

MATERIAL SUPPORTING THE AGENDA

Volume XXXb

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

January 25, 1983  
February 10-11, 1983  
April 14-15, 1983

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.

Pink paper - summaries of gifts to U. T. Austin presented in the Land and Investment Committee and summaries of appointments to endowed academic positions presented to the Academic Affairs Committee.

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.

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

Date: January 25, 1983

Time: 9:30 a.m.

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

A. CALL TO ORDER

B. RECESS FOR EXECUTIVE SESSION

The Board will convene in Executive Session pursuant to Vernon's Texas Civil Statutes, Article 6252-17, to discuss Board organization.

C. RECONVENE

D. SPECIAL ITEM

U. T. Board of Regents: (1) Resolution Authorizing Issuance and Sale of Board of Regents of The University of Texas System Permanent University Fund Bonds, New Series 1983, in the Amount of \$54,000,000, (2) Designation of Paying Agency and (3) Award of Contract for Printing of Bonds

See Pages B of R 2 - 12.

E. MATTERS RELATED TO U. T. SAN ANTONIO - LUTCHER CENTER

1. U. T. San Antonio - Lutcher Center: Restoration and Improvements to Existing Conference Center Buildings and Grounds - Request for Project Authorization; Appointment of Project Architect for Preparation of Final Plans and Cost Estimates; Submission to Coordinating Board; and Appropriation Therefor

See Page B of R - 12.

2. U. T. San Antonio: Recommendation for U. T. Board of Regents Agreement to Lease the Lutcher Center to the National Center for the Study of Constitutional Democracy and Authorization to Negotiate Specific Lease Agreement for Subsequent Approval

See Page B of R - 14.

3. U. T. San Antonio - Lutcher Center: Recommendation for Acceptance of Offer to Purchase Real Estate in Terrell Hills, Bexar County, Texas, and to Establish a Permanent Endowment for Academic Excellence

See Page B of R - 15.

F. RATIFICATION OF BOARD MEETING DATES FOR CALENDAR 1983

See Page B of R - 16.

G. REPORT OF EXECUTIVE SESSION

H. ADJOURNMENT

Documentation

A. CALL TO ORDER

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The Board will convene in Executive Session pursuant to Vernon's Texas Civil Statutes, Article 6252-17, to discuss Board organization.

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D. SPECIAL ITEM

U. T. Board of Regents: (1) Resolution Authorizing Issuance and Sale of Board of Regents of The University of Texas System Permanent University Fund Bonds, New Series 1983, in the Amount of \$54,000,000, (2) Designation of Paying Agency and (3) Award of Contract for Printing of Bonds.--

RECOMMENDATION

The Office of the Chancellor recommends the following:

1. Adoption of Resolution Authorizing Issuance and Sale of Board of Regents of The University of Texas System Permanent University Fund Bonds, New Series 1983, in the Amount of \$54,000,000  
(Pages B of R 3 - 12 )
2. Designation of Paying Agency
3. Award of contract for Printing of the Bonds

Bids on above items will be available at the meeting.

BACKGROUND INFORMATION

Pursuant to authorization by the U. T. Board of Regents at its meeting on April 7-8, 1982, and as amended on October 7-8 and December 2-3, 1982, bids for Board of Regents of The University of Texas System Permanent University Fund Bonds, New Series 1983, in the amount of \$54,000,000, will be opened at the first floor conference room of Claudia Taylor Johnson Hall at 3:00 p.m. C.S.T., Monday, January 24, 1983. Bids for the Bonds, the Paying Agency and Printing of the Bonds will be considered by the Board of Regents at its meeting commencing at 9:30 a.m. C.S.T., Tuesday, January 25, 1983, in the Regents' Meeting Room in Ashbel Smith Hall.

RESOLUTION

BY THE BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM  
AUTHORIZING THE ISSUANCE OF BOARD OF REGENTS  
OF THE UNIVERSITY OF TEXAS SYSTEM PERMANENT UNIVER-  
SITY FUND BONDS, NEW SERIES 1983, IN THE AMOUNT OF  
\$54,000,000

WHEREAS, the Board of Regents of The University of Texas System (hereinafter sometimes called the "Board") heretofore has authorized, issued, and delivered that issue of Board of Regents of The University of Texas Permanent University Fund Refunding Bonds, Series 1958, dated July 1, 1958, said Bonds having been authorized pursuant to the provisions of Section 18, Article VII of the Texas Constitution; and

WHEREAS, said Refunding Bonds, Series 1958 (which no longer are outstanding) were payable from and secured by a first lien on and pledge of the Interest of The University of Texas System in the income from the Permanent University Fund, in the manner and to the extent provided in the resolution authorizing said Refunding Bonds, Series 1958; and

WHEREAS, the resolution adopted on July 23, 1958, authorizing the issuance of said Refunding Bonds, Series 1958, reserved the right and power in the Board to issue, under certain conditions, Additional Parity Bonds and Notes for the purposes and to the extent provided in Section 18, Article VII of the Texas Constitution, said Additional Parity Bonds and Notes to be on a parity with the aforesaid Refunding Bonds, Series 1958, and equally and ratably secured by and payable from a first lien on and pledge of the 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 are said Refunding Bonds, Series 1958; and

WHEREAS, Section 18, Article VII of the Texas Constitution provides that the Board is authorized to issue negotiable bonds and notes for the purpose of constructing, equipping, or acquiring buildings or other permanent improvements for The University of Texas System, in a total amount not to exceed two-thirds (2/3) of Twenty per cent (20%) of the value of the Permanent University Fund, exclusive of real estate, at the time of any issuance thereof; and

WHEREAS, the Board heretofore has authorized, issued, sold, and delivered its Permanent University Fund Bonds, Series 1959, Series 1960, Series 1961, Series 1962, Series 1963, Series 1964, Series 1965, and Series 1966, as installments or issues of such Additional Parity Bonds; and

WHEREAS, the Board has deemed it necessary and advisable that no more of said Additional Parity Bonds shall be issued because of the excessively restrictive Permanent University Fund investment covenants made in connection with all of the aforesaid Permanent University Fund Bonds heretofore issued; and

WHEREAS, the Board is required by law to keep said investment covenants in full force and effect as to all of the aforesaid Permanent University Fund Bonds heretofore issued and to affirm the first lien on and pledge accruing to said outstanding Permanent University Fund Bonds heretofore issued on the Interest of The University of Texas System in the income from the Permanent University Fund; and

WHEREAS, pursuant to a resolution adopted on June 16, 1967, the Board authorized, issued, sold, and delivered an installment or issue of negotiable bonds designated as the

Board of Regents of The University of Texas System Permanent University Fund Bonds, New Series 1967, dated July 1, 1967 (hereinafter sometimes called the "New Series 1967 Bonds"), in the principal amount of \$14,000,000, payable from and secured by a lien on and pledge of the Interest of The University of Texas System in the Permanent University Fund, subject only and subordinate to the first lien on and pledge of said Interest heretofore created in connection with the aforesaid outstanding Permanent University Fund Bonds; and

WHEREAS, in said resolution adopted on June 16, 1967, the Board set forth the terms and conditions under which additional bonds may be issued to be on a parity with the aforesaid New Series 1967 subordinate lien bonds, and the Board has issued its Permanent University Fund Bonds, New Series 1968, New Series 1969, New Series 1970, New Series 1971, New Series 1972, New Series 1973, New Series 1974, New Series 1975, New Series 1976, New Series 1977, New Series 1978, New Series 1979, New Series 1980, and New Series 1981, in accordance therewith; and

WHEREAS, the Board has determined to authorize, issue, sell, and deliver another installment or issue of such subordinate lien parity New Series Bonds in the principal amount of \$54,000,000; and

WHEREAS, the Board hereby officially finds and determines that the value of the Permanent University Fund, exclusive of real estate, is in excess of \$1,777,000,000.

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

1. Throughout this resolution the following terms and expressions as used herein shall have the meanings set forth below:

The term "Permanent University Fund", "Permanent Fund", and "Fund" used interchangeably herein shall mean the Permanent University Fund as created by Article VII, Section 11 of the Texas Constitution, further implemented by the provisions of Title 49, Chapter 1, of the Revised Civil Statutes of Texas, 1925, as amended and supplemented.

The expression "Interest of the University" in the Permanent University Fund shall mean all of the income to such Fund from grazing leases on university lands, and all of the other income from such Fund, after making provision for the payment of The University of Texas System's proportion of the expenses of administering such Fund, excepting one-third of the income arising and accruing to The Texas A&M University System from the 1,000,000 acres of land appropriated by the Constitution of 1876 and the land appropriated by the Act of 1883, as more particularly defined by Chapter 42, Acts of the Forty-second Legislature, Regular Session, 1931 (now codified as Section 66.03, Texas Education Code).

The term "Resolution" as used herein and in the Bonds shall mean this resolution authorizing the Bonds.

The term "Bonds" or "New Series 1983 Bonds" shall mean the New Series 1983 Bonds authorized in this Resolution, unless the context clearly indicates otherwise.

The term "Old Series Outstanding Bonds" shall mean the outstanding bonds of the following Series of bonds:

Board of Regents of The University of Texas Permanent University Fund Bonds, Series 1963, Series 1964, Series 1965, and Series 1966.

The term "New Series Additional Parity Bonds and Notes" and "Additional Parity Bonds and Notes" shall mean the additional parity bonds and the additional parity notes permitted to be issued pursuant to Section 11 of the resolution adopted on June 16, 1967, authorizing the issuance of Board of Regents of The University of Texas System Permanent University Fund Bonds, New Series 1967, dated July 1, 1967.

The term "New Series Outstanding Bonds" shall mean the outstanding bonds of the following Series of bonds:

Board of Regents of The University of Texas System Permanent University Fund Bonds, New Series 1967, Series 1968, Series 1969, Series 1970, Series 1971, Series 1972, Series 1973, Series 1974, Series 1975, Series 1976, Series 1977, Series 1978, Series 1979, Series 1980, and Series 1981.

The term "Board" shall mean the Board of Regents of The University of Texas System.

2. That said Board's negotiable coupon bonds, to be designated the "BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM PERMANENT UNIVERSITY FUND BONDS, NEW SERIES 1983", are hereby authorized to be issued and delivered in accordance with the Constitution and laws of the State of Texas in the principal amount of \$54,000,000 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.

3. That the Bonds shall be dated JANUARY 1, 1983, shall be in the denomination of \$5,000 EACH, shall be numbered consecutively from 1 THROUGH 10,800, and shall mature serially on JULY 1 in each of the years, and in the amounts, respectively, as set forth in the following schedule:

<u>YEARS</u>	<u>AMOUNTS</u>	<u>YEARS</u>	<u>AMOUNTS</u>
1983	\$2,160,000	1993	\$2,700,000
1984	2,160,000	1994	2,700,000
1985	2,160,000	1995	2,970,000
1986	2,160,000	1996	2,970,000
1987	2,430,000	1997	2,970,000
1988	2,430,000	1998	2,970,000
1989	2,430,000	1999	3,240,000
1990	2,430,000	2000	3,240,000
1991	2,700,000	2001	3,240,000
1992	2,700,000	2002	3,240,000

Said Bonds may be redeemed prior to their scheduled maturities, at the option of said Board, on the dates stated, for the prices, and in the manner provided, in the FORM OF BOND set forth in this Resolution; and further, said Bonds shall be registrable as to principal only, at the option of the owner, in the manner provided in said FORM OF BOND.

4. That the Bonds scheduled to mature during the years, respectively, set forth below shall bear interest from their date, until maturity or redemption, at the following rates per annum:

maturities 1983, \_\_\_\_\_<sup>00</sup>  
 maturities 1984, \_\_\_\_\_<sup>00</sup>  
 maturities 1985, \_\_\_\_\_<sup>00</sup>  
 maturities 1986, \_\_\_\_\_<sup>00</sup>  
 maturities 1987, \_\_\_\_\_<sup>00</sup>  
 maturities 1988, \_\_\_\_\_<sup>00</sup>  
 maturities 1989, \_\_\_\_\_<sup>00</sup>  
 maturities 1990, \_\_\_\_\_<sup>00</sup>  
 maturities 1991, \_\_\_\_\_<sup>00</sup>  
 maturities 1992, \_\_\_\_\_<sup>00</sup>

maturities 1993, \_\_\_\_\_<sup>00</sup>  
 maturities 1994, \_\_\_\_\_<sup>00</sup>  
 maturities 1995, \_\_\_\_\_<sup>00</sup>  
 maturities 1996, \_\_\_\_\_<sup>00</sup>  
 maturities 1997, \_\_\_\_\_<sup>00</sup>  
 maturities 1998, \_\_\_\_\_<sup>00</sup>  
 maturities 1999, \_\_\_\_\_<sup>00</sup>  
 maturities 2000, \_\_\_\_\_<sup>00</sup>  
 maturities 2001, \_\_\_\_\_<sup>00</sup>  
 maturities 2002, \_\_\_\_\_<sup>00</sup>

Said interest shall be evidenced by interest coupons which shall appertain to said Bonds, and which shall be payable on the dates stated in the FORM OF BOND set forth in this Resolution.

5. That said Bonds and interest coupons shall be payable, shall have the characteristics, and shall be signed and executed (and said Bonds shall be sealed), all as provided, and in the manner indicated, in the FORM OF BOND set forth in this Resolution.

6. That the form of said Bonds, including the form of Registration Certificate of the Comptroller of Public Accounts of the State of Texas to be printed and endorsed on each of said Bonds, the form of the aforesaid interest coupons which shall appertain and be attached initially to each of said Bonds, and the form of endorsement for registration as to principal, shall be, respectively, substantially as follows:

FORM OF BOND

NO. \_\_\_\_\_

\$5,000

UNITED STATES OF AMERICA  
 STATE OF TEXAS  
 BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM  
 PERMANENT UNIVERSITY FUND BOND  
 NEW SERIES 1983

ON JULY 1, \_\_\_\_\_, 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 \_\_\_\_\_% per annum, evidenced by interest coupons payable JULY 1, 1983, and semiannually thereafter on each JANUARY 1 and JULY 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

\_\_\_\_\_  
 OR, AT THE OPTION OF THE BEARER, AT \_\_\_\_\_, OR AT \_\_\_\_\_

which places shall be the paying agents for this Series of Bonds.

THIS BOND is one of a Series of negotiable coupon bonds dated JANUARY 1, 1983, issued in the principal amount of

\$54,000,000 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, 1992, OR ON ANY INTEREST PAYMENT DATE THEREAFTER, the outstanding Bonds of this Series may be redeemed prior to their scheduled maturities, at the option of said Board, IN WHOLE, OR IN PART, for the price of par and accrued interest to the date fixed for redemption, plus a premium of 1% of par if redeemed on or after JULY 1, 1992, but prior to JULY 1, 1993, with such premium to be reduced by 1/4 of 1% on JULY 1, 1993, and on each JULY 1 thereafter to par on JULY 1, 1996. 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 any 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, exists, 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 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 Chapter 42 of the Acts of the Regular Session of the 42nd Legislature of Texas (now codified as Section 66.03, Texas Education Code), 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 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



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.

NAME OF REGISTERED OWNER	DATE OF REGISTRATION	SIGNATURE OF REGISTRAR
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

7. (a) It is hereby certified and recited that the Bonds authorized in this Resolution are Additional Parity Bonds permitted to be issued under Section 11 of the resolution of the Board adopted on June 16, 1967, authorizing the issuance of Board of Regents of The University of Texas System Permanent University Fund Bonds, New Series 1967, dated July 1, 1967, and that all conditions and requirements of said Section 11 have been or will be met prior to the delivery of the Bonds herein authorized. The Bonds and the New Series Outstanding Bonds are and shall be on a parity and in all respects of equal dignity.

(b) Pursuant to the provisions of the Amendments to Section 18 of Article VII of the Texas Constitution, approved by a vote of the people of Texas on November 6, 1956, and on November 8, 1966, the Bonds, the New Series Outstanding Bonds, and any other New Series Additional Parity Bonds and Notes hereafter issued, and the interest thereon, shall be and are hereby 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 defined in Section 1 of this Resolution, subject only and subordinate to the first lien on and pledge of said Interest heretofore created in connection with the Old Series Outstanding Bonds.

8. (a) The aforesaid Resolution adopted June 16, 1967, authorizing the issuance of the Permanent University Fund Bonds, New Series 1967, has provided that the Comptroller of Public Accounts of the State of Texas shall establish in the State Treasury a fund to be known as "Board of Regents of The University of Texas System New Series Permanent University Fund Interest and Sinking Fund" (hereinafter called the "Interest and Sinking Fund"). In addition to the moneys required to be transferred to the credit of the Interest and Sinking Fund in connection with the New Series Outstanding Bonds, the

Comptroller of Public Accounts of the State of Texas shall, for the benefit of the Bonds, transfer to the Interest and Sinking Fund, out of The University of Texas System Available University Fund (the fund in the State Treasury to which is deposited the Interest of The University of Texas System), on or before May 15, 1983, and semiannually thereafter on or before November 15 and May 15 of each year while the Bonds or interest coupons appertaining thereto are outstanding and unpaid, the amount of interest or principal and interest which will become due on the Bonds on the July 1 or January 1 next following. It is hereby recognized that the amounts necessary for the payment of principal and interest on the Old Series Outstanding Bonds will have been transferred on or before May 1 and November 1 of each year from the aforesaid Available University Fund to the interest and sinking fund heretofore created for the benefit of the Old Series Outstanding Bonds.

(b) To the end that money will be available at the places of payment in ample time to pay the principal of and interest on the Bonds as such principal and interest respectively mature, on or before May 15, 1983, and semiannually thereafter on or before November 15 and May 15 of each year while any of the Bonds, or interest thereon, are outstanding and unpaid, the Comptroller of The University of Texas System, or such officer as may hereafter be designated by the Board to perform the duties now vested in such officer, shall perform the following duties:

(1) Prepare and file with the Comptroller of Public Accounts of the State of Texas (hereinafter called the "Comptroller of Public Accounts") a voucher based on which the Comptroller of Public Accounts shall draw a warrant against the Interest and Sinking Fund in the amount of the interest or principal and interest (when both are scheduled to accrue and mature) which will become due on the July 1 or January 1 next following.

(2) In the event the Bonds shall have been called for redemption on January 1 or July 1 next following of any year, prepare and file with the Comptroller of Public Accounts a voucher based on which the Comptroller of Public Accounts shall draw a warrant against funds of The University of Texas System legally available for such purpose in an amount sufficient to redeem the Bonds thus called.

(c) Whenever a voucher is so filed with the Comptroller of Public Accounts, he shall make the warrant based thereon payable to the order of the paying agent situated in the State of Texas, specified in Section 6 hereof, and shall deliver such warrant to such paying agent on or before the June 1 or December 1 next following.

(d) The paying agent situated in the State of Texas, designated in Section 6 hereof, shall, out of moneys remitted to it under the provisions of this Section 8 hereof, and not otherwise, make available to the other paying agents specified in Section 6 hereof, funds sufficient to pay such of the Bonds (whether payable to the bearer or payable to the registered owner thereof) and such of the coupons as are presented for payment, and said paying agent situated in the State of Texas by accepting designation as such paying agent agrees and is obligated to perform such service.

(e) The paying agents shall totally destroy all paid Bonds and coupons, and shall furnish the Board with an appropriate certificate of destruction covering the Bonds and coupons thus destroyed.

(f) The Board shall make provision with the paying agents for the rendition of a statement to The University of Texas System for any sums due such paying agents for services rendered in connection with the payment of the Bonds and coupons by such paying agents, and the amount of such charges shall be paid by the Board from funds available for such purpose.

9. That all of the language, terms, provisions, covenants, and agreements of Sections 7 through 13, both inclusive, of the aforesaid resolution adopted June 16, 1967, authorizing the issuance of the Permanent University Fund Bonds, New Series 1967, are hereby referred to, adopted, and made applicable to the Bonds authorized by this Resolution, for all purposes.

10. That after said Bonds shall have been executed, it shall be the duty of the Chairman of the Board or some officer of the Board acting under his authority, to deliver said Bonds and all necessary records and proceedings to the Attorney General of Texas, for examination and approval by the Attorney General. After said Bonds shall have been approved by the Attorney General, they shall be delivered to the Comptroller of Public Accounts of the State of Texas for registration. Upon registration of said Bonds, the Comptroller of Public Accounts (or a deputy lawfully designated in writing to act for the Comptroller) shall manually sign the Comptroller's Registration Certificate prescribed herein to be printed and endorsed on each of said Bonds, and the seal of said Comptroller shall be impressed, or placed in facsimile, on each of said Bonds.

11. That said Bonds are hereby sold and shall be delivered to a syndicate headed by \_\_\_\_\_ for the principal amount thereof and accrued interest to date of delivery, plus a premium of \$ \_\_\_\_\_.

12. That the Board covenants to and with the purchasers of the Bonds that it will make no use of the proceeds of the Bonds at any time throughout the term of this issue of Bonds which, if such use had been reasonably expected on the date of delivery of the Bonds to and payment for the Bonds by the purchasers, would have caused the Bonds to be arbitrage bonds within the meaning of Section 103(c) of the Internal Revenue Code of 1954, as amended, or any regulations or rulings pertaining thereto; and by this covenant the Board is obligated to comply with the requirements of the aforesaid Section 103(c) and all applicable and pertinent Department of the Treasury regulations relating to arbitrage bonds. The Board further covenants that the proceeds of the Bonds will not otherwise be used directly or indirectly so as to cause all or any part of the Bonds to be or become arbitrage bonds within the meaning of the aforesaid Section 103(c), or any regulations or rulings pertaining thereto.

13. That it is hereby officially found and determined that the meeting at which this Resolution was adopted was open to the public, and public notice of the time, place, and purpose of said meeting was given, all as required by Vernon's Ann. Tex. Civ. St. Article 6252-17.

14. That it is hereby officially found, determined, and declared that the Bonds have been sold at public sale to the bidder offering the lowest interest cost, after receiving sealed bids pursuant to an Official Notice of Sale and Official Statement dated January 7, 1983, prepared and distributed in connection with the sale of the Bonds. Said Official Notice of Sale and Official Statement have been and are hereby approved by the Board. It is further officially found, determined, and declared that the statements and representations contained in said Official Notice of Sale and Official Statement relating to

the Board and The University of Texas System are true and correct in all material respects, to the best knowledge and belief of the Board.

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E. MATTERS RELATED TO U. T. SAN ANTONIO - LUTCHER CENTER

1. U. T. San Antonio - Lutcher Center: Restoration and Improvements to Existing Conference Center Buildings and Grounds - Request for Project Authorization; Appointment of Project Architect for Preparation of Final Plans and Cost Estimates; Submission to Coordinating Board; and Appropriation Therefor.--

RECOMMENDATION

The Office of the Chancellor concurs with the recommendations of President Wagener that the Board:

- a. Authorize a restoration project for the U. T. San Antonio Lutcher Center, in addition to the foundation work already authorized
- b. Appoint a Project Architect from the list set out on Page B of R - 13 to prepare final plans, specifications and detailed cost estimates, which will be brought to the Board for consideration at a future meeting
- c. Authorize submission of the restoration project to the Coordinating Board, Texas College and University System
- d. Appropriate \$825,000 from the sale of property at the Lutcher Center which, when combined with \$700,000 provided by Mrs. Lutcher Brown to the Emily Wells Brown Trust of the San Antonio Area Foundation, will provide funds to underwrite the estimated total project cost of \$1,400,000 for both foundation and restoration work.

BACKGROUND INFORMATION

The Lutcher Center in San Antonio is under the care and control of U. T. San Antonio. It serves as a Conference Center, not only for U. T. San Antonio but also for the U. T. System.

The soils under the main building are expansive clays which swell and shrink with changes in water content. As a result, the building has shifted badly, resulting in structural and cosmetic damage. It is necessary to replace the foundation with a new foundation which can resist the forces and movements of the earth which underlies the building. Once the foundation has been replaced, it will be necessary to re-level the building and repair such damage as exists at that time.

At its meeting on August 13, 1982, the Board of Regents authorized a project for foundation repair and limited restoration of the Lutcher Center. It appointed the engineering firm of W. E. Simpson Company, Inc., San Antonio, Texas, to prepare final plans and specifications. This work has been completed. It authorized negotiation of a construction contract with the Beck & Duderstadt Foundation Company, San Antonio, for the necessary specialized foundation repair. The contract has been negotiated but not consummated, pending satisfactory financial and ownership arrangements with Mrs. Lutcher Brown. It authorized submission of the project to the Coordinating Board, Texas College and University System, which approved the foundation repairs at its meeting on July 23, 1982. It will be necessary to submit the remainder of the project to the Coordinating Board for its consideration at its April meeting.

The financial and ownership arrangements referred to above are reaching a successful and satisfactory conclusion, and are the subjects of other agenda items being brought to the Board of Regents for consideration and approval.

It is appropriate at this time to appoint an architectural firm to deal with the repairs and restoration of the Lutcher Center, once the foundation work has been completed. The architectural firm of Chumney, Jones & Kell is known for its previous restoration work in San Antonio and is recommended by U. T. San Antonio and the Office of Facilities Planning and Construction. However, additional firms are listed below for the Board's consideration.

List of Firms for Consideration

Project Architect

Chumney, Jones & Kell,  
San Antonio, Texas

Phelps & Simmons & Garza,  
San Antonio, Texas

Marmon & Mok, Associates  
San Antonio, Texas

O'Neil & Perez & Associates,  
San Antonio, Texas

Ford, Powell & Carson,  
San Antonio, Texas

Recent U. T. System Projects

UTHSC-San Antonio: Renovation  
of Original Library Building  
UTHSC-San Antonio: Completion  
of Lower Level, Lecture Halls  
UTHSC-San Antonio: Library (in  
association with another firm)  
UTHSC-San Antonio: Basic  
Science Expansion (in  
association with another firm)

UTHSC-San Antonio: Auditorium  
Renovation, Level 2  
UTHSC-San Antonio: Library (in  
association with another firm)  
UTHSC-San Antonio: Basic  
Science Expansion (in associa-  
tion with another firm)

None in Last Five Years

U.T. San Antonio: Feasibility  
Study for Student Union

None in Last Five Years

The project will be funded entirely from gift funds and the sale of property authorized by Mrs. Lutcher Brown. To date, sales of property have produced \$825,000, which sum is dedicated to this restoration project. In addition, Mrs. Lutcher Brown has deposited \$700,000 in the Emily Wells Brown Trust of the San Antonio Area Foundation which is also dedicated to this project. This provides \$1,525,000 for completion of the restoration project which is estimated to have a total project cost of \$1,400,000. The cost of the restoration work will be paid from the two sources of funds listed above.

2. U.T. San Antonio: Recommendation for U.T. Board of Regents Agreement to Lease the Lutcher Center to the National Center for the Study of Constitutional Democracy and Authorization to Negotiate Specific Lease Agreement for Subsequent Approval.--

#### RECOMMENDATION

President Wagener and the Office of the Chancellor recommend that the U.T. Board of Regents agree in principle to lease the Lutcher Center, after its restoration is completed, to the National Center for the Study of Constitutional Democracy for a nominal annual rental, and authorize the Executive Vice Chancellor for Academic Affairs, in conjunction with the Office of General Counsel to negotiate a specific lease agreement for presentation to the Board for approval at a future meeting. A proposed lease agreement would place full responsibility for maintenance, upkeep, and security of the improvements and grounds on the lessee and provide that the Center may periodically be leased back to the U.T. Board of Regents, the Office of the Chancellor or U.T. component institutions for suitable functions when the Center is not otherwise in use by the lessee.

#### BACKGROUND INFORMATION

Several community leaders in San Antonio are in the process of forming a Texas Non-Profit Corporation, to be called the National Center for the Study of Constitutional Democracy, which will host visiting scholars for the purpose of conducting research on Constitutional Democracy as it has evolved in the United States and other countries. Under the proposed arrangement the Lutcher Center would become headquarters for this National Center. The Center would have no organizational relationship to U.T. San Antonio or other U.T. component institutions. However, it is anticipated that its existence would provide research and study opportunities for faculty members from U.T. component institutions as well as other State institutions of higher education. The corporation would be responsible for all expenses connected with the property while it holds a lease to the Lutcher Center.

Additional information concerning the charter and officers of this Center will be available at the Board meeting.

3. U.T. San Antonio: Lutcher Center - Recommendation for Acceptance of Offer to Purchase Real Estate in Terrell Hills, Bexar County, Texas, and to Establish a Permanent Endowment for Academic Excellence.--

#### RECOMMENDATION

The Office of the Chancellor recommends acceptance of the offer of Mr. Stephen Stansell of San Antonio, Texas, to purchase Tract 33 and portions of Tracts 39 and 40, Original Terrell Hills Subdivision, Terrell Hills, Bexar County, Texas, for \$1,500,000.00 cash. It is also recommended that the sale proceeds be used to establish a permanent endowment for academic excellence at U.T. San Antonio.

#### BACKGROUND INFORMATION

The tract recommended for sale, containing approximately 11 acres, is the westernmost portion of the 25.17 acre tract conveyed to the U.T. Board of Regents by H. Lutcher Brown and wife, Emily Wells Brown, on December 29, 1965.

The offer by Mr. Stansell is one of four proposals for the purchase of this property. On January 12, 1983, Mr. Stansell offered \$1,300,000.00 cash, less his actual cost of constructing a wall along the new common boundary. By telegram on January 14, Mr. Stansell offered two alternative amendments to that proposal, both providing that the wall would be constructed entirely at the purchaser's expense. The first amendment increases the purchase price to \$1,650,000.00 cash, but is contingent upon the purchaser being given two weeks within which to obtain a satisfactory engineering report and positive indications concerning his proposed development plan. The second amendment, which is the one being recommended, increases the purchase price to \$1,500,000.00 cash and contains no contingencies whatsoever.

Mr. John Baines of San Antonio submitted two alternative proposals on January 14, 1983. His first provides for a purchase price of \$1,950,000.00 cash, but contains several contingencies. The foremost of these is that all permits, approvals, and requirements of the City of Terrell Hills and any other necessary agency pertaining to a proposed subdivision must be obtained to the purchaser's sole satisfaction prior to closing. Mr. Baines' second proposal provides for a price of \$1,450,000.00 cash. It does not contain the contingency regarding municipal approvals, but it does allow termination of the contract in the event the purchaser, in his sole discretion, objects to the final survey or to any easements or restrictive covenants affecting the property. Mr. Baines will construct a wall along the property line at his own expense under either proposal.

The results of recent attempts to subdivide land in Terrell Hills indicate that there will likely be opposition to the development of the subject tract on the part of some nearby property owners. It is for this reason that Mr. Stansell's no contingency offer is being recommended. If a proposed subdivision is denied, then the market value of the property will be reduced, and in fact, there is no assurance that either prospective purchaser would remain interested.

F. RATIFICATION OF BOARD MEETING DATES FOR CALENDAR 1983

<u>Dates</u>	<u>Locations/Hosts</u>
February 10-11, 1983	Austin
April 14-15, 1983	Austin
June 9-10, 1983	U. T. Health Science Center - Dallas
August 11-12, 1983	Austin
October 13-14, 1983	U. T. Medical Branch - Galveston
December 8-9, 1983	U. T. Austin

G. REPORT OF EXECUTIVE SESSION

H. ADJOURNMENT

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM  
PERMANENT UNIVERSITY FUND BONDS, NEW SERIES 1983  
IN THE AMOUNT OF \$54,000,000

SALE OF P.U.F. BONDS.--As authorized, bids were called for and received until 3:00 P.M., C.S.T., on January 24, 1983, and then publicly opened and tabulated. A copy of the tabulation is attached.

The Office of the Chancellor recommends that the Board of Regents adopt the resolution authorizing the issuance of Permanent University Fund Bonds in the amount of \$54,000,000 and the sale to a syndicate headed by The First National Bank of Chicago, Chicago, Illinois, at the price of par and accrued interest to the delivery plus a premium of \$12,269.00 at rates of interest shown on the tabulation. The average effective interest cost on the bonds to the Board of Regents is 8.0419%.

DESIGNATION OF PAYING AGENCY.--Attached is a tabulation of the bids received and publicly opened and tabulated at 1:30 P.M., C.S.T., on January 24, 1983, in accordance with specifications previously furnished the qualified bidders (Texas banks with assets in excess of \$200,000,000).

The Office of the Chancellor recommends that the bid for the paying agency submitted by InterFirst Bank Dallas, N.A., Dallas, Texas, with co-paying agents Chemical Bank, New York, New York, and Northern Trust Company, Chicago, Illinois, for this issue be accepted. The bank will pay the Board of Regents \$300.00 per million outstanding per year for the life of the issue.

AWARD OF CONTRACT FOR PRINTING THE BONDS.--Attached is a tabulation of the bids received and publicly opened and tabulated at 1:30 P.M., C.S.T., on January 24, 1983; in accordance with specifications furnished to printing companies.

The Office of the Chancellor recommends that the bid of American Bank Note Company, Chicago, Illinois, be accepted for printing of the bonds with lithographed borders, as set out in the specifications, for the sum of \$6,906.00 (less \$50.00 if delivery is made in Austin, Texas), there being six interest rates.

\$54,000,000

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM  
 PERMANENT UNIVERSITY FUND BONDS, NEW SERIES 1983

Bids Received  
 January 24, 1983, at 3:00 P.M., CST

ACCOUNT MANAGERS	COUPON RATE			INTEREST COST		
The First National Bank of Chicago Chicago, Illinois	1983	thru	1992	10.00 %	Gross	\$ _____
	1993	thru	1996	8.10	Premium	12,269.00
	1997	thru	-	8.40	Net	46,900,501.00
	1998	thru	-	8.60	Effective Interest Rate	8.0419%
	1999	thru	2000	8.80		
	2001	thru	2002	5.00		
Prudential-Bache Securities Inc. New York, New York	1983	thru	1991	10.50 %	Gross	\$ _____
	1992	thru	1995	8.20	Premium	143,345.70
	1996	thru	-	8.40	Net	47,732,986.80
	1997	thru	-	8.60	Effective Interest Rate	8.1846%
	1998	thru	2000	8.75		
	2001	thru	2002	5.50		
Citibank, N.A. For the Joint Mgrs. & Assoc. New York, New York	1983	thru	1990	11.00 %	Gross	\$ _____
	1991	thru	1995	8.00	Premium	-0-
	1996	thru	1997	8.40	Net	47,887,605.00
	1998	thru	2000	8.70	Effective Interest Rate	8.2111%
	2001	thru	2002	6.00		
			thru			
	19	thru		%	Gross	\$ _____
	19	thru			Premium	_____
	19	thru			Net	_____
	19	thru			Effective Interest Rate	_____
	19	thru				
		thru				
	19	thru		%	Gross	\$ _____
	19	thru			Premium	_____
	19	thru			Net	_____
	19	thru			Effective Interest Rate	_____
	19	thru				
		thru				

BIDS FOR PAYING AGENCY  
 \$54,000,000  
 BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM  
 PERMANENT UNIVERSITY FUND BONDS, NEW SERIES 1983  
 Bids Received  
 January 24, 1983, at 1:30 P.M. CST

BIDDER	Co-Paying Agents	Per Coupon Paid	Per Bond Paid
InterFirst Bank Dallas, N.A.	NY: Chemical Bank Chicago: Northern Trust Company	Will pay the Board of Regents \$300.00 per million outstanding per year for the life of the issue, for a total of \$183,060.	
InterFirst Bank Austin, N.A.	NY: Bankers Trust Company Chicago: First National Bank of Chicago	Will pay the Board of Regents \$6,850.00 7-1-83, \$12,500 annually for nine years beginning 7-1-84, \$5,500 annually beg. 7-1-93 till bonds have been retired. Total to final maturity, \$174,850.	
BancTEXAS Dallas, N.A. formerly National Bank of Commerce Dallas	NY: Chemical Bank Chicago: Continental Illinois National Bank and Trust Company	Will pay the Board of Regents \$15,000.00, for 1983 to be paid immediately plus \$8,000.00 to be paid Jan. 1 for ten years and \$6,000.00 to be paid Jan. 1, for nine years for a total of \$149,000.00 If bonds are called for redemption, the annual payment will be reduced proportionately.	
American National Bank of Austin	NY: Citibank New York Chicago: Harris Trust and Savings	We will pay to the Board of Regents \$26,550.	
The First National Bank of Fort Worth	NY: The Bank of New York Chicago: The First National Bank of Chicago	-0-	-0-
RepublicBank Houston, National Association	NY: Bankers Trust Company Chicago: Northern Trust	-0-	-0-
First City Bank of Dallas	NY: Chase Manhattan Bank, N.A. Chicago: Harris Bank of Chicago	.17¢	\$1.75
First City Bank of Corpus Christi	NY: Chase Manhattan Bank, N.A. Chicago: First National Bank of Chicago	.20¢	\$2.50
Mercantile Bank Dallas  (Non - Responsive bid)	NY: Chicago:	\$200.00 per annum	-0-
The First-Wichita National National Bank of Wichita Falls  (Non - Responsive bid)	NY: Chase Manhattan Bank, N.A. Chicago: First National Bank of Chicago	.19¢	\$1.80

BIDS FOR PRINTING BONDS  
\$54,000,000

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM  
PERMANENT UNIVERSITY FUND BONDS, NEW SERIES 1983

Tabulation of Bids Received

January 24, 1983 - 1:30 P.m., CST

Bidder	One Coupon Rate	Two Coupons Rate	Three Coupons Rate	Four Coupons Rate	Five Coupons Rate	Six Coupons Rate	Number of Working Days
*American Bank Note Company 5858 West 73rd Street Chicago, Illinois 60638	\$6,706.00	\$6,746.00	\$6,786.00	\$6,826.00	\$6,866.00	\$6,906.00	6
**Hart Graphics, Inc. 8000 Shoal Creek Blvd. Austin, Texas 78767	8,447.00	8,472.00	8,497.00	8,522.00	8,547.00	8,572.00	15
Midwest Bank Note Company 16580 Northville Rd. Plymouth, Michigan 48170	7,538.00	7,561.00	7,584.00	7,607.00	7,630.00	7,653.00	13

\* Less \$50.00 if delivery is made in Austin, Texas  
\*\* Less \$1,250.00 if delivery is made in Austin, Texas

# BID FORM

Date .....

To: The Board of Regents of The University of Texas System  
The Board of Regents of The Texas A&M University System

Address:

W. L. Lobb, Executive Director  
for Investments and Trusts  
The University of Texas System  
210 West Sixth Street  
Austin, Texas 78701

Gentlemen:

In accordance with the Notice of Sale, dated January 7, 1983, we will pay par and accrued interest to the date of delivery, plus the premium as indicated below, for the following bonds: (Fill in blanks for which bids are made.)

**A. SEPARATE BID ON**

\$54,000,000 par value Board of Regents of the University of Texas System Permanent University Fund Bonds, New Series 1983, dated January 1, 1983:

FOR BONDS MATURING	COUPON RATE
1983 through .....	.....%
..... through .....	.....%
..... through .....	.....%
..... through .....	.....%
..... through .....	.....%
..... through .....	.....%
Premium .....	\$ .....
Net Interest Cost* .....	\$ .....
Weighted Average Annual Interest Rate† .....	.....%

**B. SEPARATE BID ON**

\$23,000,000 par value Board of Regents of The Texas A&M University System Permanent University Fund Bonds, New Series 1983, dated January 1, 1983:

FOR BONDS MATURING	COUPON RATE
1983 through .....	.....%
..... through .....	.....%
..... through .....	.....%
..... through .....	.....%
..... through .....	.....%
..... through .....	.....%
Premium .....	\$ .....
Net Interest Cost* .....	\$ .....
Weighted Average Annual Interest Rate† .....	.....%

Check No.	Drawn On	For	Amount of check
.....	.....	U.T. Bonds .....	\$1,080,000
.....	.....	A&M Bonds .....	460,000

Name of Firm or Syndicate: .....

Signed by: .....

Address: .....

If bid(s) here made (is, are) not accepted, above-described check(s) should be returned to

.....  
(Name)

.....  
(Address)

Good faith check(s) returned to bidder this ..... day of January, 1983:

\* Comparison of bids will be made by taking the net interest cost at the rates named in the bids calculated to the scheduled maturity date.

† Shown for information only.

# BID FORM

Date .....

To: The Board of Regents of The University of Texas System  
The Board of Regents of The Texas A&M University System

Address:

W. L. Lobb, Executive Director  
for Investments and Trusts  
The University of Texas System  
210 West Sixth Street  
Austin, Texas 78701

Gentlemen:

In accordance with the Notice of Sale, dated January 7, 1983, we will pay par and accrued interest to the date of delivery, plus the premium as indicated below, for the following bonds: (Fill in blanks for which bids are made.)

**A. SEPARATE BID ON**

\$54,000,000 par value Board of Regents of the University of Texas System Permanent University Fund Bonds, New Series 1983, dated January 1, 1983:

FOR BONDS MATURING	COUPON RATE
1983 through .....	.....%
..... through .....	.....%
..... through .....	.....%
..... through .....	.....%
..... through .....	.....%
..... through .....	.....%
Premium .....	.....\$
Net Interest Cost* .....	.....\$
Weighted Average Annual Interest Rate† .....	.....%

**B. SEPARATE BID ON**

\$23,000,000 par value Board of Regents of The Texas A&M University System Permanent University Fund Bonds, New Series 1983, dated January 1, 1983:

FOR BONDS MATURING	COUPON RATE
1983 through .....	.....%
..... through .....	.....%
..... through .....	.....%
..... through .....	.....%
..... through .....	.....%
..... through .....	.....%
Premium .....	.....\$
Net Interest Cost* .....	.....\$
Weighted Average Annual Interest Rate† .....	.....%

Check No.	Drawn On	For	Amount of check
.....	.....	U.T. Bonds .....	\$1,080,000
.....	.....	A&M Bonds .....	460,000

Name of Firm or Syndicate: .....

Signed by: .....

Address: .....

If bid(s) here made (is, are) not accepted, above-described check(s) should be returned to

.....  
(Name)

.....  
(Address)

Good faith check(s) returned to bidder this ..... day of January, 1983:

\* Comparison of bids will be made by taking the net interest cost at the rates named in the bids calculated to the scheduled maturity date.  
† Shown for information only.

*Official Notice of SALE*  
&  
*Official STATEMENT*

*for*

Board of Regents of The University of Texas System

Permanent University Fund Bonds

New Series 1983

\$54,000,000

Board of Regents of The Texas A&M University System

Permanent University Fund Bonds

New Series 1983

\$23,000,000

TO BE DATED JANUARY 1, 1983

## Part I

### OFFICIAL NOTICE OF SALE

Board of Regents of The University of Texas System  
 Permanent University Fund Bonds  
 New Series 1983 \$54,000,000

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Board of Regents of The Texas A&M University System  
 Permanent University Fund Bonds  
 New Series 1983 \$23,000,000

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#### Bids to be Opened

Monday, January 24, 1983, at 3:00 P.M., C.S.T.

*Place and Time of Sale:* Sealed bids will be received by representatives of the Board of Regents of The University of Texas System and the Board of Regents of The Texas A&M University System in the Office of Investments and Trusts, 210 West Sixth Street, Austin, Texas, until 3:00 P.M., C.S.T., January 24, 1983, for the bonds described in the OFFICIAL STATEMENT, at which time said bids will be publicly opened and read. The Board of Regents of The Texas A&M University System and the Board of Regents of The University of Texas System will consider and act on their respective bonds at their meetings on Tuesday morning, January 25, 1983.

*Address of Bids:* Sealed bids, plainly marked "BID FOR PERMANENT UNIVERSITY FUND BONDS", should be addressed to "Board of Regents, The University of Texas System or Board of Regents, The Texas A&M University System, c/o Mr. W. L. Lobb, Executive Director for Investments and Trusts, The University of Texas System, 210 West Sixth Street, Austin, Texas 78701". All bids must be submitted on the "OFFICIAL BID FORM", copies of which are enclosed herewith.

*Types of Bids and Interest Rates:* Bids must be submitted separately for each of the two issues named above, and bids will be considered for either one or both of said issues. No proposal will be considered for the purchase of less than all the bonds of any one issue or a price less than par value plus accrued interest. "All or None" bids for the two issues will not be accepted. Bidders are invited to name the rate, or rates, of interest to be borne by the bonds, provided that the rates are stated in multiples of 1/8th or 1/20th of 1%, and that the difference between the lowest and highest interest rates named does not exceed five percent (5%). Bids involving more than six different coupon rates or five coupon changes or supplemental coupons or split interest rates will not be considered and all bonds of one maturity must bear the same rate. Fifteen percent (15%) is the maximum effective interest rate permitted by law.

*Good Faith Deposit:* Separate cashier's checks for each issue bid shall be drawn in the amounts and made payable as follows:

1. For the \$54,000,000 of Board of Regents of The University of Texas System Permanent University Fund Bonds, New Series 1983, the good faith check must be payable to the Board of Regents of The University of Texas System in the amount of \$1,080,000.
2. For the \$23,000,000 of Board of Regents of The Texas A&M University System Permanent University Fund Bonds, New Series 1983, the good faith check must be payable to the Board of Regents of The Texas A&M University System in the amount of \$460,000.

These respective checks will be considered as a good faith deposit, and the check of the successful bidder will be retained uncashed by the respective Boards to secure performance of the contract by such bidder. In the event such bidder should fail or refuse to take up and pay for the bonds in accordance with his bid, then said good faith deposit shall be accepted by the Boards as full and complete liquidated damages. Otherwise, said deposit will be returned to the successful bidder upon payment for the bonds. The required cashier's check may accompany the "OFFICIAL BID FORM" or it may be submitted separately. If submitted separately, it shall be made available to the Boards prior to the opening of the bids and shall be accompanied by instructions from the bank on which drawn authorizing its use as a good faith deposit by the successful bidder who shall be named in such instructions. No interest will be allowed on the good faith deposit of the successful bidder, and the checks of the unsuccessful bidders will be returned as soon as the best bid is determined.

*Basis of Award:* Comparison of bids will be made by taking the total interest cost at the rate or rates named in the respective bids calculated to the scheduled maturity date of each bond, deducting therefrom any premium bid in order to obtain the net interest cost. The issues will be awarded to the bidder for each separate issue whose bid on the above computation produces the lowest net interest cost. All bids should show the net interest cost and for informational purposes, the weighted average interest rate. In case of errors in net interest cost calculations, coupons named will govern; however, the Boards reserve the right to reject any and all bids and to waive any and all irregularities.

*Legal Opinion:* The respective Boards will furnish a complete transcript of proceedings had incident to the authorization and issuance of the bonds, including the unqualified approving legal opinion of the Attorney General of Texas to the effect that the bonds are valid and legally binding obligations of the respective Boards, and, based upon examination of such transcript of the proceedings, the unqualified approving legal opinion of Messrs. McCall, Parkhurst & Horton, bond counsel for The University of Texas System and The Texas A&M University System, to the effect that the interest on the bonds is exempt from present federal income taxation under existing statutes, published regulations and court decisions. Messrs. McCall, Parkhurst & Horton did not take part in the preparation of the Official Notice of Sale or the Official Statement nor has such firm undertaken to verify any of the information contained therein, except that, in its capacity as bond counsel, such firm has reviewed the information describing the bonds in such Notice and Statement to verify that such description conforms to the provisions of the bond resolution. The legal fees to be paid to Messrs. McCall, Parkhurst & Horton for services rendered in connection with the issuance of the bonds are contingent on the sale and delivery of the bonds.

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

*Certification as to Official Statement:* At the time of payment for and delivery of the bonds, the respective Boards will furnish the successful bidder a certificate, executed by a proper officer or officers of such Boards, acting in their official capacity, to the effect that to the best of their knowledge and belief: (a) the description and statements of or pertaining to the issuers contained in the Official Statement, as supplemented and amended, on the date of such Official Statement, on the date of sale of the bonds and the acceptance of the best bid therefor, and on the date of the delivery of the bonds, were and are true and correct in all material respects; (b) insofar as the issuers and their affairs, including the financial affairs, are concerned, such Official Statement did not and does not contain an untrue statement of material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein; in the light of the circumstances under which they were made, not misleading; and (c) insofar as the description and statements, including financial data contained in such Official Statement, as supplemented and amended, of or pertaining to entities other than the Boards and their activities are concerned, such statements and data have been obtained from sources which the Boards believe to be reliable and that the Boards have no reason to believe that they are untrue in any material respect.

**Printed Bonds:** The respective Boards, at their cost, will furnish printed bonds on lithographed or steel engraved borders to the purchasers. The legal opinion of Messrs. McCall, Parkhurst & Horton will be printed on The University of Texas System and The Texas A&M University System bonds.

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

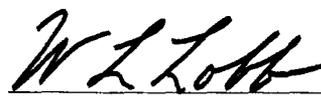
**Paying Agent Banks:** On the date these bonds are sold, the Board of Regents of The University of Texas System and the Board of Regents of The Texas A&M University System, respectively, will select a Texas bank with assets in excess of \$200,000,000 as paying agent on these bonds and a New York City bank and a Chicago bank as co-paying agents. The selection of paying agents will be at the sole discretion of the respective Boards of Regents.

**Delivery:** Delivery of the bonds will be made at the expense of the respective Boards at a bank in Austin, Texas, provided, however, that the purchaser may arrange with the Boards for delivery of the bonds at a bank in New York or Chicago, at the expense of the purchaser. It is anticipated that delivery can be made on or about February 23, 1983, and it is understood and agreed that the purchaser will accept delivery and make payment in Federal Funds of the agreed purchase price on or before February 23, 1983, or thereafter when the bonds are tendered for delivery up to and including March 23, 1983. The purchaser shall be given at least seven days' notice of the time which the respective Boards have fixed for delivery. The purchaser shall make proper payment for the bonds prior to 10:30 A.M., C.S.T., on the date so fixed for delivery. If for any reason The University of Texas System or The Texas A&M University System is unable to tender the bonds for delivery by March 23, 1983, then the System shall immediately contact the successful bidder to allow said bidder to extend his bid for an additional 30 days. If the successful bidder does not elect to extend his offer within five days after such notification, then the good faith deposit will be returned and both The University of Texas System and The Texas A&M University System and the successful bidder shall be relieved of further obligation.

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

**Additional Copies of Notice of Sale, Bid Form, and Bond Resolutions:** Additional copies of the Official Notice of Sale, Official Statement, Official Bid Form, and copies of the respective Bond Resolutions may be obtained at the Office of the Executive Director for Investments and Trusts, The University of Texas System, 210 West Sixth Street, Austin, Texas 78701. Each successful bidder will be furnished with up to 100 copies of the Official Statement at no expense upon request. Arrangements have been made with the printer to supply additional copies, if desired, at the successful bidder's expense.

  
 \_\_\_\_\_  
 W. C. Freeman  
 Executive Vice Chancellor for Administration  
 The Texas A&M University System  
 College Station, Texas 77843

  
 \_\_\_\_\_  
 W. L. Lobb, Executive Director  
 for Investments and Trusts  
 The University of Texas System  
 210 West Sixth Street  
 Austin, Texas 78701

January 7, 1983

## Part II

### OFFICIAL STATEMENT

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

#### NEW ISSUE

\$54,000,000

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM  
PERMANENT UNIVERSITY FUND BONDS, NEW SERIES 1983

\$23,000,000

BOARD OF REGENTS OF THE TEXAS A&M UNIVERSITY SYSTEM  
PERMANENT UNIVERSITY FUND BONDS, NEW SERIES 1983

DATE OF BONDS: January 1, 1983

**FORM AND DENOMINATION OF BONDS:** As to each issue, respectively, the bonds will be authorized and issued as negotiable bonds payable to bearer in the denomination of \$5,000 each, with provision for registering bonds as to principal only at the option of the holder.

**PAYABLE:** Annual principal (July 1) and semiannual interest (January 1 and July 1; first coupon payable July 1, 1983) are payable in lawful money of the United States of America at the following places without exchange or collection charges to the owners or holders thereof:

On the date these bonds are sold, the Board of Regents of The University of Texas System and the Board of Regents of The Texas A&M University System, respectively, will select for each issue a Texas bank with assets in excess of \$200,000,000 as paying agent and a New York City bank and a Chicago bank as co-paying agents. The compensation of such paying agents is to be paid from funds made available by the respective Boards for that purpose and pursuant to the terms of the respective contracts with the paying agents.

**MATURITY SCHEDULE (July 1 of each year) :**

Year	The University of Texas System	The Texas A&M University System
1983 .....	\$2,160,000	\$ 920,000
1984 .....	2,160,000	920,000
1985 .....	2,160,000	920,000
1986 .....	2,160,000	920,000
1987 .....	2,430,000	1,035,000
1988 .....	2,430,000	1,035,000
1989 .....	2,430,000	1,035,000
1990 .....	2,430,000	1,035,000
1991 .....	2,700,000	1,150,000
1992 .....	2,700,000	1,150,000
1993 .....	2,700,000	1,150,000
1994 .....	2,700,000	1,150,000
1995 .....	2,970,000	1,265,000
1996 .....	2,970,000	1,265,000
1997 .....	2,970,000	1,265,000
1998 .....	2,970,000	1,265,000
1999 .....	3,240,000	1,380,000
2000 .....	3,240,000	1,380,000
2001 .....	3,240,000	1,380,000
2002 .....	3,240,000	1,380,000

**CALL PRICE:** Both issues of bonds are non-callable as a whole or in part prior to July 1, 1992. Beginning July 1, 1992, all bonds of both issues are callable on any interest payment date, on thirty days' notice, at the price effective on such date determined as follows:

Par and accrued interest to the date fixed for redemption plus a premium of one percent (1%) if redeemed on or after July 1, 1992, but prior to July 1, 1993, such premium declining by one-fourth of one percent ( $\frac{1}{4}\%$ ) on July 1, 1993, and each July 1, thereafter to par on July 1, 1996.

**PURPOSE:** The \$54,000,000 of Board of Regents of The University of Texas System Permanent University Fund Bonds, New Series 1983, are being issued by said Board of Regents for the purpose of constructing, equipping, or acquiring buildings or other permanent improvements for The University of Texas System.

The \$23,000,000 of Board of Regents of The Texas A&M University System Permanent University Fund Bonds, New Series 1983, are being issued by said Board of Regents for the purpose of constructing, equipping, or acquiring buildings or other permanent improvements for The Texas A&M University System.

**SECURITY AND ADDITIONAL PARITY BONDS AND NOTES:** The Amendments to Section 18, Article VII of the Texas Constitution, adopted by vote of the people of Texas on November 6, 1956, and on November 8, 1966, provide that the Board of Regents of The University of Texas System and the Board of Regents of The Texas A&M University System are authorized to issue negotiable bonds and notes for the purpose of constructing, equipping, or acquiring buildings or other permanent improvements for their respective Systems, in a total amount not to exceed twenty percent (20%) of the value of the Permanent University Fund exclusive of real estate at the time of any issuance thereof ( $\frac{2}{3}$ rd of 20% for The University of Texas System and  $\frac{1}{3}$ rd of 20% for The Texas A&M University System). The Board of Regents of The University of Texas System heretofore has authorized, issued, sold and delivered its Permanent University Fund Bonds, Series 1963, dated July 1, 1963, Series 1964, dated July 1, 1964, Series 1965, dated July 1, 1965, and Series 1966, dated July 1, 1966, outstanding as of January 1, 1983, in the aggregate principal amount of \$4,440,000 with all of said

bonds being on a parity and being payable from and secured by a first lien on and pledge of the interest of The University of Texas System in the income from the Permanent University Fund (hereinafter sometimes called "The University of Texas System Old Series Outstanding Bonds").

THE BOARD OF REGENTS has determined not to issue any more bonds or notes on a parity with the above-described The University of Texas System Old Series Outstanding Bonds because of the restrictive Permanent University Fund investment covenants required in connection with all of the aforesaid Old Series Outstanding Bonds heretofore issued.

THE BOARD OF REGENTS of The University of Texas System heretofore has authorized, issued, sold and delivered its Permanent University Fund Bonds, New Series 1967, dated July 1, 1967, New Series 1968, dated July 1, 1968, New Series 1969, dated July 1, 1969, New Series 1970, dated July 1, 1970, New Series 1971, dated July 1, 1971, New Series 1972, dated July 1, 1972, New Series 1973, dated July 1, 1973, New Series 1974, dated July 1, 1974, New Series 1975, dated July 1, 1975, New Series 1976, dated July 1, 1976, New Series 1977, dated July 1, 1977, New Series 1978, dated July 1, 1978, New Series 1979, dated July 1, 1979, New Series 1980, dated July 1, 1980, and New Series 1981, dated July 1, 1981, outstanding as of January 1, 1983, in the aggregate principal amount of \$178,365,000 (hereinafter sometimes called "The University of Texas System New Series Outstanding Bonds"), and the Board of Regents of The Texas A&M University System heretofore has authorized, issued, sold and delivered its Permanent University Fund Bonds, New Series 1967, dated July 1, 1967, New Series 1968, dated July 1, 1968, New Series 1969, dated July 1, 1969, New Series 1970, dated July 1, 1970, New Series 1971, dated July 1, 1971, New Series 1972, dated July 1, 1972, New Series 1973, dated July 1, 1973, New Series 1974, dated July 1, 1974, New Series 1975, dated July 1, 1975, New Series 1976, dated July 1, 1976, New Series 1977, dated July 1, 1977, New Series 1978, dated July 1, 1978, New Series 1979, dated July 1, 1979, New Series 1980, dated July 1, 1980, and New Series 1981, dated July 1, 1981, outstanding as of January 1, 1983, in the aggregate principal amount of \$89,255,000 (hereinafter sometimes called "The Texas A&M University System New Series Outstanding Bonds"), each issue of the aforesaid New Series Outstanding Bonds being payable from and secured by a lien on and pledge of the respective interest of each University in the income from the Permanent University Fund, subject only and subordinate to the first lien on and pledge of said interest, respectively, heretofore created in connection with the aforesaid Old Series Outstanding Bonds.

THE PERMANENT UNIVERSITY FUND BONDS, New Series 1983, herein offered for sale by the Boards of Regents, will be on a parity with the aforesaid New Series Outstanding Bonds and will be payable, together with the aforesaid New Series Outstanding Bonds, from and secured by a lien on and pledge of the respective interest of each University in the income from the Permanent University Fund, subject only and subordinate to the first lien on and pledge of said interest, respectively, heretofore created in connection with the aforesaid Old Series Outstanding Bonds.

BOTH BOARDS will reserve the right hereafter to issue installments of New Series Additional Parity Bonds and Notes from time to time which will be equally and ratably secured and payable in the same manner as The University of Texas System New Series Outstanding Bonds, The Texas A&M University System New Series Outstanding Bonds and the Permanent University Fund Bonds, New Series 1983, herein offered for sale, provided that no such New Series Additional Parity Bonds or Notes shall be issued unless the Executive Director for Investments and Trusts of The University of Texas System, or some other officer designated by the Board of Regents, executes:

(1) a certificate to the effect that there is then held in and owned by the Permanent University Fund an amount of direct obligations of, or obligations, the principal of and interest on which are guaranteed by, the United States of America, which

(a) are at least equal in aggregate par or face value to the aggregate par or face value of (i) all outstanding bonds or notes which have been issued by the Board of Regents of The University of

Texas System and the Board of Regents of The Texas A&M University System and which are payable from the income from the Permanent University Fund, and (ii) the installment or series of New Series Additional Parity Bonds or Notes then proposed to be issued, and

(b) are then yielding annual interest at least equal to the maximum annual interest requirements of (i) all outstanding bonds or notes which have been issued by the Board of Regents of The University of Texas System or the Board of Regents of The Texas A&M University System and which are payable from income from the Permanent University Fund, and (ii) the installment or series of New Series Additional Parity Bonds or Notes then proposed to be issued.

(2) a certificate to the effect that for the fiscal year next preceding the date of said certificate the amount of the interest of the issuing Board in the income from the Permanent University Fund was at least 1-1/2 times the principal and interest requirements of all outstanding bonds or notes theretofore delivered by the issuing Board and payable from the income from the Permanent University Fund, and of the installment or series of New Series Additional Parity Bonds or Notes then proposed to be issued, during the calendar year in which said principal and interest requirements will be the greatest.

AS ADDITIONAL security and guaranty for the prompt and full payment of all principal and interest on all bonds and notes payable from the income from the Permanent University Fund, the Board of Regents of The University of Texas System (charged by law with the exclusive management and control of the Permanent University Fund) has covenanted and bound itself as follows:

(1) that while any bonds or notes of the Board of Regents of The University of Texas System or the Board of Regents of The Texas A&M University System heretofore or hereafter issued and delivered pursuant to the provisions of Section 18, Article VII of the Texas Constitution, approved by vote of the people of Texas on August 23, 1947, or pursuant to the provisions of the amendments to Section 18, Article VII of the Texas Constitution, approved by vote of the people of Texas on November 6, 1956, and on November 8, 1966, or pursuant to the provisions of Chapter 255, page 546, Acts of 1957, Fifty-fifth Legislature of Texas, Regular Session, codified as Section 66.21 through 66.25 of the Texas Education Code, or pursuant to any future amendment to Section 18, Article VII of the Texas Constitution, are outstanding and unpaid, the Board of Regents will maintain and invest and keep invested the Permanent University Fund, as required by law; and that while any such bonds and notes, and the interest thereon, are outstanding and unpaid, the Board of Regents will invest such Fund in eligible and legal securities which will yield a maximum rate of return consistent with the Board of Regents' long established policy of purchasing for said Fund only securities of high investment quality; and further that at all times the Fund will be maintained and invested so as to yield annually an amount of money not less than 1-1/2 times the principal and interest requirements of all of the aforesaid outstanding bonds or notes payable from income from the Permanent University Fund, during the calendar year in which said principal and interest requirements will be the greatest.

It is further additionally covenanted as follows:

(1) that so much of the Fund will be maintained and invested at all times in such amount of United States Government Bonds as will yield annually, at the effective rate or rates of interest borne by such United States Government Bonds, an amount of money not less than the principal and interest requirements of all outstanding bonds which are payable from income from the Permanent University Fund which were issued by said Boards of Regents prior to the year 1967, during the calendar year in which said principal and interest requirements of all such outstanding bonds issued prior to 1967 will be the greatest; and that neither the Board of Regents nor any officer of the Board of Regents of The University of Texas System shall be authorized to sell or withdraw any of said United States Government Bonds if by such sale or withdrawal the total amount of such United States Government Bonds remaining thereafter will yield annually an amount less than said principal and interest requirements of all such outstanding bonds issued prior to 1967, during the calendar year in which said principal and interest requirements will be the greatest, and

(2) that at all times (and regardless of whether or not any of the aforesaid Permanent University Fund bonds issued prior to 1967 remain outstanding, and regardless of the actual principal and interest re-

quirements of the aforesaid Permanent University Fund bonds issued prior to 1967) the Fund will be invested in an amount of direct obligations of, or obligations, the principal of and interest on which are guaranteed by the United States of America, which

(a) are at least equal in aggregate par or face value to the aggregate par or face value of all outstanding Permanent University Fund Bonds which have been issued by the Board of Regents of The University of Texas System or the Board of Regents of The Texas A&M University System and which are payable from income from the Permanent University Fund, irrespective of whether such Permanent University Fund Bonds were issued before, during or after 1967, and

(b) will yield annually an amount of interest which will be at least equal to the maximum annual interest requirements of all outstanding Permanent University Fund Bonds which have been issued by the Board of Regents of The University of Texas System or the Board of Regents of The Texas A&M University System and which are payable from income from the Permanent University Fund, irrespective of whether such Permanent University Fund Bonds were issued before, during or after 1967.

THE INTEREST of The University of Texas System in the income from the Permanent University Fund shall be credited as it accrues to The University of Texas System Available University Fund in the State Treasury, and not less than 45 days prior to each interest paying date sufficient moneys shall be transferred therefrom to The University of Texas System New Series Permanent University Fund Interest and Sinking Fund, also in the State Treasury, to meet all principal and interest requirements when due on the New Series Permanent University Fund Bonds issued by the Board of Regents of The University of Texas System. Not less than 30 days prior to each interest payment date, moneys shall be made available at the places of payment in the amounts required to pay the interest or the principal and interest coming due on each interest payment date.

THE INTEREST of The Texas A&M University System in the income from the Permanent University Fund shall be credited as it accrues to The Texas A&M University System Available University Fund in the State Treasury, and not less than 45 days prior to each interest paying date sufficient moneys shall be transferred therefrom to The Texas A&M University System New Series Permanent University Fund Interest and Sinking Fund, also in the State Treasury, to meet all principal and interest requirements when due on the New Series Permanent University Fund Bonds issued by the Board of Regents of The Texas A&M University System. Not less than 30 days prior to each interest payment date, moneys shall be made available at the places of payment in the amounts required to pay the interest or the principal and interest coming due on each interest payment date.

OUTSTANDING Permanent University Fund Bonds, after issuance of the New Series 1983, will be as follows:

The University of Texas System.....	\$236,805,000
The Texas A&M University System.....	\$112,255,000

Attention is especially invited to the following data which appears in the Official Statement:

Table I, Page 12, sets forth the income available, and to become available, to The University of Texas System and The Texas A&M University System from the Permanent University Fund.

Table II, Page 13, sets forth projected debt service coverage with respect to all Permanent University Fund Bonds, including New Series 1983, issued by The University of Texas System and The Texas A&M University System.

ELIGIBILITY OF BONDS FOR INVESTMENT AND SECURITY; EXEMPTION FROM TAXATION: Chapter 255, page 546, Acts of 1957, Fifty-fifth Legislature of Texas, Regular Session, codified as Section 66.21 through 66.25 of the Texas Education Code, provides that all of the bonds herein offered for sale shall be legal and authorized investments in Texas for banks, savings banks, trust companies, building and loan associations, savings and loan associations, insurance companies, fiduciaries, trustees, guardians and for the sinking funds

of cities, towns, villages, counties, school districts and all other political corporations or subdivisions of the State of Texas; and that such bonds shall be eligible to secure the deposit of any and all public funds of the State of Texas; and any and all public funds of cities, towns, villages, counties, school districts and all other political corporations or subdivisions of the State of Texas, to the full extent of their par value when accompanied by all unmatured coupons appurtenant thereto.

THE AFORESAID Act further provides that all of such bonds and their transfer and the income therefrom, including any profits made on the sale thereof, shall at all times be free from taxation within the State of Texas. In the opinion of Bond Counsels, the interest on all such bonds is exempt from present Federal income taxes under existing statutes, published regulations, rulings and court decisions.

PAYMENT RECORD: Neither The University of Texas System nor The Texas A&M University System has ever defaulted.

LEGALITY: The Attorney General of the State of Texas and Messrs. McCall, Parkhurst & Horton, Dallas, Texas.

DELIVERY: When issued; anticipated on or about February 23, 1983.

*The information set forth in this Official Statement has been obtained from issuer records and other sources which are believed to be reliable, but it is not guaranteed as to the accuracy or completeness thereof, and its inclusion herein is not to be construed as a representation on the part of the issuer to such effect. There is no guarantee or representation that any of the assumptions or estimates contained herein will ever be realized. All of the summaries or excerpts of statutes, documents and resolutions contained in this Official Statement do not purport to be complete statements and are made subject to all of the provisions of such statutes, documents and resolutions. Reference should be made to such original sources in all respects.*

## A. PERMANENT UNIVERSITY FUND

### *History*

IN 1836, THE FOUNDERS of The Republic of Texas committed it to an enlightened and irrevocable policy of public education and endowed The University of Texas, as its capstone, with fifty leagues (approximately 222,000 acres) of land from the public domain. Through its ten years as an independent Republic, in its later years as a frontier State, and finally through war and reconstruction, its people kept faith with their forebears and fostered education as indispensable to freedom.

IN 1876, a new Constitution was adopted wherein it was decreed that there should be established a "University of the first class" including a branch college devoted to agriculture and the mechanic arts. This undertaking was endowed by granting to the Permanent University Fund an additional 1,000,000 acres from the public domain, to which the Legislature, in 1883, added approximately 1,000,000 acres.

### *Land*

AS OF this date, the Permanent University Fund owns approximately 2,100,000 acres of land located in west Texas. Practically the whole of this acreage is under grazing leases. Annual surface income is in excess of \$1,000,000.

THE UNIVERSITY OF TEXAS SYSTEM does not explore or operate oil properties belonging to the Permanent University Fund. Instead, it sells under competitive bids leases on selected tracts of land to leading operators, including almost all of the major, as well as many strong, independent companies in the Southwest. As of October 31, 1982, 993,364 acres of land belonging to said Fund were under oil and gas leases, of which 519,326 were held by production from 7,240 oil wells and 444 gas wells.

DURING recent years approximately 30,250,000 barrels of crude oil and 94,250,000 MCF of gas were produced from these lands each year on which one-eighth to one-fourth royalty was reserved for the Permanent University Fund.

DECISIONS of the Supreme Court of Texas and of the Attorney General of Texas have decreed that the Permanent University Fund shall be forever kept intact, and that there shall be added to the corpus thereof all oil, gas, sulphur and water royalties received, all gains on investments, all rentals on mineral leases, all lease bonuses, and all consideration for such lands as may be sold.

## Investments

As of August 31, 1982, securities owned by the Permanent University Fund which is administered by the Board of Regents of The University of Texas System were as follows:

	<u>Fund Value</u>
<b>GOVERNMENT SECURITIES:</b>	
U. S. Treasury Bills .....	\$ 6,859,564
U. S. Treasury Bonds .....	219,218,297
U. S. Guaranteed Bonds .....	290,127,530
FHA Real Estate Mortgages .....	6,259,942
Total Government Securities .....	<u>\$ 522,465,333</u>
<b>GOVERNMENT AGENCY NON-GUARANTEED .....</b>	<u>\$ 40,111,206</u>
<b>CORPORATE SECURITIES:</b>	
Bonds .....	\$ 564,592,989
Preferred Stocks .....	5,759,500
Convertible Debentures .....	5,885,145
Convertible Preferred Stock .....	807,029
Common Stocks .....	493,696,882
Commercial Paper .....	89,080,000
Total Corporate Securities .....	<u>\$1,159,821,545</u>
<b>TOTAL SECURITIES .....</b>	<u>\$1,722,398,084</u>
<b>CASH .....</b>	<u>\$ 3,346,236</u>
<b>TOTAL SECURITIES AND CASH .....</b>	<u><u>\$1,725,744,320</u></u>

The following tabulation shows the sources from which the Permanent University Fund was built—(000 omitted):

Year	Total	Oil & Gas Royalty	Water Royalty	Mineral Lease Rentals & Misc.	Mineral Lease Bonuses
<b>Prior to</b>					
9/1/75	\$ 781,772	\$ 481,888	\$2,386	\$53,772	\$243,726
<b>Additions</b>					
<b>FYE 8/31</b>					
1976	72,827	70,123†	192	(12,867)*	15,379
1977	91,472	76,598†	184	1,106	13,584
1978	97,250	76,845†	234	1,748	18,423
1979	90,497	76,637†	217	2,920	10,723
1980	122,650	119,356†	373	2,668	253
1981	262,883	160,285†	319	4,147	98,132
1982	206,393	178,286†	337	8,399	19,371
<b>Total</b>					
8/31/82	<u>\$1,725,744</u>	<u>\$1,240,018</u>	<u>\$4,242</u>	<u>\$61,893</u>	<u>\$419,591</u>

\* Includes \$12,632,427 adjustment for certain bond exchanges not qualifying as bond "exchanges" under current procedures.

† Includes sulphur royalties.

### *Estimated Income*

THE INCOME arising from the Permanent University Fund is apportioned to The University of Texas System and The Texas A&M University System by Chapter 42 of the Acts of the Regular Session of the 42nd Legislature of the State of Texas. A quotation from the pertinent section of the law follows:

“Beginning September 1, 1934, the Board of Directors of the Agricultural and Mechanical College of Texas shall so expend one-third of all the Available University Fund received from the Permanent University Fund arising from the 1,000,000 acres of land appropriated by the Constitution of 1876 and the land appropriated by the Act of 1883, except income from grazing leases on University Lands (less its proportion of expenses of administration and excluding any expenses of administration from grazing leases), and the Board of Regents of The University of Texas shall so expend the balance of said Available Fund, including all the income from grazing leases on University Lands (less its proportion of expenses of administration).”

THE FOREGOING statutory method of division of the income of the Permanent University Fund has been adopted and approved in Section 18, Article VII, of the Constitution of the State of Texas.

**TABLE I**  
**Permanent University Fund**  
**Projected Annual Net Income (000 omitted)**

Fiscal Year Ending August 31	Investments for FYE 8/31	Net Divisible Income Estimate (After Management Expense)			Other Income to U of T*	Total Avail. Univ. Fund to U of T
		Total	A&M	U of T		
1978†	\$1,043,321	\$ 62,322	\$ 20,774	\$ 41,548	\$2,035	\$ 43,583
1979†	1,133,818	72,523	24,174	48,349	2,710	51,059
1980†	1,256,468	85,068	28,356	56,712	4,076	60,788
1981†	1,519,351	106,917	35,639	71,278	6,001	77,279
1982†	1,725,744	143,089	47,697	95,392	6,109	101,501
1983	1,934,000	150,930	50,310	100,620	6,120	106,740
1984	2,150,000	167,020	55,673	111,347	5,936	117,283
1985	2,377,000	184,064	61,355	122,709	5,812	129,521
1986	2,616,000	202,036	67,345	134,691	5,676	140,367
1987	2,867,000	221,046	73,682	147,364	5,526	152,890
1988	3,131,000	240,884	80,295	160,589	5,361	165,950
1989	3,409,000	261,618	87,206	174,412	5,178	179,590
1990	3,701,000	283,635	94,545	189,090	4,977	194,067
1991	3,993,000	306,353	102,118	204,235	4,755	208,990
1992 and thereafter	4,285,000	328,885	109,628	219,257	4,510	223,767

\* Includes Grazing Lease rentals and miscellaneous income not divisible with The Texas A&M University System.

† Actual.

**TABLE II**  
**Projected Coverage of Actual and Estimated Annual Principal and Interest**  
**Requirements of All University Fund Bonds\***

Fiscal Year Ending 8/31	The University of Texas System			The Texas A&M University System		
	Annual Income	Debt Service	Coverage Times	Annual Income	Debt Service	Coverage Times
1983	\$106,740,000	\$28,775,845	3.7	\$ 50,310,000	\$13,320,448	3.8
1984	117,283,000	30,333,225	3.9	55,673,000	14,095,467	3.9
1985	129,521,000	29,494,480	4.4	61,355,000	13,813,580	4.4
1986	140,367,000	28,602,200	4.9	67,345,000	13,574,230	5.0
1987	152,890,000	27,461,898	5.6	73,682,000	13,350,630	5.5
1988	165,950,000	25,884,840	6.4	80,295,000	12,398,955	6.5
1989	179,590,000	24,306,335	7.4	87,206,000	11,776,580	7.4
1990	194,067,000	23,344,765	8.3	94,545,000	11,208,195	8.4
1991	208,990,000	22,410,735	9.3	102,118,000	10,668,955	9.6
1992	223,767,000	21,125,010	10.6	109,628,000	10,030,905	10.9
1993	223,767,000	19,891,242	11.2	109,628,000	9,392,680	11.7
1994	223,767,000	18,668,150	12.0	109,628,000	8,828,115	12.4
1995	223,767,000	17,520,982	12.8	109,628,000	8,226,870	13.3
1996	223,767,000	15,933,390	14.0	109,628,000	7,393,800	14.8
1997	223,767,000	14,279,955	15.7	109,628,000	6,593,480	16.6
1998	223,767,000	12,508,440	17.9	109,628,000	5,732,090	19.1
1999	223,767,000	10,759,500	20.8	109,628,000	4,840,200	22.6
2000	223,767,000	8,812,800	25.4	109,628,000	3,931,800	27.9
2001	223,767,000	6,635,400	33.7	109,628,000	2,936,400	37.3
2002	223,767,000	3,531,600	63.4	109,628,000	1,504,200	72.9

\* Includes the New Series 1983 Bonds proposed to be issued on which an interest rate of 9% has been assumed.



*Texas Union, The University of Texas at Austin*



*Historic Burleson Bells, The University of Texas at Austin*

## B. GENERAL INFORMATION

### The University of Texas System

#### *Administration*

THE UNIVERSITY OF TEXAS was opened in 1883. It is supported by State appropriations, private endowments and gifts, Federal funds, student fees, miscellaneous sources of income, and its interest in the income from the Permanent University Fund.

THE GOVERNMENT of the University is vested in a board of nine regents who serve without pay. They are nominated by the Governor for six-year terms, three each two years, and are subject to approval by the Senate. Administration of the University conforms to that of leading American universities.

THE MEMBERS of the Board of Regents are as follows:

Mr. James L. Powell, Chairman	Fort McKavett
Sterling H. Fly, Jr., M.D., Vice-Chairman	Uvalde
Mr. Tom B. Rhodes, Vice-Chairman	Dallas
Jane Weinert Blumberg (Mrs. Roland K.)	Seguin
Janey Briscoe (Mrs. Dolph)	Uvalde
Mr. Jess Hay	Dallas
Beryl Buckley Milburn (Mrs. Malcolm)	Austin
Mr. Jon P. Newton	Austin
Mr. Howard N. Richards	Austin
Mr. Arthur H. Dilly, Executive Secretary	

THE PRINCIPAL ADMINISTRATIVE OFFICERS and Staff of the System are as follows:

Dr. E. Don Walker, Chancellor  
 Dr. Bryce Jordan, Executive Vice Chancellor for Academic Affairs  
 Dr. Charles B. Mullins, M.D., Executive Vice Chancellor for Health Affairs  
 Mr. Thomas M. Keel, Executive Director of Finance and Administration  
 Mr. Joe E. Boyd, Jr., Special Counsel—Finance  
 Mr. James L. Crowson, General Counsel  
 Mr. Herman Adams, Executive Director for Governmental Relations  
 Mr. W. L. Lobb, Executive Director for Investments and Trusts  
 Mr. Frank Graydon, Budget Director  
 Mr. R. L. Anderson, Comptroller  
 Mr. R. S. Kristoferson, Director of Facilities Planning and Construction  
 Mr. James C. Werchan, Director of Accounting

#### *Organization*

THE COMPONENT INSTITUTIONS of The University of Texas System, with the administrative heads shown, are:

The University of Texas at ARLINGTON  
 Dr. Wendell Nedderman, President  
 The University of Texas Institute of Urban Studies at Arlington  
 Dr. Richard L. Cole, Director

The University of Texas at AUSTIN

Dr. Peter T. Flawn, President

The University of Texas Marine Science Institute at Galveston and Port Aransas

Dr. J. Robert Moore, Director

The University of Texas McDonald Observatory at Mount Locke

Dr. Harlan Smith, Director

The University of Texas at DALLAS

Dr. Robert H. Rutford, President

The University of Texas at EL PASO

Dr. Haskell Monroe, President

The University of Texas of the PERMIAN BASIN

Dr. Donald T. Rippey, President

The University of Texas at SAN ANTONIO

Dr. James W. Wagener, President

The University of Texas at TYLER

Dr. George F. Hamm, President

The University of Texas Institute of Texan Cultures at SAN ANTONIO

Mr. Jack R. Maguire, Executive Director

The University of Texas Health Science Center at DALLAS

Dr. Charles C. Sprague, President

The University of Texas Southwestern Medical School at Dallas

Dr. Kern Wildenthal, Dean

The University of Texas Graduate School of Biomedical Sciences at Dallas

Dr. William B. Neaves, Dean

The University of Texas School of Allied Health Sciences at Dallas

Dr. John Schermerhorn, Dean

The University of Texas Medical Branch at GALVESTON

Dr. William C. Levin, President

The University of Texas Medical School at Galveston

Dr. George T. Bryan, Dean

The University of Texas Graduate School of Biomedical Sciences at Galveston

Dr. J. Palmer Saunders, Dean

The University of Texas School of Allied Health Sciences at Galveston

Dr. John G. Bruhn, Acting Dean

The University of Texas Institute for the Medical Humanities at Galveston

Dr. Ronald A. Carson, Director

The University of Texas Marine Biomedical Institute at Galveston

Dr. William D. Willis, Jr., Director

The University of Texas School of Nursing at Galveston

Dr. Dorothy Damewood, Dean

The University of Texas Health Science Center at HOUSTON

Dr. Roger J. Bulger, President

The University of Texas Medical School at Houston

Dr. Ernst Knobil, Dean

The University of Texas Dental Branch at Houston

Dr. John V. Olson, Dean

The University of Texas Graduate School of Biomedical Sciences at Houston

Dr. R. W. Butcher, Dean

- The University of Texas School of Allied Health Sciences at Houston  
Dr. M. Alton Hodges, Dean
- The University of Texas School of Public Health at Houston  
Dr. Reuel A. Stallones, Dean
- The University of Texas Speech and Hearing Institute at Houston
- The University of Texas School of Nursing at Houston  
Dr. Arlowayne Swort, Dean
- The University of Texas Health Science Center at SAN ANTONIO  
Dr. Frank Harrison, President
- The University of Texas Medical School at San Antonio  
Dr. Marvin R. Dunn, Dean
- The University of Texas Dental School at San Antonio  
Dr. Martha W. Wood, Acting Dean
- The University of Texas Graduate School of Biomedical Sciences at San Antonio  
Dr. Armand J. Guarino, Dean
- The University of Texas School of Allied Health Sciences at San Antonio  
Dr. Armand J. Guarino, Dean
- The University of Texas School of Nursing at San Antonio  
Dr. Patty Lynn Hawken, Dean
- The University of Texas System Cancer Center  
Dr. Charles A. LeMaistre, President
- The University of Texas Health Center at TYLER  
Dr. George Hurst, Director

## GENERAL ACADEMIC INSTITUTIONS

THE UNIVERSITY OF TEXAS AT ARLINGTON, which has the fifth largest university enrollment in the State of Texas, is strategically located in the heart of the Dallas-Fort Worth Metroplex. Serving both a resident and commuter student body, the institution offers 96 degree programs at the baccalaureate, master and doctoral levels. These degree programs are offered through the Colleges of Liberal Arts, Science, Engineering, and Business Administration; Graduate School of Social Work; Institute of Urban Studies, which is a statutory unit; School of Architecture and Environmental Design; School of Nursing; and Center for Professional Teacher Education.

THE UNIVERSITY OF TEXAS AT AUSTIN is a major research university with many nationally ranked academic programs at the graduate level. Its library collections and research resources are ranked among the finest in the world. The present site has expanded into more than 300 acres since classes began on the original 40 acres near downtown Austin. Additionally University-owned property located in other areas of Austin includes the Balcones Research Center and the Brackenridge Tract, partially used for married student housing. The McDonald Observatory on Mount Locke in West Texas and the Marine Science Institute at Port Aransas and the Institute for Geophysics (Galveston) on the Gulf Coast operate as specialized research units of U.T. Austin.

THE UNIVERSITY OF TEXAS AT DALLAS was established in 1969 as an upper-level institution and offers curricula leading to more than 50 degrees at the baccalaureate, master and doctoral levels. U.T. Dallas is structured to meet the needs of the community college graduate through its undergraduate programs and, at the same time, maintain high quality graduate programs and continue to attract one of the state's largest

budgets for sponsored research activities. Those activities are enhanced by a campus of more than 600 acres. The Callier Center for Communication Disorders, an internationally recognized teaching, research and treatment organization, is located near downtown Dallas. Several prominent education related agencies also are located on the U.T. Dallas campus, including Southwestern Legal Foundation and the Association for Higher Education of North Texas.

THE UNIVERSITY OF TEXAS AT EL PASO was established by the Legislature in 1913 as the Texas School of Mines and Metallurgy. It was renamed the College of Mines after becoming a branch of the U.T. System in 1919, changed to Texas Western College in 1949, and since 1967, has been The University of Texas at El Paso. Both baccalaureate and graduate degrees are offered in more than 60 majors through the six colleges; Business Administration, Education, Engineering, Liberal Arts, Nursing and Allied Health Sciences, and Science, plus the Graduate School. The University is accredited through the doctoral level by the Southern Association of Colleges and Schools and offers a doctorate in Geological Sciences. The location on the Texas-Mexico border brings hundreds of students from Mexico to the campus. Many international programs reflect the cultural, scientific and engineering interests of two nations which meet at the Pass of the North.

THE UNIVERSITY OF TEXAS OF THE PERMIAN BASIN in Odessa opened for classes in September of 1973. As directed by the Texas Legislature in 1969, U.T. Permian Basin admits only upper-level students, and offers baccalaureate degrees in 27 fields and master degrees in 15 fields. Innovative classroom and laboratory techniques are emphasized, especially self-paced instruction, experiential learning and open laboratory and art areas. The 588 acre campus has completed its first phase of building construction.

THE UNIVERSITY OF TEXAS AT SAN ANTONIO was authorized by the Texas Legislature in 1969. Graduate programs were initiated in leased facilities in June, 1973; during summer, 1975, the University moved to a 600-acre campus in northwest San Antonio. Junior and senior students were admitted in September, 1975, and freshmen and sophomores were enrolled in summer, 1976, when the first phase of campus construction was completed. U.T. San Antonio is unusual in that it was constructed as a complete four-year and graduate institution in one \$50,000,000 project over a three-year period. The institution is a part of the Southwest Research Consortium.

THE UNIVERSITY OF TEXAS AT TYLER became a part of the U.T. System in 1979 by action of the 66th Texas Legislature. Created in 1971 as Tyler State College, the institution became Texas Eastern University in 1976. The upper-division (junior and senior) and graduate institution is located in the heart of East Texas midway between Dallas and Shreveport. A 200-acre wooded campus and modern facilities provide an excellent environment for teaching and learning. The four schools within the university organization are: Business Administration, Education and Psychology, Liberal Arts, and Sciences and Mathematics. Current degree programs include 48 bachelor degrees in 33 academic areas and 15 master degrees in nine fields.

THE UNIVERSITY OF TEXAS INSTITUTE OF TEXAN CULTURES AT SAN ANTONIO, founded as a world's fair exhibit for HemisFair '68, has grown into a statewide resource and information center concerned with the people and history of Texas. Visitors numbered more than 300,000 last year. The Institute is the learning and communication center for the history, culture and folklore of Texas. A massive exhibit floor filled with displays, artifacts, historic photographs and vignettes on Texas history has been expanded to a teaching laboratory with 165 carefully trained volunteers and staff members providing living history demonstrations of folk customs and crafts. The Institute offers a reference library with more than 2,000 books and 35,000 photographs. The Production staff serves museums across the state with design, photography and exhibit fabrication. Total physical plant value is in excess of \$9.0 million.

## HEALTH-RELATED INSTITUTIONS

THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT DALLAS was established by The University of Texas System Board of Regents in the Fall of 1972 as a component institution consisting of Southwestern Medical School, the Graduate School of Biomedical Sciences and the School of Allied Health Sciences. The institution was founded as Southwestern Medical College in 1943 by the Southwestern Medical Foundation and was added to The University of Texas System in 1949. More than \$68 million in buildings and facilities have been added in the last decade to enable the center to engage in significant programs of teach-

ing, research and patient care. Southwestern Medical School now graduates over 200 physicians each year while the Graduate School of Biomedical Sciences and the School of Allied Health Sciences graduate a total of more than 180 health scientists and professionals.

THE UNIVERSITY OF TEXAS MEDICAL BRANCH AT GALVESTON is the state's only multicategorical health referral center and serves as a major health resource and health referral center for much of the Southwest. The Medical Branch includes the oldest medical school in Texas, founded in 1891, and now has the 10th largest medical school in the United States. In addition, UTMB consists of the School of Nursing, School of Allied Health Sciences, Graduate School of Biomedical Sciences, Marine Biomedical Institute and Institute for the Medical Humanities. UTMB has undergone rapid expansion in the past two decades and now includes some of the most sophisticated health care facilities in the nation. The 80-acre campus on the east end of Galveston Island encompasses more than 50 major buildings. Approximately \$80 million of construction is ongoing. The Medical Branch employs approximately 7,400 people, making it the largest single employer in Galveston County. The UTMB payroll for fiscal year 1981-82 surpasses \$138 million.

THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT HOUSTON, the largest of the health science universities in the U.T. System, consists of eight components, six of which are schools—the Dental Branch (established in 1905 as the Texas Dental College); the Graduate School of Biomedical Sciences (1963); the only School of Public Health in Texas (1967); the Medical School (1970); the School of Nursing (1972); and the School of Allied Health Sciences (1973). The Division of Continuing Education and the Speech and Hearing Institute round out the eight components. With its 668 full-time and 138 part-time faculty in eight teaching and research buildings, the Houston Health Science Center also is the largest institutional member of the Texas Medical Center.

THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT SAN ANTONIO was established by the Board of Regents in the Fall of 1972. The operational units of the Health Science Center includes schools of Medicine, Dentistry, Nursing, Allied Health Sciences and Graduate Biomedical Sciences. Expanding programs both in research and instruction have allowed the institution to maintain its role as the heart of the South Texas Medical Center. The Health Science Center has earned a reputation as a first class research institution and is actively involved in its role as an educator of health professionals. Current building expansion projects include a Library facility and Allied Health Sciences facilities.

THE UNIVERSITY OF TEXAS SYSTEM CANCER CENTER is the official State agency for the care of Texans with cancer, for training and research in cancer, and for activities related to prevention of the disease. With U.T.'s M. D. Anderson Hospital and Tumor Institute at Houston as its hub, the U.T. Cancer Center also includes a 110-bed Rehabilitation Center for recovering cancer patients, the Anderson Mayfair patient and family hotel and the 1,100-acre Science Park. Since the hospital opened in 1944, more than 165,000 persons with cancer have been treated here. U. T. M. D. Anderson physicians now can cure 35-40% of the patients treated here and improve the quality of life for many others. At least 10,000 health professionals and scientists have received training at U.T. M. D. Anderson Hospital. U.T. Cancer Center researchers are involved in more than 525 scientific projects aimed at cancer control and prevention. The U.T. Science Park in Central Texas includes two divisions devoted to cancer research and veterinary resources.

THE UNIVERSITY OF TEXAS HEALTH CENTER AT TYLER is the primary facility in Texas for patient care, education, and research in diseases of the chest. The institution became a part of The University of Texas System on September 1, 1977, by action of the 65th Legislature. The Health Center's mission was expanded at that time to include its patient care facilities as a teaching hospital. During the year the Health Center's medical services were expanded to include cardiology services, clinical laboratory space was expanded, and renovation of outpatient facilities was begun. Current construction will increase maintained space to approximately 412,000 gross square feet. The U.T. Health Center—Tyler recorded 60,026 inpatient days of patient care and 10,771 outpatient visits during the year. The average length of patient stay in days dropped from 24.46 to 19.0.

THE CURRENT BUDGET for The University of Texas System for the fiscal year ending August 31, 1983, is slightly over \$1,465,071,198 from all sources. The budget for The University of Texas System for the fiscal year ending August 31, 1984, will be over \$1,500,000,000.

## Enrollment

THE ENROLLMENT at the teaching institutions of The University of Texas System in the fall of 1982 was as follows:

U. T. Arlington .....	22,141
U. T. Austin .....	48,034
U. T. Dallas .....	7,390
U. T. El Paso .....	15,112
U. T. Permian Basin .....	1,824
U. T. San Antonio .....	11,145
U. T. Tyler .....	2,625
Dallas Health Science Center .....	1,343
Galveston Medical Branch .....	1,655
Houston Health Science Center .....	2,715
San Antonio Health Science Center .....	2,330
Total .....	<u>116,314</u>

CURRENT REVENUES AND EXPENDITURES OF THE U. T. SYSTEM for the past three fiscal years were as follows:

	Fiscal Year Ended August 31		
	1980	1981	1982 (Preliminary)
<b>CURRENT REVENUES</b>			
Tuition and Fees .....	\$ 50,364,369	\$ 55,256,693	\$ 58,966,217
Federal Funds .....	161,110,518	185,711,999	180,387,650
State Appropriations .....	604,481,622	672,548,506	817,492,356
Private Gifts .....	48,339,396	56,685,641	68,304,752
Endowment Income (Includes transfers from Available University Fund) .....	23,683,710	28,870,244	33,609,973
Sales and Services of Auxiliary Enterprises .....	62,693,464	68,306,297	80,232,658
Sales and Services of Hospitals and Clinics; Professional Fees .....	164,711,330	198,496,158	248,670,301
Sales and Services of Educational Departments and Other Sources .....	50,333,218	67,724,050	90,696,300
Total Current Revenues .....	<u>\$1,165,717,627</u>	<u>\$1,333,599,588</u>	<u>\$1,578,360,207</u>
<b>CURRENT EXPENDITURES AND MANDATORY TRANSFERS</b>			
Educational and General .....	\$ 973,335,579	\$1,144,811,625	\$1,342,028,652
Auxiliary Enterprises .....	71,381,920	83,192,241	93,636,221
Mandatory Transfers .....	24,292,003	26,671,702	25,919,739
Total Current Expenditures and Mandatory Transfers .....	<u>\$1,069,009,502</u>	<u>\$1,254,675,568</u>	<u>\$1,461,584,612</u>
<b>EXCESS REVENUES OVER EXPENDITURES AND MANDATORY TRANSFERS .....</b>			
	<u>\$ 96,708,125</u>	<u>\$ 78,924,020</u>	<u>\$ 116,775,595</u>

THE TABLE below reports the assets of The University of Texas System, including all component institutions, as at August 31, 1982.

**THE UNIVERSITY OF TEXAS SYSTEM  
CONDENSED STATEMENT OF ASSETS AND NET WORTH**

At August 31, 1982

**ASSETS**

I. Current Funds	
A. General .....	\$ 156,167,956
B. Auxiliary Enterprises and Activities .....	217,829,078
C. Designated .....	49,706,974
D. Restricted .....	234,977,212
Total Current Funds .....	\$ 658,681,220
II. Loan Funds .....	
\$ 40,602,758	
III. Endowment and Similar Funds	
A. State (Permanent University Fund) .....	\$1,735,771,704
B. Other than State .....	186,876,893
Total Endowment and Similar Funds .....	\$1,922,648,597
IV. Annuity and Life Income Funds .....	
\$ 4,270,404	
V. Available University Fund .....	
\$ 59,416,107	
VI. Plant Funds	
A. Unexpended .....	\$ 278,921,363
B. Renewals and Replacements .....	8,516,615
C. Funds for Retirement of Indebtedness .....	93,410,711
D. Invested in Plant .....	2,125,924,205
Total Plant Funds .....	\$2,506,772,894
VII. Agency Funds .....	
\$ 35,082,516	
DEDUCT: Inter-Fund Groups Accounts .....	
\$ 90,105,413	
GRAND TOTAL ASSETS .....	
\$5,137,369,083	
Less: Total Liabilities (not including orders and contracts)....	
753,251,979	
FUND BALANCES (i.e., Net Worth) .....	
\$4,384,117,104	

***Outstanding Indebtedness***

THE UNIVERSITY OF TEXAS SYSTEM has no bank loans or other unfunded indebtedness outstanding except current accounts payable. Following is a table showing all bonded indebtedness outstanding and the condition of the unpaid portions thereof as of August 31, 1982. Previously retired or refunded issues have been omitted from the schedule.

THE UNIVERSITY OF TEXAS SYSTEM  
ALL OUTSTANDING BONDED INDEBTEDNESS BY UNITS OF THE SYSTEM

THE UNIVERSITY OF TEXAS SYSTEM	Original Amount Issued	Outstanding August 31, 1982	I. & S. and Reserve Funds August 31, 1982
General Tuition Revenue Bonds, Series 1971, 6.5%, 5.8%, 5.25%, 5.4%, 5.5%, 5.6%, 5%, dated 10/1/71, due serially through 4/1/2002 .....	\$50,000,000	\$39,675,000	\$16,645,727
General Tuition Revenue Bonds, Series 1972, 6%, 5.80%, 5.25%, 5.30%, 5.40%, 5.50%, 5%, dated 4/1/72, due serially through 4/1/2002 .....	50,000,000	41,685,000	(1)
General Tuition Revenue Bonds, Series 1972A, 6%, 5.25%, 4.80%, 4.90%, 5%, 4.50%, dated 10/1/72, due serially through 4/1/2002 .....	17,000,000	14,545,000	(1)
General Tuition Revenue Refunding Bonds, Series 1978, 5%, 5.10%, 5.25%, 5.30%, 5.40%, 5.50%, 5.60%, 5.70%, 5.80%, 5.95%, 5.75%, dated 8/1/78, due serially through 4/1/96 .....	32,280,000	29,205,000	(1)

<sup>1</sup> Series 1972, 72A and 1978 are parity issues with Series 1971. Interest and Sinking Fund figure for 1971 issue includes all four.

**PERMANENT UNIVERSITY FUND**

Permanent University Fund Bonds, Series 1963, 4½%, 2¾%, 2.9% and 3%, dated 7/1/63, due serially through 7/1/83 .....	\$ 4,000,000	\$ 240,000	(1)
Permanent University Fund Bonds, Series 1964, 4½%, 2.8%, 2.9% and 3%, dated 7/1/64, due serially through 7/1/84 .....	4,000,000	480,000	(1)
Permanent University Fund Bonds, Series 1965, 4½%, 3.4%, 3% and 3.1%, dated 7/1/65, due serially through 7/1/85 .....	6,000,000	1,080,000	(1)
Permanent University Fund Bonds, Series 1966, 4½%, 3.9%, 3.7% and 3.75%, dated 7/1/66, due serially through 7/1/86 .....	11,000,000	2,640,000	(1)
Permanent University Fund Bonds, New Series 1967, 4.40%, 3.6%, 3.70% and 3.75%, dated 7/1/67, due serially through 7/1/87 .....	14,000,000	4,130,000	(2)
Permanent University Fund Bonds, New Series 1968, 4⅞%, 4%, 4.1% and 4.2%, dated 7/1/68, due serially through 7/1/88 .....	15,000,000	5,250,000	(2)
Permanent University Fund Bonds, New Series 1969, 6.20%, 5.40%, 5.50%, 5.60% and 5.25%, dated 7/1/69, due serially through 7/1/89 .....	7,000,000	2,835,000	(2)
Permanent University Fund Bonds, New Series 1970, 6.5%, 6.10%, 6%, 6.20% and 5.5%, dated 7/1/70, due serially through 7/1/90 .....	7,500,000	3,460,000	(2)

PERMANENT UNIVERSITY FUND—(continued)	Original Amount Issued	Outstanding August 31, 1982	I. & S. and Reserve Funds August 31, 1982
Permanent University Fund Bonds, New Series 1971, 5.50%, 4.60%, 4.75%, 4.90% and 5%, dated 7/1/71, due serially through 7/1/91 .....	\$ 9,000,000	\$ 4,590,000	(2)
Permanent University Fund Bonds, New Series 1972, 5%, 4.60%, 4.50%, 4.80% and 4%, dated 7/1/72, due serially through 7/1/92 .....	9,000,000	5,040,000	(2)
Permanent University Fund Bonds, New Series 1973, 6%, 5%, 5.10%, 5.20% and 5.25%, dated 7/1/73, due serially through 7/1/93 .....	11,000,000	6,710,000	(2)
Permanent University Fund Bonds, New Series 1974, 6.5%, 6%, 6.10%, 6.20% and 5.50%, dated 7/1/74, due serially through 7/1/94 .....	11,000,000	7,260,000	(2)
Permanent University Fund Bonds, New Series 1975, 6%, and 5%, dated 7/1/75, due serially through 7/1/95 .....	14,000,000	9,870,000	(2)
Permanent University Fund Bonds, New Series 1976, 4.5%, 5%, 5.2%, 5.3% and 5.5%, dated 7/1/76, due serially through 7/1/96 .....	16,000,000	12,000,000	(2)
Permanent University Fund Bonds, New Series 1977, 5%, 4.5%, 4.7%, 4.75% and 4%, dated 7/1/77, due serially through 7/1/97 .....	20,000,000	15,900,000	(2)
Permanent University Fund Bonds, New Series 1978, 4.50%, 5%, 5.10%, 5.25% and 5.40%, dated 7/1/78, due serially through 7/1/98 .....	21,000,000	17,640,000	(2)
Permanent University Fund Bonds, New Series, 1979, 6.25%, 5.60%, 5.25%, 5.40% and 5.50%, dated 7/1/79, due serially through 7/1/99 .....	21,000,000	18,480,000	(2)
Permanent University Fund Bonds, New Series 1980, 7%, 6.50%, 6.70%, 7% and 6%, dated 7/1/80 due serially through 7/1/2000 .....	26,000,000	23,920,000	(2)
Permanent University Fund Bonds, New Series 1981, 9.90%, 9%, 9.25%, 9.50% and 9%, dated 7/1/81, due serially through 7/1/2001 .....	43,000,000	41,280,000	(2)

<sup>1</sup> Secured by a first lien on and pledge of the interest of The University of Texas System in the income from the Permanent University Fund.

<sup>2</sup> Secured by a lien on and pledge of the interest of The University of Texas System in the income from the Permanent University Fund, subject only and subordinate to the first lien on and pledge of said interest heretofore created in connection with all Permanent University Fund Bonds issued prior to 1967 as listed above.

#### U. T. AUSTIN

Dormitory Revenue Bonds, Series 1954, 4%, 2½%, 2¾%, 2.90% and 3%, dated 9/1/54, due serially through 9/1/94 (Simkins, Blanton, Moore, Varsity Cafeteria) <sup>1</sup> .....	\$ 3,402,000	\$ 1,613,000	\$ 558,855
Dormitory Revenue Bonds, Series 1956, 2¾%, dated 4/1/56, due serially through 4/1/96 (Kinsolving) <sup>2</sup> .....	4,150,000	2,061,000	789,130
University of Texas Student Union Revenue Bonds, Series 1958, Series B—2⅞%, dated 10/1/58, due serially through 10/1/88 <sup>3</sup> .....	1,220,000	493,000	432,645

U. T. AUSTIN—(continued)	Original Amount Issued	Outstanding August 31, 1982	I. & S. and Reserve Funds August 31, 1982
Student Housing Revenue Bonds of 1963, 3½%, dated 10/1/63 due serially through 10/1/2003 <sup>4</sup> .....	\$ 1,800,000	\$ 1,305,000	\$ 319,455
Housing System Revenue Bonds, Series 1967, 5%, 4.4%, 4¼%, 4%, 4.1% and 4.15%, dated 1/1/67, due serially through 5/1/2007 <sup>5</sup> .....	16,500,000	13,585,000	1,586,095
Building Revenue Bond of 1968, 3%, dated 5/1/68, due serially through 5/1/2010 <sup>6</sup> .....	520,000	424,000	62,172
Building Revenue Bonds, Series 1969, 6%, 5.80%, 5.40% and 4.25%, due serially through 5/1/2005 <sup>7</sup> .....	25,000,000	20,985,000	2,154,495
Combined Fee Revenue Bonds, Series 1971, 6.75%, 5.25%, 5.50%, 5.75% and 6%, dated 2/1/71, due serially through 6/1/2001 <sup>8</sup> .....	20,000,000	16,660,000	7,736,134
Married Student Housing Revenue Bonds, Series 1971, 7.5%, 6.75%, 6.7%, 6.75% and 6%, dated 8/1/71, due serially through 8/1/2006 <sup>9</sup> .....	3,100,000	2,820,000	1,410,941
Combined Fee Revenue Bonds, Series 1972, 6%, 5.75%, 5.20%, 5.25%, 5.30% and 4.50%, dated 10/1/72, due serially through 6/1/2002 <sup>8</sup> .....	10,000,000	7,950,000	(10)
Combined Fee Revenue Bonds, Series 1973, 6.50%, 6%, 5.40%, 5.50%, 5.60%, 5.70% and 5%, dated 10/1/73, due serially through 6/1/2004 <sup>8</sup> .....	34,000,000	30,195,000	(10)
Building Revenue Bonds, Series 1974, 6.50%, 5.50%, 5.60%, 5.70% and 5%, dated 1/1/74, due serially through 4/1/2004 <sup>10</sup> .....	53,000,000	46,250,000	10,192,973
Building Revenue Refunding Bonds, Series 1978, 5%, 5.10%, 5.25%, 5.30%, 5.40%, 5.50%, 5.60%, 5.75%, 5.80%, 5.95% and 6%, dated 8/1/78, due serially through 4/1/98 <sup>11</sup> .....	6,310,000	5,650,000	(12)
Combined Fee Revenue Refunding Bonds, Series 1978, 5%, 5.10%, 5.25%, 5.30%, 5.40%, 5.50%, 5.60%, 5.75%, 5.80%, 5.95% and 6%, dated 8/1/78, due serially through 6/1/2000 <sup>8</sup> .....	16,710,000	14,620,000	(10)
Married Student Housing Revenue Bonds, Series 1981, 11.90%, 10.50%, 10.60%, 10.80% and 11%, dated 5/1/81, due serially through 8/1/2007 <sup>9</sup> .....	5,750,000	5,750,000	(13)

<sup>1</sup> Secured by first lien on and pledge of net revenues from Blanton Dormitory, Simkins Hall, Moore Hall, and Varsity Cafeteria.

<sup>2</sup> Secured by first lien on and pledge of net revenues from Kinsolving Dormitory, plus surplus revenues from debt-free Andrews and Carothers Dormitories for Women.

<sup>3</sup> Series B, originally \$1,500,000 but \$280,000 cancelled prior to delivery. Secured by first lien on and pledge of revenues from compulsory student union fee.

<sup>4</sup> Secured by first lien on and pledge of net revenues from 200 apartments for married students.

<sup>5</sup> Secured by first lien on and pledge of gross revenues of University Housing System.

<sup>6</sup> Secured by first lien on and pledge of gross revenues from Student Co-op Housing System.

<sup>7</sup> Secured by first lien on and pledge of net revenues of Utility Plant and gross Student Building Use Fees.

<sup>8</sup> Secured by first lien on and pledge of Building Use Fee and General Fee.

<sup>9</sup> Secured by first lien on gross revenues from Married Student Housing System.

<sup>10</sup> Interest and Sinking Funds for Combined Fee Revenue Bonds Series 1971, 1972, 1973 and 1978 consolidated.

<sup>11</sup> Secured by first lien on and pledge of Available Fund Surplus and Special Fee.

<sup>12</sup> Interest and Sinking Funds for Building Revenue Bonds Series 1974 and 1978 consolidated.

<sup>13</sup> Interest and Sinking Funds and Reserve Funds for Series 1971 and 1981 consolidated.

U. T. EL PASO	Original Amount Issued	Outstanding August 31, 1982	I. & S. and Reserve Funds August 31, 1982
Texas Western College, Student Union Revenue Bonds, Series A of 1967, 2 $\frac{1}{8}$ %, dated 10/1/67, due serially through 10/1/87; and Series B of 1967, 6%, 5.8%, 5%, 5.1% and 5.2%, dated 10/1/67, due serially through 10/1/2001 <sup>1</sup> .....	\$ 3,158,000	\$ 2,466,000	\$ 262,837
Texas Western College, Student Housing Revenue Bonds of 1961, Bonds 1-120, 3 $\frac{1}{2}$ % and 3%, dated 10/1/61, due serially through 10/1/71; Bond R-1, 3 $\frac{1}{2}$ %, dated 10/1/61, due serially through 10/1/2001 <sup>2</sup> .....	1,000,000	644,000	146,855
Building Revenue Bonds, Series 1969, 6.50%, 6%, 5.60% and 4%, dated 5/1/69, due serially through 11/1/2005 <sup>3</sup> .....	8,500,000	7,460,000	962,887
Combined Fee Revenue Bonds, Series 1970, 8%, 6.70%, 6.80%, 7.90%, 7% and 7.10%, dated 5/1/70, due serially through 5/1/2006 <sup>4</sup> .....	5,500,000	4,910,000	1,906,847
Combined Fee Revenue Bonds, Series 1971, 6%, 5%, 5.10%, 5.20%, 5.25% and 4.50%, dated 11/1/71, due serially through 5/1/2006 <sup>4</sup> .....	4,000,000	3,510,000	(5)
Combined Fee Revenue Bonds, Series 1973, 6.50%, 5.30%, 5.40%, 5.50%, 5.60%, 5.70% and 5%, dated 10/1/73, due serially through 5/1/2004 <sup>4</sup> .....	5,000,000	4,400,000	(5)
Combined Fee Revenue Bonds, Series 1974, 8.25%, 7.90%, 7.60% and 6.75%, dated 11/1/74, due serially through 5/1/97 <sup>4</sup> .....	1,500,000	1,220,000	(5)
Combined Fee Revenue Bonds, Series 1979, 7.25%, 7%, 5.75%, 6%, dated 5/1/79, due serially through 2003 <sup>4</sup> .....	5,000,000	4,730,000	(5)

<sup>1</sup> Secured by first lien on and pledge of student use fees and net revenues of operation of all services afforded. Series A issued in amount of \$458,000 refunding Series 1957; Series B issued in amount of \$2,700,000.

<sup>2</sup> Secured by first lien on and pledge of net revenues from project operation.

<sup>3</sup> Secured by first lien on and pledge of net revenues from Housing System and student fees for Gymnasium and Library Facilities.

<sup>4</sup> Secured by first lien on and pledge of Building Use Fee and General Fee.

<sup>5</sup> Interest and Sinking Fund for Combined Fee Revenue Bonds, Series 1970, 1971, 1973 and 1974 consolidated.

#### GALVESTON MEDICAL BRANCH

University of Texas Medical Branch, Endowment and Hospital Revenue Bonds, Series 1973, 6.25%, 5.70%, 5.60%, 5.70%, 5.80%, 5.90% and 4.75%, dated 7/1/73, due serially through 7/1/99 <sup>1</sup> .....	\$34,500,000	\$29,240,000	\$12,584,938
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<sup>1</sup> Secured by first lien on proceeds of the sale of endowment land, pledge of net revenues from the Sealy & Smith Foundation for the John Sealy Hospital and pledge of net revenues from patients fees and charges.

#### M. D. ANDERSON HOSPITAL AND TUMOR INSTITUTE AT HOUSTON

Endowment and Hospital Revenue Bonds, Series 1972, 6%, 5.40%, 5.20%, 5.25%, 5.30%, 5.40% and 4.50%, dated 8/1/72, due serially through 8/1/97 <sup>1</sup> .....	\$16,000,000	\$13,210,000	\$20,223,831
Endowment and Hospital Revenue Bonds, Series 1976, 5%, 5.30%, 5.45%, 5.75%, 5.85% and 6%, dated 6/1/76, due serially through 8/1/93 <sup>1</sup> .....	2,500,000	2,025,000	(2)

<sup>1</sup> Secured by first lien on proceeds of the sale of endowment land and pledge of gross revenues from patients fees and charges.

<sup>2</sup> Interest and Sinking Fund combined with Series 1972 Issue.

M. D. ANDERSON HOSPITAL AND TUMOR  
INSTITUTE AT HOUSTON—Continued

	Original Amount Issued	Outstanding August 31, 1982	I. & S. and Reserve Funds August 31, 1982
Hospital Revenue Bonds, Subordinate Lien Series 1976, 6.02%, dated 7/1/76, maturing through 7/1/86 <sup>3</sup> .....	\$ 4,770,000	\$ 4,315,000	\$ 4,817,842

<sup>3</sup> Secured by pledge of surplus gross revenues of the hospital facilities and other income.

U. T. ARLINGTON

Student Center Fee Bonds, Series 1960, 4½% and 4⅜%, dated 7/1/60, due serially through 7/1/89 <sup>1</sup> .....	\$ 600,000	\$ 234,000	\$ 99,245
Gymnasium Fee Bonds, Series 1961, 4½%, 4% and 4¼%, dated 7/1/61, due serially through 7/1/90 <sup>2</sup> .....	650,000	276,000	104,724
Housing System Revenue Refunding Bonds, Series 1963, 3.375%, 2½%, 3%, 3¼%, 3½% and 3¾%, dated 7/1/63, due serially through 7/1/93 <sup>3</sup> .....	1,806,000	941,000	124,453
Student Fee Revenue Bonds, Series 1964, 5%, 4%, 3¾%, 3.9% and 0.10%, dated 7/1/64, due serially through 7/1/96 <sup>4</sup> .....	3,250,000	1,925,000	470,074
Student Fee Revenue Bonds, Series 1966, 5%, 4.25% and 4.40%, dated 1/1/66, due serially through 7/1/97 <sup>5</sup> .....	1,750,000	1,120,000	( <sup>5</sup> )
Student Fee Revenue Bond, Series 1968, 3%, dated 7/1/68, due serially through 7/1/98 <sup>5</sup> .....	1,285,000	860,000	( <sup>5</sup> )
Combined Fee Revenue Bonds, Series 1971-A, 6.50%, 5.30%, 5.70%, 5.90%, 6% and 5%, dated 4/1/71, due serially through 7/1/2001 <sup>7</sup> .....	5,000,000	4,055,000	2,726,837
Combined Fee Revenue Bonds, Series 1973, 6%, 5.30%, 5%, 5.10%, 5.20% and 4.50%, dated 1/1/73, due serially through 7/1/2002 <sup>7</sup> .....	8,500,000	7,400,000	( <sup>8</sup> )
Combined Fee Revenue Bonds, Series 1973-A 6.50%, 6%, 5.40%, 5.50%, 5.60%, 5.70% and 5%, dated 10/1/73, due serially through 7/1/2004 <sup>7</sup> .....	7,500,000	6,925,000	( <sup>8</sup> )
Combined Fee Revenue Bonds, Series 1974, 8.25%, 6.80%, 7.30%, 7.50%, 7.60%, 7.70% and 7.85%, dated 11/1/74, due serially through 6/1/97 <sup>7</sup> .....	1,300,000	1,050,000	( <sup>8</sup> )
Combined Fee Revenue Bonds, Series 1978, 6.75%, 6.25%, 5.50%, 5.70%, 6%, 6.30% and 6.50%, dated 12/1/78, due serially through 7/1/2004 <sup>7</sup> .....	5,500,000	5,200,000	( <sup>8</sup> )
Apartment Revenue Bonds, Series 1978, 6% and 6.25%, dated 11/1/78, due serially through 11/1/98 <sup>9</sup> .....	1,500,000	1,370,000	276,926
Student Apartment Revenue Bond Series 1980, 3%, dated 3/1/80, due 3/1/83 through 3/1/20 .....	2,792,000	2,792,000	199

<sup>1</sup> Secured by first lien on student center use fees.

<sup>2</sup> Secured by first lien on gymnasium use fees.

<sup>3</sup> Secured by net revenues from dormitories for 604 men and 339 women.

<sup>4</sup> Secured by first lien on auditorium and hospital use fees.

<sup>5</sup> Interest and Sinking Funds for Student Fee Revenue Bonds—Series 1964, 1966 and 1968 combined.

<sup>6</sup> Secured by first lien on library use fee, auditorium and hospital use fee and student center use fee (subject to Student Center Fee Bonds, Series 1960).

<sup>7</sup> Secured by first lien on building use fee and general fee.

<sup>8</sup> Interest and Sinking Funds for Combined Fee Revenue Bonds, Series 1973, 1973-A, 1974 and 1978 consolidated.

<sup>9</sup> Payable from revenues, income, receipts, rentals, rates, charges and fees derived from ownership and operation of the apartment system.

<u>U. T. DALLAS</u>	<u>Original Amount Issued</u>	<u>Outstanding August 31, 1982</u>	<u>I. &amp; S. and Reserve Funds August 31, 1982</u>
Combined Fee Revenue Bonds, Series 1978, 6.75%, 5.30%, 5.40%, 5.50%, 5.60%, 5.70%, 5.80%, 5.90%, 6%, 6.05%, 6.10%, 6.20%, 6.30%, 6.40% and 5.50%, dated 11/1/78, due serially through 11/1/2004 <sup>1</sup> .....	\$ 9,000,000	\$ 8,550,000	\$ 986,970
Utility Revenue Bonds, Series 1980, 8.25%, 7.40%, 7.60%, 7.80%, 8%, 6.75%, dated 8/1/80, due serially through 8/1/2000 .....	10,125,000	9,640,000	1,166,574
<sup>1</sup> Secured by first lien on building use fee and general fee.			
<u>U. T. TYLER</u>			
Texas Eastern University Combined Fee Revenue Bonds, Series 1976, 7%, 6%, 6.25%, 6.40%, 6.50%, 6.70%, 6.50%, dated 2/1/76, due serially through 8/1/99 .....	\$ 1,750,000	\$ 1,535,000	\$ 196,283
<u>U. T. SAN ANTONIO</u>			
Combined Fee Revenue Bonds, Series 1980, 9.50%, 8.75%, 8.80%, 9%, dated 3/1/80, due serially through 3/1/04 .....	\$ 8,500,000	\$ 8,345,000	\$ 596,135
Utility Revenue Bonds, Series 1980, 8.25%, 7.40%, 7.60%, 7.80%, 8%, 6.75%, dated 8/1/80, due serially through 01/1/2000 .....	9,775,000	9,310,000	1,123,493
<u>U.T. HEALTH SCIENCE CENTER—HOUSTON</u>			
Housing System Revenue Bonds, Series 1981, 9%, 9.50%, 9.75%, 10%, 10.25%, dated 5/1/81, due serially through 5/1/98 .....	\$14,000,000	\$14,000,000	\$ 2,442,804



*Oceanography and Meteorology Building, Texas A&M University Campus*



*The Michel T. Halbouty Geosciences Building, Texas A&M University*

## C. GENERAL INFORMATION

### The Texas A&M University System

#### *Administration*

THE TEXAS A&M UNIVERSITY SYSTEM is the Land-Grant University organization for Texas and is a state-wide institution devoted to teaching, research and public service. The System is supported by state appropriations, state endowment, private endowment and gifts, federal appropriations, student fees, sales and services, and revenues derived from other sources.

THE SYSTEM government is vested in a board of nine regents, who serve without pay. They are appointed by the Governor and approved by the Senate. Three regents are appointed each two years for six-year terms of office.

THE MEMBERS of the Board of Regents as of December 1, 1982, were as follows:

Mr. H. R. Bright, Chairman, Dallas  
 Mr. John R. Blocker, Vice Chairman, Houston  
 Mr. Clyde H. Wells, Granbury  
 Mr. H. C. Bell, Jr., Austin  
 Mr. Joe C. Richardson, Jr., Amarillo  
 Dr. John B. Coleman, Houston  
 Mr. William A. McKenzie, Dallas  
 Mr. Norman N. Moser, DeKalb  
 Mr. Royce E. Wisenbaker, Tyler

THE PRINCIPAL officers of the general administrative offices of the System are as follows:

Dr. Arthur G. Hansen, Chancellor  
 Mr. Robert G. Cherry, Vice Chancellor for Public Affairs  
 Mr. W. C. Freeman, Executive Vice Chancellor for Administration  
 Mr. James B. Bond, Vice Chancellor for Legal Affairs and General Counsel  
 Dr. Perry L. Adkisson, Deputy Chancellor for Agriculture  
 Dr. John C. Calhoun, Jr., Deputy Chancellor for Engineering  
 Mr. W. A. Wasson, System Comptroller  
 Mr. Wesley E. Peel, Vice Chancellor for Facilities Planning and Construction

#### *Organization*

THE INSTITUTIONS, services and agencies of The Texas A&M University System, with the administrative head of each shown, are:

Texas A&M University  
 Dr. Frank E. Vandiver, President  
 Prairie View A&M University  
 Dr. Ivory V. Nelson, Acting President  
 Tarleton State University  
 Dr. Barry B. Thompson, President  
 Texas A&M University at Galveston  
 Dr. William H. Clayton, President  
 Texas Agricultural Experiment Station  
 Dr. Neville P. Clarke, Director  
 Texas Agricultural Extension Service and Rodent and Predatory Animal Control Service  
 Dr. Zerle L. Carpenter, Director  
 Texas Forest Service  
 Mr. Bruce Miles, Director  
 Texas Engineering Extension Service  
 Mr. James R. Bradley, Director

Texas Engineering Experiment Station  
 Dr. Wilbur Arthur Porter, Director  
 Texas Transportation Institute  
 Dr. C. V. Wootan, Director

THE BUDGET for The Texas A&M University System is in excess of \$557,000,000 for the current fiscal year. The System is headquartered at College Station (approximately 90 miles northwest of Houston), has personnel and/or field installations in 253 of the state's 254 counties, and owns in excess of 56,000 acres of land. The buildings and facilities of the institutions, services and agencies of the System are carried at a cost of approximately \$753,000,000.

## GENERAL ACADEMIC INSTITUTIONS

### *Enrollment*

THE ENROLLMENTS at general academic institutions of The Texas A&M University System in the fall of 1982 were as follows:

Texas A&M University .....	36,127
Prairie View A&M University .....	4,513
Tarleton State University .....	4,231
Texas A&M University at Galveston .....	580
Total .....	<u>45,451</u>

TEXAS A&M UNIVERSITY was established in 1876 as Texas' first public institution of higher education and carries both the land-grant and sea-grant designations. Texas A&M is a leader in graduate studies, particularly at the doctoral level, with more than 15 percent of its students working towards graduate degrees. Undergraduate degrees are offered in more than 80 fields through the Colleges of Agriculture, Architecture and Environmental Design, Business Administration, Education, Engineering, Geosciences, Liberal Arts, Medicine, Science and Veterinary Medicine. The nation's largest enrollments in the fields of Agriculture, Architecture and Environmental Design, Engineering and Veterinary Medicine are at Texas A&M University. The largest cyclotron (atom-smasher) in the South or Southwest is located on the campus and the University also operates a research-type nuclear reactor which has one of the highest utilization rates in the nation. Texas A&M ranks in the top 20 institutions in the nation in enrollment of National Merit Scholars and in research and development expenditures.

PRAIRIE VIEW A&M UNIVERSITY is located in Prairie View, Waller County, Texas, 46 miles northwest of Houston. The University is organized into eight colleges, including the Colleges of Agriculture, Arts and Sciences, Engineering, Home Economics, Business Education, Industrial Education and Technology, Nursing and the Graduate School. The University is fully accredited by the Southern Association of Colleges and Schools, The National Council of Teacher Education, the Association of Texas Colleges and Universities and the Texas Education Agency.

TARLETON STATE UNIVERSITY was founded in 1899 as John Tarleton College through a bequest by John Tarleton, a pioneer Erath County citizen. Tarleton State is located in Stephenville, about 62 miles southwest of Fort Worth, and has been a part of The Texas A&M University System since 1917. Complete programs are offered leading to the bachelor's degree in Applied Arts and Sciences, Arts, Business Administration, Music Education, and Science. Tarleton State University has membership in the Southern Association of Colleges and Schools and the Association of Texas Colleges and Universities.

TEXAS A&M UNIVERSITY AT GALVESTON (Moody College) was established in 1971 at Galveston by action of the Board of Regents of The Texas A&M University System for the purpose of providing a broad program of instruction in the general field of marine resources. The Texas Maritime Academy, established originally as a separate part of the System in 1962, is included as a separate division of Texas A&M University at Galveston. The purpose of the Maritime Academy is to provide instruction in seamanship, ship construction, naval architecture, engineering, and the science of navigation.

## SERVICE AND RESEARCH INSTITUTIONS

THE TEXAS AGRICULTURAL EXPERIMENT STATION was organized in 1887 when the Legislature of Texas accepted the Hatch Act, passed by Congress one month earlier. It is responsible for conducting investigations and experiments in the planting and growing of agricultural and horticultural crops and soils, and the breeding, feeding, and fattening of livestock for slaughter. The main State Experiment Station, which is in part supported by the Federal Government, is permanently located at College Station.

THE TEXAS AGRICULTURAL EXTENSION SERVICE was organized in 1915 under the Smith-Lever Act in cooperation with the United States Department of Agriculture and was placed under the administration of The Texas A&M University System. All programs of an educational nature conducted in Texas by the United States Department of Agriculture are conducted through the Texas Agricultural Extension Service. These programs include extension work in agriculture and home economics. Also under the administration of the Texas Agricultural Extension Service is the Rodent and Predatory Animal Control Service, charged with conducting programs to control predatory animals and rodent pests.

THE TEXAS FOREST SERVICE was established in 1915 as the Forestry Department at Texas A&M College and received its current designation in 1926. The Service was established to assure Texans of an adequate supply of timber, and to protect the forest resource from wildfires, insects and diseases. To ensure more efficient use of this natural resource, the Service provides statewide leadership in good forestry, technical assistance to the wood products industry and management services to private landowners. As a public agency the Service is also responsible for educating and informing the public about the economic and ecological conditions of Texas' forests.

THE TEXAS ENGINEERING EXTENSION SERVICE is an outgrowth of the Industrial Extension Service, created by the Board of Regents in 1940. In 1948 the Texas Engineering Extension Service replaced the Industrial Extension Service and was charged with the responsibility for providing occupational and technical training services, on an extension basis, to the citizens of Texas.

THE TEXAS ENGINEERING EXPERIMENT STATION AND TEXAS TRANSPORTATION INSTITUTE were established in 1914 and 1950 respectively. The Texas Engineering Experiment Station is responsible for the formation and direction of a broad spectrum of engineering research and related activities. The Texas Transportation Institute is responsible for the conduct of cooperative research with the Texas Department of Highways and Public Transportation and other state agencies in order to enhance the transportation system available to the people of Texas.

**Financial Position**

THE PRELIMINARY report of current funds income of The Texas A&M University System for the fiscal year ended August 31, 1982, was as follows:

<b>TEXAS A&amp;M UNIVERSITY</b>	
1. State Appropriations .....	\$118,794,206.90
2. Student Fees .....	10,048,030.65
3. Income From State Endowment .....	46,413,591.86*
4. Restricted Funds .....	54,969,586.67
5. Sales and Services .....	1,281,045.71
6. Other Sources .....	3,118,682.61
Total Educational and General .....	<u>234,625,144.40</u>
7. Designated Funds .....	9,729,192.23
8. Auxiliary Enterprises and Activities (Dining Halls, Dormitories, College Store, Laundry, etc.) .....	<u>59,977,340.51</u>
<b>TOTAL TEXAS A&amp;M UNIVERSITY</b> .....	<b>304,331,677.14</b>
<b>TEXAS A&amp;M UNIVERSITY AT GALVESTON</b> .....	<b>7,174,622.71</b>
<b>TARLETON STATE UNIVERSITY</b> .....	<b>15,946,845.52</b>
<b>PRAIRIE VIEW A&amp;M UNIVERSITY</b> .....	<b>47,309,189.29</b>
<b>TEXAS AGRICULTURAL EXPERIMENT STATION</b> .....	<b>57,667,951.41</b>
<b>TEXAS AGRICULTURAL EXTENSION SERVICE</b> .....	<b>48,088,519.81</b>
<b>TEXAS FOREST SERVICE</b> .....	<b>11,663,520.84</b>
<b>TEXAS ENGINEERING EXPERIMENT STATION</b> .....	<b>19,515,237.37</b>
<b>TEXAS ENGINEERING EXTENSION SERVICE</b> .....	<b>14,576,558.46</b>
<b>TEXAS TRANSPORTATION INSTITUTE</b> .....	<b>6,131,503.08</b>
<b>THE TEXAS A&amp;M UNIVERSITY SYSTEM</b>	
<b>ADMINISTRATIVE AND GENERAL OFFICES</b> .....	<u>2,869,051.68</u>
<b>GRAND TOTAL THE TEXAS A&amp;M</b> <b>UNIVERSITY SYSTEM</b> .....	<u><u>\$535,274,677.31</u></u>

\* See page 12 for statement of the apportionment of the income from the Permanent University Fund as between The University of Texas System and The Texas A&M University System.

THE PRELIMINARY report of assets of The Texas A&M University System as of August 31, 1982, were as follows:

## ASSETS

I. CURRENT FUNDS		
A. General.....	\$ 46,240,667.80	
B. Designated.....	38,225,457.12	
C. Auxiliary Enterprises.....	57,880,905.21	
D. Restricted.....	41,619,224.18	
Total Current Funds Assets.....		\$183,966,254.31
II. LOAN FUNDS.....		4,914,024.16
III. ENDOWMENT FUNDS		
A. State.....	*	
B. Other than State.....	21,573,287.42	
Total Endowment Funds Assets.....		21,573,287.42
IV. ANNUITY AND LIFE INCOME FUNDS.....		1,058,867.88
V. PLANT FUNDS		
A. Unexpended.....		
Available A&M University Fund.....	37,432,970.94	
Other Plant Funds.....	119,698,335.28	
Total Unexpended Plant Funds.....	157,131,306.22	
B. For Retirement of Indebtedness.....	28,328,311.90	
C. Invested in Plant.....	752,879,708.56	
Total Plant Funds Assets.....		938,339,326.68
VI. AGENCY FUNDS.....		519,359.41
GRAND TOTAL ASSETS.....		1,150,371,119.86
Less: Total Liabilities.....		226,478,631.24
FUND BALANCES (i.e., Net Worth).....		<u>\$923,892,488.62</u>

\* The Texas A&M University System shares in the income from the Permanent University Fund which fund as of December 31, 1982, was carried on the books of The University of Texas System at over \$1,780,000,000 excluding land.

### Outstanding Indebtedness

THE TEXAS A&M UNIVERSITY SYSTEM has no bank loans or other unfunded indebtedness as of August 31, 1982. Following is a table showing all funded indebtedness outstanding and the condition of the unpaid portions thereof as of August 31, 1982. Previously retired or refunded issues have been omitted from the schedule.

#### THE TEXAS A&M UNIVERSITY SYSTEM ALL OUTSTANDING BONDED INDEBTEDNESS BY UNITS OF THE SYSTEM

THE TEXAS A&M UNIVERSITY SYSTEM	Original Amount Issued	Outstanding August 31, 1982	I. & S. and Reserve Funds August 31, 1982
Tuition Revenue Bonds, Series 1973, 6.50%, 5.25%, 5.50%, 5.60%, 5.65%, 5.70% and 5.00%, due serially through 11/1/03 <sup>1</sup> .....	\$ 3,500,000	\$ 3,080,000	\$ 663,493†
Tuition Revenue Bonds, Series 1974, 8.50%, 7.60%, 7.70%, 7.80%, 7.90% and 7.00%, due serially through 11/1/03 <sup>1</sup> .....	4,000,000	3,530,000	.....†
<b>PERMANENT UNIVERSITY FUND</b>			
Permanent University Fund Bonds, New Series 1967, 4.40%, 3.60%, 3.70% and 3.75%, due serially through 7/1/87 <sup>3</sup> .....	10,000,000	2,950,000	-0-
Permanent University Fund Bonds, New Series 1968, 4.875%, 4%, 4.10% and 4.20%, due serially through 7/1/88 <sup>3</sup> .....	5,000,000	1,750,000	-0-
Permanent University Fund Bonds, New Series 1969, 6.20%, 5.40%, 5.50%, 5.60% and 5.25%, due serially through 7/1/89 <sup>3</sup> .....	5,000,000	2,025,000	-0-
Permanent University Fund Bonds, New Series 1970, 6.50%, 6.10%, 6.00%, 6.20% and 5.50%, due serially through 7/1/90 <sup>3</sup> .....	5,000,000	2,300,000	-0-
Permanent University Fund Bonds, New Series 1971, 5.50%, 4.60%, 4.75%, 4.90% and 5.00%, due serially through 7/1/91 <sup>3</sup> .....	5,000,000	2,550,000	-0-
Permanent University Fund Bonds, New Series 1972, 5.00%, 4.60%, 4.50%, 4.80% and 4.00%, due serially through 7/1/92 <sup>3</sup> .....	5,000,000	2,800,000	-0-
Permanent University Fund Bonds, New Series 1973, 6.00%, 5.00%, 5.10%, 5.20% and 5.25%, due serially through 7/1/93 <sup>3</sup> .....	5,000,000	3,050,000	-0-
Permanent University Fund Bonds, New Series 1974, 6.50%, 6.00%, 6.10%, 6.20% and 5.50%, due serially through 7/1/94 <sup>3</sup> .....	6,000,000	3,960,000	-0-
Permanent University Fund Bonds, New Series 1975, 6.00%, 5.30%, 5.50%, 5.70% and 6.00%, due serially through 7/1/95 <sup>3</sup> .....	8,000,000	5,640,000	-0-

PERMANENT UNIVERSITY FUND—(continued)	Original Amount Issued	Outstanding August 31, 1982	I. & S. and Reserve Funds August 31, 1982
Permanent University Fund Bonds, New Series 1976, 5.50%, 5.00%, 5.20%, 5.30% and 4.50%, due serially through 7/1/96 <sup>3</sup> .....	\$ 8,000,000	\$ 6,000,000	\$ -0-
Permanent University Fund Bonds, New Series 1977, 5.00%, 4.50%, 4.70%, 4.75% and 4.00%, due serially through 7/1/97 <sup>3</sup> .....	10,000,000	7,950,000	-0-
Permanent University Fund Bonds, New Series 1978, 4.50%, 5%, 5.10%, 5.25% and 5.40%, due serially through 7/1/98 <sup>3</sup> .....	11,000,000	9,240,000	-0-
Permanent University Fund Bonds, New Series 1979, 6.25%, 5.60%, 5.25%, 5.40% and 5.50%, due serially through 7/1/99 <sup>3</sup> .....	10,000,000	8,800,000	-0-
Permanent University Fund Bonds, New Series 1980, 7.00%, 6.50%, 6.70%, 7.00% and 6.00%, due serially through 7/1/2000 <sup>3</sup> .....	12,000,000	11,040,000	-0-
Permanent University Fund Bonds, New Series 1981, 9.90%, 9.25%, 9.50% and 9.00%, due serially through 7/1/01 <sup>3</sup> .....	20,000,000	19,200,000	-0-
 <b>TEXAS A&amp;M UNIVERSITY (At College Station)</b>			
Agricultural and Mechanical College of Texas Press Building Revenue Bonds, Series 1954, 3.1%, due serially through 10/1/83 <sup>4</sup> .....	220,000	10,000	21,232
Agricultural and Mechanical College of Texas Power Plant Revenue Bonds, Series 1963, 3.75%, 3%, 3.25% and 3.375%, due serially through 7/1/83 <sup>6</sup> .....	2,500,000	175,000	180,916
Agricultural and Mechanical College of Texas Building Revenue Bonds, Series 1963, 3.5%, due serially through 4/1/03 <sup>5</sup> .....	4,743,000	3,338,000	1,503,535
Texas A&M University Student Fee Revenue Bonds, Series 1966, 5% and 4.25%, due serially through 7/1/05 <sup>7</sup> .....	2,200,000	1,710,000	532,805
Texas A&M University Student Fee Revenue Bonds, Series 1966A, 5%, 4.50%, 4.55% and 4.60%, due serially through 7/1/90 <sup>8</sup> .....	800,000	380,000	181,759
Texas A&M University Housing System Revenue Bonds, Series 1966, 5%, 4.40% and 4.25%, due serially through 6/1/98 <sup>5</sup> .....	2,000,000	1,290,000	6,244,217*
Texas A&M University Housing System Revenue Bonds, Series 1967, 6%, 4.50%, 4.75%, 4.90% and 5.00%, due serially through 6/1/98 <sup>5</sup> .....	1,000,000	810,000	.....*
Texas A&M University Utility System Student Fee Revenue Bonds, Series 1970, 7.50%, 7.10%, 7.00%, 7.10% and 6.50%, due serially through 8/1/99 <sup>14</sup> .....	9,500,000	-0-	.....***
Texas A&M University Housing System Revenue Bonds, Series 1970, 8.00%, 7.90%, 7.25%, 7.30%, 7.40% and 7.50%, due serially through 6/1/09 <sup>5</sup> .....	5,000,000	4,590,000	.....*

## TEXAS A&amp;M UNIVERSITY (At College Station)

(continued)

	Original Amount Issued	Outstanding August 31, 1982	I. & S. and Reserve Funds August 31, 1982
Texas A&M University Combined Fee Revenue Bonds, Series 1971, 6.50%, 6.25%, 5.80%, 6.00%, 6.10% and 5.00%, due serially through 5/1/01 <sup>10</sup> .....	\$ 6,500,000	\$ 5,405,000	\$ 5,999,990††
Texas A&M University Student Fee Revenue Bonds, Series 1972, 6.50%, 5.10%, 5.20%, 5.25%, 5.40% and 5.00%, due serially through 4/1/02 <sup>10</sup> .....	1,600,000	1,350,000	211,478
Texas A&M University Junior Lien Building Revenue Bonds, Series 1972, 5.00%, 5.50%, 5.75% and 6.00%, due serially through 6/1/94 <sup>5</sup> .....	1,600,000	1,075,000	304,417
Texas A&M University Student Family Apartment Revenue Refunding Bonds, Series 1972, 2.875%, due serially through 4/1/96 <sup>5</sup> .....	1,632,000	1,057,000	.....**
Texas A&M University Student Family Apartment Revenue Bonds, Series 1972, 5.50%, 5.25%, 5.40%, 5.50% and 5.60%, due serially through 4/1/97 <sup>5</sup> .....	2,500,000	1,945,000	1,651,124**
Texas A&M University Housing System Revenue Bonds, Series 1973, 7.00%, 6.10%, 5.80%, 5.90% and 6.00%, due serially through 6/1/05 <sup>5</sup> .....	7,500,000	6,760,000	.....*
Texas A&M University Utility System Student Fee Revenue Bonds, Series 1974, 8.00%, 7.50%, 7.75%, 7.90%, 8.00% and 6.50%, due serially through 8/1/2000 <sup>14</sup> .....	9,500,000	-0-	.....***
Texas A&M University Combined Fee Revenue Bonds, Series 1974, 8.50%, 7.60%, 7.70%, 7.80%, 7.90% and 7.00%, due serially through 5/1/05 <sup>13</sup> .....	25,000,000	-0-	.....††
Texas A&M University Combined Fee Revenue Refunding Bonds, Series 1978, 4.90%, 5%, 5.10%, 5.20%, 5.30%, 5.40%, 5.50%, 5.60% and 5.70%, due serially through 5/1/05 <sup>10</sup> .....	28,015,000	25,685,000	.....††
Texas A&M University Stadium Revenue Bonds, Series 1978, 7%, 6%, 5.50%, 5.70%, 5.85% and 6%, due serially through 8/1/99 <sup>16</sup> .....	1,700,000	1,510,000	118,952
Texas A&M University Utility System Student Fee Revenue Refunding Bonds, Series 1978, 5%, 5.05%, 5.10%, 5.15%, 5.20%, 5.30%, 5.50%, 5.80% and 6%, due serially through 8/1/2000 <sup>11</sup> .....	20,140,000	18,205,000	3,136,986***
Texas A&M University Combined Fee Revenue Bonds, Series 1978-A, 6.80%, 6.20%, 5.30%, 5.50%, 5.80% and 6%, due serially through 5/1/01 <sup>10</sup> .....	12,500,000	11,510,000	.....††
Texas A&M University Housing System Revenue Bonds, Series 1978, 7%, 5.70%, 5.55%, 5.60%, 5.65%, 5.70%, 5.80%, 5.90%, 6%, 6.10%, 6.20%, 6.30%, 6.40%, 6.50% and 6.60%, due serially through 6/1/05 <sup>5</sup> .....	4,500,000	4,350,000	.....*
Texas A&M University Student Family Apartment Revenue Bonds, Series 1979, 6.80%, 5.30%, 5.35%, 5.40%, 5.45%, 5.50%, 5.55%, 5.60%, 5.70%, 5.80% and 5.90%, due serially through 4/1/98 <sup>5</sup> .....	1,000,000	950,000	.....**

TEXAS A&M UNIVERSITY (At College Station)  
(continued)

	Original Amount Issued	Outstanding August 31, 1982	I. & S. and Reserve Funds August 31, 1982
Texas A&M University Housing System Revenue Bonds, Series 1979, 7.60%, 7.40%, 6.10%, 6.20%, 6.25%, 6.30%, 6.40%, 6.50%, 6.60%, 6.70%, 6.75%, 6.80%, 6.90% and 7.00%, due serially through 6/1/2006 <sup>5</sup> .....	\$ 5,500,000	\$ 5,325,000	\$ .....*
Texas A&M University Housing System Revenue Bonds, Series 1980, 9.50%, 9.375%, 8.20%, 8.30%, 8.45%, 8.40%, 8.60%, 8.75%, 8.90%, 9.00%, 9.20%, 9.30% and 9.40%, due serially through 6/1/2006 <sup>5</sup> .....	8,500,000	8,500,000	.....*
* Interest and Sinking Fund for Housing System Revenue Bonds, Series 1966, 1967, 1970, 1973, 1978, 1979 and 1980.			
** Interest and Sinking Fund for Student Family Apartment Revenue Bonds, Series 1972 and 1979 and Student Family Apartment Revenue Refunding Bonds, Series 1972.			
*** Interest and Sinking Fund for Utility System Student Fee Revenue Bonds, Series 1970, 1974 and 1978 Refunding.			
† Interest and Sinking Fund for Tuition Revenue Bonds, Series 1973 and 1974.			
†† Interest and Sinking Fund for Combined Fee Revenue Bonds, Series 1971, 1974, 1978 Refunding and 1978 A.			

TARLETON STATE UNIVERSITY (At Stephenville)

Tarleton State College Building Use Fee Revenue Bonds, Series 1967, 4.75%, due serially through 6/1/92 <sup>9</sup> .....	\$ 160,000	\$ 89,000	\$ 12,857
Tarleton State College Student Tuition Fee Revenue Bonds, Series 1967, 4.75%, due serially through 6/1/98 <sup>10</sup> .....	250,000	178,000	259,355
Tarleton State College Crockett Hall Dormitory Revenue Bonds, Series 1969, 6.00%, due serially through 9/1/94 <sup>5</sup> .....	330,000	211,000	25,490
Tarleton State College General Fee Revenue Bonds, Series 1972, 5.50%, 5.25%, 5.50%, 5.60%, 5.70% and 5.75%, due serially through 4/1/01 <sup>10</sup> .....	500,000	430,000	46,230
Tarleton State University General Fee Revenue Bonds, Series 1973, 5.40%, 5.50%, 5.60%, 5.70% and 5.75%, due serially through 4/1/98 <sup>10</sup> .....	300,000	240,000	23,980
Tarleton State University Combined Fee Revenue Bonds, Series 1974, 7.75% and 8.00%, due serially through 4/1/03 <sup>10</sup> .....	4,000,000	3,600,000	417,462

PRAIRIE VIEW A&M UNIVERSITY (At Prairie View)

Prairie View Agricultural and Mechanical College of Texas Utility System Student Fee Revenue Bonds, Series 1970, 7%, 5.50% and 6.10%, due serially through 4/1/83 <sup>12</sup> .....	500,000	70,000	83,135
Prairie View Agricultural and Mechanical College of Texas Housing System Revenue Bonds, Series 1970-A, 3.625%, due serially through 4/1/04 <sup>5</sup> .....	2,313,000	1,778,000	5,009,083*
Prairie View Agricultural and Mechanical College of Texas Housing System Revenue Bonds, Series 1970-B, 9.25%, 8.25% and 8.10%, due serially through 4/1/10 <sup>5</sup> .....	11,000,000	10,375,000	.....*
Prairie View Agricultural and Mechanical College of Texas Student Fee Revenue Bonds, Series 1972, 7.20%, 5.70%, 5.75%, 5.80% and 5.90%, due serially through 4/1/98 <sup>10</sup> .....	750,000	610,000	254,361

PRAIRIE VIEW A&M UNIVERSITY (at Prairie View)  
(continued)

	Original Amount Issued	Outstanding August 31, 1982	I. & S. and Reserve Funds August 31, 1982
Prairie View A&M University Combined Fee Revenue Bonds, Series 1974, 8.50%, 7.95%, 8.00%, 8.10%, 8.20% and 7.00%, due serially through 6/1/2000 <sup>15</sup> .....	\$ 6,400,000	\$ -0-	\$ .....**
Prairie View A&M University Combined Fee Revenue Refunding Bonds, Series 1978, 5%, 5.10%, 5.20%, 5.30%, 5.40%, 5.50%, 5.60%, 5.80%, 6%, 6.10% and 6.30%, due serially through 6/1/2000 <sup>10</sup> .....	7,095,000	6,225,000	615,914**
<b>TEXAS A&amp;M UNIVERSITY AT GALVESTON</b>			
Texas A&M University at Galveston Housing System Revenue Bonds, Series 1980, 9.20%, due serially through 10/1/99 <sup>5</sup> .....	4,400,000	4,400,000	845,854

\* Interest and Sinking Fund for Housing System Series 1970-A and 1970-B.

\*\* Interest and Sinking Fund for Combined Fee Revenue Bonds, Series 1974 and Series 1978 Refunding.

<sup>1</sup> Secured by first lien on and pledge of student tuition charges received by Texas A&M University.

<sup>3</sup> Secured by lien on and pledge of the interest of The Texas A&M University System in the income from the Permanent University Fund, subject only and subordinate to the first lien on and pledge of said interest heretofore created in connection with all Permanent University Fund Bonds issued prior to 1967 as listed above.

<sup>4</sup> Secured by first lien on and pledge of net revenues derived from operations of the A&M Press.

<sup>5</sup> Secured by first lien on and pledge of net revenues derived from specific housing and dining hall operations.

<sup>6</sup> Secured by first lien on and pledge of net revenues derived from operations of the Power Plant.

<sup>7</sup> Secured by pledge of Coliseum and Library Use Fee charged all students attending the University.

<sup>8</sup> Secured by pledge of Stadium Use Fee charged all students attending the University.

<sup>10</sup> Secured by first lien on and pledge of a Building Use Fee charged all tuition-paying students attending the University.

<sup>11</sup> Secured by first lien on and pledge of a Student Fee authorized to be charged all students attending the University, net revenues from the operation of the Utility System, and a lien on and pledge of net revenues from the operation of the existing Power Plant subject to the lien securing the Power Plant Revenue Bonds, Series 1963.

<sup>12</sup> Secured by first lien on and pledge of a Student Fee to be charged all students attending Prairie View A&M University and the net revenues derived from the operation of the Utility System.

<sup>13</sup> Refunded in advance on May 1, 1978, with funds provided by the Board of Regents of The Texas A&M University System —Texas A&M University Combined Fee Revenue Refunding Bonds, Series 1978, and are fully defeased.

<sup>14</sup> Refunded in advance on August 1, 1978, with funds provided by the Board of Regents of The Texas A&M University System —Texas A&M University Utility System Student Fee Revenue Refunding Bonds, Series 1978, and are fully defeased.

<sup>15</sup> Refunded in advance on August 1, 1978, with funds provided by the Board of Regents of The Texas A&M University System —Prairie View A&M University Combined Fee Revenue Refunding Bonds, Series 1978, and are fully defeased.

<sup>16</sup> Secured by a pledge of a first lien on the Net Revenues derived from the ownership and operation of Kyle Field Stadium.