regents' Endowment Program, as the gift is received, and used to increase the endowment to a total of \$75,000.

Income earned from the endowment will be used toward costs associated with the Knopf exhibition and catalogue planned for 1995 and for the fellowship program that will begin in 1993.

BACKGROUND INFORMATION

Alfred A. Knopf Incorporated, New York, New York, a subsidiary of Random House, Inc., was founded in 1915 by Mr. Alfred A. Knopf and Mrs. Blanche Wolf Knopf. Their authors of note include eighteen Nobel laureates and thirty-eight Pulitzer Prize winners.

26. U. T. Austin: Recommendation to Accept Gift and Transfer of Funds to Establish the Peter John Layden and Professor Willet T. Conklin Endowed Presidential Scholarship in Pharmacy in the College of Pharmacy.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that a \$30,000 gift from Mr. John Roman Vacek, Dickinson, Texas, and a \$3,334 transfer of previously reported gifts from current restricted funds for a total of \$33,334 be accepted to establish the Peter John Layden and Professor Willet T. Conklin Endowed Presidential Scholarship in Pharmacy in the College of Pharmacy at U. T. Austin.

It is the intention of President Cunningham to use matching funds in the amount of \$16,667 from the Brackenridge Matching Program to increase the endowment to a total of \$50,001.

Income earned from the endowment will be used to award scholarships within the College of Pharmacy.

BACKGROUND INFORMATION

Mr. John Roman Vacek, R.Ph., Dickinson, Texas, received his B.S. in Pharmacy in 1942 from U. T. Austin. He is a member of the Littlefield Society and the Dean's Council, College of Pharmacy. He is funding this endowment in memory of Peter John Layden and Professor Willet T. Conklin. Mr. Layden attended U. T. Austin from 1937 to 1941, and in 1962 was inducted into the Longhorn Hall of Fame. Professor Conklin was an assistant professor in the Department of English at U. T. Austin from 1949 to 1969.

Funding for this endowment will provide the first endowed presidential scholarship in the College of Pharmacy.

The Brackenridge Matching Program was established at the June 1991 meeting of the U. T. Board of Regents initially with \$3,000,000 of LCRA lease income from the Park Street portion of the Brackenridge Tract to match private gifts which create or enhance student fellowship and scholarship endowments at U. T. Austin.

27. U. T. Austin: Recommendation to Accept Bequest to Establish the George W. Lowther Friend of Alec Excellence Fund in the College of Engineering.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that a \$10,000 specific bequest from the Estate of George W. Lowther, Fort Bend County, Texas, be accepted to establish a quasi-endowment in the College of Engineering at U. T. Austin to be named the George W. Lowther Friend of Alec Excellence Fund.

Income earned from the endowment will be used in accordance with policies established for the Friends of Alec Program by the College of Engineering and the Engineering Foundation Advisory Council.

BACKGROUND INFORMATION

Mr. George W. Lowther, Fort Bend County, Texas, received his B.S.M.E. from U. T. Austin in 1928.

The Friends of Alec is an annual fund raising program within the College of Engineering. Alexander Fredericke Claire, a mythical figure better known as Alec, has been the patron saint of the College of Engineering since 1909.

28. U. T. Austin: Marion and Mark Martin Endowed Law Library Fund in the School of Law - Eligibility for Matching Funds Under The Regents' Endowment Program.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that \$50,000 in matching funds be allocated under The Regents' Endowment Program and used to increase the Marion and Mark Martin Endowed Law Library Fund in the School of Law at U. T. Austin for a total endowment of \$150,000.

The funds for the endowment, currently held and administered by The University of Texas Law School Foundation (an external foundation), will be transferred to the U. T. Board of Regents upon approval of matching funds.

BACKGROUND INFORMATION

The Marion and Mark Martin Endowed Law Library Fund in the School of Law was established at the April 1992 meeting of the U. T. Board of Regents with a \$100,000 gift from Mr. and Mrs. Mark Martin, Dallas, Texas.

Mr. Martin received his B.B.A. in 1935 and his LL.B. in 1937 from U. T. Austin. Mrs. Martin received her B.A. in Romance Languages in 1938 from U. T. Austin.

29. U. T. Austin: Recommendation to Accept Gift and Transfer of Funds to Establish the Michener Fellowship Program and The Texas Center for Writers Director's Fund for the Texas Center for Writers (NO PUBLICITY).--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that a \$15,000,000 gift from Mr. and Mrs. James A. Michener, Austin, Texas, and a \$3,000,000 transfer of matching funds from U. T. Austin, the specific source of which is to be determined later, for a total of \$18,000,000 be accepted to

establish two endowments for the benefit of the Texas Center for Writers at U. T. Austin as follows:

- a. Eleven million dollars (\$11,000,000) of the gift and \$3,000,000 of matching funds from U. T. Austin for a total of \$14,000,000 will be used to establish the Michener Fellowship Program.

Income earned from the endowment will be used to provide scholarships, fellowships, and other grants to make it possible for young people to become professional writers. These will be awarded (1) to undergraduates and graduate students, already enrolled in or applying to U. T. Austin, who have shown exceptional promise in writing; (2) to graduate students in or applicants to the Master of Fine Arts in Writing Program at U. T. Austin; and (3) to postgraduates who have demonstrated marked ability to write and who will benefit from being an Associate within the Texas Center for Writers while preparing or completing a work for publication or performance.

- b. Four million dollars (\$4,000,000) of the gift will be used to establish The Texas Center for Writers Director's Fund.

Income earned from the endowment will be used for programmatic support of the Texas Center for Writers.

BACKGROUND INFORMATION

Mr. and Mrs. James A. Michener, Austin, Texas, have been generous supporters of U. T. Austin for many years. They assisted U. T. Austin in initiating the Texas Center for Writers and are funding this endowment to provide further support for the students and programs of the Center. Their previous benefactions have created several endowed faculty positions, a major graduate fellowship endowment, and major additions to the art collections at U. T. Austin.

NO PUBLICITY

30. U. T. Austin: Recommendation to Accept Gift and Transfer of Funds to Establish the Natural Sciences 21st Century Endowed Presidential Scholarship in the College of Natural Sciences and Eligibility for Matching Funds Under The Regents' Endowment Program.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that a \$25,000 gift from the College of Natural Sciences Foundation Advisory Council, Austin, Texas, and a \$25,000 transfer of previously reported gifts from current restricted

funds for a total of \$50,000 be accepted to establish the Natural Sciences 21st Century Endowed Presidential Scholarship in the College of Natural Sciences at U. T. Austin.

It is further recommended that \$12,500 in matching funds be allocated under The Regents' Endowment Program and used to increase the endowment to a total of \$62,500.

Income earned from the endowment will be used to provide scholarship assistance based on merit and academic performance.

BACKGROUND INFORMATION

This endowment is being funded as part of a long-term initiative of the College of Natural Sciences to attract and support undergraduate and graduate students of high quality to the programs in science and mathematics at U. T. Austin.

31. U. T. Austin: Recommendation to Accept Gift to Establish the PCA Health Plans Endowed Presidential Scholarship in the School of Nursing.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that a \$25,000 gift from PCA Health Plans of Texas, Inc., Austin, Texas, be accepted to establish the PCA Health Plans Endowed Presidential Scholarship in the School of Nursing at U. T. Austin.

It is the intention of President Cunningham to use matching funds in the amount of \$12,500 from the Brackenridge Matching Program to increase the endowment to a total of \$37,500.

Income earned from the endowment will be used to award scholarships to incoming freshman Nursing students on the basis of academic merit, with preference given first to graduates of the Austin Independent School District and then to students from the counties serviced by PCA Health Plans of Texas, Inc.

BACKGROUND INFORMATION

PCA Health Plans of Texas, Inc., Austin, Texas, is a managed health care company serving over 115,000 people in Central Texas since 1987. Funding for this endowment was raised from contributions by various pharmaceutical companies to a golf tournament for PCA's physician providers and by direct contribution by the company.

The Brackenridge Matching Program was established at the June 1991 meeting of the U. T. Board of Regents initially with \$3,000,000 of LCRA lease income from the Park Street

portion of the Brackenridge Tract to match private gifts which create or enhance student fellowship and scholarship endowments at U. T. Austin.

32. U. T. Austin: Recommendation to Accept Grant to Establish the J. J. "Jake" Pickle Regents Chair in Public Affairs in the Lyndon B. Johnson School of Public Affairs and Eligibility for Matching Funds Under The Regents' Endowment Program to Establish the J. J. "Jake" Pickle Regents Chair in Congressional Studies in the College of Liberal Arts.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that a \$1,000,000 grant, payable by December 31, 1995, from The Effie and Wofford Cain Foundation, Austin, Texas, be accepted to establish the J. J. "Jake" Pickle Regents Chair in Public Affairs in the Lyndon B. Johnson School of Public Affairs at U. T. Austin.

Income earned from the endowment will be used to support the Chair.

It is further recommended that \$500,000 in matching funds be allocated as grant payments are received under The Regents' Endowment Program to establish the J. J. "Jake" Pickle Regents Chair in Congressional Studies in the Department of Government, College of Liberal Arts, at U. T. Austin.

Income earned from the endowment will be used to support the Chair.

BACKGROUND INFORMATION

The Effie and Wofford Cain Foundation, Austin, Texas, has been very generous in support of various schools and colleges at U. T. Austin.

Congressman J. J. "Jake" Pickle, Austin, Texas, received his B.A. in 1938 from U. T. Austin. He is a Life Member of The Ex-Students' Association, a Distinguished Alumnus, and a member of the Littlefield Society.

33. U. T. Austin: Recommendation to Accept Bequests from the Estate of Cyrus Rowlett Smith, Washington, D. C., and to Allocate Funds to the J. J. "Jake" Pickle Scholarship Program in the Lyndon B. Johnson School of Public Affairs.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that a specific bequest of art objects (paintings, bronzes, watercolors, and others) valued at \$608,000 and a bequest of the residue of the Estate of Cyrus Rowlett Smith, Washington, D. C., for a value of approximately \$1,600,000, be accepted for the benefit of U. T. Austin. The art objects will benefit the College of Fine Arts at U. T. Austin.

It is further recommended that \$200,000 of the residual bequest be allocated to the J. J. "Jake" Pickle Scholarship Program in the Lyndon B. Johnson School of Public Affairs at U. T. Austin. It is the intention of President Cunningham to use matching funds in the amount of \$100,000 from the Brackenridge Matching Program to increase the endowment to a total of \$1,158,378.38.

A specific request for designation of the remaining residual bequest will be made at a later date.

BACKGROUND INFORMATION

Mr. Cyrus Rowlett Smith, who studied business and law at U. T. Austin during the years 1920 to 1924, served for many years as President of American Airlines, Annapolis, Maryland. He was named a distinguished alumnus of U. T. Austin in 1963. Prior to his death in 1990, Mr. Smith was a member of The President's Associates and The Chancellor's Council.

President Lyndon B. Johnson appointed Mr. Smith as U. S. Secretary of Commerce in 1968. Mr. Smith played an instrumental role in setting up the Lyndon B. Johnson School of Public Affairs. The decision to allocate a portion of the estate distributions to the J. J. "Jake" Pickle Scholarship Program is being made in recognition of Mr. Smith's and Congressman Pickle's many years as friends and colleagues.

The Brackenridge Matching Program was established at the June 1991 meeting of the U. T. Board of Regents initially with \$3,000,000 of LCRA lease income from the Park Street portion of the Brackenridge Tract to match private gifts which create or enhance student fellowship and scholarship endowments at U. T. Austin.

34. U. T. Austin: Recommendation to Accept Gift and Pledge to Establish the Audre and Bernard Rapoport Liberal Arts Honors Scholarship Fund in the College of Liberal Arts and Eligibility for Matching Funds Under The Regents' Endowment Program.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that a \$250,000 gift and a \$750,000 pledge, payable by December 31, 1995, from The Bernard and Audre Rapoport Foundation, Waco, Texas, for a total of \$1,000,000 be accepted to establish the Audre and Bernard Rapoport Liberal Arts Honors Scholarship Fund in the College of Liberal Arts at U. T. Austin.

It is further recommended that \$500,000 in matching funds be allocated under The Regents' Endowment Program and used to increase the endowment to a total of \$1,500,000.

Income earned from the endowment will be used to support scholarships to outstanding students who are accepted into the Plan I Liberal Arts Honors Program, based on merit and need.

BACKGROUND INFORMATION

Mr. Bernard Rapoport, Waco, Texas, is Chairman and Chief Executive Officer of the American Income Life Insurance Company, Waco, Texas. Mr. Rapoport currently serves on the U. T. Board of Regents and is a member of The Chancellor's Council and the Littlefield Society. He received his B.A. from U. T. Austin in 1939.

35. U. T. Austin: Recommendation to Accept Gifts to Establish the School of Nursing Faculty-Staff Endowed Presidential Scholarship in the School of Nursing.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that gifts of \$25,174.92 from various donors be accepted to establish the School of Nursing Faculty-Staff Endowed Presidential Scholarship in the School of Nursing at U. T. Austin.

It is the intention of President Cunningham to use matching funds in the amount of \$12,587.46 from the Brackenridge Matching Program to increase the endowment to a total of \$37,762.38.

Income earned from the endowment will be used to award scholarships to full-time undergraduate and graduate students in the School of Nursing, based on academic merit. Community service involvement and participation in nursing organizations will also be considered in the selection of the scholarship recipients.

BACKGROUND INFORMATION

This endowment is being funded by the School of Nursing faculty and staff in gratitude of the support given by its Foundation Advisory Council.

The Brackenridge Matching Program was established at the June 1991 meeting of the U. T. Board of Regents initially with \$3,000,000 of LCRA lease income from the Park Street portion of the Brackenridge Tract to match private gifts which create or enhance student fellowship and scholarship endowments at U. T. Austin.

36. U. T. Austin: Recommendation to Accept Remainder Interest in The William H. and Margaret G. Seay Charitable Remainder Annuity Trust.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that a ten percent remainder interest, initially valued at approximately \$66,750, in The William H. and Margaret G. Seay Charitable Remainder Annuity Trust, funded by Mr. and Mrs. William H. Seay, Dallas, Texas (to be held in trust by Mr. William H. Seay, Jr. and Mr. Joseph G. Seay, Dallas, Texas), be accepted for the benefit of U. T. Austin.

Upon termination of the Trust, five percent of the remaining principal and income of the Trust will be distributed to establish the Margie Gurley Seay Endowed Presidential Scholarship in Education in the College of Education at U. T. Austin. Two and one-half percent of the remaining principal and income of the Trust will be distributed to add to the Margie Gurley Seay Centennial Professorship in Education in the College of Education. The remaining two and one-half percent of Trust principal and income will be distributed to add to the William H. Seay Centennial Professorship in Business in the College of Business Administration and the Graduate School of Business. A request to establish the Scholarship will be made at a later date.

BACKGROUND INFORMATION

The William H. and Margaret G. Seay Charitable Remainder Trust was established for the lifetime benefit of Mr. William H. Seay and Mrs. Margaret G. Seay, Dallas, Texas. Mr. and Mrs. Seay are generous supporters of U. T. Austin. Mr. Seay received his B.B.A. from U. T. Austin in 1941. Mrs. Seay received her B.S. from U. T. Austin in 1943.

The Margie Gurley Seay Centennial Professorship in Education in the College of Education was established at the February 1982 meeting of the U. T. Board of Regents and the William H. Seay Centennial Professorship in Business in the College of Business Administration and the Graduate School of Business was established at the August 1982 meeting of the U. T. Board of Regents.

37. U. T. Austin: Recommendation to Accept Bequest from the Estate of Cecil Bernard Smith, Sr., Austin, Texas, for Addition to Six Previously Established Chairs in the College of Liberal Arts and Eligibility for Matching Funds Under The Regents' Endowment Program.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that a specific bequest of \$100,000 from the Estate of Cecil Bernard Smith, Sr., Austin, Texas, be accepted for addition in equal proportions to six previously established Chairs in the College of Liberal Arts at U. T. Austin as follows:

<u>Endowment</u>	<u>Amount</u>
Walter Prescott Webb Chair in History and Ideas; established 2/11/77	\$16,666.67
C. B. Smith, Sr. Centennial Chair in United States-Mexico Relations #1 established 10/13/83	\$16,666.67
C. B. Smith, Sr. Centennial Chair in United States-Mexico Relations #2 established 10/11/84	\$16,666.67
C. B. Smith, Sr. Centennial Chair in United States-Mexico Relations #3 established 10/11/84	\$16,666.67
C. B. Smith Sr. Centennial Chair in United States-Mexico Relations #4 established 10/11/84	\$16,666.66
C. B. Smith, Sr., Nash Phillips, Clyde Copus Centennial Chair Honoring Harry Hunt Ransom; established 10/11/84	\$16,666.66

It is further recommended that \$50,000 in matching funds be allocated under The Regents' Endowment Program in six equal proportions and used to increase the endowments.

BACKGROUND INFORMATION

The six endowed Chairs that will benefit from Mr. Cecil Bernard Smith, Sr.'s Estate were all funded by Mr. Smith during his lifetime. Mr. Smith received his B.A. in Government from Grubbs Vocational College (now U. T. Arlington) in 1923 and his M.A. in Government from U. T. Austin in 1928. Prior to his death, he was a member of The Chancellor's Council and The President's Associates and a Life Member of The Ex-Students' Association.

38. U. T. Austin: Recommendation to Accept Bequest to Establish the George and Frieda Soutter Scholarship Fund in the College of Business Administration and Eligibility for Matching Funds Under The Regents' Endowment Program.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that a \$50,000 specific bequest from the Estate of Frieda H. Soutter, Dallas, Texas, be accepted to establish the George and Frieda Soutter Scholarship Fund in the Department of Accounting, College of Business Administration, at U. T. Austin.

It is further recommended that \$25,000 in matching funds be allocated under The Regents' Endowment Program and used to increase the endowment to a total of \$75,000.

Income earned from the endowment will be used to support annual scholarship awards for students majoring in Accounting.

BACKGROUND INFORMATION

Mr. and Mrs. George Soutter's granddaughter, Mrs. Susan S. Kunz, Houston, Texas, received her B.B.A. from U. T. Austin in 1975 and had encouraged her grandmother to fund an endowment in the Department of Accounting. Mr. and Mrs. Soutter's son, Mr. George E. Soutter, received his B.B.A. from U. T. Austin in 1948.

39. U. T. Austin: Recommendation to Accept Pledge to Establish the Ruth Carter Stevenson Regents Chair in the Art of Architecture and Eligibility for Matching Funds Under The Regents' Endowment Program.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that a \$200,000 gift and a \$300,000 pledge, payable by January 15, 1994, from the Amon G. Carter Foundation, Fort Worth, Texas, for a total of \$500,000 be accepted to establish the Ruth Carter Stevenson Regents Chair in the Art of Architecture in the School of Architecture at U. T. Austin.

It is further recommended that \$250,000 in matching funds be allocated under The Regents' Endowment Program, as pledges are received, and used to increase the Chair to a total of \$750,000.

Income earned from the endowment will be used to support the Chair.

BACKGROUND INFORMATION

The Amon G. Carter Foundation, Fort Worth, Texas, has given a total of \$1,217,300 in gifts to U. T. Austin. Mrs. Ruth Carter Stevenson, Washington, D. C., is President of the Amon G. Carter Foundation and Chairman of the Board of the Amon Carter Museum of Western Art, Fort Worth, Texas. She is a former member of the U. T. Board of Regents and a member of The Chancellor's Council.

40. U. T. Austin: Recommendation to Accept Gift to Establish the Tanabe Research Laboratories, USA, Inc. Regents Endowed Faculty Fellowship in Pharmaceuticals in the College of Pharmacy and Eligibility for Matching Funds Under The Regents' Endowment Program.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that a \$50,000 gift from Tanabe Research Laboratories, USA, Inc., San Diego, California, be accepted to establish the Tanabe Research Laboratories, USA, Inc. Regents Endowed Faculty Fellowship in Pharmaceuticals in the College of Pharmacy at U. T. Austin.

It is further recommended that \$25,000 in matching funds be allocated under The Regents' Endowment Program and used to increase the endowment to a total of \$75,000.

Income earned from the endowment will be used to support the Fellowship.

BACKGROUND INFORMATION

Dr. Gerald J. Yakatan, President and Chief Executive Officer of Tanabe Research Laboratories, USA, Inc., San Diego, California, served as an associate professor in the College of Pharmacy at U. T. Austin from 1972 to 1980.

Tanabe Research Laboratories, USA, Inc. is a subsidiary of Tanabe Sieyaku Co., Ltd., Osaka, Japan.

41. U. T. Austin: Recommendation to Accept Gift to Establish the TIPRO Endowment for the History of the Texas Oil Industry of the General Libraries and Eligibility for Matching Funds Under The Regents' Endowment Program.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that a \$60,622 gift from The TIPRO Foundation, Inc., Austin, Texas, be accepted to establish the TIPRO Endowment for the History of the Texas Oil Industry for the Center for American History of the General Libraries at U. T. Austin.

It is further recommended that \$30,311 in matching funds be allocated under The Regents' Endowment Program and used to increase the endowment to a total of \$90,933.

Income earned from the endowment will be used for the purpose of supporting oral histories and related efforts to document the history of the Texas oil industry, with special emphasis on the independent oil and gas producers and TIPRO.

BACKGROUND INFORMATION

This endowment is being funded by The TIPRO Foundation, Inc., Austin, Texas, a foundation related to the Texas Independent Producers and Royalty Owners Association, in honor of the fiftieth anniversary of the formation of their organization. Additional documentation is expected confirming the establishment of the endowment.

42. U. T. Austin: Recommendation to Accept Gifts and Pledges to Establish the Martha S. Williams Endowed Presidential Scholarship in the School of Social Work and Eligibility for Matching Funds Under The Regents' Endowment Program.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that \$28,860 in gifts and \$4,473 in pledges, payable by August 31, 1993, from various donors for a total of \$33,333 be accepted to establish the Martha S. Williams Endowed Presidential Scholarship in the School of Social Work at U. T. Austin.

It is further recommended that \$16,667 in matching funds be allocated under The Regents' Endowment Program and used to increase the endowment to a total of \$50,000.

Income earned from the endowment will be used to provide scholarship support for students in the School of Social Work, based on merit or need.

BACKGROUND INFORMATION

This endowment is being funded by friends and colleagues of Dr. Martha S. Williams to honor her dedication to and leadership of the School of Social Work and U. T. Austin. Mr. and Mrs. Marvin Selig, Seguin, Texas, and Mr. Dean Milkes, Corsicana, Texas, are among the primary donors.

Dr. Williams received her B.A. in 1957, her M.A. in 1962, and her Ph.D. in Psychology in 1963 from U. T. Austin. She served as Assistant Professor at the School of Social Work in 1966 and was a full Professor by 1975. From 1981 until 1991, she served as Dean of the School of Social Work.

43. U. T. Austin: Clara Pope Willoughby Centennial Fund for Humanities Research Center Development for the Harry Ransom Humanities Research Center - Recommendation to Accept Additional Gifts and Eligibility for Matching Funds Under The Regents' Endowment Program.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that a \$5,000 gift from members of the Willoughby-Blake family and \$5,000 in gifts from various donors for a total of \$10,000 be accepted for addition to the Clara Pope Willoughby Centennial Fund for Humanities Research Center Development for the Harry Ransom Humanities Research Center at U. T. Austin for a total endowment of \$114,148.87.

It is further recommended that \$5,000 in matching funds be allocated under The Regents' Endowment Program and used to increase the endowment to a total of \$119,148.87.

BACKGROUND INFORMATION

At the April 1982 meeting of the U. T. Board of Regents, a \$50,000 gift from Mrs. Clara Pope Willoughby, San Angelo, Texas, was accepted to establish the Clara Pope Willoughby Centennial Fund for Humanities Research Center Development in the Humanities Research Center at U. T. Austin.

Mrs. Willoughby received a B.A. in English from U. T. Austin in 1923. Prior to her death, she was a member of The President's Associates and The Chancellor's Council. She also served as a member of the School of Social Work Foundation Advisory Council.

44. U. T. Austin: Recommendation to Redesignate Titles of Five Previously Established Endowments in the College of Business Administration and the Graduate School of Business.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that five previously established endowments in the College of Business Administration and the Graduate School of Business at U. T. Austin be redesignated as follows:

<u>From</u>	<u>To</u>
a. Ernst & Whinney Distinguished Centennial Professorship of Accounting established 12/6/79	Ernst & Young Distinguished Centennial Professorship of Accounting
b. Ernst & Whinney Faculty Fellowship in Accounting (No. 1) established 8/9/84	Ernst & Young Faculty Fellowship in Accounting (No. 1)
c. Ernst & Whinney Faculty Fellowship in Accounting (No. 2) established 8/9/84	Ernst & Young Faculty Fellowship in Accounting (No. 2)
d. Arthur Young Distinguished Professorship in Accounting established 7/21/72	Ernst & Young Distinguished Professorship in Accounting
e. Arthur Young Faculty Fellowship in Accounting established 8/12/83	Ernst & Young Faculty Fellowship in Accounting

This recommendation is being made in accordance with the donors' request to reflect the new firm name.

BACKGROUND INFORMATION

These five endowments were established at various meetings of the U. T. Board of Regents held between July 1972 and August 1984.

45. U. T. El Paso: Recommendation to Accept Gift and Transfer of Funds to Establish The Abraham Chavez, Jr., Professorship Fund in Music.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Natalicio that a \$75,000 gift from the El Paso Symphony Orchestra Association, El Paso, Texas, and a \$75,000 transfer of previously reported gifts from current restricted funds for a total of \$150,000 be accepted to establish The Abraham Chavez, Jr., Professorship Fund in Music at U. T. El Paso.

Income earned from the endowment will be used to support the Professorship.

BACKGROUND INFORMATION

This endowment is being funded by members of the El Paso Symphony Orchestra Association, El Paso, Texas, in honor of Maestro Abraham Chavez, Jr., who retired from the El Paso Symphony Orchestra this Spring.

46. U. T. El Paso: Recommendation to Accept Gift to Establish the J. Ernest and Elizabeth Rouse Sipes Endowed Scholarship.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Natalicio that a \$10,000 gift from Mr. and Mrs. J. Ernest Sipes, El Paso, Texas, be accepted to establish the J. Ernest and Elizabeth Rouse Sipes Endowed Scholarship at U. T. El Paso.

Income earned from the endowment will be used to award an annual scholarship to an undergraduate student, majoring in Business or Engineering, who does not qualify for financial aid but has an apparent financial need.

BACKGROUND INFORMATION

Mr. J. Ernest Sipes, El Paso, Texas, received his M.A. in Civil Engineering in 1969 from U. T. El Paso. Mrs. Elizabeth Sipes was a professor in the College of Business Administration at U. T. El Paso from 1966 to 1989. She received her B.B.A. in 1955 and her M.A. in Education in 1968 from U. T. El Paso. Mr. and Mrs. Sipes are longtime supporters of U. T. El Paso.

47. U. T. El Paso: J. Edward and Helen M. C. Stern Fund - Recommendation to Redesignate as the J. Edward and Helen M. C. Stern Endowed Professorship.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Natalicio that the J. Edward and Helen M. C. Stern Fund at U. T. El Paso be redesignated as the J. Edward and Helen M. C. Stern Endowed Professorship.

This recommendation is being made at the request of the donors.

BACKGROUND INFORMATION

The J. Edward and Helen M. C. Stern Fund was established at the February 1990 meeting of the U. T. Board of Regents with gifts from Drs. J. Edward and Helen M. C. Stern, El Paso, Texas, and various donors, as well as reinvested income totaling \$124,315.71. Income was to be reinvested in the corpus of the endowment until a specific use for the Fund was designated by the donors. The current balance in the endowment is \$159,226.43. Both Drs. Stern attended U. T. El Paso during the 1950s.

48. U. T. San Antonio: Recommendation to Accept Gift and Pledge to Establish the Anheuser-Busch Foundation Endowment for Tourism Management.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Kirkpatrick that a \$100,000 gift and a \$400,000 pledge, payable by December 31, 1996, from the Anheuser-Busch Foundation, St. Louis, Missouri, be accepted to establish the Anheuser-Busch Foundation Endowment for Tourism Management at U. T. San Antonio.

Income earned from the endowment will be used to support a program to include a Bachelor's Degree in Business Administration with an emphasis on Tourism Management, a research center for tourism management, and a continuing professional education program.

BACKGROUND INFORMATION

In recognition of the importance of the tourism industry to San Antonio, Texas, the Anheuser-Busch Foundation, St. Louis, Missouri, is funding this endowment to provide a better educated and well trained work force in the tourism industry.

The Foundation has engaged industry, governmental and academic consultants to aid in the planning of a Tourism Management Program at U. T. San Antonio.

The Anheuser-Busch Companies, Inc. are well represented in San Antonio through Sea World of Texas, Alamo Eagle Snacks, Rainbo Baking, Budco Distributors, and Anheuser-Busch Corporate Relations.

49. U. T. San Antonio: Recommendation to Accept Gift to Establish the Roland K. and Jane W. Blumberg Professorship in Bioscience.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Kirkpatrick that a gift of Victoria Bankshares, Inc. common stock valued at \$3,250 be accepted and added to previously reported gifts, comprised of Victoria Bankshares, Inc. common stock valued at \$93,875 and \$6,125 cash, all from Dr. and Mrs. Roland K. (Jane W.) Blumberg, Seguin, Texas, for a total of \$103,250 to be used to establish the Roland K. and Jane W. Blumberg Professorship in Bioscience at U. T. San Antonio.

Income earned from the endowment will be used to support the Professorship.

BACKGROUND INFORMATION

Receipt of \$100,000 in gifts, comprised of Victoria Bankshares, Inc. common stock valued at \$93,875 and \$6,125 in cash, was previously reported in the Docket for the June 1992 meeting of the U. T. Board of Regents.

Dr. and Mrs. Roland K. (Jane W.) Blumberg, Seguin, Texas, are longtime supporters of U. T. San Antonio and other U. T. System component institutions. Dr. Roland K. Blumberg received his B.A. in 1935, his B.S. in 1939, and his M.A. in 1942 from U. T. Austin and a Ph.D. in Geophysics from Harvard University. Mrs. Jane W. Blumberg, a former member of the U. T. Board of Regents, received her B.A. in English from U. T. Austin in 1937.

50. U. T. San Antonio: Recommendation to Accept Gifts and Accumulated Earnings to Establish The Tomas Rivera Scholarship Fund.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Kirkpatrick that \$6,767.82 in gifts from various donors and \$3,232.18 in accumulated earnings for a total of \$10,000 be accepted to establish The Tomas Rivera Scholarship Fund at U. T. San Antonio.

Income earned from the endowment will be used to provide scholarship support to promising undergraduate students who have completed a minimum of sixty semester hours.

BACKGROUND INFORMATION

This endowment is being funded in memory and recognition of Dr. Tomas Rivera, Riverside, California, for his service as a member of the first group of faculty and administrators at U. T. San Antonio, where he served as Associate Dean of the College of Multidisciplinary Studies and finally as Vice President for Administration. Funding for the scholarship began as a memorial at U. T. San Antonio after Dr. Rivera's death in May 1984.

51. U. T. Tyler: Recommendation to Accept Gift to Establish The J. W. and Josephine Rumbelow Memorial Endowed Presidential Scholarship.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Hamm that a \$25,000 gift from the family of Mr. and Mrs. J. W. Rumbelow, Tyler, Texas, and various donors be accepted to establish The J. W. and Josephine Rumbelow Memorial Endowed Presidential Scholarship at U. T. Tyler.

Income earned from the endowment will be used to provide scholarship support in accordance with the guidelines of the Presidential Scholarship Program.

BACKGROUND INFORMATION

This endowment is being funded in memory of Mr. and Mrs. J. W. Rumbelow, Tyler, Texas, by their family and friends. Mr. and Mrs. Rumbelow were restauranteurs in Tyler prior to their deaths.

52. U. T. Southwestern Medical Center - Dallas: John Lawrence and Patsy Louise Goforth Fund in Pathology - Recommendation to Accept Additional Gifts and Accumulated Income and to Redesignate as the John Lawrence and Patsy Louise Goforth Professorship in Pathology and Eligibility for Matching Funds Under the Texas Eminent Scholars Program.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs and President Wildenthal that a \$20,000 gift from Mr. and Mrs. James E. Shoemaker, Dallas, Texas, \$6,225 in gifts from various donors, and \$23,775 in accumulated earnings for a total of \$50,000 be accepted for addition to the John Lawrence and Patsy Louise Goforth Fund in Pathology and that the Fund be redesignated as the John Lawrence and Patsy Louise Goforth Professorship in Pathology at the U. T. Southwestern Medical Center - Dallas.

It is further recommended that the actual income which will be earned on \$76,225 in current and previous gifts be certified to the appropriate State authorities for matching under the Texas Eminent Scholars Program as set out in Chapter 51, Subchapter I of the Texas Education Code, when matching funds are made available under that act.

BACKGROUND INFORMATION

At the February 1987 meeting, the U. T. Board of Regents accepted a \$50,000 gift from Mrs. Patsy Louise Goforth, Dallas, Texas. Mrs. Goforth funded the endowment in memory of her husband, Dr. John Lawrence Goforth.

Dr. Goforth's medical career, which spanned over 50 years, contributed greatly to the community of Dallas and the practice of medicine. His expertise in pathology, his hospital activities, and laboratory served the entire region with distinction. Dr. Goforth received numerous awards from medical societies and associations.

53. U. T. Southwestern Medical Center - Dallas: Recommendation to Establish the Dr. W. Maxwell Thomas Professorship in Ophthalmology.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs and President Wildenthal that the Dr. W. Maxwell Thomas Professorship in Ophthalmology at the U. T. Southwestern Medical Center - Dallas be established. The funds for the endowment will be held and administered by the Southwestern Medical Foundation, Dallas, Texas (an external foundation).

Income earned from the endowment will be used to support the Professorship.

BACKGROUND INFORMATION

This Professorship is being funded with \$100,000 realized from the sale of a home donated to the Southwestern Medical Foundation, Dallas, Texas, by Dr. W. Maxwell Thomas, Dallas, Texas.

Dr. Thomas, who has been a member of the Dallas medical community since the late 1920s, has been associated with the U. T. Southwestern Medical Center - Dallas since its establishment, serving as a senior consultant for the Division of Ophthalmology from 1946 to 1953. He continued to serve as an advisor to the Ophthalmology Department until his retirement in 1972.

54. U. T. Medical Branch - Galveston: Recommendation to Accept Gift to Establish The Mary Alice Beaver Collerain '38 Scholarship Fund.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs and President James that a \$10,000 gift from Mr. Joseph B. Collerain, Sr., Missouri City, Texas, be accepted to establish The Mary Alice Beaver Collerain '38 Scholarship Fund at the U. T. Medical Branch - Galveston.

Income earned from the endowment will be used to support scholarships for students in the undergraduate and graduate programs at the U. T. Nursing School - Galveston.

BACKGROUND INFORMATION

This endowment is being funded by Mr. Joseph B. Collerain, Sr., Missouri City, Texas, in memory of his wife, Mrs. Mary Alice Beaver Collerain. Mrs. Collerain graduated from the U. T. Nursing School - Galveston in 1938. She served the nursing profession for twenty-five years as a staff nurse and surgical nursing supervisor. She received the Rebecca Sealy Distinguished Nurse Alumnus Award, posthumously, in May 1990.

55. U. T. Medical Branch - Galveston: Recommendation to Accept Bequest from the Estate of Haskell B. Smith, Paris, Texas.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs and President James that twenty-five percent of the residue of the Estate of Haskell B. Smith, Paris, Texas, for a total of approximately \$23,155.33 be accepted to be used for research relating to the disease porphyria at the U. T. Medical Branch - Galveston.

BACKGROUND INFORMATION

Mr. and Mrs. Haskell B. Smith, Paris, Texas, made this generous gift in memory of their son, Mr. Donald Baker Smith, who was diagnosed as having porphyria, a disease related to the inability to tolerate sunlight.

Dr. Courtney Townsend, Sr., Paris, Texas, (who received his M.D. from the U. T. Medical School - Galveston in 1932) served as the Smith family physician for many years and was instrumental in effecting Mr. Smith's bequest to the U. T. Medical Branch - Galveston.

56. U. T. Medical Branch - Galveston: Recommendation to Accept Gift to Establish The Texas Society DAR Endowed Occupational Therapy Scholarship, School of Allied Health Sciences, UTMB.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs and President James that a \$25,000 gift from the Texas Society Daughters of the American Revolution, San Antonio, Texas, be accepted to establish The Texas Society DAR Endowed Occupational Therapy Scholarship, School of Allied Health Sciences, UTMB for the U. T. Allied Health Sciences School - Galveston at the U. T. Medical Branch - Galveston.

Ninety percent of the income earned from the endowment will be used to support the Scholarship. The remaining ten percent of earned income will be reinvested in the endowment corpus.

BACKGROUND INFORMATION

The Texas Society of the Daughters of the American Revolution, San Antonio, Texas, was organized in 1899 to perpetuate the memory and spirit of the men and women who achieved American independence, to promote diffusion of knowledge, to cherish, maintain and extend the institutions of American freedom, and to foster true patriotism and love of country.

57. U. T. Health Science Center - Houston: Recommendation to Establish Three Endowments.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs and President Low that The John S. Dunn Distinguished Chair in Ophthalmology, The Bernice Weingarten Distinguished Professorship in Ophthalmology and The Fayez Sarofim Professorship in Ophthalmology at the U. T. Health Science Center - Houston be established. The funds for the endowments will be held and administered by the Hermann Eye Fund, Houston, Texas (an external foundation).

BACKGROUND INFORMATION

The John S. Dunn Distinguished Chair in Ophthalmology is being funded with a \$1,000,000 gift from the John S. Dunn Foundation, Houston, Texas. The Bernice Weingarten Distinguished Professorship in Ophthalmology is being funded with a \$250,000 gift from Ms. Bernice Weingarten, Houston, Texas. The Fayez Sarofim Professorship in Ophthalmology is being funded with a \$100,000 gift from Mr. Fayez Sarofim, Houston, Texas. Each of the three endowments is being funded to support a faculty position in the Department of Ophthalmology at the U. T. Health Science Center - Houston.

Mr. John S. Dunn, Ms. Weingarten and Mr. Sarofim have all been patients of Dr. Richard S. Ruiz, Clinical Professor and Chairman of the Department of Ophthalmology at the U. T. Health Science Center - Houston.

58. U. T. Health Science Center - Houston: Recommendation to Accept Gift to Establish the Ronald V. Glausen, D.D.S. Endowed Scholarship.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs and President Low that a \$25,000 gift from Mr. and Mrs. T. R. Reckling III, Houston, Texas, be accepted to establish the Ronald V. Glausen, D.D.S. Endowed Scholarship for the U. T. Dental Branch - Houston at the U. T. Health Science Center - Houston.

Income earned from the endowment will be used to provide scholarship support for students needing financial assistance at the U. T. Dental Branch - Houston.

BACKGROUND INFORMATION

This endowment is being funded by Mr. and Mrs. T. R. Reckling III, Houston, Texas, in honor of their close friend, Ronald V. Glausen, D.D.S., for his dedication and service to his patients and the practice of dentistry. Mr. and Mrs. Reckling are generous supporters of the U. T. Health Science Center - Houston.

Dr. Glausen received his D.D.S. from the U. T. Dental Branch - Houston in 1961 and practices general dentistry in Houston, Texas.

59. U. T. Health Science Center - Houston: Recommendation to Accept Gift to Establish the Southeast Section of the T.W.P.C.A. Endowed Scholarship.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs and President Low that a \$10,000 gift from the members of the Southeast Section of the Texas Water Pollution Control Association, Houston, Texas, be accepted to establish the Southeast Section of the T.W.P.C.A. Endowed Scholarship for the U. T. Public Health School - Houston at the U. T. Health Science Center - Houston.

Ninety percent of the income earned from the endowment will be used to provide scholarship assistance to a deserving student in the Environmental Sciences Graduate Program. Ten percent of the income earned will be reinvested in the corpus of the endowment.

BACKGROUND INFORMATION

The Southeast Section of the Texas Water Pollution Control Association, Houston, Texas, is composed of professionals working in water pollution and hazardous waste control in the State of Texas.

60. U. T. Health Science Center - Houston: Recommendation to Accept Gift to Establish the Lauren and Adam Strauss Endowed Scholarship.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs and President Low that a \$10,000 gift from Mr. and Mrs. Neil Strauss, Houston, Texas, be accepted to establish the Lauren and Adam Strauss Endowed Scholarship for the U. T. Public Health School - Houston at the U. T. Health Science Center - Houston.

Income earned from the endowment will be used to provide scholarship support for graduate students needing financial assistance in the U. T. Public Health School - Houston.

BACKGROUND INFORMATION

Mr. and Mrs. Neil B. Strauss, Houston, Texas, are funding this endowment in honor of their children, Adam and Lauren. Mr. Strauss is Chairman and Chief Executive Officer of Tarrant Distributors, Inc. He and his wife, Marcia, are active in the Houston community having served as board members of the Houston Grand Opera, the Houston Symphony and the Juvenile Diabetes Foundation.

61. U. T. Health Science Center - Houston: Recommendation to Accept Gift of Real Property Located in Houston, Harris County, Texas.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs and President Low to accept a gift of real property located at 7350 Kirby, Unit #24, The Bradford Townhomes, Houston, Harris County, Texas from Richard J. Langenstein and Stephanie S. Langenstein, Houston, Texas, for the benefit of the U. T. Health Science Center - Houston. The appraised value of this property is \$103,500. Monthly homeowners' association dues on the property to the Bradford Community Association in the amount of \$151.31 will be paid by the institution until the property is sold.

BACKGROUND INFORMATION

Mrs. Langenstein is an engineer with Phillips Petroleum Company, and Mr. Langenstein is a recent graduate of the University of Houston Law School. This gift is made to the "U. T. Health Science Center - Houston Burn Center Fund" to provide unrestricted support to the U. T. Health Science Center - Houston Burn Center in its mission to provide staffing, training, and research and development expertise related

to burn injuries. Mrs. Langenstein is a burn patient, who was treated at Hermann Hospital and this gift is made in gratitude for the care and treatment extended to her as a result of her injuries.

62. U. T. Health Science Center - San Antonio: Recommendation to Accept Grant to Establish the William Randolph Hearst Medical Student Scholarship Fund.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs and President Howe that a \$35,000 grant from the William Randolph Hearst Foundation, New York, New York, be accepted to establish the William Randolph Hearst Medical Student Scholarship Fund at the U. T. Health Science Center - San Antonio.

Income earned from the endowment will be used to provide scholarships to under represented students, based on need.

BACKGROUND INFORMATION

The William Randolph Hearst Foundation, New York, New York, was founded in 1948 to support programs which aid poverty-level and minority groups, educational programs with emphasis on private secondary and higher education, health delivery systems, and cultural programs with records of public support.

63. U. T. M.D. Anderson Cancer Center: Recommendation to Accept Pledge to Establish the Carolyn Farb Endowment Fund in Neurofibromatosis.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs and President LeMaistre that a \$90,000 pledge, payable by December 31, 1997, from The Texas Neurofibromatosis Foundation, Dallas, Texas, be accepted to establish the Carolyn Farb Endowment Fund in Neurofibromatosis at the U. T. M.D. Anderson Cancer Center.

Income earned from the endowment will be used to attract outstanding leaders in the field of neurofibromatosis patient care and research to the U. T. M.D. Anderson Cancer Center to exchange information relating to this disease which affects so many children.

BACKGROUND INFORMATION

This endowment is being funded by The Texas Neurofibromatosis Foundation, Dallas, Texas, in honor of Mrs. Carolyn Farb, Houston, Texas, and her dedication to fund raising activities, including neurofibromatosis.

64. U. T. M.D. Anderson Cancer Center: Recommendation to Accept Remainder Interest in the Wilburn M. Smith Testamentary Trust, Monroe, Louisiana.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs and President LeMaistre that a twenty-five percent remainder interest in the Wilburn M. Smith Testamentary Trust, Monroe, Louisiana (held in trust by Dr. Julian D. Smith), be accepted for unrestricted use at the U. T. M.D. Anderson Cancer Center. The twenty-five percent interest benefiting the U. T. M.D. Anderson Cancer Center is valued at approximately \$86,000.

BACKGROUND INFORMATION

The Wilburn M. Smith Testamentary Trust, created by Mr. Smith's Last Will and Testament, was established for the lifetime benefit of his mother, Mrs. Gladys McVay Smith, Riverton, Louisiana. The establishment of this Trust was previously reported at the June 1988 meeting of the U. T. Board of Regents.

Upon Mrs. Smith's death, the trust terminated and twenty-five percent of the remaining balance of the Trust was to be distributed to the U. T. Board of Regents for the benefit of the U. T. M.D. Anderson Cancer Center.

III. INTELLECTUAL PROPERTY MATTERS

1. U. T. Dallas and U. T. Southwestern Medical Center - Dallas: Recommendation for (a) Approval of Patent License Agreement with Epikon, Inc., New York, New York; (b) Acceptance of Securities and Approval of Individuals to Acquire Equity; and (c) Authorization of Appointment of Individual to Serve on Board of Directors.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Health Affairs, the Acting Vice Chancellor for Asset Management, and Presidents Rutford and Wildenthal that the U. T. Board of Regents take the following action:

- a. Approve a proposed patent license agreement between the U. T. Board of Regents, for and on behalf of U. T. Dallas and U. T. Southwestern Medical Center - Dallas, and Epikon, Inc., a Delaware corporation with its principal place of business in New York, New York, for the licensing of high resolution radiological imaging devices as set forth on Pages AMC 71 - 86 and authorize the Acting Vice Chancellor for Asset Management to execute the agreement on behalf of the U. T. Board of Regents.
- b. Accept 1,200,000 shares of Epikon, Inc. common stock as follows:
 - 300,000 shares to be held for the benefit of U. T. Dallas
 - 300,000 shares to be held for the benefit of the U. T. Southwestern Medical Center - Dallas
 - 300,000 shares to be distributed to Dr. Ervin Fenyves, U. T. Dallas, and 100,000 shares each to be distributed to Dr. Pietro Antich, Dr. Jon A. Anderson, and Dr. Robert W. Parkey, U. T. Southwestern Medical Center - Dallas, as equity ownership by inventors.
- c. Authorize the Chancellor to appoint an individual to serve on the Epikon, Inc. Board of Directors.

BACKGROUND INFORMATION

Epikon, Inc. is a start-up company that will be headquartered in Dallas, Texas, to further develop, produce and sell products based on technologies developed by Dr. Ervin Fenyves, Professor of Environmental Sciences at U. T. Dallas and Dr. Pietro Antich, Associate Professor in Radiology; Dr. Jon A. Anderson, Assistant Professor in Radiology; and Dr. Robert W. Parkey, Professor and Chairman of Radiology, at the U. T. Southwestern Medical Center - Dallas ("Inventors"). All technologies relate to the development of a new generation of markedly improved high resolution radiological imaging devices that will allow receptor and monoclonal antibody imaging for the first time.

Pursuant to the agreement, Epikon, Inc. will pay the U. T. Board of Regents royalties equal to one-half of the gross revenues received from sublicensing activities and issue the U. T. Board of Regents a total of 1,200,000 shares of its common stock equal to twelve percent (12%) of the total stock issued at the date of execution of the Agreement. Pursuant to the Agreement, the U. T. Board of Regents is entitled to name one person to the Board of Directors of Epikon, Inc.

The terms and conditions of the proposed Agreement are consistent with the Intellectual Property Policy and Guidelines of the U. T. System. The proposed arrangement is the type contemplated by Section 51.912, Texas Education Code, and corresponding provisions of the Intellectual Property Policy and Guidelines. Pursuant to Part Two, Chapter XII, Section 6, Subsections 6.1 and 6.2 and Section 7, Subsection 7.2 of the Regents' Rules and Regulations, approval by the U. T. Board of Regents is necessary for equity ownership by the U. T. Board of Regents and the Inventors and to authorize the naming of an individual to a seat on the Epikon, Inc. board of directors concurrent with approval of the proposed license agreement with the company.

PATENT LICENSE AGREEMENT
BETWEEN UNIVERSITY OF TEXAS SYSTEM
AND
EPIKON, INC.

THIS AGREEMENT is made by and between the BOARD OF REGENTS (BOARD) OF THE UNIVERSITY OF TEXAS SYSTEM (SYSTEM), an agency of the State of Texas, whose address is 201 West 7th Street, Austin, Texas 78701, and EPIKON, INC. (LICENSEE), a Delaware corporation having a principal place of business located at 667 Madison Avenue, 11th Floor, New York, New York 10021.

W I T N E S S E T H:

Whereas BOARD owns certain PATENT RIGHTS and TECHNOLOGY RIGHTS related to LICENSED SUBJECT MATTER, which were developed at The University of Texas Southwestern Medical Center at Dallas (UT SOUTHWESTERN), whose address is 5323 Harry Hines Blvd., Dallas, Texas 75235-9002 and The University of Texas at Dallas (UT DALLAS), whose address is P.O. Box 830688, Richardson, Texas 75083-0688, both component institutions of SYSTEM;

Whereas BOARD desires to have the LICENSED SUBJECT MATTER developed and used for the benefit of LICENSEE, the inventors, BOARD, UT SOUTHWESTERN, UT DALLAS and the public as outlined in the Intellectual Property Policy promulgated by the BOARD; and

Whereas LICENSEE wishes to obtain a license from BOARD to practice LICENSED SUBJECT MATTER;

NOW, THEREFORE, in consideration of the mutual covenants and premises herein contained, the parties hereto agree as follows:

I. EFFECTIVE DATE

EFFECTIVE DATE shall mean the date on which the last party executes this Agreement, as shown on the execution page.

II. DEFINITIONS

As used in this Agreement, the following terms shall have the meanings indicated:

2.1 LICENSED SUBJECT MATTER shall mean inventions and discoveries covered by PATENT RIGHTS or TECHNOLOGY RIGHTS within LICENSED FIELD.

2.2. PATENT RIGHTS shall mean BOARD'S rights in information or discoveries covered by (a) U.S. Patent Application USSN 07/433,617, entitled "High Resolution Gamma Ray Detectors for Positron Emission Tomography (PET) and Single Photon Emission Computed Tomography (SPECT)", filed November 9, 1989, naming Ervin J. Fenvyes, Ph.D., Pietro P. Antich, Ph.D., Muzaffer Atak, Ph.D., and David B. Cline, Ph.D., as co-inventors, corresponding to The University of Texas at Dallas file number UTSF:021, and its foreign counterparts; (b) U.S. Patent Application USSN 07/784,593, entitled "Position Sensitive Gamma Ray Detector", filed October 29, 1991, naming Pietro Antich, Ph.D., and Robert W. Parkey, M.D., and Jon A. Anderson, Ph.D., as co-inventors, corresponding to UT SOUTHWESTERN'S file number UTSD:187, and its foreign counterparts; (c) Intellectual Property Questionnaire submitted to UT SOUTHWESTERN on December 20, 1991, entitled "Megavoltage Scanning Imager", naming Peter Antich, Ph.D., Jon Anderson, Ph.D., and Ervin Fenvyes, Ph.D., as co-inventors; (d) all divisionals, continuations, reissues, reexaminations or extensions of patent applications in (a), (b) and (c) above; (e) all continuations-in-part of patent applications in (a), (b) and (c) above, which either (i) provide expanded patent protection for the inventions described in patent applications in (a), (b) and (c) above, or (ii) relate to new inventions the research for which was directly supported by LICENSEE through sponsored research; and (f) all letters patent that issue on such continuation-in-part application or applications or any such divisional, continuation, reissue, reexamination or extension thereof.

2.3 TECHNOLOGY RIGHTS shall mean BOARD'S rights in any technical information, know-how, process, procedure, composition, device, method, formula, protocol, technique, software, design, drawing, data or invention relating to PATENT RIGHTS and/or LICENSED SUBJECT MATTER which is not covered by PATENT RIGHTS but which is necessary for practicing the invention at any time covered by PATENT RIGHTS.

2.4 LICENSED FIELD shall mean radiological imaging related to medical applications.

2.5 LICENSED TERRITORY shall mean worldwide.

2.6 LICENSED PRODUCT shall mean any product SOLD by LICENSEE including LICENSED SUBJECT MATTER pursuant to this Agreement.

2.7 SOLD shall mean the transfer or disposition of a LICENSED PRODUCT for value to a party other than LICENSEE or an AFFILIATE.

2.8 INVENTORS shall mean SYSTEM employees, agents or consultants named in Paragraphs 2.2(a) through 2.2(f).

2.9 AFFILIATE shall mean any business entity more than 50% owned by LICENSEE, any business entity which owns more than 50% of LICENSEE, or any business entity that is more than 50% owned by a business entity that owns more than 50% of LICENSEE.

III. WARRANTY; SUPERIOR-RIGHTS

3.1 Except for the rights, if any, of the Government of the United States and the University of California at Los Angeles (UCLA), as set forth hereinbelow, BOARD represents and warrants its belief that (i) it is the owner of the entire right, title, and interest in and to LICENSED SUBJECT MATTER, and that it has the right to grant licenses thereunder and (ii) it has no knowledge that the practice of any PATENT RIGHTS or the manufacture, sale or use of any LICENSED SUBJECT MATTER infringes or violates the patent or any other intellectual property rights of any third party.

3.2 LICENSEE understands that the LICENSED SUBJECT MATTER may have been developed under a funding agreement with the Government of the United States of America and, if so, that the Government may have certain rights relative thereto. This Agreement is explicitly made subject to the Government's rights under any such agreement and any applicable law or regulation. To the extent that there is a conflict between any such agreement, applicable law or regulation and this Agreement, the terms of such Government agreement, applicable law or regulation shall prevail. The BOARD shall use its best efforts to obtain a waiver of all rights of the Government with respect to the PATENT RIGHTS and the LICENSED SUBJECT MATTER.

IV. LICENSE

4.1 BOARD hereby grants to LICENSEE an exclusive license under LICENSED SUBJECT MATTER to manufacture, have manufactured, use, and/or sell LICENSED PRODUCTS within LICENSED TERRITORY for use within LICENSED FIELD. This grant shall be subject to the payment or transfer by LICENSEE to BOARD of all consideration as provided in this Agreement, and shall be further subject to rights retained by BOARD to:

(a) Publish the general scientific findings from research related to LICENSED SUBJECT MATTER provided that the BOARD shall provide LICENSEE with a right to review all such publications at least sixty (60) days in advance of publication in order to protect any patent or intellectual property rights; and

(b) Use in LICENSED SUBJECT MATTER for research, teaching and other educationally-related non-commercial purposes at any component institution of the SYSTEM, provided BOARD may transfer outside the SYSTEM for

educationally-related, non-commercial purposes with the prior written approval of LICENSEE, which shall not be unreasonably withheld.

4.2 LICENSEE shall have the right to extend the license granted herein to any AFFILIATE provided that such AFFILIATE consents to be bound by this Agreement to the same extent as LICENSEE.

4.3 LICENSEE shall have the right to grant sublicenses consistent with this Agreement provided that LICENSEE shall be responsible for the operations of its sublicensees relevant to this Agreement as if such operations were carried out by LICENSEE, including the payment of royalties or other consideration received by LICENSEE from sublicensee. LICENSEE further agrees to deliver to BOARD a true and correct copy of each sublicense granted by LICENSEE, and any modification or termination thereof, within thirty (30) days after execution, modification, or termination. Upon termination of this Agreement, any and all existing sublicenses granted by LICENSEE shall be assigned to BOARD.

4.4 BOARD shall have the right at any time after five (5) years from the date of this Agreement, to terminate this Agreement or to terminate the exclusivity of the license granted herein in any national jurisdiction within LICENSED TERRITORY if LICENSEE, within ninety (90) days after written notice from BOARD as to such intended termination or termination of exclusivity, fails to provide written evidence that it has commercialized or is actively attempting to commercialize LICENSED SUBJECT MATTER within the United States. BOARD agrees to negotiate in good faith with LICENSEE for adjusting terms under such a non-exclusive arrangement. Evidence provided by LICENSEE that it has an ongoing and active research, development, manufacturing, marketing or licensing program as appropriate, directed toward production and sale of LICENSED SUBJECT MATTER within such jurisdiction shall be deemed satisfactory evidence.

4.5 LICENSEE shall have rights of first refusal to obtain an exclusive license to continuations-in-part of patent applications in Paragraphs 2.2(a), 2.2(b) and 2.2(c), to the extent not described in 2.2(e), exercisable within sixty (60) days of written notice by BOARD;

V. COMMON STOCK; EQUITY OWNERSHIP; REPORTING

5.1 In consideration of the rights granted to LICENSEE by BOARD in this Agreement, LICENSEE agrees that upon execution of this Agreement it shall:

- (a) issue to BOARD one million two hundred thousand (1,200,000) fully paid, non-assessable shares of its common

stock, \$0.01/share par value, which shares of stock shall equal twelve percent (12%) of all shares of its common stock. Six percent (6%) shall be allocated to UT DALLAS and six percent (6%) shall be allocated to UT SOUTHWESTERN; and

(b) pay to BOARD one half of the gross revenues received by LICENSEE from any sublicensee (other than an AFFILIATE).

5.2 If, as and when LICENSEE issues additional shares of its common stock in connection with a financing transaction after the EFFECTIVE DATE of this Agreement and prior to its initial offering of securities to the public, LICENSEE shall issue to BOARD warrants (hereinafter "WARRANTS") to purchase from LICENSEE additional shares of LICENSEE'S common stock (hereinafter "WARRANT SHARES") equal in number to twelve percent (12%) of the number of shares of common stock then being issued by LICENSEE, provided that LICENSEE shall have no obligation hereunder to issue to BOARD WARRANTS to purchase additional shares of LICENSEE'S common stock issued to UCLA or the directors, officers, employees or Scientific Advisory Board members of LICENSEE or Parkland Foundation, Southwestern Medical Foundation or Sills Cummis. Such WARRANTS shall be allocated in the same percentages as in Paragraph 5.1. The WARRANTS shall be exercisable before the earlier of (i) five (5) years from their date of issue, or (ii) the next round of financing. LICENSEE agrees to notify BOARD at least ninety (90) days before the next round of financing. If WARRANTS issued to BOARD prior to the first round of financing are not exercised, BOARD forfeits its rights for further WARRANTS issuable under the terms of this Paragraph. If WARRANTS issued to BOARD and outstanding are not exercised within sixty (60) days prior to the initial public offering of securities by LICENSEE, such WARRANTS shall automatically terminate. LICENSEE shall give BOARD one hundred twenty (120) days written notice prior to the effective date of any such initial public offering. In the event that any of LICENSEE'S common stock is issued in a financing transaction, the exercise price per WARRANT SHARE shall be equivalent to the lowest price per share of common stock issued in such financing transaction.

5.3 BOARD shall have the right, but not the obligation, to name one seat on the board of directors of LICENSEE.

5.4 Upon the request of BOARD but not more often than once per calendar year, LICENSEE shall deliver to BOARD a written report as to LICENSEE'S efforts and accomplishments during the preceding year in commercializing LICENSED SUBJECT MATTER in various parts of the LICENSED TERRITORY and its commercialization plans for the upcoming year.

VI. TERM AND TERMINATION

6.1 The Term of this Agreement shall extend from the Effective Date set forth hereinabove to the full end of the term or terms for which PATENT RIGHTS have not expired and if only TECHNOLOGY RIGHTS are licensed and no PATENT RIGHTS are applicable, for a term of twenty (20) years.

6.2 This Agreement will earlier terminate:

(a) automatically if any payment obligation or obligation to issue shares or WARRANTS of LICENSEE in Section V of the present Agreement is received by BOARD more than thirty (30) days after LICENSEE receives written notice of its failure to make such payment or issuance when due. In this circumstance, LICENSEE may petition BOARD for reinstatement of this Agreement within ninety (90) days after this thirty (30) day period has elapsed. Reinstatement of this Agreement shall be at the discretion of BOARD and contingent upon payment of all past due payments or issuance of all past due shares or WARRANTS and accrued interest at the prime rate plus two percent (2%), unless such interest is greater than the highest allowable rate by law in which case the interest shall be the highest allowable rate by law; or

(b) upon ninety (90) days written notice if LICENSEE or BOARD shall breach or default on any material obligation under this License Agreement; provided, however, LICENSEE or BOARD may avoid such termination if before the end of such period LICENSEE or BOARD notifies the other party that such breach has been cured and states the manner of such cure, and in fact the breach has been cured; or

(c) Under the provisions of Paragraph 4.4 if invoked;
or

(d) Upon sixty (60) days written notice by LICENSEE.

6.3 Upon termination of this Agreement for any cause, nothing herein shall be construed to release either party from any obligation matured prior to the effective date of such termination. LICENSEE may, after the effective date of such termination, sell all LICENSED PRODUCT and parts therefor that it may have on hand at the date of termination.

6.4 Upon and effective as of the date of termination of this Agreement pursuant to Paragraph 4.4 above, LICENSEE grants to BOARD a non-exclusive license with the right to sublicense others with respect to improvements made by LICENSEE in the LICENSED SUBJECT MATTER. BOARD's right to sublicense others hereunder shall be solely for purposes of permitting others to

develop and commercialize the entire technology package. LICENSEE shall, at BOARD'S discretion, receive fair and reasonable compensation based on LICENSEE'S contributions to research and development and costs of sponsored research.

VII. INFRINGEMENT BY THIRD PARTIES

7.1 LICENSEE shall have the obligation of enforcing at its expense any patent exclusively licensed hereunder against infringement by third parties in the manner and to the extent provided below. In the event that LICENSEE is awarded a recovery from an infringer or misappropriating party above the reasonable costs and expenses for bringing such infringement or misappropriation action, LICENSEE shall pay to BOARD twenty five percent (25%) of any such recovery. In the event that LICENSEE does not file suit against a substantial infringer of such patents within six (6) months of receipt of a written demand from BOARD to bring suit, BOARD and LICENSEE will consult with one another in an effort to determine whether a reasonably prudent licensee would institute litigation to enforce the patent in question in light of all relevant business and economic factors (including, but not limited to, the projected costs of such litigation, the likelihood of success on the merits, the probable amount of any damage award, the prospects for satisfaction of any judgment against the alleged infringer, the possibility of counterclaims against LICENSEE and BOARD, the diversion of LICENSEE'S human and economic resources, and the impact of any possible adverse outcome on LICENSEE'S and BOARD'S respective reputations and goodwill). After such consultation, if BOARD and LICENSEE have not reached agreement and LICENSEE does not file suit forthwith against the substantial infringer, then BOARD, following not less than ninety (90) days prior written notice, shall have the right to convert the previously licensed exclusive rights to non-exclusive provided that a reasonably prudent licensee would have brought such suit in light of all of the circumstances. Under such circumstances, BOARD shall have the right to enforce any patent licensed hereunder on behalf of itself and LICENSEE (BOARD retaining all recoveries from such enforcement).

7.2 In any suit or dispute involving an infringer, the parties shall cooperate fully, and upon the request and at the expense of the party bringing suit, the other party shall make available to the party bringing suit at reasonable times and under appropriate conditions all relevant personnel, records, papers, information, samples, specimens, and the like which are in its possession.

VIII. ASSIGNMENT

This Agreement may not be assigned by LICENSEE without the prior written consent of BOARD, which consent will not be

unreasonably withheld or delayed.

IX. PATENT MARKING

LICENSEE agrees to mark permanently and legibly all products and documentation manufactured or sold by it under this Agreement with such patent notice as may be required under Title 35, United States Code.

X. INDEMNIFICATION

LICENSEE shall hold harmless and indemnify BOARD, SYSTEM, UT DALLAS, UT SOUTHWESTERN, their Regents, officers, employees and agents (hereinafter referred to collectively as "INDEMNITEES") from and against any claims, demands, or causes of action whatsoever (hereinafter collectively referred to as "CLAIMS"), including without limitation those arising on account of any injury or death of persons or damage to property caused by, or arising out of or resulting from, the exercise or practice of the license granted hereunder by LICENSEE, its AFFILIATES, or their officers, employees, agents or representatives except, if any such CLAIM arises out of or is the result of (i) the negligence or misconduct of the INDEMNITEES, or (ii) the violation of the rights of third parties in intellectual property rights by the practice of PATENT RIGHTS. LICENSEE shall have the sole right, subject to the statutory duties of the Texas Attorney General, to direct the defense of any such CLAIMS and to settle or compromise same, provided that no settlement or compromise shall impart any liability on the INDEMNITEES or compromise or adversely affect BOARD'S intellectual property rights. BOARD may participate in any such CLAIM with counsel of its own choosing at its own expense.

XI. USE OF NAME

LICENSEE shall not use the name of UT DALLAS, UT SOUTHWESTERN, SYSTEM, BOARD, INVENTORS, Regents or employees without express prior written consent.

XII. CONFIDENTIAL INFORMATION

12.1 BOARD and LICENSEE each agree that all trade secrets and/or information contained in documents or otherwise disclosed (i.e. verbal) which are forwarded to one by the other shall be received in strict confidence, used only for the purposes of this Agreement, and not disclosed by the recipient party (except as required by law or court order), its agents or employees without the prior written consent of the other party, unless such information (a) was in the public domain at the time of disclosure, (b) later became part of the public domain through no act or omission of the recipient party, its employees, agents, successors or assigns, (c) was lawfully disclosed to the

recipient party by third party having the right to disclose it, (d) was already known by the recipient party at the time of disclosure, the burden of proof being upon the recipient party, or (e) was independently developed, the burden of proof being upon the party claiming independent development. Notwithstanding the foregoing, BOARD may be required to submit certain information to a government agency pursuant to a preexisting obligation, and BOARD shall be permitted to comply with such obligations without violating the provisions of this Paragraph, provided that BOARD shall use its best efforts to give LICENSEE at least thirty (30) days prior written notice of a significant disclosure (or such shorter period, if thirty (30) days prior notice is not reasonably possible) to LICENSEE, together with a copy of the information BOARD proposes to disclose to such government agency.

12.2 Each party's obligation of confidence hereunder shall be fulfilled by using at least the same degree of care with the other party's confidential information it uses to protect its own confidential information. This obligation shall exist while this Agreement is in force and for a period of three (3) years thereafter.

XIII. PATENTS AND INVENTIONS

13.1 LICENSEE recognizes that any invention not covered by PATENT RIGHTS or TECHNOLOGY RIGHTS first conceived or first reduced to practice by a SYSTEM employee, agent or consultant, related to the LICENSED SUBJECT MATTER, shall be the property of the SYSTEM. SYSTEM recognizes that any invention not covered by PATENT RIGHTS or TECHNOLOGY RIGHTS first conceived or first reduced to practice by an employee, agent or consultant of LICENSEE, not including SYSTEM employees, agents or consultants, shall be the property of LICENSEE.

13.2 LICENSEE shall reimburse UT DALLAS and UT SOUTHWESTERN for all past, present and future expenses incurred in searching, preparing, filing, prosecuting and maintaining patent applications and patents relating to PATENT RIGHTS. If after consultation with LICENSEE it is agreed by UT DALLAS or UT SOUTHWESTERN, as appropriate, and LICENSEE that another patent application should be filed for LICENSED SUBJECT MATTER, UT DALLAS or UT SOUTHWESTERN, as appropriate, will prepare and file appropriate patent applications, and LICENSEE shall pay the cost of searching, preparing, filing, prosecuting and maintaining same. If LICENSEE notifies UT DALLAS or UT SOUTHWESTERN, as appropriate, that it does not intend to pay such costs, or if LICENSEE does not respond within thirty (30) days of written notice from BOARD, then UT DALLAS or UT SOUTHWESTERN, as appropriate, may file such application at its own expense and LICENSEE shall have no rights to such invention under this Agreement or otherwise. UT DALLAS or UT SOUTHWESTERN, as

appropriate, shall provide LICENSEE with a copy of the application filed for which LICENSEE has paid the cost of filing, as well as copies of any documents received or filed during prosecution thereof.

13.3 After consultation with UT DALLAS and UT SOUTHWESTERN, LICENSEE may prepare and file appropriate United States and foreign applications on LICENSED SUBJECT MATTER, or any portion thereof, subject to UT SOUTHWESTERN'S and UT DALLAS' approval of the content of the application(s) and other filings during prosecution thereto, not to be unreasonably withheld or delayed. In addition, LICENSEE agrees to:

(a) Notify UT DALLAS and UT SOUTHWESTERN of its intent to file for patent(s) related to LICENSED SUBJECT MATTER at least thirty (30) days prior to applying for patent(s), provided that a patent filing must be made in order to avoid the significant loss of intellectual property rights, LICENSEE may give reasonable prior notice (which may be less than thirty (30) days);

(b) Inform UT DALLAS and UT SOUTHWESTERN of LICENSEE'S choice of patent counsel to prepare and prosecute said patent application(s). Final approval of patent counsel shall rest with SYSTEM, whose approval shall not be unreasonably withheld;

(c) Subject to UT DALLAS' and UT SOUTHWESTERN'S approval, prepare, file and prosecute appropriate patent application(s) on the invention(s) and bear all such costs;

(d) Assign UT SOUTHWESTERN'S and UT DALLAS' interest in any such patent application(s) naming a SYSTEM employee, agent or consultant to SYSTEM;

(e) Provide UT DALLAS and UT SOUTHWESTERN with a copy (or copies) of all patent applications, as well as copies of any documents received or filed during prosecution thereof. LICENSEE will provide UT DALLAS and UT SOUTHWESTERN with the opportunity to review, object and comment thereon, within a reasonable time.

(f) Notify BOARD within seven (7) months after the filing of the corresponding United States application of its decision to obtain foreign patents. This notice concerning foreign filing shall be in writing, must identify the countries desired, and reaffirm LICENSEE'S obligation to underwrite the costs thereof. The absence of such notice within such time period from LICENSEE to BOARD shall be considered an election by LICENSEE not to secure foreign rights. BOARD shall have the right to file patent applications at its own expense in any country in which the

LICENSEE has not elected to secure patent rights, and has so informed BOARD by written notice. BOARD shall notify LICENSEE in writing of all such countries in which BOARD elects to pursue such foreign filings. Such applications and resultant patents shall thereafter not be subject to this Agreement.

13.4 LICENSEE shall not abandon or withdraw any application without the prior written approval of UT DALLAS and UT SOUTHWESTERN. In the event that LICENSEE does not wish to pursue patent protection for LICENSED SUBJECT MATTER, or any portion thereof, or if LICENSEE decides to discontinue paying maintenance fees for an issued patent for LICENSED SUBJECT MATTER, or any portion thereof and has so informed BOARD by written notice, UT DALLAS and/or UT SOUTHWESTERN may file such application, or pay such fees, at their own expense, and LICENSEE shall have no rights to such invention under this Agreement or otherwise. In the event that UT DALLAS and UT SOUTHWESTERN determine that LICENSEE has a conflict of interest by virtue of its preparation and/or prosecution of the subject patent application(s), which cannot be resolved by negotiation in good faith by BOARD, then UT DALLAS and UT SOUTHWESTERN may assume preparation and/or prosecution of such patent application(s).

13.5 Each party agrees to give to the filing party all reasonable assistance, including furnishing LICENSEE with any instruments and documents necessary or appropriate, in connection with the preparation and prosecution of patent application(s).

13.6 Within sixty (60) days of filing any patent application(s) naming SYSTEM employees, agents or consultants as inventors and which are assigned to BOARD, LICENSEE agrees to negotiate in good faith an exclusive patent license agreement with UT DALLAS and/or UT SOUTHWESTERN covering the subject matter of the application(s). The terms of such agreement shall be based on, but not limited to, the terms in the present Agreement.

13.7 LICENSEE'S patent counsel shall have the right to prosecute currently pending patent applications included in PATENT RIGHTS with the prior written consent and approval of BOARD, which consent and approval may be revoked by BOARD at any time for any reason upon written notice to LICENSEE.

XIV. CONSULTATION

14.1 LICENSEE'S DESIGNATED REPRESENTATIVE (hereinafter so called) for consultation and communications with INVENTORS shall be Richard A. Gumer or such other person as LICENSEE may from time to time designate in writing to UT DALLAS and UT SOUTHWESTERN.

14.2 Individual INVENTORS may act as consultants and advisors to LICENSEE on matters pertaining to transfer of LICENSED SUBJECT MATTER to LICENSEE under this Agreement. Such consultation shall be carried out at times, locations and in a manner mutually agreed upon by individual INVENTORS and LICENSEE'S DESIGNATED REPRESENTATIVE. For such services, LICENSEE will enter into payment arrangements with each INVENTOR, such payments to be made in cash, or stock or stock options, subject to approval by UT DALLAS and UT SOUTHWESTERN, as appropriate, in accordance with their internal rules, regulations and procedures, which approval will not be unreasonably withheld. While the INVENTORS are acting as advisors to LICENSEE, they will not act as advisors to any other commercial firm on LICENSED SUBJECT MATTER.

14.3 Any invention first conceived and reduced to practice by INVENTORS during such consultation shall be the property of BOARD and shall be subject to the option set forth below.

14.4 Any invention first conceived and reduced to practice jointly by LICENSEE'S employees or agents and INVENTORS shall be jointly owned by LICENSEE and BOARD and shall also be subject to the option set forth below.

14.5 BOARD grants to LICENSEE an option to negotiate a worldwide, exclusive license to practice and use any and all inventions and know-how described in Sections 14.3 and 14.4. Such option shall be exercisable at any time by LICENSEE within one hundred-twenty (120) days after UT DALLAS or UT SOUTHWESTERN, as appropriate, notifies LICENSEE in writing of the identification of such invention. LICENSEE must exercise its option in writing according to the provisions in Section 16.2, identify the invention and/or know-how, and provide a written statement of its intention to develop the invention and/or know-how for commercial use as soon as practicable, consistent with sound and reasonable business practices and judgment. Upon exercise of each such option, BOARD and LICENSEE shall enter into negotiations for a license agreement based on the foregoing rights, which agreement shall include at least the following terms and conditions or terms and conditions substantially similar to those set forth in this Agreement:

(a) a commitment by LICENSEE to pay to BOARD a reasonable amount of equity and/or running royalty on net sales;

(b) a commitment by LICENSEE to diligently develop and commercialize the licensed invention and know-how. In the event LICENSEE does not achieve its commitment, its license may terminate or become non-exclusive upon written notice by BOARD;

(c) a term that does not exceed any limits imposed by law;

(d) retention by BOARD of the complete royalty-free right to make and use any invention and know-how for teaching, research, or other educationally-related or academically-related purposes;

(e) reservation of the rights of the government of the United States of America, as set forth in Public Law 96-517, if applicable; and

(f) an indemnification by LICENSEE of UT DALLAS and UT SOUTHWESTERN (including BOARD and SYSTEM) and their Regents, officers, employees, and agents from all liability arising from LICENSEE'S development, marketing, manufacturing, use or sale of any invention or know-how.

14.6 In the event that an invention is conceived or reduced to practice during the consultation set out herein, UT DALLAS or UT SOUTHWESTERN, as appropriate, agrees to report such invention to LICENSEE within sixty (60) days of the identification of such invention. BOARD and LICENSEE shall thereupon exert their best efforts in cooperation with each other to investigate, evaluate and determine to the mutual satisfaction of both BOARD and LICENSEE whether any patent application(s) are to be filed.

14.7 Both parties agree to negotiate in good faith to enter into a license agreement as soon as reasonably practicable after the exercise of such option.

14.8 If after discussion on any invention of which UT DALLAS or UT SOUTHWESTERN employee is sole or joint inventor, it is agreed by BOARD and LICENSEE that a patent application(s) should be filed, BOARD and LICENSEE will cooperate with each other in determining whether BOARD or LICENSEE should prepare, file and prosecute patent application(s). If BOARD prepares, files and prosecutes patent application(s) on the invention, LICENSEE shall reimburse BOARD for such costs of such preparation, filing, prosecution and maintenance thereof. If LICENSEE notifies BOARD that it does not intend to pay such costs, or if LICENSEE does not respond within thirty (30) days of written notice from BOARD, then BOARD may file such application(s) at its own expense and LICENSEE shall have no rights, option or otherwise to such invention. BOARD shall provide LICENSEE with a copy of any application(s) filed for which LICENSEE has paid such costs, as well as copies of any documents received or filed during prosecution thereof.

14.9 If LICENSEE exercises such option, but the parties are unable to enter into a mutually agreeable license agreement, including, but not limited to, the terms in Paragraph 14.5,

LICENSEE shall retain a right of first refusal for a license under terms previously offered to LICENSEE, or other terms subsequently offered by BOARD to a third party, for six (6) months following the date upon which BOARD notifies LICENSEE in writing that no agreement appears likely.

XV. SPONSORED RESEARCH

LICENSEE and BOARD agree to begin diligently negotiating a sponsored research agreement within ninety (90) days of the EFFECTIVE DATE of this Agreement with the intent of concluding negotiations within six (6) months following the EFFECTIVE DATE of this Agreement.

XVI. GENERAL

16.1 This Agreement constitutes the entire and only agreement between the parties for LICENSED SUBJECT MATTER and all other prior negotiations, representations, agreements, and understandings are superseded hereby. No agreements altering or supplementing the terms hereof may be made except by means of a written document signed by the duly authorized representatives of the parties.

16.2 Any notice required by this License Agreement shall be given by prepaid, first class, certified mail, return receipt requested, addressed in the case of BOARD to:

BOARD OF REGENTS
The University of Texas System
201 West Seventh Street
Austin, Texas 78701
ATTENTION: System Intellectual
Property Office

with a copy to:

UT SOUTHWESTERN
Peter H. Fitzgerald, Ph.D.
Executive Vice President
for Business Affairs
5323 Harry Hines Boulevard
Dallas, Texas 75235-9013

and

UT SOUTHWESTERN
Katherine L. Chapman, J.D.
Associate Vice President for
Legal Affairs and Technology Transfer
5323 Harry Hines Boulevard
Dallas, TX 75235-9008

and

UT DALLAS
Marianne Woods, Ph.D.
Sponsored Projects
P.O. Box 830688
Richardson, Texas 75083-0688

and

UT DALLAS
Robert L. Lovitt
Vice President for
Business Affairs
P.O. Box 830688
Richardson, Texas 75083-0688

or in the case of LICENSEE to:

EPIKON, INC.
c/o Helix Venture Partners
667 Madison Avenue, 11th Floor
New York, New York 10021
ATTENTION: Richard A. Gumer, CEO

or such other address as may be given from time to time under the terms of this notice provision.

16.3 LICENSEE shall comply with all applicable federal, state and local laws, regulations, and ordinances in connection with its activities pursuant to this Agreement.

16.4 This License Agreement shall be construed and enforced in accordance with the laws of the United States of America and of the State of Texas.

16.5 Failure of BOARD to enforce a right under this Agreement shall not act as a waiver of that right or the ability to later assert that right relative to the particular situation involved.

16.6 Headings included herein are for convenience only and shall not be used to construe this Agreement.


16.7 If any provision of this Agreement shall be found by a court to be void, invalid or unenforceable, the same shall be reformed to comply with applicable law or stricken if not so conformable, so as not to affect the validity or enforceability of this Agreement.

IN WITNESS WHEREOF, parties hereto have caused their duly authorized representatives to execute this Agreement.

BOARD OF REGENTS OF THE
UNIVERSITY OF TEXAS SYSTEM

EPIKON, INC.

By: _____
Thomas G. Ricks
Acting Vice Chancellor
For Asset Management

By: 
Richard A. Gumer
Chief Executive Officer

Date: _____

Date: May 6, 1992

APPROVED AS TO FORM:

By: _____
Georgia K. Harper
Office of General Counsel

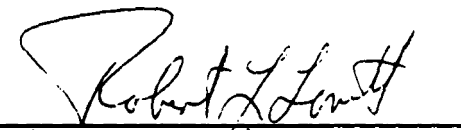
Date: _____

APPROVED AS TO CONTENT:

UT SOUTHWESTERN

UT DALLAS

By: _____
Peter H. Fitzgerald, Ph.D.
Executive Vice President
For Business Affairs

By: 
Robert L. Lovitt
Vice President for
Business Affairs

Date: _____

Date: 6/15/92

2. U. T. Southwestern Medical Center - Dallas: Recommendation for Approval to Acquire Equity Interest in Betagene, Inc., Dallas, Texas.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs and President Wildenthal that the U. T. Board of Regents, for and on behalf of U. T. Southwestern Medical Center - Dallas, approve the acceptance by Roger H. Unger, M.D., Christopher B. Newgard, Ph.D., John H. Johnson, Ph.D., and the U. T. System of an equity interest in Betagene, Inc., Dallas, Texas.

BACKGROUND INFORMATION

The U. T. Board of Regents approved on its June 1992 docket a Patent License Agreement between Betagene, Inc. and the U. T. System with an effective date of October 1, 1991. The agreement anticipates the further development of technologies created by Drs. Roger H. Unger, Christopher B. Newgard, and John H. Johnson (the "Inventors") at the U. T. Southwestern Medical Center - Dallas and the ultimate development and marketing of (1) an insulin production process or product, (2) a therapeutic implantable device and/or (3) a diagnostic product. The agreement also provides the U. T. System and the Inventors with an equity interest in Betagene, Inc. as partial consideration for the grant of the license to Betagene, Inc. Accordingly, Betagene, Inc. will issue shares of Founder's Stock equal to twenty percent (20%) of all shares of stock in the company to the U. T. Board of Regents to be shared in accordance with the U. T. System Intellectual Property Policy [fifty percent (50%) to the U. T. System and fifty percent (50%) to the Inventors]. Further, Betagene, Inc. will make stock purchase options available to the Inventors in the first two (2) years of the company's life pursuant to consulting arrangements with them and other key scientific and technical persons.

Betagene, Inc. has committed to sponsor research at the U. T. Southwestern Medical Center - Dallas in the future in the following amounts: \$75,000 in the first year of the agreement and a total of \$200,000 in the second through sixth years of the agreement.

Within the context of the entire consideration for the Patents and Patent Application licensed to Betagene, Inc. pursuant to the agreement, the equity interest is modest but will enable the Inventors and the U. T. System to share in appreciation of assets of the company through commercialization of this important technology for the diagnosis and treatment of diabetes.

The proposed acquisition of equity by the Inventors and the U. T. System is permitted with the U. T. Board of Regents' approval through the agenda pursuant to Section 51.912, Texas Education Code, and the U. T. System Intellectual Property Policy, Part Two, Chapter XII, Section 6, Subsections 6.1 and 6.2 of the Regents' Rules and Regulations.

IV. OTHER MATTERS

U. T. System: Recommendation to Appoint Two Members to the Investment Advisory Committee.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Acting Vice Chancellor for Asset Management and the Asset Management Committee that the U. T. Board of Regents approve the appointment of Mr. Monroe M. Luther, Houston, Texas, and Mr. Robert E. Wise, Dallas, Texas, to the Investment Advisory Committee. The appointments are for a three-year period from September 1, 1992 to August 31, 1995.

BACKGROUND INFORMATION

Mr. Monroe M. Luther is Chairman and Chief Executive Officer of Eagle Management and Trust Company, Houston, Texas, which provides domestic and international investment management services to foundations, retirement plans, banks and individuals. Prior to founding Eagle Management and Trust Company, Mr. Luther served as Vice President and Director of Fayez Sarofim & Co., Houston, Texas, and as a Certified Public Accountant with Touche, Ross & Co., Houston, Texas. He holds a BBA degree from U. T. Austin and a M.B.A. degree from Harvard Business School. His additional activities include Trustee, Star of Hope Mission for the homeless; Advisory Board, A. D. Players; Elder, Presbyterian Church; Development Board of Texas A&M School of Agriculture; Director of Columbia Universal Corporation; Director of Lion's Share Group, Czechoslovakia; Trustee of the Prague Post Foundation, Czechoslovakia; Texas Society of Certified Public Accountants; American Institute of Certified Public Accountants; International Society of Financial Analysts; and Houston Society of Financial Analysts.

Since 1983, Robert E. Wise has been the Vice President, Treasurer and Chief Financial Officer of the Meadows Foundation, Inc., Dallas, Texas, and a member of its Grants Review Committee. From 1954 to 1983, Mr. Wise was Chief Operating Officer and Secretary-Treasurer of the Welch Foundation, Houston, Texas. Mr. Wise is also a member of the Board of Directors of The Investment Fund for Foundations. He holds a BBA in Accounting from U. T. Austin. Mr. Wise serves on various committees of the Texas Society of CPAs and is a member of the Dallas Association of Investment Analysts, Conference of Southwest Foundations, Foundation Financial Officers Group and Dallas Economists Club.

With approval of these recommended appointments, the Investment Advisory Committee members and their respective terms will be as follows:

<u>Member</u>	<u>Term Expires</u>
L. Lowry Mays	8/31/93
Michael J. C. Roth	8/31/93
J. Luther King, Jr.	8/31/94
Unfilled	8/31/94
Monroe M. Luther	8/31/95
Robert E. Wise	8/31/95

**Executive Session
of the Board**

**BOARD OF REGENTS
EXECUTIVE SESSION
Pursuant to Vernon's Texas Civil Statutes
Article 6252-17, Sections 2(e), (f) and (g)**

Date: August 13, 1992

Time: Following the meeting of the Asset Management Committee

Place: Regents' Conference Room and Regents' Meeting Room
Ninth Floor, Ashbel Smith Hall

1. Pending and/or Contemplated Litigation - Section 2(e)
 - a. U. T. Health Science Center - Houston:
Proposed Settlement of Medical Liability Litigation
 - b. U. T. Health Science Center - San Antonio:
Proposed Settlement of Medical Liability Litigation
2. Land Acquisition, Purchase, Exchange, Lease or Value of Real Property and Negotiated Contracts for Prospective Gifts or Donations - Section 2(f)
3. Personnel Matters [Section 2(g)] Relating to Appointment, Employment, Evaluation, Assignment, Duties, Discipline, or Dismissal of Officers or Employees
 - U. T. Southwestern Medical Center - Dallas:
Consideration of Recommendation of Hearing Tribunal Regarding Termination of Nontenured Faculty Member